

A fire-eating display during a presentation at Pecha Kucha Beaufort. (Photo by Riann Mihylor)



## The creative class

A typical work day for the Go To Team video production company might involve shooting sports footage or producing videos for ESPN, Fox Sports or ABC News. The company was founded in 1997 in Charleston by Patrick Bryant and Dwaine Scott, who saw a shortage of quality, organized camera crews outside of Atlanta. Over the years, it has attracted the attention of national clients, and has grown from two employees to 16, with five offices in the Southeast and a new branch opening soon in Atlanta.

With all of their growth and success, the Go To Team chooses to keep its headquarters in Charleston.

“Charleston is a fabulous town with a great quality of life,” said Bryant, managing partner. “That’s what municipalities need to have to keep and attract the professional young people that Go To Team hires.”

Nationally, the economy is shifting away from manufacturing industries to the high-tech, knowledge economy. The knowledge economy includes a sector of people coined the “creative class” by Richard Florida, author of *Rise of the Creative Class*. Florida said these creative types are highly-educated, well-paid professionals whose work includes technology, finance, journalism, high-end manufacturing and the arts. The author said these creative workers often are young entrepreneurs and involved in their communities.

Most importantly, the type of work they do allows them to choose where they live. Instead of moving for work, these creative workers will move where they want to live and the jobs follow.

Many cities are realizing the impact that the creative class has on the economy and are taking steps to nurture it.

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## CREATIVE: CONTINUED FROM PAGE 1

### Creative Industries Cluster

New Carolina — South Carolina's Council on Competitiveness — is a public-private partnership working to improve the state's economy. Its goal is to develop clusters — groups of businesses in a certain region that focus on or service the same industry. Companies within clusters come together to increase efficiency and innovation within that industry, while boosting the overall economy in their region.

New Carolina identified a creative industries cluster in the Lowcountry, made up of the fields of preservation and restoration, cultural heritage, architecture and urban design, performing and visual arts, culinary arts, literary arts and publishing, and digital media and design.

The Charleston Creative Cluster, dubbed "Parliament," formed almost three years ago, through the efforts of a group of creatives in the area, according to New Carolina's Deputy Director Amy Love. This group organized a meeting with creative leaders in the city to discuss how to move forward. According to Robert Prioleau, a partner with Blue Ion in Charleston, the group understood that creative people don't work well sitting in a boardroom. So it set up a Pecha Kucha Night in Charleston.

Pecha Kucha is an international event (about 200 cities worldwide hold similar events) that comes from the Japanese phrase "sound of conversation." It's a performance night that brings creative businesses together to explain and display their work, and also provides an opportunity to celebrate the city's arts and culture. Performers have included skateboarders, chefs and poets, Prioleau said. Similar Pecha Kucha nights have since been held in Beaufort, Columbia and Greenville.

"We structure ours so that presenters talk about what inspires them and what keeps them in Charleston," Prioleau said. "It's an opportunity to connect these creative people who otherwise would not meet. Some creative businesses are now working together."

"The creative economy not only adds to quality of life for residents, but also is key for the future," Prioleau said.

"The creative economy is full of entrepreneurs," he said. "As a city or town, we don't want to rely just on big industry. We want to have a mix."

And the presence of the arts makes a city more attractive to young people. If you were to ask 20- to 30-somethings why they are in Charleston, they would reply that they want to live there, Prioleau said. That's because Charleston is a "cool" city, with great music and art scenes, wonderful cuisine and special events like Spoleto and Pecha Kucha.

### Beaufort Gets on Board

Other communities also are taking steps to highlight their "cool" factor to young, creative types. Beaufort County held its first Pecha Kucha Night last October with 12 presenters and about 300 audience members attending the event in Port Royal. Organizers hope to hold the events four times a year.

"It breathed some real energy into our artist and young professional communities. There was just an energy there that isn't matched by many events and was just totally different," said Ian Leslie, director of marketing and membership for the Lowcountry Economic Network.

"Secondly, we showed young, creative, knowledge-intensive artists and business people that there are like-minded people already here. The purpose was to market that aspect to

the people within our own county, but also to take the message outside the region and show others why they should consider moving their businesses here and working here," he said.

The arts are important in Beaufort because they make the community better for the people who live there, said Beaufort Mayor Billy Keyserling.

"With the support of the city, a community that has that artistic ambiance begins to attract young professionals and businesses," Keyserling said. "While there's a direct economic benefit for a community to be involved in the arts, the actual perception that a community is identified with the arts is an asset in and of itself. More economic development deals probably have been closed at Charleston's Spoleto Festival than in the boardroom of the S.C. Department of Commerce."



Yoga abilities on display by Yoga Chandra Center on Lady's Island during the Pecha Kucha event in Beaufort. (Photo by Riann Mihiytor)

Beaufort is keeping the creative class in mind as area leaders plan for the future. Lowcountry Economic Network Executive Director Kim Statler said growing knowledge-intensive, creative businesses is one of her group's top four focus areas for economic development.

"The reason we believe this strategy will be successful in Beaufort is because of the quality of life and character the city offers," Statler said. "So many of the prospects we deal with already have a relationship with Beaufort and just need a little push to understand that they can live and work here. This doesn't have to be solely a vacation destination for them."

In order to promote that, Statler said, they work on events like Pecha Kucha, and promote infill development and creating the types of office space that the new young professionals want to work in.

It's already clear that the arts are making an economic impact in Beaufort County. The Arts Council of Beaufort County, or ACBC, conducted an Economic Impact of the Arts study in 2008 through a grant from the S.C. Arts Commission matched by the Beaufort Regional Chamber of Commerce. The study, conducted by Georgia Southern University, found that the total arts economy output in Beaufort County is more than \$213 million.

The ACBC partners with the city of Beaufort to help grow the arts and to make sure everyone understands that the

arts can be an economic driver, said J.W. Rone, ACBC's executive director.

"When we present an appealing community, that attracts industry," Rone said. "The high-tech industries and jobs in the creative economy don't need an industry base. They can move where they want to, so quality of life issues become even more important for workers."

The quality of life in Beaufort was appealing enough for artist Deanna Bowdish to move there seven years ago and purchase a gallery. The Gallery offers original contemporary works of art by more than 60 local, regional and national artists. Bowdish notes that Beaufort is a wonderful community for artists with a wide range of art available, a good cost of living and supportive local organizations.

"A strong arts community is essential to helping to create an identity for a community," Bowdish said. "The creative work force is essential to a well-rounded community because they can adapt and adjust and offer fresh perspectives and ideas and help to revitalize a community."

### The Spinoff Effect

That was the case in the city of Abbeville, where downtown revitalization was sparked in the 1970s by the renovation of the historic Abbeville Opera House.

Today, thousands of theater patrons each year visit the opera house, including

a number of artists. The city is now home to a number of antique and gift shops, boutiques, restaurants, hotels and bed and breakfasts. Special arts events are held downtown, such as a Wine Walk — sponsored by the city's art galleries, the opera house and local businesses — and the Art and Antiques on the Square — sponsored by the Chamber of Commerce, the Abbeville Artists' Guild and the city.

The city also has partnered with local artists by allowing the Artists Guild to sell commemorative bricks as a fundraiser. The bricks will be used in the third phase of the city's streetscape project. In addition, the city is renovating an old livery stable, which includes 6,000 square feet of open space that will be used for live music and entertainment.


"When you draw people into a city for the arts, it has a spinoff effect," said City Manager Nolan Wiggins. "Our small businesses are so important to us here. When people come for theater, they stay for food, shopping and other entertainment."

Having artists as residents also contributes to the revitalization of the historic city, Wiggins said.

"We have a historic downtown area and historic homes. These are attractive to people who are interested in art. They help to save these structures. Creative people are the ones who have the skills and interest in renovating these structures," Wiggins said.

One such creative type who decided to stay in Abbeville is artist and gallery owner Judson Arce. Originally from Sullivan's Island, Arce had been living in Florida and moved to Abbeville five years ago.

"I fell in love with the charm of the town," Arce said. "Plus the price is right. To buy real estate was very reasonable. I wouldn't have been able to have my own gallery in Florida or Charleston?"

"This is a lovely town. It does lend itself to being an arts destination," said Arce, who serves as president of the Abbeville Artists' Guild. "I've been impressed with the help I've gotten from members of the community and people with the city." 

*This article is reprinted from the "Cities Mean Business" Winter 2010 issue.*



# Onsite visits keep costs down

The Municipal Association offers three self-funded insurance programs (health, workers compensation, and property and liability) to South Carolina local governments. As part of these programs, the Risk Management Services staff helps members of the insurance programs build effective safety and health programs and develop their loss control capacity.

Each year, members of the SC Municipal Insurance Trust (workers compensation) and the SC Municipal Insurance and Risk Financing Fund (property and liability) receive at least two onsite visits from the RMS staff.

“Helping our members with their risk management activities makes good business sense,” said Harvey Mathias, director of the Municipal Association’s Risk Management Services. “Not only do our members receive a valuable service that keeps their individual costs down, these loss control efforts help our programs keep our rates affordable for the long term. During the last five years, SCMIT and SCMIRF rates have remained steady. That’s a testament to the success of these efforts.”

**Minimum Guidelines Visits:** Annually, RMS staff conducts a minimum guideline visit with each member to ensure the member is meeting the core risk management guidelines required by both SCMIT and SCMIRF. The minimum guidelines range from how to meet OSHA’s personal protective equipment standard to how often personnel policies should be updated.

“We believe the guidelines are essential to having a sound safety program,” explained Amy Lindler, risk and safety services consultant. “In many instances, we are simply outlining OSHA requirements. By having them as part of the guidelines assessment, we look with each member at its records to determine if the member is doing what the law requires. If not, it gives us the opportunity to provide suggestions as to how to comply. We do not randomly create the guidelines. They result from proven safety program practices, OSHA requirements, lessons learned from our members and claims experience.”

During a minimum guidelines visit, staff reviews a member’s policies, procedures and other documentation, offering suggestions and advice on how to maximize the effectiveness of that member’s risk management program. Each member then receives a written response and score on the guidelines assessment. The member has an opportunity to better the score until October 1 each year. Members may become eligible for a 5 percent insurance credit on the upcoming year’s insurance costs if they have met 80 percent of the recommended guidelines and their claims history is better than the pool average.

For a complete list of minimum guidelines, visit [www.masc.sc](http://www.masc.sc); keyword: minimum guidelines.

**Report Card Visits:** Each year, RMS issues report cards to SCMIT and SCMIRF members. The report cards summarize the member’s loss history in table and graphic form. The report card analyzes losses using criteria such as size, type, job classification, department, time of day, day of week and lag time. It also reports on the member’s compliance with the programs’ minimum guidelines.

During the annual report card visit, staff reviews the entity’s loss history and claims. Staff discusses the costs associated with prior claims and offers specific recommendations to avoid or mitigate future claims.

**Property Inspections:** RMS staff routinely inspects property for members to identify hazardous conditions. Staff makes recommendations for improvements and compliance with loss control guidelines.

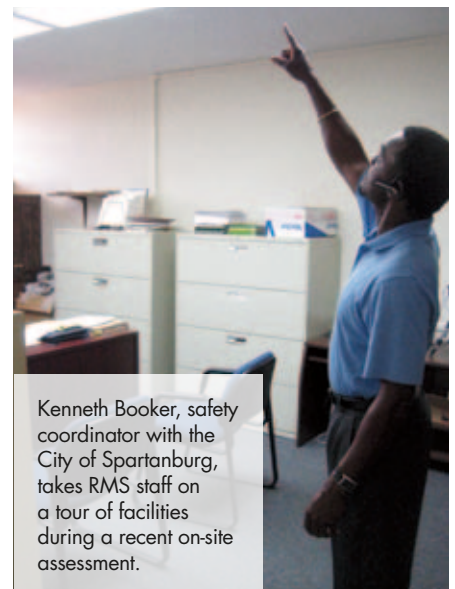


Ronnie Myers, assistant fire chief and safety committee chairperson with the City of Fountain Inn, and Steve Ivester, HR director, Ideal Business Solutions, meet with Amy Lindler, Municipal Association’s risk and safety services consultant, to review Fountain Inn’s minimum guidelines assessment.

**Visit Requests:** Also, RMS staff frequently makes visits to review specific concerns if a member requests the visit. Actions may vary from giving advice about special events liability to performing a mock OSHA inspection.

**WorkSafe Program Visits:** SCMIT members who have had significant losses over a three-year period receive additional visits and guidance through SCMIT’s WorkSafe initiative. RMS staff helps members establish, or reaffirm, safety policies and procedures, with an eye toward improving their loss history.

*The SC Municipal Insurance and Risk Financing Fund provides all lines of property and casualty coverage including tort liability and automobile coverage for its member municipalities. The SC Municipal Insurance Trust is a cooperative local government program providing “self-funded” workers’ compensation protection for municipal employees. For more information, visit [www.masc.sc](http://www.masc.sc); keyword: RMS.*



Kenneth Booker, safety coordinator with the City of Spartanburg, takes RMS staff on a tour of facilities during a recent on-site assessment.



# Good writing skills still key to promoting events in this new media landscape

In this evolving era of the round-the-clock news cycle, social media and online news sources mean more challenges in promoting city events. These challenges aren't all bad, however. This emerging diversity of news delivery options also means increased opportunities to be creative, inclusive and innovative in promoting city events and programs.

The days of the traditional "news cycle" are long gone. Even the 24/7 nature of television news from sources like CNN and Headline News are no longer as immediate and relevant because of the increasing explosion of tools such as social media, blogs and text messaging. These tools allow everyday users to document events as they happen...without depending on an editor to decide whether to cover a story or waiting until a reporter gets to the event.

This new media landscape also means the traditional press release or media advisory may no longer be the most effective way to get your message out about your event. Regardless of the avenues used to communicate, the ultimate goal is to use clear and concise writing to get your message across.

**These writing tips are timeless regardless of the type of media outlet you are writing for.**

- Active voice almost always wins out over passive voice. "The mayor is kicking off the skydiving festival with a solo dive" is much more effective than "The skydiving festival will be kicked off by a solo dive by the mayor."
- Good spelling, punctuation and grammar are never negotiable.
- Less is more. It's much harder to write a short sentence than a long one. One positive outcome from the Twitter movement is writers must communicate their "message" in 140 characters or less. Twittering is a good exercise in concise writing.
- Edit, rewrite then edit some more. Your first draft is never your best product. Rest between drafts. Let someone else look at your work then edit some more.
- Simplify word use. *Find out* instead of *ascertain*, *send out* instead of *disseminate*, *use* instead of *utilize*, *best* instead of *optimum*, *explain* instead of *find an explanation for*.
- Avoid frequent word confusions. Know the difference between it's (it is) and its (possessive), I and me (He is going with John and me. *Not - He is going with John and I.*)
- Keep sentences parallel. For example: I like reading books, watching movies and going to the library. *Not - I like reading books, watch movies and to go to the library.*
- Avoid clichés. Stay away from tired phrases such as "at the end of the day," "calm before the storm" and "fall on deaf ears."

*Reba Campbell, deputy executive director, and Casey Fields, manager of municipal advocacy, with the Municipal Association will discuss the challenges of promoting city information in this new media landscape at the SC Municipal Finance Officers, Clerks and Treasurers Association Annual Meeting in October. For more information, visit [www.masc.sc](http://www.masc.sc); keyword MFOCTA.*

- *Fire Chief Magazine* named **Fire Chief Thomas Carr** of Charleston as "Career Fire Chief of the Year." The magazine honored Carr during the International Association of Fire Chiefs' conference in August.

- Members of the **Municipal Court Administration Association of SC** recently elected their 2010-11 officers and board of directors. President Amy Wilkerson of Isle of Palms, Vice President Russell Miller of Manning, Secretary/Treasurer Kirsten Pressley of Greer, Member-at-Large Sylvia Skeeter of Charleston, Member-at-Large Mary Ann Davis of Chapin and Member-at-Large Barbara Sovine of Sumter.

- Nine business licensing officials received their **Accreditation in Business Licensing** designations from the SC Business Licensing Officials Association. To receive their designation, officials completed a three-year training program and passed a comprehensive examination. 2010 ABL recipients: Frances Adcock of Bennettsville, Patricia Caverly of Edisto Beach, Renee Caviness of Irmo, William Hall of Lake City, Christine James of North Augusta, Katherine Kenyon of Sullivans Island, Courtney Moseley of New Ellenton, Frances O'Harrow of Myrtle Beach and Edith Ann Phillips of North Myrtle Beach.



# Accurate tax credit factors critical for

# Local Option Sales Tax

# entities

Since its enactment, nearly two decades ago, the Local Option Sales Tax has become a widely used revenue source for many South Carolina local governments. Thirty-one of the state's 46 counties have enacted the LOST, which provides property tax relief to hundreds of thousands of homeowners. While the LOST is a valuable revenue tool, municipal elected officials and staff must pay close attention to the fund to ensure the city is properly calculating and administering it.

State law requires a county to allocate at least 71 percent of its LOST revenue to the Property Tax Credit Fund. Then, the credit fund is divided between the county and the municipalities. The county receives 67 percent and the municipalities divide 33 percent based on their percentage of municipal population. This is the minimum which is applied as a credit against property tax bills. The remaining 29 percent is allocated to the Municipal Revenue Fund and may be used for general fund purposes. If a council chooses, it can credit a portion or the entire amount for additional property tax relief.

To help segregate the funds allocated to the two accounts and calculate the tax credit factor, the SC State Treasurer's Office issues two checks monthly to municipalities participating in LOST. The larger of the two checks is the Property Tax Credit Fund allocation. The smaller check represents the Municipal Revenue Fund allocation.

## Determining the tax credit factor

A city determines the amount of annual property tax relief by calculating the city's "tax credit factor," the single-most important number for cities that collect the LOST. The first step is to determine the total amount of money to be credited against property tax bills. At a minimum, this amount must equal the total projected collections in the Property Tax Credit Fund. Second, the sum of the projected Property Tax Credit Fund revenue plus the amount of additional LOST revenue that city council may wish to be credited as property tax relief (the numerator) is divided by the total appraised value of all taxable property (the denominator). The resulting six-digit figure is the tax credit factor.

To translate the tax credit factor into a dollar amount that will be credited against the municipal property tax for a single parcel, the tax credit factor is multiplied by the appraised (market) value of the individual property for tax purposes. This credit is deducted on the tax bill from the gross amount of taxes due. If calculated properly and economic conditions remain stable, a city's LOST revenues typically remain steady from year to year. If the tax credit factor is miscalculated or economic conditions change, a city could find itself in one of two situations.

- If a city collects more in LOST revenues than it provided in property tax relief, the city has a liability. State law requires the city hold the additional revenue in an interest-bearing bank account until the next fiscal year. When calculating the next fiscal year's tax credit factor, the city must add the surplus funds, which include the original overage plus accrued interest, to the total projected Property Tax Credit Fund collections and the amount of additional LOST revenue that city council may wish to be credited as property tax relief.
- If a city collects less in LOST revenues than it provided in property tax relief, the city must absorb the shortfall. State law does not allow a city to recoup unrealized revenues granted as a LOST credit.

These two scenarios underscore the tremendous importance for city officials to monitor LOST revenue closely. Monthly tracking allows a city to adjust its budget more quickly to changing economic conditions. A good starting point for calculating the tax credit factor is to pay particular attention to the history of LOST revenue figures reported in the city's annual audit. In addition, confirming the county auditor's appraised value figures will ensure a more accurate tax credit factor calculation.

Used together, these tips will help keep the city's revenue stream moving in the right direction and ensure city residents get the property tax relief prescribed by law.

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*For more information, contact the Municipal Association.*

# Have your hometown voice heard

# loud and clear



The 2010 legislative session ended in late June with legislators scrambling to pass a state budget and other legislation before time ran out. While work in Columbia does not gear back up until January, the work of local elected leaders in engaging legislators back in your hometowns should be in full swing.

Now is the best time to educate legislators on the services your hometown provides to residents, businesses and visitors. Why? Because they are home, living in your community, going to the grocery store, dropping children at school, attending church and running errands. They are not distracted by what's going on in Columbia at the State House. Personal meetings in home districts are the best way to engage legislators on your issues. Engaging legislators before you ask for their vote on an issue at the State House is always more beneficial than waiting until you need something.

While state senators are not up for reelection until 2012, the House members are running for reelection right now. Some representatives have retired or lost primary races. There are new faces that might represent you in Columbia you need to meet.

Here are ten things you can do to get ready for the new session and engage your legislators between now and when they come back to Columbia in January 2011 for the beginning of another two-year session.

1. Attend one of the Association's *Hometown, SC* Regional Advocacy Meetings in October or November to share your opinions and get insight on anticipated legislation for the 2011 session.
2. Reach out to newly elected representatives to familiarize them with projects and programs going on in your city, help them understand your fiscal challenges and let them know you can be a resource about local government issues.
3. Highlight new services that your hometown provides to residents and businesses in an e-newsletter.
4. Invite your legislative delegation on a tour of downtown or city facilities. Show them how tax dollars are being spent wisely on well-planned and -executed projects. Highlight what you have been able to accomplish and what you still hope to achieve.
5. Schedule meetings with your legislative delegation members to update them on exciting, local projects.
6. Work with your local chamber of commerce to participate in its "Day at the State House" to ensure that issues important to your city or town are included in any discussions with legislators.
7. Introduce legislators to your first responders who protect residents and businesses every day from harm. Give them a tour of your firehouse or police station.
8. Invite the delegation to be your guest at festivals, parades and celebrations sponsored by the city.
9. Write a letter to your legislators updating them on new projects and grants as they occur. Keep delegation members up to date as these projects occur so they will feel part of the project once it is completed.
10. Thank your legislators for supporting cities and towns.

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*To find out more ways to engage your legislators and share your ideas about potential legislation for the 2011 session, attend the fall Hometown, SC Regional Advocacy Meetings. This is your opportunity to share your ideas about legislative initiatives that can help make our cities and towns stronger. To register online, visit [www.masc.sc](http://www.masc.sc) (keyword: regional advocacy), or contact Michelle Willm ([mwillm@masc.sc](mailto:mwillm@masc.sc)) at 803.933.1259 with questions.*





# *Culture and* economic development often tied in a city

Sumter Opera House  
(Photo courtesy of the City of Sumter)

**I**n Sumter, the Opera House gracefully overlooks the city as it has done for more than a century. This historic structure has long served as a central piece of the community, providing residents a place to gather and be entertained. Over the years, the structure's cultural significance has only increased, becoming home to city hall while continuing to fill up its auditorium with entertainers and audiences.

A city's culture often highlights its history, like Sumter, while entertaining or educating residents and visitors. Cultural life in a downtown adds to quality of life for residents and contributes to the economy by attracting visitors and new businesses. Often, a city's culture and creative community are tied to revitalization efforts.

The current Sumter Opera House was built from 1893-1895, and was renovated into a movie theater in 1936. In 1973 it was officially listed on the National Register of Historical Places. However, by 1982 the Opera House closed its doors. Then in 1984, the City of Sumter, seeking additional office space and hoping to attract more visitors downtown, purchased the building

and began a restoration process. It was the big step in the ongoing process of downtown revitalization and historic preservation.

"I would argue that the Sumter Opera House and its restoration are synonymous with and parallel to the revival of downtown," said Sumter Cultural Coordinator Tyler Cook. "The City of Sumter's decision to purchase, renovate and move into the Opera House has had a tremendous impact on downtown revitalization and demonstrated a symbolic and practical commitment to reviving downtown. This commitment has in turn created community-wide confidence in downtown as an area worth restoring."

The City of Abbeville made a similar investment in its historic Opera House. Built in 1908, the facility was home to live theater and movies for a number of years before it closed in the 1950s. It was renovated and reopened in 1968 and served as the catalyst for the entire downtown revitalization, said City Manager Nolan Wiggins.

Historic storefront facades were renovated, as well as a downtown hotel. Today, the downtown square is the hub of the





city with shops, restaurants, a growing arts community and the Opera House – which attracts up to 60,000 people a year, Wiggins said.

“The Opera House started all this,” Wiggins said. “Without that, without the vision to renovate the Opera House, I don’t know if downtown revitalization to this extent would have happened.”

The Abbeville Opera House, which also is home to its City Hall, attracts visitors from about a 90-mile radius and generates a good deal of economic activity for the city, Wiggins said. In fact, the Opera House has been weathering the current economic crisis well, and Wiggins believes its presence also has helped Abbeville endure the recession.

The City of Greenwood began focusing on developing its arts and creative community in its City Center Master Plan in 2005. Since then, a number of creative businesses have opened, including art and photo galleries, a jewelry store and an art studio. The Arts Center at the Federal Building also is home to five artists-in-residence who teach various classes and workshops. This also has led to the development or expansion of several restaurants and specialty shops.

To help grow the creative community downtown, the city began marketing itself with a new cultural arts website – [emeraldtriangle.sc](http://emeraldtriangle.sc). Greenwood also has partnered with several agencies on streetscape projects to improve the walkability of downtown and expanded the number of outdoor events in the downtown area to attract visitors. It is all part of a larger economic development plan for the city, according to Greenwood City Manager Charlie Barrineau.

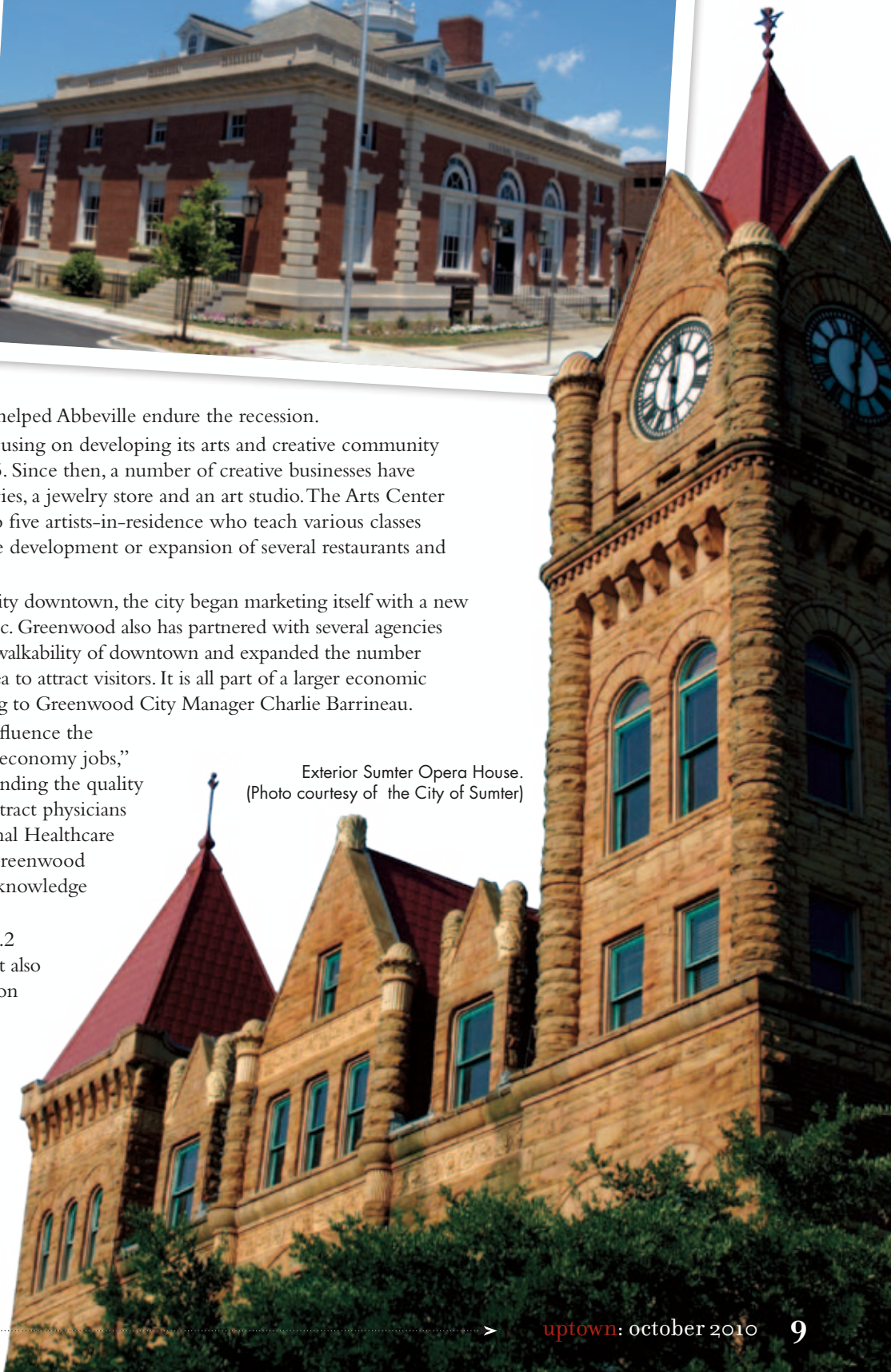
“Creative economy jobs tend to influence the location and expansion of knowledge economy jobs,” Barrineau said. “Maintaining and expanding the quality of life are critical for Greenwood to attract physicians and other support staff for Self Regional Healthcare (Greenwood’s largest employer), the Greenwood Genetic Center and other expanding knowledge economy industries.”

For the small town of Elloree, its \$1.2 million downtown revitalization project also was the fuel for its burgeoning reputation as a destination. The town added new sidewalks and medians with brick trim, trees, benches, landscaping and street lamps. New water lines, water meters and storm drains also were added. More than a dozen downtown businesses have been renovated to become homes to antique and specialty shops, art galleries and cafes.



Greenwood Arts and Visitors Center

Exterior Sumter Opera House.  
(Photo courtesy of the City of Sumter)







## Special Section: Arts and Culture



### CULTURE: CONTINUED FROM PAGE 9


The Ellore Heritage Museum attracts a number of repeat visitors and the town has begun to host numerous events such as the April Pork Fest, the October Arts and Antiques Festival, and the December Small Town Christmas.

“The town still has a historic flavor. We’ve got a good blend of the old and new,” said Mayor Van Stickle. “People are discovering that Ellore is an inviting place to shop, visit and live.”

A growing number of people are discovering the same thing about the City of Conway, which has long served as a gateway for tourists visiting Myrtle Beach. After the city suffered a decline in the 1970s and 1980s, local leaders put their heads together to determine how to bring downtown Conway back to life, according to City of Conway Visitors Coordinator Betty Molnar.

City officials realized the historical value of their community, which is one of the oldest towns in South Carolina. The city features a number of 19th century houses, a historic business district and a Historical Trail that has 17 sites listed in the National Register. Conway began working with the Main Street SC program to revitalize the downtown business district. That led to the improvement of infrastructure and streetscape, and the repair and revitalization of the riverfront.

The city also is proud of its eclectic shops and restaurants, Molnar said, but its history adds to its unique culture, quality of life and beauty.

“If you look at downtown as a shopping mall, then the history is our anchor store,” Molnar said. 

Meridian, part of the creative community in downtown Greenwood, houses a collection of 12 artist studios/shops featuring jewelry makers, book makers, painters and more. (Photos by Charlie Barrineau)







# Creative industries contribute to Lowcountry jobs, economy

Individually, they are writers, web designers, chefs or architects. Together, they are a collective of creative professionals who own businesses, create innovative designs and products, and contribute significantly to the local economy.

The Charleston Regional Development Alliance and New Carolina recognized the impact of the region's creative industries and worked together to develop a creative cluster for the Lowcountry. The cluster focuses on areas such as preservation and restoration, cultural heritage, architecture and urban design, performing arts, visual arts, culinary arts, literature and publishing, and digital media and design. From the cluster, a leadership group called Charleston's Creative Parliament formed and seeks to attract, nurture and grow related companies.

The collective has several goals, according to Parliament member Jeff Taylor, who is also partner and co-founder of Cognetix Marketing and Advertising. First, it wants to increase the visibility of the creative cluster to grow it and attract outside dollars.

"Charleston needs to be recognized as having a premier creative industry," Taylor said.

The group also seeks to support local businesses and help smaller businesses grow, and to train and retain local talent, keeping educated creative professionals in the area, Taylor said. In addition, the cluster is providing social interaction among creative professionals who had not previously met — such as through its Pecha Kucha Nights, events where creative people can meet, network and showcase their work (See related story on page 1.) This has been "fantastic" and has led to the formation of a number of new partnerships, Taylor said.

It was obvious that the creative industries were making an impact in the Lowcountry, but their specific contributions were

not documented. Late in 2009, the cluster raised \$15,000 for an economic impact study of the creative industry on the region.

"We wanted to know what is our impact; where do we stack up in terms of other areas," Taylor explained.

The group hired Regional Technology Strategies, Inc. to look at the region's creative enterprises, workers and assets and to help develop strategies to enhance the creative economy's impact. The study also would provide a benchmark for Charleston's creative economy compared to other communities in the Southeast. The group expects the study to be complete this fall. Some early economic data highlight the significance of the creative industry.

- Some 27,315 jobs are tied to the creative economy, or about 7 percent of the jobs in the Charleston area.
- The creative industry accounts for \$1.4 billion in annual revenue in the region.
- Creative jobs have a 6.8 percent higher wage than the average wages of other jobs in the area.

The jobs count considers creative workers in creative enterprises, other workers in creative enterprises (such as someone working in client accounts in an advertising firm), and creatives in other industries (such as a web manager working for a law firm). Taylor noted that creative employees are especially significant because they are involved in virtually every industry and therefore overlap with just about all other clusters.

Once the economic impact report is complete, the cluster will review recommendations on how to move forward.

"Our first step was learning who we are," Taylor said. "Now, we'll decide where to go with it."



# Special events = *special* concerns

**B**ecause of their variety, size and uniqueness, special events create a number of risk exposures that a city must address to ensure an event's safety and ultimately its success.

## Risk Management Checklist

- ✓ Does the city have a special events policy and permit process in place?
- ✓ What is the general nature of the event (religious, political, recreational, civic, social, etc.)?
- ✓ What is the main purpose of the event? Is there a secondary purpose?
- ✓ Does the city or an outside party sponsor the event?
  - City-managed event: Does the city control the event; have primary responsibility for organizing, planning, and managing the event?
  - City-sponsored event: Does the city provide resources, including money, personnel, products, equipment or other things?
  - Organization working on behalf of the city: What is the city's relationship to the organization(s)? Will the city's name be used to promote the event?
  - City providing city property or equipment for the event: Does the event occur on city property but have no other direct city involvement?
- ✓ How long is the event?
- ✓ How will the event impact traffic flow, adjacent businesses and neighborhoods (noise, crowds, closed streets, etc.)?
- ✓ What is the demographic makeup of the attendees?
- ✓ How many participants are expected?
- ✓ What type of activities will take place and at what location(s)?
- ✓ What public facilities will be used?
- ✓ How well have the facilities been maintained?
- ✓ Does the city need to provide services or additional facilities?
- ✓ What is the history of similar events?
- ✓ Will food be prepared and served on premises?
- ✓ Will alcohol be sold/served on premises?
- ✓ Will traffic need to be rerouted and roads closed?
- ✓ Will businesses/neighborhoods in the area be affected (negatively)?
- ✓ What safety/security issues are there with this event?
- ✓ Is the facility/site adequate for the activity(s) and/or number of attendees/participants?
- ✓ Has an inspection been conducted of the site or facility documenting any hazards or problems?
- ✓ Are there any on-site safety or security issues? If so, will the area/facility require special safety or security planning?
- ✓ Have emergency or contingency plans including evacuation been reviewed by local authorities?
- ✓ Is the facility and/or site ADA accessible?
- ✓ Will the event create any off-site safety or security issues?
- ✓ If needed, is there adequate parking on or adjacent to the site?
- ✓ Have the event organizers/outside groups/vendors provided a copy of their liability coverage for review (of coverage/exclusions) and agent provided certificates of insurance with sufficient limits for the event activity(s)?
- ✓ Has the city been added as an additional insured on the certificate of insurance?
- ✓ Have the necessary insurance endorsements been provided if alcohol (liquor liability) and/or food (product liability) is being served at the event?
- ✓ Has hold harmless and indemnity language been added to the city's permit application and signed by the responsible party?

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*Information provided by the Municipal Association's Risk Management Services program.*



# FOIA Q and A

Carmen Maye, a South Carolina-based lawyer and an instructor in the School of Journalism and Mass Communications at the University of South Carolina, recently spoke at the Municipal Court Administration Association of SC's Annual Meeting on the topic of court administration and the Freedom of Information Act.

## How does the South Carolina Freedom of Information Act apply to court administrators?

It may be helpful for court administrators to think about wearing two different “public records hats” when dealing with public records requests. One hat should be worn when dealing with requests for court records. These are public records under the South Carolina and United States Constitutions. Unless a judge takes the extraordinary step of placing a legitimate seal on court records, these records are open to anyone who cares to examine them. A second hat involves fielding requests for public records that are not part of a court record but a record of your office.

## What's a public record?

A public record is any record (including e-mail and other electronic files) in the possession of a public body. A public body is any entity that is supported in whole or in part by public funds. For public records, the Freedom of Information Act applies to a court's administrative records in the same way it does to the records of any public body. This

means that all records in the possession of a court administrative office must be open to public inspection unless there is a specific exemption in the FOIA that allows them to be withheld from public inspection. Medical records, tax records, adoption records, scholastic records are among the limited types of records that are considered closed and are not subject to the FOIA.

## For records that are not considered “closed,” can a public body (as defined by SC Code 30-4-20(a)) determine what is appropriate to release?

The short answer is no. In some situations, however, a public body will have discretion to deny the request for an otherwise open record if it falls within one of 18 exemptions. These exemptions are limited, and they're not mandatory. A common example of a discretionary exemption involves records compiled during an ongoing law enforcement investigation where evidence or witnesses may be compromised depending on the timing of the release. Of course, once that information enters the court record in

connection with a prosecution or other litigation, it must be open to public view as part of the court record.

## What if a record contains some information that is exempt from disclosure and some information that is not?

In that case, redact the exempt information before making the record available. A public body may not withhold entire records on the basis that some of the information they contain is exempt under the law.

## How should court administrators handle FOIA requests from relatives and ex-spouses who are using the information to track down people?

Openness is required even if staff disapproves of the reason for the request. A public body may not deny access to court or public records based on the possible motivation of those seeking the information. If it is a public or court record and not exempt from the FOIA or sealed under a proper court order, it must be made available for inspection and copying.

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*For copies of the presentation and information about joining MCAA, visit [www.masc.sc](http://www.masc.sc); keyword: MCAA.*





# Statutory Restrictions on **MUNICIPAL DEBT**

By Miriam Hair, executive director, Municipal Association  
and Lawrence E. Flynn, III, attorney, Pope Zeigler LLC

Cities and towns often need to borrow money to fund new projects or pay for infrastructure needs. However, unlike businesses, municipalities are strictly limited by the South Carolina Constitution and state law in how they can borrow money. As a result, municipalities cannot just go down to the local bank and borrow money secured by a note and mortgage on the financed asset. Instead, municipalities must comply with strict borrowing standards to ensure the validity of any indebtedness.

## **Types of Municipal Borrowing**

State law allows two primary options for municipalities to borrow money: general obligation bonds and revenue bonds. Additionally, municipalities are permitted to borrow money through specialized lease-purchase transactions and tax increment financing.

General obligation bonds are debt secured by the full-faith, credit and taxing power of the borrowing municipality. The money may be spent on any project that constitutes a “corporate

or public purpose.” Unless otherwise approved by referendum, a municipality may not borrow general obligation bonds whose principal amount exceeds 8 percent of the assessed value of all taxable property in the municipality.

For example, if the assessed value of the property is \$1,000,000 then the municipality is legally authorized to issue bonds in a principal amount not exceeding \$80,000. Before issuing any general obligation debt, the municipality should confer with its bond counsel to ensure the

compliance with state law. Importantly, under Act No. 388 of 2006, generally known as the “millage cap statute,” millage levied for general obligation bonds is exempted from the millage increase limitations (CPI and population growth) that otherwise apply to operational millage.

Before issuing the debt, the municipality should confer with the county auditor and bond counsel to confirm that it is properly calculating and borrowing within the 8 percent limit. To ensure the municipality is borrowing the money within the constraints of state law, the banker should ask the municipality to supply the enabling ordinance and a certified copy of the council minutes from the meeting where the borrowing was approved. Since a municipality is subject to the 8 percent debt limitation for



general obligation bonds, the municipality should also provide the banker with a statement (either in the ordinance or in a separate letter) stating the additional debt will not cause the municipality to exceed its 8 percent limit.

Revenue bonds are secured by the pledge of and lien upon the revenues of some enterprise system, most commonly a utility system. Unlike general obligation bonds, revenue bonds are not limited by any borrowing ceiling. Instead, the lending institution is tasked with the responsibility of analyzing the financing structure to determine whether the payments due and payable for the revenue bond, together with the costs of operating the system, can be covered under the revenues available to the enterprise system.

As a result, when revenue bonds are issued, certain restrictions and obligations are imposed on the operation and maintenance of the revenue-generating system. The municipality will be required to maintain user rates adequate to support the debt and keep the system operating and to divide all revenues into several designated funds.

Lease-purchase agreements provide another borrowing option for municipalities. Most lease-purchases of land, buildings and fixtures must be treated as general obligation debt under the 8 percent limit. Certain lease-purchase agreements, however, do not count against the debt limit. For example, vehicles and other equipment may be leased-purchased by the municipality.

Under this borrowing structure, the municipality uses operational taxes to make lease payments due on the financed asset. At the end of the lease term, the asset is transferred to the municipality for a nominal sum. Importantly, each lease-purchase agreement should include a “non-appropriation” clause that gives the municipality the right to terminate the agreement at the end of each fiscal year.

Assuming such fees have been properly authorized, another alternative for municipalities is debt secured by accommodations and hospitality fees. Under Act 304 of 2010, municipalities are allowed to pledge their local hospitality and accommodations fee revenues (similar to the revenue bonds discussed above) to the payment of debt service on bonds.

These funds are limited, however, in that the proceeds of these special source bonds must be spent on tourism-related expenditures as outlined in state law.

The last option is a tax increment financing. This type of debt is used to redevelop blighted areas. The municipality may issue tax increment financing bonds and use the proceeds to develop the blighted area. The principal and interest due on such bonds is payable from the additional tax revenues that come from the redevelopment. Property taxes collected in the redeveloped area over the amount of taxes collected before the development are paid to the municipality and used to retire the bonds.

Generally speaking, the borrowing structures summarized above are the only financing options available to municipalities. Any borrowing that does not fit within the scope of the one of these options or is not otherwise approved by a municipality’s bond counsel is likely of questionable legality and validity.

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The logo features a vertical line of black dots on the left side, with a black triangle pointing to the right at the bottom. To the right of the dots, the word "Hometown" is written in a large, red, cursive script. Below "Hometown", the words "NOVEMBER" and "HAPPENINGS" are stacked in a blue, sans-serif, all-caps font.

## Hometown NOVEMBER HAPPENINGS

**Veterans Day** – Always observed on November 11, Veterans Day is a time to honor servicemen and women who have served the United States military in peace and wartime. Host a parade to say thank you to all of your residents who serve or previously served in a branch of the armed forces. Urge residents to display American flags and yellow ribbons. Honor servicemen and women by passing a proclamation. Get more information about celebrating Veterans Day this year at [www1.va.gov/opa/vetsday](http://www1.va.gov/opa/vetsday).

**America Recycles Day** – Celebrated on November 15, this day is the only nationally recognized observance that encourages Americans to recycle and buy recycled products. Educate your residents about recycling efforts led by your hometown. Offer your residents a recycling pledge in their water or electricity bills or include it in your municipal newsletter and on your website. For more information on America Recycles Day and the recycling pledge, visit [www.americarecyclesday.org](http://www.americarecyclesday.org)

**Each month**, municipal officials have the opportunity to recognize national observances that will help them share the value of cities and towns with the community. Through each suggested national observance, municipal leaders can localize the observance and form partnerships with the local business community, the media, local non-profit organizations and policy makers.

**National Adoption Awareness Month** – Celebrated for more than 20 years, National Adoption Awareness Month brings awareness to the importance of adopting children currently in the foster care system. Pass a proclamation, work with a local adoption organization and educate residents on the importance of adoption. For more information, visit [www.adopting.org/adoptions/november-is-national-adoption-awareness-month-2.html](http://www.adopting.org/adoptions/november-is-national-adoption-awareness-month-2.html).

**National Diabetes Month** – November is the month designated to educate and bring awareness to diabetes and its negative effects on healthy living. Hold seminars for hometown employees and residents, partner with local health agencies and hospitals to host a health fair or offer free diabetes testing at city hall. For more information, visit [www.diabetes.org/communityprograms-and-localevents/americanidiabetesmonth.jsp](http://www.diabetes.org/communityprograms-and-localevents/americanidiabetesmonth.jsp).

*Let the Municipal Association know if you participate in a Hometown Happening. Call Casey Fields at 803.933.1256 or [cfields@masc.sc](mailto:cfields@masc.sc).*

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# events CALENDAR

## OCTOBER

### **6 SC Utility Billing Association Fall Meeting.**

SC Hospital Association, 1000 Center Point Circle, Columbia. Topics include legal issues surrounding termination of services; Freedom of Information Act requirements and landlord/tenant issues.

### **6 Municipal Association Regional Advocacy Meeting.**

Pee Dee Council of Governments region. City of Dillon Wellness Center, 1647 Commerce Dr., Dillon. See related story on page 7.

### **7 SC Community Development**

**Association Fall Meeting.** Newberry Firehouse Conference Center, 1227 McKibben St, Newberry. Topics include creative solutions to promote economic

development, economic development case studies and a first-hand look at Newberry's revitalization efforts.

### **7 SC Municipal Insurance Trust "Permit-Required Confined Space Training."**

Open to SCMIT members. Greer Commission of Public Works, 301 McCall St., Greer.

### **7 Municipal Association Regional Advocacy Meeting.**

Catawba Council of Governments region. Spratt Building Banquet Hall, Fort Mill. See related story on page 7.

**8 SC Municipal Managers/Administrators forum.** Clarion Town House, Columbia.

### **14 South Carolina Local Government Management Training.**

"Overview of Employment Law/Human Resource Management Issues and Working Effectively with Council." Embassy Suites, 200 Stoneridge Dr., Columbia. Designed for city and county managers/administrators new to the profession or to South Carolina.

### **14 SC Municipal Insurance Trust "Permit-Required Confined Space Training."**

Open to SCMIT members. 200 N 12th St., West Columbia.

### **21 Municipal Association Regional Advocacy Meeting.**

Santee-Lynches Council of Governments region. City of Manning Town Hall, 42 W Boyce St., Manning. See related story on page 7.