

ORDINANCE NO. 2010-031

(Innovista Redevelopment Plan)

AN ORDINANCE APPROVING THE INNOVISTA REDEVELOPMENT PLAN OF THE CITY OF COLUMBIA, SOUTH CAROLINA; DESIGNATING SUCH AREA AS A REDEVELOPMENT PROJECT AREA; MAKING FINDINGS OF BLIGHT WITHIN THE REDEVELOPMENT PROJECT AREA AND OTHER FINDINGS CONTEMPLATED BY THE TAX INCREMENT FINANCING LAW; DESIGNATING REDEVELOPMENT PROJECTS; AND OTHER MATTERS RELATING THERETO.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLUMBIA, SOUTH CAROLINA, AS FOLLOWS:

Section 1. Findings and Determinations of Council. The City Council (the "Council") of the City of Columbia, South Carolina (the "City"), hereby finds and determines:

(a) The City is an incorporated municipality located in portions of Richland County, South Carolina, and Lexington County, South Carolina, and as such has all powers granted to municipalities by the Constitution and general laws of this State.

(b) Pursuant to Section 5-5-10, Code of Laws of South Carolina 1976, as amended (the "S.C. Code"), the City has selected the Council-Manager form of government and is governed by a Council composed of a Mayor and six (6) Council members which constitute the governing body of the City.

(c) Pursuant to Sections 31-6-10 to 31-6-120, inclusive (being the "Tax Increment Financing Law" and herein referred to as the "Act"), of the S.C. Code, the governing bodies of incorporated municipalities are vested with all powers consistent with the South Carolina Constitution necessary, useful, and desirable to enable them to accomplish redevelopment in areas which are or threatened to become blighted.

(d) The City has caused to be prepared a redevelopment plan (within the meaning of the Act) entitled: "Innovista Redevelopment Plan" (the "Redevelopment Plan"), which contains (among other things) a statement of the objectives of the City with regard to the Redevelopment Plan and provides a comprehensive program of the City for the redevelopment of the area of the City described therein and as described and designated in Section 3 of this Ordinance and *Exhibit B* to the Redevelopment Plan (such area being hereinafter referred to as the "Redevelopment Project Area").

(e) The Redevelopment Plan contains such information as may be required by the Act to be included therein, including but not limited to estimated redevelopment project costs (within the meaning of the Act) (the "Costs"), the anticipated sources of funds to pay the Costs of the redevelopment projects (within the meaning of the Act) contemplated by the Redevelopment

Plan (the “Redevelopment Projects”), the nature and term of any obligations to be issued, the most recently equalized assessed valuation of the Redevelopment Project Area, an estimate as to the equalized assessed valuation after redevelopment, and the general land uses to apply in the Redevelopment Project Area.

(f) Pursuant to the Redevelopment Plan, the estimated Costs of the Redevelopment Projects are \$153,938,587. The Redevelopment Plan contemplates the issuance by the City of not exceeding \$150 million of its tax increment bonds, to be issued from time to time as permitted by the Act (the "Tax Increment Bonds"), and the use of the proceeds of such Tax Increment Bonds, together with other sources of available funds (including but not limited to loans, grants and incremental tax revenues) as described therein, to defray all or a portion of the Costs of Redevelopment Projects. Based on certain projections presented to the City and the assumptions and qualifications described in the Redevelopment Plan, the aggregate tax increments of the City and the Taxing Districts (excluding the City) in the Redevelopment Project Area during the duration of the Redevelopment Plan have been estimated to be approximately \$67 million and \$226 million, respectively, for an aggregate total of \$293 million. There is a need for the proceeds of the Tax Increment Bonds, together with other sources of available funds, to be used for such purposes in the manner described in or contemplated by the Redevelopment Plan. Reference is made to the Redevelopment Plan for more detailed information relating to the matters described in this paragraph.

(g) On December 18, 2009, the City distributed copies of the Redevelopment Plan to all taxing districts (within the meaning of the Act) of which taxable property is included in the Redevelopment Project Area (collectively, the “Taxing Districts”), together with notices advising such Taxing Districts of a public hearing scheduled to be held by the City on February 4, 2010, relating to the Redevelopment Plan. The public hearing was held on February 4, 2010, following publication of notice thereof in *The State* on January 14, 2010.

(h) It is necessary and in the best interest of the City for the Council to approve the Redevelopment Plan, to make such statements, findings and determinations as may be required pursuant to Section 31-6-80 of the Act and to designate the Redevelopment Project Area as a “redevelopment project area” for purposes of the Act.

Section 2. Approval of the Redevelopment Plan. The Council hereby approves the Redevelopment Plan, in the form attached hereto as Exhibit A.

Section 3. Real Property in the Redevelopment Project Area. The Council hereby approves the list of all real property in the Redevelopment Project Area attached as *Exhibit B* to the Redevelopment Plan, and designates such area as a “redevelopment project area” for purposes of the Act.

Section 4. Findings of Blighted Conditions, Future Static or Declining Property Values and Benefit of Redevelopment.

(a) The Redevelopment Plan describes in detail conditions of blight present with respect to the Redevelopment Project Area. Specific conditions of blight described in the

Redevelopment Plan are evidenced (1) with respect to improved parcels, by the following: age, dilapidation, obsolescence, deterioration, illegal use of individual structures, presence of structures below minimum code standards, excessive vacancies, lack of necessary transportation infrastructure, presence of or potential environmental hazards, lack of water or wastewater services, inadequate electric, natural gas or other energy services, lack of modern communications infrastructure, lack of ventilation, light, sanitary or storm drainage facilities, inadequate utilities, deleterious land use or layout, depreciation of physical maintenance, static or declining land values and other conditions detrimental to public safety, health or welfare, and (2) with respect to unimproved parcels, by the following: deterioration of structures or site improvements in neighboring areas adjacent to vacant land, lack of necessary transportation infrastructure, presence of or potential environmental hazard, lack of water or wastewater, lack of storm drainage facilities, inadequate electric and natural gas energy services and lack of modern communications infrastructure and other conditions detrimental to the public safety, health or welfare which may become a blighted area.

(b) As further described in the Redevelopment Plan, taxable real property values in the Redevelopment Project Area are significantly depressed compared to other areas of the City and, even where property values have increased, such values have not risen in recent years at a pace consistent with increases of other taxable real property within the entire City limits. Also, to the extent that the assessed value of taxable real property within the Redevelopment Project Area has increased in recent years, much of that increase has been generated by a small number of high-value parcels concentrated along the northern and southern edges of the Redevelopment Project Area.

(c) To remove and alleviate blighted conditions, it is necessary to encourage private investment and enhance the tax base of the City and the Taxing Districts by the redevelopment of the Redevelopment Project Area, by the Redevelopment Projects described in the Redevelopment Plan, which objectives are herein declared to be essential to the public interest of the City and its citizens.

(d) In light of the foregoing and the information described in the Redevelopment Plan, the Council hereby finds and confirms the findings contained in the Redevelopment Plan that (1) the Redevelopment Project Area constitutes a "blighted area" and a "conservation area" within the meaning of Section 31-6-30 of the Act, (2) further private initiatives are unlikely to alleviate these conditions without public intervention, (3) property values in the Redevelopment Project Area would remain static or decline without substantial public assistance, and (4) redevelopment of the Redevelopment Project Area is in the interest of the health, safety, and general welfare of the citizens of the City.

Section 5. Duration of Redevelopment Plan. The duration of the Redevelopment Plan shall be 25 years from the date of enactment of this Ordinance (the "Plan Duration"). The maximum estimated term of the Tax Increment Bonds will not extend beyond the earlier of (a) the date which is 25 years after the date of issuance of such bonds or (b) the Plan Duration.

Section 6. Impact of Redevelopment Plan on Taxing Districts. The Council

hereby determines that any adverse impact caused by the Redevelopment Plan upon the revenues of the Taxing Districts (consisting of Richland County, School District No. 1 of Richland County, the Richland-Lexington Airport District and the Richland-Lexington Riverbanks Park District) or the City, resulting from the application of projected incremental tax revenues for purposes described in the Redevelopment Plan (e.g., payment of debt service on Tax Increment Bonds or for budgeted Redevelopment Project Costs), is likely to be minimal. As further described in the Redevelopment Plan, the City expects the maximum impact on the Taxing Districts to range from 1.11% to 1.81% of projected budgets, subject to the assumptions and qualifications set forth in the Redevelopment Plan. The Council furthermore determines that the long-term impact on the Taxing Districts of the Redevelopment Plan will be beneficial following the inducement by the City of substantial private investment in the Redevelopment Project Area as a result of the initiatives undertaken pursuant to the Redevelopment Plan, inasmuch as the Taxing Districts would not likely derive the benefits of increased property values (and increased assessed value base) without the implementation of the Redevelopment Plan, and all such Taxing Districts benefit from the removal of blighted conditions.

Section 7. Notice of Adoption of Ordinance. The Council hereby authorizes the publication of the Notice regarding the adoption of this Ordinance in *The State* in accordance with Section 31-6-80 of the S.C. Code. Such notice shall be in substantially the form set forth in Exhibit B hereof.

Section 8. Repeal of Conflicting Ordinances. All ordinances or parts of ordinances inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

Section 9. Ordinance in Full Force and Effect. This Ordinance shall be in full force and effect from and after its enactment as provided by law. This Ordinance shall be forthwith codified in the Code of City Ordinances in the manner required by law and shall be indexed under the general heading "Innovista Redevelopment Plan – 2010," and shall be made available for public inspection at the office of the Clerk of the City.

[Signature page follows]

Enacted by the City Council of the City of Columbia, South Carolina, this __ day of _____,
2010.

CITY COUNCIL, CITY OF COLUMBIA, SOUTH
CAROLINA

Mayor

(SEAL)

ATTEST:

Clerk

Date of First Reading: _____, 2010

Date of Public Hearing: _____, 2010

Date of Second Reading: _____, 2010

INNOVISTA REDEVELOPMENT PLAN

NOTICE OF ADOPTION BY THE CITY OF COLUMBIA OF AN ORDINANCE
APPROVING THE INNOVISTA REDEVELOPMENT

NOTICE IS HEREBY GIVEN that the City Council of the City of Columbia, South Carolina, on ____, 2010, enacted Ordinance No. 20__-____ (the "Ordinance") entitled:

"AN ORDINANCE APPROVING THE INNOVISTA REDEVELOPMENT PLAN OF THE CITY OF COLUMBIA, SOUTH CAROLINA; DESIGNATING SUCH AREA AS A REDEVELOPMENT PROJECT AREA; MAKING FINDINGS OF BLIGHT WITHIN THE REDEVELOPMENT PROJECT AREA AND OTHER FINDINGS CONTEMPLATED BY THE TAX INCREMENT FINANCING LAW; DESIGNATING REDEVELOPMENT PROJECTS; AND OTHER MATTERS RELATING THERETO."

The Ordinance approved the Innovista Redevelopment Plan (the "Redevelopment Plan") and designated certain areas of the City as a "redevelopment project area" as described in the Ordinance and the Redevelopment Plan. Copies of the Ordinance and the Redevelopment Plan are available during normal business hours in the offices of the City: City Clerk, 1737 Main Street, Columbia, South Carolina 29217-0147.

This Notice is given pursuant to the provisions of Sections 31-6-10 to 31-6-120, South Carolina Code of Laws 1976, as amended (known as the Tax Increment Financing Law).

Notice is further given that any interested party may, within 20 days after the publication of this Notice of Adoption by the City of Columbia of an Ordinance Approving the Redevelopment Plan, but not afterwards, challenge the validity of the adoption of the Ordinance and the Redevelopment Plan by action de novo in the Court of Common Pleas in Richland County.

Dated: _____, 2010

CITY OF COLUMBIA, SOUTH CAROLINA