

ORDINANCE NO. 2013-19

TO PROVIDE FOR THE APPROVAL OF CERTAIN AMENDMENTS TO  
THE REDEVELOPMENT PLAN OF THE CITY OF NORTH AUGUSTA,  
SOUTH CAROLINA, AND OTHER MATTERS RELATED THERETO.

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Enacted November 18, 2013

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## AN ORDINANCE

TO PROVIDE FOR THE APPROVAL OF CERTAIN AMENDMENTS TO THE REDEVELOPMENT PLAN OF THE CITY OF NORTH AUGUSTA, SOUTH CAROLINA, AND OTHER MATTERS RELATED THERETO.

**BE IT ORDAINED** by the Mayor and City Council of the City of North Augusta, South Carolina, in meeting duly assembled, as follows:

### ARTICLE I PREAMBLE AND RECITALS

As an incident to the enactment of this ordinance (the “**Ordinance**”), the City Council of the City of North Augusta (the “**City Council**”), the governing body of City of North Augusta, South Carolina (the “**City**”), finds that the recitals of fact set forth in this Article exist and that the statements made with respect thereto are true and correct.

#### Section 1.01 Recitals.

**WHEREAS**, Title 31, Chapter 6 of the Code of Laws of South Carolina, 1976, as amended (the “**Tax Increment Financing Law**” or “**TIF Law**”), authorizes incorporated municipalities of the State of South Carolina to provide incentives for redevelopment in areas which are, or threaten to become blighted, through the financing of municipally-owned improvements pursuant to the provision of the Tax Increment Financing Law; and

**WHEREAS**, the City previously determined in its enactment of Ordinance No. 96-10 on December 16, 1996 (**Ordinance 96-10**”), that there existed within the City certain areas which were, or threatened to become, blighted, in which areas development and redevelopment would be encouraged through the City’s undertaking of certain municipal projects; and

**WHEREAS**, the Tax Increment Financing Law authorizes the City to establish a redevelopment project area (as defined in the TIF Law) and to adopt a redevelopment plan (as defined in Section 31-6-30 of the TIF Law) for the purpose of providing for the financing of municipally-owned property and infrastructure improvements (“**Redevelopment Projects**”), as specified in the redevelopment plan of the City and as defined in the TIF Law, through the issuance of obligations payable from the amount of taxes attributable to the increase in the assessed valuation of real property in the redevelopment project area following the establishment of such redevelopment project area (such revenues sometimes being referred to as “**TIF Revenues**”), and to amend the redevelopment plan from time to time to accommodate new projects or changes in the original projects, as well as changes in the amount and maturity of any required financing secured in whole or in part by TIF Revenues, and changes in the term of the redevelopment plan by following specified procedures set forth in the TIF Law; and

**WHEREAS**, in connection with the authorizations contained in the TIF Law, the City approved its redevelopment plan by Ordinance No. 96-10 (the “**Redevelopment Plan**”),

whereby an area located within the City was established according to the Redevelopment Plan as the “**Redevelopment Project Area**” or the “**TIF District**”; and

**WHEREAS**, after its initial adoption of the Redevelopment Plan and the establishment of the TIF District, the City issued its Tax Increment Revenue Bond, Series 2001, in the aggregate principal amount of \$5,000 (the “**Bond**”) to finance the Redevelopment Projects described in the Redevelopment Plan and to authorize and pledge the use of the TIF Revenues from the TIF District to pay (1) Redevelopment Project Costs as defined and described in the Redevelopment Plan (and in the TIF Law) and (2) debt service on the Bond; and

**WHEREAS**, the Bond is payable from the TIF Revenues attributable to increased property values resulting from private development within the TIF District; and

**WHEREAS**, by letters dated and received February 1, 2013, the City, in accordance with Section 31-6-80(B) of the Tax Increment Financing Law, notified Aiken County, South Carolina (the “**County**”) and the Consolidated School District of Aiken County (the “**School District**”) that the City is proposing to amend Ordinance 96-10 and the Redevelopment Plan adopted by such ordinance by the adoption of certain amendments to the Redevelopment Plan; and

**WHEREAS**, the proposed amendments to the Redevelopment Plan are attached hereto as Exhibit A (the “**Plan Amendments**”), and are summarized as follows:

- (A) The Plan Amendments modify the list of public Redevelopment Projects and general land uses described within the Redevelopment Plan to include:
  - (1) an approximately 5,000 seat municipal stadium to serve primarily as the home field of the Greenjackets Minor League Baseball team (but available for other athletic and entertainment events from time to time) to be constructed at a cost of approximately \$25 million, owned by the City and located west of Georgia Avenue and south of Railroad Avenue near the Savannah River in the City;
  - (2) one or more parking garages with related surface parking for a total capacity of approximately 900 parking spaces at an estimated cost of approximately \$11 million to be owned by the City; and
  - (3) a new 18,000–22,000 square foot City-owned conference center (the “**Conference Center**”) to be constructed in or in close proximity to the new hotel at an estimated cost of approximately \$7 million, and

The total public investment in the riverfront area pursuant to the Plan Amendments is expected to be approximately \$43 Million.

- (B) The Plan Amendments modify the list of private projects and general land uses described within the Redevelopment Plan which will be enabled by the public

investment on the tract of land containing approximately 25 to 30 acres along the riverfront north of Georgia Avenue and west of Railroad Avenue, to include:

- (1) A new hotel near the Conference Center with capacity of approximately 200 rooms and resort-quality amenities as well as meeting spaces, all for an investment of approximately \$45 million;
- (2) Approximately 30,000 square feet of commercial/retail space, including restaurants, for an investment of approximately \$4.5 million;
- (3) Approximately 40,000 square feet of office space for an investment of approximately \$6.4 million;
- (4) A YMCA building for an investment of approximately \$3.2 million;
- (5) Approximately 25 residential units for an investment of approximately \$8.8 million; and
- (6) Approximately 275 apartment units for an investment of approximately \$33 million.

The total private investment in the riverfront area pursuant to the Plan Amendments is expected to be approximately \$101 Million.

- (C) The Plan Amendments modify the Redevelopment Plan to extend the maximum principal amount and maximum maturity of the revenue bonds to be issued, or refunded, and secured by TIF Revenues, in whole or in part (the “**Bonds**”), extend the term of the Redevelopment Plan accordingly; and
- (D) The Plan Amendments modify the Redevelopment Plan by modifying the participation in the use of TIF Revenues resulting from the imposition of School District taxes and County taxes in the Redevelopment Project Area, as set forth in intergovernmental agreements specific to each. The terms and manner of the School District’s and the County’s respective participations are set forth in intergovernmental agreements effective upon adoption by the City Council. The form of each intergovernmental agreement as adopted by each of the School District and the County Council will be separately considered by the City Council on the date hereof, and upon adoption, shall be incorporated herein by reference.

**WHEREAS**, the existing boundaries of the Redevelopment Project Area will not be changed; and

**WHEREAS**, on October 5, 2013, the City caused to be published in the Augusta Chronicle, a newspaper of general circulation in the County, notice of a public hearing on the Plan Amendments which notice included the information required by Section 31-6-80(g) of the TIF Law; and

**WHEREAS**, on October 21, 2013, the City held a public hearing regarding the Plan Amendments; and

**WHEREAS**, prior to the consideration of this Ordinance, no changes have been made to the Redevelopment Plan since its adoption on December 16, 1996, nor have there

been any changes to the Redevelopment Plan or alterations to the boundaries of the Redevelopment Project Area since the dates of the aforesaid notices and hearing, except as set forth in this Ordinance.

## ARTICLE II AMENDMENT OF REDEVELOPMENT PLAN

### Section 2.01    Recitals Incorporated.

The foregoing recitals are incorporated herein as the findings of the City Council, as fully as if restated verbatim.

### Section 2.02    The Amended Redevelopment Plan.

Stated in this Ordinance and attached hereto are several Plan Amendments amending the Redevelopment Plan (together, the “***Amended Redevelopment Plan***”). The City Council, as the governing body of the City, hereby finds that the Amended Redevelopment Plan accurately reflects the objectives of the City with regard to such matters and hereby approves and adopts the Amended Redevelopment Plan. The Plan Amendments are set forth as Exhibit A attached hereto.

### Section 2.03    Need for, and Use of, Balance of Proceeds of the Bonds and Certain Tax Increment Revenues.

The balance of proceeds of the Bonds to be issued and certain of the Tax Increment Revenues will be pledged and utilized by the City, together with other funds of the City and funds of private developers partnering with the City, if applicable, to pay for the City’s portion of the costs related to the construction of the public improvements in the Amended Redevelopment Plan. The City has determined that the Plan Amendments and the projects associated therewith are for the purpose of promoting development and redevelopment as described in the Amended Redevelopment Plan. Current estimates of the costs of the Redevelopment Projects associated with the Plan Amendments, excluding financing and related costs, are expected to be approximately \$43 Million in the aggregate, and financed by the City. The private investment in the hotel, the office, commercial and retail spaces, restaurants, a YMCA, the approximately 275 apartment units and the approximately 25 residential units will require approximately \$101 Million in private funding. The private investment will be the responsibility of the private developers, although some of the public infrastructure costs necessary to support the private development may be financed by the City and/or paid for by TIF Revenues or other revenues available to the City. The proposed application of the remaining proceeds of the Bonds and certain of the TIF Revenues to fund such needs are set forth in greater detail in the Plan Amendments.

### Section 2.04    Cost Estimates and Sources of Revenue.

The total projected costs of the public projects associated with the Plan Amendments, excluding financing and related costs, if any, are expected to be

approximately \$43 Million in the aggregate, and financed by the City. The private investment in the hotel, the office, commercial and retail spaces, restaurants, a YMCA, the approximately 275 apartment units and the approximately 25 residential units will require approximately \$101 Million in private funding. The private investment will be the responsibility of private developers; some of the public infrastructure costs necessary to support the private development may be financed by the City and/or paid for by TIF Revenues or other revenues available to the City. The proposed application of the remaining proceeds of the Bonds and certain of the TIF Revenues to fund such needs are set forth in greater detail in the Plan Amendments. It is intended that the City may finance projects associated with the Plan Amendments primarily through the extension of the term of the Redevelopment Plan, the extension of the final maturity date of the Bonds issued to finance the public improvements and the increase in the total principal amount of the Bonds to be issued or refunded, and the application of existing available TIF Revenues and additional TIF Revenues expected to be received during the term of the Amended Redevelopment Plan. The Bonds will be secured in whole or in part by a pledge of the TIF Revenues. The total amount of tax increment or other Bonds to be incurred is presently estimated to be not in excess of \$55 Million, such amount to include, without limitation, proceeds to provide for the Redevelopment Projects, a debt service reserve fund, capitalized interest during construction of the Redevelopment Projects, and costs of issuance. The sources and uses of funds for financing the costs of the new or modified Redevelopment Projects are set forth in greater detail in the Plan Amendments.

Section 2.05 Property Included in Redevelopment Project Area.

The boundaries of the TIF District are not amended by this Ordinance.

Section 2.06 Duration of Amended Redevelopment Plan.

The period of duration for the Amended Redevelopment Plan is being extended to the earlier of November 18, 2048, or the date the Bonds issued in connection herewith, including any refunding Bonds, are paid in full.

Section 2.07 General Land Uses.

The general land uses in the Amended Redevelopment Plan shall include the land uses of “Stadium”, and “Structured and Surface Parking” in addition to all other land uses.

Section 2.08 Specific Findings.

Based on its review of the Amended Redevelopment Plan and its consideration of the matters set forth therein, the City Council hereby finds:

- (a) The Redevelopment Project Area was found to be in 1996, and continues to be, a blighted or conservation area and private initiatives are unlikely to alleviate these conditions in the most affected areas without additional, substantial public assistance, to wit:

- i. Development in improved areas, consisting of industrial and commercial buildings and improvements, is inhibited by blight related to:
  - 1. Age,
  - 2. Dilapidation,
  - 3. Obsolescence,
  - 4. Deterioration,
  - 5. Presence of structures below minimum code standards,
  - 6. Deleterious land use or layout, and
  - 7. Depreciation of physical maintenance.
- ii. Development in vacant areas is inhibited by blight related to
  - 1. Deterioration of structures or site improvements in neighboring areas adjacent to the vacant land; and
  - 2. The presence of or potential environmental hazard.
- iii. In other areas of the Redevelopment Project Area, the public safety, health, morals, and welfare are impacted in a detrimental manner by improvements suffering from a combination of:
  - 1. Age,
  - 2. Dilapidation,
  - 3. Obsolescence,
  - 4. Deterioration,
  - 5. Presence of structures below minimum code standards,
  - 6. The presence of or potential environmental hazard,
  - 7. Deleterious land use or layout, and
  - 8. Depreciation of physical maintenance.
- iv. And in vacant areas, the public safety, health, morals, and welfare are impacted in a detrimental manner by a combination of:
  - 1. Deterioration of structures or site improvements in neighboring areas adjacent to the vacant land, and
  - 2. The presence of or potential environmental hazard.

(b) The Redevelopment Project Area is also a Blighted Area as that term is defined at Section 31-6-30(1)(b)(ii) as it is coextensive with the redevelopment plan established by Chapter 10 of Title 31 pursuant to Ordinance No. 91-07 of the City, as amended by Ordinance No. 96-10, and

(c) Significant portions of the Redevelopment Project Area, and particularly in the Riverfront Redevelopment District area north of Georgia Avenue within the Redevelopment Project Area, have had little or no development since the adoption of the original Redevelopment Plan in 1996 over sixteen years ago, and would remain static or decline without public intervention, and

(d) The Plan Amendments and the redevelopment as proposed in the Amended Redevelopment Plan are in the interests of the health, safety, and general welfare of the citizens of the City, and

(e) The proposed new municipal stadium, new parking garage and surface parking facilities, new conference center and related public infrastructure improvements, and the new projects to be financed by private developers are a direct benefit to the citizens and taxpayers of the City and as such are a benefit to the Redevelopment Project Area, and the Redevelopment Project Area is located within the municipal limits of the City, and

(f) The proposed new private development, estimated to be approximately \$101 Million will not occur without the continued, long-term investment of TIF Revenues in the Redevelopment Project Area and the development of the proposed new public projects to support the private development, as described herein and in Exhibit A.

Section 2.09 Notice and Request to Auditor.

Immediately upon adoption of this Ordinance, the City Administrator shall deliver to the Auditor of the County a certified copy of this Ordinance and shall, on behalf of the City, request that the Auditor determine and certify those matters set forth in paragraphs (A)(1) and (2) of Section 31-6-100 of the TIF Law as of the date of the adoption of Ordinance No. 96-10, which is reaffirmed, except as amended by this Ordinance.

Section 2.10 Effective Date.

This Ordinance shall take effect after the required public hearing is held and immediately upon receiving third and final reading by City Council.



**DONE, RATIFIED AND ENACTED BY THE MAYOR AND CITY COUNCIL  
OF THE CITY OF NORTH AUGUSTA, SOUTH CAROLINA IN MEETING DULY  
ASSEMBLED ON THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2013.**

\_\_\_\_\_  
Lark W. Jones, Mayor

ATTEST:

\_\_\_\_\_  
Donna B. Young, City Clerk

First Reading:	October 21, 2013
Public Hearing:	October 21, 2013
Second Reading:	November ____, 2013
Third reading and Adoption:	November ____, 2013

## EXHIBIT A

### PLAN AMENDMENTS

TO THE NORTH AUGUSTA TAX INCREMENT REDEVELOPMENT PLAN  
ORIGINALLY ADOPTED BY ORDINANCE NO. 96-10 OF THE CITY COUNCIL  
OF THE CITY OF NORTH AUGUSTA, SOUTH CAROLINA, ON DECEMBER 16, 1996.

*The Plan Amendments to the Redevelopment Plan that together with the Redevelopment Plan constitute the Amended Redevelopment Plan are set forth below for reference. Beneath each Plan Amendment is a reference to a portion of the Redevelopment Plan that is amended or otherwise affected by the applicable Plan Amendment. Such reference is not meant to be exclusive and each Plan Amendment set forth below controls the content of the Amended Redevelopment Plan to the extent such Plan Amendment conflicts with the Redevelopment Plan.*

#### 1. Redevelopment Projects

Redevelopment Projects contemplated by this Ordinance include an approximately 200 room hotel, an approximately 275 unit apartment complex, approximately 30,000 square feet of commercial/retail space, approximately 40,000 square feet of office space, restaurants, approximately 25 residential units, a new Conference Center, a new parking garage and related surface parking, infrastructure improvements, a YMCA, a new municipal stadium and related facilities in the area that is located generally South of Railroad Avenue and west of Georgia Avenue, north of the Savannah River and east of the Hammond's Ferry subdivision. These Redevelopment Projects are included in the Amended Redevelopment Plan and are in addition to those set forth in the Redevelopment Plan.

*Amends various portions of Section 2.3 of Exhibit I of the Redevelopment Plan to the extent of any conflict. Also, this amends Section 3.1 generally, and Section 3.2 to add this development in addition to the marina contemplated therein. Sub-area 1.3 of Section 4 of the Redevelopment Plan is also amended to add the Redevelopment Projects contemplated by this amendment. Amends Exhibit III.*

#### 2. Total Investment

The total of public and private investment to be made pursuant to the Amended Redevelopment Plan, in addition to that investment planned in the Redevelopment Plan, shall include investment of approximately \$45 Million for a new approximately 200-room resort quality hotel, with meeting facilities and amenities suitable for this class of hotel, complemented by Conference Center to be built by the City at a cost of approximately \$7 Million, plus a public parking garage and surface parking containing approximately 900 spaces for a cost of approximately \$11 Million. As part of the hotel area development, approximately 275 apartment units will be built at a cost of approximately \$33 Million as well as approximately 25 residential units at a cost of approximately \$8.8 Million, plus approximately 30,000 square feet of commercial/retail space at a cost of approximately \$4.5 Million, approximately 40,000 square feet of office space at a cost of approximately \$6.4

Million, and approximately \$3.2 Million for a YMCA. The new municipal stadium will be built in this same general area at an approximate cost of \$25 Million. The total amount of private investment is anticipated to be approximately \$101 million, while the total amount of public investment is anticipated to be approximately \$43 million.

*Amends Section 5.2 of Exhibit I to add the public investment contemplated above. Amends Section 5.4 of Exhibit I. Amends Exhibits, III, VIII, and IX.*

3. Term of the Amended Redevelopment Plan

The period of the TIF District and Amended Redevelopment Plan is the earlier of November 18, 2048, or the date the Bonds issued in connection herewith, including any refunding Bonds, are paid in full.

*Amends Section 3.02 of Ordinance 96-10.*

4. Term of the Bonds

Bonds issued pursuant to the Amended Redevelopment Plan shall not exceed 30 years in maturity from their date of issuance.

*Amends Section 3.03 of Ordinance 96-10. Amends Section 5.4 of Exhibit I. Amends Exhibit VIII.*

5. Amount of Bonds

The par amount of the Bonds issued in furtherance of the Amended Redevelopment Plan shall not exceed \$55 million.

*Amends Section 3.03 of Ordinance 96-10. Amends Section 5.4 of Exhibit I. Amends Exhibit VIII.*

6. General Land Uses

The general land uses under the Amended Redevelopment Plan shall include “Stadium” and “Structured and Surface Parking” in addition to all other general land uses stated in the Redevelopment plan.

*Amends Section 1.3 of Exhibit I of the Redevelopment Plan to add “Stadium” and “Structured and Surface Parking” under “Use.” Amends “Land Uses Within The Plan” at Section 2.3 of Exhibit I of the Redevelopment Plan to add “Stadium” and “Structured and Surface Parking.”*

7. Use of TIF Increment Revenues

TIF Revenues not needed for payment of annual bond debt service may be pledged for, and used for, payment of other Redevelopment Project Costs, as defined in the TIF Law or included in the Amended Redevelopment Plan, and this term specifically includes, but is not limited to, the costs of long-term maintenance of any publically-owned project in the TIF District.

*Amends Section 5.4 of Exhibit I.*

8. Funding Sources for Redevelopment Project Costs

Funding sources for Redevelopment Project Costs will include proceeds of Bonds repaid by a pledge of TIF Revenues and other revenues, TIF Revenues not otherwise pledged for payment of long term debt, designated capital project sales tax revenues, state and local accommodations and hospitality fee revenues as available, fees from naming rights of the stadium, parking fees, user fees for the use of the conference center by various groups, rental or license fees from the Greenjackets, or other team, of the Minor League Baseball organization, facilities fees imposed on tickets sold for events held in stadium, special fees imposed on persons selling concessions or other items at the Stadium, grant funds, tax or license fees distributed to the City by the federal or state government, or from other sources of revenue available to the City.

*Amends Section 5.4 of Exhibit I. Amends Exhibit VIII.*

9. Initial Equalized Assessed Value

The initial equalized assessed value of the TIF District on December 16, 1996 was \$1,013,038, but after revision to reflect the result of assessment appeals, the initial equalized assessed value of the TIF District as of February 4, 1997 was found to be \$996,178, based on the certificate of such value issued by Cyrus Spradley, County Auditor, dated December 5, 2001. While parcel ownership may have changed since the initial certification date, the initial equalized assessed value has not changed because no properties have been added to or deleted from the TIF District.

*Clarifies a factual change in the initial equalized assessed value as set forth at Section 3.04 of Ordinance 96-10.*

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*The amendments listed above amend the Redevelopment Plan to create the Amended Redevelopment Plan. To the extent of any conflict or inconsistency between the amendments listed above and the Redevelopment Plan, such amendments shall control, but it is the intent of the City Council of the City of North Augusta that every effort be given to harmonize the amendments and the Redevelopment Plan in construing the Amended Redevelopment Plan.*