

# North Carolina Extends Certain Real Property Development Approvals

Written By **Samuel B. Franck** (sbf@wardandsmith.com) and **Kristin D. Mitcham** (kdmitcham@wardandsmith.com)

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**This week the General Assembly of North Carolina provided some relief to developers with active development approvals.**

Pursuant to Senate Bill 704, signed into law on May 4, 2020 (the "Act"), the expiration of those approvals and related vested rights is stayed for five (5) months. The

purpose of the Act is "to provide Aid to North Carolinians in response to the Coronavirus Disease 2019 (COVID-19) Crisis" and Section 4.40 includes the extension of local government approvals affecting the development of real property within North Carolina.

## **Development approval and vesting rights extended**

The Act provides that any **development approval** that was current and valid at any point during the timeframe between March 10, 2020 and April 28, 2020 will have its expiration date and associated vesting rights extended for five (5) months. The Act defines a "development" as

- (i) The division of a parcel of land into two or more parcels
- (ii) The construction, reconstruction, conversion, structural alteration, relocation, or enlargement of a building or structure
- (iii) Any grading, soil removal, or relocation, excavation, or landfill
- (iv) Any change in the use of a building or structure
- (v) Any change in the use of land or an extension of the use of land

"Development approval" includes any of the following approvals issued by a local governmental unit for the development of land:

- 1) Erosion and Sedimentation Control Plans
- 2) Building Permits
- 3) Preliminary Subdivision, Site Specific Development, and Phased Development Plans

#### 4) Development Permits and Agreements Certificates of Appropriateness issued by a Preservation Commission

In addition to the expiration date being extended, the Act provides that vested rights to undertake and complete the development per the terms and conditions of the development approval will also be extended.

In order for a development approval to be extended under the Act, the holder of the development approval must comply with all applicable laws, maintain any applicable performance guaranties, and complete required infrastructure as contemplated in the applicable approval.

If you are curious about the application of this extension to your project, our team of real estate development professionals is available to consult.

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