

RICHLAND COUNTY COUNCIL ADMINISTRATION AND FINANCE COMMITTEE

Kit Smith, Chair
District 5

Mike Montgomery
District 8

Paul Livingston
District 4

Greg Pearce
District 6

Damon Jeter
District 3

*March 27, 2007
6:00 PM*

**Richland County Council Chambers
County Administration Building
2020 Hampton Street**

Call to Order

Approval of Minutes – February 27, 2007: Regular Session Meeting [Pages 3 – 5]

Adoption of Agenda

I. Items for Action

- A. Sheriff's Department: Budget Amendment for Special Duty Pay and Request for One Additional FTE**
[Pages 6 – 7]
- B. Sheriff's Department: Request to Approve JABG Community Crime Prevention Program Grant (No Personnel / \$1,428 Match)**
[Pages 8 – 9]
- C. A Resolution in support of the issuance by the South Carolina Jobs - Economic Development Authority of its not exceeding \$45,000,000 aggregate principal amount of its First Mortgage Health Care Facilities Refunding and Revenue Bonds (The Lutheran Homes of South Carolina, Inc.) Series 2007 in one or more series pursuant to the provisions of Title 41, Chapter 43 Code of Laws of South Carolina 1976, as amended**
[Pages 10 – 16]
- D. An ordinance amending the Richland County Code of Ordinances; Chapter 16, Licenses and Miscellaneous Business Regulations; Article 1, In General; So as to standardize this section to business license ordinances statewide**
[Pages 17 – 47]

E. An ordinance amending the Richland County Code of Ordinances, Chapter 2, Administration; Article VII, Boards, Commissions and Committees; Section 2-326, Boards and Commissions created and recognized; so as to create a Business Service Center Appeals Board

[Pages 48 – 52]

F. Request to approve the selections of Fitts and Goodwin as the Design/Build team for the wholesale Farmers' Market project

[Pages 53 – 55]

II. Items for Discussion / Information

A. Incorporation of Ballentine

B. Update on Possible Budget Amendments

III. Items Pending Analysis

A. Request to pursue all monies owed to Richland County by the City of Columbia

[Referred by Council motion on March 20, 2007]

B. Amendments to the Fill and Floodplain Ordinance

[Referred by Council motion on March 20, 2007]

C. Request for the Discretionary Grants Committee to meet twice per year

[Referred by Council motion on March 20, 2007]

Adjournment

Staffed by: Joe Cronin

MINUTES OF



RICHLAND COUNTY COUNCIL ADMINISTRATION AND FINANCE COMMITTEE TUESDAY, FEBRUARY 27, 2007 6:00 P.M.

In accordance with the Freedom of Information Act, a copy of the agenda was sent to radio and TV stations, newspapers, persons requesting notification, and was posted on the bulletin board located in the lobby of the County Administration Building.

MEMBERS PRESENT

Chair: Kit Smith
Member: Damon Jeter
Member: Paul Livingston
Member: Mike Montgomery
Member: L. Gregory Pearce, Jr.

ALSO PRESENT: Joyce Dickerson, Valerie Hutchinson, Norman Jackson, Joseph McEachern, Bernice G. Scott, Michielle Cannon-Finch, Milton Pope, Tony McDonald, Joe Cronin, Roxanne Matthews, Larry Smith, Amelia Linder, Chief Harrell, Stephany Snowden, Jennifer Dowden, Daniel Driggers, Rodolfo Callwood, John Hixon, Michael Criss, Geo Price, Janet Claggett Monique Walters, Michelle Onley

CALL TO ORDER

The meeting started at approximately 6:02 p.m.

ELECTION OF CHAIR (Deferred during January 23, 2007 Meeting)

Mr. Pearce moved, seconded by Mr. Livingston to nominate Ms. Kit Smith as Chair of the Administration and Finance Committee. The vote in favor was unanimous.

APPROVAL OF MINUTES

January 23, 2007 (Regular Session) – Mr. Livingston moved, seconded by Mr. Montgomery, to approve the minutes as submitted. The vote in favor was unanimous.

ADOPTION OF AGENDA

Ms. Smith stated that the Animal Care Update was left off the agenda and should be added as Item G under Items for Action.

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Mr. Pearce moved, seconded by Mr. Jeter, to approve the agenda as amended. The vote in favor was unanimous.

Mr. Pope stated that Ms. Hutchinson requested that that Item B under Items Pending Analysis be moved to Item H under Items for Action. Mr. Jeter moved to have the item moved. The vote in favor was unanimous.

ITEMS FOR ACTION

Budget Amendment: Request to Transfer \$50,000 to the Council Services Budget – Mr. Montgomery moved, seconded by Mr. Pearce, to forward this item to Council with a recommendation for approval with the stipulation that the funds only be used for regular council meeting expenditures. A discussion took place. The vote in favor was unanimous.

Approval of Contract with SunGard Bi-Tech for the Purchase of Finance and Human Resource Software System – Mr. Livingston moved, seconded by Mr. Pearce, to forward this item to Council without a recommendation. The vote in favor was unanimous.

Undesignated Hospitality Tax Funding Request: SC Gospel Quartet 8th Annual Awards Banquet and Concert (\$30,000) – Mr. Montgomery moved, seconded by Mr. Jeter, to forward this item to Council with a recommendation for denial. The vote in favor was unanimous.

Farmers' Market: An Ordinance Authorizing and Approving the Issuance of Either Tax-Exempt or Taxable Installment Purchase Revenue Bonds in One or More Series by a Non-Profit Corporation to Provide Funding to Finance the Costs of Acquiring and Constructing Wholesale Farmers Market Facilities and Related Infrastructure and Making Provision for all Other Matters Relating to the Foregoing – A discussion took place.

Mr. Pearce moved, seconded by Mr. Jeter, to forward this item to Council with a recommendation for approval. The vote in favor was unanimous.

Township Auditorium: An Ordinance Authorizing Richland County, South Carolina, to Issue Tax-Exempt Debt in the Approximate Amount of \$18,000,000 to be Paid from and Secured by a Pledge of the County's Local Hospitality Tax; Approving the Form and Terms of Certain Documents in Connection with the Issuance of the Debt; Authorizing the County Administrator to Determine Certain Matters Relating to the Debt and the Disposition of the Proceeds Thereof; and Other Matters Related Thereto – Mr. Livingston moved, seconded by Mr. Pearce, to forward this item to Council with a recommendation for approval. The vote in favor was unanimous.

Policy for Issuing a Response Deadline on All Correspondence with the City of Columbia – Mr. Pearce moved, seconded by Mr. Livingston, to table this item. The vote in favor was unanimous.

Hospitality Tax Funding Request: National Golf Association Hooters Pro Golf Tour (\$5,000) – Mr. Montgomery moved, seconded by Mr. Pearce, to forward this item to Council with a recommendation for denial.

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Mr. Livingston moved, seconded by Mr. Jeter, to forward this item to Council without a recommendation and to have the Hospitality Tax Undesignated Funds Request form completed. The vote was in favor.

Animal Care Update – Mr. Montgomery moved, seconded by Mr. Jeter, to forward this matter to Council to decide if a Council work session is desired or if this matter should be sent back to committee in order that a committee work session can be scheduled. The vote in favor was unanimous.

ITEMS FOR DISCUSSION/INFORMATION

Audit Update – Mr. Bob Millhouse gave a brief overview of the audit. A discussion took place.

Mr. Livingston moved, seconded by Mr. Montgomery, to forward the audit report to Council and allow Council to decide if a work session is desired. The vote in favor was unanimous.

FY 07 Budget Update – Mr. Pope gave a brief update regarding this matter.

ITEMS PENDING ANALYSIS

Incorporation of Ballentine – Mr. Pope briefed the committee regarding this item.

Ms. Smith requested staff provide a briefing report on the pros and cons of the County enabling incorporation and recommend a policy on when incorporation should or should not occur.

ADJOURNMENT – The meeting adjourned at approximately 7:01.

Submitted by,

Kit Smith, Chair

The minutes were transcribed by Michelle M. Onley

Richland County Council Request of Action

Subject: Sheriff's Department: Budget Amendment for Special Duty Pay and Request for One Additional FTE

A. Purpose

Council is requested to approve a budget amendment to increase the Sheriff's Special Duty Pay budget. It is estimated that an additional \$650,000 is needed to cover the remainder of the fiscal year. An additional \$650,000 in revenue from the special duty fee is expected to be collected to cover the increase. As a part of this amendment, the Sheriff is requesting one additional FTE – an Accountant II. This position will handle billing and collections for the program. The position will be funded by the administrative fee charged to users of the program.

B. Background / Discussion

Upon completing a budget to expenditure analysis, budget staff noted that the FY07 appropriated amount for the special duty program of funding would not meet the level of service provided by the Sheriff during the fiscal year.

C. Financial Impact

There would be an additional \$650,000 cost to the General Fund budget associated with the Sheriff's Special Duty program. General Fund revenue budget would increase by the same amount to offset this cost.

D. Alternatives

1. Approve the request to amend the Sheriff's Special Duty Pay budget to include an additional \$650,000 for the administration of the Special Duty Pay program and to fund one additional FTE. Approval of this request will allow the Sheriff's department to continue the program without an interruption in service.
2. Do not approve the request. If this request is not approved, the Sheriff would not be able to continue the program at the current service level.

E. Recommendation

It is recommended that Council approve the request for a budget amendment to the Sheriff's Special Duty Pay FY 07 budget in the amount of \$650,000.

Recommended by: Angie McInchok

Department: Budget

Date: 3/12/07

F. Reviews

Finance

Reviewed by: Daniel Driggers

Date: 3/16/07

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: amendment.

Approval would require a budget

Legal

Reviewed by: Amelia Linder

Date: 3/16/07

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Both alternatives appear to be legally sufficient; therefore, this request is at the discretion of County Council.

Administration

Reviewed by: J. Milton Pope

Date: 3/16/07

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Recommend approval of this budget request...the fund has revenue to cover additional expenses.

Richland County Council Request of Action

Subject: Sheriff's Department: Request to Approve JABG Community Crime Prevention Program Grant (No Personnel/\$1,428 Match)

A. Purpose

County Council is requested to approve 1 grant in the amount of \$14,276 with a match amount of \$1,428. There are no personnel costs associated with this program.

JABG – Community Crime Prevention Program

Grantor \$12,848 + Match \$1,428 = \$14,276

This grant allows The Sheriff's Department to conduct a Character Education Camp in the three local school districts in Richland County. Approximately 40 to 50 rising 6th graders attend the program free of charge to them and their families. Supplies, food, transportation costs, and field trip admissions are included in the budget. A service learning project is conducted by the children in each of the camps and the money raised is donated to a charity of their choice.

B. Background / Discussion

This application became available after the FY07 grant budget request was approved and there was no longer an avenue to request additional funds. This grant does not involve personnel. A full copy of the proposal may be obtained from the Grant Development Manager, Ms. Audrey Shifflett.

This project is designed to meet a direct need within our agency and the communities in which we serve.

C. Financial Impact

	Amount
Match funding request	\$1,428
Total	\$1,428

D. Alternatives

1. Accept the grant award.
2. Do not approve and refuse to accept the grant.

E. Recommendation

The Sheriff's Department recommends that Council approve the grant.

Recommended by: Hubert F. Harrell, Chief Deputy **Dept.:** Sheriff's **Date:** 3-20-07

F. Reviews

Grants

Reviewed by (Grant Mgr.): Audrey Shifflett

Date: 3/20/07

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: This grant does not include personnel. Match is available in the countywide match account for the current fiscal year.

Finance

Reviewed by: Daniel Driggers

Date: 3/20/07

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Legal

Reviewed by: Amelia R. Linder

Date: 3/21/07

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Both alternatives are legally sufficient; therefore, this request is at the discretion of County Council.

Administration

Reviewed by: J.Milton Pope

Date: 3/21/07

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Recommend approval...the grant match is available.

Richland County Council Request of Action

Subject: Resolution & Public Hearing – JEDA/Lutheran Homes

A. Purpose

Council is requested to hold a public hearing regarding the issuance by the South Carolina Jobs – Economic Development Authority of health care facilities refunding and revenue bonds in an amount not exceeding \$45,000,000 for the benefit of The Lutheran Homes of South Carolina, Inc.

B. Background / Discussion

Lutheran Homes of South Carolina has requested that Richland County Council hold a public hearing relating to the proposed issuance and delivery by JEDA of not exceeding \$45,000,000 in aggregate principal amount of its First Mortgage Health Care Facilities Refunding and Revenue Bonds pursuant to Title 41, Chapter 43, of the Code of Laws of South Carolina 1976, as amended.

A portion of the proceeds from these JEDA bonds will finance and refinance a portion of the cost of the acquisition, construction, installation, and equipping of a 416-unit continuing care retirement facility in the community of White Rock in Richland County, South Carolina (the “*Lowman Home Project*.”) Revenues will also be used to refinance a portion of the cost of the acquisition, construction, installation, and equipping of a 109-unit continuing care retirement facility northeast of Columbia in Richland County, South Carolina (the “*Benzie Rice Project*”), as well as to refinance a portion of the cost of leasehold improvements to certain administrative offices in the City of Columbia in Richland County, South Carolina (the “*Hospice Project*.”) All of these facilities are owned and operated by The Lutheran Homes of South Carolina, Inc., a South Carolina nonprofit corporation. The Lowman Home Project is located at 201 Fortress Drive in White Rock, South Carolina; the Benzie Rice Project is located at 100 Finley Road in Columbia, South Carolina; and the Hospice Project is located at 1505 Blanding Street in Columbia, South Carolina.

C. Financial Impact

There is no financial impact to Richland County associated with this request. The proposed bonds will be issued by JEDA and Lutheran Homes will be solely responsible for all costs associated with the bonds. The only action requested of Richland County is the adoption of a resolution in support of the issuance of the bonds by JEDA. The resolution is required by the Act authorizing the issuance of the bonds by JEDA.

D. Alternatives

1. Approve the resolution and the request to hold the public hearing.
2. Do not approve the resolution and the request to hold the public hearing.

E. Recommendation

This request is at the discretion of County Council.

Recommended by: Staff **Department:** Administration **Date:** March 13, 2007

F. Reviews

Finance

Reviewed by: Daniel Driggers Date: 3/16/07
✓ Recommend Council approval Recommend Council denial
Comments regarding recommendation:

Legal

Reviewed by: Amelia Linder Date: 3/16/07
 Recommend Council approval Recommend Council denial
Comments regarding recommendation: Both alternatives appear to be legally sufficient; therefore, this request is at the discretion of County Council.

Administration

Reviewed by: Tony McDonald Date: 3/19/07
✓ Recommend Council approval Recommend Council denial
Comments regarding recommendation: Richland County accepts no financial responsibility by supporting this JEDA bond issue.

to this business enterprise by lending the proceeds of the Bonds to the Institution under and pursuant to the terms of a loan agreement to be entered into between the Authority and the Institution; and

WHEREAS, the Lowman Home Project is located at 201 Fortress Drive in White Rock, South Carolina; the Benzie Rice Project is located at 100 Finley Road in Columbia, South Carolina; and the Hospice Project is located at 1505 Blanding Street in Columbia, South Carolina; and

WHEREAS, the Authority and the County have this day jointly held a public hearing, duly noticed by publication in a newspaper having general circulation in the County not less than fifteen (15) days prior to the date hereof, at which all interested persons were given a reasonable opportunity to express their views,

NOW, THEREFORE, BE IT RESOLVED by Richland County Council as follows:

Section 1. It is hereby found, determined, and declared, that the Projects are anticipated to benefit the general public welfare of the County by providing services, employment, recreation, or other public benefits not otherwise provided locally.

Section 2. The County supports the Authority in its determination to issue the Bonds.

Section 3. All orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this Resolution shall take effect and be in full force from and after its adoption.

ADOPTED this ____ day of _____, 2007.

Joseph McEachern, Chair
Richland County Council

(SEAL)

ATTEST:

Michielle R. Cannon-Finch
Clerk of Council

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

I, the undersigned, Clerk of Richland County Council, do hereby certify that the foregoing is a true, correct, and verbatim copy of a Resolution duly adopted by Richland County Council on _____, 2007.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of _____, 2007.

Clerk, Richland County Council

CERTIFICATE AS TO PUBLIC HEARING

I, the undersigned, Michele Cannon-Finch, Clerk of Richland County Council ("**County Council**"), **DO HEREBY CERTIFY** as follows:

1. Attached hereto is an Affidavit of Publication of Notice of Public Hearing (the "**Notice**") published in *The State*, a newspaper of general circulation in Richland County, South Carolina (the "**County**") on _____, 2007.

2. The public hearing was conducted by County Council and the South Carolina Jobs - Economic Development Authority (the "**Authority**") on _____, 2007, in connection with the issuance by the Authority of its South Carolina Jobs - Economic Development Authority First Mortgage Health Care Facilities Refunding and Revenue Bonds (The Lutheran Homes of South Carolina, Inc.) Series 2007 in an amount not to exceed \$45,000,000 (the "**Bonds**") for the purpose of (i) financing and refinancing a portion of the cost of the acquisition, construction, installation, and equipping of a 416-unit continuing care retirement facility in the community of White Rock in Richland County, South Carolina (the "**County**"), (ii) refinancing a portion of the cost of the acquisition, construction, installation, and equipping of a 109-unit continuing care retirement facility northeast of Columbia in the County, and (iii) refinancing a portion of the cost of leasehold improvements to certain administrative offices in the City of Columbia in the County, all owned and operated by The Lutheran Homes of South Carolina, Inc., a South Carolina non-profit corporation.

3. At the public hearing, all persons desiring to do so were given reasonable opportunity to speak and, if requested, to present their opinions in writing regarding the issuance by the Authority of the Bonds and the use of the proceeds for the above-described purposes. There were no written comments received nor were there persons in attendance at the public hearing to speak in opposition to the issuance of the Bonds.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of _____, 2007.

Michielle Cannon-Finch, Clerk,
Richland County Council

PUBLIC NOTICE

Notice is hereby given by the South Carolina Jobs - Economic Development Authority (“**JEDA**”) and Richland County Council that a joint public hearing relating to the proposed issuance and delivery by JEDA of not exceeding \$45,000,000 in aggregate principal amount of its First Mortgage Health Care Facilities Refunding and Revenue Bonds (The Lutheran Homes of South Carolina, Inc.) Series 2007 (the “**Bonds**”) pursuant to Title 41, Chapter 43, Code of Laws of South Carolina 1976, as amended, a portion of the proceeds of which Bonds are to be issued to finance and refinance a portion of the cost of the acquisition, construction, installation, and equipping of a 416-unit continuing care retirement facility in the community of White Rock in Richland County, South Carolina (the “**Lowman Home Project**”), to refinance a portion of the cost of the acquisition, construction, installation, and equipping of a 109-unit continuing care retirement facility northeast of Columbia in Richland County, South Carolina (the “**Benzie Rice Project**”), and to refinance a portion of the cost of leasehold improvements to certain administrative offices in the City of Columbia in Richland County, South Carolina (the “**Hospice Project**”), all owned and operated by The Lutheran Homes of South Carolina, Inc., a South Carolina nonprofit corporation, will be held at the Council Chambers of Richland County Council, Richland County Administration Building, 2020 Hampton Street, Columbia, South Carolina, at 6:00 p.m. on _____, 2007. The Lowman Home Project is located at 201 Fortress Drive in White Rock, South Carolina; the Benzie Rice Project is located at 100 Finley Road in Columbia, South Carolina; and the Hospice Project is located at 1505 Blanding Street in Columbia, South Carolina.

Richland County Council Request of Action

Subject: Replace Business License Ordinance

A. Purpose

Council is requested to approve a new ordinance to replace the existing business license ordinance. The proposed new business license ordinance would standardize the County's ordinance into the same format and rate structure included in the Municipal Association's Model Ordinance and used by the majority of other cities and counties in South Carolina.

B. Background / Discussion

Ordinance Background

- A Model Ordinance was developed by the SC Business Licensing Officials Association (SCBLOA), through the Municipal Association of South Carolina (MASC).
- It establishes consistency in cities and counties across the state relating to business license administration.
- The Model Ordinance is the primary ordinance used by cities revising their ordinances. (Of 268 incorporated cities, 96% have business license operations, and most of these use either SIC or NAICS codes and rate classes, as used in the Model Ordinance. (SIC and NAICS codes are a federally-established system of identifying very specific types of business activities.)
- Of the 8 counties in SC with business license operations, all but one has a business license ordinance using either SIC or NAICS codes and rate classes, as used in the Model Ordinance.
- Charleston County was the first county in South Carolina, to adopt the Model Ordinance. During the adoption process, Charleston County made slight modifications to the Model Ordinance to be more effective and applicable for usage by county governments.
- The Model Ordinance's basic premise for rates is that businesses with similar SIC (Standard Industrial Classification) or NAICS (North American Industrial Classification System) codes are placed into the same Rate Class, and thus have the same rate as other businesses in that Rate Class. This is described further in the following section.

Rate Structure Background

The rate structure in the Model Ordinance is based upon NAICS codes and standardized rate classes. Every business activity has a NAICS code which identifies it. Every NAICS code is then automatically assigned to one of eight rate classes. The rate class each NAICS code is assigned to is based upon federal industry surveys of profit margins, so industries with similar profit margins would have the same rates, and those industries with lower profit margins would have lower rates.

Current Rate Structure

- The current business license ordinance has 69 different rates, which are applied to businesses by the type of business.

- These businesses are identified by about 150 general City Codes. Each City Code is assigned a rate.
- There is a great variety of rates among the City Codes.

Proposed Rate Structure

- The proposed business license ordinance would have 8 rate classes. Each rate class is assigned its own rate, with the exception of Rate Class 8, which has 15 rates of its own for special cases.
- Each business would be automatically assigned to one rate class, based upon its NAICS code.
- Rate Class 1 businesses have the lowest profit margins and therefore have the lowest rates, while Rate Class 8 businesses tend to have the highest profit margins and are thus assigned the highest rates. Businesses are also assigned to Rate Class 8 if there are special considerations for that business industry (require a franchise, are exempt, have special rates, etc.).
- Thousands of NAICS codes allow the business types to be very specific. Richland County currently determines businesses' NAICS codes in order to determine the requirements associated with that business activity, such as other license, permit, fees, and taxes, before issuing a business license. For example: the NAICS code for a pawnshop is now associated with the need to obtain Council Approval and a Precious Metal permit before being issued a business license. The proposed rate structure will extend the use of NAICS codes to the assignment of rates.

Local Government Benefits

- The Model Ordinance was developed by MASC's attorney and takes into account the guidance provided by court cases and decisions. Cities and counties adopting the Model Ordinance, therefore, are more likely to be protected in the event the jurisdiction engages in judicial proceedings for business license purposes.
- As more cities and counties adopt the Model Ordinance, business license staff across jurisdictions will be able to help each other more effectively. The "exchange of expertise" among business license officials across the state is enhanced by having only one set of regulations to interpret and administer.
- A uniform ordinance also allows business license officials to have a common foundation for business license operations, enhancing the ability to compare business license services and outcomes through benchmarking efforts.
- Adopting the proposed ordinance would also greatly simplify Richland County's business license operations and help the Business Service Center to operate more efficiently and serve businesses more effectively.

Business Benefits

- As more local governments adopt the Model Ordinance, the number of different business license ordinances which businesses will need to know will be reduced.

- This standardization will help businesses better understand what is expected of them and help them comply with the requirements.
- Through the use of NAICS codes and Rate Classes, businesses in the same type of industry would pay the same rates.

Summary

- The process of moving from a complex rate structure based on City Codes to a simpler, logical rate structure based on NAICS codes will affect the business license fee that businesses are required to pay.
- Businesses currently charged high rates will *tend* to have lower rates under the new structure, whereas businesses with low rates now will *tend* to have higher rates.
- An Impact Analysis involving over 8,000 businesses with 2006 business licenses was conducted to *estimate* the impact to different business sectors. Please note that impacts to *individual* businesses cannot be disclosed, as this information may reveal confidential information.

Please see [Attachment 1](#) for a summary of the differences between Richland County’s current business license ordinance and the proposed ordinance.

Please see [Attachment 2](#) for the proposed business license ordinance.

Please see [Attachment 3](#) for the Business License Fee Schedule.

Please see [Attachment 4](#) for an overview of the Rate Impact Analysis.

C. Financial Impact

The financial impact to Richland County will depend on the rates adopted in the new Fee Schedule. The rates that are currently proposed in the new business license ordinance are in between the business license rates for Sumter and Charleston Counties, the two counties with business license operations that are comparable to Richland County.

D. Alternatives

1. Approve the proposed business ordinance replacing the current business license ordinance to standardize the County’s ordinance with business license ordinances across the state and to enhance efficiency, effectiveness, convenience, and understanding to Richland County businesses and Business Service Center staff.
2. Approve the proposed business license ordinance in part.
3. Leave the current business license ordinance as is.

E. Recommendation

The Council is recommended to give first reading approval to a new ordinance replacing the County’s current business license ordinance to more closely mirror the Model Business License Ordinance adopted by Charleston County.

Recommended by: Pam Davis, Director Dept.: Business Service Center Date: 03/12/07

F. Reviews

Finance

Reviewed by: Daniel Driggers

Date: 3/20/07

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Legal

Reviewed by: Amelia Linder

Date: 3/23/07

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Administration

Reviewed by: Tony McDonald

Date: 3/23/07

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Recommend adoption of the proposed revisions to the County’s business license ordinance, to include the revised rate structure. Adoption of the revisions will standardize the business license assessment process, making it simpler for the County to administer and for businesses to understand.

Attachment 1
**Summary of Major Differences between Richland County's
Current and Proposed Business License Ordinances**

Codes

- The current rate structure is based on 156 general City Codes.
- The proposed rate structure is based on more than 2,000 specific NAICS codes.
- NAICS codes allow specific types of businesses to be “flagged” for certain approvals.
- NAICS codes allow each business type to be automatically assigned to a specific rate class.

Rates

- The current business license includes the fee schedule.
- The proposed ordinance references the rates in a Business License Fee Schedule, which is established and approved by the County Council.
- The current ordinance contains more than 60 diverse rates.
- The proposed ordinance includes 8 rate classes and 17 standardized rates.
- The current ordinance does not specify a declining rate schedule for businesses earning over \$1 million.
- The proposed ordinance specifies a declining rate schedule for businesses earning over \$1 million.
- The proposed business license ordinance includes an automatic adjustment of rates for the Consumer Price Index (CPI) every three years.

Appeals

- The current business license ordinance requires all appeals go to County Council.
- The proposed ordinance establishes a Business Service Center Appeals Board for appeals.

Deductions/Exemptions

- The current business license ordinance includes an interstate commerce deduction.
- The proposed ordinance removes the interstate commerce deduction pursuant to a Supreme Court ruling setting establishing four tests for licensing interstate commerce.
- The current business license ordinance does not exempt persons selling their own produce in a public place from a business license.
- The proposed ordinance exempts persons selling their own produce to consumers at the Farmers Market from a business license.

Miscellaneous

- The current business license ordinance gives businesses 3 ½ months, until April 15th, to renew their business license without penalty.
- The proposed ordinance gives businesses 2 ½ months, until March 15th, to renew their business license without penalty.

Attachment 2

**STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. ___-07HR**

AN ORDINANCE AMENDING THE RICHLAND COUNTY CODE OF ORDINANCES; CHAPTER 16, LICENSES AND MISCELLANEOUS BUSINESS REGULATIONS; ARTICLE I, IN GENERAL; SO AS TO STANDARDIZE THIS SECTION TO BUSINESS LICENSE ORDINANCES STATEWIDE.

WHEREAS, the Municipal Association of South Carolina has developed a Model Business License Ordinance for the municipalities of this state, and

WHEREAS, this Model Ordinance establishes a straightforward rate structure based upon federally established identification codes to classify businesses and an eight rate classes, and

WHEREAS, a uniform business license ordinance adopted by most jurisdictions helps businesses comply with the business license ordinance by making the ordinance standardized across the state, and

WHEREAS, the Municipal Association’s Model Business License Ordinance has been modified to make it appropriate and lawful for Counties to use and emulate;

NOW, THEREFORE, pursuant to the authority by the Constitution of the State of South Carolina and the General Assembly of the State of South Carolina, BE IT ENACTED BY RICHLAND COUNTY COUNCIL:

SECTION I. The Richland County Code of Ordinances; Chapter 16, Licenses and Miscellaneous Business Regulations; Article I, In General; is hereby amended by the deletion of the language contained therein and the substitution of the following language:

ARTICLE I. BUSINESS LICENSES

Section 16-1. License Required.

- (1) Every person engaged or intending to engage in any calling, business, occupation or profession, whether or not it is listed in the rate classification index portion of this chapter, in whole or in part, within the unincorporated areas of the county is required to submit a completed application for a business license accompanied by the appropriate fees (unless exempt) for the privilege of doing business in the county and to obtain a business license as herein provided, except those as noted in Section 16-6, below.
- (2) Any business holding a state occupational license listing an address in Richland County creates a presumption of business conduct and thus requires the business to have a business license. Any business registering with the Secretary of State’s Office listing an address in Richland County also creates a presumption of business conduct and requires the business to have a business license. Other State agencies, professional organizations, or County departments who

have a record for the business listing an address in Richland County also create a presumption of business conduct and requires the business to have a business license.

Section 16-2. Definitions.

The following words, terms, and phrases, when used in this article shall have the meaning ascribed herein, except where the context clearly indicates or requires a different meaning:

- (1) “*Business*” means a calling, occupation, profession or activity engaged in with the object of gain, benefit or advantage, either directly or indirectly. A charitable organization shall be deemed a business unless the entire proceeds of its operation are devoted to charitable purposes.
- (2) “*Charitable organization*” means a person:
 - (a) determined by the Internal Revenue Service to be a tax exempt organization pursuant to Section 501(c)(3) of the Internal Revenue Code; or
 - (b) that is or holds itself out to be established for any benevolent, social welfare, scientific, educational, environmental, philanthropic, humane, patriotic, public health, civic, or other eleemosynary purpose, or for the benefit of law enforcement personnel, firefighters, or other persons who protect the public safety; or
 - (c) that employs a charitable appeal as the basis of solicitation or an appeal that suggests that there is a charitable purpose to a solicitation, or that solicits or obtains contributions solicited from the public for a charitable purpose.
- (3) “*Charitable purpose*” means a purpose described in Section 501(c)(3) of the Internal Revenue Code or a benevolent, social welfare, scientific, educational, environmental, philanthropic, humane, patriotic, public health, civic, or other eleemosynary objective, including an objective of an organization of law enforcement personnel, firefighters, or other persons who protect the public safety if a stated purpose of the solicitations includes a benefit to a person outside the actual service membership of the organization.
- (4) “*Classification*” means a division of businesses by major groups subject to the same license rate as determined by a calculated index of ability to pay based on national averages, benefits, equalization of tax burden, relationships of services, or other basis deemed appropriate by County Council.
- (5) “*Construction Manager*” means any self-employed individual, firm, partnership, corporation, or group which supervises or coordinates construction of any building, highway, sewer, grading, improvement, re-improvement, structure, or part thereof. Notwithstanding payment by fixed price, commission, fee, or wage, said “construction manager” shall be classified in the category of “construction contractors” for purposes of this article and shall pay a license fee based upon the total cost of the undertaking supervised or coordinated, except as otherwise exempted.
- (6) “*Contractor*” means any self-employed individual (not reporting income taxes on the IRS

Form W2), firm, partnership, corporation, or group performing a service or providing a product subsequent to a contract signed by that party and another party.

- (7) “*County*” means the County of Richland.
- (8) “*Gross income*” means the total revenue of a business, received or accrued, for one (1) calendar or fiscal year, collected or to be collected by a business within the county, excepting therefrom business done wholly outside of the county on which a license tax is paid to some other county or a municipality and fully reported to Richland County.

Gross income for brokers or agents means gross commissions received or retained, unless otherwise specified. Gross income for business license tax purposes shall not include taxes collected for a governmental entity (such as sales taxes), escrow funds, or funds that are the property of a third party. The value of bartered goods or trade-in merchandise shall be included in gross income. The gross income for business license purposes may be verified by inspection of returns and reports filed with the Internal Revenue Service, the South Carolina Department of Revenue, the South Carolina Insurance Commission, or other government agency.

- (9) “*Gross receipts*” means the value proceeding or accruing from the sale of tangible personal property, including merchandise and commodities of any kind and character and all receipts, by the reason of any business engaged in, including interest, dividends, discounts, rentals of real estate or royalties, without any deduction on account of the cost of the property sold, the cost of the materials used, labor or service cost, interest paid, or any other expenses whatsoever, and without any deductions on account of losses.
- (10) “*License official*” means a county employee who is designated to administer this article, and/or his/her designee(s).
- (11) “*Person*” means any individual, firm, partnership, LLP, LLC, cooperative, nonprofit membership, corporation, joint venture, professional association, estate, trust, business trust, receiver, syndicate, holding company, or other group or combination acting as a unit, in the singular or plural, and the agent or employee having charge or control of a business in the absence of the principals.

Section 16-3. Purpose and Duration.

The business license levied by this article is for the purpose of providing such regulation as may be required by the businesses subject thereto and for the purpose of raising revenue for the general fund through a privilege tax. Each license that is issued shall be valid for one calendar year, beginning on January 1 and expiring on December 31. This time period shall be considered a license year. The provisions of this article and the rates set out in this article shall remain in effect from year to year as amended by the County Council.

Section 16-4. License Fee.

- (1) The required license fee shall be paid for each business subject to this article according to the applicable rate classification on or before March 15 of each year.
- (2) A separate license shall be required for each place of business and for each classification of business conducted at one place. If gross income cannot be separated for classifications at one location, the license fee shall be computed on the combined gross income for the classification requiring the highest rate.
- (3) A license fee based on gross income shall be computed on the gross income for the preceding calendar or fiscal year, and on a 12-month projected income based on the monthly average for a business in operation for less than one year. The fee for a new business shall be computed on the estimated probable gross income stated in the license application for the balance of the calendar year, or if the estimated probably gross income is unknown, shall be computed on the average actual first-year revenue of all similar businesses, and updated prior to renewing for the following year.
- (3) Unless otherwise specifically provided, all minimum fees and rates shall be multiplied by 200 percent (200%) for nonresidents and for itinerants having no fixed principal place of business within the county.

Section 16-5. Registration Required.

- (1) The owner, agent or legal representative of every business subject to this ordinance, whether listed in the classification index or not, shall register the business and make application for a business license on or before the due date of each year. A new business shall be required to have a business license prior to operation within any unincorporated area of the county.
- (2) Application shall be on a form provided by the License Official which shall contain the Social Security Number and/or the Federal Employer's Identification Number, the South Carolina Retail License Number (if applicable), the business name as reported on the South Carolina income tax return, and all information about the applicant and the business deemed appropriate to carry out the purpose of this ordinance by the License Official. Applicants may be required to submit copies of portions of state and federal income tax returns reflecting gross income figures.
- (3) The applicant shall certify under oath that the information given in the application is true, that the gross income is accurately reported, or estimated for a new business, without any unauthorized deductions, that all funds due to the County have been paid, and that all other licenses and permits required by the County or State to do business in the County have been obtained.
- (4) No business license shall be issued until the applicant satisfies all indebtedness to the County, all other licenses and permits required by the County or State to do business in the County have been obtained, and first submits documents necessary to establish compliance with Richland County Zoning Ordinance, Building Code, Electrical Code, Mechanical Code, Plumbing Code, Roofing Code and other regulatory Codes as adopted by the County Council.

- (5) Insurance agents and brokers shall report the name of each insurance company for which a policy was issued and the total premiums collected for each company for each type of insurance coverage on a form approved by the License Official. An insurance agent not employed by an insurance company or employed by more than one insurance company shall be licensed as a broker.
- (6) Fireworks Sales: Any establishment desiring to sell fireworks must first acquire the Annual State Board of Pyrotechnic Safety License and must meet all regulations pursuant to the provisions of Regulation 19-405, S.C. Code of Laws for 1976. Prior approval of the Richland County Sheriff's Department is required as governed by regulations of the State Fire Marshal pursuant to the 1976 Code, Chapter 9 of Title 23, and Chapter 43 of Title 39, governing the transportation and use of pyrotechnics.
- (7) Hawkers and Peddlers: Any person desiring to peddle goods anywhere in Richland County must first acquire the State Hawkers and Peddlers License and must meet all regulations pursuant to the provisions of Section 40-41-10, S.C. Code of Laws of 1976 and are also subject to being in compliance with the zoning and building codes.
- (8) Miscellaneous Sales (Antique Malls, Flea Markets or Leased Space Sales): Any person leasing space for the sale of merchandise from an established business shall be required to have a business license, whether or not the sales are made through a central cash register. Furthermore, it shall be the responsibility of the lessor of the spaces to advise the business license office of persons leasing space.

Section 16-6. Deductions, Exemptions, Charitable Organizations, and Determination of Classification.

- (1) No deductions from gross income shall be made except income from business done wholly outside of the county jurisdiction on which a license tax is paid to another county or to any municipality, taxes collected for a governmental entity, or income which cannot be taxed pursuant to State or Federal law. The applicant shall have the burden to establish the right to deduction by satisfactory records and proof by including with the business license application, either new or renewing, a separate itemized listing showing all deductions claimed, or not deductions will be allowed.
- (2) No person shall be exempt from the requirements of this ordinance by reason of the lack of an established place of business within the County, unless exempted by State or Federal law. No person shall be exempt from this ordinance by reason of the payment of any other tax, unless exempted by State law, and no person shall be relieved of the liability for the payment of any other tax by reason of the application of this ordinance.
- (3) In lieu of the license required by Section 16-1, a participant in a single annual event of not more than ten days in length may be issued a permit at the rate of \$10.00 on gross receipts of not more than \$10,000.00 and \$1.20 on each additional \$1,000.00 of gross receipts or fraction thereof. This permit will be valid only for the time period specified thereon and can be obtained for no more than one event annually. Organizers of such events may pay for and obtain a business license on behalf on all its vendors based upon the previous year's revenues generated, or projected revenues if the event has not been held previously.

Inspections prior to the issuance of a permit will be waived, but inspections may be conducted during the event. For purposes of this subsection, an event is defined as participation by a group of exhibitors or others where displays are established in individual booths or stalls for the purpose of presenting to the audience goods, wares, merchandise or services offered for sale, rent or promotional purposes or for the general good will of the exhibitors. An event may be a trade show, an antique show, a craft show, or any other type of show fitting this definition.

- (4) Businesses and individuals defined as "contractor" herein shall be exempt from the provisions of this ordinance in the following manner:

Revenues generated from work done for which a Richland County building permit is obtained and a fee paid therefor, pursuant to the provisions of section 6-51 of the Richland County Code of Ordinances, shall be exempt from the provisions of this article; provided, however, that if all revenue of a contractor is generated from work done for which a building permit fee is paid, said contractor shall be exempt from paying any business license fee. Such an exempt contractor shall file an application in a timely manner setting forth documentation which establishes such contractor's right to an exemption.

Revenue generated from work done for which a permit is not required, such as general repairs, shall be subject to the provisions of this article.

- (5) Charitable organizations which have exemptions from state and federal income taxes and/or are a 501(c)(3) organization according to the IRS Tax Code and where all proceeds are devoted to charitable purposes are exempt from a business license fee. Documentation of the claim to this exemption must be provided.
- (6) The provisions of this article shall not extend to farmers who grow their own produce, defined here as edible agricultural products, and use the Columbia State Farmers' Market to sell their produce directly to consumers.
- (7) The license official shall determine the appropriate classification for each business.

Section 16-7. False Application Unlawful.

It shall be unlawful for any person subject to the provisions of this ordinance to make a false application for a business license, or to give or file, or direct the giving or filing of any false information with respect to the license or fee required by this ordinance.

Section 16-8. Display and Transfer.

- (1) All persons shall display the license issued to them on the original form provided by the License Official in a conspicuous place in the business establishment at the physical location shown on the license. A transient or non-resident shall carry the license upon his or her person or in a vehicle used in the business readily available for inspection by any authorized agent of the County. Authenticated copies shall be available at an additional cost per copy.

- (2) A change of address must be reported to the License Official within ten (10) days after removal of the business to a new location and the license will be valid at the new address upon written notification of the License Official and compliance with zoning and building codes. Failure to obtain the approval of the License Official for a change of address shall invalidate the license and subject the licensee to prosecution for doing business without a license. A business license shall not be transferable and a transfer of controlling interest shall be considered a termination of the old business and the establishment of a new business requiring a new business license, based on old business income.

Section 16-9. Administration, Duties of License Official.

- (1) The License Official shall administer the provisions of this ordinance, collect license fees, issue licenses, make or initiate investigations and audits to insure compliance, initiate denial or revocation procedures, report violations to the appropriate department, and assist in prosecution of violators, produce forms, make reasonable regulations relating to the administration of this ordinance, and perform such other duties as may be assigned by the County Administrator.
- (2) The Planning Department, Fire Marshal's Office, and Sheriff's Department, in addition to the License Official, is hereby empowered to make or initiate investigations to ensure compliance with the provisions of this Ordinance and to initiate prosecution of violations. These offices, in addition to the License Official, shall have the authority to order that a business with no permanent business facility immediately cease operations in the event no current valid Richland County Business License has been issued.

Section 16-10. Inspection and Audits.

- (1) For the purpose of enforcing the provisions of this ordinance, the License Official or other authorized agent of the County is empowered to enter upon the premises of any person subject to this ordinance to make inspections and to examine and audit books and records. It shall be unlawful for any such person to fail or refuse to make available the necessary books and records. In the event an audit or inspection reveals that the licensee has filed false information, the costs of the audit shall be added to the correct license fee and late penalties in addition to other penalties provided herein. Each day of failure to pay the proper amount of license fee shall constitute a separate offense.
- (2) The License Official shall make systematic and random inspections and audits of all businesses within the county to insure compliance with the ordinance. Records of inspections and audits shall not be deemed public records, and the License Official shall not release the amount of license taxes paid or the reported gross income of any person by name without written permission of the licensee, provided that statistics compiled by classifications may be made public.
- (3) The License Official, upon approval of the County Administrator, may disclose gross income of licenses to the Internal Revenue Service, South Carolina Department of Revenue, Richland County Tax Assessor, Richland County Business Service Center Appeals Board and other County and Municipal business license offices for the purpose of assisting tax assessments,

tax collections, and enforcement. Such disclosures shall be for internal, confidential and official use of these governmental agencies and shall not be deemed public records.

Section 16-11. Assessments.

- (1) When a person fails to obtain a business license or to furnish the information required by this ordinance or the License Official, the License Official shall proceed to examine such records of the business or any other available records as may be appropriate and to conduct such investigations and statistical surveys as the License Official may deem appropriate to assess a license tax and penalties as provided herein.
- (2) A notice of assessment shall be served by certified mail. An application for adjustment of the assessment may be made to the License Official within five (5) days after the notice is mailed or the assessment will become final. The License Official shall establish by regulation the procedure for hearing an application for adjustment of assessment and issuing a notice of final assessment.
- (3) A final assessment may be appealed to the Business Service Center Appeals Board. See Section 16-16, Appeals, for the procedures to appeal a final assessment.

Section 16-12. Delinquent License Fees, Partial Payment.

- (1) A license fee shall be considered delinquent if all or any part of such fee has not been paid on or before March 15 of each calendar year. Businesses providing business license payments by the deadline but have indebtedness to the County shall accrue penalties until the indebtedness is cleared, at which time the business license application processing may continue.
- (2) For non-payment of all or any part of the correct license fee, the License Official shall levy and collect a late penalty of five (5%) percent of the unpaid fee for each month or portion thereof after the due date until paid. Penalties shall not be waived. If any license fee shall remain unpaid for sixty (60) days after its due date, the License Official shall issue an execution which shall constitute a lien upon the property of the licensee for the tax, penalties and costs of collection, and shall proceed to collect in the same manner as prescribed by law for the collection of other taxes.
- (2) Partial payment may be accepted by the License Official to toll imposition of penalties on the portion paid; *provided*, however, no business license shall be issued or renewed until the full amount of the balance due, with penalties, has been paid.

Section 16-13. Notices.

The License Official may, but shall not be required to, mail written notices that license fees are due. If notices are not mailed, there shall be published a notice of the due date in a newspaper of general circulation within the county three (3) times prior to the due date in each year. Failure to receive notice shall not constitute a defense to prosecution for failure to pay the tax due or grounds for waiver of penalties.

Section 16-14. Denial of License.

The License Official shall deny a license to an applicant when the application is incomplete, contains a misrepresentation, false or misleading statement, evasion or suppression of a material fact, when the activity for which a license is sought by a business is unlawful or constitutes a public nuisance per se. A decision of the License Official shall be subject to appeal to the Business Service Center Appeals Board as herein provided. Denial shall be written with reasons stated.

Section 16-15. Bonds Required.

It shall be required of each contractor or builder who shall make contracts for the erection or construction or repair of buildings for which a Richland County building permit is required to give good and sufficient bond in accordance with Section 6-68 of the Richland County Code of Ordinances.

Section 16-16 Council Approval Required

Detective agencies and pawnshops applying for a business license must be approved by the County Council before a business license may be issued.

Section 16-17. Suspension or Revocation of License.

When the License Official determines that:

- (1) A license has been mistakenly or improperly issued or issued contrary to law; or
- (2) A licensee has breached any condition upon which the license was issued or has failed to comply with the provision of this ordinance; or
- (3) A licensee has obtained a license through a fraud, misrepresentation, a false or misleading statement, evasion or suppression of a material fact in the license application; or has given a bad check or tendered illegal consideration for any license fee; or
- (4) A licensee has been convicted of an offense under a law or ordinance regulating business, a crime involving moral turpitude, or an unlawful sale of merchandise or prohibited goods; or
- (5) A licensee has been convicted of engaging in an unlawful activity or nuisance related to the business.
- (6) The License Official shall give written notice to the licensee or the person in control of the business within the County by personal service or certified mail that the license is suspended pending a hearing before the Business Service Center Appeals Board for the purpose of determining whether the license should be revoked. The notice shall state the time and place at which the hearing is to be held, which shall be within thirty (30) days from the date of service of the notice. The notice shall contain a brief statement of the reasons for suspension and proposed revocation and a copy of the applicable provisions of this ordinance.

Section 16-18. Appeals.

- (1) Any person aggrieved by a final assessment, charge backs from an audit or a denial of a business license by the License Official may appeal the decision to the Business Service Center Appeals Board by written request stating the reasons therefore. The appeal must be filed with the License Official within ten (10) days after the payment of the assessment under protest or notice of denial is received. A written notice of appeal must be accompanied with a \$25 fee that will be used to partially defray the costs incurred in connection with the administration of appeals. Payment under protest shall be a condition precedent to appeal. The fee will be refunded in the event of final resolution of the appeal in favor of the appellant.
- (2) An appeal or a hearing on revocation shall be held by the Appeals Board within thirty (30) days after receipt of a request for appeal or service of notice of suspension. The applicant or licensee shall be given written notice as to the date and time of the meeting. At the meeting, all parties have the right to be represented by counsel, to present testimony and evidence, and to cross-examine witnesses. The proceedings shall be recorded and transcribed at the expense of the party so requesting. The rules of evidence and procedure prescribed by the Board shall govern the hearing. The Board shall, by majority vote of members present, render a written decision based upon findings of fact and the application of the standards herein which shall be served upon all parties or their representatives. The decision of the Board shall be final unless appealed to County Council with ten (10) days after service of the Board's decision. County Council shall review the record and without further hearing affirm, modify, or deny the appeal in the event of an error by the Board. The decision of Council shall be final unless appealed to a court of competent jurisdiction within ten (10) days after service of County Council's decision.

Section 16-20. Consent, Franchise or Business License Fee Required.

The annual fee for use of streets or public places authorized by a consent agreement or franchise agreement shall be set by the ordinance approving the agreement and shall be consistent with limits set by State law. Existing franchise agreements shall continue in effect until expiration dates in the agreements. Franchise and consent fees shall not be in lieu of or be credited against business license fees unless specifically provided by the franchise or consent agreement.

Section 16-21. Confidentiality.

Except in accordance with proper judicial order or as otherwise provided by law, it shall be unlawful for any official or employee to divulge or make known in any manner the amount of income or any particulars set forth or disclosed in any report or return required under this ordinance. Nothing in this section shall be construed to prohibit the publication of statistics so classified as to prevent the identification of particular reports or returns.

Section 16-22. Violations.

Any person violating any provision of this ordinance shall be deemed guilty of an offense and upon conviction shall be subject to punishment under the general penalty provisions of Section 1-8 of this Code of Ordinances. Punishment for violation shall not relieve the offender of liability for delinquent fees, penalties, and costs provided for herein.

Section 16-23. Classification and Rates.

- (1) The sectors of businesses included in each Rate Class are listed with the United States North American Industry Classification System (NAICS) codes. The alphabetical index in this ordinance is a tool for classification, not a limitation on businesses subject to a license tax. The License Official shall determine the proper class for a business according to the applicable NAICS manual, whether or not the business is listed in the alphabetical index. A business class which is not listed in the rate class or numerical indexes is not subject to a license tax.
- (2)
 - (a) One decal shall be required for each vehicle used by contractor companies for going to and from construction job sites to identify their business as being properly licensed. Decals shall cost no more and no less than the cost to produce the decal.
 - (b) Taxis, limos, and shuttles shall post one taxi or shuttle decal on each vehicle. Vehicles registered in Richland County shall be charged \$110 per decal; vehicles not registered in Richland County shall be charged \$165 per decal.
- (3)
 - (a) All rates, including the cost of decals and stickers, shall be automatically adjusted every third year by July 1, to be effective the following January 1, to account for changes in the Consumer Price Index (CPI) relating to the cost of doing business in South Carolina, or in the southeast United States if the former is not available. The adjustment shall be made in the following manner: the CPI for the previous three years shall be determined and averaged together. The rates described in the Business License Fee Schedule shall be increased by the sum of the three-year average CPI for the last three years. (Rates shall be rounded to the nearest nickel value; fees for decals and stickers shall be rounded to the nearest quarter.)
 - (b) If County Council increases the rates independent of the automatic CPI increases, the next CPI increase shall not be calculated until the third year, by July 1, following the County Council increase.
- (4) The license fee for each Class of businesses subject to this ordinance shall be computed in accordance with the Business License Fee Schedule established and approved by County Council.

SECTION II. Severability. If any section, subsection, or clause of this ordinance shall be deemed unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

SECTION III. Conflicting Ordinances. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION IV. Effective Date. All sections of this ordinance with the exception of Section 16-23 shall be effective from and after July 1, 2007. Section 16-23, Classification and Rates, shall be effective from and after January 1, 2008.

RICHLAND COUNTY COUNCIL

BY: _____
Joseph McEachern, Chair

ATTEST THIS THE ____ DAY

OF _____, 2007

Michielle R. Cannon-Finch
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

Approved As To LEGAL Form Only
No Opinion Rendered As To Content

First Reading:
Second Reading:
Public Hearing:
Third Reading:

Attachment 3

**Richland County Business Service Center
Business License Fee Schedule**

<u>RATES</u>		
RATE CLASS	INCOME: \$0 - \$2000 (Minimum Fee)	ALL INCOME OVER \$2000 (Rate per \$1,000 or fraction thereof)
1	\$30.00	\$1.00
2	\$35.00	\$1.30
3	\$40.00	\$1.60
4	\$45.00	\$1.90
5	\$50.00	\$2.20
6	\$55.00	\$2.50
7	\$60.00	\$2.80
8	See Class 8 Rates below	

NON-RESIDENT RATES

Unless otherwise specifically provided, all minimum fees and rates shall be doubled for non-residents and itinerants having no fixed principal place of business within the county.

DECLINING RATES

Declining rates apply in all classes for gross income over \$1,000,000.00

Gross Income (In Millions)	Percent of Class Rate for each additional \$1,000
0-.9	100%
1.0 – 1.9	95%
2.0 – 2.9	90%
3.0 – 3.9	85%
4.0 – 4.9	80%
5.0 – 5.9	75%
6.0 – 6.9	70%
7.0 – 7.9	65%
8.0 – 8.9	60%
9.0 – 9.9	55%
10.0 or over	50%

CLASS 8 RATES

Each NAICS Number designates a separate sub-classification. The businesses in this section are treated as separate and individual subclasses due to provisions of State Law, regulatory requirements, service burdens, tax equalization considerations, etc., which are deemed to be sufficient to require individually determined rates.

NAICS #	Rate	Business Type	
22112- 22121	8.00	<u>Electric and Gas Companies</u>	Franchise fee
		(exempt from County, SC Code Section 4-9-30)	
5171	8.00	<u>Telephone companies occupying public streets pursuant to Franchise</u>	
		(exempt from County, SC Code Section 4-9-30)	
5172	8.00	<u>Telephone Companies not occupying public streets pursuant to Franchise</u>	
		(exempt from County, SC Code Section 4-9-30)	
5175	4	<u>Television, Cable or Pay</u>	Franchise required
5241	8.00	<u>Insurance Carriers</u>	
		(exempt from County, SC Code Section 4-9-30)	
524211	8.00	<u>Brokers for Non-admitted Insurance Carriers</u>	
		(exempt from County, SC Code Section 4-9-30)	
23	8.01	<u>Contractors, Construction - All Types</u>	

(1) Rates

- A. Having a place of business within the County, for work performed within the county:

First \$2,000 of income	\$45.00
Each additional \$1,000	\$1.50/thousand

All out-of-county income, for which a business license has been paid, must be reported as part of the gross income.

- B. Having a place of business within the County, for work performed outside the county on which a business license fee has not been paid to another jurisdiction:

First \$2,000 of income	\$45.00
Each additional \$1,000	\$0.25/thousand

All out-of-county income, for which no business license has been paid, must be reported as gross income for this rate.

C. Itinerant (having no permanent place of business within the county, or non-resident).

Double the in-county rates indicated in 1A.

- (2) A trailer at the construction site is not a permanent place of business under this ordinance.
- (3) The total business license fee for the full amount of the contract shall be paid prior to the issuing of a building permit or the commencement of work and shall entitle the contractor to complete the job without regard to the normal license expiration date. Any change order resulting in a higher contract value to the contractor must be reported on a quarterly basis and the business license fee increased as necessary. An amended report shall be filed for each new job and the appropriate additional license fee per \$1,000 of the contract amount shall be paid prior to commencement of new work. Only one base fee shall be paid in a calendar year.
- (4) Before any electrical or plumbing contractor shall be issued a business license, a master's license must be obtained in his or her respective field and post bond as provided by the plumbing and electrical ordinances of the county. Subcontractors furnishing labor for and/or supervision over construction or providing any type of contractual service shall be held liable for payment of the business license fees set forth in this section on the same basis as are prime contractors.
- (5) No contractor shall be issued a business license until all State and County qualification examinations and trade license requirements have been met. Each contractor shall post a sign in plain view on each job identifying the contractor with the job and shall furnish the License Inspector with a list of all sub-contractors for the same job. Each and every vehicle at the job site shall display a contractor decal, as provided in Section 16-23 (2a)
- (6) Sub-contractors shall be licensed on the same basis as general or prime contractors for the same job, and no deductions shall be made by a general or prime contractor for value of work performed by a subcontractor. General or prime contractors will be responsible and will pay for the business license of any sub-contractor doing work on the project if the sub-contractor is found without a county business license.
- (7) All contractors located in the unincorporated areas of Richland County must report all income received in the prior year to the business license office during the renewal period. Each contractor shall itemize and deduct all update fees paid to Richland County, or any other jurisdiction, as part of the business license application.
- (8) No part of this rate shall be construed to conflict with the exemption provided for in Section 16-6(4)

NAICS #	Rate	Business Type	
482	8.02	<u>Railroad Companies</u> (see SC Code Section 12-23-210)	
		First 1,000 inhabitants	\$25.00
		Each additional \$1,000	\$35.00/thousand
		<u>(fee limited at \$2,000)</u>	
		(based on latest federal census)	
423930	8.03	<u>Recyclable Materials, Scrap Dealers</u>	
		First \$2,000	\$50.00
		Each additional \$1,000	\$1.70/thousand
454210	8.04	<u>Vending Machines</u>	
		If income is not reported in gross income of business where located, the following rates apply.	
		First \$2,000 Gross Income	\$50.00
		Each additional \$1,000	\$1.50/thousand
522298	8.05	<u>Pawn Brokers - All Types</u>	
		First \$2,000 Gross Income	\$50.00
		Each additional \$1,000	\$1.50/thousand
522291	8.06	<u>Consumer Lending</u> (Title Loans, Check Cashing, etc.)	
		First \$2,000 Gross Income	\$50.00
		Each additional \$1,000	\$1.50/thousand
454390	8.07	<u>Peddlers, Solicitors, Canvassers, Door-to-Door Sales, direct retail</u>	
		(Out-of-county peddler of products – issued for one week's duration)	
		First \$2,000 Gross Income	\$50.00
		Each additional \$1,000	\$10.00/thousand
NAICS #	Rate	Business Type	
4411-4412	8.08	<u>Automobile & Motor Vehicle Dealers, Farm Machinery Dealers, Boat Dealers Retail</u>	
		First \$2,000 Gross Income	\$35.00
		Each additional \$1,000	\$1.40/thousand

One sales lot not more than 400 feet from main showroom may be operated under this license provided that proceeds from sales there are included in gross receipts at main office when both are operated under the same name and ownership.

Gross income shall include full sales price without deduction for trade-ins.

722410	8.09	<u>Drinking Places</u> (alcoholic beverages, beer & wine)	
		First \$2,000 Gross Income	\$50.00
		Each additional \$1,000	\$1.50/thousand

713990	8.10	<u>Billiard or Pool Rooms, all types</u>	
		If income is not reported in gross income of business where located, the following rates apply.	
		First \$2,000 Gross Income	\$50.00
		Each additional \$1,000	\$1.50/thousand

711190	8.11	<u>Carnivals and Circuses</u>	
		First \$2,000 Gross Income	\$50.00
		Each additional \$1,000	\$1.50/thousand

713120	8.12	<u>Amusement Machines (coin operated, except gambling)</u>	
		Music machines, juke boxes, kiddy rides, video games, pin tables with levers and other amusement machines with or without free play feature licensed by S.C. Code 12-21-2720(A)(1) and (A)(2).- Type I and Type II	
		1. <u>Operator of machine</u>	\$12.50 per machine
		(12-21-2746)	
		First \$2,000 Gross Income	\$50.00
		Each additional \$1,000	\$1.50/thousand

NAICS # Rate Business Type

713120	8.12	<u>Amusement Machines (coin operated, except gambling)</u>	
		Music machines, juke boxes, kiddy rides, video games, pin tables with levers and other amusement machines with or without free play feature licensed by S.C. Code 12-21-2720(A)(1) and (A)(2).- Type I and Type II	

2. Distributor selling or leasing machines
(Not licensed by State as an operator, 12-21-278)

First \$2,000 Gross Income	\$50.00
Each additional \$1,000	\$1.50/thousand

713290 8.13 Amusement Machines, coin operated – non payout

Amusement machines of the non-payout type or in-line pin game licensed by SC Department of Revenue pursuant to S.C. Code 12-21-2720(A)(3) Type III.

1. Operator of machine (owner of business) \$180.00 per machine
(12-21-2720(B))

First \$2,000 Gross Income	\$50.00
Each additional \$1,000	\$1.50/thousand

713290 8.13 Amusement Machines, coin operated – non payout

Amusement machines of the non-payout type or in-line pin game licensed by SC Department of Revenue pursuant to S.C. Code 12-21-2720(A)(3) Type III.

2. Distributor selling or leasing machines (not licensed by the State as an operator pursuant to S.C. Code (12-21-2728)

[Nonresident rates apply]

First \$2,000 Gross Income	\$50.00
Each additional \$1,000	\$1.50/thousand

NAICS # Rate Business Type

451211-SB 8.14 Sexually Oriented Businesses

453220-SB	First \$2,000 Gross Income	\$500.00
512131-SB	Each additional \$1,000	\$5.00/thousand
532230-SB		
611610-SB		

711110-SB This rate includes the following business types:

- 713120-SB
- 721110-SB Adult Amusement Arcades
- 722410-SB Adult Nude Model Studio
- 812990-SB Adult Theater Productions
- Adult Hotels and Motels
- Adult Bookstores
- Adult Motion Picture Theaters

Adult Video, Tape, Disc Rentals
Adult Bars and Nightclubs
Adult Escort Agency, All Other Misc. Sexually Oriented Business
Adult Gift, Novelty, and Souvenir Stores

BUSINESS CLASSIFICATION INDEX

This index is not intended to be a complete listing of all types of businesses. It is an aid in finding classifications by common name and reference to the NAICS Code. All businesses not exempt by law which are in the major groups or sectors listed under each rate class are subject to a license tax whether found in the alphabetical index or not. The License Official shall determine the proper classification of a business not listed.

RATE CLASS INDEX

RATE CLASS 1

<u>NAICS</u>	<u>Business Sector</u>
42	Wholesale Trade
442	Furniture and Home Furnishing Stores
445	Food and Beverage Stores
446	Health and Personal Care Stores
447	Gasoline Stations
451	Sporting Goods, Hobby, Book, Music Stores
721	Accommodation, Hotel, Motel, Inn, Camp
722	Eating Places, Food Services, Restaurants, Caterers, except drinking places
813	Membership Organizations
92	Public Administration

RATE CLASS 2

<u>NAICS</u>	<u>Business Sector</u>
4413	Automotive Parts, Tire Stores
443	Electronics and Appliance Stores
444	Building Material, Garden Equipment and Supply
448	Clothing and Accessory Stores
452	General Merchandise Stores
453	Miscellaneous Store Retailers
454	Nonstore Retailers, except peddlers
811	Repair and Maintenance Services

RATE CLASS 3

<u>NAICS</u>	<u>Business Sector</u>
31-33	Manufacturing
48	Transportation, except rail

RATE CLASS 4

<u>NAICS</u>	<u>Business Sector</u>
11	Agriculture, Forestry, Fishing and Hunting (except 111,112 & 114)
21	Mining
2213	Water and Sewerage Systems
512	Motion Pictures, theaters, production
56	Administrative and Support, Waste Management and Remediation Services
711	Arts, Sports and Promoters of Events
712	Museums, Historical Sites, Zoos, Gardens
713	Amusement and Recreation, except coin-operated machines & gambling
812	Personal Care, Barber, Beauty, Laundry

RATE CLASS 5

<u>NAICS</u>	<u>Business Sector</u>
49	Warehousing and Couriers

RATE CLASS 6

<u>NAICS</u>	<u>Business Sector</u>
511	Information, Newspapers, Publishers
522	Mortgage Brokers, Credit Card Issuing, except banks and pawnshops
523	Security and Commodity Brokers
61	Education Services
62	Health Care and Social Assistance

RATE CLASS 7

<u>NAICS</u>	<u>Business Sector</u>
515	Radio and Television Broadcasting
516	Internet Publishers
518	Internet Service Providers and Data Processing Services, on line
5242	Insurance Agencies, except brokers for non-admitted insurers
53	Real Estate and Rental and Leasing
54	Professional, Scientific, and Technical Services
55	Management of Companies and Enterprises

RATE CLASS 8

<u>NAICS</u>	<u>Rate</u>	<u>Business Sector</u>
2211	8.00	Electric Utilities
2212	8.00	Gas Utilities
23	8.01	Construction, all types
423930	8.03	Recyclable Material, Junk Dealers
4411	8.08	Automobile Dealers
4412	8.08	Other Motor Vehicle Dealers
45421	8.04	Vending Machines
45439	8.07	Peddlers, Direct Selling
482	8.02	Rail Transportation
5171	8.00	Telecommunications, wired
5172	8.00	Telecommunications, cellular
5175	4	Cable Television
522291	8.06	Consumer Lending (Title Loans, Check Cashing, etc.)
		522298 8.05 PAWNSHOPS
5241	8.00	Insurance Carriers
524211	8.00	Brokers for Non-admitted Insurance Carriers
71119	8.11	Carnivals, Circuses
7131	8.12	Amusement Arcades, except gambling [Type I and Type II]
7132	8.13	Nonpayout Amusement Machines [Type III]
71399	8.10	Billiard Parlor, Pool Tables
72241	8.09	Drinking Places, Bars (alcoholic)
SB	8.14	Sexually Oriented, Adult Businesses

NAICS NUMERICAL INDEX

<u>Code</u>	<u>Class</u>	<u>NAICS Sector Description</u>
11	4	Agriculture, Forestry, Fishing and Hunting (except 111,112 &114)
21	4	Mining
2211	8	Electric Utilities
2212	8	Gas Utilities
2213	4	Water and Sewerage Systems
23	8	Construction, all types
31-33	3	Manufacturing
42	1	Wholesale Trade, except junk
423930	8	Recyclable Material, Junk
44-45		Retail Trade (See type)
4411	8	Automobile Dealers
4412	8	Other Motor Vehicle Dealers and Farm Machinery
4413	2	Automotive Parts, Tire Stores
442	1	Furniture and Home Furnishing Stores
443	2	Electronics and Appliance Stores
444	2	Building Material, Garden Equipment and Supply
445	1	Food and Beverage Stores
446	1	Health and Personal Care Stores
447	1	Gasoline Stations
448	2	Clothing and Accessory Stores
451	1	Sporting Goods, Hobby, Book, Music Stores
452	2	General Merchandise Stores
453	2	Miscellaneous Store Retailers
454	2	Nonstore Retailers, except peddlers
45421	2	Vending Machines
45439	8	Peddlers, Direct Selling
48	3	Transportation, except rail
482	8	Rail Transportation
49	5	Warehousing and Couriers
511	6	Information, Newspapers, Publishers
512	4	Motion Pictures, theaters, production, music, recording
515	7	Radio and Television Broadcasting
516	7	Internet Publishers
5171	8	Telecommunications, wired
5172	8	Telecommunications, cellular
5175	8	Cable Television
518	7	Internet Service Providers and Data Processing Services, on line
522	6	Mortgage Brokers, Credit Card Issuing, except banks and pawnshops
522291	8	Consumer Lending
522298	8	Pawnshops
523	6	Security and Commodity Brokers
5241	8	Insurance Carriers

5242	7	Insurance Agencies, except brokers for non-admitted insurers
52421	8	Brokers for Non-admitted Insurance Carriers
53	7	Real Estate and Rental
54	7	Professional, Scientific, and Technical Services
55	7	Management of Companies and Enterprises
56	4	Administrative and Support, Waste Management and Remediation Services
61	6	Education Services
62	6	Health Care and Social Assistance
711	4	Arts, Sports and Promoters of Events
71119	8	Carnivals, Circuses
712	4	Museums, Historical Sites, Zoos, Gardens
713	4	Amusement and Recreation, except coin-operated machines & gambling
7131	8	Amusement Arcades, except gambling [Sec. 12-21-2720(A)(1) and (2)]
7132	8	Nonpayout Amusement Machines [Sec. 12-21-2720(A)(3)]
71399	8	Billiard Parlor, Pool Tables
721	1	Accommodation, Hotel, Motel, Inn, Camp
722	1	Eating Places, Food Services, Restaurants, Caterers, except drinking places
72241	8	Drinking Places, Bars (alcoholic)
811	2	Repair and Maintenance Services
812	4	Personal Care, Barber, Beauty, Laundry
813	1	Membership Organizations
92	1	Public Administration

Attachment 4

Rate Impact Analysis of Richland County's Proposed Business License Ordinances

- Number of businesses included in the analysis: 8,097
- Estimated revenue generated by businesses (based on their 2005 gross revenues in 2006) if the Recommended rates are adopted: \$ 8,191,007
- Estimated revenue that would have been generated by businesses if their 2005 gross revenues were used to calculate fees based on :
 - Charleston County's rates: \$8,388,258
 - Sumter County's rates \$7,842,635

The table below shows the categories of businesses in order of frequency, and the percent of businesses within each category expected to have an increase and the percent of businesses expected to have a decrease. These impacts are based upon the Recommended rates.

NAICS Code Group	Business Sector	Number of Businesses	% Businesses with an Increase	% Businesses with a Decrease
23	Construction, all types	1119	64%	35.7%
56	Admin. & Support, Waste Mgt. and Remediation Services	1013	86%	14.4%
54	Professional, Scientific, and Technical Services	967	97%	2.9%
812	Personal Care, Barber, Beauty, Laundry	730	97%	3.4%
53	Real Estate and Rental and Leasing	474	97%	2.7%
62	Health Care and Social Assistance	398	99%	0.5%
811	Repair and Maintenance Services	374	51%	49.2%
722	Eating Places, Food Services, Restaurants, Caterers, except Drinking Places	349	11%	88.5%
453	Miscellaneous Store Retailers	211	91%	9.5%
448	Clothing and Accessory Stores	207	90%	9.7%
33	Manufacturing	201	75%	25.4%
42	Wholesale Trade	172	51%	49.4%
445	Food and Beverage Stores	124	42%	58.1%
48	Transportation, except Rail	118	81%	18.6%
61	Education Services	94	100%	0.0%
32	Manufacturing	93	86%	14.0%
522	Consumer Finance, Mortgage Brokers, Credit Card Issuing, except banks and	84	26%	73.8%

NAICS Code Group	Business Sector	Number of Businesses	% Businesses with an Increase	% Businesses with a Decrease
	pawnshops			
444	Building Material, Garden Equipment, and Supply	88	84%	15.9%
447	Gasoline Stations	64	6%	93.8%
446	Health and Personal Care Stores	80	45%	55.0%
711	Arts, Sports, and Promoters of Events	79	76%	24.1%
4411	Automobile Dealers	72	76%	23.6%
5242	Insurance Agencies, except brokers for non-admitted insurers	71	99%	1.4%
451	Sporting Goods, Hobby, Book, Music Stores	64	31%	68.8%
442	Furniture and Home Furnishing Stores	64	33%	67.2%
454	Nonstore Retailers, except Peddlers	64	95%	4.7%
443	Electronics and Appliance Stores	57	88%	12.3%
4413	Automotive Parts, Tire Stores	44	89%	11.4%
721	Accommodation, Hotel, Motel, Inn, Camps	51	12%	88.2%
813	Membership Organizations	56	27%	73.2%
49	Warehousing and Couriers	39	97%	2.6%
713	Amusement and Recreation, except coin-operated machines and gambling	38	89%	10.5%
71399	Billiard Parlor, Pool Tables	35	60%	40.0%
31	Manufacturing	38	92%	7.9%
452	General Merchandise Stores	31	84%	16.1%
511	Information, Newspapers, Publishers	29	79%	20.7%
72241	Drinking Places, Bars (alcoholic)	24	75%	25.0%
512	Motion Pictures, Theaters, Production	25	96%	4.0%
523	Security and Commodity Brokers	25	100%	0.0%
45421	Vending Machines	22	55%	45.5%
45439	Peddlers, Direct Selling	23	87%	13.0%
5223	Mortgage and Nonmortgage Loan Brokers & Other Financial Transactions	21	95%	4.8%
11	Agriculture, Forestry, Fishing, and Hunting	22	91%	9.1%
5172	Telecommunications, cellular	20	5%	95.0%
522298	Pawnshops	13	62%	38.5%

Richland County Council Request of Action

Subject: Establishment of the Business Service Center Appeals Board

A. Purpose

Council is requested to give first reading approval to the revision of the ordinance establishing County Boards and Commissions. This revision would establish the Business Service Center Advisory Board as a Richland County Board as part of the proposed business license ordinance.

B. Background / Discussion

A proposed business license ordinance, based upon the Municipal Association's Model Ordinance and Charleston County's ordinance, is being sent to County Council for its consideration to replace the County's current business license ordinance. Part of the proposed ordinance includes the establishment of an Appeals Board to hear appeals by businesses. The Appeals Board would serve as the first step for businesses wishing to make an appeal. Any business wishing to appeal the decision of the Board may appeal to the County Council.

The Richland County Business Service Center Appeals Board shall serve as the Appeals function in the business license ordinance. The Board will hear appeals resulting from any person aggrieved by a final assessment, charge backs from an audit, or a denial of a business license by the License Official.

In that capacity and as a finder of fact, the Appeals Board would have the following responsibilities:

- Adopting procedures relating to the execution of the Appeal's Board function;
- Receiving written appeals from businesses;
- Holding meetings to receive testimony by the business, the Business Service Center official, and any other official approved by the Appeals Board;
- Reviewing and analyzing the information presented in the testimonies provided;
- Making a factual conclusion as to the issue in question based upon the review and analysis; and
- Writing a formal determination regarding the decision made as to the issue in question.

The Board will consist of five members, appointed by the Council, for a term of four (4) years, and be comprised of three Certified Public Accountants, one member of the SC Bar Association, and one other business person.

The Board would operate according to bylaws approved by the Board as its first meeting.

See [Attachment 1](#) on the following pages for a draft of this ordinance.

C. Financial Impact

There is no financial impact, positive or negative, to this request. Members of the Board, as with all other County Boards and Commissions, will be volunteers.

D. Alternatives

1. Approve the revision of the County ordinance to include the establishment of the Business Service Center Appeals Board.
2. Do not approve the ordinance revision.

E. Recommendation

Council is requested to give first reading approval of the ordinance revision adding the Business Service Center Appeals Board as a new County Board to address appeals responsibilities associated with the Business Service Center.

Recommended by: Pam Davis, Director Dept: Business Service Center Date: 03/13/07

F. Reviews

Finance

Reviewed by: Daniel Driggers

Date: 3/20/07

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Recommend approval of the concept of an appeals board. Additionally would recommend that Council approve the procedures for the execution of the responsibilities prior to the start of hearings.

Legal

Reviewed by: Amelia Linder

Date: 3/20/07

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Both alternatives appear to be legally sufficient; therefore, this request is at the discretion of County Council.

Administration

Reviewed by: Tony McDonald

Date: 3/23/07

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

**STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR RICHLAND COUNTY
ORDINANCE NO. ___-07HR**

AN ORDINANCE AMENDING THE RICHLAND COUNTY CODE OF ORDINANCES, CHAPTER 2, ADMINISTRATION; ARTICLE VII, BOARDS, COMMISSIONS AND COMMITTEES; SECTION 2-326, BOARDS AND COMMISSION CREATED AND RECOGNIZED; SO AS TO CREATE A BUSINESS SERVICE CENTER APPEALS BOARD.

WHEREAS, the County Council has standardized its business license ordinance, and

WHEREAS, the revised ordinance directs that a Business Service Center Appeals Board shall hear all appeals by businesses, and

WHEREAS, the Business Service Center Appeals Board shall be a disinterested board to hear the facts of each appeal by all interested parties;

NOW, THEREFORE, pursuant to the authority by the Constitution of the State of South Carolina and the General Assembly of the State of South Carolina, BE IT ENACTED BY RICHLAND COUNTY COUNCIL:

SECTION I. The Richland County Code of Ordinances, Chapter 2, Administration; Article VII, Boards, Commissions and Committees; Section 2-326, Boards and commissions created and recognized; is hereby amended by the addition of a new subsection creating the Richland County Business Service Center Appeals Board as follows:

(k) Richland County Business Service Center Appeals Board

- (1) *Creation.* There is hereby created a Richland County Business Service Center Appeals Board.
- (2) *Membership.* The Business Service Center Appeals Board shall consist of five members who shall be appointed by majority vote of the Council. The five-member board shall be comprised of three Certified Public Accountants, one member of the S.C. Bar Association, and one other business person. All members must be interested citizens residing in Richland County. Not more than one member of the Appeals Board may be an employee of the County.
- (3) *Responsibilities.* The Richland County Business Service Center Appeals Board shall serve as the Appeals function expounded in the Richland County Code of Ordinances, Chapter 16, Article I. The Board will hear appeals resulting from any person aggrieved by a final assessment, charge backs from an audit, or a denial of a business license by the License Official. In that capacity and as a finder of fact, the Appeals Board shall have the following responsibilities:
 - a. Adopting procedures relating to the execution of the Appeal's Board function;
 - b. Receiving written appeals from businesses;

- c. Holding meetings to receive testimony by the business, the Business Service Center official, and any other official approved by the Appeals Board;
- d. Reviewing and analyzing the information presented in the testimonies provided;
- e. Making a factual conclusion as to the issue in question based upon the review and analysis; and
- f. Writing a formal determination regarding the decision made as to the issue in question.

(4) *Terms of Members; Election of Chairperson; Meetings.*

- a. The term of office of the chairperson and each member of the Appeals Board shall be four (4) years. However, in making the initial appointments, three members shall be appointed for a term of two years and two members shall be appointed for a term of three years, so that certain of the offices shall expire every year. Thereafter, their successors shall be appointed for terms of four years, or for the balance of any unexpired term. Members may be reappointed for succeeding terms, but not for more than two years after expiration after the last served term of office. The County Council may terminate for just cause any Board members' terms of office.
- b. The Committee shall elect a chairperson.
- c. The Committee shall meet whenever an appeal is made, at such times and places as determined by the Chairperson.

SECTION II. Severability. If any section, subsection, or clause of this ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

SECTION III. Conflicting Ordinances. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION IV. Effective Date. This ordinance shall be effective from and after _____, 2007.

RICHLAND COUNTY COUNCIL

BY: _____
Joseph McEachern, Chair

ATTEST THIS THE ____ DAY

OF _____, 2007.

Michielle R. Cannon-Finch
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

Approved As To LEGAL Form Only
No Opinion Rendered As To Content

First Reading:
Public Hearing:
Second Reading:
Third Reading:

Richland County Council Request of Action

Subject: Design / Build Team Selection and Negotiation for Wholesale Farmers' Market Project

A. Purpose

County Council is requested to approve the selection of Fitts & Goodwin as the design/build team for the wholesale farmers' market project, in addition to allowing staff the ability to negotiate a contract once a guaranteed maximum price is received.

B. Background / Discussion

As prescribed in the MOU between the State and Richland County, approximately 50 acres of the 196-acre new farmers' market site is owned by Richland County for the purpose of wholesale operations. The County agreed to subdivide the wholesale portion of the market and make suitable parcels to the original six wholesale vendors pursuant to mutually agreeable vendor financing arrangements.

The Design / Build concept for the wholesale portion of the market was presented to the A&F Committee in September 2006. Council approved this concept at the October 3, 2006 Council meeting.

Staff solicited qualifications for this project from teams in late fall 2006. Three teams submitted qualifications, but only two teams were deemed qualified for this project. The original cost projection for the County's wholesale portion of the market was \$15 - \$20 million. However, cost proposals came in well above that original estimate, ranging from \$34,500,000 - \$35,400,000 from the teams that submitted. Instead of awarding a contract to any of the teams, as an interim step in this process, County Administration, after consulting with the County Council, contracted with Fitts & Goodwin (F&G) to provide preliminary services to determine a Guaranteed Maximum Price (GMP) for the project, which is to be received on April 20, 2007. The GMP will be used to determine the amount to be financed by the bonds, which the vendors are to pay. This amount will be broken down in order to determine a specific cost of each facility to the vendors.

If the County and/or vendors find the cost of the project unacceptable, then the issuance of the bonds will be canceled. However, assuming the cost is acceptable to the involved parties, the design / build team selection must be approved at this time in order to remain as close to the original schedule as possible.

A factor that must be considered in this discussion is that additional State funding in the amount of \$19 million is currently being requested in the House and Senate. This funding is necessary for the State's portion of the market—the retail portion—to proceed as originally planned. Richland County will await the results of the State's funding request before signing a contract with the design / build team and issuing bonds.

At this time, staff requests that Council approve the selection of Fitts & Goodwin as the design/build team for the wholesale farmers' market project, in addition to allowing staff the ability to negotiate a contract once a GMP is received. The contract amount, based upon the

GMP, will be presented to the County in April, with that information being reported to Council afterwards. By the middle to end of May, we will know if the project is acceptable to all parties, and therefore if we have a project or not, inasmuch as the County portion of the market is concerned. This Request of Action is before you in advance of that decision to be made in May.

The firm of Fitts & Goodwin is being recommended for the following reasons:

- Designed and built similar projects, including McEntire (one of six current vendors at proposed new market) and Rawl facilities.
- Tremendous amount of potential with design alternatives / cost reductions
- Creativity: proposed innovative approach regarding guaranteed maximum price
- Knows six vendors, has well-established relationships with vendors.
- Guaranteed maximum price; no change orders
- 50/50 cost savings at end of project.
- Wilbur Smith, our hired consultant, recommended selecting this team.
- Long-standing team, well-established team

C. Financial Impact

There is no financial impact currently associated with this Request of Action. For this request, staff asks that Council approve the selection of Fitts & Goodwin as the design/build team for the wholesale farmers' market project, in addition to allowing staff the ability to negotiate a contract once a guaranteed maximum price is received. The actual financial impact associated with this request will not be known until the guaranteed maximum price is delivered in April. Staff will present the GMP to Council after it is received, with a contract award and bond issuance appearing before Council afterwards. This assumes the State funding request in the amount of \$19 million is granted, therefore making the project viable.

D. Alternatives

1. Approve Fitts & Goodwin (F&G) as the selected design / build team, and allow negotiations to proceed with F&G, for the wholesale portion of the farmers' market project.
2. Do not approve Fitts & Goodwin as the selected design / build team for the wholesale portion of the farmers' market project. A design / build team must be selected in April 2007 to remain on schedule.

E. Recommendation

It is recommended for Council to approve the selection of Fitts & Goodwin as the design/build team for the wholesale farmers' market project, in addition to allowing staff the ability to negotiate a contract once a GMP is received

Recommended by: J. Milton Pope Department: Administration Date: March 23, 2007

F. Reviews

(Please **SIGN** your name, ✓ the appropriate box, and support your recommendation before routing. Thank you!)

Finance

Reviewed by: *[Signature]*

Date: *3-23-07*

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Procurement

Reviewed by: *Rodolfo Callwood*

Date: *3-23-07*

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Legal

Reviewed by: *Amelia R. Linder*

Date: *3-23-07*

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

Administration

Reviewed by: *[Signature]*

Date: *3-23-07*

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: