

Report of  
**THE JOINT ANNEXATION STUDY COMMITTEE**  
of the  
North Carolina Association of County Commissioners  
and the  
North Carolina League of Municipalities

June 19, 1980

Albert Coates Local Government Center  
215 North Dawson Street  
Raleigh, North Carolina 27602

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July 1, 1980

President Robert A. Gibbons and the Board of Directors  
North Carolina League of Municipalities

President Albert R. McMillan, Jr. and the Board of Directors  
North Carolina Association of County Commissioners

We are pleased to submit this Report of the Joint Annexation Study Committee of the North Carolina Association of County Commissioners and the North Carolina League of Municipalities as directed when we were constituted by you last November.

We held our organizational meeting at the Albert Coates Local Government Center in Raleigh on January 11, 1980. Mayor Hope Brogden of Southern Pines and Commissioner Gene Wilson of Watauga County were elected Co-Chairmen.

In accordance with arrangements you had previously authorized, Jake Wicker of the Institute of Government served as staff to the Committee.

The Committee's charge was to examine North Carolina's municipal annexation laws and the state's recent experiences under them. While the great majority of municipal annexations in North Carolina are accomplished with full agreement between the annexing city and the owners of property being annexed, a few annexations have faced opposition from at least some of the residents and owners of property involved.

Before 1975, conflict between city governing boards and county commissioners over proposed annexations was almost unheard of. In the past few years, however, disputes over municipal annexations have for the first time evoked protests from boards of commissioners in a few cases and objections from individual county commissioners in a few others. In the fall of 1978 the Association's Legislative Conference adopted a resolution calling for an examination of the state's annexation statutes.

Concern over municipal annexation in the past few years has also brought increased attempts to modify the statutes by legislative action. Most of these attempts reflected objection to the procedure that provides for annexation without a referendum if the area meets the statutory definition of urban development and the city can demonstrate that it is able to finance the extension of services to the area.

As a result of all these concerns, the officers and directors of the League and the Association concluded that their organizations--representative of the local governments principally involved and servants of all the people of the state--should examine North Carolina's annexation laws and the experience under them.

Our work involved five Committee meetings between January 11 and June 19. We first reviewed the laws and the experience under them. We examined the purpose of annexation and the roles that cities, counties, and other local governments play in North Carolina and the nation. We compared North Carolina's statutes with those employed in other states and our general experiences with the experiences of other jurisdictions. A brief summary of North Carolina's statutes and annexations experiences appears in Part I.

A copy of the background materials prepared by our staff for the Committee's use is attached to this Report. We think you will find it a valuable reference document.

We reviewed in detail the objections and particular problems that have arisen in recent years and carefully re-examined the "right to vote" issue that is at the core of so many disputes.

We found that North Carolina's chief annexation statute (and the one about which there is the most debate) has been cited by the U.S. Advisory Commission on Intergovernmental Relations as a model for the nation. We also

found that North Carolina's approach to municipal annexation is sound and serves the people of the state well. A full statement of our views on the role of municipal annexation in North Carolina's governmental setting is set forth in Part II of this Report.

Our recommendations call for two changes in the existing statutes. Both are important, although they would not constitute major amendments of the present arrangements. We also found that in order to make the state's annexation statutes fully consistent with their underlying principle, there should be a method for compelling a city to annex adjacent territory that is urbanly developed and needs municipal services when the city has been unwilling to annex it. We think this addition to North Carolina's law, if enacted, will find only occasional use, but we are satisfied that it will greatly benefit the areas where it is used and will represent a model for other states to follow. Our legislative recommendations are set forth in detail in Part III.

It is possible that our most important recommendations are those in Part IV of this Report. Annexation laws are no better than their administration. We believe that North Carolina's laws are soundly written and generally well administered. But it is also clear, unfortunately, that proper administration is not always achieved. Most of the objections to the municipal annexation laws and the problems arising from their use could be avoided if city and county officials cooperated fully and worked toward the proper and open use of the procedures provided. We have recommended twelve practices for city and county officials to consider. We believe that if these were regularly observed, the number of disputes over annexation would decrease greatly and the seriousness of the problems would be substantially diminished. We commend them to our fellow city and county officials throughout the state.

This Report is submitted over the names of all Committee members. The Committee is unanimous in its support of the recommended legislation. Each recommended practice is supported by at least eight of the ten members. A substantial majority of the Committee's members supports each of the statements of general principles and conclusions found in this letter of transmittal and in Part II. One or two members do not agree with a few of these statements, and several other statements would have been expressed somewhat differently if each member had drafted his own statement of principles and conclusions. We highlight this qualification to our Report not to disavow it but to demonstrate that quite clearly we represent city and county board members everywhere in that we do not always agree on everything!

In addition to the assistance from Jake Wicker, we had valuable support from the staffs of the League and the Association. Many city and county officials from throughout the state knew about our work and shared their experiences and their suggestions with us. We appreciate their contributions.

We have found our work on the Committee personally rewarding, and we trust that our report will prove valuable to the cities and counties of the state and the citizens they serve. Even though the Report discharges our assignment, we stand ready individually and as a committee to assist you further at your request.

Respectfully,

North Carolina Association  
of County Commissioners

North Carolina League of  
Municipalities

Commissioner Edmund Aycock  
Wake County

Councilman George L. Bernhardt  
Lenoir

Commissioner Herschel Brown  
Onslow County

Councilman Koka E. Booth  
Cary

Commissioner Danny DeVane  
Hoke County

Alderman Bob Braswell  
Goldsboro

Commissioner Jim Gordon  
Burke County

Councilman Joe B. Patterson  
High Point

Commissioner Gene Wilson  
Watauga County  
Committee Co-Chairman

Mayor Hope Brogden  
Southern Pines  
Committee Co-Chairman

PART I. MUNICIPAL ANNEXATION IN NORTH CAROLINA:  
METHODS AND EXPERIENCE

Annexation Methods

There are five methods by which territory may be annexed to cities and towns in North Carolina. Only five cities in the State--Scotland Neck, Kill Devil Hills, Southern Shores, Manteo, and Nags Head--have all five methods available as clear options. The eight cities in Cumberland County have all five methods available, but one of the procedures can be blocked by a petition from residents. Thus, in effect, the Cumberland cities have only four methods available. One city, Walnut Creek, has only one method available. The other cities and towns in the state (443 of the total 457 active on July 1, 1979) have available four of the five methods.

Special Act of the General Assembly. The North Carolina General Assembly may at any time enlarge the boundaries of a city by special act. This approach to annexation is available to all cities and towns. It was the original method used to effect municipal annexations and before 1947 was the only method available. The legislature has essentially complete discretion in annexing territory to existing cities and towns. In practice, it almost never acts except at the request of the city involved. Before 1947, legislative annexations were sometimes made subject to a referendum within the area to be annexed, or within the city, or in both places.

Legislative annexation is still used, especially for areas that need annexation but because of special circumstances cannot be annexed under any of the arrangements that involve only local action. For example, the annexation of public facilities surrounded by areas of limited development, the



annexation of areas involving lakes or rivers, and the realignment of existing boundaries to match service areas all fall into this class.

The Referendum Procedure. In 1947 the North Carolina General Assembly declared that it was devoting "a large portion of its time in consideration of a multitude of local bills seeking the extension of the corporate limits of cities and towns . . ." and enacted the state's first general law under which cities might effect annexations.

This first general annexation law is usually termed the "referendum procedure" and is now codified as G.S. 160A-24 through -30. Annexation under this procedure requires that notice of intent to annex be published for four weeks, followed by a public hearing. If a petition is received from 15 percent of the qualified voters in the area to be annexed, or from 15 percent of the voters of the municipality, a referendum must be held on the question of annexation. Or, without a petition, the municipal governing board may provide for a referendum. If a vote is held, a favorable majority is necessary for the annexation to become effective. If a referendum is held also within the existing municipality, the proposed annexation must be approved both within the municipality and within the area proposed for annexation.

The referendum procedure was available to almost all cities of the state for 15 years until it was repealed on July 1, 1962, for some 90 percent of the state's municipalities. It is currently available to only 64 cities. Of these, only Fayetteville, Roanoke Rapids, and Whiteville have populations of more than 5,000; thirteen have populations between 1,000 and 5,000, and 48 have populations of less than 1,000.

The 100 Percent Petition Procedure. G.S. 160A-31 empowers a municipal governing board to annex by ordinance any area contiguous to its boundaries upon receipt of a petition signed by all the owners of real property within the area proposed for annexation. The procedure is simple, requiring only a public hearing and the determination that the petition is in order and that the area meets the statutory definition of contiguous. It is available to all cities of the state except Walnut Creek and, in its present form, is one of the two major procedures enacted in 1959 upon the recommendation of the Municipal Government Study Commission. The 100 percent petition procedure is especially suited to annexations of small areas, new subdivisions, and tracts with a limited number of property owners.

Satellite Annexation. North Carolina's satellite annexation statute (apparently the first in the nation) is a special version of the 100 percent petition approach. Areas near an existing city often develop in an urban manner but are separated from the city by undeveloped territory, so that they are not subject to annexation by methods that limit annexation to contiguous areas. Frequently, these areas are in the normal path for city growth. The property owners in the areas often want the advantages of city services--especially water and sewerage services, fire and police protection, street services, and solid waste collection and disposal. Early annexation of these areas by the city is also an advantage to the municipal government, since it enables the city to plan for the orderly expansion of its basic facilities to serve both these areas and the intervening areas that will develop later.

One response to this situation is satellite annexation--a procedure first developed by the City of Raleigh, which secured satellite annexation authority in 1967. Between then and 1974, eleven other cities secured similar authority

by special acts of the General Assembly. The legislature enacted a general satellite annexation procedure in 1974 and repealed the special acts, so that a single procedure is now available to all cities except Walnut Creek.

Satellite annexations are effected by ordinance of the municipal governing board following receipt of a petition from all owners of real property in the satellite area proposed for annexation (it is not necessary that owners of railroad and public utility property or nontaxed property sign the petition), the publication of notice of the action, and the holding of a public hearing. Some portion of a satellite boundary must be within three miles of the primary corporate boundaries of the annexing city, and no portion of a satellite boundary may be closer to the primary boundary of another city than it is to the primary boundary of the annexing city.

Annexation Subject to Development Standards and Service Requirements.

The 1957 General Assembly created the Municipal Government Study Commission and directed that it study the powers of cities and towns to provide for orderly growth and expansion. The Commission studied annexation procedures and experience thoroughly. It found that the referendum procedure was not meeting the needs for orderly expansion of municipal boundaries, as evidenced by the fact that between 1950 and 1958 two of each five annexation referendums were defeated, and many other annexation proposals were halted because of fear of an unfavorable vote. The Commission's major recommendation was a new annexation procedure that tried to balance the state's interest in orderly expansion of city boundaries to include developed and developing urban territory with the residents' and property owners' interests in equitable services. The 1959 General Assembly enacted the Commission's recommendation, now codified as G.S. 160A-33 through -56. This is the annexation procedure

that has been recommended by the U.S. Advisory Commission on Intergovernmental Relations as a model for the nation since 1967.

An area adjacent or contiguous to a municipality's boundaries that is urbanly developed may be annexed by ordinance if the municipality is capable of providing the area with services on the same basis that services are provided within the existing city.

An area subject to annexation must meet three general conditions:

- (1) It must be contiguous to the city's boundary,
- (2) One-eighth of the external boundary of the area must coincide with the existing city boundary, and
- (3) The area may not be a part of another municipality.

An area to be annexed must also be developed for "urban purposes" as defined in the statute, essentially by measures of land use, land subdivision, and population. The "use" standard requires that 60 percent of all lots and tracts be in urban uses (other than vacant, forests, and agriculture). The "subdivision" test requires that 60 percent of the acreage of land that is vacant or in agricultural, forest, and residential use be in tracts of five acres and less in size.

Municipalities with populations over 5,000 may also annex on the basis of population alone when an area has two persons for each acre in the area proposed for annexation. A third definition for "urban purposes" for these cities is an area that (1) has one person per acre, and (2) has 60 percent of its acreage in tracts of less than five acres, and (3) has 60 percent of its lots and tracts of less than one acre in size.

Special reports showing the character of the area to be annexed and the plans for extending and financing services for the area must be prepared. A

public hearing on the proposed annexation must be held, and safeguards for the people in the area to be annexed are provided in the form of appeals to the courts.

If the statutory standards are met, if the city can finance the extension of services, and if the procedures are properly followed, the annexation may be effected by ordinance of the municipal governing board. No referendum is held either within the municipality or within the area proposed for annexation.

The "standards and services" procedure is actually two nearly identical statutes. One applies to cities with populations under 5,000 and the other to cities of 5,000 and larger. The larger cities, as noted above, have slightly more flexibility in annexing areas undergoing development than cities under 5,000 do. And parallel to this flexibility are more exacting service requirements for the larger cities.

This procedure is available without qualification to 392 of the state's 457 cities and towns. It is also available to the eight municipalities in Cumberland County but can be blocked by a petition from a majority of registered voters within the area to be annexed.

This is the procedure that has been principally used since 1959 to annex large areas and populations and has accounted for more than half of the land area annexed and four-fifths of the population annexed. It is clearly the state's most important annexation method.

#### The Annexation Experience

North Carolina cities have been growing, as the censuses of population reveal. Annexation, of course, has been a major factor in that growth.

There are three principal sources of information on the state's municipal annexation experience. The Municipal Government Study Commission (1957-59) received staff reports on annexations by North Carolina cities before 1958. A study covering annexations during the fourteen years between July 1, 1959 and June 30, 1973, has been made by Jake Wicker of the Institute of Government. The U.S. Bureau of the Census has made annual surveys of boundary changes in cities with populations over 2,500 since 1970. Reports are available through 1977. Findings from these studies are summarized here.

The Record Before 1958. As noted above, the state's first general annexation law was enacted in 1947. Before that date all annexations were effected directly by a special act of the General Assembly or pursuant to a special act.

Between 1917 and 1947 the North Carolina General Assembly passed 369 special acts related to municipal boundaries. Of these, 225 provided for the extension of municipal boundaries. Most were simple extensions of boundaries without a vote of the residents being annexed. A few provided for annexations subject to a referendum. The other acts redefined boundaries without significant change in the incorporated area.

Surveys undertaken for the Municipal Government Study Commission reported 489 annexations between January 1950 and June 1958, by the 128 cities that responded. Of these, 334 were effected under the 100 percent petition procedure, 117 were accomplished using the new 1947 ordinance procedure that is subject to a referendum, 29 were direct legislative annexations, and nine were legislative annexations subject to a referendum.

Annexation referenda were held in 61 annexation attempts. Of these, 35 were approved. Municipal officials surveyed reported that "needed"

annexations had often been delayed or prevented by defeats in referenda. They suggested that more orderly and certain procedures for extending municipal boundaries were needed. The Commission's response, as noted before, was to develop the chief annexation procedure now employed in the state.

The 1959-1973 Record. A study of North Carolina's municipal annexation experience during the first fourteen years following enactment of the new annexation procedures in 1959 has been made by Jake Wicker of the Institute of Government. Highlights of the findings from that study are given here and in the tables on the following pages.

The response rate was complete in the cities with populations over 10,000 and high among all other cities, as Table 1 shows.

Table 2 shows the number of annexations by population class and the annexation method employed. Several observations may be made from the data. Annexation is most frequently used by the larger cities. The 100 percent petition procedure, reflecting agreement by all parties, is by far the most commonly used method. Annexations by special acts of the General Assembly have continued at about the same rate as in 1950-1958 but at about half of the rate in 1917-1947.

The average size of annexations is shown in Table 3. As might be expected, the 100 percent petition annexations tend to be small, while those accomplished through the referendum and the standards methods have larger average sizes.

Parallel findings may be noted in Table 4, which shows the annexations in relation to population. The 100 percent petition procedure has annexed the smallest average population. (The satellite procedure is also a 100 percent petition procedure. The cases reported for the survey were principally

Table 1.

Number of Cities Reporting on Annexations by  
Population Class: July 1, 1959--June 30, 1973

Population Class (1970)	Number of Cities				
	In Class	Reporting for Study	Not Reporting for Study	Reporting Annexations	Reporting No Annexations
A. Above-10,000	38	38	0	38	0
B. 5,000-10,000	32	31	1	29	2
C. 2,500-5,000	47	40	7	37	3
D. 1,000-2,500	102	83	19	57	26
E. Under-1,000	209	142	67	39	103
Total	428	334	94	200	134

The information in the above table and the tables that follow was collected from the office of the Secretary of State and through a survey of all cities in the state. In the survey officials were asked to respond and confirm the absence of any annexations during the study period or to report on the number of annexations and their characteristics.

The total number of cities listed is the number that received state street aid in 1970.

Each area annexed was counted as a separate annexation. Thus the simultaneous annexation of two separate areas in a single ordinance was counted as two annexations.

Table 2.

Reported Number of Annexations Under Various  
Statutory Bases by North Carolina Cities:  
July 1, 1959--June 30, 1973

Cities by 1970 Population Class	Standards						Total for 14 years
	Special Act	Referendum	100% Petition	Under 5,000	5,000 and Above	Satellite	
A. Above-10,000	17	58	1,137	NA	136	9	1,357
B. 5,000-10,000	8	3	213	4*	57	NA	285
C. 2,500-5,000	16	7	147	44	NA	NA	214
D. 1,000-2,500	16	19	166	44	NA	6	251
E. Under-1,000	16	1	40	12	NA	NA	69
Total	73	88	1,703	104	193	15	2,176

\*Represents annexations made by cities during the 1960s when their populations were less than 5,000.



Table 3.

Average Size in Acres of Annexations Under Various Statutory Bases by North Carolina Cities: July 1, 1959-June 30, 1973

Cities by 1970 Population Class	Standards					
	Special Act	Refer- endum	100% Petition	Under 5,000	5,000 and Above	Satellite
A. Above- 10,000	-	119	36	NA	488	141
B. 5,000- 10,000	-	201	24	23*	148	NA
C. 2,500- 5,000	-	648	20	81	NA	NA
D. 1,000- 2,500	-	275	19	42	NA	14
E. Under- 1,000	-	-	28	103	NA	NA
Average of All Cities	-	193	32	64	367	90
(No. in Av.)**	-	(68)	(1,555)	(82)	(175)	(15)

\*Represents annexations made by cities during the 1960s when their populations were less than 5,000.

\*\*Information on the size of areas annexed was not reported for all annexations. The averages shown were computed from those for which size was reported. The number for which size was reported is shown in parenthesis.

Table 4.

Average Population of Annexations under Various Statutory Bases by North Carolina Cities: July 1, 1959-June 30, 1973

Cities by 1970 Population Class	Standards					
	Special Act	Refer- endum	100% Petition	Under 5,000	5,000 and Above	Satellite
A. Above- 10,000	-	108	19	NA	817	0
B. 5,000- 10,000	-	416	14	-	347	NA
C. 2,500- 5,000	-	690	33	64	NA	NA
D. 1,000- 2,500	-	2	22	91	NA	22
E. Under- 1,000	-	-	41	390	NA	NA
Average of all Cities	-	155	20	118	726	9
(No. in Av.)**	-	(34)	(979)	(49)	(138)	(15)

\*\*Information on the population of areas annexed was not reported for all annexations. The averages shown were computed from those for which population was reported. The number for which population was reported is shown in parenthesis.

commercial and industrial sites. Thus the populations in these are exceedingly small.) Again, the size of populations annexed is much larger when the standards or referendum methods are employed.

The 1970-77 Record. The most recent study available is by the U.S. Bureau of the Census and covers annexations for 1970-1977. This study overlaps the previous one but covers only the number of annexations, area annexed, and population annexed. It contains no information on the particular procedures employed, and its coverage is limited to cities with populations over 2,500. It does, however, report on annexations nationwide and thus allows some comparison of the North Carolina experience with the national findings. A summary of its North Carolina findings is presented in Table 5.

Each year about half of North Carolina's cities make an average of almost three annexations each. In the group reported, the average annexation incorporates 80.6 acres and 119 people. But eight cities had more than 40 annexations during the 1970-1977 period: Monroe (43), Wilmington (43), Garner (44), Rocky Mount (49), Cary (53), Wilson (55), Raleigh (63), and Fayetteville (130). Charlotte reported only 17 annexations during this period, but these totaled more than 50 square miles. The area annexed by Charlotte between 1970 and 1977 is larger than the total area of Durham, Boston, or San Francisco and makes Charlotte, in area, twice the size of Washington, D.C. In contrast, Fayetteville's 130 annexations added only 7.7 square miles to the city.

North Carolina's annexation statutes are sometimes described as highly favorable to municipalities--that is, they make annexation especially easy for cities to undertake. The evidence available does not refute this description but supports it even less.

Table 5  
Annexations by North Carolina Cities with  
Populations Over 2,500, 1970-77

Year	Number of Cities Surveyed	Number with Annexations	Percent with Annexations	Number of Annexations	Square Miles Annexed	Population Annexed (000)
1970	124	58	47	146	11.1	13
1971	125	59	47	168	17.3	12
1972	125	62	50	194	16.8	9
1973	125	67	54	199	14.2	7
1974 <sup>a</sup>	130	71	55	174	53.1	61
1975	130	60	46	161	20.6	19
1976	130	66	51	173	10.7	8
1977 <sup>b</sup>	130	72	55	265	42.6	49
Totals	127 <sup>c</sup>	64 <sup>c</sup>	50 <sup>c</sup>	1,480	186.4	177

Source: U.S. Bureau of the Census, Boundary and Annexation Survey 1970-1977, Report GE 30-3 (Washington, D.C.: U.S. Government Printing Office, 1979), Tables 2 and 3.

<sup>a</sup>Includes a Charlotte annexation of approximately 32 square miles and 38,000 persons.

<sup>b</sup>Includes a Charlotte annexation of approximately 18 square miles and Goldsboro's annexation of Seymour Johnson Air Base with some 11 square miles.

<sup>c</sup>Median.

The Census study reports that from 1970 through 1977, 48,105 municipal annexations were made in the United States. They brought within American cities a total of 6,900.2 square miles and an estimated 2,537,000 in population. Thus nationally the average annexation incorporated 91.8 acres and 53 people. The national average annexation was larger in area than North Carolina's and smaller in the number of people annexed. Nationally, .57 persons were annexed with each acre; in North Carolina 1.54 persons were annexed with each acre. By this measure, North Carolina's annexations seem to be more heavily urban than those nationally.

The historical picture of North Carolina's population also indicates that the state's municipal population has been growing only slightly more rapidly than its total population. The state's municipal population as a percentage of the state's total population, for recent Census years, is as follows:

1930	34.0%
1940	34.4
1950	36.9
1960	41.9
1970	42.9

The 1980 Census may well show a municipal population that is equal to 45-47 percent of the state's total population. But the increase, both in recent years and in the past half-century and considering the rapid change to an urban society, hardly suggests that the state's municipalities, as a group, have engaged in unrestrained annexations.

## PART II. THE ROLE OF MUNICIPAL ANNEXATION

### Annexation's Role

Municipal annexation is the process by which territory (usually contiguous) is added to an existing municipality. Cities exist to provide those functions and services needed in urbanized areas or needed in a particular form or at a higher level in urban areas. Annexation adds territory to a city. Its basic purpose is the same as the reason for having the city--to enlarge the existing city, with its services and functions, to include urban or urbanizing land in the vicinity. In short, if the state needs cities and towns, it will need to expand them to include territory that has become urban.

There are, of course, other means of bringing local governmental services and functions to an area that is urban in character and that needs typical municipal services and functions. Several possibilities exist in North Carolina. A simple approach would be to incorporate a new town beside the existing one. A county government could provide many services. If only a few services or functions were needed, a fire district, a water and sewer district, a sanitary district, or some other form of special-purpose local government might be created. Some services can be provided to such an area by an existing city without annexing if it is near one. For example, water and sewer services are frequently extended by cities to areas outside their boundaries. In some other states, cities and counties have consolidated, forming a single government with the powers of both cities and counties and providing services throughout their jurisdictions as needed.

North Carolina has examples of all these approaches to providing services and functions except city-county consolidation. For many years, however, the

state's policy has strongly favored annexation over the other alternatives, and properly so.

Unlike the arrangements in most states, essentially all local government responsibilities in North Carolina are vested in counties and cities. Over 98 percent of all local government expenditures in North Carolina are made through city and county governments. In other states, special districts and authorities are responsible for many functions that are city and county responsibilities in North Carolina.

The 1977 Census of Governments reports that North Carolina has nine units of local government for each county area. The national average is 26 governments per county area. At the high extreme are Pennsylvania with an average of 78 units for each county and Cook County, Illinois, which has 520 local governmental units.

City and county governments in North Carolina are meeting their local governmental responsibilities well. There seems to be no need to adopt policies that would encourage the creation of additional types of local government.

Central to the roles of cities and counties in North Carolina are their jurisdictions and location. Every part of the state is within a county. Thus functions and responsibilities that should be available to every citizen and at approximately the same level are properly placed within county governments. Health, education and welfare are prominent among these. Police and fire protection, streets and sidewalks, sanitation, and recreation illustrate services that are needed at higher levels in urban areas and for which cities are organized.

Furthermore, the pattern of urban growth in North Carolina has resulted in the development of cities that are physically separate. Only 84 of North

Carolina's 457 cities and towns are within one mile of another city or town. Of the 38 cities with 1970 populations over 10,000, only nine have a smaller city or town within one mile of their boundaries. Under these circumstances extending present city boundaries to include adjacent urbanizing territory is a logical approach to providing the area with local governmental services. Efficiency and economy dictate that this approach be taken. A recognition that the state's separate urban areas are almost uniformly a single social and economic unit suggests annexation in preference to other possible approaches.

One has only to consider an alternative to illustrate the desirability of encouraging annexation as a state policy in most cases. In 1900 Raleigh's population was about 13,600. Today it is estimated at about 160,000. If Raleigh's boundaries had not been expanded over this period and the surrounding area had grown as it has, Raleigh could be encircled today with 12 cities equal to its 1900 size. Or by 15 cities of Garner's current size. Or with an even larger number of overlapping special districts. It is difficult to imagine that the citizens of the area would be served better by such a large number of governments than they are by a single city. But in the absence of annexation by Raleigh, some alternate arrangement would have been necessary.

By both Constitution and statute North Carolina has appropriately given preference to expanding existing cities as opposed to creating new ones. Both discourage incorporating new cities and towns near existing ones. Except by a three-fifths majority, the General Assembly may not incorporate a new city closer than one mile to an existing city of 5,000-10,000 population, within three miles of one with 10,000-25,000 population, within four miles of one

with 25,000-50,000 population, and within five miles of one with over 50,000 population. Similar limitations are placed on administrative incorporations by the Municipal Board of Control.

North Carolina has some 460 cities and towns. About 55 percent of these have populations of less than 1,000. They are spread about the state, and most of the state's urbanization is taking place near one of the existing cities and towns. Under these circumstances the state's policy of encouraging annexation--which means enlarging the existing water plant rather than building a new one, or enlarging an existing police force rather than creating a new one--seems clearly in the best interests of all citizens when done with the safeguards that are built into North Carolina's annexation statutes.

#### Annexation and the "Right to Vote"

Democratic principles are deeply rooted in America. Central among these principles is citizen voting. No other issue surrounding municipal annexation in North Carolina has received more attention than the absence of the vote when cities annex using the standards and services method. [No voting takes place with the two 100 percent petition procedures, since the petitions come from owners of real property rather than qualified voters. Many property owners, of course, will be qualified voters and their number usually represents a majority of the qualified voters.]

The voting issue received extensive attention by the Municipal Government Study Commission in 1957-59 before it recommended the present annexation arrangement. The Commission's conclusion on this issue bears repeating here:



We believe in protection of the essential rights of every person, but we believe that the rights and privileges of residents of urban fringe areas must be interpreted in the context of the rights and privileges of every person in the urban area. We do not believe that an individual who chooses to buy a lot and build a home in the vicinity of a city thereby acquires the right to stand in the way of action which is deemed necessary for the good of the entire urban area. By his very choice to build and live in the vicinity of the city, he has chosen to identify himself with an urban population, to assume the responsibilities of urban living, and to reap the benefits of such location. Therefore, sooner or later his property must become subject to the regulations and services that have been found necessary and indispensable to the health, welfare, safety, convenience and general prosperity of the entire urban area. Thus we believe that individuals who choose to live on urban-type land adjacent to a city must anticipate annexation sooner or later. And once annexed, they receive the rights and privileges of every other resident of the city, to participate in city elections, and to make their point of view felt in the development of the city. This is the proper arena for the exercise of political rights, as [North Carolina's] General Assembly has evidenced time and again in passing annexation legislation without recourse to an election.

The Commission expressed well the need for the general interest to prevail over the individual's in the case of annexations.

It is worth noting that in our system of government many actions are taken without direct voting by citizens.

Except in specialized cases, taxes are levied by federal, state, and local governments without direct citizen voting.

Congress declares war without a national referendum.

County commissioners may decide to operate a landfill without a county-wide referendum.

On the other hand, in North Carolina, the sale of beer, wine, and liquor is permitted within a jurisdiction only after a vote of the people. The same is true of most debt incurred by local governments.

North Carolinians who live in an urban area (or in an area that has become urban around them) may expect soon to become citizens of the nearby city--if there is one.

Finally, it should be recognized that voting does not assure that every citizen's choice will prevail. Many votes are very close. It probably matters very little to a person annexed against his will whether the decision was made by five city council members or by 51 percent of his neighbors (depending upon the voting jurisdiction, this number might vary from two people to several hundred.)

The voting issue is the one issue in municipal annexation that will probably never be fully solved. It is a matter of political philosophy on which people differ. Experience suggests that North Carolina's resolution of the question is in the public interest and the present statutes should continue to permit municipal annexation without a vote under the safeguards provided.

Although citizens may not vote on an annexation, after annexation they become city voters. Their city governing board makes decisions on streets and highways, water and sewer extensions, land use regulation, and other matters that affected them before annexation and will continue to affect their lives afterwards.

In this sense the state's annexation provisions help make North Carolina local governmental arrangements more democratic and more accountable to all citizens. All citizens are county citizens and influence county government's actions through the ballot box as well as by other means. A large majority of the state's citizens are also affected by the actions of some city government because they are citizens of that city or because they live near it. Annexation brings inside those who live outside the city and enlarges their capacity to participate directly as citizens in all the local governments that serve them.

### Summary

North Carolina's pattern of government places essentially all local governmental responsibilities in cities and counties. Responsibility is thus fixed in two types of units. It is not fragmented to the extent found in most states.

The state has a fairly large number of cities already. Most of them are either small or of modest size. And most of the state's urban growth is taking place around the existing cities and towns.

Accountability to citizens, responsiveness to citizen needs, and economy in providing local governmental services are promoted when service to new urban areas is provided by expanding the boundaries of existing cities and towns rather than through creating new ones, or establishing new and varying forms of local governments.

The needs and interests of the larger urban community must prevail over the wishes of relatively small segments. The orderly growth of the state's urban areas and the development of local governmental services, functions and facilities in an economical manner should not be blocked by a relatively few citizens in small portions of the areas.

Some public questions are appropriately decided by voting in small jurisdictions or areas. Others are not. Municipal annexation as generally practiced and as authorized in North Carolina's laws is not a matter on which the state's interests are best served by making them subject to a referendum.

North Carolina's present annexing statutes, properly used, will continue to serve well the state's citizens.

PART III. RECOMMENDED LEGISLATION

It is recommended that three changes in North Carolina's annexation statutes be sought. The first two are important but relatively minor adjustments to the existing statutes. The third calls for an addition to the statutes of a procedure for compelling cities to annex adjacent territory that needs municipal services. It is a vital complement to the existing statute and completes the statutory framework supporting the state's basic policy that urbanly developed territory should be within a city or town.

No. 1. Require Water and Sewer Maps to Bear  
Seal of Registered Engineer

BACKGROUND. The statutory requirement that cities develop a detailed annexation report that is available for public inspection before the annexation ordinance is enacted is an important one. The information it contains is the basis for the city's action and informs citizens and property owners in the area to be annexed about the services that will be provided upon annexation. Special stress is given water and sewer services because of their central importance to urban development. It is critical, therefore, that the maps showing the location of existing and proposed water and sewer lines be accurate and complete.

These maps are currently prepared in most cities by qualified engineers, but it appears that in at least a few cases the maps have not been fully adequate.

RECOMMENDATION. That G.S. 160-35 and -47 be amended to stipulate that the maps of existing and proposed water and sewer lines that are required to be included in the annexation report bear the seal of a registered engineer.

No. 2. Increase Time During Which Annexation Reports Are Available for Public Inspection

BACKGROUND. The current principal statutes authorizing cities to annex urbanly developed land properly require consideration by all parties before an annexation is affected. The typical sequence is as follows:

A. Preliminary and advance studies of annexation possibilities are made by the city. In some cities, long-range annexation studies are made periodically and more intensive and detailed studies are made immediately preceding an annexation. In other cities the detailed studies are the only ones made. In almost all cases these preliminary studies will take at least several months.

B. Resolution of Intent. The governing board adopts this resolution. It describes the area proposed for annexation and sets the date for a public hearing on the proposed annexation.

(1) The hearing must be between 30 and 60 days from the date on which the resolution of intent is adopted.

(2) A notice of the hearing must be published once a week for four weeks before the hearing.

C. Adoption of Annexation Report. The annexation report must fully describe the area proposed for annexation, show that the area meets the urban development standards necessary to qualify for annexation, outline the city's plans for providing services to the area, and show that the city will be able to finance the extension of services to the area if it is annexed.

The report must be adopted at least 14 days before the public hearing and must be available for public inspection in the office of the city clerk for at least 14 days before the public hearing.

D. Public Hearing Held. The annexation report is explained. Residents and property owners of area proposed for annexation and of the city have an opportunity to be heard.

If all is in order and the governing board determines to move ahead, the board may, during the period of 7-60 days following the hearing, adopt an ordinance annexing the proposed area.

E. Adoption of Annexation Ordinance. The annexation ordinance must show that the area to be annexed meets the standards for annexation, that the city intends to provide the required services, and find that the city will be able to finance the required services. The ordinance may be made effective at any date within 12 months of its passage.

F. Remedy for Failure to Provide Services. If the annexing city fails to provide services as outlined in the annexation report, any property owner may seek a court order directing the city to carry out its plans. The order may be secured only during the period between 12 and 15 months following the effective day of annexation.

G. Appeal of Annexation. Any owner of property within an annexed area may appeal to the courts within 30 days following the adoption of an annexation ordinance if he believes that the city has not followed the proper procedures or if the area does not meet the standards for annexation.

Summary. Annexations of small areas using this procedure require a minimum time of about four months. Most annexations are accomplished with between six and twelve months of active work--not counting preliminary studies that may have covered a period of years.

RECOMMENDATION. That G.S. 160A-37 and -49 be amended to require cities to adopt the annexation report at least 30 days before the public hearing on an annexation and that the report be available for inspection in the office of the city clerk for that period.

The fourteen days currently required is not adequate for full review by citizens facing an annexation. The additional two weeks, given the normal schedule for an annexation, would not unduly lengthen the time required for an annexation or burden cities that are undertaking an annexation.

Conforming changes in these same statutes should be made (a) to require that the public hearing be held within 45 to 90 days after the resolution of intent is adopted, and (b) to give express authority to city governing boards to adjourn hearings to a later date in order to hear additional comments or to consider and respond to comments made during the hearing.

No. 3. Require Cities to Annex Adjacent Areas  
Under Certain Circumstances

BACKGROUND. North Carolina's annexation statutes are based on the principle that whatever is urban should become municipal. The state's population and land development are becoming increasingly urban, and its cities and towns are generally annexing urbanly developed areas.

But on occasion urbanly developed areas adjacent to existing cities and towns have needed to be annexed but have not been taken in. In most of these cases, annexation under the existing statutes would require (for the annexing city) substantial financial outlays--often greater than could be recovered in taxes from the areas after annexation. As a result, some cities (especially small ones) have not annexed areas that should be annexed under the state's general policy.

It appears that, under appropriate safeguards for all parties, cities should be required to annex adjacent areas that are urbanly developed and need services that can best be provided by the cities.

RECOMMENDATION. That legislation be sought that would require cities to annex adjacent territory that is urbanly developed and in need of municipal services in accord with the following standards and procedures:

A. Standards for Areas Subject to an Ordered Annexation

1. The area must be contiguous to a municipality's boundary as defined in G.S. 160A-53.
2. No part of the area may be within the boundaries of another municipality.
3. At least one-eighth of the aggregate external boundaries of the area must coincide with the municipality's boundary.
4. The area must be developed for urban purposes. An area developed for urban purposes is one which:
  - (a) Has a total resident population equal to at least two persons for each acre of land subject to the proposed annexation, or
  - (b) Has a total resident population equal to at least one person for each acre of land subject to the proposed annexation, and is subdivided into lots and tracts such that:
    - (i) at least sixty percent (60%) of the total acreage consists of lots and tracts five acres or less in size, and
    - (ii) at least sixty percent (60%) of the total number of lots and tracts are one acre or less in size, or
  - (c) Is so developed that:
    - (i) at least sixty percent (60%) of the total number of lots and tracts is used for residential, commercial, industrial, institutional, or governmentl purposes, and
    - (ii) is subdivided into lots and tracts such that at least sixty percent (60%) of the acreage that is vacant, in forests, in agricultural use, or in residential use consists of lots and tracts five acres of less in size.
5. No city may be required to accept the annexation of a contiguous area if more than twenty-five percent (25%) of the area is vacant, is in a forest, or is being used for agricultural purposes.



## B. Procedures for Annexation

1. Petition. A petition to the city for annexation must be submitted by fifty-one percent (51%) of (a) the qualified voters resident in the area seeking annexation, or (b) the owners of real property within the area seeking annexation.

The petitioners, in describing an area for which annexation is sought, should wherever practical:

(a) describe an area to which the city's services could be reasonably extended,

(b) use natural topographic features such as ridge lines and streams and creeks as boundaries, and

(c) if a street or road is used as a boundary, include land on both sides.

The petition may be filed with the city's governing board at any regular meeting.

The city's governing board shall cause the sufficiency of the petition to be determined and shall adopt a resolution finding that the petition is or is not sufficient not later than 65 days after the petition is filed.

No petition shall be sufficient if seventy-five percent (75%) of its signers are persons who, as a qualified voter at the same address or as an owner of the same real property, signed an annexation petition filed with the city's governing board within the preceding two years.

2. Annexation Report. Upon finding that it has received a sufficient petition for annexation, the city's governing board shall cause to be developed an annexation report that contains a plan for extending all the city's services and functions to the area, including a plan for financing them.

The plans for any single service or function may call for its extension over a period of up to three years if the annual cost of fully extending that service or function is estimated to be equal to or more than fifteen percent (15%) of the city's current budget for that service or function. The plan shall call for all other services and functions to be provided within six months of the date of annexation.

The governing board shall adopt the report within 125 days after the annexation petition is filed.

3. Annexation Hearing. The city's governing board shall hold a public hearing on the annexation petition within 45-60 days after the report is adopted. The report shall be available for inspection in the clerk's office from the date of its adoption until the date of the public hearing. Residents and property owners of the area petitioning for annexation and of the existing city may be heard at the hearing. The governing board may adjourn hearings to a later date in order to hear additional comments or to consider and respond to comments made during the hearing.

Notice of the hearing shall be published at least once during a period of 10-20 days before the hearing. In addition, the clerk shall mail a notice to each person who signed the petition at his address shown on the petition.

4. Annexation: Approval or Rejection. During the period of 10-45 days following the public hearing, the governing board shall adopt either an ordinance annexing the area petitioning for annexation or a resolution rejecting the petition, setting forth its reasons for so doing.

If the governing board decides to annex the area from which a petition has been received, it may annex all the area or any portion of the area as long as all the standards are met by the reduced area. The board may not include within the area to be annexed any area not described in the original petition.

5. Rejection: Appeal to the Municipal Board of Control. If an annexation petition is rejected by a city, the petitioners may appeal the decision to the Municipal Board of Control within 90 days after the date of rejection. Upon appeal, the city's governing board shall transmit to the Municipal Board of Control copies of the annexation petition, annexation report, notices of hearings, and the resolution of the board rejecting the petition. When they file their appeal, the petitioners may also submit written statements and evidence in support of their petition, and they shall identify three signers as persons to whom notices of actions taken by the Municipal Board of Control may be mailed.

The Municipal Board of Control shall consider the written record and filings and may affirm the city's rejection of the annexation petition from the record. A decision to affirm a rejection from the record shall be made within 30 days. Notice of the Board's decisions shall be mailed to the City and to three petitioners identified for this purpose when the appeal was filed.

There is no further appeal from a decision of the Municipal Board of Control to affirm a city's rejection of an annexation petition.

The Municipal Board of Control, if it decides to do so, may hold a hearing on the annexation petition at the city hall within the city before reaching a decision on an appeal. Notice to the parties shall be given at least 15 days before the hearing. If the Board decides to hold a hearing, it must schedule the hearing within 45 days after the appeal is filed.

If a hearing is held, the Board shall hear representatives of the city and the petitioners on any questions it considers related to the petition. The hearing may be conducted by any two or more Municipal Board of Control members.

The Municipal Board of Control, if it holds a public hearing, shall render its decision within 30 days following the date of the hearing.

If the Board's decision is to affirm the city's rejection, the parties shall be notified as described above.

If the Board's decision is in favor of the petitioners, the Board shall issue an annexation order, setting the date on which the annexation is effective. The date shall be the last day of a month not less than 90 days after the date of the hearing.

The Board's annexation order may annex all or any portion of the area described in the original petition for annexation as long as all the standards for annexation are met. The Board may not order the annexation of territory not covered in the original petition.

The Board's annexation order shall also include the plan that the city must follow in extending services to the annexed area. The plan may be the plan prepared by the city in its annexation report or it may be a modification of that plan as necessary to effect the annexation without imposing an undue financial burden on the city. The Board shall not issue an annexation order that does not provide for the full extension of all services and functions within five year.

If a city accepts an annexation petition by annexing less than half of the population or acreage included in an original petition, the petitioners from the area not annexed by the city may appeal to the Municipal Board of Control in the same way as they may appeal for a complete rejection. The Board shall consider such an appeal on the basis of the original petition and as if the city's action was a complete rejection.

6. Effect of annexation order. From and after the date of the annexation order by the Municipal Board of Control, the annexed area is subject to all laws, ordinances, and debts and has all the rights and privileges of the city, except as expressly modified in the order's plan for services.

7. Annexation Recorded. The order and map are to be recorded as with other annexations.

#### PART IV. RECOMMENDED PRACTICES

Laws are not only drafted and enacted by people but also administered by people. Alexander Pope, in "An Essay on Man," stated this basic truth when he suggested:

For forms of government let fools contest;  
Whate'er is best administer'd is best:

North Carolina's annexation statutes have been judged a model for the nation, and the record shows that cities have generally administered them well. Unfortunately, the record also shows that on occasions city officials and officials of other governments who are sometimes involved have not always acted in the full spirit of the laws even while meeting their exact provisions.

Municipal annexation today often affects more than the city and the territory being annexed. Programs of county governments are often affected, especially when some services have been provided jointly or one or both units have plans for future action. Local officials have wide discretion to act under the existing statutes. Prudent exercise of that discretion will help local officials avoid many of the recent problems related to annexation.

A statutory solution to most of the problems might be offered. Generally, however, the settings in which some type of problem arises are so varied that no single statutory solution appears feasible. But wise use of existing discretion will solve most of the problems. Listed here are twelve recommended practices that, if followed by city and county officials, will greatly reduce disputes and problems arising from municipal annexations.

1. Planning for Annexations. The principle that underlies municipal annexation in North Carolina is that annexation will parallel urban growth

and development. Major municipal facilities--streets, water and sewer lines, fire stations, parks and playgrounds, and others--are planned to meet future as well as immediate needs. Planning for facilities and services should also be planning for annexation. The two must go together, since services (and their financing) must accompany annexation. All cities should maintain plans for future annexation, at least in general terms. Otherwise orderly growth is unlikely.

2. Joint City-County Utility Financing. Water and sewer services were originally provided only by cities and towns, but for the past generation counties have increasingly participated in providing them. While a few counties have separate and independent systems, most county activity is in the form of joint agreements with one or more cities to finance the extension of services. Typically, these extensions are to citizens, businesses, and industries outside a city. Also typically, agreements include some provision for the transfer of title, or operating responsibility, or sharing of utility receipts upon annexation. In a few cases the initial financing plan under which the county's system was installed did not adequately anticipate municipal annexation and the resulting drop in revenues. It is essential that cities and counties continue to cooperate in extending utility services to urban areas and small communities outside cities and that the joint agreements under which this is done anticipate future municipal annexations and any changes in receipts that may then occur. Municipal annexations should not be blocked by county utilities. County utility financing should not be disrupted by annexations. Neither outcome need result if city and county officials appreciate the needs facing the other unit and cooperate in developing joint agreements that meet the needs of each.

3. Rural Fire Departments and Districts. Cities and rural fire districts cannot overlap. Annexation of part of the district will reduce its financial base. Similarly, if annexation removes territory served by a volunteer fire department supported by community contributions, that department's financial base is diminished. When all or a substantial portion of a district or area served by a rural department is annexed, the department may be left with an area too small to serve or with equipment and facilities for which it has no need. No single municipal action can be recommended to meet the problems that may arise. In some cases sale of the department's facilities and equipment to the city may be feasible. In other cases a sale to surrounding departments or to the county may be possible. An occasional city may be able to contract with the rural department to supply services and thus maintain the department's necessary financial support or help in its orderly liquidation.

All areas of the state need the best fire protection they can afford. Arrangements between cities, counties, fire districts, and volunteer fire companies will necessarily vary from place to place. And the arrangements will need to be modified after almost every municipal annexation. City and county officials and fire department officials should recognize their mutual concerns and work together so that municipal annexations are effected when needed and fire protection for unincorporated areas is not endangered by financing problems of rural fire departments.

4. Annexing Agricultural Land. The state's policy, as expressed in its annexation statutes, is that cities should grow in an orderly manner by annexing contiguous territory that is urbanly developed or is in the process of being developed. Given the fact that "leap frog" development is common in

North Carolina, some annexation of land in agricultural use is necessary and inevitable if annexation keeps pace with urban development. But cities should try to keep the annexation of agricultural land to a minimum and annex such lands only when clearly related to service extensions or development trends.

5. Citizen Information. Residents of a city and citizens who live in areas outside the city that face eventual annexations should be kept fully informed of the city's annexation plans. Annexation should never come as a "shock" to citizens in areas contiguous to a city. Furthermore, each city should make every effort to inform citizens being annexed about the city's plans, when and how services will be provided, the city's financing policies, and the like. The statutory requirements for published notice and hearings should be viewed as a minimum effort. It is in the interest of both the existing city and its future citizens for all to be well informed.

6. Extraterritorial Land Use Regulation. Both cities and counties in North Carolina have extensive authority to regulate land use, including extraterritorial authority for cities. Ideally, land use regulatory policies appropriate for urbanly developed areas should apply also to those areas that are undergoing urban development. Thus "urban" land use policies should be in place before an area develops to the point that it ought to be within a municipality. To accomplish this goal, cities and counties need to cooperate so that appropriate land use policies are in effect around cities that are growing, either through regulations adopted by cities on an extraterritorial basis or by counties in the municipal fringe areas. If this is done, annexation results in only minor changes in land use regulation policies and requirements, and citizens and developers can work and build in a stable and consistent land use regulation system.

7. Defensive Incorporations. The state's policy of discouraging new incorporations near existing cities is a good one. It is expressed in both the Constitution and in statutes that limit administrative incorporations by the Municipal Board of Control near previously existing cities. In most cases, the needs of a total urban area for municipal services can be better planned and more efficiently provided by expanding an existing city than by creating new ones. Citizens of small communities in the vicinity of existing cities should recognize that they are part of the larger urban community. They should not seek "defensive" incorporations to avoid annexation except under unusual and compelling circumstances.

8. Prompt Services. North Carolina's annexation statutes, recognizing that not every service and function can be provided to a newly annexed area on the day of annexation, allows limited flexibility in extending full services. The flexibility is necessary to accommodate special circumstances that may be present in a few annexations. Both the spirit of the law, and common fairness demand that cities not take advantage of this flexibility. All municipal services should be extended fully at existing levels as soon as possible following an annexation.

9. Tax Grabs. The principle underlying North Carolina's annexation laws is that whatever becomes urban should become municipal. Full and orderly expansion of municipal boundaries to incorporate territory that is urbanizing is encouraged. Such areas typically need the urban services that cities provide. The need for municipal services varies from area to area. In a like fashion, taxable values may also vary. It is not necessary that every lot or tract produce revenues to balance the costs of services to it. Some will. Others will not. And a few will produce a "profit" for the municipal budget.



While budget constraints must be considered in planning municipal annexations, they are only one factor. Cities should avoid annexations that may be properly called "tax grabs," annexations unrelated to service needs where costs are unusually low and new tax revenues exceptionally high.

10. Service Policy Changes. The state's annexation statutes require that services to a newly annexed area be provided according to the same policies under which they are provided within the remainder of the city. A city's policies, of course, may change from time to time as circumstances change. Cities should regularly review their policies for extending services, especially such services as those for water and sewer extensions and street improvements. Changes should not be made just before an annexation if the result is unfavorable for the newly annexed property owners when compared with previous policies in effect for some time.

11. Local Exemptions to Annexation Statutes. Some 60 of the state's 460 cities are not covered by the statutes that permit annexation on the basis of urban development and ability to extend municipal services. The Municipal Government Study Commission that developed these statutes in 1957-59 recommended that they apply to all cities and towns. Ideally, the state's annexation statutes should apply uniformly to all cities. The cities that are exempted should review their exemptions to determine whether the reasons for exemption are still valid in light of today's conditions and the desirability of uniform state authority.

12. Joint City-County Committees. Essentially all local governmental services and functions in North Carolina are the responsibility of either city or county governments. The two governments now have almost the same authority, and increasingly the two are exercising the full range of that

authority. Thus what one does affects the other. Plans of one are important to the planning of the other. In many counties the officials of the two units have found it helpful to create joint committees as a means of keeping informed about the activities of the respective city and county governments, for developing coordinated approaches to common problems and services, and for anticipating joint actions. Officials in the cities and counties that have not yet created such committees should examine the benefits to be realized from doing so.

Not all problems and complaints will be eliminated even if city and county officials follow these recommended practices. But many problems will be corrected and others will be reduced. And the state's citizens will be better served.