

1976 S.C. Op. Atty. Gen. 414 (S.C.A.G.), 1976 S.C. Op. Atty. Gen. No. 4544, 1976 WL 23161

Office of the Attorney General

State of South Carolina

Opinion No. 4544

December 15, 1976

\*1 Community Preparation Coordinator  
State Development Board  
Post Office Box 927  
Columbia, South Carolina 29202

Dear Mr. Nance:

You have requested an opinion from this Office as to whether or not South Carolina municipalities are authorized to issue general obligation bonds in connection with the GREAT TOWN Program. In my opinion, they are not.

As I understand the program, a participating town establishes a local nonprofit development corporation which in turn performs such functions as accepting and disbursing funds, contracting for the construction of 'speculative' buildings, purchasing real estate for the purpose of industrial development and providing funds for the entertainment of industrial prospects. While your letter is not altogether clear as to the precise nature of the development corporation, I feel that certain language, hereinbelow quoted, of amended Article X of the South Carolina Constitution, which was approved by the voters during last month's general election and will be ratified by the next session of the General Assembly, might very well be construed to prohibit such an undertaking, to wit:

The credit of neither the State nor of any of its political subdivisions shall be pledged or loaned for the benefit of any individual, company, association, corporation or any religious or other private education institution except as permitted by Section 3, Article XI of this Constitution. . . . Act No. 750 of 1976 at 2222 [Advance Sheet No. 7, Acts & Joint Resolutions (October 18, 1976).] [Emphasis added.]

This opinion is not free from doubt, however, since our Supreme Court has heretofore determined that industrial and economic development is a public purpose as far as county revenue bonds are concerned. See, [Elliott v. McNair](#), 250 S. C. 75, 156 S. E. 2d 421 (1967); §§ 14-399.21 *et seq.*, CODE OF LAWS OF SOUTH CAROLINA, 1962, as amended (Cum. Supp.). Nevertheless, until definitive judicial guidelines are available (and, in this connection, you may want to consider a declaratory judgment action pursuant to §§ 10-2001 *et seq.*, CODE OF LAWS OF SOUTH CAROLINA, 1962, as amended), my opinion is that municipalities are not authorized to issue general obligation bonds in connection with the GREAT TOWN Program.

With kind regards,

Karen LeCraft Henderson  
Assistant Attorney General

#### ATTACHMENT

#### SOUTH CAROLINA

#### GREAT TOWN PROGRAM

The Division of Community Preparation of the South Carolina State Development Board is pleased to present the GREAT TOWN Program as an assistance to communities in South Carolina in their industrial development efforts. It is based on the achievement of goals, which when reached, will place the community in a stronger competitive position

for the attraction of industry and for general economic growth. It is a program that has been established to help those communities in South Carolina that need assistance most—the smaller towns.

\*2 South Carolina communities achieving the goals of this program will be designated a ‘GREAT TOWN’ and will receive an appropriate award with publicity and recognition. What is more important, GREAT TOWN communities will be recognized as communities that are better prepared for industrial and economic development.

#### **Objective**

Simply stated, the GREAT TOWN Program has two objectives.

1. To help your community to become better prepared for industrial development.
2. To give to the South Carolina State Development Board a better inventory of communities to bring to the attention of industrial firms seeking new plant site locations.

#### **General Information**

1. The criteria selected for this program are considered to be basic to community preparation for industrial development. Local industrial development is a community effort in which many people must be involved. In order to achieve the goals that will bring to your community The GREAT TOWN Trophy, a wide spectrum of your population will have to take part in the different activities of the program.
2. A representative of the Community preparation Division will always be available to advise and assist in your efforts in this program. A select committee will determine your acceptable completion of the requirements for receiving the GREAT TOWN Trophy.
3. This is a program that is designed for the smaller communities of South Carolina and entrance into the program is restricted on a population basis.

#### **Requirements to Enter the Program**

1. To be eligible each entrant must have a population not in excess of 15,000 according to the last official estimate of population by the Bureau of the Census.
2. Each entrant must provide, in writing, the name of the organization and names of individuals who will be responsible for the community's participation in the program. The entry form contains spaces for names, addresses and telephone numbers.
3. A scrapbook detailing the efforts to achieve the trophy is to be prepared and will be forwarded to the review committee when the community is judged. The scrapbook will be returned to the community.
4. There is no entry fee in the GREAT TOWN Program.

#### **Recognition and Award**

Entering the GREAT TOWN Program and receiving the trophy are important events for the community.

1. Those communities achieving the GREAT TOWN Trophy will be assigned a priority status for new industrial prospects through the State Development Board.
2. Public presentation of the GREAT TOWN Trophy will be made for each successful community.
3. Press releases will be made to state and regional news media on all trophy winners and personal coverage by local media of the trophy presentation should be encouraged.
4. The State Development Board conducts an ongoing international advertising program designed to seek out new industrial prospects. Communities designated as GREAT TOWNS will be included in this promotional effort.

### Suggestions

- \*3 1. If a development corporation does not exist within the community, then the first order of business should be to form such an organization.
2. A Coordinator of the Program should be chosen by the membership of the development corporation. The Coordinator should appoint a committee chairman for each category.

It is a requirement of entry into the Program that the names and addresses of the Coordinator and each committee chairman be attached to the official entry form.

3. The Coordinator and the chairman of each committee should serve as a steering committee to promote, publicize, and oversee the total Program effort.
4. The coordinator should, after the initial organization of the development corporation and the various committees, contact the Community Preparation staff and schedule a general orientation meeting for all members of your community's program. This will permit the Community Preparation staff to offer orientation, suggestions and guidelines that should prove helpful in assisting each committee with its particular program.

Additional orientation and review meetings should be scheduled by the coordinator as the program progresses to provide each committee and individual member with maximum assistance.

When all categories have been completed, the coordinator should contact the Community Preparation staff and schedule a preliminary review prior to the visit by the review team.

5. When your community has achieved the GREAT TOWN Trophy, the State Development Board Communications Department will be pleased to assist you in planning a Trophy presentation. This should be planned as a major event for your community. Emphasis should be placed on as much participation as possible by those persons who worked to achieve the Trophy.
6. A definite time limit should be established with the Community Preparation Division for completion of the requirements for the Trophy.

## REQUIREMENTS FOR RECEIVING THE GREAT TOWN TROPHY

Listed here are seven categories, each of which must be completed in order to received the GREAT TOWN Trophy. Contained within this packet are materials that you will need to organize your community's GREAT TOWN Program. Additional information will be furnished to the coordinator for use by the committee chairman.

### PROGRAM CATEGORIES

#### 1. Local Development Corporation

A local nonprofit development corporation must be created. If an active development corporation exists in the community, this may qualify for that portion of this category. This corporation must be established for the purpose of promoting the community for industrial plant location. It should also be able to solicit, accept, administer and expend funds from the general public (donation or sale of shares) or federal and foundation funds to be used in the promotional and developmental activities of the community. These activities would include the purchase and option of property, contracting for the purchase or construction of speculative buildings, the printing of brochures and provide sufficient funds to receive and entertain industrial prospects as they visit the community.

#### 2. Community Profile

\*4 A community survey on community resources must be completed. The survey must bear the signatures of a designated official of the municipality or of the recognized local development organization, attesting to the authenticity of the data contained therein. An outline of community data essential to industrial prospects is provided.

#### 3. Industrial Sites

Four industrial sites must be developed and full information compiled each, using the industrial site forms included. To qualify, each site must have a minimum size of ten (10) acres. There is no maximum size limitation. Some element of control over these sites must be shown. This could be ownership by the development corporation, an option, letter of first refusal, etc. The critical factor is that the site could be sold to a prospect at a definite price. If the community is served by rail, at least two (2) of these sites must be able to be served by rail. Site information should be compiled in an attractive booklet or brochure form suitable for presentation by the Development Team to the industrial prospect.

#### NOTE:

To qualify, an industrial site does not have to be newly developed. Existing qualified sites are acceptable.

To assist your Industrial Site Committee, an information sheet is enclosed listing the normal requirements of an industrial site.

#### 4. Brochure

An up-to-date brochure or other form of promotional literature must be prepared for the community. In addition to the usual local information normally contained in such publications, yours should contain information on industrial sites, utilities with rates and a statement on the interest and ability of the local leadership in furthering economic growth.

In order to be effective, the brochure need not be expensive and elaborate. What is needed is a concise presentation on the various aspects of community makeup.

#### **5. Existing Industry Committee**

Each industry within the town is to be visited, preferably by a two-member visitation team. The purpose of this contact is to gain existing industry's awareness and support of the community's effort to promote economic development. It is important also to offer assistance to problems encountered by existing industry. Included is the suggested call sheet or record form to be used. A copy of each industry visit is to be included in the materials forwarded to the Community Preparation Division.

This group will focus attention on the benefits and opportunities of our competitive, free-enterprise system so our people and communities will affirm their readiness to receive and help new and existing companies.

This committee is also responsible for conducting an ongoing promotional program to dramatize the many contributions of existing industry such as job opportunities, number of jobs, taxes paid by industry, etc. This effort can be in the form of newspaper articles and ads, speeches, billboards, and radio and television commercials.

#### **6. Community Appearance and Quality of Life**

\*5 A committee to improve the appearance and quality of life in the community must be organized. They must develop a plan to achieve predetermined goals. A deadline for the completion of these goals should be set by the committee. The plan should identify assets and liabilities of the community. From this, both short and long-range objectives should be made. Examples of projects that may be included are roadside beautification, downtown renovation, antilitter campaign, historical site restoration and preservation, and establishment of recreation areas. A specific requirement is a one-day clean-up, fix-up campaign involving the whole community with a great deal of prior publicity. Photographs should be made before, during and after this event and should be included in the scrapbook.

#### **7. Development Team**

A team composed of six members (plus six alternates) and a coordinator should be selected to represent the community to the visiting industrial prospect. Each member of the team must be knowledgeable in a specific area of interest to the prospect:

- Sites, construction, utilities.
- Human resources, labor availability, skills, occupational training.
- Transportation and marketing services.
- Livability (education, health services, recreation).
- Finance (availability of funds for industrial financing).
- Government and taxes.

The purpose of this team is to aggressively promote the community as the most advantageous location for a new industry.

Community Preparation Division

South Carolina State Development Board

P. O. Box 927

Columbia, S. C. 29202

(803) 758-3046

1976 S.C. Op. Atty. Gen. 414 (S.C.A.G.), 1976 S.C. Op. Atty. Gen. No. 4544, 1976 WL 23161

---

End of Document

© 2017 Thomson Reuters. No claim to original U.S. Government Works.