

ORDINANCE

AN ORDINANCE ESTABLISHING AND APPROVING A PLAN FOR THE REDEVELOPMENT OF THE BOUNDARY STREET REDEVELOPMENT PROJECT AREA; INDICATING THE NEED FOR AND PROPOSED USE OF THE PROCEEDS OF OBLIGATIONS IN RELATIONSHIP TO THE REDEVELOPMENT PLAN; CONTAINING THE COST ESTIMATES OF THE REDEVELOPMENT PLAN AND REDEVELOPMENT PROJECT AND THE PROJECTED SOURCES OF REVENUE TO BE USED TO MEET THE COSTS, INCLUDING ESTIMATES OF TAX INCREMENTS AND THE TOTAL AMOUNT OF INDEBTEDNESS TO BE INCURRED; LISTING ALL REAL PROPERTY IN THE REDEVELOPMENT PROJECT AREA; STATING THE DURATION OF THE REDEVELOPMENT PLAN; STATING THE ESTIMATED IMPACT OF THE REDEVELOPMENT UPON THE REVENUES OF ALL TAXING DISTRICTS IN WHICH THE REDEVELOPMENT PROJECT AREA IS LOCATED; AND MAKING FINDINGS THAT: (1) THE REDEVELOPMENT PROJECT AREA IS A CONSERVATION AREA AND THAT PRIVATE INITIATIVES ARE UNLIKELY TO ALLEVIATE THESE CONDITIONS WITHOUT SUBSTANTIAL PUBLIC ASSISTANCE; (2) PROPERTY VALUES IN THE AREA WOULD REMAIN STATIC OR DECLINE WITHOUT PUBLIC INTERVENTION; AND (3) REDEVELOPMENT IS IN THE INTEREST OF THE HEALTH, SAFETY, AND GENERAL WELFARE OF THE CITIZENS OF THE CITY OF BEAUFORT; AND OTHER MATTERS RELATED THERETO.

WHEREAS, the City Council of the City of Beaufort, South Carolina, after study makes the following findings:

(a) The Boundary Street Redevelopment Project Area (the "Project Area") is predominantly characterized by deterioration, obsolescence, lack of necessary transportation infrastructure, deleterious land use or layout, and lack of community planning;

(b) The Project Area described in the Boundary Street Redevelopment Plan attached hereto (the "Redevelopment Plan"), is located in the Highway 21 entrance to the City of Beaufort, South Carolina (the "City"). This gateway to the City is crowded, congested, and lacking green space or other aspects of community planning, which, together with parking issues, traffic and pedestrian circulation patterns, has created a negative image which hinders development;

(c) Portions of the Project Area and the surrounding area which are not yet blighted may become so unless immediate, definitive action is taken by the City to create an incentive to develop this area and restore it for use by its citizens; and

WHEREAS, the City Council of the City (the "City Council") has acknowledged the need to develop and restore this valuable sector of the City in order to prevent further decline of property values and to reverse the blighted conditions and current downward trend in the area, and hereby determines that the rehabilitation, conservation, or redevelopment of the area is necessary and in the best interest of the health, safety, and general welfare of its citizens; and

WHEREAS, in order to promote the health, safety, and general welfare of the public, such blighted conditions must be eliminated and redevelopment of the Project Area be undertaken to restore the Project Area. It is unlikely that private initiatives will alleviate these conditions without substantial public assistance. To remove and alleviate blighted conditions, it is necessary to continue to encourage private investment and enhance the tax base of the taxing entities by the redevelopment of the Project Area, the elimination of blight, and the improvement of the Project Area by the redevelopment project herein authorized, which objectives are herein declared to be essential to the public interest of the City and its citizens; and

WHEREAS, City Council is advised of the opportunity to induce private development of a number of parcels within the Project Area by its undertaking those improvements as more fully set forth in the Boundary Street Redevelopment Plan made a part hereof and incorporated by reference herein (the "Redevelopment Plan"). A listing of all real property in the Redevelopment Project Area is included herein by incorporation in the Redevelopment Plan; and

WHEREAS, the amount of indebtedness to be supported by tax increment financing will not exceed \$_____ in tax increment bonds of the City of Beaufort, South Carolina (the "Bonds"), to be issued from time to time as permitted by Title 31, Chapter 6 of the Code of Laws of South Carolina 1976, as amended (the "Act"), which will be used to finance public improvements in the Project Area. The term of each series of Bonds used to finance improvements set forth in the Redevelopment Plan will not exceed 30 years from the date of issuance of such series. No net effect is expected on the affected taxing entities; and

WHEREAS, the use of incremental tax revenues to repay redevelopment project costs incurred by the City, including debt service on the Bonds, for public improvements is of benefit to the taxing entities, inasmuch as such taxing entities would not likely derive the benefits of an increased assessment base without the implementation of the Redevelopment Plan, and all such districts benefit from the removal of blighted conditions; and

WHEREAS, the total estimated cost of the public improvements set forth in the Redevelopment Plan for the Redevelopment Project is approximately \$___ million; and

WHEREAS, City Council now intends to implement the Act in order to achieve the public purposes set forth in the Act in the Project Area, and City Council now intends to fund the debt service of indebtedness to be incurred for such purposes from the added increment of tax revenues to result from such redevelopment as authorized in Subsection 10 of Section 14 of Article X of the South Carolina Constitution and the Act; and

WHEREAS, City Council specifically finds that the Project Area is an area which contains structures characterized by deterioration, obsolescence, lack of necessary transportation infrastructure, deleterious land use or layout, and lack of community planning; and

WHEREAS, City Council finds that private initiatives are unlikely to alleviate these conditions without substantial public assistance, property values in the Project Area would remain static or decline without public intervention, and redevelopment is in the interest of the health, safety, and general welfare of the citizens of the City; and

WHEREAS, the Redevelopment Plan hereinafter described will afford maximum opportunity for the redevelopment of the Project Area by private enterprise in a manner consistent with the needs of the City; and

WHEREAS, all prerequisites having been accomplished, it is now appropriate and necessary in order to proceed further that (1) a Redevelopment Project Area be designated, and (2) a Redevelopment Plan and a Tax Increment Financing Plan be approved.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Beaufort, South Carolina, duly assembled:

Section 1. City Council confirms all of the findings of fact contained in the recitals of this Ordinance.

Section 2. City Council does hereby expressly find that "conservation areas" as defined in Section 31-6-30, Code of Laws of South Carolina 1976, as amended, exist within the Redevelopment Project Area designated below.

Section 3. For the purpose of this Ordinance, "redevelopment project" and "redevelopment project area" as used subsequently herein are defined in Section 31-6-30, Code of Laws of South Carolina 1976, as amended.

Section 4. For the purpose of this Ordinance and any "redevelopment project" to be undertaken pursuant hereto, the "redevelopment project area" shall be that area described as follows:

[Insert description of area]

Section 5. City Council does hereby expressly approve the Redevelopment Plan for the redevelopment of the Downtown Area Redevelopment Project Area, which Redevelopment Plan includes reference to statements of objectives of the City with regard to the Redevelopment Plan, sets forth the need for the proposed use of the proceeds of the obligations in relationship to the Redevelopment Plan, sets forth the cost estimates of the redevelopment program and the projected sources of revenue to be used to meet the costs, including estimates of tax increments and the total amount of indebtedness to be incurred, the nature and terms of any obligations to be issued, the most recent equalized assessed value of the Redevelopment Project area, and estimates as to the equalized assessed evaluation after redevelopment, and the general land uses to apply in the Redevelopment Project Area, all as set forth in the Redevelopment Plan attached as Exhibit A and incorporated herein.

Section 6. City Council does hereby expressly approve the list of all real property in the Redevelopment Project area more fully set forth in the Redevelopment Plan attached hereto as Exhibit A and incorporated herein.

Section 7. City Council does hereby expressly approve the designation of all real property included in the Redevelopment Project Area as set forth in Section 4 above.

Section 8. City Council hereby determines that the duration of the Redevelopment Plan shall be 40 years. Council hereby specifically finds and determines that there will be no adverse impact caused by the Redevelopment Plan upon the revenues of the following taxing entities: the City, Beaufort County, and the School District of Beaufort County. City Council furthermore determines that the long-term impact will be beneficial following the inducement by the City of substantial private investment.

Section 9. City Council specifically finds that (1) the Redevelopment Project Area above defined is a "conservation area" and that private initiatives are unlikely to alleviate these conditions without substantial public assistance; (2) property values in the Redevelopment Project Area would remain static or decline without public intervention; and (3) redevelopment is in the interest of the health, safety, and general welfare of its citizens.

Section 10. A copy of this Ordinance and its exhibits shall be mailed by registered or certified mail to the taxing entities cited in Section 8 above.

Section 11. All ordinances or parts of ordinances inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

Section 12. This Ordinance shall be and become finally binding immediately after it shall have received second and final reading, given in the manner required by law.

This ordinance shall become effective immediately upon adoption.

Mayor

(SEAL)

Attest: _____
Clerk

1st Reading:
2nd Reading:
and Adoption:

Reviewed by: _____
City Attorney