

COUNTY COUNCIL OF BEAUFORT COUNTY  
ADMINISTRATION BUILDING  
BEAUFORT COUNTY GOVERNMENT ROBERT SMALLS COMPLEX  
100 RIBAUT ROAD

POST OFFICE DRAWER 1228  
BEAUFORT, SOUTH CAROLINA 29901-1228

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www.bcgov.net

D. PAUL SOMMERVILLE  
CHAIRMAN

GERALD W. STEWART  
VICE CHAIRMAN

COUNCIL MEMBERS

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RICK CAPORALE  
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WILLIAM L. MCBRIDE  
STUART H. RODMAN  
ROBERTS "TABOR" VAUX

GARY T. KUBIC  
COUNTY ADMINISTRATOR

JOSHUA A. GRUBER  
DEPUTY COUNTY ADMINISTRATOR  
SPECIAL COUNSEL

SUZANNE M. RAINEY  
CLERK TO COUNCIL

AGENDA  
GOVERNMENTAL COMMITTEE  
(Includes Public Safety Division)

Monday, February 9, 2015

1:00 p.m.

Large Meeting Room, Bluffton Branch Library  
120 Palmetto Way, Bluffton

Governmental Committee Members:

Stu Rodman, Chairman  
Rick Caporale, Vice Chairman  
Cynthia Bensch  
Gerald Dawson  
Brian Flewelling  
Alice Howard  
Jerry Stewart

Staff Liaison:

Phil Foot, Assistant County Administrator  
Public Safety

1. CALL TO ORDER – 1:00 P.M
2. ORGANIZING DISCUSSION
3. PENNY SALES TAX DISCUSSION ([backup](#))
4. DISCUSSION / DISPOSITION OF FUNDS RETURNED FROM LOWCOUNTRY ECONOMIC ALLIANCE
5. ECONOMIC DEVELOPMENT DISCUSSION ([backup](#))
  - A. Countywide
  - B. Northern Beaufort County
  - C. Regional Affiliation
6. CONSIDERATION OF REAPPOINTMENTS AND APPOINTMENTS
  - A. Burton Fire District Commission
  - B. Construction Adjustments and Appeals Board
  - C. Daufuskie Island Fire District
  - D. Lowcountry Regional Transportation Authority
7. ADJOURNMENT



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January 13, 2014

The Honorable Shannon Erickson, Chairman  
Beaufort County Legislative Delegation  
320C Blatt Office Building  
1105 Pendleton Street  
Columbia, SC 29201

Subject: Beaufort County Penny Sales Tax Statute

Dear Representative Erickson:

In recent years, following the success of the One Penny Transportation Sales Tax, interest continues in a variety of One Penny Sales Taxes including ones for Capital Improvements, Local Option, Tourism Marketing, and School Operations. Each has a constituency. None satisfies all as we have diverse requirements across the County. The year 2016 will probably see several put forth for possible referendum consideration. Passing one makes it difficult to pass a second one, creating a rush to be first.

At the discussion preceding the Realtor's Annual Oyster Roast last October, I floated the idea of Beaufort County, under the concept of Home Rule, having the flexibility to craft Penny Sales Tax Referenda that meets our needs better than the statewide ones currently available. As I remember, those of you in attendance were receptive to considering a proposal.

Ideally:

1. Needs, varying with time, would be placed on the ballot every two years.
2. Voters, weighting previous success, can decide whether or not to renew.

Consideration of such a statute, tailored to the needs of the citizens of Beaufort County, would be most appreciated.

Sincerely,

Stu Rodman  
Beaufort County Council

Attachment

cc: Senator Tom C. Davis  
Representative Jeffrey Bradley  
Representative William G. Herbkersman  
Representative Wm. Weston J. Newton

### **Penny Sales Tax Suggested Features**

In order to initiate a discussion, I suggest a new statute beneficial for (but not limited to) Beaufort County with the attached features:

1. Up to two pennies, net of other referenda approved Sales Taxes.
2. Uses to include, but not limited to, Capital Improvements, Property Tax Relief, Marketing, and School Operations.
3. Not to exceed four years.
4. On the ballot only in General Elections.
5. County Council to authorize.

# Beaufort County Economic Development

**10/13/14**

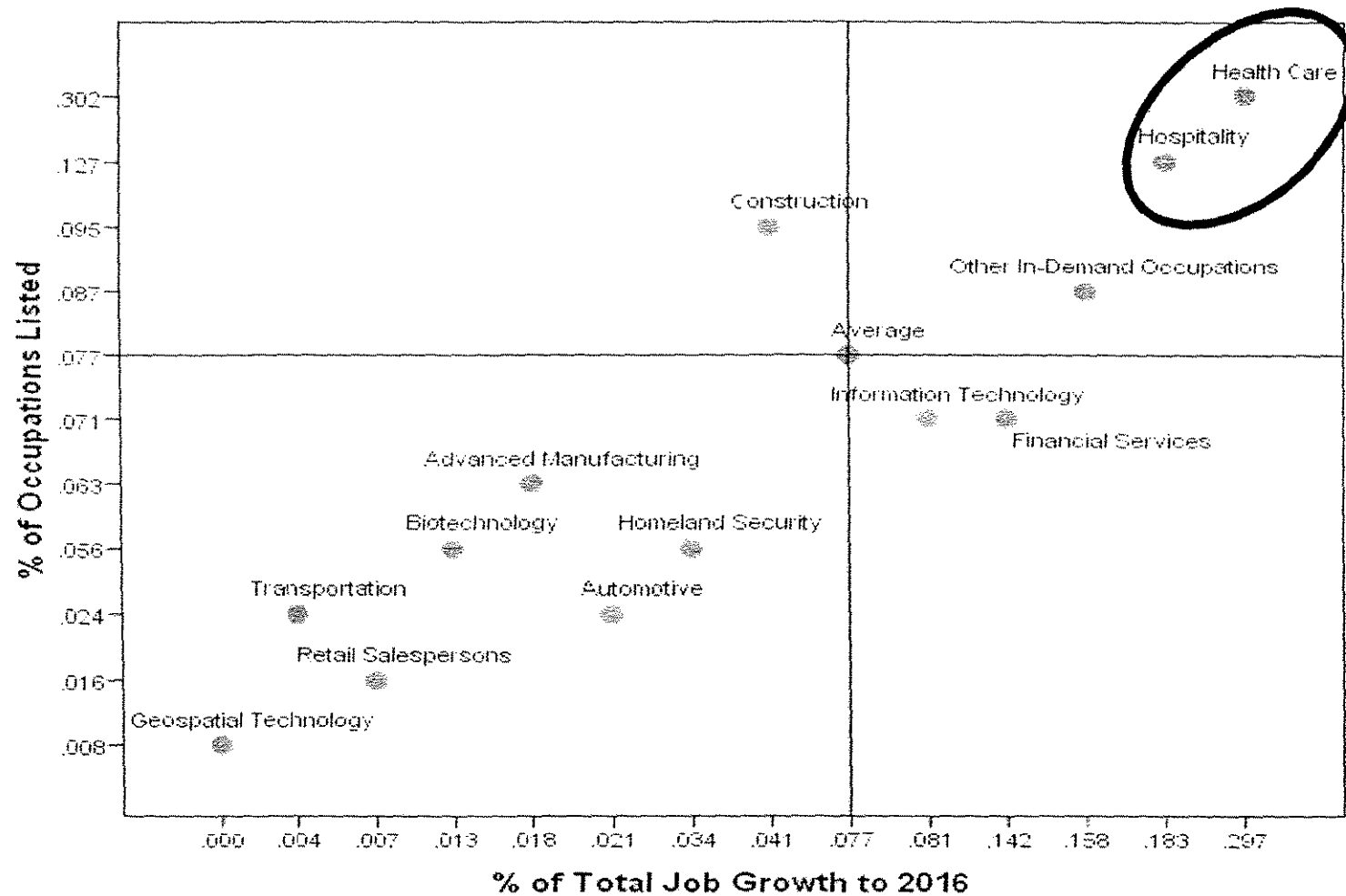
Stu Rodman  
October 13, 2014  
County Council Meeting

# Recommendation #1

## Facilitate Deals County-wide

- **County's Perspective:**
  - Investor Mentality
  - Indifferent as to Location
  - Financial Staff to Provide Due Diligence
- **Economic Development Corporations:**
  - Marketing
  - Recruiting
  - Negotiations
- **County Tool Kit:**
  - Tax Incentive
  - Infrastructure
  - Zoning
  - Funding
- **Funding:**
  1. Required
  2. Sporadic
  3. Needs to be readily available
  4. Generally capital
  5. Lends itself to long term bonding
- **Suggested Approach:**
  1. Use General Fund Reserve as Needed
  2. Replenish Periodically:
    - Bonding for Capital Expenditures
    - Tax Levy for General Fund Expenditures

# Occupations Listed and Total Job Growth for Beaufort County, 2016



Source: County Data Accessed by John Salazar, Ph.D., USCB

## Recommendation #2

### Convene a County-wide Healthcare Task Force

#### Residential Healthcare

- Important for:
  1. Resident
  2. Future Residents
- Local Initiatives:
  1. HHI
  2. Bluffton
  3. North County

#### Healthcare Industry

- Single Best County-wide Opportunity:
  1. Growth Industry
  2. Attracted to Quality of Life Communities
  3. Entrepreneurial / Start-Ups
  4. Knowledge Based / Applied Technology
- Attributes:
  1. Center of Excellence
  2. Remote Delivery
  3. Medical Tourism
  4. Destination Marketing
  5. Recession Proof
  6. County-wide
  7. High Paying Jobs

## Recommendation #3

### Establish Medical Commerce Park / Exercise the Graves Option

#### Graves Property

- Strong Case for Healthcare
- Opportunities:
  - Residents
  - Industry
- Key Steps:
  - Task Force: HHI, Bluffton, & Beaufort
  - Establish Medical Park Property:
    - Hospital Independent
    - Mid-county (i.e. Bluffton):
    - Graves Property:
      - Best Site
      - County has an Option

#### World-class Healthcare Vision

1. Recognized Medical Destination
2. Attracting Residents, Patients, & Companies
3. Producing High Paying Jobs

#### Funding

\$ 8 million - Medical Commerce Park\*\*

3 - Preserve Horse Farm (R&C)

1 - Stormwater

\$12 million - Strike Price

\*\* Ideally Private Developers (County RFP)



## Recommendation #4

### Don't Overlook Heritage Tourism

#### Santa Elena

**Lost Century:**

1. 1<sup>st</sup> Colonial Capital
2. 1<sup>st</sup> Settlement

**Visitors: 150,000 Annually**

#### Future Heritage Tourism

**Reconstruction / NPS Priority**

**Penn Center**

**Mitchelville**

**Gullah Geechee**

**Civil War**

**Visitors: 150,000 Annually**

**Plus EcoTourism**

#### Coastal Tourism

**Current: 3 of top 8 Destinations in U.S.**

**Opportunity - Corridor Tourism**

1. Charleston
2. Beaufort
3. Bluffton
4. Hilton Head island
5. Savannah

**Increased Beaufort Visitors:**

1. Extended Stays from Charleston to Savannah (assume 1% increase in Corridor Visitors Days)
2. Increased 7 - 10 day / Domestic & International Corridor Visitors (assume 1% increase in Corridor visitors)

# Heritage Tourism (con't)

## Charleston to Savannah Corridor Increase

Visitors: +1 million

Visitor days: +3.8 million

Economic value: +\$448 million

Jobs: +6,500

Taxes: +\$68 million

## Beaufort County Increase

Visitors (drives retirees):

200% Increase - Beaufort

130% - Bluffton

7% - HHI

County Economic Value: +\$300 million

Taxes: +\$60 million

Added Jobs:

2,400 - Beaufort

1,430 - Bluffton

1.060 - HHI

+4,890

## Recommendation #5

### Prep a North County Aerospace Site

#### Commitment Scenario

- Reasonable Case to have a Ready Site
- Locations:
  - Commerce Park
  - US 21 / Air Station
- Strategy:
  - First Site:
    - Identify & Prep
    - Provide Full Ride for 1<sup>st</sup> Company
    - Facility?
  - 2<sup>nd</sup> - 5<sup>th</sup> Sites:
    - Prep upon each Success
    - Declining Subsidy
  - Prove or Disprove the Theory

\$ .5 Million - Site #1 (100%)

.4                      #2 ( 80%)

.3                      #3 ( 60%)

.2                      #4 ( 40%)

.1                      #5 ( 20%)

\$1.5 Million

Upside: 5 Businesses & Jobs / \$1.5 million

Downside: No Success / Loss on Resale

## Recommendation #6

### Establish a North County Public / Economic Development Corp (PDC/EDC)

#### Result: 3 Development Units

Bluffton (PDC)   HHI (EDC)   Beaufort (?)

#### Supporting Observations

- Diverse County w/ Different Opportunities
- Government funding required for all 3 Economic Corps due to lacks of large commercial entities
- County is obligated to support economic development in the unincorporated areas
- Affiliate with Southern Alliance
- Merge the City of Beaufort & LEA activities:
  - LEA primary focused on North County
  - LEA co-located with the City of Beaufort

#### Industries

#### Good Targets:

- Aerospace - Go for It
- Heritage Tourism - emerging
- Medical - In Process South County
- Agriculture ?

#### Questionable Targets:

- Light Manufacturing
  - Not Near Markets
  - Not Near Materials
- Distribution / Warehousing / Logistics
- Military Vehicles
- Green Products

## Economic Development Recommended Strategic Initiatives

### County-wide:

- **Facilitate Deals County-wide**
- **Pursue Healthcare as the best County-wide Opportunity**
- **Facilitate Medical Commercial Park**

### Northern Beaufort County:

- **Support a North County Economic Development Corp**
- **Prep a Site in Northern Beaufort County**
- **Don't Overlook Heritage Tourism**