

CITY OF BEAUFORT
1911 BOUNDARY STREET
BEAUFORT MUNICIPAL COMPLEX
BEAUFORT, SOUTH CAROLINA 29902
(843) 525-7070
CITY COUNCIL WORKSESSION AGENDA
March 17, 2020

**NOTE: IF YOU HAVE SPECIAL NEEDS DUE TO A PHYSICAL CHALLENGE,
PLEASE CALL IVETTE BURGESS 525-7070 FOR ADDITIONAL
INFORMATION**

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STATEMENT OF MEDIA NOTIFICATION

"In accordance with South Carolina Code of Laws, 1976, Section 30-4-80(d), as amended, all local media was duly notified of the time, date, place and agenda of this meeting."

WORKSESSION - City Hall, Planning Conference Room, 1st Floor - 5:00 PM

I. CALL TO ORDER

A. Billy Keyserling, Mayor

II. DISCUSSION ITEMS

- A. Incentives Ordinances - Proposed Changes
- B. Fire Development Impact Fee
- C. Resolution in Support of a Local Option Sales and Use Tax Referendum

III. EXECUTIVE SESSION

- A. Pursuant to Title 30, Chapter 4, Section (70) (a) (1) of the South Carolina Code of Law: Discussion Pursuant to Title 30, Chapter 4, Section (70) (a) (1) of the South Carolina Code of Law: Discussion regarding Personnel - Courts and Boards and Commission.
- B. Pursuant to Title 30, Chapter 4, Section (70) (a) (2) of the South Carolina Code of Law: Receipt of Legal Advice regarding Contractual Agreements and discussion regarding Purchase and Sale of Property.

IV. ADJOURN



CITY OF BEAUFORT

DEPARTMENT REQUEST FOR CITY COUNCIL AGENDA ITEM

TO: CITY COUNCIL **DATE:** 3/11/2020
FROM: David Prichard, Director of Community Economic & Development
AGENDA ITEM
TITLE: Incentives Ordinances - Proposed Changes
MEETING
DATE: 3/17/2020
DEPARTMENT: City Clerk

BACKGROUND INFORMATION:

At the January 21, 2020 work session, council reviewed the current ordinances which provide incentives. I have incorporated the following changes based on that discussion:

- Delete Sections 5-2023, 5-2024, 10-2002, 10-3002(b)
- Combine Sections 5-2025, 2026, and 2027 and rename as Section 5- 2023, which will read as:
Sec. 5-2023. - Development.
A property owner responsible for:
 - (a) development of student housing (as defined in section 5-2021(e) of this article)
 - (b) development of a carriage house as defined in section 4.5.3 of the Beaufort Development Code of the City of Beaufort, South Carolina. Carriage houses receiving this incentive may not be used as short-term rental for a period of ten years.
 - (c) rehabilitating a structure located in the Beaufort Historic District as depicted on the official zoning map of the City of Beaufort, South Carolina, and listed on the vacant and abandoned structures list maintained by the department of community and economic developmentwill be reimbursed for all city real property taxes paid by the owner on the relevant property for a maximum period of three (3) years. Reimbursements will be made on an annual basis after the city property taxes are paid and the owner has provided an affidavit that the units are being utilized for student housing.

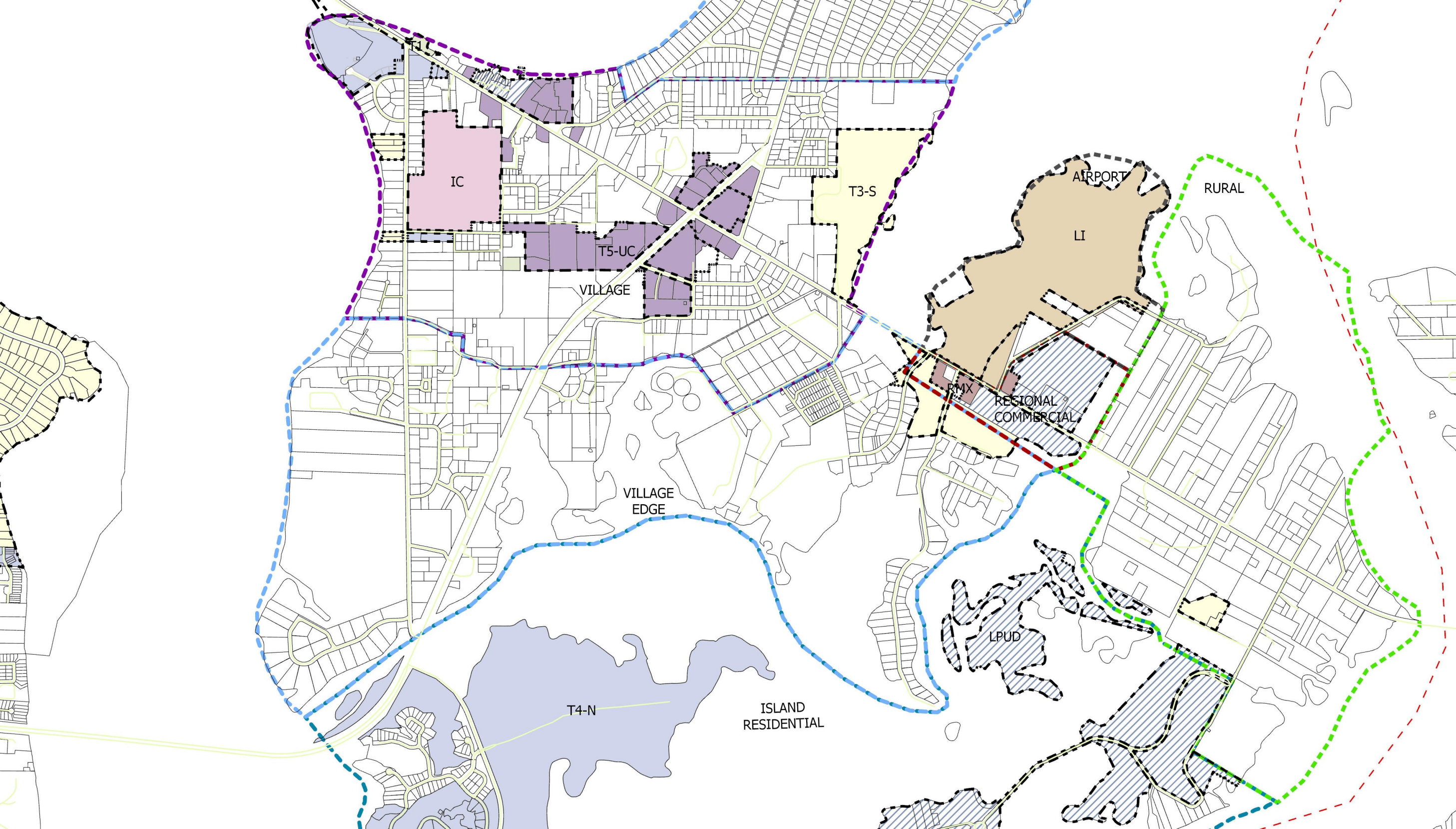
Council also requested a map showing which properties on Lady's Island would be eligible for reimbursement of city real property taxes. The areas are commercial and residential properties located within or that are a part of residential/commercial developments on Lady's Island with frontage on Lady's Island Drive (U.S. Highway 21 Bypass) south of U.S. Highway 21 Business or with frontage on Island Causeway or with frontage on Sea Island Parkway that are now contiguous to the city limits or will become contiguous with related annexations. See attached map.

PLACED ON AGENDA FOR:

REMARKS:

ATTACHMENTS:

Description	Type	Upload Date
Lady's Island Annexation Incentive Locations	Backup Material	3/11/2020
Memorandum re Incentive Ordinances	Backup Material	3/11/2020
Incentive Ordinances	Backup Material	3/11/2020





Memorandum for City Manager

From the Director of Community and Economic Development

25 June 2019

SUBJECT: Development and Annexation Incentives

You asked me to review the incentives the City is authorized to provide by ordinance. Below are the incentives authorized by ordinance:

- New construction/rehabilitation receiving affordable housing financial assistance – building permit fees reduced 50% - Municode Sec. 5-1005
- Occupancy of empty/vacant commercial buildings – reimbursement of city real property taxes up to 5 years – Sec. 5-2023
- New construction in downtown and redevelopment corridorsⁱ - reimbursement of city real property taxes up to 3 years – Sec. 5-2024
- Development of student housing - reimbursement of city real property taxes up to 3 years – Sec. 5-2025
- Development of accessory dwelling unitsⁱⁱ - reimbursement of city real property taxes attributed to the accessory dwelling unit up to 3 years – Sec. 5-2026
- Rehabilitation of vacant or abandoned structures in the Beaufort Historic District - reimbursement of city real property taxes attributed to the building rehabilitation up to 3 years – Sec. 5-2027
- Rehabilitated historic properties – special tax assessment equal to appraised value at time of preliminary certification for ten years – Sec. 10-1001
- Annexation – two times the projected city real property taxes minus two times any proportional payments remitted to a fire district – Sec. 5-2028 amended by O-4-19
- Annexation (commercial) – building permit fees reduced 50% within 12 months of annexation – Sec.10-2002
- Annexation (segments on Lady's Island) - reimbursement of city real property taxes up to 3 years less that portion remitted to Lady's Island Fire District; 90% in years four and five; 50% in year six; and 30% in year seven – Sec. 10-3002 (a)
- Annexation (Lady's Island commercial recreation) - - reimbursement of city real property taxes up to 3 years less that portion remitted to Lady's Island Fire District; 90% in years four, five and six; 60% in year seven; 50% in years eight and nine; and 40% in year ten – Sec. 10-3002 (b)

I have attached the ordinances.

-DAVID PRICHARD

ⁱ The following areas are defined as Redevelopment Areas:

- (1) The area defined by the lots on the north side of Calhoun Street, the lots on the east side of Carteret Street, the centerline of Bay Street, and the lots on the west side of Ribaut Road;
- (2) U.S. 21 Design District *[The area between the right-of-way and a line measured 500 feet perpendicular to the right-of-way running parallel to the right-of-way on both sides of U.S. Highway 21 from the Beaufort city limits east to the west side of Ribaut Road on the south and to the west side of Sycamore Street on the north.];* and
- (3) Any lot within one-quarter mile of the intersection of Ribaut Road and Mossy Oaks Road.

ⁱⁱ A second dwelling unit either in or added to an existing single-family detached dwelling or in a separate accessory structure on the same lot as the main dwelling, for use as a complete, independent living facility with provision within the accessory dwelling unit for cooking, eating, sanitation, and sleeping. Such a dwelling is accessory and subordinate to the primary dwelling

Sec. 5-1005. - Reduction in fees and regulatory requirements for qualified affordable housing developments.

- (a) *Building permit fees.* Building permit fees shall be reduced up to a maximum of fifty (50) percent for any single or multifamily residential development, whether new construction or rehabilitation, that receives or will receive affordable housing financial assistance from any governmental or legally established nonprofit entity. Proof of qualification shall consist of legally executed documents establishing the financial assistance. No reduction shall be provided if work is undertaken without a permit. If the developer receives a reduction for any units which are ultimately not rented or sold to persons who are deemed low income, then the developer shall rebate to the city any savings which were incorrectly associated with those units.
- (b) *Affordable housing standards established.* Affordable housing is defined as a development with residential units available for rental or for sale to persons or families of low income defined as income equal to or less than eighty (80) percent of the area median income. Area median income is determined by the United States Department of Housing and Urban Development.
- (c) *Fee schedule.* Building permit fee reduction shall be calculated as follows:
- (1) *Rental residential.* A scaling percentage based upon the percentage of units within the development which are reserved for qualifying individuals or households shall be used as follows:

Percent of Affordable Units	Percent Reduction
0—10%	10%
11—20%	20%
21—30%	30%
31—40%	40%
41—50%	50%
51% or greater	50%

- (2) *Owner occupied residential.* A reduction of fifty (50) percent of the building permit fee.

(Ord. No. O-02-05, § 2, 1-11-05)

ARTICLE C. - BEAUFORT REDEVELOPMENT INCENTIVE PROGRAM⁽⁶⁾ Footnotes:

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Editor's note— Ord. No. O-28-02, adopted July 9, 2002, deleted Art. C in its entirety and enacted similar provisions to read as herein set out. Former Art. C derived from Ord. No. O-26-98, adopted May 26, 1998; and Ord. No. O-54-99, adopted Sept. 28, 1999.

Sec. 5-2021. - Definitions.

- (a) *Appraised value.* For the purposes of this article, the appraised value of any property will be the value attributed to that property by the Beaufort County Tax Assessor's Office.
- (b) *Beaufort Redevelopment Incentive Program.* A program established for the following public purposes: Increase the occupancy of empty/vacant commercial buildings, encouragement of greater development and density in Beaufort's downtown, encouragement of student housing and affordable housing, and encouragement of annexation of property into Beaufort's city limits. The program will reimburse property owners for city taxes that are associated with an owner's occupancy of a certain previously empty/vacant buildings, an owner's development of a downtown property, an owner's development of student housing, an owner's development of an accessory dwelling unit, and an owner's annexation of property into the city limits. Reimbursement of these taxes will be promised and paid in order to encourage property owners to accomplish the program purposes. The realization of these goals will promote the public health, safety, morals, general welfare and security, prosperity, and contentment of the citizens of Beaufort. Hereinafter, the Beaufort Redevelopment Incentive Program will be referred to as "the program."
- (c) *Building.* Any structure located within Beaufort city limits built for the support, shelter, or enclosure of persons, animals, chattels, or property of any kind which has enclosing walls for at least fifty (50) percent of its perimeter. For the purposes of this article, each portion of a building separated from other portions by a fire wall shall be considered a separate building.
- (d) *Commercial building.* Any building located within Beaufort city limits that is adapted to occupancy for the transaction of business; for the rendering of professional services; for the display, sale or storage of goods, wares or merchandise; or for the performance of work or labor and was utilized for commercial activity during its most recent occupancy.
- (e) *Development of student housing.* Development of housing, whether construction of new buildings on vacant sites or renovation of existing structures that have remained vacant continuously for at least one (1) full calendar year, for occupancy by students enrolled on a full or part-time basis at the Technical College of the Lowcountry or the University of South Carolina Beaufort.
- (f) *Empty/vacant commercial building.* Any existing commercial building that has not housed any commercial activity for at least one (1) year prior to any occupancy asserted by a property owner(s) as qualifying under the program.
- (g) *Empty/vacant commercial building qualifications.* Any commercial building which is conveyed to a new property owner after that building has remained empty and/or vacant continuously for at least twelve (12) months during which time it has been continuously and actively offered for sale or lease. Any substantial use of an otherwise qualified commercial building within twelve (12) months prior to a new owner's attempt to qualify under the program, including any commercial, charitable, or residential use, will compromise the previous period that the building was empty/vacant and disqualify that building from the program.
- (h) *New occupancy of previously empty/vacant qualified commercial building.* Any new owner(s) attempting to benefit from section 5-2023 of this article must actively use the qualified commercial building for its generally recognized or obvious purpose, including, but not limited to: operation of a retail business, operation of a restaurant, storing of wares/chattels, or any other business activity allowed in the City of Beaufort. Any owner who maintains the property in the same fashion as during the minimum one (1) year that the building was empty/vacant will not qualify for the program, as one

of the public purposes of this article is to increase occupancy of previously empty/vacant commercial buildings. To maintain its qualification under section 5-2023 of this article, a previously empty/vacant commercial building that has been acquired by a new owner(s) must be continuously utilized in a viable, bona fide commercial capacity. A mere change in ownership of the property without accompanying viable commercial activity will not qualify a property hereunder.

- (i) *New construction.* For the purposes of section 5-2024 of this article, new construction will mean:
 - (1) Construction of new buildings on previously vacant sites;
 - (2) City-approved legal demolitions of blighted and/or dilapidated buildings and construction of new buildings on those sites;
 - (3) Renovations, improvements, and/or additions to second and higher stories in existing commercial buildings for the purpose of creating new housing; and
 - (4) Any renovations, improvements and/or additions to existing buildings where the renovations, improvements, and/or additions increased the appraised value of the building by at least fifty (50) percent.
- (j) *Property owner.* For the purposes of this article, any person, persons, or entity with legal title to the property in question will be deemed property owner.
- (k) *Rehabilitation of vacant or abandoned structures.* For purposes of section 5-2027, rehabilitation means renovations that bring the structure into a habitable condition. A rehabilitated structure shall have sound structural framing for roof, walls, floor, and foundation systems; completely weather-proofed wall, roof, and window systems; correctly sized heating systems; safe egress; and clean water supply with sanitary bathroom connected to sewer per code. A rehabilitated structure shall have passed a final inspection.

(Ord. No. O-28-02, 7-9-02; Ord. No. O-13-03, §§ 1, 2, 4-22-03)

Sec. 5-2022. - General provisions.

- (a) *Prospective application.* This article is prospective only and is not retroactive. Therefore, any action taken in regards to a property that would have qualified that property hereunder but which predates this article shall fail to qualify that property for the program.
- (b) *Qualification for the program.* Qualification for the program is contingent upon a change in the use, condition, and/or status of an owner's property and, to qualify under section 5-2023 of this article, a bona fide change in ownership of the commercial property in question. Furthermore, to qualify hereunder the property in question must be fully in compliance with all federal, state and local codes, statutes, regulations and ordinances. The property in question must qualify for the program before any development incentives may be earned. No person or entity other than the qualifying property's bona fide owner may receive any reimbursement for taxes paid. No property may qualify for the program more than one (1) time or under more than one (1) section.
- (c) *City of Beaufort's approval.* Any property owner seeking to participate in the program must receive the city's approval that the owner's property qualifies for the program before any reimbursements will be paid by the city to the owner. The determination as to property's qualification hereunder will be made by the city manager or his/her designee upon the application of the owner of the property in question.
- (d) *Appeals.* Any property owner aggrieved by the city manager's determination of whether that property owner's property qualifies hereunder may appeal to the city council by filing a letter with the city clerk setting forth the ground(s) for the appeal within ten (10) days of the city manager's determination. Council shall thereafter consider that appeal at its next regularly scheduled meeting. Council may consider any information presented by the aggrieved property owner and the city manager in making its determination as to whether the property in question qualifies for the program.

- (e) *Source of reimbursements paid by city.* For qualifying properties within the existing TIF District (pursuant to Ordinance No. O-34-96), any reimbursements hereunder which qualify as redevelopment project costs shall be paid from the TIF Fund. All other development incentives reimbursements paid by the city to any owners pursuant hereto shall be paid from the city general fund.
- (f) *Reimbursements by city.* The city will only reimburse a property owner for projected taxes or taxes actually paid to the city for the property qualified under the program. In no event will the city's development incentives to any property owner exceed the city's projections or actual payments made to the city by that property owner.
- (g) *Schedule of reimbursements.* Each time a property owner pays a city property tax, the city will reimburse that property owner the appropriate amount paid to the city provided that property maintains its qualification hereunder for at least ninety (90) days after the city receives the tax. Therefore, it is possible that a property could be approved for the program but subsequently disqualified for no longer maintaining that qualification pursuant hereto.
- (h) *Disqualification.* Any property that is approved hereunder may be disqualified from the program and any reimbursements to that property's owner may be suspended should that property fail to maintain its qualification hereunder. Such disqualification could be caused by any of the following or any other legitimate contravention of the program: ceasing commercial activities in a previously qualified commercial building; discovery that alleged commercial activity qualifying the property hereunder was merely a facade as no bona fide commercial activity takes place at or on the property in question; discovery that a structure intended for occupancy by students as defined in this article, is not longer occupied by students; violation of any federal, state, or local code, statute, regulation, or ordinance at, on, or by the property in question; no development or renovation is actually accomplished; and the taxes asserted by an owner do not actually relate to a qualifying property.

(Ord. No. O-28-02, 7-9-02)

Sec. 5-2023. - Occupancy of empty/vacant commercial buildings.

Any property owner who acquires ownership of any qualified empty/vacant commercial building and pays city real property taxes in regards to a qualifying property will receive credits for all such taxes paid. The amount of these credits will be calculated as follows: the new property owner will receive cash reimbursements for all city real property taxes paid over the same number of years the qualified property had been continuously empty and/or vacant and which was continuously available for sale and/or lease during that time, up to a maximum period of five (5) years.

(Ord. No. O-28-02, 7-9-02)

Sec. 5-2024. - New construction in downtown and redevelopment corridors.

The property owner responsible for qualifying new construction (as defined in section 5-2021(i) of this article) will be reimbursed for all city real property taxes paid by the owner on the relevant property attributable to the new development on that property for a maximum period of three (3) years. For the purposes of section 5-2021(i)(3) of this article, a property owner who creates new rental housing in an upper story (or in upper stories) of an existing commercial building in the tax increment financing district will receive double the reimbursement authorized hereunder. To qualify under this section 5-2024, the new construction must either be in the city downtown tax increment financing district or in a redevelopment corridor defined in section 11.2 of the Unified Development Ordinance of the City of Beaufort, South Carolina. Should a property owner elect to receive a lump sum payment for all such taxes which will be credited, the city will pay the property owner for all such real property taxes which the property owner will pay which are attributable to the qualifying new construction for a maximum period of three (3) years, upon that owner's receipt of a certificate of occupancy for that newly constructed building or that area of the previously existing commercial building which was renovated, improved, and/or added.

(Ord. No. O-28-02, 7-9-02; Ord. No. O-13-03, § 3, 4-22-03)

Sec. 5-2025. - Development of student housing.

A property owner responsible for development of student housing (as defined in section 5-2021(e) of this article) will be reimbursed for all city real property taxes paid by the owner on the relevant property for a maximum period of three (3) years. Reimbursements will be made on an annual basis after the city property taxes are paid and the owner has provided an affidavit that the units are being utilized for student housing.

(Ord. No. O-28-02, 7-9-02)

Sec. 5-2026. - Development of accessory dwelling units.

A property owner responsible for development of an accessory dwelling unit as defined in section 11.2 of the Unified Development Ordinance of the City of Beaufort, South Carolina will be reimbursed for all city real property taxes attributable to the accessory dwelling unit for a maximum period of three (3) years. Reimbursements will be made on an annual basis after the city property taxes are paid and the owner has provided an affidavit that the accessory unit is occupied.

(Ord. No. O-28-02, 7-9-02; Ord. No. O-13-03, § 4, 4-22-03)

Sec. 5-2027. - Rehabilitation of vacant or abandoned structures.

A property owner responsible for rehabilitating a structure located in the Beaufort Historic District as defined in section 4.9.C. of the Unified Development Ordinance of the City of Beaufort, South Carolina, and listed on the vacant and abandoned structures list maintained by the department of planning and development services, will be reimbursed for all city real property taxes attributable to the building rehabilitation for a maximum period of three (3) years. Reimbursements will be made on an annual basis after the city property taxes are paid on the rehabilitated structure.

(Ord. No. O-13-03, § 5, 4-22-03)

Sec. 5-2028. - Annexation incentives.

Replaced; ref: O-4-19

- (a) *Annexation agreements.* Any property owner who owns real property located in Beaufort County that is not within the corporate limits of the City of Beaufort who, upon the request of the city, executes an annexation agreement with the city will receive from the city a payment equal to one and one-half (1½) times that property's projected city real property taxes based upon the real property's then current appraised value, use, and city millage rate at the date of execution of the annexation agreement. Once such a property actually annexes into Beaufort's city limits pursuant to this subsection, that property's owner will receive another payment equal to one and one-half (1½) times that property's projected city real property taxes based upon that real property's appraised value, use, and city millage rate as of the time the property owner executed the annexation agreement.
- (b) *Annexation of properties.* Any real property owner who owns real property located in Beaufort County that is not within the corporate limits of the City of Beaufort who, upon the request of the city, annexes that real property into Beaufort's city limits, will receive credits and reimbursements for all city real property taxes paid by the property owner on that property and all city personal property taxes paid by the property owner for all personal property owned by the property owner and located at the annexed real property from the date of annexation for a maximum period of three (3) years. Should the property owner elect to receive a lump sum payment for all such taxes which will be

credited, the city will pay the property owner for all such projected city taxes based upon that real property's then current appraised value, use, and city millage rate and the relevant personal property then located at the property from the date of annexation for a maximum period of three (3) years.

(Ord. No. O-28-02, 7-9-02; Ord. No. O-13-03, § 5, 4-22-03)

Secs. 5-2029—5-2030. - Reserved.

CHAPTER 1. - SPECIAL PROPERTY TAX ASSESSMENTS FOR REHABILITATED HISTORIC PROPERTIES

Sec. 10-1001. - Special tax assessment created.

A special tax assessment is created for eligible rehabilitated historic properties for ten (10) years equal to the appraised value of the property at the time of preliminary certification.

(Ord. No. O-23-14, 9-23-14)

Sec. 10-1002. - Purpose.

It is the purpose of this division to:

- (a) Encourage the restoration of historic properties;
- (b) Promote community development and redevelopment;
- (c) Encourage sound community planning; and
- (d) Promote the general health, safety, and welfare of the community.

(Ord. No. O-23-14, 9-23-14)

Sec. 10-1003. - Eligible properties.

- (a) *Certification*. In order to be eligible for the special tax assessment, historic properties must receive preliminary and final certification.
 - (1) To receive preliminary certification a property must meet the following conditions:
 - a. The property has received historic designation.
 - b. The proposed rehabilitation work receives approval from the historic district review board (HRB); or
 - c. Be a project that commences on or after the date of the adoption of this ordinance. Preliminary certification must be received prior to beginning work.
 - (2) To receive final certification, a property must have met the following conditions:
 - a. The property has received preliminary certification.
 - b. The minimum expenditures for rehabilitation were incurred and paid.
 - c. The completed rehabilitation receives approval from the director of planning and development services as being consistent with the plans approved by HRB as part of preliminary certification.
- (b) *Historic designation*. As used in this section, "historic designation" means:
 - (1) the structure is at least fifty 50 years old and is located in the historic district;

- (2) The structure is located outside the historic district and is listed on the National Register of Historic Places; or
- (3) The structure is listed on the "1997 Beaufort County Above Ground Historic Sites Survey," and has been designated as "historic" according to Section 3.21 of the Unified Development Ordinance and its successors.

(Ord. No. O-23-14, 9-23-14)

Sec. 10-1004. - Eligible rehabilitation.

- (a) *Standards for rehabilitation work.* To be eligible for the special tax assessment, historic rehabilitations must be appropriate for the historic building and the historic district. This is achieved through adherence to the standards set out in Section 3.20.C of the Unified Development Ordinance and its successors.
- (b) *Work to be reviewed.* The following work will be reviewed according to the standards set forth above:
 - (1) Repairs to the exterior of the designated building.
 - (2) Alterations to the exterior of the designated building.
 - (3) New construction on the property on which the building is located.
 - (4) Alterations to interior primary public spaces.
 - (5) Any remaining work where the expenditures for such work are being used to satisfy the minimum expenditures for rehabilitation.
- (c) *Minimum expenditures for rehabilitation* means the owner rehabilitates the building, with expenditures for rehabilitation exceeding seventy-five (75) percent of the fair market value of the building. Fair market value means the appraised value as certified to the HRB by a real estate appraiser licensed by the State of South Carolina, the sales price as delineated in a bona fide contract of sale within twelve (12) months of the time it is submitted, or the most recent appraised value published by the Beaufort County tax assessor.
- (d) *Expenditures for rehabilitation* means the actual cost of rehabilitation relating to one or more of the following:
 - (1) Improvements located on or within the historic building as designated.
 - (2) Improvements outside of but directly attached to the historic building which are necessary to make the building fully useable (such as vertical circulation) but shall not include rentable/habitable floor space attributable to new construction.
 - (3) Architectural and engineering services attributable to the design of the improvements.
 - (4) Costs necessary to maintain the historic character or integrity of the building.
- (e) *Scope.* The special tax assessment may apply to the following:
 - (1) Structure(s) rehabilitated.
 - (2) Real property on which the building is located.
- (f) *Time limits.* To be eligible for the special tax assessment, rehabilitation must be completed within two (2) years of the preliminary certification date. If the project is not complete after two (2) years, but the minimum expenditures for rehabilitation have been incurred, the property continues to receive the special assessment until the project is completed or until the end of the special assessment period, whichever shall first occur.

(Ord. No. O-23-14, 9-23-14)

Sec. 10-1005. - Process.

- (a) *Fee required.* A fee as set out in the city's fee schedule shall be required for final certification for each application.
- (b) *Plan required.* Owners of property seeking approval of rehabilitation work must submit an HRB application with supporting documentation and application fee prior to beginning work.
- (c) *Preliminary certification.* Upon receipt of the completed application, the proposal shall be placed on the next available agenda of the HRB to determine if the project is consistent with the standards for rehabilitation in subsection 10-1004(a). After the HRB makes its determination, the owner shall be notified in writing. Upon receipt of this determination the owner may:
 - (1) If the application is approved, begin rehabilitation;
 - (2) If the application is not approved, may revise such application in accordance with comments provided by the HRB;
- (d) *Substantive changes.* Once preliminary certification is granted to an application, substantive changes must be approved by the HRB. Unapproved substantive changes are conducted at the risk of the property owner and may disqualify the project from eligibility. Additional expenditures will not qualify the project for an extension on the special assessment.
- (e) *Final certification.* Upon completion of the project, the project must receive final certification in order to be eligible for the special assessment the director of planning and development services will inspect completed projects to determine if the work is consistent with the approval granted by the HRB pursuant to section 10-1004(a). Final certification will be granted when the completed work meets the standards and verification is made that expenditures have been made in accordance with section 10-004(c) above. Upon receiving final certification, the property will be assessed for the remainder of the special assessment period on the fair market value of the property at the time the preliminary certification was made or the final certification was made, whichever occurred earlier.
- (f) *Additional work.* For the remainder of the special assessment period after final certification, the property owner shall notify the HRB of any additional work, other than ordinary maintenance. The HRB will review the work at a regularly scheduled hearing and determine whether the overall project is consistent with the standards for rehabilitation. If the additional work is found to be inconsistent the property owner may withdraw his request and cancel or revise the proposed additional work.
- (g) *Decertification.* When the property has received final certification and has been assessed as rehabilitated historic property, it remains so certified and must be granted the special assessment until the property becomes disqualified by any one of the following:
 - (1) Written notice from the owner to the HRB and the Beaufort County auditor requesting removal of the preferential assessment; or
 - (2) Rescission of the approval of rehabilitation by the HRB because of alterations or renovation by the owner or the owner's estate which causes the property to no longer possess the qualities and features which made it eligible for final certification.

Notification of any change affecting eligibility must be given immediately to the Beaufort County assessor, auditor, and treasurer.
- (h) *Notification.* The city shall, upon final certification of a property, notify the Beaufort County assessor, auditor and treasurer that such property has been duly certified and is eligible for the special tax assessment.
- (i) *Date effective.* If an application for preliminary or final certification is filed by May 1 or the preliminary or final certification is approved by August 1, the special assessment authorized herein is effective for that year. Otherwise, it is effective beginning with the following year. The special assessment only begins in the current or future tax years as provided for in this section. In no instance may the special assessment be applied retroactively.

- (j) *Application.* Once the HRB has granted the special property tax assessments authorized herein, the owner of the property shall make application to the Beaufort County auditor for the special assessment provided for herein.

(Ord. No. O-23-14, 9-23-14)

CHAPTER 2. - PROMOTION OF ANNEXATION

Sec. 10-2001. - Benefit to new businesses.

The benefit described in section 10-2002 below shall be available to the owner of any commercial operation situated on land which is annexed into the city any time after March 1, 1996. A "commercial operation" shall be construed to be any business enterprise for which the purchase of a business license is required under this ordinance. A "new business" shall be defined as set forth in section 7-1002(9).

(Ord. No. O-14-96, 3-26-96)

Sec. 10-2002. - Building permit fees.

One-half (½) of the fees for any building permits which are issued to a new business within twelve (12) months of the effective date of the annexation shall be waived. This waiver shall apply only to building permit fees and not to any other fees which may be paid in conjunction with building permit applications (such as plan checking fees, plumbing permit fees, electrical permit fees, sign permit fees, safety inspection fees, and tree removal application fees).

(Ord. No. O-14-96, 3-26-96)

CHAPTER 3. - INCENTIVE REIMBURSEMENT GRANT PROGRAM FOR CERTAIN ANNEXATIONS

Sec. 10-3001. - Creation of the program.

The incentive reimbursement grant program for certain annexations is hereby established for the city. The city manager or his designee will administer the program.

(Ord. No. O-28-16, 9-13-16)

Sec. 10-3002. - Purpose of the program.

The purpose of the program is to provide reimbursement to the property owner, as a grantee under the program, of an amount equivalent to a portion of city real property taxes paid by the property owner of property that is annexed into the city at the request of the city and pursuant to the program. The initial designated areas for the program, as set by council, are (1) commercial properties (vacant or developed) used exclusively for recreational purposes located on Lady's Island with frontage on either Lady's Island Drive or Island Causeway that are now contiguous to the city limits or will become contiguous with related annexations, and (2) all other commercial and residential properties located within or that are a part of residential/commercial developments on Lady's Island with frontage on Lady's Island Drive (U.S. Highway 21 Bypass) south of U.S. Highway 21 Business or with frontage on Island Causeway or with frontage on Sea Island Parkway that are now contiguous to the city limits or will become contiguous with related annexations. The council may set additional or substituted designated program areas from time to time.

(Ord. No. O-28-16, 9-13-16)

Sec. 10-3003. - Provision for reimbursement.

- (a) *Residential and commercial properties.* A property owner of residential or commercial property who participates in the program is not eligible for, and waives, the annexation and other incentives set out in city Code sections 5-2021 through 5-2028. Under the program, the city will reimburse a residential or commercial property owner, who is requested by the city to annex and whose property is annexed, as the grantee, an amount representing one hundred (100) percent of the amount of City of Beaufort real property tax paid less that portion remitted to Lady's Island Fire District under the agreement for fire protection by annexed areas of Lady's Island, for the annexed residential or commercial property for the first three (3) years after program application for which city real property taxes are paid. For each of the following four (4) years, the amount of reimbursement shall be reduced as follows: Ninety (90) percent of such paid taxes in year four (4) and five (5), fifty (50) percent in year six (6), and thirty (30) percent in year seven (7). The city will make this reimbursement to the grantee within fifteen (15) business days of the city's receipt of proof of payment, satisfactory to the city, of city real property taxes for the annexed property. Reimbursement and the calculation of the amount of reimbursement shall not include any late payment of taxes or any amount paid as penalties.
- (b) *Commercial properties used exclusively for recreational purposes.* A property owner of commercial property used exclusively for recreational purposes who participates in the program is not eligible for, and waives, the annexation and other incentives set out in city Code sections 5-2021 through 5-2028. Under the program, the city will reimburse such commercial property owner, who is requested by the City to annex and whose property is annexed, as the Grantee, an amount representing one hundred (100) percent of the amount of City of Beaufort real and personal property tax paid less that portion remitted to Lady's Island Fire District under the agreement for fire protection by annexed areas of Lady's Island, for the annexed commercial (exclusively recreational use) property for the first three (3) years after program application for which city real and personal property taxes are paid. For each of the following three (3) years, the amount of reimbursement shall be reduced from one hundred (100) percent by an amount representing ten (10) percent of the total of city real and personal property taxes paid for the property (that is, ninety (90) percent of such paid taxes in year four (4), ninety (90) percent in year five (5), ninety (90) percent in year six (6)). For each of the remaining four (4) years, the amount of the reimbursement shall be reduced as follows: Sixty (60) percent in year seven (7), fifty (50) percent in year eight (8), fifty (50) percent in year nine (9) and forty (40) percent in year ten (10). The city will make this reimbursement to the grantee within fifteen (15) business days of the city's receipt of proof of payment, satisfactory to the city, of city real and personal property taxes for the annexed property. Reimbursement and the calculation of the amount of reimbursement shall not include any late payment of taxes or any amount paid as penalties.

(Ord. No. O-28-16, 9-13-16)

Sec. 10-3004. - Application and documentation for the program.

A property owner seeking a grant under the program must apply for the program by the time of annexation of the subject property, provide documentation of qualification as requested in the application, and agree to furnish any other information as may be needed by the city to determine qualification and reimbursement. The city manager may establish any policies or regulations needed for administration of the program.

(Ord. No. O-28-16, 9-13-16)



CITY OF BEAUFORT

DEPARTMENT REQUEST FOR CITY COUNCIL AGENDA ITEM

TO: CITY COUNCIL **DATE:** 3/11/2020
FROM: Reece Bertholf, Fire Chief
AGENDA ITEM
TITLE: Fire Development Impact Fee
MEETING
DATE: 3/17/2020
DEPARTMENT: City Clerk

BACKGROUND INFORMATION:

1. A discussion concerning council decision on length of time a project granted affordable housing exemption is to remain affordable housing. (Ordinance Section) Provisions for Affordable Housing; item c:1
 2. A discussion concerning the effective date of the Development Impact Fee for Fire ordinance. (Ordinance Section) Determination of Fees; item a:2
-

PLACED ON AGENDA FOR:

REMARKS:

ATTACHMENTS:

Description	Type	Upload Date
Ordinance	Backup Material	3/11/2020

STATE OF SOUTH CAROLINA
CITY OF BEAUFORT

AN ORDINANCE AMENDING THE CODE OF ORDINANCES FOR THE CITY OF BEAUFORT, PART 7, SO AS TO ADD A NEW CHAPTER TO BE NUMBERED CHAPTER 17, DEVELOPMENT IMPACT FEES FOR FIRE SERVICE. 7-17001 THROUGH 7-170___; PROVIDING FOR THE ADOPTION OF DEVELOPMENT IMPACT FEES FOR THE CITY OF BEAUFORT; PROVIDING FOR THE ADMINISTRATION AND ENFORCEMENT THEREOF; AND OTHER MATTERS RELATED THERETO

Pursuant to the authority granted by the Constitution and the General Assembly of the State of South Carolina, BE IT ORDAINED BY THE CITY COUNCIL FOR THE CITY OF BEAUFORT:

SECTION I. The Code of Ordinances for the City of Beaufort Part 7; is hereby amended by adding a chapter, to be numbered Chapter 17, Development Impact Fees for Fire Service; which division shall read as follows:

CHAPTER 17, DEVELOPMENT IMPACT FEES FOR FIRE SERVICES

Title

This ordinance shall be referred to as the “Development Impact Fee Ordinance for Fire Service, City of Beaufort South Carolina.”

Authority

This ordinance is adopted pursuant to and in compliance with the authority of the South Carolina Development Impact Fee Act, Code of Laws of South Carolina, Title 6, Article 9, Chapter 1 (the “Act”), and is to be interpreted in accordance with such Act , or as it may be amended in the future.

Findings

The City of Beaufort Council hereby declares that:

- (a) Fire protection, municipal fire department facilities and fire department equipment are vital and necessary to the health, safety, welfare, and prosperity of the city and its citizens. Substantial growth and new construction are taking place within the municipality and is anticipated to continue. This growth creates substantial need for new infrastructure capacity and maintenance. Meeting these needs is very costly; however, failure to do so will result in an inadequate system of facilities and equipment to accommodate anticipated demand. This would make the City of Beaufort a less desirable place to live and do business and be detrimental to the health, safety, welfare, and prosperity of the city and its citizens.

- (b) To the extent that future growth and new construction in the city places demands on fire protection which should be met by shifting a portion of the capital costs for providing new capacity and maintaining existing capital to serve new development, which creates, in whole or in part, these demands and needs.
- (c) By Joint Resolutions adopted on November 13, 2018, and November 14, 2018, the City of Beaufort and Town of Port Royal Councils directed the Metropolitan Planning Commission to conduct the necessary studies and a recommended development impact fee ordinance in accordance with the requirements of the Act.
- (d) The Metropolitan Planning Commission recommended a *Developmental Fire Impact Fee Study Report for Beaufort/Port Royal Fire Department* dated 8/15/2019, a *Beaufort/Port Royal Capital Improvements Plan* with projects eligible for impact fee funding dated November 2018, which have been adopted by the City Council, as modified.
- (e) This ordinance is enacted to implement the findings and recommendations of the *Development Fire Impact Fee Study Report for Beaufort/Port Royal Fire Department* and endorse the list of capital projects eligible for impact fee funding in the *Beaufort/Port Royal Fire Department Capital Improvement Plan*.
- (f) The impact fees prescribed in this ordinance are equitable, do not impose an unfair or disproportionate burden on developers and new construction, and are in the best interests of the general welfare of City of Beaufort and its citizens.
- (g) New facilities or equipment eligible for development impact fee funding will benefit all new development or redevelopment in city limits. Therefore, it is appropriate to treat the entire city as one service area for calculating, collecting, and spending development impact fees.
- (h) This ordinance provides the procedures for timely processing of applications for determination of appropriate development impact fees applicable to all development inside city limits subject to the impact fees, and for the timely processing of applications for individual assessment of development impact fees, credits, or reimbursements allowed or paid.
- (i) Property for which a valid building permit has been issued prior to the effective date of this ordinance shall not be subject to new or updated development impact fees.

Definitions

The following definitions apply within this ordinance, consistent with the provisions set forth in the South Carolina Development Impact fee Act, or as it may be amended in the future. Where terms are not defined, the definitions used in the City of Beaufort Code of Ordinances shall apply.

- (a) Affordable Housing. Housing that is affordable to families whose incomes do not exceed eighty (80%) percent of the median income for the service zone established for the City of Beaufort.
- (b) Building Permit. A permit issued by the city permitting the construction of a building or structure within city limits.
- (c) Capital Improvement. Improvements with a useful life of five years or more, by new construction or other action, which increase the service capacity of any public facility.
- (d) Capital Improvements Plan (CIP). A multi-year planning tool used to identify capital projects. The Plan also identifies capital improvements for which impact fees may be used as a funding source.
- (e) Certificate of Occupancy. A certificate allowing the occupancy or use of a building and certifying that the structure or use has been constructed or will be used in compliance with the City of Beaufort Code of Ordinances and all other applicable regulations.
- (f) Credits. Impact fee deductions allowed to a fee payor for eligible off-site capital improvements funded by the fee payor or other allowance.
- (g) Developer. An individual, corporation, partnership, or other legal entity undertaking new development.
- (h) Development. Construction or installation of a new building or structure, or a change in use of an existing building or structure, any of which creates additional demand and need for public facilities (i.e., parks and recreation, fire protection, municipal facilities and equipment, or transportation). A building or structure shall include, but not be limited to, modular buildings and manufactured housing. Development does not include alterations made to existing single-family homes.
- (i) Development Impact Fee. A financial payment made by a developer to a local government for funding certain off-site capital improvements identified to accommodate future growth. Development impact fees (or “impact fees”) are collected by the municipality for, fire protection, fire department facilities, and fire department equipment.
- (j) Fee Payor. A developer that pays or is required to pay a development impact fee.
- (k) Fire Impact Fee. A payment of money imposed as a condition of approval to pay a proportionate share of the cost for improvements and maintenance of the fire protection system identified to serve new development.

- (l) Level of service. Means a measure of the relationship between service capacity and service demand for public facilities.
- (m) Public Facilities. Public facilities for the purpose of this ordinance shall include fire protection facilities and equipment and/or construction of capital improvements identified in the *Beaufort/Port Royal Fire Department Capital Improvements Plan* and the *Development Impact Fee Study Report for the Beaufort/Port Royal Fire Department*.
 - (1) Capital equipment and vehicles, with an individual unit purchase price of not less than \$100,000 dollars including but not limited to, equipment and vehicles used in the delivery of public safety services or emergency preparedness services.
- (n) Square Feet (s.f.). As referred to in Appendix A *Impact Fee Schedule for Fire Protection Facilities and Equipment* of this ordinance, means the sum (in square feet) of the area of each floor level, including cellars, basements, mezzanines, penthouses, corridors, lobbies, stores and offices, that are within the principal outside faces of exterior walls, not including architectural setbacks or projections. Included are all areas that have floor surfaces with clear standing head room (measured 6 foot, 6 inches minimum) regardless of their use. If a ground-level area of a building, or part thereof, within the principal outside faces of the exterior walls is not enclosed, this square footage definition considers it part of the overall square footage for the building. However, unroofed areas and unenclosed roofed-over spaces, except those contained within the principle outside faces of exterior walls, should be excluded from the area measurement. The area of any parking garage within a building shall not be included in the area measurement.
- (o) System Improvement. A capital improvement to a public facility which is designed to provide service to a service area.
- (p) System Improvement Costs. The costs incurred for construction and reconstruction of system improvements, including design, acquisition, engineering, and other costs attributable to the improvements including the cost of providing additional public facilities needed to serve new growth and development. System improvement costs do not include:
 - (1) Construction, acquisition, or expansion of public facilities other than capital improvements eligible for impact fee funding that are identified in the *Beaufort/Port Royal Fire Department Capital Improvement plan*;
 - (2) Repair, operation, or maintenance of existing or new capital improvements;
 - (3) Upgrading, updating, expanding, or replacing existing capital improvements to serve existing development in order to meet stricter safety, efficiency, environmental, or regulatory standards;

- (4) Upgrading, updating, expanding, or replacing existing capital infrastructure to provide better service to existing development;
- (5) Administrative and operating costs of the governmental entity; or
- (6) Principal payments and interest or other finance charges on bonds or other indebtedness issued by or on behalf of the governmental entity to finance capital improvements eligible for impact fee funding that are identified in the *Beaufort/Port Royal Fire Department Capital Improvement Plan*.

Supporting Documentation

This ordinance is based upon the conclusions and recommendations presented in the *Beaufort/Port Royal Development Fire Impact Fee Study*, prepared with the provisions set forth in the Act and adopted by joint resolutions from the City of Beaufort and Town of Port Royal councils. These documents are and shall remain on file in the City of Beaufort City Manager's Office and are hereby incorporated into this ordinance by reference.

All developmental impact fees for fire service collected pursuant to this ordinance shall be used to implement any or all of the public facilities deemed eligible for impact fee funding identified in the *Beaufort/Port Royal Fire Department Capital Improvement Plan*.

Jurisdiction

A development impact fee shall apply to all new development or redevelopment located within municipal boundaries.

Application and Exemptions

The provisions of the ordinance shall apply to all new development or redevelopment within municipal boundaries for which a building permit or development approval is required except for the following:

- (a) Rebuilding the same amount of floor space of a structure that was destroyed by fire or other natural catastrophe;
- (b) Remodeling or repairing a structure with the same land use that does not result in an increase in the number of service units or place new demand on fire protection;
- (c) Replacing a residential unit, including a manufactured home, with another residential unit on the same lot, if the number of service units does not change;
- (d) Placing a construction trailer or temporary office on a lot during the period of construction on the same lot;

- (e) Construction of an addition to a residential structure that does not increase the service units;
- (f) Adding uses that are typically accessory to residential uses, such as a tennis court or a clubhouse, unless it is demonstrated clearly that the use creates new consumption of fire services, municipal facilities and equipment, or the transportation system; and
- (g) All or part of a particular development project determined to create affordable housing.

Provisions for Affordable Housing

Because all or part of any development project may be exempt from development fire impact fees for affordable housing, the following sets forth the administrative standards for determining what constitutes affordable housing and the procedures for exemption.

(a) Median Household Income

Affordable housing is based upon eighty percent (80%) of the median household income for residents living within the City of Beaufort. Median household income shall be determined once a year utilizing the following procedure:

- (1) The most recently available figures from the US Census Bureau American Community Survey will serve as the base year for this evaluation;
- (2) Each subsequent year will be adjusted once annually thereafter during January of the calendar year based upon the previous year's published Consumer Price Index (CPI) increase, until the next US Census Bureau data set is published, and this procedure is replicated.

(b) Maximum Expenditure

The maximum expenditure for housing costs shall correspond to the Fannie Mae Foundation Mortgage Calculator multiplier of thirty percent (30%) of gross household income based upon eighty percent (80%) of median household income is:

- (1) Multifamily rental dwelling units of which the gross monthly rent cost does not exceed thirty percent (30%) of eighty percent (80%) of the gross median household monthly income.
 - $\text{maximum monthly rent} = \text{MFI} \times 80\% \times 30\% / 12$
 - $\$1031.12 \text{ max month rent} = \$51,556 \text{ MFI} \times 80\% \times 30\% / 12$
 - MFI (Median Family Income) - \$51,556 This is an average of the U.S. Census Bureau MFI's published for the City of Beaufort and the Town

of Port Royal.

- 80% - The required MFI reduction as defined by the SC State impact fee law, SC Code Section 6-1-920
- 30% - The US Housing and Urban Development's (HUD) criteria that housing cost should be 30% or less of a household's MFI.

(2) Fee for simple ownership dwelling units of which the cost of homeownership for the dwelling unit do not exceed thirty percent (30%) of eighty percent (80%) of the gross median household monthly income as reflected in the sales price using the Fannie Mae Foundation Mortgage Calculator (or comparable methodology) assuming a 10% down payment and a specified interest rate. The specified interest rate shall be determined by selecting the lowest 30-year fixed mortgage rate reported by area lending institutions as of the first week of January for any given year and shall remain so for the balance of the year.

- maximum monthly principle and interest (MMPI) = $MFI \times 80\% \times 30\% / 12$ – expenses
- \$631.12 MMPI = \$51,556 MFI x 80% x 30% /12 - 400
- A 30-year mortgage at 7% and 10% down payment calculates to a purchase price of \$105,400.00 to meet \$631.12 MMPI.
 - MMPI – Maximum monthly Principle and Interest Payment
 - MFI (Median Family Income) - \$51,556 This is an average of the U.S. Census Bureau MFI's published for the City of Beaufort and the Town of Port Royal
 - 80% - The required MFI reduction as defined by the SC State impact fee law, SC Code Section 6-1-920
 - 30% - The US Housing and Urban Development's (HUD) criteria that housing cost should be 30% or less of a household's MFI.
 - Expenses - \$100 per month insurance, \$100 per month taxes, \$200 per month utilities and upkeep.

(c) Procedures for Exemption from Development Impact Fees

(1) A developer seeking exemption from development fire impact fees for the construction of affordable multifamily rental dwelling units, must provide a Rent Control Agreement, approved by the City of Beaufort Community and Economic Development department, restricting the monthly rental cost of each affordable

housing unit for a period of six (6) years in accordance with the maximum expenditure, prior to issuance of the building permit.

- (2) A developer seeking exemption from developmental fire impact fees for the construction of affordable simple ownership dwellings, must provide a letter, approved by the City of Beaufort Community and Economic Development Department, restricting the sale price of the housing unit.

Credit for Redevelopment

- (a) Properties with existing structures may receive fire impact fee credit for structures to be redeveloped or replaced.
 - (1) The permit applicant is responsible to notify the City of Beaufort Community and Economic Development department of the request for fire impact fee credit prior to presenting application for building permit or development permit and provide documentation necessary to properly assess the impact fee potential of the existing structure.
 - (2) The structure shall be evaluated in the present state to determine the developmental impact fee as if that structure was being constructed at the time of building permit application.
 - (3) The fee calculated for the existing structure will be credited towards to the developmental fire impact fee calculated for the new development building permit.
 - (4) Impact fee credit applied for existing structures shall not result in a developmental fire impact fee of less than Zero.

Determination of Fees

(a) General Provisions

- (1) The Community and Economic Development department shall determine, assess and collect all development impact fees administered within the city limits.
- (2) Upon the effective date of this ordinance, development impact fees shall be charged to new development or redevelopment in accordance with the procedures set forth in this ordinance. Fees to be collected for a development will be determined at the time of application for a building permit. If the development is one that does not require a building permit, the impact fee for the development will be determined at the time of development approval. No building permit or development approval shall be issued for any development requiring the payment of development impact fees until the fees have been assessed by and remitted to the City of Beaufort Community and Economic Development department, or in the case of affordable housing exemptions, the appropriate financial guarantees have been filed with the

Community and Economic Development department. Payment of such fees shall not relieve the developer from obligations to comply with any other applicable city ordinances, regulations, or requirements including, but not limited to, the “Zoning,” “Subdivisions,” or “Buildings and Building Regulations” Chapters of the City of Beaufort Code of Ordinances prior to receiving a Certificate of Occupancy.

- (3) All monies paid by the fee payor pursuant to this ordinance shall be identified as development fire impact fees and promptly deposited in the developmental fire impact fee trust fund described in this ordinance.
- (4) For the purpose of calculating development impact fees, the land use types shall be defined in accordance with the definitions contained in the Institute of Transportation Engineers' *Trip Generation Manual*, Ninth Edition.
- (5) Payment of development impact fees or independent impact fee calculation reviewed and approved by the City of Beaufort Director of Community and Economic Development, shall constitute full and complete payment of the new development's proportionate share of fire service costs.
- (6) A developer may negotiate and contract with the city to provide facilities or services in lieu of payment of development impact fees in accordance with Section 6-1-1050 of the Act.

(b) Fire Protection Impact Fees

(1) Fire Protection Impact Fee Formula

Fire protection impact fees collected within city limits shall be in accordance with one of the following formulas:

a. Residential Development

$$\text{Residential Fire Impact Fee} = (\text{SU}) \times (\text{CPP})$$

Where:

SU (Service Unit) = The amount of net new service units generated by the proposed development. The service unit variable is calculated per Service Unit as annotated by each land use category

CPP (COST PER PERSON) = The cost per person for providing fire protection services based on information presented in the *Beaufort/Port Royal Fire Department Development Impact Fee Study*. The cost per person is \$305.43.

b. Non-Residential Development

$$\text{Non-Residential Fire Impact Fee} = (\#SU) \times (ESR) \times (CPE)$$

Where:

SU = The amount of net new service units generated by the proposed development. The service unit variable is calculated per Service Unit as annotated by each land use category.

ESR = Average employee space ratio developed using information published in the Institute of Transportation Engineers *Trip Generation Manual, Ninth Edition* (see Appendix A, Land Use Category)

CPR (Cost per Employee) = The cost per employee for providing fire protection services is based on information presented in the *Beaufort/Port Royal Fire Department Development Impact Fee Study*. The cost per employee is \$592.34.

(2) Determining Fire Protection Impact Fees

The amount of fire protection impact fees attributable to a specific development shall be determined through the following process:

- a. Verify the use and number of new service units for which the building permit is being sought;
- b. For residential development, determine whether any of the proposed residential dwelling units qualify for exemption of fire protection impact fees as "affordable housing" and, if so, the number and type of such units; and
- c. For residential uses multiply the number of non-exempt service units for the specified land use category by the cost per person.
- d. For Non-residential development, determine the applicable land use type and impact fee per service unit set forth in the Land Use Category Chart Appendix A; and
- e. For non-residential uses multiply the number of service units for the specified land use category (see Appendix A) by the employee space ratio, and then multiply the product by the cost per employee.

(3) Independent Fire Protection Impact Fee Calculation

In the event that a fee payor or city staff contend that the land use for which the building permit is being sought is not within those land uses identified in Appendix A, or if the fee payor contends that the Appendix A calculations are not accurate for its intended use, then the City of Beaufort Director of Community and Economic Development, or its designee, shall make a determination as to the most comparable land use category to assume for calculating fire protection impact fees. If the fee payor disagrees with the determination of the City of Beaufort Director of Community and Economic Development, or if the city otherwise deems it appropriate, an independent impact fee calculation may be performed to quantify the fair share of system improvement costs attributable to the development. Preparation of an independent impact fee calculation will immediately halt the building permit application process until such time that the necessary calculation is deemed complete by the City of Beaufort Director of Community and Economic Development. If an independent calculation is requested, it must accompany the building permit application and be prepared in accordance with the following provisions:

- a. Independent calculations for the determination of fire protection impact fees must be performed by a certified professional engineer, architect, landscape architect, planner or other duly qualified and licensed professional approved by the City of Beaufort Director of Community and Economic Development.
- b. The independent calculation shall be subject to review and approval by the City of Beaufort Director of Community and Economic Development, or its designee. In the event that the City of Beaufort Director of Community and Economic Development elects to contract with a third party to review the independent calculation, the cost of this review shall be borne by the applicant based on the cost of the third-party review, plus a ten percent (10%) administrative fee.
- c. The City of Beaufort Director of Community and Economic Development shall either approve or provide in writing the reasons for disapproval of the independent calculation study within thirty (30) days of its submittal for review.
- d. Prior to commencing the study, the developer's hired professional and the City of Beaufort Director of Community and Economic Development, or its designee, shall agree upon the relevant factors and values that will be utilized in the independent calculation of impact fee.

- e. The independent impact fee calculation shall be based on one of the following formulas:

Residential Development

$$\text{Residential Fire Impact Fee} = (\text{SU}) \times (\text{CPP})$$

Where:

SU (Service Unit) = The amount of net new service units generated by the proposed development. The service unit variable is calculated per Service Unit as annotated by each land use category

CPP (COST PER PERSON) = The cost per person for providing fire protection services based on information presented in the *Beaufort/Port Royal Fire Department Development Impact Fee Study*. The cost per person is \$305.43.

Non-Residential Development

$$\text{Non-Residential Fire Impact Fee} = (\# \text{SU}) \times (\text{ESR}) \times (\text{CPE})$$

Where:

SU = The amount of net new service units generated by the proposed development. The service unit variable is calculated per Service Unit as annotated by each land use category.

ESR = Average employee space ratio developed using information published in the Institute of Transportation Engineers *Trip Generation Manual, Ninth Edition* (see Appendix A, Land Use Category)

CPR (Cost per Employee) = The cost per employee for providing fire protection services is based on information presented in the *Beaufort/Port Royal Fire Department Development Impact Fee Study*. The cost per employee is \$592.34.

Impact Fee Trust Funds

Development impact fees collected pursuant to this ordinance shall be kept separate from other revenue of the city. There shall be one trust fund established solely for development fire impact fee funds. All development impact fees collected shall be properly identified by property address noted on the approved building permit and by the

appropriate trust account.

Any funds on deposit not immediately necessary for expenditure shall be maintained in an interest-bearing account prior to expenditure on recommended projects. Interest earned on development impact fees in deposit must be considered revenue to the trust fund account for which income is earned and must be subject to all restrictions placed on the use of development impact fees pursuant to this ordinance.

Limitation on Expenditures of Funds Collected

(a) Eligible System Improvement Costs

Funds from development impact fee trust accounts shall be expended only for the public facilities and system improvements identified as eligible for impact fee funding in the *Beaufort/Port Royal Fire Department Capital Improvement plan*, incorporated herein by reference. No funds shall be used for administrative or operating costs associated with imposing any of the development impact fees. Eligible components of a public fire department facility may include, but are not limited to, the following:

- (1) Design and construction plan preparation;
- (2) Construction of new facilities, structures, or amenities that provide additional capacity;
- (3) Purchase of new equipment (>\$100,000 purchase price) that provide additional capacity.
- (4) Principal payments, interest and other finance charges on bonds or other indebtedness issued by or on behalf of the city for financing any or all public fire department infrastructure.

(b) Rational Nexus Test

The City Finance Director, or its designee, shall make an annual report to the City Council and publish this report for access by the general citizenry showing where development fire impact fees have been collected and what projects have been funded with these revenues. The Council shall consider this report and whether the fees are being spent for the benefit of new developments within city limits. If the Council determines that this is not the case, then it shall adjust the *Beaufort/Port Royal Fire Department Capital Improvement plan*, and other projected capital expenditures to correct the condition.

(c) Expenditure of Funds

Development impact fee funds shall be expended in the order in which they were collected. The disbursement of such funds shall require approval of the City Council, upon recommendation of the City Manager or its designee.

(d) Reimbursement

Impact fee funds not obligated for expenditure within three (3) years of the date of collection shall be returned, with actual interest earned, to the record owner of the property for which the fees were collected, on a first-in, first-out basis.

Credits / Reimbursements

(a) General Provisions

- (1) A developer shall be entitled to a credit against development impact fees assessed pursuant to this ordinance for city-approved monetary or in-kind contributions toward some or all expenditures included in the *Beaufort/Port Royal Fire Department Capital Improvement plan*, that are eligible for impact fee funding.
- (2) Development impact fees shall not be imposed on a fee payor or developer who has entered into an agreement with the city for certain contribution, payment, construction, or dedication of land up to the cash value of the specific improvements identified within the agreement. Any difference between total development impact fees due for the development and the cash value of the executed agreement remain eligible for collection pursuant to the rules and requirements of this ordinance.
- (3) A fee payor shall be reimbursed for contributions of land or facilities that exceed his proportionate share of the cost of public facilities when such excess contribution is made at the request of the city.

(b) Application for Credit Agreement

- (1) The determination of the amount of any credit shall be undertaken through submission of an Application for Credit Agreement, which shall be submitted through the City of Beaufort Community and Economic development, for review by the Director of Community and Economic development, or its designee.
- (2) The Application for Credit Agreement shall include the following information:
 - a. The following documentation must be provided if the proposed application involves a credit for any cash contribution:
 1. A certified copy of the development approval in which the contribution

was agreed; and

2. Proof of payment (if already made); or
 3. Proposed method of payment (if not already made).
- b. The following documentation must be provided if the proposed application involves credit for dedication of land:
1. A drawing and legal description of the land;
 2. The appraised fair market value of the land at the date a building permit application is sought for the land use(s), prepared by a professional Real Estate Appraiser who is a member of the member Appraisal Institute (MAL) or who is a member of Senior Residential Appraisers (SRA); and
 3. A certified copy of the development permit in which the land was agreed to be dedicated (if applicable).
- c. The following documentation must be provided if the proposed application involves credit for construction:
1. The proposed construction documents of the specific construction project prepared and certified by a duly qualified and licensed engineer in the State of South Carolina;
 2. The projected costs for the suggested improvements, which shall be based on local information for similar improvements, along with the construction schedule for the completion of said improvements. Such estimated cost shall include construction or reconstruction of the project, the cost of labor and materials, the cost of all lands, property, rights, easements, and franchises acquired, financing charges, interest prior to and during construction and for one (1) year after completion of construction, costs of plans and specifications, surveys of estimates of costs and revenues, costs of professional services, and all of the expenses necessary or incidental to determining the feasibility or practicability of such construction or reconstruction.
- (3) Within fourteen (14) days of receipt of the proposed Application for Credit Agreement, the City of Beaufort Director of Community and Economic development, or its designee, shall determine if the application is complete. If it is determined that the proposed agreement is not complete, the City of Beaufort Director of Community and Economic development shall send written notification to the applicant outlining the deficiencies. The City of Beaufort Director of Community and Economic development shall take no further action on the proposed Application for Credit Agreement until all such deficiencies have

been corrected or otherwise settled.

- (4) Once the City of Beaufort Director of Community and Economic development determines that the proposed Application for Credit Agreement is complete, it shall be reviewed within thirty (30) days by a committee of designated staff composed of the City Manager, City Finance Director, City Fire Chief, City Building Official, and City Engineer (together known as the Credit Review Committee).
- (5) If the Application for Credit Agreement is approved by the Credit Review Committee, a Credit Agreement shall be prepared and signed by the applicant and the City Manager. It shall specifically outline the contribution, payment, construction, or land dedication, the time by which it shall be complete, dedicated, or paid, and any extensions thereof, and the dollar credit the applicant shall receive for the contribution, payment, or construction against development impact fees. The agreement may also include provisions for rescinding the credit and issuing stop work orders if the dedication and/or work and/or construction are not timely accomplished.
- (6) A fee payor affected by the decision of the Credit Review Committee regarding credits may appeal such decision pursuant to the Appeal Process as outlined in this ordinance.

Penalties

City Council shall have the following remedies, which may be exercised individually or collectively, for collecting development impact fees. The failure to pursue any remedy at any time shall not be deemed as a waiver of city rights to pursue any remedy at such other time as may be deemed appropriate.

- (a) Interest and Penalties. The City may, at its discretion, add to the amount of calculated development impact fees due prior to award of a Certificate of Occupancy, reasonable interest and penalties for non-payment or late payment of required funds. Penalties for unpaid development impact fees shall be administered consistent with City of Beaufort Code of Ordinances.
- (b) Withholding Certificate of Occupancy. The City may withhold a Certificate of Occupancy until full and complete payment has been made by the developer of development impact fees due for the development.
- (c) Withholding Utility Service. The City may withhold the provision of utility services to a development until the required development impact fees have been paid in full.
- (d) Lien. The City may impose a lien on the developer's property for failure of the developer to pay required development impact fees in full.

- (e) Other. The City may pursue the collection of the development impact fees, including interest, by way of civil process.

Appeal Process

A developer shall have the following rights for appeal of development impact fees imposed by the city on their development pursuant only to this ordinance:

(a) Administrative Appeal

- (1) A developer may file an administrative appeal with the City Manager regarding the payment of development impact fees, independent calculation of impact fees, or credits or reimbursements by filing a written Notice of Appeal. Said Notice shall be filed within thirty (30) days of the decision sought to be appealed. The filing of an appeal will immediately halt the building permit application process, unless the developer posts a bond or submits an irrevocable letter of credit for the full amount of the development impact fees as calculated by the city to be due. All Notices of Appeal shall include a full explanation of the reasons for the appeal, specifying the grounds therefore, and containing any documentation that the developer desires to be considered. The appeal shall contain the name and address of the developer filing the appeal and shall state their capacity to act as a representative or agent if they are not the owner of the property to which impact fees or credits pertain.
- (2) Within thirty (30) days following receipt of the written Notice of Appeal, the City Manager will review the Appellant's written report, supporting documentation and departmental staff reports. The thirty (30) day review period may be extended if additional information is needed from the Appellant in order to render a decision. Upon completion of the administrative review, the City Manager will provide a written response to the Appellant constituting a final administrative determination.
- (3) Any person desiring to appeal the final administrative determination of the City Manager regarding payment of development impact fees or credits shall file a written Notice of Appeal to the City Council. Said Notice of Appeal to City Council shall be filed with the City Clerk of Council within fifteen (15) days following receipt of the final administrative determination. Receipt shall be construed to have occurred when the final administrative decision is deposited in the United States mail postage prepaid to the person whose name and address is identified in the original Notice of Appeal.
- (4) The City Clerk of Council will schedule all impact fee appeals for the first City Council meeting following ten (10) days from receipt of the Written Notice of Appeal to the City Council. Postponements of the City Council appeal date may be granted by the City Manager if they are requested in writing at least ten (10)

days in advance of the scheduled City Council meeting date.

- (5) When an Appeal is scheduled for oral presentation before the City Council, the Appellant and city staff shall each be given ten (10) minutes at the oral argument to present the Appeal and to discuss the submitted written record.

(b) Payment Under Protest

A fee payer may pay development impact fees under protest. Payment under protest does not preclude the developer from filing an administrative appeal nor is the fee payer stopped from receiving a refund of an amount considered to have been collected illegally. A fee payor, at his option, may also post a bond or submit an irrevocable letter of credit for the amount of development impact fees due instead of making a cash payment under protest, pending the outcome of an appeal.

(c) Mediation

City Council shall provide for mediation by a qualified independent party, upon voluntary agreement by both the developer and the City, to address a disagreement related to development impact fees calculated by the City. Neither a request for, nor participation in, mediation shall preclude a fee payor from pursuing other developer rights or remedies otherwise available by law.

Refunds

(a) General Provisions

Funds not obligated for expenditure within three (3) years of the date that they are scheduled to be expended in the *Beaufort/Port Royal Fire Department Capital Improvement Plan* shall be refunded to the record owner of property for which the impact fees were paid, with actual interest earned, on a first-in, first-out basis. For the purpose of determining whether fees have been spent or encumbered, the first money placed in a trust fund account shall be deemed to be the first money taken out of that account when withdrawals have been made.

(b) Refund Process

The owner of property eligible for a refund of one or more development impact fee payments shall submit to the City of Beaufort Director of Community and Economic Development:

- (1) a notarized sworn statement that the person is the current owner of the property for which a refund is due, a certified copy of the latest recorded deed, and a copy of the most recent ad valorem tax bill for the property.

- (2) When a right to a refund exists, the city shall send a refund to the current owner of record within ninety (90) days after it is determined by City Council that a refund is due.
- (3) All refunds shall include the pro rata portion of the interest earned while on deposit in the specific development impact fee trust account.
- (4) A record owner of property for which one or more development impact fee refunds are due has standing to sue for such refund pursuant to Section 6-1-1020(D) of the Act if there has not been a good-faith effort towards a timely payment of a refund pursuant to this section.

Review

- (a) City Council shall be responsible for preparing and publishing an annual report describing the amount of development impact fees collected, appropriated, and spent during the preceding fiscal year.
- (b) Metropolitan Planning Commission shall be responsible for a holistic review and update of the *Developmental Fire Impact Fee Study for the Beaufort/Port Royal Fire Department*, *The Beaufort/Port Royal Fire Department Capital Improvement Plan*, and the Affordable Housing Analysis in support of both, in the same manner and on the same review cycle as the City of Beaufort Comprehensive Plan.

Termination of Development Impact Fees

Development impact fees for the City of Beaufort shall be terminated within Twenty (20) years after the effective date of this ordinance, or when sufficient fees have been collected to fund all of the projects eligible for development impact fee funding that are identified in the *Beaufort/Port Royal Fire Department Capital Improvement Plan*, whichever shall first occur, unless:

- (a) City Council adopts a revised *Developmental Fire Impact Fee Study for the Beaufort/Port Royal Fire Department* or amends *The Beaufort/Port Royal Fire Department Capital Improvement* for a subsequent amount of time; or
- (b) City Council adopts and updated *Developmental Fire Impact Fee Study for the Beaufort/Port Royal Fire Department*, pursuant to the substantive and procedural requirements set forth in the South Carolina Development Impact Fee Act, as amended.

Liberal Construction

The provisions of this ordinance shall be liberally construed to effectively carry out its purpose in the interest of further promoting and protecting public health, safety, welfare, and convenience.

SECTION II. Severability. If any section, subsection, sentence, clause, phrase or portion of this ordinance is, for any reason, held invalid or unconstitutional by any court, such section, subsection, sentence, clause, phrase or portion of this ordinance shall be deemed to be a separate, distinct, and independent provision and such holding shall not affect the validity of the remaining provisions of this ordinance nor impair or nullify the remainder of these provisions which shall continue in full force and effect.

If the application of any provision of this ordinance to any new development is declared to be invalid by a decision of any court, the intent of City Council is that such decision shall be limited only to the specific new development expressly involved in the controversy, action, or proceeding in which such decision of invalidity was rendered. Such decision shall not affect, impair, or nullify this ordinance as a whole or the application of any provision of this ordinance to any other new development.

Conflicting Ordinances. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Effective Date. This ordinance shall be effective from and after -----.

SIGNED AND SEALED:

BILLY KEYSERLING, MAYOR

ATTEST:

IVETTE BURGESS, CITY CLERK

Appendix A

Land Use Category	Service Units	Persons per Household	Employee Space Ratio	Cost per Person	Cost per Employee	Impact Fee per Service unit

Residential Uses

Single Family (Attached or Detached)	d.u.	2.69	—	\$305.43	—	\$305.43
Mobile Home	d.u.	3.66	—	\$305.43	—	\$305.43
Multifamily (>2 Dwelling Units)	d.u.	1.25	—	\$305.43	—	\$305.43

Non-Residential Uses**Hotel / Motel Uses**

Hotel	room	—	0.57	—	\$592.34	\$337.64
Business Hotel	room	—	0.1	—	\$592.34	\$59.23
Motel	room	—	0.71	—	\$592.34	\$420.56

Recreational Uses

Golf Course	hole	—	1.74	—	\$592.34	\$1,030.68
Movie Theater (w/ Matinee)	1,000 s.f.	—	1.1	—	\$592.34	\$651.58

Institutional Uses

Elementary School	1,000 s.f.	—	0.98	—	\$592.34	\$580.50
Middle/Junior High School	1,000 s.f.	—	0.84	—	\$592.34	\$497.57
High School	1,000 s.f.	—	0.65	—	\$592.34	\$385.02
Junior/Community College	1,000 s.f.	—	1.77	—	\$592.34	\$1,048.45
University/College	student	—	0.19	—	\$592.34	\$112.55
Daycare	1,000 s.f.	—	2.77	—	\$592.34	\$1,640.79

Library	1,000 s.f.	—	1.07	—	\$592.34	\$633.81
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Medical Uses

Hospital	bed	—	2.88	—	\$592.34	\$1,705.95
Nursing Home	bed	—	0.84	—	\$592.34	\$497.57
Clinic	1,000 s.f.	—	3.93	—	\$592.34	\$2,327.91
Medical/Dental Office	1,000 s.f.	—	4.05	—	\$592.34	\$2,398.99

Impact Fee Schedule for Fire Protection Facilities and Equipment

Land Use Category	Service Units	Persons per Household	Employee Space Ratio	Cost per Person	Cost per Employee	Impact Fee per Service unit
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General Office Uses

< 50,000 s.f.	1,000 s.f.	—	4.14	—	\$592.34	\$2,452.30
50,001 – 100,000 s.f.	1,000 s.f.	—	3.72	—	\$592.34	\$2,203.52
100,001 – 150,000 s.f.	1,000 s.f.	—	3.55	—	\$592.34	\$2,102.82
150,001 – 200,000 s.f.	1,000 s.f.	—	3.44	—	\$592.34	\$2,037.66
> 200,001 s.f.	1,000 s.f.	—	3.26	—	\$592.34	\$1,931.04

Office Park Uses

< 50,000 s.f.	1,000 s.f.	—	3.7	—	\$592.34	\$2,191.67
50,001 – 100,000 s.f.	1,000 s.f.	—	4.96	—	\$592.34	\$2,938.03
100,001 s.f. – 150,000 s.f.	1,000 s.f.	—	4.18	—	\$592.34	\$2,476.00
150,001 – 200,000 s.f.	1,000 s.f.	—	3.82	—	\$592.34	\$2,262.75
200,001 – 250,000 s.f.	1,000 s.f.	—	3.62	—	\$592.34	\$2,144.29
250,001 – 300,000 s.f.	1,000 s.f.	—	3.48	—	\$592.34	\$2,061.36
300,001 – 350,000 s.f.	1,000 s.f.	—	3.38	—	\$592.34	\$2,002.12
350,001 – 400,000 s.f.	1,000 s.f.	—	3.3	—	\$592.34	\$1,954.74
> 400,001 s.f.	1,000 s.f.	—	3.17	—	\$592.34	\$1,877.73

Business Park Uses

< 100,000 s.f.	1,000 s.f.	—	2.44	—	\$592.34	\$1,445.32
100,001 s.f. – 150,000 s.f.	1,000 s.f.	—	2.79	—	\$592.34	\$1,652.64
150,001 – 200,000 s.f.	1,000 s.f.	—	2.95	—	\$592.34	\$1,747.41
200,001 – 250,000 s.f.	1,000 s.f.	—	3.03	—	\$592.34	\$1,794.80
250,001 – 300,000 s.f.	1,000 s.f.	—	3.09	—	\$592.34	\$1,830.34

300,001 – 350,000 s.f.	1,000 s.f.	—	3.12	—	\$592.34	\$1,848.11
350,001 – 400,000 s.f.	1,000 s.f.	—	3.15	—	\$592.34	\$1,865.88
> 400,001 s.f.	1,000 s.f.	—	3.2	—	\$592.34	\$1,895.50

Impact Fee Schedule for Fire Protection Facilities and Equipment

Land Use Category	Service Units	Persons per Household	Employee Space Ratio	Cost per Person	Cost per Employee	Impact Fee per Service unit
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General Retail Uses

< 50,000 s.f.	1,000 s.f.	—	2.86	—	\$592.34	\$1,694.10
50,001 – 100,000 s.f.	1,000 s.f.	—	2.5	—	\$592.34	\$1,480.86
100,001 s.f. – 150,000 s.f.	1,000 s.f.	—	2.22	—	\$592.34	\$1,315.00
150,001 – 200,000 s.f.	1,000 s.f.	—	2.22	—	\$592.34	\$1,315.00
200,001 – 300,000 s.f.	1,000 s.f.	—	2.22	—	\$592.34	\$1,315.00
300,001 – 400,000 s.f.	1,000 s.f.	—	2.22	—	\$592.34	\$1,315.00
> 400,001 s.f.	1,000 s.f.	—	2.22	—	\$592.34	\$1,315.00

Specific Retail Uses

Supermarket	1,000 s.f.	—	1.1	—	\$592.34	\$651.58
Building Materials/ Lumber Store	1,000 s.f.	—	1.41	—	\$592.34	\$835.21
Free Standing Discount Store	1,000 s.f.	—	1.98	—	\$592.34	\$1,172.84
Nursery/Garden Center	1,000 s.f.	—	3.12	—	\$592.34	\$1,848.11
New Car Sales Center	1,000 s.f.	—	1.53	—	\$592.34	\$906.29
Tire Store	1,000 s.f.	—	1.21	—	\$592.34	\$716.74
Furniture Store	1,000 s.f.	—	0.42	—	\$592.34	\$248.78

Industrial Uses

General Light Industrial	1,000 s.f.	—	2.31	—	\$592.34	\$1,368.31
General Heavy Industrial	1,000 s.f.	—	1.83	—	\$592.34	\$1,083.99
Industrial Park	1,000 s.f.	—	2.04	—	\$592.34	\$1,208.38
Warehousing	1,000 s.f.	—	0.92	—	\$592.34	\$544.96
Mini-Warehouse	1,000 s.f.	—	0.04	—	\$592.34	\$23.69

Specific Service Uses

Drive-In Bank	1,000 s.f.	—	4.79	—	\$592.34	\$2,837.33
High-Turnover Sit-Down Restaurant	1,000 s.f.	—	5.64	—	\$592.34	\$3,340.82
Fast Food w/ Drive Through	1,000 s.f.	—	5	—	\$592.34	\$2,961.72



A RESOLUTION IN SUPPORT OF A LOCAL OPTION SALES AND USE TAX REFERENDUM

WHEREAS, the local option sales and use tax levied pursuant to S.C. Code Sections 4-10-10 et seq. has proven to be an effective measure to control and lower the property tax burden on the citizens of those counties which have previously approved such measures; and

WHEREAS, balanced revenues from varied sources strengthen a local government's fiscal structure, and;

WHEREAS, collecting a sales and use tax will provide funds from persons who generate needs for local government services but who do not contribute significant revenues;

WHEREAS, City Council intends to use the revenue from the local option sales and use tax for the purpose of allowing a credit against a taxpayer's city ad valorem tax liability and for the purpose of funding city and municipal operations in the City of Beaufort; and

WHEREAS, the last referendum on the question of adopting the local option sales and use tax was held more than twelve (12) months ago.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Beaufort, duly assembled, supports the referendum pursuant to Section 4-10-30 of the Code of Laws of South Carolina, (1976), as amended, to be held November 3, 2020, and urges all City registered voters to vote in favor of the referendum.

IN WITNESS THEREOF, I hereunto set my hand and caused the Seal of the City of Beaufort to be affixed this 24th day of March 2020.

BILLY KEYSERLING, MAYOR

ATTEST:

IVETTE BURGESS, CITY CLERK