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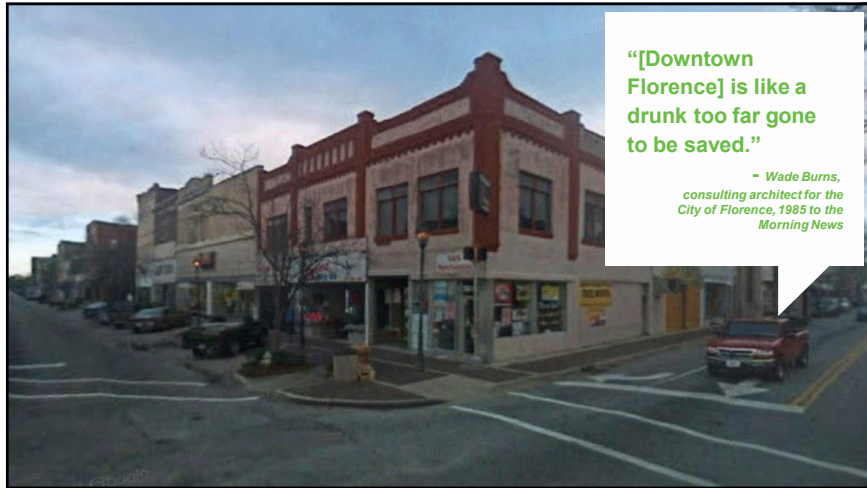
**Downtown Florence, SC**

Local Reinvestment Strategies on Main Street

### Downtown Florence Overview



- » Population: 39,899
- » Program established in 2002
- » Hybrid/Quasi Public – Municipality and 501c3 partnership
- » \$831,000 including salaries
- » \$240,000 annually budgeted for incentives
- » Since 2010, \$444.6M in redevelopment
- » \$9:\$1 public to private reinvestment ratio in 2025
- » 112 building rehab projects
- » 9 Tax credit projects
- » 1 LIHTC project
- » TIF Distict



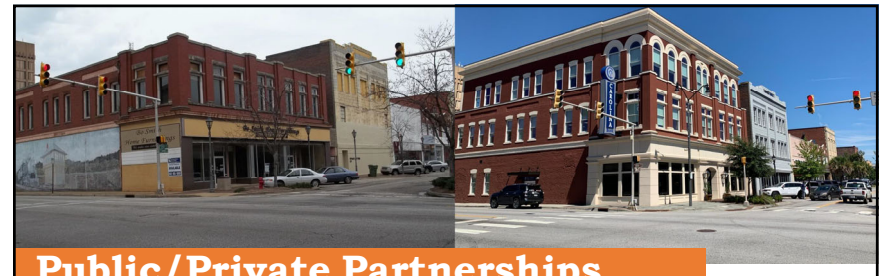
### Investment Powered by Locals

- » Local Florentines identified Downtown Revitalization as a priority in 2002 after losing a major industrial prospect due to existing downtown conditions
- » Successful local businesspeople made targeted and risky investments (at the time) downtown
- » Local institutions and foundations made a concerted effort to bring cultural and public amenities downtown, laying the groundwork for catalyst private development to occur.



## Gaps Filled by Main Street

- » Florence Downtown Development Corp. and volunteer committees laid additional foundations by establishing a National Register Historic District, creating a building inventory, creating engagement opportunities, promoting opportunities for investment, and encouraging public space enhancements
- » Over time as the program has evolved with professional staff, robust programs, services, and community events have been added to encourage critical mass needed to further redevelopment
- » The Downtown Florence Main Street Program offers robust small business technical assistance from idea to open, consults with developers, provides historic preservation education, and is the district's resource connector.



## Public/Private Partnerships

- » Another key to success has been direct local government intervention through establishment of the Main Street Program, targeted reimbursement grant funding, property acquisition, and establishment of a TIF district which funds public improvement projects within the downtown district (streetscapes, plaza spaces, parking enhancements).
- » Many of the large projects completed to-date have had some element of public/private partnership leading to a safer bet for investors and higher confidence from lenders.

## Loan Pool Programs



- » **MELP (Micro-enterprise Loan Program)**
  - » Program started in 2002 with a sub-grant of CDBG funds from the City of Florence to establish a micro-loan pool for small businesses
  - » All businesses within our Redevelopment District are eligible to apply
  - » Wholly managed by Florence Downtown Development Corp. and its Loan Committee
  - » Loans are designed to offer entrepreneurs a vehicle to borrow money at below market rates, but the program is not a high-risk loan fund
  - » Loans are made by a local partnering bank and are guaranteed by FDCC through the purchase of a CD
  - » Eligible fund uses include operating expenses, inventory, building rehab, and FF&E
  - » Maximum MELP loan is \$25,000
  - » Loan term is 5 years, and the loans are collateralized
  - » 8 loans made

## Loan Pool Programs



- » **Low Interest Loan Pool**
  - » Fund originally created by USDA Rural Development Business Enterprise Grant in 2009
  - » Program is a partnership between FDCC and local participating banks
  - » Eligible uses include property acquisition and/or renovation/rehab of historic district property
  - » Maximum loan amount is \$250,000
  - » Loan term is 15 years
  - » Up to 80% of a project's cost or appraised value will come from the loan pool; 40%, not exceeding \$100,000 comes from FDCC, 40% comes from a participating bank that provides loan funding at 1% under prime with a floor of 4%. The borrower puts 20% into the deal.
  - » 7 loans made since 2009

## Main Street Grant Programs

Redevelopment Grant Program

### Façade Grant

- » Established in 2013
- » Funded by Hospitality Tax
- » Maximum Award Amount is \$10,000 per historic building
- » Program requires at \$1:\$1 match
- » Since 2013, \$462,444 has been awarded, resulting in over \$1M of façade improvements

### Historic Building Maintenance Grant

- » Established 2015
- » Funded by water/sewer utility revenue
- » Reimburses up to \$30,000 for roof replacement on contributing historic buildings

### Tenant Up-fit Grant

- » Established 2015
- » Funded by water/sewer utility revenue
- » Reimburses up to \$30,000 for qualifying permanent interior improvements/rehabs

### Rent Subsidy Grant

- » Established in 2015
- » Funded by water/sewer utility revenue
- » Reimburses ½ rent payment up to \$30,000 over two years for qualifying tenants
- » Tenants must be graduates of downtown business incubator

To date, over \$5.1M in Redevelopment Grants have been awarded within our Main Street District, leading to over \$133M in historic building improvements district-wide.

## Main Street Grant Programs

### Utility Incentives

- » Established in 2015
- » Funded by water/sewer utility revenue
- » Reimburses up to \$25,000 of water, sanity sewer, or storm sewer connection up to property (City side)
- » Incentive also offers a 50% reduction in initial water/sewer connection fees to historic building rehab projects in which the rehab is 30%+ of the value of the rehabbed building

### Conditional Grant Agreement

- » Established in 2011
- » Funded by water/sewer utility revenue
- » Project must be at least \$500K to trigger eligibility
- » Grant award is based on cost/benefit analysis for the City
- » Typically used for major mixed-use projects, housing, hotel, and Class A office

City of Florence, SC Cost Benefit Analysis		A	B	C	D	E	F	G
PROJECT NAME								
SUMMARY DATE								
COSTS								
1				\$0				
2				\$0				
3				\$0				
4				\$0				
5				\$0				
6				\$0				
7				\$0				
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100				\$0				

## Entrepreneurial Ecosystems



- » Main Street America defines an entrepreneurial ecosystem as the strategic alignment of public and private efforts to provide necessary financial, social, and human capital to foster entrepreneurship in innovative and creative ways.
- » Robust support programs and partnerships
  - » Downtown Incubator run by local university
  - » Chamber of Commerce and SCORE
  - » Palmetto Propeller Legal Assistance Program
  - » Main Street America Small Business Hub
- » Streamlined local government processes
  - » Weekly development review meetings
  - » Consolidated business-friendly location
- » District-wide promotions
  - » Annual shop local campaigns paid for by Main Street Program
  - » Special events and programs
- » Business License Credit
  - » \$300 credit for locating inside the Historic District
- » Sign and Design Grant Program
  - » Reimburses \$500 of architectural fees and signage



**THE HARTFORD**  
*Downtown Retail Accelerator Space*  
**OPENING SUMMER 2026**



### Readiness Factors

**Community Assets**  
 Locals with Skills + Capital  
 Visionary Leadership  
 Shared Downtown Vision  
 Established Partnerships

**Local Gov't + Civic Structure**  
 Process Support  
 Policy Support  
 Fiscal Support  
 Main Street Program

**Economic Ecosystem**  
 Pioneer Small-scale Investments  
 Local Foundation + Education  
 Catalyst Projects  
 Data-Informed

**Built Infrastructure**  
 TIF for Public Improvements  
 Penny Sales Tax (Roads)  
 Utility Partnerships  
 Robust Local Banking

**Natural Environment**  
 Burgeoning Trail System

### Catalytic Capital

**Gap Project Funding**  
Conditional Grant Agreement #1 - July 2011  
 \$425,000 over two fiscal years  
 Matching funding required (\$5.6M)  
Conditional Grant Agreement #2 - Nov. 2011  
 Annual tax rebate of 85% net property tax  
 paid after credits for 7 years after project  
 delivery

**Water/Sewer Upgrade**  
 Reduced tap fees by 50%  
 One-time utility upgrade incentive of \$25,000

### Investment Capital

**Florence Hospitality, LLC**  
 \$5,600,000  
 Carolina Bank Construction Loan  
 Cash on Hand from Investors

**Hotel Florence & Victors Restaurant, 2013**  
 Opened in 2013  
 Pursued SC Abandoned Bldg. Tax Credit | State and Federal Tax Credits  
 Total Project Cost: \$6M




## Hotel Florence Key Players

### Hotel Florence Developer Team

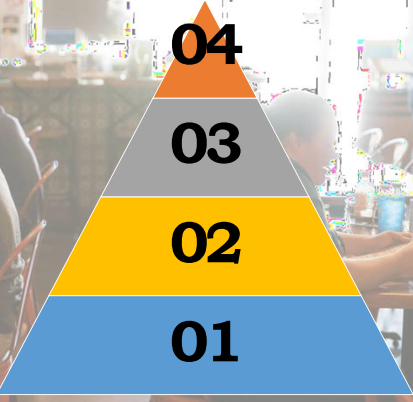
- **C. Scott**
  - **Framer**
  - **Primary Contact**
  - **Developer**
- **T. Norwood**
  - **Spotter**
  - **Developer**
  - **Engager**
- **Raines Co.**
  - **Developer**
- **B. Zeigler**
  - **Developer**
  - **Framer**
- **R. Key**
  - **Developer**

### Other Stakeholders

- City of Florence
- Florence Downtown Development Corp.
- Francis Marion University
- Florence Symphony
- Greater Florence Chamber of Commerce
- McLeod Hospital
- Florence Museum



**KING JEFE**  
TACO BAR



- 04 – Equity**
  - Building Owner - \$25K
  - Downcountry Dining Group - \$50K
- 03 – Senior Debt**
  - Local Bank Loan \$125K
    - Terms – 6 months interest only during construction; 84 months of principal + interest payments (2%)
- 02 – Subordinate Debt**
  - FDDC Low Interest Loan (2%) \$100K
- 01 – Grant Funding**
  - City of Florence Redevelopment Grant \$30K
  - City of Florence Façade Grant \$10K
  - City of Florence Sign + Design Grants \$1K






Through your contributions, our nuMarket campaign raised

# \$15,355

from 50 contributors  
88 contributions over our Cru Exclusive Wine Tasting threshold

This campaign wasn't just about raising funds to help grow Cru, it was about growing our community and our love for pizza in so many unexpected ways. We can't wait to grow Downtown's favorite little wine bar and deliver even more of the best pizza on West Evans Street.

## Downtown Florence Master Planning History

### 2001

#### Visions 2010 Plan

- » Called for the formation of the Downtown Main Street Program
- » 7 Catalyst projects
- » Streetscapes and design standards

### 2011

#### 2010 Downtown Plan

- » Reexamined incomplete work from 2001 plan
- » Policy Initiatives
  - » Maintenance and Appearance Codes
  - » Incentive Programs
- » Outlined programmatic, planning, and capital improvement goals in a thorough and time-bound implementation plan
- » Emphasized public private partnership development

### 2017

#### Master Plan Update

- » Built on principles of progress outlined by Comprehensive Plan
- » Responded to accomplishments from 2011 plan
- » Began addressing key corridor improvements
- » Introduced housing development goals
- » Called for food district catalyst projects and plans

### 2022

#### Downtown 2030

- » Prioritizes housing and corridor enhancements
- » Emphasizes connectedness
- » Advanced entrepreneurial support programming
- » Engagement of key market demographics
- » Density and district expansion
- » Node identities with complementary uses

## Downtown Florence Main Street Program Incremental Achievement



### 2002-2008

#### Foundations

- » FDDC Formed
- » Historic District Designation
- » Design enhancements
- » Public Input
- » Inventories
- » Strategic Planning
- » Dedicated staff hired
- » Main Street Training
- » Main Street Accreditation, 2008

### 2009-2015

#### Capacity Building

- » Downtown Master Plan, 2010
- » Key policies and ordinances adopted
- » Catalyst projects
- » Public/Private Partnerships
- » Incentive programs implemented
- » Shifting perceptions

### 2016-2022

#### Crane Years

- x Redevelopment projects
- x Public enhancements
- x Return to state network in 2018
- x Advanced small biz support programming COVID-19
- x Event and program evolution
- x Main Street Accreditation, 2021

### 2023+

#### Next Gen

- » Downtown 2030 Master Plan
- » Great American Main Street Award
- » Program shift to focus on housing and corridors
- » District expansion
- » Main Street Accreditation Pilot, 2023

