

Residential Rental Properties & Annexation



If you own residential rental property and your property or your neighborhood is contiguous—or adjacent to—the City of Columbia, you may be eligible for annexation into the City of Columbia. Rental properties inside the City limits enjoy a high level of service and often save money compared to their neighbors outside of the City. **This fact sheet is intended for residential rental properties of up to six units.**

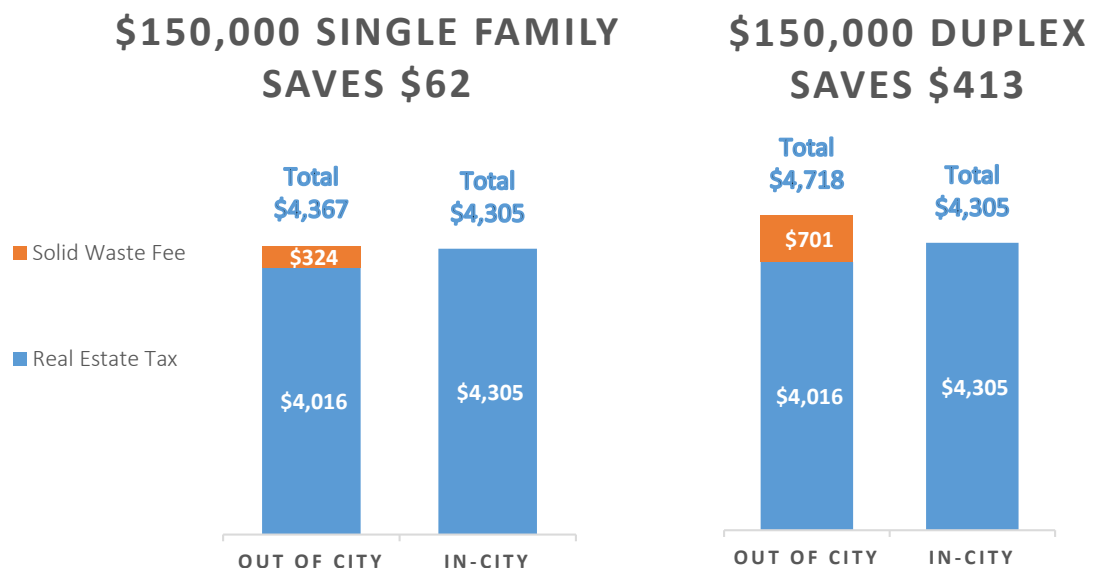
We can't answer all your questions here! Visit www.ColumbiaSC.gov/annexation or contact us at 803.545.3217 or annexation@columbiasc.gov for more information.

What is Annexation?

Annexation is the legal process where land is incorporated into the boundaries of a town or city. In South Carolina, the process starts after petition from property owners or resident voters.

How do I benefit by annexing?

- **Service** –City residents enjoy an enhanced level of service and available programs, including our accredited Police Department, our fantastic garbage and recycling service, our community and small business programs, and much more!
- **Code Enforcement** – If too many properties in a community fail to meet minimum safety standards, it can jeopardize your investment and keep quality tenants and homeowners away. Columbia's property maintenance and code enforcement officers work with homeowners, tenants, and property owners to ensure these minimum standards are met.
- **Cost Effective** – You may **save money** when your property is annexed. The cost of garbage and recycling is bundled into your City taxes instead of a separate fee, which may mean that your tax bill is actually lower, especially if you have more than one unit (see charts below). Your fire insurance may be lower due to our improved Insurance Safety Office PPO rating. Do you pay the water bill? City-provided water and sewer rates are lower for properties inside the City, too – and mean even greater savings! For more information contact us or try our [annexation calculator](#).



The examples above are based upon the most recent tax year (2023) for the 1UR and 1LR tax districts; when annexed, these would become part of the 1CC tax district. Not everyone saves money, and every rental is different - to learn how your unique circumstances would be affected by annexation, contact us or visit www.columbiasc.gov/annexation.

Contact: Andrew Livengood
Annexation Coordinator
1136 Washington Street, 3rd Fl
Columbia SC 29201

Annexation@ColumbiaSC.gov
(803) 545-3217
www.ColumbiaSC.gov/Annexation

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Is there a Residential Rental Ordinance?

Every residential rental unit within the City is required to have a [Residential Rental Permit](#) and a local contact within 45 miles of the City. The applicant must certify that the unit meets [minimum safety standards](#), but may request a courtesy inspection. No business license is required for 4 or fewer units. There is a \$25/unit annual fee for the permit, however the fee is waived if you have a City Business License in good standing as a Professional Management Company or if one manages the property for you.

Will I have to pay two tax bills if I annex?

No, you pay your property tax bill the same way you always have. The bill will include City taxes along with the other taxes you pay for County-wide services. Also, because the City of Columbia includes garbage, recycling, and yard trash pickup as a basic residential service, you will no longer be charged the \$350.57 per residence annual solid waste fee (2023 tax year) that is included on tax bills in areas outside the City limits – meaning that your tax bill will probably go down.

Will annexation change the zoning of my property?

In most cases, the zoning district of newly annexed land will be similar to the zoning district prior to annexation. However, the City of Columbia, Richland County, and Lexington County all have different Zoning Ordinances, so in this sense all annexations result in a rezoning, also known as a zoning map amendment. If you have specific questions or plans for your property, please contact us for a consultation about zoning and land use classification for your property.

What is a “Donut Hole”?

A donut hole is a property or group of properties entirely surrounded by the City (or in some cases, the City and another town or city). These are often areas that were developed prior to being adjacent to the City limits, and result in a patchwork of City, County, and private services in the area.



A “donut hole”

What is a declaration of covenant for water or sewer service?

The City is not obliged to provide any services beyond its boundaries.

When a property owner wishes to obtain services from the City but it is not within or adjacent to the City limits, the property owner can sign a binding agreement to have the property annexed after it becomes adjacent to the City limits. These documents are recorded at the County Court House and are also known as a “declaration of covenant”.

If there is a declaration of covenant on my property, when will the City annex my property?

It depends. State law requires that a property be adjacent – or contiguous – to the City limits in order to annex, and it is difficult to predict when your property may become contiguous. Even if your property is contiguous, the City wants to be certain to be able to provide the same high level of service to all our existing and new residents and may wish to wait until conditions warrant. However, if you are interested in annexing, please contact us!

How can I annex my property?

To request annexation, you simply need to contact the Annexation Coordinator at annexation@columbiasc.gov or (803) 545-3217, who can help you determine if you are eligible for annexation and will work with you to generate a petition for you to sign. If you have neighbors also interested in annexation, ask about a group petition. Either way, City Council needs to review and vote to approve the annexation.

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