

Article 33.

Rail Transportation Corridor Authority.

§ 160A-880. Title and purpose.

This Article shall be known and may be cited as the "Rail Transportation Corridor Authority Act." The purpose of this Article is to authorize the creation of an Authority to establish, construct, purchase, maintain, equip, and operate any structure, facility, or improvement to aid commerce, public transportation, and any other rail services associated with rail corridors. (2024-45, s. 19.4(a).)

§ 160A-881. Definitions.

The following definitions apply in this Article:

- (1) Authority. – A Rail Transportation Corridor Authority.
- (2) Board of Trustees. – The governing board of an Authority.
- (3) Costs. – The capital cost of a rail corridor project or special user project, including:
 - a. The costs of doing any or all of the following:
 1. Acquiring, constructing, erecting, providing, developing, installing, furnishing, and equipping.
 2. Reconstructing, remodeling, altering, renovating, replacing, refurbishing, and reequipping.
 3. Enlarging, expanding, and extending.
 4. Demolishing, relocating, improving, grading, draining, landscaping, paving, widening, and resurfacing.
 - b. The costs of all property, both real and personal and both improved and unimproved, and of plants, works, appurtenances, structures, facilities, furnishings, machinery, equipment, vehicles, easements, water rights, air rights, franchises, and licenses used or useful in connection with a rail corridor project or special user project.
 - c. The costs of demolishing or moving structures from land acquired and acquiring land to which the structures are to be moved.
 - d. Financing charges, including estimated interest during the acquisition or construction of a rail corridor project or special user project and for one year thereafter.
 - e. The costs of services to provide plans, specifications, studies, reports, surveys, and estimates of costs and revenues.
 - f. The costs of paying any interim financing, including principal, interest, and premium, related to the acquisition or construction of a rail corridor project or special user project.
 - g. Administrative and legal expenses and administrative charges.
 - h. The costs of establishing and maintaining debt service and other reserves.
 - i. Any other services, costs, and expenses necessary or incidental to a rail corridor project or special user project.
- (4) Credit facility. – An agreement with a banking institution, an insurance institution, an investment institution, or other financial institution located inside or outside the United States of America that provides for prompt payment,

whether at maturity, presentment, or tender for purchase, redemption, or acceleration, of part or all of the principal or purchase price, redemption premium, if any, and interest on debt held by the Authority and for repayment of the institution.

- (5) Financing agreement. – A written instrument establishing the rights and responsibilities of the Authority and the operator concerning a financed special user project. A financing agreement may be a lease, a lease and lease back, a sale and lease back, a lease purchase, an installment sale and purchase agreement, a conditional sales agreement, a secured or unsecured loan agreement, or other similar contract and may involve property in addition to the financed property.
- (6) Obligor. – A person, including an operator, who has entered into a financing or other agreement obligating the person to make payments to the Authority to finance a special user project.
- (7) Operator. – The person entitled to the use or occupancy of a special user project.
- (8) Organizing entity. – The elected boards of county commissioners and each municipality that have created or joined an Authority in accordance with G.S. 160A-883.
- (9) Person. – Any person, corporation, partnership, association, trust, or other legal entity.
- (10) Public transportation. – Transportation of passengers whether or not for hire by any means of conveyance, including, but not limited to, a street or elevated railway or guideway, subway, motor vehicle or motor bus, carpool or vanpool, either publicly or privately owned and operated, holding itself out to the general public for the transportation of persons within or working within the territorial jurisdiction of the Authority or as otherwise provided by this Article.
- (11) Public transportation system. – Without limitation, a combination of real and personal property, structures, improvements, buildings, equipment, vehicle parking, or other facilities, railroads and railroad rights-of-way whether held in fee simple by quitclaim or easement, and rights-of-way, or any combination thereof, used or useful for the purposes of public transportation.
- (12) Rail. – Transportation of passengers, as a mode of public transportation, or freight utilizing fixed or semi-fixed tracks.
- (13) Rail corridor. – A combination of rail line and real and personal property, structures, improvements, buildings, equipment, vehicle parking, and other appurtenant fixtures essential to rail operations and public transportation, including any facilities, maintenance yard, marshalling yard, transfer yard, utilities, pedestrian foot paths, and bicycle paths.
- (14) Rail corridor project. – Any of the following that is part of or used in connection with a rail corridor and is not a special user project:
 - a. Any land, equipment, or buildings or other structures, whether located on one or more sites within a rail corridor.
 - b. The addition to or the rehabilitation, improvement, renovation, or enlargement of any property described in sub-subdivision a. of this subdivision.

The term includes infrastructure improvements, such as improvements to railroad facilities, roads, bridges, and water, sewer, or electric utilities. A rail corridor project may include a facility leased to one or more entities under a true lease.

- (15) Rail Transportation Corridor Authority. – A public body corporate and politic organized in accordance with the provisions of this Article for the purposes, with the powers, and subject to the restrictions hereinafter set forth.
- (16) Railroad. – Any person or company providing transportation by rail for compensation.
- (17) Revenues. – For a special user project, the term means rents, fees, charges, payments, proceeds, or other income or profit derived from the special user project or from the financing agreement or security document for the special user project. For a rail corridor project, the term means rents, fees, charges, payments, proceeds, or other income or profit derived from the rail corridor project or from any pledge of nontax revenues, appropriation, or payment made by the State or unit of local government in which the rail corridor is located.
- (18) Security document. – One or more written instruments establishing the rights and responsibilities of the Authority to finance a special user project. A security document may contain an assignment, pledge, mortgage, or other encumbrance of part or all of the Authority's interest in, or right to receive revenues from, a special user project or any other property provided by the operator or other obligor under a financing agreement. A financing agreement and a security document may be combined as one instrument.
- (19) Special user project. – Any land, equipment, or buildings or other structures located on one or more sites within the rail corridor and the addition to or the rehabilitation, improvement, renovation, or enlargement of a structure located within the rail corridor when the property is to be used as or in connection with any of the following:
 - a. An undertaking for industry, including an industrial or a manufacturing factory, mill, assembly plant, or fabricating plant; a freight terminal; an industrial research, development, or laboratory facility; or an industrial processing or distribution facility for industrial or manufactured products.
 - b. A commercial, processing, mining, transportation, distribution, storage, marine, aviation, rail, or environmental facility or improvement.
 - c. Any combination of items mentioned in sub-subdivisions a. and b. of this subdivision.

A special user project, during its economic life, is to be principally used by one or more for-profit entities other than as lessee under a lease that has a fair market value rental and is not treated as a financing lease or installment sale for federal tax law purposes. A special user project may include all appurtenances and incidental facilities such as land, a headquarters or office facility, warehouses, distribution centers, access roads, sidewalks, utilities, railway sidings, trucking and similar facilities, parking facilities, waterways, docks, wharves, and other improvements necessary or convenient for the construction, maintenance, and operation of any structure.

- (20) Unit of local government. – A county, city, town, or municipality of this State, and any other political subdivision, public corporation, authority, or district in this State, that is or may be authorized by law to acquire, establish, construct, improve, maintain, own, or operate a rail corridor.
- (21) Unit of local government's chief administrative official. – The county manager, city manager, town manager, or other person in whom the responsibility for the unit of local government's administrative duties is vested. (2024-45, s. 19.4(a).)

§ 160A-882. Definition of territorial jurisdiction of the Authority; rail corridor boundary and service area designation.

(a) An Authority may be created for any area of the State that, at the time of creating the Authority, meets the following criteria:

- (1) The area consists of three or more contiguous counties each containing portions of an existing rail corridor, with one of the counties having a population in excess of 150,000 but less than 200,000 based on the 2020 census and the other two contiguous counties having a population in excess of 75,000 but less than 90,000 based on the same census.
- (2) The distance between the rail corridor milepost origination and termination points is no more than 25 miles in length.
- (3) If the Authority intends to receive existing rail corridor interests in property, those rail property interests can be transferred to the Authority without purchase of those rail corridor interests in property.
- (4) An Authority shall not have jurisdiction over any Class I railroad, as that term is defined under 49 U.S.C. § 20102 and 49 C.F.R. § 1201.1-1, nor a rail line or rail corridor owned or operated by the United States Department of Defense, nor a rail line owned or operated by the North Carolina Railroad Company or its subsidiaries.

(b) The territorial jurisdiction of the Authority shall be coterminous with the boundaries of the three or more organizing counties, except as provided in subdivision (3) of subsection (a) of this section.

(c) The rail corridor service area of the Authority shall be designated by and recorded in the minutes of the Board of Trustees, consistent with its purpose, and shall not exceed the immediately adjacent and proximate area of the rail corridor as owned or otherwise controlled by the Authority for the powers provided under G.S. 160A-886.

(d) The boundaries of the rail corridor of the Authority shall be designated by and recorded in the minutes of the Board of Trustees once the properties and rail line making up the rail corridor are in the Authority's possession or control. If there is a change in the rail corridor boundaries after it is initially designated, the rail corridor designation shall be updated and recorded in the minutes of the Board of Trustees at its next meeting. The Authority may not extend the rail corridor into a political subdivision that is not an organizing entity under G.S. 160A-883 without (i) the consent of the governing body of that political subdivision or (ii) the political subdivision having first become an organizing entity as provided under G.S. 160A-883(e). A majority vote of the governing body shall constitute consent. The Authority may not at any time extend its rail corridor to be longer than 25 miles in compliance with subdivision (2) of subsection (a) of this section through any subsequent addition.

- (e) The designation required by subsection (d) of this section shall describe the rail corridor boundaries by its rail milepost origination and termination points and one or more of the following:
- (1) Reference to a map, deed, or other title instrument.
 - (2) Metes and bounds.
 - (3) General descriptions referring to natural boundaries, boundaries of existing political subdivisions, or boundaries of tracts or parcels of land. (2024-45, s. 19.4(a).)

§ 160A-883. Creation and expansion of Authority.

(a) Resolution of Creation. – An Authority may be organized under the provisions of this Article upon the adoption of a resolution to create such an Authority by the boards of commissioners of all three or more counties within an area for which an Authority may be created pursuant to G.S. 160A-882(a) and the elected board of each municipality containing a portion of the rail corridor.

(b) Public Hearing. – A resolution to form an Authority under this Article shall be adopted after a public hearing. Notice of the public hearing must be given at least once, not less than 10 days prior to the date fixed for the hearing, in a newspaper having a general circulation in the county. The notice must contain a brief statement of the substance of the proposed resolution; a description of the rail corridor to be controlled, purchased, or otherwise operated by the Authority; the proposed articles of incorporation of the Authority; and the time and place of the public hearing.

(c) Articles of Incorporation. – A resolution to form an Authority under this Article must include articles of incorporation that set forth all of the following:

- (1) The name of the Authority.
- (2) A statement that the Authority is organized under this Article.
- (3) The name of each organizing entity.

(d) Certificate of Incorporation. – A certified copy of each resolution organizing an Authority under the provisions of this Article shall be filed with the Secretary of State, together with proof of publication of the notice of hearing. If the Secretary of State finds that each resolution, including the articles of incorporation, conform[s] to the provisions of this Article and that the notice of hearing was properly published, then the Secretary must issue a certificate of incorporation under the seal of the State and record the same in an appropriate book of record. The issuance of the certificate of incorporation by the Secretary of State shall constitute the Authority a public body and body politic and corporate of the State of North Carolina. The certificate of incorporation is conclusive evidence of the fact that the Authority has been duly created and established under the provisions of this Article.

(e) Resolution to Join. – If, at any time subsequent to the creation of an Authority, the Authority proposes or otherwise intends to extend the rail corridor into a county or municipality that is not already an organizing entity of the Authority, that county or municipality may join the Authority under the provisions of this Article upon the adoption of a resolution to join by the elected board of the county or municipality. A resolution to join an Authority under this Article shall be adopted after a public hearing. Notice of the public hearing must be given at least once, not less than 10 days prior to the date fixed for the hearing, in a newspaper having a general circulation in the county. The notice must contain a brief statement of the substance of the proposed resolution; a description of the rail corridor to be controlled, purchased, or otherwise operated by the Authority; the proposed articles of incorporation of the Authority as updated to include the new organizing entity; and the time and place of the public hearing. A certified copy of each resolution

to join an Authority under the provisions of this Article shall be filed with the Secretary of State, together with proof of publication of the notice of hearing. If the Secretary of State finds that the resolution, including the updated articles of incorporation, conform[s] to the provisions of this Article and that the notice of hearing was properly published, then the Secretary of State must issue an updated certificate of incorporation under the seal of the State and record the same in an appropriate book of record. The updated certificate of incorporation is conclusive evidence of the fact that the Authority has been duly updated under the provisions of this Article. The Authority may not at any time extend its rail corridor to be longer than 25 miles in compliance with G.S. 160A-882(a)(2) through any subsequent addition of a county or municipality.

(f) **Members.** – When the Authority has been duly organized or updated and its members appointed to the Board of Trustees, the chair of the Board of Trustees shall certify to the Secretary of State the names and addresses of the members as well as the address of the principal office of the Authority.

(g) **Members Not Liable.** – No member of the Board of Trustees shall be subject to any personal liability or accountability by reason of their execution of any debt held by the Authority.

(h) **Compensation of the Board of Trustees.** – Members of the Board of Trustees shall receive the sum of fifty dollars (\$50.00) as compensation for the attendance at each duly conducted meeting of the Authority.

(i) **[Annual Report. –]** The Authority shall, promptly following the close of each fiscal year, submit an annual report of its activities for the preceding year to the Governor, the General Assembly, and the Local Government Commission. Each report shall be accompanied by an audit of its books and accounts. The costs of all audits, whether conducted by the State Auditor's staff or contracted with a private auditing firm, shall be paid from funds of the Authority. The Authority shall submit annual reports to the Joint Legislative Commission on Governmental Operations. The reports shall summarize the Authority's activities during the quarter and contain any information about the Authority's activities that is requested by the Commission. (2024-45, s. 19.4(a).)

§ 160A-884. Board of Trustees.

(a) **Members.** – The Authority shall be governed by a Board of Trustees and consist of one member for each organizing entity having adopted a resolution for the creation of or a resolution to join the Authority under G.S. 160A-883, and one member for each regional council of government, as created pursuant to Part 2 of Article 20 of Chapter 160A of the General Statutes, containing a portion of the rail corridor.

(b) **Appointment.** – The Board of Trustees seats held by each member of the organizing entities having adopted a resolution for the creation of or a resolution to join the Authority shall be filled by the respective unit of local government's chief administrative official or its designee. The Board of Trustees seats held by each regional council of government containing a portion of the rail corridor shall be held by the Executive Director of that council or the Executive Director's designee.

(c) **Ex Officio.** – Any unit of local government's chief administrative official serving on the Board of Trustees is an ex officio voting member as part of the duties of their office in accordance with G.S. 128-1.2 and not considered to be serving in a separate office.

(d) **Ethics.** – Members of the Board of Trustees are subject to the provisions of G.S. 136-13, 136-13.1, and 136-14.

(e) **Quorum.** – A majority of the membership of the Board of Trustees, excluding vacant seats, shall constitute a quorum. A member who has withdrawn from a meeting without being

excused by a majority vote of the remaining members present shall be counted as present for the purposes of determining whether or not a quorum is present. No member shall be excused from voting except upon matters involving the consideration of the member's own financial interest or official conduct or on matters on which the member is prohibited from voting under any other provision of law.

(f) Action. – An affirmative vote equal to a majority of all members of the Board of Trustees not excused from voting on the question at issue shall be required to authorize or commit the expenditure of public funds, or make, ratify, or authorize any contract on behalf of the Authority.

(g) Chair and Vice-Chair of the Board of Trustees. – At the first meeting of the Board of Trustees, the chair of the Board of Trustees shall be elected from the Board of Trustees' membership by a majority vote of a quorum of the Board of Trustees. Also, at the first meeting of the Board of Trustees, and from the remaining Board of Trustees' membership not elected as chair, a vice-chair of the Board of Trustees shall be elected by a majority vote of a quorum of the Board of Trustees to fulfill the roles and duties of the chair of the Board of Trustees in the chair's absence. The terms of the chair and vice-chair so elected shall be for three years with no limit on the number of consecutive terms for which the chair or vice-chair may serve.

(h) Vacancies. – All members of the Board of Trustees shall remain in office unless (i) a unit of local government's chief administrative official no longer holds that office in its respective government, (ii) a unit of local government's chief administrative official replaces its designee, (iii) the Executive Director of the regional council of government no longer holds the office of Executive Director of the council, or (iv) the Executive Director of the council replaces its designee. A vacancy for the chair of the Board of Trustees shall be filled by the vice-chair for the remainder of the applicable three-year term, and a special election for a replacement vice-chair shall occur at the next Board of Trustees meeting pursuant to the procedure set out in subsection (g) of this section. A vacancy of the vice-chair shall prompt a special election for a replacement vice-chair at the next Board of Trustees meeting pursuant to the procedure set out in subsection (g) of this section. (2024-45, s. 19.4(a).)

§ 160A-885. Advisory committees.

The Board of Trustees may provide for the selection of such advisory committees as it may find appropriate, which may or may not include members of the Board of Trustees. (2024-45, s. 19.4(a).)

§ 160A-886. Rail Transportation Corridor Authority.

(a) The Authority shall have all powers necessary to execute the provisions of this Article, which shall include at least the following powers:

- (1) The powers of a corporate body, including the power to sue and be sued, to make contracts, to adopt and use a common seal, and to alter the adopted seal as needed.
- (2) To make rules and regulations and create and operate agencies, committees, and departments as needed to implement this Article.
- (3) To pay all necessary costs and expenses in the formation, organization, administration, and operation of the Authority.

- (4) To employ persons deemed necessary to carry out the functions and duties assigned to them by the Authority and to fix their compensation within the limit of available funds.
- (5) To retain and employ counsel, appraisers, auditors, architects, engineers, private consultants, and real estate counselors on an annual salary, contract basis, or otherwise for rendering professional or technical services from funds available to the Authority.
- (6) To operate a rail corridor and enter and perform contracts to provide and operate rail and rail corridor services and facilities within the rail corridor service area.
- (7) To charge and collect fees and rents for the use of the rail corridor or for services rendered in the operation of the rail corridor.
- (8) To develop and make data, plans, information, surveys, and studies within the territorial jurisdiction of the Authority and to prepare and make recommendations in regard thereto.
- (9) To enter in a reasonable manner lands, waters, or premises of the territorial jurisdiction for the purpose of making data, examinations, plans, surveys, and studies whereby such entry shall not be deemed a trespass except that the Authority shall be liable for any actual and consequential damages resulting from such entries.
- (10) To purchase or finance real or personal property in the manner provided for cities and counties under G.S. 160A-20.
- (11) To acquire, lease as lessee with or without option to purchase, hold, own, and use any property within the rail corridor service area, real or personal, tangible or intangible, or any interest therein, and to sell, lease as lessor with or without option to purchase, transfer, or dispose thereof, whenever the same is no longer required for purposes of the Authority, or exchange same for other property or rights that are useful for the Authority's purposes, including construction of bridges, buildings, cargo transfer systems, culverts, facilities, industrial track, main track, mass transit systems, maintenance yards, marshalling yards, rights-of-way, roadbed, sidings, structures, transfer yards, tunnels, and all other railroad appurtenances. Before constructing a bridge, the Authority shall consult with the Department of Transportation.
- (12) To acquire by gift, purchase, lease as lessee with or without option to purchase or otherwise to construct, improve, maintain, repair, operate, or administer any component parts of a rail corridor or to contract for the maintenance, operation, or administration thereof, or to lease as lessor the same for maintenance, operation, or administration by private parties.
- (13) To make or enter contracts, agreements, deeds, leases with or without option to purchase, conveyances, or other instruments, including contracts and agreements with the United States, the State of North Carolina, units of local government, public transportation authorities, and private parties, to effectuate the purpose of this Article.
- (14) With the consent of the unit of local government that would otherwise have jurisdiction to exercise the powers enumerated in this subdivision, to issue certificates of public convenience and necessity, and to grant franchises and enter into franchise agreements, and in all respects to regulate the operation of

rail, buses, trams, taxicabs, and other methods of public transportation that originate and terminate within the rail corridor as fully as the unit of local government is now or hereafter empowered to do within the jurisdiction of the unit of local government.

- (15) To finance the costs of a rail corridor project or any part thereof and to refund, whether or not in advance of maturity or the earliest redemption date, any such debt. The principal of and interest on the debt is payable solely from the revenues pledged to its payment and neither the State, municipality, or county is obligated to pay the principal or interest, except from such revenues.
- (16) To apply for, accept, and administer loans and grants of money from any federal agency, the State, or its political subdivisions, or from any other public or private sources available, to expend the money in accordance with the requirements imposed by the lender or donor, and to give any evidence of indebtedness that are required. No indebtedness of any kind incurred or created by the Authority shall constitute an indebtedness of the State or its political subdivisions, and no indebtedness of the Authority shall involve or be secured by the faith, credit, or taxing power of the State or its political subdivisions.

(b) To execute the powers provided in subsection (a) of this section, the Board of Trustees shall determine the policies of the Authority by majority vote of the members of the Board of Trustees present and voting, a quorum having been established. Once a policy is determined, the Board of Trustees shall communicate it to the chair, who shall have the sole and exclusive authority to execute the policy of the Authority. No member of the Board of Trustees shall have the responsibility or authority to give operational directives to any employee of the Authority other than the chair. (2024-45, s. 19.4(a).)

§ 160A-887. Fiscal accountability.

An Authority created under this Article is a public authority subject to the provisions of Chapter 159 of the General Statutes. (2024-45, s. 19.4(a).)

§ 160A-888. Funds.

The establishment and operation of an Authority are governmental functions and constitute a public purpose, and the State of North Carolina and any unit of local government may appropriate funds to support the establishment and operation of the Authority. The State of North Carolina and any unit of local government may also dedicate, sell, convey, donate, or lease any of their interests in any property to the Authority. An Authority may apply for grants from the State of North Carolina, or from the United States or any department, agency, or instrumentality thereof. The Department of Transportation may allocate to an Authority any funds appropriated for rail corridors, public transportation, or any funds whose use is not restricted by law. (2024-45, s. 19.4(a).)

§ 160A-889. Special user project financing agreement.

(a) Every special user project financing agreement shall contain provisions ensuring all of the following:

- (1) That the amounts payable under the financing agreement are sufficient to pay, when due, the principal of, redemption premium, if any, and interest on debt held to pay the costs of the special user project.

- (2) That the operator pays all costs incurred by the Authority in connection with the financing and administration of the special user project, including insurance costs, the cost of administering the financing agreement and the security document, and the fees and expenses of the fiscal agent or trustee, paying agents, attorneys, consultants, and others.
 - (3) That the operator pays all of the costs and expenses of operation, maintenance, and upkeep of the special user project.
- (b) The financing agreement, if in the nature of a lease agreement, shall either provide that the obligor shall have an option to purchase, or require that the obligor purchase, the special user project upon the expiration or termination of the financing agreement subject to the condition that payment in full of the debt principal shall have been made.
- (c) The financing agreement may provide the Authority with rights and remedies in the event of a default by the obligor, including, without limitation, any one or more of the following:
- (1) Acceleration of all amounts payable under the financing agreement.
 - (2) Reentry and repossession of the special user project.
 - (3) Termination of the financing agreement.
 - (4) Leasing or sale of foreclosure of the special user project to others.
 - (5) Taking whatever actions at law or in equity may appear necessary or desirable to collect the amounts payable under, and to enforce covenants made in, the financing agreement.
- (d) The Authority's interest in a special user project under a financing agreement may be that of owner, lessor, lessee, conditional or installment vendor, mortgagor, mortgagee, secured party, or otherwise, but the Authority need not have any ownership or possessory interest in the special user project.
- (e) The Authority may assign all or any of its rights and remedies under the financing agreement to debt holders under a security document.
- (f) The financing agreement may contain additional provisions as in the determination of the Board of Trustees are necessary or convenient to effectuate the purposes of this Article. (2024-45, s. 19.4(a).)

§ 160A-890. County and municipal agreements.

Any county or municipality in which all or part of the rail corridor is located may enter into an agreement with the Authority providing for payments to be made by the county or municipality, as applicable, to the Authority. A county or municipality may not enter into an agreement to make payments to the Authority until after the Authority designates the rail corridor. Neither the county nor municipality's obligations under the agreement shall constitute a pledge of its faith and credit. The Authority has the power and authorization to enter into agreements with such local governments as provided in the Interlocal Cooperation Act, G.S. 160A-460 through G.S. 160A-466. (2024-45, s. 19.4(a).)

§ 160A-891. Taxation of property.

The property of the Authority, both real and personal, its acts, activities, and income shall be exempt from any tax or tax obligation; in the event of any lease of Authority property, or other arrangement which amounts to a leasehold interest, to a private party, this exemption shall not apply to the value of such leasehold interest, nor shall it apply to the income of the lessee. Otherwise, however, for the purpose of taxation, when property of the Authority is leased to private

parties solely for the purpose of the Authority, the acts and activities of the lessee shall be considered as the acts and activities of the Authority and the exemption. The interest on debt or obligations held by the Authority shall be exempt from State taxes. Property that is part of or is located on the rail corridor and is not owned by the Authority, including property that is part of a special user project, is not exempt from tax due to its location. (2024-45, s. 19.4(a).)

§ 160A-892. Authority of Utilities Commission not affected.

(a) Except as otherwise provided in this Article, nothing in this Article shall be construed to limit or otherwise affect the power or authority of the North Carolina Utilities Commission or the right of appeal to the North Carolina Utilities Commission as provided by law.

(b) The North Carolina Utilities Commission shall not have jurisdiction over rates, fees, charges, routes, and schedules of an Authority for service within the rail corridor. (2024-45, s. 19.4(a).)

§ 160A-893. Removal and relocation of utility structures.

(a) The Authority shall have the power to require any public utility, railroad, or other public service corporation owning or operating any installations, structures, equipment, apparatus, appliances, or facilities in, upon, under, over, across, or along any ways on which the Authority has the right to own, construct, operate, or maintain its rail corridor, to relocate such installation, structures, equipment, apparatus, appliances, or facilities from their locations, or, in the sole discretion of the affected public utility, railroad, or other public service corporation, to remove such installations, structures, equipment, apparatus, appliances, or facilities from their locations.

(b) If the owner or operator thereof fails or refuses to relocate them, the Authority may proceed to do so.

(c) The Authority shall provide any necessary new locations and necessary real estate interests for such relocation, and for that purpose the power of eminent domain as provided in G.S. 160A-894 may be exercised provided the new locations shall not be in, on, or above, a public highway; the Authority may also acquire the necessary new locations by purchase or otherwise.

(d) Any affected public utility, railroad, or other public service corporation shall be compensated for any real estate interest taken in a manner consistent with G.S. 160A-894, subject to the right of the Authority to reduce the compensation due by the value of any property exchanged under this section.

(e) The method and procedures of a particular adjustment to the facilities of a public utility, railroad, or other public service corporation shall be covered by an agreement between the Authority and the affected party or parties.

(f) The Authority shall reimburse the public utility, railroad, or other public service corporation, for the cost of relocations or removals which shall be the entire amount paid or incurred by the utility properly attributable thereto after deducting the cost of any increase in the service capacity of the new installations, structures, equipment, apparatus, appliances, or facilities and any salvage value derived from the old installations, structures, equipment, apparatus, or appliances. (2024-45, s. 19.4(a).)

§ 160A-894. Acquisition, disposition, or exchange of real property.

(a) [Power to Acquire Property. –] The Authority shall have continuing power to acquire, by gift, grant, devise, exchange, purchase, lease with or without option to purchase, or any other lawful method, including, but not limited to, the power of eminent domain, the fee or any lesser

interest in real or personal property for use by the Authority. The Authority may not acquire or take by eminent domain nor by any means, including federal regulatory action, property owned or operated by any Class I railroad, as that term is defined under 49 U.S.C. § 20102 and 49 C.F.R. § 1201.1-1, nor a rail line or rail corridor owned or operated by the United States Department of Defense, nor a rail line owned or operated by the North Carolina Railroad Company or its subsidiaries, without that railroad's consent.

(b) [Other Applicable Law. –] Exercise of the power of eminent domain by the Authority shall be in accordance with Chapter 40A of the General Statutes.

(c) Exchange. – The Authority may exchange any property it acquires for other property usable in carrying out the powers conferred on the Authority and also, upon the payment of just compensation, may remove a building or another structure from land needed for its purposes and reconstruct the structure on another location. The Authority may not use the power of eminent domain to acquire property for exchange.

(d) Site Selection. – In selecting one or more sites for adjoining rail facilities or property for shell or storage buildings, the Authority shall consider comprehensive plans and land-use regulations adopted by local governments and the capability of local governments to provide services as specified in subdivisions (1) through (3) of this subsection. This subsection shall not be construed to require the Authority to comply with any local ordinance, regulation, or plan except as may be otherwise specifically provided by federal or State law, regulation, or rule. Plans, regulations, and capabilities to be considered are:

- (1) Local comprehensive plans, including education, emergency response, law enforcement, water supply, stormwater management, solid waste management, and wastewater treatment.
- (2) Local land use regulations, including appearance, floodplain zoning, subdivision zoning, and watershed protection elements.
- (3) The capability of local governments to provide services and manage growth and development related to the establishment of the rail corridor. (2024-45, s. 19.4(a).)

§ 160A-895. Termination.

Whenever the Board of Trustees shall by resolution determine that the purposes for which the Authority was formed have been substantially fulfilled and that debt held and all other obligations incurred by the Authority have been fully paid or satisfied, the Board may declare the Authority to be dissolved. On the effective date of the resolution, the title to all funds and other property owned by the Authority at the time of the dissolution shall vest in and possession of the funds and other property shall be delivered to the State. (2024-45, s. 19.4(a).)