UPTOWN

MASC Municipal Association of South Carolina

a publication of the municipal association of south carolina

2016 Annual Meeting
National speakers headline meeting

It's time to start making plans for the 2016 Annual Meeting in Charleston on July 14 – 17.

The opening general session on Friday, July 15, will explore how rapidly changing technology and styles of communication are altering the ways we work, engage, communicate and relate to one another. Two nationally known experts in the areas of communication and engagement will discuss how these changes affect local leaders' interaction with the people who live and work in their cities.

Curt Steinhorst is president of Promentum Group, a company that specializes in developing strategies for reaching today's multigenerational audiences. He will share strategies for embracing these changes to build successful communities.

Peter Kageyama, author and community development specialist, will explore bottom-up community development during the second part of the opening session. Back by popular demand, Kageyama will draw on his most recent research to describe how successful communities engage residents of all ages

and how a city of any size can take simple, immediate and largely inexpensive steps toward building a better, more interesting and more lovable community.

The full agenda and meeting information are available at www.masc.sc (keyword: Annual Meeting). The materials will also be mailed to all municipal officials on May 9.

All attendees must use the Association's online process for reserving hotel rooms and registering for the meeting. Each city will receive an appointment time for June 1 or 2 based on a drawing held on May 19.

Municipalities that want to participate in the drawing must select a representative (only one per city/town). The representative must register for the drawing by May 17 at www.masc.sc (keyword: Annual Meeting). During the city's June appointment, Association staff will assist the municipal representative in registering online all officials from that city who will be attending the meeting.

For more information, visit www.masc.sc (keyword: Annual Meeting).

In This Issue

2016
Annual
Meeting

Annual Meeting offers preconference choices

Municipal officials will have four preconference workshops to choose from for the 2016 Annual Meeting in Charleston. All are half-day sessions and will take place during the morning of Thursday, July 14.

The preconference workshops are additional educational opportunities and not included in the Annual Meeting registration fee.

*Riverfront Park,
North Charleston*

Transforming
North Charleston:
Community
Development in Action

Through the years, the Association has offered preconference mobile workshops for attendees to see and hear firsthand how their peers are creating opportunities and managing the challenges of municipal government. This year's mobile workshop travels to North Charleston.

While serving the state's third largest municipality, city officials work hard to balance big-city amenities with a hometown sense of community.

Attendees from both large and small cities can benefit from learning how

North Charleston is transforming its economy and physical environment by implementing creative economic development projects, building sustainable neighborhoods, restoring historic buildings and constructing attractive streetscapes.

Among other stops, attendees will tour the city's award-winning redevelopment of the former Charleston Naval Base which closed in 1996 after a federal base realignment program.

Cost: $60 (includes breakfast). This workshop is limited to 110 registrants and involves some walking.

*Downtown
Walterboro*

Realizing the Full
Potential of Your
Hometown's Public Spaces

It makes sense that people want to live and work in a community that they love. Placemaking is both a philosophy and process for strengthening the connection

between people and public spaces. It is about taking a collaborative approach to creating dynamic places that build on a community's assets, inspiration and potential.

Attendees will learn the processes and techniques involved in placemaking. They will explore how special public places are the catalysts for creating dynamic cities and towns that attract pedestrian activity and economic investment.

*Cost: $60. See related story on place-making on page 10.*

Speak Up with Confidence

Public speaking is a challenge for some. For others, it can be downright terrifying. Even the most experienced speakers can learn new ways to perfect their message and strengthen their connection with an audience.

Through hands-on exercises, participants will learn about and practice building audience rapport, fine-tuning their delivery and making every point clear. Offered at last year's Annual Meeting, attendees quickly snapped up the limited spaces for this workshop conducted by The Buckley School of Public Speaking.

Cost: $90. This session is limited to 35 participants.
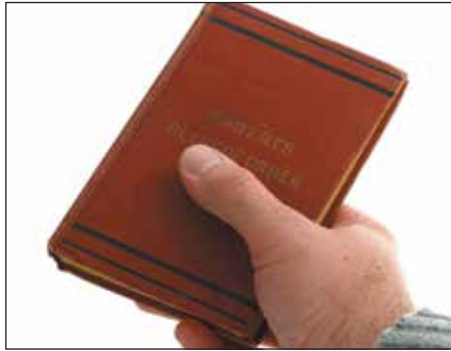
The Basics of Parliamentary Procedure

Sponsored by the Association of South Carolina Mayors

Public meetings are the place where the mayor and councilmembers do their important work of conducting the public's business. To do so efficiently and effectively, local officials need to ensure these meetings are orderly.

Mayors and councilmembers will learn from a certified parliamentarian the basics of parliamentary procedure including running a meeting and handling motions. Attendees will have time at the end of the workshop to ask questions.

Cost: $40. This session is limited to 40 registrants.

Annual Meeting highlights

Exhibitor Showcase

Representatives from more than 50 companies interested in doing business with municipalities will be available during the Exhibitor Showcase on **Saturday, July 16 from 9 a.m. – 1:30 p.m.** New this year, there will be light snacks and a prize drawing between noon and 1:30 p.m.

First Timers' Program

Designed for municipal officials and staff, the Program provides helpful information so that first timer attendees can get the most out of their Annual Meeting experience. Preregistration is required for the **Thursday, July 14 session at 4 p.m.**

Important dates to remember

2016 Annual Meeting

- Deadline to register for drawing for municipal registration and housing appointment times: **May 17**

- Registration and hotel reservation appointments for municipal officials: **June 1 and June 2**

- Online registration and hotel reservation system open for anyone wanting to attend the meeting: **June 3 - 12**

- Cancellation deadline for registration and tickets: **June 27**

NEWS BRIEFS

The **Town of Hilton Head Island** received an Engineering Excellence Award from the American Council of Engineering Companies for the town's Matthews Drive-Marshland Road roundabout project.

The South Carolina Arts Commission awarded the **City of Greenville** with one of its Elizabeth O'Neill Verner Governor's Awards for the Arts, the highest honor the state presents in the arts.

Members of the **SC Utility Billing Association** recently elected their 2016-17 board of directors. President Patsy Hart, Seneca Light & Water; Vice President Amy Ashley, Greenwood Commissioners of Public Works; Secretary/Treasurer Keith Wood, Laurens Commission of Public Works; Member at Large Vikki Woods, Town of Estill; Member at Large Tonya Huell, City of Lake City and Member at Large Leigh Starnes, City of Lancaster.

Charleston, Greenville and **Columbia** made U.S. News and World Report's latest list of the best places to live in the United States.

Thirty-five South Carolina municipalities received the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting Program for fiscal years ended in 2014. Also the Association's South Carolina Other Retirement Benefit Employer Trust received the Certificate of Achievement.

The SC Press Association recognized the **Municipal Association** with awards for its history book and new website.

New MCTI graduates

Spring MCTI graduates: Lisa Hancock, Town of Moncks Corner; Amber Barnes, Town of Pendleton; Brenda Disher, Town of Ridge Spring; and Mandy Hess, Town of Saluda

Spring 2016 scholarship recipient: Theresa Chadwick, Town of Cowpens

In March, four local officials graduated from the Municipal Clerks and Treasurers Institute, a three-year program that provides municipal clerks and treasurers with the skills critical to their profession.

The spring graduates are Amber Barnes, municipal clerk for the Town of Pendleton; Brenda Disher, town clerk for the Town of Ridge Spring; Lisa Hancock, accountant for the Town of Moncks Corner; and Mandy Hess, clerk/treasurer for the Town of Saluda.

To receive their certificates, the graduates attended more than 120 class hours on topics such as financial management,

overview of government, public administration and conducting meetings.

At the March session, attendees received training on the forms of government, records management, procurement, meeting administration and the role of the municipal clerk.

Also during the March session, Theresa Chadwick, clerk/treasurer for the Town of Cowpens, received a three-year scholarship to attend the Institute. The scholarship is underwritten by the Municipal Association and is available only to South Carolina Municipal Finance Officers, Clerks and Treasurers Association members.

Task force key to business license bill

The Business License Tax Standardization Act, H5109, introduced in March, was a long time coming after months of research, collaboration and study by a variety of stakeholders.

Representatives of stakeholders in the business community, attorneys, CPAs, municipal officials and Association staff spent many hours poring over details of the legislation before it was introduced by Representative Kenny Bingham (R-Lexington) on March 15.

Another key player in the process was a business license task force formed to help ensure proposed legislation took into account the day-to-day aspects of administering a local business license ordinance. Fifteen business licensing professionals, finance staff and city managers serve on the task force.

Steffanie Dorn, veteran business licensing official and chief financial officer in Greenwood, serves on the task force. She observed, "Despite my many years of working with business licensing officials across the state, I am still amazed at how different each of our local ordinances are."

She agreed with other task force members that working on this legislation has made them realize that the standardization process is important for many reasons—but primarily to help businesses more easily navigate the licensing process in cities and towns.

Task force members, most of whom had not previously been involved with the details of writing or advocating for a bill, quickly discovered just how complicated and meticulous the process can be, explained Reba Campbell, the Association's deputy executive director.

Nicole Combs, business licensing officer in the City of Spartanburg said, "Working on the draft bill language with the task force has been a potent reminder of just how much room there is for interpretation of language when you strip away what you think you know and consider the wording from multiple points of view."

Teddy Luckadoo, city manager in Batesburg-Leesville, represented city managers on the task force. He said, "I learned that the legislative process requires doing a substantial amount of work between meetings, drafting the bill, seeking support from legislators, and seeing it through from introduction to implementation. Trying to satisfy everyone and find common solutions are difficult tasks."

Meetings, conference calls and time spent researching the potential impact of the legislation represented a substantial time commitment for the task force members; however, all agreed their investment of time was well worth the effort.

Luckadoo said, "Without the task force meetings, there could have been things missed, such as how changes would have impacted economic development incentives and unique rate structures already in place."

The task force spent much of its time diving into the fine points of how the business license tax is administered in cities of all sizes. This detailed process included looking at everything from rate structures and customer service to economic development incentives and demands on city services.

Dorn agreed the time invested in vetting all the perspectives and details was well worth the effort. "Everyone looks at things differently, mostly due to the way their municipality or county handles situations or their size. Putting all of these ideas together into one cohesive bill is hopefully creating a product that will work for everyone."

The task force will continue serving as a resource and sounding board as the bill makes its way through the legislative process.

Boeing is among more than 100 aviation and aerospace related companies that have operations in South Carolina. (Photo/Kim McManus)

Cities step up
as industries move in

Both the state and local governments have benefitted in recent years from the growth of the automotive and aerospace clusters in South Carolina. Looking ahead to the next few years, the SC Department of Commerce plans to not only build on that success but also cultivate its growing service industry sector, according to Commerce Secretary Bobby Hitt.

Since 2011, the state Department of Commerce has recruited investments from companies such as tire manufacturers Bridgestone, Continental and Giti; automakers and suppliers BMW, Mercedes Benz Vans, Volvo Cars and ZF Group; and aerospace company Boeing.

South Carolina has recruited more than $23 billion in capital investments and 86,000 new jobs to the state during the past five years, according to the Commerce Department. Throughout Hitt's tenure, the state has ranked number one in the export of both completed passenger motor vehicles and tires. In three of the last four years, South Carolina also has led the nation in jobs created from foreign direct investment per capita, according to the department's website.

These major investments have brought with them additional, smaller investments. Volvo, for example, said it will rely largely on in-state suppliers

for the parts that make up the body of the car. While some suppliers already have been identified in South Carolina and neighboring states, others are being recruited to set up shop here.

"I've often said that companies like Bridgestone and BMW function like big oak trees. As they thrive and expand, a lot of things can develop and grow in their drip line," Hitt said. "In 1994, the first South Carolina-made BMW rolled off of the assembly line at the global automaker's Upstate facility. Today, there are more than 40 BMW suppliers operating in the Palmetto State. From both a local community and statewide perspective, the

economic impact of these major manufacturing firms is remarkable."

Looking ahead, Hitt said, the mission of his department is to help the support industries that have sprouted around the state's major manufacturers.

"These industry giants can't do it alone, so we all need to work together to help each other out, ensuring prosperity for both the businesses and the people that reside in this great state," Hitt said.

Sumter is one city that has seen a huge investment from the state's automotive cluster. Continental Tire has invested more than $500 million in expanding its Sumter facility, which will create about 1,600 jobs once it is at full production capacity. Continental is located in Sumter County off U.S. Highway 521, less than five miles from downtown Sumter.

"Since Continental's announcement in Sumter, we have continued to see explosive growth, and we truly feel like the best is yet to come," said Howie Owens, downtown manager for the City of Sumter.

The historic downtown has seen $3.8 million in private small business investment, creating more than 130 new jobs, with a new 93-room Hyatt Place hotel scheduled to locate in the middle of downtown this summer. In addition, Sumter's per capita income is at an all-time high—just $600 short of the state average of $36,077—and is trending rapidly toward higher levels, Owens said. Sumter County's population also has grown from 106,000 to nearly 108,000.

"We are happy with the development that we have seen in recent years and are excited for what is to come," Owens said. "We have learned that collaboration breeds continued success."

To build on that success, local leaders in government and business have been working with educational institutions to develop a highly-skilled workforce able to meet the demands of advanced manufacturing, said Jay Schwedler, president and CEO of the Sumter Economic Development Board.

Central Carolina Technical College transformed an empty big box store into a 104,000 square foot state-of-the-art Advanced Manufacturing Technology

SC Secretary of Commerce Bobby Hitt introduces Continental Tire executives to a Sumter audience that filled the Sumter Opera House. (Photo/James T. Hammond)

Center, which is helping to train and educate a strong workforce for Continental Tire and other industries in Sumter and the surrounding areas.

Hitt said the priority is for the state to have a diverse economy on all fronts. While the automotive and aerospace industries have been and will remain a focus, the department also is building on its service industry sector.

Service-sector projects, including warehouse and distribution operations, totaled 44 percent of jobs recruited to the state last year, Hitt said. Projects by service-related firms Red Ventures, Movement Mortgage, Amazon, Dollar Tree and Moneypenny accounted for five of South Carolina's top 10 economic development announcements of 2015, when ranked by number of jobs, Hitt said.

Hitt also noted that 70 percent of the world's purchasing power is located outside of the United States.

"Moving forward, the continued recruitment of foreign investment will remain a top priority, so not only are we bringing jobs into South Carolina but also into the United States," he added.

South Carolina's success is a team effort, Hitt said, and local leaders in communities across the state are the backbone of that team. Companies don't

locate in states or regions, he said. They locate in communities.

"When BMW executives first came to the Palmetto State to determine whether the area was suitable for investment, they were blown away by the hospitality and friendliness of everyday South Carolinians who had no idea who they were or what they represented," Hitt said. "It's no secret that this state possesses a remarkable charm. And, truthfully, it's our local governments and communities that are responsible for cultivating that tremendous appeal."

State and local leaders have worked hard to create a positive business environment to attract industry, he said. It helps to be a small state with good geography, infrastructure and a compact government scheme that can efficiently solve problems for companies, he said.

"Digging deeper, all of us in economic development know that education and workforce development are critical to industry recruitment and job creation," Hitt said. "Local school districts, community leaders, higher education and other state officials must continue to work together to ensure that South Carolinians in all corners of our state are properly prepared for the jobs of tomorrow."

Community/Economic Development

Trails boost local economies

Hiking and biking trails do more than promote healthy lifestyles, improve quality of life and share the beauty and history of South Carolina's cities. They make good business sense, too.

Trails run through many of the state's cities and towns, often transforming the paths of abandoned railroad lines into opportunities to offer residents and visitors a chance to exercise, enjoy the outdoors and help the local economy.

"Cities and communities that embrace trails are considered places with a high quality of life," said Natalie Cappuccio Britt, executive director of the Palmetto Conservation Foundation. "Well-designed trail systems attract tourists and new businesses and revitalize small towns."

A good example is the Doodle Trail that runs between Pickens and Easley in Upstate South Carolina. It follows the route of the Pickens Railroad, nicknamed the Doodle Line because it ran back and forth between the two towns during the height of the area's industrial period, similar to the movement of a doodle bug. Now, it's a multipurpose trail, uniting the two cities by foot or bicycle.

The cities of Easley and Pickens, along with the Rails to Trails program, worked together to create the trail. "In our plan for the city, we are looking for the highest quality of life possible," explained Lindsay Cunningham, public information officer and marketing coordinator with the City of Easley. "We have a strong recreation program, but we wanted something all ages could use and that was accessible. It's been everything we hoped it would be."

Community development, more than money-making, was the overarching plan for the Doodle Trail, Cunningham said. But along with being an example of a strong partnership between the two cities and a source of civic pride for residents, the trail has brought some new commercial ventures. Two stores catering to walkers and bicyclists opened on each end of the trail in Easley and Pickens. In addition, the trail transformed some rundown areas, raising property values and spurring development, she said.

That's not unusual. Britt said multiple studies indicate that property values for homes and businesses near trails are greater—with increases ranging from 4 percent to 20 percent when compared to properties not along trails.

"That is not surprising given the results of a recent survey by the National Association of Realtors that cited walking and biking trails as the top amenity desired by homebuyers," she said.

Cunningham said Easley looked to the Swamp Rabbit Trail in Greenville County to learn best practices for organizing and regulating trails. The Swamp Rabbit, a 13.5-mile walking and bike trail that stretches from Travelers Rest to Greenville, has become one of the region's most popular attractions. It's also been credited with fostering economic development along its path, including a bike-friendly inn in Greenville and new restaurants and shops catering to cyclists and walkers in Travelers Rest.

In fact, a Furman University study of the economic impact of the Swamp Rabbit Trail showcased one business in Travelers Rest that reported 75 percent of its Saturday business is directly related to the trail, Britt said.

The largest trail in South Carolina, the Palmetto Trail, extends from the coast near Charleston to the mountains in the Upstate. When completed, it will cover more than 500 miles for hikers and bicyclists. Last summer, the City of Walhalla celebrated a new partnership with the Palmetto Conservation Foundation to extend the trail into its downtown.

Mayor Danny Edwards believes the addition of the Palmetto Trail will offer

an economic boost to Walhalla. He said downtown businesses, including a group of investors planning a new boutique hotel in Walhalla, are very supportive of the trail coming to the city.

"It will bring a new group to our city that normally goes to northeast Georgia, western North Carolina or other biking and hiking communities in the Southeast," Edwards said.

"We know the Swamp Rabbit Trail has brought over a half million riders to Travelers Rest in the last couple of years. We may never have those numbers, but what if we did?

Our restaurants and other businesses would be overflowing with customers."

He said the partnership with the Foundation started with a casual conversation between Foundation board members and the president of Walhalla Partners for Progress. The city, the Walhalla Chamber of Commerce and other leaders supported the idea from the beginning.

"We just can't wait to get started with the trail. You go to places like Bryson City, Brevard and now Travelers Rest and see what's happening, and think, 'Wow, we can do this.' Everyone is very excited about our future."

The Palmetto Trail also runs through the historic city of Eutawville in Orangeburg County, passing through areas that hold much history from the Revolutionary War, including the Battle of Eutaw Springs and downtown Eutawville.

Eutawville Councilman Brandon Weatherford said plans now being discussed to beautify the trail's path through Eutawville will offer a strong opportunity for the town to show off its history and boost tourism. "When the trail receives this much needed face-lift, people will want to visit our village and see the history. This will help our businesses in town," Weatherford said

The North Augusta Greeneway (spelled that way as a nod to former Mayor Thomas Greene, who is credited with helping develop the city's trail) is a more than seven-mile paved recreational trail that also follows the route of an abandoned railroad right-of-way the city purchased in 1988.

Starting at the Intracoastal Waterway, the Awendaw Passage of the Palmetto Trail meanders westward through maritime forest and offers sweeping vistas of Lowcountry salt marsh.
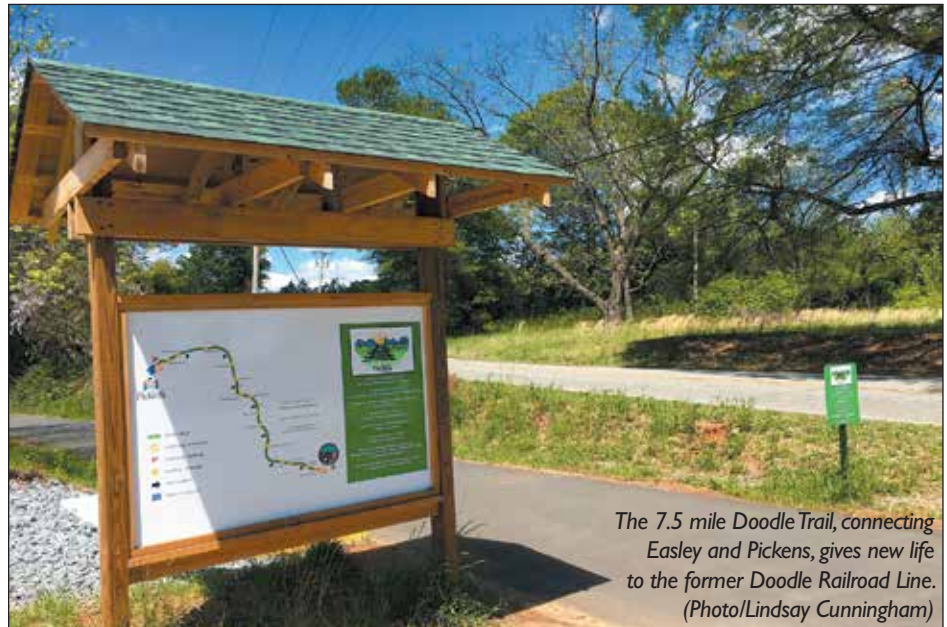
The 7.5 mile Doodle Trail, connecting Easley and Pickens, gives new life to the former Doodle Railroad Line. (Photo/Lindsay Cunningham)

The trail has grown over the years and now meanders through the city and many of its neighborhoods, with public access available at three locations.

"We have counters out there that show numbers as high as 60,000 people use the Greeneway each month," City Administrator Todd Glover said. "People are coming to our city from all over. And when they leave the Greeneway they stop at restaurants and eat, they fill up with gas, they go to the grocery store."

Right now, no businesses are located adjacent to the Greeneway, but that may be changing. Glover said the city is working on a Greeneway connector, an urban spur that will turn the existing alleyway system downtown into an extension of the Greeneway walking trail. The portion will connect churches, schools and business in the downtown district.

North Augusta has applied for grant funding to get the first three phases of the spur started. Because the alleyways are already set up for pedestrian traffic, Glover anticipates an easy conversion to the trail.

He explained that potential new businesses looking to move to downtown always ask about traffic counts. "If I can tell them there will be 60,000 people a month on foot? That will get their attention."

Great places start with people coming together

Coffee with the Mayor is part of Mount Pleasant's extensive outreach strategy to "take the town out of town hall" and engage residents where they already are.

For two months last winter, residents gathered at Charleston's St. Julian Devine Community Center on Monday nights and knitted colorful squares which would eventually be pieced together into a giant, 40-foot flag. In February, the group hung their work on the old brick Cigar Factory behind the community center as a way to draw attention to the center and its programs.

The "Love Bomb" is part of an effort by local nonprofit Enough Pie to catalyze community engagement through creativity, according to Executive Director Cathryn Zommer. Enough Pie uses partnerships, artistic collaborations and placemaking to inspire inclusivity and community involvement in Charleston's Upper Peninsula.

"You can ignite a Main Street with placemaking," Zommer said. "It's a great way to revitalize underutilized places."

Placemaking is the concept of helping people create and sustain public spaces that build stronger communities. An effective placemaking process centers on community-based participation, and then focuses on that community's assets, inspiration and potential to create quality public spaces that contribute to people's health, happiness and well-being, according to the Project for Public Spaces.

Too often, cities have been designed around cars. Placemaking focuses on the importance of the human experience—walkable areas, lively neighborhoods and inviting public spaces.

Certain cities around the country seem to be a magnet for talented young professionals. It's not because of their taxes or regulations but, very simply, because of their "place," according to Dan Gilmartin, executive director and CEO of the Michigan Municipal League, and a national leader in the field of placemaking. These cities are the kinds of places that attract a young, well-educated, talented workforce.

Gilmartin said these young professionals are looking for 21st century communities that put a focus on 1) physical design and walkability, 2) green initiatives, 3) cultural economic development, 4) entrepreneurship, 5) multiculturalism, 6) technology, 7) transit and 8) education.

"If I'm a city leader, I need to understand what people are looking for," Gilmartin said. "You've got to provide it or go forward at your own peril."

Placemaking starts with an inclusive, bottom-up approach, often driven by individuals who want to make a change or impact on their community. The city then needs to create the platform for that change to occur, Gilmartin said. Historic districts, for example, are often created when one entrepreneur or a group decides

to come in and make changes. The city would need to facilitate those changes to spur economic growth.

Civic engagement is an important piece of placemaking. Elected officials need to realize that they need to engage people differently. Gilmartin said there are many people who want to be involved in civic life, but they're not going to meetings at city hall.

"You've got to meet people where they are, get out of your comfort zone," Gilmartin said. "There are so many ways to get hold of folks and get them engaged in the community, but you cannot go through the same old channels."

Placemaking should be the result of a holistic approach to community design, according to Randy Wilson, president of Community Design Solutions and frequent resource team member for Main Street South Carolina.

Placemaking efforts should be authentic to a place, Wilson said. For instance, a community cannot simply import something done by another town. Rather, city leaders should look at what other towns do and consider how to shape those ideas to meet their community's own unique needs and features.

Not everything has to be expensive; sometimes a simple approach is better. Wilson said he worked with the city of Pascagoula, Mississippi. The city was struggling to address its issues with a small urban core consisting of a Main Street only two to three blocks long. Overpriced buildings made it hard for business owners to buy or rent property.

The town repurposed Mississippi cottages—emergency housing put in place after Hurricane Katrina—into a small business incubator section downtown. The addition of the cottages extended the Main Street area and provided affordable rentals for small start-up businesses, Wilson said. The cottages were arranged around a boardwalk and town green. The area has evolved into a festival and event location, he added.

Effective placemaking is complemented by regular programming, Wilson said. It's not enough to create a place, he continued, there also needs to be a plan in

St. Julian Devine Community Center officially "love bombed" (with knitted yarn) in Charleston

place about what will go in it. Variety also is important. One public space might find use as a dog park, another as a gathering spot for festivals. Public input is key in determining the needs and desires of the neighboring community. Through the collaborative process of placemaking, city leaders can shape public spaces to maximize shared value.

Great places start with people coming together to share a vision of what the place can be, said Zommer of Charleston.

It's ok to experiment with an idea, to fail and to modify plans, she said. By creating more public places where people can come together, communities become better connected.

"We all have a hand in making places great," Zommer said.

During the Association's Annual Meeting in July, there will be a half-day preconference session on the topic of placemaking. See related story about the preconference workshop on page 2.

Community/Economic Development

Community/Economic Development
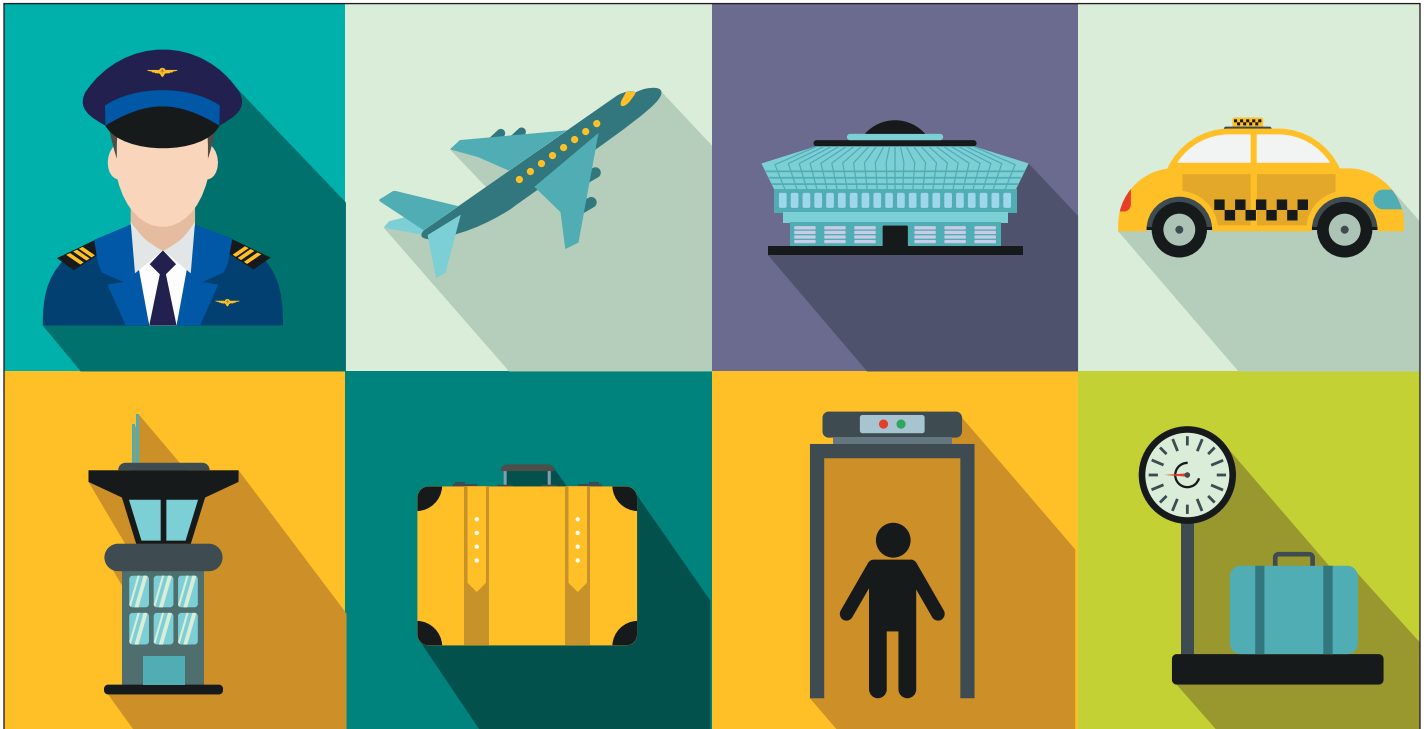
Airports make economic development soar

Several years ago, at a ribbon cutting in Orangeburg, an industry representative told City Administrator John Yow that the city's municipal airport was exactly what his company was looking for as it scouted locations.

"I don't know if we would have gotten that industry without the airport," Yow said. "And it's not just for attracting industry; it helps us retain the businesses we have."

This is a familiar story told by city leaders and directors of municipal airports around South Carolina. A nearby general aviation airport helps attract new industry, allows easy access for corporate jets, lets existing companies quickly fly in necessary equipment and provides a convenient spot for law enforcement or news helicopters to land.

It's also not unusual to see a university plane bring in a coach to check out a high school prospect. During the recent presidential primary season, candidates hopped to campaign events throughout the state via small jets landing at municipal airports.

"Research has shown that airports are economic multipliers," said Adam Williams, manager of airport policy for the Aircraft Owners and Pilots Association, a national nonprofit organization that advocates for general aviation. "For every dollar invested in an airport, the economic benefit is more than $2."

The benefit of municipal airports is two-fold. As the airport's owner/operator, the city benefits from the businesses that are based at the airport. The city also benefits from the economic activity

generated by companies in nearby industrial parks and other firms that are able to successfully operate because there is a nearby airport.

"When the town talks to a potential industry, one of the first things that comes up is, 'Is there an airport?'" said Wendall Hall, director of the Cheraw Municipal Airport, where nearby companies including INA Bearing and Highland Industries make flights in and out a few times each week.

The City of Spartanburg Downtown Memorial Airport is the city's largest owned asset, serving more than 100 local aircraft along with corporate jets representing many of Spartanburg's largest companies.

According to the city, the airport contributes $25 million to the local

economy, with 190 aviation-related jobs and a payroll above $10 million.

Those numbers are likely to increase with the addition of Toray Industries, the world's largest carbon fiber producer that is building a $1.4 billion plant in the nearby community of Moore. The Japanese company's plant will initially create about 500 jobs, the largest initial economic investment in South Carolina, according to the SC Department of Commerce.

And it is not just the corporate jets taking off and landing, said Darwin Simpson, director of Spartanburg's municipal airport. With Spartanburg Regional Healthcare System's participation in the national organ donor program, surgeons and medical teams are flying in and out at all hours, he said.

"If you have to have a transplant, it's not going by UPS," Simpson said. "It's going on a private aircraft. We have all kinds of medical flights every day. All vital services that are essential happen in general aviation. It's all about being able to get somewhere in a short period of time."

From the Spartanburg municipal airport, it's a four-minute drive to downtown Spartanburg, while it is about a 35- or 40-minute commute to the commercial Greenville Spartanburg International Airport, he said.

The airport also has historic significance. It is one of the oldest airports in America and the first commercial airport in South Carolina. The airport opened in 1927 with aviator Charles Lindbergh participating in the grand opening. Amelia Earhart also visited the airport, and Army Air Corps pilots trained there during World War II.

Spartanburg's Group of 100 donated the statue of the young child taking flight on a paper plane for the grand reopening of the Spartanburg Downtown Memorial Airport in 2011 after extensive renovations. The Group's roughly 100 anonymous members donate $1,000 annually to fund beautification projects in the community. (Photo/City of Spartanburg Downtown Memorial Airport)

The Orangeburg Municipal Airport and its 5,700-foot runway are used extensively for economic development, along with serving local business people such as attorneys and other professionals.

In addition, Yow said the industrial park adjacent to the airport is almost full, although the airport recently identified 90 acres it can offer for business and industrial development on the airport's grounds. "We're actively working with the economic development office to market the airport property," Yow said.

He also said business is just one of the selling points of a municipal airport.

"Remember it's not just economic development. For a lot of people, it's part of their transportation plan," he said. "You can get to the Bahamas in 80 minutes from Orangeburg."

During Masters Week, more than 50 flights will land and take off daily from the Aiken Municipal Airport. (Photo/Dan Brown/Aiken Standard)

Nothing ventured, nothing gained when it comes to attracting investors

D o you ever wonder why it is very difficult to attract investors for redevelopment projects, recruit a specific type of business to your hometown or drum up interest for adaptive reuse of existing buildings?

The answer may be simple. These projects may have a higher risk for failure or experiencing unforseen challenges. This creates uncertainty which in turn discourages investment.

To reduce an investor's financial risk for these types of projects, municipal officials are beginning to offer performance-based incentives. The incentives reduce the upfront development and operating costs by rebating a portion of tax or fee revenue generated by the development activity or business startup. Income tax, property tax and fee credits are the most common vehicles used to grant this kind of incentive.

Credits increase an investor's equity and improve cash flow. This can often be the positive difference between the revenue generated and expenses paid by the business. Strategic use of incentives can make the difference between a marginal venture and a profitable one.

Such performance-based incentives require projects meet certain eligibility thresholds determined by local officials. The thresholds address identified public purposes. Common thresholds include adherence to historic preservation standards, minimum investment levels and minimum number of jobs created.

"Municipal officials that use performance-based incentives understand that without these incentives to lower an investor's risk, the potential for new investment may be limited," explained Eric Budds, the Association's deputy executive director.

Not only do these incentives reward investors willing to take a risk, they also benefit the municipality by generating new revenue and economic activity which would not otherwise occur.

A municipality has minimal risk or financial exposure for offering these incentives because the credit (or rebate) occurs after the investor has paid the taxes and fees being rebated and the project has achieved the predetermined thresholds. If the investment fails to meet the required threshold, the municipality does not owe the investor the rebate.

South Carolina is fortunate to have access to highly effective state and federal incentive programs. Some allow the investor to choose between income or local property tax credits if the city agrees to offer this option. In certain circumstances, these incentives can be combined (or stacked) to maximize the benefit to the investor.

Municipalities may also design local incentives if there is a clear public purpose to do so. The scope or extent of a local incentive program and the amount of money rebated are policy decisions left to the city council.

Considerations often include the public need for the investment and the level of risk assumed by the investor. The length of the incentive program is also a local decision. In some instances, incentives can be closed to new ventures once incentivized projects have attracted sufficient private-sector investment. In other cases, especially where significant challenges exist, the incentive program may be a long-term program.

The adage "nothing ventured, nothing gained" aptly describes economic development in redevelopment areas. Doing nothing to promote development will likely mean no investment occurs. Strategically using performance-based incentives significantly increases the odds of attracting investments.

The Association's website has information for local officials about available economic development tools. "The site provides a series of articles summarizing available incentives and key provisions of each program," said Budds. Other resources include sample South Carolina incentive ordinances and a white paper on economic development incentives with a description of the public purpose test that must be applied when considering local incentives to ensure they are legal.

Access the information at www.masc.sc (keyword: economic development tools).

Community/Economic Development

Steps to avoid land use liability

A developer has applied for permits to build an apartment building in a part of the city that is zoned for residential use. Although apartments are an allowed use for the proposed location, no other apartments exist in the neighborhood, only single-family homes. The proposed apartment building complies with all of the city's zoning and building codes. When neighbors find out about the plan, they ask the city council to stop the project. Does the city council have grounds to deny the project? The answer depends on what the city's comprehensive plan and zoning ordinance allows.

The above scenario is not an isolated case. Many municipalities have faced similar situations.

With building activity picking up after the economic downturn of recent years, applications for zoning approvals are increasing.

"We are seeing cases where city councils are being surprised by projects approved by staff that they do not believe are in the city's best interest," said Scott Slatton, legislative and public policy advocate for the Association. "Staff had approved the projects because they were allowed based on the zoning ordinance."

Planning commission members, city councilmembers, mayors and staff must understand the types of land uses allowed (or not allowed) are governed by their local zoning ordinance.

"The time for local officials to question development activities they believe are incompatible with their vision for the community is not after the staff approves an application, said Slatton. City staff must review the development based on the regulations in place at the time the city receives the application. "If they want a different outcome, council needs to amend the zoning ordinance long before an application is ever submitted," explained Slatton.

"The same situation can occur in the reverse," continued Slatton. Council or the economic/downtown development staff may want to attract a specific project to an area, such as retail stores in a previously undeveloped area or residential units in a commercial zone. Until the zoning ordinance is changed to specifically allow the activity, these "wish list" developments cannot occur.

State law requires local governments review their comprehensive plans every five years. Because zoning is a tool to implement the vision laid out in the comprehensive plan, city officials should also review their zoning ordinance on the same schedule to ensure it is consistent with the plan. This is especially true for cities experiencing a great deal of growth, Slatton advised.

The Association's Risk Management Services produced a public officials' liability toolkit for its members. The toolkit includes tips on making land use and zoning decisions to lessen the city's legal liability.

"The bottom line is," Slatton said, "if there's something you, as an elected body, do not like about what your zoning ordinance allows, change it rather than deny zoning approval. Denying a use with no reasonable basis—that will get you beaten in court every time."

During the Association's Annual Meeting in July, there will be a breakout session on the topic of land use liability. See related story about the Annual Meeting on the cover.

Tips for local officials

- Develop and adopt a zoning ordinance and comprehensive plan that encompasses state requirements for land usage. Update both periodically to reflect any changes in state law.

- Always base decisions on the zoning ordinance and comprehensive plan.

- Make all decisions in an objective and consistent manner.

- Review all decisions with an attorney who is familiar with zoning issues, ordinances, public meeting requirements, and applicable state and federal law.

- Document the decision-making process accurately and completely.

- Follow all requirements of the Freedom of Information Act.

Source: Public Official's Liability Toolkit, Risk Management Services

Calendar

For a complete listing of training opportunities, visit www.masc.sc to view the calendar.

MAY

5 SC Municipal Elected Officials Institute of Government. Council of Governments' offices. Courses offered: "Municipal Governance and Policy" and "Freedom of Information Act in SC." The courses are also offered on demand from the Association's website at www.masc.sc (keyword: MEO).

11-13 SC Community Development Association Annual Meeting. Marina Inn at Grande Dunes, Myrtle Beach. Topics include brownfield redevelopment, consolidating small water systems, and success stories of local museums and farmers markets.

JUNE

7 SC Business Licensing Officials Association Accrediation in Business Licensing Exam. 1411 Gervais St., Columbia.

9 SC Association of Stormwater Managers Second Quarter Meeting. Columbia Conference Center. Topics include data collection basics and case studies about data collection software from three stormwater managers.

19-21 SC Association of Municipal Power Systems Annual Meeting. Sonesta Resort, Hilton Head Island.

JULY

14-17 Municipal Association of SC Annual Meeting. Charleston Place Hotel. See related article on page 1.

20-22 Main Street South Carolina's Economic Development on Main Street. Hartsville.

AUGUST

2 SC Business Licensing Officials Association Accrediation in Business Licensing Exam. 1411 Gervais St., Columbia.

23 Setoff Debt Collection Program – Mandatory Training Session for New Participants. 1411 Gervais St., Columbia.

25 Setoff Debt Collection Program – Mandatory Training Session for Current Participants' New Employees. 1411 Gervais St., Columbia.

31-September 2 Municipal Court Administration Association Annual Meeting. Francis Marion Hotel, Charleston.