



**SURFSIDE BEACH TOWN COUNCIL
CHAPTER 14, FLOOD DAMAGE PREVENTION WORKSHOP
AUGUST 15, 2016 AT 5:00 P.M.
TOWN COUNCIL CHAMBERS**

CALL TO ORDER.

Mayor Childs called the workshop to order at 5:00 p.m. Mayor Childs, Mayor Pro Tempore Ott, and Councilmembers Courtney, Johnson, and Pellegrino were in attendance. Councilmember Stevens was absent. One seat is vacant. A quorum was present. Others present: Administrator Fellner; Town Clerk Herrmann; Director Morris; Director Adair, and Building Official Farria.

Mayor Childs explained that this workshop was to discuss Chapter 14 of the Town Code that addresses flood damage prevention and asked Ms. Morris to present.

Ms. Morris gave a PowerPoint presentation, a copy of which is attached. She believed the main issue was the 36 inch above grade requirement for property outside the special flood hazard area. The PPI (Program for Public Information) committee recommends a change to 18 inches above the highest grade of the lot for residential properties outside the special flood hazard area; separating the commercial and residential properties, and establishing that commercial property shall be elevated not less than 18 inches above the centerline of the road. She explained that the town would lose some Community Rating Service (CRS) points by making this change, but it would not affect the town's Level 5 rating. However, points can be made up by staff implementing other directives within the departments without adding any new regulations on town citizens.

Ms. Morris said the CRS program is important to residents and businesses, because the federal government will no longer subsidize flood insurance premiums. Flood insurance policies will increase 25-percent a year for second home owners until policies reach market rates. Last year, town residents in the special flood hazard areas saved 25-percent on their premiums, so the increase was offset by the CRS Level 5, and the net increase was either minimal or zero. She heard citizens have saved from \$100 up to \$1,400 dollars on flood policy premiums.

Ms. Morris said FEMA (Federal Emergency Management Agency) recommends that the town include a clause that states the height requirements are not a guarantee that the property will not flood to keep the town from being responsible if a property does flood. During the October 2015 rains it was determined that the town experienced a 1,000 year rain event. That term is being confused with 1,000 year flood event. Rain and flood events are entirely different and are measured differently. FEMA and United States Geological Survey (USGS) define a 1,000 year rain fall event measured by the amount of rain over a particular period of time. It does not mean that it has not rained as much in a 1,000 years or this is the most rain in a 1,000 years; it is a recurring statistic. Statistically speaking, a 1,000 year flood means that there is a 1:1,000 percent chance in any given year. In terms of probability, a 1,000 year flood has a .1 percent chance of occurring during any given year. Flood levels are determined using water levels of a creek, stream, or river basin. USGS determined that the Black River, Kingstree Basin, and the Smith Branch in Columbia measured peak floods in the 500 year flood last October. The majority of USGS gauges during the October 2015 rains showed flood peaks that were less than a 10 year flood. USGS determined that the town experienced a 10 year flood, but a 1,000 year rain.

Mayor Childs asked how Charleston County received a Level 4 rating. Ms. Morris said Charleston County has its own engineering department and prepared a watershed study. The town wants to do a

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53 watershed study, but it has to be done in conjunction with Horry County, and the county is not ready for
54 that.
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56 Mr. Courtney asked if lowering the requirement to 18 inches on the commercial property would
57 reduce points. Ms. Morris said the point loss would be minimal to just lower the commercial district and
58 would not affect the Level 5 rating. Mr. Courtney asked if residential property was the issue. Ms. Morris
59 said yes. The town was 133 points away from a Level 4 rating. Eliminating the need for a new elevation
60 certificate every five years took about 50 points away. This change would lose about 130 additional
61 points, but the rating would remain Level 5. The town would have to find other ways to recoup the
62 points to attain Level 4, which would be difficult in this small town.
63

64 Mr. Ott asked if FEMA gives notice before they come for inspection. Ms. Morris said yes, FEMA
65 visits every year and sends a checklist to ensure everything is still be done. Everything is still in place;
66 staff is ready for the inspection. After five years, FEMA will check everything that was done during the
67 previous five years and do a physical inspection of the town to ensure the codes are being enforced. Mr.
68 Ott said the FEMA flood insurance could not be shopped; it is the only option. Ms. Morris said that was
69 right.
70

71 Mr. Johnson asked what could be done to increase points to attain a Level 4. Ms. Morris said
72 there are creditable activities with a maximum number of points. There are some in which the town can
73 improve and receive more points. Another way is increasing the number of flood plain managers. Two
74 staff members will be taking that exam soon, which will add 120 to 140 point. Staff is trying to do all it
75 can to avoid any additional regulations for the owners and general public. There are also things that can
76 be done by public works to increase points. The points can be made up.
77

78 Mr. Courtney asked if the commercial changed whether the town could attain a Level 4. Ms.
79 Morris said if the commercial was not changed, it would be easier to find points by having staff qualify as
80 flood plain managers, continuing education, adding some tasks in public works, all of which would
81 increase points. Mr. Courtney said changing residential would definitely lose points. Ms. Morris said a
82 great bit would be lost, and those points would have to be made up elsewhere, but they would be
83 earned. She reiterated that they do not want to put any more regulation on the public.
84

85 Ms. Nancy Roper, 14th Avenue South, appreciated Ms. Morris' work and asked why the town
86 would consider lowering the height when this affects insurance. She did not want her insurance rates to
87 increase. She would get a petition, if council wanted one. She has lived here 22 years and has flood
88 insurance. The change could drive her out, if the premiums go up. She also mentioned the number of
89 senior citizens on fixed income. She begged council to consider the people the change would affect.
90

91 Mr. Ron Crouch, 11th Avenue North, said his understanding from the PPI meeting was the 18
92 inches only applied to properties in Area X. Ms. Morris said that was still the case. Mr. Crouch said
93 places already built up in the 100 year flood plain will have to meet all codes as they exists today. Places
94 like his house that was built in 1976 that has never had a claim is the difference. When it comes to
95 making up points, the stormwater committee is getting very active in public outreach and education. The
96 stormwater committee will have a table at the October Family Festival. A request was made by the
97 committee for a public education meeting on home activities to improve stormwater like not putting grass
98 clippings in the ditch and other measures that can be taken for best management practices. There are all
99 sorts of areas that have not been tapped to increase points.
100

101 Ms. Morris said Ms. Roper's property is in Zone X. We get a lot of points for the PPI committee.
102 FEMA said at the meeting recently held in Georgia that bankers should be removed as a requirement,
103 because none would participate. However, the town has a banker on its PPI who attends every meeting
104 and the town gets extra points for his attendance. PPI has reached the maximum education points. PPI
105 is an exceptional board.

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Ms. Holly Watson, North Oak Drive, asked how many pieces of commercial property are undeveloped that would need to build to 18 inches. Ms. Morris said that she did not have that number. Ms. Watson asked what the benefit to the taxpayer would be. Ms. Morris said there was minimal property that is undeveloped in the commercial district. Staff was told that the town was non-business friendly because of the 36 inch elevation requirement. Construction was too expensive and that was why businesses would not locate here. After staff did a survey, it was found that the majority of businesses are already above 18 inches above the center line of the highway and could rebuild as they currently exists after a catastrophe. If the ordinance is not amended, any construction involving more than 48-percent of the structure would require construction 36 inches above the highest adjacent grade. Ms. Watson mentioned a clause available in insurance policies that allowed 10 to 25 percent of value for meeting new codes when reconstruction was done and proceeded to offer examples.

Ms. Johnson, Harbor Lights Drive, who is an insurance agent, said that allowance was only when the damage was caused for wind or hail. It does not apply when property is flooded. Also, when flood claims are made, FEMA will not pay if your property is the only one in the neighborhood that floods.

Ms. Watson asked again what the benefit was to taxpayers to lose the points; what commercial property is not developed that is being accommodated? Ms. Morris said those were good questions and explained that Mr. Stevens mentioned there were problems bringing new business into town because of the 36 inch height requirement. There are some vacant parcels on Highway 17 near 11th Avenue North and South at 6th Avenue South and 10th Avenue South, in addition to three or four near BI-LO.

Ms. Kathy Mahar, Myrtle Drive, said construction had to be compliant with the American Disabilities Act (ADA), which adds expense.

Mayor Childs said he also heard that ADA requirements were expensive for commercial construction. Ms. Morris said construction has to be handicapped compliant. Many businesses grade their property so it gradually meets the height restriction like BI-LO did. BI-LO, which is slab-on-grade, has its property designed with a grade so customers can just wheel in. A discussion ensued about construction design and changes required for either 18 or 36 inches above the center line of the road for commercial construction.

Mr. Pellegrino asked if existing store fronts would be grandfathered at 18 inches. Ms. Morris said that was exactly right.

Mr. Ott believed the Homeowners Insurance Portability Act (HIPA) of 2014 repealed and modified the provisions of the Biggert Watters Act. Ms. Morris thought the HIPA prolonged implementation of Biggert Watters. A FEMA representative told her that a homeowner in Myrtle Beach previously paid \$2,500 a year for flood insurance. The first year after Biggert Watters was adopted, the flood premium went to \$25,000. The HIPA was adopted to implement a gradual increase each year until market rates are reached. The CRS program gives town residents a 25-percent reduction, which the amount the premiums will increase every year. Hopefully, CRS Level 4 will be achieved and owners will save 30-percent.

Ms. Charlene Henderson, North Cherry Drive, said she already saved 25-percent asked if the 25-percent would happen again and again. Ms. Morris said yes, or until the town loses certification.

Ms. Melody Lane Laveglia, North Cedar Drive, thought the premiums would increase 25-percent per year until the actuary amount was met.

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157 Ms. Morris apologized and said she thought Ms. Henderson was referring to the 25-percent
158 savings. Mr. Adair said increases would occur until the full premium market rate was attained. There are
159 no longer any subsidized policies. Mr. Johnson said exactly.

160
161 Mr. David Reed, North Myrtle Drive, distributed some pictures and explained that one was his
162 residence, 3-feet below flood, and insurance was \$1,754 a year. He will save \$438 a year, if there is a 25-
163 percent reduction, which is a good amount. The other photo is his house on 12th Avenue that is in Zone X
164 non-flood. Insurance is \$414 a year. The savings is only 10-percent; \$41 will not make anyone leave
165 town. The cost differences are huge between flood and non-flood areas. Building 36 inches versus 18
166 inches adds \$7,800 in cost based on estimates from his contractor for the house on 12th. A commercial
167 building with 100,000 square feet would add exponential costs to build at 36 inches. He supported
168 savings for those properties in flood zones, but for property outside the flood zone he thought the code
169 was a hindrance. For older homes that want to remodel, if the change is over 48-percent of value, they
170 would have to meet the 36 inch height requirement, which would be a huge transition if their house in on
171 slab or just a foot above grade. An 18-inch requirement would be minimal; adding a step or two would
172 make it work.

173
174 Mr. Crouch said the point about his house never having had a flood claim is it was built in 1976
175 and is 22 inches above grade with a crawl space. His personal opinion is if businesses can meet 18
176 inches above the highway centerline instead of 36 inches above nearest grade that is a big boost to
177 encourage business development. Town residents in Zone X will get a preferred rate. Making the
178 requirement 18 inches instead of 36 inches really will help simplify the code. He reminded the elected
179 officials that many of them campaigned on being business friendly, working with people and keeping
180 things on kind (**).

181
182 Mr. Ott said we are here because we want to save money, but also to keep the town from
183 flooding. That is a major part of this. When you talk to the people that live in Louisiana they wish they
184 [built higher.] There's a good chance the town will have a major flood. If we don't mind getting flooded
185 out, then you won't be able to say you haven't had a claim in 22 years. Your insurance will sky-rocket.
186 That is part of the equation that cannot be left out.

187
188 Ms. Roper said \$41 did not seem like much money, but there are senior citizens that live on a
189 fixed income and that added to their other expenses is something. The majority of us here have lived
190 here many years. She did not know who was asking for this change, but the people in this town matter.
191 Her opinion was the council needed to really think about this. She did not want to see the town go
192 backwards. She was proud of the work done.

193
194 Ms. Mahar said she has owned a lot for six years that she wants to build on. When she was
195 ready to pull a permit, she found the laws had changed. She did not want to build at 36 inches. Her
196 house in Socastee flooded during Hurricane Floyd. She did not mind an 18 inch requirement. She was
197 willing to take that chance. She wants to live in Surfside, but wants to build at 18 inches.

198
199 Mr. Reed referred to photos of his on-going construction at 12th Avenue and said the three
200 foundation blocks are 24 inches high. He did not want to have steps, and wants an 18 inch height. If
201 the code is amended, he will end up being about 20 inches above grade when construction is complete.
202 His neighbor's home is only one foot off the ground.

203
204 Ms. Laveglia said she was a member of the PPI and explained that the committee's thought
205 process when the height limit was recommended to be raised was before the preliminary FEMA flood
206 mapping was completed. Nobody knew where the flood lines would be; it was mentioned that the line
207 might move to Highway 17. The committee believed it would damage owners to allow them to build less
208 than 36 inches based on that expectation. The preliminary flood maps are completed and the flood lines
209 are actually less restrictive. Many homes were removed from the special flood zone, while some were

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210 added. The comments about additional construction costs and remodeling above 48-percent are
211 noteworthy. It doesn't take much to add 48-percent of value, especially on older homes many of which
212 will need upgrades in the next 10 to 15 years. Everybody in town will suffer if the codes restrict owners
213 from keeping their homes up.

214
215 Mr. Pellegrino fully understood that everyone lives on a budget. He and Ms. Morris have talked
216 about the number of vacant business properties available for development. There are two sides to what
217 citizens pay. He has a personal home and a rental home. He knows all about flood, wind and hail
218 insurance. Our business needs to grow in town, because of inflation. The costs for all the services
219 provided by the town will only go up. Business growth is key for the future to cover that inflation cost.
220 Hindering business growth now may help you save on flood insurance premiums, but we may have to
221 decide in the future to give up services or increase taxes. That is balance that council needs to consider.
222 In his opinion, business growth over the next ten years is critical. If the economy degrades as it did in
223 the past ten years, inflation will be worse. He reiterated that Town Council needs to consider that
224 balance and make the best decision possible for each citizen.

225
226 Mayor Childs said those were good points.

227
228 Mr. Ott asked about the FIRM (Flood Insurance Rate Map) and asked how firm that was. Would
229 it be remapped after the next storm? Ms. Morris said FEMA used very precise methods to decide the
230 flood zones, which is why many town properties were taken out of the flood zone. Many owners on the
231 south end had elevation certificates showing their ground was higher than the flood zone. Those owners
232 received a letter for map amendment. FEMA performed a detailed study of the entire coast that verified
233 those owners should come out of the flood zone. The maps being presented should be approved this
234 year; there have been no appeals received in her office. She did not expect the maps to be changed for
235 20 years. FEMA does not have funding to prepare maps annually. The town still has maps from 1988.
236 Mr. Ott said FEMA officials were in town during the October 2015 storm, which just happened to be the
237 time the town looked the best it could ever be. Ms. Morris that was correct, but the town has not had a
238 severe storm in many years, which is another factor FEMA considers. Mr. Johnson said FEMA would not
239 revise the maps for a long time.

240
241 Ms. Diana Taylor, 7th Avenue North, thanked Ms. Morris because she knew how much it work it
242 took on this project. She asked if Ms. Morris could help with the wind and hail insurance premiums,
243 (*laughter*) which is four times the flood premium. Mr. Johnson said she could give him a call. (*Laughter*)
244

245 Ms. Watson wanted to bring to everyone's attention how spectacular the town is. Commercial
246 builders will be in an ISO 1 fire department, which will save thousands on insurance; a CRS rating of
247 Level 5, which is four points lower than Horry County, and very low crime. She believes the town's police
248 department is one of the best in the whole state. She was very proud of it. Back in 2012 council voted
249 to get an inventory of all vacant buildings in town to see if they could be marketed and filled. To her
250 knowledge that has not been done. She suggested that the town hire a global realtor to prepare and
251 present an inventory, and to market those buildings. What we're doing has never worked; it is time to go
252 big time and see if those properties can be marketed. She did not want to give back what the town had
253 worked so hard to earn and said to negotiate, because she did not see any benefit for homeowners. The
254 additional training and other tasks to earn new points are still done on the backs of taxpayers. She
255 suggested that the town keep the points and let's move forward. She was very proud of the town as a
256 whole and said someone should be able to use these points to market those buildings.

257
258 Mr. Ott asked the realtors in the audience if they used Ms. Watson's points when they were
259 selling homes in town.

260
261 Ms. Laveglia said she did, and added that a large percentage of buyers want single story homes,
262 because they are looking towards retirement. Raised beach houses are marketed to a different clientele.

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Mr. Pellegrino thanked everyone for their comments. The town worked with Myrtle Beach Regional Economic Development (RED) committee to do an inventory of all the town's available commercial lots. RED is working to bring businesses to the area, including Surfside Beach. So, the town is working with a professional agency.

Ms. Mahar said she was a realtor with Chicora. The majority of her clientele is retired and looking single family homes with a few steps to get inside. Harbor Lights sold out in a year, because the majority of homes have a just a few steps. Clients at this price point want to be able to just walk into their house.

Mr. Courtney said the two issues are commercial and residential properties. He saw on 14th Avenue new homes that were built would have flooded if they were not built up 36 inches. He was concerned about that.

Mr. Pellegrino said that Ms. Watson mentioned marketing. He said he talks about the lack of marketing in Surfside a lot. The town's marketing initiative is terrible, at best. If anyone has any marketing contacts, please let the council know. The investment in marketing is an on-going debate with council.

Ms. Roper said what Ms. Morris accomplished with CRS and the ISO 1 rating at the fire department are the best things done for the town as far as marketing. Being ISO certified is huge.

Mr. Pellegrino agreed it was great, but no one knew about it. He thought Ms. Watson said it best; we have all these great attributes and no one knows about them. That is the problem.

Ms. Henderson said if she could speak candidly, and please don't misunderstand her comments; she loves this town, and has been here 20 years. She does not want to live anywhere else. This town has an extremely poor reputation for being business friendly; the town is not easy to work with so they pack up and they are out. Word gets around and businesses choose other locations.

Mr. Ott said in defense of the planning, building and zoning department, Town Council adopts the ordinances and asks staff to uphold them. Maybe that is where this discussion should start; at the council level. He asked questions, because he would have to make a decision on the height limit. He wanted to hear everything he could about the issue. You can ride a bicycle into my house, but it is situated pretty high. He asked the insurance agents if his insurance would increase if his house was flooded. Will my house be unmarketable?

Mr. Johnson said he was not Mr. Ott's agent and could not answer. *(Laughter)*

Ms. Laveglia said that the ordinance would not prohibit anyone from building their homes higher off the ground, only that 18 inches is the minimum height required. The PPI believes that is the minimum that should be required.

Mr. Courtney asked how many homes were being built at this time, and how much land was left. Ms. Morris said over 30 are being built, and there are over 300 vacant residential lots, some of which can be split.

Ms. Johnson said as of today, flood insurance premiums will not go up if you have a flood. But FEMA can change that rule any time. If your property is the only property in the neighborhood that floods, FEMA will not pay.

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315 Mr. Reed said he asked Mr. Adair at a stormwater meeting about the swales and ditches the
316 stormwater engineers designed. Many of the swales do not have any beginning or end without any
317 means for water flow. There is a catch basin on 14th Avenue with a swale just behind it, but the swale
318 does not run into the basin, because the property is required to retain a certain amount of water for a
319 certain amount of time. Mr. Adair said that was correct. Mr. Reed thought water would probably go
320 under houses into the crawl spaces, but it would have to be a lot of water to reach 36 inches. He asked
321 if Mr. Adair observed problems there during the rain in October. Mr. Adair said he did not inspect that
322 particular area as his concern was the beach. Mr. Reed said those were newer homes and should not
323 have a drainage problem. Ms. Morris said but they do. Mr. Reed asked if the gas propane tanks would
324 be discussed. Ms. Morris said those were addressed in the proposed ordinance. There were no specific
325 questions about them. The concern at this meeting was the height limit.
326

327 Mr. Ott thanked everyone for coming and giving Town Council information.
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329 Mayor Childs thanked everyone for coming and thought council learned a lot; it was good to hear
330 from the residents. Like I've always said, show up to these meetings and give your opinion. Once an
331 ordinance is passed, then everyone comes after it. You did the right thing.
332

333 There were no other questions or comments.
334

335 **ADJOURNMENT.**
336

337 Mayor Childs declared the workshop adjourned at 6:03 p.m.
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339 Prepared and submitted by,
340

341 _____
342 Debra E. Herrmann, CMC, Town Clerk

343 Approved: August 22, 2016
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346 Robert F. Childs, Mayor
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349 Ron Ott, Mayor Pro Tempore
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348 _____
349 Timothy T. Courtney, Town Council
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351 _____
352 Mark L. Johnson, Town Council
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352 David L. Pellegrino, Town Council
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354 _____
355 Randle M. Stevens, Town Council
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355 Vacant Seat
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357 Clerk's Note: This document constitutes summary minutes of the meeting that was digitally recorded,
358 and not intended to be a complete transcript. Appointments to hear recordings may be made with the
359 town clerk; a free copy of the audio will be given to you provided you bring a flash drive. In accordance
360 with FOIA §30-4-80(A) and (E), meeting notice and the agenda were distributed to local media and
361 interested parties via the town's email subscription list. The agenda was posted on the entry door at
362 Town Council Chambers. Meeting notice was also posted on the town website at www.surfsidebeach.org
363 and the marquee.
364