

CITY OF SIMPSONVILLE, SOUTH CAROLINA

A RESOLUTION

A RESOLUTION TO DETERMINE THE ELIGIBILITY OF A BUILDING SITE AND PROPOSED REHABILITATION EXPENSES IN CONNECTION WITH A REQUEST FOR A SPECIAL TAX ASSESSMENT FOR REHABILITATED HISTORIC PROPERTY AND TO RECEIVE PRELIMINARY CERTIFICATION PURSUANT TO THE BAILEY BILL, SECTION 4-9-195(A)(1), AND MADE APPLICABLE TO MUNICIPALITIES BY SECTION 5-21-140, OF THE CODE OF LAWS OF SOUTH CAROLINA (1976), AS AMENDED, AND ARTICLE IV, SECTION 28-101(1) OF THE CODE OF ORDINANCES OF THE CITY OF SIMPSONVILLE, REGARDING PROPERTY LOCATED AT S. E. MAIN STREET, EAST CURTIS STREET AND HEDGE STREET, SIMPSONVILLE, SOUTH CAROLINA 29681

WHEREAS, the Bailey Bill was enacted in Section 4-9-195, and made applicable to municipalities by Section 5-21-140, of the South Carolina Code of Laws to create an incentive for the rehabilitation of historic structures located in South Carolina; and

WHEREAS, the Bailey Bill provides that rehabilitation of historic structures into productive assets for the communities in which they are located serves a public and corporate purpose and results in job opportunities; and

WHEREAS, the City of Simpsonville, South Carolina, has adopted the Bailey Bill by Ordinance # 2018-02 (the “Ordinance”); and

WHEREAS, Section 4-9-195 of the Act provides the following definitions (in pertinent part):

(1) “Historic designation” means the owner of the property applies for and is granted historic designation by the county governing body for the purpose of the special property tax assessment based on one or more of the following reasons:

- (a) the property is listed in the National Register of Historic Places;
- (b) the property is designated as a historic property by the county governing body based upon criteria established by the county governing body and is at least fifty years old; or
- (c) the property is at least fifty years old and is located in a historic district designated by the county governing body at any location within the geographical area of the county.

(2) "Approval of rehabilitation work" means the proposed and completed rehabilitation work is approved by the reviewing authority as appropriate for the historic building and the historic district in which it is located.

(3) "Minimum expenditures for rehabilitation" means the owner or his estate rehabilitates the building, with expenditures for rehabilitation exceeding the minimum percentage of the fair market value of the building established by the county in its ordinance. The county governing body may set different minimum percentages for owner-occupied property and income producing real property, between twenty percent and one hundred percent.

(5) "Preliminary certification" means a property has met the following conditions:

(a) the owner of the property applies for and is granted historic designation by the county governing body; and

(b) the proposed rehabilitation receives approval of rehabilitation work from the reviewing authority.

A county governing body may require that an owner applies for preliminary certification before any project work begins.

(6) "Final certification" means a property has met the following conditions:

(a) the owner of the property applies for and is granted historic designation by the county governing body;

(b) the completed rehabilitation receives approval of rehabilitation work from the reviewing authority; and

(c) the minimum expenditures for rehabilitation were incurred and paid.

(8) "Rehabilitated historic property" means the property has met all the criteria for final certification.

WHEREAS, with regard to eligibility for the special property tax assessment, portions of the Ordinance which are relevant to this Resolution provide as follows:

Sec. 28-101. - Certification; criteria for historic designation.

In order to be eligible for the special property tax assessment, historic properties must receive preliminary certification prior to the commencement of any work, and final certification upon completion of approved work.

(1) To receive preliminary certification, a property must meet the following conditions:

a. The owner of the property applies for and is granted historic designation by the city

council; and

- b. The proposed rehabilitation receives approval of rehabilitation work from the city council.

(2) To receive final certification, a property must have met the following conditions:

- a. The property has received preliminary certification;
- b. The completed rehabilitation, receives approval of rehabilitation work from the city council as being consistent with 'the plans that were approved by the city council as part of the preliminary certification; and
- c. The minimum expenditures for rehabilitation were incurred and paid.

(3) Property shall qualify as historic for the special assessment when:

- a. It is listed in the National Register of Historic Places.
- b. It is at least 50 years old and is designated as a historic property by the design preservation commission in accordance with this article; or
- c. It is at least 50 years old and is located in. a historic district which has been designated as a preservation overlay district by the city zoning ordinance.
- d. It meets such other and additional requirements as may be established by the general assembly in the future.

WHEREAS, Burdette Central, LLC (“Taxpayer”) owns certain real property within the corporate limits of the City of Simpsonville (“City”), adjacent to S.E. Main Street (SC Hwy. 14), E. Curtis Street (SC Hwy, 417) and Hedge Street, containing 2.092 acres, 91,143 sq. ft., more or less as shown on a survey entitled SURVEY FOR BURDETTE PROPERTY OF SIMPSONVILLE, GREENVILLE COUNTY, SOUTH CAROLINA, prepared by Site Design, Inc., dated January 29, 2016, and recorded March 17, 2016, in the Greenville County Register of Deeds Office in Plat Book 1233 at Page 55, and further identified as Greenville County Tax Map Nos. 0311.00-01-001.00 and 0311.00-01-009.00 (collectively, the “Property”); and

WHEREAS, the Property is located within the City’s Central Business District and Overlay District; and

WHEREAS, Taxpayer intends: (i) in Phase I of the Project to renovate and redevelop the approximately 25,000 square foot building on the Project Property (the “Burdette Building”) which is listed on the National Register of Historic Places (the National Register”), to include structural reinforcement, refinishing floors, refinishing walls, refurbished ceilings, new doors and windows, new roof, new HVAC systems, new plumbing, new grease trap, new elevator, new public restrooms, new outdoor community gathering area, and related improvements; and (ii) in Phase II of the Project to develop the corner of Curtis and Hedge Street pursuant to a schedule and with proposed renovation to be aligned with market suitability (the “Project”); and

WHEREAS, the Project includes certain public improvements as identified in the Project Development Agreement entered into between Taxpayer and City on or about April 19, 2019 (the “Development Agreement”), as right-of-way improvements to include parking spaces, curb and gutter work along East Curtis Street and Hedge Street, and utilities work to include moving overhead power lines below ground along East Curtis Street, as part of City’s on-going City-wide improvements; and

WHEREAS, pursuant to the Development Agreement, Taxpayer has previously submitted certain documentation listed on Exhibit A attached hereto and made a part hereof, including a description of the rehabilitation and renovation work to be performed by Taxpayer and an estimate of expenses to be incurred in the approximate amount of \$4,000,000.00 (collectively the “Development Documentation”) to City prior to the execution of the Development Agreement, the receipt and sufficiency of which City acknowledges, which Development Documentation, together with the Development Agreement, provide the requisite Notice of Intent to Rehabilitate the Property (the “Notice”) to the City required by the Act; and

WHEREAS, this Resolution is required to determine if (i) the Property is an eligible historic building site, and (ii) the proposed rehabilitation expenses set forth herein or in the Development Agreement are eligible for a special tax assessment pursuant to the Bailey Bill, all as defined in the Act.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SIMPSONVILLE, SOUTH CAROLINA, the Property is an eligible historic building site, and the proposed rehabilitation expenses set forth herein or in the Development Agreement are eligible for a special tax assessment pursuant to the Bailey Bill, all as defined in the Act.

BE IT FURTHER RESOLVED, that this Resolution hereby provides preliminary certification of the qualification of the Project for a special tax assessment pursuant Section 28-101(1) of the Code of Ordinances of the City of Simpsonville and to S.C. Code Ann. §4-9-195(A)(1).

AND BE IT FURTHER RESOLVED, that notice of this matter shall be given to all applicable taxing authorities.

[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

DONE in Regular Meeting duly assembled this 10th day of December, 2019.

SIGNATURE OF MAYOR:

Janice Curtis

ATTEST:

APPROVED AS TO FORM:

Phyllis Long
City Clerk

David W. Holmes
City Attorney

EXHIBIT A

Development Documents

1. Architectural Renderings
2. Floor Plan Drawings
3. Construction Drawings
4. Site Plan
5. South Carolina Historic Properties Record for the Burdette Building
6. Survey of the Property
7. Copy of vesting deed and title documentation
8. Notice of Intent Letter Detailing Rehabilitation Plans and Expenses
9. Redevelopment Budget
10. Project Milestones
11. Property Zoning Information
12. Property and Tax Report
13. Estimated Bailey Bill Property Tax Proforma