



# SENATE BILL 6: Cornelius Annexation.

2017-2018 General Assembly

<b>Committee:</b>	House State and Local Government I. If favorable, re-refer to Finance	<b>Date:</b>	June 13, 2017
<b>Introduced by:</b>	Sen. Tarte	<b>Prepared by:</b>	Billy R. Godwin Staff Attorney
<b>Analysis of:</b>	PCS to Second Edition S6-CSBDx-28		

**OVERVIEW:** Senate Bill 6 would add certain properties to the corporate limits of the Town of Cornelius and would become effective June 30, 2017. The Proposed Committee Substitute (PCS) to Senate Bill 6 would remove five parcels from the proposed annexation.<sup>1</sup>

[As introduced, this bill was identical to H255, as introduced by Rep. Bradford, which is currently in House State and Local Government I.]

**CURRENT LAW:** Annexation is a method by which municipalities alter their boundaries. The municipality must follow the statutorily prescribed steps in order to add an area into its boundaries. The municipality must provide, or contract to provide, basic services to the area. These services include police protection, fire protection, solid waste collection and the extension of water and sewer lines to the area.

North Carolina law sets forth four basic ways in which a municipality may annex an area:

- Voluntary Annexation. – The owners of all real property in an area contiguous to the municipality desiring to be annexed sign a petition requesting annexation.
- Voluntary Satellite Annexation. – The owners of all real property in the area desiring to be annexed sign a petition requesting annexation, if it otherwise meets the statutory requirements.
- Municipal-Initiated Annexation subject to a referendum. – The municipality initiates an annexation proceeding, pursuant to statutory requirements.
- Legislative Act. – The General Assembly has the authority to extend the boundaries of any municipality.

**BILL ANALYSIS:** Senate Bill 6 would annex numerous properties west of Old Statesville Road into the corporate limits of the Town of Cornelius by legislative act and the PCS would remove five of those parcels from the proposed annexation.<sup>2</sup> The Board of Commissioners of the Town of Cornelius adopted a resolution supporting the annexation on March 6, 2017. The Town's stated desire is to annex all ETJ properties west of Old Statesville Road into the Town limits to better serve the residents with police service and fire protection. Currently, the unincorporated property owners pay Mecklenburg County a separate police service district tax of \$0.2114 per \$100 of assessed value, and pay Cornelius a fire

<sup>1</sup> The five parcels that would be removed by the PCS as referenced by the Mecklenburg County Tax Office Parcel Identification Number are as follows: 00503206 (10 acres); 00503204 (14.67 acres); 00542301 (69.3 acres); 00507110 (8.07 acres); and 00507109 (4 acres).

<sup>2</sup> See footnote one above.

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district tax of \$0.057 per \$100 assessed value for a total of \$0.2684 per \$100 of assessed value. The Town of Cornelius currently provides all town services for \$0.255 per \$100 of assessed value.

**EFFECTIVE DATE:** The act would become effective June 30, 2017. The property annexed as of January 1, 2017, would be subject to municipal taxes for taxes imposed for taxable years beginning on or after July 1, 2017.

*Staff attorney Cindy Avrette substantially contributed to this bill summary.*