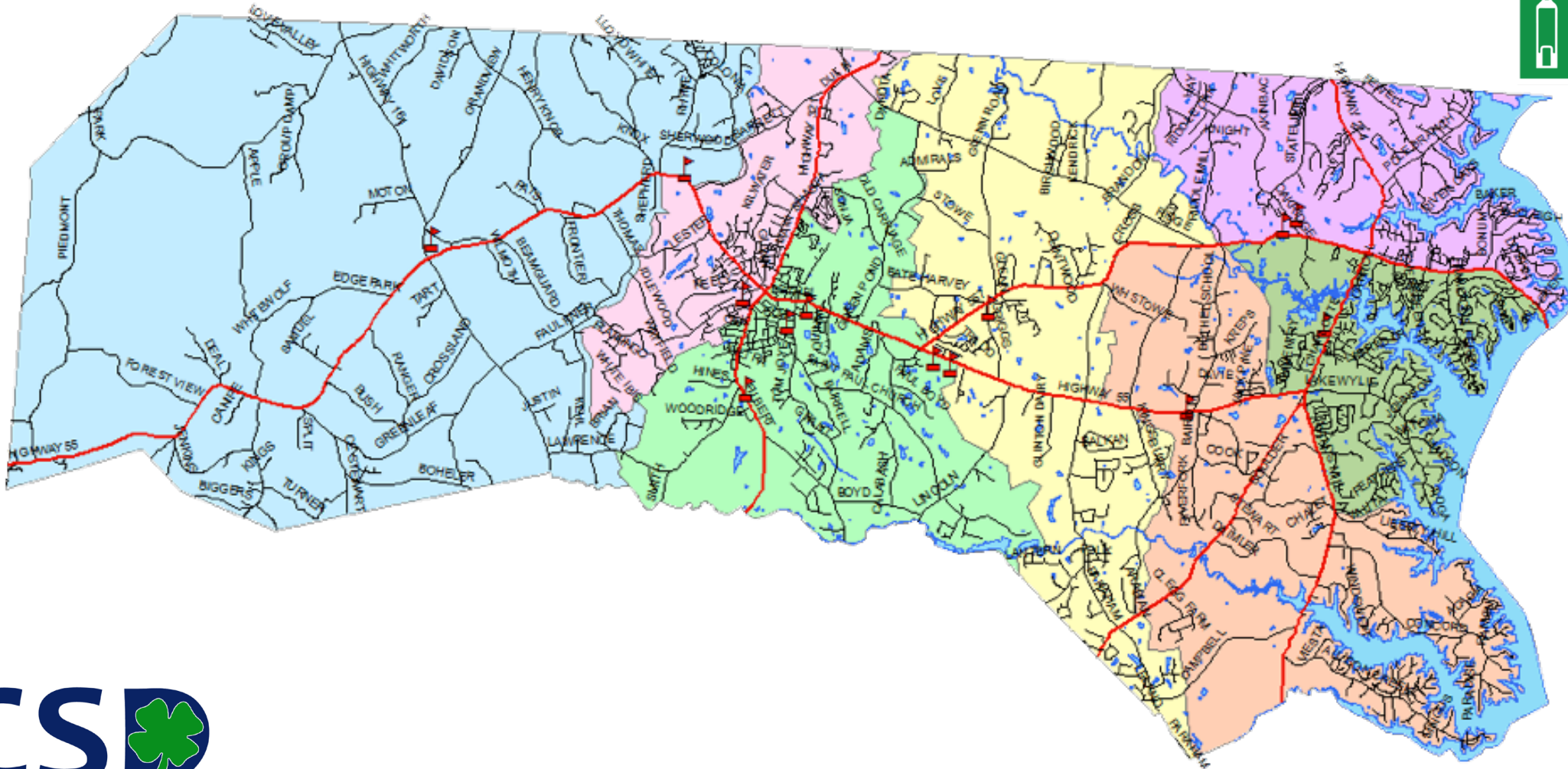


CLOVER SCHOOL DISTRICT

IMPACT FEE COMMUNITY MEETING





IMPACT Fee TiMeLine 2018-2019

Phase 1: Growth & Capacity Studies

August – June

Board Presentations

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March 4, 2019
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Phase 3: Develop Ordinance & Timeline with York County

September– December

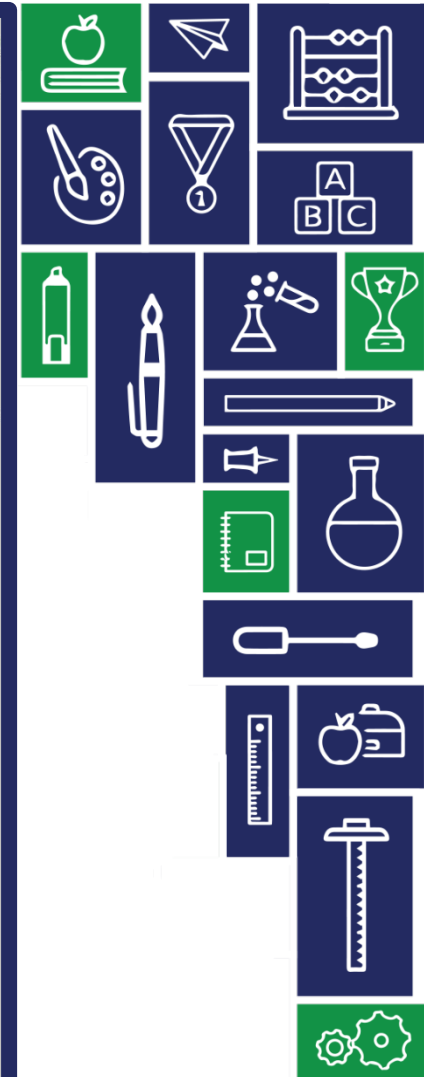
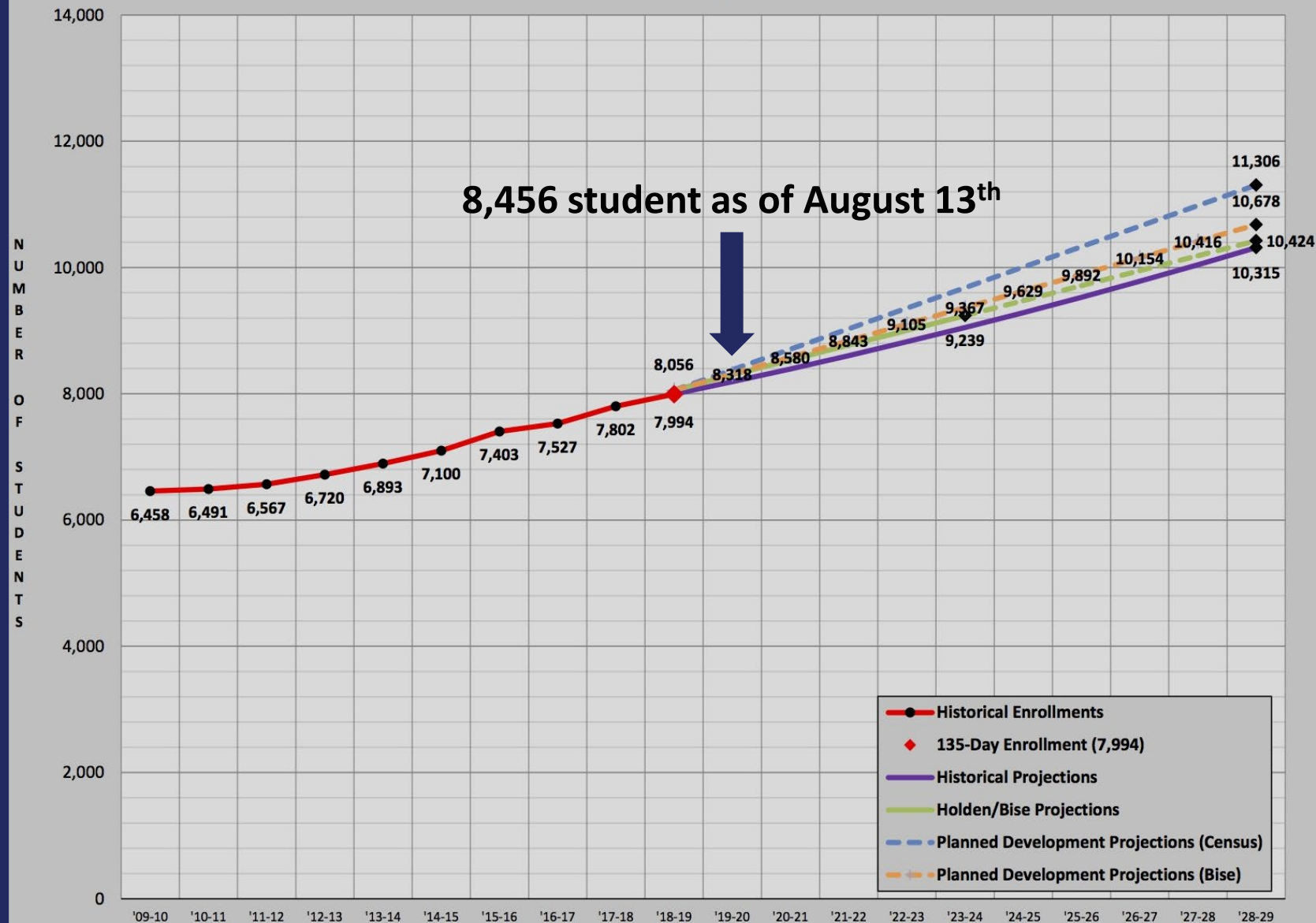
Develop ordinance (Councilwoman Love, YC planning staff & Legal counsel)
 Planning Commission agenda and presentations
 County Council agenda and presentations

September 2019
 TBD
 TBD



Clover School District Enrollments & Projections

CUMMING



Elementary Capacity

Facility	Building Sq Ft	Acreage	2018 Enrollment	Permanent Capacity	Utilization	August Enrollment
Bethany Elementary	59,688	13.90	386	430	90%	381
Bethel Elementary	63,765	18.40	343	410	84%	329
Crowders Creek Elementary	164,324	80.50	945	1,310	72%	1,013
Griggs Road Elementary	90,000	33.80	512	615	83%	522
Kinard Elementary	70,820	9.00	424	470	90%	470
Larne Elementary	121,000	50.60	581	740	79%	539
Oakridge Elementary	121,000	34.40	656	784	84%	693
TOTAL	690,594	240.60	3,847	4,759	81%	3,947



Middle School Capacity

Facility	Building Sq Ft	Acreage	2018 Enrollment	Permanent Capacity	Utilization	August Enrollment
Clover Middle School	185,715	125.7	891	1,080	83%	968
Oakridge Middle School	180,000	36.9	941	1,132	83%	1,049
TOTAL	365,715	162.6	1,832	2,212	83%	2,017

High School Capacity

Facility	Building Sq Ft	Acreage	2018 Enrollment	Permanent Capacity	Utilization	August Enrollment
Clover High School	502,087	155.2	2,377	3,259	73%	2,438
TOTAL	502,087	155.2	2,377	3,259	73%	2,438



Identified Needs Based on Growth & Capacity

- Additional Capacity at the elementary level
- Additional Capacity in grades 6 – 12
- Additional Land
- Additional Equipment



Proposed Building Plan

- Elementary School #8 (2024-2025)
- High School #2 (estimated date: 2025-2026)
- Convert 9GC to 3rd Middle School (estimated date: 2025-2026)
- Considerations for Existing Schools (Bethany, Kinard, Bethel)
- Estimated cost for all three projects: \$198,042,307



- 

What is an Impact Fee?

- Law was changed in 2018 to include schools as an entity that could collect a development impact fee
- One-time Fee on new construction
- Amount is approved for 5 years only
- Fee is paid to the county before construction on a new home
- Fee goes to school district and is held in an interest-bearing account to be used within three years



What is the Benefit of an Impact Fee?

- Growth pays for Growth
- Current residents have been supporting new school facilities through bond referendum taxes for many years
- An impact fee provides some *“skin in the game”* for new residents who are generating the need for more facilities



What are Eligible Costs for an Impact Fee?

- Facilities/improvements required to serve new development: **YES**
- Maintenance and repairs: **NO**
- Operating costs: **NO**
- Improvements required to correct existing deficiencies: **NO**

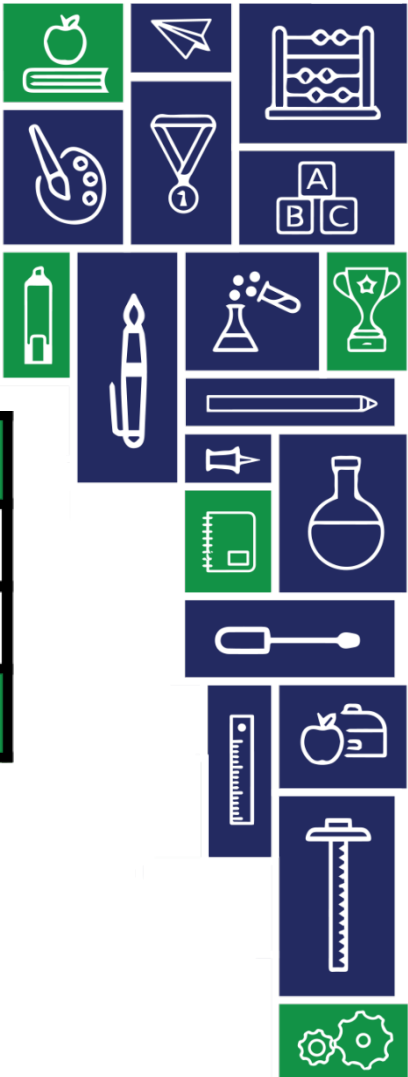


How is Clover School District Proposing to use an Impact Fee?

- A Clover School District impact fee has the following cost components
 - Construction of additional classroom space
 - Land
 - Furniture/Fixtures
 - Administrative Spaces
 - Buses



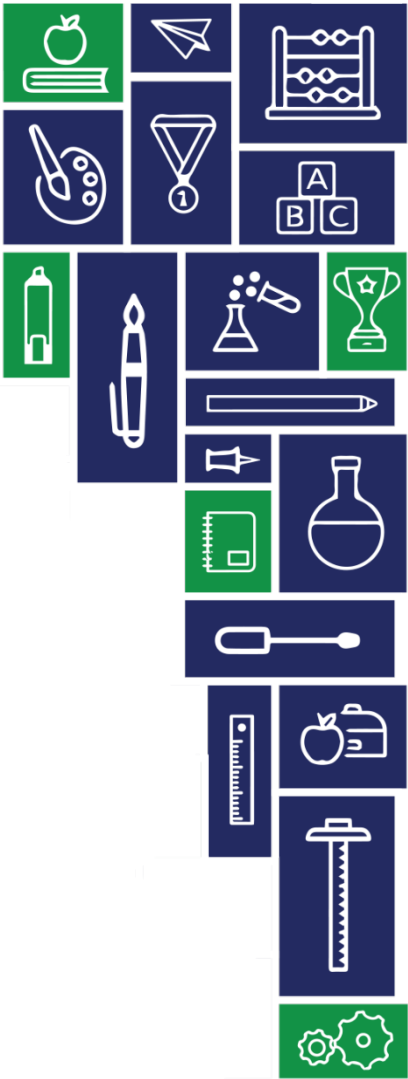
School Fee Input Variables



Current Level of Service Standards					
		(PK-5) Elementary	(6-8) Middle	(9-12) High	
Single Family	Permanent Building Square Feet per Student	0.107	0.101	0.123	0.131
Mobile Home	Permanent Building Square Feet per Student	0.098	0.111	0.064	0.206
Cost per Square Foot	Permanent Building Square Feet per Student	0.118	0.064	0.093	0.275
	Cost per Square Foot	\$345	N/A	\$430	
Total Gross Capital Cost per Student		\$53,328	\$1,549	\$69,285	
Credit for Future Debt Principal	Permanent Building Square Feet per Student	(\$8,962)	\$0	(\$8,962)	
Credit for Existing Debt Principal	Acres per Student	(\$5,290)	\$0	(\$5,290)	
Total Net Local Capital Cost per Student		\$39,075	\$1,549	\$55,033	
Land Cost per Student					
	Land Cost per Student	\$1,659	\$0	\$1,563	
Administrative Square Feet per Student					
	Administrative Square Feet per Student	7.57	7.57	7.57	7.5720
Cost per Square Foot					
	Cost per Square Foot	\$175	\$175	\$175	\$175
Total Admin. Facility Cost per Student		\$1,325	\$1,325	\$1,325	
Total Admin. Facility Cost per Student		\$1,325	\$1,325	\$1,325	\$1,325
Buses per Student					
	Buses per Student	0.0025	0.0025	0.0025	
	Cost per Bus	\$90,000	\$90,000	\$90,000	
Total Bus Cost per Student		\$223	\$223	\$223	
	Total Bus Cost per Student	\$223	\$223	\$223	\$223
Total Gross Capital Cost per Student		\$53,328	\$1,549	\$69,285	
Total Bus Cost per Student		\$223	\$223	\$223	
Credit for Future Debt Principal		(\$8,962)	\$0	(\$8,962)	
Credit for Existing Debt Principal		(\$5,290)	\$0	(\$5,290)	
Total Net Local Capital Cost per Student		\$39,075	\$1,549	\$55,033	

Recommended School Impact Fee

Maximum School Impact Fees: Clover School District				
	Elementary	Middle	High	
	(PK-5)	(6-8)	(9-12)	Allowable Fee
Single Family	\$8,089	\$156	\$6,769	\$15,014
Multifamily	\$3,829	\$68	\$3,522	\$7,420
Mobile Home	\$4,611	\$99	\$5,118	\$9,828



A decorative graphic on the right side of the page, consisting of a grid of squares in green and blue. Each square contains a white line-art icon related to education or school. The icons include: an apple on a book, a paper airplane, an abacus, a paint palette with a brush, a medal with the number 1, alphabet blocks (A, B, C), a water bottle, a lit candle, a microscope, a trophy, a pencil, a fountain pen, a round-bottom flask, a spiral notebook, a test tube with a dropper, a ruler, a lunchbox with an apple, a thermometer, and two interlocking gears. The squares are arranged in a staggered, overlapping pattern.

- 
- \$41.70 per month to cost of home**

How will an impact fee affect Affordable Housing?

- Affordable housing = a house that a family making 80% of the median income in a given area can afford
- Median income in District 2 = \$67,532: Per the U.S. Labor Statistics' CPI Calculator
- 80% of \$67,532 = \$54,026 (\$4,502 per month)
- A cost burden ratio of 30% is used as the threshold to determine housing affordability in CSD.
- Cost Burden with impact fee remains below the 30% threshold:
 - Owner-Occupied: 25.9%
 - Renter-Occupied: 20.5%**
 - Mobile Home: 18.3%**



How will an impact fee affect Affordability of Homes?

- Average closing price of a *NEW* construction home in CSD attendance area:
 - \$366,018
- Average closing price of a *NEW* construction home on the west side of the district:
 - \$276,131 (BTY, KES, LES) or \$294,112 (BTY, KES, LES, GRES)
- The proposed impact fee is not large enough to adversely affect the average home buyer of *NEW* construction in either the Clover or Lake Wylie area



How will an Impact Fee Help District 2 Residents?

- Over 4,300 new construction homes have already been approved for development in the new five years.
- If County Council approves this impact fee by December, CSD could begin collecting fees based on *NEW* construction as January.
- Funds collected will provide a down payment on new schools CSD will need to build in the next five years, which lowers the bond referendum and the tax burden.

4300 Homes x 15,041	Reduce bond by \$64,676,300
3300 Homes x \$15,041	Reduce bond by \$49,546,200



What is the impact to taxpayers?

Borrow = \$198,000,000

- 4% interest rate
- 20-year bond life
- 41.34 mills at today's tax assessment
- \$165.36 increase on a \$100,000 home

Borrow = \$148,000,000

- 4% interest rate
- 20-year bond life
- 30.90 mills at today's assessment
- \$123.60 increase on a \$100,000 home

SAVINGS

- \$41.76 per \$100,000 home
- \$41.76 x 2 per \$200,000 home
- \$41.76 x 3 per \$300,000 home



How does an Impact Fee help Business and Industry?

- Businesses pay bond referendum taxes for school buildings. They also pay school operating taxes (teachers, instructional materials, utilities, etc.).
- Residents do not pay school operating taxes on your home due to Act 388.
- When we bring on new schools, we will also have to bring on new personnel and other operating costs.
- Impact fee is the only thing that helps reduce the cost that businesses will shoulder.



Has the Impact Fee Slowed Down Growth in Fort Mill?

- Since July 2018, Fort Mill has seen 882 new homes built
- FMSD has collected \$14,274, 440
- Added over 1000 new students to the school district
- According the FMSD superintendent, there has been some slow down in new developments due to surplus in houses; waiting to build additional phases



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Some Feedback We Have Already Heard?

- Ensure the date in the impact fee ordinance provides reasonable notice to developers and builders
- Use impact fees proactively ahead of new construction not to pay down debt from prior construction related to growth
- Be mindful of how an impact fee affects affordable housing
- Impose fee at Certificate of Occupancy rather than time of permit
- Ensure the impact fee does not apply to additions or replacement of a mobile home



Summary

- An Impact fee is only allowable by law if you can show you are growing and that you don't have the capacity in your schools to handle that growth.
- The Board's job is to make the most of the funds we are allowed to collect and provide the best education for the students of CSD.
- An impact fee is the most fiscally responsible way we can provide for our students and help the taxpayers of CSD.

