

3

ATTACHMENT 1

AGENDA #5a(1)

MEMORANDUM

TO: Mayor and Town Council
FROM: Ralph D. Karpinos, Town Attorney
SUBJECT: Legislative Update
DATE: September 13, 2004

This report provides information on the Council's 2004 legislative requests and other items of interest considered in the 2004 Short Session of the North Carolina General Assembly.

Town Requests for Local Legislation

On April 14, 2004, the Council adopted a resolution establishing its legislative program for the 2004 Session of the General Assembly. Specific legislative requests as well as other policy positions were included in the resolution adopted and submitted to members of the local Legislative Delegation. A brief summary of the status of each of these requests follows:

1. A bill to authorize a local public campaign financing program.

Bills to authorize such a program in Chapel Hill were introduced in both the Senate and the House. Both bills were in committees at the time the General Assembly adjourned.

2. A bill to authorize the expenditure of open space bond funds outside of the Town's extra-territorial jurisdiction.

Session Law 2004-119 was enacted and authorizes the Town to acquire open space lands outside the Town's jurisdiction by voluntary purchase. The Town now has this additional option for use of its open space bond funds and other funds that might become available for this purpose in the event properties are identified that are of interest to the Town.

3. A bill to authorize transfer of development rights into the Town's urban area in association with conservation easements purchased in rural areas of Orange County.

A bill to authorize this was introduced and received consideration. However, it was deferred late in the session due to concerns that the proposed legislation lacked sufficient detail. Based on the discussion that occurred in the Senate, Senator Kinnaird has recommended that we consider developing a more detailed plan before again proposing local legislation on this topic. In addition, the general topic of transferable development

rights was included as a topic for study by the Joint Legislative Growth Strategies Oversight Committee in the Studies Act of 2004, Session Law 2004-161.

4. A bill to allow the Town to enact zoning regulations pertaining to the ratio of bedrooms to bathrooms in residential development.

No bill was introduced on this topic.

5. A bill to extend the time period that a special use permit development can be delayed if the property has been identified as a potential school site.

Session Law 2004-27 was enacted and authorizes the Town to enact an ordinance to extend from 12 months to 18 months the time period which the board of education has to acquire property. A separate agenda item on last Tuesday's agenda initiated the steps to make the modifications to the Town's regulations to implement this new authority.

6. Enhanced financial support for the provision of Town fire protection services on the campus of the University of North Carolina at Chapel Hill.

The Town's interest in this issue was communicated to members of our local delegation. The Studies Act includes a provision that authorizes a legislative study of issues related to the funding for local services provided to state agencies.

7. Support for local and regional transportation organizational and funding issues.

The Mayor's letter to the members of our local Legislative Delegation communicated our interest in this subject. Opportunities to address this matter in the Short Session were limited.

8. A bill to request that the North Carolina General Assembly repeal the Defense of Marriage Act.

A bill to repeal this State Statute was not introduced during the 2004 Session.

9. Funding mechanism to put overhead power distribution lines underground.

A bill had been introduced in the 2003 Session of the General Assembly to authorize an additional tax to provide some funding for such a program. That bill did not receive further consideration during this year's short session and no bill was introduced on this topic this session.

10. A bill to increase the homestead exemption.

As stated in previous reports to the Council, any change to the homestead property tax exemption would need to be State-wide. A bill was introduced to modify the current

statewide standards for the homestead property tax exemption and was in a House Committee at the time of adjournment of the General Assembly.

Other Legislation of Interest

1. Regulation of state lands

A provision of the State's Technical Corrections Bill, enacted as Session Law 2004-199, modified municipal zoning authority over projects proposed by the State and units of local government. Under the provisions of the new law, which is effective October 1, 2004, municipal zoning authority extends to development of land proposed by the State and State and local governmental units. Present law provides that local zoning applies to buildings. In addition, under this new statute, this publicly-owned property will now be subject to local overlay zoning districts.

We will report to you in the near future on the implication of this change on the Town's land use regulatory process, including the impact of this change on the Town's own development projects and the Town's review of projects submitted by the University and other public agencies.

2. Horace Williams Airport

Session Law 2004-124, the Appropriations Act, includes a provision that requires the University to operate Horace Williams Airport and continue air transportation support for the Area Health Education Center and the public from that location until a replacement facility that is accessible to the University becomes operational.

3. Stormwater Management

The State-wide bill straightens out legal and procedural concerns arising out of the non-approval of final rules proposed by the state Environmental Management Commission and assists local governments seeking to meet compliance deadlines established by federal law for compliance with stormwater management standards. The Town does not need to take any additional steps at this time as a result of this legislation.

4. Billboard Compensation

The bill that became law requires that local governments that adopt new ordinances requiring the removal of nonconforming billboards compensate the companies that own the billboards. The act does not apply to ordinances in effect on the date of enactment of the statute. The Town does not need to take any additional steps at this time as a result of this legislation.

5. Study of Lobbying Regulations

The Studies Act of 2004 also authorizes the Legislative Research Commission to study legislative and executive branch lobbying.

Next Steps

Bills that were introduced but not enacted by the 2003-04 General Assembly, as well as those that were proposed but not introduced, would need to be resubmitted and introduced if they are to be considered in the next General Assembly, scheduled to convene on January 26, 2005. The Council will have an opportunity to consider establishing a legislative program for the 2005 Session of the General Assembly in the coming months.

Information on studies authorized by the Studies Act of 2004 and other legislation from this past session will be provided by the League of Municipalities. The League will monitor these studies and participate in shaping recommendations as appropriate.

Please let me know if you have any questions regarding these or other matters that were considered by the General Assembly this year.