

8/29/06

STATE OF SOUTH CAROLINA

AGREEMENT

COUNTY OF OCONEE

THIS AGREEMENT made and entered into this 2nd day of January, 2007 by and between Oconee County, a body politic of the State of South Carolina, and John R. Harris.

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Deleted: 2005

WHEREAS, Oconee County is the owner of real property located in Oconee County and described more fully below:

WITNESSETH:

All that certain piece, parcel or tract of land lying and being situated in the State of South Carolina, County of Oconee, Center Township, being known and designated as Tracts 2, 3, and 4, containing approximately 336 acres, more or less, as shown and more fully described on a plat thereof by James G. Hart, Register and Land Surveyor, dated 3-13-89, recorded of even date herein in Plat Book A-45, Page 6, records of the Clerk of Court of Oconee County, South Carolina, and

All that certain piece, parcel or tract of land lying and being situated in the State of South Carolina, County of Oconee, Center Township, being known and designated as Tract 5, containing 66,746 acres, more or less, and is more fully described on a plat thereof prepared by James G. Hart, RSL, dated May 5, 2005 and recorded on August 2, 2005, in Plat Book B-78, at Page 16, records of Oconee County, South Carolina.

WHEREAS, the above described real property contains used farm machinery, outbuildings and/or barns which Oconee County wishes to have removed from said property; and

WHEREAS, the above described real property consists of numerous acres of land that needs to be maintained and cut on a regular basis;

NOW THEREFORE, in consideration of the mutual covenants set forth below, Oconee County hereby agrees to sell to John R. Harris the used farm equipment and outbuildings and barns in consideration for John R. Harris removing the used farm machinery and outbuildings within three hundred and sixty four (364) days of the date of this agreement. Two barn-type buildings near the center of the property may be used by John R. Harris until the County requests in writing that the buildings be removed within sixty (60) days. When removing said buildings and barns, John R. Harris shall remove all materials from the buildings, including any footings for the buildings. John R. Harris agrees to indemnify and hold harmless Oconee County for any and all activities of John R. Harris or John R. Harris's agents, servants or employees while in the performance of this agreement. John R. Harris may, at his expense, construct a gate that is wide enough for the County's heavy equipment to enter, on the SC Highway 59 entrance to the County

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property. If John R. Harris places a lock on this gate he will provide two (2) keys to that lock to the County Administrator within two (2) workdays.

IN ADDITION, Oconee County hereby grants to John R. Harris the right to enter the land described above and remove the hay from said acreage. In consideration of this right, John R. Harris agrees to bushhog and remove the hay from the pasture land at least two (2) times per year. (Once in the spring and once in the fall).

John R. Harris agrees to indemnify and hold harmless Oconee County for any and all activities of John R. Harris and/or its agents, servants or employees in the performance of this agreement. John R. Harris agrees to maintain one million (\$1,000,000.00) dollars of liability insurance and name Oconee County as an additional insured party for work done by John R. Harris and/or his agents, servants or employees in the performance of this agreement. No trees of more than four (4) inches in diameter, measured three (3) feet above the ground, are to be cut, removed or damaged. Any other activity not covered by this contract must be approved in advance by the Administrator of Oconee County.

This agreement will automatically be renewed for one year at time. . . . Opal, here's where I need you to become the lawyer. Good luck! Oconee County reserves the right to terminate this agreement at any time and for any reason upon thirty (30) days written notice. Notice shall be sent to John R. Harris at the following address: 659 Deer Creek Lane, Fairplay, SC 29641.

Signed, Sealed and Delivered  
in the Presence of:

OCCONEE COUNTY:

\_\_\_\_\_  
Witness

\_\_\_\_\_  
H. Frank Ables, Jr., Chair  
Oconee County Council  
415 South Pine Street  
Walhalla, SC 29691

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

\_\_\_\_\_  
John R. Harris  
659 Deer Creek Lane  
Fair Play, SC 29642

\_\_\_\_\_  
Witness

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**AGENDA ITEM SUMMARY  
OCONEE COUNTY, SC**

**COUNCIL MEETING DATE: 8/29/06  
COUNCIL MEETING TIME: 3:00 pm**

**ITEM TITLE OR DESCRIPTION:**

Bid #06-02 Computer Assisted Mass Appraisal System (CAMAS) for the Assessor's Office.

**BACKGROUND OR HISTORY:**

The software currently in use by the assessor's office was developed in the 1970's and subsequently met the needs of that office for many years. However, the county has grown tremendously over the past several years. As a result, the number of real estate parcels the office is responsible for assessing has increased to almost 65,000. Since a greater percentage of the new parcels being added is comprised of expensive waterfront and commercial properties, the complexity of the appraisal work required has also increased. As a result, this software no longer meets the basic needs of this office and furthermore, due to its outdated design, no upgrades are available to remedy this situation.

For the reasons described above Council approved funding for the purchase of new computer assisted mass appraisal software in the FY 2006-2007 budget.

**BID SOLICITATION HISTORY:**

On July 28, 2006, formal sealed proposals were opened for this system. Six companies were originally notified of this bid opportunity. Two companies submitted proposals, with Manatron, Inc., of Portage, MI submitting the lowest bid of \$215,700.00. The RFP selection committee, comprised of Leslie Smith, Richard Reeves and Karen Lusk, unanimously voted to recommend award to Manatron, Inc.

**SPECIAL CONSIDERATIONS OR CONCERNS:**

During the 2006 legislative session the South Carolina General Assembly enacted new legislation (H.4450) which places a constitutional amendment on the November 2006 ballot which upon approval would dramatically alter the assessment process. In order to properly implement the provisions of this new law, the timely purchase and installation of modern computer assisted mass appraisal software is critical.

**STAFF RECOMMENDATION FOR COUNCIL ACTION:**

Award bid #06-02 to Manatron, Inc. in the amount of \$220,000.00.

**FINANCIAL IMPACT:**

For FY 06-07, County Council approved \$250,000.00 (budget code 10-301-50840) for the purchase of new software for the Assessor's Office.

**ATTACHMENTS:**

- 1. Bid Tabulation

Submitted or Prepared By:

  
Marianne A. Dillard, Procurement Director

Approved for Submittal to Council:

  
Tom Hendricks, County Administrator

Reviewed By/ Initials:

\_\_\_\_\_ County Attorney

\_\_\_\_\_ Finance

\_\_\_\_\_ Department

C: Clerk to Council

Approved Budget Ordinance amount for bid item \$250,000  
 Budget Code: 10-301-50540

I hereby certify that to the best of my knowledge  
 this tabulation of bids is correct.

*Barbara A. Dillard*  
 Procurement Director

Bidders	Manatron, Inc.	Colorado Customware		
Address	Portage, MI	Fort Collins, CO		
Software	\$ 81,500.00	\$ 130,828.00		
Software Implementation	70,400.00	48,000.00		
Conversion/Customization	25,900.00	72,000.00		
Training	11,900.00	34,065.00		
Software Support		42,210.00		
Travel	26,000.00			
Custom Programming	\$167/hour if needed			
Contingency	4,300.00			
<b>GRAND TOTAL</b>	<b>\$ 220,000.00</b>	<b>\$ 332,900.00</b>		
Ranking	1	2		

AGENDA ITEM SUMMARY  
OCONEE COUNTY, SC

COUNCIL MEETING DATE: August 29, 2006  
COUNCIL MEETING TIME: 3:00 PM

**ITEM TITLE OR DESCRIPTION:**

Request for approval of ATAX grant request from Apple Festival Committee in the amount of \$5,500 for Advertising and Promotion of the 2006 Apple Festival. Request approved in ATAX Committee on 8/23/06 by a unanimous vote.

**BACKGROUND OR HISTORY:**

State ATAX funds are received quarterly and 65% of those funds are Tourism Related funds that are to be disbursed as recommended by the ATAX committee and approved by County Council.

**SPECIAL CONSIDERATIONS OR CONCERNS:**

N/A

**STAFF RECOMMENDATION:**

Approval of ATAX grant request of \$5,500.00 to the Apple Festival.

**FINANCIAL IMPACT:**

Current ATAX fund balance is \$35,349.52. We have two ATAX request this grant cycle. If both requests are approved by County Council, the remaining balance will be \$19,849.52.

**ATTACHMENTS:**

Apple Festival Grant Application

Submitted or Prepared By:

Phil Shirley, PRT Director  
Department Head/Elected Official

Approved for Submittal to Council:

  
Tom Hendricks, County Administrator

Reviewed By/ Initials:

\_\_\_\_\_ County Attorney

\_\_\_\_\_ Finance

\_\_\_\_\_ Other

C: Clerk to Council

**OCONEE COUNTY ATAX GRANT  
APPLICATION FORM  
FOR TOURISM RELATED PROJECTS**

**I. APPLICANT**

- A. Name of Organization South Carolina Apple Festival  
B. Address P.O. Box 206  
Westminster SC 29693

**II. FUNDS REQUESTED**

- A. ATAX Funds Requested \$ 5500.00  
B. How will ATAX Funds be used? The money will be used to help pay for the music and entertainment. It will also be used to pay for trash pick up and the fire protection at the festival.  
C. Estimated percentage of costs directly attributed to attracting or serving tourists? \$ 5500.00  
D. Funds furnished by your organization \$ \$40,000.  
Matching grant \$ 5000.00 Source Oconee Tourism grant for advertising  
Other Funding \$ \_\_\_\_\_ Source \_\_\_\_\_  
E. Provide an itemized budget. **THIS IS REQUIRED**, attach on a separate sheet.

See last year's financial statement.

### III. NARRATIVE PROJECT DESCRIPTION

A. Project Title South Carolina Apple Festival

B. Description of project The South Carolina Apple festival is one of the longest running festivals in South Carolina. It honors the proud heritage of our Apple growers. This festival swells the population of Westminster by an estimated 40,000 people.

C. Who will benefit from this project? The merchants, restaurants, hotels, and other businesses in Oconee County. The parks also benefit because many vendors camp at Chauhan park.

### IV. DATES OF PROJECT

Beginning September 5, 2006 Ending September 9, 2006

### V. APPLICANT CATEGORY

Government Entity: \_\_\_\_\_

Non-profit Organization: Incorporation date 1961

Eleemosynary Organization under IRS Code: IRS # \_\_\_\_\_

Date of Determination Letter \_\_\_\_\_

### VI. DEMOGRAPHIC DATA

How will the project influence tourism in Oconee County? This long running festival bring thousands of people from all over into Oconee County for 2 days in September. It also promotes follow up visits to purchase apples from our growers and other businesses.

How many visitors/participants attended the event last year and are anticipated this year? an estimated 40,000 visitors over the 2 days.

How many of the visitors/participants were from beyond a 50 mile radius of Oconee County last year and are anticipated this year? probably 1/2 of the visitors. We have vendors at the festival from Michigan.

How many overnight stays were created by this event last year and are anticipated this year? the hotels fill up and many people camp in our parks.

How do you plan to advertise this event beyond a 50 mile radius of Oconee County?

Billboards, Radio, TV, Magazines, Newspapers

What other documentation can you provide demonstrating this event promotes Tourism in Oconee County? (i.e. photographs, letters from local chambers of commerce, restaurants, shop or accommodations owners) We can supply

copies of ads, a letter from the Chamber, photos from the festival, and newspaper clippings.

What records will be kept during this event to obtain the above demographic data? (i.e. guest logs, phone logs, accommodations contracts, website hits, advertising demographics)

Website hits, phone log from the Chamber of Commerce, guest book at festival site.

## VII. AUDIT

Does your organization perform an independent audit? Yes  No

Name of the Auditor Fred Stutzman CPA

VIII. Will your project be using any funds from another group that received ATAX funds? \_\_\_\_\_

We get an advertising grant from Oconee Tourism to help off-set our advertising costs.

Oconee County ATAX Grant Application (Rev. 4/6/04)

Complete ATAX Application



I have read the guidelines for the Oconee County Accommodations Grant Request and do hereby agree to comply with all rules and requirements. I understand failure to comply may result in a loss of funding for the project and that all information required for final reporting MUST be detailed when project is complete.

A. Contact Name Mandy Burkett Title President  
Signature Mandy Burkett Date 8/8/06  
Address ~~102 N St~~ PO Box 206 Westminster SC 29693  
E-mail burketaw@piclers.k12.sc.us Fax No. \_\_\_\_\_  
Phone Number (s) 878-8725 (w) 647-6014 (h)

B. Alternate Contact Sandra Powell Title Board Member  
Address PO Box 155 Westminster  
E-mail wcoc@nuvox.net Fax No. 864-647-5316  
Signature Sandra Powell Date 8-8-06  
Phone Number (s) 864-647-5316 (w) 864-647-9833 home

AGENDA ITEM SUMMARY  
OCONEE COUNTY, SC

COUNCIL MEETING DATE: August 29, 2006  
COUNCIL MEETING TIME: 3:00 PM

**ITEM TITLE OR DESCRIPTION:**

Request for approval of ATAX grant request from Oconee Community Theatre in the amount of \$10,000.00 for Billboard Advertising of Upcoming Shows. Request approved in ATAX Committee on 8/23/06 by a unanimous vote.

**BACKGROUND OR HISTORY:**

State ATAX funds are received quarterly and 65% of those funds are Tourism Related funds that are to be disbursed as recommended by the ATAX committee and approved by County Council.

**SPECIAL CONSIDERATIONS OR CONCERNS:**

N/A

**STAFF RECOMMENDATION:**

Approval of ATAX grant request of \$10,000.00 to the Oconee Community Theatre.

**FINANCIAL IMPACT:**

Current ATAX fund balance is \$35,349.52. We have two ATAX request this grant cycle. If both requests are approved by County Council, the remaining balance will be \$19,849.52

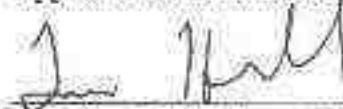
**ATTACHMENTS:**

Oconee Community Theatre Grant Application

**Submitted or Prepared By:**

Phil Shirley, PRT Director  
Department Head/Elected Official

**Approved for Submittal to Council:**

  
Tom Hendricks, County Administrator

**Reviewed By/ Initials:**

\_\_\_\_\_ County Attorney

\_\_\_\_\_ Finance

\_\_\_\_\_ Other

C: Clerk to Council

## For Tourism Related Projects

### I. Applicant

Oconee Community Theatre  
PO Box 791  
Seneca, SC 29679  
Phone: 864 882-1910

Bill Chiusano  
Executive Director

### II. Funds Requested

- A. ATAX Fund Requested \$13,458.00
- B. How will ATAX funds be used? To advertise Oconee Community Theatre's 2006-07 season on billboards in Anderson County and on HWY 76 near Georgia
- C. Provide itemized budget. Three estimates for work to be done. Attached
- D. Funds furnished by your organization \$ 0

### III. Narrative Project Description

- A. Project Title: Promote OCT's 2006-07 season
- B. Description of Project: These billboards will help us increase our patrons from outside of Oconee County. They will be placed on major roads coming into our area.
- C. Who will benefit from this project? OCT will benefit from an increase in attendance. Local hotels and restaurants will benefit from increased occupancy and food sales. Additionally, local merchants will benefit from this increased traffic as these out of town folks will shop our local stores and buy gas and related items during their stay in Oconee County.

### IV. Dates of Project

Beginning: August 2006

Ending: July 2007

### V. Applicant Category

Non-profit Organization:

Incorporated date: October 1971  
Red ID 23-7228997

### VI. Demographic Data

How will project influence tourism in Oconee County?

OCT is presently a major tourism draw in the county. With this billboard program we will attract patrons from outside our county that otherwise would not visit and spend money in Oconee. As a result of this promotion we will be able to attract more folks to our shows, increasing the dollars spent at the restaurants, shops and gas

stations our patrons will frequent as a result of their theater activities. For every dollar spent at the theatre our patrons spend five times that amount at local hotels, restaurants and shops.

How many visitors/participants attended events this year and anticipated next year?  
We drew over 8500 attendees this season (Sept '05 through May '06). This was a 20% increase over last year. We expect to draw over 9000 attendees to our shows next season

How many overnight stays were created by this event last year and are anticipated next year?

Last year (season) 26  
Next Year - 40

How do you plan to advertise this event beyond a 50-mile radius of Oconee County?  
The billboards will be in areas that have a high concentration of non-Oconee County residents. Our goal is to attract more out of county patrons to our theatre.

What other documentation can you provide demonstrating this event promotes Tourism in OC?

We keep records of attendees for all our shows. Previously, our audiences were 85% from Oconee County. Through our more extensive regional advertising we have increased the outside OC attendance from 15% to 20%. We would like to increase this percentage to 25% next season.

What records will be kept during this event to obtain the above demographic data?

We keep detailed records of all attendees for all our shows throughout the season. These records include a reservation list for each show sorted by name, phone number, # in party and ticket status.

#### VII. Audit

Does your organization perform an independent audit? Yes

Name of Auditor: Reneta Owens, CPA

#### VIII.

Will your project be using any funds from another group that received ATAX funds?

No

I have read the guidelines for the Oconee County Accommodations Grant Request and do hereby agree to comply with all rules and requirements. I understand failure to comply may result in a loss of funding for the project and that all information required for final reporting MUST be detailed when project is complete.

A. Contact Name Bill Chiusano Title Executive Director  
Signature [Signature] Date 5/3/06  
Address PO Box 291, Seneca, SC 29679  
E-mail Oconect@104000.net Fax No. 864-882-1910  
Phone Number (s) 864-882-1910

B. Alternate Contact Nancy Duffly Title Vice-President  
Address 107 Nicklaus Rd, Westminister, SC 29693  
E-mail Ntd629@bellsouth.net Fax No. ---  
Signature Nancy Duffly Date 5/3/06  
Phone Number (s) 864-972-3815





AGENDA ITEM SUMMARY  
OCONEE COUNTY, SC

August 29, 2006

COUNCIL MEETING DATE:

3:00 pm

COUNCIL MEETING TIME:

ITEM TITLE OR DESCRIPTION:

Request to Refer E-911 Ordinance (#2001-6) to Planning Commission for Study and Possible Recommended Amendments.

BACKGROUND OR HISTORY:

The County Administrator's recent reorganization of some County offices moved the E-911 Addressing Office from Information Technology to Planning. As the E-911 Ordinance has been in place since 2001, the Planning Director feels that it is appropriate at this time to undertake a review of the ordinance to insure that all addressing procedures are in compliance with state and federal regulations governing addressing.

SPECIAL CONSIDERATIONS OR CONCERNS:

None

STAFF RECOMMENDATION:

Refer the E-911 Ordinance to the Planning Commission for study and possible recommended amendments.

FINANCIAL IMPACT:

None

ATTACHMENTS:

Copy of E-911 Ordinance

Submitted or Prepared by:



(Department Head/Elected Official)

Approved By:



Tom Hendricks,  
Oconee County Administrator

Reviewed By/ Initials:

\_\_\_\_\_ County Attorney

\_\_\_\_\_ Finance

\_\_\_\_\_ Other

C: Clerk to Council



STATE OF SOUTH CAROLINA  
COUNTY COUNCIL FOR OCONEE COUNTY  
ORDINANCE NO. 2001-06

AN ORDINANCE TO PROVIDE FUNDING FOR THE ENHANCED 9-1-1 SYSTEM AS PROVIDED BY THE SOUTH CAROLINA CODE OF PUBLIC LAW, TITLE 23, CHAPTER 47, AMENDED (1991).

WHEREAS, the Oconee County Council desires to provide funding for the Enhanced 9-1-1 and a centralized public safety communications center;

WHEREAS, the Oconee County Council, pursuant to the provisions of Section 4-9-25 of the South Carolina Code of Laws, 1976, as amended, is empowered to enact ordinances to provide for such funding;

NOW THEREFORE, pursuant to the authority granted by the Constitution of the State of South Carolina and the General Assembly of the State of South Carolina, this ordinance is enacted as necessary and proper for the security, general welfare, convenience of the county or for preserving health, peace, order and to protect the citizens of Oconee County and property located within the boundaries of the county. BE IT ENACTED BY THE COUNTY COUNCIL FOR OCONEE COUNTY:

SECTION I

- A. It is the desire of the Oconee County Council to shorten the time and to simplify the methods required for a resident of Oconee County to request and to receive emergency aid.
- B. It is the further intent of the Oconee County Council to maintain the Oconee County Emergency 911 Telephone System throughout the legally bounded areas of Oconee County, as provided by the South Carolina Code of Public Law, Chapter 47, as amended October 1, 1991, 23-47-10 through 23-47-30. And subject to the standards as established by the state budget and control Board statutory authority (Chapter 19, dated 1976, Code Section 23-47-30).
- C. It is the further intent of the Oconee County Council to provide funding by which to allow operation, maintenance and enhancements of E-9-1-1 by levying a monthly charge of one dollar (\$1.00) upon area local exchange access facility subscribers by telephone subscribers whose local exchange access lines are in the area served by or which would be served by the E-9-1-1 service and/or systems of Oconee County, provided, however that subscribers with multiple lines including all government departments (the county government, state government, etc.) shall pay the subscriber rate up to a maximum of fifty (50) lines per account.

SECTION II, E-9-1-1 Service Fee, Billing and Collection.

- A. The E-9-1-1 Service Fee shall include charges as may be required by the Service Suppliers and agreed upon by Oconee County and such charges for support, planning, operation and maintenance or future enhancements that are required by Oconee County and outlined in South Carolina Code Section 23-47-90.0 through 90.

- B. A monthly charge shall be levied upon each local exchange access facility subscribed to by telephone subscribers whose local exchange access lines are in the area served by or which would be served by the 911 service and/or system of the jurisdiction of the county as provided for in this ordinance as appropriate, together with a provision providing that such charges shall be one dollar (\$1.00) tax enforceable under South Carolina Code 23-47-50 (B). Said E-9-1-1 Service Fee rate shall include funding for only such expenses and costs as are authorized under provisions of South Carolina Code Section 23-47-40 A, B, and D, as may be approved by Oconee County Council ATTENDANT to the normal adoption of the County's Ordinary and Capital Budgets. Said budget shall clearly delineate the estimated E-9-1-1 Service Fee revenue and the associated expense, and sources of revenue and authorized expenses, from sources other than the E-9-1-1 Service Fee, by budget account and line item.
- C. The E-9-1-1 Service Fee shall be uniform and not vary according to the type of local exchange access.
- D. Coin-operated telephones are toll free for 9-1-1 calls, but certain locations, such as recreation centers or similar institutions may be denied access to 9-1-1 at the discretion of the Director of Emergency Communications/911. Other coin-operated telephones where it can be clearly justified as not being in the public interest to continue to have access to 9-1-1 may also be denied such access.
- E. The local telephone service supplier shall remit to Oconee County Communications/911 service fee collections within 45 calendar days following the end of the month of collections of such funds and, upon receipt of a monthly bill from its service supplier.
- F. Audit and budget reconciliation shall be conducted annually. The audit shall comply with the requirements of the South Carolina Code Section 23-47-50 F.

### SECTION III. Accounting and Management

As provided in South Carolina Code Section 23-47-50 C, Oconee County is responsible for the collection of accounts having access to the E-9-1-1 system. The Director of Emergency Communications/911 Operations is responsible within Oconee County for the administration of this Ordinance and South Carolina Code Section 23-47-10 through 80. The implementation of the ordinance is the responsibility of county council through the Building Codes Department and Roads Department.

The County Finance Director shall establish procedures within Oconee County with each service provider known as CLCC (Common Local Exchange Carrier) for example, The Other Phone Company, Inc. and LEC (Local Exchange Carrier) for example, Bell South and shall forward such information to the appropriate authority for collection procedures.

The Director of Communications/911 shall ensure accountability for collections and administration of fees and the proper use of those fees in support of 911 operations. A separate emergency telephone system fund is to be maintained in a separate interest bearing account as per Section 25-3-50 of the South Carolina Code.

## SECTION IV - Addressing and Road Names

- A. ROAD NAMING. All road naming activity shall be jointly coordinated by the Oconee County Building Codes Department and the Oconee County Planning Commission, with the cities of Walhalla, Seneca, Salem, Westminster, West Union (and other incorporated cities or towns). Public Safety is of the highest priority and road names contribute significantly to the efficiency of the emergency response system.
- B. UNNAMED ROADS. This section applies to unnamed roads not included in a subdivision currently under development and roads in a subdivision under development when the developer fails to follow the procedures of section G of the ordinance in a timely manner and the plats along roadways in the subdivision that have been sold. There is no filing fee for roads covered under this section.
1. Three (3) or more Property owners along the concerned road may request a proposed road name of an existing unnamed road through a petition process. Building Codes Department will confirm whether the road is currently unnamed at the request of anyone owning property bordering the respective road. The requestors will provide a sketch, map or drawing showing the relative location of the road requested by Building Codes to support investigation. Building Codes Department will notify relevant owners by regular mail, if possible or by hand delivery to the premises/property of these procedures whenever it becomes aware of an unnamed road as defined in this section.
  2. Any owner of property bordering on the road to be named, hereinafter termed Owner, may submit a petition supporting a particular name. The Owner must submit the name to the Building Codes Department staff before coordinating petitions to ensure the suggested road name is in compliance with the Technical Standards for Road Names in section I of this ordinance. Petitions for road names not in compliance will be rejected, and the Owner will have 15 days to file a written appeal of the Building Codes Department rejection with the Planning Department, requesting a hearing with the County Planning Commission. The Planning Commission will consider the appeal at its next regular meeting. The Owner may appeal the decision of the Planning Commission to the County Council at its next regular meeting by filing a written appeal with the County Council Clerk within 15 days of the date the Planning Commission rendered a decision. Appeals to County Council will be conducted as public hearings. Owners who fail to file appeals within the required time frames forfeit all rights to further appeals. Road names approved by Planning Commission must be submitted as soon as possible to the County Council Clerk for coordination of County Council's consideration of final approval.
    - a. Owner must use petition supplied by Building Codes Department and all requested information must be fully complete and accurate. It is the sole responsibility of the applying Owner to ensure the accuracy and completeness of all signatures of the petition, and only one signature by one owner of each plat bordering on the road, which is proposed to be named, is permitted. All petitions must be complete and in original ink throughout; signers with incomplete or illegible information will not be counted toward the minimum required to be considered.
    - b. Petitions must be signed in an acceptable manner in accordance with the above requirements by a minimum of ninety percent (90%) of the owners of plats.

which border directly on the respective road. If there are less than ten but more than four plats, the minimum is eighty percent (80%); less than five but more than two, the minimum is sixty percent (60%); two or less, the minimum is one hundred percent (100%).

- c. If the suggested name is in technical compliance and proper petitions with sufficient signatures are received, it will be presented to the Oconee County Planning Commission for approval through the Building Codes Director. If the Planning Commission fails to convene within 45 days of the submission, the submitted road names will be placed on an upcoming County Council meeting agenda as soon as possible for public hearing and consideration, and the Building Codes Department will notify the Owner of Council's decision by regular mail in accordance with its standard procedures.
- d. If no requests and petitions are received for an unnamed road as defined in this section within 60 days of the Building Codes notification to relevant owners (see item "a" directly above), the Building Codes Department will recommend a name for the road to the Oconee County Planning Commission. Upon approval by the Planning Commission, which will be done in conjunction with a public hearing on the matter in this case, residents have fifteen days to request another satisfactory name by appealing the matter as noted item "b" directly above.

C. **PRIVATE ROADS.** Requests to name private roads encompassed by land belonging to and serving one owner must be submitted to the Building Codes Director in writing by the property owner on record with a plat showing the construction plan or the current location of the road wherever possible, or a detailed sketch of the road and its position relevant to bordering plats and other connecting roads.

1. The procedures will be the same as naming an existing unnamed road, except that no petition is required, and additional requirements are noted below in this section. Private road names must also receive final approval from County Council.
2. Private roads or driveways servicing two or more dwellings or other principal buildings such as commercial businesses with multiple employees must be named.
3. If only one dwelling is serviced by a private road and said dwelling is not visible from the connecting public road, safety factors may warrant a private road name to support the efforts of emergency responders.
4. Private road signs will be installed on the public right of way or easements where the private road connects to the public road.

D. **RENAMING RECOMMENDED BY THE PLANNING COMMISSION.** In accordance with Section 6-7-1.0, of the Code of Laws of South Carolina, 1976, as amended, the Planning Commission, following publication of reasonable notice in a newspaper of general circulation in Oconee County, shall recommend to County Council a change in the name of any road, under the following conditions:

1. When there is duplication of names or other conditions, which tend to confuse the traveling public or the delivery of emergency services, mail, orders, or messages. The Building Codes Director or the Director of Emergency Communications shall submit

road name change recommendations of this nature to the Planning Commission, as it deems necessary, with supporting documentation.

2. When it is found that a change may significantly simplify marking or giving of directions to persons seeking to locate addresses.
3. The Planning Commission shall hold a public hearing concerning any proposed road name change.
4. If the road name is changed at the request of any department or agency of Geauga County, the County's expenses for renaming and remarking the road shall be borne by the County.

**E. EXISTING ROAD NAME CHANGES.** Any existing road name may be changed by petition as noted below, utilizing petition forms provided by Building Codes Department, which must be fully completed and in original ms to be accepted.

1. There is a nonrefundable filing fee of \$500 which must be submitted by the requesting Owner via money order or cashier's check, payable priority and by all owners of the property to the Geauga County Treasurer. Seventy-Five percent (75%) of this fee shall be added to the road sign accounts of the Road Department budgeted to aid in maintenance and addition of signs, and twenty-five percent (25%) shall be added to the Building Codes Department special revenue fund budget to offset mailing and computer processing costs associated with maintaining accurate road inventories.
2. The petition shall propose the justification for change, alternate road name(s) by property bordering directly along the respective road.
3. The requesting party has sole responsibility subsequent to receiving the petition to circulate it, have property owners sign it completely and accurately, ensure only one legal owner per plot sign the petition, and return the originals to Building Codes Department within sixty (60) days from receiving the petition forms. Building Codes Department may grant a one-time extension of thirty days upon receiving a written request from the owner who requested the petition.
4. A petition will be considered only on the basis of minimum percentages and all requirements noted in section B, item "7", noted herein above.

**F. MORATORIUM ON CHANGES TO EXISTING OFFICIAL ROAD NAMES:** Since road name changes impact numerous governmental, business, and private operations, no existing official road name shall be subject to change for a period of three years following the effective date of this ordinance, except upon recommendation by Building Codes Department or the Director of Emergency Communications (911) to prevent demonstrated confusion among Public Safety responders.

1. A road name change is involved only when change would differ from the existing name assigned during implementation of E-9-1-1, or officially documented as having been approved by either the Planning Commission or the County Council.

2. A road's official name shall be that which is approved according to approved procedures.
3. After this initial three year moratorium any road renamed may not be renamed for ten years except by recommendation of Building Codes Department for public safety purposes as noted in pertinent section of this ordinance.
4. Neither the initial nor renaming moratorium shall restrict the renaming of roads for public safety purposes recommended by the Building Codes Department in accordance with this ordinance and Building Codes Department procedures which may be developed to implement this ordinance and which may be revised from time to time.

#### G. SUBDIVISION NEWLY CREATED OR CURRENTLY UNDER DEVELOPMENT.

1. Submit to the Building Codes Department a current plat of the new subdivision complete with all roads and plats to be created not less than thirty (30) days before any subdivided plats will be sold.
2. The Building Codes Department shall review the official road list for possible road names, taking into consideration any written road name request by the developer, and approve the proposed names and/or provide alternatives to the developer within 15 working days of receipt of the developer's information.
3. The developer may appeal Building Codes Department's decision regarding the road names to the Planning Commission by submitting written notification of the appeal and detailed justification via the Tax Assessor's office within seven (7) calendar days of notification by the Building Codes Department. Late appeals will not be heard. Subsequent appeals will be in accordance with Section A of this ordinance. Road names approved by Building Codes Department and appeals will be submitted to the Planning Commission for review and approval and then forwarded to County Council for final approval.
4. The procedures of this section apply only in instances where no subdivided plats have been sold and the entire property bordering the proposed and unnamed road(s) is currently held in the name of a single Owner or Entity, or Partners legally bound as a single entity for all purposes regarding the subdivision/development.
5. It is the responsibility of the developer, owner, or owners in partnership to erect road signs with approved names for all roads within the subdivision and for the existing roads where a new intersection is created as a result of the subdivision roads when roads are constructed. These signs and posts must be of equal or better quality than signs being erected by the County at the time. The County will manufacture and install these signs at the request of the developer for a fee of \$150 per signpost, with an additional \$25 fee for each cross sign (the second sign placed on a single post, where applicable), and an additional \$25 fee for PRIVATE sign indicators where applicable. The funds from the manufacture of signs shall be paid to the County Road Department.

#### H. COUNTY'S INTERNAL ROAD SIGNAGE PROCEDURE.

- 1) All road names given final approval by the Building Codes Director who shall sign and forward an Authorized Road Name Notification form to the Roads Department;
- 2) The Roads Department shall manufacture the corresponding road signs and have them installed at their respective locations as indicated on the form.

#### W. TECHNICAL STANDARDS FOR ROAD NAMES:

1. Any road, which is obviously in alignment with an existing named road or which constitutes an extension of an existing named road shall be given the name of the existing named road wherever possible.
2. Priority in consideration shall be given to:
  - a. Names selected by local residents
  - b. Names that reflect local community interest or landmarks (festivals, churches, lakes, hills, historical incidents, etc.)
  - c. Names that reflect other themes, such as names of trees, flowers, birds, etc.
3. Proper names (e.g. John Smith Rd) are not allowed because of the possibility of promoting disharmony in the community. Proper names shall only be used to reflect historical persons or sites and evidence of historical significance must be provided to and approved by County Council.
4. Names of county roads shall not duplicate or closely approximate existing names of roads located anywhere in the incorporated or unincorporated areas of Oconee County. Names which sound similar (e.g. Beech St and Beach St) are not allowed. New road names differing only in terms of prefixes (e.g. E Main St and W Main St) or in terms of suffixes or thoroughfare designations (e.g. Hampton St and Hampton Ct) are not allowed.
5. The following definitions of thoroughfare designations shall be used as guidelines in naming roads:
  - a. Avenue – a thoroughfare running in an east-west direction (a street runs north-south)
  - b. Boulevard – a thoroughfare with a median or landscaped center (strip) or parkway
  - c. Circle – a thoroughfare forming a closed loop, one which returns to itself
  - d. Court – a permanently closed off dead-end, usually relatively short, such as a cul-de-sac, and usually with no thoroughfares branching off at a place
  - e. Drive – a winding thoroughfare, usually relatively long
  - f. Highway – a designated state or federal thoroughfare, such as US routes and SC primary roads; a pipe

- g. Lane - a winding dead-end thoroughfare which may have thoroughfares (courts) branching off it.
  - h. Loop - a thoroughfare, usually relatively short, each end of which intersects with the same thoroughfare.
  - i. Parway - a scenic route or park-like thoroughfare, which may have a median like a boulevard.
  - j. Pike - SC primary-numbered thoroughfare, a highway.
  - k. Place - a thoroughfare with relatively heavy traffic volume, which runs in any direction; secondary thoroughfare, usually connecting with primary highways.
  - l. Street - a thoroughfare running generally in a north-south direction (an avenue runs east-west).
  - m. Trail - a curvilinear thoroughfare with a rustic connotation.
  - n. Way - a relatively minor dead-end thoroughfare; a court or place.
6. In the event of a conflict in road names, county staff will use their best judgment to resolve the situation.
  7. The provisions of these Technical Standards for Road Names shall apply to the naming of both public and private roads. The naming process is set forth in this Section.

## J. GENERAL

1. The Building Codes Department shall maintain the master list of official road names and the uniform system of naming and addressing all public and private roads in the unincorporated areas of Oconee County, and shall be responsible for forwarding updates on all changes to the Tax Assessor's office. The Tax Assessor's office shall update the appropriate real property records within fifteen working days of notification by the Building Codes Department. Addresses shall be assigned for all principal dwellings and buildings within the unincorporated areas of Oconee County and within certain municipalities.
2. Road sign installations and locations shall be in accordance with the County Road Department and the South Carolina Department of Transportation specifications for road name signs.

## K. POSTING OF ADDRESS NUMBERS

1. When each dwelling or building has been assigned its respective number or numbers, the owner, occupant, or agent shall be required to display the assigned numbers in accordance with the following provisions:



1. Residential numbers must not be less than three (3) inches in height and business numbers must not be less than four (4) inches in height. Numbers shall be made of a durable and clearly visible reflective material, which is in contrasting color to the building (see attached example).
2. Numbers shall be conspicuously placed immediately above, on, or at the side of the proper door of each building so that the number can be seen clearly from the street line. Whenever the building is more than fifty (50) feet from the street line or when the numbers at the door are not clearly visible from the street line, an additional number must be placed near the walk, driveway, or common entrance to the building, and upon a mailbox, gate post, fence, or other appropriate place so as to be easily read from the street line.
3. Subsection K of Section IV of this Ordinance shall take effect one year from the date of this Ordinance.

#### E. ADMINISTRATION OF ADDRESSING

1. Whenever any principal dwelling or building is erected or located in Oconee County subsequent to the effective date of this ordinance, it will be the duty of the owner or owners to obtain the correct address from the Building Codes Department for the property, and to immediately post the number to the building as provided by this ordinance. No building permit shall be issued for any dwelling or building until the owner has obtained the official address from the Building Codes Department.
2. Final approval of any major structure of any major structure created, altered, repaired or modified after the effective date of this ordinance shall be withheld until address numbers have been assigned by the Building Codes Department and attached to the structure as outlined in this ordinance.
3. All owners of existing principal buildings and developments shall post the assigned address number in the manner outlined in this ordinance within six (6) months of receipt of the new addresses.

#### SECTION V. Accessibility to Public Roads, Private Roads or Gated Communities.

Any party or parties who place a gate or structure in an area that blocks a public or private road shall insure that Public Safety Personnel have access to all public and private roads and gated communities.

All Public Safety Personnel responding to any call or emergency situation shall have free and unobstructed access through any gates or structures blocking any public or private road and through any gated community. If access is blocked, Public Safety Personnel may create access through any gates or structures without incurring any criminal or civil penalty.

#### SECTION VI. Penalties

- Any person who violates any of the provisions of this ordinance shall be guilty of a misdemeanor and shall be subject to a fine not exceeding two hundred (\$200) dollars or to imprisonment for a term not exceeding thirty (30) days. Each day such a violation continues shall constitute a separate offense.

SECTION VII. Severability.

If any section, subsection, or clause of this ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby. Base and service fees listed in this ordinance can be amended to reflect current costs with the approval of County Council.

SECTION VIII. Conflicting Ordinance Repealed.

All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed.

SECTION IX. Effective Date.

This ordinance shall be enforced from and after December 1, 2001.

APPROVED on THIRD READING this 4<sup>TH</sup> day of DECEMBER 2001, by a vote of:

4 YES


0 NO

  
ANN HUGHES  
Supervisor-Chairman  
Deer Creek County Council

Attest:

  
OPAL O. GREEN, CLERK

Reviewed and approved by county attorney prior to effective date.

  
Bradley A. Norton

Witness:



Concluded in by County Director of  
Emergency Communications

  
John A. Morris

AGENDA ITEM SUMMARY  
OCONEE COUNTY, SC  
COUNCIL MEETING 8/29/06  
COUNCIL MEETING TIME: 3:00 pm

**ITEM TITLE OR DESCRIPTION:**

Consideration of appointment of Ms. Benita George, P. O. Box 70, Mt. Rest, SC 29664, phone: 864 638 5980 as At Large Representative of the Tourism Commission.

**BACKGROUND OR HISTORY:**

The former at large representative on the Tourism Commission is now a County employee and has not been attending the meetings as they are held during working hours.

**SPECIAL CONSIDERATIONS OR CONCERNS:**

N/A

**STAFF RECOMMENDATION FOR COMMITTEE ACTION:**

The Parks Staff has recommended Ms. George as the At Large Representative on the Tourism Commission.

**FINANCIAL IMPACT:**

\$100.00 annual gratuity.

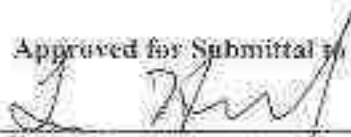
**ATTACHMENTS:**

N/A

Submitted or Prepared By:

Opal O. Green  
Department Head/Elected Official

Approved for Submittal to Council:

  
Tom Hendricks, Administrator

Reviewed By/Initials:

\_\_\_\_ n/a \_\_\_\_ :County Attorney

**AGENDA ITEM SUMMARY**  
**OCONEE COUNTY, SC**  
**COUNCIL MEETING DATE: 8/29/06**  
**COUNCIL MEETING TIME: 3:00 PM**

**ITEM TITLE OR DESCRIPTION:**

Appointment of Camille Terry, Chattooga Rafting Center, P. O. Box 309, Long Creek, SC 29658, phone 864.647.9587 as District I Representative on the Parks & Tourism Commission.

**BACKGROUND OR HISTORY:**

The former District I Representative was removed from the Parks & Tourism Commission for failure to attend meetings. This term began January 1, 2004 and will expire December 31, 2007.

**SPECIAL CONSIDERATIONS OR CONCERNS:**

N/A

**STAFF RECOMMENDATION:**

The Parks Staff has recommended Ms. Terry as the District I Representative on the Parks & Tourism Commission.

**FINANCIAL IMPACT:**

\$100.00 annual gratuity

**ATTACHMENTS:**

N/A

Submitted or Prepared By:

Opal O. Green

Approved for Submittal to Council:

  
Tom Hendricks, County Administrator

Reviewed (by initials):

\_\_\_\_\_: County Attorney

\_\_\_\_\_: Finance

## Administrator's Report August 29, 2006

1. Reidhead Property Maintenance
2. Fire Truck bid
3. Ladder Truck
4. Animal Control/Humane Society
5. DSS
6. Blood Borne Pathogen Ordinance
7. Community Services Directorate
8. Economic Base Analysis
9. Jim Webster Michals

RFQ # 06-102Q  
FOR SALE: HAY

BID FORM #1

I hereby submit a lump sum bid of \$ 26  
for the cutting, baling, and removal of hay as per the attached agreement.

I agree to cut, bale, and remove the hay at least three times per year (once in the spring, once in the summer, and once in the fall).

SIGNATURE:

*John R. Harris*

PRINT NAME:

John R. Harris

ADDRESS:

650 Deer Creek Ln

Fair Play S.C. 29643

TELEPHONE #:

864-712-4999

DATE:

8/16/06

CHECK ONE:



I have 1 million

I currently have the required minimum amount of General Liability insurance.



I will obtain the required minimum amount of General Liability insurance if I am the successful bidder.

I agree to bush hog what we don't bale for hay.  
I also agree to haul off junk equipment on said land free  
I am also in grading business and have capability to  
clean up property. (Loaders, tractors, skid steer,  
motor grader etc.)



Stock Insurance Company, Herein Called The Company  
 9450 Seward Road, Fairfield, Ohio 43014  
 www.ecas.com

8K0 100 53 02 65 45

Policy Period  
 From 12/18/2005 To 12/18/2006  
 12:01 am Standard Time  
 at Insured Mailing Location

## Commercial General Liability Declarations

Basic Occurrence

### Named Insured

JOHN R HARRIS DBA  
 HARRIS FARM & CONSTRUCTION

### Agent

(614) 232-5162  
 SCHULTZ HOGAN FREEMAN & PHILLIPS

### SUMMARY OF LIMITS AND CHARGES

Commercial General Liability Limits of Insurance	DESCRIPTION	LIMIT
	Each Occurrence Limit	1,000,000
	Damage To Premises Rented To You Limit (Any One Premises)	100,000
	Medical Expense Limit (Any One Person)	10,000
	Personal and Advertising Injury Limit	1,000,000
	General Aggregate Limit (Other than Products - Completed Operations)	3,000,000
	Products - Completed Operations Aggregate Limit	3,000,000

### Explanation of Charges

DESCRIPTION	PREMIUM
General Liability Schedule Totals	1,932,000
Certified Act of Terrorism Coverage	8,000

**Total Provisional Charges: \$1,960,000**

*Note: This is not a bill*

To report a claim, call your Agent or 1-800-FON-OHIO (1-800-366-6446)

For General Information call: 1-800-THE-OHIO (1-800-843-6446)

OS 70 22 01 01

187 00 0000

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Stock Insurance Company, a Division of The Company  
 9450 Seward Road, Fairfield, Ohio 45014  
 www.ocs.com

AKO (06) 53 02 65 45  
 Policy Period  
 From 12/18/2005 To 12/18/2006  
 12:01 am Standard Time  
 of Insured Spring Season

**Commercial General Liability  
 Declarations Schedule**

Named Insured	Agent
JOHN R HARRIS DBA HARRIS FARM & CONSTRUCTION	(614) 235-3362 SCHMITZ, FORGAN, FREEMAN & PHILLIPS

**SUMMARY OF CLASSIFICATIONS - BY LOCATION**

650 DEER CREEK LN, FAIR PLAY, SC 29643-2404

Insured: JOHN R HARRIS DBA  
HARRIS FARM & CONSTRUCTION

CLASSIFICATION - 55410  
Grading Of Land

COVERAGE DESCRIPTION	PREMIUM BASED ON - Employees Payroll	RATED / PER 1,000	PREMIUM
Premise/Operations	24,300 Dollars Of Payroll	26.670	\$648.00
Products/Completed Operations		13.655	\$332.00
<i>Total</i>			<i>\$980.00</i>

CLASSIFICATION - 95410  
Grading Of Land

COVERAGE DESCRIPTION	PREMIUM BASED ON - Individual Payroll	RATED / PER 1,000	PREMIUM
Premise/Operations	24,100 Dollars Of Payroll	26.670	\$643.00
Products/Completed Operations		13.655	\$329.00
<i>Total</i>			<i>\$972.00</i>

**SUMMARY OF OTHER COVERAGE**

COVERAGE DESCRIPTION	PREMIUM
Master Pkg New Policy Forms and Endorsements List	Included

To report a claim, call your Agent or 1-800-FON-DHIO (1-800-366-6446)  
 For General Information call, 1-800-THE-DHIO (1-800-843-6446)  
 DS 70 24 01 01



Approved Budget Ordinance amount for this item \$310,000  
Budget Code 012-102-82012-00000

I hereby certify that to the best of my knowledge  
this tabulation of bids to be correct.

Procurement Director

Bidders	Sutphen Corp.	American LaFrance, LLC	American LaFrance, LLC
Address	Arlin, OH	Piedmont, SC	Piedmont, SC
		Metropolitan	Option 1: Liberty
Pumper Apparatus	277,667.78	293,461.00	248,423.00
Equipment	70,870.00	77,150.00	77,150.00
Travel Allowance	3,000.00	3,000.00	3,000.00
Performance Bond	1,107.47	600.00	600.00
Delivery to Oconee County add	2,500.00	Included	
SC Sales Tax	300.00	300.00	300.00
<b>Total</b>	<b>355,445.25</b>	<b>374,511.00</b>	<b>329,473.00</b>
Deleted Equipment (by Rural Fire)	(42,647.00)		
Delete Delivery to Oconee County	(2,500.00)		
<b>Grand Total</b>	<b>310,298.25</b>		
Delivery	12 months	210-365 days	210-365 days
Apparatus Name and Model	Sutphen Shield S1 ST5 Pumper	American LaFrance	American LaFrance
Chassis Name and Model	Sutphen S Series Custom	Metropolitan	Liberty
Submitted Bid Bond	yes	yes	yes
Acknowledged Addendum 1	yes	yes	yes
Deposit if 25% down payment made within 30 days of contract signing	(4,091.64)		
Exceptions	Motorola Radio COM 1250	Motorola Radio PM1500UHF	Aluminum cab/body (other exceptions)
	Bid valid 30 days	exceptions listed for a number of items	Did not meet specifications
Engine	2006 Cummins ISL 400 HP engine	Cummins ISL 06 Emissions	
	corrected equipment total - removed hydrant wrenches		

Attended Bid Opening: Richard Dickert, Bill Sizemore, Mike Head, Chris Smith, Marianne A. Dilard, Donna McAllister



**CITY OF SENECA**  
P.O. Box 4773  
221 East North First Street  
Seneca, South Carolina 29679  
(864)885-2700 Fax: (864)885-2701  
www.Seneca.SC.US

8-24-06

**Gregory P. Dieterick**  
City Administrator

August 23, 2006

**Mr. Tom Hendricks**  
Oconee County Administrator  
415 S. Pine Street  
Walhalla, SC 29691


Dear Mr. Hendricks,

It was good talking to you on August 22<sup>nd</sup> in your office. This letter is in reference to our discussion concerning the fire trucks. As you know the City of Seneca has purchased and received a new ladder truck and pumper truck. This was done in an effort of getting ready for our ISO inspection.

Since this purchase has been made this frees up the ladder truck for another department. The City of Seneca will still honor the Fire Contract and will still be providing service to Oconee County and to Oconee Memorial Hospital.

I look forward to talking to you soon and if you have any questions, please do not hesitate to contact me.

Sincerely,



**Gregory P. Dieterick**  
City Administrator

gpd/emh

# City of Westminster

P.O. Box 399, 100 Windsor Street  
WESTMINSTER, SOUTH CAROLINA 29693  
864-647-3232

August 1, 2006

To: Tom Hendrix, County Administrator

From: David Smith, City Administrator  
Chris Smith, Fire Chief

Dear Mr. Hendrix,

The City of Westminster would like to have the Oconee County platform truck P-1 assigned to the Westminster Fire Department, Station 5. The City had requested a platform truck in 2004. After several presentations to County Planning Commission and then to County Council, the City was told that they would put our ladder in the five year plan.

This would have to be presented to the Westminster City Council for approval, as I am sure it would need to also go through County Council. If this is an option for the City, we would like to discuss this with both you and County Fire Chief Mize.

Sincerely,



David Smith,  
City Administrator



Chris Smith,  
Fire Chief

cc: Westminster City Council, County Fire Chief Mize

## ANIMAL CONTROL/HUMANE SOCIETY

Humane Society will lease the County the property on Hwy 123 for 99 years at \$1.00 per year.

The County will refurbish the building for Animal Control operations.

Upon completion of the Animal Control Facility the County will construct a building of approximately 1200 sq. ft. for the Humane Society to use for its headquarters and an adoption facility.

The County Staff is now doing some cost analysis and preliminary design work.

A contract will be presented to County Council at the next meeting.

Community  
Services Director

Parks, Recreation,  
& Tourism

Library System

IT & G.I.S.

Registration  
and Elections

Register of  
Deeds

Facilities  
Maintenance

Health & Social  
Services Liaison

Arts & Historical  
Society Liaison

# Oconee County

## Economic Base Analysis and Tax Exportation Technical Memorandum



Submitted to:  
Oconee County, South Carolina  
August 2006

Prepared by:



## Chapter 1: Oconee County Economic Base Analysis

### 1.1 Introduction

One of many functions of local government is to play an active role in increasing employment opportunities and income levels for county residents by supporting economic growth, which includes the retention and expansion of existing business and the recruitment of new firms. To effectively pursue economic development objectives, local officials must focus strategically on the types of industries that represent the best prospects for local economic growth. Through an assessment of a locale's relative competitiveness in terms of local facilities and resources for serving potential firms, it is also possible for local improvements to be made that can enhance local competitiveness and help attract and grow targeted industries.

The purpose of this portion of our analysis is to conduct a competitiveness assessment of Oconee County's economic base. The intent of this report is to define key concepts involved in evaluating an area's economic performance, identifying targets for further economic development, and defining priorities for improving local economic competitiveness. Subsequent sections will specifically define concepts and terms in the software tool used to conduct our economic base and target industry analysis for Oconee County—the Economic Development and Growth Evaluation (EDGE) tool developed by Wilbur Smith Associates as a tool for economic base assessments, and it carries out the various types of analysis necessary for a comprehensive economic base assessment.

The remainder of the report is organized as follows:

- Overview of the Study Process
- Local Economic Performance Analysis
- Quantitative Measure of County Characteristics
- Rating County Facilities and Resources
- Evaluating Study Findings
- Conclusions and Policy Recommendations

## 1.2 Overview of the Study Process

The study processes outlined in our analysis and carried out by the EDGE tool serve two related purposes, each aimed at identifying target industries for economic development and competitiveness disadvantages in attracting these industries. They are as follows:

(1) **Economic Assessment** – an evaluation tool to assess current economic conditions and likely future trends.

(2) **Targeting Diagnostics** – a diagnostic tool to aid in targeting industries that can provide the most appropriate basis for economic development.

The first part of the report's *Economic Assessment* provides baseline economic profiles, trends and growth projections for 67 local industries in Oconee County. Each industry is evaluated in terms of the extent to which it experiences an economic performance gap and its potential for local business attraction. An area is viewed as experiencing an economic performance gap if either (a) that industry's share of local employment is significantly lower than its corresponding share in a comparable area, and/or (b) local employment changes in that industry lags behind that industry's national average performance. This element of the economic assessment is commonly referred to as the "economic base analysis."

A second element of the *Economic Assessment* evaluates local business growth/attraction potential for each industry through ratings of area attributes for supporting business growth and attraction. Advantages and disadvantages are defined on the basis of: (1) costs of labor, materials, utilities, transportation and taxes, and the sensitivity of each industry to those cost factors; (2) size and characteristics of the local area's workforce, and the sensitivity of each industry to those labor force qualities; and (3) quality and supply of local infrastructure and facilities to serve economic growth. The EDGE tool helps to identify industry clusters that are good targets for economic development by matching an area's labor and infrastructure characteristics (e.g., wage rates, education levels, airport access) with operating requirements of each industry.



The *Targeting Diagnostics* portion of the analysis includes a set of area diagnostics that assess the county's competitiveness (relative to the statewide comparison area) for each industry. In addition, more comprehensive diagnostics are presented for each industry that shows their potential for additional business attraction. The diagnostics presented in the EDGE tool are developed by assessing each industry's sensitivity to different factors and for the factors most important to an industry, the strength of the local area relative to the comparison area. Factors assessed in the diagnostic portion of the model include total production costs; labor costs; energy costs; tax burdens; labor availability; work skill levels.

### 1.2.1 Limitations of the Analysis

The techniques for critical economic assessment and targeting diagnostics described in this report (and contained in the WSA-EDGE system) are intended to be used and viewed as "tools" for economic development practitioners, planners and analysts. They do not replace the need for local understanding and professional judgment.

All analysis systems have limitations and it is important to recognize those limitations at the onset. The most notable limitations of this analysis system are identified below:

1. *Definition of Study Area.* Definition of the study area will directly influence the outcome of the analysis. The study area for the current effort is restricted to Oconee County. Oconee County is significantly linked to a larger regional economy that includes Greenville County and other adjacent Upstate communities; therefore, this limitation should be acknowledged when formulating recommendations based on the results.

2. *Basis for Comparison.* By definition, any rating of business performance and area competitiveness has a reference basis for comparison. The basis for comparison may be an adjacent or surrounding area, the rest of the state or some other defined region that is comparable or representative of achievable goals. The basis for comparison for the current effort is the rest of the State of South Carolina. The limitation of this is that the target industries for Oconee County may differ vastly from the rest of State of South Carolina.

3. *Business Classification.* All currently-available measures of business concentration and trends are based on classification of businesses by industry. Analysis of business concentration and trends can be very useful to help identify relative strengths and weaknesses of a region. However, all industry classification systems share the common limitation that they do not distinguish between a manufacturing company's administrative office and its factories. As a result of this limitation, the analysis may not recognize some specialized local strengths or weaknesses.

4. *Detail on Area Competitiveness.* The analysis relies on empirical data that is readily available, to the extent possible. The level of available detail is stronger for some economic development factors than for others. As a result, some local advantages are better represented and recognized than others.

5. *Differences in Business Sales and Employment Trends.* The analysis framework is based on the concept of identifying local economic gaps and factors causing them. It is possible to define local economic gaps on the basis of either employment trends or business output trends. In reality, these two types of trends may diverge for some industries in some areas (as in the case of industries undergoing technological change, where there can be a decline of local employment while local business output expands). However, the analysis framework cannot consider a local industry to be both declining and growing at the same time, so it is necessary to choose just one measure. The current version of WSA-EDGE relies on employment statistics as the basis for measuring business gaps. This is also consistent with the primary focus of many economic developers on expanding employment opportunities for local residents.

6. *Interpretation of Industry Targets.* WSA-EDGE identifies economic development target industries and also estimates the magnitude of potential opportunities for business growth and attraction. However, it is important to understand the nature of these targets. Quite bluntly, if the local area was already sufficiently attractive to those industries, then those industries would have already located and/or expanded in the area. Viewed in this context, the industry targets should be seen as merely indicating likely opportunities for additional economic growth, though even they will require additional effort to be attracted to the area.

All of these types of limitations, discussed above, illustrate how findings on economic development analysis and targeting methods must be carefully interpreted to avoid oversimplification.

### 1.3 Local Economic Performance Analysis

The first data collection and analysis element of the EDGE tool evaluates the mix and performance of industries in Oconee County by comparing it with the rest of South Carolina and with national averages. This technique is used to identify which industry clusters are potential sources of future economic development for Oconee County. This process can form the basis for identifying target industries for recruitment to Oconee County.

#### 1.3.1 Employment Data

The EDGE tool uses shift-share and location quotient techniques to analyze the performance of Oconee County industry clusters in your area compared with similar areas and with national averages. Data on the number of jobs in sixty-seven 2-digit SIC industries are used to measure the mix and trends within local industries in Oconee County. Employment data are used because job creation is the principal objective of local economic development policy. Data for this effort was obtained from the United States Census Bureau's 1993 and 2003 County Business Profiles which are compiled regularly to gauge national industry trends on a county level.

#### 1.3.2 Business Mix Analysis

The EDGE tool contrasts the performance of Oconee County current and historic employment data with that of our national and statewide comparison area. Based on the historical trends observed in the comparison area, the potential for job growth is assessed by detailed 2-digit SIC industry. The model first calculates the ratio of the concentration of each industry in Oconee County's economy to the concentration of the same industry in rest of the South Carolina and the national economy. For example, if 10% of employment in Oconee County is in professional services and 30% of employment in South Carolina and the United States is professional services, then the

ratio of Oconee County to Statewide concentrations would be 10/30 or 0.33. This means that Oconee has one-third the concentration of jobs in professional services that exist in the rest of the comparison area. This ratio is usually referred to as the Location Quotient (LQ), but for our analysis we will use the term "mix ratio". To simplify the findings based on Location Quotients, a value of 1 to 3 is assigned to each industry, with 1 representing a low concentration and 3 being assigned to industries with a high concentration. The lower the value assigned to the industry, the greater it's potential for future job growth.

From "mix ratios" our EDGE tool Mix Analysis estimates an "expected number" of jobs that would occur in Oconee County if it had an industry mix identical with that of the rest of the comparison area. The model uses this to estimate the potential number of jobs achievable in Oconee County if it were to mirror the performance of the rest of South Carolina and the United States. Expected jobs are compared with actual jobs and a shortfall is calculated. This represents the potential jobs that could be achievable in Oconee County under the right conditions for growth of any given industry.

### 1.3.3 Business Trend Comparison

The business trend comparison component of our analysis uses Shift/Share Analysis techniques to compare the performance of Oconee County industries with state and national performance trends in the same sectors. This technique provides a way to identify local industries that are particularly thriving or declining in Oconee County and to compare their performance with state and national industry performance. Those local industries lagging in growth behind comparison area averages may be seen as weaknesses, but they also represent potential future growth opportunities.

The EDGE tool calculates the percent change in the number of employees in each sector for Oconee County, South Carolina and the U.S. over the past ten years. It then computes the ratio of these percentages, which tells you whether the local industry is growing or declining faster or slower than the national industry, or if it is moving in an opposite direction from the national industry (e.g., declining while the national industry is growing or vice versa). This is sometimes referred to as the "Shift Share Ratio," though we call it the "trend ratio."

To simplify in interpreting trend ratios, the model assigns each sector into a trend category (from 1 to 7) depending on the relative growth rate of the local area to that of the industry nationwide. The following categories are used:

1. Industry growing "faster" locally than nationally
2. Industry declining locally while growing nationally
3. Industry growing locally while declining nationally
4. Industry declining locally "slower" than nationally
5. Industry growing locally "slower" than nationally
6. Industry declining locally "faster" than nationally
7. Industry growing or declining locally at a rate "similar" to national trend  
(Or industry not present locally)

"Faster" denotes local growth or decline trend that is more than 20% greater than the national trend. "Slower" denotes local growth or decline trend that is more than 20% less than the national trend. "Similar rate" denotes trends that are less than 20% different.

#### 1.3.4 Interpretation of Economic Performance Analysis

Following is guide to interpreting the Mix and Trend Ratios generated by the WSA-EDGE model.

Mix Ratio	Trend Ratio	Interpretation
3	1.7	Local industry is strong
3	2.5	Local industry is threatened, may need attention
3	3.4,6	Local industry is in national decline, should diversify
2	1.7	Local strength, should be supported
2	2.5	Possible opportunity for more growth
2	3.4,6	Unstable industry, focus efforts elsewhere
1	1.7	New emerging local industry, should be nurtured
1	2.5	Weak local sector, should be investigated as possible Growth opportunity
1	3.4,6	Weak local sector in national decline, focus efforts elsewhere

#### 1.4 Quantitative Measurement of County Characteristics

Key factors affecting the location of business include the costs of doing business, size of labor and customer markets. These factors can be quantified, using readily-available data sources. There are a number of additional business location factors that are also important but identifying those will require local field assessments. This latter group includes availability of appropriate land and buildings, education and skill training, business support climate and tourism attractions. Our analysis addresses these factors in this section and the qualitatively assessed factors in the next section.

The EDGE tool utilizes the aforementioned quantitative factors to evaluate Oconee County's strengths, weaknesses and potential for growth in each of 67 industries. Moreover, the model identifies the changes that are needed to overcome weaknesses in order to realize this growth potential.

##### 1.4.1 Cost Factors

An important consideration in business location decisions is costs. When all other things are equal, businesses tend to locate where they can minimize costs. Costs of labor, housing, electric power and taxes are foremost in this locational calculus. Data regarding

these factors are entered into the EDGE tool, which identifies the types of businesses that are most sensitive to each cost factor.

The EDGE tool evaluates where Oconee County's total production costs are advantageous or disadvantageous for each of 67 detailed industries based on the following detailed cost data for Oconee:

- *Labor costs.* The average wage per hour can be the deciding factor for industries evaluating locations for new production facilities.
- *Electricity costs.* Electricity costs vary widely by region. Power costs can be paramount in determining the location for heavy industries, such as primary metals, which use a lot of power. Costs of other utilities (e.g., natural gas) are also important for some industries.
- *State and local taxes.* Though taxes appear to be minor elements of total business costs, they are an important consideration for businesses seeking to minimize total costs, and they can also be an indicator of the business climate of the area. While the importance of state and local taxes is reduced by their deductibility from federal taxes, taxes are still an important factor influencing some investment and business location decisions.
- *Housing costs.* Costs of both owning and renting residences is a cost factor that most businesses take into consideration before finalizing decisions about new locations. Housing costs are particularly important for businesses that relocate staff and reimburse them for excessive housing costs incurred by transferees into a new, higher cost area.

Most importantly, the importance of each of these cost factors differs systematically by type of industry. The EDGE tool uses this data to identify how these local factors are area advantages or disadvantages for growing various industries.

#### 1.4.2 Demographics: Labor and Customer Markets

The availability of a suitable labor force in any given area is a crucial consideration for both manufacturing and service industries. The EDGE tool considers the availability of skilled labor as well as the unemployment rate, as key measures of appropriate labor availability. Given a sufficient base of skilled labor, areas with a higher unemployment rate may be more attractive to some businesses.

The model also considers size of the labor market as a factor affecting the sustainability of business growth. It considers the population within 60 and 180 minutes drive times of Oconee County. The population base residing within a maximum 60 minutes of Oconee County is an indicator of the relative labor market catchment area. On the other hand, the population base residing within a 180 minutes of Oconee County is a rough indicator of residential and commercial customer base served within a one-day (round trip) drive from Oconee County.

#### **1.5 Rating Local Facilities and Resources**

The previous section illustrated how local conditions relating to costs, worker skills, and access can be represented by quantitative data, and then used to assess their impact on the potential for economic growth in Oconee County. Other important factors impacting Oconee County's prospects for economic development include the conditions of industrial sites and buildings, availability of business support programs, area labor force skill and educational levels as well as job training centers. This second set of factors merits a separate discussion because they have to be measured through an assessment process that relies upon field observations rather than available public data.

A series of worksheets were used to assess additional business facilities and supporting resources that impact Oconee County's potential for attracting industries. These worksheets were used to evaluate the County's strengths and weaknesses in terms of business support programs, industrial land and buildings, labor force, and other key considerations. These worksheets provide criteria for developing ratings that are entered into the EDGE tool for the following areas:



**Land Inventory:** A prerequisite for economic development is maintenance of a suitable inventory of sites for incoming and expanding industries. Inventory and ratings of industrial and commercial land in Oconee County were undertaken.

**Building Inventory:** The availability of development sites for industry is critically important, but having the right building for a given business looking to locate in the area can be a deciding factor in a firm's location decisions. Inventory and ratings of vacant and available buildings for industrial and commercial uses in Oconee County were compiled. In today's fast-paced economy, many businesses do not have the time or commitment to build their own buildings. As such, businesses interested in renting or buying buildings look for areas with a choice of competitively priced vacant properties.

**Labor Force Assessment:** Another key consideration in firm location decisions is an accessible, well-educated workforce that possesses the right skills for their industry. An assessment of the perceived strengths and weaknesses of Oconee County's labor force was conducted.

Assessment criteria include:

- Worker Skills – Are the skills of the labor force appropriate for new business development?
- Educational Levels – Are the educational levels (high school, 2- and 4-year degrees and technical training) of the workforce adequate for the needs of potential businesses?
- Education System – Are there programs available to train workers for new jobs brought into the community? If so, for what kind of training?
- Availability of Workers - Although high unemployment is counter to your economic development objectives, it does indicate that there is a good supply of workers available. Most businesses will be discouraged from opening new locations in an area with tight labor markets.

- Wage rates – Are wages in the local area competitive with other similar places?

## 1.6 Evaluation of Study Findings

This section describes the study's findings derived from analyzing information assembled in the preceding sections.

### 1.6.1 Industry Performance Assessment Results

The basis for the EDGE tool is known as the industry performance assessment, and it builds upon a technique known as "Economic Base Analysis." The economic base analysis compares the relative mix and growth/decline trends in Oconee County economic activity against the rest of South Carolina and the U.S., in terms of 67 industries. The portion of this analysis that compares differences in employment mix is known as "location quotient" analysis. The EDGE tool uses the location quotients to identify where the Oconee County appears to have a shortfall in its representation of certain industries. The other portion of the analysis compares differences in employment growth trends and is known as "shift share" analysis.

The EDGE tool uses two different bases for comparison. It applies business mix (location quotient) analysis to compare Oconee County's business mix with the rest of the comparison area. It applies business trend (shift-share) analysis to compare Oconee County business growth for each industry to national average growth in the same industry to gauge local industry performance relative to their counterparts elsewhere in the nation. All differences in mix and trend are measured in terms of jobs, because jobs are a constant that is not impacted by inflation in the valuation of products over time. The analysis process has three steps:

1. By analyzing differences in business mix against regional and national trends, the EDGE tool classifies Oconee County business performance in terms of mix and growth trends. EDGE will then provide an "Industrial Trend Rating" to identify local industries that are particularly thriving or contracting in Oconee County, compared to performance elsewhere. **Exhibit 1** displays the results for Oconee County, along with the interpretation of the trend ratings.

**Exhibit 1: Industry Trends for Oconee County**

Interpretation of Industry Trend Ratings

- 1 = local growth faster than national growth
- 2 = local decline while national growth
- 3 = local growth while national decline
- 4 = local decline slower than national decline
- 5 = local growth slower than national growth
- 6 = local decline faster than national decline
- 7 = local and national growing or declining at similar rates; or NO local industry

Sector	INDUSTRIAL TREND RATING	Sector	INDUSTRIAL TREND RATING
Agricultural services	3	Pipelines, exc- Natural Gas	7
Forestry	3	Transportation services	7
Fishing	7	Wholesale - durables	3
Metal mining	7	Wholesale - non-durables	6
Coal mining	7	Building & garden supply	2
Oil and gas extraction	7	General merchandise	1
Nonmetallic minerals	7	Foods stores	6
General contractors	4	Auto & service stations	7
Heavy construction	1	Apparel and accessories	1
Special trade contractor	1	Furniture, furnishings	6
Food products	3	Eating and drinking	1
Tobacco products	7	Miscellaneous retail	4
Textile mill products	6	Depository institutions	3
Apparel and other textile	6	Non-depository institutions	6
Lumber and wood	6	Commodity brokers	1
Furniture and fixtures	1	Insurance carriers	3
Paper products	3	Insurance agents, broker	2
Printing and publishing	6	Real estate	6
Chemical products	3	Hotels, other lodging	1
Petroleum and coal	7	Personal services	2
Rubber and plastics	1	Business services	2
Leather products	7	Auto repair and parking	1
Stone, clay, and glass	6	Misc. repair services	7
Primary metal industries	3	Motion pictures	3
Fabricated metal products	1	Amusement & recreation	1
Industrial machinery	6	Health services	1
Electronic/electric equipment	3	Legal services	5
Transportation equipment	3	Educational services	1
Misc. manufacturing	7	Social services	2
Passenger transit	7	Museums, zoos	7
Trucking & warehousing	5	Membership orgs	1
Water transportation	7	Engineering & mgmt	5

Transportation by air	7	Services, other	7
		Unclassified	7

2. The model then identifies industries that appear to be locally under-represented in terms of their industry mix and/or locally under-performing in terms of job growth, and identifies them as possible *candidates for improvement*. (Note: an under-performing industry is one that is growing slower than nationally, declining faster than nationally, or locally declining while growing nationally.) For each, a measure of the potential for additional job growth over a ten year period is provided. The results for Oconee County are displayed in Exhibit 2.

**Exhibit 2: Job Growth Potential for Oconee County by Industry**

Sector	10-YEAR BASELINE GROWTH RANGE	AVERAGE 10-YEAR GROWTH ESTIMATE	ADDITIONAL GROWTH POTENTIAL	POTENTIAL ADD'L GROWTH (# OF JOBS)	POTENTIAL FOR NEW GROWTH
Agricultural services	0 - 180	30	YES	17	
Forestry	0 - 70	35	NO	0	
Fishing	NA	0	NO	0	
Metal mining	NA	0	NO	0	
Coal mining	NA	0	NO	0	
Oil and gas extraction	NA	0	NO	0	
Nonmetallic minerals	NA	0	NO	0	
General contractors	0 - 0	0	NO	0	
Heavy construction	55 - 109	82	YES	238	STRONG
Special trade contractor	347 - 577	462	YES	87	STRONG
Food products	0 - 0	0	YES	229	
Tobacco products	NA	0	NO	0	
Textile mill products	0 - 0	0	YES	28	
Apparel and other textile	0 - 0	0	YES	3	
Lumber and wood	0 - 0	0	YES	84	
Furniture and fixtures	8 - 62	35	YES	21	STRONG
Paper products	0 - 30,450	15,225	YES	8	
Printing and publishing	0 - 0	0	YES	64	
Chemical products	0 - 429	215	YES	114	
Petroleum and coal	NA	0	NO	0	
Rubber and plastics	3 - 99	51	NO	0	
Leather products	NA	0	NO	0	

Oconee County Economic Base and Tax Exportation Technical Memorandum

Stone, clay, and glass	0 - 0	0	YES	73	
Primary metal industries	0 - 340	170	YES	24	
Fabricated metal products	51 - 3,120	1,536	NO	0	
Industrial machinery	0 - 0	0	NO	0	
Electronic/electric equipment	0 - 0	0	NO	0	
Transportation equipment	2 - 8,625	4,314	NO	0	
Misc. manufacturing	685 - 824	755	NO	0	
Passenger transit	NA	0	NO	0	
Trucking & warehousing	246 - 349	298	YES	454	STRONG
Water transportation	NA	0	NO	0	
Transportation by air	NA	0	NO	0	
Pipelines, except natural gas	NA	0	NO	0	
Transportation services	NA	1	YES	17	

Exhibit 2: Job Growth Potential for Oconee County by Industry (Continued)

Sector	10-YEAR BASELINE GROWTH RANGE	AVERAGE 10-YEAR GROWTH ESTIMATE	ADDITIONAL GROWTH POTENTIAL	POTENTIAL ADD'L GROWTH (# OF JOBS)	POTENTIAL FOR NEW GROWTH
Communications	407 - 852	530	YES	204	STRONG
Wholesale - durables	0 - 253	127	YES	122	
Wholesale - non-durables	0 - 0	0	YES	257	
Building & garden supply	0 - 337	169	YES	379	STRONG
General merchandise	123 - 310	217	NO	0	
Foods stores	0 - 0	0	NO	0	
Auto & service stations	283 - 342	313	NO	0	
Apparel and accessories	21 - 45	33	YES	232	STRONG
Furniture, furnishings	0 - 0	0	YES	26	
Eating and drinking	387 - 665	526	YES	591	STRONG
Miscellaneous retail	0 - 0	0	YES	19	
Depository institutions	0 - 7	4	YES	120	
Non-depository institutions	4 - 39	22	YES	55	STRONG
Commodity brokers	31 - 830	481	YES	10	STRONG
Insurance carriers	0 - 4	2	YES	234	
Insurance agents, broker	0 - 1	1	YES	136	STRONG
Real estate	3 - 6	5	YES	91	STRONG
Hotels, other lodging	13 - 19	16	YES	305	STRONG
Personal services	0 - 8	4	YES	54	STRONG
Business services	0 - 401	201	YES	1,857	STRONG
Auto repair and parking	97 - 243	170	YES	35	STRONG

Oconee County Economic Base and Tax Exportation Technical Memorandum

Misc. repair services	0 - 0	0	YES	7	
Motion pictures	0 - 0	0	NO	0	
Amusement & recreation	17 - 66	42	YES	79	STRONG
Health services	806 - 3,697	2,251	NO	0	
Legal services	14 - 21	18	YES	119	STRONG
Educational services	72 - 319	196	YES	176	STRONG
Social services	0 - 14	7	YES	162	STRONG
Museums, zoos	NA	0	NO	0	
Membership orgs.	216 - 426	321	NO	0	
Engineering & mgmt	0 - 0	0	YES	245	
Services, other	359 - 418	389	YES	11	
Unclassified	NA	0	NO	0	

3. Among the candidates for improvement, the model isolates a group of industries that are expected to be growing in the future, and labels them as "strong candidates for future growth" through targeted economic development efforts. These sectors meet two criteria: there is positive additional growth potential in Oconee County and national employment in the sector is expected to grow over the next decade. The findings from this local industry performance assessment are displayed in **Exhibits 3 and 4**.

**Exhibit 3: Oconee County's Most Favorable Non-Manufacturing Target Industries for Job Growth**

Sector	POTENTIAL ADD'L GROWTH (# OF JOBS)
Heavy construction	238
Special trade contractor	87
Trucking & warehousing	454
Communications	204
Building & garden supply	379
Apparel and accessories	232
Eating and drinking	591
Non-depository institutions	69
Commodity brokers	10
Insurance agents, broker	136
Real estate	91
Hotels, other lodging	303
Personal services	54
Business services	1,857
Auto repair and parking	35
Amusement & recreation	79
Legal services	119
Educational services	178
Social services	162

**Exhibit 4: Oconee County's Most Favorable Manufacturing Target Industries for Job Growth**

Sector	POTENTIAL ADD'L GROWTH (# OF JOBS)
Furniture and fixtures	21

## 1.7 Diagnostic Analysis Results

The diagnostic portion of EDGE tool includes various area diagnostics concerning business advantages and disadvantages for each industry in which there is a potential for further business growth and attraction, as identified in the assessment portion of the model.

For the industries identified in **Exhibits 3 and 4**, a number of area characteristics such as labor costs, energy costs, local tax levels, housing costs, etc. are key in firm location decision. As such, **Exhibit 5** assesses Oconee County's competitiveness in terms of attracting potential growth industries relative to the rest of South Carolina.

As shown below, Oconee fares quite favorably in most categories that would be important to the firms considering locating within the County. Though Oconee County's labor costs are slightly higher than the rest of South Carolina, energy costs, taxes per person and housing/rental costs are much more favorable for Oconee. Local property taxes, however, are higher per square mile than the rest of the state. Other key categories such as worker skill levels and labor force participation rates are on par with South Carolina or in the case of the labor force participation rate slightly higher than the state average.



**Exhibit 5: Study Area/Comparison Area Characteristics**

Area Characteristics	Study Area	Comparison Area
<b>1. COST CATEGORIES</b>		
Labor Cost (\$ / hr)	\$ 15.85	\$ 15.53
Energy Cost (\$/M Btu) or Electricity Cost (¢/kwh)	040	058
Overall Tax per Person	\$ 2,467	\$ 2,805
Property Tax per Square Mile	\$ 488,456	\$ 436,871
Housing Costs	\$ 829	\$ 987
Rental Costs	\$ 222	\$ 274
<b>2. OTHER CATEGORIES</b>		
Population	69,067	4,059,838
Population Density (persons/square mile)	110	139
Skilled Workers (1-10)	8	8
Labor Force Participation Rate	62%	49%
Population within an hour, i.e., LF	636,572	1,764,443

Sources: South Carolina Department of Commerce; South Carolina Employment Security Commission; South Carolina Association of Counties; United States Census Bureau; U.S. Department of Energy; Energy Information Administration

### 1.8 Conclusions and Policy Recommendations

Our analysis focused on assessing the economic base and identifying potential target industries for Oconee County. In doing so, local competitive disadvantages are also identified. The industries identified as having the most growth potential include:

#### Non-manufacturing

- Heavy Construction
- Special Trade Contractor
- Trucking & Warehousing
- Communications
- Building and Gardening Supplies
- Apparel and Accessories Retail
- Eating and Drinking Establishments
- Non-Depository Institutions
- Commodity Brokers
- Insurance Agents and Brokers
- Real Estate
- Hotels and Lodging
- Personal Services
- Business Services
- Auto Repair and Parking
- Amusement and Recreation
- Legal Services
- Educational Services
- Social Services

#### Manufacturing

- Furniture and Fixtures

The potential competitive disadvantages in attracting firms in these industries are identified as:

- Labor Costs
- Property Taxes

#### 1.8.1 Comparison to Other Studies

Michael Porter conducted a statewide analysis of economic competitiveness and concluded that South Carolina's major disadvantages include low advanced degree holders, a limited supply highly skilled workers, limited air access, and weak supplier networks. Fortunately, Oconee County has a relatively well-educated labor force in close proximity to a major research university making the educational quality of the labor force on par with the state's educational quality. In addition, its close proximity to other universities such as Furman University and a highly educated Upstate workforce further enhances the potential base of employment in Oconee County as one of the state's better educated workforces. In terms of air access, Oconee County businesses and residents have reasonable access to the Greenville-Spartanburg International Airport. The Oconee County Regional Airport is also one of the state's top tier two airports generating over \$4 million dollars in local economic impacts, according to a recently completed statewide aviation economic impact study conducted by Wilbur Smith Associates in 2006. Again, Oconee's close proximity to the some of the state's leading general aviation airports (e.g. Spartanburg Downtown Memorial, Anderson Regional, Greenville Downtown and Donaldson Center) makes airport access yet another local attribute to Oconee County's economic competitiveness. Similarly, supplier networks are not as much of an issue given Oconee's location in the state's Upstate and relatively close proximity to Metro Atlanta and the transportation connectivity brought about by Interstate 85.

### 1.8.2 Role of Stakeholders

There are numerous entities in Oconee County and the Upstate charged with at least some aspect of economic development. Of these they include but are not limited to:

- The South Carolina Appalachian Council of Governments
- Appalachian Development Corporation
- Pendleton District Workforce Investment Board

When a firm is investigating a potential location site, they examine the region as a whole. From the individual jurisdiction standpoint, policymakers need to realize that what is good for one county can also be good for their county due to the spillover benefits and the regionalization of economies.

Other stakeholders include local Chambers of Commerce, City and County Economic Development Offices and utilities providers. In addition, there are specialized agencies charged with one aspect such as workforce development and workforce related assistance including childcare and transportation. Each of the aforementioned groups has initiatives and programs underway that impact economic development in the County and the region. In addition to its current duties and addressing local deficiencies as they pertain to attracting the aforementioned target industries, the Oconee County Economic Development Commission should look to act as a "linchpin agency" charged with developing an inventory of the different entities dealing with issues and programs directly related to local economic development and conducting a review of recent and on-going efforts. This would help to create synergies across the different agencies and establish a foundation for information exchange.

## **Chapter 2: Tax Incidence and Exporting of the Proposed 1% Sales Tax**

### **2.1 Introduction**

Tax incidence refers to the impact a tax has on an individual's after-tax earnings. If non-residents make taxable purchases in Oconee County, the tax incidence has been exported outside of the county. The intent of our analysis is to assess the degree to which tax incidence associated with the current 1% Special Local Option Sales Tax (SPLOST) under consideration will be exported to non-residents. The data sources include: the United States Census Bureau, South Carolina Employment Security Commission, Woods and Poole 2005 Complete Economic and Demographic Data Source, South Carolina Department of Parks, Recreation and Tourism and the South Carolina Budget & Control Board Office of Research and Statistics.

### **2.2 Findings**

Our findings show that the non-resident share of taxable retail sales in Oconee County could range from 22.5 to 27% or between \$135.4 and \$162.5 million annually. As such, non-residents would pay approximately \$1.35 to \$1.63 million a year of the revenue generated by the 1% SPLOST.

An estimated 2.5 percent of the tax will be paid by those commuting into Oconee County for work, between 7 and 11.5 percent by non-resident, non-commuting shoppers from surrounding areas, 5 percent by regional businesses and 8 percent by business and leisure travelers (Exhibit 6).

Exhibit 6

**Sources of Sales Tax Exportation**

Source	% of Tax Exportation
% from business and leisure travelers	8.0%
% from commuters to Oconee County	2.5%
% Business-to-Business	5.9%
% non-resident, non-commuter	7-11.6%
<b>Total non-resident taxable sales %</b>	<b>22.5-27.0%</b>

**2.2.1 Non-Residents**

The burden associated with any tax is lessened if a portion of it is exported to non-residents. Property tax exporting occurs when a non-resident owns or rents property in the County. Sales tax exportation usually occurs because of spending on goods or services by commuters, non-Oconee businesses, regional shoppers and tourists. Sales tax exportation to non-residents occurs through four transactions:

- (1) purchases made by in-commuters;
- (2) purchases made by non-residents, non-commuters from neighboring counties;
- (3) purchases made by tourist to the County, for leisure or business; and
- (4) taxation of business purchases that are borne by non-residents.

**2.2.2 In-Commuters**

Though Oconee is one of the Upstate's smaller counties, it serves as an employment and commercial center for the region which includes parts of Northern Georgia. According to the South Carolina Employment Commission, over 5,100 commuters from neighboring states and counties commute to Oconee each day for work.

Given that commuters spend a majority of their day in Oconee County, it is likely that they will purchase goods or services there. Commuting also allows for consumers and

commuters to comparison shop and multi-purpose—activities that bode well for the exportation of the 1% SPLOST under consideration. Research has also shown that commuters may develop an affinity for the area in which they work and are more likely to destination shop on weekends or vacation days (Shields and DeJair, 1998).

One of the first steps for quantifying the potential for commuter spending is to assess the retail sales leakages and surpluses from the primary commuting counties. Retail sales leakage refers to the amount of retail purchases consumed by individuals outside their place of residence. Retail surplus represents the volume of retail activity in excess of the retail potential of residences. Jurisdictions with retail surpluses tend to be major metropolitan areas that serve as regional and statewide centers of commercial activity as well as major business and leisure travel destinations.

Potential retail sales are calculated as:

$$\text{Potential retail sales} = (\text{Population}) (\text{Statewide Per Capita Sales}) (\text{County Per Capita Income} / \text{Statewide Per Capita Income})$$

The exhibit presented below indicates that some of counties that serve as major sources of commuters into Oconee County, namely Pickens and Anderson, experience significant retail leakages. These leakages represent Oconee County's potential for retail sales capture from these counties.

Exhibit 7  
Regional Retail Leakages/Surpluses

County	Potential Retail Sales	Actual Retail Sales	Retail Leakage/Surplus
Oconee	\$ 718,431,475	\$ 514,262,000	\$ (204,169,475)
Anderson	\$ 1,802,949,015	\$ 1,725,338,000	\$ (77,611,015)
Cherokee	\$ 484,064,224	\$ 484,690,000	\$ 625,776
Greenville	\$ 4,920,020,538	\$ 5,629,350,000	\$ 909,329,462
Pickens	\$ 1,049,248,756	\$ 858,218,000	\$ (193,030,756)
Spartanburg	\$ 2,781,059,415	\$ 2,896,155,000	\$ 135,095,585

For the calculation of retail spending by in-commuters, it is assumed that, on average, commuters spend roughly \$50 per week on taxable goods and services (i.e. restaurant dining, groceries, retail purchases) in Oconee County. This assumption is derived from a survey conducted in 2001 in East Tennessee by the University of Tennessee involving counties that were comparable to Oconee in terms of their size and socioeconomic composition.

Based on the assumption above, taking into account inflation (roughly 3% annually in recent years) and the 2000 Census's "Journey to Work" data, it is estimated that commuter spending accounts for 2.5 percent, or approximately \$15 million, of the total annual taxable sales in Oconee County. Therefore, 2.5 percent of the revenue generated by the SPLOST under consideration will be provided by non-resident commuters who commute to Oconee County.

### **2.2.3 Tourism Spending**

Tourist expenditures also contribute to county sales tax revenue providing an additional means of sales tax exportation. According to the Department of Parks, Recreation and Tourism, visitor expenditures in 2004 were valued at over \$42 million accounting for approximately 8% of Oconee County's total taxable retail sales. Barring any drastic changes in tourist volumes, if Oconee County's tourists continue to maintain current consumption patterns, it could be expected that they would export at least 8% of the SPLOST in the near future.

### **2.2.4 Business to Business Sales**

As a part of the Upstate, Oconee County is a center of commercial activity for South Carolina as well as neighboring counties in Northern Georgia. As such, we believe that a substantial number of out-of-state and neighboring counties patronize local businesses. Their support of Oconee County businesses also represents yet another channel to export the proposed 1% sales tax increase to non-residents. In creating our estimate for the degree of business-to-business sales tax exportation, we begin with the assumption that business-to-business transactions account for 45 percent of all taxable



sales. This estimate is based on research conducted by the National Tax Association and represents a national average.

For a previous study with Anderson County, we assumed that of this 45 percent, at least 19 percent is paid by non-local businesses. Because Oconee County's economy is smaller than Anderson's, assigning an identical value of 10% to Oconee may not be fitting.

A commonly used metric to determine the number of local business to business transactions is lane mileage and traffic count data. The assumption underlying the use of this data is that economies with larger commercial bases have higher traffic volumes and more road mileage to accommodate the traffic that inevitably ensues as a result of higher levels of commercial activity. According to South Carolina's Department of Transportation, Oconee County's lane mileage is 57% of that of Anderson County and its traffic volumes are 52% of Anderson's. As such, a conservative estimate that we would glean from this is that Oconee County's business to business sales are roughly half of Anderson County's. Using our past study as a benchmark, this would indicate that approximately 5 percent of the SPLOST will be incurred by non-local businesses allowing the county to export away from Oconee County residents.

### **2.2.5 Non-Resident, Non-Commuting Spending**

Local sales leakages of over \$270 million represent potential opportunities for Oconee County to capture a sizable amount of non-resident, non-commuter spending. As the County looks to possibly expand its retail base, the likelihood of capturing local sales leakages and exporting the tax incidence associated with the SPLOST increases significantly.

Oconee's proximity to a number of other thriving local economies (e.g. Anderson, Greenville, Spartanburg, etc.), necessitates that it would have to compete with much larger counties for the same local retail leakages. Therefore, we estimate that Oconee stands to capture only a portion of what other counties in the region would as a result of its smaller retail base.

A recent WSA study conducted for Anderson County revealed that it stood to capture roughly 23% of the region's leakages. Similar to our rationale above for local business to business transactions, we will also use traffic counts and lane mileage to derive this estimate given that these two metrics provide a sound indication of the amount of commercial activity that occurs in a local area. Consequently, this would indicate that Oconee County would capture approximately 11.5% of the region's leakages.

Another means of calculating the Oconee's potential capture rate and possible tax exportability is to quantify the actual size of Oconee's retail base relative to Anderson's. According to employment data from the South Carolina Employment Security Commission, Oconee's retail base is roughly 30% of Anderson's leading us to deduce that Oconee could potentially capture 30% of Anderson's 23% potential leakage capture or approximately 7%.

Therefore, we conclude that Oconee could capture between 7 and 11.5% of the region's retail leakages. A check for the reasonableness of our estimates further supports our projections. A calculation of what the potential capture of regional leakages would mean in terms of per capita spending shows that roughly \$5-\$8 per non-resident, non-commuter will be spent on a weekly basis in Oconee County further exporting the tax incidence associated with the proposed 1 percent sales tax increase. This is not an unreasonable estimate given that for a number of surrounding communities, Oconee County offers the closest retail, dining and entertainment venues.

## **Chapter 3: Project Prioritization Literature Review**

### **3.1 Introduction**

Local public investment in capital improvements often catalyzes economic development, especially when it is intended to improve a region's infrastructure or provide quality of life improvements. As such, it behooves local governments to identify revenue streams that could possibly fund capital projects that could lead to economic development.

The purpose of this portion of our study is to assess existing literature concerning the economic impacts of capital improvements projects categorized by project type (water/sewage, road, quality of life). Insight gleaned from this section should better inform the project prioritization process so as to maximize the revenue re-invested into county capital needs in hopes of economic development and tax base expansion.

### **3.2 Literature Review**

A number of empirical studies concerned with quantifying the economic impact of local capital improvement projects make clearer the connection between improvements in physical capital and economic base expansion. Though the relationship between economic development and capital improvement may seem self-evident, the general consensus among economists is that the economic impacts that accrue to regions who undertake capital improvement campaigns are often mixed and are contingent upon a number of other factors—e.g. existing capital stock, the local economic base, neighboring economies. As such, the impacts of these projects are not as clearly understood once other factors in addition to the aforementioned are taken into account. Given these complexities, a number of scholars and development agencies have produced literature that could provide clarity to development stakeholders as to the impacts of projects by project type allowing for project selection and prioritization.

#### **3.2.1 Water/Sewer Improvements**

Bagi (2002) notes that many local governments invest in water/sewer facilities to encourage economic growth by facilitating the expansion of local businesses while attracting newer firms. According to this study, the key consideration for local stakeholders for investments in water/sewer improvements is existing facility capacity. For communities with water/sewer facilities that are operating near capacity, investments to expand their capacity can stimulate economic growth, but for systems that are not near capacity these investments create excess capacity which does not necessarily translate into economic development.

Bagi's empirical analysis utilizes data from local economic impact studies of the Economic Development Administration focusing on eighty-seven (87) rural and urban water and sewer projects specifically aimed at stimulating economic development in host communities. He concludes that:

- All eighty-seven projects generated greater economic benefits than their total construction costs.
- Rural water/sewer facilities save and create permanent jobs, generate private investment, leverage additional government funds and increase the property tax base.
- Despite the positive benefits that accrue to local economies as a result of water/sewage improvements, stakeholder must accurately assess the existing capacity of local facilities to prevent the creation of excess capacity. An accurate assessment has shown overwhelmingly to lead to positive economic development if expansions/improvements are merited.

The Appalachian Regional Commission (2000) conducted similar analysis on the economic impact of fifty-one (51) water and sewer projects concluding that sewer projects performed quite well, generally meeting or exceeding aggregate projections for new businesses served, business retention, new jobs, retained jobs and new/existing households served. As such, the long-term economic development implications—employment growth, tax base expansion—were key determinants in gauging project success.

### 3.2.2 Road Projects/Highway Improvements

The most common capital improvements are road projects and highway improvements. Paradoxically, when put to empirical scrutiny, road improvements do not invariably lead to economic development. A general consensus among transportation economists is that highway investments have a differential impact across industries based on the role of transportation costs in their provision of goods or services. The extent to which they positively impact local economies is a function of the composition of the local and neighboring economies in addition to a host of other factors that cloud the connection between road projects/highway investments and economic development.

Because road projects should stimulate economic development through augmenting the productivity of private inputs, direct contribution to outputs or by enhancing a region's amenities, public infrastructure may also attract households and firms. Moreover, residents and business can experience various savings that result due to travel time, safety and vehicle operating costs reductions.

Eberts (1990) found that the effects of public infrastructure investments on regional development depend largely on the type of investment and on the economic conditions of the region. More specifically, the regions that benefit most from these types of investments are in economically distressed regions and regions with less public capital stock relative to private capital and population.

Brown (1999) conducted a literature review of road and highway investments and derived a number of general conclusions from the body of literature concerning economic impacts that result from this particular type of investment:

- Rural counties in close proximity to metro areas, and those with some prior degree of urbanization benefit economically, at least in the short term, by new highway construction and road improvements. Less is clear about long-run benefits and the advantages that accrue to more isolated rural counties.
- Highway construction expenditures benefit rural employment in manufacturing and retail sectors, with effects strongest in the short term.

### 3.3.3 *Quality-of-Life and Economic Development*

Capital projects are often intended to attract new industries and corporations, but literature concerning the role that quality-of-life improvements and the notion of the rise of a "creative class" as a viable economic development strategy has become more commonplace. Moreover, the role that quality-of-life amenities play in attracting the high-quality workforce has become more apparent. A 1998 KPMG survey of nearly 1,200 high-technology workers examined the factors associated with the attractiveness of a new job and found that "community quality of life" was the second most important factor—just below compensation—and more important than benefits, stock options, or company stability. In addition, quality-of-life is often a deciding factor for migratory retirees, whereby cultural outlets make low-tax, resource-abundant, small town locales even more attractive re-location.

Florida (2002, 2004, 2005), in "The Rise of the Creative Class", "The Flight of the Creative Class" and "Cities and the Creative Class", presents a compelling case for capital investments in cultural outlets and the fine arts. He posits that the American economy has become more dependent on innovation industries and subsequently created a "creative class" (e.g. scientists, engineers, architects, educators, writers, artists, and entertainers) that have a substantial impact on the economy and its future trajectory. He defines this class as those whose economic function is to create new ideas, new technology, and new creative content. In general, this group shares common characteristics, such as creativity, individuality, diversity, and merit and desire work locations that cultivate these desires—cultural centers, museums, parks, nature trails, local theatre groups, artisan expos. The attraction of these types of workers and in some case retirees who desire similar amenities could be a boon to local economies luring more innovation-oriented industries better suited for longevity in our more service-oriented economy.

In the most recent national report of the National Assembly of State Arts Agencies (2005), they identify cultural attractions as key in attracting highly-skilled workers. More specifically, it states that they are most likely to contribute to the local economy through employment in the services, information, technology and intellectual property, all of

which represent higher-paying, value-added employment that improve local standards of living and produce favorable multiplier effects throughout the local economy.

### 3.4 Oconee County's Capital Improvement Program Projects

Our EDGE analysis assessed the competitiveness of Oconee's local economy based on a number of key area characteristics that impact firm location and consequently local economic development. Moreover, these area characteristics can be improved upon through various policy approaches including SPLOST referendums to fund capital improvement projects such as those currently under consideration by Oconee County. The area characteristics used as the basis for our analysis included pre and post-capital improvement program area characteristic ratings for:

- Advanced Skills Training
- Labor Market Participation
- Broadband Access
- Availability of Highway-Accessible Commercial Land
- Availability of Industrial Park Sites with Full Infrastructure
- Availability of Commercial and Residential Development Sites
- Major and Minor Improvements in Traffic Flow
- Access to other transportation modes (air, water, rail)

The use of these area characteristics in addition to the local cost characteristics utilized in previous EDGE analysis (labor costs, utilities, state and local taxes, etc.) should allow for the comprehensive assessment of the current economic climate of Oconee county firms and industries and help lead to the creation of a prioritization process for the proposed projects based partly on economic impact.

In addition, extant literature on the economic impacts of certain types of capital improvement projects should allow Oconee stakeholders to better prioritize the projects they wish to fund through the proposed Special Local Option Sales Tax. The impact that these projects have on local area characteristics could significantly affect local economic performance.

Subsequent sections address which projects on the proposed list are most likely to impact the area characteristics above given their categorization (water/sewer, road, administrative and quality-of-life) and the likely impact given similar projects undertaken in locales similar to Oconee County as cited in the literature above.

In terms of increasing labor market participation, projects listed below are those that are most likely to generate the most profound, long-term employment impacts that could increase the local labor market participation rate. In addition, those projects that will require larger construction efforts creating short-term increases in labor market participation but whose long-term effects are much more difficult to gauge are also included.

- Labor Market Participation (Long-Term)
  - Water Main to Border with Georgia
  - Airport Sewer Expansion
  - Plant Expansion (Seneca Light & Water)
  - Water Source-Plant Upgrade
  - Phase I, I-85 Project (W&S)
  - Phase II, I-85 Project (W&S)
  - Fair Play area Water Supply/Hwy. 123
  - Martin's Creek/WPS Project
  
- Labor Market Participation (Short-Term)
  - Library Building
  - Civic Center/Recreation Complex
  - Hwy. 24 Tokeema & Oakway Tank Connect
  - Department of Social Services Building
  - Water Source-Plant Upgrade
  - Theatre Community Center
  - Water System Improvements
  - Distribution System Upgrades
  - Elevated Tank Hwy. 130 & Doug Hollow
  - Hwy 59 Seneca Supply Upgrade
  - Highway 11 Back-up Connection
  - City Hall
  - Library-South County Branch

Industrial parks typically serve as local incubators for employment. However, the establishment of industrial parks requires the appropriate types of infrastructure investments, namely water and sewage and transportation connectivity. The projects listed below were seen as those most likely to improve local infrastructure allowing for the creation of industrial park sites and possibly viable industrial parks.

- Availability of Industrial Park Sites with Full Infrastructure
  - Martin's Creek/WPS Project
  - Fair Play area Water Supply/Hwy. 123
  - Phase I, I-85 Project (W&S)
  - Phase II, I-85 Project (W&S)
  - Water Source-Plant Upgrade



- o Plant Expansion
- o Utica Sewer Upgrade/Replacement
- o Distribution System Upgrades
- o Airport Sewer Expansion
- o Hwy 59 Seneca Supply Upgrade
- o Highway 11 Back-up Connection
- o Water Main "Northern Loop"
- o Water Main to Border w/ Georgia

In addition to industrial usage, capital projects that improve the availability of commercial and residential development can also spur economic development. In addition, taxes generated from the properties erected on these sites serve as critical revenue sources for local governments. As such, capital investments in projects that provide the proper infrastructure are prerequisites for creating available commercial and/or residential development sites. The projects below seem to most clearly contribute to increasing the aforementioned availability.

- Availability of Commercial and Residential Development Sites
  - o Hwy. 24 Tokeena & Oakway Tank Connect
  - o Water Source-Plant Upgrade
  - o Plant Expansion
  - o Utica Sewer Upgrade/Replacement
  - o Water System Improvements
  - o Distribution System Upgrades
  - o Elevated Tank Hwy. 130 & Doug Hollow
  - o Hwy. 59 Seneca Supply Up-grade
  - o Highway 11 Backup Connection
  - o Elevated Storage Tank, Hospital
  - o Sodium Hypochlorite Disinfection System
  - o Water Main "Northern Loop"
  - o Electric Dist./Voltage Conversion
  - o Elevated Water Storage Tank
  - o Water Main to Border w/ Georgia
  - o Water & Sewer Line-Main Street

It should be noted that the projects above and their listing do not represent a prioritization framework as they do an assessment of which projects are most likely to affect certain elements that comprise the location decision-making process of firms. Given that the SPLOST is subject to political process, decisions based solely on job-creation impacts are but one aspect of what should go into project prioritization. The lack of political feasibility that could arise from project selection that does not align with public sentiments will most likely fail to garner public support limiting the revenue necessary to implement these projects. As such, decision makers may look to devise a

systematic approach that incorporates project economic impact as well as issues relating to political feasibility (e.g. geographic equity, community need, etc.)

## Chapter 4: Retail and Industrial Survey Findings

### 4.1 Approach

In an attempt to better understand the commercial climate for Oconee County's existing retailers and industries, the Wilbur Smith Associates (WSA) team in conjunction with the Oconee County Economic Development Commission devised and disseminated surveys to county retailers and industries. The intent of our exercise is to assess local sentiments amongst the retail and industrial community concerning local attributes and deficiencies. The survey results should allow the Economic Development Commission to develop a comprehensive economic development strategy while addressing the concerns of these two vital constituencies. Copies of both surveys will be provided in Appendix A. **Exhibit 8** provides the response rates to the retail and existing industry surveys.

**Exhibit 8**  
**Survey Response Rates**

Survey	Mailed	Returned	Response Rate
Retail	281	31	11%
Industrial	63	8	15%

The seemingly low response rates may seem disappointing for both surveys, but they are actually in line with normal return rates for mail surveys. As such, they should be interpreted with caution and utilized in conjunction with the analysis provided in our technical memorandum.

### 4.2 Retail Survey Results

The goods and services provided by survey respondents seem to be well distributed across industries, with Finance and Real Estate (23%), Personal Services (16%) and General Merchandise (16%) having the highest proportion of respondents (**Exhibit 9**).

**Exhibit 9  
Retail Respondents by Primary Product**

Sector	Respondents	Percentage
General Merchandise	5	16%
Educational Services	1	3%
Auto Sales	1	3%
Retail	5	16%
Business Services	2	6%
Construction	1	3%
Personal Services	5	16%
Finance and Real Estate	7	23%
Food and Accommodations	1	3%
Furnishings	2	6%
Information	1	3%
Total	31	

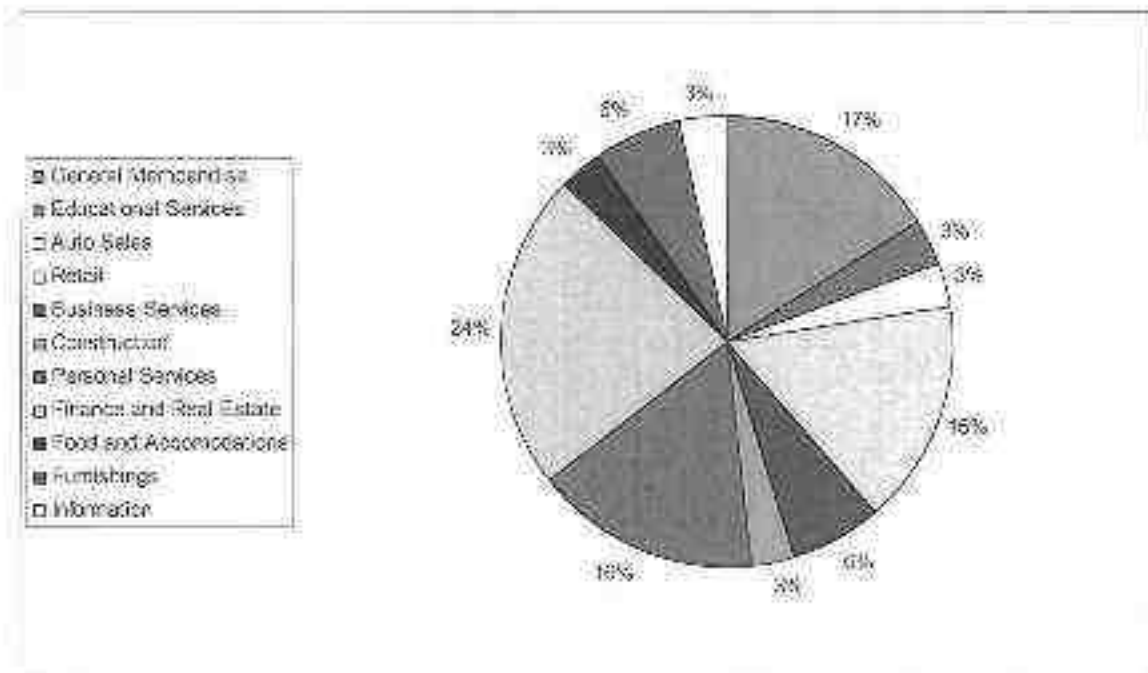
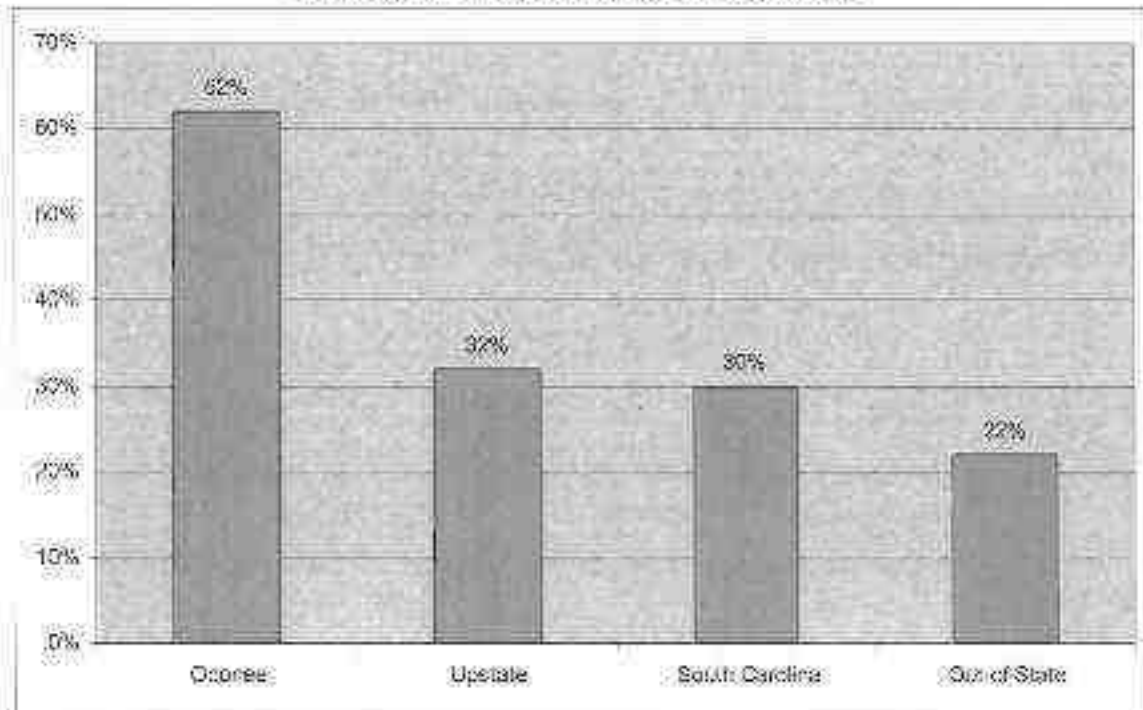


Exhibit 10 depicts the geographic location of the respondent retailer's primary customers. Unsurprisingly, most of the consumers of Oconee County retailer goods are Oconee County residents. However, Oconee County's close proximity to the Georgia border and well-established transportation linkages allow for a number of Upstate customers to partake of local retail offerings as well as South Carolinians from non-Upstate counties.

Exhibit 10

Geographic Location of Retail Customers

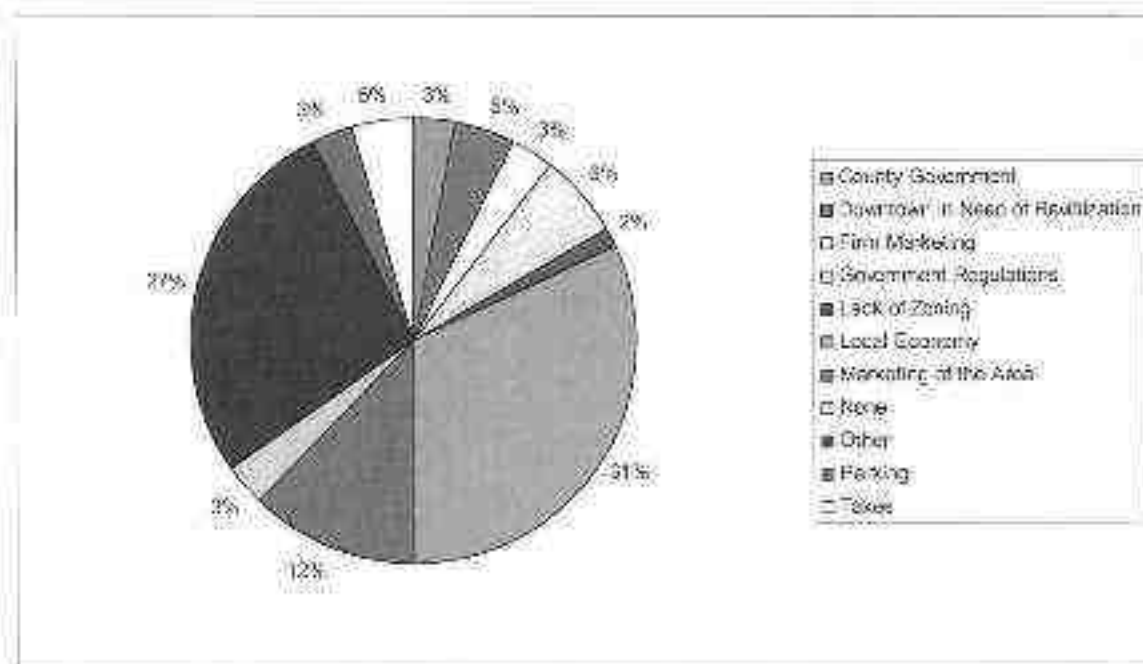


Retailers listed a host of challenges that inhibit their firm's performance, namely conditions in the local economy (**Exhibit 11**). A number of respondents noted that an inadequately prepared workforce and recent plant closings have adversely impacted client income and consequently reduced sales. Beyond local economic conditions, a number of varied responses (classified as "Other") ranging from what they perceive to be ineffective Chambers of Commerce and ineffective marketing of the area to big box retailers such as Wal-Mart are all key challenges to local retailers.

Exhibit 11

Key Challenges to Retailers

Challenges	Respondents	Percentage
County Government	2	3%
Downtown in Need of Revitalization	3	5%
Firm Marketing	2	3%
Government Regulations	4	6%
Lack of Zoning	1	2%
Local Economy	21	31%
Marketing of the Area	8	12%
None	2	3%
Other	18	27%
Parking	2	3%
Taxes	3	5%
Total	68	



Fortunately, retailers have identified a number of opportunities for improving/expanding their operations. Twenty-five percent (25%) of respondents have identified what they believe to be a growing economy as a key opportunity for them (Exhibit 12). The growing retiree population with higher incomes and consequently more disposable income are often a boon to local retailers which is partly verifiable by these survey responses. Retailers also view the county's natural resources as key opportunities to

attract tourists who will also patronize local retailers. This particular response could serve as the basis for recommending that county stakeholders consider integrating aggressive migratory retiree and recreation/tourism marketing into a long-range strategic economic development plan.

**Exhibit 12**

**Key Opportunities for Retailers**

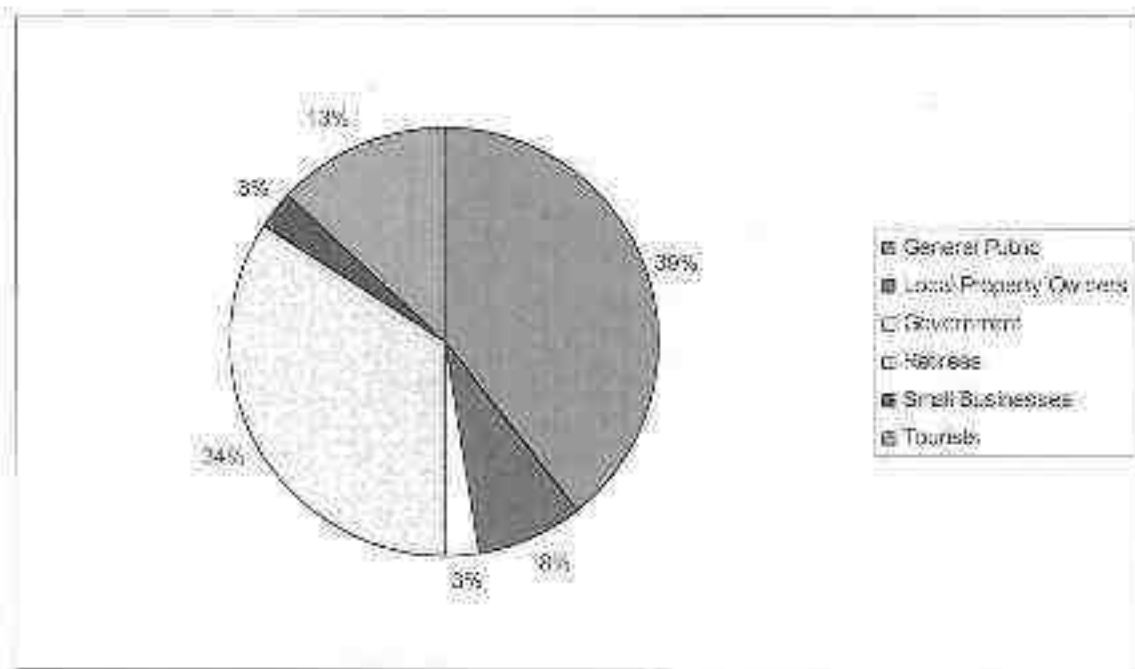
Opportunities	Respondents	Percentage
Clemson University	3	5%
Growing Economy	15	25%
Lakefront Development	6	10%
Local Culture/History	4	7%
Natural Resources	11	18%
Other	10	17%
Population Growth	6	10%
Retirees	5	8%
Total	60	

Dovetailing on the responses from **Exhibit 12**, beyond the general public, local retailers view Oconee's retirees as a key retailer target market with few others garnering half as many responses (**Exhibit 13**). It should be noted, however, that after retirees, retailers view tourists as their primary target market reinforcing the recommendation in the previous section concerning integrating aggressive marketing of migratory retirees and tourists into Oconee County's strategic plan for economic development.

**Exhibit 13**

**Retailer Target Market**

Target Market	Respondents	Percentage
General Public	15	39%
Local Property Owners	3	8%
Government	1	3%
Retirees	13	34%
Small Businesses	1	3%
Tourists	5	13%
Total	38	



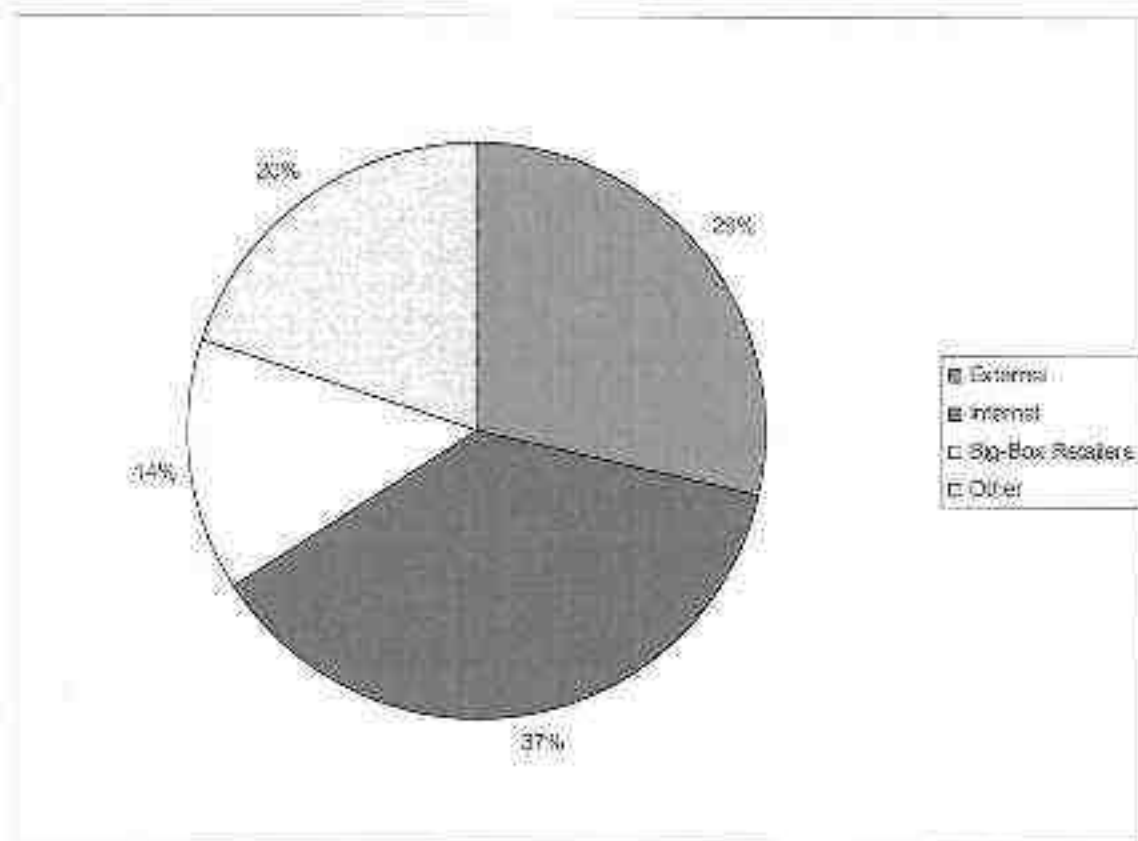
Many Oconee County retailers view their primary competitors as being similar, in-county establishments (37%), with other Upstate retailers coming in a close second (29%) (Exhibit 14). Almost a fifth of retail respondents noted that technological advances such as tax and accounting software and internet retailers are key competitors, while big-box retailers are also viewed as threats by local retailers.



Exhibit 14

Retailer Competition

Competition	Respondents	Percentage
External	10	29%
Internal	13	37%
Big-Box Retailers	5	14%
Other	7	20%
Total	35	

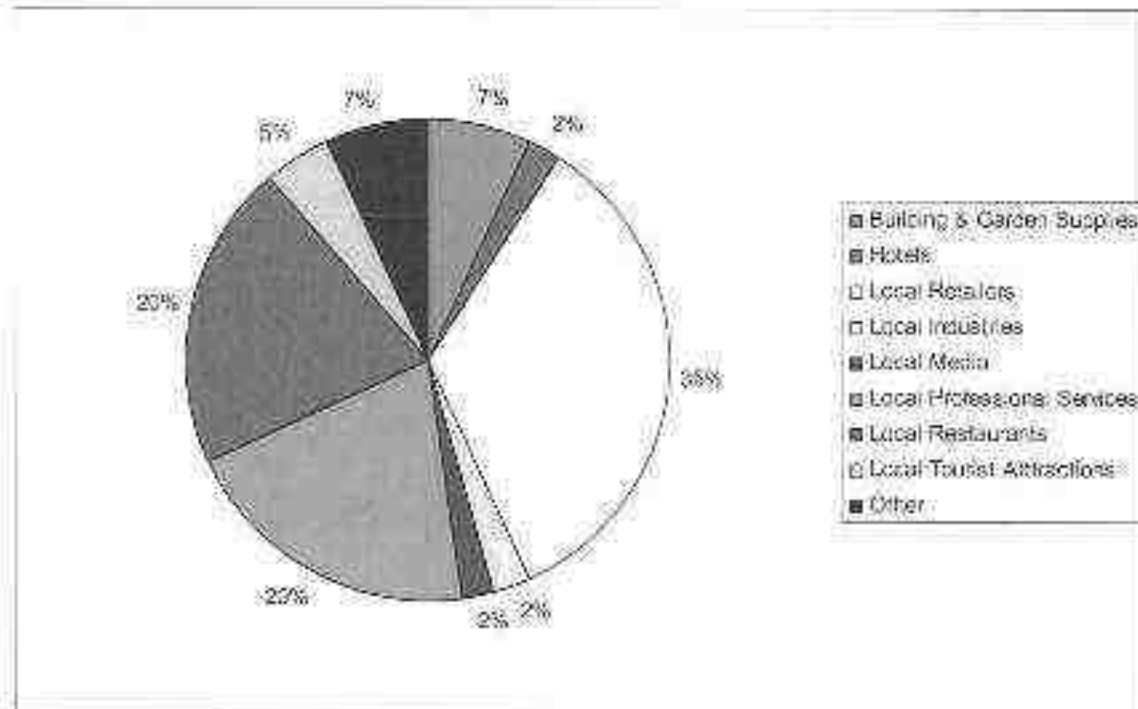


Though local retailers are mostly likely to be each other's competitors, they are also likely to compliment each other, as shown in **Exhibit 15** where over a third of Oconee retailers identify other local retailers as being complimentary to their firm. Approximately 40 percent of retailers view local professional services providers (e.g. attorneys, accountants, physicians) and Oconee County restaurants as complimentary to their retail services.

## Exhibit 15

## Establishments that Compliment Respondent Firms

Complimentary Businesses	Respondents	Percentage
Building & Garden Supplies	3	7%
Hotels	1	2%
Local Retailers	15	35%
Local Industries	1	2%
Local Media	1	2%
Local Professional Services	9	20%
Local Restaurants	9	20%
Local Tourist Attractions	2	5%
Other	3	7%
Total	44	

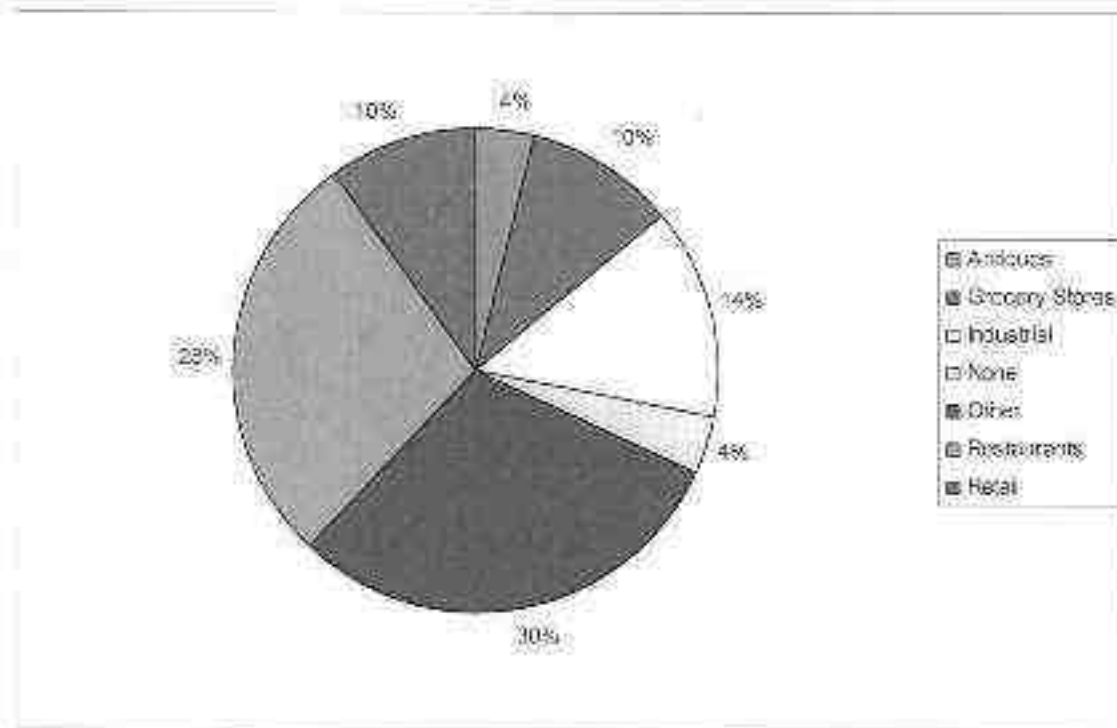


The most popular responses concerning new businesses that Oconee retailers would like to see locate locally ran the gamut from specialty shops and coffee shops to quality-of-life improvements that are not necessarily businesses, per se (e.g. a community civic center, sports complex), but local retailers felt quite strongly compelling them to respond accordingly (**Exhibit 16**). These responses comprised roughly one-third of this question's responses. New restaurants also seem to be in demand with twenty-eight percent of respondents responding as such.

**Exhibit 16**

**New Businesses Respondent Firms Would Like in Oconee County**

New Business	Respondents	Percent
Antiques	2	4%
Grocery Stores	5	10%
Industrial	7	14%
None	2	4%
Other	15	30%
Restaurants	14	28%
Retail	5	10%
Total	60	

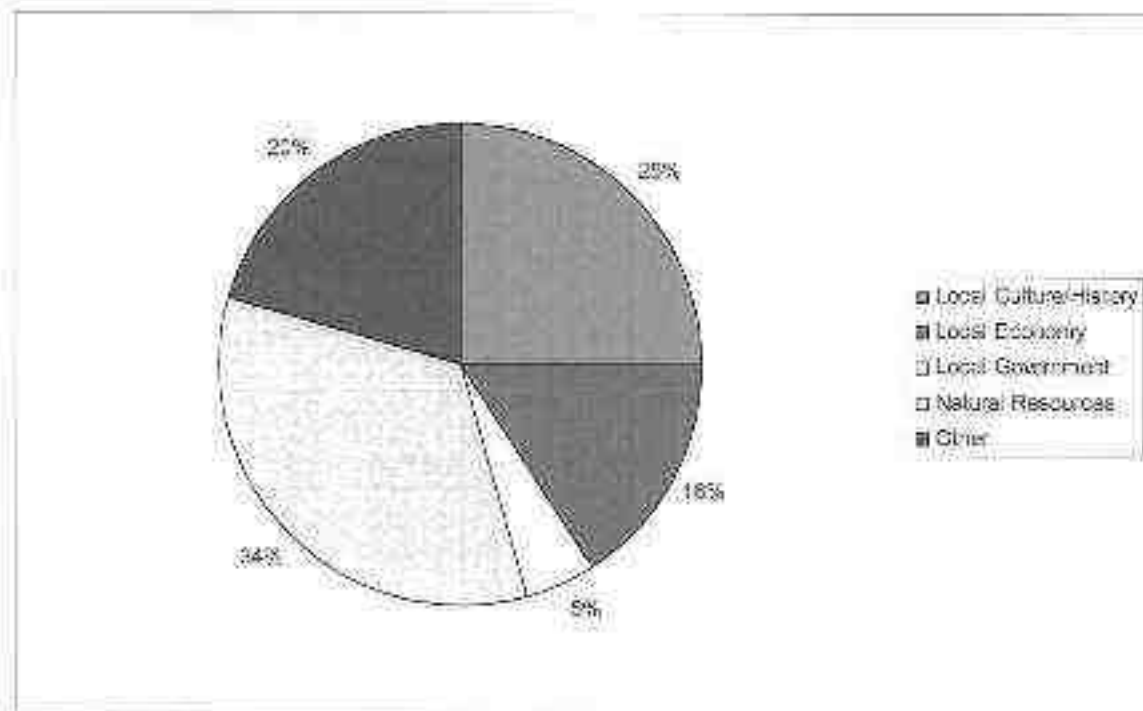


Survey respondents seem to feel that county should do more to develop the community's attributes; namely Oconee's natural resources as well as promote local cultural and historical attractions (**Exhibit 17**).

**Exhibit 17**

**Community Attributes**

Community Attributes	Respondents	Percentage
Local Culture/History	11	25%
Local Economy	7	16%
Local Government	2	5%
Natural Resources	15	34%
Other	9	20%
Total	44	

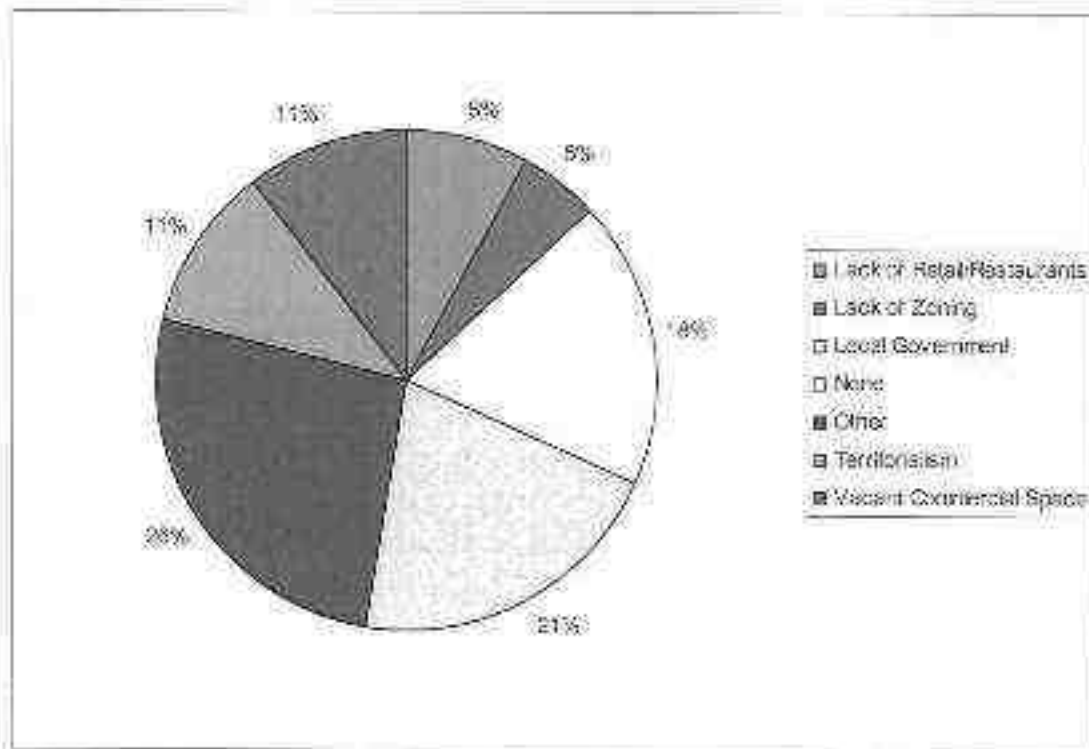


Approximately 47 percent of retailers found either no particular community disadvantage harming their business or a host of varied responses (e.g. littering, other downtown merchants, a lack of a unified signage code) (**Exhibit 18**). Closely behind these two responses is what retailers feel as an ineffective local government characterized by territorialism and in-fighting.

**Exhibit 18**

**Community Disadvantages**

Community Disadvantage	Respondents	Percentage
Lack of Retail/Restaurants	3	8%
Lack of Zoning	2	5%
Local Government	7	18%
None	8	21%
Other	10	26%
Territorialism	4	11%
Vacant Commercial Space	4	11%
Total	38	

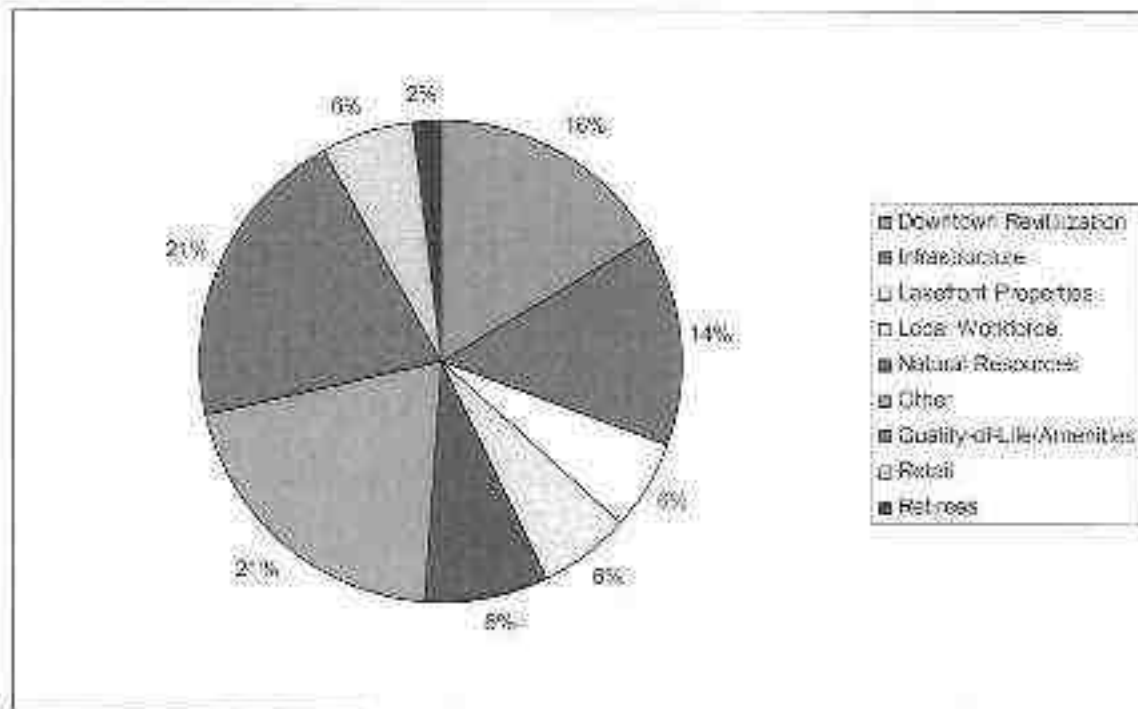


In terms of community assets retailers would like to see developed, approximately 42% responded that quality-of-life projects such as a local YMCA, recreational complex or cultural/civic center in addition to other assets are needed in Oconee County (Exhibit 19). Closely following these two categories is the revitalization of downtowns, namely Walhalla and Westminster similar to that of Seneca.

**Exhibit 19**

**Community Assets to be Developed**

Community Asset	Respondents	Percentage
Downtown Revitalization	8	16%
Infrastructure	7	14%
Lakefront Properties	3	6%
Local Workforce	3	6%
Natural Resources	4	8%
Other	10	21%
Quality-of-Life/Amenities	10	21%
Retail	3	6%
Retirees	1	2%
Total	49	

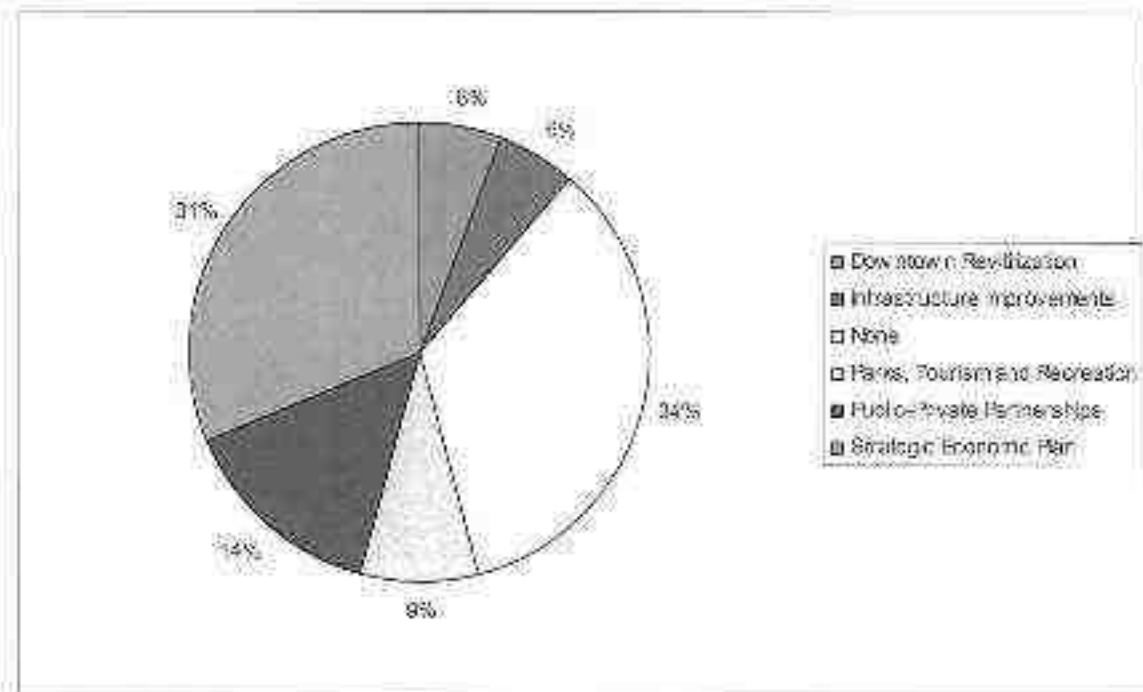


Interestingly enough, thirty-five percent of respondents failed to identify the channel by which the aforementioned community assets could be developed (Exhibit 20). Almost a third of retailers feel that a long-range strategic economic development plan could adequately develop the types of community assets needed to support the retail community.

**Exhibit 20**

**Channel for Development**

Channel for Development	Respondents	Percentage
Downtown Revitalization	2	6%
Infrastructure Improvements	2	6%
None	12	34%
Parks, Tourism and Recreation	3	9%
Public-Private Partnerships	5	14%
Strategic Economic Plan	11	31%
Total	36	

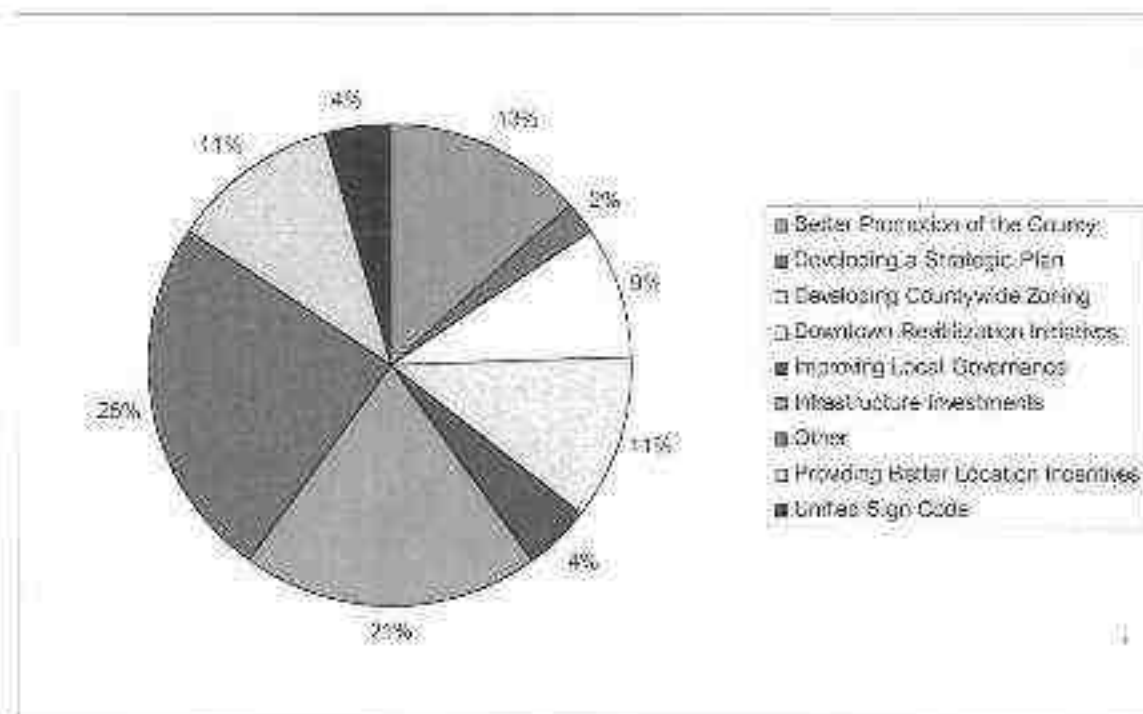


Retailers provided a number of recommendations for the county that would allow it to better support retail development. Many of the responses were related to improving local infrastructure and a better promotion of the county (**Exhibit 21**).

**Exhibit 21**

**County Action Needed to Support Retail Development**

County Action to Support Retail	Respondents	Percentage
Better Promotion of the County	6	13%
Developing a Strategic Plan	1	2%
Developing Countywide Zoning	4	9%
Downtown Revitalization Initiatives	5	11%
Improving Local Governance	2	4%
Infrastructure Investments	9	21%
Other	11	25%
Providing Better Location Incentives	5	11%
Unified Sign Code	2	4%
<b>Total</b>	<b>45</b>	





### 4.3 Existing Industry Survey Results

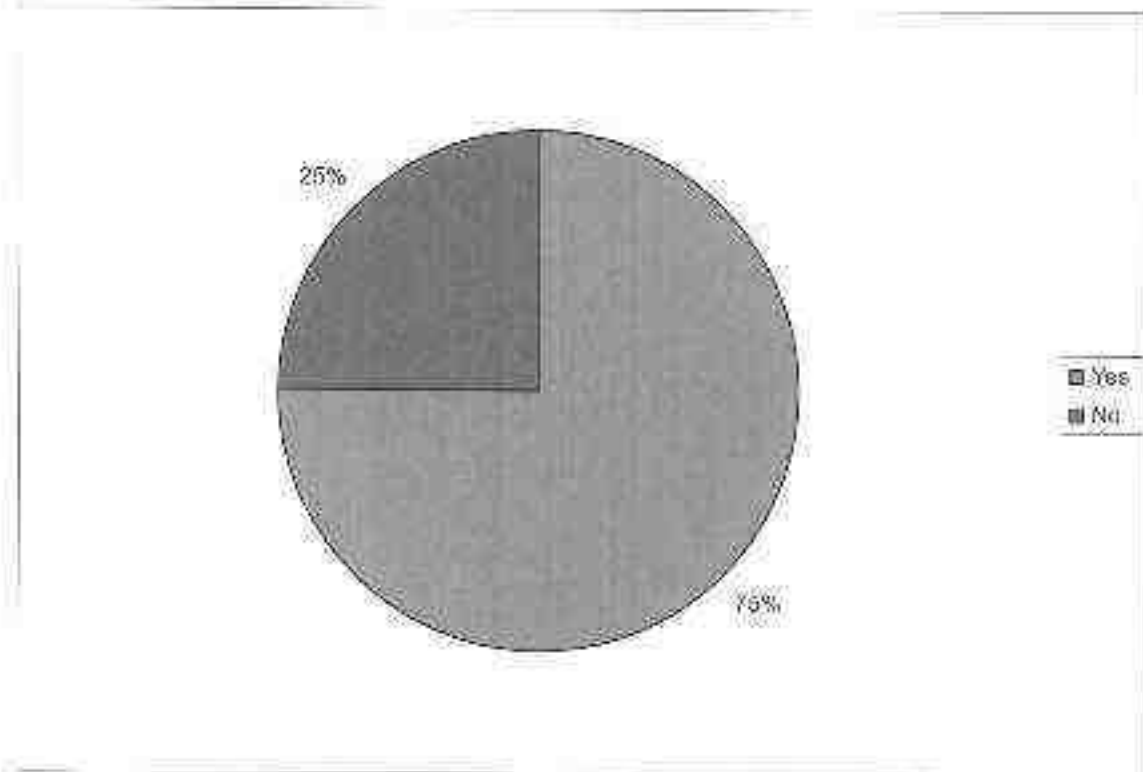
A copy of the existing survey instrument is including in Appendix A. Eight respondents replied to the existing industry survey. Given manufacturing's heavy presence in Oconee County's economy, it is expected that most of the existing industry that would reply would be manufacturers and they comprise all eight respondents. The prominence of this sector in the economy requires an understanding of industry sentiments concerning the local industrial, commercial and political environment and is provided below.

#### 4.3.1 Company Information

Companies were asked a number of foundational questions concerning their start-up date, current and opening employment, additional investments since start-up (Exhibit 22), tax incentives received to locate in Oconee County (Exhibit 23) as well as the type of location incentive package received (Exhibit 24).

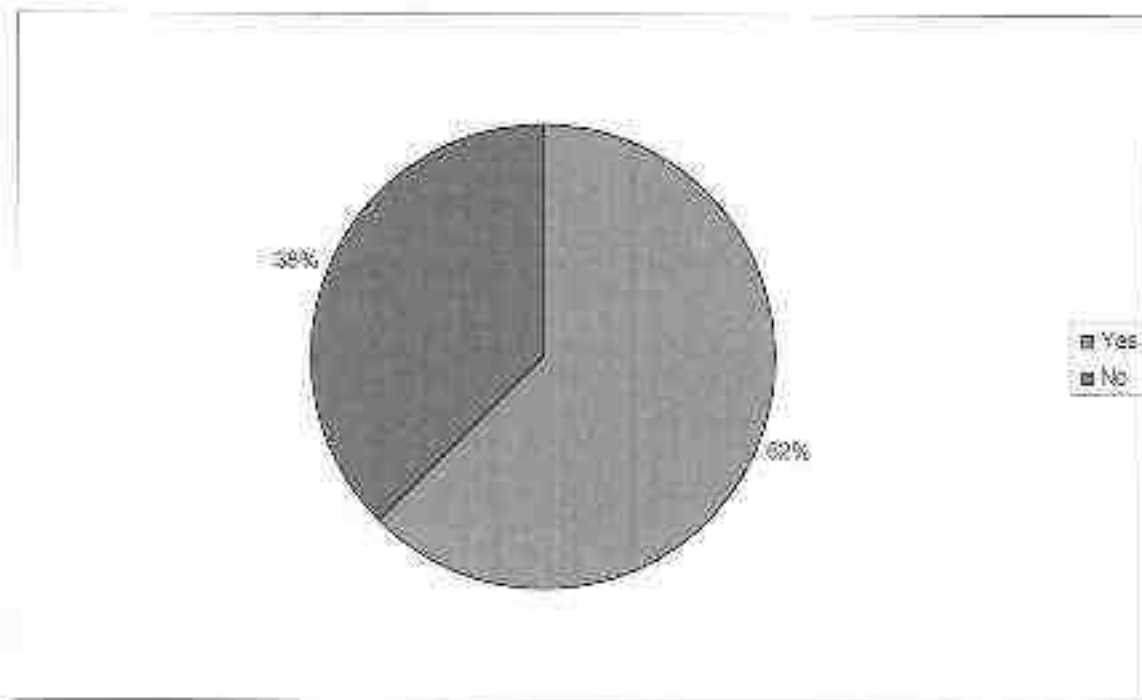
Exhibit 22

#### Additional Investments since Start-Up



**Exhibit 23**

**Tax Incentive to Locate in Oconee County**



**Exhibit 24**

**Type of Tax Incentive**

Type of Tax Incentive	Respondents	Percentage
Revenue/Special Bonds	2	20%
Educational/Training Grants	2	20%
Low-Interest Loan	1	10%
Fee-in Lieu of Taxes	3	30%
Other	2	20%
Total	10	

**Part 2: Product/Market Information**

Industries were also asked about the geographic market areas of their company outputs (**Exhibit 25**), sources of raw materials (**Exhibit 26**) and their future prospects (**Exhibit 27**).

Exhibit 25

Geographic Market Areas of Existing Business

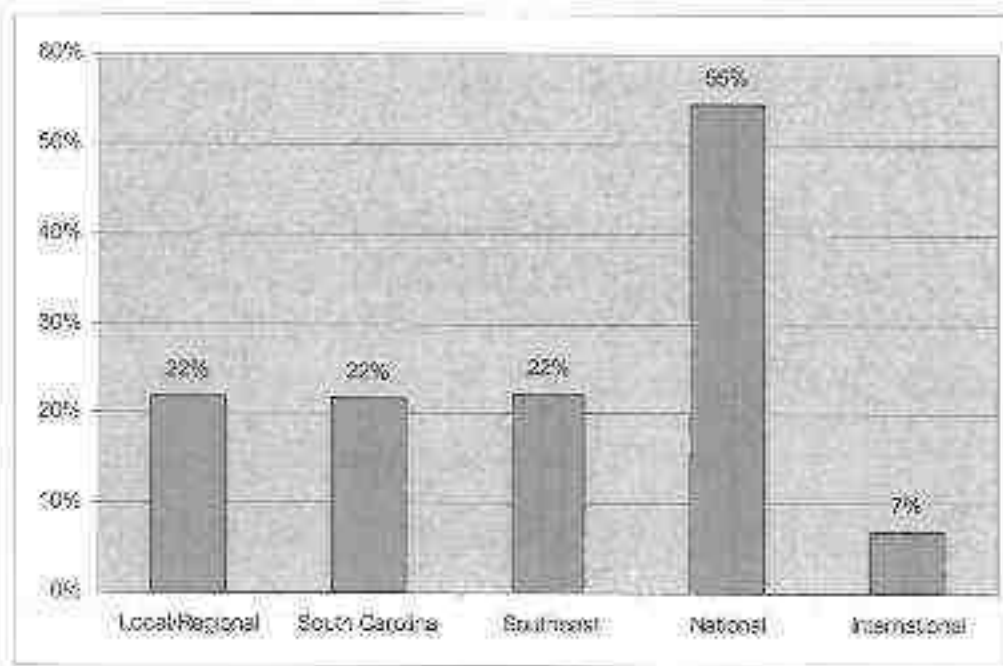


Exhibit 26

Geographic Sources for Raw Materials

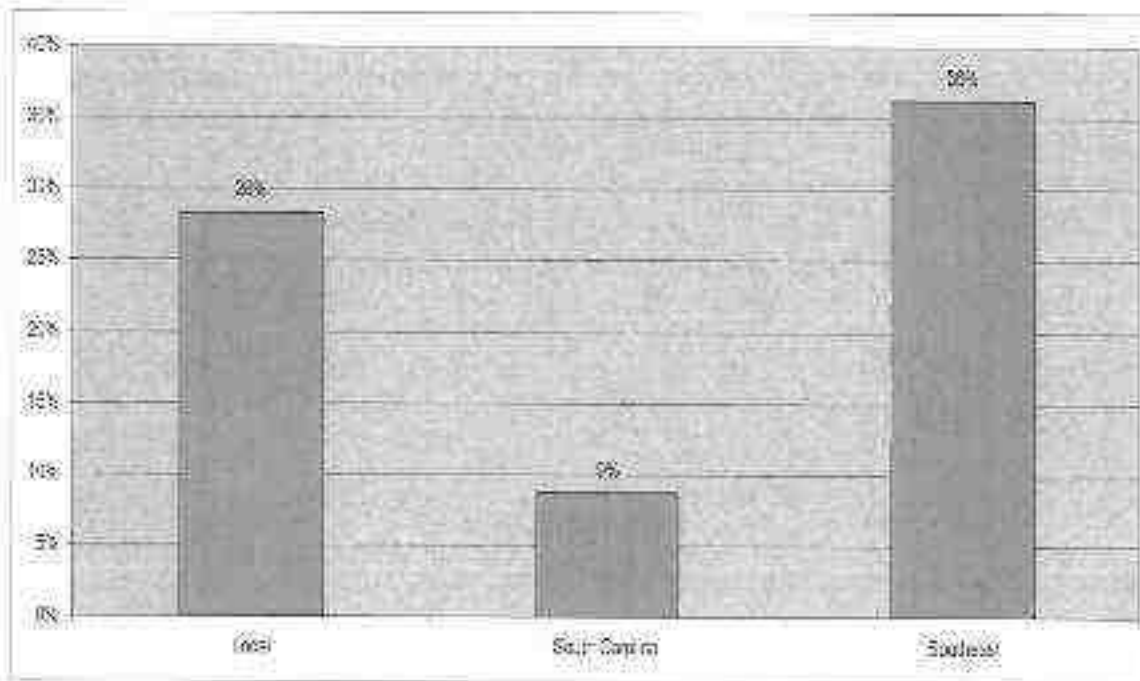
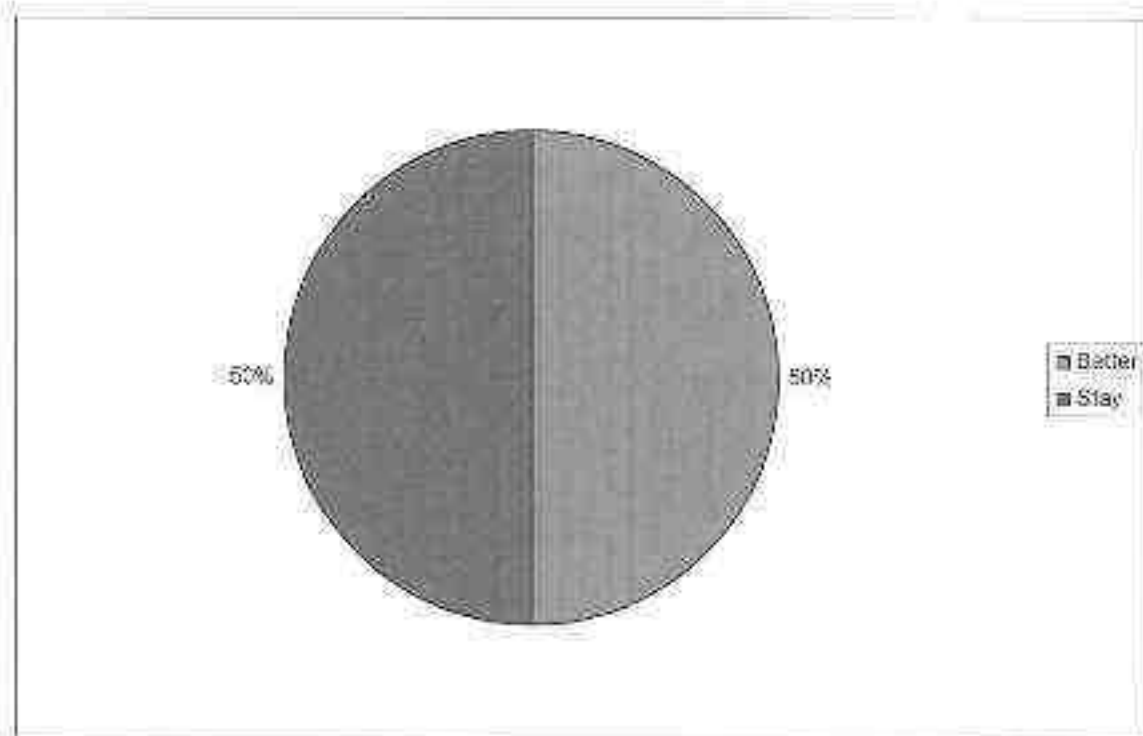


Exhibit 27

Future Prospects



4.3.2 Site Attributes

Existing industries were asked to rank a list of locational attributes. A compilation of attributes based on their ranking as excellent, adequate and needs improvement was assembled. The results are presented below, followed by detailed information regarding the ranking of individual attributes.

Existing Attributes cited as "Excellent"

- Services/Utilities
- Quality/Proximity to interstate highways
- Quality/Proximity to state highways
- Quality/Price of electric power service
- Access to natural gas

- Quality of Life
- Availability/quality of higher education

**Existing Attributes cited as "Adequate"**

- Access to markets for your products
- Proximity to market for your final product
- Access to raw materials
- Access to natural gas
- Quality of Life
- Quality/Proximity to interstate highways
- Worker productivity
- Quality/adequacy of workforce training and development
- Wage rates compared to other potential sites
- Other labor costs relative to other potential sites
- Labor/management relations
- Cost of land
- Availability of land
- Availability of financial capital locally
- State taxes on businesses and individuals
- Zoning and building regulations
- Environmental regulations and requirements
- Quality of local highways and roads
- Access to quality rail service
- Access to quality air transportation service
- Price of natural gas
- Available water supply
- Solid waste service
- Availability of high speed telecommunications services
- Availability of affordable housing
- Low crime rate
- Available supply of workers
- Quality of public schools
- Community recreation services

- Right-to-work laws
- Cooperation of local government officials
- Cooperation of state officials
- Local Chamber of Commerce
- Local Development Board
- Local taxes on businesses and individuals

**Existing Attributes cited as "Needs Improvement"**

- Available supply of workers
- Skill level of available workforce

**Survey Response Exhibits**

- Services/Utilities

	Service/Utilities	Percentage
Excellent	4	50%
Adequate	3	38%
Needs Improvement	1	13%
Total	8	

- Access to markets

	Market Access	Percentage
Excellent	2	25%
Adequate	5	63%
Needs Improvement	1	13%
Total	8	

- Proximity to market for final products

	Market Proximity	Percentage
Excellent	3	38%
Adequate	5	63%
Needs Improvement	0	0%
Total	8	

- Access to raw materials:

	Raw Materials	Percentage
Excellent	2	25%
Adequate	6	75%
Needs Improvement	0	0%
Total	8	

- Available supply of workers:

	Worker Supply	Percentage
Excellent	2	25%
Adequate	3	38%
Needs Improvement	3	38%
Total	8	

- Skill level of available workforce:

	Worker Skill Level	Percentage
Excellent	2	25%
Adequate	2	25%
Needs Improvement	4	50%
Total	8	

- Worker productivity:

	Worker Productivity	Percentage
Excellent	1	13%
Adequate	6	75%
Needs Improvement	1	13%
Total	8	

- Quality/adequacy of workforce training and development:

	Quality/Adequacy of Training and Development	Percentage
Excellent	2	25%
Adequate	5	63%
Needs Improvement	1	13%
Total	8	

- Wage rates compared to other potential sites

	Wages	Percentage
Excellent	2	25%
Adequate	6	75%
Needs Improvement	0	0%
Total	8	

- Other labor costs relative to other potential sites

	Other Labor Costs	Percentage
Excellent	1	13%
Adequate	7	88%
Needs Improvement	0	0%
Total	8	

- Labor/management relations

	Labor/Mgmt. Relations	Percentage
Excellent	4	50%
Adequate	4	50%
Needs Improvement	0	0%
Total	8	

- Cost of land

	Cost of Land	Percentage
Excellent	1	13%
Adequate	4	50%
Needs Improvement	3	38%
Total	8	

- Availability of land

	Land Availability	Percentage
Excellent	1	13%
Adequate	6	75%
Needs Improvement	1	13%
Total	8	



- Availability of financial capital locally

	Capital Availability	Percentage
Excellent	1	13%
Adequate	7	88%
Needs Improvement	0	0%
Total	8	

- State taxes on businesses and individuals

	State Taxes	Percentage
Excellent	1	13%
Adequate	5	63%
Needs Improvement	2	25%
Total	8	

- Local taxes on businesses and individuals

	Local Taxes	Percentage
Excellent	1	13%
Adequate	4	50%
Needs Improvement	3	38%
Total	8	

- Zoning and building regulations

	Zoning	Percentage
Excellent	0	0%
Adequate	7	88%
Needs Improvement	1	13%
Total	8	

- Environmental regulations and requirements

	Environmental Regulations	Percentage
Excellent	0	0%
Adequate	7	88%
Needs Improvement	1	14%
Total	8	

- Quality and proximity of interstate highways:

	Quality/Proximity of Interstate Highways	Percentage
Excellent	4	50%
Adequate	4	50%
Needs Improvement	0	0%
Total	8	

- Quality and proximity of state highways:

	Quality/Proximity of State Highways	Percentage
Excellent	4	50%
Adequate	3	38%
Needs Improvement	1	13%
Total	8	

- Quality of local highways and roads:

	Quality of Local Highways	Percentage
Excellent	2	25%
Adequate	4	50%
Needs Improvement	2	25%
Total	8	

- Access to quality rail service:

	Rail	Percentage
Excellent	1	13%
Adequate	7	88%
Needs Improvement	0	0%
Total	8	

- Access to quality air transportation service:

	Air	Percentage
Excellent	1	13%
Adequate	7	88%
Needs Improvement	0	0%
Total	8	

- Quality/price of electric power services

	Quality/Proximity of Electricity Services	Percentage
Excellent	5	63%
Adequate	3	38%
Needs Improvement	0	0%
Total	8	

- Access natural gas

	Access Natural Gas	Percentage
Excellent	4	50%
Adequate	4	50%
Needs Improvement	0	0%
Total	8	

- Price of natural gas

	Price of Natural Gas	Percentage
Excellent	0	0%
Adequate	6	63%
Needs Improvement	3	38%
Total	8	

- Available water supply

	Available Water Supply	Percentage
Excellent	3	38%
Adequate	4	50%
Needs Improvement	1	13%
Total	8	

- Solid waste service

	Solid Waste Service	Percentage
Excellent	1	13%
Adequate	7	58%
Needs Improvement	0	0%
Total	8	

- Availability of high speed telecommunications services

	High-Speed Telecommunication Services	Percentage
Excellent	1	13%
Adequate	6	75%
Needs improvement	1	13%
Total	8	

- Quality of Life

	Quality of Life	Percentage
Excellent	4	50%
Adequate	4	50%
Needs improvement	0	0%
Total	8	

- Availability of affordable housing

	Affordable Housing	Percentage
Excellent	0	0%
Adequate	4	50%
Needs Improvement	4	50%
Total	8	

- Low crime rate

	Low Crime Rate	Percentage
Excellent	1	13%
Adequate	6	75%
Needs Improvement	1	13%
Total	8	

- Quality of public schools

	Quality of Public Schools	Percentage
Excellent	0	0%
Adequate	5	63%
Needs Improvement	3	38%
Total	8	

- Availability/quality of higher education

	Availability/Quality Of Higher Education	Percentage
Excellent	5	63%
Adequate	3	38%
Needs Improvement	0	0%
Total	8	

- Community recreation services

	Community Rec. Services	Percentage
Excellent	1	13%
Adequate	4	50%
Needs Improvement	3	38%
Total	8	

- Right-to-work laws

	Right-to-Work Laws	Percentage
Excellent	1	13%
Adequate	7	88%
Needs Improvement	0	0%
Total	8	

- Cooperation of local government officials

	Local Government	Percentage
Excellent	2	25%
Adequate	5	63%
Needs Improvement	1	13%
Total	8	

- Cooperation of state officials

	State Government	Percentage
Excellent	1	13%
Adequate	5	63%
Needs Improvement	2	25%
Total	8	

- Local Chamber of Commerce

	Local Chamber of Commerce	Percentage
Excellent	2	25%
Adequate	4	50%
Needs Improvement	2	25%
Total	8	

- Local Development Board

	Local Development Board	Percentage
Excellent	1	13%
Adequate	6	75%
Needs Improvement	1	13%
Total	8	

#### 4.3.3 Site Comparison

In addition to site attributes, our survey instrument also allowed Oconee County industries to identify major competitors and their advantages. In addition, respondent listed their location advantages, local policies that discourage industrial retention and expansion as well as recommendations for local government that would support industrial retention.

- Major Competitors

	Major Competitors	Percentage
Local	1	5%
Regional	10	53%
National	4	21%
International	4	21%
Total	19	

- Competitor Advantages

	Competitor Advantages	Percentage
Labor Costs	3	21%
Proximity to Consumers	3	21%
Raw Materials	1	7%
Proximity to Suppliers	1	7%
Other Global Eco. Forces	2	14%
Other	4	25%
Total	14	

- Respondent Advantages

	Respondent Advantages	Percentage
Labor Costs	1	8%
Proximity to Consumers	3	23%
Raw Materials	0	0%
Proximity to Suppliers	0	0%
Lower Cost of Doing Business (non-wage)	3	23%
Local Workforce	3	23%
Location	1	8%
Other	2	15%
Total	13	

- Local characteristics or policies discouraging business retention and expansion

	Community Deficiencies	Percentage
Cost of Doing Business	3	23%
Infrastructure	5	38%
Political/Legal Environment	2	15%
Labor Force	2	15%
Other	1	8%
Total	13	

- Actions local governments should take to retain local firms

	Retention	Percentage
Tax Breaks	3	25%
Improving Political/Legal Environment	2	17%
Attracting Other Manufacturers	4	33%
Other	3	25%
Total	12	

#### 4.4 Stakeholder Interviews

In addition to the existing retail and industry surveys, interviews of Oconee County economic development stakeholders were conducted. Stakeholders, broadly defined, included a number of key elected and appointed community leaders who will play a critical role in the county maximizing its economic potential. The interview questions were similar to those asked of retailers and industrial employers and the results are provided below.

##### 4.4.1 Local economic strengths

The majority of stakeholders view recent and impending retiree growth in the region as one of Oconee's economic strengths. They cited the group's higher incomes as a benefit to local retailers as well as their tendency to vacate larger homes and property taxes while extracting less from the social services that they help fund. Moreover, respondents have noted that retirees also add to the regions human capital stock and spend time volunteering, working part-time while contributing to the local cultural landscape.

Following closely behind retiree growth, stakeholders feel that Oconee's potential for growth is more than favorable given its low cost of living and conducting business, transportation connectivity, natural resources and dependable workforce.

##### 4.4.2 Local economic vulnerabilities

Community stakeholders provided a number of varied responses when asked what they felt were Oconee County's economic vulnerabilities. The majority of respondents felt that "community-based sentiments" were the county's primary economic vulnerability. Of these, they included but were not limited to:

- "Parochialism"
- "Negative community outlook on growth"
- "Community failing to realize its needs"

In the opinion of stakeholders, these sentiments are often impediments to enacting county-wide growth strategies and make devising politically feasible development initiatives nearly impossible. Similarly, the lack of infrastructure, namely adequate water and sewage, were cited as vulnerabilities that often work against the county's economic



interests inhibiting industrial expansion. Many viewed the proposed Special Local Option Sales Tax as a viable option to raise needed revenue to make necessary improvement in water and sewage as well as other infrastructure needs.

#### 4.4.3 Growth Industries

Industries that stakeholders felt were primed for growth locally were primarily service-oriented employment, especially services geared toward retirees and ecotourism. The general consensus amongst stakeholders was that Oconee's natural resources provided the basis for what could potentially be an ecotourism hub. In addition, these resources attract migratory retirees that, as stated previously, are viewed as a strength of the local economy. As such, stakeholders expressed the need for aggressive marketing of Oconee County as both an ecotourism and retiree hub. However, a number of respondents cautioned that in order for the local economy to better serve retirees and tourists their accommodations capacity would need to be increased and more retailers and restaurants would also be needed. Nevertheless, numerous growth opportunities in the service industries seemed to be a recurring theme amongst interviewees.

In terms of industrial expansion, stakeholders often cited higher technologically based manufacturing could be an opportunity for the county. Its close proximity to Clemson University, the Greenville-Spartanburg area and well-trained workforce are all attributes that they feel could attract these types of industries.

#### 4.4.4 Economic Competitiveness

In order to remain economically competitive, respondents overwhelmingly agreed that investments in needed infrastructure, namely water and sewage, were necessary for the county to remain economically competitive. Other responses included improving local public education, aggressive marketing of the area to tourists and retirees as well as maintaining a low cost of living and conducting business.

#### 4.4.5 Strategies for economic stakeholders

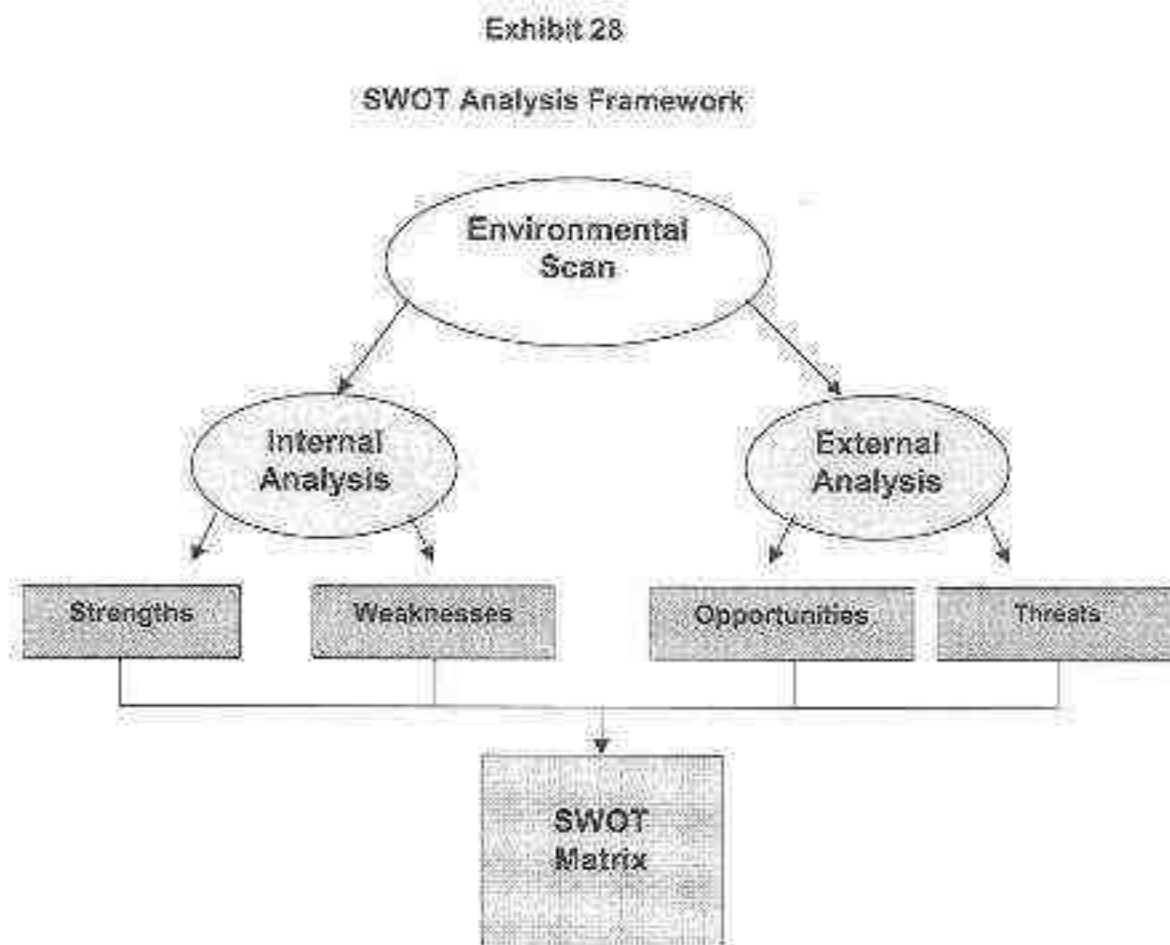
Stakeholders listed four strategies for improving the county's economic performance:

- Investments in local infrastructure, namely water and sewer treatment to attract industry and spur other commercial and residential development;
- The development of a county, long-range strategic economic plan that clearly outlines county objectives, initiatives and implementation strategies;
- Creating county-wide zoning to better plan economic growth and land usage;
- Combating the territorialism that seems to prevent the implementation of county-wide development initiatives.

## Chapter 5: Oconee County SWOT Analysis

### 5.1 What is a SWOT?

SWOT analysis is a tool which focuses on internal and external environments. It examines strengths and weaknesses in the internal environment, looks at opportunities and threats in the external environment, and assesses how these factors can affect economic development and growth in your community. Figure 1 illustrates the framework for SWOT analysis.



The SWOT matrix, depicted in Figure 2, is a visual representation of "where the community is today." The purpose of conducting a SWOT analysis is to assist in identifying industry targets, create a brand identity, develop strategies to take advantage of the community's strengths and overcome its weaknesses, and define Oconee

County's marketing position. The components of the SWOT analysis are defined as follows:

- ♦ **Strength:** Positive attributes of the community that are both internal and present.
- ♦ **Weaknesses:** Negative attributes (both real and perceived) that are both internal and present.
- ♦ **Opportunities:** External factors that may positively impact the local economy.
- ♦ **Threats:** External trends that may negatively impact the local economy.

Exhibit 29

SWOT Matrix

<b>Strengths</b> Positive Internal	<b>Opportunities</b> Positive External
<b>Weaknesses</b> Negative Internal	<b>Threats</b> Negative External

The outcomes of the SWOT matrices will serve as input in the community's strategic plan. Specifically, four types of strategies will be developed:

- ♦ **S-O Strategies:** Strength-Opportunities strategies aimed at pursuing opportunities that are a good fit to the community's strengths;
- ♦ **W-O Strategies:** Weaknesses-Opportunities Strategies to overcome community weaknesses and pursue opportunities;
- ♦ **S-T Strategies:** Strength-Threats strategies identify ways that the community can use its strengths to reduce its vulnerability to external threats;
- ♦ **W-T Strategies:** Weaknesses-Threats strategies establish a defensive plan to prevent the community's weaknesses from making it highly susceptible to external threats.

External and internal factors are categorized based upon the community's control or influence over those attributes. Internal factors are the attributes for which the community has control and can influence. External factors include those factors over which the community has less control.

The critical economic development factors evaluated in the SWOT analysis were selected based upon the extensive research in the business location and expansion decisions. These factors include:

- ◆ Business climate
- ◆ Workforce and education
- ◆ Infrastructure
- ◆ Quality of life
- ◆ Economic development efforts

The supporting data for the SWOT analysis includes information from one-on-one stakeholder interviews, surveys of existing businesses and industries, compilation of secondary data, on the ground observations by the consultant and Director of Economic Development and on-going interaction with community leaders. The technical analysis found in the preceding chapters provides the basis for our SWOT analysis.

## 5.2 SWOT Results

**Business climate:** Business climate is a phrase that is widely used in economic development and seldom fully understood. The phrase has no clear definition, yet everyone knows what it implies. The typical connotation of business climate focuses on taxation levels and regulatory environment. Those communities with lower tax levels and weaker regulatory requirements are viewed to be more pro-business. Given that both taxes and regulations are under the control of the public sector, the focus on business climate discussions is often on the public sector's role in economic development and growth.

While taxation and regulation often dominate business climate discussions, they represent only a small part of the attributes that define a community's business climate. More broadly speaking, business climate speaks to the attitudes of the community toward change, experimentation, entrepreneurship, institutional capacity and communication levels. A more narrow view of business climate suggests that the phrase refers to the quality of the relationship between the private and public sectors in pursuing economic development.

Whatever your specific definition, it is widely accepted that a community's business climate is a key factor in its ability to sustain, grow and diversify its economy. In

summary, the overall business climate in Oconee seems favorable, however, a few areas of concern exist.

In terms of taxation, according to the business surveys industries seem satisfied with current levels for both state and local taxes. In addition, they expressed a favorable outlook on the regulatory environment. Of concern are the more community-oriented sentiments that do not bode well for a viable commercial environment, namely community attitudes toward change and experimentation. Stakeholder interviewees overwhelmingly cited such sentiments and a number of retail and industrial surveys lamented the community's outlook on growth and change.

Changes in the global economy have placed counties like Oconee at a critical crossroads and the performance of city and county leaders will be the deciding factor in whether Oconee's local economy responds accordingly. The community has taken some key steps to ensure the future economic vitality of the County as evidenced by County Ordinance 2005-15 reorganizing the Oconee County Economic Development Commission providing for non-voting ex-officio members from a host of local agencies and organizations who will serve on the county's Commission by virtue of their positions of importance to the County. In addition, the creation of the Oconee Alliance and the proposed Special Local Option Sales Tax intended to fund local capital and infrastructure-related projects are all local initiatives that should bode well for Oconee County as it sends the signal of a proactive, involved community to prospective firms and existing local employers.

Local cost-of-living is also an element taken into consideration when assessing a local business climate. Again, Oconee County stacks up favorably. Overall, the cost of living in Oconee is drastically lower than most parts of the country and significantly lower than its closest population center, Greenville. In particular, the median housing value locally is approximately 41% lower than Greenville and almost half of the median value nationally.

**Exhibit 30**  
**Cost of Living Indicators**

Factor	Oconee County	Greenville	United States
Cost of Living Index	80.5	87.3	100
Median Housing Value	\$ 104,400	\$ 147,700	\$ 208,500
Utilities Index	85.3	83.5	100

Source: Sperling's Best Places Database (2005)

Oconee County also experiences lower wage rates relative to larger regional employment centers, the state of South Carolina and the rest of the nation. Typically, lower wage rates are thought to bode well for a community in terms of economic development and competitive advantage. While this may be the case, it should also be recognized that lower wage rates are often perceived to be a result of lower skills or productivity. Persistently lower wage rates could also result in limiting a community's ability to attract higher skill workers and the diversity of retailers desired by Oconee residents and current retailers. A comparison of average wages by industry for Oconee and a number of comparison areas are provided below in Exhibit 31.

**Exhibit 31**  
**Wage Comparisons**

Sector	Average Annual Wage			
	Oconee County	Greenville County	South Carolina	United States
Forestry and Ag. Support services	(\$)	(\$)	\$ 32,812	\$ 28,201
Mining	\$ -	(\$)	\$ 36,361	\$ 54,247
Utilities	(\$)	\$ 44,975	\$ 55,490	\$ 65,935
Construction	\$ 24,597	\$ 28,586	\$ 28,655	\$ 39,637
Manufacturing	\$ 35,521	\$ 40,365	\$ 37,144	\$ 40,703
Wholesale Trade	\$ 26,086	\$ 45,152	\$ 39,758	\$ 46,412
Retail Trade	\$ 17,762	\$ 20,475	\$ 19,112	\$ 21,487
Transportation & Warehousing	\$ 19,646	\$ 38,504	\$ 31,813	\$ 35,091
Information	\$ 37,700	\$ 38,874	\$ 37,809	\$ 58,675
Finance & Insurance	\$ 32,349	\$ 47,513	\$ 38,037	\$ 60,791
Real Estate & Rental & Leasing	\$ 27,185	\$ 37,216	\$ 27,927	\$ 33,530
Professional Services	\$ 24,757	\$ 48,738	\$ 43,296	\$ 54,242
Mgmt. of Companies & Enterprises	(\$)	\$ 64,529	\$ 60,631	\$ 73,801
Admin. & Support & Waste Mgmt.	\$ 12,895	\$ 20,183	\$ 20,642	\$ 25,758
Educational Services	(\$)	\$ 19,526	\$ 19,038	\$ 27,115
Health Care & Social Assistance	\$ 32,240	\$ 38,431	\$ 33,036	\$ 34,018
Arts, Entertainment & Recreation	\$ 21,264	\$ 17,576	\$ 16,054	\$ 26,267
Accommodation & Food Services	\$ 10,504	\$ 11,171	\$ 11,876	\$ 13,333
Other Services	\$ 15,363	\$ 17,875	\$ 18,366	\$ 21,992
Unclassified	(\$)	\$ 9,356	\$ 17,653	\$ 18,983
Average	\$ 22,524	\$ 32,803	\$ 31,276	\$ 38,912

Source: United States Census Bureau County Business Profiles (2003)

Given these results and our previous analysis, an Oconee County SWOT matrix is presented in Exhibit 32.

Exhibit 32  
SWOT Matrix

<p style="text-align: center;"><b>Strengths</b></p> <ul style="list-style-type: none"><li>◆ Local government commitment to business</li><li>◆ Availability of local business incentives</li><li>◆ Availability of land and resources</li><li>◆ Ease of permitting process</li><li>◆ Civic responsibility of community leaders</li><li>◆ Low cost of living</li><li>◆ Natural resources</li><li>◆ High potential for attracting migratory retirees</li><li>◆ Highway Access</li><li>◆ Well-established industrial labor base</li></ul>	<p style="text-align: center;"><b>Opportunities</b></p> <ul style="list-style-type: none"><li>◆ Retiree Growth</li><li>◆ Eco-tourism</li><li>◆ Growth predicted in key industrial sectors</li><li>◆ Enhance relationships between local industry and regional technical and four-year universities</li><li>◆ County as residential community given higher housing costs in regional population centers</li><li>◆ Potential for automotive parts manufacturing plants</li></ul>
<p style="text-align: center;"><b>Weaknesses</b></p> <ul style="list-style-type: none"><li>◆ Inadequate water and sewage infrastructure</li><li>◆ Community sentiments toward growth and change</li><li>◆ Lack of county-wide zoning</li><li>◆ Supply of skilled workers</li><li>◆ Workforce skill levels</li></ul>	<p style="text-align: center;"><b>Threats</b></p> <ul style="list-style-type: none"><li>◆ Manufacturing jobs moving overseas</li><li>◆ Aggressive incentives by competitors</li><li>◆ Low wage levels sometimes perceived as signal of low skill levels</li></ul>



## Appendix A

### Oconee County Retail Business Survey

1. What is your primary product? \_\_\_\_\_
2. What are your hours of operation? \_\_\_\_\_
3. Where are your customers? \_\_\_\_\_% Oconee County  
\_\_\_\_\_ % Upstate Region \_\_\_\_\_ % SC % \_\_\_\_\_ % Out-of-State
4. What do you view as 3 biggest challenges to retail business in Oconee County?
  - a. \_\_\_\_\_
  - b. \_\_\_\_\_
  - c. \_\_\_\_\_
5. What do you view as the 3 biggest opportunities for your business?
  - a. \_\_\_\_\_
  - b. \_\_\_\_\_
  - c. \_\_\_\_\_
6. What is your target market? \_\_\_\_\_
7. Who is your toughest competition? \_\_\_\_\_
8. What community events increase your foot traffic the most?
9. What near-by businesses compliment your business?
10. What types of businesses would you most like see come to town?
11. What community traits or assets help your business the most?

12. What community traits or assets harm your business the most?

13. What community assets would you most like see developed?

Why?

How should they be developed?

14. What is your busiest day of week?

Hours?

Time of month?

Month of year?

15. Where do your customers typically park?

16. What could the county do to help the retail community?

**Oconee County, SC Existing Industry Survey**

Name and address of company
-----------------------------

Contact person
Name:
Title

**Part 1: Company Information**

1. What year was your business established in Oconee? \_\_\_\_\_
2. Since start-up, have additional investments (expansions) been made? \_\_\_\_\_
3. What was initial employment at start-up? \_\_\_\_\_
4. What is current employment? \_\_\_\_\_
5. Has your company received tax or other incentives from local or state governments? \_\_\_\_\_
6. If yes, what type? \_\_\_\_\_  
\_\_\_\_\_

**Part 2: Product/Market Information**

1. What primary products or services are produced by your company? \_\_\_\_\_
2. Please specify the percentage of each market for your company's outputs:  
\_\_\_\_\_ % Local/Regional    \_\_\_\_\_ % South Carolina    \_\_\_\_\_ % Southeast  
\_\_\_\_\_ % National    \_\_\_\_\_ % International
3. Who are the principal users (customers) of your company's output? \_\_\_\_\_
4. What share of your raw materials for this company is purchased from other local businesses? \_\_\_\_\_ % in South Carolina? \_\_\_\_\_ %, in the Southeast? \_\_\_\_\_ %
5. Over the next five years, would you say business prospects for your company will  
\_\_\_\_\_ get better    \_\_\_\_\_ stay the same    \_\_\_\_\_ get worse

**Part 3: Site Attributes**

The following is a list of attributes concerning your company's current location. Please evaluate them by checking the appropriate box.

ID	Site Attribute	Excellent	Adequate	Needs
				Improvement
A	Services/Utilities			
B	Access to markets for your products			
C	Proximity to market for your final product			
D	Access to raw materials			
E	Available supply of workers			
F	Skill level of available workforce			
G	Worker productivity			
H	Quality/adequacy of workforce training and development			
I	Wage rates compared to other potential sites			
J	Other labor costs relative to other potential sites			
K	Labor/management relations			
L	Cost of land			
M	Availability of land			
N	Availability of financial capital locally			
O	State taxes on businesses and individuals			
P	Local taxes on businesses and individuals			
Q	Zoning and building regulations			
R	Environmental regulations and requirements			
S	Quality and proximity of interstate highways			
T	Quality and proximity of State highways			
U	Quality of local highways and roads			
V	Access to quality rail service			
W	Access to quality air transportation service			
X	Quality/price of electric power service			
Y	Access to natural gas			
Z	Price of natural gas			
AA	Available water supply			
BB	Solid waste service			
CC	Availability of high speed telecommunications services			
DD	General business climate in Oconee			
EE	General business climate in South Carolina			
FF	Quality of Life			
GG	Availability of affordable housing			
HH	Low crime rate			
II	Quality of public schools			
JJ	Availability/quality of higher education			
KK	Community recreation services			
LL	Right-to-work laws			

MM	Cooperation of local government officials			
NN	Cooperation of state officials			
OO	Local Chamber of Commerce			
PP	Local Development Board			
QQ	Other (Please specify)			

#### Part 4: Site Comparison

1. Where are your major competitors located? (States)

2. What competitive advantages do your competitors have over you due to their location?

3. What competitive advantages do you have over competitors due to your location in Oconee County?

4. What characteristics and/or policies discourage business retention and expansion in Oconee?

5. What should local governments do to retain a business like yours?