



MINUTES
OCONEE COUNTY COUNCIL PUBLIC WORKSHOP
Re: FEE IN LIEU OF TAX AGREEMENTS
SEPTEMBER 18, 2007

MEMBERS, OCONEE COUNTY COUNCIL

Mr. George Blanchard District I
Mr. Thomas S. Crumpton, Jr., District II
Mr. Mario Suarez, District III
Mr. Marion E. Lyles, District IV, Chairman
Mr. H. Frank Ables, Jr., District V

The Oconee County Council met for a public workshop on Tuesday, September 18, 2007 at 1:00 PM in Council Chambers, 415 South Pine Street, Walhalla, SC with all Council Members [except Mr. Suarez], County Administrator Dale K. Surrent, Elizabeth G. Hulse, Clerk to Council & Mr. Bradley A. Norton, County Attorney present.

Press:

Members of the press notified (via mail): Keowee Courier, Westminster News, Daily Journal, Anderson Independent, WGOG Radio, WYFF TV, WLOS TV, WSPA TV & WSNW Radio.

Members of the press present: Carlos Garza – Daily Journal, Dick Mangrum – WGOG Radio, & Ray Chandler - Anderson Independent.

Other Organizations Notified:

Also notified were the Oconee County Tax Payers Association & the Oconee County Sewer Commission.

Call to Order:

Chairman Lyles called the workshop to order at 1:00 p.m. and asked County Attorney, Bradley Norton, to introduce Mr. Wesley Crum, a Greenville attorney, who helped to draft most of South Carolina fee in lieu of tax law and who is a recognized expert in fee in lieu of tax agreements.

Fee In Lieu Of Tax [FILOT] and Similar Incentives:

Mr. Crum gave a detailed presentation utilizing a PowerPoint presentation including the history, state comparisons, structure and impact of fee in lieu of tax and similar incentives. He noted at present the South Carolina tiered property tax assessment system sets taxes at 4% for owner occupied homes and agricultural property; commercial, rental and other property at 6% and industrial at 10.5%. A fee in lieu of tax can reduce the assessment rate from the industrial 10.5% to the commercial rate of 6%.

Mr. Crum noted that industry concerns when determining to locate or expand in a location include utility rates, distribution costs, employee costs and skill level, etc.

Comment / Question Session

Mr. Blanchard noted that there is a ripple effect for the school system and briefly outlined programs offered by Tri-County Technical College in conjunction with local industries to train local industry employees and high school students wishing to join the work force.

Mr. Surrett asked Mr. Crum if he was aware of any states not offering tax incentives to industries. Mr. Crum noted that he was not aware of any nationwide and that Georgia and North Carolina [our closest neighboring states] routinely offer tax incentives.

Mr. Surrett noted that these tax incentives will not increase local citizen's property taxes. All this will do is allow industry to pay a reduced property tax. Mr. Crum agreed noting that these tax incentives allow Oconee County to compete with other states and jurisdictions who offer lower property taxes to industry in their areas.

Mr. Blanchard asked Mr. Crum if our local airport was viewed as an advantage by industry when deciding on a location. Mr. Crum stated he was familiar with our local airport however he was aware that in Greenville the Donaldson Center was a positive selling point to industries there.

Mr. C. W. Richardson noted that it is the public's perception that these agreements will impact residential property taxes negatively and that Mr. Crum's workshop had been of benefit in seeing that these are tax incentives to industry alone and that they will not impact residential property taxes. Mr. Richardson asked if other public education was available on this topic. Mr. Crum stated that Oconee County was one of the few to offer this type of workshop to its citizens.

Ms. Sally Price asked Mr. Crum about the time structure for FILOT's. Mr. Crum noted that there are statutory limits placed on these agreements. A typical agreement is for a period of twenty years.

Mr. Bill Graham asked Mr. Crum about oversight to ensure that terms of the FILOT's are met. Mr. Crum noted that yearly each industry is required to file financial documentation with the Oconee County Auditor's Office and the SC Department of Revenue to ensure that they are meeting their investment and expansion based on the FILOT agreement.

Adjourn:

Mr. Lyles thanked Mr. Crum for his informative talk and adjourned the workshop at 2:10 PM

Respectfully Submitted:

Elizabeth G. Hulse
Clerk to Council



**MINUTES
OCONEE COUNTY COUNCIL
Regular Meeting
SEPTEMBER 18, 2007**

MEMBERS, OCONEE COUNTY COUNCIL

Mr. George Blanchard District I
Mr. Thomas S. Crumpton, Jr., District II
Mr. Mario Suarez, District III
Mr. Marion E. Lyles, District IV, Chairman
Mr. H. Frank Ables, Jr., District V

The Oconee County Council met Tuesday, September 18, 2007 at 3:00 PM in Council Chambers, 415 South Pine Street, Walhalla, SC with all Council Members, County Administrator Dale K. Surrent, Elizabeth G. Hulse, Clerk to Council & Mr. Bradley A. Norton, County Attorney present.

Press:

Members of the press notified (via mail): Keowee Courier, Westminster News, Daily Journal, Anderson Independent, WGOG Radio, WYFF TV, WLOS TV, WSPA TV & WSNW Radio.

Members of the press present: Brett McLaughlin – Daily Journal, Dick Mangrum – WGOG Radio, & Ray Chandler - Anderson Independent.

Other Organizations Notified:

Also notified were the Oconee County Tax Payers Association & the Oconee County Sewer Commission.

Call to Order:

Chairman Lyles called the meeting to order at 3:00 p.m.

Pledge of Allegiance:

Mr. Suarez led the pledge of allegiance to the US Flag.

Minutes:

Mr. Suarez made a motion, seconded by Mr. Crumpton, approved 5 – 0 that the minutes of the regular meeting held September 11, 2007 be adopted as printed.

Mr. Ables made a motion, seconded by Mr. Blanchard, approved 5 – 0 that the minutes from the Joint Meeting with the Sewer Commission and Goldie & Associates held on September 11, 2007 be adopted as printed.

Public Comment Session:

Mr. Frank Kieninger, Oconee Men's Outreach, addressed Council regarding the groups continued prayers for Council members. Mr. Kieninger also presented Council with a letter, desk card and wallet card.

Ms. Susie Cornelius addressed Council regarding the need to work with the Sewer Commission on the proposed sewer project on I-85.

Mr. Jim Codner, South Oak Point Home Owner's Association representative, addressed Council regarding support for a moratorium on high rise / high density development on Lake Keowee.

Mr. Berry Nichols addressed Council regarding the length of time allotted for each person during the Public Session, the Jacaab agreement and support for a moratorium on high rise / high density development on Lake Keowee.

Mr. Bill Johns, Advocates for Quality Development Board member, addressed Council regarding support for a moratorium on high rise [in excess of three stories] development along Lake Keowee.

Ms. Linda Lovely, Advocates for Quality Development, addressed Council regarding the groups support for quality development to maintain the character of the area on Lake Keowee.

Ordinance 2007-15:

Public Hearing regarding Ordinance 2007-15:

Ms. Susie Cornelius addressed Council asking if a Cost Benefit Analysis [CBA] had been received by the members prior to this hearing. Council stated they had received the CBA at a previous meeting held on August 7, 2007. Ms. Cornelius asked how citizens could review this and future CBA. Council requested the Clerk to Council to determine if it was appropriate to put CBA's on the Council's website. It was noted that copies of these documents may be viewed at the Economic Development office on Main Street, Walhalla.

Mr. Bo Horne addressed Council regarding public access to CBA's prior to final reading.

Ordinance 2007-15:

Mr. Crumpton made a motion, seconded by Mr. Suarez, approved 5 – 0 that Ordinance 2007-15, "AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AGREEMENT BETWEEN OCONEE COUNTY, SOUTH CAROLINA AND PROJECT SENTRY; AND OTHER MATTERS RELATING THERETO INCLUDING, WITHOUT LIMITATION, PAYMENT OF A FEE IN LIEU OF TAXES RELATED TO THE PROJECT" be adopted on third and final reading.

Resolution 2007-06:

Mr. Brad Norton, County Attorney, read the full Resolution to Council. Mr. Crumpton made a motion, seconded by Mr. Suarez, approved 5 – 0 that Resolution 2007-06, “OCONEE COUNTY COUNCIL RECOGNIZES THE MANY HOURS OF SERVICE MS. ELLEN STUMPF HAS GIVEN TO THE CITIZENS OF OCONEE COUNTY THROUGH HER ADVOCACY FOR OUR CHILDREN AND THAT AS A RESULT OF HER LEADERSHIP AND DEDICATION OCONEE COUNTY, WILL FOR MANY YEARS TO COME BE A BETTER PLACE IN WHICH TO WORK AND LIVE” be adopted on first and final reading.

Appalachian Council of Governments: Comprehensive Economic Development Strategies:

Mr. Chip Bently, Planning Services Director, Appalachian Council of Governments, made a presentation to Council asking for their endorsement of their projects outlined in their report. Mr. Bently noted that they had surveyed the municipalities and special tax districts to assist in compiling the report.

Mr. Crumpton made a motion, seconded by Mr. Suarez, approved 5 – 0 to endorse the projects outlined in the Comprehensive Economic Development Strategies from the Appalachian Council of Governments.

Items for Consideration by Council:

South Carolina community Development Block Grant Program

Mr. Surrett addressed Council regarding the Community Development Block for Economic Opportunities who make education and workforce development programs for adults and youth more accessible. The new workforce facility will be located at the Hamilton Career Center.

Mr. Blanchard made a motion, seconded by Mr. Ables, approved 5 – 0 to approve submission of an application for the Community Development Block Grant Program.

Turnout Gear for Emergency Services Department

Mr. Surrett addressed Council regarding Procurement Bid 2007-03, Turnout Gear for Emergency Services Department, Fire Division. Procurement recommends awarding the bid to Anderson Fire & Safety of Anderson, South Carolina, for the approximate amount of \$108,120.

Mr. Blanchard made a motion, seconded by Mr. Ables, approved 5 – 0 to award Bid 2007-03 to Anderson Fire & Safety for the approximate amount of \$108,120.

Department of Motor Vehicles Contract for Treasurer, Auditor & Tax Collection Offices

Mr. Surrett addressed Council regarding the contract with the DMV which is needed to access DMV records and outlines responsibilities regarding disclosure of personal information. Mr. Norton advised Council that he had reviewed the contract and had no concerns.

Mr. Ables made a motion, seconded by Mr. Blanchard, approved 5 – 0 to approve the contract with the South Carolina Department of Motor Vehicles.

Builder Radius Software Agreement for Building Codes

Mr. Surrett addressed Council regarding these agreements with PayPal to provide online credit card processing in conjunction with Builder Radius Software. He noted that this will allow builders and the public to expedite the process of permitting by paying through the Internet thereby saving a trip to the Administration Building.

Mr. Norton advised Council that he had reviewed the agreement and that he had no major issues with the contract as written. He noted that there will be a 2.5% fee plus \$.30 cost for each transaction which will be passed onto the user.

Mr. Blanchard made a motion, seconded by Mr. Crumpton, approved 5 – 0 to approve the agreements with PayPal.

2007-2008 Millage Correction

Mr. Surrett addressed Council noting that after the September 11, 2007 meeting he identified a problem with the millage calculation. He noted that he met with the Auditor's office and that he spoke with Council Chairman, Public Safety Committee Chairman and the County Attorney and it was determined that the general county operating millage rate for property taxes within the municipalities should not include the 2.9 mills for Emergency Services. Mr. Surrett noted that this change will not affect the County's ability to generate the tax bills on time.

Mr. Blanchard made a motion, seconded by Mr. Suarez, approved 5 – 0 to amend the 2007-2008 millage to reduce the incorporated municipalities rate by 2.9 mills.

Council Committee Reports:

Real Estate, Facilities & Land Management:

Mr. Lyles had no report at this meeting

Road & Transportation:

Mr. Crumpton stated that the Road Committee met earlier in the day at 12:00 noon. During the meeting the committee approved recommendations for paving projects for bid in fiscal year 2007-2008 presented by Mr. Mack Kelly, Director of Public Works.

Mr. Norton read Resolution 2007-09 "The Oconee County Administrator is hereby authorized to accept roads and rights-of-way on behalf of Oconee County" for Council's review. Upon recommendation of the Road & Transportation Committee, Council approved Resolution 2007-09 unanimously as read.

Law Enforcement, Public Safety, Health & Welfare Committee Report:

Mr. Blanchard had no report at this meeting.

Mr. Blanchard reminded those present about the public Budget & Public Safety Workshop for Thursday, September 27, 2007 at 4:00 p.m. in Council Chambers.

Budget, Finance & Administration:

Mr. Ables had no report at this meeting.

Planning & Economic Development:

Mr. Suarez had no report at this meeting.

Mr. Suarez noted that this Committee is scheduled to meet on Wednesday, September 19, 2007 at 5:00 p.m. in Council Chambers for the purpose of discussing PRT tourism plans, the Draft Unified Standards and Ordinance 2007-17 “ Oconee County Vested Rights Ordinance”.

Administrator Report:

Mr. Surrent had no report at this meeting.

Old Business:

Proposed agreement between Oconee County and Jacaab or the Oconee County Sewer Commission

Mr. Blanchard made a motion, seconded by Mr. Ables, approved 5 – 0 to request the Oconee County Sewer Commission to prepare a specific document to include a complete scope of work, costs, long term growth projections and a specific time line for sewer along the I-85 corridor to include the Oconee County Industrial Park. This is to be presented to Council on October 2, 2007 at 5:00 p.m. in a special public meeting.

Emergency Services Commission Appointments:

Mr. Blanchard polled District II and District V Council members for their appointment to the Emergency Services Commission.

Appointments are as follow:

District II:

Mr. Crumpton made a motion, seconded by Mr. Lyles, approved 5 – 0 to appoint Mr. Jess Nevell to the Emergency Services Commission.

District V:

Mr. Jim Miles was a past Secretary of State for South Carolina, served on Greenville City Council. Mr. Ables noted his selection was made based on Mr. Miles vast experience in the field and in other organizations.

Mr. Ables made a motion, seconded by Mr. Blanchard, approved 5 – 0 to appoint Mr. Miles to the Emergency Services Commission.

New Business:

Mr. Lyles announced a County Council workshop open to the Public to meet with the Oconee County Sewer Commission on Tuesday, October 2, 2007 at 5:00 p.m. in Council Chambers to review their specific plans to include a complete scope of work, costs, long term growth projections and a specific time line for sewer along the I-85 corridor to include the Oconee County Industrial Park.

Zoning Enabling Ordinance

Mr. Surrent asked that Council amend the September 18, 2007 agenda to include first reading of the Zoning Enabling Ordinance.

Mr. Blanchard made a motion, seconded by Mr. Ables, approved 5 – 0 to amend the September 18, 2007 agenda to add the Zoning Enabling Ordinance to New Business.

Mr. Blanchard noted that this Ordinance reflects a great deal of work. In addition he requested that this document be placed on the Council's web site for public review.

Mr. Blanchard made a motion, seconded by Mr. Suarez, approved 5 – 0 to pass the Zoning Enabling Ordinance on first reading and to forward the Ordinance to the Planning Commission for further review requesting that they "fast track" this Ordinance for return to County Council.

Building Codes Board of Appeals Appointment

Mr. Lyles made a motion, seconded by Mr. Suarez, approved 5 – 0 to appoint Mr. Michael Willimon, Westminster, South Carolina, to the Building Codes Board of Appeals.

Adjourn:

Mr. Lyles adjourned Council at 4:10 PM

Respectfully Submitted:

Elizabeth G. Hulse
Clerk to Council