

A INTERIM POLICY TO PROVIDE FOR THE DEFERRAL OF THE PAYMENT AND COLLECTION OF WATER AND SEWER CAPITAL RECOVERY FEES AND TRANSMISSION CAPITAL RECOVERY FEES TO PRIOR TO THE ISSUANCE OF A CERTIFICATE OF OCCUPANCY IN LIEU OF REQUIRING PAYMENT OF THE FEES PRIOR TO THE ISSUANCE OF A BUILDING PERMIT

WHEREAS; Brunswick County owns, operates and maintains water treatment, transmission, and distribution systems and/or wastewater treatment, collection and transmission systems in portions of the unincorporated and incorporated areas within the county; and

WHEREAS; the Brunswick County Public Utilities Department charges water and sewer capital recovery fees and transmission capital recovery fees for all customers that connect to the County water and sewer systems and said fees are currently collected prior to the issuance of a building permit by the County; and

WHEREAS; the water and sewer capital recovery fees are collected for the purposes of funding system capital improvements and expansions and to service debt and water and sewer transmission capital recovery fees are collected for the purposes of reimbursing developers that install oversized transmission lines with capacity to serve additional developments and to fund the construction of transmission lines constructed by the county; and

WHEREAS; the economic slowdown that has been experienced over the last three years has resulted in less construction and fewer residential and commercial connections to the water and sewer systems; and

WHEREAS; developers and contractors have indicated that deferral of the time that the capital recovery fees are paid from prior to building permit issuance to prior to issuance of a certificate of occupancy may encourage contractors to build more new homes which would lead to increased employment and building material sales and aid in the recovery of the local economy; and

WHEREAS; The Brunswick County Board of Commissioners is interested in facilitating the local economic recovery and hereby approves the following interim policy, procedures and conditions related to the deferral of water and sewer capital recovery fees and transmission capital recovery fees for new single-family residential, multifamily residential and commercial construction to be served by the county's water and sewer system in jurisdictions where the county has building permitting and inspection authority.

1. **DURATION OF INTERIM POLICY:** This optional utility fee deferral policy is an interim measure intended to assist with the economic recovery process in Brunswick County and shall become effective upon adoption and expire on December 31, 2010 unless repealed earlier by the Board of Commissioners.
2. **APPLICABILITY:** This policy shall only be applicable for single and multi-family residential and commercial projects located in areas within Brunswick County where the water and/or sewer service is provided by Brunswick County and only within areas where

the County has jurisdiction to issue building permits, provide building inspections and issue certificates of occupancy. New construction within municipalities where the county provides water and/or sewer utility services and the municipality issues building permits will not be eligible for the deferral of fees. New construction sites where county water and/or sewer are available in the unincorporated areas of the county as well as the incorporated municipalities of Bolivia, Varnamtown and St. James will be eligible as the county is responsible for building permitting and inspections within these jurisdictions.

3. **VOLUNTARY/OPTIONAL PARTICIPATION:** Participation in the utility fee deferral program shall be strictly on a voluntary basis. Building permit applicants may submit an application for the capital recovery fee and transmission capital recovery fee deferral program at their own discretion when applying for a building permit with the Brunswick County Central Permitting Division. Individuals and contractors that have been issued a building permit and paid fees prior to the adoption of this policy shall not be eligible for reimbursement and deferral of fees. Subsequent to the adoption of this policy an applicant for a building permit that fails to submit an application for the deferral of fees will not be eligible for the deferral after paying the fees and obtaining a building permit.
4. **FEES TO BE DEFERRED:** The utility fees that may be deferred under this policy are limited to the water and sewer capital recovery fees and the water and sewer transmission capital recovery fees. Utility fees that shall not be deferred under this policy include water and sewer tap fees, sewer grinder pump installation fees, and deposits.
5. **ELIGIBILITY:** Any individual, contractor or developer that has no delinquent accounts with Brunswick County for utilities, building permits and inspection fees or personal or real property taxes shall be eligible for participation in the program. If an individual elects to participate in the fee deferral program, they will not be eligible to finance the total due at the end of the deferral period.
6. **APPLICATION REQUIRED:** The applicant for a building permit must submit a separate application for the deferral of capital recovery fees. The application will include a statement that the applicant agrees to pay the predetermined water and/or sewer capital recovery and transmission capital recovery fees in full when the construction is completed as a condition of receiving a final inspection and certificate of occupancy. If the capital recovery and transmission capital recovery fees should change, the permittee will be responsible for paying the fees in place at the time of submitting the application. For multi-family residential units such as condominiums and townhouses a separate application must be submitted for each unit for which the deferral is requested. The certificate of occupancy may be issued individually and the fees paid for each unit prior to issuance. Multiple apartment units within one building will be permitted as one structure and only one application will be required and the deferred fees for all units must be paid before issuance of the certificate of occupancy.
7. **ADMINISTRATION AND ENFORCEMENT:** The Brunswick County Building Inspections Department shall withhold the certificate of occupancy for each structure constructed under this program until such time as all fees are paid in full. If the

participant fails to request a certificate of occupancy within one year of receiving a building permit, the total amount of fees will be due and payable in full upon receipt of notice from the county. The county will provide written notice to the participant or permittee that the fees are due. If payment is not made within 30 days of the date of the notice, the county shall initiate collection using all remedies available under North Carolina Law to include a lien upon the real property and possible foreclosure. If the scope or use of the project changes subsequent to the approval of an application for participation in the fee deferral program, the County reserves the right to recalculate the capital recovery and transmission capital recovery fees accordingly prior to the issuance of a certificate of occupancy. The County will charge interest at the maximum amount allowed by law. Interest will accrue 30 days following receipt of notice.

8. CHANGES IN POLICY: This policy may be amended only by action of the Brunswick County Board of Commissioners.

Policy approved this 2nd day of November 2009.

William M. Sue
Chairman