



700 Sunset Boulevard North • Sunset Beach, NC 28468
Telephone: 910-579-6297 • Fax: 910-579-1840
Website: www.sunsetbeachnc.gov • Email: sunsetbeach@atmc.net

Susan Parker, Administrator

Agenda Item 10I

DRAFT for consideration by Council at 4/6/15 meeting

April 6, 2015

The Honorable Frank Iler
North Carolina House of Representatives
300 N. Salisbury Street, Room 639
Raleigh, NC 27603-5925

Re: Building Code Regulatory Reform

Dear Representative Iler,

We are writing to express our concerns with the HB 255 (SB 324) Building Code Regulatory Reform.

We have a couple of specific concerns that relate to the Town of Sunset Beach:

1. The potential legislation would increase the dollar threshold for which a permit is required from \$5,000 to \$10,000 and this could cause a major reduction in the Town's revenues derived from permitting activities.
2. Additionally, this bill would restrict the revenues derived from building permit activities to only be spent on inspection department activities. There are numerous building-related expenditures for towns beyond the inspections department activities. In small towns, such as Sunset Beach, staff tend to wear many hats and on any given day one employee's activities may include development, planning and inspections activities. This would force the Town to track and separate these activities so that the inspections revenues and expenditures could be properly restricted. Currently, these dollars are considered unrestricted general fund revenues and restricting them to only inspections activities could push the Town to charge new fees to cover development and planning activities or further rely upon the ad valorem property taxes to cover these other building-related services.

Mayor: Ron Watts • Mayor Pro-Tem: Louis DeVita
Town Council: Terry Johnson • Carol Scott • Mike Williams • Wilson Sherrill

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3. The result of the way that this legislation is drafted is that building inspectors would assume the role of a construction superintendent instead of a building inspector. This would happen because the inspector would have to provide training on construction methods rather than the traditional role of protecting the public by inspecting construction for code compliance.

4. The expectations under the proposed definition of gross negligence is somewhat unrealistic and could have the potential to open the door to an overly-litigious environment. Additionally, it could end up slowing development due to these additional concerns.

The Sunset Beach Town Council voted x-x (*actual vote count to be inserted*) at our April 6th monthly meeting to respectfully request that you *not support HB 255* as currently written.

We thank you for your efforts.

Sincerely,

TOWN OF SUNSET BEACH

Ron Watts
Mayor