

201800003791
Filed for Record in
EDGEFIELD COUNTY, SC
CHARLES L. REEL, CLERK OF COURT
12-05-2018 At 01:38 pm.
ORDINANCE .00
OR Book 1710 Page 307 - 314

STATE OF SOUTH CAROLINA)
)
COUNTY OF EDGEFIELD)

ORDINANCE NO: 18-19-749

AN ORDINANCE TO ADD ARTICLE VIII, ECONOMIC DEVELOPMENT INCENTIVE PROGRAM TO CHAPTER 2 OF THE EDGEFIELD COUNTY CODE OF ORDINANCES

WHEREAS, economic development brings benefits to the citizens of Edgefield County including increased property values, increased revenue from property taxes, increased tourism and increased opportunities for employments and cultural amenities, and;

WHEREAS, it is in the interest of the residents of Edgefield County to support the establishment of businesses which will not only increase commercial activity but, also attract residents, nonresident, and tourists to Edgefield County; increase the property tax base of Edgefield County; and also provide jobs for our residents, and;

WHEREAS, the County needs to attract investors and stakeholders to create and maintain balanced economic development in all areas of the County, and;

WHEREAS, from time to time, incentives may be needed to attract investors and stakeholders to Edgefield County or to keep investors and stakeholders in Edgefield County; and,

WHEREAS, it is in the interests of the taxpayers and residents of Edgefield County that such a program be established to provide for a form of reimbursement or refund of fees and taxes paid to the county as incentives or reimbursements to investors and stakeholders who may invest in Edgefield County,

NOW THEREFORE BE IT ENACTED BY THE EDGEFIELD COUNTY COUNCIL THAT:

1. Article 8 containing Sections 2-480 through 2-487 is hereby added to Chapter 2 of the Edgefield County Code of Ordinances as shown on Exhibit "A" and incorporated as part of this ordinance.
2. Under the pending ordinance doctrine, this ordinance will be effective after advertisement for the public hearing, prior to the final adoption of this ordinance.
3. All provisions in other County Ordinances in conflict with this Ordinance are hereby repealed.
4. If any provision of this Ordinance or the application thereof to any person or circumstances is held invalid, the invalidity does not affect other provisions or applications of the Ordinance which can be given effect without the invalid provision or application and to this end, the provisions of this Ordinance are severable.
5. This Ordinance shall be become effective upon adoption on third reading by Council.

Edgefield County Council


Dean Campbell, Chair

ATTEST


Jennifer L. Gilley, Clerk to Council

First Reading: 10-02-18
Second Reading: 11-06-18
Third Reading: 12-04-18
Public Hearing: 11-06-18

Exhibit "A"

ARTICLE VIII. - ECONOMIC DEVELOPMENT INCENTIVE PROGRAM

Sec. 2-480. - Title.

This article shall be titled "Economic Development Incentive Program."

Sec. 2-481. - Authority.

Subject to the realization of certain benefits, as defined by Section 2-482, the economic development incentive program is enacted by the County Council to meet its goals as defined in Section 482.

Sec. 2-482 - Definitions.

As used in this article VIII, unless the context shall otherwise require, the following terms shall have the following respective meanings:

Benefits means the value to the county of providing the incentives, which generally includes: (a) increased property values within the incentive area and the county as a whole; (b) increased revenue from property taxes and permit fees; (c) increased tourism and commercial activity within the incentive area and the county as a whole.

Development shall mean the activity of improving a real property to the extent of adding value to the tax base through real property improvements, and the creation of employment opportunities.

Goals shall mean the objectives of the county in offering the incentives, which generally includes: (a) promoting the construction of new buildings or the rehabilitation of existing buildings within the incentive area; and (b) supporting the establishment of the categories of new businesses that will (i) significantly increase the overall commercial activity within the incentive area, (ii) attract residents and tourists into the incentive area and (iii) increase property values within the county as a whole.

Incentive shall mean a grant of any inducement having monetary value by the county that is offered to a person, firm, or corporation to pursue a development that encourages private investment and/or the creation/retention of jobs. The incentive may also include grants from other entities that the county may be able to obtain.

Incentive area shall mean the area in which the County Council has determined that the revitalization and redevelopment thereof is essential to preserving and improving the economy, society and culture of the county and enhancing the quality of life of the citizens thereof. The incentive area shall include all properties attached hereto as exhibit A.

Incentive recipient shall mean the private parties receiving the incentives from the county.

Job shall mean each new (i) full-time position or (ii) each full-time equivalent position that is created as a direct result of the ongoing operation of a development. For the purposes of calculating the number of jobs created by a development, only those employed at businesses directly associated with the development at positions permanently located within the incentive area shall be considered.

Sec. 2-483 - Authorization.

- (a) *Authorization to grant incentives.* The County Council, at its discretion and on a case-by-case basis, but subject to the general eligibility criteria provided for in section 2- 485 (a) herein, may enter into an incentive agreement (as defined herein) with a person, firm or corporation providing for incentives in order to encourage and support the development of real property within the incentive area.
- (b) *Incentive agreements.* The incentives shall only be provided to an incentive recipient after an agreement has been entered into between the county and such person, firm or corporation, which agreement shall set forth: the particulars of the development; the incentives to be provided; and sufficient assurances that the benefits will accrue to the county and the goals will be met by the development (an "incentive agreement"). Pending the approval by the County Council of any incentive agreement and subject to the provision of section 2-486 herein, the County Administrator or his/her

designee is authorized to discuss the provisions of this economic development incentive program, aid in the completion of any proposal (as defined herein) and, subject to the final approval by the County Council, negotiate with the potential incentive recipient on behalf of the county. The agreement shall be approved by County Council by ordinance. County Council is authorized to provide incentives in any amounts and for any period of time within the thresholds provided for herein or within the time periods and thresholds provided for in any applicable statutory authorization.

Sec. 2-484. - Authorized incentives.

- (a) *Multiple incentives.* The Council may provide to an incentive recipient any combination of incentives provided for herein; provided, however, that the total amount of incentives given to a development must be in keeping with the goals and the value of the benefits accruing to the county must be greater than the financial value of the incentives to an incentive recipient.
- (b) *Incentives of the county.* All direct incentives of the county shall be granted in the form of reimbursements and refunds of fees and taxes that have been duly paid to the county. No upfront abatements of fees or taxes shall be permitted. Where incentives continue for a period of more than one year, such incentives may be graduated to increase or decrease year-to-year as the Council sees fit, but subject to monitoring by the county to ensure compliance with the terms of any incentive agreement. The Council may, at its discretion and on a case-by-case basis, enter into an incentive agreement to reimburse or refund any person, firm or corporation the following fees and taxes up to the amounts and percentages provided for herein:
 - (1) Up to 100 percent of the applicable county taxes;
 - (2) Up to 100 percent of the building permits fees collected by the county;
 - (3) Such other incentives that the Council, at its discretion on a case-by-case basis, determines are appropriate given the amount or type of investment made by the incentive recipient in the investment area.
- (c) *State incentive programs.* The state programs that may be considered by Council to be included within any package of incentives or as a stand-alone set of incentives for in projects located outside of the development area include the following:
 - (1) Property tax credits authorized by the provisions of the South Carolina Abandoned Buildings Revitalization Act, codified at S.C. Code Ann. §§ 12-67-100 et seq. (collectively, the "Abandoned Building Act").
 - (2) Property tax credits authorized by the provisions of the South Carolina Textiles Communities Revitalization Act, codified at S.C. Code Ann. §§ 12-65-10 et seq. (collectively, the "Textiles Revitalization Act").
 - (3) Property tax credits authorized by the provisions of the South Carolina Retail Facilities Revitalization Act codified at S.C. Code Ann. §§ 6-34-10 et seq. (collectively, the "Retail Revitalization Act").
 - (4) The South Carolina real property tax credit for the installation of a fire sprinkler system, codified at S.C. Code Ann. § 12-6-3622.

Sec. 2-485. - Eligibility criteria.

- (a) *General eligibility criteria.* Except for those incentives discussed in section 484(c) as authorized by the state and which are intended by the terms of this economic development incentive program to be applied county-wide, in order for a development to be eligible to receive incentives, the County Council must determine that the development meets, or upon completion will meet, each of the following criteria:
 - (1) The development is consistent with Edgefield County's Comprehensive Plan.
 - (2) Absent the provision of incentives, the development would be unlikely to occur or unlikely to occur at the level or scale contemplated by the developer.
 - (3) The development must be located within the incentive area, as define by section 2-482.
 - (4) The development fits the prescribed zoning description for the area.
 - (5) The development must have a minimum threshold investment of \$100,000 (the "minimum investment"). The minimum investment may be comprised of any combination of (i) real property acquisition costs, (ii) the costs of physical improvements to real property, (iii) or the costs of capital improvements to county infrastructure. The minimum investment may be calculated based upon investment in a single property or the cumulative investment in multiple properties, each within the incentive area. Where multiple uses or businesses are to be located within a single development as separate businesses, the County Council may, at its discretion on a case-by-case basis, allocate appropriate portions of the total investment in the development to such separate business in order to allow such business to meet the minimum investment eligibility requirement. In order to meet the threshold for the minimum investment, a development may be given a credit

towards the minimum investment of \$25,000.00 for each job (as defined herein) that will be created by the development.

(5) The intended use of the development must be for one or more of the following business purposes: (1) retail uses; (2) tourism-related business or activities; (3) cultural arts activities and associated businesses; (4) corporate headquarters; (5) research and development; (6) high technology growth businesses; and (7) other uses, as may be determined by the County Council, that are consistent with the goals of the comprehensive plan.

(b) *Specific criteria.* The County Council may, at its discretion and on a case-by-case basis, include within an incentive agreement any other eligibility criteria that must be met upon completion of a development in order to ensure that the goals are met and that the development provides benefits to the county in amounts that warrant the implementation of incentives.

Sec. 2-486. - Administration and terms of delivery.

(a) *Application for incentives.* Except where an applicant seeks only incentives authorized by the state incentive programs listed in section 20484(c), in order to be eligible for incentives, a person, firm or corporation must submit to the County Administrator a proposed set of incentives for a development (a "proposal"). The proposal must include a sufficient description of the development, to include, without limitation, the following information: (i) identification of the property or properties on which the development is to be located (the "subject property") and any acquisition costs thereof; (ii) the estimated start date and completion date for any work to be performed on the subject property; (iii) a list of any physical improvements that are to be made to the subject property as part of the development, including a good-faith estimate of the costs thereof; (iv) the then-current value of the subject property and a good-faith estimate of the value of the subject property upon completion of the improvements thereto; (v) a good-faith estimate of the number of jobs that the development is projected to create, including an estimate of the date upon which the estimated number of jobs will have been created; (vi) a statement affirming that, based upon any acquisition costs for the subject property, along with good-faith estimates for the costs of physical improvements and the number of jobs created, the development will meet or exceed the minimum investment requirements of section 2-485, (vii) a good-faith estimate of other revenue for the county that will be created as a direct result of the development, including anticipated additional property tax revenue, capital improvements to county-owned infrastructure and utilities revenue; and (viii) any other additional information that the incentive recipient or the County Administrator deems may be necessary and helpful for the council to evaluate and give due consideration to the proposal.

(b) *Determination of incentive amounts.* The amount of incentives granted to a development shall be based upon the amount of the capital investment in the development, the amount of new revenue for the county directly created by the development and the number of new jobs that will be directly created by the development. The amount of incentives granted to a development shall in no case exceed the value of the direct and indirect benefits of the development to the county. These amounts shall be expressly included within any incentive agreement.

(c) *Certification, commencement and continuation of incentives.*

(1) No incentive shall commence or be given until such time as the development has been issued a certificate of occupancy as well as a certificate that all terms and benchmarks included within the applicable incentive agreement, including without limitation benchmarks for capital investment, property valuation, and job creation (the "benchmarks"), have been fully achieved or otherwise completed.

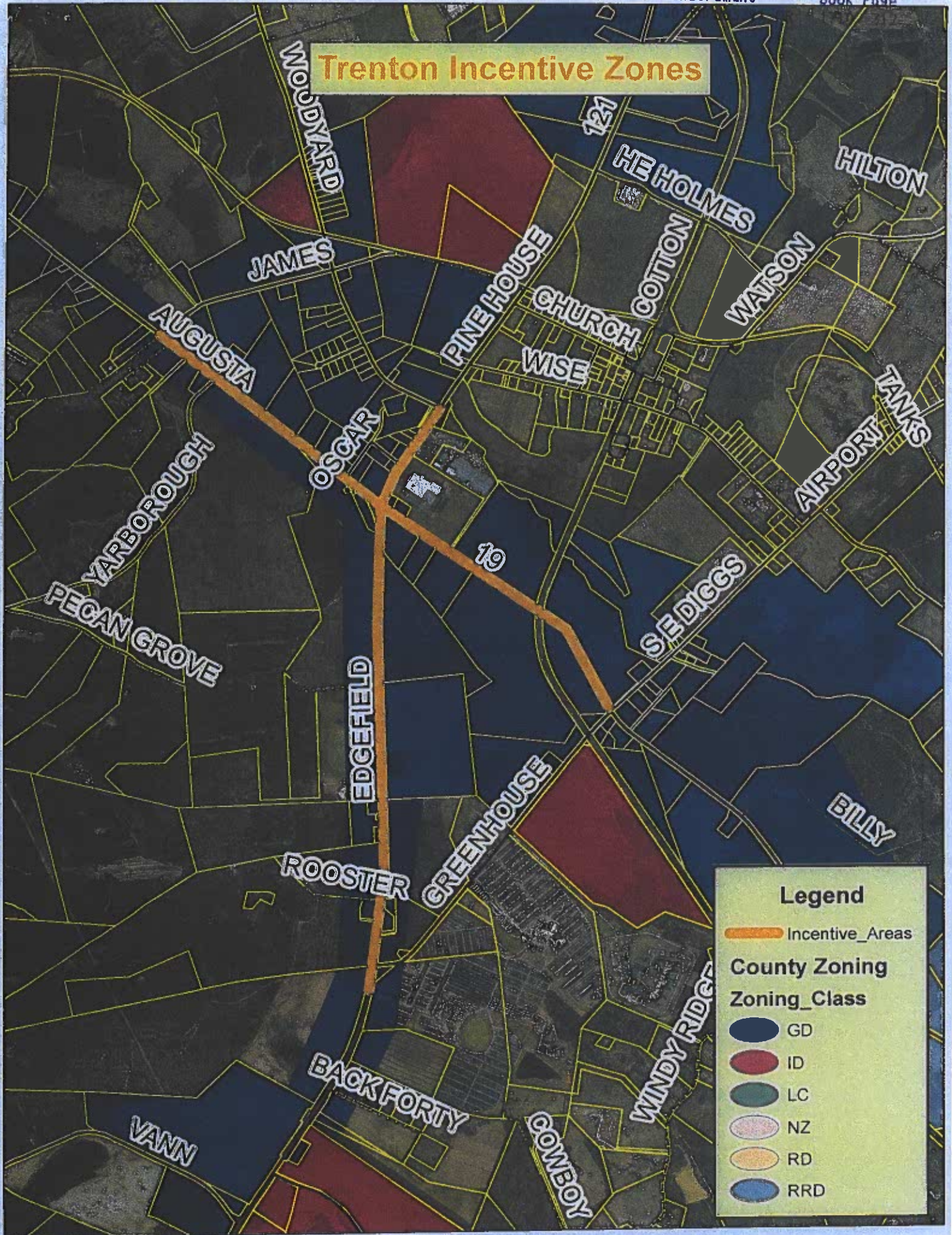
(2) Where benchmarks, such as the number of jobs created, are to be met continuously over a period of time, the incentive recipient shall provide to the county, on an annual basis, sufficient proof that the development has continuously achieved or otherwise complied with such benchmarks.

(3) If, at any time after completion of a development or at any time within the period of time during which a development is granted incentives, a development fails to achieve or otherwise comply with a benchmark, the Council may, at its discretion and on a case-by-case basis: (1) declare the incentive agreement null and void and refuse to grant any future incentives; or (2) decrease the amount of incentives based upon the actual direct and indirect benefits of the development to the city and its citizens.

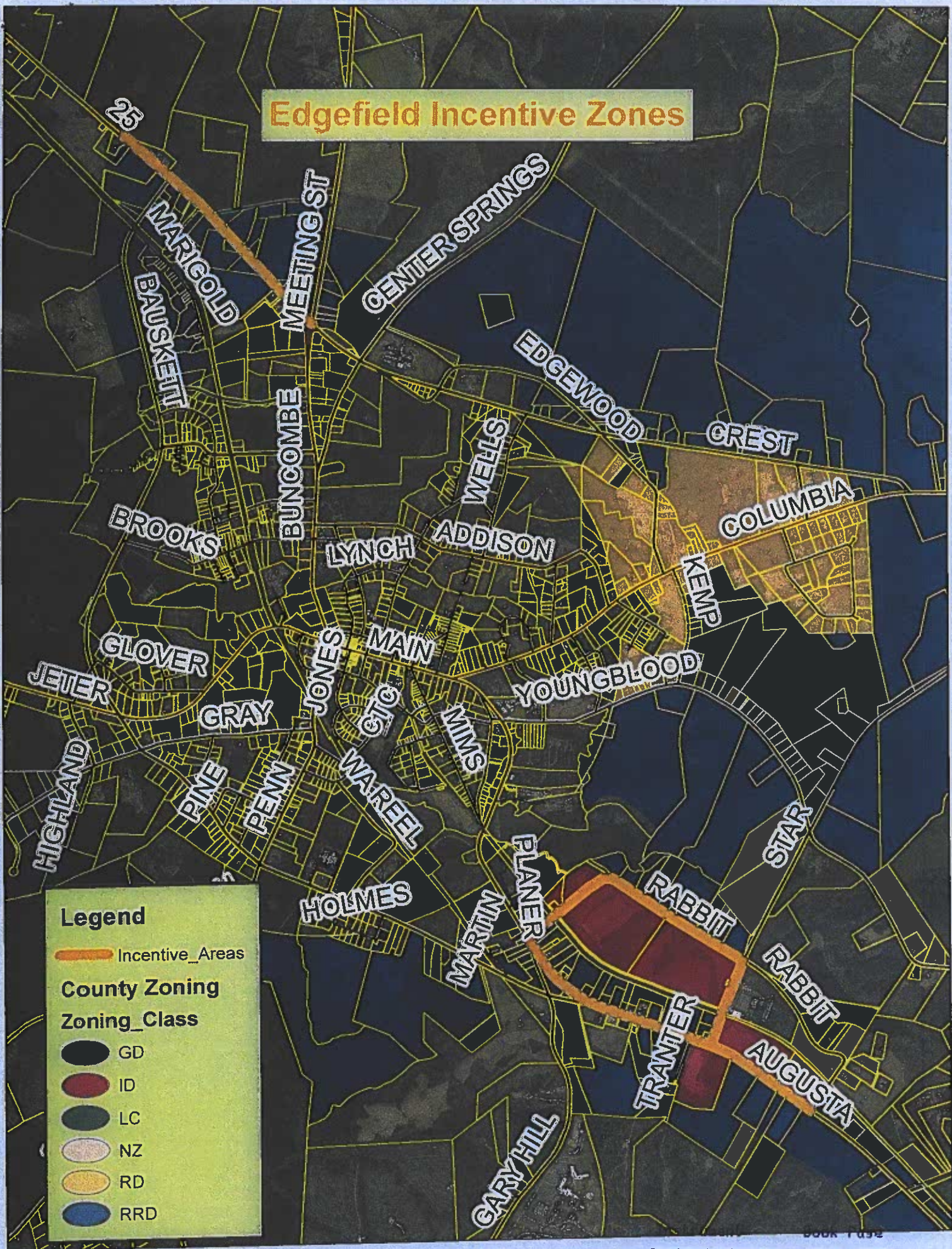
Sec. 2-487. - Administration of incentives and incentive agreement

The administration of the application process, specifically including the drafting of any proposal, and continuous monitoring of developments pursuant to applicable incentive agreements shall be the responsibility of the County Administrator and any person designated to oversee such process by the County Administrator.

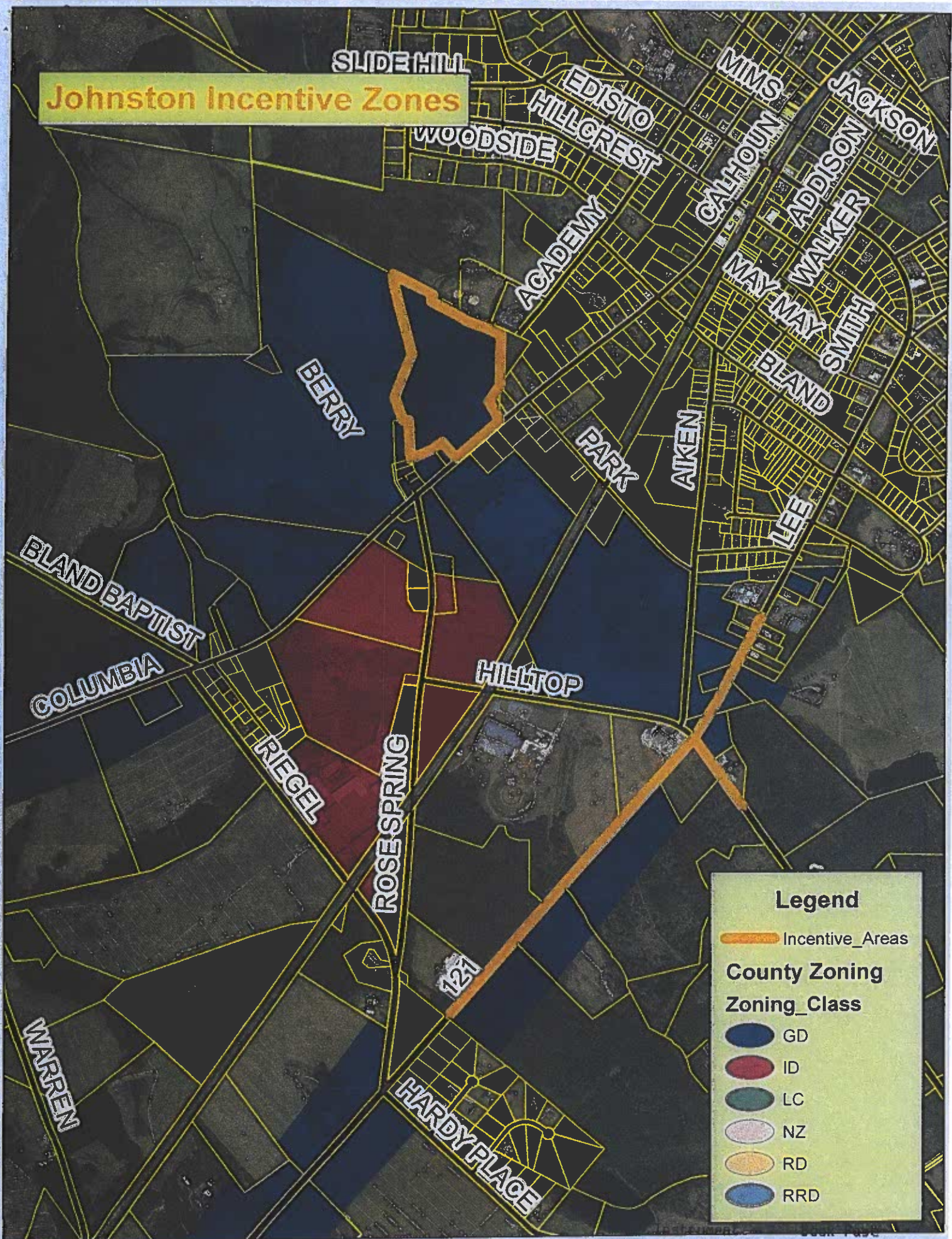
Trenton Incentive Zones










Edgefield Incentive Zones



Johnston Incentive Zones



Legend

-  Incentive_Areas
- County Zoning**
- Zoning_Class**
-  GD
-  ID
-  LC
-  NZ
-  RD
-  RRD