

Economic Impact of Carolina Station on Horry County, South Carolina

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EXECUTIVE SUMMARY

The proposed Carolina Station development by International Paper Realty will have a significant economic impact on Horry County in several areas. Below is a summary of those impacts:

- Over the entire construction phase, it is estimated that the total increase in demand for the construction sector will be approximately \$3.6 Billion in 2008 dollars.
- Based on a constant rate of construction over 20 years, the annual construction activity is estimated to generate a total of \$273.3 million in economic output each year which will support a total employment of approximately 2,400 with an annual labor income of \$90.5 million. This is approximately double the current employment of AVX Corporation.
- \$282 million will be spent locally and will support approximately 3,800 jobs, more than the total employment of Horry County Government, Conway Hospital, and Coastal Carolina University combined, with an annual income of \$123.5 million (2008 dollars).
- The combined total estimated annual economic benefits of Carolina Station due to construction and occupancy are almost \$667 million (2008 dollars) supporting approximately 6,200 jobs with an annual income of \$214 million. This is approximately the total employment of Horry County Schools, the City of Myrtle Beach, and Santee-Cooper locally combined.
- Annual property tax revenue at build out is estimated to be over \$12.5 million based on the current millage and in 2008 dollars.
- It is estimated that the net annual impact on Horry County (tax revenue less service costs) will be a positive \$1.9 million (2008 dollars) based on current millages and service levels.

INTRODUCTION

This report will provide an estimate of the economic impacts to Horry County, SC, due to the proposed development known as Carolina Station on approximately 6,277 acres in north central Horry County. Estimates were created of the direct, indirect, and induced impacts of the construction and sales phases, as well as the ongoing government and consumer spending during occupancy. Real and personal property tax revenues for Horry County were estimated. Building permit and plan review fees, as well as deed conveyance related revenues were estimated as well. Researchers have estimated the incremental costs to Horry County in providing additional community and educational services. All construction and sales estimates were based on data provided by International Paper Realty. Historic data specific to Horry County was utilized to estimate costs to the County. Information and data from the U.S. Bureau of Labor Statistics was utilized in estimating future consumer spending. Occupancy estimates from Coastal Carolina University's Clay Brittain Jr. Center for Resort Tourism, along with Horry County estimates of peak tourist population and permanent resident populations were utilized to estimate the Full Time Equivalent resident population. Lastly, to calculate the indirect and induced impacts, IMPLAN input-output software and data were used. Researchers used IMPLAN software because IMPLAN collects data

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from various federal and state data sources to develop the most comprehensive perspective possible to estimate the impacts of new economic events on industry output, employment, and income.

SUMMARY OF THE ESTIMATED ECONOMIC IMPACTS OF CAROLINA STATION

The construction phase as well as the ongoing occupancy of Carolina Station will entail substantial economic benefits for the local economy. During the construction phase, in addition to the increased activity within the construction sector itself, additional economic benefits will ripple throughout the local economy due to economic linkages and multiplier effects. In this case, firms in the construction sector will purchase goods and services as inputs from other local businesses. Additionally, workers in the construction sector will see a boost to incomes that can then be spent at area businesses, setting off additional ripple effects.

In standard economic impact analyses, three types of economic impacts can be identified: *direct*, *indirect* and *induced* effects. The direct effect of an activity represents the initial change in economic activity. In this case, the direct effects are the initial changes in the final demand for the output of the construction sector.

The indirect effects refer to all of the additional economic impacts that arise from inter-industry linkages between local firms. For example, as the construction sector purchases inputs from other local businesses – and these suppliers in turn purchase inputs from additional businesses – the input-output relationships between different firms and industries generates indirect effects on businesses in virtually every sector of the local economy.

The induced effects represent all of the additional economic benefits that are driven by the local spending of household income. The increased activity in the construction sector will boost incomes for construction workers. Some of this income will be spent locally on, for example, retail trade, health care, entertainment, housing, and so on. As firms in these industries see a boost to their sales, the employees of these firms will also see additional income that can be spent locally.

The successive rounds of indirect and induced impacts do not go on forever. For example, a portion of an increase in household income will be saved, used to pay taxes, or spent outside the local economy. Money that leaks out of the local area in this way cannot be used to support additional local activity. Therefore, the indirect and induced impacts become smaller and smaller over time until eventually the additional activity in each round goes to zero. Because of these leakages, it is useful to consider the notion of an economic multiplier.

An economic multiplier can be used to determine what the total impact (direct plus indirect plus induced) will be given a certain value for the direct impact. For example, if \$100 of direct spending within a particular sector ultimately results in a total spending impact of \$150, it can be said that the output multiplier is 1.5 – the \$100 in direct spending times the multiplier of 1.5 equals \$150 in total spending or total output. The value of this multiplier varies from sector to sector, and is determined largely by the size of the local supplier network.

The above discussion implies that economic impact analysis essentially involves: 1) determining the appropriate levels of direct business activity, and 2) determining and applying the correct values for economic multipliers to estimate the total impact on output, employment, and labor income.

The direct effects of the construction phase of Carolina Station are based on the current plans for single and multi-family residential units and commercial space. Over the entire construction phase at Carolina Station, it is estimated that the total increase in demand for the construction sector will be roughly \$3.6 billion in 2008 dollars.

TABLE 1
Estimated Direct Output from Construction at Full Build Out

	Market Values
Single Family	\$1,766,450,000
Multi Family	\$1,554,350,000
Commercial	\$238,000,000
Total	\$3,558,800,000

To estimate the employment and income associated with this direct construction spending, as well as the indirect and induced effects, a detailed structural model of the Horry County economy was utilized. This model is known as an input-output model. An input-output model contains specific information on economic linkages between different industries. Therefore, the input-output model for Horry County is equipped to quantify, for example, the pattern of local input purchases by the local construction sector. This model can be used to estimate the full range of indirect and induced impacts described previously. This report utilizes the input-output modeling software *IMPLAN*.

This model can be used in conjunction with the direct construction spending data to estimate the economic impacts in terms of three distinct measures: economic output, employment and labor income. Economic output can be thought of as an aggregate measure of total spending resulting from the initial direct expenditure. It includes all spending by consumers and businesses on both goods and services. It is therefore a broad, all-inclusive measure of the impact on total economic activity. Employment measures the impact on jobs in terms of the total number of positions. Labor income represents total employee compensation, including wages, salaries and benefits.

Economic Impacts during the Construction Phase

When looking at the economic impacts of construction activity, it is important to note that the economic impacts will be temporary, lasting only as long as the construction phase itself. It is useful when looking at construction impacts over a long period of time to assume a schedule of construction. For simplicity, we can assume that the construction activity will occur evenly over a twenty year period. In this case, the direct construction spending amounts to \$177.9 million per year.

The various economic impacts associated with this level of direct construction are given in Table 2. These impacts represent the impacts during each year of a twenty-year construction phase. For example, the annual construction activity is estimated to generate a total of \$273.3 million in economic output each year. This level of total economic activity can be expected to support a total of 2,402 employment positions at any given time during the construction phase. The labor income associated with these jobs is estimated to be \$90.5 million on an annual basis.

TABLE 2
Total Annual Impacts Based on Constant Rate of Construction over 20 Years

	Direct	Indirect	Induced	Total
Economic Output	\$177,939,973	\$46,796,948	\$48,518,455	\$273,255,375
Employment	1,447	466	488	2,402
Labor Income	\$57,683,635	\$17,130,651	\$15,691,177	\$90,505,463

Over the full twenty-year construction period, the total cumulative effect on economic output is projected to be \$5.5 billion. Meanwhile, a cumulative total of \$1.8 billion in new labor income will be generated over the twenty years.

Economic Impacts of Ongoing Occupancy

At full build out, Carolina Station is expected to be home to 13,800 households. The consumer spending associated with these households will generate another channel of economic benefits for Horry County. Based on recent statistics on median household income in Horry County, it is estimated that at full build out, Carolina Station residents will be earning total annual income of \$580.3 million in 2008 dollars as shown in Table 3.

TABLE 3
Annual Income of Carolina Station Households

Number of Households	13,800
Median Income in Horry County (2008 estimate based on actual 2006 data)	\$42,050
Total Annual Income	\$580,285,358

The local spending derived from this level of annual income will work to support output, jobs, and income in the Horry County economy. Of the \$580.3 million in total household income at build out, an estimated 85.9 percent is available to households as disposable income. Therefore, total annual disposable income is projected to be \$498.5 million. Of this, a portion of household spending will leak outside of the local economy via both domestic and foreign imports. *IMPLAN* estimates that about 57 percent of total disposable income in Horry County is spent locally; the rest is spent outside of the local economy. Therefore, the total local direct spending resulting from households in Carolina Station is \$282.2 million annually (in 2008 dollars). The various economic impacts resulting from this level of local direct spending are given in Table 4.

TABLE 4
Annual Economic Benefits of Carolina Station Household Spending

	Direct	Indirect	Induced	Total
Economic Output	\$282,154,604	\$47,164,918	\$64,079,869	\$393,399,391
Employment	2,705	443	645	3,793
Labor Income	\$87,607,985	\$15,154,910	\$20,723,836	\$123,486,731

The household spending by Carolina Station residents is projected to have a total impact on Horry County economic activity of \$393.4 million annually. This level of spending would be able to support a total of 3,793 jobs across the county and an associated \$123.5 million in new household income. Note that these estimates of employment and labor income do not include the jobs and income earned by Carolina Station residents themselves; rather, these impacts are driven solely by the spending of households living in Carolina Station.

Table 5 provides a summary of these various impacts due to both the construction and ongoing occupancy phases of the Carolina Station development. It is important to note that because of the inter-

industry linkages present in the local economy, these economic benefits are flowing from sector to sector. Firms and workers in every sector of the local economy stand to share in these economic benefits.

TABLE 5
Summary of Total Annual Economic Benefits of Carolina Station

	Economic Output	Employment	Labor Income
Benefits due to Construction ²	\$273,255,375	2,402	\$90,505,463
Benefits due to Occupancy	\$393,399,391	3,793	\$123,486,731
Total Benefits	\$666,654,766	6,195	\$213,992,194

Annual Real Property Taxes Resulting From Carolina Station

Researchers estimated the real property tax revenue on the 13, 800 residential units and the 1,700,000 sq. ft. of commercial space that would be realized annually in Horry County at completion of the project (Appendix Table 6). These estimates are based on the proposed millage rate for Horry County provided by the Horry County web site www.horrycounty.org (Appendix Table 6). Residential property taxes for the 13,800 single and multi-family units were based on the assessed values shown in Table 6. It is estimated that 61.4% of the single family and multi-family units will be owner occupied, and 38.6% will be non-owner occupied (estimates provided by Horry County Planning Department). The tax values were estimated using the 4% and 6% rates for owner and non-owner occupied units respectively. Values for the commercial properties were estimated based on the construction spending and development estimates provided by International Paper Realty. The value of the 1,700,000 sq. ft. of commercial space was estimated to be \$238,000,000. Real property tax revenues are therefore estimated to reach **\$12,576,096** for Horry County annually based on the FY 2007–2008 millage after the complete build out of Carolina Station (Appendix Table 6).

While the property tax revenue at build-out will exceed \$12.5 million, the annual property tax revenue during the development of Carolina Station will be less. The year-by-year estimates of the annual revenue during the first 20 years of construction of the Carolina Station development, as well as the cumulative revenue, are detailed in Table 7 (Appendix).

There is no estimate of the amount of Business License Fee and Hospitality Fee revenue that will be generated for Horry County by the retail portion of Carolina Station, nor the Sales Tax revenue that will realized by the State from the new retail outlets.

Plan Review, Building Permit, Deed Stamp, and Conveyance Fee Revenue

Researchers estimate that the plan review fees and building permit fees for the complete construction of the Carolina Station development will total \$10,484,075. This is based on the current Horry County plan review fees of \$0.10/sq.ft. for single family units and \$0.15/sq.ft. for commercial; and building permit fees of \$0.25/sq.ft. for single family and \$0.30/sq.ft. for commercial. (Note: the commercial fee scale was used for the multi-family buildings since the Horry County web site did not have a specific fee for multi-family buildings.) The square footage used in the calculations for each type of building (single family, multi-family, and commercial) is detailed in Table 8 (Appendix).

² Construction benefits are based on the estimated annual level of construction activity for each year over a twenty year schedule. Once fully built, the construction phase and its impacts will cease.

The sale of the single family and multi-family units will result in revenue derived from deed stamps and conveyance fees. No commercial property is included in this calculation since it is assumed that all commercial square footage will be leased. Using the current rate of \$1.10 per \$1000 of sale price, and a \$10.00 per transaction conveyance fee, the total revenue realized from the deed stamps and conveyance is estimated to be \$3,790,880. Thus, researchers estimate that the total revenue derived from plan review fees and building permit fees for all construction, and deed stamps and conveyance fees for the sale of the single family and multi-family units will total \$14,274,955 over the life of the project (Appendix Table 8).

VEHICLE TAX REVENUE IMPACT TO HORRY COUNTY

Additional revenue from vehicle taxes will also be received by Horry County government. New residents who occupy homes will pay taxes in Horry County on their vehicles. Conservatively estimating 2 vehicles for every single family unit used as a primary residence, 1½ vehicles for all non-owner occupied single family homes and multi-family units used as a primary residence, and 1 vehicle for all non-owner occupied multi-family homes, Horry County will realize additional annual revenues of \$2,118,658 from this source (Appendix Table 9).

In addition to the vehicle tax revenue, Horry County will realize revenue resulting from the \$20 annual road maintenance fee. This will amount to an additional \$432,832 annually at build-out (Appendix Table 9).

Additional Annual Costs to Horry County Government to Provide Services to Carolina Station

Additional Households created by the development of Carolina Station will create new demand for additional government services. In order to estimate the cost of the new service demand on Horry County government, researchers used data from the FY 2007–2008 Horry County budget document. These costs are summarized in Table 10 (Appendix). The total annual county-wide service cost is estimated to be \$165,970,375.

To arrive at an estimate of total number of persons served (following the research design used by Barr and Rauch (2000) and Kendree (1998) in their reports on *The Economic Impact of Residential Construction: Horry County, SC*), the average number of Full Time Equivalent (FTE) tourists residing in the county and utilizing county services on an average day should be added to the permanent residents. Researchers at the Clay Brittain Jr. Center for Resort Tourism at Coastal Carolina University estimates peak tourist season occupancy of 325,000 tourists. According to data from Coastal Carolina University's Tourism Economy Study, occupancy rates during the peak twelve weeks of summer in Horry County are approximately 83.69%, and the average annual daily occupancy rate for the Grand Strand area is 53.48% for the entire year. Table 11 (Appendix) explains the linear methods used to estimate the FTE tourist population based on the average daily occupancy rate. Based on the above, researchers estimate that the average daily FTE tourist population may be as high as 145,462. This estimate, when added to the Horry County's permanent population of 238,493 persons (US Census estimates), means an FTE population as high as 383,955.

Researchers estimated the cost of the county services under study resulting from Carolina Station by dividing the current year's budget by the FTE population served, and multiplying that number by the additional new permanent residents (Appendix Table 11). Calculating the cost in this manner, researchers estimate that the total cost of the new demand for the county services by Carolina Station would be \$13,183,237 after total build out.

Additional Annual Expenditures and Revenue for Horry County Schools Resulting from Carolina Station

The Horry County Schools system will receive additional students from Carolina Station. Mr. Joe Burch, Horry County Schools Coordinator of Planning, estimates that there will be approximately 3,000 K–12 students attending Horry County Schools at build-out. The operating cost per student is approximately \$9,643 according to Mr. Jeff Riddle, Chief Financial Officer of Horry County Schools. This does not include capital expenditures of debt service. Based on this, it is estimated that the operating cost to Horry County Schools of the additional students from Carolina Station will be almost \$29,000,000 at build out of the development. Since the South Carolina Legislature replaced the school operating millage of owner occupied homes with an additional 1% sales tax, and the funding formulas from the State are not finalized, determining the contribution of Carolina Station and its residents to the revenue of Horry County Schools cannot be done at this time.

CONCLUSIONS

Taking into account the one time impacts of the development, construction, the sales of residential and commercial property associated with Carolina Station, the ongoing impact of the consumer spending of new households, and the increase in annual Horry County property taxes, the development will have a very positive economic impact on Horry County.

Table 12 (Appendix) summarizes the positive and negative impacts on the annual budget of Horry County government. Negative impacts cited are the increased demand for government services. The estimates are based on current annual expenses plus departmental overhead. In all cases, researchers have attempted to liberally estimate increased costs for Horry County government. The analysis shows a net positive impact to County budget of almost \$2 Million annually at build out of Carolina Station. Additionally, the analysis shows a net positive impact every year during the first 20 years of the development. Table 5 summarizes the annual direct, indirect, and induced impacts to the economy of Horry County from the initial development, construction, and sales event, as well as the ongoing increase in consumption spending by new households. The total annual flow-through effect is almost \$670 Million of economic output in Horry County. It will create 6,195 jobs and generate over \$200 Million annually in personal income within the County.

APPENDIX

TABLE 6
Estimated Annual Horry County Real Property Taxes

Description	Total Units	Units	Assessed Value	Total Assessed Value
Single Family Homes -- Owner Occupied (7,210 Total Units -- 61.4% Owner Occupied)	7,210	4,427	\$245,000	\$43,384,012
Single Family -- Non-Owner Occupied (7210 Total Units -- 38.6% Non-Owner Occupied)	7,210	2,783	\$245,000	\$40,910,982
NEA Multi-Family -- Owner Occupied (2800 Total Units -- 61.4% Owner Occupied)	2,800	1,719	\$232,000	\$15,954,176
NEA Multi-Family -- Non-Owner Occupied (2800 Total Units -- 38.6% Non-Owner Occupied)	2,800	1,081	\$232,000	\$15,044,736

NGRA Multi-Family -- Owner Occupied (2990 Total Units -- 61.4% Owner Occupied)	2,990	1,836	\$225,000	\$16,522,740
NGRA Multi-Family -- Non-Owner Occupied (2990 Total Units -- 38.6% Non-Owner Occupied)	2,990	1,154	\$225,000	\$15,580,890
NCA Multi-Family -- Owner Occupied (800 Total Units -- 61.4% Owner Occupied)	800	491	\$290,000	\$5,697,920
NCA Multi-Family -- Non-Owner Occupied (800 Total Units -- 38.6% Non-Owner Occupied)	800	309	\$290,000	\$5,373,120
Single Family & Multi-Family Residential Property		13,800		\$158,468,576
Total Assessed Taxable Value				
1,700,000 sq.ft. of Commercial Space Assessed Taxable Value	170000	170000	\$140.00	\$14,280,000
	0	0		
Total Residential & Commercial Assessed Taxable Value				\$172,748,576
			Millage Rate	
Horry County - General Fund Operating Millage			36.7	\$6,339,873
Horry County - Debt Retirement Millage			5.3	\$915,567
Horry County - County Recreation Millage			1.3	\$224,573
Horry County - Horry-Georgetown TEC			1.9	\$328,222
Horry County - Higher Education			0.7	\$120,924
Horry County - Senior Citizens Fund Millage			0.4	\$69,099
Horry County - Waste Management Millage			6.4	\$1,105,591
Horry County - Fire District Millage			16.3	\$2,815,802
Horry County - Watersheds Millage			3.8	\$656,445
Total Property Tax Revenue				\$12,576,096
Total Revenue From Vehicles				\$2,551,490
Total Horry County Revenue At Build Out			Total Annual Taxes	\$15,127,586
Additional Costs to Horry County At Build Out			Total Cost	\$13,183,237
Net To Horry County Annually			Net	\$1,944,349

TABLE 7

Property Tax Revenue and Cost to Horry County Year by Year

Year	Single Family Units	Multi Family Units	Residents	Vehicles	Property Tax	Vehicle Tax	Cost to Horry County	Net to Horry County	Cumulative Net To Horry County
Year 1									
Year 2									
Year 3	216	198	915	649	\$333,735	\$76,545	\$395,497	\$14,782	\$14,782
Year 4	433	395	1830	1,298	\$667,470	\$153,089	\$790,994	\$29,565	\$44,347
Year 5	721	659	3050	2,164	\$1,112,449	\$255,149	\$1,318,324	\$49,275	\$93,622
Year 6	1009	923	4270	2,164	\$1,557,429	\$357,209	\$1,845,653	\$68,984	\$62,606
Year 7	1370	1252	5795	3,246	\$ 2,264,022	\$484,783	\$2,504,815	\$243,990	\$406,596
Year 8	1730	1582	7320	4,328	\$2,970,615	\$612,358	\$3,163,977	\$418,996	\$825,592
Year 9	2091	1911	8844	5,410	\$3,727,331	\$739,932	\$3,823,139	\$644,124	\$1,469,717
Year 10	2451	2241	10369	6,492	\$4,484,047	\$867,506	\$4,482,301	\$869,253	\$2,338,970
Year 11	2812	2570	11894	7,575	\$5,190,640	\$995,081	\$5,141,463	\$1,044,259	\$3,383,228
Year 12	3172	2900	13419	8,657	\$5,897,233	\$1,122,655	\$5,800,624	\$1,219,264	\$4,602,493
Year 13	3533	3229	14944	9,739	\$6,217,586	\$1,250,230	\$6,459,786	\$1,008,030	\$5,610,522
Year 14	3893	3559	16469	10,821	\$6,773,811	\$1,377,804	\$7,118,948	\$1,032,667	\$6,643,189
Year 15	4326	3954	18299	12,119	\$7,441,280	\$1,530,894	\$7,909,942	\$1,062,232	\$7,705,421
Year 16	4687	4284	19824	13,201	\$7,997,505	\$1,658,468	\$8,569,104	\$1,086,869	\$8,792,290
Year 17	5047	4613	21349	14,283	\$8,553,730	\$1,786,043	\$9,228,266	\$1,111,506	\$9,903,797
Year 18	5408	4943	22874	15,366	\$9,109,955	\$1,913,617	\$ 9,887,428	\$1,136,144	\$11,039,940
Year 19	5768	5272	24398	16,448	\$9,666,179	\$2,041,192	\$10,546,590	\$1,160,781	\$12,200,722
Year 20	6129	5602	25923	17,530	\$10,222,404	\$2,168,766	\$11,205,752	\$1,185,418	\$13,386,140

TABLE 8

Horry County Plan Review and Building Permit Fee Revenue

Category	Units	Sq.Ft./Unit	Fee/Sq.Ft.	Fee/Unit	Total Fee
Plan Review Fee Single Family Heated Area	7,210	2,000	\$0.10	\$200.00	\$1,442,000.00
Plan Review Fee Single Family Unheated Area	7,210	500	\$0.10	\$50.00	\$360,500.00
Bldg Permit Fee Single Family Heated Area	7,210	2,000	\$0.25	\$500.00	\$3,605,000.00
Bldg Permit Fee Single Family Unheated Area	7,210	500	\$0.25	\$125.00	\$901,250.00
Plan Review Fee - Multi-Family Area / Unit (NEA)	2,800	1,000	\$0.15	\$150.00	\$420,000.00
Plan Review Fee - Multi-Family Com. Area / Unit (NEA)	2,800	150	\$0.15	\$22.50	\$63,000.00
Bldg Permit Fee - Multi-Family Area / Unit (NEA)	2,800	1,000	\$0.30	\$300.00	\$840,000.00
Bldg Permit Fee - Multi-Family Com. Area / Unit (NEA)	2,800	150	\$0.30	\$45.00	\$126,000.00
Plan Review Fee - Multi-Family Area / Unit (NGRA)	2,990	1,000	\$0.15	\$150.00	\$448,500.00
Plan Review Fee - Multi-Family Com. Area / Unit (NGRA)	2,990	150	\$0.15	\$22.50	\$67,275.00
Bldg Permit Fee - Multi-Family Area / Unit (NGRA)	2,990	1,000	\$0.30	\$300.00	\$897,000.00
Bldg Permit Fee - Multi-Family Com. Area / Unit (NGRA)	2,990	150	\$0.30	\$45.00	\$134,550.00
Plan Review Fee - Multi-Family Area / Unit (NCA)	800	1,000	\$0.15	\$150.00	\$120,000.00
Plan Review Fee - Multi-Family Com. Area / Unit (NCA)	800	150	\$0.15	\$22.50	\$18,000.00
Bldg Permit Fee - Multi-Family Area / Unit (NCA)	800	1,000	\$0.30	\$300.00	\$240,000.00

TABLE 9

Rea / Unit (NCA) Category	Units	Price / Unit	Direct Fee / \$1,000	Fee / Unit	Total Fee
Plan Review Fee - Retail / Commercial / Office Space	1	1,700,000	\$0.15	\$255,000.00	\$255,000.00
Building Permit Fee - Retail / Commercial / Office Space	1	1,700,000	\$0.30	\$510,000.00	\$510,000.00
Total -- All Plan Review and Building Permit Fees	7,210	\$245,000	\$ 1.10	\$269.50	\$10,484,075.00
Deed Stamps - Single Family Residence					
Conveyance Fee - Single Family Residence	7,210	\$245,000		\$10.00	\$72,100.00
Deed Stamps - Multi-Family Residence (NEA)	2,800	\$232,000	\$1.10	\$255.20	\$714,560.00
Conveyance Fee - Multi-Family Residence (NEA)	2,800	\$232,000		\$10.00	\$28,000.00
Deed Stamps - Multi-Family Residence (NGRA)	2,990	\$225,000	\$1.10	\$247.50	\$740,025.00
Conveyance Fee - Multi-Family Residence (NGRA)	2,990	\$225,000		\$10.00	\$29,900.00
Deed Stamps - Multi-Family Residence (NCA)	800	\$290,000	\$1.10	\$319.00	\$255,200.00
Conveyance Fee - Multi-Family Residence (NCA)	800	\$290,000		\$10.00	\$8,000.00
Total -- All Deed Stamps and Conveyance Fees					\$3,790,880.00

Assessment Rate (6%) Mileage Rate (.1906)	No. of Units	Vehicles Per Unit	Average Value	Revenue
2 Vehicles/Unit For 61.4% of Single Family Homes	4,427	2.0	\$10,000	\$1,012,530
1.5 Vehicles/Unit For 38.6% of Single Family Homes	2,783	1.5	\$8,000	\$381,925
1-1/2 Vehicles/Unit For 61.4% of NEA Multi-Family Units	1,719	1.5	\$7,500	\$221,184
1 Vehicles/Unit For 38.6% of NEA Multi-Family Units	1,081	1.0	\$7,000	\$86,520
1-1/2 Vehicles/Unit For 61.4% of NGRA Multi-Family Units	1,836	1.5	\$7,500	\$236,193
1 Vehicles/Unit For 38.6% of NGRA Multi-Family Units	1,154	1.0	\$7,000	\$92,391
1-1/2 Vehicles/Unit For 61.4% of NCA Multi-Family Units	491	1.5	\$7,500	\$63,195
1 Vehicles/Unit For 38.6% of NCA Multi-Family Units	309	1.0	\$7,000	\$24,720
Annual Vehicle Tax Revenue				\$ 2,118,658
Road Maintenance Fee \$20.00 per Vehicle	No. of Units	Vehicles Per Unit	No. of Cars	Revenue
2 Vehicles/Unit For 61.4% of Single Family Homes	4,427	2.0	8854	\$ 177,078
1.5 Vehicles/Unit For 38.6% of Single Family Homes	2,783	1.5	4175	\$ 83,492
1-1/2 Vehicles/Unit For 61.4% of NEA Multi-Family Units	1,719	1.5	2579	\$ 51,576
1 Vehicles/Unit For 38.6% of NEA Multi-Family Units	1,081	1.0	1081	\$ 21,616
1-1/2 Vehicles/Unit For 61.4% of NGRA Multi-Family Units	1,836	1.5	2754	\$ 55,076
1 Vehicles/Unit For 38.6% of NGRA Multi-Family Units	1,154	1.0	1154	\$ 23,083
1-1/2 Vehicles/Unit For 61.4% of NCA Multi-Family Units	491	1.5	737	\$ 14,736
1 Vehicles/Unit For 38.6% of NCA Multi-Family Units	309	1.0	309	\$6,176
TOTAL	13,800		21,642	
Annual Road Maintenance Revenue				\$ 432,832
Total Revenue From Vehicles				\$2,551,490

TABLE 10

Horry County Expenditures Related to County Residents

Expenditure	Adjustment	Category -- Explanation
\$124,622,134		General Fund -- Total Expenditures and Other Uses ¹
	\$8,244,063	Road Maintenance / CTC ²
		Less:
		Transfer from General Fund - Road Maintenance - Engineering
	\$(8,112,799)	Transfer from General Fund - Road Maint. - Public Works Operations
	\$(247,548)	Transfer from General Fund - Road Maint. - Public Works Div. Operations
\$17,710,055		Fire Fund / Waste Management / Victims Witness
\$5,153,290		Parks and Recreation Fund / Senior Citizen Fund
\$51,112,652		Debt
	\$33,910,740	RIDE Plan Debt Service
	\$227,100	Higher Education
	\$246,178	Horry Georgetown TEC
	\$2,029,700	Special Revenue Debt Service
	\$4,119,215	Transfer from Fire Fund
	\$2,311,000	Transfer from Gen'l Fund to Capital Projects/E911 Upgrade
\$5,332,519		Waste Management Recycling
\$4,767,374		Fleet Replacement and Maintenance
\$208,698,024		Total Expenditures Related to All County Residents
	\$42,727,649	Total Net Adjustments
\$165,970,375		Net Expenditures Related to County Residents
	\$432.27	Net Horry County Expenditures per Resident

¹ Part Of The I & R Portion Of This Category Is Paid By Plan Review & Building Permit Fees² Road Construction In Carolina Station Will Be Funded By IPR

TABLE 11

Estimated Additional Annual Expenditures by Horry County Resulting From Development of the Carolina Station

238,493	Permanent Population (2006 U.S. Census Bureau Estimate)
325,000	Tourist Population at Peak Season (CCU's Brittain Resort Tourism Center Estimates)
83.69%	Area Average Occupancy at Peak Season (CCU's Brittain Center Estimate)
53.48%	Yearly Area Average Occupancy (CCU Brittain Center Estimate)
145,462	FTE Tourist Population
383,955	Effective Population (Estimated Permanent Population plus FTE Tourist)
\$165,970,375	Total Budgeted Expenditures Related to All County Residents
2.21	Number of Residents per Household (U.S. Census Bureau - 2006)
106,901	Permanent Households in Horry County (U.S. Census Bureau - 2006)
172,721	Total Effective Households (Permanent Population plus FTE Tourist Population)
13,800	Number of New Households in Carolina Station

<i>Estimated Annual Horry County Expenditures Resulting from Carolina Station Based on Permanent Population plus FTE Tourist</i>	
\$960.92	Horry County Expenditures Per Household - Permanent + FTE Tourist Population
\$432.27	Horry County Expenditures Per Person - Permanent + FTE Tourist Population
\$13,183,237	Estimated Annual Horry County Expenditures Due to Carolina Station

TABLE 12

Summary of Direct Impacts of Carolina Station on Annual Horry County Government Budget at Build Out

Additions To Tax Revenues	Increase in Expenses	Net Impacts	
\$12,576,096			Real Property Tax Revenues for Horry County
\$2,118,658			Automobile Tax Revenues to Horry County
\$432,832			Road Maintenance Fee Revenue to Horry County
	\$13,183,237		Costs to Horry County Resulting From Carolina Station
		\$1,944,349	Net Impact on Horry County Annual Budget