Murrells Inlet – Garden City Fire District Fire Impact Fee Administration Manual

Recommended Approval

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Approved by the Board of Directors, Murrells Inlet – Garden City Fire District

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1.0 Purpose

This manual provides guidance for the consistent and equitable collection of Fire Impact Fees for the Murrells Inlet-Garden City Fire District by the Fire District, Georgetown County Building Department, and Horry County Code Enforcement Department personnel.

2.0 The Murrells Inlet-Garden City Fire District Fire Impact Fees

Many fire departments have direct ties to an established local government that assumes the responsibility for ensuring that fire protection is provided. State laws delegate certain responsibilities to governing bodies which, in turn, delegate emergency powers and certain powers of fire code enforcement to the fire official. This government umbrella often establishes a means for providing operational and capital funding but sometimes provides only essentials such as enabling legislation and a contract with an established fire department.

Upon its establishment by referendum pursuant to statutory authority in 1966, the Murrells Inlet-Garden City Fire District has operated in sections of both Horry and Georgetown Counties in South Carolina, but without control or supervision by either county. In the department's early years, it was far less expensive than it is now to purchase and maintain firefighting equipment, and the income generated by the statutorily authorized tax millage of the district could easily support such costs. The growth rate at the time was modest, and the area was primarily restaurants, small businesses, single-family homes, and vacation cottages. In the mid-1980s, the type of construction began to change to taller high-density residential structures and expanded commercial structures such as malls and shopping centers, and the amount of new construction in the fire district began to grow at a faster rate than before. The need for new fire apparatus, firefighting equipment, and its associated costs grew at a rate faster than the income generated by the statutorily authorized tax millage could support. In 1985 the South Carolina Legislature, recognizing the financial hardship by reason of rapid growth, expanded the powers of the fire district by granting the district's Board of Directors the power to impose fire impact fees.

With a fire impact fee, those most directly responsible for the district's growth and the consequential need for additional firefighting equipment, the developers, and builders, bear a proportional share of the cost of providing fire protection services. As sound economic practices go, this cost is passed on to the consumer. Each construction project pays its fair share for the fire apparatus and firefighting equipment.

3.0 Power to Collect Fire Impact Fees

Murrells Inlet-Garden City Fire District is granted the statutory authority to impose and collect fire impact fees on all new construction and all new additions as of and following June 6, 1985, as set forth in (Act #272) Joint Acts and Resolutions of the General Assembly of the State of South Carolina of 1985. A fire impact fee of one percent of the cost of construction of single-family residences and two percent of the cost of construction of condominiums and townhouses, high-rise buildings, and all commercial construction or in such amount as may be set forth elsewhere herein. Fire impact fees are payable to the Administrative Assistant or their designee at the headquarters station of the Murrells Inlet-Garden City Fire District and by previous agreement, on behalf of the fire district at the Georgetown County Building Department, Georgetown, South Carolina, and at the Horry County Code Enforcement Department, Conway, South Carolina. Fire impact fees collected by these departments are, by agreement, remitted by the respective county treasurers to the fire district on a regular basis.

4.0 The Murrells Inlet-Garden City Fire District Service Area

As defined by statute, the Murrells Inlet-Garden City Fire District's statutory service area is those parts of Georgetown and Horry Counties within an area bounded by Huntington Beach State Park and Brookgreen Gardens to the south, the Waccamaw River and Collins Creek to the west. The north boundaries include Blackmoor on Hwy 707, Santee Cooper transmission lines on Hwy 17 Bypass, and Melody Ln. on Hwy 17 Bus. And N. Waccamaw Dr. East boundaries go to the Atlantic Ocean.

5.0 **Definitions**

Additional Construction: Any expansion, upfit, or renovation made to an existing building or applicable structure as outlined herein

Building or Applicable Structure: Any proposed, new, or existing building, structure or system for the purpose of occupancy, storage, shelter or fire protection, portable or fixed, residential or commercial, or any permanent building, structure, or system of value that is ancillary to such building or structure except as specifically exempted by the respective county from needing a permit

Expansion: Modifications made to an existing building or applicable structure that increase any of its overall dimensions

Fire Impact Fee: A fee levied by governmental authority on all new construction in the Murrells Inlet-Garden City Fire District, as outlined in section 6.0 of this manual, to purchase and maintain firefighting equipment for the district

Renovations: Modifications made to an existing building or applicable structure that renew or alter its interior and/or exterior appearance with minimal structural work

Repair-in-kind: Work performed on an existing building or applicable structure to replace failed or damaged systems or components with similar systems or components of comparable value to those originally installed and for which a Fire Impact Fee has already been paid.

Single-Family Residences: Single-family residences shall be single-family, unattached dwellings located on deeded individual lots that are established for such family dwelling, and they are not constructed for commercial use or to generate recurring income.

Commercial Structures: Condominiums and townhomes, high-rise buildings, and all commercial construction.

Commercial Construction: Commercial construction means the act of building any structure, or that part of any structure, that is not a single-family residence, as defined herein, or any permanent building, applicable structure, or system of value that is ancillary to any such structure.

System of Value: Includes fire protection systems such as sprinklers, fire alarms, hood systems, and other like protection systems.

Upfit: Modifications to all or part of a partially completed building or applicable structure that are to be on a building permit subsequent to any completed building permit(s) for original construction and which will render such building or applicable structure or part thereof suitable for occupancy, storage, or shelter.

6.0 <u>Determination of Fire Impact Fees</u>

Fire Impact fees are collected on all new construction in the Murrells Inlet-Garden City Fire District.

The term "new Construction" shall include any building or structure suitable for occupancy, storage, or shelter, portable or fixed, residential, or commercial, constructed, fabricated, or erected on or after June 6, 1985.

The fire impact fee is based on the cost of construction as declared by the owner or general contractor or as calculated by a method generally practiced and approved for use by the building official. Fire impact fees shall be collected on the cost of construction of the building or structure. Structures that are to be fabricated to a level of completion that is less than suitable for occupancy, storage, or shelter which are, for the purpose of determination of fire impact fees, deemed to be "partially completed" (e.g., an un-leased or unsold bay or unit in a mall or strip mall that is not finished upon completion of construction of the mall or strip mall and thereafter completed for the occupancy, storage, or shelter of a tenant or owner pursuant to a subsequent building permit), shall be charged a fire impact fee only upon the cost of the new construction. The cost of any upfitting that has been undertaken to render the building or structure suitable for occupancy, storage, or shelter shall cumulatively be added to the cost of the original construction of the building or structure. The total of all fire impact fees assessed and collected shall be based on the total cost of the initial construction and the cost of the new construction, with credit granted for any fire impact fee previously paid and evidenced by a written receipt for payment.

A structure hereinafter referred to as a "permanent structure of value" shall mean any porch, outbuilding, swimming pool, fire protection system, or other construction that increases the completed or assessed value of the property. Such structures are those that are of such cost or technical complexity as to require a building permit from the respective county to construct.

6.1 Single-Family Residences

Single-family residences shall be single-family, unattached dwellings located on deeded individual lots that are established for such family dwelling, and they are not constructed for commercial use or to generate recurring income. Single-family residences shall, at the time of permitting for construction, be charged a fire impact fee of 1.0 percent of the value of construction. Any permanent structure or system of value that is ancillary to any such single-family residence shall, at the time of permitting for construction, be charged a fire impact fee of 1.0 percent of the value of such construction.

6.2 <u>Commercial Structures</u>

Condominiums and townhomes, high-rise buildings, and all commercial construction shall, at the time of permitting for construction, be charged a fire impact fee of 2.0 percent of the value of construction. Commercial construction means the act of building any structure, or that part of any structure, that is not a single-family residence, as defined herein, or any permanent building, applicable structure, or system of value that is ancillary to any such structure.

6.3 Renovations

Any renovations or repairs, not determined to be additional construction, to a completed building that are to be done on a building permit and which, in the opinion of the building official and/or the assessor, significantly increases its assessed value shall be charged a fire impact fee of 0.2 percent of the value of construction. As an example, a new tenant plans to move into a previously occupied retail bay in a strip mall and desires to renovate the space to suit his business. A fire impact fee had been paid on the original construction, but the new finishes and fixtures in the space will affect the value of the building, so a fire impact fee of 0.2 percent is to be collected.

6.4 Repairs-in-kind

Any completed building that has been charged and has paid a fire impact fee having suffered damages due to a natural disaster or calamity may undergo repairs-in-kind on a building permit without the assessment and collection of an additional fire impact fee. Repairs-in-kind under such circumstances are not subject to the assessment and collection of an additional fire impact fee by reason of the fact that such repairs-in-kind are, or are being, undertaken for repairing a part of the building or structure of value for which a fire impact fee has previously been paid.

6.5 Upfit of Incomplete or Uncompleted Buildings and Tenant Spaces

Any building erected to a level of completion specified as "incomplete" or "upfit to suit tenant" in the original plans and which is approved as such by the building official may be completed on a building permit, but the fire impact fee of 2.0 percent must be collected on the scope of work, as this is not a renovation, but an upfit for completion. The space includes no interior partitions and only minimal electrical wiring, but it has been completed to a level specified in approved drawings. If the upfit work to prepare this space for a tenant is to be performed under a new building permit, then a fire impact fee of 2.0 percent is to be collected.

6.6 Relocation of Mobile Homes and other Portable Structures

A mobile home or other portable structure for which a fire impact fee has already been paid may be moved by the original owner to another location in the fire district without additional assessment of a fire impact fee. The owner must produce the original receipt evidencing the payment of any currently due fire impact fee for presentation to the appropriate county permitting authority at the time of application for a building permit to erect or place said mobile home or portable structure or pay the full fire impact fee.

6.7 Replacement of Mobile Homes and Modular Homes

If a fire impact fee has been paid for a mobile or modular home and the original owner is replacing it with another one of greater value, then the fire impact fee already paid on the old home may be applied as a credit toward the fire impact fee on the new home. These requests may be processed only at the Murrells Inlet-Garden City Fire District business office during regular business office hours. The owner must produce the original receipt evidencing the payment of any currently due fire impact fee with the balance due and will be issued a receipt for full payment for presentation to the appropriate county permitting authority at the time of application for a building permit.

7.0 Appeals of Fire Impact Fees

Use of this manual by Horry County Code Enforcement, Georgetown County Building Department, and Murrells Inlet-Garden City Fire District personnel ensures the fair and equitable computation and collection of fire impact fees. Because the Horry County Code Enforcement Department and the Georgetown County Building Department are collecting these fees only on behalf of the Murrells Inlet-

Garden City Fire District, any questions or disputes about fire impact fees collected at those locations shall be directed to the Administrative Assistant at the Murrells Inlet-Garden City Fire District headquarters. The Administrative Assistant, Fire Marshal, or Fire Chief, as necessary, shall make every attempt to resolve the fee in question.

Fire impact fee disputes that remain unresolved will next be referred to the Murrells Inlet-Garden City Fire District Board of Directors for resolution. The requestor will be required to appear before the Board either at a regularly scheduled meeting or a special meeting called for the purpose of the appeal, at the sole discretion of the Chairman of the Board, to present the case in person.

Any appeal of a decision regarding fire impact fees by the Board of Directors shall be made through appropriate legal action directly to the Court of Common Pleas for the Fifteenth Judicial Circuit, State of South Carolina.

8.0 Murrells Inlet-Garden City Fire District Fire Impact Fee Rate Schedule

Except where provided elsewhere herein, the following fire impact fees rate schedule shall apply.

8.1 Single-Family Residences

Single-family residences and their ancillary structures built or upfit shall be charged a fire impact fee of 1.0 percent of the cost of construction.

8.2 Commercial Structures

Condominiums and townhomes, high-rise buildings, and all commercial construction and their ancillary structures shall, at the time of permitting for construction, be charged a fire impact fee of 2.0 percent of the value of construction.

8.3 Interior and Exterior Renovations

Interior and exterior renovation made to existing buildings and ancillary structures in all occupancies shall be charged a fire impact fee of 0.2 percent of the cost of construction.