

# CHESTER COUNTY COUNCIL WORKSHOP MINUTES

R. Carlisle Roddey Government Complex  
1476 J A Cochran Bypass, Chester, SC  
Conference Room

Tuesday, July 24<sup>th</sup>, 2018 at 3:00 PM

Chairman Shane Stuart Presiding

## MINUTES

**Present:** Chairman Shane Stuart, Vice Chairman Joe Branham, Council Member Archie Lucas, Council Member Brad Jordan, Council Member Alex Oliphant, Council Member Pete Wilson, County Attorney Joanie Winters, Attorney Michael Kozlarek, Karlisa Parker Dean, Jeff Burgess, Mike Levister Robby Moody, Cole McKinney and Clerk to Council Karen Lee. **Absent:** Council Member Mary Guy was absent with prior notification.

1. **Call to Order**-Chairman Stuart called the meeting to order at 3:00 pm.

2. **FILOT Discussion**

Chairman Stuart stated he had reached out to other Counties as to how they handled fee in lieu, the Counties that responded all handle the fees differently. He asked Attorney Michael Kozlarek to speak on pending ordinances. Attorney Kozlarek stated at the last work session Council motioned to give first reading to allocate a portion of the 70% county and 30 % to the school district, 4% of the 70% would go to the fire district for where each project is located and around \$27,000 dollars in revenue coming from the Counties portion. At the second reading 30% percent to the school district, 4% to the fire district to where the project is located and 66% would come to the county instead of the 70% percent and would be from the fees from this moment forward.

Council Member Wilson stated he still has the question from the last meeting as to why economic development is outside of the regular budget. It makes sense for the fire department, why are we not doing this for EMS. Karlisa Parker Dean stated the work that has been done through industry is why the fire department needs more money. If the county is to continue to grow, we need product which Chester County is known for. Right now, other counties don't have the industrial properties Chester has. By having product development, it keeps the county current, Chester County is known for product development.

Council Member Wilson stated why does the money need to be allocated outside of the budget.

Jeff Burgess stated if it's in the budget the money can be slashed, so when the new budget comes in every year economic development would be coming back each time asking for money. The FILOT sets it up to where it is continually receiving money. Mrs. Dean stated the Gateway has put the County on the map, we may be a rural community, but we don't think like one. When Sun Fiber came to Chester they stated at a meeting they had never wanted to locate in a rural community, but when they came to Chester they saw a plan had already been established and wanted to be a part of Chester County. Council Member Oliphant stated the difference is the gateway is for infrastructure. Chairman Stuart stated ems operates off a budget. It has been brought to his attention people are saying the gateway is part of the economic development why do they need more money when they already have the gateway. Vice Chairman Branham stated the economic development is Chester

Counties life line, if it was not for them and the hard work they have done the County would be in poor condition right now. The County has been booming since 2011 with new industry coming.

Council Member Jordan stated both roads would get us there, as long as economic development is funded, in the FILOT each product funds the next. If it's put in the budget it needs to be followed through, Mrs. Dean stated if it was not for Council we would not be where we are now, it's the leadership of Council. Chairman Stuart asked if the bubble busted how does the County get access to the money if it was needed for other purposes could the money be re-allocated.

Attorney Kozlarek stated yes, you can always change an ordinance and make an amendment to the budget. The ordinance can be drafted however Council wants. If the money for the fire district for example has been forwarded to them, then the money is gone, with economic development Karlisa has to come before you and ask for the money she needs to complete a project. He could draft an ordinance to use the money as needed.

Council Member Lucas stated economic development has made great progress. County Attorney Winters stated unlike the money that was pledged for the gateway, this money is available to help economic development but not a hard and fast pledge like the gateway pledges were. Council has discretion to assist economic development.

Council Member Wilson stated economic development is funded but thinks it would be better though the budget not in a fee in lieu. He's not debating the merits of the gateway or product development and not his intentions and understands the rest of Council's points as well, he disagrees but understands. One great way to bring more growth to the County is to have low taxes and one of his points he will always hammer home.

Council Member Jordan stated currently the ordinance coming up does not include a cut for economic development and only covers the four industries. Chairman Stuart stated they can talk more on this at the next scheduled Council meeting.

### **3. Impact Fee Study Discussion-Robby Moody and Cole McKinney**

Robert Moody, Senior Planner with Catawba Regional Council of Governments stated he wanted to talk about capital improvement plans and impact fees that work hand in hand. State law requires capital improvement plans if impact fees are implemented. Mr. Moody stated the CIP is a method for planning for the effective efficient provision of services, such as public facility infrastructure improvements, property and equipment and major maintenance. The CIP is for all capital projects that meet certain thresholds that the County may already have as a policy to the Council. Maintenance, personal and operation cost is not an option for impact fees. The CIP is a document that helps focus local decision making, budget tool and done on a ten-year time frame, it can be done on a five-year time frame but if you want to do it for impact fees it must be done in ten years. It allows opportunity for short term construction but also helps plan long term and works hand in hand with the annual budget.

Mr. Moody stated the CIP also helps improve scheduling and helps with the consistency of the comprehensive plan, capital improvements, major construction projects, building construction, land acquisition, major equipment, any physical facilities along with any fixed assets. He stated it could also help with vehicles, land, furniture and equipment as long as it is over a certain dollar amount. For impact fees the minimum threshold is \$100,000 dollars, he stated that does not mean you can buy a patrol car that cost \$35,000 dollars you cannot package three together to meet the hundred thousand dollars. If a large piece of equipment like a backhoe or fire trucks, certain equipment could be eligible. A kick off meeting to talk with all of department heads and any agencies, local governments so each department and agencies would be represented. They would be asked

what the short and long-term needs in terms of capital projects are. They will fill out forms which would be generic so to get the same information from everyone. The first year of the CIP would plug into the annual operation budget when its adopted by Council.

All the projects in the CIP for the first years they want it to be physically restrained to have projected revenues to offset the expenses. There may be a point where there would be an unfunded list if there are no identified revenues for projects. That would help to determine if a bond referendum if the County wants to come up with some other revenue source. Mr. Moody stated six months is the projected time frame for capital improvement programs, a meeting with the director to fill out the forms and ask questions. Within three to four months this would be put together to include a draft for discussion, a working committee that would include Council, the finance director, supervisor and sometimes the planning director along with the economic developer.

The CIP has to go through the planning commission which is a state law requirement. It goes through this process for recommendation to Council, a public hearing requirement plus three readings. At the end of five months their goal is to produce. Cole McKinney, Regional Initiatives & Technology Director stated conversations he had with Shane (County Supervisor) and Karlisa (Economic Developer) a few months ago some of the capital improvement projects were from department heads called the 357 plan. Some of the request may roll into the CIP plan and could help with streamlining the process and getting it off the ground. Mr. McKinney stated it could be done one or two ways, the first way would be to decide to go through the process of developing the CIP, in his mind would be to do it wholesale and across the board. It could be streamlined some by doing it in relation of the implementation of the impact fee. Only cover the projects that meet the thresholds of the impact fee, he didn't recommend doing it this way but if that is the way Council wants to do it, it could be looked at.

Vice Chairman Branham asked if the CIP program leads up to the impact fee, and what would the \$100,000 be used for. Mr. Moody stated the CIP doing it countywide as Mr. McKinney suggested for all departments and agencies could be for five thousand and up whatever the policy through the council, supervisor and finance director wants to establish. If you want a project to be funded through an impact fee the minimum is \$100,000 dollars. Mr. McKinney stated as the CIP is developed it could be anything the Council or the County determines, for example a capital project is anything that is in excess of \$10,000 dollars, that means anything that is over ten thousand dollars that is actually a capital project and meets all the requirements, could be included in the CIP. The only things covered or funded through the impact fee by state law or those that is in excess of \$100,000 dollars. Council could say they are not going to cover anything in the CIP that is less than \$100,000, essentially you would be developing a CIP for purposes to implement the impact fee which would make it simpler.

Mr. Moody stated on of the benefits of doing it that way if it's a replacement vehicle, patrol car or fire engine the operating cost are around the same. But if you want to add equipment or a building we would ask for an estimate from the department showing how much it would cost to operate annually. Mr. McKinney stated the impact fee could be done county wide or in a specified area, the CIP would be county wide. If Council ever wanted to expand the area they could by updating the CIP. Planning Director Mike Levister asked why analyze one area of the county with impact fees. Mr. Moody stated this is done with new construction only in areas that is having the most growth. The fees are collected in that district and used and spent in that district. Impact fees cannot be used for existing deficiencies, as part of the study for the fees Council would like for them to look at a level of service to be established. He stated for instance they would need to know the response time for the fire department or how many people are seen at the library. Growth will impact this and cause the level of service to drop unless the facilities expand to accommodate the growth. The fees collected must be spent within five years, from the time the project was scheduled to be constructed. An example would be under the CIP if the County needed a new EMS station but it's not but year six there would be five years from that time

to spend the money. The CIP is a requirement of the comprehensive plan which they are currently working on. The areas need to be defined, they would need to know if it would be county wide or a specific area that is based on growth of the areas, projected land use, the level of service and service units which is the technical term for people. He stated there is also a requirement to look at affordable housing, if an impact fee would have a negative effect on it.

Chairman Stuart asked what other entities they would need to contact to be involved. Mr. Moody stated establishing a key team would consist of the supervisor and the finance director along with the sheriff's office, fire and ems. Mr. McKinney stated Council would need to determine if they want to do the CIP and impact fee for the whole county or a specific area, they don't have to match up. He stated an example would be do the CIP county wide and the impact fee for a specific area. Attorney Winters asked if someone does not pay the impact fee what would happen. Mr. McKinney stated they would not get a building permit to construct.

Council Member Jordan asked what could be done to get the ball rolling on the CIP. Mr. McKinney stated if he could get a copy of the 357 plan they could come back with a scope of services with a hard budget, when the number was given earlier that was kind of a place holder, so it would be looked at. Chairman Stuart stated moving forward he would send out information to Council and move forward with a development agreement and send Mr. McKinney the 357 plans.

**4. Adjourn-**After a 10-minute recess Chairman Stuart opened the Special Called Chester County Council Meeting.

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K. Shane Stuart, Chester County Supervisor & Chairman

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Karen Lee, Clerk to Council

Pursuant to the Freedom of Information Act, the Chester News & Reporter, The Herald in Rock Hill, SC, WSOC-TV, Channel 9 Eyewitness News, the Mfg. Housing Institute of SC, WRHI Radio Station, C&N2 News, WCNC News and Capitol Consultants were notified and a notice was posted on the bulletin board at the Chester County Government Building 24 hours prior to the meeting