



**Town of Tarboro
Annexation
Report on Service Provision**

March 4, 2023

This report has been prepared pursuant to the North Carolina General Statutes, Chapter 160A-58.53 and includes maps for the area, and services available.

Summary

Municipal growth through annexation is essential to sound urban development and continued economic development and the North Carolina General Statutes provide for annexation by municipalities according to certain legislative standards and with the provision of certain services. There are certain areas surrounded by Town limits which staff recommends for annexation.

The Town of Tarboro adopted a resolution stating the intent of the Town to consider annexation of the area along Highway 258 (as attached) on February 13, 2023. A Public Information Meeting will be held on April 3, 2023, and a Public Hearing will be held on July 10, 2023. Notice for these meetings have been mailed to the owners of real property located within the areas to be annexed.

If the Town of Tarboro annexes the area, various Town services will be provided and become available to the property owners on the effective date of the annexation.

A copy of this report is available for public review in the Town Clerk's Office and will be available on the Town's website.

State Law on Annexation

The Town of Tarboro is following the procedures and requirements of the North Carolina General Statutes for Annexation. Since 1959, the North Carolina General Assembly has set forth the State's policy on annexation as part of the General Statutes governing cities and towns, and legislation states in part:

"It is hereby declared as a matter of State policy:

- (1) That sound urban development is essential to the continued economic development of North Carolina.

- (2) That municipalities are created to provide the governmental services essential for sound urban development and for the protection of health, safety, and welfare in areas being intensively used for residential, commercial, industrial, institutional, and governmental purposes or in areas undergoing such development.
- (3) That municipal boundaries should be extended in accordance with legislative standards applicable throughout the State to include such areas and to provide the high quality of governmental services needed therein for the public health, safety, and welfare.
- (4) That areas annexed to municipalities in accordance with such uniform legislative standards should receive the services provided by the annexing municipality.
- (5) That the provision of services to protect the health, safety, and welfare is a public purpose.
- (6) That it is essential for citizens to have an effective voice in annexation initiated by municipalities.”

Town Policy on Annexation

The Town's general policy has been to encourage owners of new developments outside but near the Town to petition the Town voluntarily for annexation so that municipal urban services will be available to the developments.

The Town also may annex areas that qualify for annexation under State law and where part or all of the area is developed for urban purposes and where the area can practically be served by the Town through the extension of municipal services.

Steps in the Annexation Process

The Town of Tarboro has adopted a Resolution of Intent, which is followed by a public meeting, a public hearing prior to further steps in the annexation process.

Eligibility for Annexation

The area intended to be annexed meets the following criteria as outlined in § 160A-58.54 as below:

- (a) A municipal governing board may extend the municipal corporate limits to include any area that meets all of the following criteria:
 - (1) It shall be adjacent or contiguous to the municipality's boundaries at the time the annexation proceeding is begun, except if the entire territory of a county water and sewer district created under G.S. 162A-86(b1) is being annexed, the annexation shall also include any noncontiguous pieces of the district as long as the part of the district with the greatest land area is adjacent or contiguous to the municipality's boundaries at the time the annexation proceeding is begun.

- (2) At least one-eighth of the aggregate external boundaries of the area shall coincide with the municipal boundary.
- (3) No part of the area shall be included within the boundary of another incorporated municipality.
- (4) The total area to be annexed shall meet the requirements of any of the following:
 - a. Part or all of the area to be annexed must be developed for urban purposes at the time of approval of the report provided for in G.S. 160A-58.53. The area of streets and street rights-of-way shall not be used to determine total acreage under this subdivision. An area developed for urban purposes is defined as any area which meets any one of the following standards:
 1. Has a total resident population equal to at least two and three-tenths persons for each acre of land included within its boundaries.
 2. Has a total resident population equal to at least one person for each acre of land included within its boundaries, and is subdivided into lots and tracts such that at least sixty percent (60%) of the total acreage consists of lots and tracts three acres or less in size and such that at least sixty-five percent (65%) of the total number of lots and tracts are one acre or less in size.
 3. Is so developed that at least sixty percent (60%) of the total number of lots and tracts in the area at the time of annexation are used for residential, commercial, industrial, institutional, or governmental purposes, and is subdivided into lots and tracts such that at least sixty percent (60%) of the total acreage, not counting the acreage used at the time of annexation for commercial, industrial, governmental, or institutional purposes, consists of lots and tracts three acres or less in size.
 4. Is the entire area of any county water and sewer district created under G.S. 162A-86(b1), if all of the following apply:
 - I. The municipality has provided in a contract with that district that the area is developed for urban purposes.
 - II. The contract provides for the municipality to operate the sewer system of that county water and sewer district.
 - III. The municipality is annexing in one ordinance the entire territory of the district not already within the corporate limits of a municipality.
 5. Is so developed that, at the time of the approval of the annexation report, all tracts in the area to be annexed are used for commercial, industrial, governmental, or institutional purposes.
 - b. Part or all of the area to be annexed meets either of the following:

1. Lies between the municipal boundary and an area developed for urban purposes so that the area developed for urban purposes is either not adjacent to the municipal boundary or cannot be served by the municipality without extending major municipal services, including water or sewer lines, through such sparsely developed area.
2. Is adjacent, on at least sixty percent (60%) of its external boundary, to any combination of the municipal boundary and the boundary of an area or areas developed for urban purposes as defined in sub-subdivision a. of this subsection.

The purpose of paragraphs 1. and 2. of this sub-subdivision is to permit municipal governing boards to extend corporate limits to include all nearby areas developed for urban purposes and where necessary to include areas which at the time of annexation are not yet developed for urban purposes but which constitute necessary land connections between the municipality and areas developed for urban purposes or between two or more areas developed for urban purposes.

- c. The total area to be annexed is completely surrounded by the municipality's primary corporate limits.

Area to be Annexed

The area intended to be annexed is an entirely commercial area on the Eastern side of Highway 258 as indicated on the attached maps.

Provision of Services

The Town of Tarboro has the capacity to provide all major municipal services to the area annexed. On the effective date of annexation, the Town will provide each services on substantially the same basis and in the same manner as such services are provided within the rest of the Town immediately before annexation. All Town policies and services are subject to change over time.

Under General Statute, the Town of Tarboro must set forth the method under which the Town plans to provide services to the annexed area. As the proposed areas is already surrounded in entirety by parcels served by Town services, no major extensions of service will be needed following annexation. Police and fire protection will continue in the area without significant change, and will be provided with current capabilities. As the Town does not provide commercial solid waste pickup, solid waste collection will not be impacted unless the land use is modified in the future. Water, sewer, and electric services are currently available to each lot and the developed lots utilize those services. Access to those services is no different than construction of an extension on private property for new development, acquisition of a tap, or similar connection and related fee as it is within Town limits, difference being the billed rates for

out-of-town rates. Street maintenance will not change, as there are currently no publicly owned streets within the area. The proposed area does not have any dwelling units or residents.

There will be a shift in Fire Protection provision from the Princeville district to the Town of Tarboro district, and the Town will be making a written request to the Princeville Fire Department all information necessary for a statement of impact.

The Insurance Services Organization rating is one of several factors used by insurance agencies to determine insurance premiums. The Princeville District has a rating of 9 and the Tarboro Fire Department has a rating of 3 which should produce a premium reduction for parcels within this area.

The annexation area will receive all other Town services not listed above, and residents and owners of property in the annexation area will have all the rights and privileges of being in the Town, in the same manner and on substantially the same basis as for all other areas of the Town of Tarboro.

Estimated revenues will be sufficient to pay the estimated costs of applicable services as previously described. There are no immediate anticipated costs to extend these services.

As Edgecombe County allocates to municipalities on a per capita basis, annexation of this non-residential area will not change the sales tax revenue. Water and sewer billing revenues are estimated to be reduced by \$6,000 annually due to the change of existing billed developments into in-town billing rates.

Ad valorem taxes are incurred at the current General Fund tax rate of \$0.41 per \$100 of value, and there is a collection rate of 97.21%. Property in the annexation area will be subject to ad valorem (property) taxes for the General Fund. Various other taxes and fees, will apply to the annexation area as for all other areas of the Town. The total real property tax valuation of real estate in the proposed area is \$4,426,655.

Once annexed, property owners continue to pay County property taxes for County services (such as education, public health and social services) and they pay Town property taxes for Town municipal services.

A RESOLUTION APPROVING THE REPORT OF PLANS TO PROVIDE SERVICES TO THE AREA ALONG HIGHWAY 258 BEING INTENDED FOR ANNEXATION

WHEREAS, the report of plans to continue to provide services to the Highway 258 Area being intended for annexation as adopted by the Tarboro Town Council on February 13, 2023 has been submitted to the Town Council and the Town Council is required to approve the report prior to a public information meeting, NOW THEREFORE,

BE IT RESOLVED, by the Tarboro Town Council, that the report of service provision to the Highway 258 area is indicated in the resolution adopted on February 13, 2023, is hereby approved and is hereupon made available for public inspection in the office of the Town Clerk.

Adopted by the Tarboro Town Council on this 4th day of March, 2023.

Tate Mayo, Mayor

Leslie M. Lunsford, Town Clerk