



Development Impact Fee for Fire Services

Executive Summary

The imposition of Development Impact fees for fire services will ease the financial burden of maintaining fire department services as our community grows. These one-time fees will be levied during the permitting process and will apply to all properties within municipal boundaries. Fees will support infrastructure and capital needs of the fire service as outlined in the Beaufort/Port Royal Fire department Capital Improvement Plan. Impact fees are not intended to fully support increased capacity needs, but to equitably share the expense of improving and maintaining existing public resources due to increased consumption of those resources.

The proposed ordinance reflects the 8/15/2019 Development Fire Impact Fee Study. The ordinance was developed using verbiage and format as applicable from other Beaufort City ordinances. The ordinance has assumed a consumption-based approach, meaning calculations are based on the value of public infrastructure consumed per unit of land use.

The Development Fire Impact Fee study recommended by the Metropolitan Planning Commission (MPC) took nearly 5 months (Dec 2018 to Apr 2019) to produce and another 5 months for review, comments and changes (Apr 2019 to Oct 2019). The MPC was very thorough and thoughtful throughout this process. They requested among other issues, review of the affordable housing exemption calculation and census data, a third-party review of the study, and review of the Beaufort County study when it becomes available.

The ordinance lists exemptions of impact fees as defined in the code and offers exemption for qualified affordable housing in lieu of an affordable housing study. A clearly defined process for classification of affordable housing developments is included in the ordinance.

Concern of the developmental fire impact fee slowing redevelopment and in-fill development in lieu of causing sprawl was addressed by offering "Credit for Redevelopment". Essentially, offering the impact fee value of existing structures as a credit to new impact fees generated by adding new service units or changes of the land use.

Fee calculations are fair, logically applied, reasonable, non-discriminatory, do not violate a developer's right to due process, and apply to residential and non-residential development. An exhaustive study of existing South Carolina municipal development impact fee documents from Tega Cay, Town of Mount Pleasant, Fort Mill, City of Myrtle Beach, City of Charleston, and City of Rock Hill were conducted. Documentation from the Institute of Transportation Engineers (ITE) was also referenced as the standard technical resource for calculation of service units. The Town of Mount Pleasant and Tega Cay were the most recent examples published and consistent with current state law. While all documents were used as reference and greatly improved our knowledge of the process, the fire service portions of the studies from Tega Cay and Mount Pleasant were the best examples which aligned with our needs. Formulas were based on this research in accordance with 6-1-910 and the ITE.

Impact Fee calculation is a normalized approach which appropriately shares the increased burden with new residential and commercial development. Fire department response data for both municipalities was used to determine the percentage of residential responses versus non-residential responses during a 12-month period. These percentages along with the population and employee estimates from the U.S. Census Bureau for the same year and the dollars figure for the CIP were used to determine the residential Cost per person, and non-residential Cost per employee. This is explained in detail in the study on page 13 titled Methodology for Fire Protection Impact Fee Calculation.

Funds generated by the Development Impact Fees for fire service will greatly improve the opportunity for our fire service to provide its current level of service to all properties within municipal boundaries. These funds will be used to maintain fire service infrastructure as described in the CIP, to include facilities, apparatus, and qualifying equipment and expenses.