

STATE OF SOUTH CAROLINA

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ORDINANCE NO. 2012-008

COUNTY OF HAMPTON

AN ORDINANCE

TO IMPOSE, SUBJECT TO REFERENDUM APPROVAL AND PURSUANT TO THE CAPITAL PROJECT SALES TAX ACT, A ONE PERCENT (1%) SALES AND USE TAX (THE "TAX") WITHIN HAMPTON COUNTY FOR NOT MORE THAN EIGHT (8) YEARS; TO ORDER A COUNTY-WIDE REFERENDUM ON THE QUESTION OF IMPOSING THE TAX AND TO PRESCRIBE THE CONTENTS OF THE BALLOT QUESTION; TO SPECIFY THE PURPOSES FOR WHICH THE PROCEEDS FROM THE TAX ARE TO BE USED, THE MAXIMUM TIME FOR THE IMPOSITION OF THE TAX; AND TO PROVIDE FOR OTHER MATTERS RELATING THERETO.

Be it ordained by the Council of Hampton County, South Carolina:

**SECTION 1. Findings.**

The Council finds and determines that:

(a) counties are authorized by the Capital Project Sales Tax Act, codified as Sections 4-10-300 to -380, Code of Laws of South Carolina 1976, as amended (the "Enabling Act"), subject to approval by a majority of the votes cast in a referendum, to impose countywide a one percent sales and use tax for the purpose of generating funds to pay for certain capital improvements;

(b) the Enabling Act establishes a procedure for imposing the capital sales tax including the passage of an enacting ordinance ("Enacting Ordinance") and the creation of a commission for the purpose of considering proposals for funding capital projects and formulating the referendum question that is to appear on the ballot;

(c) by passage of Resolution adopted on September 19, 2011, Council created the Hampton County Capital Project Sales Tax Commission (the "CPST Commission") and the CPST Commission has submitted to the Council a referendum question; and

(d) the purpose of this ordinance is to serve as the Enacting Ordinance in accordance with the Enabling Act.

**SECTION 2. Imposition of Sales and Use Tax.**

There is imposed in the County a one percent sales and use tax in accordance with and pursuant to the Enabling Act, provided, that, a majority of the votes cast in the referendum are in favor of imposing the tax. If approved in the referendum, the tax is imposed on the first of May following the date of the referendum.

**SECTION 3. Referendum; Ballot Question.**

(a) The County Election Commission shall conduct a referendum on the question of imposing the sales and use tax at the November 6, 2012 General Election. The referendum shall be conducted in accordance with this Enacting Ordinance, the Enabling Act, state election law and any other applicable law.

(b) As formulated by the CPST Commission, the referendum question to be on the ballot is:

Must a special one percent sales and use tax be imposed in Hampton County (the "County") for not more than eight (8) years from the date of imposition to raise the amounts specified for the following purposes and in order to pay the costs (including rights-of-way acquisition and architectural, engineering, legal, administrative costs, and related fees) of the projects described below; pending the receipt of such sales and use tax, must the County also be authorized to issue and sell, either as a single issue or as several separate issues, general obligation bonds (the "Bonds") of the County in the aggregate principal amount of not exceeding \$10,000,000.00 to be paid from sales and use tax to be received and pledge the sales and use tax to be received to the payment of the principal of and interest on the Bonds?

1. \$907,000.00- Prepaying existing debt for Emergency Communication System;
2. \$500,000.00- Prepaying existing USDA loan for the renovation of the Estill Library;
3. \$2,627,000.00- Construct a New Health Department on current site;
4. \$3,500,000.00- Construct a Recreation Complex in the Hampton/Varnville area to include baseball fields, gym, open areas, play ground, etc.;
5. \$2,500,000.00- Renovate and enlarge the existing County Library in Hampton;
6. \$102,000.00- Repairs to the roof of the Hampton County Detention Center;
7. \$195,000.00- Structural improvements to County Museum;
8. \$20,000.00- Improvements to the County Animal Shelter;
9. \$100,000.00- Improvements to the exterior of the County Administration Building;
10. \$700,000.00- Yemassee Multi-Purpose Building;
11. \$150,000.00- Improvements to existing Estill Recreation facilities; and
12. \$100,000.00- Renovations to Estill Senior Citizens Center.

TOTAL COST OF ALL CAPITAL PROJECTS: \$ 11,401,000.00

The maximum amount of net proceeds of the sales and use tax which may be applied to the payment of the principal of and interest on the County's general obligation bonds (the "Bonds") must not exceed \$12,600,000.00 (based upon expected sales and use tax collections of \$12,600,000.00 less administrative expenses of collection). The not exceeding \$10,000,000 principal amount of Bonds to be issued shall be repaid from the net proceeds of the sales and use tax which shall be pledged for the repayment of the Bonds.

CONDITIONS AND RESTRICTIONS ON THE USE OF SALES AND USE TAX REVENUE COLLECTED UNDER THE CAPITAL PROJECT SALES TAX ACT: The capital projects sales and use tax shall be expended for design, engineering, construction or improvement of the capital projects listed above. Net proceeds of the capital project sales and use tax, if approved, must be expended for the purposes stated in the priority listed; provided, however, that the order of funding of the projects may be adjusted on the basis of construction schedules or other events that may affect the schedule for any particular project; and provided that multiple projects may be funded simultaneously based on the formula or system contained in the ordinance enacted by the Hampton County Council which shall include, but shall not be limited to any one or more of the following: (1) to pay directly the costs of such projects; (2) to issue the County's general obligation bonds; or (3) to borrow, in a manner deemed advisable by the Hampton

County Council, funds in advance of receiving the net proceeds of the one percent sales and use tax. The expenditure of revenues from the capital projects sales and use tax, if approved, shall be subject to acquisition of title, right-of-way, design and engineering considerations, environmental issues, the discovery of historic sites or endangered species, the receipt of necessary permits, funding of projects from other sources, bids in excess of project estimates, qualifications of bidders, cost overruns, exhaustion or insufficiency of net sales and use tax revenues to complete all projects in order and priority provided herein and other unforeseen circumstances and conditions. If net sales and use tax revenues are insufficient to fund completely all projects, the lowest priority project(s) will not be fully funded. In such event, the lowest priority project(s) will be initiated only upon the condition of availability of funding from other sources to complete the project(s).

INSTRUCTIONS TO VOTERS: All qualified electors of the County desiring to vote in favor of imposing the tax for the stated purposes and authorizing the issuance and sale of limited obligation bonds in connection therewith as outlined above and subject to the limitations and conditions set forth above shall vote "YES" and all qualified electors opposed to levying the tax and issuing such limited obligation bonds shall vote "NO".

YES [ ]

NO [ ]

**SECTION 4. Required Information.**

The Enabling Act requires the Enacting Ordinance to specify certain information. The following information is provided to satisfy the content requirements:

(a) Use of Proceeds: The proceeds of the tax are to be used for the purposes or projects set forth in the question above.

(b) Maximum Time: The tax will be imposed for a period not to exceed eight years from the date of imposition.

(c) Conditions: Revenues from the capital project sales and use tax shall be used and expended to defray the costs of the projects.

**SECTION 5. Ordinance to Election Commission.**

The Clerk to Council shall send a certified copy of this ordinance to the Hampton County Election Commission not later than August 15, 2012.

**SECTION 6. Controlling Ordinance.**

To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Hampton County Code or other County ordinances, the provisions of this Enacting Ordinance supersede all other provisions and this ordinance is controlling.

**SECTION 7. Severability.**

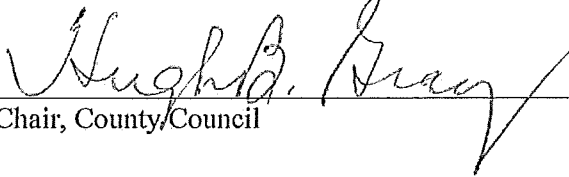
If, for any reason, any part of this Enacting Ordinance is invalidated by a court of competent jurisdiction, the remaining portions of this Enacting Ordinance shall remain in effect.

**SECTION 8. Effective Date.**

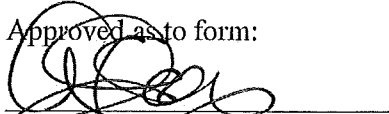
This ordinance is effective upon third reading.

AND IS SO ORDAINED, THIS 16<sup>th</sup> DAY OF JULY, 2012.

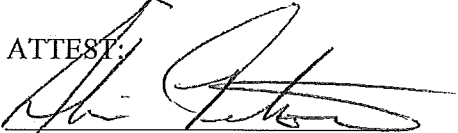
HAMPTON COUNTY, SOUTH CAROLINA

  
Chair, County Council

Approved as to form:

  
County Attorney

ATTEST:

  
Clerk to Council

First Reading: June 4, 2012  
Second Reading: June 18, 2012  
Public Hearing: July 16, 2012  
Third Reading: July 16, 2012 (tentative)