

Richland County Council



Paul Livingston District Four

January 27, 2010

The Honorable Robert D. Coble
Mayor, City of Columbia
Office of the Mayor
1737 Main Street
Columbia, South Carolina 29217

**Re: *Columbia Renaissance Redevelopment Plan*
*Innovista Redevelopment Plan***

Dear Mayor Coble:

The County received the latest Innovista Redevelopment Plan and Columbia Renaissance Redevelopment Plan (together, the "Latest Redevelopment Plans") on December 18, 2009. In a letter addressed to you on November 12, 2009, I indicated it was the County's understanding that the City had withdrawn the September 2009 Innovista Redevelopment Plan and the September 2009 Columbia Renaissance Redevelopment Plan (together, the "Original Redevelopment Plans") from consideration. In addition, I indicated that in an abundance of caution, the County officially objected to the Original Redevelopment Plans, as required under Section 31-6-80 of the South Carolina Code of Laws ("TIF Act"), and declined to participate in either of the plans. By lodging this objection, the County followed the procedures provided under the TIF Act to "opt-out" of the Original Redevelopment Plans.

Subsequent to the County's receipt of the Latest Redevelopment Plans, there has been some concern expressed as to whether the City Manager received the appropriate authorization from City Council to amend the

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Original Redevelopment Plans. Additionally, there is also a concern that the City's notice to the County regarding the Latest Redevelopment Plans does not fully comply with Section 31-6-80 of the TIF Act because it does not contain "a notification that all interested persons will be given an opportunity to be heard at the public hearing" as required by the TIF Act. As a result of these issues, the County is concerned that the process undertaken by the City in connection with the Latest Redevelopment Plans is legally flawed.

Even assuming these flaws are correctable, however, the County Council has concluded, after much thought and discussion, that the Latest Redevelopment Plans are not in the best interest of the citizens of the County. The County Council has four primary policy concerns:

1. **25-year term:** The County believes plans of this duration place an incredible burden on the County and the School District. 25 years is simply too long of a period to forego tax revenue; especially in light of the revenue raising restrictions placed on local governments by Act 388. Recall that Act 388 was not present when the City embarked on previous TIF Districts, i.e. the Vista TIF.
2. **Bond Market for TIF Bonds:** Upon consultation with several financial professionals, the County is informed that the market for bonds supported by a new TIF district is presently non-existent absent a pledge of a strong secondary source of security.
3. **Expansive Scope:** In light of the current economic situation, the plans are too expansive in scope and cost. The plans should prioritize the key Redevelopment Projects and address them in a measured, responsible fashion.
4. **Feasibility:** There remain significant questions as to whether the projects set forth in the plans will stimulate the anticipated growth. Both plans appear to assume a overly optimistic rate of growth in assessed value that even outpaces the Vista TIF district.

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Because of the concerns set forth above, the County is not willing, at this time, to participate in the Latest Redevelopment Plans. Accordingly, this letter constitutes the County's official notice of objection under the TIF Act to the Latest Redevelopment Plans, and means the County has "opted-out" of the Latest Redevelopment Plans.

The County remains committed to considering any proposal from the City that will ensure a strong economic future for all of our citizens. Should there be a significant change in circumstances or terms, the County Council could elect to reconsider participation in the Latest Redevelopment Plans at some time in the future.

Sincerely,



Paul Livingston
Chairman, Richland County Council

cc: Members of Columbia City Council

Members of Richland County Council