

NORTH CAROLINA GENERAL ASSEMBLY
1965 SESSION

CHAPTER 679
HOUSE BILL 483

1 AN ACT AMENDING THE URBAN REDEVELOPMENT LAW SO AS TO CLARIFY
2 PROCEDURES FOR CONTRACTS AND SALES AND TO CLARIFY AND IMPROVE
3 CONDEMNATION PROCEDURES.
4

5 The General Assembly of North Carolina do enact:
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7 **Section 1.** The "Urban Redevelopment Law," being Article 37 of Chapter 160 of
8 the General Statutes of North Carolina as the same appears in 1964 Replacement Volume 3D,
9 is hereby amended as set forth below.

10 **Sec. 2.** Section 160-464 is amended to read as follows:

11 "**§ 160-464. Contracts, Purchases, and Sales; Required Procedures.** (a) A commission may
12 privately contract for engineering, legal, surveying, professional or other similar services
13 without advertisement or bid.

14 (b) In entering and carrying out any contract for construction, demolition, moving of
15 structures, or repair work or the purchase of apparatus, supplies, materials, or equipment, a
16 commission shall comply with the provisions of Article 8 of Chapter 143 of the General
17 Statutes. In construing such provisions, the commission shall be considered to be the governing
18 board of a 'subdivision of the State,' and a contract for demolition or moving of structures, shall
19 be treated in the same manner as a contract for construction or repair. Compliance with such
20 provisions shall not be required, however, where the commission enters into contracts with the
21 municipality which created it for the municipality to furnish any such services, work, apparatus,
22 supplies, materials, or equipment; the making of these contracts without advertisement or bids
23 is hereby specifically authorized. Advertisement or bids shall not be required for any contract
24 for construction, demolition, moving of structures, or repair work, or for the purchase of
25 apparatus, supplies, materials, or equipment, where such contract involves the expenditure of
26 public money in an amount less than five hundred dollars (\$500.00).

27 (c) A commission may sell, exchange, or otherwise transfer real property or any interest
28 therein in a redevelopment project area to any redeveloper for residential, recreational,
29 commercial, industrial or other uses or for public use in accordance with the redevelopment
30 plan, subject to such covenants, conditions and restrictions as may be deemed to be in the
31 public interest or to carry out the purposes of this Article; provided that such sale, exchange or
32 other transfer, and any agreement relating thereto, may be made only after, or subject to, the
33 approval of the redevelopment plan by the governing body of the municipality and after public
34 notice and award as specified in subsection (d) below.

35 (d) Except as hereinafter specified, no sale of any property by the commission or
36 agreement relating thereto shall be affected except after advertisement, bids and award as
37 hereinafter set out. The commission shall, by public notice, by publication once a week for two
38 consecutive weeks in a newspaper having general circulation in the municipality, invite
39 proposals and shall make available all pertinent information to any persons interested in
40 undertaking a purchase of property or the redevelopment of an area or any part thereof. The
41 commission may require such bid bonds as it deems appropriate. After receipt of all bids, the
42 sale shall be made to the highest responsible bidder. All bids may be rejected. All sales shall be
43 subject to the approval of the governing body of the municipality. Nothing herein, however,

1 shall prevent the sale at private sale without advertisement and bids to the municipality or other
2 public body, or to a nonprofit association or corporation operated exclusively for educational,
3 scientific, literary, cultural, charitable or religious purposes, of such property as is specified in
4 subsections (e)(1), (2), (3), or (4) of this Section, provided that such sale is in accordance with
5 the provisions of said subsections. The commission may also sell personal property of a value
6 of less than five hundred dollars (\$500.00) at private sale without advertisement and bids.

7 (e) In carrying out a redevelopment project, the commission may:

- 8 (1) With or without consideration and at private sale convey to the municipality
9 in which the project is located such real property as, in accordance with the
10 redevelopment plan, is to be laid out into streets, alleys, and public ways;
- 11 (2) With or without consideration, convey at private sale, grant, or dedicate
12 easements and rights of way for public utilities, sewers, streets and other
13 similar facilities, in accordance with the redevelopment plan; and
- 14 (3) With or without consideration and at private sale convey to the municipality,
15 county or other appropriate public body such real property as, in accordance
16 with the redevelopment plan, is to be used for parks, schools, public
17 buildings, facilities or other public purposes.
- 18 (4) After a public hearing advertised in accordance with the provisions
19 § 160-143(e), and subject to the approval of the governing body of the
20 municipality, convey to a nonprofit association or corporation organized and
21 operated exclusively for educational, scientific, literary, cultural, charitable
22 or religious purposes, no part of the net earnings of which inure to the
23 benefit of any private shareholder or individual, such real property as, in
24 accordance with the redevelopment plan, is to be used for the purposes of
25 such associations or corporations. Such conveyance shall be for such
26 consideration as may be agreed upon by the commission and the association
27 or corporation, which shall not be less than the fair value of the property
28 agreed upon by a committee of three professional real estate appraisers
29 currently practicing in the State, which committee shall be appointed by the
30 commission. All conveyances made under the authority of this subsection
31 shall contain restrictive covenants limiting the use of property so conveyed
32 to the purposes for which the conveyance is made.

33 (f) After receiving the required approval of a sale from the governing body of the
34 municipality, the commission may execute any required contracts, deeds, and other instruments
35 and take all steps necessary to effectuate any such contract or sale. Any contract of sale
36 between a commission and a redeveloper may contain, without being limited to, any or all of
37 the following provisions:

- 38 (1) Plans prepared by the redeveloper or otherwise and such other documents as
39 may be required to show the type, material, structure and general character
40 of the proposed redevelopment;
- 41 (2) A statement of the use intended for each part of the proposed redevelopment;
- 42 (3) A guaranty of completion of the proposed redevelopment within specified
43 time limits;
- 44 (4) The amount, if known, of the consideration to be paid;
- 45 (5) Adequate safeguards for proper maintenance of all parts of the proposed
46 redevelopment;
- 47 (6) Such other continuing controls as may be deemed necessary to effectuate the
48 purposes of this Article.

49 Any deed to a redeveloper in furtherance of a redevelopment contract shall be executed in
50 the name of the commission, by its proper officers, and shall contain in addition to all other

1 provisions, such conditions, restrictions and provisions as the commission may deem desirable
2 to run with the land in order to effectuate the purposes of this Article.

3 (g) The commission may temporarily rent or lease, operate and maintain real property
4 in a redevelopment project area, pending the disposition of the property for redevelopment, for
5 such uses and purposes as may be deemed desirable even though not in conformity with the
6 redevelopment plan."

7 **Sec. 3.** Section 160-465 is amended to read as follows:

8 "**§ 160-465. Eminent Domain.** Title to any property acquired by a commission through
9 eminent domain shall be an absolute or fee simple title, unless a lesser title shall be designated
10 in the eminent domain proceedings. The commission may exercise the right of eminent domain
11 in accordance with the provisions of Article 2 of Chapter 40 of the General Statutes, with the
12 following modifications:

13 (a) Upon payment into court of the amount specified by the commissioners, as provided
14 in § 40-19, title to the property or other interest specified in the petition, together with the right
15 to immediate possession thereof, shall vest in the commission, and the court or judge shall enter
16 such orders in the cause as may be required to place the commission in possession. Such
17 property or interest therein shall be deemed to be condemned and the right to just compensation
18 therefor shall vest in the person or persons owning said property or any compensable interest
19 therein.

20 (b) Following payment into court of the amount specified by the commissioners, the
21 court may upon application of the person or persons owning said property or having any
22 compensable interest therein (and subject to the provisions of § 40-23) order that the money
23 deposited or any part thereof be paid to the person or persons entitled thereto. The court shall
24 have power to make such orders with respect to encumbrances, liens, rents, taxes, assessments,
25 insurance and other charges, if any, as shall be just and equitable.

26 Acceptance or receipt of money thus disbursed shall not prejudice the right of any party to
27 further proceedings in the cause to determine just compensation, and in the event that an
28 increased amount is awarded, the amount thus received shall be applied as a credit against the
29 total compensation awarded. In the event that a lesser amount is awarded, the appropriate
30 amount shall be returned to the court for repayment to the re development commission, and the
31 court shall have power to make any necessary orders requiring such repayment.

32 (c) To the amount awarded as damages by the commissioners, jury, or judge, the judge
33 shall as a part of just compensation add interest at the rate of six per cent (6%) per annum on
34 said amount from the date of taking to the date of judgment; but interest shall not be allowed
35 from the date of deposit on so much thereof as shall have been paid into court as provided in
36 this Section. For the purposes of this subsection, the 'date of taking' shall be the date on which
37 the petition is filed.

38 (d) Pending disbursement of any funds thus paid into court, the Clerk of Superior Court
39 may in his discretion invest part or all of said funds as permitted by § 2-55. Any interest or
40 dividends accruing from such deposit shall be applied to the sum finally ascertained to be due
41 the owners of the property taken, and any excess resulting shall be returned to the
42 redevelopment commission.

43 § 40-10 shall not apply to the commission. If any of the real property in the redevelopment
44 area which is to be acquired has, prior to such acquisition, been devoted to another public use,
45 it may, nevertheless, be acquired by condemnation; provided, that no real property belonging to
46 any municipality or county or to the State may be acquired without its consent. The Department
47 of Administration is hereby empowered to give such consent on behalf of the State; the
48 governing board of any municipality or county is authorized to give such consent on behalf of
49 the municipality or county."

50 **Sec. 4.** All laws and clauses of laws in conflict with the provisions of this Act are
51 hereby repealed to the extent of such conflict.

1 **Sec. 5.** This Act shall become effective upon its ratification; provided, however,
2 that it shall not apply to any action or legal proceedings pending at the effective date of this
3 Act.
4 In the General Assembly read three times and ratified, this the 25th day of May,
5 1965.