

ORDINANCE NO.: 2020-025

Consenting to the Inclusion of Property in a Multi-County Industrial/Business Park (604 Huger, LLC, Richland County TMS #08914-01-06, TMS #08914-01-07, TMS #08914-01-08, TMS #08914-01-09, and TMS #08914-01-10)

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WHEREAS, the City of Columbia, South Carolina ("City"), is a body, politic and corporate located in Richland County, South Carolina ("County"); and,

WHEREAS, through Columbia City Council ("Council"), the City is entitled to exercise all the powers and privileges provided to municipal corporations in the State of South Carolina; and,

WHEREAS, the County and Fairfield County, South Carolina ("Fairfield"), entered into an Agreement for Designation of the I-77 Corridor Regional Industrial Park dated as of April 15, 2003 (the "Original Agreement"), which Original Agreement was amended and restated pursuant to the Amended and Restated Master Agreement dated as of September 1, 2018 (as so amended and restated, the "Park Agreement"); and,

WHEREAS, pursuant to Section 1.02 of the Park Agreement, the boundaries of the park created therein (the "Park") may be enlarged pursuant to ordinance of the County Council of the County and delivery of notice of such enlargement to Fairfield County; and,

WHEREAS, 604 Huger, LLC, a South Carolina Limited Liability Company (the "Developer"), is a mixed-use commercial real estate development project, including fair market rate housing, but which will not include student housing or private dormitories, to be located on parcels located in the City, as more particularly described on Exhibit A (the "Property," together with the development, "Project"), consisting of total taxable investments by the Developer in real and personal property of not less than \$51,300,000; and,

WHEREAS, the County has agreed to offer a public infrastructure credit to reduce the property taxes due on the Project (as more particularly defined herein, "Credit") pursuant to the terms of Section 4-1-175 of the Code of Laws of South Carolina 1976, as amended ("Credit Act"), and a public infrastructure credit agreement between the County and the Developer for the Property ("Credit Agreement") to provide Credits against certain of the Developer's payments in lieu of taxes with respect to the Project for the purpose of assisting in paying certain costs of designing, acquiring, constructing, improving or expanding public infrastructure (collectively, "Public Infrastructure"); and,

WHEREAS, to grant the Developer the full value of the Credit, the County desires to locate the Project in the Park the County has jointly developed with Fairfield, pursuant to Article VIII, Section 13(D) of the South Carolina Constitution and Section 4-1-170 of the of the Code of Laws of South Carolina, 1976, as amended ("Park Act" and, together with the Credit Act, "Act"); and,

WHEREAS, pursuant to the Act and the Park Agreement, following application of the Credit, the payments in lieu of taxes generated from the Project will be distributed as set forth in the Park Agreement; and,

WHEREAS, pursuant to the Act, because the Project is located within the City's geographical borders, the City must consent to the inclusion of the Project within the boundaries of the Park; and,

WHEREAS, the Project is anticipated to meet the criteria set forth in Resolution No.: R-2019-059 and any amendments thereto, and it is appropriate to consent to including the Project in the Park; NOW, THEREFORE,

BE IT ORDAINED by the Mayor and City Council this 12th day of May, 2020 that the City hereby consents to the inclusion of the Property in the Park, which consent is conditioned upon the following:

1. The County's adoption, by resolution or ordinance, authorizing the inclusion of the Property in the Park and delivery of written notice to Fairfield County, pursuant to Section 1.02 of the Park Agreement; provided, the Property shall not be removed from the Park for so long as the Developer is receiving Credits as a result of inclusion in the Park.

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2. The County's approval, execution and delivery of the Credit Agreement related to the Property.

3. The Credit Agreement will provide that (a) the Developer will make payments in lieu of taxes related to the Property ("PILOT") during the term of the Credit Agreement, which PILOT shall be based on property tax assessment of the Property of six percent; (b) the annual PILOT payment payable from the Developer to the County will be subject to reduction by a 50% infrastructure credit (herein defined as the "Credit") to reimburse the Developer's Public Infrastructure costs; (c) the term of the Credit shall not exceed ten years (unless consented to in writing by the City), as shall be set forth in the Credit Agreement; (d) in each year during the term of the Credit, the City will be entitled to receive the portion of the PILOT payment (net of the Credit, as applicable) as provided in the Park Agreement; and (e) the Property will be deemed removed from the Park upon the expiration or earlier termination of the Credit Agreement.

4. Notwithstanding the foregoing, if the Project proceeds in a phased approach, (a) the first phase must meet the criteria established in Resolution No.: R-2019-059 to be eligible for the Credit, (b) the time limit for the Project Credit period as allowed in this Ordinance shall be as set forth in Section 3 hereof, and the timeline for additional phases shall be for the period of time or Credit amount that remains available on the original period and shall not have a new beginning date.

5. The City Manager is authorized to execute any documents and take any further action as may be reasonably necessary to further the intent of this Ordinance.

6. Approval of this Ordinance does not constitute a development approval, as all regulatory permitting and approval requirements remain in effect, the requirement of such is not altered in any way by the approval of this Ordinance. If not already so completed, the Project must proceed with credit application no later than December 31, 2022 in order to be eligible to receive the Credit and must continue to progress forward at a reasonable pace for a project of this magnitude or else the Park inclusion approval, which facilitates the Credit, will be repealed by the City.

7. Any prior ordinance, resolution or order, the terms of which are in conflict with this Ordinance, is, only to the extent of that conflict, repealed.


Requested by:

Assistant City Manager Gentry



Mayor

Approved by:



City Manager

Approved as to form:

T. A. Knox

City Attorney

ATTEST:



City Clerk

Introduced: 3/17/2020
Final Reading: 5/12/2020

ORDINANCE NO.: 2020-025
EXHIBIT A
PROPERTY DESCRIPTION

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PARCELS 1-3

All that lot of land, with improvements thereon, situate, lying and being in the City of Columbia, County of Richland, State of South Carolina, and containing 1.51 acres and being located the northeastern corner of the intersection of Blossom and Huger Streets and being shown on plat prepared for Blossom/Huger Limited Partnership by Cox and Dinkins, Inc., dated August 24, 1988, recorded in Plat Book 52 at Page 3217 on September 12, 1988. Said lot being bounded and measuring as shown on said plat.

TMS No./Address

TMS No. 08914-01-10 – 602 Huger Street, Columbia, SC 29201

TMS No. 08914-01-06 – 613-11 Pulaski Street, Columbia, SC 29201

TMS No. 08914-01-07 – 609 Pulaski Street, Columbia, SC 29201

PARCELS 4-5

All that certain piece, parcel or lot of land situate, lying, and being at the northwestern corner of the intersection of Blossom and Pulaski Streets, in the City of Columbia, in the County of Richland, in the State of South Carolina, being in shape practically a rectangle measuring on its northern and southern sides two hundred and eight (208') feet, more or less, and on its eastern and western sides one hundred and four (104') feet, more or less, bounded on the north by property of Baker and Weathers, formerly of Baylis, on the east by Pulaski Street, on the south by Blossom Street, and on the west by property of Ehrlich (lot now occupied by warehouse of Checker Transfer & Storage Co., known as 602 Huger Street), being the same property conveyed as two lots of approximately one quarter acre each by C.M. Wilder and Maria E. Wilder to George W. Waring by deed dated August 11, 1900, recorded in the Office of the Clerk of Court for Richland County in Deed Book "AE" at Page 81.

TMS No./Address

TMS No. 08914-01-08 – 603-05 Pulaski Street, Columbia, SC 29201

TMS No. 08914-01-09 – Pulaski Street, Columbia, SC 29201