

Annexation Agreement Summary Report

City of High Point
Planning and Development Department

August 2013

Introduction

In the mid-1980s, the area near N.C. Highway 68 between Greensboro and High Point started to become particularly attractive for development. Developers were negotiating with Greensboro and High Point for the best infrastructure incentives before requesting annexation. Both cities were willing to make costly water and sewer line extensions to lure new development to their community.

Annexation agreements, which were a relatively new tool, provided a way to avoid costly battles between cities over water and sewer expansions to serve new developments. An annexation agreement between High Point and Greensboro was executed in 1988.

In 1989, a nine-member, citizen Industrial Growth Committee, composed of developers and public and private interests, organized to analyze the feasibility of expanding High Point's industrial base. In its 1990 report, *Industrial Growth Areas: High Point, North Carolina*, the committee recommended that High Point negotiate annexation agreements with all surrounding municipalities.

Subsequently, a series of annexation agreements was reached with the remaining neighboring communities. High Point's agreements with Greensboro, Jamestown, Thomasville (Randolph County), Kernersville, and Archdale collectively define the majority of city's future planning area. In January 2013, the annexation agreement with Davidson County and the Davidson County portion of the City of Thomasville expired. High Point tried to re-establish an agreement with the Davidson County portion of the City of Thomasville, but there was a lack of interest. High Point may revisit the re-establishment of an agreement at some point in the future if there is an expressed interest. Map 1 indicates the planning area boundary as established by High Point's annexation agreements.

What Is An Annexation Agreement?

An annexation agreement is a legal agreement that defines territory that each participating municipality may *not* annex within a specific timeframe. The agreement sets limits on each municipality's future annexation into an area, thus establishing its potential future jurisdiction. The agreement, however, does not obligate a municipality to undertake annexations. Several benefits flow from this type of agreement:

1. Municipalities can efficiently plan and provide municipal services, including water and sewer;
2. They promote the orderly and logical extension of municipal boundaries; and
3. They reduce uncertainty among property owners and public and private development interests.

North Carolina General Statutes authorize municipalities to enter into agreements for up to 20 years, or for 30 years under local enabling legislation that only applies to municipalities located wholly or partly in Guilford County. Once the annexation agreement is adopted, participating

municipalities may amend the agreement or may agree to terminate it prior to the adopted date. A municipality may unilaterally terminate an agreement adopted under North Carolina General Statutes after a five-year notification period, though this is not provided for in the local enabling legislation. Under the agreements, each participating municipality must also notify the other of annexations either prior to or after the annexation, depending upon the agreement.

How Are Annexation Agreement Lines Determined?

One important factor in determining logical annexation agreement lines is topography. Sanitary sewer service, a key to development and growth, is most efficiently and inexpensively provided by gravity flow. High Point's two wastewater treatment plants, Eastside on Riverdale Drive near Interstate 85 and Westside near NC 109 in Davidson County, are widely separated and in two different river basins, the Cape Fear and the Yadkin-Pee Dee. This allows High Point to provide gravity flow sanitary sewer service to an extensive area beyond the current corporate limits.

Other factors reflected in agreements, whenever possible:

- include property on both sides of a roadway within one jurisdiction's agreement area; and
- keep single ownership tracts within one jurisdiction's agreement area.

**Table 1
High Point's Annexation Agreements**

Municipality	Originally Established	Current Agreement	Last Amended	Terminates	Authority^{1,2}
Greensboro	1988	2008	NA	Oct. 20, 2038	SL 1009
Jamestown	1991	1991	NA	Dec. 20, 2018	SL 1009
Thomasville/ Davidson County	1993	1993	1997	Jan. 1, 2013 ³	GS 160A
Kernersville	1995	2007	NA	Aug. 7, 2027	GS 160A
Archdale	1995	2012	NA	July 1, 2032	GS 160A
Thomasville (Randolph County)	1995	2010	NA	Feb 28, 2030	GS 160A

1. Chapter 1009 of the 1987 Session Laws of the North Carolina General Assembly.

2. General Statutes of North Carolina, Chapter 160A, Section 58.21 *et seq.*

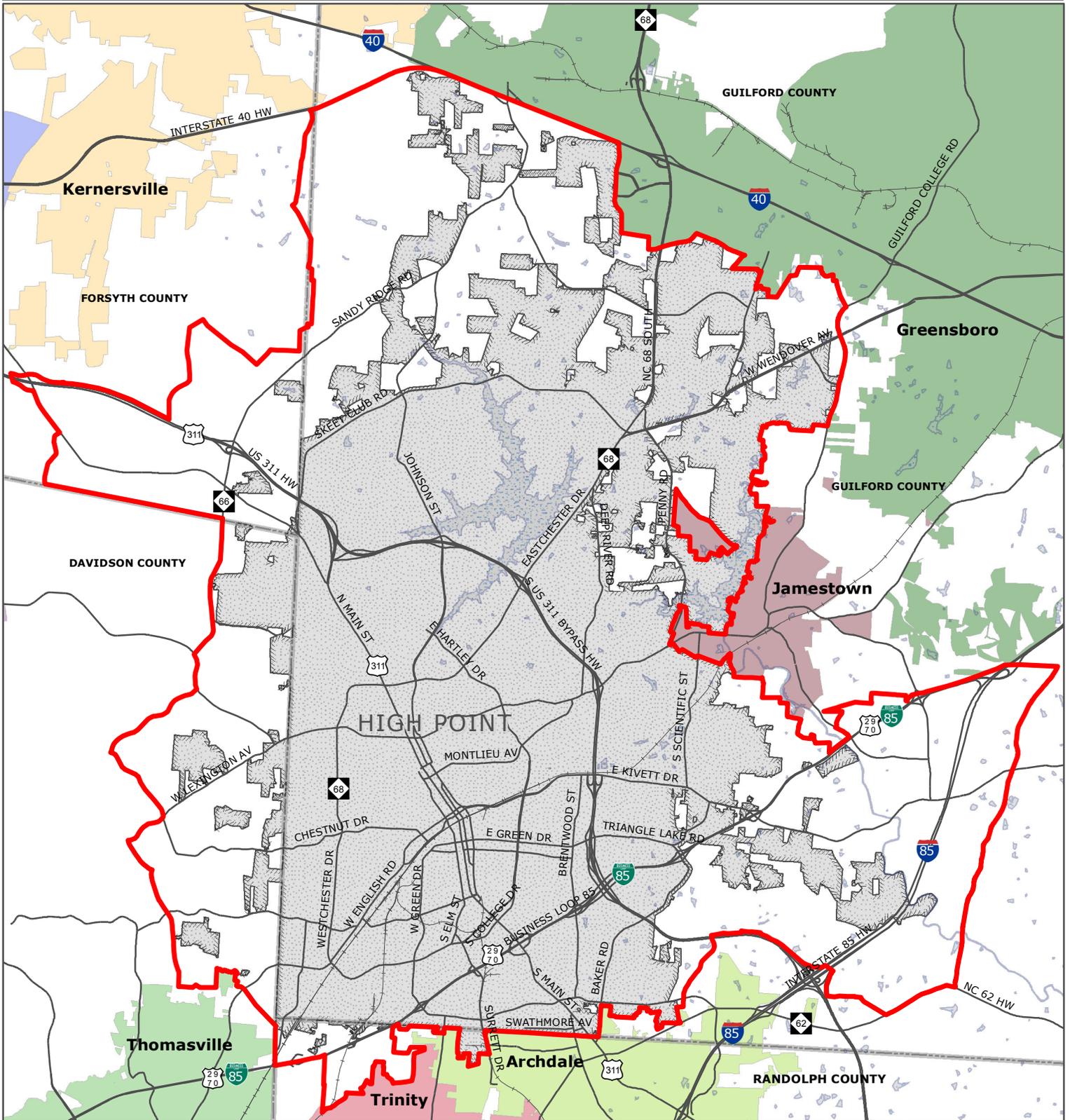
3. Agreement terminated.

Map 2 indicates the specific annexation agreement boundary of each participating municipality.

High Point Today and Tomorrow

High Point now has the opportunity to expand into the region and could nearly double its incorporated land area from over 55 square miles to 95 square miles. The majority of High Point's growth in the near future will continue to be in Guilford County, with some expansion into Davidson, Forsyth and Randolph counties.

MAP 1 - HIGH POINT PLANNING AREA BOUNDARY



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**CITY OF HIGH POINT, NORTH CAROLINA
PLANNING & DEVELOPMENT DEPARTMENT**

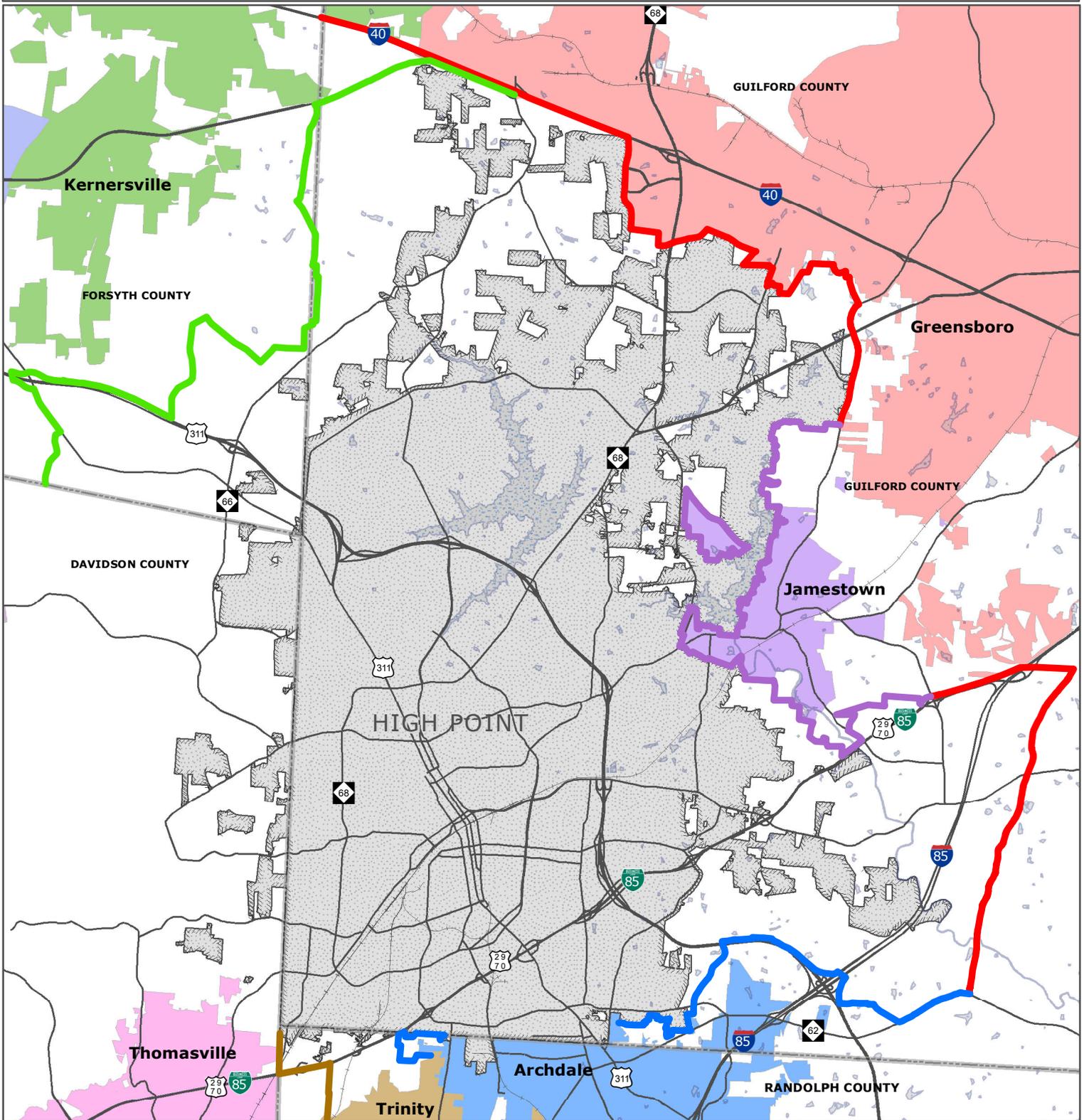
Map Date: August 30, 2013

Legend

-  High Point Corporate Limits
-  High Point Planning Boundary
-  County Boundaries



MAP 2 - HIGH POINT ANNEXATION AGREEMENT BOUNDARIES



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 PLANNING & DEVELOPMENT DEPARTMENT

Map Date: August 30, 2013

Legend

- Greensboro
- Jamestown
- Archdale
- Thomasville (Randolph County)
- Kernersville

