



UPTOWN

a publication of the municipal association of south carolina

2021 Legislative Session Wraps Up

The first year of South Carolina’s 124th General Assembly brought legislative action on many issues important to cities and towns, with lawmakers carrying over some important bills to the second half of the two-year cycle in 2022. The session ended on May 13. Legislators plan to return to the State House in June to complete work on the state budget.



Advocacy Initiatives

The Municipal Association’s Advocacy Initiatives for cities and towns during this session cover everything from enclave annexation to broadband, tax credits for economic development and benefits for firefighters. Several of these initiatives were addressed in 2021 either by passage of legislation, the state budget or work with stakeholders.

The Municipal Association’s 2021 – 2022 Advocacy Initiatives include these issues:

- **Broadband expansion:** Amend the newly adopted broadband expansion law to allow cities and towns to not only lay fiber, but also light the fiber or partner with a third party to light it.
- **Enclave annexation:** Allow cities and towns to close doughnut holes, or enclaves, in their municipal limits through a local annexation process.
- **Law enforcement reform:** Support reform measures to aspects of law enforcement training and duties.

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- **Code enforcement:** Require code enforcement liens be billed and collected similar to property taxes.
- **Abandoned buildings tax credits:** Extend the current abandoned buildings tax credit until 2026 to allow for additional local economic development incentives.
- **Local Government Fund:** Support the Local Government Fund to be funded in accordance with current law.
- **Firefighter Healthcare Benefit Plan:** Support money to be included in the state budget to fund the Firefighter Healthcare Benefit Plan.
- **PTSD funding:** Support money to be included in the state budget to fund the Post Traumatic Stress Disorder treatment programs for first responders.
- **Zero millage:** Allow cities and towns with no property tax millage to impose a millage with certain limitations.
- **Municipal Capital Projects Penny:** Create a Municipal Capital Projects penny tax for municipal residents to approve for capital projects within the city limits.
- **Expansion of naloxone:** Expand the availability of naloxone, the medication used to revive individuals suffering from drug overdoses, to fire and emergency medical services first responders.
- **Textiles Communities Revitalization Act:** Amend the Textiles Communities Revitalization Act to include as one site those parts of abandoned mill properties that are separated by way of an intervening connector such as a railroad or waterway.

Legislative action

Several Advocacy Initiatives saw action this session, while others are still on the table for 2022.

Municipal elected officials worked to extend the Abandoned Buildings Revitalization Tax Credit, S271, until 2025. The

current tax credit law would have ended in December 2021 unless the General Assembly passed the legislation to extend it. Included in S271 is new language that adds “roads and railroad rights of way” as intervening connectors defined by the law. This bill was signed into law by Gov. Henry McMaster and became effective on April 26. Learn more about how the tax credit works in action in the March 2021 *Uptown* article “Redeveloping With Abandoned Buildings” at www.masc.sc (keyword: Uptown).

The state budget included several 2021 Advocacy Initiatives. Both the House and Senate versions of the budget include full funding of the Local Government Fund, funding of the Firefighter Healthcare Benefit Plan and PTSD funding for first responders. At the time of publication, the state budget was still in a conference committee, with this funding included in both versions of the budget.

Municipal Association staff worked with stakeholders and private companies to expand the availability of naloxone and bring lower costs for firefighters to purchase the life-saving drug.

A bill that allows cities to adopt a millage when they do not have one, one that allows cities to annex enclaves within municipal boundaries, and one that offers reforms for some law enforcement practices have all been introduced and are in committees to be vetted by legislators.

The Association’s legislative staff is discussing other issues impacting cities and towns with stakeholders, and writing bill language to accomplish the remaining advocacy initiatives for cities and towns.

While the Association has seen positive legislative action on many of the 2021 Advocacy Initiatives, staff has pursued further work to help stop, amend or negotiate bills to prevent harmful effects for cities and towns.

Look for a more detailed overview of the legislative session in the 2021 annual legislative report, which will be available at the Municipal Association’s Annual Meeting in July and online. Also, check out the list of dates and locations for the Municipal Association’s upcoming Regional Advocacy Meetings at www.masc.sc (keyword: Regional Advocacy Meetings).

Act 176 and Third-Party Collection Companies

Act 176, the SC Business License Tax Standardization Act, requires every local government with a business license tax to administer the tax in the same way across the state starting January 1, 2022. Compliance with the new law requires cities and towns to make several adjustments to their existing business license ordinances, schedules and practices.

The law also establishes rules and restrictions for third-party collection companies that identify businesses delinquent in paying their business license taxes and that also assist municipalities in collecting those taxes. Here are some basics under the new law:

Identifying businesses that owe a business license tax

Before a third-party company can begin work for a city, the city and the company must have a written contract in place.

Once contracted, the company may search for and identify businesses that are operating without a business license. The company may contact those businesses to notify them that they owe the business license tax, and the company may provide the city's license application relevant contact information to the businesses.

After that initial contact, businesses may notify either the city or the third-party company in writing that the company may not contact that business again. When this occurs, Act 176 specifies that only the city may contact the business about the unpaid tax — not the third-party company.

Collection of delinquent business license taxes

The new law allows a third-party company to help a city collect business license taxes under these circumstances:

- the city has assessed on the delinquent business the license tax amount that is due, and
- the business has not appealed the assessment.

The third-party companies may be paid by the city based on a percentage of delinquent taxes that they help the city collect. An opinion issued by the South Carolina Attorney General on October 13, 2020, about Act 176 concluded that taxing jurisdictions can only engage third-party companies on a contingency fee basis for debt collection services for unpaid business license taxes — not for identifying businesses without a business license.

More information

Act 176 has created steps that every city and town with a business license tax needs to take in 2021, no matter what business license actions they have taken in recent years. The Municipal Association is available to assist anyone that needs help in complying with this process.

The standardization webpage found at www.masc.sc (keyword: standardization), explains the seven action steps, including converting to the standard license year, managing business license data and rebalancing rates, using the standard class schedule, adopting the model ordinance, and setting up an account for the online business licensing portal.

Each city and town with business licenses has designated Municipal Association staff members to serve as standardization liaisons. The liaisons' contact information is available on the webpage. The page also offers a collection of articles and podcasts to help local officials better understand the standardization process.

NEWS BRIEFS

The **City of Newberry Police Department** was reaccredited by the SC Police Accreditation Coalition in March. The SC Law Enforcement Association Accreditation Program is a voluntary effort to promote professional improvement among law enforcement agencies in ways that meet community needs and reflect professional law enforcement practices.

The **City of Greer's** new Class 1 rating for its fire protection services, issued by the Insurance Service Office, took effect in May. The rating is the highest possible for fire services, and can allow for reductions in the area's insurance rates.

The **City of Newberry, Greer Commission of Public Works, Gaffney Board of Public Works** and **Laurens Commission of Public Works** were among 129 public utilities to be recognized with the American Public Power Association's Safety Award of Excellence for safe operating practices in 2020.

Sherron Skipper, city clerk for the City of Hartsville, received the SC Municipal Finance Officers, Clerks and Treasurers Association Professional Achievement Award at the MFOCTA Spring Meeting. The award recognizes dedicated service to municipal government.



THIS ACCOUNT IS
NOW OVERDUE

Annual Meeting to Explore Community Development

Once the creator of a digital marketing agency, Andrew Davis now teaches business communities how to grow and transform their hometowns.



Andrew Davis will speak July 23 during the Annual Meeting.

Davis is the author of *Town, Inc.*, a book that delves into the issues of how communities market themselves.

Davis will address the concepts of community promotion in his keynote address during the Municipal Association of SC Annual Meeting, taking place

July 22 – 24 on Hilton Head Island.

The ideas presented in *Town, Inc.* emerged from Davis visiting dozens of cities and towns, leading him to the conclusion that the communities enjoying the most development are the ones that understand what makes them uniquely attractive to the people and businesses who locate within them. When these places understand their assets, make the best possible use of online communication, and connect with the passions of a niche group of people, they can succeed even when they are not widely known.

Taking a look at how companies feel about their locations, Davis said that most company websites do not discuss why they are located where they are. His research, however, has shown that the communities that are the most successful in expanding their economies are the ones where a large number of local businesses use the “About Us” page of their website to describe why they chose to locate in that city.

“If you can get people to market the town for you, it attracts the innovators and the dreamers, and those are people that you really need to keep an economy going,” he said.

Other 2021 Annual Meeting sessions

The Annual Meeting’s speakers and panel sessions will delve into numerous topics critical to cities and towns. Here are some of the agenda items:

- **Hope Inspires Action: Leading Positive Community Change** – Dr. Dave Ivan, a Michigan State University researcher who studies community change, will speak on using the concept of hope when developing a vision for positive community change.
- **Don’t Become a Headline: How to Comply With the State Ethics Act** – Learn about the annual reporting requirements of the SC Ethics Commission.
- **Building Trust Through Open Communication** – Before cities face crises, they need to have a plan for who will speak to the media and how they will develop a message. An effective communication plan is necessary during and after a crisis to help reduce liability, protect residents and maintain public trust.
- **Update on Legislative Session and Business Licensing** – Association staff will discuss the action from the General Assembly’s 2021 legislative session, as well as the business license standardization work that cities and towns must

complete before January 1, 2022, to comply with Act 176.

- **Attracting the Remote Workforce Post-Pandemic** – The COVID-19 pandemic demonstrated that employees can work effectively without coming into the office. This session will discuss strategies for making a city appealing for high-earning remote workers.
- **American Rescue Plan: ARP From A to Z** – Learn about the eligible uses of American Recovery Plan funds, and how cities need to plan projects with the greatest impact.
- **Broadband Is No Longer a Luxury – It’s a Necessity** – Broadband access has become a critical service for businesses and residents alike. This session will address South Carolina’s plan to expand broadband into underserved areas, and how municipalities like the City of Newberry are working to make affordable high-speed broadband services available.
- **Between the Lines: Redistricting and Your Budget** – Learn about how delays in the 2020 Census data may affect municipal elections, and what cities and towns can plan for redistricting.

Find more details and agenda information about the Annual Meeting at www.masc.sc (keyword: Annual Meeting). All hotel reservations must be complete by June 18 and all registrations must be complete by July 12.

Association Highlight

City Quick Connect Podcast

The Municipal Association of South Carolina's *City Quick Connect* podcast offers short discussions from Association staff on many of the areas and issues touched by the Association — legislation, risk management, economic development and training opportunities, among others.

During the legislative session, the podcast includes episodes providing the legislative action

updates available through the *From the Dome to Your Home* reports, plus insights from the advocacy team about late-breaking activity at the General Assembly and opportunities for local leaders to engage in the process.

Find current and past episodes online at www.masc.sc (keyword: podcast) or through iTunes and Google Play.



Test yourself monthly quiz

True or False:

Long-term borrowing is justified for the purpose of acquiring, constructing, replacing or repairing buildings and other facilities that cities and towns use to provide local government programs and services.

Answer: True.

These facilities — including parks, police and fire stations, water and sewer infrastructure, and recreation facilities — have a relatively long life. Other expenditures for relatively short-term or recurring purposes, such as operational expenses and staff salaries, are generally not funded through long-term borrowing measures.

The Municipal Elected Officials Institute of Government offers online courses. In-person classes will resume when COVID-19 activity drops to safe levels. To register for the online courses, participants should go to the Municipal Association's website at www.masc.sc and log in with their user identification number and password.





Annexing With the 75% Petition Method

This article is the third in a series on the three methods of annexation allowed in South Carolina law. Find the previous installments in the April and May 2021 Uptown at www.masc.sc (keyword: Uptown).

The 75% freeholder petition and ordinance method for annexation in South Carolina, as described by SC Code Section 5-3-150(1), begins with a petition signed by property owners from the area that is contiguous to the existing municipal boundaries and that is proposed for annexation. The 75% petition method requires that the petitioners include at least 75% of the freeholders in the area who own at least 75% of the assessed property value in the area.

A 75% petition form can be found in the Municipal Association's *Annexation Handbook*, found at www.masc.sc (keyword: annexation). The form features information that must be on the petition before signatures are collected including

- A statement of the section of law — SC Code Section 5-3-150(1) under which the petitioners are seeking annexation.
- A date for the beginning of the process of seeking signatures. Petition organizers must date the petition before the first property owner signs it, and they must gather all necessary petitions within six months of that date.

- A description and plat of the area to be annexed. The sample form recommends including the county tax map numbers as well, although this is not required.

Petition organizers must make the petition and its signatures available for public inspection at any time. Various stakeholders can sue to challenge the annexation, including the municipal government itself, any resident of the municipality, or any resident or property owner of the area to be annexed.

The 75% method requires a public hearing by the city or town council. The municipality must provide notice of the hearing — including a projected timetable for the city or town to provide or assume services in the area — at least 30 days in advance through several channels:

- a newspaper of general circulation in the community,
- the municipality's bulletin board,
- written notification to all taxpayers of record of properties in the proposed area, and
- notification to the county's chief administrative officer, all public service or special purpose districts,

and all affected fire departments, including volunteer fire departments.

The public hearing must include a map and complete legal description of the area to be annexed as well as an indication of the public services to be provided and the taxes and fees to be charged of the property owners. When annexing the property, the council must adopt an ordinance using the petition's description of the property. The *Annexation Handbook* features a sample annexation ordinance.

For all annexations, state law requires municipalities to notify four entities: the Secretary of State, the SC Department of Transportation, SC Department of Public Safety, and the SC Revenue and Fiscal Affairs Office, which uses the information to draw lines for election districts and to determine Local Government Fund disbursements.

The next issue of Uptown will explore the rules and processes of the 25% elector petition and election method, the only method of the three involving a vote taken among the qualified electors residing in the area proposed for annexation.

Selling and Leasing Municipal Property

When a municipality owns a property, can it sell or lease it? If so, what restrictions apply?

Different rules apply to real property and to personal property. Real property includes items like land, buildings and permanent improvements. Personal property is anything that is readily movable like vehicles, furniture and equipment.

SC Code Section 5-7-40 allows a municipality to sell or lease real property by ordinance and personal property by resolution. Likewise, SC Code Section 5-7-260, which lists actions that must be taken by ordinance, includes selling or leasing any land of the municipality. While a municipality may use a resolution to buy, sell or lease personal property, it must use an ordinance to sell or lease real property.

Competitive bids

State law requires that local governments adopt rules “embodying sound principles of appropriately competitive procurement” under SC Code Section 11-35-5320. It is this code section that generally requires municipalities to advertise for and receive bids or proposals before buying goods or services. Procurement requirements do not ordinarily apply to selling property, however.

Beyond these provisions in state law, local procurement rules may impose other requirements. The word “lease” is ambiguous. In a permanent transfer, the owner sells the property to a third party, who buys it. But in a rental, the owner leases the property to a third-party tenant, who leases the property from the owner, so the word “lease” refers to the actions of both the landlord and the tenant. If the local procurement rules apply to leasing property, they might be read to apply to leases in which the municipality is the landlord.

The Attorney General’s office applied this reading in an opinion issued January



14, 2011, concerning a municipality seeking to lease property it owned. Because the applicable procurement rules applied to “buying, purchasing, renting, [or] leasing property,” the Attorney General concluded that the municipality was required to seek bids. Municipalities can avoid this ambiguity by clarifying their procurement rules to apply only to acquisitions of property. In other words, they apply when the municipality leases property as a tenant, but not as a landlord.

Valuation

Even if bids are not required, what value must a municipality receive for its property? In general, the municipality must receive “fair market value” when disposing of property. This value may be established through competitive bidding, an appraisal, the municipality’s investment or other methods. The municipality should document the means used to establish the value of the property.

The municipality may consider nonmonetary issues when determining

value. If the proposed use of the property will serve a public purpose, the municipality can reduce the monetary payment. For example, if the property in question is to be used for an economic development project, the municipality could consider job creation, local investment and other factors beyond the price paid. The municipality should document its determination of the value received: both the public purpose to be served and the value assigned to that purpose.

Rules to follow

There are several key takeaways for selling and leasing property. A municipality may sell or lease real property by ordinance and personal property by resolution. Although state law does not require public bidding before the municipality sells or leases property as landlord, local procurement procedures may require this. Municipalities must receive fair market value for property it sells or leases, but that value may include nonmonetary components.

Insulating Employees From Electric Shocks



Even when a city or town does not operate a municipal power system, its employees can find themselves working on electrical systems at municipal facilities. Although electrical injuries are rare, they can create substantial and even fatal injuries. The Electrical Safety Foundation International counted 166 electrical fatalities in the workplace nationwide in 2019, as well as 1,900 injuries. For electrical injuries, utility work is second only to construction work.

Even employees who are not assigned to electrical work can be exposed to electrical hazards. They should understand the basics of electricity traveling through potentially conductive materials, including water or wet items. The human body is also conductive, and when it is in contact with an electrical circuit, it can receive an electric shock. The severity of the shock depends on everything from the amount of current, its path, the length of electrical contact and the current's frequency. Shocks can create everything from a faint tingling sensation to severe burns, cardiac arrest and death.

The Occupational Safety and Health Administration offers several basic rules of electrical safety for workers:

- Employees should work under the assumption that all overhead wires are energized at lethal voltages and stay at least 10 feet away from them, even when the lines are down or appear to be insulated. When working at an elevated height and handling long objects, workers should check for overhead power lines posing a risk of direct

Electrical safety resources

The OSHA website, www.osha.gov, features numerous resources to help employers with electrical safety:

- OSHA Quick Card: *Electrical Safety*
- OSHA Publication 3075: *Controlling Electrical Hazards*
- OSHA Publication 3861: *Electricity and Tree Care Work: A Deadly Combination*
- *Work Hazards and Safety Practices in the Electric Power Industry*
- OSHA Fact Sheet: *Working Safely With Electricity*

contact, contact through the object they are holding or an electrical arc. Be aware that there are also electrical lines buried in the ground and need to be identified before digging in the area occurs.

- If an overhead wire falls and touches a vehicle while driving, the driver should remain inside the vehicle and drive away from the line. If the vehicle stalls, do not exit the vehicle. Warn others from touching the vehicle or the wire and contact emergency services.
- Never use electrical equipment while standing in water. When using electrical equipment in damp conditions, check the equipment and its cords for any damage to

the outer insulation and ground pin, and use a ground-fault circuit interrupter. Electrical equipment that has become wet should be removed from service until it can be inspected by a qualified electrician.

- Only authorized and qualified employees should repair electrical cords and other equipment. According to OSHA Standard 1910.399, a qualified worker is one who “has received training in and has demonstrated skills and knowledge in the construction and operation of electric equipment and installations and the hazards involved.” The standard also notes that a person might be qualified for some equipment and not for other equipment.
- Accidental release of electrical energy is one of the hazards that lockout/tagout procedures are designed to help prevent. Before maintaining electrical equipment, workers should disconnect electrical sources from the equipment, lock and/or tag the machine's switch or controls to indicate that the device is out of service.
- Employees should always wear nonsynthetic material, such as a cotton, long-sleeved shirt as well as leather gloves while resetting a breaker. Always stand to the side while resetting the breaker. If the breaker trips again, have a qualified electrician look for the cause of the breaker tripping.

Avoiding Sprains and Strains

The injuries sustained when lifting, pulling, throwing or twisting are some of the most commonly experienced workers' compensation claims, with the SC Municipal Insurance Trust counting about 190 sprain and strain claims each year, totaling about \$3 million in costs. Strains are small tears to muscles or tendons, while sprains are tears or overstretching of ligaments, often caused by awkward positioning of the body or instability, such as rolling an ankle.

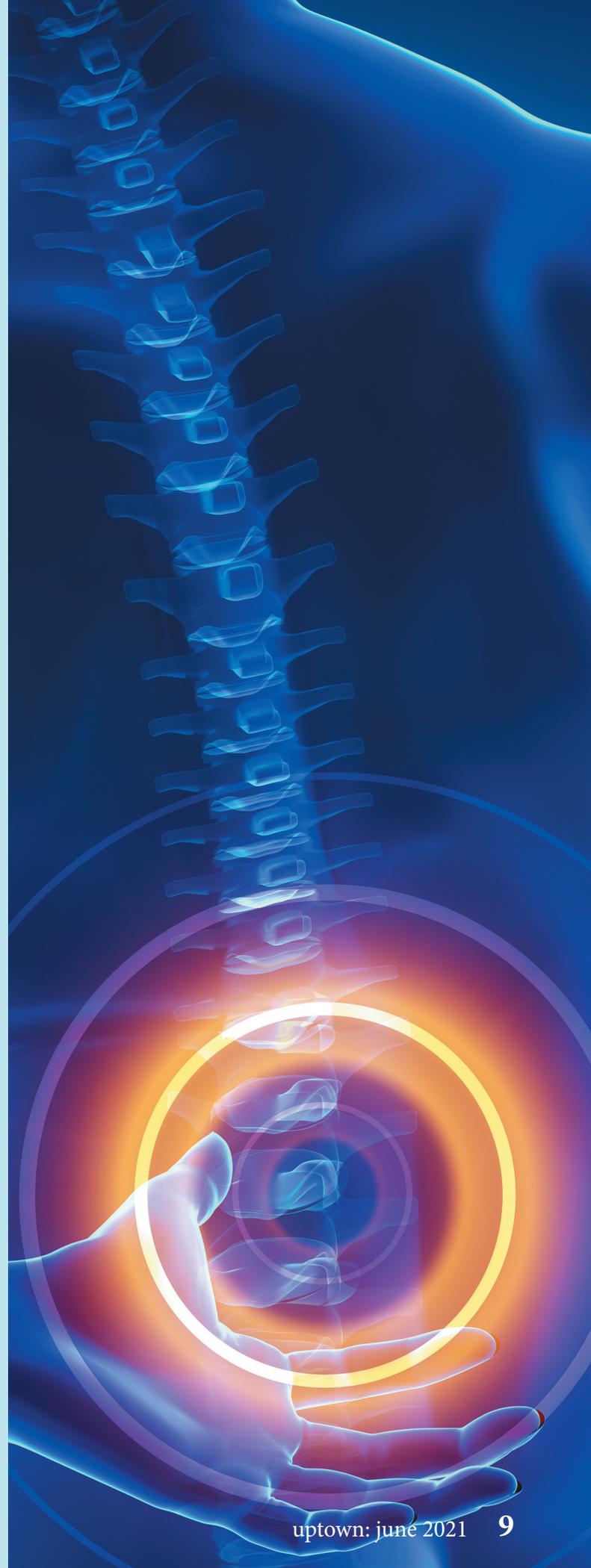
These commonplace injuries can be prevented when employees remain aware of the dangers involved and how to guard against them. For many types of on-the-job injuries, situational awareness is key. It can take many forms: avoiding distractions like cell phones, or watching out for potentially unsafe scenarios. In the case of sprains and strains, there are some common risk factors:

- **Applying large amounts of force** – pushing, pulling or lifting more than 25 pounds can increase muscle fatigue and increase the likelihood of a sprain.
- **Using poor posture** – rigid, slumped or slouched postures can create too much force on muscles and joints.
- **Repetitive tasks** – these can compound other sprain and strain risk factors.
- **Lack of training or poor lifting techniques** – improper lifting, lifting excessive weight or not seeking assistance for awkward or heavy items can also increase the danger of injury.

Employers should periodically provide training on correct lifting techniques. For example, workers can help reduce the likelihood of an injury by warming up before lifting, planning out the route they will use to carry the load, and testing both their grip and their ability to hold onto the weight. They should lift using their legs, avoiding bending and keeping their back straight. They should hold the weight close to their chest, since extending a heavy object away from their body increases the load on their spine. Employers should also require a team of two employees to lift weights greater than 50 pounds.

Some additional precautions that employers should take include vetting job candidates before hiring them to ensure they will be able to lift the weight ordinarily required in the job. They should also conduct job hazard assessments to determine which job duties may be causing frequent sprains and strains to determine what safety precautions or equipment could help.

The SC Municipal Insurance Trust and SC Municipal Insurance and Risk Financing Fund offer numerous risk management online training courses through LocalGovU, including the course "Workers' Compensation: Sprain and Strain Injury Prevention. Learn more at www.masc.sc (keyword: LocalGovU.)





Be Ready for Lightning STRIKES

Summer is the peak time for thunderstorms, and when lightning strikes, it can do so with incredible force. The National Severe Storms Laboratory of the National Oceanic and Atmospheric Administration notes that a bolt of lightning can have anywhere from 100 million to 1 billion volts, and it can heat the air to anywhere from 18,000 to 60,000 degrees Fahrenheit.

One key element to lightning safety is monitoring the danger of storms to help protect employees working outdoors, so it is important to understand the outlooks predicted by the National Weather Service. Workers and employers should be aware of weather forecasts, and employers should train their workers on severe weather plans, and keep emergency supplies, including a battery-operated weather radio, available.

The National Weather Service Storm Prediction Center uses this terminology to communicate the outlook of severe weather:

- **Category 1, marginal risk**, indicates isolated severe thunderstorms are possible. This outlook is common and occurs throughout the year.
- **Category 2, slight risk**, indicates that a threat exists for short-lived, isolated severe storms. This outlook is common during warmer, summer months.
- **Category 3, enhanced risk**, indicates persistent and widespread storms are likely. Severe storms are

expected to be widespread and of varying intensities.

- **Category 4, moderate risk**, indicates that widespread severe thunderstorms are likely. Numerous tornadoes and thunderstorms are likely. This outlook is less common and is only issued a few times per year.
- **Category 5, high risk**, indicates widespread severe thunderstorms are expected. The potential for severe and life-threatening weather, including strong or violent tornadoes, some of which may be long-lived and particularly intense, are included in this outlook. This type of alert is very uncommon and occurs a few times per year.

Lightning poses risks of injury or death, and causes property damage as well. Since 2015, the SC Municipal Insurance and Risk Financing Fund, the Municipal Association of South Carolina's property and casualty insurance program, has received more than 147 lightning property claims with a total cost of \$1.1 million.

"Cities and towns should assess the possibility of property damage from lightning, particularly for important infrastructure items such as water and wastewater controls, and develop backup plans in the event of damage," Heather Ricard, the Municipal Association's director of risk management services, said.

The vulnerability of property to lightning strikes goes beyond the potential of a

direct hit. The field of static electricity that surrounds lightning can damage nearby electronic circuitry and memory devices — items like computer or phone systems, security systems, or the communications and telemetry equipment attached to water towers. Lightning can strike a water tower directly, but its electrical energy can also enter the tower through connected lines.

Municipal risk management assessments for city-owned properties should determine what backups are available for any piece of equipment in case of a strike. They can also mitigate the risk of lightning by making sure that all property is properly grounded, and that no grounding has been disconnected as a result of maintenance work.

Lightning strikes can cause fire or water damage to buildings, and some disaster recovery companies specialize in these kinds of damages. They typically provide measures to stop the spread of damage and begin making repairs. In other instances, damage may be too great for a property to be repaired and capable of being occupied again. In those cases, emergency response companies can provide for needs like temporary electric power, or temporary replacements for phones and computers. All cities and towns should identify potential recovery service providers before they are needed.

For more information about the South Carolina Municipal Insurance and Risk Financing Fund, visit www.masc.sc (keyword: SCMIRF).



Municipal Association Offers Retail Recruitment Training

Economic Development

The mix of retail options in a city or town has a profound impact on that community's vitality, ability to attract new residents and businesses, and ability to retain the people and enterprises already there. A dedicated effort to bring in retailers can be an invaluable part of an economic development strategy, but it can also be complicated. The process can involve market analyses, the creation of recruitment packets to explain the market's potential, and personal outreach efforts.

To help cities and towns navigate this world, the Municipal Association of SC is hosting a Retail Recruitment Training course, led by The Retail Coach, a national market research and development firm. The course will include six days of training, taking place at the Association's office in Columbia from August to November, all ahead of the attendees using the training at the International Council of Shopping Centers's RECon convention in December.

"Every city official knows how critical retail recruitment is for a community. They all take part in conversations with residents about when a particular type of store is coming to town, or whether people have to drive elsewhere for shopping and dining. The value is known, but the process is often not well understood," Todd Glover, executive director of the Municipal Association, said. "This training can help officials gain the knowledge they need to build an effective recruitment strategy and drive the retail development that their community needs."

Training sessions will cover the principles of retail recruitment, such as market conditions in a defined area and current commercial development trends, as well as how retailers evaluate a market and search for growth opportunities.

Later training sessions will move into the methodologies and tools of the recruitment process, including communication and developing leads, site identification, creating site inventories and managing public expectations. Retail recruitment makes heavy use of reports on everything from demographics to attitudes and interests, as well as traffic patterns and "leakage" of customers to other communities. In addition to the training sessions, participants will receive a professional market analysis profiling their community's critical economic attributes.

Finally, participants will learn how to prepare for retail trade shows and network effectively when attending them. They will get a chance to put these lessons into action soon afterward, when they attend RECon from December 5 – 7, a convention featuring retailers, commercial real estate firms and contractors.

The Municipal Association will accept applications to fill the limited number of slots for participants.

Find the application, training cost and information on the time commitment at www.masc.sc (keyword: Retail Recruitment Training). For more information on the training, contact Todd Glover at tglover@masc.sc or 803.354.4788.

MANAGING AND BALANCING GROWTH

Some South Carolina cities and towns are seeing record population growth and the residential and business development that comes with it. Several of these municipalities have taken a measured, planned approach, including redevelopment of existing property, to avoid some of the pitfalls of rapid growth.

The keys to successful growth management include addressing infrastructure needs, having an updated master plan and having a city council and other elected officials who will follow that plan.

Simpsonville

In the City of Simpsonville, saying “no” to development problems is actually more of a “yes, if” said Dianna Gracely, city administrator for Simpsonville in the Upstate area known as the “Golden Strip.”

Located along Interstate 385, Simpsonville and the other “Golden Strip” cities of Mauldin and Fountain Inn are seeing rapid growth as part of the region’s overall economic expansion.

These cities, which grew up around the textile industry, are growing into bedroom communities for those who work in larger cities, but they are also home to plenty of residents who work in town as well. Simpsonville has seen its population grow by more than 30% from 2010 to 2019 — faster than the 16% growth of Greenville County, and reaching a total of more than 24,000 people.

“Through COVID-19, we have not seen any slowdown,” Gracely said. “We’ve got new subdivisions, multifamily and commercial projects all going on.”



Improvements to Stenhouse Road in Simpsonville are seen during and after construction. Photos: City of Simpsonville.

Growth brings challenges as well as opportunities, she said, adding that Simpsonville has been fortunate to have policymakers and elected officials who are taking a very intentional approach to development.

“Growth brings challenges, mostly infrastructure challenges,” Gracely said. “We are trying to address what we have control over.”

For example, Simpsonville City Council issued a sewer bond three years ago to upgrade the city’s entire sewer system. The city is now conducting a study to determine the system’s overall capacity so officials will know what is available

and what is needed as new developments come on line.

On the items the city can’t control, like widening state roads, Gracely said that Simpsonville was able to secure a local funding match through the county legislative delegation for federal funds that had been earmarked to widen West Georgia Road — the corridor where new growth is expected to be concentrated.

The city is also aiming for housing developments that offer a range of affordability options so that those who work in the city can afford to live there. New housing creates new infrastructure considerations, though, and the city is working to ensure that developers are cognizant of the impact that more people will have on traffic flow. That’s where that “yes, if” comes in.

“We are able to control the way some of these commercial developments come in, such as limiting access points or requiring businesses to line up their road entrances,” Gracely said. “There was a multifamily project that council approved, and part of that approval was changing the development plan to eliminate an access point to a road that already had too much volume.”

Woodruff

Nearby, Woodruff is experiencing the same level of growth — partly the result of the city seeking out development.

“We started going out and shaking the bushes and meeting and bringing people in,” said City Manager Lee Bailey. “In the beginning, it was a challenge to get folks



Improvements to McKinney Park, now connected to Main Street, form part of Woodruff's investments in its downtown. Photos: City of Woodruff.

to see the future and what Woodruff could become. It took a good two years to get any traction.”

Once the city got a few new subdivisions, Bailey said, development became so strong that not even a global health crisis could slow it down.

“We’ve had three new restaurants open during the pandemic,” he said. “We did not lose any retail businesses due to COVID-19 and our 2020 was about the best year we have ever had.”

The city uses a combination of infrastructure improvements and cash incentives to help close deals with developers. It has also made its own investments in renovating its downtown city center, adding a parking facility and an outdoor event space at McKinney Park that hosts weekly concerts. The key was not only knowing what the city had to offer, but knowing what was missing.

“You have to identify what you need for your community — for us it was housing — then develop a plan of attack and stay true to that vision and plan and work hard at it.”

Hardeeville

Identifying exactly what the town wants has been the guiding force for Hardeeville in Jasper County.

Hardeeville had its development plan in place and was signing development deals as early as 2005, but then the Great Recession came in 2008. Although the town had expanded its boundaries from 5 square miles to 55 square miles, there was not a lot of activity, said Mike Czymbor, Hardeeville city manager.

“The challenge was how do we engage these property owners, developers and break down those barriers to proceed with projects.” Czymbor said.

Just across the state line, the Port of Savannah has plans for expansion, and Hardeeville hopes to be home to port workers. That is why the city is focused on residential developments, which will bring retail, restaurants and entertainment.

The biggest boost on the residential side has been the opening of Latitude Margaritaville Hilton Head with plans for 3,000 homes. The resort development, which will have its own “town center,” is geared toward retirees and is located in Hardeeville.

The number of homes planned for that development is about equal to the total number of residents in Hardeeville recorded in the 2010 census. Czymbor expects the 2020 count will show about

8,500 residents, and estimates that number will triple in the next 10 years. That growth means the city has to make sure it has the infrastructure to handle the needs of new residents and businesses.

“We annually talk to all these development agreement holders and get their best guess for their development schedule,” Czymbor said. “Then we use that base to decide where do we need another fire station, how many police officers do we need to hire, how many building officials, planning people, how many public works employees.”

That input each year is used to update the city’s planning document to keep up with the growth.

Planning Director Brana Snowden said the city has partnerships with the SC Department of Transportation and its water and sewer providers who all work together with the developers to lay the infrastructure groundwork for growth.

“We have almost weekly conversations with them,” she said.

Deputy City Manager Matt Davis said a big part of the city’s role is to mitigate the impact of development. As the city finds itself competing with surrounding areas — even some locations in Georgia — for business, it has to be mindful of the cost of growth.

“Fifteen years ago, any growth was good,” Davis said. “Not anymore. It needs to be the right kind of growth.”

In several parts of the state, growth has become a common challenge and opportunity — one that cities can meet with careful attention to planning and infrastructure.



Housing growth has become a common sight in fast-growing Hardeeville. Photo: City of Hardeeville.

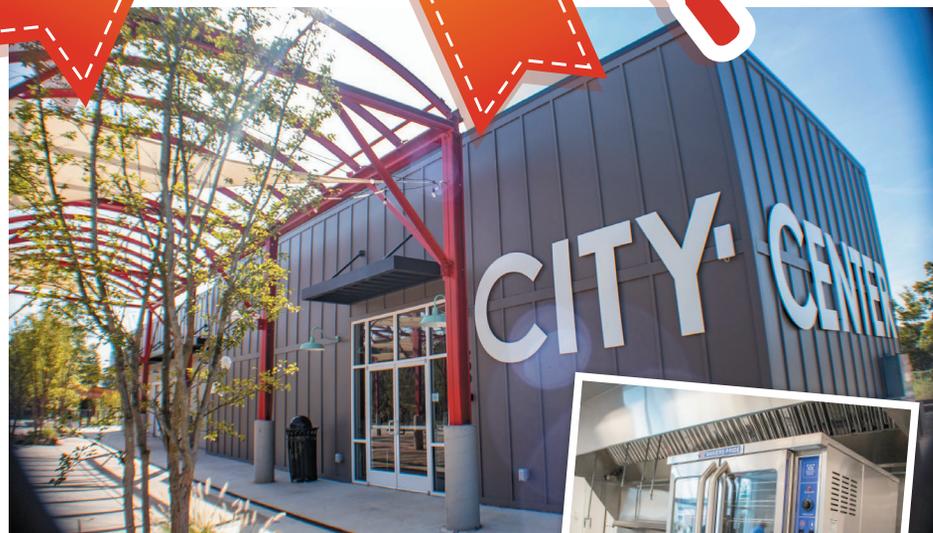
Cooking Up Economic Development

City-sponsored commercial kitchens and incubators for food service businesses don't just result in more food options and an enhanced quality of life — they make good business sense. Just ask a few cities where they are open or in the works.

In Florence, for example, a former warehouse for the Atlantic Coast Line railroad has been transformed into the City Center Market and Kitchen. The 800-square-foot commercial kitchen features rent-by-the-hour space where the city provides large appliances such as stoves, ovens, food processors, meat slicers and large stand mixers, offering entrepreneurs space to make and bake their goods.

"We opened the kitchen in September [2020] and by March we are practically over-subscribed in the rent-by-the-hour kitchen. I do think that COVID has had some impact on folks wanting to pursue new small business ideas, but that can't be all of the demand on the space," said Jennie Pez , project manager for the City of Florence Local Foods Initiative.

The city created the commercial kitchen to address food access from multiple angles — providing infrastructure for food entrepreneurs, creating a place for experimentation and a creative enterprise, and including a place to offer nutrition education. The city's farmers market,



Florence's City Center Market and Kitchen offers rent-by-the-hour commercial kitchen space. Photos: City of Florence.



hosted on the same property all year, offers a retail outlet for food producers.

"We are going for an innovative and multi-layered approach to building the community's own ability to modernize the food culture," Pez  said.

The kitchen received financing through TIF funds, or Tax Increment Financing funds. Repurposing the building and designating an overlay district was part of a larger effort to compliment Florence's work to address community health and wellness, she said.

The Florence commercial kitchen was inspired by Colleton County Kitchen in Walterboro and the Blue Mountain Station in Dayton, Washington, which has a farmers market and food production incubator spaces.

The Florence facility also features three small private spaces for annual lease where food or artisan production businesses can get started, although Pez  said the city has had a more difficult time filling those "next-step" spaces with entrepreneurs who want to grow their

local food businesses. Those tenants can be assisted in developing a transition plan by the Francis Marion University Kelley Center for Economic Development, and will be encouraged to participate in the weekly City Center Farmers Market.

The kitchen continues to grow in popularity, and nutrition classes will start soon. The facility originally planned these classes with HopeHealth and the SC Department of Health and Environmental Control, but delayed them since last spring because of COVID-19 concerns.

“We are looking at how to expand capacity with the kitchen and with nutrition education. The region needs a food hub, so we need to think about how to participate in that,” she said. “The farmers market, which complements the retail opportunities for some of the kitchen renters, is growing exponentially.”

In Anderson, the lack of commercial kitchen space has meant food entrepreneurs were forced to rent space from restaurants after regular business hours or from community facilities such as churches. Both of those options were problematic because of time constraints and scheduling issues. Other food entrepreneurs would leave Anderson and travel outside the region to use shared commercial kitchens.

The city decided to repurpose 2,500 square feet of city-owned property to create a shared kitchen incubator. Located on the street level of a downtown parking garage, the facility will feature two kitchens, one for general food production and one designed specifically for baking. Other amenities will include a packaging area, cold and dry rentable storage and retail space for product displays. Kitchen rentals will be available daily and programs will be scheduled every month, said Mary Haley Thompson, project manager in Anderson’s economic development office.

Anderson’s City Council pursued this project with a vision and hope to see new businesses open, products launched and partnerships created around the local food industry, she said.

“A major obstacle for food industry entrepreneurs is the inability to access



This rendering shows the design of Anderson’s planned kitchen incubator. Photo: City of Anderson.

commercial kitchen space. Due to regulatory requirements and the high costs associated with commercial kitchen equipment, regional producers are unable to meet the consumer demand for such value-added products,” Thompson said. “City staff reported consistent feedback from our pipeline of local food entrepreneurs that support this need.”

Anderson was awarded \$500,000 from the Appalachian Regional Commission and \$500,000 from the U.S. Department of Agriculture’s Rural Business Development Grant program for the construction of the project, which is expected to be complete by early 2022.

Local food entrepreneurs are already eager to use the facility. Thompson said one of those entrepreneurs, Diane Leary, has been gifting her popular pimento cheese to friends and family for more than 40 years. She has never been able to sell the cheese because it would require the recipe be prepared in a kitchen approved by the SC Department of Health and Environmental Control. The Anderson kitchen will allow her the opportunity to sell her product and will provide additional income she wasn’t expecting as an 81-year-old, Thompson said.

Laurens doesn’t have a city-owned commercial kitchen, but a coworking and event space in a renovated downtown storefront allows food entrepreneurs and restaurants from other cities to host dining events. The Midtown Building, located right next to city hall, was a paint store before it was restored by private owners to showcase the original wooden floors and exposed brick walls.

Jonathan Irick, executive director of Main Street Laurens, said no food preparation takes place inside the building. Instead, restaurants set up mobile kitchens in the outdoor area and serve food indoors. It offers a chance for residents to enjoy types of food that aren’t readily available in Laurens.

For example, Halls Chophouse from Greenville served a four-course Valentine’s Day meal, while barbecue and sushi restaurants also have set up pop-up outdoor kitchens and served meals indoors. Take-out options also are available.

“It’s been a huge success. All of the events have sold out,” Irick said. “For one thing, they’re offering food we don’t have here in Laurens. It’s also the experience. This building was completely owner-financed and rehabbed during COVID. They bought it in December 2019 and started working on it in March 2020. All the renovations were done last year. In the middle of COVID, this was our bright spot.”

As the world begins to recover from the pandemic, shared commercial kitchens and incubators may even provide a few rays of hope for the future.

“Due to the recent global health crisis, the concept of a shared kitchen incubator may be an economic development trend and way of the future for food entrepreneurs,” Anderson’s Thompson said. “As food businesses have shut down around the world, shared kitchen incubators have the power to promote stability and reignite growth among those affected.”



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Calendar

Scheduled in-person meetings are subject to change based on the Municipal Association's COVID-19 restrictions in place at the time of the meeting. Information about events and how members can access the virtual events will be updated on the Association's website.

JUNE

3 South Carolina Association of Stormwater Managers Second Quarter Meeting. Seawell's, Columbia.

8 South Carolina Business Licensing Officials Association ABL Exam. Municipal Association of SC, Columbia.

13 – 16 SC Association of Municipal Power Systems Annual Meeting. Sonesta Resort, Hilton Head Island.

JULY

22 – 24 Municipal Association of SC Annual Meeting. Marriott, Hilton Head Island.

AUGUST

2 Setoff Debt Collection Program Training Session for New Employees of Current Participants. Municipal Association of SC, Columbia.

3 Setoff Debt Collection Program Training Session for New Employees of Current Participants. Municipal Association of SC, Columbia.

3 SC Business Licensing Officials Association ABL Exam. Municipal Association of SC, Columbia.

4 Setoff Debt Collection Program Training Session for Interested Participants. Municipal Association of SC, Columbia.

5 Setoff Debt Collection Program Training Session for Interested Participants. Municipal Association of SC, Columbia.

10 SCMIT/SCMIRF Elevating Inclusive Excellence. Moncks Corner Train Depot.

11 SCMIT/SCMIRF Elevating Inclusive Excellence. Municipal Association of SC, Columbia.

12 SCMIT/SCMIRF Elevating Inclusive Excellence. Simpsonville Senior and Activity Center.

25 – 27 Municipal Court Administration Association of SC Annual Meeting. Hyatt House, Charleston.

SEPTEMBER

1 SC Association of Municipal Power Systems Associate Lunch. Seawell's, Columbia.

2 SC Association of Stormwater Managers Third Quarter Meeting. Seawell's, Columbia.

8 Regional Advocacy Meeting. The Edition at the Hartsville Museum. Pee Dee Council of Governments area.

9 Regional Advocacy Meeting. Rock Hill Operations Center. Catawba Council of Governments area.