Capital Improvement Plan and Development Impact Fee Study

Prepared for:

City of Fountain Inn, South Carolina

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Prepared by:

TischlerBise
FISCAL | ECONOMIC | PLANNING

4701 Sangamore Road
Suite S240
Bethesda, Maryland 20816
301.320.6900
www.tischlerbise.com

TischlerBise
4701 Sangamore Road
Suite S240
Bethesda, Maryland 20816
301.320.6900

www.tischlerbise.com

DEVELOPMENT IMPACT FEE STUDY

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EXECUTIVE SUMMARY

The City of Fountain Inn, South Carolina retained TischlerBise to prepare a Development Impact Fee study. Development impact fees are collected from new construction at the time a building permit is issued. The fees are one-time payments for new development's proportionate share of the capital cost of infrastructure. The following study addresses Fountain Inn's Parks, Police, and Fire infrastructure. Development impact fees do have limitations and should not be regarded as the total solution for infrastructure funding. Rather, they are one component of a comprehensive funding strategy to ensure provision of adequate public facilities. Development impact fees may only be used for capital improvements or debt service for growth-related infrastructure. Under South Carolina Development Impact Fee enabling legislation (Section 6-1-910), fees may not be used for operations, maintenance, replacement of infrastructure, or correcting existing deficiencies.

South Carolina Development Impact Fee Act[1]

The State of South Carolina grants the power for cities and counties to collect development impact fees on new development pursuant to the rules and regulations set forth in the South Carolina Development Impact Fee Act (Code of Laws of South Carolina, Section 6-1-910 et seq.). The process to create a local impact fee system begins with a resolution by the City Council directing the Planning Commission to conduct an impact fee study and recommend a development impact fee ordinance for legislative action.

Generally, a governmental entity must have an adopted comprehensive plan to enact development impact fees; however, certain provisions in State law allow counties, cities, and towns that have not adopted a comprehensive plan to impose development impact fees. Those jurisdictions must prepare a capital improvement plan as well as prepare an impact fee study that substantially complies with Section 6-1-960(B) of the Code of Laws of South Carolina.

All counties, cities, and towns are also required to prepare a report that estimates the effect of development impact fees on the availability of affordable housing before imposing development impact fees on residential dwelling units. Based on the findings of the study, certain developments may be exempt from development impact fees when all or part of the project is determined to create affordable housing, and the exempt development's proportionate share of system improvements is funded through a revenue source other than impact fees. A housing affordability analysis in support of the development impact fee study is published as a separate report.

Eligible costs may include design, acquisition, engineering, and financing attributable to those improvements recommended in the local capital improvements plan that qualify for impact fee funding. Revenues collected by the City, city, or town may not be used for administrative or operating costs associated with imposing the impact fee. All revenues from development impact fees must be maintained in an interest-bearing account prior to expenditure on recommended improvements. Monies must be

[1] See Appendix C for a copy of the South Carolina Development Impact Fee Act.

returned to the owner of the property for which the impact fee was collected if they are not spent within three years of the date they are scheduled to be encumbered in the local capital improvements plan. All refunds to private landowners must include the pro rata portion of interest earned while on deposit in the impact fee account.

Fountain Inn is also responsible for preparing and publishing an annual report describing the amount of impact fees collected, appropriated, and spent during the preceding year. These updates must occur at least once every five years. Pursuant to State Law, Fountain Inn will not be empowered to recommend additional projects eligible for impact fee funding or charge higher maximum allowable development impact fees until the Development Impact Fee study and capital improvement plan have been updated.

Conceptual Development Impact Fee Calculation

In contrast to project-level improvements, development impact fees fund growth-related infrastructure that will benefit multiple development projects, or the entire jurisdiction (referred to as system improvements). The first step is to determine an appropriate demand indicator for the particular type of infrastructure. The demand indicator measures the number of demand units for each unit of development. For example, an appropriate indicator of the demand for park facilities is population growth, and the increase in population can be estimated from the average number of residents per housing unit. The second step in the development impact fee formula is to determine infrastructure units per demand unit, typically called level-of-service (LOS) standards. In keeping with the parks example, a common LOS standard is park acreage per resident. The third step in the development impact fee formula is the cost of various infrastructure units. To complete the parks example, this part of the formula would establish the cost per acreage for acquiring new park land.

General Methodologies

There are three general methods for calculating development impact fees. The choice of a particular method depends primarily on the timing of infrastructure construction (past, concurrent, or future) and service characteristics of the facility type being addressed. Each method has advantages and disadvantages in a particular situation and can be used simultaneously for different cost components.

Reduced to its simplest terms, the process of calculating development impact fees involves two main steps: (1) determining the cost of development-related capital improvements and (2) allocating those costs equitably to various types of development. In practice, though, the calculation of development impact fees can become quite complicated because of the many variables involved in defining the relationship between development and the need for facilities within the designated service area. The following paragraphs discuss three basic methods for calculating development impact fees and how those methods can be applied.

Cost Recovery (Past Improvements)

The rationale for recoupment, often called cost recovery, is that new development is paying for its share of the useful life and remaining capacity of facilities already built, or land already purchased, from which

new growth will benefit. This methodology is often used for utility systems that must provide adequate capacity before new development can take place. This methodology is based on an existing level of service.

Incremental Expansion (Concurrent Improvements)

The incremental expansion method documents current level-of-service (LOS) standards for each type of public facility, using both quantitative and qualitative measures. This approach ensures that there are no existing infrastructure deficiencies or surplus capacity in infrastructure. New development is only paying its proportionate share for growth-related infrastructure. Revenue will be used to expand or provide additional facilities, as needed, to accommodate new development. An incremental expansion cost method is best suited for public facilities that will be expanded in regular increment to keep pace with development.

Plan-Based Fee (Future Improvements)

The plan-based method allocates costs for a specified set of improvements to a specified amount of development. Improvements are typically identified in a long-range facility plan and development potential is identified by a land use plan. There are two options for determining the cost per demand unit: (1) total cost of a public facility can be divided by total demand units (average cost), or (2) the growth-share of the public facility cost can be divided by the net increase in demand units over the planning timeframe (marginal cost).

Credits

Regardless of the methodology, a consideration of "credits" is integral to the development of a legally defensible development impact fee methodology. There are two types of "credits" with specific characteristics, both of which should be addressed in development impact fee studies and ordinances.

- First, a revenue credit might be necessary if there is a double payment situation, and other revenues are contributing to the capital costs of infrastructure to be funded by development impact fees. This type of credit is integrated into the development impact fee calculation, thus reducing the fee amount.
- Second, a site-specific credit or developer reimbursement might be necessary for dedication of land or construction of system improvements funded by development impact fees. This type of credit is addressed in the administration and implementation of the development impact fee program.

Proposed Fee Methods and Cost Components

Figure 1 summarizes the methods and cost allocation components used for each infrastructure category in Fountain Inn's development impact fee study. The development impact fees are based on the actual level of service. The Parks component is attributed to only residential development based on population. Fee categories are attributed to residential and nonresidential development based on population and nonresidential vehicle trips or jobs.

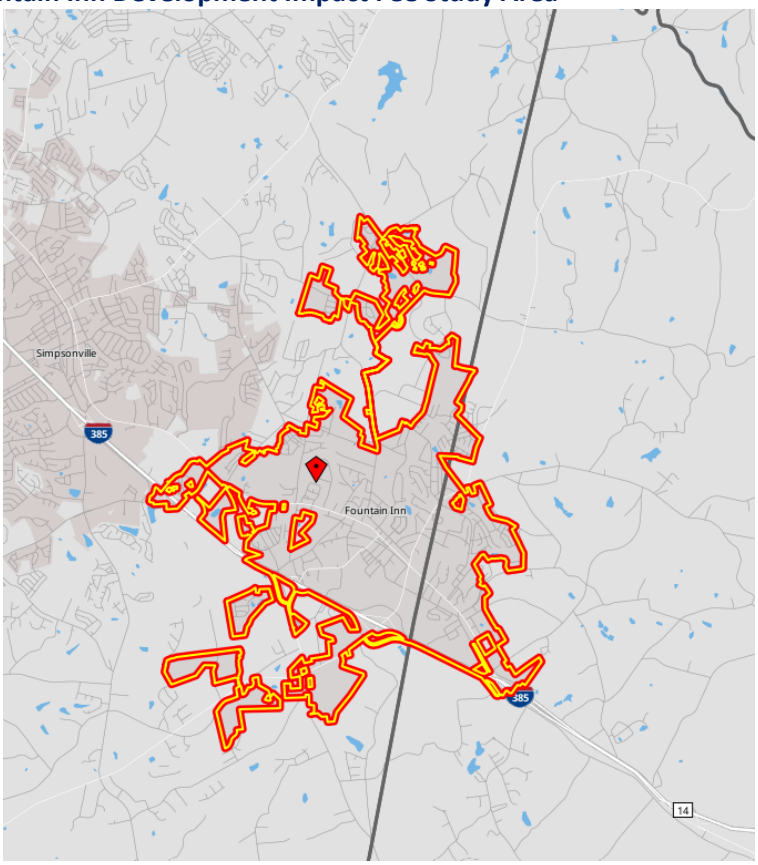
Figure 1. Proposed Fee Methods and Cost Components

Infrastructure Category	Service Area	Cost Recovery	Incremental Expansion	Plan-Based	Cost Allocation
Fire	Citywide	N/A	Fire Facilities, Fire Apparatus	N/A	Population, Vehicle Trips
Parks and Recreation	Citywide	N/A	Recreation Facilities, Park Amenities,	N/A	Population
Police	Citywide	N/A	Police Facilities, Police Equipment	N/A	Population, Vehicle Trips

Study Area

It is essential for an impact fee study to have an appropriate study area. The study area sets the parameters around the level of service calculations, capacity needs, and benefit zones. The study area for all fee categories in this analysis except for the Fire department is within the boundaries of the City of Fountain Inn and includes areas that will be annexed in the next 10 years. The Fire department study area is within the boundaries of the Fountain Inn Fire District.

Figure 2. City of Fountain Inn Development Impact Fee Study Area



Proposed Development Impact Fee Schedule

As documented in this report, Fountain Inn has complied with the South Carolina Development Impact Fee Act and applicable legal precedents. Development impact fees are proportionate and reasonably related to capital improvement demands of new development. Specific costs have been identified using local data and current dollars. This report documents the formulas and input variables used to calculate the development impact fees. The development impact fee methodologies also identify the extent to which new development is entitled to various types of credits to avoid potential double payment of growth-related capital costs.

For residential development, proposed fees are assessed per housing unit by type of unit. The proposed residential fee categories include single family and multifamily units. Single family units include detached, attached units, and mobile homes. Multifamily units include condominiums and apartments with two or more units. The proposed fee schedule for nonresidential development is designed to provide a reasonable development impact fee determination for broad property classes – retail, office, industrial, warehouse, healthcare, and institutional.

Figure 3 summarizes proposed development impact fees for new development in Fountain Inn. The amounts shown are "maximum supportable" amounts based on the methodologies, levels of service, and costs for the capital improvements identified herein. The fees represent the highest amount feasible for each type of applicable development, which represent new growth's fair share of the system improvement costs detailed in this report. The City can adopt amounts that are lower than the maximum amounts shown; however, a reduction in fee revenue will necessitate an increase in other revenues, a decrease in planned capital expenditures, and/or a decrease in the City's level of service.

Figure 3. Maximum Supportable Development Impact Fee

Residential Fees per Unit				
Development Type	Fire	Parks and Recreation	Police	Total
Single Family	$1,283	$1,333	$521	**$3,137**
Multi-Family	$1,096	$1,138	$444	**$2,678**

Nonresidential Fees per 1,000 Square Feet				
Development Type	Fire	Parks and Recreation	Police	Total
Industrial	$410	$0	$166	**$576**
Commercial/Retail	$2,055	$0	$834	**$2,889**
Office	$912	$0	$370	**$1,282**
Institutional	$1,254	$0	$509	**$1,763**

Projected Demand

Section 6-1-960(6) of the South Carolina Development Impact Fee Act requires:

> *"the total number of service units necessitated by and attributable to new development within the service area, based on the land use assumptions and calculated in accordance with generally accepted engineering or planning criteria."*

Based on the land use assumptions discussed in Appendix B, both residential and nonresidential development is expected to continue in Fountain Inn over the next ten years.

Figure 5. Fountain Inn Residential and Nonresidential Projections

Fountain Inn, SC	2024	2025	2026	2027	2028	2029	2034	10-Year
	Base Year	1	2	3	4	5	10	Increase
Resident Population								
Single Family	10,667	11,559	12,452	13,344	14,237	15,130	19,593	8,926
Multi-Family	1,773	1,915	2,058	2,200	2,342	2,485	3,196	1,423
Total	**12,440**	**13,475**	**14,510**	**15,545**	**16,580**	**17,614**	**22,789**	**10,350**
Housing Units								
Single Family	4,211	4,563	4,916	5,268	5,621	5,973	7,735	3,524
Multi-Family	820	886	952	1,018	1,083	1,149	1,478	658
Total	**5,031**	**5,449**	**5,867**	**6,286**	**6,704**	**7,122**	**9,213**	**4,182**
Employment								
Industrial	897	972	1,046	1,121	1,196	1,270	1,643	746
Commercial/Retail	874	947	1,019	1,092	1,165	1,238	1,601	727
Office	682	739	795	852	909	966	1,249	567
Institutional	501	543	584	626	668	709	918	417
Total	**2,954**	**3,200**	**3,446**	**3,691**	**3,937**	**4,183**	**5,412**	**2,458**
Nonres. Floor Area (x1,000)								
Industrial	571	619	666	714	762	809	1,047	475
Commercial/Retail	412	446	480	514	549	583	754	342
Office	209	227	244	262	279	296	384	174
Institutional	165	179	193	207	220	234	303	138
Total	**1,358**	**1,471**	**1,584**	**1,697**	**1,810**	**1,923**	**2,487**	**1,130**
Nonresidential Trips								
Industrial	1,391	1,507	1,623	1,739	1,854	1,970	2,549	1,158
Commercial/Retail	5,028	5,446	5,864	6,283	6,701	7,119	9,211	4,183
Office	1,135	1,229	1,324	1,418	1,512	1,607	2,079	944
Institutional	1,232	1,335	1,438	1,540	1,643	1,745	2,258	1,025
Total	**8,786**	**9,517**	**10,248**	**10,979**	**11,710**	**12,441**	**16,097**	**7,310**

A note on rounding: Calculations throughout this report are based on an analysis conducted using Excel software. Most results are discussed in the report using one, two, and three digit places, which represent rounded figures. However, the analysis itself uses figures carried to their ultimate decimal places; therefore, the sums and products generated in the analysis may not equal the sum or product if the reader replicates the calculation with the factors shown in the report (due to the rounding of figures shown, not in the analysis).

PARKS AND RECREATION DEVELOPMENT IMPACT FEE ANALYSIS

Methodology

Section 6-1-920(18c) of the South Carolina Development Impact Fee Act states that a development impact fee may be imposed on public facilities including:

> *"…parks, libraries, and recreational facilities."*

The Parks & Recreation Development Impact Fee is calculated only for residential development and on a per capita basis. The incremental expansion methodology is used to calculate the current level of service for:

- Park land
- Park improvements

Section 6-1-960(1) of the South Carolina Development Impact Fee Act requires:

> *"a general description of all existing facilities and their existing deficiencies, within the service area or areas of the governmental entity, a reasonable estimate of all costs, and a plan to develop the funding resources, including existing sources of revenues, related to curing existing deficiencies including, but not limited to, the upgrading, updating, improving, expanding, or replacing of these facilities to meet existing needs and usage."*

Section 6-1-960(2) of the South Carolina Development Impact Fee Act requires:

> *"an analysis of total capacity, the level of current usage, and commitments for usage of capacity of existing public facilities, which must be prepared by qualified a professional using generally accepted principles and professional standards."*

Residential development impact fees are calculated on a per capita basis, then converted to an appropriate amount for each type of housing unit based on persons per housing unit factors. It is assumed that only residential growth creates additional demand on Parks facilities. Furthermore, the level of service for all infrastructure components is calculated on a Citywide basis.

Parks Service Units

Section 6-1-960(4) of the South Carolina Development Impact Fee Act requires:

> *"a definitive table establishing the specific service unit for each category of system improvements and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial, agricultural, and industrial, as appropriate."*

The "service unit" used for residential development is persons per housing unit (PPHU). This is a measure of, on average, the number of persons residing in each housing unit. As shown in Figure PR1, there are 2.53 persons per single family unit, and 2.16 persons per multifamily unit. Factors have been calculate based on data provided by the U.S. Census Bureau's 2022 American Community Survey 5-year estimates.

Figure PR1. Residential Service Units

Residential Development	
Development Type	Persons per Housing Unit[1]
Single Family	**2.53**
Multi-Family	**2.16**

1. See Land Use Assumptions

Parks Facilities Level of Service & Cost Analysis

The Parks Development Impact Fee includes the City's park land and park improvements. Additional expansion will be necessary to serve future growth to maintain current levels of service. The level of service is calculated based on an incremental methodology with Citywide population as the base year demand factor.

Citywide Parkland

As shown in Figure PR2, there is a total of 25.81 acres of park land provided by the City of Fountain Inn. A recent analysis from City staff determined that the City would anticipate spending $25,000 per acre for new park land. As a result, the total replacement cost for existing City parkland is $645,250.

To calculate the current level of service, the total acreage is divided by the current Citywide population. As a result, there are .0021 acres per person (25.81 acres / 12,440 residents = .0021 acres per person). The net capital cost per person is then calculated by multiplying the level of service factor by the average cost per acre. This results in the capital cost per person of $52 (.0021 acres per person x $25,000 per acre of park land).

Figure PR2. Park Land Cost Factors

Description	Acres
Emanuel Sullivan Park	12.66
PD Terry Park	5.80
Sanctified Hill Park	4.60
Georgia Street Park	0.60
Fairview Street Park	1.90
Downtown Plaza	0.25
Total	**25.81**

Cost Factors	
Cost per Acre	$25,000

Level-of-Service (LOS) Standards	
Existing Acres	25.81
Total Replacement Cost	$645,250
2024 Population	12,440
Acres per Person	0.0021
Cost per Person	$52

Source: Parks & Recreation Department, City of Fountain Inn

Citywide Park Improvements

As shown in Figure PR3, there is a total of 389 park improvements across six City parks, including the downtown plaza. TischlerBise derived unit costs for each type of improvement from studies it has completed in other comparable South Carolina jurisdictions and adjusted the costs for inflation using the US Department of Labor's inflation calculator. The total cost of the City's current park improvements is $5,901,500. The average cost per improvement was calculated to be $15,171 ($5,901,500 total cost/ 389 improvements).

To calculate the current level of service, the number of improvements is divided by the current Citywide population. As a result, there are 0.031 improvements per person (389 improvements / 12,440 residents). The net capital cost per person is then calculated by multiplying the level of service factor by the average cost per improvement. This results in a capital cost per person of $474 (0.031 improvements per person x $15,171 per improvement).

Figure PR3. Park Improvement Cost Factors

Description	Units	Unit Cost[1]	Total Cost
Concession Stand	1	$700,000	$700,000
Restroom	6	$100,000	$600,000
Press Box	1	$100,000	$100,000
Batting Cage	2	$10,000	$20,000
Outdoor Basketball	2	$150,000	$300,000
Football / Soccer Field (Lit)	2	$250,000	$500,000
Youth Baseball/Softball (Lit)	5	$250,000	$1,250,000
Tee Ball/Miracle League Fiedl	1	$175,000	$175,000
Bleachers (Fixed)	2	$20,000	$40,000
Bleachers (Portable)	8	$10,000	$80,000
Hard Tennis Court	3	$100,000	$300,000
Storage Shed	2	$5,000	$10,000
Splash Pad	1	$35,000	$35,000
Playground w/ Equipment	3	$85,000	$255,000
Picnic Shelter	3	$40,000	$120,000
Picnic Tables	12	$1,500	$18,000
Walking Trail	2	$45,000	$90,000
Parking Spaces	331	$3,500	$1,158,500
Water Fountains	2	$75,000	$150,000
Total	**389**	**$15,171**	**$5,901,500**

Cost Factors	
Average Unit Cost	$15,171

Level-of-Service (LOS) Standards	
Existing Improvements	389
2024 Population	12,440
Units per Person	0.031
Cost per Person	$474

Projection of Parks Growth-Related Facility Needs

Section 6-1-960(5) of the South Carolina Development Impact Fee Act requires:

> *"a description of all system improvements and their costs necessitated by and attributable to new development in the service area, based on the approved land use assumptions, to provide a level of service not to exceed the level of service currently existing in the community or service area, unless a different or higher level of service is required by law, court order, or safety consideration."*

Section 6-1-960(7) of the South Carolina Development Impact Fee Act requires:

> *"the projected demand for system improvements required by new service units projected over a reasonable period of time not to exceed twenty years."*

Fountain Inn Parkland Growth Projections

To estimate the 10-year growth needs for Parkland in Fountain Inn, the current levels of service are applied to the residential growth projected. Fountain Inn is projected to increase by 10,350 residents over the next ten years (see Appendix B). Listed in Figure PR4, the City will need to acquire 21.47 new acres of park land to accommodate the growth. By applying the replacement cost factors, the total expenditure for the growth is projected to be approximately $536,853.

Figure PR4. 10-Year Park Land Needs to Accommodate Growth

Type of Infrastructure	Level of Service	Demand Unit	Cost per Acre
Park Land	0.0021 Acres	per Person	$25,000

Demand for Park Land		
Year	Population	Total Acres
2024	12,440	25.81
2025	13,475	27.96
2026	14,510	30.10
2027	15,545	32.25
2028	16,580	34.40
2029	17,614	36.55
2030	18,649	38.69
2031	19,684	40.84
2032	20,719	42.99
2033	21,754	45.14
2034	22,789	47.28
10-Yr Increase	10,350	21.47

Growth-Related Expenditures	$536,853

Fountain Inn Park Improvement Growth Projections

To estimate the 10-year growth needs for Park improvements in Fountain Inn, the current levels of service are applied to the residential growth projected. Fountain Inn is projected to increase by 10,350 residents over the next ten years (see Appendix B). Listed in Figure PR5, the City will need to add 323.7 park improvements to accommodate growth. By applying the replacement cost factors, the total expenditure for the growth is projected to be approximately $4,910,098.

Figure PR5. 10-Year Park Improvement Needs to Accommodate Growth

Type of Infrastructure	Level of Service		Demand Unit	Cost per Unit
Park Improvements	0.031	Units	per Person	$15,171

Demand for Park Amenities		
Year	Population	Total Improvements
2024	12,440	389.0
2025	13,475	421.4
2026	14,510	453.7
2027	15,545	486.1
2028	16,580	518.5
2029	17,614	550.8
2030	18,649	583.2
2031	19,684	615.6
2032	20,719	647.9
2033	21,754	680.3
2034	22,789	712.7
10-Yr Increase	10,350	323.7

Growth-Related Expenditures	$4,910,098

Maximum Supportable Parks Development Impact Fee

The following figures list the maximum supportable Parks Development Impact Fee for the City of Fountain Inn. Development impact fees for Parks facilities are only assessed on residential development and based on household size (i.e., persons per housing unit). Differentiating the fee by housing type allows the results to be more exact about the level of demand (persons per housing unit) a residential development will place on the current infrastructure based on level of service standards. For residential development, the total cost per person (which includes parkland and park improvements) is multiplied by the number of persons per housing unit to calculate the proposed fee. For example, there is a total cost per person of $526 and an average of 2.53 persons per single family housing unit, resulting in a fee of $1,333 per unit ($526 cost per person x 2.53 persons per unit = $1,333 per unit).

The fees represent the highest amount supportable for each type of development, which represents new growth's fair share of the cost for capital facilities. The City may adopt fees that are less than the amounts shown. However, a reduction in development impact fee revenue will necessitate an increase in other revenues, a decrease in planned capital expenditures, and/or a decrease in levels of service.

Figure PR6. Maximum Supportable Parks Development Impact Fee

Fee Component	Cost per Person
Park Land	$52
Park Amenities	$474
Total	**$526**

Residential Fees per Unit		
Development Type	Persons per Housing Unit[1]	Proposed Fees
Single Family	2.53	**$1,333**
Multi-Family	2.16	**$1,138**

1. See Land Use Assumptions

Revenue from Parks Development Impact Fee

Revenue from the Parks Development Impact Fee is estimated in Figure PR7. There are projected to be 4,182 new housing units in the service area by 2034. To find the revenue, the fee is multiplied by the growth. For example, single family development is estimated to generate $3.76 million in revenue ($1,067 x 3,524 units).

Also shown in the figure is the total growth expenditure ($5.46 million). The total cost represents the growth-related needs the City of Fountain Inn. In total, impact fee revenues are projected to generate $5.45 million.

Figure PR7. Estimated Revenue from the Parks Development Impact Fee

Fee Component	Growth Share	Total
Park Land	$536,853	$536,853
Park Amenities	$4,910,098	$4,910,098
Total	**$5,446,951**	**$5,446,951**

		Single Family $1,333 per unit	Multi-Family $1,138 per unit
Year		Hsg Unit	Hsg Unit
Base	2024	4,211	820
Year 1	2025	4,563	886
Year 2	2026	4,916	952
Year 3	2027	5,268	1,018
Year 4	2028	5,621	1,083
Year 5	2029	5,973	1,149
Year 6	2030	6,325	1,215
Year 7	2031	6,678	1,281
Year 8	2032	7,030	1,347
Year 9	2033	7,383	1,413
Year 10	2034	7,735	1,478
10-Year Increase		3,524	658
Projected Revenue		$4,697,814	$749,137

Projected Fee Revenue	$5,446,951
Total Expenditures	$5,446,951

POLICE DEVELOPMENT IMPACT FEE ANALYSIS

Methodology

Section 6-1-920(18f) of the South Carolina Development Impact Fee Act states that a development impact fee may be imposed on public facilities including:

> *"…public safety facilities, including law enforcement, fire, emergency medical and rescue, and street lighting facilities."*

The Police Development Impact Fee includes two components:

- Police station facility space
- Police equipment

An incremental expansion methodology is used for both components. Costs are allocated to both residential and nonresidential development using different demand indicators for each type of development.

Section 6-1-960(1) of the South Carolina Development Impact Fee Act requires:

> *"a general description of all existing facilities and their existing deficiencies, within the service area or areas of the governmental entity, a reasonable estimate of all costs, and a plan to develop the funding resources, including existing sources of revenues, related to curing existing deficiencies including, but not limited to, the upgrading, updating, improving, expanding, or replacing of these facilities to meet existing needs and usage."*

Section 6-1-960(2) of the South Carolina Development Impact Fee Act requires:

> *"an analysis of total capacity, the level of current usage, and commitments for usage of capacity of existing public facilities, which must be prepared by a qualified professional using generally accepted principles and professional standards."*

Residential development impact fees are calculated on a per capita basis, then converted to an appropriate amount for each type of housing unit based on persons per housing unit factors. Nonresidential development impact fees are calculated using nonresidential vehicle trips. Trip generation rates are highest for commercial/retail development and lowest for industrial development, whereas trip rates for office and institutional development fall between the other two categories. Using vehicle trip rates ensures that development impact fees are consistent with the relative demand for Police services from nonresidential development.

Police Service Units

Section 6-1-960(4) of the South Carolina Development Impact Fee Act requires:

> *"a definitive table establishing the specific service unit for each category of system improvements and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial, agricultural, and industrial, as appropriate."*

The "service unit" used for residential development is persons per housing unit (PPHU). This is a measure of, on average, the number of persons residing in each housing unit. As shown in Figure P1, there are 2.53 persons per single family detached unit, and 2.16 persons per multifamily unit. Factors have been calculate based on data provided by the U.S. Census Bureau's 2022 American Community Survey 5-year estimates (further discussed in Appendix B).

Figure P1. Residential Service Units

Residential Development	
Development Type	Persons per Housing Unit[1]
Single Family	**2.53**
Multi-Family	**2.16**

1. See Land Use Assumptions

TischlerBise recommends using nonresidential vehicle trips as the nonresidential "service unit" for Police facilities and equipment. Average weekday vehicle trip ends for nonresidential development are from the 10th edition of the reference book, Trip Generation, published in 2021 by the Institute of Transportation Engineers. A "trip end" represents a vehicle either entering or exiting a development (as if a traffic counter were placed across a driveway). Trip ends for nonresidential development are calculated per thousand square feet.

Trip generation rates are used for nonresidential development because vehicle trips are highest for retail developments, such as shopping centers, and lowest for industrial development. Office and institutional trip rates fall between the other two categories. This ranking of trip rates is consistent with the relative demand for public safety services from nonresidential development. Other possible nonresidential demand indicators, such as employment or floor area, will not accurately reflect the demand for service. For example, if employees per thousand square feet were used as the demand indicator, Police development fees would be disproportionately high for office and institutional development because offices typically have more employees per 1,000 square feet than retail uses.

The standard 50 percent adjustment is applied to office and industrial. A lower vehicle trip adjustment factor is used for retail and institutional land uses because this type of development attracts vehicles as they pass-by on arterial and collector roads. For example, when someone stops at a convenience store on their way home from work, the convenience store is not their primary destination. Further detail on vehicle trip factors can be found in Appendix B: Land Use Assumptions.

Figure P2. Nonresidential Service Units

Land Use	ITE Codes	Wkday Trip Ends Per 1,000 Sq. Ft.	Trip Adj. Factor	Vehicle Trips per 1,000 Sq. Ft.
Nonresidential (per 1,000 square feet)				
Industrial	110	4.87	50%	2.44
Retail	820	37.01	33%	12.21
Office	710	10.84	50%	5.42
Institutional	730	22.59	33%	7.45

Source: Institute of Transportation Engineers, Trip Generation, 11th Edition (2021)

Police Proportionate Share

Both residential and nonresidential developments increase the demand on Police facilities and vehicles. To calculate the proportional share between residential and nonresidential demand on facilities, the City's functional population split is used. The functional population approach allocates the cost of the facilities to residential and nonresidential development based on the activity of residents and workers in the City through the 24 hours in a day. Based on available data, the functional population calculation includes Citywide totals.

Residents that do not work are assigned 20 hours per day to residential development and 4 hours per day to nonresidential development (annualized averages). Residents that work in Fountain Inn are assigned 14 hours to residential development and 10 hours to nonresidential development. Residents that work outside the City are assigned 14 hours to residential development, the remaining hours in the day are assumed to be spent outside of the City working. Inflow commuters are assigned 10 hours to nonresidential development. Based on 2021 functional population data, residential development accounts for 81 percent of the functional population, while nonresidential development accounts for 19 percent, see Figure P3.

Figure P3. Fountain Inn Functional Population

Demand Units in 2021					
Residential				Demand Hours/Day	Person Hours
	Residents	10,163			
	Residents Not Working		1,062	20	21,240
	Employed Residents		9,101		
	Employed in Fountain Inn		3,972	14	55,608
	Employed Outside Fountain Inn		5,129	14	71,806
				Residential Subtotal	148,654
				Residential Share	**81%**
Nonresidential					
	Non-Working Residents		1,062	4	4,248
	Jobs Located in Fountain Inn		2,957		
	Residents Employed in Fountain Inn		304	10	3,040
	Non-Resident Workers (Inflow Commuters)		2,653	10	26,530
				Nonresidential Subtotal	33,818
				Nonresidential Share	**19%**
				Total	182,472

Source: U.S. Census Bureau, 2021 American Community Survey 5-Year Estimates (population); U.S. Census Bureau, OnTheMap 6.23.3 Application and LEHD Origin-Destination Employment Statistics, 2020

Police Level of Service & Cost Analysis

As shown in Figure P4, Police station space totals 6,722 square feet. To determine the level of service factors for the development impact fee, the functional population split is applied to the floor area, resulting in a 5,445 square foot share of floor area for service of residential demand and a 1,277 square foot share for service of nonresidential demand.

The current level of service is found by dividing the allocated floor area by the 2024 residential and nonresidential demand units (population and nonresidential vehicle trips). This results in LOS factors of 0.4377 square feet per person for residential uses and 0.1454 square feet per nonresidential vehicle trip for nonresidential uses.

Based on a 2024 staff estimate of costs to build a station component within a larger Main Street municipal complex, the construction cost of a police station averages $425 per square foot. To find the capital cost per person or per nonresidential vehicle trip, the level of service standards are applied to the average cost per square foot. For example, the residential cost per person is $186 (0.4377 square feet per person x $425 per square foot).

Figure P4. Police Station Facility Space Level of Service and Cost Factors

Description	Square Feet
Headquarters	6,500
Municipal Court	222
Total	**6,722**

Cost Factors	
New Station Cost per Square Foot	$425

Level-of-Service (LOS) Standards	
Existing Square Feet	6,722
Residential	
Residential Share	81%
Residential Square Feet	5,445
2024 Population	12,440
Square Feet per Person	0.4377
Cost per Person	$186
Nonresidential	
Nonresidential Share	19%
Nonresidential Square Feet	1,277
2024 Vehicle Trips	8,786
Square Feet per Vehicle Trip	0.1454
Cost per Vehicle Trip	$62

Source: Fountain Inn Police Department

As shown in Figure P5, the City's Police Department currently owns three dispatch consoles. To determine the level of service factors for the development impact fee, the functional population split is applied to this total, resulting in 2.4 dispatch consoles serving residential demand and 0.6 consoles serving nonresidential demand.

The current level of service is found by dividing the allocated units by the 2024 residential and nonresidential demand units (population and nonresidential vehicle trips) for the service area. Specifically, 0.0002 units per person and 0.0001 units per nonresidential vehicle trip.

Based on 2024 Fountain Inn Police estimates, the replacement cost of a dispatch console averages $100,000 per unit. To find the capital cost per person or per nonresidential vehicle trip, the level of service standards are applied to the average cost per console. For example, the residential cost per person is $20 (0.0002 units per person x $100,000 per unit).

Figure P5. Police Equipment Level of Service and Cost Factors

Description	Units	Unit Cost[1]	Total Cost
Dispatch Console	3	$100,000	$300,000
Total	**3**	**$100,000**	**$300,000**

Cost Factors	
Weighted Average Unit Cost	$100,000

Level-of-Service (LOS) Standards	
Existing Units	3
Residential	
Residential Share	81%
Residential Units	2.4
2024 Population	12,440
Units per Person	0.0002
Cost per Person	$20
Nonresidential	
Nonresidential Share	19%
Nonresidential Units	0.6
2024 Vehicle Trips	8,786
Units per Vehicle Trip	0.0001
Cost per Vehicle Trip	$6

1. 2024 cost provided by City of Fountain Inn Police Department.

Projection of Police Facility Growth-Related Facility Needs

Section 6-1-960(5) of the South Carolina Development Impact Fee Act requires:

> *"a description of all system improvements and their costs necessitated by and attributable to new development in the service area, based on the approved land use assumptions, to provide a level of service not to exceed the level of service currently existing in the community or service area, unless a different or higher level of service is required by law, court order, or safety consideration."*

Section 6-1-960(7) of the South Carolina Development Impact Fee Act requires:

> *"the projected demand for system improvements required by new service units projected over a reasonable period of time not to exceed twenty years."*

To estimate the 10-year growth needs for Police office space, the current level of service (0.4377 square feet per person and 0.1454 square feet per nonresidential vehicle trip) is applied to the residential and nonresidential growth projected for Fountain Inn. The City is projected to increase by 10,350 residents and 7,310 nonresidential vehicle trips over the next ten years (see Appendix B). Listed in Figure P6, there will be a need for 5,593 square feet of Police station space to accommodate future growth-related needs.

By applying the average cost ($425 per square feet), the total expenditure for the growth is estimated to be $2,376,923 (5,593 square feet x $425).

Figure P6. 10-Year Police Station Needs to Accommodate Growth

Type of Infrastructure	Level of Service	Demand Unit	Cost per Sq Ft
Police Facilities	0.4377 Square Feet	per Person	$425
	0.1454 Square Feet	per Vehicle Trip	

Demand for Police Facilities					
Year	Population	Vehicle Trips	Square Feet		
			Residential	Nonresidential	Total
2024	12,440	8,786	5,445	1,277	6,722
2025	13,475	9,517	5,898	1,383	7,281
2026	14,510	10,248	6,351	1,490	7,841
2027	15,545	10,979	6,804	1,596	8,400
2028	16,580	11,710	7,257	1,702	8,959
2029	17,614	12,441	7,710	1,808	9,518
2030	18,649	13,172	8,163	1,915	10,078
2031	19,684	13,903	8,616	2,021	10,637
2032	20,719	14,634	9,069	2,127	11,196
2033	21,754	15,366	9,522	2,234	11,755
2034	22,789	16,097	9,975	2,340	12,315
10-Yr Increase	10,350	7,310	4,530	1,063	5,593

Growth-Related Expenditures	$1,925,308	$451,615	$2,376,923

To estimate the 10-year growth needs for Police equipment, the current level of service (0.0002 units per person and 0.0001 units per nonresidential vehicle trip) is applied to the residential and nonresidential growth projected for Fountain Inn. The City is projected to increase by 10,350 residents and 7,310 nonresidential vehicle trips over the next ten years (see Appendix B). Listed in Figure P7, there will be a need for 2.5 new dispatch consoles to accommodate future growth-related demand. By applying the average cost ($100,000 per unit), the total expenditure for the growth is estimated to be $249,603 (2.5 x $100,000).

Figure P7. 10-Year Police Equipment Needs to Accommodate Growth

Type of Infrastructure	Level of Service	Demand Unit	Cost per Unit
Police Equipment	0.0002 Units	per Person	$100,000
	0.0001 Units	per Vehicle Trip	

Demand for Police Equipment					
Year	Population	Vehicle Trips	Units		
			Residential	Nonresidential	Total
2024	12,440	8,786	2.4	0.6	3.0
2025	13,475	9,517	2.6	0.6	3.2
2026	14,510	10,248	2.8	0.7	3.5
2027	15,545	10,979	3.0	0.7	3.7
2028	16,580	11,710	3.2	0.8	4.0
2029	17,614	12,441	3.4	0.8	4.2
2030	18,649	13,172	3.6	0.9	4.5
2031	19,684	13,903	3.8	0.9	4.7
2032	20,719	14,634	4.0	0.9	5.0
2033	21,754	15,366	4.2	1.0	5.2
2034	22,789	16,097	4.5	1.0	5.5
10-Yr Increase	10,350	7,310	2.0	0.5	2.5

Growth-Related Expenditures	$202,178	$47,424	$249,603

Maximum Supportable Police Development Impact Fee

Figure P8 shows the maximum supportable Police Development Impact Fee. Development impact fees for Police are based on household sizes for residential development and vehicle trips per 1,000 square feet for nonresidential development. Differentiating the fee by housing type allows the results to be more exact about the level of demand (persons per housing unit) a residential development will place on the current infrastructure based on level of service standards. For residential development, the total cost per person is multiplied by the household size to calculate the proposed fee. For nonresidential development, the total cost per vehicle trip is multiplied by the trips per 1,000 square feet to calculate the proposed fee.

The fees represent the highest amount supportable for each type of development, which represents new growth's fair share of the cost for capital facilities. The City may adopt fees that are less than the amounts shown. However, a reduction in development impact fee revenue will necessitate an increase in other revenues, a decrease in planned capital expenditures, and/or a decrease in levels of service.

Figure P8. Maximum Supportable Police Development Impact Fee

Fee Component	Cost per Person	Cost per Trip
Police Facilities	$186	$62
Police Equipment	$20	$6
Total	**$206**	**$68**

Residential Fees per Unit		
Development Type	Persons per Housing Unit[1]	Proposed Fees
Single Family	2.53	**$521**
Multi-Family	2.16	**$444**

Nonresidential Fees per 1,000 Square Feet		
Development Type	Vehicle Trips per 1,000 Sq Ft[1]	Proposed Fees
Industrial	2.44	**$166**
Commercial/Retail	12.21	**$834**
Office	5.42	**$370**
Institutional	7.45	**$509**

1. See Land Use Assumptions

Revenue from Police Development Impact Fee

Revenue from the Police Development Impact Fee is estimated in Figure P9. There are projected to be 4,182 new housing units and 1,130,000 new nonresidential square feet in the service area by 2034. To find the revenue, the fee is multiplied by the growth. For example, single family development is estimated to generate $1,834,886 million in revenue ($521 x 3,524 units).

Also shown in the figure is the total growth-related cost ($2.63 million). The total cost represents the growth-related needs in the City of Fountain inn for police facilities and equipment. In total, police impact fees are expected to generate $2.63 million over ten years.

Figure P9. Estimated Revenue from Police Development Impact Fee

Fee Component	Growth Share	Total
Police Facilities	$2,376,923	$2,376,923
Police Equipment	$249,603	$249,603
Total	$2,626,526	$2,626,526

		Single Family $521	Multi-Family $444	Industrial $166	Comm./Retail $834	Office $370	Institutional $509
Year		Hsg Unit	Hsg Unit	KSF	KSF	KSF	KSF
Base	2024	4,211	820	571	412	209	165
Year 1	2025	4,563	886	619	446	227	179
Year 2	2026	4,916	952	666	480	244	193
Year 3	2027	5,268	1,018	714	514	262	207
Year 4	2028	5,621	1,083	762	549	279	220
Year 5	2029	5,973	1,149	809	583	296	234
Year 6	2030	6,325	1,215	857	617	314	248
Year 7	2031	6,678	1,281	904	651	331	262
Year 8	2032	7,030	1,347	952	686	349	275
Year 9	2033	7,383	1,413	999	720	366	289
Year 10	2034	7,735	1,478	1,047	754	384	303
10-Year Increase		3,524	658	475	342	174	138
Projected Revenue		$1,834,886	$292,600	$79,024	$285,142	$64,454	$70,002

Projected Fee Revenue	$2,626,109
Total Expenditures	$2,626,526

FIRE DEVELOPMENT IMPACT FEE ANALYSIS

Methodology

Section 6-1-920(18f) of the South Carolina Development Impact Fee Act states that a development impact fee may be imposed on public facilities including:

> *"…public safety facilities, including law enforcement, fire, emergency medical and rescue, and street lighting facilities."*

The Fire Development Impact Fee includes components:

- Fire stations
- Fire apparatus

An incremental expansion methodology is used for each component. Costs are allocated to both residential and nonresidential development using different demand indicators for each type of development.

Section 6-1-960(1) of the South Carolina Development Impact Fee Act requires:

> *"a general description of all existing facilities and their existing deficiencies, within the service area or areas of the governmental entity, a reasonable estimate of all costs, and a plan to develop the funding resources, including existing sources of revenues, related to curing existing deficiencies including, but not limited to, the upgrading, updating, improving, expanding, or replacing of these facilities to meet existing needs and usage."*

Section 6-1-960(2) of the South Carolina Development Impact Fee Act requires:

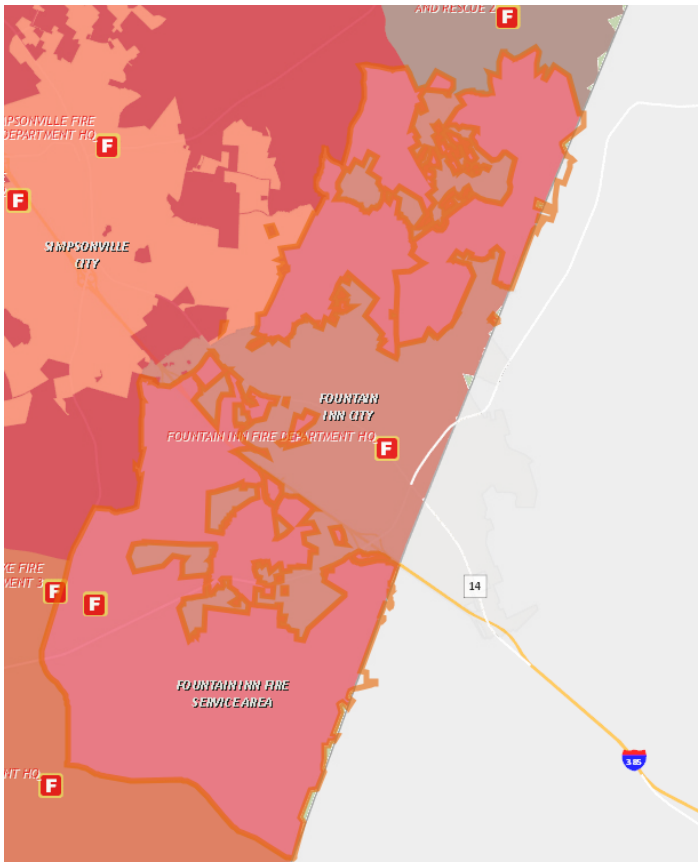
> *"an analysis of total capacity, the level of current usage, and commitments for usage of capacity of existing public facilities, which must be prepared by qualified a professional using generally accepted principles and professional standards."*

Residential development impact fees are calculated on a per capita basis, then converted to an appropriate amount for each type of housing unit based on persons per housing unit factors. Nonresidential development impact fees are calculated using nonresidential vehicle trips. Trip generation rates are highest for commercial/retail development and lowest for industrial development, whereas trip rates for office and institutional development fall between the other two categories. Using vehicle trip rates ensures that development impact fees are consistent with the relative demand for fire services from nonresidential development.

Fire Service Area

As shown in Figure F1, the City of Fountain Inn Dire Department services the Fountain Inn Fire District, which includes areas beyond the City limits. Specifically, the Fire District is comprised of county taxing districts 696, 697, 698, and 699, which have a combined area of 20.42 square miles.

Figure 1: Fountain Inn Fire District Area



Fire Service Units

Section 6-1-960(4) of the South Carolina Development Impact Fee Act requires:

> *"a definitive table establishing the specific service unit for each category of system improvements and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial, agricultural, and industrial, as appropriate."*

The "service unit" used for residential development is persons per housing unit (PPHU). This is a measure of, on average, the number of persons residing in each housing unit. As shown in Figure F2, there are 2.53 persons per single family detached unit, and 2.16 persons per multifamily unit. Factors have been calculate based on data provided by the U.S. Census Bureau's 2022 American Community Survey 5-year estimates (further discussed in Appendix B).

Figure F2. Residential Service Units

Residential Development	
Development Type	Persons per Housing Unit[1]
Single Family	**2.53**
Multi-Family	**2.16**

1. See Land Use Assumptions

TischlerBise recommends using nonresidential vehicle trips as the nonresidential "service unit" for Fire infrastructure. Average weekday vehicle trip ends for nonresidential development are from the 11th edition of the reference book, Trip Generation, published in 2021 by the Institute of Transportation Engineers. A "trip end" represents a vehicle either entering or exiting a development (as if a traffic counter were placed across a driveway). Trip ends for nonresidential development are calculated per thousand square feet.

Trip generation rates are used for nonresidential development because vehicle trips are highest for retail developments, such as shopping centers, and lowest for industrial development. Office and institutional trip rates fall between the other two categories. This ranking of trip rates is consistent with the relative demand for public safety services from nonresidential development. Other possible nonresidential demand indicators, such as employment or floor area, will not accurately reflect the demand for service. For example, if employees per thousand square feet were used as the demand indicator, fire development impact fees would be disproportionately high for office and institutional development because offices typically have more employees per 1,000 square feet than retail uses.

The standard 50 percent adjustment is applied to office and industrial. A lower vehicle trip adjustment factor is used for retail and institutional land uses because this type of development attracts vehicles as they pass-by on arterial and collector roads. For example, when someone stops at a convenience store on their way home from work, the convenience store is not their primary destination. Further detail on vehicle trip factors can be found in Appendix B: Land Use Assumptions.

Figure F3. Nonresidential Service Units

Land Use	ITE Codes	Wkday Trip Ends Per 1,000 Sq. Ft.	Trip Adj. Factor	Vehicle Trips per 1,000 Sq. Ft.
Nonresidential (per 1,000 square feet)				
Industrial	110	4.87	50%	2.44
Retail	820	37.01	33%	12.21
Office	710	10.84	50%	5.42
Institutional	730	22.59	33%	7.45

Source: Institute of Transportation Engineers, Trip Generation, 11th Edition (2021)

Fire Service Area Growth Projections

TischlerBise estimates the base year population of Fountain Inn Fire District in 2024 to be 16,499 persons and the base year housing stock to be 6,701 units. TischlerBise then applied a 6.2% annual population growth rate observed in the City of Fountain Inn to the Fire District to project population and housing unit

growth through 2034. As shown in Figure F4, the Fountain Inn Fire District population is projected to increase by 13,727 persons and 5,575 housing units over the next ten years.

Figure F4. Fountain Inn Fire District Residential Growth Projections

Fountain Inn Fire District	2024	2025	2026	2027	2028	2029	2034	10-Year
	Base Year	1	2	3	4	5	10	Increase
Resident Population								
Single Family	13,127	13,946	14,816	15,741	16,723	17,767	24,048	10,921
Multi-Family	3,372	3,582	3,806	4,044	4,296	4,564	6,178	2,806
Total	**16,499**	**17,528**	**18,622**	**19,784**	**21,019**	**22,331**	**30,225**	**13,727**
Housing Units								
Single Family	5,182	5,506	5,849	6,214	6,602	7,014	9,494	4,312
Multi-Family	1,560	1,657	1,760	1,870	1,987	2,111	2,857	1,298
Total	**6,701**	**7,119**	**7,564**	**8,036**	**8,537**	**9,070**	**12,276**	**5,575**

Nonresidential growth projections are shown below in Figure F5. To project nonresidential growth within the Fountain Inn Fire District, TischlerBise calculated the base year employment by applying the 0.24 jobs to population ratio observed within the City of Fountain Inn to the Fire District population (Appendix B), resulting in a total of 3,918 total jobs in 2024. The jobs to population ratio is held constant over the ten year analysis period. In total, the District is projected to add 3,260 jobs over the next ten years.

TischlerBise then allocated the number of jobs for each nonresidential land use type proportionately based on the 2024 ESRI employment data shown in Appendix B. Using ITE employment density factors shown in Appendix B, the base year square footage for each nonresidential land use type was calculated. In total, the District is projected to see an increase of 1.498 million square feet over the next ten years. Finally, TischlerBise applied the vehicle trips factors listed in Appendix B to the total square footage for each type of nonresidential land use to calculate the total number of nonresidential vehicle trips. The District is expected to see an increase of 10,537 nonresidential vehicle trips over the next ten years.

Figure F5. Fountain Inn Fire District Nonresidential Growth Projections

Fountain Inn Fire District	2024	2025	2026	2027	2028	2029	2034	10-Year
	Base Year	1	2	3	4	5	10	Increase
Employment								
Industrial	1,190	1,264	1,343	1,427	1,516	1,610	2,180	990
Commercial/Retail	1,159	1,232	1,308	1,390	1,477	1,569	2,124	964
Office	905	961	1,021	1,085	1,152	1,224	1,657	753
Institutional	664	706	750	797	847	899	1,217	553
Total	**3,918**	**4,162**	**4,422**	**4,698**	**4,991**	**5,303**	**7,178**	**3,260**
Nonres. Floor Area (x1,000)								
Industrial	758	805	855	909	965	1,026	1,388	631
Commercial/Retail	546	580	616	655	696	739	1,000	454
Office	278	295	313	333	354	376	509	231
Institutional	219	233	248	263	279	297	402	182
Total	**1,801**	**1,913**	**2,033**	**2,159**	**2,294**	**2,437**	**3,299**	**1,498**
Nonres. Trips per 1,000 SF								
Industrial	1,849	1,965	2,087	2,217	2,356	2,503	3,388	1,538
Commercial/Retail	7,676	8,155	8,664	9,205	9,780	10,390	14,063	6,387
Office	1,505	1,599	1,699	1,805	1,917	2,037	2,757	1,252
Institutional	1,634	1,736	1,844	1,959	2,081	2,211	2,993	1,359
Total	**12,664**	**13,455**	**14,294**	**15,186**	**16,134**	**17,141**	**23,201**	**10,537**

Fire Proportionate Share

Both residential and nonresidential developments increase the demand on Fire facilities. To calculate the proportional share between residential and nonresidential demand on facilities, the City's functional population split is used. The functional population approach allocates the cost of the facilities to residential and nonresidential development based on the activity of residents and workers in the City through the 24 hours in a day. Based on available data, the functional population calculation includes Citywide totals.

Residents that do not work are assigned 20 hours per day to residential development and 4 hours per day to nonresidential development (annualized averages). Residents that work in Fountain Inn City are assigned 14 hours to residential development and 10 hours to nonresidential development. Residents that work outside the City are assigned 14 hours to residential development, the remaining hours in the day are assumed to be spent outside of the City working. Inflow commuters are assigned 10 hours to nonresidential development. Based on 2021 functional population data, residential development accounts for 81 percent of the functional population, while nonresidential development accounts for 19 percent, see Figure F6.

Figure F6. Fountain Inn Functional Population

Demand Units in 2021					
Residential				Demand Hours/Day	Person Hours
	Residents	10,163			
	Residents Not Working		1,062	20	21,240
	Employed Residents		9,101		
	Employed in Fountain Inn		3,972	14	55,608
	Employed Outside Fountain Inn		5,129	14	71,806
				Residential Subtotal	148,654
				Residential Share	**81%**
Nonresidential					
	Non-Working Residents		1,062	4	4,248
	Jobs Located in Fountain Inn		2,957		
	Residents Employed in Fountain Inn		304	10	3,040
	Non-Resident Workers (Inflow Commuters)		2,653	10	26,530
				Nonresidential Subtotal	33,818
				Nonresidential Share	**19%**
				Total	182,472

Source: U.S. Census Bureau, 2021 American Community Survey 5-Year Estimates (population); U.S. Census Bureau, OnTheMap 6.23.3 Application and LEHD Origin-Destination Employment Statistics, 2020

Fire Level of Service & Cost Analysis

As shown in Figure F7, there are two fire stations that provide service to the Fountain Inn fire service area, which includes unincorporated areas outside the city limits. To determine the level of service factors for the development impact fee, Fire Station floor area is allocated to residential and nonresidential demand based on the functional population analysis. Thus, 8,505 square feet are allocated to residential demand and 1,995 square feet are allocated to nonresidential demand.

The current level of service is found by dividing the allocated floor area by the 2024 residential and nonresidential demand units (population and nonresidential vehicle trips) for the service area. This results in LOS factors of 0.5155 square feet per person and 0.1712 square feet per nonresidential vehicle trip.

Based on 2024 Fountain Inn Fire Department estimates of the cost to construct a typical 8,000 square foot fire station, the average construction cost for a station is $500 per square foot. To find the capital cost per person or per nonresidential vehicle trip, the level of service standards are applied to the average cost per square foot. For example, the residential cost per person is $258 (.5115 square feet per person x $500 per square foot).

Figure F7. Fire Station Level of Service and Cost Factors

Description	Square Feet
Station #1	7,500
Station #2	3,000
Total	**10,500**

Cost Factors	
New Station Cost per Square Foot	$500

Level-of-Service (LOS) Standards	
Existing Square Feet	10,500
Residential	
Residential Share	81%
Residential Sq. Ft.	8,505
2024 Fire District Population	16,499
Square Feet per Person	0.5155
Cost per Person	$258
Nonresidential	
Nonresidential Share	19%
Nonresidential Sq. Ft.	1,995
2024 Fire District Vehicle Trips	11,653
Square Feet per Vehicle Trip	0.1712
Cost per Vehicle Trip	$86

Source: Fountain Inn Fire and Rescue

Figure F8 shows the level of service (LOS) factors for the Fountain Inn fire apparatus. Of the total fire fleet (11 vehicles), 9 vehicles are allocated to residential demand and 2 vehicles are allocated to nonresidential demand.

The level of service is found by dividing the allocated vehicles by the 2024 residential and nonresidential demand units (population and nonresidential vehicle trips) for the service area. Specifically, 0.0005 vehicles per person and 0.0002 vehicles per nonresidential vehicle trip.

From the Fire Department, the average replacement cost of a vehicle is $460,909. To find the capital cost per person and per nonresidential vehicle trip, the level of service standards are applied to the average cost per vehicle. For example, the residential cost per person is $249 (0.0005 vehicles per person x $460,909).

Figure F8. Fire Vehicle Level of Service and Cost Factors

Description	Units	Unit Cost[1]	Total Cost
Engine	4	$750,000	$3,000,000
100' Ladder	1	$1,400,000	$1,400,000
Brush Truck (F-550)	1	$160,000	$160,000
QRV (F-250)	1	$110,000	$110,000
Admin Vehicles	3	$100,000	$300,000
Boat	1	$100,000	$100,000
Total	**11**	**$460,909**	**$5,070,000**

Cost Factors	
Average Unit Cost	$460,909

Level-of-Service (LOS) Standards	
Existing Units	11
Residential	
Residential Share	81%
Residential Vehicles	9
2024 Fire District Population	16,499
Units per Person	0.0005
Cost per Person	$249
Nonresidential	
Nonresidential Share	19%
Nonresidential Vehicles	2
2024 Fire District Vehicle Trips	11,653
Units per Vehicle Trip	0.0002
Cost per Vehicle Trip	$83

Projection of Fire Facility Growth-Related Facility Needs

Section 6-1-960(B)(5) of the South Carolina Development Impact Fee Act requires:

> *"a description of all system improvements and their costs necessitated by and attributable to new development in the service area, based on the approved land use assumptions, to provide a level of service not to exceed the level of service currently existing in the community or service area, unless a different or higher level of service is required by law, court order, or safety consideration."*

Section 6-1-960(B)(7) of the South Carolina Development Impact Fee Act requires:

> *"the projected demand for system improvements required by new service units projected over a reasonable period of time not to exceed twenty years."*

To estimate the 10-year growth needs for fire stations, the current level of service (0.5155 square feet per person and 0.1712 square feet per nonresidential vehicle trip) is applied to the residential and nonresidential growth projected for Fountain Inn. The service area is projected to increase by 13,727 residents and 9,696 nonresidential vehicle trips over the next ten years (see Appendix B). Listed in Figure F9, there will be a need for 8,736 new fire station square feet to accommodate future demands. By applying the average cost of a station ($500 per square feet), the total expenditure the growth related cost is estimated to be $4,368,044 (8,736 square feet x $500).

Figure F9. 10-Year Fire Station Needs to Accommodate Growth

Type of Infrastructure	Level of Service	Demand Unit	Cost per Sq Ft
Fire Facilities	0.5155 Square Feet	per Person	$500
	0.1712 Square Feet	per Trip	

Demand for Fire Facilities					
Year	Fire District Population	Fire District Vehicle Trips	Square Feet		Square Feet
			Residential	Nonresidential	Total
2024	16,499	11,653	8,505	1,995	10,500
2025	17,528	12,380	9,036	2,120	11,155
2026	18,622	13,153	9,600	2,252	11,852
2027	19,784	13,974	10,199	2,392	12,591
2028	21,019	14,846	10,835	2,542	13,377
2029	22,331	15,773	11,512	2,700	14,212
2030	23,725	16,757	12,230	2,869	15,099
2031	25,205	17,803	12,993	3,048	16,041
2032	26,779	18,914	13,804	3,238	17,042
2033	28,450	20,095	14,666	3,440	18,106
2034	30,225	21,349	15,581	3,655	19,236
10-Yr Increase	13,727	9,696	7,076	1,660	8,736
Growth-Related Expenditures			$3,538,116	$829,928	$4,368,044

To estimate the 10-year growth needs for Fire apparatus, the current level of service (0.0005 apparatus per person and 0.0002 units per nonresidential vehicle trip) is applied to the residential and nonresidential growth projected for Fountain Inn. The service area is projected to increase by 13,727 residents and 9,696 nonresidential vehicle trips over the next ten years (see Appendix B). Listed in Figure F10, there will be a need for 9.2 new pieces of apparatus to accommodate future demands. By applying the average cost of a piece of apparatus ($460,909), the total expenditure for the growth is estimated to be $4,218,283 (9.2 apparatus x $460,909).

Figure F10. 10-Year Fire Apparatus Needs to Accommodate Growth

Type of Infrastructure	Level of Service	Demand Unit	Cost per Unit
Fire Apparatus	0.0005 Units	Per Person	$460,909
	0.0002 Units	Per Vehicle Trip	

Demand for Fire Apparatus					
Year	Fire District Population	Fire District Vehicle Trips	Units		
			Residential	Nonresidential	Total
2024	16,499	11,653	8.9	2.1	11.0
2025	17,528	12,380	9.5	2.2	11.7
2026	18,622	13,153	10.1	2.4	12.4
2027	19,784	13,974	10.7	2.5	13.2
2028	21,019	14,846	11.4	2.7	14.0
2029	22,331	15,773	12.1	2.8	14.9
2030	23,725	16,757	12.8	3.0	15.8
2031	25,205	17,803	13.6	3.2	16.8
2032	26,779	18,914	14.5	3.4	17.9
2033	28,450	20,095	15.4	3.6	19.0
2034	30,225	21,349	16.3	3.8	20.2
10-Yr Increase	13,727	9,696	7.4	1.7	9.2
Growth-Related Expenditures			$3,416,809	$801,474	$4,218,283

Maximum Supportable Fire Development Impact Fee

Figure F11 shows the maximum supportable Fire Development Impact Fee. Development impact fees for Fire are based on household sizes for residential development and vehicle trips per 1,000 square feet for nonresidential development. Differentiating the fee by housing type allows the results to be more exact about the level of demand (persons per housing unit) a residential development will place on the current infrastructure based on level of service standards. For residential development, the total cost per person is multiplied by the household size to calculate the proposed fee. For nonresidential development, the total cost per vehicle trip is multiplied by the trips per 1,000 square feet to calculate the proposed fee.

The fees represent the highest amount supportable for each type of development, which represents new growth's fair share of the cost for capital facilities. The City may adopt fees that are less than the amounts shown. However, a reduction in development impact fee revenue will necessitate an increase in other revenues, a decrease in planned capital expenditures, and/or a decrease in levels of service.

Figure F11. Maximum Supportable Fire Development Impact Fee

Fee Component	Cost per Person	Cost per Trip
Fire Facilities	$258	$86
Fire Apparatus	$249	$83
Total	**$507**	**$168**

Residential Fees per Unit		
Development Type	Persons per Housing Unit[1]	Proposed Fees
Single Family	2.53	**$1,283**
Multi-Family	2.16	**$1,096**

Nonresidential Fees per 1,000 Square Feet		
Development Type	Vehicle Trips per 1,000 Sq Ft[1]	Proposed Fees
Industrial	2.44	**$410**
Commercial/Retail	12.21	**$2,055**
Office	5.42	**$912**
Institutional	7.45	**$1,254**

1. See Land Use Assumptions

Revenue from Fire Development Impact Fee

Revenue from the Fire Development Impact Fee is estimated in Figure F12. Since Fountain Inn can only collect impact fees on developments within the City limits, only residential units and nonresidential floor area within the City limits are included in the revenue calculation. There are projected to be 4,182 new housing units and 1,130,000 new nonresidential square feet in the City by 2034. To find the revenue, the fee is multiplied by the growth. For example, single family development is estimated to generate about $4.52 million in revenue ($1,283 x 3,524 units).

Also shown in the figure is the total growth-related cost ($8.59 million). In total, fire impact fees are expected to generate $6.47 million in revenue.

Figure F12. Estimated Revenue from Fire Development Impact Fee

Fee Component	Growth Share	Total
Fire Facilities	$4,368,044	$4,368,044
Fire Apparatus	$4,218,283	$4,218,283
Total	**$8,586,327**	**$8,586,327**

Year		Single Family $1,283 per unit	Multi-Family $1,096 per unit	Industrial $410 per KSF	Comm./Retail $2,055 per KSF	Office $912 per KSF	Institutional $1,254 per KSF
		Hsg Unit	Hsg Unit	KSF	KSF	KSF	KSF
Base	2024	4,211	820	571	412	209	165
Year 1	2025	4,563	886	619	446	227	179
Year 2	2026	4,916	952	666	480	244	193
Year 3	2027	5,268	1,018	714	514	262	207
Year 4	2028	5,621	1,083	762	549	279	220
Year 5	2029	5,973	1,149	809	583	296	234
Year 6	2030	6,325	1,215	857	617	314	248
Year 7	2031	6,678	1,281	904	651	331	262
Year 8	2032	7,030	1,347	952	686	349	275
Year 9	2033	7,383	1,413	999	720	366	289
Year 10	2034	7,735	1,478	1,047	754	384	303
10-Year Increase		3,524	658	475	342	174	138
Projected Revenue		$4,522,673	$721,208	$194,781	$703,853	$158,685	$173,100

Projected Fee Revenue	$6,474,300
Existing Development Share	$2,112,026
Total Expenditures	$8,586,327

CAPITAL IMPROVEMENT PLAN

Section 6-1-930(A) of the South Carolina Development Impact Fee Act requires:

> *"If a governmental entity has not adopted a comprehensive plan but has adopted a capital improvements plan which substantially complies with the requirements of Section 6-1-960(B), then it may impose a development impact fee."*

Section 6-1-960(B)(5) of the South Carolina Development Impact Fee Act requires:

> *"a description of all system improvements and their costs necessitated by and attributable to new development in the service area, based on the approved land use assumptions, to provide a level of service not to exceed the level of service currently existing in the community or service area, unless a different or higher level of service is required by law, court order, or safety consideration."*

Along with the impact fee analysis, this report represents the City of Fountain Inn's Capital Improvement Plan. The Plan includes a list of 10-year capital facility needs for Parks & Recreation, Fire, and Police departments. The 10-year facility needs list represents the additional capital improvements necessary to accommodate the projected growth at the levels of service established in the impact fee analysis. Further details about the levels of service and calculations can be found in their respective chapters.

To respond to demand for Parks and Recreation facilities, the City of Fountain Inn plans to incrementally construct new park land and improvements. As shown in Figure CIP1, the estimated cost is $5.45 million.

Figure CIP1: Parks & Recreation Capital Improvement Plan

Type of Infrastructure	Units	10-Year Need	City Cost
Parks & Recreation Department			
Park Land	Acres	21.5	$536,853
Park Improvements	Units	323.7	$4,910,098
		Total Parks & Recreation Cost	$5,446,951
		Projected Impact Fee Revenue	$5,446,951
		Non-Impact Fee Funding	$0

To respond to demand for Police facilities, the City of Fountain Inn plans to incrementally construct new station and purchase new dispatch equipment. As shown in Figure CIP2, the estimated cost is $2.63 million.

Figure CIP2: Police Capital Improvement Plan

Type of Infrastructure	Units	10-Year Need	City Cost
Police Department			
Police Station	Square Feet	5,593	$2,376,923
Dispatch Equipment	Consoles	2.5	$249,603
		Total Police Cost	$2,626,526
		Projected Impact Fee Revenue	$2,626,109
		Non-Impact Fee Funding	($417)

To respond to demand for Fire facilities, the City of Fountain Inn plans to incrementally construct new station capacity and purchase new vehicles. As shown in Figure CIP3, the estimated cost is $8.59 million. The analysis indicates that 75 percent of the need for these facilities is city growth-related. The remainder of the costs are associated with growth occurring outside the city limits.

Figure CIP3: Fire Capital Improvement Plan

Type of Infrastructure	Units	10-Year Need	City Cost
Fire Department			
Fire Stations	Square Feet	8,736	$4,368,044
Fire Apparatus	Vehicles	9.2	$4,218,283
		Total Fire Cost	$8,586,327
		Projected Impact Fee Revenue	$6,474,300
		Non-Impact Fee Funding	($2,112,026)

Figure CIP4 summarizes the total ten-year need and projected impact fee revenue for Fountain Inn's Parks and Recreation, Police, and Fire departments. In total, impact fees are expected to generate $14.5 million over 10 years. Over the same period, the City will need to identify $2.11 in additional funding to close the capital shortfall for infrastructure improvements.

Figure CIP4: Capital Improvement Plan Summary

Type of Infrastructure	10-Year CIP Cost	Impact Fee Revenue	Non-Impact Fee Funding
Parks & Recreation Department	$5,446,951	$5,446,951	$0
Police Department	$2,626,526	$2,626,109	$417
Fire Department	$8,586,327	$6,474,300	$2,112,026
Total	**$16,659,803**	**$14,547,361**	**$2,112,443**

IMPLEMENTATION AND ADMINISTRATION

Annual Fee Adjustment

The development impact fees shall be adjusted annually to reflect the effects of inflation on the costs for facilities. The fee schedule shall be adjusted using the Construction Cost Index calculated by the Engineering New Record (ENR). ENR is a trade journal which uses generally accepted engineering and accounting methods to produce a construction cost index. For each such adjustment, the development impact fees shall be multiplied by a fraction, the numerator of which is the ENR Construction Cost Index for the most recent month for which figures are available, and the denominator of which is the ENR Construction Cost Index for the period one year prior to the period reflected in the numerator. This is a generally accepted methodology of annually adjusting development impact fees to ensure that the fee is proportionate to the demand from future growth.

Credits and Reimbursements

A general requirement that is common to development impact fee methodologies is the evaluation of credits. A revenue credit may be necessary to avoid potential double payment situations arising from one-time development impact fees plus on-going payment of other revenues that may also fund growth-related capital improvements. The determination of revenue credits is dependent upon the development impact fee methodology used in the cost analysis and local government policies.

Policies and procedures related to site-specific credits should be addressed in the resolution or ordinance that establishes the development impact fees. Project-level improvements, required as part of the development approval process, are not eligible for credits against development impact fees. If a developer constructs a system improvement included in the fee calculations, it will be necessary to either reimburse the developer or provide a credit against the fees due from that development. The latter option is more difficult to administer because it creates unique fees for specific geographic areas.

APPENDIX A: HOUSING AFFORDABILITY ANALYSIS

Section 6-1-930(2) of the South Carolina Development Impact Fee Act requires:

> *"Before imposing a development impact fee on residential units, a governmental entity shall prepare a report which estimates the effect of recovering capital costs through impact fees on the availability of affordable housing within the political jurisdiction of the governmental entity."*

In accordance with South Carolina Development Impact Fee Act, this chapter estimates the effects of imposing the maximum supportable development impact fees on the affordability of housing in Fountain Inn. The analysis will examine the current housing expenses that burden an average household in the City. Next, the maximum supportable development impact fee will be included in the cost burden analysis to identify the effect the proposed development impact fees will have on affordable housing.

Maximum Supportable Development Impact Fee

The development impact fees found in Figure A1 represent the highest amount supportable for housing units by housing type, which represents new growth's fair share of the cost for capital facilities. The City may adopt fees that are less than the amounts shown. However, a reduction in development impact fee revenue will necessitate an increase in other revenues, a decrease in planned capital expenditures, and/or a decrease in levels of service. The housing affordability analysis will assume a conservative condition for assessing the effect of the development impact fee on monthly mortgages in Fountain Inn (i.e., the maximum supportable development impact fee amount). If the City Council were to choose a lower development impact fee amount, the results presented in this section of the report would improve.

Figure A1. Maximum Supportable Development Impact Fee

Residential Fees per Unit				
Development Type	Fire	Parks and Recreation	Police	Total
Single Family	$1,283	$1,333	$521	**$3,137**
Multi-Family	$1,096	$1,138	$444	**$2,678**

Impact on Monthly Mortgage

The South Carolina Development Impact Fee Act requires preparation of a report that estimates the effect of imposing development impact fees on housing affordability in the jurisdiction. As shown in Figure A2, TischlerBise calculated the effect of the maximum allowable development impact fee on a monthly mortgage at different interest rates. For example, the proposed single-family development impact fee of $3,137 increases a mortgage with an interest rate of 2.5 percent by $12.40 per month. For a mortgage with an interest rate of 8.0 percent, the cost is $23.02 per month.

Figure A2. Monthly Payment Sensitivity Analysis

Monthly Payment Calculation							
Single-Family Unit	**Scenario 1**	**Scenario 2**	**Scenario 3**	**Scenario 4**	**Scenario 5**	**Scenario 6**	**Scenario 7**
Maximum Allowable Fee	$3,137	$3,137	$3,137	$3,137	$3,137	$3,137	$3,137
Loan Term (Years)	30	30	30	30	30	30	30
Interest Rate (Annual)	2.50%	3.00%	4.00%	5.00%	6.00%	7.00%	8.00%
Monthly Cost	**$12.40**	**$13.23**	**$14.98**	**$16.84**	**$18.81**	**$20.87**	**$23.02**

APPENDIX B: LAND USE ASSUMPTIONS

As part of our Work Scope, TischlerBise has prepared documentation on demographic data and development projections that will be used in the Fountain Inn Development Impact Fee Study. The data estimates and projections are used in the study's calculations and to illustrate the possible future pace of service demands on the City's infrastructure. Furthermore, this chapter demonstrates the history of development and base year development levels in Fountain Inn. The base year assumptions are used in the impact fee calculations to determine current levels of service.

This chapter includes discussion and findings on:

- Household/housing unit size
- Current housing unit and population estimates
- Residential projections
- Current nonresidential floor area and employment estimates
- Nonresidential projections
- Functional population
- Current and projected daily vehicle trips

Study Area

It is essential for an impact fee study to have an appropriate study area. The study area defines the level of service calculations and capacity needs. The service area for parks and police is contained by the City's borders, as of December 1, 2024. The service area for the fire department is the 2024 Fountain Inn Fire District boundary.

Population and Housing Characteristics

Impact fees often use per capita standards and persons per housing unit or persons per household to derive proportionate share fee amounts. Housing types have varying household sizes and, consequently, a varying demand on City infrastructure and services. Thus, it is important to differentiate between housing types and size.

Housing types have different characteristics which results in a different demand on City facilities and services. In the development impact fee schedule, there will be two housing types included: single family and multifamily. PPHU factors were calculated using American Community Survey data available through the U.S. Census Bureau.

When persons per housing unit (PPHU) is used in the development impact fee calculations, infrastructure standards are derived using year-round population. In contrast, when persons per household (PPHH) is used in the development impact fee calculations, the fee methodology assumes all housing units will be occupied, thus requiring seasonal or peak population to be used when deriving infrastructure standards. TischlerBise recommends that fees for residential development in Fountain Inn be imposed according to persons per housing unit.

Figure B1 shows US Census American Community Survey 2022 5-Year Estimates data for Fountain Inn. Single family units have a size of 2.53 persons per unit and multifamily units have a size of 2.16 persons per unit.

The figure below illustrates the **PPHU factors that will be used to project population**. The figure is used solely to calculate the PPHU factors, base year housing stock and population estimates are detailed in the following section.

Figure B1. Persons per Housing Unit

Housing Type	Persons	Households	Persons per Household	Housing Units	Persons per Housing Unit	Housing Mix	Vacancy Rate
Single-Family Units[1]	8,782	3,153	2.79	3,467	**2.53**	80.9%	9.10%
Multi-Family Units[2]	1,773	726	2.44	820	**2.16**	19.1%	11.50%
Total	10,555	3,879	2.72	4,287	**2.46**	100.0%	9.50%

Source: U.S. Census Bureau, 2018-2022 American Community Survey 5-Year Estimates

1. Includes detached, attached (i.e. townhouses), and mobile homes.
2. Includes dwellings in structures with two or more units, and boats, RVs, vans etc.

Recent Residential Development

Fountain Inn has shown rising housing growth in recent years. The City of Fountain Inn's provided recent single family construction data, and TischlerBise acquired recent multifamily construction information from CoStar. As shown in Figure B2, the average annual single housing unit growth 2020 to 2024 was 352 units, and from 2019-2024 multifamily housing units averaged 66 per year.

Figure B2. Fountain Inn Housing Unit Growth Historical Totals

Housing Unit Growth 2019-2024							
Type	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**Average**
Single Family		228	231	559	347	397	**352**
Multifamily	395	0	0	0	0	0	**66**
Total		**228**	**231**	**559**	**347**	**397**	**418**

Source: City of Fountain Inn, SC, CoStar

Base Year Housing Units and Population

The growth totals for 2023 and 2024 are added to the 2022 ACS 5-year average total to derive the base year numbers for 2024 shown in Figure B3. This results in a base year housing stock of 4,211 single family units and 820 multifamily units. Multiplying the unit totals for each housing type by the PPHU factors in Figure B1 results in a base year population of 12,440 persons (4,211 single family units x 2.53 PPHU; 1,108 multifamily units x 2.16 PPHU).

Figure B3. Base Year Housing Units and Population

Base Year Population and Housing Units (2024)		
Housing Type	Persons	Housing Units
Single-Family Units	10,667	4,211
Multi-Family Units	1,773	820
Total	12,440	5,031

Source: U.S. Census Bureau, 2017-2022 American Community Survey 5-Year Estimates; TischlerBise Analysis

Population and Housing Projections

To calculate housing unit growth over the analysis period, the average growth totals shown in Figure B2 are used. As shown in Figure B4, 4,182 new housing units are projected in Fountain Inn by 2034, including 3,524 single family units and 658 multifamily units. Population projections are estimated based on new housing growth and PPHU factors. Additional housing units for each year are multiplied by their respective PPHU factors and added to the previous year's population total. Overall, there is a projected increase of 10,350 residents, an 83 percent increase from the base year.

Figure B4. Fountain Inn Residential Development Projections

Fountain Inn, SC	2024	2025	2026	2027	2028	2029	2034	10-Year
	Base Year	1	2	3	4	5	10	Increase
Population								
Single Family	10,667	11,559	12,452	13,344	14,237	15,130	19,593	**8,926**
Multi-Family	1,773	1,915	2,058	2,200	2,342	2,485	3,196	**1,423**
Total	**12,440**	**13,475**	**14,510**	**15,545**	**16,580**	**17,614**	**22,789**	**10,350**
Housing Units								
Single Family	4,211	4,563	4,916	5,268	5,621	5,973	7,735	**3,524**
Multi-Family	820	886	952	1,018	1,083	1,149	1,478	**658**
Total	**5,031**	**5,449**	**5,867**	**6,286**	**6,704**	**7,122**	**9,213**	**4,182**

Current Nonresidential Floor Area and Employment

Listed in Figure B5, we estimate a total of 2,954 employees in Fountain Inn for 2024. TischlerBise obtained this total by sector by adding U.S. Census Bureau OnTheMap average jobs added annually between 2016 and 2021 (202) to Esri Business Analyst totals for 2023, according to proportions found in the Esri Business Analyst totals. A majority of jobs are in the office, retail, and healthcare sectors. Nonresidential floor area was calculated for the four determined industry sectors. Base year nonresidential floor area was calculated for each sector by multiplying base year jobs by square footage per employee factors published by the Institute of Transportation Engineers. In total, there are about 1.3 million square feet of nonresidential floor area in Fountain Inn.

Figure B5. Base Year Employment and Nonresidential Floor Area

Development Type	2024 Jobs[1]	Percent of Total Jobs	Square Feet per Job[2]	2024 Estimated Floor Area[3]	% Share of Floor Area
Industrial[4]	897	30.4%	637	571,389	42.1%
Commercial/Retail[5]	874	29.6%	471	411,654	30.3%
Office	682	23.1%	307	209,374	15.4%
Institutional	501	17.0%	330	165,330	12.2%
Total	2,954	83%	436	1,357,747	100%

1. Esri Business Analyst Online, Business Summary, 2024
2. Trip Generation, Institute of Transportation Engineers, 11th Edition (2021).
3. TischlerBise calculation (2024 jobs X ITE square feet per job)
4. Major sectors are Manufacturing, Wholesale Trade
5. Major sectors are Retail, Accommodation and Food Services
6. Major sector is Professional, Scientific & Tech Services

Base year nonresidential square footage estimates are calculated by applying employee density factors to base year employment totals. Those density factors are provided in the Institute of Transportation Engineers (ITE) Trip Generation (2021).

Nonresidential Floor Area and Employment Projections

TischlerBise projects employment based on the base year population to jobs ratio for Fountain Inn, which is calculated to be 0.24. This analysis assumes that this ratio will hold constant over the projection period. As shown in Figure B6, 2,458 additional jobs and 1,130,000 additional square feet of nonresidential floor area are projected in Fountain Inn by 2034. Industrial and retail sectors are expected to see the greatest growth.

Figure B6. Fountain Inn Employment and Nonresidential Floor Area Projection

Fountain Inn, SC	2024	2025	2026	2027	2028	2029	2034	10-Year
	Base Year	1	2	3	4	5	10	Increase
Population	12,440	13,475	14,510	15,545	16,580	17,614	22,789	**10,350**
Jobs								
Industrial	897	972	1,046	1,121	1,196	1,270	1,643	746
Commercial/Retail	874	947	1,019	1,092	1,165	1,238	1,601	727
Office	682	739	795	852	909	966	1,249	567
Institutional	501	543	584	626	668	709	918	417
Total	2,954	3,200	3,446	3,691	3,937	4,183	5,412	**2,458**
Floor Area (1,000 Sq Ft)								
Industrial	571	619	666	714	762	809	1,047	475
Commercial/Retail	412	446	480	514	549	583	754	342
Office	209	227	244	262	279	296	384	174
Institutional	165	179	193	207	220	234	303	138
Total	1,358	1,471	1,584	1,697	1,810	1,923	2,487	**1,130**

Functional Population

Both residential and nonresidential developments increase demand on City services and facilities. To calculate the proportional share between residential and nonresidential demand on service and facilities, a functional population approach is used. The functional population approach allocates the cost of the facilities to residential and nonresidential development based on the activity of residents and workers in the City through the 24 hours in a day.

Residents that do not work are assigned 20 hours per day to residential development and 4 hours per day to nonresidential development (annualized averages). Residents that work in Fountain Inn are assigned 14 hours to residential development and 10 hours to nonresidential development. Residents that work outside the City are assigned 14 hours to residential development, the remaining hours in the day are assumed to be spent outside of the City working. Inflow commuters are assigned 10 hours to nonresidential development. Based on 2021 functional population data (the latest year available), residential development accounts for 81 percent of the functional population, while nonresidential development accounts for 19 percent, see Figure B7.

Figure B7. Fountain Inn Functional Population

Demand Units in 2021					
Residential				Demand Hours/Day	Person Hours
	Residents	10,163			
	Residents Not Working		1,062	20	21,240
	Employed Residents		9,101		
	Employed in Fountain Inn		3,972	14	55,608
	Employed Outside Fountain Inn		5,129	14	71,806
				Residential Subtotal	148,654
				Residential Share	**81%**
Nonresidential					
	Non-Working Residents		1,062	4	4,248
	Jobs Located in Fountain Inn		2,957		
	Residents Employed in Fountain Inn		304	10	3,040
	Non-Resident Workers (Inflow Commuters)		2,653	10	26,530
				Nonresidential Subtotal	33,818
				Nonresidential Share	**19%**
				Total	182,472

Source: U.S. Census Bureau, 2021 American Community Survey 5-Year Estimates (population); U.S. Census Bureau, OnTheMap 6.23.3 Application and LEHD Origin-Destination Employment Statistics, 2020

Nonresidential Vehicle Trips

Vehicle trip generation for nonresidential land uses are calculated by using ITE's average daily trip end rates and adjustment factors found in their recently published 11th edition of *Trip Generation*. To estimate the trip generation in Fountain Inn, the weekday trip end per 1,000 square feet factors listed in Figure B8 are used.

Figure B8. Institute of Transportation Engineers Nonresidential Factors

ITE Code	Land Use / Size	Demand Unit	Wkdy Trip Ends Per Dmd Unit[1]	Wkdy Trip Ends Per Employee[1]
110	Light Industrial	1,000 Sq Ft	4.87	3.10
710	General Office (average size)	1,000 Sq Ft	10.84	3.33
730	Government Office	1,000 Sq Ft	22.59	7.45
820	Shopping Center (average size	1,000 Sq Ft	37.01	17.42

1. Trip Generation, Institute of Transportation Engineers, 11th Edition (2021).

For nonresidential land uses, the standard 50 percent adjustment is applied to all industries except for retail and institutional. A lower vehicle trip adjustment factor is used for retail and institutional because this type of development attracts vehicles as they pass-by on arterial and collector roads. For example, when someone stops at a convenience store on their way home from work, the convenience store is not their primary destination.

In Figure B9, the ITE land use code, daily vehicle trip end rate, trip adjustment factor, and daily vehicle trip rate is listed for each land use.

Figure B9. Daily Vehicle Trip Factors

Land Use	ITE Codes	Wkday Trip Ends Per 1,000 Sq. Ft.	Trip Adj. Factor	Vehicle Trips per 1,000 Sq. Ft.
Nonresidential (per 1,000 square feet)				
Industrial	110	4.87	50%	2.44
Retail	820	37.01	33%	12.21
Office	710	10.84	50%	5.42
Institutional	730	22.59	33%	7.45

Source: Institute of Transportation Engineers, Trip Generation, 11th Edition (2021)

To calculate nonresidential vehicle trip growth over the next ten years, TischlerBise multiplied the projected floor area for each type of nonresidential land use by the adjusted vehicle trip factors shown in Figure B9. In total, the City of Fountain Inn is expected to see an increase of 7,310 nonresidential vehicle trips over the analysis period.

Figure B10. Daily Vehicle Trip Factors

Fountain Inn, SC	2024	2025	2026	2027	2028	2029	2034	10-Year
	Base Year	1	2	3	4	5	10	Increase
Floor Area (1,000 Sq Ft)								
Industrial	571	619	666	714	762	809	1,047	475
Commercial/Retail	412	446	480	514	549	583	754	342
Office	209	227	244	262	279	296	384	174
Institutional	165	179	193	207	220	234	303	138
Total	1,358	1,471	1,584	1,697	1,810	1,923	2,487	**1,130**
Nonresidential Trips								
Industrial	1,391	1,507	1,623	1,739	1,854	1,970	2,549	1,158
Commercial/Retail	5,028	5,446	5,864	6,283	6,701	7,119	9,211	4,183
Office	1,135	1,229	1,324	1,418	1,512	1,607	2,079	944
Institutional	1,232	1,335	1,438	1,540	1,643	1,745	2,258	1,025
Total	8,786	9,517	10,248	10,979	11,710	12,441	16,097	**7,310**

Fire Service Area Growth Projections

TischlerBise estimates the base year population of Fountain Inn Fire District in 2024 to be 16,499 persons and the base year housing stock to be 6,701 units. By dividing the number housing units of each housing type by their respective PPHU factors shown in Figure B11, the total population was calculated to be 16,760. TischlerBise then applied a 6.2% annual population growth rate observed in the City of Fountain Inn to the Fire District to project population and housing unit growth through 2034. As shown in Figure B11, the Fountain Inn Fire District population is projected to increase by 13,727 persons and 5,575 housing units over the next ten years.

Figure B11. Fountain Inn Fire District Residential Growth Projections

Fountain Inn Fire District	2024	2025	2026	2027	2028	2029	2034	10-Year
	Base Year	1	2	3	4	5	10	Increase
Resident Population								
Single Family	13,127	13,946	14,816	15,741	16,723	17,767	24,048	10,921
Multi-Family	3,372	3,582	3,806	4,044	4,296	4,564	6,178	2,806
Total	**16,499**	**17,528**	**18,622**	**19,784**	**21,019**	**22,331**	**30,225**	**13,727**
Housing Units								
Single Family	5,182	5,506	5,849	6,214	6,602	7,014	9,494	4,312
Multi-Family	1,560	1,657	1,760	1,870	1,987	2,111	2,857	1,298
Total	**6,701**	**7,119**	**7,564**	**8,036**	**8,537**	**9,070**	**12,276**	**5,575**

Nonresidential growth projections are shown below in Figure B12. To project nonresidential growth within the Fountain Inn Fire District, TischlerBise calculated the base year employment by applying the 0.24 jobs to population ratio observed within the City of Fountain Inn to the Fire District population (Figure B6), resulting in a total of 3,918 total jobs in 2024. The jobs to population ratio is held constant over the ten year analysis period. In total, the District is projected to add 3,260 jobs over the next ten years.

TischlerBise then allocated the number of jobs for each nonresidential land use type proportionately based on the 2024 ESRI employment data shown in Figure B5. Using ITE employment density factors shown in Figure B5, the base year square footage for each nonresidential land use type was calculated. In total, the District is projected to see an increase of 1.498 million square feet over the next ten years.

Finally, TischlerBise applied the vehicle trips factors listed in Figure B9 to the total square footage for each type of nonresidential land use to calculate the total number of nonresidential vehicle trips. The District is expected to see an increase of 10,537 nonresidential vehicle trips over the next ten years.

Figure B12. Fountain Inn Fire District Nonresidential Growth Projections

Fountain Inn Fire District	2024	2025	2026	2027	2028	2029	2034	10-Year
	Base Year	1	2	3	4	5	10	Increase
Employment								
Industrial	1,190	1,264	1,343	1,427	1,516	1,610	2,180	990
Commercial/Retail	1,159	1,232	1,308	1,390	1,477	1,569	2,124	964
Office	905	961	1,021	1,085	1,152	1,224	1,657	753
Institutional	664	706	750	797	847	899	1,217	553
Total	**3,918**	**4,162**	**4,422**	**4,698**	**4,991**	**5,303**	**7,178**	**3,260**
Nonres. Floor Area (x1,000)								
Industrial	758	805	855	909	965	1,026	1,388	631
Commercial/Retail	546	580	616	655	696	739	1,000	454
Office	278	295	313	333	354	376	509	231
Institutional	219	233	248	263	279	297	402	182
Total	**1,801**	**1,913**	**2,033**	**2,159**	**2,294**	**2,437**	**3,299**	**1,498**
Nonres. Trips per 1,000 SF								
Industrial	1,849	1,965	2,087	2,217	2,356	2,503	3,388	1,538
Commercial/Retail	7,676	8,155	8,664	9,205	9,780	10,390	14,063	6,387
Office	1,505	1,599	1,699	1,805	1,917	2,037	2,757	1,252
Institutional	1,634	1,736	1,844	1,959	2,081	2,211	2,993	1,359
Total	**12,664**	**13,455**	**14,294**	**15,186**	**16,134**	**17,141**	**23,201**	**10,537**

APPENDIX C: SOUTH CAROLINA DEVELOPMENT IMPACT FEE ACT

https://www.scstatehouse.gov/code/title6.php

CHAPTER 1

General Provisions

ARTICLE 9

Development Impact Fees

SECTION 6-1-910. Short title.

This article may be cited as the "South Carolina Development Impact Fee Act".

HISTORY: 1999 Act No. 118, Section 1.

SECTION 6-1-920. Definitions.

As used in this article:

(1) "Affordable housing" means housing affordable to families whose incomes do not exceed eighty percent of the median income for the service area or areas within the jurisdiction of the governmental entity.

(2) "Capital improvements" means improvements with a useful life of five years or more, by new construction or other action, which increase or increased the service capacity of a public facility.

(3) "Capital improvements plan" means a plan that identifies capital improvements for which development impact fees may be used as a funding source.

(4) "Connection charges" and "hookup charges" mean charges for the actual cost of connecting a property to a public water or public sewer system, limited to labor and materials involved in making pipe connections, installation of water meters, and other actual costs.

(5) "Developer" means an individual or corporation, partnership, or other entity undertaking development.

(6) "Development" means construction or installation of a new building or structure, or a change in use of a building or structure, any of which creates additional demand and need for public facilities. A building or structure shall include, but not be limited to, modular buildings and manufactured housing. "Development" does not include alterations made to existing single-family homes.

(7) "Development approval" means a document from a governmental entity which authorizes the commencement of a development.

(8) "Development impact fee" or "impact fee" means a payment of money imposed as a condition of development approval to pay a proportionate share of the cost of system improvements needed to serve the people utilizing the improvements. The term does not include:

(a) a charge or fee to pay the administrative, plan review, or inspection costs associated with permits required for development;

(b) connection or hookup charges;

(c) amounts collected from a developer in a transaction in which the governmental entity has incurred expenses in constructing capital improvements for the development if the owner or developer has agreed to be financially responsible for the construction or installation of the capital improvements;

(d) fees authorized by Article 3 of this chapter.

(9) "Development permit" means a permit issued for construction on or development of land when no subsequent building permit issued pursuant to Chapter 9 of Title 6 is required.

(10) "Fee payor" means the individual or legal entity that pays or is required to pay a development impact fee.

(11) "Governmental entity" means a City, as provided in Chapter 9, Title 4, and a municipality, as defined in Section 5-1-20.

(12) "Incidental benefits" are benefits which accrue to a property as a secondary result or as a minor consequence of the provision of public facilities to another property.

(13) "Land use assumptions" means a description of the service area and projections of land uses, densities, intensities, and population in the service area over at least a ten-year period.

(14) "Level of service" means a measure of the relationship between service capacity and service demand for public facilities.

(15) "Local planning commission" means the entity created pursuant to Article 1, Chapter 29, Title 6.

(16) "Project" means a particular development on an identified parcel of land.

(17) "Proportionate share" means that portion of the cost of system improvements determined pursuant to Section 6-1-990 which reasonably relates to the service demands and needs of the project.

(18) "Public facilities" means:

(a) water supply production, treatment, laboratory, engineering, administration, storage, and transmission facilities;

(b) wastewater collection, treatment, laboratory, engineering, administration, and disposal facilities;

(c) solid waste and recycling collection, treatment, and disposal facilities;

(d) roads, streets, and bridges including, but not limited to, rights-of-way and traffic signals;

(e) storm water transmission, retention, detention, treatment, and disposal facilities and flood control facilities;

(f) public safety facilities, including law enforcement, fire, emergency medical and rescue, and street lighting facilities;

(g) capital equipment and vehicles, with an individual unit purchase price of not less than one hundred thousand dollars including, but not limited to, equipment and vehicles used in the delivery of public safety services, emergency preparedness services, collection and disposal of solid waste, and storm water management and control;

(h) parks, libraries, and recreational facilities;

(i) public education facilities for grades K-12 including, but not limited to, schools, offices, classrooms, parking areas, playgrounds, libraries, cafeterias, gymnasiums, health and music rooms, computer and science laboratories, and other facilities considered necessary for the proper public education of the state's children.

(19) "Service area" means, based on sound planning or engineering principles, or both, a defined geographic area in which specific public facilities provide service to development within the area defined. Provided, however, that no provision in this article may be interpreted to alter, enlarge, or reduce the service area or boundaries of a political subdivision which is authorized or set by law.

(20) "Service unit" means a standardized measure of consumption, use, generation, or discharge attributable to an individual unit of development calculated in accordance with generally accepted engineering or planning standards for a particular category of capital improvements.

(21) "System improvements" means capital improvements to public facilities which are designed to provide service to a service area.

(22) "System improvement costs" means costs incurred for construction or reconstruction of system improvements, including design, acquisition, engineering, and other costs attributable to the improvements, and also including the costs of providing additional public facilities needed to serve new growth and development. System improvement costs do not include:

(a) construction, acquisition, or expansion of public facilities other than capital improvements identified in the capital improvements plan;

(b) repair, operation, or maintenance of existing or new capital improvements;

(c) upgrading, updating, expanding, or replacing existing capital improvements to serve existing development in order to meet stricter safety, efficiency, environmental, or regulatory standards;

(d) upgrading, updating, expanding, or replacing existing capital improvements to provide better service to existing development;

(e) administrative and operating costs of the governmental entity; or

(f) principal payments and interest or other finance charges on bonds or other indebtedness except financial obligations issued by or on behalf of the governmental entity to finance capital improvements identified in the capital improvements plan.

HISTORY: 1999 Act No. 118, Section 1; 2016 Act No. 229 (H.4416), Section 2, eff June 3, 2016.

Effect of Amendment

2016 Act No. 229, Section 2, added (18)(i), relating to certain public education facilities.

SECTION 6-1-930. Developmental impact fee.

(A)(1) Only a governmental entity that has a comprehensive plan, as provided in Chapter 29 of this title, and which complies with the requirements of this article may impose a development impact fee. If a governmental entity has not adopted a comprehensive plan, but has adopted a capital improvements plan which substantially complies with the requirements of Section 6-1-960(B), then it may impose a development impact fee. A governmental entity may not impose an impact fee, regardless of how it is designated, except as provided in this article. However, a special purpose district or public service district which (a) provides fire protection services or recreation services, (b) was created by act of the General Assembly prior to 1973, and (c) had the power to impose development impact fees prior to the effective date of this section is not prohibited from imposing development impact fees.

(2) Before imposing a development impact fee on residential units, a governmental entity shall prepare a report which estimates the effect of recovering capital costs through impact fees on the availability of affordable housing within the political jurisdiction of the governmental entity.

(B)(1) An impact fee may be imposed and collected by the governmental entity only upon the passage of an ordinance approved by a positive majority, as defined in Article 3 of this chapter.

(2) The amount of the development impact fee must be based on actual improvement costs or reasonable estimates of the costs, supported by sound engineering studies.

(3) An ordinance authorizing the imposition of a development impact fee must:

(a) establish a procedure for timely processing of applications for determinations by the governmental entity of development impact fees applicable to all property subject to impact fees and for the timely processing of applications for individual assessment of development impact fees, credits, or reimbursements allowed or paid under this article;

(b) include a description of acceptable levels of service for system improvements; and

(c) provide for the termination of the impact fee.

(C) A governmental entity shall prepare and publish an annual report describing the amount of all impact fees collected, appropriated, or spent during the preceding year by category of public facility and service area.

(D) Payment of an impact fee may result in an incidental benefit to property owners or developers within the service area other than the fee payor, except that an impact fee that results in benefits to property owners or developers within the service area, other than the fee payor, in an amount which is greater than incidental benefits is prohibited.

HISTORY: 1999 Act No. 118, Section 1.

SECTION 6-1-940. Amount of impact fee.

A governmental entity imposing an impact fee must provide in the impact fee ordinance the amount of impact fee due for each unit of development in a project for which an individual building permit or certificate of occupancy is issued. The governmental entity is bound by the amount of impact fee specified in the ordinance and may not charge higher or additional impact fees for the same purpose unless the number of service units increases or the scope of the development changes and the amount of additional impact fees is limited to the amount attributable to the additional service units or change in scope of the development. The impact fee ordinance must:

(1) include an explanation of the calculation of the impact fee, including an explanation of the factors considered pursuant to this article;

(2) specify the system improvements for which the impact fee is intended to be used;

(3) inform the developer that he may pay a project's proportionate share of system improvement costs by payment of impact fees according to the fee schedule as full and complete payment of the developer's proportionate share of system improvements costs;

(4) inform the fee payor that:

(a) he may negotiate and contract for facilities or services with the governmental entity in lieu of the development impact fee as defined in Section 6-1-1050;

(b) he has the right of appeal, as provided in Section 6-1-1030;

(c) the impact fee must be paid no earlier than the time of issuance of the building permit or issuance of a development permit if no building permit is required.

HISTORY: 1999 Act No. 118, Section 1.

SECTION 6-1-950. Procedure for adoption of ordinance imposing impact fees.

(A) The governing body of a governmental entity begins the process for adoption of an ordinance imposing an impact fee by enacting a resolution directing the local planning commission to conduct the studies and to recommend an impact fee ordinance, developed in accordance with the requirements of this article. Under no circumstances may the governing body of a governmental entity impose an impact fee for any public facility which has been paid for entirely by the developer.

(B) Upon receipt of the resolution enacted pursuant to subsection (A), the local planning commission shall develop, within the time designated in the resolution, and make recommendations to the governmental entity for a capital improvements plan and impact fees by service unit. The local planning commission shall prepare and adopt its recommendations in the same manner and using the same procedures as those used for developing recommendations for a comprehensive plan as provided in Article 3, Chapter 29, Title 6, except as otherwise provided in this article. The commission shall review and update the capital improvements plan and impact fees in the same manner and on the same review cycle as the governmental entity's comprehensive plan or elements of it.

HISTORY: 1999 Act No. 118, Section 1.

SECTION 6-1-960. Recommended capital improvements plan; notice; contents of plan.

(A) The local planning commission shall recommend to the governmental entity a capital improvements plan which may be adopted by the governmental entity by ordinance. The recommendations of the commission are not binding on the governmental entity, which may amend or alter the plan. After reasonable public notice, a public hearing must be held before final action to adopt the ordinance approving the capital improvements plan. The notice must be published not less than thirty days before the time of the hearing in at least one newspaper of general circulation in the City. The notice must advise the public of the time and place of the hearing, that a copy of the capital improvements plan is available for public inspection in the offices of the governmental entity, and that members of the public will be given an opportunity to be heard.

(B) The capital improvements plan must contain:

(1) a general description of all existing public facilities, and their existing deficiencies, within the service area or areas of the governmental entity, a reasonable estimate of all costs, and a plan to develop the funding resources, including existing sources of revenues, related to curing the existing deficiencies including, but not limited to, the upgrading, updating, improving, expanding, or replacing of these facilities to meet existing needs and usage;

(2) an analysis of the total capacity, the level of current usage, and commitments for usage of capacity of existing public facilities, which must be prepared by a qualified professional using generally accepted principles and professional standards;

(3) a description of the land use assumptions;

(4) a definitive table establishing the specific service unit for each category of system improvements and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial, agricultural, and industrial, as appropriate;

(5) a description of all system improvements and their costs necessitated by and attributable to new development in the service area, based on the approved land use assumptions, to provide a level of service not to exceed the level of service currently existing in the community or service area, unless a different or higher level of service is required by law, court order, or safety consideration;

(6) the total number of service units necessitated by and attributable to new development within the service area based on the land use assumptions and calculated in accordance with generally accepted engineering or planning criteria;

(7) the projected demand for system improvements required by new service units projected over a reasonable period of time not to exceed twenty years;

(8) identification of all sources and levels of funding available to the governmental entity for the financing of the system improvements; and

(9) a schedule setting forth estimated dates for commencing and completing construction of all improvements identified in the capital improvements plan.

(C) Changes in the capital improvements plan must be approved in the same manner as approval of the original plan.

HISTORY: 1999 Act No. 118, Section 1.

SECTION 6-1-970. Exemptions from impact fees.

The following structures or activities are exempt from impact fees:

(1) rebuilding the same amount of floor space of a structure that was destroyed by fire or other catastrophe;

(2) remodeling or repairing a structure that does not result in an increase in the number of service units;

(3) replacing a residential unit, including a manufactured home, with another residential unit on the same lot, if the number of service units does not increase;

(4) placing a construction trailer or office on a lot during the period of construction on the lot;

(5) constructing an addition on a residential structure which does not increase the number of service units;

(6) adding uses that are typically accessory to residential uses, such as a tennis court or a clubhouse, unless it is demonstrated clearly that the use creates a significant impact on the system's capacity;

(7) all or part of a particular development project if:

(a) the project is determined to create affordable housing; and

(b) the exempt development's proportionate share of system improvements is funded through a revenue source other than development impact fees;

(8) constructing a new elementary, middle, or secondary school; and

(9) constructing a new volunteer fire department.

HISTORY: 1999 Act No. 118, Section 1; 2016 Act No. 229 (H.4416), Section 1, eff June 3, 2016.

Effect of Amendment

2016 Act No. 229, Section 1, added (8) and (9), relating to certain schools and volunteer fire departments.

SECTION 6-1-980. Calculation of impact fees.

(A) The impact fee for each service unit may not exceed the amount determined by dividing the costs of the capital improvements by the total number of projected service units that potentially could use the capital improvement. If the number of new service units projected over a reasonable period of time is less than the total number of new service units shown by the approved land use assumptions at full development of the service area, the maximum impact fee for each service unit must be calculated by dividing the costs of the part of the capital improvements necessitated by and attributable to the projected new service units by the total projected new service units.

(B) An impact fee must be calculated in accordance with generally accepted accounting principles.

HISTORY: 1999 Act No. 118, Section 1.

SECTION 6-1-990. Maximum impact fee; proportionate share of costs of improvements to serve new development.

(A) The impact fee imposed upon a fee payor may not exceed a proportionate share of the costs incurred by the governmental entity in providing system improvements to serve the new development. The proportionate share is the cost attributable to the development after the governmental entity reduces the amount to be imposed by the following factors:

(1) appropriate credit, offset, or contribution of money, dedication of land, or construction of system improvements; and

(2) all other sources of funding the system improvements including funds obtained from economic development incentives or grants secured which are not required to be repaid.

(B) In determining the proportionate share of the cost of system improvements to be paid, the governmental entity imposing the impact fee must consider the:

(1) cost of existing system improvements resulting from new development within the service area or areas;

(2) means by which existing system improvements have been financed;

(3) extent to which the new development contributes to the cost of system improvements;

(4) extent to which the new development is required to contribute to the cost of existing system improvements in the future;

(5) extent to which the new development is required to provide system improvements, without charge to other properties within the service area or areas;

(6) time and price differentials inherent in a fair comparison of fees paid at different times; and

(7) availability of other sources of funding system improvements including, but not limited to, user charges, general tax levies, intergovernmental transfers, and special taxation.

HISTORY: 1999 Act No. 118, Section 1.

SECTION 6-1-1000. Fair compensation or reimbursement of developers for costs, dedication of land or oversize facilities.

A developer required to pay a development impact fee may not be required to pay more than his proportionate share of the costs of the project, including the payment of money or contribution or dedication of land, or to oversize his facilities for use of others outside of the project without fair compensation or reimbursement.

HISTORY: 1999 Act No. 118, Section 1.

SECTION 6-1-1010. Accounting; expenditures.

(A) Revenues from all development impact fees must be maintained in one or more interest-bearing accounts. Accounting records must be maintained for each category of system improvements and the service area in which the fees are collected. Interest earned on development impact fees must be considered funds of the account on which it is earned, and must be subject to all restrictions placed on the use of impact fees pursuant to the provisions of this article.

(B) Expenditures of development impact fees must be made only for the category of system improvements and within or for the benefit of the service area for which the impact fee was imposed as shown by the capital improvements plan and as authorized in this article. Impact fees may not be used for:

(1) a purpose other than system improvement costs to create additional improvements to serve new growth;

(2) a category of system improvements other than that for which they were collected; or

(3) the benefit of service areas other than the area for which they were imposed.

HISTORY: 1999 Act No. 118, Section 1.

SECTION 6-1-1020. Refunds of impact fees.

(A) An impact fee must be refunded to the owner of record of property on which a development impact fee has been paid if:

(1) the impact fees have not been expended within three years of the date they were scheduled to be expended on a first-in, first-out basis; or

(2) a building permit or permit for installation of a manufactured home is denied.

(B) When the right to a refund exists, the governmental entity shall send a refund to the owner of record within ninety days after it is determined by the entity that a refund is due.

(C) A refund must include the pro rata portion of interest earned while on deposit in the impact fee account.

(D) A person entitled to a refund has standing to sue for a refund pursuant to this article if there has not been a timely payment of a refund pursuant to subsection (B) of this section.

HISTORY: 1999 Act No. 118, Section 1.

SECTION 6-1-1030. Appeals.

(A) A governmental entity which adopts a development impact fee ordinance shall provide for administrative appeals by the developer or fee payor.

(B) A fee payor may pay a development impact fee under protest. A fee payor making the payment is not estopped from exercising the right of appeal provided in this article, nor is the fee payor estopped from receiving a refund of an amount considered to have been illegally collected. Instead of making a payment of an impact fee under protest, a fee payor, at his option, may post a bond or submit an irrevocable letter of credit for the amount of impact fees due, pending the outcome of an appeal.

(C) A governmental entity which adopts a development impact fee ordinance shall provide for mediation by a qualified independent party, upon voluntary agreement by both the fee payor and the governmental entity, to address a disagreement related to the impact fee for proposed development. Participation in mediation does not preclude the fee payor from pursuing other remedies provided for in this section or otherwise available by law.

HISTORY: 1999 Act No. 118, Section 1.

SECTION 6-1-1040. Collection of development impact fees.

A governmental entity may provide in a development impact fee ordinance the method for collection of development impact fees including, but not limited to:

(1) additions to the fee for reasonable interest and penalties for nonpayment or late payment;

(2) withholding of the certificate of occupancy, or building permit if no certificate of occupancy is required, until the development impact fee is paid;

(3) withholding of utility services until the development impact fee is paid; and

(4) imposing liens for failure to pay timely a development impact fee.

HISTORY: 1999 Act No. 118, Section 1.

SECTION 6-1-1050. Permissible agreements for payments or construction or installation of improvements by fee payors and developers; credits and reimbursements.

A fee payor and developer may enter into an agreement with a governmental entity, including an agreement entered into pursuant to the South Carolina Local Government Development Agreement Act, providing for payments instead of impact fees for facilities or services. That agreement may provide for the construction or installation of system improvements by the fee payor or developer and for credits or reimbursements for costs incurred by a fee payor or developer including interproject transfers of credits or reimbursement for project improvements which are used or shared by more than one development project. An impact fee may not be imposed on a fee payor or developer who has entered into an agreement as described in this section.

HISTORY: 1999 Act No. 118, Section 1.

SECTION 6-1-1060. Article shall not affect existing laws.

(A) The provisions of this article do not repeal existing laws authorizing a governmental entity to impose fees or require contributions or property dedications for capital improvements. A development impact fee adopted in accordance with existing laws before the enactment of this article is not affected until termination of the development impact fee. A subsequent change or reenactment of the development impact fee must comply with the provisions of this article. Requirements for developers to pay in whole or in part for system improvements may be imposed by governmental entities only by way of impact fees imposed pursuant to the ordinance.

(B) Notwithstanding another provision of this article, property for which a valid building permit or certificate of occupancy has been issued or construction has commenced before the effective date of a development impact fee ordinance is not subject to additional development impact fees.

HISTORY: 1999 Act No. 118, Section 1.

SECTION 6-1-1070. Shared funding among units of government; agreements.

(A) If the proposed system improvements include the improvement of public facilities under the jurisdiction of another unit of government including, but not limited to, a special purpose district that does not provide water and wastewater utilities, a school district, and a public service district, an agreement between the governmental entity and other unit of government must specify the reasonable share of funding by each unit. The governmental entity authorized to impose impact fees may not assume more than its reasonable share of funding joint improvements, nor may another unit of government which is not authorized to impose impact fees do so unless the expenditure is pursuant to an agreement under Section 6-1-1050 of this section.

(B) A governmental entity may enter into an agreement with another unit of government including, but not limited to, a special purpose district that does not provide water and wastewater utilities, a school district, and a public service district, that has the responsibility of providing the service for which an impact fee may be imposed. The determination of the amount of the impact fee for the contracting governmental entity must be made in the same manner and is subject to the same procedures and limitations as provided in this article. The agreement must provide for the collection of the impact fee by the governmental entity and for the expenditure of the impact fee by another unit of government including, but not limited to, a special purpose district that does not provide water and wastewater utilities, a school district, and a public services district unless otherwise provided by contract.

HISTORY: 1999 Act No. 118, Section 1.

SECTION 6-1-1080. Exemptions; water or wastewater utilities.

The provisions of this chapter do not apply to a development impact fee for water or wastewater utilities, or both, imposed by a city, City, commissioners of public works, special purpose district, or nonprofit corporation organized pursuant to Chapter 35 or 36 of Title 33, except that in order to impose a development impact fee for water or wastewater utilities, or both, the city, City, commissioners of public works, special purpose district or nonprofit corporation organized pursuant to Chapter 35 or 36 of Title 33 must:

(1) have a capital improvements plan before imposition of the development impact fee; and

(2) prepare a report to be made public before imposition of the development impact fee, which shall include, but not be limited to, an explanation of the basis, use, calculation, and method of collection of the development impact fee; and

(3) enact the fee in accordance with the requirements of Article 3 of this chapter.

HISTORY: 1999 Act No. 118, Section 1.

SECTION 6-1-1090. Annexations by municipalities.

A City development impact fee ordinance imposed in an area which is annexed by a municipality is not affected by this article until the development impact fee terminates, unless the municipality assumes any liability which is to be paid with the impact fee revenue.

HISTORY: 1999 Act No. 118, Section 1.

SECTION 6-1-2000. Taxation or revenue authority by political subdivisions.

This article shall not create, grant, or confer any new or additional taxing or revenue raising authority to a political subdivision which was not specifically granted to that entity by a previous act of the General Assembly.

HISTORY: 1999 Act No. 118, Section 1.

SECTION 6-1-2010. Compliance with public notice or public hearing requirements.

Compliance with any requirement for public notice or public hearing in this article is considered to be in compliance with any other public notice or public hearing requirement otherwise applicable including, but not limited to, the provisions of Chapter 4, Title 30, and Article 3 of this chapter.

HISTORY: 1999 Act No. 118, Section 1.