Minutes
York County Economic Development Committee Meeting
Thursday, March 6, 2025
4:30pm

The York County Economic Development Committee met on the above date for an Economic Development Committee Meeting at 4:30pm at 1070 Heckle Boulevard, Rock Hill, SC. The following Council members were present: Council member Watts Huckabee, Council member Christi Cox and Council member Tom Audette. Also present were County Manager, Josh Edwards, Assistant County Manager, Tom Couch, Economic Development Director, Mitch Miller, County Attorney, Michael Kendree, and Clerk to Council, Karen Brogdon.

Meeting called to order by Chairman Watts Huckabee
Invocation provided by Council member Watts Huckabee

Small Business Toolkit

Dean Faile from the York County Regional Chamber provided an update on the Small Business Toolkit. Mr. Faile explained that small modifications were made from the suggestions at the last ED Committee meeting. RHEDC And Small Business Development Center also reviewed the information.

Mr. Faile reported that Chamber staff will work with the County PIO and Economic Development to develop a launch plan.

Incentive Presentation by Mark Farris

Mr. Farris discussed the following information:

Residential vs. Industrial – cost to serve in York County – Act 388 challenge
Owner-occupied residential taxes in York County on average home $380,547 x .1355 (millage after Act 388 in RHSD) x .04 = $2,063

Same amount of industrial investment
$380,547 x .3587 (RHSD total millage) x .06 (inc. FILOT) = $8,190

Average per pupil expenditure in RH is $11,986. Assuming about half is paid for by state and federal funds then $5,993 per student.

Assuming only one student per household in RHSD means that less than half per student expenditure is paid by the average home.

According to the Lincoln Institute of land policy, SC property taxes on industrial property is the 5th highest in the nation with GA being 23rd and NC being 45th.

The same study shows that SC has the next to lowest (lowest being in HI) property taxes in the nation on owner-occupied residential with GA being 38th and NC being 41st.

Most commonly used incentives in SC (not including jobs training)

State vs. Local

- SC – Jobs tax credits – varies by County designation and enhanced by MCIP
- SC – jobs development credits – allows company to retain a portion of the individual income taxes per job and ranges from 2-5% based on County designation
- SC – discretionary incentives – usually determined by each individual company's job creation and capital investment
- YC – property tax incentives including FILOT, MCIP, and SSRC

Property Tax Comparison: York County
Property Tax Example:

Real property of $10,000,000 for a manufacturing company locating in York county with a negotiated Fee in Lieu of Taxes

For qualified companies, York County can negotiate a Fee in Lieu of Taxes which may reduce applicable real and personal tax assessment.

Calculation:
(10,000,000 x .06) x 0.368 = tax bill

Tax bill = $220,800

Property Tax Comparison: North Carolina
Property Tax Example:

Charlotte, NC Real property of 10,000,000 = $129,730
Gastonia, NC Real property of 10,000,000 = $136,500
Lincolnton, NC Real property of 10,000,000 = $113,000

History of FILOT

1988 – FILOT introduced – required minimum investment of $150M
1993 – Scaled FILOT - $20M investment and 600 jobs; $40M investment and 400 jobs; $60M investment and 200 jobs
1997 – Simplified FILOT – Big fee, little fee, super fee and enhanced fee
2022 – manufacturing assessment effectively dropped to 6% as opposed to 10.5%

MCIP Legislation

Multi-County Industrial Park Legislation was introduced in 1976 but not widely used until the mid-early 1980's.
Originally intended to allow counties in SC to share both costs and benefits of mutually-developed business parks.
While providing an additional Jobs Tax Credit for any company locating within an MCIP, the most valuable benefit to a company is the ability for the subject county is issue Special Source

Revenue Credits as further reductions in liability for fees, formerly knows as property taxes for the company.

Special Source Revenue Credit (SSRC)
A county may issue special source revenue bonds or credits (SSRC) to help fund the project or to allow an entity paying a multicounty park fee in lieu of taxes a credit against the fee. However, the special source revenue bonds or the credit amount must be used solely for the purpose of paying the cost of acquiring, constructing, or improving (1) infrastructure serving the county, municipality or project, (2) improved or unimproved real estate and personal property including machinery and equipment used in the operation of a manufacturing or commercial enterprise or (3) aircraft which qualifies as a project under the Simplified Fee which enhances the economic development of the county or municipality.

Alignment of Incentive Goals

1. Costs vs. Benefits
    a. Local governments often fail to look at both the costs and benefits of a new company locating within its boundaries.
2. Consistent Guidelines
    a. Developed by establishing cost/benefit ratios, counties need underlying structure for acceptable incentive parameters
3. Aligning with long-term goals
    a. Those parameters should reflect a community's long-term economic development goals and the tactics to accomplish them

Council received this as information only. No action was taken.

Economic Development Fund – Priorities List Discussion

Council member Tom Audette
1. Purchase land and site prep – industrial park opportunity
2. Investment in small businesses and the toolkit
3. Parks
4. Agriculture

Council member Christi Cox
1. Acquisition or an option for infrastructure improvements tied to workforce development and schools.
2. Small Businesses – grant of a small amount maybe
3. Agriculture

Mitch Miller, ED Director
1. Grant Program for small businesses
2. Marketing standpoint/brand awareness
3. Workforce support and community readiness

Josh Edwards, County Manger
1. County Management is in full support of staff's suggestions

Council member Watts Huckabee
1. Measurable economic impact with ROI
2. Main street façade funding
3. Expanding companies that currently operate in York County – explore with a cap
4. Land in unincorporated areas
5. Comprehensive plan on investing in agritourism

Future Discussions
Chairman Huckabee would like to share the above list with the full Council and have a discussion regarding the same.

Land purchase needs to be discussed in the future with a correlation between Economic Development and Planning & Development

Mr. Huckabee would like a to discuss what industries does the Council want in York County and would like to put together a masterplan for town centers and business parks in the unincorporated areas of York County.

Reconstituting Economic Development Board

Motion was made by Council member Christi Cox and seconded by Council member Tom Audette to recommend to Council that the Economic Development board be reconstituted and appointees to the board are one member from each council district and to revisit the discussion of the vision and role of the board. Motion Carried. **Council member Watts Huckabee voted in opposition.**

Motion was made by Council Member Tom Audette and seconded by Council member Christi Cox to approve the minutes from the February 6, 2025 Economic Development Committee meeting. Motion Carried.

Executive Session

Motion was made by Council member Tom Audette and seconded by Council member Christi Cox to go into Executive Session to discuss and Economic Development Matter: Project Unagi, Project Sample, and Project Cobra. Motion Carried.

Matters for Consideration Following Executive Session

Motion was made by Council member Tom Audette and seconded by Council member Christi Cox to recommend to full council a discussion from within Executive Session. Motion Carried.

There being no further business a motion to adjourn was made by Council member Tom Audette and seconded by Council member Christi Cox. Motion Carried.