

NORTH CAROLINA GENERAL ASSEMBLY  
1979 SESSION

CHAPTER 1124  
HOUSE BILL 1604

AN ACT AUTHORIZING JOINT ACTIVITY BY THE CITY OF WILMINGTON WITH PRIVATE BUSINESS CONTRACTS WITH PRIVATE DEVELOPERS TO REDEVELOP LAND IN ADVANCE OF ITS ACQUISITION, AND DISPOSITION OF PROPERTY AT PRIVATE SALE, TO FURTHER THE PURPOSES OF URBAN DEVELOPMENT ACTION GRANTS.

Whereas, the Congress of the United States enacted the Housing and Community Development Act of 1977 (Public Law 95-128) authorizing the Secretary of Housing and Urban Development to make Urban Development Action Grants to severely distressed cities which require increased public assistance and private investment to alleviate physical and economic deterioration; and

Whereas, assistance will be made available for economic revitalization in competing communities throughout this nation with population out-migration or stagnating or declining tax base, and for reclamation of neighborhoods, having excessive housing abandonment or deterioration under this federal program; and

Whereas, the regulations promulgated by the Department of Housing and Urban Development (HUD) for applications require evidence of commitment of both public and private resources which will be available for completing the project; and

Whereas, among the factors to be considered by HUD in funding such projects is whether the private commitment is more firm than for other projects being considered and whether such commitments are legally binding under State and local law (24 C.F.R.570 G); and

Whereas, the following is enacted for the purpose of enhancing the chances of the City of Wilmington in competition with other applicants seeking such funds; Now, therefore,

The General Assembly of North Carolina enacts:

**Section 1.** G.S. 160A-457, as the same appears in the 1977 Cumulative Supplement to Volume 3D, is amended by deleting the word "and" at the end of the subdivision (2) and adding the following new subsections at the end to read as follows:

"(4) To enter into contracts or agreements with any person, association or corporation to undertake and carry out specified activities in furtherance of the purposes of urban development action grants authorized by the Housing and Community Development Act of 1977 (P.L. 95-128). Such contracts may be negotiated and entered into prior to the actual acquisition or redevelopment of any real property obtained for

the purposes authorized by this Part, and such contracts shall be binding legal commitments for accomplishing the purposes set forth therein; and

(5) In addition to the powers granted in subsection (3) above, to convey at private sale to any person, firm, corporation, or governmental unit particular properties with a redevelopment area where it finds the proposed redeveloper is the only known available, qualified and willing redeveloper for the contemplated use and makes one or more of the following findings, which said findings shall be verified and approved by the governing body of the municipality after a public hearing, notice of which shall be given once a week for two successive calendar weeks in a newspaper published in the municipality and by posting such notice at four public places in the municipality, said notice to be published the first time, or posted, not less than 15 days prior to the date fixed for said hearing:

- a. That the proposed use or redevelopment is necessary in order to facilitate the relocation of persons or firms displaced by an urban development action grant project or other governmental action;
- b. That the proposed use or redevelopment is reasonably necessary in order to assure development which will have the desired beneficial effect upon neighboring property, the project area, and the community as a whole, as contemplated by the redevelopment plan;
- c. That the proposed use or redevelopment will assure that the property will not remain unused for an unduly long period and will result in a return to the local ad valorem tax rolls at a substantially earlier date than uses or redevelopments obtainable by other methods of disposition.

Such conveyance shall be for such consideration as may be agreed upon by the city and the redeveloper and approved by the governing body of the municipality, which shall not be less than the fair, actual value of the property as determined by the governing body of the municipality, based on competent evidence. All conveyances made under the authority of this subsection shall contain restrictive covenants limiting the use of the property so conveyed to the designated purpose for which the conveyance is made, provided, that the disposition of property at private sale as authorized in subdivision (5) shall be expressly limited to property used in connection with urban development action grants and for no other purpose under this Part."

**Sec. 2.** If any provision of this act is for any reason held to be unconstitutional or otherwise invalid, such decision shall not affect the validity of the remainder of the act.

**Sec. 3.** This act shall apply only to the City of Wilmington.

**Sec. 4.** This act is effective upon ratification.

In the General Assembly read three times and ratified, this the 19th day of June, 1980.