

April 3, 2003

S 725. LOCAL OPTION PROJECT DEVELOPMENT FINANCING. *TO AMEND THE NORTH CAROLINA CONSTITUTION TO PERMIT CITIES AND COUNTIES TO INCUR OBLIGATIONS TO FINANCE THE PUBLIC PORTION OF CERTAIN ECONOMIC DEVELOPMENT PROJECTS.* Proposes to amend the NC Constitution by adding new section 14 to Art. V to authorize the General Assembly to enact laws authorizing cities and counties to define territorial areas in which special tax increment arrangements will be made, and instruments of indebtedness may be issued to finance private development projects within the territorial areas. Amendment to be voted on at next statewide general election. If amendment passes, enacts new Art. 6 of GS Ch. 159 to provide for project development financing. Among the major provisions of this article are: (1) local governments are authorized to issue project development financing debt instruments for many of the same purposes for which general obligation bonds may be issued; (2) the new debt instruments may be issued only with approval of the Local Government Comm'n; (3) new debt instruments are largely to be financed by property taxes levied on incremental valuation in the territorial area for which the financing is provided by the debt instruments; (4) procedures are established by which county assessor is to determine the amount of the incremental valuation; (5) a local government may enter into an agreement with real property owners in a development financing district for which debt instruments are issued to determine the minimum value of the property for tax purposes during the life of the project. Rewrites GS 160A-515.1 to provide that a city may finance a redevelopment project with the proceeds of project development financing debt instruments issued pursuant to GS Ch. 159, subject to various restrictions.

Intro. by Clodfelter.

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| Ref. to | CONST, 159, 158, 105, 160A |
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May 22, 2003

S 725. LOCAL OPTION PROJECT DEVELOPMENT FINANCING. Intro. 4/3/03. Senate committee substitute makes the following changes to 1st edition. Modifies proposed amendment to NC Constitution Art. V, Sec. 14, to clarify that if owner agrees to minimum value assessment of property, value shall be binding on the current owner and any future owners as long as the defined territorial area is in effect. Makes technical changes.

May 28, 2003

S 725. LOCAL OPTION PROJECT DEVELOPMENT FINANCING. Intro. 4/3/03. Senate amendment makes the following changes to 2nd edition. Makes technical changes only.

July 27, 2003

S 725. LOCAL OPTION PROJECT DEVELOPMENT FINANCING. Intro. 4/3/03. House committee substitute makes the following changes to 3rd edition. Makes technical changes only.

August 20, 2003

SL 2003-403 (S 725). LOCAL OPTION PROJECT DEVELOPMENT FINANCING. *AN ACT TO AMEND THE NORTH CAROLINA CONSTITUTION TO PERMIT CITIES AND COUNTIES TO INCUR OBLIGATIONS TO FINANCE THE PUBLIC PORTION OF CERTAIN ECONOMIC DEVELOPMENT PROJECTS.* Summarized in *Daily Bulletin* 4/3/03, 5/22/03, 5/28/03, and 7/17/03. Enacted August 7, 2003. Effective August 7, 2003.