



HOUSE BILL 397: Town of Lake Lure/Property Lease.

2023-2024 General Assembly

Committee: Senate Rules and Operations of the Senate	Date: June 28, 2023
Introduced by: Rep. Johnson	Prepared by: Brad Krehely
Analysis of: Third Edition	Staff Attorney

OVERVIEW: *House Bill 397 would allow the Town of Lake Lure (Town) to lease the Community Garden Elevated Walking Path, commonly referred to as the Lake Lure Flowering Bridge, and an adjacent parcel of land owned by the Town for a term of over ten years without it being treated as a sale.*

CURRENT LAW: Article 12 of Chapter 160A of the General Statutes authorizes municipalities to sell, lease, or otherwise dispose of real and personal property belonging to the municipality. With respect to leases, G.S. 160A-272 requires leases of property for longer than 10 years to be treated as a sale of real property and use one of the following competitive bidding procedures:

- Advertisement for sealed bids (G.S.160A-268).
- Offer and upset bid (G.S. 160A-269).
- Public auction (G.S. 160A-270).

BILL ANALYSIS: House Bill 397 would allow the Town to lease the Community Garden Elevated Walking Path, commonly referred to as the Lake Lure Flowering Bridge, and an adjacent parcel owned by the Town for a term of more than 10 years without it being treated as a sale and, therefore, bypassing the competitive bidding requirement.

EFFECTIVE DATE: The bill would be effective when it becomes law.

BACKGROUND: Article II, Section 24(1)(d) of the North Carolina Constitution prohibits local acts relating to ferries or bridges. House Bill 397 could raise a constitutional concern if a court determined that the bill is a local act relating to bridges.

*Nick Giddings and Alex Ramirez, Staff Attorneys for the Legislative Analysis Division, contributed substantially to this summary.

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