FINAL REPORT OF THE NSBG CONSTRUCTION FEE COMMITTEE

At the Annual Meeting of the North Shores community on May 28, 2022, the community voted 133 to 92 in favor of the concept of modifying construction fees charged for projects involving individual resident properties, to require property owners undertaking new construction projects to pay fees "through a graduated fee schedule tied to the size of the construction project, measured in gross floor area, up to a cap, with questions of grandfathering and fee minimums to be determined by the Board." At the newly elected Board's organizational meeting, the Board voted 3 to 2 to adopt a construction fee calculated on the basis of a \$1.00 per square foot of Gross Floor Area (GFA) charge, up to a maximum of \$6,500, with issues including grandfathering and definitions of major and minor construction projects to be addressed at a later date.

As President of the NSBG Board, Steve Hollman constituted a Construction Fee Committee to advise the Board on these issues. He asked community residents David Antonelli, Cyrus Brinn, Felice Friedman and Debbie Strickland to participate as members of the new Committee. Steve Hollman also joined and served as Chairman of the Committee.

The Construction Fee Committee held meetings on August 11, September 1, September 16, and September 20, 2022. All meetings were attended by all members.

Thereafter, the Committee unanimously recommended that the Board adopt the attached NSBG Construction Fee Structure.

NSBG Construction Fee Structure

Applies to all single-family homes and Villas West, Side Villas and Ocean Villas (21 Ocean Condos are exempt unless enlarging the footprint of a unit)

1. Construction Fees:

- **a.** New Construction or Addition: \$1 psf GFA subject to a minimum of \$1,000 and a maximum of \$6,500*
 - * **Grandfather:** For Owners as of April 15, 2021, the fee will be \$1 psf GFA subject to a minimum of \$1,000 and a maximum of \$2,500
- **b. Major and Minor Modifications:** \$2,500 for a Major Modification and \$1,000 for a Minor Modification, as reasonably determined by the community executive and/or NSBG, taking into account the time for review and approval and the involvement of third-party consultants
- c. Limited Review Projects: \$250
- 2. Construction Deposit for New Construction or Addition or Major Renovation: \$5,000

3. Definitions:

- **a.** New Construction or Addition: Defined as new construction or addition of GFA, as defined by the governing documents, including elevation of an existing home.
- b. Major and Minor Modifications*: Includes all other exterior modifications requiring NSBG approval under the Covenants or other governing documents, including projects that require stormwater management plans or change GFA or pervious coverage, and all interior renovations that increase FFA or otherwise implicate Covenant restrictions. These include, without limitation, structures, walls, fences, driveways, patios, walkways, docks, awnings, bulkheads, erosion control, drainage improvements, grade changes, above-ground propane tanks, swimming pools, hot tubs, basketball hoops/courts, tennis/pickleball courts, outdoor showers, fountains, demolition, flag poles, mailboxes, shower enclosures, trash screens or landscaping (to the extent such modifications impact grade, drainage, water runoff, historic outlook or sightlines).
- **c. Limited Review Projects:** Requires no third party review but does require neighbor comment and some ARC and Board review.

* *De Minimis* Exception: Modifications that do not require significant review and administrative time, involvement of third party consultants, and do not impact the Covenants or interests of neighbors, as reasonably determined by the Community Executive and NSBG, remain subject to approval but no fee will be charged. Installation of solar panels are subject to approval (to the extent allowed by law) but no fee will be charged.

NSBG currently elects not to regulate the following, although they remain subject to applicable Covenant restrictions:

- Interior renovations (unless there is an increase in FFA or other modification that implicates Covenant restrictions)
- Repairs, maintenance and replacement of exterior elements with "like kind, quality and quantity" that do not change the footprint, configuration or exterior appearance, including, but not limited to, windows, doors, siding, trim, railing, decking, roofs, gutters, mechanical, electrical and plumbing equipment, and painting (NSBG has exercised its discretion not to regulate paint color)