



ROCK HILL

SOUTH CAROLINA

October 5, 2010

To: Carey Smith, City Manager

From: Growth Management Incentive Review Committee
(Stephen Turner, David Vehaun, Frances Thomas, Bill Meyer, Eddie Boulware,
Charles Smalls)

Subject: Incentive Recommendations

The Growth Management Incentive Review Committee received two incentive applications for review on September 15. The Committee members recommend approval of these applications to City Council

Composite Resources

The first proposed incentive is for Composite Resources, an existing business located at TechPark. Composite Resources has purchased additional property at 483 Lakeshore Parkway, adjacent to its existing facility, and is beginning construction of a new 60,000 square foot building. The expansion will cost about \$6 million and 50 new jobs are expected to be created over 5 years. City Council is already familiar with this company and project as a result of approving the land sale within the last year.

The proposed incentive is for reimbursement of impact fees charged to Composite Resources for the new building. The impact fees are as follows:

Fire Impact Fee	\$ 7,982
Water Impact Fee	\$ 2,548
Sewer Impact Fee	\$ 4,531
Total	\$15,061

The project meets all of the requirements of the Growth Management Incentive guidelines: a) it is located in an approved business park with design guidelines and covenants; b) the design of the building meets the City's design standards and has also been approved by the TechPark Architectural Review Committee; c) the business type (manufacturing) is not excluded by the guidelines, and is one that is specifically encouraged by the guidelines, so it is eligible for an incentive.

Motorsports Prospect

The second proposed incentive is for a prospect that is considering a site at TechPark. This company is in the motor sports business. The company proposes to develop a

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20,000 square foot building that would become the headquarters and operations center for a motor sports business. Total investment is estimated at \$2.35 million. The company expects to employ 20 people with wages averaging \$22 per hour, well above the average wage in York County. The company has not made a final location decision and so, in this case, the offer of an incentive is part of a negotiation to attract the company. The incentive would be offered contingent on the company's completion of the proposed investment at TechPark as stated above.

The estimated impact fees on a 20,000 square foot building of this type are \$5,518. We can say with certainty at this time that the project meets 2 of the 3 requirements outlined in the Growth Management Incentive guidelines: a) it would be located in an approved business park; b) it is a use that is not excluded by the guidelines. The third requirement, that the facility be one that meets the City's design standards, cannot be judged at this time because construction plans have not been submitted. The incentive award to this project would be conditioned on approval of site and building development plans, consistent with the City's development standards and the TechPark design standards.