

LEGISLATIVE GOAL STATEMENTS

RECOMMENDED BY
THE NCLM BOARD OF DIRECTORS

The following goal statements are NOT listed in any priority order.

- **Expand funding opportunities for disaster resiliency and recovery efforts.**
  - North Carolina has faced a number of damaging natural disasters in recent years, including the unprecedent storm that devastated western North Carolina in the fall of 2024.
  - To fully recover from these natural disasters requires a broad approach that focuses on infrastructure, housing and economic losses.
  - Federal assistance and private insurance will not be enough to address these ongoing, critical needs or mitigate damage when future disasters hit.

- **Establish long-term funding streams that adequately address water, sewer, stormwater, transportation and other infrastructure needs.**
  - Infrastructure – including roads, water, sewer, stormwater, parks and beaches – are critical to economic development and job creation.
  - Many cities in the state are growing, creating a constant need for investment to keep pace with population growth; many cities and towns also have aging infrastructure that must be replaced.
  - Creating long-term and more permanent funding streams for infrastructure will ensure adequate investments so that North Carolina thrives now and into the future.

- **Expand state transportation funding streams for construction and maintenance of municipal and state-owned secondary roads.**
  - Current Powell Bill and other state funding is not adequate to address transportation needs, particularly as they affect municipal and state-owned secondary roads.
  - In many cities and towns, major commuting corridors are not receiving the level of investment needed to keep pace with traffic.
  - More investment is needed for these roads if existing residents are to embrace business and residential growth

- **Increase funds to remediate contamination in local water supplies.**
    - Local municipal water systems and their ratepayers increasingly are footing the costs of cleaning up PFAS and other “forever” chemicals from drinking water supplies.
    - As more regulations are set at the state and federal level to limit these chemicals in water supplies, costs will escalate.
    - Cities primary recourse to try to recoup the cost for utility ratepayers is through the courts.

- **Expand incentives and funding for local economic development.**
    - Funding is simply inadequate in many cities and towns to encourage job growth.
    - State grants and incentives are often targeted in ways that fail to assist the areas in greatest need of job creation.
    - Maintaining or expanding funding for film tax credits, major industrial site development, downtown development and renewable energy tax credits helps cities and towns across the state.

- **Create incentives to encourage the development of diverse housing options.**
    - Housing affordability continues to be a significant problem across many areas of North Carolina, affecting people of different income levels.
    - The lack of affordable housing acts as a major impediment to business and workforce recruitment.
    - State incentives to encourage the construction of housing for people of various income levels are extremely limited.

- **Provide resources to rehabilitate or purchase blighted properties.**
    - In many cities and towns, blighted properties act as an impediment to economic and business growth.
    - Cities and towns have limited means to address these properties, particularly in more rural, smaller communities.
    - Rehabilitating blighted properties can help address North Carolina’s housing needs.

- **Create incentives that encourage and adequately fund regionalized water and sewer solutions.**
    - A number of municipal water and sewer systems continue to financially struggle with deferred maintenance needs.
    - These challenges came about largely due to population and job losses in rural areas, leading to an erosion of taxpayer and ratepayer bases.
    - While legislators and municipalities have begun to address these issues with the creation of the Viable Utility Reserve and the use of ARPA funding, state estimates show needs still exceed expenditures by several billion dollars.

- **Reduce regulatory conflicts between state agencies that discourage voluntary consolidation, merger and interconnection of municipal utility systems.**
    - Municipalities have contractually obtained older, smaller utility systems of other municipalities and private enterprises in order to provide better and more efficient services to residents and businesses.
    - Older laws and regulations impose penalties on mid-size and large municipalities due to state agencies requiring them to pay for relocation of utilities when those penalties would have been reduced or eliminated for the smaller entities they were purchased from.
    - The State should work to reduce and eliminate these conflicts which have the effect of discouraging voluntary consolidation, merger and interconnection of municipal utility systems.

- **Create an orphan road program whereby the state improves those roads to N.C. Department of Transportation standards before municipalities assume maintenance responsibilities.**
    - So-called orphan roads are typically created when a street in a subdivision is not built to state or municipal standards, and the developer walks away without an agreement for maintenance.
    - The abandoned road can leave homeowners on the hook for the cost of maintenance.
    - For cities and towns, these abandoned roads can serve as a deterrent to voluntary annexation agreements even as the residents seek municipal services.

- **Provide local revenue options beyond the property tax.**
    - Roughly 40 percent of municipal general fund revenue is generated by local property taxes.
    - Cities have little to no authority to raise significant revenue in other ways.
    - A lack of diverse, local tax options can affect economic growth, as well as cause large swings in revenue based on economic changes.

- **Support technical assistance programs to assist municipalities with securing or maintaining grants or other necessary municipal resources.**
    - Many municipalities do not have the resources to seek or administer grants, even as that source of funding could help meet the needs of residents.
    - State, federal and other grant funding offers a significant opportunity for cities and towns to improve infrastructure or enhance services.
    - Providing technical assistance to these municipalities can provide them with access to grant funding, providing resources not otherwise available to them.

- **Address the needs of a changing municipal workforce through state assistance that supports employee retention, including training and recruitment.**
    - Municipalities across the state are facing staffing issues as current workers age and retire.
    - Training and retention resources are limited and competing with wages offered in the private sector can be difficult.
    - The use of training and recruitment tools across state and local government boundaries can improve public sector workforce availability.

- **Update the annexation petition thresholds to make voluntary annexations easier to initiate.**
    - Voluntary annexation by petition currently requires 100 percent consent from all property owners, a threshold that can be impossible to meet even if a majority of property owners can benefit by utilizing their property for business or residential purposes.
    - Lowering the threshold from 100 percent represents a middle ground that would still reflect the will of property owners but not handicap communities' ability to economically thrive.
    - The ability of a city or town to grow and reflect its urban footprint is vital to it financial health; city services are relied on by residents whether they live in or near municipal boundaries.

- **Preserve authority for extraterritorial jurisdiction to ensure that growth is well-planned and investments by homeowners and business owners are protected.**
    - A community's land-use planning tools, including ETJ, are vital as infrastructure investments are made that pave the way for economic growth.
    - Protecting homes and businesses from incompatible uses continues to be an important feature of ETJs. As of 2022, at least 14 counties in North Carolina had no zoning restrictions, with several others being only partially zoned.
    - Protecting neighborhoods from incompatible uses ultimately protects the value of residents' homes and property.

- **Protect the ability of municipal elected officials, acting on behalf of local voters, to determine election formats, districts and other election matters currently under their purview.**
    - Locally-elected municipal officials are best positioned to understand the wishes of local voters and how those should be applied to local election matters.
    - In many areas, residents prefer to avoid political polarization when it comes to the practical tasks of municipal government.
    - Locally-elected municipal officials are in their communities every day and accessible to voters.