

Chatham County Resolution
Seeking Legislative Approval of HB153 or HB711
Authorizing Chatham County the Referendum Authority
to seek One Percent Land Transfer Tax

Whereas, Chatham County, North Carolina is located adjacent to a prospering region of the southeastern United States known as the Research Triangle Park and is adjacent to Wake County, which is the home of State government in North Carolina ;

And Whereas, Chatham County is situated close to the major employment centers of the region, but because many of the well-paying jobs are located outside of Chatham County, the County has become a bedroom community to these employment centers, with over 60 percent of its working citizens already commuting to jobs outside of the county and this number continues to grow ;

And Whereas, because residential development, with no benefit of a balanced commercial component of the tax base, is more demanding on our county services and has rapidly increased requirements for numerous capital improvements not previously required or planned for ;

And Whereas, many Chatham landowners are already feeling and will continue to feel increasing pressures to sell their family land, fostering the abandonment of family farms as property taxes are raised in an effort to provide additional schools and the facilities;

And Whereas, the major increase in the school impact fee that would be required to meet demands would have a tremendous negative impact on these home buyers and would hurt those citizens who do not have the ability to pay ;

And Whereas, seven counties in North Carolina, that are not large employment centers in the state; i.e., **Currituck, Dare, Camden, Chowan, Pasquotank Perquimans and Washington Counties**, have previously been granted the authority to levy **One Percent Land Transfer Tax** ;

And Whereas, **Currituck, Dare, Camden, Chowan, Pasquotank and Perquimans** have levied the **One Percent Land Transfer Tax** which has produced more than adequate revenues to meet their growth demands and this has also resulted in a remarkably healthy and prosperous investor/developer/builder/realtor/buyer and community partnership ;

And Whereas, the **Currituck County Manager** states, "this growth challenges our ability to provide public education. If not for the Land Transfer Tax, we would fall further behind in our school capital needs. We have just completed our revaluation and

our county tripled in valuation, so I am hard pressed to see where the transfer tax has had any negative impact on the building practices here.”;

And Whereas, the **Dare County Manager** states, “There is no statistical data anywhere in Dare County that the land transfer tax has hurt the industry (Realtors, Home Builders)”...and Dare County has been so successful it has **cut its One Percent Land Transfer Tax to One Half Percent and lowered their property tax rate to \$0.25, the lowest in the state** ;

And Whereas, the **Camden County Manager** states, “This is a major revenue producer...If it were not for the land transfer tax Camden would be in a severely financially strapped position. We use these funds for all sorts of capital needs that otherwise we would not have the ability to provide.”;

And Whereas, the **Chowan County Manager**, states “I believe all the real estate agents in the County will confirm that the transfer tax has not impacted real estate sales in a negative manner but in fact has facilitated sales through improved infrastructure, schools, etc.” ;

And Whereas, the **Pasquotank County Manager** states, “It has worked very well here and it has not hurt the real estate industry at all. All of the counties in the Northeast that have the land transfer tax are having problems with too much growth instead of the reverse.”;

And Whereas, the **Perquimans County Manager** States, “We rely heavily on our Land Transfer funds for our school projects. We are able to make necessary capital improvements that would otherwise have to come from increased property tax ” ;

And Whereas, **HB 153 – Local Option Tax Menu**, remains a top priority for the **North Carolina Association of County Commissioners** and the **Triangle J - Council of Governments**; both entities having a wealth of experience with and active participation in problem solving at the county level ;

And Whereas, prudence demands that we apply the principles of our successes, the **One Percent Land Transfer Tax** has proven to be 100% successful over more than 15 years of application ;

And Whereas, the **One Percent Land Transfer Tax** may not be the option of choice for all counties, it is clearly the only responsible tax option available that will provide the revenue necessary properly to address the growth needs of Chatham County ;

And Whereas, County Government is an extension of State Government and therefore our General Assembly should consider proven county revenue options which will allow Chatham County to meet its extreme growth demands ;

BE IT THEREFORE RESOLVED, that the County Commissioners of Chatham County are requesting the North Carolina General Assembly to approve HB 153 - Local Option Tax Menu or HB711 - 1% Land Transfer Tax authorizing Chatham County the referendum authority to seek 1% Land Transfer Tax in order to address our critical growth requirements.

Adopted this the 19th day of March, 2007



Patrick Barnes, Commissioner



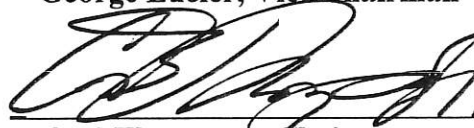
Mike Cross, Commissioner



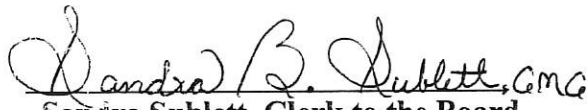
Tom Vanderbeck, Commissioner



George Lucier, Vice Chairman



Carl Thompson, Chairman


Sandra Sublett, Clerk to the Board

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