

DATE: 4/16/19 FILE NO: DATE336

TO: Cherokee County Council

SUBJECT: Minutes of PH & Regular Meeting, 4/15/19

There was a Public Hearing & Regular Meeting Monday, 4/15/19, 5 PM in Council Chambers. Chairman Tim Spencer presided with Tracy McDaniel leading in prayer. All council members were present along with Administrator Steve Bratton, Attorneys Jim Thompson & Joe Mathis and Clerk Doris Pearson. The news media was informed by agenda and it was posted in accordance with the SCFOIA. One news media was present along with 12 visitors including 3 students with Jr. Cherokee Leadership: Adam Fowlkes, Addy Swofford & John Keller.

**Councilman Quay Little made the motion to adopt the agenda of the PH & Regular Meeting of 4/15/19 as received and posted in accordance with the SCFOIA. Mike Fowlkes seconded and council voted in favor.**

**Councilman Lyman Dawkins made the motion to approve the minutes of the Regular Meeting of 4/1/19 as received in the agenda package. Mike Fowlkes seconded and council voted in favor.**

**Councilman Tracy McDaniel made the motion to approve the claims for Cherokee County Council in the amount of \$266,530.73. Mike Fowlkes seconded and council voted in favor.**

Chairman Spencer opened the public hearing regarding to Ordinance No. 2019-14 to amend the Land Development Regulations regarding development standards for Specific Land Uses-Solar Energy Systems & Wind Farms. No one was present to speak and the public hearing was closed.

Chairman Spencer presented a proclamation to E-911 Director Dennis Gardner and 911 employees proclaiming National Public Safety Telecommunicators Week of 4/14-20/19.

**Councilman Quay Little made the motion to adopt Resolution No. 2019-03 proclaiming April, 2019 as Fair Housing Month in Cherokee County. David Smith seconded and council voted in favor.**

**Councilman Quay Little made the motion to adopt Resolution No. 2019-04 authorizing a five-year extension of the investment period under that certain Fee in Lieu of Tax Agreement between Cherokee Co., SC and Milliken & Co. Lyman Dawkins seconded and council voted in favor.**

**Councilman Tracy McDaniel made the motion to adopt the 3<sup>rd</sup> Reading of Ordinance No. 2019-14 to amend the Land Development Regulations regarding development standards for Specific Land Uses-Solar Energy Systems & Wind Farms. Quay Little seconded and council voted in favor.**

**Councilman Lyman Dawkins made the motion to adopt the 1<sup>st</sup> Reading of Ordinance No. 2019-16 authorizing an amendment to an existing Fee In Lieu of Tax Agreement between Cherokee Co., SC and Milliken & Co. to extend the investment period for an additional five years, in return and**

**expectation for additional investment in the County; and to provide for the provision of certain Special Source Revenue Credits/Infrastructure Improvement Credits. Charles Mathis seconded.** Administrator Steve Bratton replied we have been informed with Milliken that back in 2016, we entered into a fee agreement with them for \$2.5 million. They have contacted us to invest approximately \$75 million. You will be voting to extend the investment period and we are modifying the fee in lieu of agreement to increase the \$2.5 million to \$75 million; we are also including 25% Special Source Revenue Credit for 10 years. They would not have been eligible for the 25% at the \$2.5 million but they can for the \$75 million. Quay Little asked what will be the breakdown? Steve replied 70/30 as the original fee. **Council voted in favor.**

**Councilman Mike Fowlkes made the motion to adopt the 1<sup>st</sup> Reading of Ordinance No. 2019-17 establishing an Infrastructure Development Fund of the County; authorizing & directing the application of revenues received & retained by the county from Joint-County Industrial & Business Parks established in the County pursuant to Sec. 4-1-170 Code of Laws of SC 1976, as amended, to the funding of the Infrastructure Development Fund; amending ordinances of Cherokee County enacted to establish such Joint-County Industrial & Business Parks, or to make provisions for distribution of revenues received & retained by the County with respect to property located in such parks, so as to provide for transfers or deposits from such revenues received and retained by Cherokee County to the Infrastructure Development Fund established hereby; and providing for certain other matters related to the foregoing.** Administrator Steve Bratton replied I am presenting to you tonight for your consideration the creation of an Infra-Structure Development Fund which is a common tool in our state whereby you take some percentage of your fee-in-lieu of tax collections and put them away to be used for infrastructure development. Infrastructure meaning sewer lines, water lines, roads, etc. You can't build brick & mortar projects nor can you buy lands with it. My thoughts are sewer lines because we have a lot of prime real estate in this county that just can't get sewer to it. Sewer is very expensive and cost approximately \$1 million dollars/mile and that is gravity-based sewer; if you have to put a force main the cost goes up dramatically. This ordinance is prepared by Attorney Tom Martin & Joe Mathis. I put in 15% in the document which means for every new fee-in-lieu; we will not be going back to old ones; we will start at Project Green which we put in place in Nov. but have not seen any revenue on that project yet nor will we for a couple of years. Then we had Project Diamond Back and hopefully other projects coming before you very soon. The funding would be taken off the top of the Special Source Revenue Credits; then if it goes in a Multi-County Industrial Park a 1% would come off next; then at the current % ratio of 70/30. If we wait until we get the money to pay cash for a million dollar/mile sewer, we would never get anything done. But, as we establish revenues coming into the fund annually, we take those revenues and issue Special Source Revenue Bonds that can then be use to make revenues coming from these funds to make payments on those bonds. It is a critical tool that we are lacking in our county in attracting businesses to our county. We have various pieces of property that are marketable but we can't get sewer to them and this would give us that option. The spending of this money would be authorized annually in our budget process. Quay replied I understand this 15% but I also know this board recognizes where the school board is and if we take another percentage from the school based on the 70/30 split is a lot. They are now asking

us to give them more of a percentage and if we come in and put this on them, they want be able to make it. I don't mind taking 15% off what we get but not their portion. Steve replied the way I look at it, everybody has skin in the game because infrastructure or economic development is the only way the schools are going to increase their millage. Economic Development and industry are the only way the value of a mil will grow for schools. Quay replied any way you look at it you are cutting the schools. I don't mind taking that 15% off of our 70% and dropping us down to 55%, that would be fair. David asked are we saying that everything from here on out will be 70/30? We are not going to consider 50/50? Quay stated if we agree 15% is the right number; taking it off of what we get would be fair; but taking 15% off the top and then cutting the schools again, would be sending the wrong message. Steve stated again that this would only apply to new fees starting at Project Green. We are not taking anything from them, they will be just getting less new money. Mike replied that is what they are asking for; they want us to change the fee to 50/50 instead of 70/30. Chair Spencer replied the Development Board is funded by us; not the school board and every time that our Development Board goes out and courts a company to come here, we pay; not the school board. They have no money in the game and nobody sitting at the table. Quay replied you can say all you want to about infrastructure but work force is the key to economic development in this county. Infrastructure is great and I know we need sewer but we need to look at numbers cause once this is in, we can't change this figure per project. Steve replied you can change it per year. We can word the ordinance to where council will determine the percentage that is going into the infrastructure development fund annually. **Mike Fowlkes stated we need to move forward with this ordinance to establish the fund and have Administrator Bratton come back with different numbers before the 3<sup>rd</sup> Reading. David Smith seconded and council voted in favor.**

**Councilman Charles Mathis made the motion to adopt the 1<sup>st</sup> Reading of Ordinance NO. 2019-18 authorizing and approving 1) the development of a new Joint County Industrial & Business Park (Milliken) pursuant to Section 4-1-170 of the Code of Laws of SC 1976, as amended, in conjunction with Spartanburg Co. (the "Park") such park to be geographically located in Cherokee Co. and to include the aforementioned project; 2) the execution & delivery of a Written Park Agreement with Spartanburg Co. as to the requirement of payments of Fee in Lieu of Ad Valorem Taxes with respect to park property and the sharing of the revenues and expenses of the Park; 3) the distribution of revenues from the Park to the counties and relevant taxing entities; and 4) other matters related thereto. Mike Fowlkes seconded and council voted in favor.**

Attorney Jim Thompson asked council to consider going into Executive Session **1)** pursuant to SC Code 40-3-70(a2) to discuss a contractual matter regarding issues with the County Admin. Bldg. and **2)** to consider the possible acquisition of property. **[Quay Little made the motion to go into Executive Session for these purposes at 5:35 PM. David Smith seconded and council voted in favor.]**

**Councilman Tracy McDaniel made the motion for council to come out of Executive Session at 6:00 PM. Mike Fowlkes seconded and council voted in favor.** Attorney Jim Thompson stated that no action was taken by council during Executive Session.

**Councilman Mike Fowlkes made the motion to authorize Administrator Steve Bratton to enter into a contractual agreement due to insurance & liability concerns with the City of Gaffney regarding the use of our parking lot at the Admin. Bldg. in relation to any events held at the new Railroad Avenue Park. Tracy McDaniel seconded and council voted in favor.**

**Councilman Tracy McDaniel appointed Bobby Westmoreland to serve a term on the CKC VFD/Board of Fire Commissioners. Mike Fowlkes seconded and council voted in favor.**

As there was no other business to come before council at this time, Chairman Spencer adjourned the meeting at 6:02 PM.

APPROVED: **5/6/19**

BY ITS CHAIR: **Tim Spencer**

Respectfully submitted,

Doris F. Pearson, Clerk to Council