



School impact fees proposed to manage growth

State, local ideas aimed at meeting building needs

By Mindy B. Hagen
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Maynor Lopez works on a home in the Lakes of Summerville on Feb. 16, 2006. The housing boom continues in the tri-county area.

Thousands of new homes will flood the Lowcountry in the coming decades, bringing with them a deluge of school-age children.

But educators, lawmakers and concerned citizens question where the newcomers will attend school. The expected student influx will overrun the capacity at existing schools, and school officials are limited in raising enough funds to construct new buildings.

As one solution, educators are considering school impact fees paid by developers or new homeowners moving to high-growth areas. The only other current school construction option is floating a referendum, but depending on current residents to vote to pay for schools for newcomers is a risky proposition.

South Carolina currently uses impact fees to pay for roads, libraries and public utilities —

not schools.

The conundrum has no easy answers, but state House Majority Leader Jim Merrill, R-Daniel Island, said at least one proposal could be debated by lawmakers this year. "We are all searching for ways to successfully mix in new growth but also pay for the bricks and mortar improvements that need to go along with that," he said.

Potential fixes

Several new proposals on the state level would allow growth-related fees to be earmarked for school construction, with two bills filed by local lawmakers this year. One of those proposals, which calls for the creation of special tax districts in high-growth areas, is gaining momentum and will be heard by a committee this week.

The South Carolina Association of Realtors, which views impact fees as a barrier to the purchase of new homes, backs the "residential improvement district" bill as a compromise, said Nick Kremydas, the association's chief executive officer. The bill adds an assessment to property taxes in developments selected by county governments but doesn't affect buyers when they close on a new home.

"We fully recognize that many high-growth areas in the state are struggling to get infrastructure in place where it's needed," Kremydas said. "We know the problem exists. The residential improvement district's bill seems to be a viable option," he said.

In Dorchester District 2, overflowing schools with multiple mobile units are standard. The Summerville district has averaged more than 900 new students — equal to a large elementary school — each year, and Summerville High is the largest school in the state with more than 3,500 students.

District Superintendent Joe Pye has asked the school board's growth committee to review both impact fee bills proposed this year. "We have a deep hole, and it's certainly one mechanism that could help us," he said. "I'm not turning down anything from anybody."

Most of the new school construction projects in Charleston have focused on replacing or renovating old buildings. The Charleston County School District has seen a decline in student enrollment since 1999, with Mount Pleasant being the only area experiencing an increase in students.

Charleston's situation differs from ballooning enrollments in Dorchester, Berkeley and Horry counties. One other area hit the hardest by growth has developed a blueprint for others to follow.

Beaufort's model

The Beaufort County School District has proposed a model that school board members there think can be adopted by other fast-growing districts in the state. Beaufort's school district has formed agreements with its county council and town municipalities that prevent the approval of large-scale developments unless the developer pays an additional \$6,000 per new home or \$2.50 per square foot of commercial space. All funds collected through the

agreements would go toward building new schools.

Beaufort school board member Jim Bequette credited open-minded council members with recognizing the overcrowded school district's needs and being assertive enough to stand up to developers. Bequette said Beaufort's model could be replicated in other places facing the same concerns, but only if council members sign on.

"In some towns, any penny they can dig out of a developer, they want for themselves," Bequette said. "It's up to the school boards to make their county governments understand their problems."

The Beaufort school board will present its approach at a S.C. School Boards Association meeting in April, and Bequette said he hopes the plan can offer temporary relief to other coastal and high-growth counties.

But he said he still thinks passing a state school impact fee law is more permanent. A state law could mandate a payment on every new home built, while Beaufort's agreement covers only homes in large-scale developments, he said. "Our objective is to get all of the school boards behind a state impact fee law and make it our big push for next year's legislative session," Bequette said.

Offering incentives

In Berkeley County, where the district estimates 30,000 new students in the next three decades, school board member Doug Cooper said he's interested in a state law and setting up deals with local councils and town governments.

Cooper said he doesn't want Berkeley to get a reputation as anti-development if the school district works with local governments to adopt agreements similar to Beaufort's arrangement. Offering incentives is one idea that could satisfy developers, he said. Developers who come before county governments with proposals that include built-in funds for school construction could receive more leeway, with governments promising to be more flexible during zoning change requests, Cooper said.

"We are just approaching the growth that Beaufort and Dorchester are already in the middle of," Cooper said. "We have to all lobby together to get a change."

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