

WEST VIRGINIA LEGISLATURE OF STATE SEVENTY-NINTH LEGISLATURE REGULAR SESSION, 2010

ENROLLED

Senate Bill No. 41

(By Senators McCabe, Minard, Foster, Palumbo and Chafin)

[Passed March 13, 2010; in effect ninety days from passage.]



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AN ACT to amend and reenact §8A-5-12 of the Code of West Virginia, 1931, as amended; to amend and reenact §16-13E-2 and §16-13E-4 of said code; and to amend said code by adding thereto a new section, designated §16-13E-10a, all relating to generally to subdivision or land development plans or plats; extending the vesting period for certain subdivision or land development plans and plats; providing definitions relating to the development of community enhancement districts; and excepting from a utility's submission relating to petitions for the creation of a district the capacity of the district to provide its own utility services.

Be it enacted by the Legislature of West Virginia:

That §8A-5-12 of the Code of West Virginia, 1931, as amended, be amended and reenacted; that §16-13E-2 and §16-13E-4 of said code be amended and reenacted; and that said code be amended by adding thereto a new section, designated §16-13E-10a, all to read as follows:

CHAPTER 8A. LAND USE PLANNING.

ARTICLE 5. SUBDIVISION OR LAND DEVELOPMENT PLAN AND PLAT.

§8A-5-12. Vested property right.

- 1 (a) A vested property right is a right to undertake and
- 2 complete the land development. The right is established
- 3 when the land development plan and plat is approved by
- 4 the planning commission and is only applicable under the
- 5 terms and conditions of the approved land development
- 6 plan and plat.
- 7 (b) Failure to abide by the terms and conditions of the
- 8 approved land development plan and plat will result in
- 9 forfeiture of the right.
- 10 (c) Subject to section ten-a, article thirteen-e, chapter
- 11 sixteen of this code, the vesting period for an approved
- 12 land development plan and plat which creates the vested
- 13 property right is five years from the approval of the land
- 14 development plan and plat by the planning commission.
- 15 (d) Without limiting the time when rights might other-
- 16 wise vest, a landowner's rights vest in a land use or
- 17 development plan and cannot be affected by a subsequent
- 18 amendment to a zoning ordinance or action by the plan-
- 19 ning commission when the landowner:
- 20 (1) Obtains or is the beneficiary of a significant affirma-
- 21 tive governmental act which remains in effect allowing
- 22 development of a specific project;
- 23 (2) Relies in good faith on the significant affirmative
- 24 governmental act; and
- 25 (3) Incurs extensive obligations or substantial expenses
- 26 in diligent pursuit of the specific project in reliance on the
- 27 significant affirmative governmental act.
- 28 (e) A vested right is a property right, which cannot be
- 29 taken without compensation. A court may award damages

- 30 against the local government in favor of the landowner for
- $31 \,\,$ monetary losses incurred by the landowner and court costs
- 32 and attorneys' fees resulting from the local government's
- 33 bad faith refusal to recognize that the landowner has
- 34 obtained vested rights.
- 35 (f) Any subdivision or land development plan or plat,
- 36 whether recorded or not yet recorded, valid under West
- 37 Virginia law and outstanding as of January 1, 2010, shall
- 38 remain valid until July 1, 2012, or such later date provided
- 39 for by the terms of the planning commission or county
- 40 commission's local ordinance or for a longer period as
- 41 agreed to by the planning commission or county commis-
- 42 sion. Any other plan or permit associated with the subdi-
- 43 vision or land development plan or plat shall also be
- 44 extended for the same time period. Provided, That the
- 45 land development plan or plat has received at least
- 46 preliminary approval by the planning commission or
- 47 county commission by March 1, 2010.

CHAPTER 16. PUBLIC HEALTH.

ARTICLE 13E. COMMUNITY ENHANCEMENT ACT.

§16-13E-2. Definitions.

- 1 For purposes of this article:
- 2 (a) "Assessment bonds" means special obligation bonds
- 3 or notes issued by a community enhancement district
- 4 which are payable from the proceeds of assessments.
- 5 (b) "Assessment" means the fee, including interest, paid
- 6 by the owner of real property located within a community
- 7 enhancement district to pay for the cost of a project or
- 8 projects constructed upon or benefitting or protecting such
- 9 property and administrative expenses related thereto,
- 10 which fee is in addition to all taxes and other fees levied
- 11 on the property.

- 12 (c) "Board" means a Community Enhancement Board
- 13 created pursuant to this article.
- 14 (d) "Community enhancement district" or "district"
- 15 means a community enhancement district created pursu-
- 16 ant to this article.
- (e) "Cost" means the cost of:
- 18 (1) Construction, reconstruction, renovation and acquisi-
- 19 tion of all lands, structures, real or personal property,
- 20 rights, rights-of-way, franchises, easements and interests
- 21 acquired or to be acquired by the district;
- 22 (2) All machinery and equipment, including machinery
- 23 and equipment needed to expand or enhance county or
- 24 city services to the district;
- 25 (3) Financing charges and interest prior to and during
- 26 construction and, if deemed advisable by the district or
- 27 governing body, for a limited period after completion of
- 28 the construction;
- 29 (4) Interest and reserves for principal and interest,
- 30 including costs of municipal bond insurance and any other
- 31 type of financial guaranty;
- 32 (5) Costs of issuance in connection with the issuance of
- 33 assessment bonds:
- 34 (6) The design of extensions, enlargements, additions
- 35 and improvements to the facilities of any district;
- 36 (7) Architectural, engineering, financial and legal
- 37 services;
- 38 (8) Plans, specifications, studies, surveys and estimates
- 39 of costs and revenues;
- 40 (9) Administrative expenses necessary or incident to
- 41 determining to proceed with any project; and

- 42 (10) Other expenses as may be necessary or incident to 43 the construction, acquisition and financing of a project.
- 44 (f) "Development concept" means the following items, to
- 45 the extent set forth or specified in the subject subdivision
- 46 or land development plan and plat:
- 47 (1) The maximum aggregate number of lots or parcels
- 48 into which the subject land is to be subdivided.
- 49 (2) The size and boundaries of the individual lots or
- 50 parcels into which the subject land is to be subdivided.
- 51 (3) The density of the land development.
- 52 (4) Designation of use of the individual lots or parcels.
- 53 (5) The location of roads, streets, parking lots, sidewalks
- 54 and other paved areas.
- 55 (6) The location of ingress and egress for the land
- 56 development.
- 57 (7) Setback lines and distances and buildable areas.
- 58 (8) The finished layout and grade of the land.
- 59 (g) "Development concept vesting period" means the
- 60 period commencing upon approval of the subject land
- 61 development plan and plat by the planning commission
- 62 and terminating on the maturity date of the subject
- 63 assessment bonds or tax increment financing obligation.
- 64 The development concept vesting period pertains only to
- 65 the vested property right in a development concept that is
- 66 established upon approval by the planning commission of
- 67 a land development plan and plat in which a development
- 68 concept is set forth or specified.
- 69 (h) "Five-year vesting period" means the five-year
- 70 vesting period for an approved land development plan and

- 71 plat provided under subsection (c), section twelve, article 72 five, chapter eight-a of this code.
- 73 (i) "Governing body" means, in the case of a county, the 74 county commission and in the case of a municipality, the 75 mayor and council together, the council or the board of
- 76 directors as charged with the responsibility of enacting
- 77 ordinances and determining the public policy of such
- 78 municipality.
- 79 (j) "Governmental agency" means the state government
- 80 or any agency, department, division or unit thereof;
- 81 counties; municipalities; any watershed enhancement
- 82 districts, soil conservation districts, sanitary districts,
- 83 public service districts, drainage districts, school districts,
- 84 urban renewal authorities or regional governmental
- 85 authorities established pursuant to this code.
- 86 (k) "Person" means an individual, firm, partnership,
- 87 corporation, voluntary association or any other type of
- 88 entity.
- 89 (1) "Project" means the design, construction, reconstruc-
- 90 tion, establishment, acquisition, improvement, renovation,
- 91 extension, enlargement, equipping, maintenance, repair
- 92 (including replacements) and start-up operation of water
- 93 source of supply, treatment, transmission and distribution
- 94 facilities, sewage treatment, collection and transmission
- 95 facilities, stormwater systems, police stations, fire sta-
- 96 tions, libraries, museums, schools, other public buildings,
- 97 hospitals, piers, docks, terminals, drainage systems,
- 98 culverts, streets, roads, bridges (including approaches,
- 99 causeways, viaducts, underpasses and connecting road-
- 100 ways), motor vehicle parking facilities (including parking
- 101 lots, buildings, ramps, curb-line parking, meters and other
- 102 facilities deemed necessary, appropriate, useful, conve-
- 103 nient or incidental to the regulation, control and parking
- 104 of motor vehicles), public transportation, public recreation
- 105 centers, public recreation parks, swimming pools, tennis

- 106 courts, golf courses, equine facilities, motor vehicle
- 107 competition and recreational facilities, flood protection or
- 108 relief projects, or the grading, regrading, paving, repaving,
- 109 surfacing, resurfacing, curbing, recurbing, widening,
- 110 lighting or otherwise improving any street, avenue, road,
- 111 highway, alley or way, or the building or renewing of
- 112 sidewalks and flood protection; and the terms shall mean
- 113 and include any project as a whole, and all integral parts
- 114 thereof, including all necessary, appropriate, useful,
- 115 convenient or incidental appurtenances and equipment in
- 116 connection with any one or more of the above.

§16-13E-4. Petition for creation or expansion of community enhancement district; petition requirements.

- 1 (a) The owners of at least sixty-one percent of the real
- 2 property, determined by acreage, located within the
- 3 boundaries of the area described in the petition, by metes
- 4 and bounds or otherwise in a manner sufficient to describe
- 5 the area, may petition a governing body to create or
- 6 expand a community enhancement district.
- 7 (b) The petition for the creation or expansion of a
- 8 community enhancement district shall include, where
- 9 applicable, the following:
- 10 (1) The proposed name and proposed boundaries of such
- 11 district and a list of the names and addresses of all owners
- 12 of real property within the proposed district;
- 13 (2) A detailed project description;
- 14 (3) A map showing the proposed project, including all
- 15 proposed improvements;
- 16 (4) A list of estimated project costs and the preliminary
- 17 plans and specifications for such improvements, if avail-
- 18 able;
- 19 (5) A list of nonproject costs and how they will be
- 20 financed;

- 21 (6) A consultant study outlining the projected assess-
- 22 ments, setting forth the methodology for determining the
- 23 assessments and the methodology for allocating portions
- 24 of an initial assessment against a parcel expected to be
- 25 subdivided in the future to the various lots into which the
- 26 parcel will be subdivided and demonstrating that such
- 27 assessments will adequately cover any debt service on
- 28 bonds issued to finance the project and ongoing adminis-
- 29 trative costs;
- 30 (7) A development schedule;
- 31 (8) A list of recommended members for the board;
- 32 (9) If the project includes water, wastewater or sewer
- 33 improvements, written evidence from the utility or
- 34 utilities that will provide service to the district, if any, that
- 35 said utility or utilities:
- 36 (A) Currently has adequate capacity to provide service
- 37 without significant upgrades or modifications to its
- 38 treatment, storage or source of supply facilities, except
- 39 facilities which the community enhancement district will
- 40 provide as described in the petition;
- 41 (B) Will review and approve all plans and specifications
- 42 for the improvements to determine that the improvements
- 43 conform to the utility's reasonable requirements and, if the
- 44 improvement consists of water transmission or distribu-
- 45 tion facilities, that the improvements provide for adequate
- 46 fire protection for the district; and
- 47 (C) If built in conformance with said plans and specifica-
- 48 tions, will accept the improvements following their
- 49 completion, unless such projects are to be owned by the
- 50 district;
- 51 (10) If the project includes improvements other than as
- 52 set forth in subdivision (9) of this subsection that will be
- 53 transferred to another governmental agency, written

- 54 evidence that such agency will accept such transfer, unless
- 55 such projects are to be owned by the district;
- 56 (11) The benefits that can be expected from the creation
- 57 of the district and the project; and
- 58 (12) A certification from each owner of real property
- 59 within the proposed district who joins in the petition that
- 60 he or she is granting an assessment against his or her
- 31 property in such an amount as to pay for the costs of the
- 62 project and granting a lien for said amount upon said
- 63 property enforceable in accordance with this article.
- 64 (c) After reviewing the petition presented pursuant to
- 65 this section, the governing body may by order or ordinance
- 66 determine the necessity and economic feasibility of
- 67 creating a community enhancement district and develop-
- 68 ing, constructing, acquiring, improving or extending a
- 69 project therein. If the governing body determines that the
- 70 creation of a community enhancement district and con-
- 71 struction of the project is necessary and economically
- 72 feasible, it shall set a date for the public meeting required
- 73 under section five of this article and shall cause the
- 74 petition to be filed with the clerk of the county commis-
- 75 sion or the clerk or recorder of the municipality, as the
- 76 case may be, and be made available for inspection by
- 77 interested persons before the meeting.
- 78 (d) Notwithstanding any other contrary provision of this
- 79 article, nothing in this article shall modify:
- 80 (1) The jurisdiction of the Public Service Commission to
- 81 determine the convenience and necessity of the construc-
- 82 tion of utility facilities, to resolve disputes between
- 83 utilities relating to which utility should provide service to
- 84 a district or otherwise to regulate the orderly development
- 85 of utility infrastructure in the state; or
- 86 (2) The authority of the Infrastructure and Jobs Develop-
- 87 ment Council as to the funding of utility facilities to the

- 88 extent that loans, loan guarantees, grants or other funding
- $89\ \ assistance$ from a state infrastructure agency are involved.

§16-13E-10a. Extension of vesting period for land development plans and plats; approval of phases.

- 1 (a) The five-year vesting period is extended to the
- 2 development concept vesting period with respect to the
- 3 development concept if: (i) The land development will be
- 4 wholly contained within a community enhancement
- 5 district; and (ii) either:
- 6 (A) Such community enhancement district has been
- 7 created and is in existence, and such facts have been
- 8 communicated to the planning commission, at the time the
- 9 planning commission approves the subject land develop-
- 10 ment plan and plat (whether such plan and plat is denomi-
- 11 nated final, preliminary, phased preliminary, concept or
- 12 otherwise); or
- 13 (B) Such community enhancement district is created
- 14 after the initial approval of the subject land development
- 15 plan and plat and the planning commission subsequently
- 16 ratifies the approval of such plan and plat with the
- 17 knowledge of the existence of the community enhance-
- 18 ment district; and (iii) assessment bonds or tax increment
- 19 financing obligations payable from or secured by, in
- 20 whole, or in part, assessments against real property
- 21 located within the district are issued within the five-year
- 22 vesting period.
- 23 (b) Nothing herein shall be deemed to extend or other-
- 24 wise modify the five-year vesting period with respect to
- 25 items other than those included in the development
- 26 concept.
- 27 (c) When a land development will be wholly contained
- 28 within a community enhancement district, a land develop-
- 29 ment plan and plat that otherwise pertains to and seeks

- 30 approval of only a portion or phase of the land develop-
- 31 ment may also contain the development concept for a
- 32 greater portion, multiple phases or the entirety of the land
- 33 development if the plan and plat expressly so provides.
- 34 Approval of a land development plan and plat by the
- 35 planning commission constitutes approval of, and the
- 36 establishment of a vested property right in, the entire
- 37 development concept contained in the land development
- 38 plan and plat.

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- 39 (d) This section shall apply to all community enhance-
- 40 ment districts, regardless of whether created prior or
- 41 subsequent to enactment of this section.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled. Chairmon Senate Committee Chairman House Committee
Originated in the Senate.
In effect ninety days from passage.
Clerk of the Senate
Clerk of the House of Delegates
President of the Senate Speaker House of Delegates
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