



CAPITAL CONTRIBUTION FEE

We all share in Big Canoe's future

10 Things to Know About The Capital Contribution Fee

Voting takes place until December 30, 2020, with all Written Ballots' deadline to be returned no later than December 30, 2020. The board will announce voting results at the beginning of 2021. More details at bigcanoeccf.org

1. The Capital Contribution Fee is a proposed \$2,500 charge on the purchase of all Big Canoe dwellings and new dwellings built on unimproved lots. New Property Owners will pay this after January 15, 2021.
2. Current Property Owners will not have to pay the fee. Those required to pay a fee include:
 - a. Property Owners who sell a home and purchase another home in Big Canoe after 12 months. A fee paid at closing.
 - b. A new home buyer who is not a current owner in Big Canoe for purchases after January 15, 2021. A fee paid at closing.
 - c. A lot buyer who is not a current owner in Big Canoe for purchases after January 15, 2021, when a home is built. A fee is paid upon receipt of the Certificate of Occupancy.
3. The need for the CCF is overdue. It is not a matter of if but *when* the bill comes due on a succession of necessary projects around Big Canoe. This is a fair way to maintain the 48-year-old infrastructure of our community and fund enhancements identified as priority projects, including:
 - a. The Chimneys are long overdue for an upgrade. A rejuvenation would enhance its functionality and appeal, enabling it to accommodate community meetings and local organizations better while generating increased revenue as a more attractive destination for meetings, gatherings, visiting groups, etc.
 - b. Marina parking lot expansion, which if enlarged, would address the current shortage of parking spaces. More spaces will allow for the purchase of two more

pontoon boats, which helps accommodate the growing demand while increasing boat-rental revenue.

- c. Postal Facility upgrade or relocation, allowing Big Canoe to properly modernize one of the community's most essential facilities while addressing numerous safety and design issues.
4. While the fee gives the POA the ability to plan and pay for major projects, no capital expenditure of more than \$1 million can move forward without a vote by Big Canoe Property Owners.
5. With Big Canoe averaging about 200 home sales annually, the CCF could typically generate \$500,000 per year. Had the CCF been in effect in 2020, it would have generated more than \$750,000.
6. Without a CCF passing, general assessments earmarked for capital projects are more likely to be increased for existing Property Owners. This fee currently is \$25 per month.
7. The CCF will not discourage property purchases in Big Canoe, according to some of the top real estate brokers working in the area. The fee is modest, especially when factoring how common these kinds of fees are in other private communities in the region, as reported in the November 10, 2020 edition of Smoke Signals.
8. Other similar gated communities have long used various kinds of fees as a valuable funding tool. In 2018, the Finance Committee conducted a study of 12 representative communities to determine how they funded significant capital requirements. All had a fee similar to the proposed Capital Contribution Fee for new buyers and new members to access a similar array of amenity offerings. Charges in those communities varied, but the one most like Big Canoe, the community of Connestee Falls in Brevard, N. C., charges \$8,000.
9. The board did consider a percentage-based fee linked to property value. However, a flat fee was recommended by Big Canoe's legal counsel as a percentage-based fee is not specifically allowed under Georgia law.
10. The board may increase the CCF by a maximum of \$500 a fiscal year up to a limit of \$5,000. The board may also decrease or suspend the fee in its entirety and later resume it.

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