

# School Development Impact Fee Study and Capital Improvement Plan

Prepared for:  
**York School District 1**

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## **EXECUTIVE SUMMARY**

York School District 1 retained TischlerBise to prepare a Capital Improvement Plan and Development Impact Fee Study. Development impact fees are one-time payments used to construct system improvements needed to accommodate new development. The District may use the development impact fees as either cash payments to fund future land purchases and school construction, or contribute toward principal payments for debt used to purchase land and/or construct additional school construction. A development impact fee represents new growth's proportionate share of capital facility needs. Development impact fees do have limitations, and should not be regarded as the total solution for infrastructure funding needs. Rather, they are one component of a comprehensive portfolio to ensure provision of adequate public facilities needed to serve new development. In contrast to general taxes, development impact fees may not be used for operations, maintenance, replacement of infrastructure, or correcting existing deficiencies.

### **YORK SCHOOL DISTRICT 1 SCHOOL DEVELOPMENT IMPACT FEE OVERVIEW**

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York School District 1 has seen significant residential growth in its attendance area over the past several years and with it increased enrollment. This growth is expected to continue in the future. Based on school construction plans for the next ten years, development impact fees York School District 1 are recommended for elementary and intermediate/middle schools. These development impact fees are derived using an incremental expansion approach. This approach determines current level-of-service standards for school buildings (i.e., elementary, intermediate/middle) and land for school sites. Level-of-service standards are derived using 2020-2021 permanent capacity and are expressed as follows:

1. Elementary and Intermediate/Middle School buildings: Square feet per student by type of school
2. Elementary and Intermediate/Middle School Land: Acres per student by type of school
3. Activity Buses: Buses per student
4. Central Services: Square feet per student

A credit is included in the development impact fee to account for outstanding debt on existing and future Elementary and Intermediate/Middle School school facilities. Further detail on the approach, levels of service, costs, and credits is provided in the body of this report.

### **SOUTH CAROLINA DEVELOPMENT IMPACT FEE ACT**

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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 development impact fee system begins with a resolution by the County Council directing the Planning Commission to conduct a development 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 improvements plan as well as prepare a development 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 development 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 development impact fee funding. Revenues collected by the county, city, or town may not be used for administrative or operating costs associated with imposing the development 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 returned to the owner of record of the property for which the development 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 land owners must include the pro rata portion of interest earned while on deposit in the development impact fee account.

York School District 1 is also responsible for preparing and publishing an annual report describing the amount of development impact fees collected, appropriated, and spent during the preceding year. Subsequent to adoption of a development impact fee ordinance, the Planning Commission will again be required to review and update the development impact fee study report, capital improvements plan, housing affordability analysis, and development impact fee ordinance. These updates must occur at least once every five years. Pursuant to State Law, York School District 1 will not be empowered to recommend additional projects eligible for development 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

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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 schools is population growth, and the increase in population can be estimated from the average number of students 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 school example, a common LOS standard is square footage per student. The third step in the development impact fee formula is the cost of various infrastructure units. To complete the school example, this part of the formula would establish the cost per square foot for school facility construction.

## **GENERAL METHODOLOGIES**

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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 when there is substantial excess student capacity at a particular school level.

### **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, and is the methodology used for this school development impact fee calculation.

### **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 DEVELOPMENT IMPACT FEE SCHEDULE

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As documented in this report, York School District 1 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 school development impact fees. 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.

School development impact fees are applied only to residential development and are per housing unit, reflecting the proportionate demand by type of unit. The amounts shown are “maximum allowable” 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 school capital costs detailed in this report. The District, through York County, 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 School District’s level of service.

Figure 1 provides the maximum allowable school development impact fees for York School District 1. For a single family unit, the maximum allowable fee amount is \$12,469 per unit. For a multifamily unit, the maximum allowable development impact fee amount is \$10,237. For a mobile home unit, the maximum allowable development impact fee amount is \$11,165.

**Figure 1. Maximum Allowable School Development Impact Fees**

Recommended School Impact Fees: York School District 1			
	Elementary	Middle & Intermediate	Maximum Fee
	(PK-4)	(5-8)	
Single Family	\$6,068	\$6,400	\$12,469
Multifamily	\$4,679	\$5,558	\$10,237
Mobile Homes	\$4,849	\$6,316	\$11,165

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).

## STUDENT GENERATION RATES AND PROJECTED ENROLLMENT

This section of the Report discusses the student generation rates and enrollment projections used in the development impact fee calculations.

### STUDENT ENROLLMENT PROJECTIONS

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.”*

#### Districtwide Enrollment Projections

Enrollment projections are from *ENROLLMENT PROJECTION STUDY DISTRICT AND SCHOOLS*, developed by H. Dale Holden & Associates, a Columbia based consulting firm. As shown in Figure 2, enrollment is 4,707 in the base year chosen (School Year 2020-2021). By the 2025-2026 school year, York School District 1 is projected to have a total enrollment of 5,898, an increase of 1,191 students. Because a projection of students beyond 5 years is needed to determine debt service credits (discussed later in this Report), TischlerBise utilized a straight-line projection based on the average annual increase over years 1 through 10. Utilizing this approach, the 10-year increase in students is estimated at 1,843 and the 20-year increase is estimated at 3,916 students.

**Figure 2. York School District 1 Enrollment Projections**

	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2030-2031	2035-2036	2040-2041	10-Year Change	20-Year Change
	Base Yr	1	2	3	4	5	10	15	20		
Elementary	1,846	2,372	2,426	2,489	2,543	2,592	2,906	3,543	4,181	1,060	2,335
Intermediate and Middle	1,383	1,517	1,542	1,572	1,602	1,628	1,784	1,990	2,197	401	814
High	1,478	1,541	1,577	1,613	1,648	1,678	1,861	2,053	2,246	383	768
TOTAL	4,707	5,430	5,545	5,674	5,793	5,898	6,550	7,587	8,623	1,843	3,916

*\*Enrollment projections in years 1-9 based on 2020 Dr. Holden Projections. Years 10-20 are based on a straight-line projection using the average annual increases from years 1-9.*

### STUDENT GENERATION RATES

Section 6-1-960(3) 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.”*

Demand for additional school capacity will be generated by new residential development. To determine the level of this demand, student generation rates are used as the “service unit” for the school development impact fees. The term “student generation rate” refers to the number of non-charter, public

school students per housing unit within York School District 1. Public school students are a subset of school-aged children, which includes students in private schools and home-schooled children. Student generation rates are important demographic factors that help account for variations in demand for school facilities by type of housing. Students per housing unit are held constant over the projection period since the development impact fees represent a “snapshot approach” of current levels of service and costs.

TischlerBise derived custom student generation rates for York County using demographic data from survey responses published by the U.S. Census Bureau in files known as Public Use Microdata Samples (PUMS) and 2019-2020 school year enrollment data from York School District 1. TischlerBise uses American Community Survey (ACS) 2015-2019 PUMS data – the most recent year available – to derive the number of students per housing unit by type of unit. PUMS data are only available for areas of roughly 100,000 persons, and York County is included in South Carolina Public Use Microdata Area (PUMA) 00501 and 00502. This analysis calculates unadjusted student generation rates based on all public school students and housing units in PUMA 00501 and 00502 and then adjusts these rates based on local enrollment and housing unit estimates for York School District 1.

Student generation rates for the York School District 1 were developed by TischlerBise, based on data from the Public Use Microdata Sample (PUMS) for South Carolina and U.S. Census Bureau American Community Survey (ACS) data. Shown in Figure 3 below, the housing unit types that will be used in the development impact fee calculations are (1) Single Family, which includes single family attached (townhome) and detached homes; (2) Multifamily units; and (3) Mobile Homes.

**Figure 3. York School District 1 Public School Students by Housing Unit Type**

<b>Public School Students by Housing Type for PUMA Regions 501 &amp; 502</b>				
	<i>Housing Unit Type</i>			<i>Total</i>
	<i>Single Family</i>	<i>Multifamily</i>	<i>Mobile Homes</i>	
Elementary School	17,044	2,805	1,844	<b>21,693</b>
Middle & Intermediate School	12,094	2,249	1,615	<b>15,958</b>
High School	12,072	1,522	1,267	<b>14,861</b>
	<b>41,210</b>	<b>6,576</b>	<b>4,726</b>	<b>52,512</b>
	<i>Housing Unit Type</i>			<i>Total</i>
	<i>Single Family</i>	<i>Multifamily</i>	<i>Mobile Homes</i>	
Housing Units	79,583	17,043	10,759	<b>107,385</b>

Source: Cross tabulation by TischlerBise using U. S. Census Bureau, 2015-2019 ACS  
Weighted Public Use Microdata Sample for South Carolina PUMA 00501 and 00502.

Next, using the totals above, student generation rates by housing unit type are calculated by dividing the number of students in each type of unit by the total number of housing units in the York School District 1. Figure 4 indicates that a single family unit is estimated to generate a total of .509 students, with .215 in

elementary grades, .184 in middle school grades, and .146 in high school grades. A multifamily unit is estimated to generate .379 students per unit.

**Figure 4. Public School Students in York School District 1 by Housing Unit Type**

**York School District 1 Public School Students  
Per Housing Unit**

Public School Students per Dwelling				
	Housing Types			Weighted
	Single-Family	Multi-Family	Mobile Homes	
Elementary School	0.215	0.165	0.171	0.209
Middle & Intermediate School	0.148	0.129	0.146	0.154
High School	0.146	0.085	0.113	0.153
Total	0.509	0.379	0.430	0.516

Source: TischlerBise estimates for York School District 1 using U.S. Census Bureau, 2015-2019 ACS Weighted Public Use Microdata Sample for South Carolina PUMA 00501 and 00502 (calibrated to YSD1 enrollment for 2019-2020 and 2015-2019 ACS housing unit estimate.)

## CAPITAL IMPROVEMENT PLAN

### OVERVIEW OF CURRENT SCHOOL FUNDING ARRANGEMENTS

Section 6-1-960(8) of the South Carolina Development Impact Fee Act requires:

*“identification of all sources and levels of funding available to the governmental entity for the financing of the system improvements.”*

The construction of schools is largely the responsibility of each School District. In the case of York School District 1, the District is responsible for 100 percent of the funding to construct new school capacity. Historically, the District has funded new school construction through the issuance of bonds, backed by property tax revenue. South Carolina’s state constitution allows government entities to issue bonds to fund capital projects (construction of new schools and improvements to existing schools).

### SERVICE/BENEFIT AREA

TischlerBise recommends a Districtwide development impact fee service area. As new schools are needed to provide services to the continually growing student population, attendance lines are reviewed and adjusted for the entire District. This method of District-wide attendance line review ensures all students receive a high quality of education at the current level of service standards.

### PLANNED CAPACITY PROJECTS

Section 6-1-960(9) of the South Carolina Development Impact Fee Act requires:

*“a schedule setting forth estimated dates for commencing and completing construction of all improvements identified in the capital improvements plan.”*

Figure 5 lists the capacity-related projects York School District 1, at a minimum, will pursue over the next ten years. It is anticipated that several additional projects will be identified over the next few years and the Development Impact Fee Study and Capital Improvement Plan will updated at that time. As stated previously, development impact fees are only recommended at for elementary and intermediate/middle schools given the District construction plans for the next ten years.

**Figure 5. York School District 1 Planned Capacity Projects**

Facility	Timeframe	Cost	Building Sq Ft	Student Capacity	Sq. Ft. Per Student
New Elementary School	SY25-30	\$50,663,378	130,000	1,000	130
New Middle School	SY25-30	\$65,628,490	160,000	1,000	160

Source: York School District 1

### BUILDING AND SITE LEVEL-OF-SERVICE STANDARDS

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.”*

This section provides data on infrastructure standards for school buildings and sites on which the proposed development impact fees are based.

### **Elementary Schools**

The inventory and current levels of service for elementary schools in York School District 1 are shown below in Figure 6. As indicated in Figure 6, elementary school buildings in York School District 1 in School Year 2021 have a total of 473,975 square feet of building floor area on 217.90 acres. The enrollment in School Year 2021 in these schools is 1,846 and permanent capacity is 2,476.

Levels of service are shown for buildings and land for elementary schools at the bottom of Figure 6. Levels of service are calculated by dividing the amount of infrastructure by total enrollment and capacity. (For example, 473,975 square feet of school building space is divided by a permanent capacity of 2,476 students to arrive at 191.43 square feet per student.) Since elementary schools in York School District 1 are operating under capacity, there are no existing deficiencies. ***The level-of-service standard on which the development impact fees are based is calculated using the level of service laid out in planned capacity projects (shown in Figure 5).*** This ensures new development is not charged for a higher level of service than what the School District is planning on providing.

**Figure 6. York School District 1 Elementary Schools**

Facility	Building Sq Ft	Acreage	2021 Enrollment	Permanent Capacity	Utilization
Cotton Belt Elementary	91,539	30.60	331	481	69%
Hunter Street Elementary	90,404	73.81	384	525	73%
Harold C Johnson Elementary	124,364	20.63	408	486	84%
Hickory Grove/Sharon Elementary	76,129	60.00	354	486	73%
Jefferson Elementary	91,539	32.86	369	498	74%
<b>TOTAL</b>	<b>473,975</b>	<b>217.90</b>	<b>1,846</b>	<b>2,476</b>	<b>75%</b>

<i>Elementary School Levels of Service</i>	<i>Building SF</i>	<i>Land</i>
LOS per Student (current enrollment)	256.76	0.1180
LOS per Student (current capacity)	191.43	0.0880

Source: York School District 1

### Intermediate and Middle Schools

The inventory and current levels of service for intermediate and middle schools in York School District 1 are shown below in Figure 7. As indicated in Figure 7, intermediate and middle school buildings in York School District 1 in School Year 2021 have a total of 324,285 square feet of building floor area on 129.64 acres. The enrollment in School Year 2021 in these schools is 1,383 and permanent capacity is 1,801.

Levels of service are shown for buildings and land for intermediate and middle schools at the bottom of Figure 7. Levels of service are calculated by dividing the amount of infrastructure by total enrollment and capacity. (For example, 324,285 square feet of school building space is divided by a permanent capacity of 1,801 students to arrive at 180.06 square feet per student.) Since intermediate and middle schools in York School District 1 are operating under capacity, there are no existing deficiencies. ***The level-of-service standard on which the development impact fees are based is calculated using the level of service laid out in planned capacity projects (shown in Figure 5).*** This ensures new development is not charged for a higher level of service than what the School District is planning on providing.

**Figure 7. York School District 1 Middle and Intermediate Schools**

Facility	Building Sq Ft	Acreage	2021 Enrollment	Permanent Capacity	Utilization
York Intermediate School	119,536	49.19	634	925	69%
York Middle School	204,749	80.45	749	876	86%
<b>TOTAL</b>	<b>324,285</b>	<b>129.64</b>	<b>1,383</b>	<b>1,801</b>	<b>77%</b>
<i>Intermediate and Middle School Levels of Service</i>			<i>Building SF</i>	<i>Land</i>	
LOS per Student (current enrollment)			234.48	0.0937	
LOS per Student (current capacity)			180.06	0.0720	

Source: York School District 1

## FUTURE CAPACITY PROJECTION

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.”*

York School District 1’s permanent K-12 capacity is 6,037 student seats. By school type, permanent capacity is as follows: elementary school (K-4) – 2,476; intermediate and middle schools (grades 5-8) – 1,801; and high school (grades 9-12) – 1,760. Based on the projected school year 2021-2022 enrollment, permanent capacity utilization will be 96% for elementary schools, 84% for middle and intermediate schools, and 88% for high schools.

As the School District’s student enrollment increases, new development will demand additional school infrastructure. As shown in Figure 9, **without additional student seats, York School District 1 elementary schools will be at 117% of their permanent capacity** at the end of ten years.

**Figure 9. Forecasted Elementary School Capacity Utilization**

<i>Elementary Schools</i>				
<i>School Year</i>	<i>Enrollment</i>	<i>Planned Student Stations*</i>	<i>Total Student Stations*</i>	<i>Utilization</i>
2020-2021	1,846	0	2,476	75%
2021-2022	2,372	0	2,476	96%
2022-2023	2,426	0	2,476	98%
2023-2024	2,489	0	2,476	101%
2024-2025	2,543	0	2,476	103%
2025-2026	2,592	1,000	3,476	75%
2026-2027	2,640	0	3,476	76%
2027-2028	2,683	0	3,476	77%
2028-2029	2,729	0	3,476	79%
2029-2030	2,778	0	3,476	80%
2030-2031	2,906	0	3,476	84%
<i>10-Yr Change</i>	1,060	1,000	1,000	

Utilization Without New Student Stations: 117%

\*Based on current permanent student stations

\*Since there is no set date for new school construction, an estimated timeline is used for when new schools will be built

As shown in Figure 10, without additional student seats, York School District 1 intermediate and middle schools will be at 99 of their permanent capacity at the end of ten years.

**Figure 10. Forecasted Intermediate and Middle School Capacity Utilization**

<i>Intermediate and Middle Schools</i>				
<i>School Year</i>	<i>Enrollment</i>	<i>Planned Student Stations*</i>	<i>Total Student Stations*</i>	<i>Utilization</i>
2020-2021	1,383	0	1,801	77%
2021-2022	1,517	0	1,801	84%
2022-2023	1,542	0	1,801	86%
2023-2024	1,572	0	1,801	87%
2024-2025	1,602	0	1,801	89%
2025-2026	1,628	1,000	2,801	58%
2026-2027	1,654	0	2,801	59%
2027-2028	1,681	0	2,801	60%
2028-2029	1,712	0	2,801	61%
2029-2030	1,743	0	2,801	62%
2030-2031	1,784	0	2,801	64%
10-Yr Change	401	1,000	1,000	

Utilization Without New Student Stations: 99%

\*Based on current permanent student stations

\*Since there is no set date for new school construction, an estimated timeline is used for when new schools will be built

## SCHOOL DEVELOPMENT IMPACT FEE CALCULATION

### METHODOLOGY

The York School District 1 school development impact fee methodology is based on current average public school student generation rates, level-of-service standards, and local costs. As stated previously, development impact fees are only recommended at the elementary and intermediate/middle school levels. The school development impact fees use an incremental expansion approach, which documents the current level of service for public facilities in both quantitative and qualitative measures. The intent is to use development impact fee revenue to expand or provide additional facilities, as needed to accommodate new development, based on the current level of service and cost to provide capital improvements. All school levels are included in the fees. Costs for school buildings (including contents), and land for school sites are included in the fee. Finally, credits for future principal payments on existing and future debt are included.

### CONSTRUCTION COSTS

York School District 1 is responsible for 100 percent of new school construction costs in the District. The per square foot costs TischlerBise uses are \$390 per square foot for elementary schools, \$410 per square foot for intermediate/middle schools. The costs for the elementary and intermediate and middle schools were derived from expansion plans prepared by York School District 1. The high school construction cost is based on the construction cost of YCHS inflated to 2021 costs using ENR's construction cost index.

**Figure 12. School Construction Cost Assumptions**

Site	Cost	Square Feet	Cost/Per Sq. Ft.
New Elementary School	\$50,663,378	130,000	<b>\$390</b>
New Middle School	\$65,628,490	160,000	<b>\$410</b>

Source: York School District 1

### LAND COSTS

The York School District 1 anticipates the need to purchase land for future school sites to accommodate school capital needs brought about by new residential development in the York School District 1 attendance area. School District staff provided acreage and sales price data of a recent land purchase totaling approximately 134 acres at a cost of approximately \$625,000. As shown in Figure 13, cost per acre used in this study is \$4,664 per acre. This parcel provides a representative sample reflective of *actual* land purchases by the District. In other words, it is a perfectly reasonable approximation of expected land costs and may actually be on the conservative side since the purchase was more than 5 years ago. If anticipated land purchases were identified and made public as part of this study, it would likely have the effect of reducing the District's negotiating leverage and result in an even greater cost per acre assumption.

**Figure 13. Land Cost Assumptions**

Site	Year	Original Cost	Acres	Total Cost Per Acre
Ernest Rd and Highway 5 Site	2016	\$625,000	134.00	\$4,664
		<b>\$625,000</b>	<b>134.00</b>	<b>\$4,664</b>

Source: York School District 1

## CENTRAL SERVICES COSTS

The School District anticipates the need to expand its central services facilities to accommodate future growth. This will require the expansion of building space. Currently, there are 17,893 square feet of district offices that would need to be expanded to accommodate future growth. The level of service is calculated based on the current student capacity. The current construction cost for central services facility is based off of expansion plans prepared by the District.

**Figure 14. York School District 1 Central Services**

Facility	Building Sq Ft [1]
District Office	17,893
<b>TOTAL</b>	<b>17,893</b>

Level of Service	
Permanent Capacity (2020-2021)	6,037
Square Feet per Student	2.964

<b>Cost per Square Foot [2]</b>	<b>\$557</b>
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[1] Source: York School District 1

[2] Note: Construction cost based on an estimated cost of expansion prepared by York School District 1

## BUS COSTS

Activity Busses are another component included in the impact fee. New buses will need to be purchased to accommodate increased enrollment. Total current value of the fleet is estimated at approximately \$1.4 million, due to the cost of a new bus being \$106,000. The current level of service is .0030 buses per student.

**Figure 15. York School District 1 Busses**

Buses	Cost per Bus	Total Replacement Cost
14	\$106,000	\$1,484,000

  

Enrollment (2020-2021)	4,707
Buses per Student	0.0030
<b>Cost per Student</b>	<b>\$315.28</b>

Source: York School District 1

## CREDITS/OFFSETS

Section 6-1-990(B)(3) of the South Carolina Development Impact Fee Act requires and analysis of:

*“extent to which the new development contributes to the cost of system improvements”*

### Credits for Future Principal Payments on Existing School Capacity

Because the York School District 1 debt-financed recent school capacity expansions, a credit is included for future principal payments on outstanding debt. A credit is necessary since new residential units that will pay the development impact fee will also contribute to future principal payments on this remaining debt through property taxes. A credit is not necessary for interest payments because interest costs are not included in the development impact fee.

School District staff provided outstanding debt for York School District 1. As shown in Figure 16, outstanding debt from school capacity expansion projects totals approximately \$82.4 million. Annual principal payments are divided by student enrollment in each year to determine a credit per student. For example, in the 2024-2025 school year, the total principal payment of \$6,470,000 is divided by projected enrollment of 5,793 for a payment per student of \$1,116.87. To account for the time value of money, annual payments per student are discounted using a net present value formula based on the bond interest rate. The total net present value of future principal payments per student is \$10,925. This amount is subtracted from the gross capital cost per student to derive a net capital cost per student.

**Figure 16. Credit for Future Principal Payments on Existing Debt**

Summary of Principal Payment Credits on Certificates of Participation									
Year	GO Bond Series 2019		2012 GO QZAB		2015A GO Refunding		2016A GO Refunding		Student Projections
2020-2021	\$1,265,000	\$269	\$0	\$0	\$0	\$0	\$3,965,000	\$842	4,707
2021-2022	\$1,320,000	\$243	\$3,000,000	\$552	\$0	\$0	\$4,335,000	\$798	5,430
2022-2023	\$530,000	\$96	\$0	\$0	\$0	\$0	\$4,985,000	\$899	5,545
2023-2024	\$585,000	\$103	\$0	\$0	\$0	\$0	\$5,395,000	\$951	5,674
2024-2025	\$800,000	\$138	\$0	\$0	\$0	\$0	\$5,670,000	\$979	5,793
2025-2026	\$805,000	\$136	\$0	\$0	\$0	\$0	\$5,960,000	\$1,011	5,898
2026-2027	\$0	\$0	\$0	\$0	\$0	\$0	\$6,270,000	\$1,045	6,002
2027-2028	\$0	\$0	\$0	\$0	\$1,345,000	\$220	\$5,180,000	\$848	6,106
2028-2029	\$0	\$0	\$0	\$0	\$7,305,000	\$1,174	\$0	\$0	6,224
2029-2030	\$0	\$0	\$0	\$0	\$7,605,000	\$1,199	\$0	\$0	6,343
2030-2031	\$0	\$0	\$0	\$0	\$7,915,000	\$1,208	\$0	\$0	6,550
2031-2032	\$0	\$0	\$0	\$0	\$8,235,000	\$1,219	\$0	\$0	6,758
	\$5,305,000	\$985.11	\$3,000,000	\$552.49	\$32,405,000	\$5,019.89	\$41,760,000	\$7,372.82	Total Principal/Credit
Discount Rate:	5.00%		0.00%		4.00%		4.00%		\$82,470,000
Credit per Student:	\$854		\$552		\$3,342		\$6,177		\$10,925

Source: York School District 1

### Credit for Existing and Future Debt Principal

York School District 1 would need to issue debt through a bond referendum to fund future school construction. Because this referendum has not been proposed at the time of this Capital Improvement Plan and Development Impact Fee Study, TischlerBise has estimated what the principal payments would be on a bond issued in 2021 in the amount of anticipated school construction. To ensure that new development does not “double pay” through the development impact fee and again through future property tax payments, a credit is included for estimated principal payments on this future debt. A credit is not necessary for interest payments because interest costs are not included in the development impact fee.

As shown in Figure 17, projected future debt from school capacity expansion projects estimated at approximately \$116 million (see Figure 5). Projected annual principal payments are divided by student enrollment in each year to determine a credit per student. For example, in the 2022-2023 school year, the total projected principal paid by the residential tax base (\$5,814,593) is divided by projected enrollment of 5,545 for a payment per student of \$1,049. To account for the time value of money, annual payments per student are discounted using a net present value formula based on the projected interest rate of 2.5%. The total net present value of future principal payments per student is \$13,835. This amount is subtracted from the gross capital cost per student to derive a net capital cost per student.

**Figure 17. Credit for Principal Payments on Future Debt**

<i>School Year</i>	<i>Principal Payments</i>	<i>Projected Enrollment</i>	<i>Total Credit per Student</i>
2021-2022	\$5,814,593	5,430	\$1,071
2022-2023	\$5,814,593	5,545	\$1,049
2023-2024	\$5,814,593	5,674	\$1,025
2024-2025	\$5,814,593	5,793	\$1,004
2025-2026	\$5,814,593	5,898	\$986
2026-2027	\$5,814,593	6,002	\$969
2027-2028	\$5,814,593	6,106	\$952
2028-2029	\$5,814,593	6,224	\$934
2029-2030	\$5,814,593	6,343	\$917
2030-2031	\$5,814,593	6,550	\$888
2031-2032	\$5,814,593	6,758	\$860
2032-2033	\$5,814,593	6,965	\$835
2033-2034	\$5,814,593	7,172	\$811
2034-2035	\$5,814,593	7,380	\$788
2035-2036	\$5,814,593	7,587	\$766
2036-2037	\$5,814,593	7,794	\$746
2037-2038	\$5,814,593	8,001	\$727
2038-2039	\$5,814,593	8,209	\$708
2039-2040	\$5,814,593	8,416	\$691
2040-2041	\$5,814,593	8,623	\$674
<b>Total</b>	<b>\$116,291,868</b>		<b>\$16,035</b>

  

<b>Discount Rate</b>	<b>2.5%</b>
<b>Net Present Value</b>	<b>\$13,835</b>

*Source: TischlerBise, based on equal annual principal payments on the cost of future schools*

### Credit for Excess Revenue

In addition to credits for existing and future contributions to debt principal payments, TischlerBise also evaluated the extent to which new development may contribute to school capital facility construction through other revenue sources.

The current school funding structure in South Carolina, under Act 388, separates revenue streams for capital projects and general operations. York School District 1 funds capital projects, such as new school construction, through its debt millage, which is currently set at 84 mills. A credit, intended to offset this annual contribution of debt millage for principal payments on existing and future debt, is discussed above.

General operational budgets are funded by tax on commercial and rental properties, whereas owner-occupied homes are exempt. The majority of homes within the District are owner-occupied and do not pay operating millage to the District. Therefore, a credit for additional revenue that contributes to the cost of system improvements is not required.

### SCHOOL DEVELOPMENT IMPACT FEE INPUT VARIABLES

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Factors used to derive York School District 1's school development impact fees are summarized in Figure 18. Development impact fees for schools are based on student generation rates (i.e., public school students per housing unit) and are only assessed on residential development. Level-of-service standards are based on current costs per student for school buildings, land, central service facilities, and activity busses as described in the previous sections and summarized below.

The gross capital cost per student is the sum of the cost per student for each component. For example, the calculation for the elementary school portion is as follows:  $\$50,663$  [building construction] +  $\$410$  [land] +  $\$1,650$  [central services] +  $\$315$  [activity busses] =  $\$53,040$  gross capital cost per student.

The net local capital cost per student is the sum of the gross capital cost per student and the recommended revenue credits. Continuing from the example above, the calculation is as follows:  $\$53,040$  [gross capital cost per student] -  $\$13,835$  [credit for future payments on existing debt service principal] -  $\$10,925$  [credit for future payments on future debt service principal] =  $\$28,279$  net local capital cost per student.

**Figure 18. School Development Impact Fee Input Variables**

<i>Public School Students per Housing Unit</i>	<b>School Level</b>		<i>TOTAL</i>
	<i>Elementary (PK-4)</i>	<i>Middle/Intermediate (5-8)</i>	
Single Family	0.215	0.148	<b>0.363</b>
Multifamily	0.165	0.129	<b>0.294</b>
Mobile Homes	0.171	0.146	<b>0.318</b>

<b>Current Level of Service Standards</b>		
	<i>Elementary</i>	<i>Middle/Intermediate</i>
Permanent Building Square Feet per Student	130.00	160.00
Total Cost per Square Foot	\$390	\$410
<b>Total Building Construction Cost per Student</b>	<b>\$50,663</b>	<b>\$65,628</b>
Acreage per Student	0.0880	0.0720
Land Cost per Acre	\$4,664	\$4,664
<b>Land Cost per Student</b>	<b>\$410</b>	<b>\$336</b>
Central Services Square Feet Per Student	2.9639	2.9639
Total Cost per Square Foot	\$557	\$557
<b>Total Central Services Cost per Student</b>	<b>\$1,650</b>	<b>\$1,650</b>
Activity Buses per Student	0.0030	0.0030
Cost per Activity Bus	\$106,000	\$106,000
<b>Activity Bus Cost per Student</b>	<b>\$315</b>	<b>\$315</b>
<b>Total Gross Capital Cost per Student</b>	<b>\$53,040</b>	<b>\$67,930</b>
Credit for Future Debt Principal	(\$13,835)	(\$13,835)
Credit for Existing Debt Principal	(\$10,925)	(\$10,925)
<b>Total Net Local Capital Cost per Student</b>	<b>\$28,279</b>	<b>\$43,170</b>

### MAXIMUM ALLOWABLE SCHOOL DEVELOPMENT IMPACT FEES

Figure 19 shows the schedule of maximum allowable development impact fees for York School District 1. The fees are calculated by multiplying the student generation rate for each housing type by the net capital cost per student for each type of school. Each component is then added together to derive the total school development impact fee.

For a single family unit, the elementary school development impact fee is calculated by multiplying the student generation rate of 0.215 by the net local capital cost per elementary student of \$28,279, which results in a fee of \$6,068 per single family unit. This is repeated for the middle/intermediate school level. Totals for the two school levels of the fee are added together to calculate the total fee per single family unit of \$12,609 (\$6,068 + \$6,400 = \$12,469). This is repeated for the multifamily and mobile homes housing types.

**Figure 19. Maximum Allowable School Development Impact Fees**

Recommended School Impact Fees: York School District 1			
	Elementary	Middle & Intermediate	Maximum Fee
	(PK-4)	(5-8)	
Single Family	\$6,068	\$6,400	\$12,469
Multifamily	\$4,679	\$5,558	\$10,237
Mobile Homes	\$4,849	\$6,316	\$11,165

## 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 the York School District 1. The analysis will examine the current household income and housing expenses that burden an average household in the District. 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 in the District.

Affordable housing is defined in South Carolina Development Impact Fee Act as housing to families whose incomes do not exceed 80 percent of the median income for the service area or areas within the jurisdiction of the governmental entity. The Act does not mention a preferred methodology to examine the household’s whose income does not exceed 80 percent of the median income. Therefore, the analysis uses the US Housing and Urban Development’s (HUD) criteria that housing should be 30 percent or less of a household’s income. The cost of housing is “moderately burdensome” if its cost burden is over 30 percent and “severely burdensome” if the ratio is over 50 percent.

### Maximum Supportable Development Impact Fees

The development impact fees found in Figure 1 represent the highest amount supportable for each type of development, which represents new growth’s fair share of the cost for capital facilities. The District may adopt fees that are less than the amounts shown. However, a reduction in school 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 affordable housing in York School District 1 (i.e., the maximum supportable development impact fee amount). If the District were to choose a lower school development impact fee amount, the results presented in this report would improve.

**Figure 1. Maximum Allowable School Development Impact Fees**

Recommended School Impact Fees: York School District 1			
	Elementary	Middle & Intermediate	Maximum Fee
	(PK-4)	(5-8)	
Single Family	\$6,068	\$6,400	\$12,469
Multifamily	\$4,679	\$5,558	\$10,237
Mobile Homes	\$4,849	\$6,316	\$11,165

## Housing Stock

Listed in Figure 2, there are a total of 13,473 housing units in the York School District 1. Of the total, 92.81 percent are occupied by permanent residents. Additionally, there are 9,413 owner-occupied households and 3,091 renter-occupied households. The majority (65 percent) of housing in York School District 1 is single family units.

**Figure 2. Housing Stock Characteristics**

Units in Structure	Owner-Occupied		Renter-Occupied		Renter & Owner Combined				
	Persons	HsehlDs	Persons	HsehlDs	Persons	HsehlDs	Hsg Units	PPHH	PPHU
Single family [1]	18,408	7,028	2,752	1,115	21,160	8,143	8,736	2.60	2.42
2 to 4	0	0	554	279	554	279	360	1.99	1.54
5 or more	0	0	795	531	795	531	531	1.50	1.50
Mobile Home	6,519	2,385	3,307	1,166	9,826	3,551	3,846	2.77	2.55
<b>Total</b>	<b>24,927</b>	<b>9,413</b>	<b>7,408</b>	<b>3,091</b>	<b>32,335</b>	<b>12,504</b>	<b>13,473</b>	<b>2.59</b>	<b>2.40</b>
					Vacant HU 969				
					Occupancy Rate 92.81%				
Summary by Type of Housing	Totals								
	Persons	HsehlDs	Hsg Units	PPHH	PPHU	Hhld Mix	Hsg Mix		
Single Family [1]	21,160	8,143	8,736	2.60	2.42	65%	65%		
Multifamily [2]	1,349	810	891	1.67	1.51	6%	7%		
Mobile Home	9,826	3,551	3,846	2.77	2.55	28%	29%		
<b>Total</b>	<b>32,335</b>	<b>12,504</b>	<b>13,473</b>	<b>2.59</b>	<b>2.40</b>	<b>100%</b>	<b>100%</b>		

[1] Includes attached and detached single family homes

[2] Includes all other types

Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates

## Household Income

The purchasing power of residents to secure housing is represented by personal income. Personal income includes all wages, tips, and bonuses from employment, as well as retirement income earned from a pension plan or retirement account. In the analysis, household income represents all residents living in the housing unit, no matter relationship. From the US Census Bureau American Community Survey, in 2019 the median annual household income in York School District 1 was \$51,789. By using the US Bureau of Labor Statistics' CPI Calculator, the current household income is adjusted to current dollars. The annual income for a household making 80 percent of the area's median is \$3,758.

**Figure 3. Median Household Income**

Median Annual Household	Median Annual Household	Household Income Factor	80% of Median	Monthly Income
\$51,789	\$56,370	80%	\$45,096	<b>\$3,758</b>

Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates; U.S. Bureau of Labor Statistics CPI Calculator

Note: American Community Surveys (ACS) are conducted in June. Thus, household income is calculated to current dollars by inputting ACS data into the CPI calculator for June, 2019.

## Cost of Homeownership

The analysis uses six categories to calculate the baseline cost of homeownership: mortgage payment; property tax; garbage collection fee; water, sewer, and electric utilities; telephone, cable, and internet utilities; and homeowners insurance. For costs associated with municipal government (e.g. water and sewer) the City of York was used. The following section details the costs included.

### Purchase Price

The median home value is used to estimate the purchase price of a home. The American Community Survey estimates that the median value of a single family home in the District in 2019 was \$147,400 and the median value of a mobile home was \$78,260 (US Census Bureau, 2015-2019 American Community Survey 5-Year Estimates). With the US Bureau of Labor Statistics' CPI Calculator, the current single family home value is estimated to be \$160,439 and the current mobile home value is estimated to be \$78,260.

### Mortgage Payment

A conventional, fixed-rate 30-year mortgage is assumed to estimate monthly costs of principal and interest on a home loan. The down payment for a loan is assumed to be 20 percent of the purchase price ( $\$160,439 \times 20\% = \$32,088$ ). The loan amount for the mortgage is determined by subtracting the down payment from the purchase price ( $\$160,439 - \$32,088 = \$128,351$ ). An interest rate of 3.50 percent is assumed for the home purchase based on a survey of competitive interest rates in Woodruff ([www.nerdwallet.com](http://www.nerdwallet.com)). The monthly mortgage payment is \$559 for a single family home, and \$272 for a mobile home.

### Property Tax

It is assumed that housing affordability is based on permanent residency, so the assessment ratio in this analysis is 4 percent. As a result, the assessment value of an average single family home in the City is \$6,417 ( $\$160,439 \times 4\% = \$6,417$ ) and \$3,130 for the average mobile home.

Based on current property tax millage rates for the York School District 1, York County, and the City of York, the millage rate for a home in the District is 0.5053. This results in a gross annual property tax bill of \$3,243 for single family homes and \$1,582 for mobile homes.

### Garbage Collection Fee

In the City of York, the monthly fee for garbage and debris service is \$10.69.

### Water, Sewer, and Electric Utilities

Based on a South Carolina Rural Infrastructure Authority Office of Local Government 2021 survey, households in the City of York average \$38.31 per month in water usage and \$36.81 per month in sewer usage. Additionally, using York Electric Cooperative rates and assuming an average monthly electric usage of 1000 kWh, the average residential electricity bill in the District is \$109.04.

In total, the utilities average \$184 per month.

### Telephone, Cable, and Internet Utilities

Spectrum is a provider of telephone, cable, and internet in York School District 1. From their website, the three services costs \$103 per month.

### Homeowner's Insurance

Homeowner's insurance provides protection for the home and is generally required when a home has a mortgage. The average cost for homeowner's insurance in York School District 1 is approximately 10 percent of the mortgage payment, estimated at \$42 per month for single family homes and \$27 per month for mobile homes.

### Monthly Payment

By compiling the month obligations, it is estimated that the monthly cost for single family homeownership is \$1,182 and \$728 for mobile homeownership. At the end of this chapter the monthly costs are listed in Figure 6.

### Cost of Renting

The cost of renting a home in York School District 1 is estimated with data provided by the US Census Bureau. In 2019, the median gross rent (including all utilities and rental insurance) is estimated to be \$726. With the US Bureau of Labor Statistics' CPI Calculator, the current cost of renting is estimated to be \$790.22.

### Cost Burden Analysis

The cost burden for affordable housing is measured as the ratio between monthly payments for housing (including property tax, fee, utilities, and insurance) and monthly gross household income. An analysis was conducted for residents that purchase a home and residents that rent a home. A cost burden ratio of 30 percent is used as the threshold to determine housing affordability in the City.

#### Scenario 1: Baseline Conditions

Figure 4 summarizes the cost burden analysis for residents purchasing and renting without the proposed maximum supportable development impact fee included. Based on the results, owner-occupied housing costs are above the limit considered for affordability for households whose income is 80 percent of the City's median income, while renter-occupied housing costs are below the limit.

**Figure 4. Scenario 1: Cost Burden Analysis without Maximum Allowable School Development Impact Fees**

Condition	Monthly Income	Monthly Cost	Cost Burden
Single Family	\$3,758	\$1,182	31.5%
Renter-Occupied	\$3,758	\$790	21.0%
Mobile Home	\$3,758	\$728	19.4%

#### Scenario 2: Baseline Condition + Proposed Development Impact Fee

In the second scenario, the maximum supportable development impact fee is included into the cost burden analysis to highlight the effects the fee has on housing affordability. Indicated in Figure 2, owner-

occupied housing units are predominately single family and mobile home units and renter-occupied housings is mixed between the four categories (single family, mobile homes, 2 to 4 units, and 5 or more). Since the development impact fee is calculated by housing type, the the renter-occupied housing unit will be assessed the fee for multifamily units (\$10,237).

The analysis takes a conservative approach and assumes the purchase price of the median home is raised by the development impact fee. This ultimately increases the household's mortgage payment and property tax, see Figure 6. For renter-occupied housing units, the analysis assumes that the development impact fee will be recouped by the landlord through an increase in monthly rent.

Listed in Figure 5, the monthly costs for owners and renters only marginally increases with the maximum supportable development impact fee. The impact fee increases the cost burden by 1.7 percent for single family units, .8 percentage points for renter-occupied units, and 1.5 percent for mobile home units

**Figure 5. Scenario 2: Cost Burden Analysis with Maximum Allowable School Development Impact Fees**

Condition	Monthly Income	Monthly Cost	Cost Burden
Single Family	\$3,758	\$1,246	33.2%
Renter-Occupied	\$3,758	\$818	21.8%
Mobile Home	\$3,758	\$786	20.9%

## Conclusion

The South Carolina Development Impact Fee Act requires preparation of a report that estimates the effect of imposing development impact fees on affordability of housing in the jurisdiction. To calculate the effect, a household that earns 80 percent of the median income should have a cost burden ratio of 30 percent or less for housing. **This analysis has concluded that the maximum supportable development impact fee results in a marginal increase to the monthly cost for residents. With the increase, the existing cost burden for single family home ownership is unchanged, while the cost of renting and mobile home ownership is still below the affordability threshold.** As noted, this analysis takes a conservative approach and assumes that the development impact fees are absorbed entirely by the home occupants. If the District were to choose a lower development impact fee amount, the results presented in this report would improve.

Figure 6. Cost of Homeownership

	Monthly Payment Calculation			
	Scenario 1	Scenario 2	Scenario 1	Scenario 2
	Baseline Condition Single Family Home	Baseline Condition Single Family Home + Impact Fee	Baseline Condition Mobile Home	Baseline Condition Mobile Home + Impact Fee
Purchase Price	\$160,439	\$172,908	\$78,260	\$89,425
Down Payment	\$32,088	\$34,582	\$15,652	\$17,885
Loan Amount	\$128,351	\$138,327	\$62,608	\$71,540
Loan Length (Years)	30	30	30	30
Loan Length (Months)	360	360	360	360
Yearly Interest Rate	3.25%	3.25%	3.25%	3.25%
Monthly Interest Rate	0.27%	0.27%	0.27%	0.27%
Monthly Payment	\$559	\$602	\$272	\$311
Property Tax - County (per month)	\$41	\$44	\$20	\$23
Property Tax - City (per month)	\$62	\$66	\$30	\$34
Property Tax - School District (per month)	\$168	\$181	\$82	\$93
Water, Sewer & Electric Utilities	\$184	\$184	\$184	\$184
Telephone, Cable & Internet Utilities	\$102	\$102	\$102	\$102
Solid Waste Fee	\$11	\$11	\$11	\$11
Homeowners Insurance	\$56	\$56	\$27	\$27
Monthly Cost	<b>\$1,182</b>	<b>\$1,246</b>	<b>\$728</b>	<b>\$786</b>