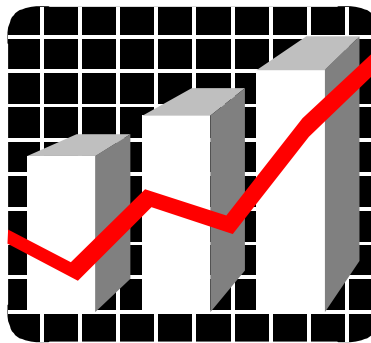


The Upstate Economy: 2002 in Review

A look back at the announced economic activity in 2002 reveals a mix of promise and uncertainty. While the S. C. Department of Commerce reported a total of 6,866 new jobs created throughout the Upstate¹, the S. C. Employment Security Commission reported 6,319 Upstate jobs lost, either through downsizing or closures. Although these figures suggest only a mediocre upturn in the economy, they represent a vast improvement over similar figures released for the previous year, which revealed a staggering **net** loss of 6,504 Upstate jobs. Although textile manufacturing has suffered the greatest losses in recent years, other manufacturers such as those specializing in electronics have also undergone significant downsizing.

The fourth quarter edition of the *Economic Activity Report of the SC Upstate* continued to reveal the same mix of activity apparent in previous quarters. One-hundred-year-old Chiquola Mill announced plans to close its operations in both Anderson and Abbeville Counties, while AnMed Health announced plans for a \$100 million expansion that could create countless new healthcare and administrative support positions.

American Home Furniture announced plans to convert the former Cherokee Finishing Plant in Gaffney into a distribution center, while Rockwell Automation announced plans for a new headquarters facility that will bring 100 new jobs to Greenville. Greer, however, saw the closure of Graco Children's Products, which resulted in the



loss of 100 jobs.

Efforts in Oconee County were focused on providing more commercial real estate for prospective employers, as plans were announced for the development of Venture Centre Retail Park, to include six new buildings for use as commercial or office space. Plans were also announced for the construction of an interchange that will link U.S. Highway 123 with the Pickens County Industrial Park.

In Spartanburg County, Stankiewicz International announced plans for an \$18 million expansion that will create 100 new jobs. This German company, which supplies acoustic systems to BMW, is one of many automotive-support industries that have moved into the region over the past decade.

The S. C. Appalachian COG Information Services Department publishes the *Economic Activity Report of the South Carolina Upstate*. Sourced from various media releases, this quarterly publication lists details for industrial and commercial projects that involve new construction, expansion, and renovation. Statistics on plant closings, lay-offs, and hiring plans are also in-

(Economy continued on page 5)

SCARC President Christopherson Inspires Committee Work



South Carolina Association of Regional Councils (SCARC) President Chris Christopherson recently named three committees he hopes will help achieve his goals of enhancing the Association's visibility and strengthening regional council ties to Governor Sanford's administration. The three committees, comprised of regional council policy board members and executive directors, all met during January, and include the *Council of Governments (COG) Board Member Role Committee*, the *COG Impact Report Committee*, and the *SCARC Awards Committee*.

President Christopherson, who is Mayor of Easley, South Carolina, and a member of the Appalachian COG Board of Directors since 1995, said "I am really excited about the enthusiasm shown by our committee members and the way they have responded to each committee's charge. Their responses have shown me that we are on the right track for accomplishing our shared goals."

The committee will report back on their progress at quarterly

(Committee continued on page 2)

Easley Utilizes a Tax Increment Finance Mechanism

City officials in Easley, S. C., have established a TIF (Tax Increment Financing) District. The special purpose district is authorized under the South Carolina Code of Laws; Chapter 6, Section 31-6-10. This law allows incorporated municipalities to establish special purpose districts that use tax increment financing as a tool to generate income to subsidize public improvement costs. The TIF District must be established to meet one or more of the following conditions: Elimination of slum or blight, or reversal or elimination of the deterioration of conservation areas. These conditions are identified as threats to the health, safety, morals, and general welfare of the public.

The Appalachian Council of Governments assisted the City with the composition of a Redevelopment Plan for the TIF District. This Plan identifies the Redevelopment Project Area, goals and objectives, public improvement projects and estimates of tax increment revenues generated within the TIF District. To determine the tax increment potential, taxes for the year 2002 were used to establish a base value for the TIF District. Taxing bodies agree to receive taxes from properties within the TIF District based on this value for the duration of the Plan. Additional tax money, generated by development within the district, is used to finance public improvements. At the end of the Redevelopment Plan, taxing bodies receive taxes based on the actual assessed value of the properties within the district.

Tax Increment Bonds can be issued at the onset of development. Money from these bonds is used to finance public improvements needed to generate private development in the redevelopment area. The TIF mechanism generates increased taxes by recruiting developers into the redevelopment area. The increased taxes are then used to re-



The City of Easley's Redevelopment Area

pay the debt service on the Tax Increment Bonds.

All taxing bodies have agreed to the terms of the redevelopment plan. Under the plan, several public improvements will be facilitated such as the installation of underground utilities, improved lighting, parking, landscaping and street furniture.

The Ordinance, adopted on January 28, 2003, authorizes the City to issue up to \$2.635 million in tax increment bonds for a term not to exceed 15 years. The Tax Increment Finance mechanism has provided the City of Easley with a tool to improve areas that are in poor condition and provide benefits to the entire community.



(Committee continued from page 1)

SCARC board meetings scheduled for May and September. President Christopherson hopes to meet later this year with Governor Sanford and key members of his staff to outline the collective impact South Carolina's COGs continue to have on our economy and quality of life.

The Pendleton District WIB Has Strategic Planning Retreat

The Pendleton District WIB held a Strategic Planning Retreat on January 23, 2003, at the Clemson University Madren Conference Center. Dr. Connie Pritchard of the Pritchard Group, Inc., facilitated the retreat. The Board made the decision to continue with the existing Executive, Standards and Performance, Governance, Planning, and Youth Committees, and to add a Marketing Committee and Ad Hoc Employer/Worker Skill Sets Committee.

Strategies were developed for 2003. The Executive Committee Strategy is to continue in the education of Board members. A goal for the committee is to increase the understanding of career ladders within an occupation field and across the workforce development system. The Standards and Performance Committee's strategy is to periodically review performance and resource allocation to provide for accountability of services. The Planning Committee strategy is to ensure knowledge through coordination, discussion, or education of the relationship between education and employment. A goal established for this committee is to provide for coordination of all agencies to communicate this message. This committee also projected a strategy for 2004 of increasing the understanding of career opportunities of the five major industry sectors by the education system and community. The Youth Council would also share with the Planning Committee it's 2003 strategy to ensure knowledge through coordination, discussions, or education of the relationship between education and employment, with the focus being primarily on youth.

The Board's new Marketing Committee set increasing awareness of the work and outcomes of the WIB as it's 2003 strategy. Key stakeholders

(Retreat continued on page 4)

How a Community Becomes a Municipality — Municipal Incorporation



In recent months, a number of Upstate communities have discussed changing their status from “community” to “city.” Residents or business organizations from Powdersville, Piedmont, Boiling Springs, Tigerville, and most recently Berea have contacted ACOG asking about the mechanics of incorporation. To date, none has followed through to completion.

The various statutory requirements are difficult to complete, and require some expertise and considerable commitment. Title V, Chapter 1, of the South Carolina Code provides that communities desiring to incorporate must:

- Have a population density of at least 300 persons per square mile
- Conduct a service feasibility study/ provide certifications to the Secretary of State
- Have a contiguous boundary
- Be located five miles from an existing city or have a population of **15,000** or be refused by an existing city
- Secure a petition signed by 15% of the registered voters
- Conduct a referendum (a simple majority vote will decide the question)

The Secretary of State (2001 Code of Regulations, 113-200) further requires: certification of population density, boundaries, total land areas, total assessed value and a feasibility study.

A feasibility study will require considerable documentation, coordination and research. Most communities do not have a defined boundary. Even fewer communities have a fund source to hire a consultant and/or attorney to

carry out the technical aspects of the process.

As stringent as the statutory requirements are, however, the most significant obstacle to incorporation is *emotional*. Residents often prefer to live “in the county,” enjoying a more relaxed lifestyle and avoiding city taxes, fees and restrictions. Typically, there has to be an overwhelming community need in order for the incorporation question to even be considered.

A fear of annexation by a neighboring municipality, a stagnant business environment, runaway growth or a desire for extra services might be reasons to become a city or town. Residents may also, however, want to consider alternatives such as creating a special tax district or even annexing to an existing city. In any case, incorporation does not take place overnight and, as any financially embattled city official will admit, the incorporation process may be the easy part. Maintaining and operating a municipality is exceptionally difficult. Contact Joe Newton for additional information or questions.

Informal Problem Solving for Nursing Home Residents and Families : Important Things to Consider

You encounter a problem with your family member’s care. To whom do you go? How do you get it resolved? Here are some things to consider:

- * **Do you know who to talk to?** Ask someone in the administrative office for a list of Department Heads.

- * **Do you know how the administrator wants residents and families to deal with concerns?** Some administrators may want you to talk directly to the department head who is involved with the complaint, such as the food services director for diet issues, the director of nursing for overall care issues. Other administrators may choose to have all problems brought directly to them. Is there a grievance process that the facility uses? The better you know how the system works, the better your chances of success.

- * **Have you let complaints accumulate until you are so frustrated that you will be unable to state your concerns objectively?** Better to take them one at a time, when you can be calmer and less angry in your initial approach.

- * **What is the specific complaint?** Just saying, that the “food is terrible” and the “care is awful” makes it difficult for the staff to know what you want and where to start to correct the problem. In contrast, stating clearly that the facility has not followed the “low-salt diet that is ordered” lets the staff know what they need to do. The more specific you can be, the greater the possibility the problem can be corrected. If necessary, keep records of what happened, when it occurred and with whom you spoke.

- * **Whose problem is it?** If your mother’s clothes aren’t color coordinated, does she care? It is important to ask yourself this question and try to decide whether this is a critical issue to address, or if you can overlook this matter and focus your concerns on larger issues.

- * **Can you prioritize the issues?** In the example above, the clothing issue may be much less important
(Long Term Care continued on page 4)

SCDOC Announces 2003 Consolidated Plan for Housing and Community Development

The S.C. Department of Commerce, as the designated lead agency for the State, has prepared the 2003 Annual Action Plan as part of the Consolidated Plan for Housing and Community Development. The 2003 Action Plan is submitted annually to HUD to meet the statutory requirements for the State to receive approximately \$42.3 million in funding for four HUD programs: Community Development Block Grant (CDBG), Emergency Shelter Grant (ESG), HOME Investment Partnerships (HOME), and Housing Opportunities for Persons with AIDS (HOPWA).

The CDBG Program is administered by the State Department of Commerce - Division of Community Grant Programs. Local governments use CDBG funds to improve communities by providing decent housing, a suitable living environment, and expanded economic opportunities. CDBG eligible activities include infrastructure (water, sewer, drainage, etc.), public facilities such as senior centers, housing rehabilitation, and homeownership activities. In the 2003 program year, the Department of Commerce expects to receive approximately \$27.4 million in CDBG funding for use in the state's non-entitlement areas, a decrease from \$28.2 million in 2002.

The ESG Program is administered by the Governor's Office - Division of Economic Opportunity (DEO). This program, through local governments and non-profit organizations, assists individuals and families in the transition from homelessness to independent living by promoting housing with supportive services. ESG eligible activities include renovation/rehabilitation/conversion of buildings for use as emergency shelters for the homeless, provision of essential services to the homeless, payment of operational costs for homeless providers, and development and implementation of

homelessness-prevention activities. The Governor's Office expects to receive \$1.4 million in ESG funds in 2003, an amount similar to 2002.

The HOME Program is administered by the State Housing Finance and Development Authority (SHFDA). The program targets activities and policies aimed at expanding the supply of affordable housing and increasing the number of families with access to affordable housing. Eligible activities include rental housing construction or rehabilitation, homeownership/homebuyer assistance, tenant-based rental assistance, and owner-occupied replacement housing. The SHFDA expects to receive approximately \$12.5 million in HOME funds in 2003, up from \$12.3 million in 2002.

The HOPWA Program is administered by the Department of Health and Environmental Control (DHEC) - STD/HIV Division. This program provides housing services and other assistance to low-income persons with AIDS or related diseases and their families. The HOPWA allocation is based on population and the number of AIDS cases. DHEC expects to receive \$1.041 million in HOPWA funds in 2003, the same amount received in 2002.

Copies of the Plan are available for review at the Council of Governments, and at the four state agencies identified above, during normal business hours. In addition, the Plan is available on the Internet at www.callsouthcarolina.com. For more information or to request a copy, please contact the S.C. Department of Commerce, Division of Community Grant Programs, 1201 Main Street, Suite 1700, Columbia, SC 29202, e-mail cthomas@teamsc.com, or call (803) 734-0429.



(Retreat continued from page 2)

were identified as Employers, Plant Managers, HR Groups, Youth/Students, Educators/Counselors, Economic Development Groups, Chambers of Commerce, and Vendors. The desired outcomes are greater integration and understanding of services provided, better alignment of the needs with services available, and more accessible services for employers to recruit, train, and retain their workforce.

The Employer and Worker Skill Sets Ad Hoc Committee strategy is to define the skills needed for successful employment, with emphasis on knowledge and personal effectiveness. The desired outcome is to close the gap between employers' skill set needs and systems that prepare workers. By closing the gap, we will be helping people get to work.

The retreat was a success. The Board has developed its strategy for closing the gap between the skill needs of employers and the existing and future workforce through coordination of education, economic and workforce development.

(Long Term Care continued from page 3)

than the fact that she is only getting a bath once per week. Are there minor annoyances, which do not overly concern your mother, that **you** can disregard in order to turn your attention toward resolving more significant problems?

- * **How does the resident want to approach the problem?** Does she simply need to air feelings rather than have you confront staff about a problem? Sometimes, just listening can be the most effective thing you can do. The resident has to live in the nursing home 24 hours a day. The resident's wishes must be respected. This doesn't mean, though, that you should not encourage problem-solving.

*From The National Citizen's Coalition for Nursing Home Reform, 2001.

ElderCare Trust Fund

The Facts

South Carolina is getting older. In the year 2000, one in six South Carolinians was 60 years old or older. This represents a 60 percent increase since 1980. In 1992, the South Carolina ElderCare Trust Fund was established to enable taxpayers to make voluntary contributions through "check-off" on state income tax forms. Contributions are distributed as grants by the ElderCare Trust Partnership Board. The Board is made up of citizen leaders from across the state.

Your contribution to ElderCare Trust helps support innovative programs, services, and pilot projects around the state that help older persons remain in their homes and communities, avoiding institutional care for as long as possible. These activities will ensure and promote independence and dignity throughout their lives.

Community Projects

Community organizations in Chesterfield, Spartanburg, Greenville, Anderson, Williamsburg, Richland, Lexington, Dorchester, and others are among the many that have received funding for innovative projects using ElderCare Trust grant monies.

Examples of grant projects include minor home repairs, home safety and home injury protection programs, respite care services for patients with Alzheimer's Disease and their families, ramps for handicapped seniors, weekly supplies of frozen meals, grant-a-wish days, and health and wellness programs.



Remember to check off for the **ElderCare Trust Fund** on your state income tax form, or make a difference today by mailing a tax deductible donation to the address below:

Please make checks payable to the **ElderCare Trust Fund**, and mail them to the following address:

Bureau of Senior Services
P. O. Box 8206
Columbia, SC 29202-8206



On your income tax form (SC1040 or SC1040A), **ElderCare Trust** is found on **Line 24** of the long form. On the short form, it is found on **Line 15**.

If your organization or community would like information on how to apply for a grant from the **ElderCare Trust Fund**, please contact the Bureau of Senior Services at (803) 898-2850.

FEMA ANNOUNCES 2003 ASSISTANCE TO FIREFIGHTERS GRANT PROGRAM

The Federal Emergency Management Agency's U.S. Fire Administration has announced the 2003 Assistance to Firefighters Grant Program. This program awards one year grants to support fire departments that lack the tools and resources necessary to protect the health and safety of the public and their fire-fighting personnel. For more information, or to complete an on-line application, go to www.usfa.fema.gov. The on-line application will be available from March 3 until April 4, 2003.

Development Corporation Activity

In January, the Appalachian Development Corporation closed a \$200,000 ARC revolving loan to Westminster Beacon, LLC, the proceeds of which were used to help fund asset acquisitions in Westminster, S. C. Westminster Beacon is a wholly owned subsidiary of North American Heritage Brands, Inc. The business purchased the former Beacon Blanket assets and is reopening the plant to manufacture cotton blankets. Employment should be between 100 and 200 people.

The ADC Board approved Step Ahead Learning Center for a loan of \$55,000. Step Ahead Learning Center is opening a new minority-owned day care center in Gaffney in the Thickety Mountain Baptist Association's old building.

A loan to DDM Foods of Simpsonville was funded in the amount of \$200,000. The proceeds were used for working capital in establishing a food processing plant. The company is now in operation with eight employees and another twelve to be hired.

Another loan of \$54,500 was funded to Kurt Studier, American Express Financial Advisor. Mr. Studier purchased a property at 900 Pendleton Street in Greenville for use as his office. Two additional jobs are projected.

(Economy continued from page 1)

cluded. Please contact the Information Services Department at 242-9733 to purchase the publication for a single quarter or to order a yearly subscription.

¹Job creation and job loss figures represent a 10-county Upstate region. Figures for the 6-county S. C. Appalachian COG region are also available from the ACOG Information Services Department.

VIEWPOINT

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