

State of South Carolina }
County of Pickens }
City of Liberty }

Ordinance 2019-02
Economic Development
Incentive Program

THAT THE CODE OF ORDINANCES OF THE CITY OF LIBERTY, SOUTH CAROLINA, IS HEREBY AMENDED BY ADDING A SECTION TO BE NUMBERED 11-200 WHICH SECTION READS AS FOLLOWS: AN ORDINANCE AUTHORIZING AND ESTABLISHING AN ECONOMIC DEVELOPMENT INCENTIVE PROGRAM TO ENCOURAGE PRIVATE INVESTMENT IN THE CITY'S ONGOING EFFORT TO REVITALIZE AND RETAIN/CREATE JOBS.

The Mayor and City Council state the following findings and reasons for the ordinance:

Whereas, the City is duly empowered to enact ordinances, not inconsistent with the laws or Constitution of the State of South Carolina, 1895, as amended, exercising its powers related to the expenditure of public funds for public purposes and those other powers incident to, and necessary for the accomplishment of, the City's express authorization to levy certain taxes and fees and the implementation of programs for public purposes; and

Whereas, the Mayor and City Council recognize that it is necessary and in the best interests of the City of Liberty to encourage economic development and revitalization of the City and to provide for the increased benefit and prosperity of its residents, businesses and community organizations; and

Whereas, the Mayor and City Council recognize that the establishment of an economic development incentive program promotes the public purposes of public health, safety, general welfare, security, prosperity and contentment of the City; and

Whereas, the Mayor and City Council desires to utilize the City's resources in a reasonable, lawful and deliberate manner to revitalize properties and retain and create jobs in the community when the use of public funds create a high probability of public benefit that exceeds the value of public funds invested.

Now Therefore, it is the intention of the council, and it is hereby ordained, that the provisions of this ordinance shall become and be made part of the Code of Ordinances of the City of Liberty, South Carolina, and the sections of this ordinance may be renumbered to accomplish that intention.

Section 1—Establishment of the Economic Development Incentive Program.

The City of Liberty does hereby establish an Economic Development Incentive Program as outlined in this Ordinance. The administration of this Program shall be the responsibility of the City Administrator.

Section 2—Incentive Agreements.

When there is a defined public benefit to the City of Liberty for a public purpose, the City may enter into an incentive agreement with a person, firm or corporation to undertake a development or redevelopment project consistent with the beneficial use or reuse of property within the City of Liberty or its water district. Individual agreements must be authorized by a Resolution or other public action of the Liberty City Council.

Section 3—Minimum Investment for Eligibility

The minimum investment by the company is \$250,000 in the City Center Overlay District and \$500,000 in the other areas of the City. The minimum investment may be comprised of any combination of (i) real property acquisition costs up to fifty percent (50%) of the total investment, (ii) the costs of physical improvements to the real property (iii) the costs of capital improvements to City infrastructure, and (iv) a job credit of \$25,000 for each job retained or created. Where multiple uses or businesses are to be located within a single Development as separate businesses, the 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.

Section 4—Incentive Types.

Incentives may include grants and reimbursement of fees, taxes or City infrastructure improvements for up to a five year period when specific performance criteria is met per the incentive agreement. The amount of the incentive must be closely related to the public benefit to the City of Liberty. The City Administrator is responsible for calculating and reporting the monetary amount of the public benefit to City Council. The incentive cannot exceed fifty percent (50%) of the increased monetary value the City will receive as a result of the development or redevelopment activity. However, City Council may authorize a higher percentage or a longer incentive term when the development or redevelopment project is a high priority for the City as determined by City Council and the approval is made with a two-thirds vote of the City Council members present and voting. In no case can the incentive be more than the direct monetary value received by the City.

Section 5--Incentive Target Areas and Designations.

Incentives are designed for the following types of businesses and activities:

1. Business types targeted by the Downtown Revitalization Committee, or similar initiatives, and located within the City Center Overlay District.
2. Tourism, cultural arts or recreational related business.
3. Technology or knowledge based business
4. Corporate or business headquarters
5. Manufacturing or Light Assembly
6. Any other business that provides a significant public benefit to the City of Liberty as determined by City Council

Section 6—Incentive Application Process

The person, firm, or corporation must apply for the Economic Development Incentive Program, provide sufficient documentation on the development, and agree to furnish good faith estimates on projected sales tax, assessed valuation, and other information as may be needed to determine the incentives that may be provided and the amount of the incentive. If an application is completed for a State and/or County incentive, the City may utilize the State and/or County application for the City application process; however, if needed, the City may require additional information.

The City Administrator is responsible for receiving, processing and coordinating applications with the City Council and any other economic development partner. Prior to consideration of the Economic Development Incentive by the City Council, the confidentiality of the application and related information will be maintained per normal economic development incentive processing guidelines.

The grant term shall commence with the issuance of the Certificate of Occupancy, issuance of a business license, and/or other criteria corresponding to the eligibility factors.

Section 7—Incentive Monitoring

1. The grant incentive shall require annual monitoring by the City of Liberty to ensure continued program compliance. Monitoring during the grant incentive period shall include benchmarks such as, but not limited to, the completion of the first taxable year of occupancy and first year of operation of the identified business use. Benchmarks shall be monitored for each year of the incentive period. The incentive agreement must contain the reporting requirements of the company which are needed to perform the annual monitoring by the City.
2. The City Administrator shall coordinate the annual monitoring activity with City Council.
3. The City of Liberty may at its discretion extend the incentive time-period if deemed warranted based upon the continuing benefit created by the investment.
4. The City of Liberty may increase or decrease the amount of the incentive based upon actual development and real property values as determined through the monitoring process.
5. If at any time during the incentive period, the development's use does not meet the eligibility criteria, the City will deem the agreement null and void.
6. If any time during the incentive period the development or the company is sold, the City shall deem the agreement null and void. No reimbursements provided under this article are transferrable to any other person, firm, or corporation. However, if the City and Company negotiate different terms relating to incentives when there is a change in ownership of the property or company, the agreement will prevail.

7. The City shall not pay further reimbursements once the subject business has ceased to operate for a period of 30 days.
8. If at any time during the incentive period the real property value is appealed, then the incentive amount may be renegotiated or voided.

Section 8—Repeal of Inconsistent Ordinances and Resolutions

All ordinances or parts of ordinances inconsistent or in conflict with the provisions of this ordinance are hereby repealed to the extent of the conflict or inconsistency.

Section 9—Effective Date

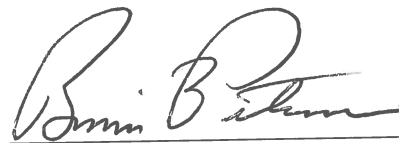
This Ordinance and the provisions of the Economic Development Incentive Program shall take effect immediately upon its enactment by the Council.

Section 10—Name of the person requesting introduction of the ordinance:

This ordinance is requested by Mayor Brian Petersen.

APPROVED, this 14th day of January, 2019.

1st reading: December 10, 2018
2nd reading January 14, 2019



Brian Petersen, Mayor

I attest the following signature is valid and the above ordinance was adopted by City Council:



Bruce Evilsizor, City Administrator