

AGENDA

**City of Goose Creek
Economic Development Advisory Committee Meeting
Friday – June 30, 2017, 8:00 a.m.
Goose Creek Fire Department Headquarters
201 Button Hall Road
Goose Creek, SC**

1. Call to order
2. Approval of minutes from March 2017
3. Discussion of new economic development incentive ordinance
4. Existing Business Survey
5. Property listing map site
6. Chairman's Time
7. Adjournment

NOTE: A copy of this agenda was sent to The Goose Creek Gazette and The Post and Courier, and a copy was posted in City Hall twenty-four (24) hours prior to the meeting.

New Businesses Since Last EDAC Meeting

Name	Address	Type
Home Improvement Solutions	222 Maypop Dr.	Painting Contractor
Moore Clean Pools	105 Retriever Ln.	Pool Cleaning
Pathways Consulting LLC	128 St. James, Unit B	Tax Preparation
Designer Cuts Barbering Palace	139 Red Bank, Unit E	Barber Shop
JF Virtual Communications LLC	500 Hallmark, Unit 533	Customer Call Center
Sweetgrass Seafood LLC	403 Palmetto St.	Online Seafood Sales
USA Services	108 Water Oak Dr.	Landscape Services
Palmetto Primary Care Phys. LLC	110 Springhall, Unit B	Physician Office
Counter Balance Fitness	105 Canter Ct.	Fitness Instruction
Kennedy's Lawn Care	362 Flyway Rd.	Lawn Care
Mills Mobile Classic Construction	114 Alston Circle	Mobile Auto Detailing
American Classic Construction	320 Janice St.	Siding Contractor
Thompson Services Group, LLC	126 Two Hitch Rd	IT Consulting
Weese Enterprises	308 Reynard Dr.	Install/Repair Office

Hospitality Fees Collected & Fund Balance

January	\$122,757
February	\$113,288
March	\$115,285
April	\$138,991
May	\$128,194
June	
July	
August	
September	
October	
November	
December	
Fund Balance	\$1,795,958

Housing Starts by Subdivision

<i>Subdivision</i>	<i>YTD</i>
Montague Point	0
Lakeview Commons	15
Liberty Hall Plantation	6
Liberty Village (Brickhope)	26
Marrington Villas (Cobbleston)	1
Medway Landing	6
Miscellaneous	7
Sophia Landing	31
St. Thomas Park (Carnes Crossroads)	8
Total	111

Economic Development Advisory Committee

Thursday, March 30 2017

8:00 a.m.

Police Department Training Room

Members Present: Chairman Rick Buckner, Councilmember Mark Phillips, Dean Infinger, Ron Henderson, Joe Bagwell, Angela Gordon

Members Absent: Rob Sanchez

Staff Present: City Administrator Jake Broom, Public Information Officer Frank Johnson, Economic Development Director Matt Brady

Press Present:

Guests Present:

I. Call to Order:

Mr. Buckner called the meeting to order at 8:00 a.m. and confirmed that a quorum was present.

II. Approval of Prior Meeting Minutes—December 15, 2016

Mr. Phillips made a motion to approve the minutes, and Mr. Henderson seconded. The motion passed 6-0.

III. Staff Updates and Discussion

Introduction of new Economic Development Director: Mr. Broom introduced Matt Brady as the new Economic Development Director. Mr. Brady remarked that he was excited to be in Goose Creek, and sees a lot of opportunities. Mr. Brady greeted each member present at the meeting.

Discussion of New Website: Mr. Johnson gave a virtual tour of the new website developed by the consultant Cyberwoven. The committee reviewed the entirety of the website, and specifically looked at the business section.

Mr. Johnson remarked that the website was designed to be business friendly and easy to navigate. Future plans include developing a business license calculator, as well as other one-stop business features.

Mr. Brady remarked that staff would research adding an interactive map that would help potential businesses find available properties.

Review of the EDAC data sheet: Mr. Broom mentioned the EDAC data sheet present in the packet without further comment.

IV. Chairman's Time

Mr. Buckner mentioned that he was excited to have someone dedicated to economic development in the city. He said the committee should consider defining its mission as Mr. Brady begins his work in the City.

The committee discussed their desire to meet more frequently in the future.

V. Adjournment

Hearing no other business, Mr. Phillips made a motion to adjourn and Mr. Henderson seconded. The motion passed 6 – 0 and the committee adjourned at 9:22 a.m.

Minutes approved and adopted:

Rick Buckner, Chair

Date

ARTICLE VI. - ECONOMIC DEVELOPMENT INCENTIVE PROGRAM

Sec. 2-600. - Title.

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

Sec. 2-601. - Authority.

Subject to the realization of certain benefits (as defined in section 2-602 below), the economic development incentive program is enacted by the council to meet its goals (as defined in section 2-602 below).

Sec. 2-602. - Definitions.

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

Benefits means the value to the city of providing the incentives, which generally includes: (a) increased property values within the incentive area and the city as a whole; (b) increased revenue from property taxes, business license fees and permit fees; (c) increased tourism and commercial activity within the incentive area and the city as a whole; and (d) the improvement of the character of the city by preserving historic buildings within the incentive area and promoting the construction of new buildings that are compatible with its historic character.

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

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

the city's residents and tourists into the incentive area and (iii) increase property values within the city as a whole.

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

Incentive area shall mean the area in which the council has determined that the revitalization and redevelopment thereof is essential to preserving and improving the economy, society and culture of the city and enhancing the quality of life of the citizens thereof. The incentive area shall include properties located within the incentive zone as defined in Exhibit A, to include parts of St. James Avenue, US Highway 52, and some adjacent streets.

Super Incentive area shall mean those particular areas consisting of portions of Red Bank Road and US Highway 52 (S. Goose Creek Blvd) south of the intersection of US Highway 52 and St. James Avenue as more precisely shown and described in Exhibit A. Excepted where specifically stated in this chapter, all references to the incentive area shall include the super incentive area.

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

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

Sec. 2-603. - Authorization.

- (a) *Authorization to grant incentives.* The council, at its discretion and on a case-by-case basis, but subject to the general eligibility criteria provided for in section 2-605(a) herein, may enter into an incentive agreement (as defined herein) with a person, firm or corporation providing for incentives in order to encourage and support the development of real property within the incentive area.
- (b) *Incentive agreements.* The incentives shall only be provided to an incentive recipient after an agreement has been entered into between the city and such person, firm or corporation, which agreement shall set forth: the particulars of the development; the incentives to be provided; and sufficient assurances that the benefits will accrue to the city and the goals will be met by the development (an "incentive agreement"). Pending the approval by the council of any incentive agreement and subject to the provisions of section 2-606 herein, the city administrator of the city is authorized to discuss the provisions of this economic development incentive program, aid in the completion of any proposal (as defined herein) and, subject to the final approval by the council, negotiate with the potential incentive recipient on behalf of the city. Each incentive agreement shall be approved by council by ordinance. Council is authorized to provide incentives in any amounts and for any period of time within the thresholds provided for herein or within the time periods and thresholds provided for in any applicable statutory authorization.

Sec. 2-604. - Authorized incentives.

- (a) *Multiple incentives.* The council may provide to an incentive recipient any combination of incentives provided for herein; provided, however, that the total amount of incentives given to a development must be in keeping with the goals and the value of the benefits accruing to the city (and its citizens) must be greater than the financial value of the incentives to an incentive recipient.

(b) *Incentives of the city.* All direct incentives of the city shall be granted in the form of reimbursements and refunds of fees and taxes that have been duly paid to the city. No upfront abatements of fees or taxes shall be permitted. Where incentives continue for a period of more than one year, such incentives may be graduated to increase or decrease year-to-year as the council sees fit, but subject to monitoring by the city to ensure compliance with the terms of any incentive agreement. The council may, at its discretion and on a case-by-case basis, enter into an incentive agreement to reimburse or refund any person, firm or corporation the following fees and taxes up to the amounts and percentages provided for herein:

- (1) Up to 100 percent of the applicable Development Impact Fees collected by the city;
- (2) Up to 50 percent of the building permit fees collected by the city;
- (3) Up to 50 percent of the business license fees collected by the city for as many as five years;
- (4) Up to 50 percent of the local hospitality taxes collected by the city for as many as five years, but funds received through such incentive are to be spent only for purposes that are related to tourism, pursuant to S.C. Code § 6-1-730, and which have been approved by council and included in the incentive agreement;
- (5) Such other incentives that the council, at its discretion on a case-by-case basis, determines are appropriate given the amount or type of investment made by the incentive recipient in the investment area.

(c) *State incentive programs.* The state programs that may be considered by council to be included within any package of incentives or as a stand-alone set of incentives for in-city projects located outside of the development area, include the following:

- (1) Property tax credits authorized by the provisions of the South Carolina Abandoned Buildings Revitalization Act, codified at S.C. Code Ann. §§ 12-67-100 et seq. (collectively, the "Abandoned Building Act"). Incentive recipients requesting consideration of the Abandoned Building Act by the council shall submit an Abandoned Building Act Application form, a copy of which is attached [to the ordinance from which this section derives] as exhibit B.
- (2) The South Carolina real property tax credit for the installation of a fire sprinkler system, codified at S.C. Code Ann. § 12-6-3622.

Sec. 2-605. - Eligibility criteria.

- (a) *Incentive area eligibility criteria.* Except for those incentives discussed in section 2-604(c) above as authorized by the state and which are intended by the terms of this economic development incentive program to be applied city-wide, in order for a development to be eligible to receive incentives, the council must determine that the development meets, or upon completion will meet, each of the following criteria:
 - (1) The development is consistent with the City of Goose Creek Comprehensive Plan (as may be amended) (the "comprehensive plan") and the City of Goose Creek Economic Development Strategic Plan (as may be amended) as well as the goals.
 - (2) Absent the provision of incentives, the development would be unlikely to occur or unlikely to occur at the level or scale contemplated by the developer.
 - (3) The development must be located within the incentive area, as defined in **section 2-602**.
 - (4) The development must have a minimum threshold investment of \$1,000,000.00 (the "minimum investment"). The minimum investment may be comprised of any combination of (i) real property acquisition costs, (ii) the costs of physical improvements

to real property, (iii) or the costs of capital improvements to city infrastructure. The minimum investment may be calculated based upon investment in a single property or the cumulative investment in multiple properties, each within the incentive area. Where multiple uses or businesses are to be located within a single development as separate businesses, the council may, at its discretion on a case-by-case basis, allocate appropriate portions of the total investment in the development to such separate business in order to allow such business to meet the minimum investment eligibility requirement. In order to meet the threshold for the minimum investment, a development may be given a credit towards the minimum investment of \$50,000.00 for each job (as defined herein) that will be created by the development.

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

(a) *Super Incentive area eligibility criteria.* Except for those incentives discussed in section 2-604(c) above as authorized by the state and which are intended by the terms of this economic development incentive program to be applied city-wide, in order for a development to be eligible to receive incentives, the council must determine that the development meets, or upon completion will meet, each of the following criteria:

(1) The development is consistent with the City of Goose Creek Comprehensive Plan (as may be amended) (the "comprehensive plan") and the City of Goose Creek Economic Development Strategic Plan (as may be amended) as well as the goals.

- (2) Absent the provision of incentives, the development would be unlikely to occur or unlikely to occur at the level or scale contemplated by the developer.
- (3) The development must be located within the super incentive area, as defined in section **2-602**.
- (4) The development must have a minimum threshold investment of \$750,000.00 (the "minimum investment"). The minimum investment may be comprised of any combination of (i) real property acquisition costs, (ii) the costs of physical improvements to real property, (iii) or the costs of capital improvements to city infrastructure. The minimum investment may be calculated based upon investment in a single property or the cumulative investment in multiple properties, each within the super incentive area. Where multiple uses or businesses are to be located within a single development as separate businesses, the council may, at its discretion on a case-by-case basis, allocate appropriate portions of the total investment in the development to such separate business in order to allow such business to meet the minimum investment eligibility requirement. In order to meet the threshold for the minimum investment, a development may be given a credit towards the minimum investment of \$50,000.00 for each job (as defined herein) that will be created by the development.
- (5) The intended use of the development must be for one or more of the following business purposes: (1) retail uses; (2) tourism-related business or activities; (3) cultural arts activities and associated businesses; (4) corporate headquarters; (5) research and development; (6) high technology growth businesses; and (7) other uses, as may be determined by the council, that are consistent with the goals, the comprehensive plan and the economic development strategic plan.

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

Sec. 2-606. - Administration and terms of delivery.

- (a) *Application for incentives.* Except where an applicant seeks only incentives authorized by the state incentive programs listed in section 2-604(c), in order to be eligible for incentives, a person, firm or corporation must submit to the city administrator a proposed set of incentives for a development (a "proposal"). A form of the proposal is attached [to the ordinance from which this section derives] as exhibit E. The proposal must include a sufficient description of the development, to include, without limitation, the following information: (i) identification of the property or properties on which the development is to be located (the "subject property") and any acquisition costs thereof; (ii) the estimated start date and completion date for any work to be performed on the subject property; (iii) a list of any physical improvements that are to be made to the subject property as part of the development, including a good-faith estimate of the costs thereof; (iv) the then-current value of the subject property and a good-faith estimate of the value of the subject property upon completion of the improvements thereto; (v) a good-faith estimate of the number of jobs that the development is projected to create, including an estimate of the date upon which the estimated number of jobs will have been created; (vi) a statement affirming that, based upon any acquisition costs for the subject property, along with good-faith estimates for the costs of physical improvements and the number of jobs created, the development will meet or exceed the minimum investment requirements of section 2-605(a)(iv); (vii) a good-faith estimate of other revenue for the city

that will be created as a direct result of the development, including anticipated business license fees, additional property tax revenue, capital improvements to city-owned infrastructure and utilities revenue; and (viii) any other additional information that the incentive recipient or the city administrator deems may be necessary and helpful for the council to evaluate and give due consideration to the proposal.

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

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

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

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

(3) If, at any time after completion of a development or at any time within the period of time during which a development is granted incentives, a development fails to achieve or

otherwise comply with a benchmark, the council may, at its discretion and on a case-by-case basis: (1) declare the incentive agreement null and void and refuse to grant any future incentives; or (2) decrease the amount of incentives based upon the actual direct and indirect benefits of the development to the city and its citizens.

Sec. 2-607. - Administration of incentives and incentive agreements.

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

Secs. 2-608—2-699. - Reserved.

Existing Business Survey

Please tell us who you are (optional)...

- Business name
- Person filling out the survey and title

1) Please describe the activity at your business from one of the following categories

- Agriculture
- Mining
- Construction
- Manufacturing
- Transportation and public utilities
- Wholesale Trade
- Finance, Insurance, or Real Estate
- Retail Trade
- Lodging
- Tourism and Recreational Services
- Food and Beverage
- Education
- Mail order/Internet sales
- Healthcare
- Technology
- Other:

2) Which best describes your business?

- Home-based
- Single location
- Headquarters
- A branch of a larger company
- A subsidiary of a larger corporation
- Other:

3) How long has your business been in the City of Goose Creek?

- 1-5 years
- 6-10 years
- 11-20 years
- More than 20 years

4) How many employees are at your business?

- a) 1
- b) 2-9
- c) 10-19
- d) 20-49
- e) 50-100
- f) Over 100

5) Where do most of your customers come from?

- a) Goose Creek
- b) Summerville
- c) North Charleston
- d) Charleston
- e) Moncks Corner
- f) Web-based customers
- g) Other areas
- h) Not sure

6) Is your business planning to stay in the City of Goose Creek for at least the next five years?

- a) Yes
- b) No
- c) Don't know

7) Is your business planning to expand operations in the next five years (i.e., purchase major equipment, purchase or lease new facilities, offer new major products, increase employee numbers, etc.)?

- a) Yes
- b) No
- c) Don't know

8) If you're planning to expand operations in the next five years, would you like the City's economic development office to assist in any way?

- a) Yes
- b) No

9) On a scale of 1 to 5, with five meaning "strongly agree" and 1 meaning "strongly disagree," how do you feel about the following statements?

- a) The City's land use regulations and zoning laws help promote economic growth and my business.
- b) City officials are accessible and willing to help me.
- c) I know where to go at the City to get help when I need it.
- d) Overall, the City of Goose Creek makes doing business here easy.

10) What do you think would help existing businesses in town?

- a) OPEN RESPONSE

11) Do you support the idea of attracting more business to the City of Goose Creek?

- a) Yes
- b) No
- c) Maybe

12) If you support the idea of attracting new businesses, what type of businesses would you like to see? (check all that apply)

- a) Restaurants
- b) Retail stores
- c) Office Space
- d) Manufacturing Operations
- e) Warehousing
- f) Distribution Centers
- g) Other

13) Do you have any other ideas as to how the City of Goose Creek can improve the business environment and be more business friendly?

- a) OPEN RESPONSE

14) Are there any other thoughts you'd like to share with the City?

- a) OPEN RESPONSE

15) Would you like someone from the City's Economic Development Department to contact you? If so, please fill out the contact information below and we will be happy to!

- a) Name and business
- b) Contact Number
- c) Email address