

## Salisbury-Rowan Utilities, NC Rebates to Smart Growth Developers Case Study

**Jurisdiction:** Rowan County, NC  
**Best Management Practice:** Rebates to Smart Growth Developers  
**Contact:** Matt Bernhardt, [mbernhardt@salisburync.gov](mailto:mbernhardt@salisburync.gov), Assistant City Manager for Utilities, Salisbury-Rowan Utilities, 1 Water St, Salisbury, NC 28144, 704-638-5205  
[www.salisburync.gov](http://www.salisburync.gov)

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**Introduction:** Communities often use their water and sewer extensions as a means to guide growth. Communities that want to increase growth will invest heavily in extending water and sewer lines. Those that are searching for less growth and development will develop policies that limit the expansion of water and sewer lines. Some communities are finding ways to use the provision of water and sewer lines to encourage growth that stimulates the economy, is environmentally-friendly, and creates attractive communities.

**Description:** In 2001 the City of Salisbury and Rowan County reached an agreement for the City to assume the operation of all County-owned water and wastewater facilities, and additionally for the City to become the County's water and wastewater service provider. The City's Utilities Department was renamed the Salisbury-Rowan Utilities (SRU) and serves approximately 16,000 water and 13,900 sewer customers.

In early 2005, SRU developed a performance-based incentive program, the Salisbury-Rowan Utilities Extension Fund (SRU EF). The purpose of this program is to assist in the reimbursement of water and wastewater infrastructure costs for projects that support:

- An addition to the SRU customer base
- Smart Growth principles
- Infill development
- Benefit to the SRU System

This rebate program is combined with SRU's efforts to extend water and sewer lines in their service area. Receiving the rebate depends on how well a developer scores under a system that scores by: location, a project's benefit to the SRU system (reducing or avoiding costs), how quickly the project will begin, and to what extent it adheres to smart growth principles.

Smart Growth principles encourage ideas such as mixed land uses, compact building designs, walkable neighborhoods, distinctive communities with a sense of place, preserved open space, infill development, and a variety of transportation choices.

The highest scores qualify a developer for reimbursement of up to 50% of the costs of running water and/or sewer to a residential project. The SRU EF is funded by revenues from user fees charged to new homes that become customers through this program.

**Results:** The Utilities Extension Fund program is still new, but SRU hopes that it will stimulate the economy, promote infill development, provide affordable housing and lead other towns served by SRU to develop comprehensive growth plans.