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Report: Greenville County should consider impact fees

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Most residential and commercial development in Greenville County doesn't generate enough county revenue to pay for the ballooning cost of services they demand, according to an analysis by county consultant.

To make up the difference, and pay for the improvements required by county growth, consultant Carson Bise of TischlerBise said in a report to County Council that the county should consider impact fees to fund new roads, parks and public safety. Optional sales taxes could also be explored, the report said.

The presentation came as a surprise to council members in a work session last week, and council Chairman Butch Kirven said council members haven't had time to examine the consultant's claim that several of the most common types of residential and retail development generate net deficits for the county.

"His report didn't carry any weight with any of us," Kirven said.

Kirven, County Administrator Joe Kernell and County Attorney Mark Tollison agreed this afternoon to release the PowerPoint presentation shown to council members last week after Kernell and Mellone Long, the county's assistant administrator for planning, had previously said they didn't want to distribute the information because it was a "draft."

They said they would only release it if GreenvilleOnline.com filed a formal request under the state's Freedom of Information law, which means it could take as long as 15 business days to obtain the information.

Kernell told GreenvilleOnline.com today that there had been "confusion," and Kirven said it wasn't justifiable to require an FOI request. Both Kernell and Kirven e-mailed a copy of the report this afternoon.

The report said that a single-family suburban residential property generates $776 in annual revenue and $883 in annual costs for the county, leaving a net deficit of $108.

A convenience retail property generates the largest deficits, bringing $98 in annual revenue but $4,620 in annual costs to the county because the large number of vehicle trips generated by such a development that also spawns high levels of public works, EMS and police services, the report said.

"The County's present revenue structure cannot provide current levels of service without finding new revenue sources or raising existing rates," the report said.

Kirven said the study may have little public value because it came as a surprise to council members and was for information only.

He said council members didn't realize the presentation was coming, and that they ran out of time to delve into a consultant's thesis that county growth isn't paying for itself.

Councilman Jim Burns said it contradicts the studies cited by developer groups. Bise responded that developers often take credit for the total economic impact of their projects, which is different from the actual fiscal benefit to the county.

Among his conclusions is that the county doesn't have a dedicated source of revenue to pay for capital projects, and that the current practice of transferring money from the county's general fund results in a "fiscally constrained" capital budget.

Impact fees have occasionally been at the center of intense debates over future growth in the county, and how government can pay for added infrastructure to support it.

Bise told council members that while the county has an operating surplus its capital needs are underfunded, and urged council members to consider impact fees as one of the ways to generate new revenue.

Kirven said it's no secret that the county needs to diversify its revenues, and that the county may look at the consultant's recommendations, but that he's not sure his data is vital to the county's current efforts to produce a long-term growth plan.

GreenvilleOnline.com is developing this story.