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November 19, 2010

NCLM Advocacy Goals Conference
Raleigh Convention Center – Raleigh
January 20, 2011, 9:30 a.m. – 5:00 p.m.

Your Advocacy Goals

In an effort to increase the opportunity for member input into the League's advocacy goals, your League Board of Directors changed our policy development process this year to provide an entire day for consideration and adoption of the Advocacy Agenda and the Core Municipal Principles. The biennial Advocacy Goals Conference will provide League members with the opportunity to thoroughly debate legislative issues and be directly involved in setting advocacy priorities. The result will be the 25 priority goals for the state's cities and towns.

In preparation for this conference, the following documents are enclosed:

- (1) A list of the 35 advocacy goal proposals recommended by the Board of Directors for consideration by the membership
- (2) The proposed Core Municipal Principles
- (3) A guide to the League's policy development process
- (4) A form for submitting additional goal proposals
- (5) The agenda for the Advocacy Goals Conference

Voting Delegates

The League Bylaws provide that each member municipality is entitled to one vote at the Advocacy Goals Conference. Each municipality sending delegates to the Advocacy Goals Conference may designate one voting delegate and also may designate one alternate voting delegate. This designation must be provided to League staff prior to the beginning of the Conference at 9:30 a.m. on January 20, 2011.

MANAGERS AND CLERKS - Municipalities that have pre-registered officials for the conference will receive a form to designate the municipality's voting and alternate voting delegate in advance. This will save time for voting delegates on January 20.

In order to facilitate vote counting over the course of the day, seating at the front of the room will be reserved for voting delegates. The room will be arranged so that other attendees from a municipality will have access to the voting delegate during the conference. Please bring a large delegation and become better informed about a range of important municipal legislative issues.

Voting delegates may pick up their voting cards at the Voting Credentials Desk located in the on-site conference registration area during registration hours from 8:00 a.m. - 11:00 a.m. on January 20, 2011.

Proposed 2011-2012 NCLM Advocacy Goals

In service and support of your citizens

***Goals are not currently prioritized. Prioritization will take place on January 20 after discussion, debate and narrowing of this list.**

Build Prosperous Cities and Towns

Seek legislation reforming annexation laws that ensures the ability of a city to grow in a reasonable manner, while providing quality municipal services on a timely basis.

- In 2009, NCLM advocated to reasonably reform the annexation laws by having a bill introduced. Late in the session, a referendum requirement was added to the bill, making it incompatible with NCLM annexation policy, which does not support a referendum provision because of the uncertainty and potential for inconsistent 'patchwork' growth such a law could create across North Carolina. The amended bill had no traction during the 2010 session.
- During the 2011-2012 biennium, NCLM will work to improve the annexation laws based on reasonable changes to address legitimate concerns.

Seek legislation enhancing the authority of cities to own and operate broadband systems for their citizens, and providing incentives for last mile public private partnerships.

- State law allows municipalities to operate "public enterprises" for services such as electric power, cable television and trash - areas where private companies historically have not always been willing to invest.
- In 2007, the City of Wilson's Greenlight became the first fiber to the premises (FTTP) system in the state, although there are many successful public systems across the country. The City of Salisbury is currently building a city-wide fiber-optic utility. Both offer wider bandwidth and much faster data transmission speeds than private sector systems even in the large cities.
- Since a 2005 appeals court ruling upheld the right of towns and cities to offer high-speed Internet to their residents under the public enterprise statutes, large cable and phone companies have been urging the General Assembly to impose a moratorium on local governments while the issue is studied further. Several detrimental bills have been stopped. Additional attempts are expected in the 2011-12 session.
- Some cities are interested in building high-speed broadband systems, sometimes with private sector partners, because local businesses need this 21st century technology as an economic development tool.

Seek legislation to allow municipal creation or extensions of extra-territorial jurisdictions (ETJ) without county approval.

- An ETJ is a defined area beyond a municipality's limits - usually 2-3 miles - in which a municipality may enforce certain aspects of its development regulations.
- In order to extend its municipal extraterritorial jurisdiction into an area where the county has adopted and is enforcing a zoning ordinance and subdivision regulations, and is enforcing the State Building Code, a municipality must request permission to extend its ETJ from the county.

- Cities utilize extraterritorial jurisdiction in order to control development standards in an area that will likely become part of the city in the future.

Seek legislation to allow municipalities to establish vacant housing receivership programs for the purpose of rehabilitating structures not meeting minimum housing standards and transferring them to responsible ownership.

- Current law allows a municipality only two options for addressing housing that is unfit for habitation: 1) repair a property owned by someone who has shown an inability or unwillingness to maintain it; or 2) demolish the property. A municipality does not have any way to keep the dwelling in service and ensure that it will be maintained in the future.
- Vacant property receivership allows a municipality to ask a court to turn over the property to a private receiver who would undertake the rehabilitation process and sell the property to buyers who have demonstrated an ability to maintain it. This is authorized in some other states.

Seek legislation to provide recurring funding for the Main Street Solutions program to allow more cities and towns to participate in the program and facilitate reuse of existing commercial buildings.

- Small towns with the most successful downtown development efforts tend to use community partnerships to implement a local vision of how the community's existing assets can be put to use through a comprehensive package of strategies and tools, rather than a piecemeal approach.
- The work of the Main Street Solutions program promotes this method of development through guidance, technical assistance, training, and grant funding. The Main Street program does not receive recurring annual funding for its grant programs, which limits the ability of small cities and towns to participate.

Seek legislation eliminating the ability of counties to disapprove municipal project development financing projects in which the county does not participate.

- State law gives counties the ability to prevent municipalities from undertaking projects utilizing project development financing, also known as Tax Increment Financing (TIF), even if the county has no involvement in the project under consideration and there would be no diminution of county property tax revenues below current levels.

Support amending the N.C. Rehabilitation Code to provide greater flexibility for renovation of buildings built prior to 1936.

- The North Carolina Rehabilitation Code requires that before work can begin on any restoration of an existing building, that building must first meet the Building Code from the year in which it was built.
- The first North Carolina Building Code went into effect in 1936. Buildings constructed before that time must meet the 1936 Building Code standards, which often is infeasible.
- Many underutilized buildings in downtown areas were built before 1936, and without additional flexibility in the Code it may not be economically feasible to put these buildings into productive use.

Seek legislation to allow for minimum building codes for commercial buildings, including condemnation.

- The legislature significantly reformed this part of the law, effective August 21, 2007.
- N.C.G.S. § 160A-439 outlines the minimum standards of maintenance, sanitation, and safety for nonresidential buildings or structures, including the investigation of a complaint, the granting of an order, and the authority of a city to act if a property owner fails to comply with an order to meet minimum building standards.
- Changes in the law were the result of a long negotiation process between the League and various stakeholders. There is interest among municipal officials to increase the existing minimum standards for maintenance, sanitation and safety to allow for additional remedial action by the municipality.

Seek legislation allowing municipalities to use revenue bonds to finance all projects that ultimately will be paid for through special assessments.

- Traditional special assessment authority requires municipalities to complete the project before special assessments are imposed, thus forcing them to front the money for the project before any additional revenues can be realized. Many states provide municipalities with the ability to use revenue bonds for all special assessment projects. Special assessments are a good way to pay for infrastructure projects that have a direct benefit to a defined set of property owners, such as downtown businesses benefitting from streetscape improvements.

Protect Citizens and Improve Quality of Life

Support a system of liquor sales that maintains a local referendum about the decision to sell liquor, preserves local control over the location and density of liquor outlets, and preserves the local revenue stream from liquor sales.

- The decision whether liquor is sold at retail within a municipality is made locally, not by the State. The goal supports continuation of this local authority.
- Cities and counties currently control the number and location of liquor stores in their communities through the local ABC board system, unlike beer and wine outlets. The goal supports continuation of this local authority.
- Cities and towns currently receive over \$23 million in revenue each year through distributions of liquor revenue derived from taxes and profits. The goal supports continuation of this local revenue stream.

Seek legislation to strengthen the role of municipalities in the approval, renewal, and revocation of ABC permits.

- Currently, N.C. cities complete a public input form as a part of the ABC Commission review of ABC permit applications. Local input is advisory only.
- Zoning and land use powers cannot be used under existing case law as a means to deny an ABC permit application.

Seek legislation to grant more flexible authority for local public safety officers to enforce ABC-related laws.

- The authority of local LEOs to participate in the enforcement of state ABC laws is limited. The authority to decide whether local law enforcement can play a part in ABC law enforcement rests in practice with local ABC Boards.

Support legislation permitting a governmental entity to seek an order of abatement where a property may have some legitimate use, but is also the source of regular criminal nuisance activity.

- Recent case law (*City of Salisbury v. Campbell*) requires that a city prove that the owner or tenant used the property solely for illegal activity in a nuisance action.
- This goal seeks to override the case law via statute, such that an order of abatement could be granted if criminal activity regularly occurs on the property, even if the property is used for "legitimate" purposes.

Seek legislation to protect the privacy of municipal residents by limiting public access to lists of email addresses submitted by citizens to municipalities.

- In 2010, a local bill restricted public access to email address lists compiled by Wake County and most of its municipalities so that the public could only inspect the lists, rather than receive a copy. Often requests are made by firms wishing to use the addresses for commercial solicitation, which can make citizens unwilling to share their address. The legislation also restricted the use of the lists by the governments to the purpose for which the email address was submitted. This legislation represented a compromise between the governments involved and open government interests in the state, and so could serve as the basis for statewide legislation.

Enhance the Fiscal Health of Municipalities

Seek legislation to: 1) require that counties conduct a public hearing before approving a resolution choosing the method of sales tax distribution; 2) delay the implementation of a change in method until July 1 of the calendar year following the adoption of the change; and 3) phase in the change in method over four years.

- Currently, 49 counties use a sales tax distribution method that provides them with less money than the alternative method. Any of these counties can change its method of sales tax distribution in April, with the change taking effect on July 1 of the same calendar year.
- Requiring a hearing on the change, delaying its effective date, and phasing in its effects would discourage counties from changing methods to improve their fiscal situation, while providing municipalities time to prepare for a detrimental change.

Support legislation to expand the sales tax base to include services.

- North Carolina taxes only a few services, and most states with a sales tax include more services within their tax base.
- Expanding the sales tax to include services would create a more general consumption tax that would not favor some businesses over others.
- Expansion of the base could raise revenues without a rate increase, and possibly lead to a rate decrease as the economy improves.

Seek legislation to revise the local land transfer tax so that: 1) it can be adopted without a referendum; and 2) municipalities receive a share of the revenues.

- The land transfer tax must be approved by a referendum in each county that seeks to impose it. Since receiving the authority to impose the tax, 23 counties have submitted the tax to a referendum, all of which have failed to gain approval. Eliminating the referendum requirement would place the decision to levy the tax in the hands of county commissioners. Requiring that the proceeds be shared with municipalities could increase support of the tax from municipal residents. We are open to legislation restricting the proceeds to capital facilities only.

Seek legislation to allow all municipalities to adopt a prepared meals and beverage tax.

- Currently four counties (Cumberland, Dare, Mecklenburg, and Wake) and the Town of Hillsborough have the authority to levy a 1 percent prepared meals and beverage tax. The tax applies to meals served in restaurants, delivered to homes, or purchased on site and carried out. The tax raises over \$30 million in these jurisdictions alone.
- If all municipalities imposed the tax, it would raise over \$100 million in revenue statewide. These revenues would be available for any public purpose and could be used to fund essential public facilities, public safety, economic development, transportation, and other pressing needs, which would be an especially beneficial tool for communities in the current difficult economy.

Seek legislation to allow all municipalities to adopt impact fees to pay for growth-related infrastructure and services.

- Impact fees are one-time public charges applied to new construction that are levied by local governments to pay for the off-site costs associated with the new development. These fees are needed to ensure that developers pay for the full public costs that development imposes on communities. Several studies have shown the local public sector costs of development exceed the local tax revenues derived from the development. A limited number of units have this authority under local acts from the 1980s.

Support legislation to reform the municipal business privilege license tax by: 1) eliminating exemptions and caps for specific categories of businesses; 2) specifying the appropriate bases for the tax; 3) requiring municipalities to adopt a rate schedule that applies to all types of businesses within a municipality; 4) limiting the amount of taxes paid by businesses that have business activity within a municipality but no business location within it; and 5) capping the amount of tax that can be imposed on any single business location.

- Concerns about the complexity of the privilege tax have led to calls for its elimination. Elimination of the tax could be seen as a way to provide tax relief to businesses without affecting state revenues.
- The privilege tax provides cities and towns with approximately \$50 million of general purpose revenue each year. It is one of the few taxes, other than the property tax, that municipal governments have the authority to levy.
- There is room for reasonable reform without eliminating a revenue source that is significant for many municipalities.

Support legislation providing municipalities with the authority to impose a fee to recover the costs of vehicle accident and fire response from at-fault drivers and parties responsible for fires, up to a statutory maximum amount.

- Although police response and fire response services are financed through property and sales taxes because the public services generally benefit all citizens, those who do call for service benefit more from the service.
- The fee would allow for some recovery of the cost of service from those who cause it to be needed, many of whom do not pay property or sales taxes that go to the municipality.

Make Wise Use of Natural Resources

Support legislation to establish a bottle deposit program to further develop recycling markets and to decrease the presence of recyclables in the waste stream.

- Bottle deposit programs generally require the purchaser of glass and plastic bottles to deposit a certain amount of money per bottle with the retailer, which is then redeemed upon the return of the bottles to the retailer.
- Eleven states have enacted such laws in the United States.
- Redemption rates are 85-95%, with unclaimed deposits generally retained by state government and/or bottling companies.

Seek legislation creating a state bond program for upgrades to water and wastewater treatment systems, expansion of stormwater programs, and assured water supplies.

- In 1998, voters approved \$300 million in State-issued bonds to provide loans and grants to local government units for water and wastewater capital projects.
- A new bond program is needed in order for cities and towns to maintain and improve their water and wastewater facilities, with lower interest rates and issuance costs on loans than the municipality could get on its own.

Support legislative and regulatory efforts for efficiencies in water, wastewater, and stormwater permitting processes.

- New water and wastewater facilities require timely permit decisions in order to meet operational needs. Municipalities have seen unnecessary delays in permit issuances, creating unwarranted financial hardships.

Support the equal application of water quality management rules that impact cities to N.C. municipalities, counties, state agencies, and private operations, and require payment of city stormwater fees by all state agencies.

- Water quality management techniques include (a) further treatment of wastewater; (b) restrictions on land application of biosolids; (c) stormwater management; (d) development regulations such as stream buffers; and (e) restoration of wetlands and streams.
- Some municipalities, counties, and state agencies do not comply equally with these types of water quality management techniques, particularly stormwater management.
- Private operations such as agriculture do not comply with these rules to the same extent as municipalities.

- Some state agencies do not willingly pay municipal stormwater fees, although their facilities generate significant stormwater volume.

Support legislation increasing funding and incentives for detecting and repairing leaking public water supply systems.

- Applications to repair leaking lines receive priority points under the common criteria (GS 159G-23(3) d.) and the rules for the Drinking Water SRF provide eligibility for projects that install or replace distribution or transmission pipe to prevent contamination.
- Cities and towns support clarification that repair of leaking lines (consistent with the imperative provided in the drought bill) is considered a state funding priority.
- This is a supply-side management strategy that can be employed by the water system owner to enhance the efficiency of operations.

Seek legislation to classify reclaimed water as a resource water, and study the injection of treated water into aquifers.

- Reclaimed water is defined by N.C. state statute as highly treated wastewater effluent, meeting specified standards, and used for beneficial reuse. Communities across the country reuse this water in many ways, including irrigation, street cleaning, fire-fighting training, toilet and urinal flushing, stream augmentation, and wetland reconstruction. Use of reclaimed water has grown more important as water resources have become scarce.
- North Carolina's classification of reclaimed water as a wastewater runs counter to the example set by leading states for reclaimed water use, like California and Florida. Instead, North Carolina's classification limits the uses of reclaimed water to a narrow set of uses, primarily irrigation and wetland augmentation.
- Re-classifying reclaimed water as a resource would remove a barrier to expanded use of reclaimed water.

Support legislation establishing a water permitting system that protects existing municipal withdrawals, allows for future growth, includes all withdrawers, and accounts for all downstream users.

- Currently, municipal water withdrawals receive a permit that is not regulatory in nature.
- A conversation has begun at the state level advancing the idea that all water use in the state should receive a permit regulating the amount of water withdrawn. This conversation comes as Georgia responds to a lawsuit that would shut off Atlanta's withdrawals from Lake Lanier, a move that would create a massive water shortage in the Atlanta metro region.

Support legislation to ensure proper disposal of excess pharmaceuticals, to include education regarding handling and disposal.

- There is a debate about whether the disposal of excess pharmaceuticals in wastewater systems is harmful to the environment and public health. Scientists are seeing these substances in greater concentrations in rivers from treatment plants, and groundwater sources from septic systems.

- Nonetheless, some states and localities have passed laws requiring or authorizing “take back” programs at law enforcement offices, waste disposal facilities and pharmacies.

Support legislation to increase funding for alternative vehicle public fleets, alternative fuel refueling stations, electrified truck stops or electric vehicle recharging stations, and state and federal programs to retrofit on- and off-road diesel engine vehicles, engines, and equipment.

- On- and off-road diesel engines are a significant contributor to air emissions. These engines often do not meet the same emissions reduction standards of other engines.
- Many communities promote retrofits of these engines as one method to reduce emissions and achieve compliance with air quality standards.

Improve Our Transportation Infrastructure

Seek legislation ensuring significant municipal decision-making authority and respect for local ordinances in the design of transportation projects across all NCDOT Divisions, to lower congestion, enhance quality of life, improve aesthetics, improve public safety, and bolster public health for city residents, regardless of the city's financial participation in a project.

- Many communities believe their actual needs are not given adequate consideration by NCDOT during project development.
- Some have come to believe that the only way their voice is ever heard is if the city participates financially in the project, which is not always possible.
- Cities believe that a more uniform approach to partnering with cities on transportation projects would be helpful. Some NCDOT Divisions actively engage with cities in designing transportation projects, while some do not take advantage of partnership opportunities.

Support legislation to increase funding for the State Mobility Fund in order to support regional congestion mitigation projects, interstate maintenance, and a Powell Bill supplement; and to provide additional funding sources for State transportation projects.

- Although the Mobility Fund will receive over \$170 million over the next four years, all of this funding is expected to go to the Yadkin River Bridge project. Additional revenue for the Fund is needed in order for urban congestion relief projects to receive funding. In addition, a Powell Bill supplement would help all municipalities address a growing backlog of municipal transportation maintenance needs.
- Additional funding sources for State transportation projects would alleviate the pressure to reduce existing Powell Bill funds in order to provide support for State projects.

Seek legislation to allow the second \$5 vehicle transportation fee, currently available only for public transportation, to be used for pedestrian and bicycle projects.

- All municipalities may levy a \$5 fee on each vehicle within their corporate limits. For some municipalities, local legislation has increased this amount.
- In addition, each municipality that operates a public transportation system may levy a \$5 fee to be used for public transportation funding.

- This second \$5 fee is not a funding option for towns that are too small or widely dispersed to operate a viable public transportation system. These towns still may have mobility issues that could be addressed with additional funding.

Seek legislation to allow Powell Bill funds to be used for sidewalks that are adjacent to, but not located within, the right-of-way of State-maintained roads.

- NCDOT does not allow the use of Powell Bill funds for sidewalk projects along State-maintained roads unless the sidewalk lies within the DOT right-of-way.
- In some circumstances, the best route for a sidewalk may be near, but not within, the DOT right-of-way, especially if the route is on land owned by a municipality.

Continue to monitor and report on any legislative study committees looking to modify the Equity Formula.

- NCLM staff will complete this function regardless of this goal.

NCLM Core Municipal Principles 2011–2012

The following principles provide a foundation for advocacy and strategic planning to ensure excellence in municipal government as our North Carolina cities and towns serve their citizens and promote a “hometown” quality of life unique to North Carolina communities:

Adequate Municipal Authority

Municipalities need a broad grant of authority and flexibility to allow elected officials to make decisions that effectively and efficiently meet the ever-expanding needs of their citizens.

Voters elect municipal officials to decide significant issues in the public interest, which varies within the unique context of each municipality. Accordingly, the League stands opposed to legislation preempting municipal authority and to measures designed to otherwise erode local control of significant municipal issues. Municipal grants of authority should be broadly construed to include supplemental powers reasonably necessary to carry out the functions.

Municipal Revenues

Sound municipal government requires preservation and enhancement of the existing tax and revenue structure.

The property tax, state-collected local taxes and revenues, and various local option revenue sources are all integral components of a stable, reliable and balanced revenue stream for municipalities. State-collected revenues should be distributed reasonably and equitably, providing local elected officials autonomy to best determine their use. New revenues, including those that may be obtained through local option revenue sources, are essential to meet the future needs of municipal citizens, to provide the infrastructure necessary for vital public services, and to fairly apportion the costs of growth. It is also imperative that any lost or repealed revenues be replaced, retroactively if necessary.

Municipal Expenditures

Fiscal integrity and sound financial management require flexibility to borrow, invest and expend funds for public purposes.

Cities are challenged to use the funds entrusted to them in the most efficient and responsible manner possible. Flexibility in financing options and expansion of municipal investment authority provide basic tools to help meet that challenge. The capacity to determine the nature and amount of an expenditure, based upon the totality of factors involved within the unique context of each city, is essential to economic efficiency and management. Cities need discretion to fund investments in infrastructure and local improvements such as affordable housing, redevelopment projects, and business and economic incentives.

Mandates

The state and federal governments should not enact burdensome and expensive mandates without adequate local authority, flexibility and additional financial resources for implementation and continuation.

Mandates to perform functions or activities placed upon cities by the state or federal governments, either directly or through agency or administrative action, should be accompanied by funds for their implementation and continuation. Cities should not be required to appropriate funds for particular programs or functions, or to contract with private companies for public services. Management and human resources decisions must remain in the sound discretion of the municipal governing body.

MORE

Open Government and Ethical Conduct

All levels of government should adhere to principles of responsible open government and ethical conduct.

The League supports the principle of openness in government and endorses the concept that meetings of governmental bodies should be open to the public. There are reasonable exceptions that should permit closed sessions when such limitations are in the public interest. Public records should also be available to the public with reasonable exceptions for protection of confidentiality that are in the public interest. Elected and appointed officials should adhere to standards of conduct that promote public confidence in our system of governance. Additional requirements regarding openness, access to records, conflicts of interest and ethical conduct should not be applied to local governments only.

Municipal Liability

Fundamental rules pertaining to the liability of governmental entities should apply across all levels of government.

Municipalities continually seek to provide a wide range of services to meet the needs of their citizens in furtherance of the public health, safety, and welfare. Accordingly, the League stands opposed to proposals placing burdensome liability upon municipalities, including measures that seek to erode well-established principles of immunity or other defenses, and to proposals unfairly imposing cost-shifting upon municipal taxpayers.

Municipal Growth

Healthy municipal centers are essential to the economic viability of the state. Municipalities must maintain the ability to expand and provide the higher level of services demanded by the citizens.

Cities and towns are the economic engines of the state and must be permitted to grow in an orderly and reasonable manner that supports the continued economic development of the state. New growth in and around existing municipalities should utilize existing infrastructure for the most efficient use of public revenue. Annexation ensures that all those who benefit from a municipality through use of the infrastructure, municipal amenities, proximity to jobs, commerce, and cultural resources, bear a fair share of the cost of providing those services. The legislature should not permit a new incorporation whose primary purpose is to prevent a proposed annexation without evidence of its ability to provide the necessary services. Municipalities are encouraged to enter into agreements to foster inter-local cooperation and long-range planning.

Municipal Services

Municipalities require adequate authority and flexibility to finance, operate and manage essential services to protect public safety, promote sanitation, health and welfare, and improve the quality of life.

In order to serve growing urban populations with water, sewer, transportation, police protection, fire protection, solid waste, stormwater, electricity, parks and recreation, public housing, and other services, municipalities need the autonomy to make appropriate management, human resources, financial, and operational decisions. With regard to enterprise services, municipalities must be free to determine appropriate rates and service areas, and free to determine when it is appropriate to enter into regional or multi-jurisdictional arrangements. State taxes or fees should not be imposed on municipal enterprise services. Furthermore, the power of eminent domain must be preserved as a means of acquiring property to provide municipal infrastructure, facilities, and services for the public benefit.

MORE

Planning and Land Use

Municipal planning authority must be maintained for sound growth, long-range planning and growth management.

Long range municipal planning is an essential aspect of municipal health and economic viability. Vibrant, well-planned cities are the economic engines of the state, attracting new businesses and industries, while providing the quality of life expected by residents in and around municipalities. Public participation and private property rights are key elements of growth management. For this reason, the government closest to the people is the best venue for making land use decisions. Municipal authority must be maintained and enhanced to allow for more flexibility and options. Necessary tools for planning include the ability to zone, to review and approve buildings and new development, exercise extraterritorial jurisdiction, urban redevelopment, and economic development strategies. Municipalities must have the capability to protect and plan for infrastructure, as well as ensure that the public health, safety and welfare of the citizens are preserved.

Environmental Protection

For municipalities to be successful partners in environmental protection, environmental laws, practices and regulations must be science-based, feasible, and equitable, with flexibility to comply in the most cost-effective manner.

Local governments are partners with state and federal agencies in protecting the environment and quality of life for our citizens, serving as both regulators and members of the regulated community. As regulators, municipalities need adequate authority to set standards, enforce requirements, and perform inspections. The discretion to impose more stringent requirements than the state when necessary to protect public health or the environment must not be impaired, and delegation of any state regulatory programs must be voluntary. The state should continue to provide technical assistance to local governments as well as its share of financial resources for the implementation of environmental programs. In supporting environmental programs, local governments as well as the state should maintain the ability to make reasonable, equitable, and justifiable adjustments in permitting and compliance fees to help recover the costs of regulatory programs.

As members of the regulated community, municipalities must be allowed full participation in the development of new environmental laws and regulations. Environmental laws, practices and regulations should be based on sound science, be technologically and economically feasible, apply equitably to all contributors of pollution, allow the flexibility to attain standards using those practices best suited to the topographical, hydrological, atmospheric, and other characteristics of the jurisdiction and provide incentives that recognize existing environmental programs. The state and federal governments should fully analyze costs associated with environmental requirements before adopting them.

This League endorses and supports the current National Municipal Policy and will actively support NLC efforts with respect to federal legislation and issues unless there is a clear conflict with the adopted policies of this League.

Policy Development Process

The policy development process leading up to the Advocacy Goals Conference began in February 2010, when the League's Executive Committee met with the chairs of the Legislative Action Committees to identify key policy areas on which the League should focus its attention over the next 3-5 years.

March - May	Legislative Action Committees (LACs) met to identify impediments to municipal success, receive information about possible legislative solutions, and identify goals to implement those solutions.
June - August	The League solicited member input about possible advocacy goals.
September - October	The LACs met to consider the proposals submitted by members and those identified during the spring. The LACs adopted a total of 77 proposed goals for consideration by the Board of Directors.
October	The Board of Directors reduced the LAC list to 35 advocacy goals for submission to the membership for consideration. At that meeting, the Board also approved the attached Core Municipal Principles for submission to the membership. Only one change in the Principles was recommended: a clarification of the League's policy on the consistent application of ethics requirements across levels of government.

Opportunity to Submit Additional Goals

In addition to the 35 goals submitted by the Board, the Advocacy Goals Conference may consider other proposed goals submitted by the membership. A form for submitting additional goals is enclosed. Proposals must be submitted by an elected official, but do not need to be submitted by the voting delegate or receive approval of the governing body of the elected official's municipality.

Proposals received in the League office by **January 14** will go through a screening process in order to be considered at the Advocacy Goals Conference. At a meeting on January 19, the Board will review the additional proposals received from the membership and determine which proposals to submit to the Conference. At the Conference, the additional proposals submitted by the Board must receive the approval of three-fourths of the member municipalities present and voting in order to be considered among the goals at the Conference. Once approved for consideration, they may be approved for inclusion in the Advocacy Agenda by the same majority vote process as the original 35 goals included with this package.

Long-Term NCLM Policy Development

(Even-numbered years)

Source of Ideas

LAC Visioning
January-October

NCLM Members
June-August

Narrow Down Ideas

LACs vote on proposals
September-October

- Debate
- Reject/Add
- Amend

Recommend Ideas

Board recommends legislative goals proposals

Annual Conference (mid-October)

- Debate
- Reject/Add
- Amend

Member review
December-January

Finalize Ideas

***First Conference January 2011*

Advocacy Goals Conference

(January, odd-numbered years)

- Entire membership considers proposals
- Debate
- Reject/ Add
- Amend
- Adopt

Advocacy Goal Submission Form

In addition to the 35 goals that have come through the complete policy development process, additional goals are eligible for consideration by the Board and voting delegates at the conference. A form for submitting additional goals is enclosed. Proposals must be submitted by an elected official.

Proposals for additional goals will be presented to the Board of Directors, which will determine whether the goal should be considered at the Advocacy Goals Conference. If you wish to submit an additional goal for consideration at the Conference, please return this form to the address, fax number, or email below:

Karl Knapp
Director of Research and Policy Analysis
NCLM
P.O. Box 3069
Raleigh, NC 27603

Fax: (919) 301-1109
Email: kknapp@nclm.org

Proposals must be received in the League office by January 14, 2011.

PROPOSED GOAL

The League will seek/support* legislation to _____

EXPLANATION

Please explain the intent of the goal and why the League should adopt it:

* Please circle either seek or support to indicate whether you wish the League to actively seek legislation to implement this goal, or merely to support legislation if it is offered by others.

Name: _____

Title: _____

Municipality: _____

Email: _____ Phone: _____

Advocacy Goals Conference Agenda

The 35 goals submitted by the Board, plus any additional member-submitted goals that have been approved for consideration at the conference, will be reduced during the conference to the 25 goals on the League's Advocacy Agenda for 2011-12. The 25 goals will be selected through a process of debate, amendment, voting, and ranking of goals, as set forth in the following schedule:

9:30-9:45	Welcome and Introductions
9:45-10:50	Staff explanation of proposed goals
10:50-11:05	Break
11:05-11:15	Vote on whether to consider member-submitted goal proposals
11:15-11:55	Goal Setting: Build Prosperous Cities and Towns
12:00-1:00	Lunch (Key legislative leaders invited to speak)
1:15-1:55	Goal Setting: Protect Citizens and Improve Our Quality of Life
1:55-2:35	Goal Setting: Enhance the Fiscal Health of Municipalities
2:35-3:15	Goal Setting: Make Wise Use of Natural Resources
3:15-4:00	Goal Setting: Improve our Transportation Infrastructure
4:00-4:15	Break
4:15-5:00	Final goal prioritization
	Adoption of Core Municipal Principles
	Adoption of Advocacy Agenda

Staff Explanation of Proposed Goals

League Staff will briefly describe each of the goals, including the additional member-submitted goals that are under consideration, and will explain the rationale for each goal. If time permits, staff will answer questions about the goals. Questions also may be asked of staff during the Goal Setting sessions.

Vote on Whether to Consider Member-Submitted Goal Proposals (11:05-11:15)

All member-submitted goal proposals that have been approved for consideration by the Board will be placed before the membership as a group. The delegates will vote whether to include the group of new proposals among those under consideration for the remainder of the conference. The Chair will ask if there are any goals that a voting delegate wishes to displace and vote on separately from the rest of the group. The goals that are not displaced will be voted on as a block for further consideration at the conference. Following that vote, goals that were displaced will be voted on individually to determine whether they should receive further consideration at the conference. At this stage of the process, $\frac{3}{4}$ of the voting delegates present and voting

must approve the goal in order for it to continue to be considered at the conference. Motions and seconds may only be made by voting delegates.

Goal Setting (11:15-4:15)

During the Goal Setting sessions, all attendees will be given the opportunity to express support or opposition for the proposed goals in the category. All attendees may ask questions or debate the merits of proposed goals, but only voting delegates may offer amendments to any of the goals. Additional goals may not be offered. The President will determine whether an amendment is germane to the goal that it seeks to amend or is actually a new goal. Voting delegates may make a motion and second to remove a goal from further consideration. A simple majority of those voting delegates present and voting is required to amend a goal or remove it from further consideration. If a goal is not removed at this stage of the process, the goal moves forward to be part of the Final Goal Prioritization.

Final Goal Prioritization (4:15-4:35)

Upon completion of the Goal Setting sessions, if more than 25 goals remain, the voting delegates will use a ranking process to narrow the remaining goals to the 25 that will ultimately be approved. Staff will tally the results while the delegates consider the adoption of the Core Municipal Principles.

Adoption of the Core Municipal Principles (4:35-4:50)

The Core Municipal Principles represent the bedrock policy statements that will guide the overall advocacy process and decisions. They generally are statements of fundamental municipal policy that the League members believe should guide the General Assembly in making decisions that affect our municipalities. The delegates will be asked to approve the Principles in whole, as submitted by the Board. Amendments may be offered and seconded by any attendee, but only voting delegates may vote. During the adoption of the Principles, any attendee may ask questions or debate the merits of the Principles or an amendment.

Adoption of the Advocacy Agenda (4:50-5:00)

After staff tallies the results of the goal prioritization, the 25 goals receiving the most votes will then be placed before the membership as a group for a final vote of approval by the voting delegates. No amendments will be allowed at this point in the process.