

AMENDING CHAPTER 29

AN ORDINANCE AMENDING CHAPTER 29 OF THE GREENSBORO CODE OF ORDINANCES WITH RESPECT TO SYSTEM DEVELOPMENT FEES

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

Section 1: That Section 29-53 of the Greensboro Code of Ordinances is hereby amended to read as follows:

Sec. 29-53. System development fees; declaration of purpose.

There are hereby established system development fees as hereafter set out. The purpose of the system development fee is to partially recover directly from new customers the costs of the capacity of the utility system to serve them.

The system development fee shall be applied to new development that connects to the utility system. New development shall be defined as any of the following: 1) the subdivision of land; 2) the construction, reconstruction, redevelopment, conversion, structural alteration, relocation, or enlargement of any structure which increases the number of meters or increases the meter size; or 3) any use or extension of the use of land which increases the number of meters or increases the meter size which began after November 29, 2017.

It is hereby declared that such charges are reasonable and necessary and results in a more equitable and economically efficient method of recovery of such costs to handle new growth and to serve new customers without placing an additional financial burden on existing customers solely through inordinate enhancement of water and sewer rates. Hence the following system development fees are adopted and approved as follows:

- (a) *System development fees:* The system development fees shall be set at the rate as outlined in G.S. § 162A-200 et seq. (Session Law 2017-188 (HB 436)). The City of Greensboro completed the required supporting analysis in accordance with G.S. § 162A-205 et seq. A copy of the study shall be filed with the city clerk, and the study may be accessed on the City of Greensboro website.

The system development fee shall be imposed for new development to fund costs necessitated by and attributable to the costs associated with new development and system growth. The fee is based on the blended value of both the existing and expanded system capacity and its calculation includes both existing assets and future capital projects required to serve growth.

The system development fee shall not exceed the allowable calculated amount as determined by the supporting analysis under G.S. § 162A-205 et seq. and the supporting analysis shall be updated at least every 5 years.

System Development Fees		
	Water Charge	Wastewater Charge
Residential Rate (Per Unit)	<b><u>\$1,338.00</u></b> <del>1,186.00</del>	<b><u>\$1,138.00</u></b> <del>1,009.00</del>

<i>General Service Meter Size (inches)</i>		
5/8	<u>\$1,338.00</u> <del>1,186.00</del>	<u>\$1,138.00</u> <del>1,009.00</del>
3/4	<u>2,009.00</u> <del>1,782.00</del>	<u>1,709.00</u> <del>1,516.00</del>
1	<u>3,347.00</u> <del>2,968.00</del>	<u>2,847.00</u> <del>2,525.00</del>
1½	<u>6,693.00</u> <del>5,935.00</del>	<u>5,695.00</u> <del>5,050.00</del>
2	<u>10,710.00</u> <del>9,499.00</del>	<u>9,113.00</u> <del>8,082.00</del>
3	<u>21,419.00</u> <del>18,996.00</del>	<u>18,225.00</u> <del>16,163.00</del>
4	<u>33,467.00</u> <del>29,681.00</del>	<u>28,476.00</u> <del>25,254.00</del>
6	<u>66,213.00</u> <del>59,359.00</del>	<u>56,952.00</u> <del>50,508.00</del>
8	<u>107,095.00</u> <del>94,978.00</del>	<u>91,125.00</u> <del>80,815.00</del>
10	<u>153,549.00</u> <del>135,931.00</del>	<u>130,651.00</u> <del>115,661.00</del>
12	<u>264,848.00</u> <del>234,754.00</del>	<u>250,288.00</u> <del>237,149.00</del>

Any multifamily project (including, but not limited to, apartments, condominiums, duplexes, townhomes, etc.) shall be charged a system development fee equal to fifty (50) percent of the charges set forth for a five-eighths-inch meter times the number of living units included in the dwelling(s) to be served.

With respect to the system development fee based on a five-eighths-inch water meter, any single-family dwelling unit having less than one thousand eight hundred twenty-two (1,822) heated square feet may pay the fee based on the actual heated square footage of the dwelling unit. The computation for determining the charge shall be as follows:

Water—Heated sq. ft. area × CUF Water Residential Rate ÷ 1,822 =

Sewer—Heated sq. ft. area × CUF Sewer Residential Rate ÷ 1,822 =

Total system development fee = Sum of above calculation.

**Sec. 29-53.1. Exemptions and refunds of the system development fee for housing units located within the corporate limits of the city and defined as serving affordable to low income households with incomes below 80% of the area median income as calculated annually by the U.S. department of housing and urban development.**

There shall be no exemptions and refunds of the fees for housing units affordable to low-income households which are located outside of the corporate limits of the city at the time the individual applies for a water meter or sewer connection. Exemptions and refunds of the fees for housing units affordable to

low income households located within the corporate limits of the city at the time the individual applies for a water meter or a sewer connection shall be as follows:

- (a) *Units not for rental.* Any single-family, not for rent, residential unit containing one thousand five hundred (1,500) square feet, or less may be exempt from the fees based on building permit data. Any single-family, not for rent, residential unit over one thousand five hundred (1,500) square feet may be exempt from the fees based on builder participation in a low income housing production program as verified by the Greensboro Neighborhood Development Department.
- (b) *Rental units.*
  - (1) All rental residential units shall be subject to the fees based on meter size and the same will be paid at the time of application for water or sewer connection;
  - (2) Provided that low income rental residential housing units renting for a monthly rental rate equal to, or less than, the Fair Market Rental rates currently adopted by the U.S. Department of Housing and Urban Development for the Greensboro, North Carolina, area, and in effect at the time of application, shall be eligible for refund of the fees in accordance with subsection (3) below;
  - (3) The fees will be refunded to the owner of a rental unit upon presentation of proof, on forms available from the city, to the Neighborhood Development Department that sixty (60) percent of the units in the rental development are rented for an amount equal to, or less than, the Fair Market Rental rate currently adopted by the U.S. Department of Housing and Urban Development for the Greensboro, North Carolina, area, and in effect at the time of application. The rental amount shall not be adjusted for utilities.
  - (4) A property owner intending to request a fee refund for particular rental residential units must file written notice with the Neighborhood Development Department when the fees are paid and provide rent documentation once the property has reached sixty (60) percent occupancy.
  - (5) Provided further that any residential rental units, the owner of which has contracted with the City of Greensboro in advance of construction guaranteeing that sixty (60) percent of the unit rentals will be equal to or less than the U.S. Department of Housing and Urban Development Fair Market Rental rates, shall be entitled to an exemption from the fees.
- (c) The Neighborhood Development Department shall have the duty of determining appropriate exemptions from and refunds of the fees. Exemptions shall be administered by the water resources department. Refunds shall be administered by the Neighborhood Development Department.
- (d) All refunds of the fees shall be from appropriations duly made and authorized by council.

#### Sec. 29-53.2. Credits.

Credits are provided to customers for parcels of land that already have an existing water and/or sewer service connection(s). This credit is provided to recognize the system capacity already allocated for the existing connection(s) serving a parcel that is being redeveloped or upgraded to require an increased-sized service connection(s).

In order for the water resources department to determine whether a customer qualifies for this credit and the value of the credit, the following must be done:

- (a) Water and/or sewer services to be abandoned must be abandoned at the main and shown on the construction drawing(s) with the property address(es).
- (b) Water resources or engineering and inspections department inspectors must provide documented verification of abandonment for each address provided on construction drawing(s).
- (c) Water resources records must validate that the service(s) described herein is a valid legal connection(s) based on records research.

The value of previous connection(s) will be calculated based on the current fees in effect at the time of application for new connection(s). This calculated value of the previous connection(s) will be deducted from the fees calculated for the new service connections resulting in a net cost for new service.

In the case of exceeding credits, no refund will be given nor will the customer be allowed to apply credits toward another project. However, a project may include more than one parcel of contiguous property and those credits for all individual parcels may be collectively applied toward the fee associated with establishing any new connection(s) for those same contiguous parcels even if recombined.

In no case shall credits result in a net refund for a project.

Section 2: That all sections not amended herein shall remain in full force and effect.

Section 3: That this ordinance shall become effective on July 1, 2024.