

STATE OF SOUTH CAROLINA)	AN ORDINANCE TO IMPLEMENT A
)	BUILDING PERMIT ALLOCATION SYSTEM,
COUNTY OF CHARLESTON)	CHAPTER 156 OF THE TOWN OF MOUNT
)	PLEASANT CODE OF ORDINANCES
TOWN OF MOUNT PLEASANT)	

WHEREAS, the Town of Mount Pleasant enjoys a strategic location in Charleston County, being in close proximity to public beaches and the central business districts of the larger cities of Charleston and North Charleston; and

WHEREAS, due to, among other factors, its convenient location and level of municipal services, the Town is a desirable place to live and work and has consequently experienced, and continues to experience, unprecedented and significant growth; and

WHEREAS, the Town of Mount Pleasant's population continues to increase at a rapid rate; and

WHEREAS, the effects of significant growth are apparent and have resulted not only in increased traffic, congestion and noise, but have also burdened the services provided and have required that the Town increase its workforce and purchase the necessary machinery and equipment in an effort to maintain acceptable levels of service; and

WHEREAS, the referenced growth poses a threat to public safety in that the Town's road system is barely capable of adequately handling current traffic volumes, a situation which only stands to worsen as more users access the system, be they new residents, visitors or those attempting to evacuate in the face of a hurricane or other natural emergency; and

WHEREAS, in an effort to address and manage the effect of its growth and to assure quality and well-designed development in the future, the Town of Mount Pleasant has commissioned and

adopted various studies and plans to assist in providing the required infrastructure and services to accommodate its citizenry in a cost-effective manner, without the necessity of unreasonable fee and tax increases; and

WHEREAS, the rate of growth has outpaced the rate by which the Town has been able to acquire necessary funding from the South Carolina Department of Transportation (SCDOT) to fund and install necessary infrastructure, especially roads; and

WHEREAS, if the Town of Mount Pleasant's population rate of growth is not adequately managed, the Town will be forced to either greatly increase ad valorem taxes to meet the resulting needs or allow the facilities of the Town to fall behind present levels of service; and

WHEREAS, the Town of Mount Pleasant is concerned about the overcrowded conditions of schools located in the municipality and the ability of the School Board to meet the demands of the Town's growth rate through planned acquisition of additional land for new schools or a capital budget for additional classroom infrastructure; and

WHEREAS, the adverse effects of growth and the costs associated therewith for infrastructure and services are primarily the product of residential development; and

WHEREAS, Mount Pleasant Town Council hereby determines that the enactment of a building permit allocation system for the issuance of building permits for residential construction is in the best interests of all the citizens of the Town in order to provide for orderly, managed, controlled growth, thereby enabling and facilitating the implementation of the Town's officially adopted plans and policies with respect to capital improvements, personnel, facilities and equipment, transportation improvements, other infrastructure improvements and upkeep, and levels of service with respect to the full range of municipal governmental involvement; and

WHEREAS, a building permit allocation system should be implemented for the Town of Mount Pleasant over a period of approximately five years; and

WHEREAS, the public health, safety, economy, good order, appearance, convenience, morals, and general welfare require a harmonious, orderly and progressive development of land, and a temporary building permit allocation system is necessary and proper for the Town of Mount Pleasant to attain this end; and

WHEREAS, the Town of Mount Pleasant is committed to the appropriation of funds and the construction and installation of capital improvements during the period of the referenced permit allocation system; and

WHEREAS, in addition to the need to manage the rate of growth, it is evident that the allocation system must address the form and type of new development occurring during the program if the effort to accomplish the goals of the Town's Comprehensive Plan is to be successful; and

WHEREAS, in implementing this building permit allocation system, the Town has sought to devise a plan of distribution which recognizes and reasonably accommodates without undue delay prior expenditures and expectations of owners and developers of property, that allows all permit applicants a fair opportunity for a permit, that promotes a range of residential development consistent with traditional residential development trends and that fosters the achievement of the goals adopted by Town Council in the Comprehensive Plan, but at a pace that allows for the capital improvements needed to maintain the coveted quality of life in the Town to be accomplished; and

WHEREAS, Mount Pleasant Town Council has the legal authority to enact a building permit allocation system for the issuance of permits for residential construction pursuant to the

authority conferred by Chapter 29 of Title 6 of the Code of Laws of South Carolina, and otherwise known as the South Carolina Local Government Comprehensive Planning Enabling Act of 1994 and the police powers of municipalities granted pursuant to the Constitution of the State of South Carolina and state legislation, including the Home Rule Act (Act No. 283 of 1975) and Section 5-7-30 of the Code of Laws of South Carolina; and

WHEREAS, this building permit allocation system was reviewed by the Mount Pleasant Planning Commission and, after receiving public input, certain recommendations were made to the Mount Pleasant Town Council; and

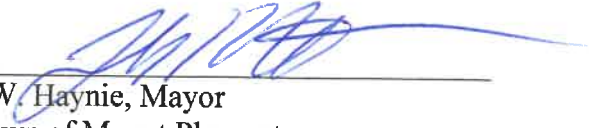
WHEREAS, a public hearing was held on December 19, 2018 concerning this building permit allocation system; and

WHEREAS, Mount Pleasant Town Council is empowered with the authority to amend the Mount Pleasant Code of Ordinances as deemed appropriate, and Council now believes it is in the best interest to so act with respect to the matters described herein.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Town Council of the Municipality of Mount Pleasant, in Council assembled, that Chapter 156 (Zoning Code) of the Mount Pleasant Code of Ordinances shall be and is hereby amended by adding the provisions attached hereto as Exhibit A, pertaining to a permit allocation system, to read specifically as provided on Exhibit A.

THIS ORDINANCE SHALL BE EFFECTIVE IMMEDIATELY UPON FINAL READING.

SIGNED, SEALED AND DELIVERED THIS 11 DAY OF January, 2018.



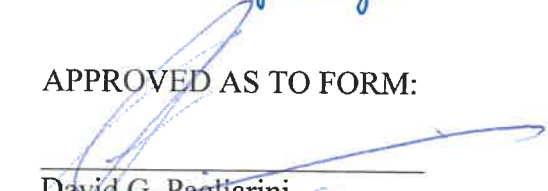
J.W. Haynie, Mayor
Town of Mount Pleasant

Attest:

Christine Barrett
Clerk of Council

January 11, 2018
Mount Pleasant, SC

Introduced: November 13, 2018
Final Reading: January 8, 2018

APPROVED AS TO FORM:


David G. Pagliarini
Corporation Counsel

1 **TOWN OF MOUNT PLEASANT, SC**

2 **BUILDING PERMIT ALLOCATION SYSTEM**

3 **As Amended & Adopted by Town Council on January 8, 2019**

4 § 156.070 TITLE

5 This section shall be known and may be cited as the Building Permit Allocation System (BPAS).

6 § 156.071 AUTHORITY

7 (A) These regulations are adopted for the promotion of the public health, safety, economy,
8 good order, convenience, and general welfare of the Town of Mount Pleasant under the
9 authority granted by:

10 (1) The S.C. Code Chapter 29 of Title 6 (otherwise known as the South Carolina Local
11 Government Comprehensive Planning Enabling Act of 1994), and

12 (2) The general police powers of municipalities granted pursuant to the Constitution
13 of the State of South Carolina and state legislation, including the Home Rule Act
14 (Act No. 283 of 1975) and S.C. Code § 5-7-30.

15 (B) Furthermore, the provisions of this ordinance shall not be construed to limit the power
16 and ability of the Town to utilize any current laws, codes and regulations in substitution
17 of, or in conjunction with, these provisions to accomplish its intended purpose.

18 § 156.072 PURPOSE AND INTENT

19 (A) Purpose. The purpose of this section is to create a building permit allocation system to
20 distribute certain building permits at a reasonable rate and in a manner intended to limit
21 the pace of construction of certain dwelling units over a fixed period. The purpose of the
22 system is to respond to a variety of growth and development forces which affect the Town's
23 ability to meet community expectations and demands. Some factors and considerations
24 supporting the need for the BPAS are as follows:

25
26 (1) The Town of Mount Pleasant is a desirable place to live and work due to its position
27 in the Greater Charleston metropolitan area. The Town's convenient location, level
28 and quality of municipal infrastructure and services, climate, and access to beaches
29 and other recreational areas have generated continued high and unsustainable
30 levels of residential growth;

31 (2) According to U.S. Census Bureau data and Mount Pleasant's estimates, the Town's
32 population increased by 19.07% from 2012 to 2017. The average annual population

33 growth during that period was 3.54%. The chart below indicates the annual growth
34 in dwelling units over the last five years;
35

Year	Increase in Dwelling Units	Growth Rate
2013	1,232	3.84%
2014	1,142	3.43%
2015	1,003	2.91%
2016	1,377	3.88%
2017	1,218	3.23%

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- (3) Like other fast-growing communities, the Town of Mount Pleasant continues to face infrastructure stresses brought on by continued residential growth. Maintaining pace with the demands of increasing numbers of housing remains a significant community issue;
 - (4) Considering the Town's coastal location and physical geography as defined by the ocean and major rivers, movement of people and goods depends upon a limited network of major roadways. Growth greatly affects the Town's road system as daily activities generate traffic and considerable congestion on primary road corridors which struggle to handle daily traffic volumes, especially at certain peak periods during each day. This situation is projected to worsen as the region continues to grow;
 - (5) The rate of growth has outpaced the availability of funding from the State Department of Transportation (SCDOT) to install necessary transportation infrastructure, especially roads;
 - (6) Town revenues do not support construction of needed capital investments identified in the Capital Improvements Plan (CIP), necessitating difficult budgeting decisions that Town Council faces. This may also affect public safety in the event of evacuation in advance of a hurricane or during another natural emergency;
 - (7) To manage the effects of growth and to assure quality, well-designed development in the future, the Town has commissioned, adopted, and implemented various studies and plans to identify needs and assist in providing required infrastructure and services to support its citizenry in a cost-effective manner, without raising ad valorem taxes. These include new or updated versions of the Comprehensive Plan, the Long-Range Transportation Plan, the Capital Improvement Plan, and similar plan documents;

- 67 (8) The annual CIP assesses the infrastructure needs of the Town and prioritizes capital
68 projects to fund using the Town's goals and objectives, with the need for
69 infrastructure driven by population growth or changes in the levels of service; and,
70
71 (9) If the Town's population rate of growth is not adequately managed, Town Council
72 may be forced to either significantly increase property taxes to respond to service
73 and infrastructure demands or reduce the present levels of service for Town
74 facilities and services. Either response will generate negative financial or quality of
75 life impacts since infrastructure is directly connected to the quality of life in the
76 Town.
77
- 78 (B) Intent. In designing and implementing the Building Permit Allocation System, the Town has
79 incorporated appropriate mechanisms to recognize different categories of residential
80 development, account for already-approved residential development covered by the
81 lawfully enacted Carolina Park and Liberty Hill Farms development agreements, provide
82 equity and fairness, allow for reasonable flexibility, and not exclude the less fortunate from
83 the opportunity for suitable, reasonably priced housing in the Town.
84
- 85 (1) These provisions are intended to better manage and address the effects of growth
86 that have resulted in increased traffic, congestion, and burdens upon the
87 infrastructure system and the ability of the Town to provide other public services.
- 88 (2) During the lifespan of the BPAS, the Town is fully committed to the appropriation of
89 funds and the construction and installation of needed capital improvements which
90 will serve existing and future residents.
- 91 (3) In implementing the BPAS, the Town has sought to devise a plan that does not
92 disrupt existing residential development patterns in the Town and which utilizes a
93 means of distributing permits that recognizes and reasonably accommodates,
94 without undue delay, prior expenditures and expectations of owners and developers
95 of property.
96
- 97 (4) The BPAS is intended to manage the construction of dwelling units through the
98 allocation of residential building permits. Single-family, duplex and townhouse
99 residential units represent individual dwelling units and therefore require one
100 permit for each unit. Because multi-family units require a single building permit for
101 each building constructed, regardless of the number of units within each building,
102 the plan of distribution takes this into account. While each building only requires a
103 single building permit for construction, an individual permit allocation shall be
104 assigned to each separate dwelling in a multi-family building.
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106 § 156.073 JURISDICTION; APPLICABILITY.

107 (A) The regulations in this chapter shall apply to any building permit application for a
108 residential dwelling unit to be placed on a vacant lot or parcel in the corporate limits of
109 the Town of Mount Pleasant on which a residence(s) did not exist as of the date of
110 adoption of this system.

111 (B) The permits issued pursuant to this system pertain to new residential construction only
112 and include buildings which meet the definitions of "One-Family
113 Dwelling," "Duplex," "Townhouse Dwelling," "Multifamily Dwelling," and "Accessory
114 Dwelling Unit" contained in this chapter.

115 (C) Nothing in this section shall be construed to affect or otherwise limit the approved use,
116 plans, and construction of a dwelling unit(s) for which a building permit has already
117 been issued prior to the effective date of these provisions.

118 § 156.074 IMPLEMENTATION AND ADMINISTRATION OF BUILDING PERMIT ALLOCATION
119 SYSTEM.

120 (A) The BPAS shall be implemented so that the demands of growth are met in as timely a
121 manner as possible.

122 (B) For purposes of this ordinance, an allocation is equivalent to a building permit. No
123 separate application for an allocation is required prior to submission of a building permit
124 application.

125 (C) The administration of the BPAS is the responsibility of the Town of Mount Pleasant
126 Planning & Development Director or his or her designee. The director is authorized to
127 issue and maintain explanatory materials, necessary forms and applications, and
128 appropriate procedures to effectively administer this ordinance.

129 (D) The Town Planning and Development Director shall ensure that the department
130 processes complete applications and issues building permits in a timely manner,
131 maintains appropriate records and data, and effectively administers any amendments to
132 this section.

133 § 156.075 AVAILABILITY AND ALLOCATION OF PERMITS.

134 (A) The overall number of residential building permits allocated under this program is
135 established by the Town Council to maintain a more sustainable rate of growth and
136 avoid any spikes or peaks in residential construction. The distribution of permit
137 allocations will be handled utilizing different dwelling unit categories as outlined in
138 Section 156.076.

139 (B) Permits shall be issued on a semi-annual basis in the chronological order in which
140 applications are received (commonly referred to as "first come, first serve") by the
141 Building Inspections Division of the Planning and Development Department.

142
143 (C) One-half of the allocated permits will be available on January 1 and the other half will be
144 made available on June 1 of each year. Each 6-month period represents an allocation
145 cycle.

146 § 156.076 PERMIT ALLOCATIONS.

147 (A) Dwelling Unit Types. The number of new dwelling units allocated for the duration of this
148 program shall be managed using different categories of dwelling unit types, with
149 categorical limits on the respective number of permits.

150 (1) Category A, Single Family Dwelling. On an annual basis, a total number of permits
151 shall be made available for the construction of buildings meeting the definition of
152 "Dwelling, One-Family," "Townhouse Dwelling," and "Duplex Dwelling."

153 (2) Category B, Accessory Dwelling Unit. On an annual basis, a total number of permits
154 shall be reserved and made available exclusively for the construction of buildings
155 meeting the definition of "Accessory Dwelling Unit."

156 (3) Category C, Multifamily Dwelling. Over the expected five-year length of the program,
157 a total number of permits shall be made available for the construction of buildings
158 meeting the definition of "Multi-family Dwelling." This category is independent of
159 the form of ownership and includes units known as "condominiums" and/or in a
160 "horizontal property regime" as defined by State law.

161 (B) Established Allocations and Limitations on Number of Applications.

162
163 (1) Exclusive of the dwelling units already allowed by the Carolina Park and Liberty Hill
164 Farms development agreements, the annual number of available residential permits
165 is established at a total of 600 dwelling units to yield a more manageable average
166 annual growth rate of approximately 2.1% over the duration of this program.
167 Annual allocations for Categories A and B are provided in Table 1. The number of
168 multifamily allocations for the duration of the program and the total allocation for
169 all unit types is illustrated in Table 2.

170
171 (2) Regardless of the total number of available allocations established in this section,
172 the number of permit applications which may be submitted for any single
173 development/subdivision or combination of phases in a single development/
174 subdivision shall be limited to no more than twenty-five (25) per semi-annual
175 allocation cycle for the Category A (Single Family) dwelling types.
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Table 1: Dwelling Type Categorical Allocations, 2019-2024			
	January – June	July – December	Annual Total
Single Family Dwelling Units	240	240	480
Accessory Dwelling Units	10	10	20
Totals	250	250	500

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Table 2: Program Totals, 2019-2024	
Single Family Dwelling Units	2400
Accessory Dwelling Units	100
Multifamily Dwelling Units	500
Total	3000

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180 (C) Management of Permit Allocations. Any permits allocated for a given cycle but not
 181 issued during that cycle shall be carried over and will be made available with the next or
 182 subsequent allocation cycles. Alternatively, if the number of permit applications
 183 exceeds the available amount of building permits during an allocation cycle, such
 184 applications shall maintain their position on a waiting list and shall be administered
 185 during the next allocation cycle.

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187 (D) Transfer of Allocations Prohibited. If all permits are not issued during any allocation
 188 period, available permits identified in the established categories of dwelling units in
 189 subsection (A) of this section shall not be transferred between categories to another
 190 type of dwelling unit.

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192 § 156.077 APPLICATION REQUIREMENTS AND PROCEDURES.

193 (A) Application requirements and specific procedures will be maintained on file in the office
 194 of the Building Official.

195 (B) Permit requests will be considered for completed applications only.

196 (C) Applications for a building permit will be accepted at any time during the allocation
 197 cycle, starting on the first day of a semi-annual allocation cycle.

198 (D) If the number of building permit applications exceeds the available supply for the
 199 semiannual allocation cycle, no further permits will be issued.

- 200 (E) Each permit application shall be made pursuant to a specific set of plans for a specific lot
201 or parcel. Plan substitutions are not allowed. Minor revisions are allowed only to plans
202 under review or that have been issued a Building Permit upon approval of the Building
203 Official. Substantial revisions may require resubmittal.
- 204 (F) Permits will be issued only in the applicant's name.
- 205 (1) For purposes of this system, the applicant is the owner of record of the lot for
206 which the permit is sought and who has a present possessory interest in the lot, to
207 include the right of unfettered access and authority to convey.
- 208 (2) For purposes of this system, an applicant and any person, firm, corporation,
209 partnership or other entity in which the applicant holds an interest, shall be
210 considered the same applicant. For purposes of this system, an applicant and his
211 or her spouse and unemancipated children under 21, shall be considered the same
212 applicant.
- 213 (3) Proof of ownership and such other information as may be reasonably requested to
214 determine an applicant's eligibility for a permit must be supplied upon request.
215 Proof of ownership, including but not limited to affidavits detailing information
216 such as business relationships and membership in entities like LLCs and
217 corporations, may be routinely required. The town will consider substance, not
218 mere form, in the interpretation of this section to ensure that an applicant is an
219 owner, in law and in fact.

220 § 156.078 COMMENCEMENT OF CONSTRUCTION.

- 221 (A) Construction authorized under permits issued pursuant to this allocation system shall
222 commence within six months from the date the Building Official issues the building
223 permit. Otherwise, the permit will become invalid and be made available within the
224 allocation cycle.
- 225 (1) Construction may be considered to have begun upon the initiation of site work and
226 foundation construction, provided additional improvements progress in a
227 reasonable timeframe toward completion of the project.
- 228 (2) A lapse of construction activities for a period of six months shall invalidate the
229 permit and the allocation will become available as a new allocation under this
230 system.

231 § 156.079 EXEMPTIONS.

- 232 (A) Additions, Renovations, or Replacement. Permit allocation does not apply to additions
233 or renovations to an existing residential building. Replacement of a residential building

234 on a lot where one has existed within the past five years from the date of application is
235 also exempt from permit allocation.

236 (B) Affordable Housing Units. For purposes of this system, housing units to provide dwellings
237 for either low income or lower income employees in the workforce are not included in the
238 allocation specified in this section and are in addition to the number of annual permits
239 regulated by this section.

240 (1) These units are intended to provide affordable housing ownership opportunities for
241 persons whose incomes are either (a) less than 80% of the area median family
242 income (AMI) or (b) range between 80% and 120% of the area median family income
243 (AMI) for the Charleston/North Charleston metropolitan statistical area.

244 (2) The monthly mortgage payments for the owner of the dwelling unit shall not exceed
245 28% of 80% of the gross median family monthly income as reflected in the sale price
246 using the Fannie Mae Foundation Mortgage Calculator (or comparable
247 methodology), assuming a 10% down payment and a specified interest rate. The
248 specified interest rate shall be determined by selecting the lowest 30-year fixed
249 mortgage rate reported by area lending institutions at the time when the updated
250 U.S. Department of Housing and Urban Development income limits become
251 available.

252 (3) Based upon the FY2018 income limits established by the U.S. Census Bureau, the
253 U.S. Department of Housing and Urban Development (HUD), and the Fannie Mae
254 Foundation, the maximum sales price of \$212,795 for low income families or ranging
255 between \$212,795 and \$315,313 for an owner-occupied dwelling unit is used to
256 determine the provision of low income or lower income workforce housing. The
257 maximum sale price shall be updated yearly, commencing in 2020, as the current
258 U.S. Department of Housing and Urban Development income limits become
259 available.

260 (4) Applying similar federal requirements in Title 26 US Code §42 to qualify for low-
261 income housing credits, the dwelling unit must remain at the affordable workforce
262 housing price for ten (10) years. Resale of affordable workforce dwelling units shall
263 be limited by deed restriction to the original sales price, adjusted for inflation, and to
264 a purchaser eligible, as described in this Article, for a period of not less than ten (10)
265 years after issuance of the certificate of occupancy. Funding sources and other
266 factors may require a longer term of affordability. The increase permitted for
267 inflation shall be based upon the increase in the Consumer Price Index (CPI)

268 (5) Affidavits will be required that set forth the sale prices of the units and verify that
269 the units are, in fact, available to workforce housing purchasers, and will initially be
270 owned and occupied by persons qualified per the provisions of this section.

271 § 156.080 MONITORING AND EVALUATION.

272 (A) Town Council shall evaluate the system twice per year. This evaluation shall include an
273 assessment of the need for specific annual allocations, progress on installation of
274 programmed capital improvements, effect on low income or affordable workforce
275 housing, and all other aspects of the system.

276 (B) To facilitate the evaluation, the Planning & Development Director shall provide a report
277 to Town Council setting forth the number of permits sought, the number of permits
278 issued, a description of any significant administrative problems which arose over the
279 assessment period, the progress of the implementation of the Capital Improvements
280 Program, any recommendations for changes or revisions to this section to improve its
281 effectiveness or administration, and such other relevant information as he or she may
282 deem useful or that the Council may request.

283 (C) Town Council may adjust or modify the total allocation of permits or the categorical
284 allocations.

285 (D) Town Council may terminate the program at any time based upon the results of an
286 assessment or other conditions which suggest the need to eliminate the system.

287 § 156.081 APPEALS.

288 Appeals from the provisions of this system are made directly to the Town Board of Zoning
289 Appeals pursuant to the procedure outlined in other sections of this chapter, with the criteria
290 for the granting of a variance those set forth in § 156.411 of this code.

291 § 156.082 LIBERAL CONSTRUCTION.

292 The provisions of this section shall be liberally construed to effectively carry out its stated
293 purposes, which are found and declared to be in the furtherance of the public health, safety,
294 economy, convenience and general welfare for the harmonious, orderly, and progressive
295 development of land within the town.

296 § 156.083 SEVERABILITY; CONFLICT.

297 (A) All provisions are severable, such that if any provision or the administration of this
298 system is held invalid, the invalidity does not affect other provisions or applications of
299 this system that can still be given effect.

300 (B) In the event of a conflict with other provisions in this code, the provisions contained in
301 this section shall be controlling.