Growth Management Tools: 
A Look At One Municipality’s Toolbox

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Town of Mount Pleasant, SC
May 14, 2019
See the top 20 fastest-growing cities below, and check out WalletHub's site for the full rankings. (Fall, 2018)

1. Fort Myers, Florida
2. Midland, Texas
3. Pearland, Texas
4. Bend, Oregon
5. McKinney, Texas
6. College Station, Texas
7. Lehigh Acres, Florida
8. Mount Pleasant, South Carolina
9. Enterprise, Nevada
10. Irvine, California
11. Milpitas, California
12. Pleasanton, California
13. Murfreesboro, Tennessee
14. Meridian, Idaho
15. Redwood City, California
16. Frisco, Texas
17. Round Rock, Texas
18. Austin, Texas
19. Miami, Florida
20. Saint George, Utah
Population Growth Means a City Is Thriving, or Does It?

Public officials and reporters alike adopt the myth that bigger is better. That’s not always the case.

BY J.B. WOGAN | SEPTEMBER 2017

Growing Cities and Affordable Housing: The Effects of Rapid Urban Development

By: Tema Flanagan | May 18, 2018 | Updated: December 21, 2018 | Urban living
Cities ask newcomers to pay for growth — but that could raise home prices for everyone

How fast?
Top 10 growth rates (2016-17):

<table>
<thead>
<tr>
<th>City</th>
<th>Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fort Mill</td>
<td>15.9%</td>
</tr>
<tr>
<td>Bluffton</td>
<td>11.8%</td>
</tr>
<tr>
<td>Mount Pleasant</td>
<td>3.4%</td>
</tr>
<tr>
<td>Myrtle Beach</td>
<td>3.0%</td>
</tr>
<tr>
<td>Summerville</td>
<td>2.7%</td>
</tr>
</tbody>
</table>
Mount Pleasant, SC
Mount Pleasant, SC

Mount Pleasant Population Growth Since 1960

- 1960: 5,000
- 1970: 10,000
- 1980: 20,000
- 1990: 40,000
- 2000: 80,000
- 2010: 160,000
- 2018: 320,000
Mount Pleasant, SC
Mount Pleasant, SC

10-Year Annual Dwelling Unit Growth, 2007-2017
It's unbelievable the primitive feelings that are aroused by rapid change.

- Sheila Ballantyne -
The Push to Manage Growth

- Constant changes
- Many members of the community have migrated to the area from elsewhere (different backgrounds, experiences, etc.)
- A heightened sense of urgency in the community
- Conflicts between “Old-Timers” and “Newbies”
- Citizen unrest; Politicians tossed out
- Symptoms of growth readily apparent (traffic, schools, loss of open space, grading of property, construction)
- Costs (can you say increased taxes?) to service new development rising
- Fast growth with limited land supply increases housing costs; other ways to overcome this (like ADU’s and AirBnB) yield new conflicts and issues to address
- Unreasonable expectations about instant results after actions are taken
Intelligence is the ability to adapt to change.
~ Stephen Hawking

“It is not the strongest of the species that survive, nor the most intelligent, but the one most responsive to change”.
Charles Darwin

In a changing world, be ADAPTIVE
“Kick It Up A Notch:” Some Cutting-Edge Tools & Approaches

- More Complex Issues = More Sophisticated Regulations, Programs (Both From A Planning & A Legal Perspective)
- Most Approaches Deal Directly With The RATE or AMOUNT or LOCATION Of Growth
- Some Go After The Side Effects
  - Quality/”Look & Feel” Of The Built Environment
  - Impacts On Natural Systems
“Kick It Up A Notch:” Some Cutting-Edge Tools & Approaches

• Growth Boundaries
• APFO’s (Adequate Public Facilities Ordinances)
• Impact Fee Systems
• Land Dedication Requirements
• Moratoria
• Permit Allocation Systems
Theory: Growth Limit Boundary (or Preferred Development Areas)

- Set a physical limit on where growth and development will be allowed or steer new growth to preferred locations
- May be based on the ability of the local government to provide services
- Also used to protect & conserve certain parts of a community
- May be required by state law
Practice: Urban Growth Line

Mount Pleasant → Urban Growth Line

• Included In The Comprehensive Plan
• Done In Coordination With Charleston County
• 1\textsuperscript{st} Established In 1999
• Reinforced In Several Iterations Of The Comp Plan, Including The New Draft Plan
Mount Pleasant

Urban Growth Line

- Included in the Comprehensive Plan
- Done in coordination with Charleston County
- 1st established in 1999
- Reinforced in several iterations of the Comp Plan, including the new draft plan

2014 Plan
Practice: Urban Growth Line

2019 Plan
Theory: Impact Fees

- Concept: New Growth Pays Its Way ("Growth Should Pay For Itself")
- Requires Extensive Study To Determine What The Fee Should Be; Can’t Just Make It Up
- Fees Need To Be Charged Fairly/Equitably/Uniformly (Unless Some Sort Of Zone System Is Used)
- Usually Charged For Transportation, Water & Sewer. Sometimes Schools. Sometimes Other Government Services (Fire, Parks & Recreation)
Theory: Impact Fees

• Don’t Have To Charge The Full Amount
• Can Only Use The Fee Revenue For Infrastructure, Not Operating
• Can Add Significant $ To The Cost Of A House
• May Discourage New Development That The Community DOES Want
### Impact Fees

#### Appendix A - General Development Impact Fee Schedule

<table>
<thead>
<tr>
<th>Dwelling Type</th>
<th>Residential Impact Fee</th>
<th>Fire Protection Impact Fee</th>
<th>Municipal Facilities and Equipment Impact Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single Family</td>
<td>$2,031.60</td>
<td>$204.24</td>
<td>$493.56</td>
</tr>
<tr>
<td>(attached or detached)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Multi-family</td>
<td>$1,322.04</td>
<td>$132.90</td>
<td>$321.18</td>
</tr>
<tr>
<td>(&gt; 2 dwelling units)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Non-Residential

<table>
<thead>
<tr>
<th>Development Type</th>
<th>Fire Protection Impact Fee</th>
<th>Municipal Facilities and Equipment Impact Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Discounted Fee Per Square Foot</td>
<td>Discounted Fee Per Square Foot</td>
</tr>
<tr>
<td></td>
<td>$0.33</td>
<td>$0.81</td>
</tr>
</tbody>
</table>

#### Transportation Impact Fee

<table>
<thead>
<tr>
<th>Land use</th>
<th>IPE code</th>
<th>Development type</th>
<th>Tenfold Edition Daily trips</th>
<th>Per</th>
<th>Pass-by rate</th>
<th>Discounted Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Port &amp; Terminal</td>
<td>22</td>
<td>General aviation airport</td>
<td>14.94 per employee</td>
<td>N.A.</td>
<td>N.A.</td>
<td>$5,184.77</td>
</tr>
<tr>
<td>Industrial</td>
<td>110</td>
<td>General light industrial</td>
<td>0.00496</td>
<td>Sq. Ft</td>
<td>N.A.</td>
<td>$1.79</td>
</tr>
<tr>
<td></td>
<td>120</td>
<td>Industrial park</td>
<td>0.00321</td>
<td>Sq. Ft</td>
<td>N.A.</td>
<td>$1.21</td>
</tr>
<tr>
<td></td>
<td>140</td>
<td>Manufacturing</td>
<td>0.00393</td>
<td>Sq. Ft</td>
<td>N.A.</td>
<td>$1.42</td>
</tr>
<tr>
<td></td>
<td>150</td>
<td>Warehousing</td>
<td>0.00174</td>
<td>Sq. Ft</td>
<td>N.A.</td>
<td>$0.63</td>
</tr>
<tr>
<td></td>
<td>151</td>
<td>Mini-warehouse</td>
<td>0.00115</td>
<td>Sq. Ft</td>
<td>N.A.</td>
<td>$0.34</td>
</tr>
<tr>
<td></td>
<td>170</td>
<td>Utilities</td>
<td>0.01234</td>
<td>Sq. Ft</td>
<td>N.A.</td>
<td>$4.77</td>
</tr>
<tr>
<td>Residential</td>
<td>210</td>
<td>Single-family detached housing</td>
<td>9.44</td>
<td>Unit</td>
<td>N.A.</td>
<td>$3,402.42</td>
</tr>
<tr>
<td></td>
<td>220</td>
<td>Multifamily housing (low-rise)</td>
<td>7.32</td>
<td>Unit</td>
<td>N.A.</td>
<td>$2,330.32</td>
</tr>
<tr>
<td></td>
<td>221</td>
<td>Multifamily housing (mid-rise)</td>
<td>5.44</td>
<td>Unit</td>
<td>N.A.</td>
<td>$1,969.77</td>
</tr>
<tr>
<td></td>
<td>222</td>
<td>Multifamily housing (high-rise)</td>
<td>4.45</td>
<td>Unit</td>
<td>N.A.</td>
<td>$1,403.90</td>
</tr>
<tr>
<td></td>
<td>253</td>
<td>Congregate care facility</td>
<td>2.02</td>
<td>Unit</td>
<td>N.A.</td>
<td>$728.56</td>
</tr>
<tr>
<td></td>
<td>254</td>
<td>Assisted living</td>
<td>2.6</td>
<td>Beds</td>
<td>N.A.</td>
<td>$937.11</td>
</tr>
<tr>
<td></td>
<td>255</td>
<td>Continuing care community</td>
<td>2.4</td>
<td>Unit</td>
<td>N.A.</td>
<td>$165.82</td>
</tr>
<tr>
<td>Lodging</td>
<td>310</td>
<td>Hotel</td>
<td>8.36</td>
<td>Room</td>
<td>N.A.</td>
<td>$3,913.16</td>
</tr>
<tr>
<td></td>
<td>312</td>
<td>Business hotel</td>
<td>4.92</td>
<td>Room</td>
<td>N.A.</td>
<td>$1,488.91</td>
</tr>
<tr>
<td></td>
<td>330</td>
<td>Resort hotel</td>
<td>2.79</td>
<td>Room</td>
<td>N.A.</td>
<td>$1,265.99</td>
</tr>
<tr>
<td></td>
<td>416</td>
<td>Campground/RV park</td>
<td>3.76</td>
<td>Camper</td>
<td>N.A.</td>
<td>$1,255.30</td>
</tr>
</tbody>
</table>
Theory: Moratoria

Stop Development Until We Can Study It & Then Do Something About It
Practice: Moratorium

- Mount Pleasant $\rightarrow$ 2017
- Multi-family Structures (Apartments) Moratorium
  - Designed To Give Time To Complete An Update Of The Town’s Impact Fee System
  - To Last 2 Years
  - Fees Updated But Moratorium Left In Place
  - Expired In March, 2019
Theory: Permit Allocation System

Limit The Number Of Development Permits Or Approvals To Slow Things Down
Mount Pleasant: Building Permit Allocation Program

- Original Ordinance: 2000 to 2010
- Lifted Early (After 7 Years)
- Growth Rates Somewhat Slower & May Have Had An Effect, But “The Great Recession” Also Occurred
Mount Pleasant: Building Permit Allocation System

Guess What? History Repeats Itself.

Council Adopted Another Version in January 2019 To Limit Permits for 5 Years (& Yield About 2% Annual Growth)

• 500 Multifamily Units for Entire 5 Years
• 600 Single Family Dwellings Per Year
Practice: Moratorium

Even With Limited Development of Apartments from Prior Approvals, History Repeats Itself. Again.

Apartment Moratorium Extended in April, 2019

(“Belt & Suspenders”)

• Be Careful About A Head-long Rush For Solutions Without Understanding (Or Admitting) The Real Problem(s)

• These Are Really Tough Issues: Decision-makers Have Trouble Making Decisions & Continue to Ask For More Info

• Resistance To Change = Resistance To New Ideas

• Have Good Data To Track & Monitor The Activity

• Involve Your Lawyers
• Growth Is Extremely Hard To Address On Your Own In A Growing Region
• Test, Challenge, and Rewrite: Think Ahead About Unintended Consequences Or Conflicts With Other Community Objectives
• If Many Things Happening At The Same Time = Can’t Identify What Worked (Or Didn’t)
Hold On For A Ride!!!
Growth Management Tools:
A Look At One Municipality’s Toolbox

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Beaufort County Impact Fees
• The South Carolina Development Impact Fee Act (S.C. Code § 6-1-910, et seq.), was enacted in 1999.

• This Act, broadly stated, allows counties and municipalities to impose by ordinance a requirement for payment of “development impact fees” (as defined) by a land developer as a condition of development approval.

• The Act defines “development impact fees” as payment for “a proportionate share of the cost of system improvements needed to serve the people utilizing the improvements.” S.C. Code § 6-1-920(8).

• The amount of impact fees must be based on actual improvement costs or reasonable estimates of the costs, supported by sound engineering studies and generally accepted accounting principles.
The county’s population has grown 107% since 1990

County-wide population grew by 25,216 (15.5%) b/w 2010-2017, and is projected to grow by 18,957 (10.1%) b/w 2017 and 2022. Most submarket growth is projected to occur in Southern Unincorporated, Hilton Head Island and Bluffton.

County-Wide Households grew by 9,545 (14.7%) b/w 2010-2017, and are projected to increase by 7,689 b/w 2017 & 2022. Greatest submarket growth is projected in Southern Unincorporated, Hilton Head Island, & Bluffton (1,000+ each).
### IMPACT FEES

The Beaufort County Council collects impact fees for:

- **Roads** $14,551,640
- **Parks and Recreation** $4,510,903
- **Libraries** $2,986,535
- **Fire** $722,000

- Currently studying adopting impact fees for solid waste, and public safety/EMS at a cost of $173,900 to Beaufort County.

- School impact fee study is at a cost of $103,870 to Beaufort County School District.
Impact fees collected must be expended/allocated within 3 years for the service area where collected:

<table>
<thead>
<tr>
<th>Impact Fee</th>
<th>Service areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roads</td>
<td>3</td>
</tr>
<tr>
<td>Parks and Recreation</td>
<td>4</td>
</tr>
<tr>
<td>Libraries</td>
<td>5</td>
</tr>
<tr>
<td>Fire</td>
<td>8</td>
</tr>
</tbody>
</table>
Boundary Street improvements in the City of Beaufort @ $1,069,243
IMPACT FEES

Parks and recreation impact fees most recently were used to expand the Buckwalter Recreation Center in Bluffton and to build the Coursen-Tate Memorial Park and ball fields on Lady’s Island.
IMPACT FEES

• Library Bookmobile purchase @ $143,000
• Bluffton Mac Lab @ $263,000. Computer lab and associated equipment (computers, 3-D printers, sound equipment)