

Chapter 8: Priority Investment

8.1 Introduction

On May 23, 2007, the Governor of South Carolina signed into law the Priority Investment Act, adding to the requirements of the Comprehensive Plan:

“A priority investment element that analyzes the likely federal, state, and local funds available for public infrastructure and facilities during the next ten years, and recommends the projects for expenditure of those funds during the next ten years for needed public infrastructure and facilities such as water, sewer, roads, and schools. The recommendation of those projects for public expenditure must be done through coordination with adjacent and relevant jurisdictions and agencies. For the purposes of this item, 'adjacent and relevant jurisdictions and agencies' means those counties, municipalities, public service districts, school districts, public and private utilities, transportation agencies, and other public entities that are affected by or have planning authority over the public project. For the purposes of this item, 'coordination' means written notification by the local planning commission or its staff to adjacent and relevant jurisdictions and agencies of the proposed projects and the opportunity for adjacent and relevant jurisdictions and agencies to provide comment to the planning commission or its staff concerning the proposed projects. Failure of the planning commission or its staff to identify or notify an adjacent or relevant jurisdiction or agency does not invalidate the local comprehensive plan and does not give rise to a civil cause of action.”

The intent of this new element is to encourage interjurisdictional cooperation and coordination by means of communication and to provide fairly general financial planning policy recommendations in Comprehensive Plans at this time. This element will not generate a specific Capital Improvements Plan. Instead, the Priority Investment element will help provide guidance for the future growth and funding of projects throughout Edisto Beach, both within its present boundaries and including the areas designated for future growth. In the future this coordination of planning and budgeting should take the form of a long-term Capital Improvements Plan.

8.2 Capital Investment Planning and Comprehensive Plan Policy Recommendations

A number of the other elements of the Edisto Beach Comprehensive Plan contain specific recommendations that can only be implemented through capital expenditures. Therefore, to implement this plan, future capital budgets should incorporate those items as priority investments. As a result, a Capital Improvements Plan should be prepared that incorporates Comprehensive Plan policies and priorities and goes beyond the annual capital budgeting process to include longer-term projects.

The following recommendations reference individual elements and include only those items that involve capital expenditures.

Community Facilities:

1. Use the maps with the location of sewer and water facilities in the “Community Facilities” section and the maps regarding “Land Use” section as a guide for future development. Ensure that new services are planned and provided in accordance with those guidelines and in a cost-effective manner.
2. Develop a five-to-ten year service demand plan with a priority list of needed improvements.

Transportation:

1. Develop a five-to-ten year projection of future service demands and maintenance needs with a list of priority roads projects.
2. Implement the stormwater management program, encouraging sustainable design, construction and repair of roads.

3. Develop a plan to ensure that there are ample modes of alternative transportation, including bicycle and pedestrian paths.
4. Require all new development to pay for any roads or other modes of transportation needed to serve the development.

Capital Planning Priorities

The Town of Edisto Beach should develop capital planning priorities and a decision-making methodology or matrix to determine the relative needs for capital improvements and expenditures. This will ensure that the most feasible and pressing projects are addressed first. Limited public funds will thereby be used efficiently, producing the greatest potential return on investment and ensuring the necessary services are provided for residents. The following priorities also reflect most of the recommendations in the Community Facilities and Transportation elements of this Plan:

- Priority 1 – New public facilities and improvements to existing facilities that eliminate public hazards.
- Priority 2 – The repair, renovation or replacement of obsolete or worn out facilities that are necessary to achieve or maintain existing levels of service.
- Priority 3 – New and expanded facilities that reduce or eliminate existing deficiencies in levels of service.
- Priority 4 – New and expanded facilities necessary to serve new development and redevelopment projected as envisioned and recommended in this Comprehensive Plan.

8.3 Coordination with other Agencies and Jurisdictions

The legislation is very specific about the importance of this process. As a result, Edisto Beach shall coordinate the planning and provision of capital improvements with other relevant agencies and jurisdictions, including both Charleston and Colleton Counties, utility providers (present and potential) and the South Carolina Department of Transportation.

This process will be both formal and informal and will include the facilitation of on-going dialogue with the various agencies and organizations in order to maintain and improve the quality of life, sustainability and positive growth for Edisto Beach and its political subdivisions.

As well the Town will provide written notification to all agencies, jurisdictions, the school districts, transportation agencies and other relevant entities about all development proposals affecting their service or jurisdictional area and will work with them to ensure that the needs of present and future residents and businesses are met. In turn, the Town will actively seek the same cooperation from those organizations and agencies.

8.4 Development of a Funding Strategy

Edisto Beach should develop a coordinated funding strategy to fund prioritized capital projects. The Capital Improvements Plan will incorporate expected funding sources. Since it is extremely likely that traditional sources of project funding will be limited for the foreseeable future, it will be necessary to consider as many alternative (and innovative) sources and approaches as possible.

All possible future revenue sources should be explored and include, but are not limited to:

Local Options

General Obligation Bonds

A primary means of funding for Capital Improvement Projects, General Obligation Bonds (G.O. Bonds), would be guaranteed by Colleton County's projected future property tax revenue streams. Under current allowances, the State of South Carolina allows local governments to borrow 8% of the assessed value of taxable property. To issue bonds in excess of the 8% maximum would require a referendum.

Tax Increment Financing

Primarily designed to provide financing for the public costs associated with private development projects, Tax Increment Financing (TIF) is a method that has been around for many decades. Under a TIF, the property tax increases resulting from a development are targeted to repay the public investment expended on a project.

Impact Fees

Impact Fees are another major means of providing for infrastructure and community facilities improvements to newly developed properties. The funds generated from these fees cannot be used towards existing deficiencies or to create a higher level of service for future projects than what is currently the standard. They provide a means to both permit growth and development, while not passing along the costs to all the taxpayers.

Capital Projects Sales Tax

This tax is implemented in many counties throughout South Carolina and has the ability to allow projects and construction not previously possible. As with many taxes to help provide funding, this can be dedicated to a variety of capital projects, including transportation and parks and recreation.

Other Potential Local Options

Revenue Bonds
Business Improvement District
Municipal Improvement District (joint projects with one or more towns)
Hydrant Fees
Sales Tax
Business License Fees
Fees, Fines, & Permits
Water & Sewer Revenue

State Options

Sales Tax
Accommodation and Hospitality Tax
Revenue Sharing
Capital Bonds
Department of Transportation

Federal Options

Brownfields Programs
Environmental Protection Agency
Economic Development Administration
Homeland Security (including FEMA)
Community Development Block Grant
Department of Justice
Land and Water Conservation Fund

Public/Private Partnerships

Goal

- Improve the funding opportunities and planning process regarding transportation and other infrastructure projects.

Recommendations

- Seek out opportunities to work with neighboring jurisdictions, the State and Federal agencies.
- Seek out funding from various sources in order to prepare for the improvement of infrastructure.