2026-12

RESOLUTION ESTABLISHING A REFUNDABLE STORMWATER MITIGATION DEPOSIT REQUIREMENT FOR NEW HOME CONSTRUCTION

WHEREAS, the Board of Directors of Cypress Village Property Owners Association, Inc. ("Association") is charged with preserving, protecting, and maintaining the common property, drainage infrastructure, stormwater facilities, and overall integrity of the community; and

WHEREAS, Section 4.9 of the Declaration of Covenants provides that preconstruction and post-construction permit requirements may be imposed by the Architectural Control Board ("ACB") and are subject to modification by the Board of Directors; and

WHEREAS, Florida Statute §720.303 recognizes the authority of homeowners' associations to exercise those powers granted by Chapter 720 and the governing documents of the Association; and

WHEREAS, Florida Statute §720.3035 recognizes the authority of associations and architectural review committees to review and approve construction plans, specifications, and improvements when authorized by the governing documents; and

WHEREAS, the Board of Directors finds that construction activities on vacant lots have the potential to adversely impact stormwater facilities, drainage systems, swales, easements, rights-of-way, common areas, and neighboring properties through erosion, sedimentation, grading alterations, compaction, and other construction-related activities; and

WHEREAS, the Board further finds that requiring a refundable construction deposit is a reasonable measure to ensure the protection and restoration of stormwater management facilities and related infrastructure affected by new construction;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors adopts the following policy effective October 21, 2026:

1. **Stormwater Mitigation Deposit**
   In addition to the New Construction Permit Fee, every owner seeking approval for the construction of a new residence on a vacant lot shall provide a refundable **Stormwater Mitigation Deposit in the amount of Seven Thousand Five Hundred Dollars ($7,500.00) per lot.**

2. **Condition of Approval**
   No new construction application shall be approved, and no Association construction permit shall be issued, unless and until the required Stormwater Mitigation Deposit has been received by the Association.

3. **Purpose of Deposit**
   The Stormwater Mitigation Deposit is intended to secure the owner's compliance with all approved construction plans and Association requirements relating to:

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- Stormwater management systems;
- Drainage facilities and drainage patterns;
- Swales and easements;
- Erosion and sediment control measures;
- Protection of adjacent lots and common areas; and
- Restoration of any damage resulting from construction activities.

The deposit shall not be considered a fine, assessment, or penalty, but shall serve solely as a refundable security deposit to ensure completion of required corrective actions and restoration obligations.

4. **Final Inspection**
   Upon completion of construction and prior to the return of the deposit, the owner shall request a final inspection by the Association, Architectural Control Board, Community Association Manager, engineer, or other designated representative.

   The inspection shall determine whether:
   - Approved grading and drainage requirements have been satisfied;
   - No damage exists to Association property, common areas, drainage facilities, or adjoining lots resulting from construction activities;
   - All stormwater management features are functioning as designed; and
   - Any deficiencies identified during construction have been corrected.

5. **Return of Deposit**
   Provided the final inspection confirms compliance with all applicable requirements, the Association shall refund the Stormwater Mitigation Deposit within thirty (30) days following completion of the final inspection.

6. **Use of Deposit for Remediation**
   If the owner, contractor, builder, or any affiliated party fails to repair or restore damage arising from construction activities, the Association may utilize all or a portion of the Stormwater Mitigation Deposit to pay for corrective measures, repairs, restoration work, engineering services, or other costs reasonably incurred to bring the property into compliance.

   Prior to any deduction from the deposit, the Association shall provide written notice to the owner identifying the deficiency and providing an opportunity to complete corrective action within a reasonable time period established by the Association.

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7. **Additional Liability**
   If the actual cost of remediation, repair, restoration, or corrective work exceeds the amount of the Stormwater Mitigation Deposit, the owner shall remain responsible for any excess costs to the extent permitted by the Association's governing documents and applicable law.

8. **Uniform Enforcement**
   This Resolution shall apply uniformly to all new residential construction applications submitted on or after the effective date of this Resolution.

9. **Conflict with Governing Documents**
   In the event of a conflict between this Resolution and the Declaration, Articles of Incorporation, Bylaws, or applicable law, the higher controlling authority shall govern.

10. **Effective Date**
    This Resolution shall become effective November 18, 2026, immediately upon adoption by the Board of Directors at two (2) board meetings.

ADOPTED by the Board of Directors of Cypress Village Property Owners Association, Inc. this 18 day of November, 2026.

CYPRESS VILLAGE PROPERTY OWNERS ASSOCIATION, INC.

By: _____ President

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