

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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SENATE BILL 1184*
Finance Committee Substitute Adopted 7/12/89

Short Title: Regional Sports Authorities.

(Public)

Sponsors:

Referred to:

May 4, 1989

1 A BILL TO BE ENTITLED
2 AN ACT TO ALLOW THE CREATION OF REGIONAL SPORTS AUTHORITIES.
3 The General Assembly of North Carolina enacts:

4 Section 1. Article 20 of Chapter 160A of the General Statutes is amended to
5 add a new Part to read as follows:

6 **“PART 3. REGIONAL SPORTS AUTHORITIES.**

7 **“§ 160A-479. Creation of authority; definition.**

8 (a) Any two or more units of local government may create a regional sports
9 authority by adopting identical concurrent resolutions to that effect in accordance with
10 the provisions of this Part. The concurrent resolutions creating a regional sports
11 authority, and any amendments thereto will be referred to in this Part as the ‘charter’ of
12 the regional sports authority. For the purposes of this Part, ‘unit of local government’
13 means a county, city or consolidated city-county.

14 (b) Any regional sports authority created pursuant to this Part shall be a body
15 corporate and politic.

16 **“§ 160A-479.1. Purpose of the authority.**

17 The purpose of a regional sports authority shall be to research, design, construct,
18 provide, finance, operate, improve, and maintain facilities for public participation and
19 enjoyment of sports, fitness, health and recreational activities of as many different types
20 and kinds as possible. The primary purpose of any and all such facilities shall be the
21 conduct of sports events but use of these facilities need not be limited to such.

22 **“§ 160A-479.2. Jurisdiction of the authority.**

1 (a) The territorial jurisdiction of any authority created pursuant to this Part shall
2 be coterminous with the boundaries of the respective units of local government creating
3 and participating in the authority.

4 (b) The jurisdiction of any authority created pursuant to this Part shall include
5 any and all currently existing public sports facilities operating within its territorial
6 jurisdiction to the extent that any person or governmental entity owning or controlling
7 such facilities have reached mutual and written agreement with an authority for the
8 operation and maintenance of such facilities by the authority.

9 (c) The jurisdiction of an authority shall also include any and all new public
10 sports facilities within the regional authority's territorial jurisdiction developed
11 specifically for operation and maintenance by an authority with the agreement of an
12 authority.

13 **"§ 160A-479.3. Membership.**

14 Each unit of local government initially adopting a concurrent resolution under G.S.
15 160A-479 shall become a member of the regional authority. Thereafter, any local
16 government may join the regional authority by ratifying its charter and by being
17 admitted by a majority vote of the existing members. All of the rights and privileges of
18 membership in a regional sports authority shall be exercised on behalf of its member
19 governments by their delegates to the authority.

20 **"§ 160A-479.4. Contents of charter.**

21 The charter of a regional sports authority shall:

- 22 (1) Specify the name of the authority;
- 23 (2) Establish the powers, duties, and functions that it may exercise and
24 perform;
- 25 (3) Establish the number of delegates to represent the member
26 governments, fix their terms of office, provide methods for filling
27 vacancies, and prescribe the compensation and allowances, if any, to
28 be paid to delegates;
- 29 (4) Set out the method of determining the financial support that will be
30 given to the authority by each member government;
- 31 (5) Establish a method for amending the charter, and for dissolving the
32 authority and liquidating its assets and liabilities.

33 In addition, the charter may, but need not, contain rules and regulations for the conduct
34 of authority business and any other matter pertaining to the organization, powers, and
35 functioning of the authority that the member governments deem appropriate.

36 **"§ 160A-479.5. Organization of authority.**

37 Upon its creation, a regional sports authority shall meet at a time and place agreed
38 upon by its member governments and shall organize by electing a chairman and any
39 other officers that the charter may specify or the delegates may deem advisable. The
40 authority shall then adopt bylaws for the conduct of its business. All meetings of the
41 authority shall be open to the public.

42 **"§ 160A-479.6. Withdrawal from authority.**

43 Any member government may withdraw from a regional sports authority at the end
44 of any fiscal year by giving at least 60 days' written notice to each of the other members

1 but such withdrawal shall not affect the validity of any bonds or notes, and the area of
2 the member government shall remain in the area for which taxes may be levied by the
3 authority to pay principal and interest on any bonds or notes issued prior to the date of
4 notice of the withdrawal. Withdrawal of a member government shall not dissolve the
5 authority if at least two members remain.

6 **"§ 160A-479.7. Powers of authority.**

7 The charter may confer on the regional sports authority any or all of the following
8 powers:

- 9 (1) To apply for, accept, receive, and dispense funds and grants made
10 available to it by the State of North Carolina or any agency thereof, the
11 United States of America or any agency thereof, any unit of local
12 government (whether or not a member of the authority), and any
13 private or civic agency;
- 14 (2) To employ personnel;
- 15 (3) To contract with consultants;
- 16 (4) To contract with the State of North Carolina, any other state, the
17 United States of America, or any agency thereof, for services;
- 18 (5) To adopt bylaws for the regulation of the affairs and the conduct of its
19 business, and to prescribe rules, regulations and policies in connection
20 with the performance of its functions and duties, not inconsistent with
21 this Part;
- 22 (6) To adopt an official seal and alter the same at pleasure;
- 23 (7) To acquire and maintain an administrative building or office at such
24 place or places as it may determine, which building or office may be
25 used or owned alone or together with any municipalities, corporations,
26 associations or persons under such terms and provisions for sharing
27 costs and otherwise as may be determined;
- 28 (8) To sue and be sued in its own name, and to plead and be impleaded;
- 29 (9) To receive, administer, and comply with the conditions and
30 requirements respecting any gift, grant, or donation of any property or
31 money;
- 32 (10) To acquire by purchase, lease, gift, or otherwise, or to obtain options
33 for the acquisition of, any property, real or personal, improved or
34 unimproved, including an interest in land less than the fee thereof;
- 35 (11) To sell, lease, exchange, transfer, or otherwise dispose of, or to grant
36 options for any such purposes with respect to, any real or personal
37 property or interest therein;
- 38 (12) To pledge, assign, mortgage, or otherwise grant a security interest in
39 any real or personal property or interest therein, including the right and
40 power to pledge, assign, or otherwise grant a security interest in any
41 money, rents, charges, or other revenues and any proceeds derived by
42 an authority from any and all sources;
- 43 (13) To issue bonds of the authority for the purpose of providing funds for
44 any of its corporate purposes;

- 1 (14) With the approval of the unit of local government's chief
2 administrative official, to use officers, employees, agents, and facilities
3 of the unit of local government for such purposes and upon such terms
4 as may be mutually agreeable;
- 5 (15) To develop and make data, plans, information, surveys, and studies of
6 public sports and recreation facilities within the territorial jurisdiction
7 of an authority, to prepare and make recommendations in regard
8 thereto;
- 9 (16) To study and plan for new and improved major regional sports and
10 recreational facilities including but not limited to arenas, stadia,
11 gymnasia, natatoria, pitches, fields, water courses, and other areas for
12 the conduct of sports and recreational activities. These facilities
13 should be of such sizes and in such locations that they will be adequate
14 to serve the population of the entire jurisdiction of the authority (and
15 beyond) to the extent possible;
- 16 (17) To design any new such facilities so they include such equipment and
17 design that efficiency, cost, accessibility, utility, and usability of such
18 facilities will be maximized;
- 19 (18) To have sports facilities grouped into complexes or separated as an
20 authority may see fit, and such facilities may include ancillary support
21 facilities including but not limited to those for administration, sports
22 science, sports medicine, training, museums, meeting rooms and
23 conference centers, accommodations, food services, retail shops,
24 theatres, video services, schools, and educational services.
- 25 (19) To operate the facilities in such a way as to make them as accessible as
26 possible for rental and use by the public while balancing the need for
27 as many of the facilities as possible (particularly any arenas and stadia)
28 to operate annually without a deficit (exclusive of any debt service);
- 29 (20) To operate such facilities together with the State, any entity of the
30 State, or local government as appropriate to maintain a high profile
31 and promotional value for North Carolina and the region encompassed
32 by an authority and to attract as many major regional, national, and
33 international tournaments, events, championships training centers,
34 training camps, and headquarters for the governance of various sports,
35 associations, and events as reasonable and possible;
- 36 (21) To generate a significant and continuing positive economic impact on
37 the region and State through the construction and operation of facilities
38 and conduct of events and activities within the facilities;
- 39 (22) To set and collect such fees and charges for use of such facilities as is
40 reasonable to offset operating costs of said facilities and yet enable
41 said facilities to be affordable to and used by as much of the regional
42 and State population as possible;
- 43 (23) To collect or contract for the collection of taxes;

- 1 (24) To apply to the appropriate agencies of the State, the United States or
2 any state thereof, and to any other proper agency for such permits,
3 licenses, certificates or approvals as may be necessary, and to
4 construct, maintain and operate projects in accordance with such
5 licenses, permits, certificates or approvals in the same manner as any
6 other person or operating unit of any other person;
- 7 (25) To employ engineers, architects, attorneys, real estate counselors,
8 appraisers, financial advisors and such other consultants and
9 employees as may be required in the judgment of an authority and to
10 fix and pay their compensation from funds available to an authority
11 therefor and to select and retain subject to approval of the Local
12 Government Commission, the financial consultants, underwriters and
13 bond attorneys to be associated with the issuance of any bonds and to
14 pay for services rendered by underwriters, financial consultants, or
15 bond attorneys out of the proceeds of any such issue with regard to
16 which the services were performed;
- 17 (26) To levy for the life of general obligation and revenue bonds issued by
18 the authority an annual property tax for operating supplements or debt
19 service reserved supplements as hereinafter provided;
- 20 (27) To cause property taxes to be levied and collected upon all taxable
21 property within the district sufficient to meet the obligations of the
22 district; and
- 23 (28) To do all acts and things necessary, convenient, or desirable to carry
24 out the purposes, and to exercise the powers granted to an authority
25 herein.

26 **"§ 160A-479.8 Fiscal accountability.**

27 A Regional Sports Authority is a public authority subject to the provisions of
28 Chapter 159 of the General Statutes of North Carolina.

29 **"§ 160A-479.9 Funds.**

30 (a) The establishment and incorporation of an authority as herein authorized are
31 governmental functions and constitute a public purpose, and the State of North Carolina
32 and any unit of local government may appropriate funds to support the establishment
33 and corporation of an authority.

34 (b) The State of North Carolina and any unit of local government may also
35 dedicate, sell, convey, donate or lease any of their interests in any property to an
36 authority.

37 (c) If the governing body of an authority finds that the funds otherwise available
38 are insufficient, it may call a special election without a petition and submit to the
39 qualified voters within the territorial jurisdiction of an authority the question of whether
40 or not a special ad valorem tax shall be levied and/or bonds issued, specifying the
41 maximum amount thereof, for the purpose of acquiring lands, buildings, equipment and
42 facilities and for the operating of an authority.

43 **"§ 160A-479.10. Controlling provisions.**

1 Insofar as the provisions of this Part are not consistent with the provisions of any
2 other law, public or private, the provisions of this Part shall be controlling.

3 **"§ 160A-479.11. Conflicts of interest of public officials.**

4 Members, officers and employees of any authority created under this Part shall be
5 subject to the provisions of G.S. 14-234.

6 **"§ 160A-479.12. Bonds and notes authorized.**

7 In addition to the powers hereinbefore allowed, an authority may, in its charter, be
8 granted the power to issue bonds and notes pursuant to the provisions of the Local
9 Government Bond Act and the Local Government Revenue Bond Act for the purpose of
10 financing regional sports and recreational facilities (including support facilities) or any
11 Part thereof and to refund such bonds and notes, whether or not in advance of their
12 maturity or earliest redemption date.

13 **"§ 160A-479.13. Power of eminent domain.**

14 (a) In addition to the powers hereinbefore granted, an authority may, in its
15 charter, be granted continuing power to acquire, by gift, grant, devise, bequest,
16 exchange, purchase, lease with or without option to purchase, or any other lawful
17 method, including but not limited to the power of eminent domain, the fee or any lesser
18 interest in real or personal property for use by an authority.

19 (b) The authority shall exercise the power of eminent domain in accordance with
20 Chapter 40A of the General Statutes.

21 **"§ 160A-479.14. Tax exemption.**

22 (a) The property of an authority, both real and personal, its acts, activities and
23 income shall be exempt from any tax or tax obligation; in the event of any lease of
24 authority property, or other arrangement which amounts to a leasehold interest, to a
25 private party, this exemption shall not apply to the value of such leasehold interest nor
26 shall it apply to the income of the lessee.

27 (b) Otherwise, however, for the purpose of taxation, when property of an
28 authority is leased to private parties solely for the purpose of an authority, the acts and
29 activities of an authority for the purpose of exemption of the lessee shall be considered
30 as the acts and activities of the private parties.

31 (c) The interest on bonds or obligations issued by an authority shall be exempt
32 from State taxes.

33 **"§ 160A-479.15. Removal and relocation of utility structures.**

34 (a) An authority may require any public utility, railroad, or other public service
35 corporation owning or operating any installations, structures, equipment, apparatus,
36 appliances or facilities in, upon, under, over, across or along any land or facility where
37 an authority has the right to own, construct, operate or maintain its facilities to remove
38 or relocate such installation, structures, equipment, apparatus, appliances or facilities
39 from their location.

40 (b) If the owner or operator thereof fails or refuses to remove or relocate them, an
41 authority may proceed to do so.

42 (c) An authority may provide the necessary new locations or an authority may
43 also acquire the necessary new locations by purchase or otherwise.

1 (d) An authority shall reimburse the public utility, railroad or other public service
2 corporation, for the cost of relocations which shall be the entire amount paid or incurred
3 by the utility properly attributable thereto after deducting the cost of any increase in the
4 service capacity of the new installations, structures, equipment, apparatus, appliances or
5 facilities and any salvage value derived from the old installations, structures, equipment,
6 apparatus or appliances.

7 **"§ 160A-479.16. Determination of tax rate by authority; levy and collection of tax;**
8 **remittance and deposit of funds.**

9 After each assessment for taxes following the creation of the authority, the board
10 or boards of commissioners of the county or counties within which the district is located
11 shall file with the authority the valuation of assessable property within the territorial
12 jurisdiction of the authority. The authority shall then determine the amount of funds to
13 be raised by taxation for the ensuing year in excess of available funds to provide for:

14 (1) The payment of interest on and principal of all outstanding general
15 obligation bonds as the same shall become due and payable and to pay
16 all obligations incurred by the authority in the performance of its
17 lawful undertakings and functions; and

18 (2) The operating expenses of the authority and its facilities.

19 The authority shall determine the number of cents per hundred dollars necessary
20 to raise said amount and certify such rate to the appropriate board or boards of
21 commissioners of the appropriate county or counties. The board or boards of
22 commissioners of such county or counties shall include the number of cents per hundred
23 dollars certified by the authority in its next annual levy against all taxable property
24 within the territorial jurisdiction of the authority which tax shall be collected as other
25 county taxes are collected, and every month the amount of tax so collected shall be
26 remitted to the authority and deposited by the authority in a separate account in a bank
27 in the State. Such levy may include an amount for reimbursing the particular county for
28 the cost to the county of levying and collecting any such taxes. The officer or officers
29 having charge or custody of the funds of the authority shall require security for
30 protection of deposits as provided in the Local Government Budget and Fiscal Control
31 Act.

32 **"§ 160A-479.17. Bond elections.**

33 Elections for the purpose of authorizing the levy of taxes for the issuance of
34 bonds shall be called by the authority and shall be conducted and the results canvassed
35 by the boards of elections having jurisdiction within the participating units. Such results
36 shall be certified to the authority which shall certify and declare the result of the
37 election and publish a statement of the result once as provided in the Local Government
38 Bond Act.

39 **"§ 160A-479.18. Advances.**

40 Any member government unit may make advances, from any moneys that may
41 be available for such purpose, in connection with the creation of the authority and to
42 provide for the preliminary expenses of such authority. Any such advances may be
43 repaid to such participating units of local government from the proceeds of the bonds
44 issued by such district, if capital in nature, or from other available funds of the district.

1 **"§ 160A-479.19. Annexation.**

2 The annexation by a member government which is a city of areas lying outside of
3 the territorial jurisdiction of the authority shall make such annexed area a part of the
4 district, and such area shall be subject to all debts and all obligations thereof."

5 Sec. 2. G.S. 159-81(1) reads as rewritten:

6 "(1) 'Municipality' means a county, city, town, incorporated
7 village, sanitary district, metropolitan sewerage district, metropolitan
8 water district, county water and sewer district, water and sewer
9 authority, hospital authority, hospital district, parking authority,
10 special airport district, regional sports authority, and airport
11 authority, a joint agency created pursuant to Part 1 of Article 20 of
12 Chapter 160A of the General Statutes, but not any other forms of
13 local government."

14 Sec. 3. G.S. 159-44(4) reads as rewritten:

15 "(4) 'Unit,' 'unit of local government,' or 'local government'
16 means counties; cities, towns, and incorporated villages; sanitary
17 districts; mosquito control districts; hospital districts; metropolitan
18 sewerage districts; metropolitan water districts; county water and
19 sewer districts; regional sports authorities; and special airport
20 districts."

21 Sec. 4. G.S. 159-48(e) reads as rewritten:

22 "(e) Each sanitary district, mosquito control district, hospital district, metropolitan
23 sewerage district, metropolitan water district, county water and sewer district, regional
24 sports authority and special airport district is authorized to borrow money and issue its
25 bonds under this Article in evidence thereof for the purpose of paying any capital costs
26 of any one or more of the purposes for which it is authorized, by general laws uniformly
27 applicable throughout the State, to raise or appropriate money, except for current
28 expenses."

29 Sec. 5. G.S. 40A-3(c) is amended by adding a new subdivision to read:

30 "(13) A regional sports authority established under the provisions of Part 3 of
31 Article 20 of Chapter 160A of the General Statutes for the purposes of that Part."

32 Sec. 6. This act is effective upon ratification.