

CITY OF CHARLESTON
DEPARTMENT OF PLANNING, PRESERVATION & SUSTAINABILITY

2 George Street, Suite 3100, Charleston, SC 29401
Phone: (843) 724-3765 Fax: (843) 724-3772 www.charleston-sc.gov

SECTION VI: Instructions for Completing the Mixed Use Workforce Housing Fee-In-Lieu Application

Information is for explanation purposes only and by no means meant to be a substitution for the official City of Charleston Zoning Code.

For Mixed Use Workforce Housing Zoning Districts (MU-1/WH or MU-2/WH)

Application and supporting documentation are due at time of building permit application, except where otherwise noted. Fees are to be paid in full prior to the issuance of a certificate of occupancy for any part of the project.

NOTE: If your property was rezoned before March 9, 2021, your project may be subject to first or second generation fee in lieu. Please contact Philip Overcash to determine and to fill out the previous version of this application overcashp@charleston-sc.gov.

Supporting Documentation:

1. Include a signed letter from the design professional or similar who sealed the final plans, indicating the following:
 - a. total number of residential units in development;
 - b. gross square footage of development (follow the definition in item D below);
 - i. include a basic floor plan (8.5"x11") for each unique story highlighting the areas counted in the calculation;
 - c. if applicant is pursuing grocery stores and/or pharmacies as means to reduce GSF, indicate the GSF of each separately;
 - i. a copy of any applicable executed lease(s) must be submitted- either with this application or prior to C/O;
2. If providing some workforce housing units on-site, include a signed letter from the applicant describing all the units:
 - a. Indicate how many units are to be designated workforce units vs. market rate units;
 - b. Indicate size in terms of square footage and number of bedrooms each workforce unit and market unit will be to demonstrate the workforce units are comparable in size to market rate units;
 - c. Include a map identifying the location of workforce units within the building(s) that illustrates the workforce units are intermixed and spread out amongst the market rate units (and within multiple buildings, if multiple buildings exist).

Definitions:

Total Number of Residential Units in Development: this number includes all residential units in the project.

Percent of Workforce Units Required: 20 percent of the number of all residential units rounded up to the next whole number (or 15 percent if the property was zoned MU/WH as of January 10, 2017, or if an application for such zoning was pending as of January 10, 2017 and later approved by City Council).

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Workforce Unit Tiers:

The tiered fee structure includes four tiers:

- Tier 1 units: First tier units are calculated by dividing the required workforce housing units by four and rounding down to the nearest whole number.
- Tier 2 units: Second tier units are calculated by dividing the required workforce housing units by two, then subtracting the first tier units. If this calculation results in a number other than a whole number, then the resulting number shall be rounded down to the nearest whole number.
- Tier 3 units (s). Third tier units are calculated by dividing the required workforce housing units by four, then multiplying the resulting number by three, then subtracting first tier units and second tier units. If this calculation results in a number other than a whole number, then the resulting number shall be rounded down to the nearest whole number.
- Tier 4 units (s). Fourth tier units are calculated by subtracting the first tier units, second tier units, and third tier units from the required workforce housing units; provided, however, if the required workforce housing units is one (1), then such workforce housing unit shall be a fourth tier unit.

Fee per Gross Square Foot of Development:

Tier 1: \$7.50

Tier 2: \$10

Tier 3: \$12.50

Tier 4: \$15

*Fee amounts are updated annually to account for the increase in Area Median Income or Consumer Price Inflation, whichever is higher.

Project Gross Square Footage: includes all residential, retail, commercial or other use, inclusive of all heated and unheated space, of the entire development, but excluding parking garages and square footage to be used initially as a grocery store or pharmacy. Failure to maintain the grocery or pharmacy use during a period of 25 years from the issuance of a Certificate of Occupancy will result in a recalculation and payment of the fee as a condition of continued occupancy of the development. For the purposes of this calculation for buildings, GSF means the total floor area within the building envelope included within the outside faces of its exterior walls (not including architectural details, i.e. cornices). GSF includes the thickness of exterior walls, interstitial spaces, hallways, stairs, elevator shafts, porches, mezzanines, mechanical areas, rooftop uses, etc. Vertical circulation such as elevator shafts and stairs are counted on each floor they pertain to. Stairs and/or elevator shafts not exclusively devoted to the parking garage shall be included in the GSF calculation and can only be excluded if they would not exist but for the garage. Since GSF is calculated for the entire development, not solely building(s), uses not part of a building are to be counted; for example, pool decks, courtyards and patios are to be included in the total GSF calculation whether part of a building or not.

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Number of Workforce Housing Units to be created on site: owners can choose to supply some of the required workforce units on-site, and pay a fee for the remainder. If owner hopes to pay a fee for all the workforce units, indicate zero in this field.

Required Number of Workforce Housing Units: multiply the Percent of Workforce Units Required by the Total Number of Residential Units in Development, divide by 100, and round up to the nearest whole number.

Fee per Unit:

The fee per unit shall be calculated for units at each tier:

- For first tier units, the fee per unit shall be calculated by dividing the GSF in the development by four (4), then multiplying the resulting number by \$7.50, then dividing the latter number by the total number of first tier units.
- For second tier units, the fee per unit shall be calculated by dividing the GSF in the development by four (4), then multiplying the resulting number by \$10.00, then dividing the latter number by the total number of second tier units.
- For third quarter tier units, the fee per unit shall be calculated by dividing the GSF in the development by four (4), then multiplying the resulting number by \$12.50, then dividing the latter number by the total number of third tier units.
- For fourth tier units, the fee per unit shall be calculated by dividing the GSF in the development by four (4), then multiplying the resulting number by \$15.00, then dividing the latter number by the total number of fourth tier units.

Total Fees:

The sum of fees paid at Tier I, II, III, and IV.

SECTION VII: Where to Send the Completed Application

Return the completed application and supporting documentation to the City of Charleston's Department of Planning, Preservation & Sustainability using one of the below methods:

Mail to: 2 George Street, Suite 3100, Attn: Philip Overcash, Charleston, SC 29401

Fax to: (843) 724-3772, Attn: Philip Overcash

Email to: overcashp@charleston-sc.gov

Staff will review your application and supporting documents alongside your project plans and will request a revised application and supporting documents as needed. Once staff approves the Total Fee in Lieu amount, you will receive confirmation of this amount and instructions on how to make the payment. If you need help completing this application, please call Philip at (843) 724-3788.