GENERAL ASSEMBLY OF NORTH CAROLINA 1995 SESSION

CHAPTER 746 HOUSE BILL 1083

AN ACT TO REQUIRE FIRST-CLASS MAIL NOTICE TO ALL PROPERTY OWNERS IN AN AREA PROPOSED FOR ADDITION TO A MUNICIPALITY'S EXTRATERRITORIAL PLANNING AND ZONING JURISDICTION, PROPORTIONAL REPRESENTATION FOR RESIDENTS OF THE ETJ ON THE PLANNING AGENCY, AND A HEARING BEFORE COUNTY APPOINTMENT OF REPRESENTATION TO THE PLANNING AGENCY, TO PROHIBIT A MUNICIPALITY FROM CLAIMING FOR LOST TAX REVENUE DURING THE PENDENCY OF AN APPEAL OF ANNEXATION AND TO AMEND THE STATUTE OF LIMITATIONS FOR APPEALING THE VALIDITY OF A ZONING ORDINANCE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 160A-360 is amended by adding a subsection to read:

"(a1) Any municipality planning to exercise extraterritorial jurisdiction under this Article shall notify the owners of all parcels of land proposed for addition to the area of extraterritorial jurisdiction, as shown on the county tax records. The notice shall be sent by first-class mail to the last addresses listed for affected property owners in the county tax records. The notice shall inform the landowner of the effect of the extension of extraterritorial jurisdiction, of the landowner's right to participate in a public hearing prior to adoption of any ordinance extending the area of extraterritorial jurisdiction, as provided in G.S. 160A-364, and the right of all residents of the area to apply to the board of county commissioners to serve as a representative on the planning agency and the board of adjustment, as provided in G.S. 160A-362. The notice shall be mailed at least four weeks prior to the public hearing. The person or persons mailing the notices shall certify to the city council that the notices were sent by first-class mail, and the certificate shall be deemed conclusive in the absence of fraud."

Sec. 2. G.S. 160A-362 reads as rewritten:

"§ 160A-362. Extraterritorial representation.

When a city elects to exercise extraterritorial zoning or subdivision-regulation powers under G.S. 160A-360, it shall in the ordinance creating or designating its planning agency or agencies provide a means of <u>proportional</u> representation <u>based on population</u> for residents of the extraterritorial area to be regulated. Representation shall be provided by appointing <u>residents</u> at least one <u>resident</u> of the <u>entire extraterritorial zoning and subdivision regulation</u> area to the planning agency and the board of adjustment that makes recommendations or grants relief in these matters. <u>For purposes of this section</u>, an additional member must be appointed to the planning agency or board

of adjustment to achieve proportional representation only when the population of the entire extraterritorial zoning and subdivision area constitutes a full fraction of the municipality's population divided by the total membership of the planning agency or board of adjustment. Membership of joint municipal county planning agencies or boards of adjustment may be appointed as agreed by counties and municipalities. Any advisory board established prior to July 1, 1983, to provide the required extraterritorial representation shall constitute compliance with this section until the board is abolished by ordinance of the city. The representatives on the planning agency and the board of adjustment shall be appointed by the board of county commissioners with jurisdiction over the area. When selecting a new representative to the planning agency or to the board of adjustment as a result of an extension of the extraterritorial jurisdiction, the board of county commissioners shall hold a public hearing on the selection. A notice of the hearing shall be given once a week for two successive calendar weeks in a newspaper having general circulation in the area. The board of county commissioners shall select appointees only from those who apply at or before the public hearing. The county shall make the appointments within 45 days following the public hearing. Once a city provides proportional representation, no power available to a city under G.S. 160A-360 shall be ineffective in its extraterritorial area solely because county appointments have not yet been made. If there is an insufficient number of qualified residents of the area to meet membership requirements, the board of county commissioners may appoint as many other residents of the county as necessary to make up the requisite number. When the extraterritorial area extends into two or more counties, each board of county commissioners concerned shall appoint representatives from its portion of the area, as specified in the ordinance. If a board of county commissioners fails to make these appointments within 90 days after receiving a resolution from the city council requesting that they be made, the city council may make them. If the ordinance so provides, the outside representatives may have equal rights, privileges, and duties with the other members of the agency to which they are appointed, regardless of whether the matters at issue arise within the city or within the extraterritorial area; otherwise they shall function only with respect to matters within the extraterritorial area."

- Sec. 3. G.S. 160A-50 is amended by adding a new subsection to read:
- "(m) In any proceeding related to an annexation ordinance appeal under this section, a city shall not state a claim for lost property tax revenue caused by the appeal. Nothing in this Article shall be construed to mean that as a result of an appeal a municipality may assert a claim for property tax revenue lost during the pendency of the appeal."
 - Sec. 4. G.S. 160A-38 is amended by adding a new subsection to read:
- "(1) In any proceeding related to an annexation ordinance appeal under this section, a city shall not state a claim for lost property tax revenue caused by the appeal. Nothing in this Article shall be construed to mean that as a result of an appeal a municipality may assert a claim for property tax revenue lost during the pendency of the appeal."

Sec. 5. G.S. 1-54.1 reads as rewritten:

"§ 1-54.1. Nine-Two months.

Within nine two months an action contesting the validity of any zoning ordinance or amendment thereto adopted by a county under Part 3 of Article 18 of Chapter 153A of the General Statutes or other applicable law or adopted by a city under Chapter 160A of the General Statutes or other applicable law."

Sec. 6. G.S. 153A-348 reads as rewritten:

"§ 153A-348. Statute of limitations.

A cause of action as to the validity of any zoning ordinance, or amendment thereto, adopted under this Part or other applicable law shall accrue upon adoption of the ordinance, or amendment thereto, and shall be brought within nine—two_months as provided in G.S. 1-54.1."

Sec. 7. G.S. 160A-364.1 reads as rewritten:

"§ 160A-364.1. Statute of limitations.

A cause of action as to the validity of any zoning ordinance, or amendment thereto, adopted under this Article or other applicable law shall accrue upon adoption of the ordinance, or amendment thereto, and shall be brought within nine-two months as provided in G.S. 1-54.1."

Sec. 8. Sections 3 and 4 of this act become effective on and after January 1, 1996. All other sections of this act become effective October 1, 1996.

In the General Assembly read three times and ratified this the 21st day of June, 1996.

Dennis A. Wicker President of the Senate

Harold J. Brubaker Speaker of the House of Representatives