

# City of Charlotte – Annexation – Frequently Asked Questions:

## What is Annexation?

Annexation is the methodical extension of a city's boundaries into adjacent unincorporated areas, and the corresponding extension of that city's services to the areas encompassed by the new boundaries. In North Carolina, annexation is governed by state laws and statutes that allow cities and towns to annex adjacent areas under certain circumstances. There are two types of annexation: **city-initiated** and **voluntary**. **City-initiated** annexations can occur when an unincorporated area contains certain urban development characteristics (population density, subdivision of land into smaller lots, development intensity). **Voluntary** annexations can take place after the owner of unincorporated property petitions City Council for annexation. Annexation has enabled Charlotte's land area to more than double since 1980, reaching almost 306 square miles as of July 1, 2013.

## Why is Annexation Beneficial to the City of Charlotte and its citizens?

Annexation has enabled Charlotte and surrounding urban areas to avoid many problems other cities and metropolitan areas have experienced. If the City did not have the ability to expand its limits, ultimately it would find itself surrounded by significant amounts of developed area outside the city that would not participate financially in meeting the needs of the total urban community. Meanwhile, Charlotte's residents and property owners would find themselves disproportionately responsible for funding both the local and more regional service and facilities needs of the community typically provided by the City.

Through annexation, the tax base of the entire urban area is available to meet the needs of the urban area. Additionally, the City of Charlotte can offer public services in an efficient, consistent, equitable, and cost-effective manner, bringing high quality and low cost services to citizens businesses and property owners. The residents and property owners of newly annexed areas benefit from having improved fire protection, municipal traffic management and street maintenance, street lights, availability of basic water and sewer facilities, solid waste (garbage) collection, and other standard municipal services which the City of Charlotte provides.

## How Does an Area Qualify for Annexation?

### City-initiated annexations

In order to qualify for annexation, an area must meet several specific requirements set forth in the State statutes.

First: an area must be adjacent to Charlotte's city limits, at least one-eighth of the external boundary of the area must coincide with Charlotte's boundary, and the area can't already be within the boundary of another incorporated municipality.

Second, in order for an area to qualify for annexation, it must have certain urban development characteristics. An area qualifies if its developed portion meets one or more of several development standards, summarized below:

(1) the area has a population of at least 2.3 persons per acre; or

(2) the area has a population of one person per acre, and is subdivided into parcels such that at least 60% of the total acreage consists of lots three acres or less in size and such that at least 65% of the total number of lots are one acre or less in size; or

(3) the area is developed so that at least 60% of the total number of lots are used for residential, commercial, industrial, institutional or governmental purposes; of the total residential and undeveloped acreage more than 60% consists of lots and tracts three acres or less in size; or

(4) the area is developed such that all lots in the area are used for commercial, industrial, governmental, or institutional purposes.

In general, the requirements are designed to discourage or prevent cities from annexing large tracts of vacant or rural land before they are developed to the stated standards. Under certain conditions, some vacant land may be annexed if it occurs in conjunction with annexation of land meeting the standards above. Specifically, annexation may include areas not developed for urban purposes but which constitute "necessary land connections" between the City and areas which do qualify, or between two areas which qualify. However, these areas can't exceed 25% of the total area to be annexed.

### Voluntary annexations

Voluntary annexations are initiated upon receipt in the City Clerk's office of a completed voluntary annexation petition signed by the owners of the property being proposed for annexation. The development standards discussed above need not be met for voluntary annexations.

The state annexation statutes can be found on the [NC General Assembly website](#)

## **What are the Annexation Procedural Requirements?**

### **City-initiated annexations**

Before an area can be annexed, the City must carefully measure and document the land characteristics of a candidate annexation area, and document how it meets the annexation standards.

Staff at the Charlotte-Mecklenburg Planning Department are responsible for collection of data concerning land development and population growth which helps determine qualifying annexation areas in accordance with the four development standards listed above. The Planning Department staff determines which areas qualify for annexation in accordance with the State statutory requirements.

The City must also develop a service report indicating how it intends to serve the area with public services such that these services will be provided at substantially the same levels as those within the present corporate limits, and how the extension of these services are to be financed.

On the effective date of annexation, the City must begin to provide fire protection, garbage collection, and street maintenance services to the area, and must also provide extension of water mains and sewer lines into the annexation areas so that property owners may obtain water and sewer service within 3 ½ years of the annexation date.

The service reports developed for each annexation area detail the public service information and provide information on the characteristics of the area qualifying it for annexation. During the annexation process these reports are available for review at the Planning Department and in the City Clerk's Office, as well as on Planning's website.

### **Voluntary annexations**

The State annexation statutes allow for property owners to petition for "voluntary annexations" under specific circumstances. For instance, the property must be contiguous to the current City limits, or it must be in closer proximity to Charlotte City boundaries than to other nearby incorporated municipalities.

More specifically, the property must also fall within Charlotte's Extraterritorial Jurisdiction and according to Charlotte's voluntary annexation policies, three other requirements must be met:

- Annexation of the property cannot create an unincorporated area entirely surrounded by areas incorporated within the City of Charlotte.
- annexation cannot negatively affect City services or budgets, and
- annexation cannot create a situation that makes it more difficult to undertake subsequent annexation in the area

Petitions for voluntary annexations are made through the City Clerk's office. Forms and instructions can be viewed at [City Clerk's website](#)

A pre-application meeting between the property owner interested in voluntary annexation and City staff is generally recommended, in order for staff to fully explain the process and preliminarily assess whether the potential petition will adhere to applicable State statutes and City policies.

### **Can the City of Charlotte annex an area already in one of the towns (Huntersville, Mint Hill, etc.)?**

Charlotte cannot annex an area already incorporated into another local municipality. Charlotte and the four towns in Mecklenburg County with which Charlotte shares boundaries (Mint Hill, Matthews, Pineville, and Huntersville) have mutually agreed upon boundaries - called "spheres of influence" - beyond which each entity has agreed not to annex. One municipality cannot annex property within another's sphere of influence. Therefore, no unincorporated area of Mecklenburg County is eligible to be annexed by more than one Mecklenburg municipality. In addition, the City of Charlotte has annexation agreements with the towns of Weddington, Stallings, Marvin, Concord, Midland, and Harrisburg (all outside of Mecklenburg County) under which the City has agreed not to annex property in Union and Cabarrus Counties (where these towns are located). Those municipalities have also agreed not to annex property in Mecklenburg County within Charlotte's sphere of influence.

**What are the benefits of annexation to property owners and homeowners within annexation areas?**

Beginning on the effective annexation date, property owners in annexation areas become eligible to receive City services, such as trash collection and street maintenance. In many unincorporated areas, the City of Charlotte already provides police protection services through the Charlotte-Mecklenburg Police Department and fire protection through the Charlotte Fire Department. Charlotte-Mecklenburg Utilities Department (CMUD), a City department, already provides water and sewer services throughout many areas of Mecklenburg County and uses the same rates and service policies for both City and non-City customers. If water and sewer services aren't yet available in annexation areas, the City would be required to install water and/or sewer lines within 3 1/2 years of the date that a City-initiated annexation becomes effective.

**My property taxes are paid by the bank that holds the mortgage to my property. Will the City notify the bank or mortgage holder once the property has been annexed into the City of Charlotte?**

No direct notification will be made to the bank or mortgage holder of the newly annexed property. However, the tax bills sent out by Mecklenburg County early in September (many of which are sent to banks if escrow agreements are in place) will reflect the combined City and County taxes for the current fiscal year, and since the Tax Collector's Office is a combined City/County agency, the bank will make tax payments to the same place after annexation.

**Are there policies and regulations (other than those specified in the State annexation laws and statutes) that govern what and how Charlotte can undertake annexation?**

In cooperation with many of its neighboring municipalities, Charlotte has developed a series of annexation agreements that establishes Charlotte's sphere of influence as the area within which Charlotte may annex, that sets forth certain annexation notification obligations, and also establishes other procedural responsibilities between and among the cities and towns involved. Charlotte currently has annexation agreements with Davidson, Cornelius, Huntersville, Matthews, Mint Hill, and Pineville in Mecklenburg County, Stallings, Weddington and Marvin in Union County, and Concord, Harrisburg and Midland in Cabarrus County.

Additionally, Charlotte has established a set of policies aimed at better guiding both City-initiated and voluntary annexations. These policies may be viewed below:

- [Voluntary annexation policies](#)
- [City-initiated annexation policies](#)

**When does Charlotte expect to undertake its next annexation?****City-initiated annexations**

For many years, Charlotte has undertaken City-initiated annexations on a series of two-year cycles. In 2011 and 2012, the North Carolina General Assembly enacted a number of new laws (see links below) significantly changing the way cities and towns in North Carolina can undertake annexations.

[\(S.L. 2011-363\)](#)

[\(S.L. 2011-396\)](#)

[\(S.L. 2012-11\)](#)

These laws significantly alter several required procedures, notably public notification requirements, the allowable amount of time between events in the annexation process, and the manner in which utilities are to be extended into annexation areas. They also change the manner in which farms may be annexed, and make City-initiated annexations subject to referenda among registered voters in the qualifying annexation areas.

Given the challenges associated with compliance with these new laws, the City of Charlotte does not presently have a timeline for undertaking a future City-initiated annexation.

**Voluntary annexations**

While the legislation cited above substantially altered the requirements for City-initiated annexations, it makes relatively minor changes to the way in which Charlotte can undertake voluntary annexations. Voluntary annexations may still be initiated at any time by the submittal of a property owner's petition, so are not subject to a prescribed schedule. The process – beginning with receipt (in the City Clerk's office) of a complete voluntary petition to City Council approval of the annexation – typically takes between 90 and 120 days. Forms and procedures are available through the [City Clerk's website](#).

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