

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

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HOUSE BILL 519

Short Title: Canal Dredging Tax Districts.

(Public)

Sponsors: Representative Stiller.

Referred to: Finance.

March 17, 2003

A BILL TO BE ENTITLED

1 AN ACT TO ALLOW MUNICIPALITIES TO CREATE SPECIAL TAX DISTRICTS
2 FOR CANAL DREDGING FOR NAVIGATION, SO AS TO ALLOW
3 CONTINUED ACCESS TO THE INTRACOASTAL WATERWAY AND THE
4 ATLANTIC OCEAN, AND TO ALLOW CREATION OF A CAPITAL RESERVE
5 FUND FOR SUCH DISTRICT NOTWITHSTANDING THAT THE ITEM IS
6 MAINTENANCE, SO AS TO ALLOW ACCUMULATION OF FUNDS FOR
7 THAT PURPOSE.
8

9 The General Assembly of North Carolina enacts:

10 **SECTION 1.** G.S. 160A-536 reads as rewritten:

11 "(a) Purposes. – The city council of any city may define any number of service
12 districts in order to finance, provide, or maintain for the districts one or more of the
13 following services, facilities, or functions in addition to or to a greater extent than those
14 financed, provided or maintained for the entire city:

15 (1) Beach erosion control and flood and hurricane protection works.

16 (1a) Any service, facility, or function which the municipality may by law
17 provide in the city, and including but not limited to placement of utility
18 wiring underground, placement of period street lighting, placement of
19 specially designed street signs and street furniture, landscaping,
20 specialized street and sidewalk paving, and other appropriate
21 improvements to the rights-of-way that generally preserve the
22 character of an historic district; provided that this subdivision only
23 applies to a service district which, at the time of its creation, had the
24 same boundaries as an historic district created under Part 3A of Article
25 19 of this Chapter.

26 (2) Downtown revitalization projects.

27 (2a) Urban area revitalization projects.

28 (3) Drainage projects.

- 1 (3a) Sewage collection and disposal systems of all types, including septic
2 tank systems or other on-site collection or disposal facilities or
3 systems.
4 (3b) Lighting at interstate highway interchange ramps.
5 (4) Off-street parking facilities.
6 (5) Watershed improvement projects, including but not limited to
7 watershed improvement projects as defined in General Statutes
8 Chapter 139; drainage projects, including but not limited to the
9 drainage projects provided for by General Statutes Chapter 156; and
10 water resources development projects, including but not limited to the
11 federal water resources development projects provided for by General
12 Statutes Chapter 143, Article 21.
13 (6) Canal dredging to aid in navigational access from private property to
14 public waters."

15 **SECTION 2.** Article 23 of Chapter 160A of the General Statutes is amended
16 by adding a new section to read:

17 **"§ 160A-545. Capital reserve funds.**

18 A city may establish a capital reserve fund under Part 2 of Article 3 of Chapter 159
19 of the General Statutes for a district established under G.S. 160A-536(a)(6),
20 notwithstanding that it could not issue bonds for such a purpose as would otherwise be
21 required by G.S. 159-18."

22 **SECTION 3.** G.S. 160A-540 reads as rewritten:

23 **"§ 160A-540. Required provision or maintenance of services.**

24 (a) New District. – When a city defines a new service district, it shall provide,
25 maintain, or let contracts for the services for which the residents of the district are being
26 taxed within a reasonable time, not to exceed one year, after the effective date of the
27 definition of the ~~district.~~ district, except that if at the same meeting it adopts a resolution
28 creating a district under G.S. 160A-536(a)(6) it establishes a capital reserve fund to
29 build up funds for the purpose of providing the service, it may delay providing the
30 service until sufficient funds have accumulated, but in no case to exceed five years.
31 Notice of the intent to establish such a fund and defer providing the service must be
32 included in the public hearing notice under G.S. 160A-537.

33 (b) Extended District. – When a city annexes territory for a service district, it
34 shall provide, maintain, or let contracts for the services provided or maintained
35 throughout the district to the residents of the area annexed to the district within a
36 reasonable time, not to exceed one year, after the effective date of the annexation.

37 (c) Consolidated District. – When a city consolidates two or more service
38 districts, one of which has had provided or maintained a lower level of services, it shall
39 increase the services within that district (or let contracts therefor) to a level comparable
40 to those provided or maintained elsewhere in the consolidated district within a
41 reasonable time, not to exceed one year, after the effective date of the consolidation."

42 **SECTION 4.** This act is effective when it becomes law.