

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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SENATE BILL 1386

Short Title: Durham Assessments.

(Local)

Sponsors: Senators Gulley and Lucas.

Referred to: Finance.

May 29, 1996

A BILL TO BE ENTITLED

1 AN ACT TO AMEND THE CHARTER OF THE CITY OF DURHAM TO ALLOW
2 PAYMENT OF ASSESSMENTS OVER A LONGER PERIOD AND AT A
3 REDUCED INTEREST RATE IN CASES OF SPECIAL FINANCIAL HARDSHIP.

4 The General Assembly of North Carolina enacts:

5 Section 1. Section 77 of the Charter of the City of Durham, being Chapter 671,
6 1975 Session Laws, as amended, is further amended by adding a new subsection to read:

7 "(22.1) (a) Notwithstanding subsection 22 of this section, the City Council may
8 allow payment of assessments over up to 20 years and at a reduced interest rate where the
9 property owner demonstrates special financial hardship. In case of an assessment for
10 water or sewer improvements, the special payment provisions shall apply until the earlier
11 of (i) when the owner makes application for connection to receive water or sewer
12 service; or (ii) such time as a fee interest in the property is transferred or conveyed,
13 whether voluntarily or involuntarily, and whether during the lifetime of the owner or by
14 devise or descent. In case of an assessment for street paving, sidewalks, or other
15 improvements, the special payment provisions shall apply until such time as a fee interest
16 in the property is transferred or conveyed, whether voluntarily or involuntarily, and
17 whether during the lifetime of the owner or by devise or descent. At the time of
18 application for connection or the time of transfer or conveyance, as applicable, the unpaid
19 balance of the assessment shall become immediately due and payable in full. For
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1 purposes of this subsection, a lease, mortgage, or deed of trust shall not be considered as
2 a transfer or conveyance of a fee interest in the property, but the due date of the unpaid
3 balance of the assessment shall in no event extend beyond the lifetime of the owner.

4 (b) As a prerequisite to exercising the authority granted by this subsection, the
5 City Council shall define what constitutes a special financial hardship, and may amend
6 this definition from time to time.

7 (c) The authority granted by this subsection shall be exercised only upon written
8 application of the owner of property subject to the assessment. The application must be
9 filed with the City Clerk by no later than 15 days after confirmation of the assessment
10 roll. The application shall be on a form approved by the City Council. The application
11 shall contain such information and documentation pertaining to special financial
12 hardship, and such other information, as the City Council may require.

13 (d) The City Council may delegate authority to the City Manager or designee of
14 the City Manager to approve or deny any application submitted pursuant to this section.
15 If any such application shall be approved by the City, the City Clerk shall mark upon the
16 confirmed assessment roll such words as shall indicate such approval by the City, the
17 special payment provisions and the date and time of the approval."

18 Sec. 2. This act is effective upon ratification.