

REPORT TO THE GENERAL ASSEMBLY

Proposed Incorporation of the Town of Mills River May 15, 2003

The Joint Legislative Commission on Municipal Incorporations was created in 1986 by the General Assembly to conduct an independent review and evaluation of proposed municipal incorporations. This evaluation, to be conducted in accordance with a statutory set of objective criteria, is designed to allow the General Assembly to see the feasibility of the proposed new municipality. The Commission consists of four members of the General Assembly, one city official, and one county official. A list of members appears as Appendix A.

The statutory criteria require a review of community support, (a petition is required) population, land development, nearness to other urban areas, and ability to provide municipal services at a reasonable tax rate. A copy of the statutes authorizing the Commission and setting up the review standards is attached as Appendix B.

The Commission received a petition proposing the incorporation of the Town of Mills River in Henderson County on October 31, 2002. A copy of the petition is attached as Appendix C.

The Commission, pursuant to G.S. 120-161, asked the Division of Community Assistance of the Department of Commerce to evaluate the petition. The Division conducted the evaluation and, based upon its report, the Commission found that the requirements of G.S. 120-163 and G.S. 120-164 had been met (a copy of the report is attached as Appendix D).

The Commission also requested that the Division of Community Assistance evaluate the proposed Town's petition for incorporation under G.S. 120-166 (a copy of the report is attached as Appendix E). The Division conducted the evaluation and determined that because of its population and proximity to the proposed Town the City of Asheville must expressly approve the incorporation of Mills River. The City of Asheville subsequently adopted a resolution to that effect on February 25, 2003 (Appendix F).

The Commission further requested that the Division of Community Assistance evaluate the proposed Town's petition under G.S. 120-167 through G.S. 120-170 (a copy of the report is attached as Appendix G). The Division conducted the evaluation and determined that all statutory requirements had been met, except G.S. 120-168 (development).

Pursuant to G.S. 120-169.1, the Commission requested that the Fiscal Research Department provide data that shows the impact on other municipalities and counties of the diversion of already levied taxes or State-shared revenues to support services in the proposed Town of Mills River. The fiscal impact report was not available at the time the Commission made its recommendation to the full General Assembly. Therefore, the Commission authorized staff to include the report in this Report to the General Assembly at a later date (The report will be Appendix H).

The Commission finds that the proposed Town of Mills River does not meet the standards required by Article 20 of Chapter 160A of the General Statutes, specifically G.S. 120-168, and therefore the Commission does not recommend incorporation of the area as the Town of Mills River.