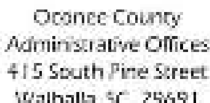
Oconee County
Council Office



Oconee County
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415 South Pine Street
Walhalla, SC 29691

Phone: 864 718 1023
Fax: 864 718 1024

E-mail:
bhulse@oconeesc.com

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District I

Wayne McCall
District II

Paul Cain
District III

Joel Thrift
District IV

Reg Dexter
District V

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The Oconee County Council will hold a meeting on Tuesday, February 24, 2015 at 6:00 p.m. in Council Chambers, Oconee County Administrative Offices, 415 S. Pine Street, Walhalla, SC. This meeting makes up for the February 17, 2015 regular meeting cancelled due to the winter weather event.

PUBLISHER'S AFFIDAVIT

STATE OF SOUTH CAROLINA
COUNTY OF OCONEE

OCONEE COUNTY COUNCIL

IN RE: OCC Make Up Meeting 2/24

BEFORE ME the undersigned, a Notary Public for the State and County above named, This day personally came before me, Hal Welch, who being first duly sworn according to law, says that he is the General Manager of **THE JOURNAL**, a newspaper published Tuesday through Saturday in Seneca, SC and distributed in **Oconee County, Pickens County** and the Pendleton area of **Anderson County** and the notice (of which the annexed is a true copy) was inserted in said papers on 02/19/2015
and the rate charged therefore is not in excess of the regular rates charged private individuals for similar insertions.

Hal Welch
General Manager

Subscribed and sworn to before me this
02/19/2015

Jennifer A. White
Notary Public
State of South Carolina
My Commission Expires July 1, 2024

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D26 B. Singleton
Motorcycle frame/parts
Metal shelving
Halogen lights
Lanterns
Computer parts
Plastic containers - unknown
Shop tools
Houshold items
Gas mask
Luggage

B10 W. Crawford
Race car frame/panels
Arc welder
Tool chest
Clothing
Yard tools
Engine parts
Toys

A33 D. Crawford
Cribs, stroller, toys
TV stand
Yard tools
Dresser
Plastic containers - unknown
Bed frame, bed, headboard
Desk, metal lamp
Household misc

Units for auction unless owners pay cleared funds in full.

INVITATION FOR BID
SHARE a non-profit Community Action Agency is accepting bids from licensed contractors for the repair of HVACs and the purchase and installation of Energy Star or comparable energy efficient HVACs for residential homes in the counties of Anderson, Greenville, Oconee and Pickens. Submission deadline is March 16, 2015 by 5:00 p.m. Specifications, instructions and proposal forms will be furnished upon request. Please contact: LaVonya Baker (864) 259-0700 ext. 243 lbaker@sharesc.org or Betty Cox (864)259-0700 ext. 236 bcox@sharesc.org or mail to:

LaVonya Baker
SHARE
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LEGALS

object to the issuance of this permit/license written protest must be postmarked no later than February 20th, 2015. For a protest to be valid it must be in writing, and should include the following information: (1) the name, address and telephone number of the person filing the protest; (2) the specific reasons why the application should be denied; (3) that the person protesting is willing to attend a hearing (if one is requested by the applicant); (4) that the person protesting resides in the same county where the proposed place of business is located or within five miles of the business; and, (5) the name of the applicant and the address of the premises to be licensed. Protests must be mailed to: S.C. Department of Revenue, ABL SECTION, P.O. Box 125, Columbia, SC 29214-0907; or faxed to: (803)896-0110.

The Oconee County Conservation Bank Board will hold a Meeting on Tuesday, March 10, at 10:00 a.m. in Council Chambers, Oconee County Administrative Offices, 415 S. Pine Street, Walhalla, SC.

The Oconee County Council will hold a meeting on Tuesday, February 24, 2015 at 6:00 p.m. in Council Chambers, Oconee County Administrative Offices, 415 S. Pine Street, Walhalla, SC. This meeting makes up for the February 17, 2015 regular meeting canceled due to the winter weather event.

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Beth Hulse

From: Beth Hulse
Sent: Wednesday, February 18, 2015 2:59 PM
To: Carlos Galarza; Chad Dorsett; DJM News Editor; Fox News; Greenville News (localnews@greenvillenews.com); Kevin; Norman Cannada (ncannada@upstatetoday.com); Ray Chandler; Steven Bradley (sbradley@upstatetoday.com); Westminster News / Keowee Courier (westnews@bellsouth.net); WGOG (dickmangrum@wgog.com); WSPA TV - Channel 7 (assignmentdesk@wspa.com); WYFF 4 News
Subject: CORRECTION: Council Meeting Rescheduled

The Oconee County Council will hold a meeting on Tuesday, February 24, 2015 at 6:00 p.m. in Council Chambers, Oconee County Administrative Offices, 415 S. Pine Street, Walhalla, SC. This meeting makes up for the February 17, 2015 regular meeting cancelled due to the winter weather event.

Elizabeth G. Hulse, CCC
Clerk to Council
Oconee County Administrative Offices
415 South Pine Street
Walhalla, SC 29691
864-718-1023
864-718-1024 [fax]
bhulse@oconeesc.com
www.oconeesc.com/council

Beth Hulse

From: Beth Hulse
Sent: Wednesday, February 18, 2015 2:58 PM
To: 'Classified Ads'
Subject: RE: Classified Ad# 12124 Confirmation
Attachments: 021815 - Make Up Council meeting 2-24-15 - make up for 2-17-15.doc

If you can run this tomorrow = great – if not next day great too!

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Oconee County Administrative Offices
415 South Pine Street
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864-718-1024 [fax]
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From: Classified Ads [mailto:classadmgr@upstatetoday.com]
Sent: Wednesday, February 18, 2015 2:53 PM
To: Beth Hulse
Subject: Re: Classified Ad# 12124 Confirmation

I've gotten us an extension until 3:30. I've got them both on hold until then.

On Wed, Feb 18, 2015 at 2:45 PM, Beth Hulse <bhulse@oconeesc.com> wrote:

HOLD – DO YOU PRINT IF YOU CAN STOP PLEASE.

Sorry for confusion – date may be changing – don't hold for me I will resend tomorrow either way but please PULL for tomorrow. Thanks.

Elizabeth G. Hulse, CCC

Clerk to Council

Oconee County Administrative Offices

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From: classadmgr@upstatetoday.com [mailto:classadmgr@upstatetoday.com]
Sent: Wednesday, February 18, 2015 1:44 PM
To: Beth Hulse
Subject: Classified Ad# 12124 Confirmation

Here's the ad for the make up meeting. Let me know before 3pm if I need to change anything. Thank you, Beth!

THE JOURNAL

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--

Jay Padgett
The Journal
Classified Advertising
864.973.6304

Beth Hulse

From: Beth Hulse
Sent: Tuesday, February 17, 2015 9:21 AM
To: Scott Krein; _All
Cc: _Council; Adam Williams; Amanda Brock; Ann Allen; Anne Mayberry; Ayme Black; Becky Carter; Benjamin C. Ross; Benji Ross; Beth Marett; Bob Winchester; Bobby Williams (thebobbywilliams@bellsouth.net); Grahl Haney; Charlie King; Chip Browning; Chris Klein; Chris Smith; Christian Singleton; Connie Bellotte; Dale Harper (er4dale1974 @att.net); David Poulson; David Stokes; Debra Patterson; dgarner@emd.sc.gov; DMV (Stefie4169@yahoo.com); Don Peace; Doug Kelley; Drew Browning; Elaine Bailey ; Erika Sears; Evie Hughes; Gayle Rice; Grady Pearson ; Greg Edney; Greg Nowell; Heather Goss; Tom Hulse; Howard (Pat) Wilcox; J.J. Kesler; James J. Rudy (Jim); Jeff Underwood (junderwood@oconeelaw.com); Jennifer Adams; Jimmy Watt; Jo Stokes (jstokes@broa.com); Joe Towe; Karl Addis; Kathy Lemmon; Kathy Rogers; Kay Olbon; Keila Fields; Keith Moody; Keith Wilbanks; Kent Whitten; Kevin Davis; Kim Alexander; Kim Brock; Kimberly Pritchett; Kristy Busha; Kyle Reid; Ladale Price; Laura Mathis; Leah Kelley; Linda Shugart; Lisa McKinney; Lisa Simmering; Lee Kaiser; Mack Kelly; Mark Krabbe; Mark Pullium; Marti Jennings; Matthew Wilbanks; Michael Manucy; Michael Thorsland; Michael Warren; Mike Crenshaw; Mike Isaacs ; Mike Oakley; Mike Pelfrey; Mike Powell; Morris Warner; Paul Wilkie; Phil Clayton; Phil Shirley; Philip Cheney; Randy Bryson; Rick Martin; Robyn Courtright; Rodney Brown; Rodney Franks (hotrod99@bellsouth.net); Ron Holmes; Ronald Farver; Ronnie Smith; Ronnie Williams; Russ Warmath; russ-stanton@charter.net; Sally Lowery; Sammy Grant ; Sandra Magee; Scot Yarbrough; Scott Loftis; Scott Moulder; Seneca; Shane Gibbs; Sharon Laney; Shawn Stankus; Sheila Wald; Shelly Pearson; Stacy Craven; Steven Adams ; Swain Still; Tammy Allen; Tammy Wilbanks (tamwilbanks@yahoo.com); Thomas Alexander (SLCIComm@scsenate.gov); Tim Nix (thnix6533@yahoo.com); Tracy Krein (TKrein@greenvillecounty.org); Tracy Richardson; Travis Tilson; Tronda Spearman; Veronica Teckentien; Walhalla; Wayne Garland; West Union
Subject: Oconee County Council Meeting Cancelled

The Oconee County Council meeting scheduled for tonight, Tuesday, February 17, 2015 has been **cancelled** due to the winter weather event.

Beth Hulse

Clerk to Council

Oconee County

415 S. Pine Street

Walhalla, SC 29691

bhulse@oconeesc.com

www.oconeesc.com

OCONEE COUNTY COUNCIL ABSTENTION FORM

Council Member Name: EDDA CAMMICK
[Please Print]

Council Member Signature: Edda Cammick

Meeting Date: 2/24/14

Item for Discussion/Vote: #2014-33

Reason for Absention: ______ I was not present for original meeting/discussion

______ I have a personal/familial interest in the issue.

X Other: ABstained - I did not understand the Explanations by Mr. Martin and as such did not have the info necessary to properly decide and VOTE.

EGHulse
Elizabeth G. Hulse
Clerk to Council

[This form to be filed as part of the permanent record of the meeting.]

OCONEE COUNTY COUNCIL
ABSTENTION FORM

Council Member Name: PAUL CAIN
[Please Print]

Council Member Signature: Paul A Cain

Meeting Date: 2/24/14

Item for Discussion/Vote: # 2015-08

Reason for Absention: ______ I was not present for original meeting/discussion

______ I have a personal/familial interest in the issue.

X Other: partner involved in litigation resulting in ordinance change

Elizabeth G. Hulse
Clerk to Council

[This form to be filed as part of the permanent record of the meeting.]

\\admin\shares\Council Clerk\Beth\COUNTY COUNCIL MEETINGS\Abstention Form

Oconee County Council

John Dalen

Notes for February 24, 2015 meeting

WHY DO WE NEED ZONING?

Good Evening members of the council,

I have given you more reading material. I know you have lots to read already, but you might just look at this as continuing education. As our representatives, we expect you to make decisions with knowledge of what it is you are voting on, and how others may be trying to manipulate this council to achieve their own agenda's. The first article shows how good intentions and government interference creates more problems than it solves. While it deals with the subject of race relations, it also applies to all other areas where government tries to "help". Please, Oconee county council, stop trying to help us. Get out of our way, protect us from others that are trying to interfere, and we will help ourselves.

The reading material consists of a history of zoning, some articles on the negative effects of zoning, and a couple of articles on the "Delphi Technique" as it is used to convince you that there is a community consensus for implementing their agenda. An "NGO" (non government org.) currently employing this deception for the purpose of implementing agenda 21 in our area goes by the name of "Ten at the Top". Along with Ten at the top, COG'S Council of governments runs our county from behind the scenes. The Appalachian council of governments is our COG, working toward implementing the UN agenda 21 scheme.

Citizens have repeatedly objected to zoning ordinances. We see this as unnecessary, an infringement on our property rights, and an invitation to corruption of our county government. The previous council, with the exception of Wayne McCall, repeatedly ignored our objections and implemented their "vision" based on a phony "community consensus" where none exists.

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Imprimis (A Publication of Hillsdale College)

Race Relations and Law Enforcement

This article shows how good intentions and government interference creates more problems than it solves. While it deals with the subject of race relations, it applies to all other areas where government tries to "Help."

Oconee planners uneasy about top-down zoning

This article talks about "Top-Down Zoning" and the feelings of the residence against the zoning in the county. "Looks like a consensus against zoning."

Saul Alinsky, Cloward-Piven and the Delphi Technique

How the Delphi Technique is used to deceive.

EDUCATION REPORTER

Using the Delphi Technique to Achieve Consensus

How the Delphi Technique is used to deceive.

AGENDA 21 BECOME A MAJOR ISSUE IN 2011

About the battle to stop Agenda 21

What is Agenda 21? – Presentation to SCGOP Executive Committee

NGOs, CGOs and other organizations promoting Agenda 21

Zoning in the United States

A history of zoning in the United States

Central planning dooms 'smart growth' strategies
Communism is central planning

Zoning Laws Destroy Communities
Zoning laws are a violation of property rights and produce the opposite outcome of what was anticipated.

Foundation for Economic Education
The questionable need for zoning affordable housing and who benefits from zoning?

Biking and hiking, but no parking
Planning rules stifle growth

Milwaukee may create zoning rule to block school choice
An example how zoning laws can be used to promote agendas contrary to their proposed purpose.

Zoning's Steep Price
How zoning creates unaffordable housing

How Urban Planners Caused the Housing Bubble
Zoning creates unaffordable housing and bubbles in the market

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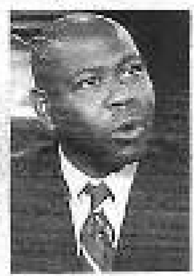
Imprimis

OVER 2,800,000 READERS MONTHLY
January 2015 · Volume 44, Number 1

Race Relations and Law Enforcement

Jason L. Riley
Editorial Board Member, *Wall Street Journal*

JASON L. RILEY is an editorial board member and a senior editorial page writer at the *Wall Street Journal*, where he writes on politics, economics, education, immigration, and race. He is also a FOX News contributor and appears regularly on *Special Report with Bret Baier*. Previously, he worked for *USA Today* and the *Buffalo News*. He earned a bachelor's degree in English from the State University of New York at Buffalo. He is the author of *Please Stop Helping Us: How Liberals Make It Harder for Blacks to Succeed*.



The following is adapted from a speech delivered on January 30, 2015, at Hillsdale College's Allan P. Kirby, Jr. Center for Constitutional Studies and Citizenship in Washington, D.C., as part of the AWC Family Foundation Lecture Series.

Thomas Sowell once said that some books you write for pleasure, and others you write out of a sense of duty, because there are things to be said—and other people have better sense than to say them. My new book, *Please Stop Helping Us*, falls into that latter category. When I started out as a journalist 20 years ago, I had no expectation of focusing on race-related topics. People like Sowell and Shelby Steele and Walter Williams and a few other independent black thinkers, to my mind at least, had already said what needed to be said, had been saying it for decades, and had been saying it more eloquently than I ever could. But over the years, and with some prodding from those guys, it occurred to me that not enough younger blacks were following in their footsteps. It also occurred to me that many public policies aimed at the black underclass were just as wrongheaded as ever. The fight wasn't over. A new generation of black thinkers needed to explain what's working and what isn't, and why, to a new generation of readers. And the result is this book, which I hope will help to bring more light than heat to the discussion of race.

The book is not an autobiography or a memoir, but I do tell a few stories about growing up black and male in the inner city. And one of the stories involves a trip back home to Buffalo, New York, where I was born and raised. I was visiting my older sister shortly after I had begun working at the *Wall Street Journal*, and I was chatting with her daughter, my niece, who was maybe in the second grade at the time. I was asking her about school, her favorite subjects, that sort of thing, when she stopped me and said, "Uncle Jason, why you talk white?" Then she turned to her little friend who was there and said, "Don't my uncle sound white? Why he tryin' to sound so smart?"

She was just teasing, of course. I smiled and they enjoyed a little chuckle at my expense. But what she said stayed with me. I couldn't help thinking: Here were two young black girls, seven or eight years old, already linking speech patterns to race and intelligence. They already had a rather sophisticated awareness that, as blacks, white-sounding speech was not only to be avoided in their own speech but mocked in the speech of others.

I shouldn't have been too surprised by this, and I wasn't. My siblings, along with countless other black friends and relatives, teased me the same way when I was growing up. And other black professionals have told similar stories. What I had forgotten is just how early these attitudes take hold—how soon this counterproductive thinking and behavior begins.

New York City has the largest school system in America. Eighty percent of black kids in New York public schools are performing below grade level. And a big part of the problem is a black subculture that rejects attitudes and behaviors that are conducive to academic success. Black kids read half as many books and watch twice as much television as their white counterparts, for example. In other words, a big part of the problem is a culture that produces little black girls and boys who are already worried about acting and sounding white by the time they are in second grade.

Another big part of the problem is a reluctance to speak honestly about these cultural shortcomings. Many whites fear being called racists. And many black leaders have a vested interest in blaming black problems primarily on white racism, so that is the narrative they push regardless of the reality. Racism has become an all-purpose explanation for bad black outcomes, be they social or economic. If you disagree and are white, you're a bigot. If you disagree and are black, you're a sell-out.

The shooting death of a young black man by a white police officer in Ferguson, Missouri, last year touched off a national discussion about everything except the aberrant behavior of so many young black men that results in such frequent encounters with police. We talked about racial prejudice, poverty, unemployment, profiling, the tensions between law enforcement and poor black communities, and so forth. Rarely did we hear any discussion of black crime rates.

Homicide is the leading cause of death for young black men in the U.S., and around

Imprimis (im-prī-mis), [Latin]: in the first place

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90 percent of the perpetrators are also black. Yet for months we've had protesters nationwide pretending that our morgues are full of young black men because cops are shooting them. Around 98 percent of black shooting deaths do not involve police. In fact, a cop is six times more likely to be shot by someone black than the opposite. The protestors are pushing a false anti-cop narrative, and everyone from the president on down has played along.

Any candid debate on race and criminal justice in this country would have to start with the fact that blacks commit an astoundingly disproportionate number of crimes. Blacks constitute about 13 percent of the population, yet between 1976 and 2005 they committed more than half of all murders in the U.S. The black arrest rate for most offenses—including robbery, aggravated assault, and property crimes—is typically two to three times their representation in the population. So long as blacks are committing such an outsized amount of crime, young black men will be viewed suspiciously and tensions between police and crime-ridden communities will persist. The U.S. criminal justice system, currently headed by a black attorney general who reports to a black president, is a reflection of this reality, not its cause. If we want to change negative perceptions of young black men, we must change the behavior that is driving those perceptions. But pointing this out has become almost taboo. How can we even begin to address problems if we won't discuss them honestly?

"High rates of black violence in the late twentieth century are a matter of historical fact, not bigoted imagination," wrote the late Harvard Law professor William Stuntz. "The trends reached their peak not in the land of Jim Crow but in the more civilized North, and not in the age of segregation but in the decades that saw the rise of civil rights for African Americans—and of African American control of city governments."

The Left wants to blame these outcomes on racial animus and poverty, but back in the 1940s and '50s, when racial discrimination was legal and black poverty was much higher than today, the black crime rate was lower. The Left wants to blame these outcomes on "the system," but blacks have long been part of running that system. Black crime and incarceration rates spiked in the 1970s and '80s in cities such as Cleveland, Detroit, Chicago, and Philadelphia under black mayors and black police chiefs. Some of the most violent cities in the U.S. today are run by blacks.

Some insist that our jails and prisons are teeming with young black men due primarily to racist drug laws, but the reality is that the drug laws are neither racist nor driving the black incarceration rate. It's worth remembering that the harsher penalties for crack cocaine offenses that were passed in the 1980s were supported by most of the Congressional Black Caucus, including Rep. Charles Rangel of Harlem, who at the time headed the House Select Committee on Narcotics Abuse and Control. Crack was destroying black communities and many black political leaders wanted dealers to face longer sentences. In other words, black legislators in Washington led the effort to impose tougher drug laws, a fact often forgotten by critics today.

When these laws passed, even their opponents didn't claim that they were racist. Those charges came later, as the racially disparate impact of the laws became apparent. What's been lost in the discussion is whether these laws leave law-abiding blacks better off. Do you make life in the ghetto harder or easier by sending thugs home sooner rather than later? Liberal elites would have us deny what black ghetto residents know to be the truth. These communities aren't dangerous because of racist cops or judges or sentencing guidelines. They're dangerous mainly due to black criminals preying on black victims.

Nor is the racial disparity in prison inmates explained by the enforcement of drug laws. Blacks are about 37.5 percent of the population in state prisons, which house nearly 90 percent of the nation's inmates. Remove drug offenders from that population and the percentage of black prisoners only drops to 37 percent. What drives black incarceration rates are violent offenses, not drug offenses. Blacks commit violent crimes at seven to ten times the rate that whites do. The fact that their victims tend to be of the same race suggests that young black men in the ghetto live in danger of being shot by each other, not cops. Nor is this a function of blacks being picked on by cops who are "over-policing" certain neighborhoods. Research has long shown that the rate at which blacks are arrested is nearly identical to the rate at which crime victims identify blacks as their assailants. The police are in these communities because that's where the 911 calls originate.

If liberals want to help reverse these crime trends, they would do better to focus less on supposed racial animus and more on ghetto attitudes towards school, work, marriage, and child-rearing. As recently as the early 1960s, two out of three black children were raised in two-parent households. Today, more than 70 percent are not, and the number can reach as high as 80 or 90 percent in our inner cities. For decades, studies have shown that the likelihood of teen pregnancy, drug abuse, dropping out of school and other bad social outcomes increases dramatically when fathers aren't around. One of the most comprehensive studies ever undertaken in this regard concluded that black boys without a father are 68 percent more likely to be incarcerated than those with a father—that overall, the most critical factor affecting the prospect of young males encountering the criminal justice system is the presence of a father in the home. All other factors, including family income, are much less important.

As political scientist James Q. Wilson said, if crime is to a significant degree caused by weak character, if weak character is more likely among children of unmarried mothers, if there are no fathers who will help raise their children, acquire jobs, and protect their neighborhoods, if boys become young men with no preparation for work, if school achievement is regarded as a sign of having sold out—if all these things are true, then the chances of reducing the crime rate among low income blacks anytime soon is slim.

Many on the Left sincerely want to help the black underclass. The problem is that liberals believe bigger government is the best way to help. But having looked at the track record of government policies aimed at helping the black underclass, I'm skeptical.

This year marks the 50th anniversary of President Lyndon Johnson's commencement speech at Howard University. Johnson had signed the Civil Rights Act a year earlier and would sign the Voting Rights Act two months later. And he used the speech to talk about what the government should do next on behalf of blacks. These two laws marked merely the end of the beginning, he said:

> That beginning is freedom; and the barriers to that freedom are tumbling down. Freedom is the right to share, share fully and equally, in American society—to vote, to hold a job, to enter a public place, to go to school. . . . But freedom is not enough. . . . You do not take a person who, for years, has been hobbled by chains and liberate him, bring him up to the starting line of a race and then say, "you are free to compete with all the others," and still justly believe that you have been completely fair. . . . The next and the more profound stage of the battle for civil rights [is] . . . not just equality as a right and a theory but equality as a fact and equality as a result.

But what if Johnson was mistaken? What if there are limits to what government can do beyond removing barriers to freedom? What if the best that we can hope for from our elected officials are policies that promote equal opportunity? What if public policy makers risk creating more problems and barriers to progress when the goal is equal outcomes?

The civil rights struggles of the mid-20th century exemplified liberalism at its best. The 1964 Civil Rights Act and the 1965 Voting Rights Act outlawed racial discrimination in employment and education and ensured the ability of blacks to register and vote. All Americans can be proud of these accomplishments. But what about the social policy and thinking that arose from the ruins of Jim Crow? Good intentions aside, which efforts have facilitated black advancement, and which efforts have impeded it?

In 1988, right around the 25th anniversary of the Great Society, Harvard sociologist Nathan Glazer published a book called the *The Limits of Social Policy*. Glazer analyzed Great Society programs from the perspective of someone who believed that government action was the best way to improve the lot of blacks. But his assessment humbled him. He concluded that in many ways, the Great Society programs were causing just as many problems as they were solving—that good intentions aren't enough.

Unlike Nathan Glazer, many policy makers today are still riding high on good intentions. They don't seem particularly interested in reconsidering what has been tried, even though 50 years into the war on poverty the result isn't pretty. While gains have been made, significant racial disparities remain in some areas and black retrogression has occurred in others. The black-white poverty gap has widened over the past decade and the black poverty rate is no longer falling. The black-white disparity in incarceration rates today is larger than it was in 1960. And the black unemployment rate has, on average, been double the white rate for five decades.

Confronted with these statistics, liberals continue to push for more of the same solutions. Last year, President Obama announced yet another federal initiative aimed at helping blacks—an increase in preschool education, even though studies (including those released by his own administration) have shown no significant impacts in education from such programs. He said that he wants to increase reading proficiency and graduation rates for minority students, yet he opposes school voucher programs that are doing both. He continues to call for job-training programs of the sort that study after study has shown to be ineffective.

Fred Siegel, an expert on urban public policy, has written extensively about the liberal flight from evidence and empiricism that began in the 1960s. The Left, wracked by guilt over America's diabolical treatment of blacks, decided to hold them to different standards of behavior. Blacks, Siegel writes, were invited to enter the larger society on their own terms. Schools, which had helped poor whites, ceased incorporating poor blacks from the South into the mainstream culture. Discipline as a prerequisite for adult success was displaced by the authentic self-expression of the ill-educated. Blacks were not culturally deprived but simply differently-abled—more spontaneous and expressive and so forth. Liberals tried to improve conditions for blacks without passing judgment on antisocial black culture. And this sort of thinking continues to this day. Walter Williams once wrote that he's glad he grew up in the 1940s and '50s, before it became fashionable for white people to like black people. He received a more honest assessment of his strengths and weaknesses, he says, than black kids today are likely to receive from white teachers and employers who are more interested in being politically correct.

After George Zimmerman was acquitted in the shooting death of Trayvon Martin, President Obama explained the black response to the verdict this way. Blacks understand, he said, that some of the violence that takes place in poor black neighborhoods is born out of a very violent past in this country, and that the poverty and dysfunction that we see in those communities can be traced to that history. In other words, Obama was doing exactly what the Left has been conditioning blacks to do since the 1960s, which is to blame black pathology on the legacy of slavery and Jim Crow.

This is a dodge. That legacy is not holding down blacks half as much as the legacy of efforts to help. Underprivileged blacks have become playthings for intellectuals and politicians who care more about revelling in their good intentions or winning votes than advocating behaviors and attitudes that have allowed other groups to get ahead. Meanwhile, the civil rights movement has become an industry that does little more than monetize white guilt. Martin Luther King and his contemporaries demanded black self-improvement despite the abundant and overt racism of their day. King's self-styled successors, living in an era when public policy bends over backwards to accommodate blacks, insist that blacks cannot be held responsible for their plight so long as someone, somewhere in white America, is still prejudiced.

The more fundamental problem with these well-meaning liberal efforts is that they have succeeded, tragically, in convincing blacks to see themselves first and foremost as victims. Today there is no greater impediment to black advancement than the self-pitying mindset that permeates black culture. White liberals think they are helping blacks by romanticizing bad behavior. And black liberals are all too happy to hustle guilty whites.

Blacks ultimately must help themselves. They must develop the same attitudes and behaviors and habits that other groups had to develop to rise in America. And to the extent that a social policy, however well-intentioned, interferes with this self-development, it does more harm than good.

This concept of self-help and self-development is something that black leaders once understood quite well, and at a time when blacks faced infinitely more obstacles than they face today. Asked by whites in 1865 what to do for freed blacks, Frederick Douglass responded: "I have had but one answer from the beginning. Do nothing with us! . . . If the apples will not remain on the tree of their own strength . . . let them fall! . . . And if the Negro cannot stand on his own legs, let him fall also. All I ask is, give him a chance to stand on his own legs!" Douglass was essentially saying, give blacks equal opportunity and then leave them alone.

Booker T. Washington, another late 19th century black leader who had been born a slave, once said that it is important and right that all privileges of the law be granted to blacks, but it is vastly more important that they be prepared for the exercise of these privileges.

Douglass and Washington didn't play down the need for the government to secure equal rights for blacks, and both were optimistic that blacks would get equal rights eventually, although neither man lived to see that day. But both men also understood the limits of government benevolence. Blacks would have to ready themselves to meet the challenge of being in a position to take advantage of opportunities once equal rights had been secured. The history of 1960s liberal social policies is largely a history of ignoring this wisdom. ■

DID YOU KNOW?

In its *Best College Values* of 2015, Kiplinger ranked Hillsdale 1st in Michigan and 2nd in the Midwest among all colleges and universities, and 17th among liberal arts colleges nationwide. The ranking cites four-year schools that combine outstanding academics with affordable cost.

Oconee planners uneasy about top-down zoning

BY: Ray Chandler
POSTED: 11:33 AM, Jan 12, 2012
TAG: local news (/topic/local+news)

WALHALLA - Making suggestions on zoning the whole county might not be something Oconee County's planning commissioners want to touch, the commission's chairman said this week.

"Recommendations for top-down zoning are something that should come from the (county) council," said Ryan Honea. "It shouldn't come from us."

The planning commission's role is to make recommendations on zoning issues sent to it by the council, Honea said, not to initiate proposals for zoning.

Top-down zoning would involve the county council undertaking, or planning commission recommending, to zone specific areas or all of the county without the citizen initiation that has been the usual mechanism of zoning in Oconee County.

Planning Commissioner Tommy Abbott was unequivocal in his opinion of the whole issue. "To hell with that," he said.

Commission member Howard Moore said feelings against zoning ran so high in some areas of the county that if the planning commission itself initiated a zoning plan "it wouldn't be safe for any of us to go to the grocery store."

Commissioner Williams Gilster said some areas of the county, such as the Bountyland area and some industrial areas, might benefit from county-initiated zoning. He reminded the commissioners that the county council had already initiated zoning of its industrial parks.

The debate took place as the planning commission discussed its goals Tuesday at its first meeting of the year, where Honea was also unanimously re-elected chairman.

Top-down zoning was the third goal of a list suggested at the end of 2012.

Among the goals are to finish a nearly year-long revision of the county's zoning enabling ordinance and to work on updating the county's land-use plan.

Other goals would involve establishing committees to develop a plan to bring affordable housing to the county and to develop a water, or drought, plan.

"Middle-range affordable housing was pinpointed as one of the county's needs in coming years," county planner Aaron Gadsby told the commission. "It's never too early to start planning on how it can be done."

Developing a water plan to deal with drought conditions has been long discussed but never acted on, Gadsby said, but a plan iss likely to become essential in the future.

"If regional discussions take place about water and what to do during droughts, this ensures us a seat at the table," Gadsby said.

Saul Alinsky, Cloward-Piven and the Delphi Technique

Written by Bob Dill, Publisher
Wednesday, 01 February 2012 00:00

It was Herman Cain who said, in effect, that the United States has bad government because a large segment of the voting public is ignorant or stupid. Herman is correct in general terms; however, avoiding ignorance and stupidity in today's deceptive world requires work and it requires more than government-school education and degrees from liberal universities. It requires independent study. Remember the slogan: "Inquiring minds want to know?"

In the year 2012, the American people are facing some of the same problems faced by the German people in the 1930s. The Germans and others were successfully deceived and disaster of historic proportions followed.

The basic difference in Germany almost a century ago and America in 2012 is that the psychological techniques of deception have been fine-tuned and are more effective, and just as deadly.

Marxists and Socialists had failed when they, like the Nazi's and Imperial Japanese, had challenged the United States. They could not compete with the dedication, energy and industrial output of a free people when challenged by external forces. Following the conclusion of the Vietnam War, the 1960's Radicals decided to adopt the tactics advocated by Fabian Socialists and work gradually from within the establishment.

Saul Alinsky, a Chicago admirer of gangster mob bosses and Italian Communist Antonio Gramsci, abandoned Stalin's revolutionary bloody violence approach to conquest and advocated gradualism, infiltration and the dialectic process.

Alinsky taught that Lenin's revolutionary plan would not work in the United States because of the strong Christian influence. The focus of their new plan would be an assault on Biblical Absolutes and Christian Values which must be crushed as a social force before the new face of Communism could rise and flourish.

Malachi Martin gave a progress report: "By 1985, the influence of traditional Christian philosophy in the West was weak and negligible.... Gramsci's master strategy was now feasible. Humanly speaking, it was no longer too tall an order to strip large majorities of men and women in the West of those last vestiges that remain to them of Christianity's transcendent God."

To understand Barack Obama and his agenda for "change," one must study and understand Saul Alinsky's Rules For Radicals. "Obama is an Alinskyite. He spent years teaching workshops on the Alinsky method. In 1985, he began a four-year stint as a community organizer in Chicago, working for an Alinskyite group called the Developing Communities Project... Camouflage and deception are key to Alinsky-style organizing.

"True revolutionaries do not flaunt their radicalism," Alinsky taught. "They cut their hair, put on suits and infiltrate the system from within." The trick was to penetrate existing institutions such as churches, political parties and unions.

David Alinsky, son of Neo-Marxist Saul Alinsky, made it clear: "Obama learned his lesson well. I am proud to see my father's model for organizing is being applied successfully… It is a fine tribute to Saul Alinsky as we approach his 100th birthday."

President Obama and his Czars are effectively using the Cloward-Piven strategy of orchestrated crisis. The strategy was developed and promoted by Columbia University professor and radical Marxist Frances Fox Piven and her late husband Richard Cloward. It was used frequently to create chaos in American society during the 60's and 70's and is now one of the useful tools of the Obama regime.

The Delphi technique is a deceptive, dishonest method for creating the allusion that a group or community participated in a decision making process and agreed to a (consensus), when in fact, their views were squeezed out of the process.

Leftists used the Delphi Technique to take control of the government school system from top to bottom. The Alinsky Method of Delphi was developed to brainwash teachers. It worked well. The technique is being used in every American community, including Greenville, to implement the UN Agenda 21 in Comprehensive Land Use Plans.

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Using the Delphi Technique to Achieve Consensus

How it is leading us away from representative government to an illusion of citizen participation

The Delphi Technique and consensus building are both founded in the same principle - the Hegelian dialectic of thesis, antithesis, and synthesis, with synthesis becoming the new thesis. The goal is a continual evolution to "oneness of mind" (consensus means solidarity of belief) -the collective mind, the wholistic society, the wholistic earth, etc. In thesis and antithesis, opinions or views are presented on a subject to establish views and opposing views. In synthesis, opposites are brought together to form the new thesis. All participants in the process are then to accept ownership of the new thesis and support it, changing their views to align with the new thesis. Through a continual process of evolution, "oneness of mind" will supposedly occur.

In group settings, the Delphi Technique is an unethical method of achieving consensus on controversial topics. It requires well-trained professionals, known as "facilitators" or "change agents," who deliberately escalate tension among group members, pitting one faction against another to make a preordained viewpoint appear "sensible," while making opposing views appear ridiculous.

In her book Educating for the New World Order, author and educator Beverly Eakman makes numerous references to the need of those in power to preserve the illusion that there is "community participation in decision-making processes, while in fact lay citizens are being squeezed out."

The setting or type of group is immaterial for the success of the technique. The point is that, when people are in groups that tend to share a particular knowledge base, they display certain identifiable characteristics, known as group dynamics, which allows the facilitator to apply the basic strategy.

The facilitators or change agents encourage each person in a group to express concerns about the programs, projects, or policies in question. They listen attentively, elicit input from group members, form "task forces," urge participants to make lists, and in going through these motions, learn about each member of a group. They are trained to identify the "leaders," the "loud mouths," the "weak or non-committal members," and those who are apt to change sides frequently during an argument.

Suddenly, the amiable facilitators become professional agitators and "devil's advocates." Using the "divide and conquer" principle, they manipulate one opinion against another, making those who are out of step appear "ridiculous, unknowledgeable, inarticulate, or dogmatic." They attempt to anger certain participants, thereby accelerating tensions. The facilitators are well trained in psychological manipulation. They are able to predict the reactions of each member in a group. Individuals in opposition to the desired policy or program will be shut out.

The Delphi Technique works. It is very effective with parents, teachers, school children, and community groups. The "targets" rarely, if ever, realize that they are being manipulated. If they do suspect what is happening, they do not know how to end the process. The facilitator seeks to polarize the group in order to become an accepted member of the group and of the process. The desired idea is then placed on the table and individual opinions are sought during discussion.

Soon, associates from the divided group begin to adopt the idea as if it were their own, and they pressure the entire group to accept their proposition.

How the Delphi Technique Works

Consistent use of this technique to control public participation in our political system is causing alarm among people who cherish the form of government established by our Founding Fathers. Efforts in education and other areas have brought the emerging picture into focus.

In the not-too-distant past, the city of Spokane, in Washington state, hired a consultant to the tune of $47,000 to facilitate the direction of city government. This development brought a hue and cry from the local population. The ensuing course of action holds an eerie similarity to what is happening in education reform. A newspaper editorial described how groups of disenfranchised citizens were brought together to "discuss" what they felt needed to be changed at the local government level. A compilation of the outcomes of those "discussions" influenced the writing of the city/county charter.

That sounds innocuous. But what actually happened in Spokane is happening in communities and school districts all across the country. Let's review the process that occurs in these meetings.

First, a facilitator is hired. While his job is supposedly neutral and non-judgmental, the opposite is actually true. The facilitator is there to direct the meeting to a preset conclusion.

The facilitator begins by working the crowd to establish a good-guy-bad-guy scenario. Anyone disagreeing with the facilitator must be made to appear as the bad guy, with the facilitator appearing as the good guy. To accomplish this, the facilitator seeks out those who disagree and makes them look foolish, inept, or aggressive, which sends a clear message to the rest of the audience that, if they don't want the same treatment, they must keep quiet. When the opposition has been identified and alienated, the facilitator becomes the good guy - a friend - and the agenda and direction of the meeting are established without the audience ever realizing what has happened.

Next, the attendees are broken up into smaller groups of seven or eight people. Each group has its own facilitator. The group facilitators steer participants to discuss preset issues, employing the same tactics as the lead facilitator.

Participants are encouraged to put their ideas and disagreements on paper, with the results to be compiled later. Who does the compiling? If you ask participants, you typically hear: "Those running the meeting compiled the results." Oh-h! The next question is: "How do you know that what you wrote on your sheet of paper was incorporated into the final outcome?" The typical answer is: "Well, I've wondered about that, because what I wrote doesn't seem to be reflected. I guess my views were in the minority."

That is the crux of the situation. If 50 people write down their ideas individually, to be compiled later into a final outcome, no one knows what anyone else has written. That the final outcome of such a meeting reflects anyone's input at all is highly questionable, and the same holds true when the facilitator records the group's comments on paper. But participants in these types of meetings usually don't question the process.

Why hold such meetings at all if the outcomes are already established? The answer is because it is imperative for the acceptance of the School-to-Work agenda, or the environmental agenda, or whatever the agenda, that ordinary people assume ownership of the preset outcomes. If people believe an idea is theirs, they'll support it. If they believe an idea is being forced on them, they'll resist.

The Delphi Technique is being used very effectively to change our government from a representative form in which elected individuals represent the people, to a "participatory democracy" in which citizens selected at large are facilitated into ownership of preset outcomes. These citizens believe that their input is important to the result, whereas the reality is that the outcome was already established by people not apparent to the participants.

How to Diffuse the Delphi Technique

Three steps can diffuse the Delphi Technique as facilitators attempt to steer a meeting in a specific direction.

1. Always be charming, courteous, and pleasant. Smile. Moderate your voice so as not to come across as belligerent or aggressive.

2. Stay focused. If possible, jot down your thoughts or questions. When facilitators are asked questions they don't want to answer, they often digress from the issue that was raised and try instead to put the questioner on the defensive. Do not fall for this tactic. Courteously bring the facilitator back to your original question. If he rephrases it so that it becomes an accusatory statement (a popular tactic), simply say, "That is not what I asked. What I asked was . . ." and repeat your question.

3. Be persistent. If putting you on the defensive doesn't work, facilitators often resort to long monologues that drag on for several minutes. During that time, the group usually forgets the question that was asked, which is the intent. Let the facilitator finish. Then with polite persistence state: "But you didn't answer my question. My question was . . ." and repeat your question.

Never become angry under any circumstances. Anger directed at the facilitator will immediately make the facilitator the victim. This defeats the purpose. The goal of facilitators is to make the majority of the group members like them, and to alienate anyone who might pose a threat to the realization of their agenda. People with firm, fixed beliefs, who are not afraid to stand up for what they believe in, are obvious threats. If a participant becomes a victim, the facilitator loses face and favor with the crowd. This is why crowds are broken up into groups of seven or eight, and why objections are written on paper rather than voiced aloud where they can be open to public discussion and debate. It's called crowd control.

At a meeting, have two or three people who know the Delphi Technique dispersed through the crowd so that, when the facilitator digresses from a question, they can stand up and politely say: "But you didn't answer that lady/gentleman's question." Even if the facilitator suspects certain group members are working together, he will not want to alienate the crowd by making accusations. Occasionally, it takes only one incident of this type for the crowd to figure out what's going on.

Establish a plan of action before a meeting. Everyone on your team should know his part. Later, analyze what went right, what went wrong and why, and what needs to happen the next time. Never strategize during a meeting.

A popular tactic of facilitators, if a session is meeting with resistance, is to call a recess. During the recess, the facilitator and his spotters (people who observe the crowd during the course of a meeting) watch the crowd to see who congregates where, especially those who have offered resistance. If the resistors congregate in one place, a spotter will gravitate to that group and join in the conversation, reporting what was said to the facilitator. When the meeting resumes, the facilitator will steer clear of the resistors. Do not congregate. Instead gravitate to where the facilitators or spotters are. Stay away from your team members.

This strategy also works in a face-to-face, one-on-one meeting with anyone trained to use the Delphi Technique.

Lynn Stuter is an education researcher in Washington state. Her web site address is www.learn-usa.com/.

AGENDA 21 BECOME A MAJOR ISSUE IN 2011

by Tom DeWeese
February 25, 2012
NewsWithViews.com

After hiding under the radar for more than 19 years, Agenda 21 became the cause of 2011 as thousands of concerned Americans began to study United Nations documents side – by – side with their local comprehensive development plans. To the horror of most, they found identical language – and the battle was on.

Fighting Back

The battle to stop Agenda 21 in local communities and in state legislatures has taken several varied but effective paths. In my travels to speak to more than 38 groups in 12 states in 2011, I have been privilege to meet and work with some of the most amazing activists I've even encountered. I've also been able to meet with state legislators in four states, along with a large number of county commissioners and city councilmen – all eager to learn about Agenda 21 and how to stop it. Here are some of the results of their work in countering the massive power of those enforcing Agenda 21 across the nation:

Communities Leaving ICLEI

It started last January, 2011 in Carroll County, Maryland, as the newly elected Board of Commissioners, led by Richard Rothschild, voted to cancel the county's membership in the International Council for Local Environmental Initiatives (ICLEI). At the same time the Commission also terminated the contract of the county's sustainable development director, and they sent the county planning commission back to the drawing board for the state-mandated comprehensive development plan – with instructions to not resubmit it until it protected private property rights and complied with the U.S, Constitution. Little did these new commissioners know, they were at the head of a tidal wave that was about to sweep the nation.

Following Carroll County, next came Amador County, California, as the county commissioners voted to end their membership in ICLEI; then came Montgomery County, PA; followed by Edmond, Oklahoma, Las Cruces, New Mexico. The successful battle against ICLEI in Spartanburg, South Carolina was sparked by County Commissioner Roger Nutt; Virginia became a hotbed of activity against Agenda 21 and ICLEI, especially through the efforts of activists like Donna Holt, Cathy Turner and Charles Battig, to name a few. As a result of their efforts, Albemarle County, Virginia (home of Thomas Jefferson), James City County, Virginia (where America basically started at James Town), Abington, Virginia and Lexington, Virginia, have all voted to throw ICLEI out; we can now add to this list Plantation.

Florida; Carver, Massachusetts; Pinellas, Florida; Garland, Texas; Sarasota, Florida; Clallam County, Washington; Monmouth County, New Jersey, Chatham County, North Carolina and Somerset County, New Jersey.

Unofficial reports indicate that at least 54 communities have withdrawn from ICLEI in 2011 (though I don't have all of them listed here because we don't have official verification). In addition, while ICLEI set a goal of 1000 American cities as members by 2015, indications are that only 17 new cities joined ICLEI this past year. That would be a net reduction of 37!

Property Rights Council

As I arrived in Idaho last September to speak, I was told that a county commissioner wanted to have dinner with me. I said, fine. I've gotta eat! What I received from that dinner was nothing short of stunning. As I arrived at the restaurant I was ushered into a back room where about eight people awaited me, including Bonner County, Idaho attorney Scott Bauer and Bonner County Commissioner Cornel Rasor. They began to lay out a full-blown presentation for a plan to protect property rights in their county.

They called it a Property Rights Council. This was to be an official arm of the county government, complete with a full time employee and a selected council of citizens who would oversee all county legislation and regulations to assure they didn't violate private property rights. In addition, the plan was to connect the council's activities with a state wide network of free market think tanks that would help make such judgments on the proposed legislation. Amazing idea! I mentioned it in my monthly report to APC supporters and it became a sensation. Tennessee activist Karen Bracken picked up the idea, spent hours discussing every detail with attorney Bauer and quickly organized a conference call of national activist leadership, and the idea is now spreading across the nation. Property Rights Councils will be an invaluable tool to counter ICLEI's near total control of county government.

State Legislative Activity Against Agenda 21 It has truly been amazing to see anti-Agenda 21 efforts in state legislatures across the nation. My report here is only a fraction of the activities actually taking place, as I literally can't keep up with the many meetings, hearings and resulting legislation that is being introduced. But here are a few of the highlights:

In the state of Washington, State Representative Matt Shea is succeeding in creating an Anti-Agenda 21 Caucus, designed to educate fellow legislators to the dangers of Agenda 21 and to block passage or any such legislation. Eight House Members have joined so far.

A bill (Assembly Bill 303) has been introduced by Representative Mary Williams into the state legislature of Wisconsin to repeal state mandated smart growth legislation.

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Smart growth legislation has been passed in almost very state and is the Sustainablist's main weapon to enforce Agenda 21 policy in every county. Repeal of such legislation gives the local government the right to choose whether it wants to participate in Sustainable planning or not. The bill has already passed the Wisconsin House and is awaiting action in the state Senate.

Similar legislation has already been passed and signed by the Governor in the state of Florida. That means that Florida counties are now free from state mandates to write and impose comprehensive development plans.

The state of New Hampshire has two landmark bills before it. First is HB 1634, introduced by Rep. Amy Cartwright which prohibits the state counties or towns from implementing programs of, expending money for, receiving funds from, or contracting with the International Council for Local Environmental Initiatives (ICLEI). The second bill prohibits federal, state and local government agents from entering private property without the property owner's written permission.

Republican National Committee Passes Anti- Agenda 21 Resolution

On Friday, January 13, 2012, Helen Van Etten, Republican National Committeewoman from Kansas, sponsored a resolution entitled Resolution Exposing United Nations Agenda 21. It was adopted during the RNC's general session that day. This resolution may now be used by all opponents of Agenda 21 to help convince lawmakers that this is a threat serious enough that one of the two major political parties now understands and opposes it. All Republican officeholders now have a valuable tool to stand united and oppose Agenda 21 – if they choose to use it. It is also a major weapon for local activists, who, till now have fought alone, constantly labeled fringe conspiracy theorists.

Mainstream Conservative Movement and Candidates Join The Fight

In addition, The Heritage Foundation has now acknowledged the threat of Agenda 21, in an article entitled Agenda 21 and the Threat in Our Backyard. This is a sign that the mainstream Conservative movement is coming on board in the Agenda 21 fight.

A few months ago, I was contacted by the Newt Gingrich campaign after he had been pummeled with questions about his position on Agenda 21. When his answers weren't satisfactory to the crowd, people shouted Call Tom DeWeese, and he did. A few weeks later Gingrich appeared on the Sean Hannity radio show talking about Agenda 21, and then he even brought it up in one of the debates.

In his last week on Fox News, Glenn Beck used some of his remaining precious air time on an international news network to expose Agenda 21. I was very please to have been contacted by his producers to provide information for the program. And Beck provided a link the American Policy Center's website so viewers could learn more.

The tin foil is falling off of our hats rapidly as the fight against Agenda 21 is quickly escalating

into the main stream of the political debate.

Breaking up Consensus Meetings

One of the chief tools used by the pro-Agenda 21 forces, is the use of trained facilitators and consensus meetings.

These are psychology-driven sessions designed to reach a predetermined outcome, as the participants are led to believe it is their own idea. It's very effective in countering our arguments that Agenda 21 is implemented behind closed doors, against the will of the people. Of course, behind those closed doors is where the predetermined outcome and the tactics to enforce it is, well, determined.

That's all starting to change as anti-Agenda 21 forces are learning counter techniques. First, author Beverly Eakman has produced a book entitled How To Counter Group Manipulation Tactics. Beverly has studied this tactics for years and has learned how to stop its progress. Created by the Rand Corporation and known as the Delphi Technique, the process depends on the fact that there is no debate, no open discussion and no dissention allow. Beverly's book show how that can be turned around on the facilitator, and in effect, ruin his day and his meeting's outcome. Beverly teaches activist how to lay low and quietly upset the process. Others have taken a more blunt, in-you-face approach. It works too!

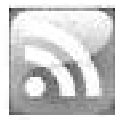
Case in point, at a recent meeting in San Francisco, about 50 anti-Agenda 21 citizens turned out for yet another controlled consensus meeting, only they refused to play by the rules (key to messing up the pre-planned process). They spoke out, they video-taped the process, they refused to put their names on sign up sheets (an intimidation tactic used by the Sustainablists), they continually corrected the facilitator's incorrect statements, they did not participate in the phony voting process, (again a tactic used in the Delphi technique to make you think you had a part in the outcome.

As soon as you take one step in becoming part of the process, even to vote no, you are in the process). The protestors refused to give their names to the media and they brought in

cameras and signs. Above all, they passed out flyers to every participant explaining the process being used on them and telling them their rights in a free assembly. No one was arrested in this process. Take away the power of consensus and you have gone a long way toward stopping Agenda 21. It simply cannot be implemented in a free, open society of free debate and transparency in government, as our local, state and federal governments were designed to be.

So, there you have it, a brief rundown of the growing battle to stop Agenda 21. 2011 was an amazing year in this fight to resort the Republic. But 2012 is already shaping up to be the year we finally crush Agenda 21.

Spartanburg Tea Party



Government's Role is to Preserve Liberty

What is Agenda 21? – Presentation to SCGOP Executive Committee

As we now know, the Republican Party Platform takes a firm and clear stand on Agenda 21:

"We strongly reject the U.N. Agenda 21 as
erosive of American sovereignty…"
– 2012 GOP Platform, p.45

Republicans … well most Republicans … recognize the United Nations hand behind Agenda 21 and its offshoots — "Sustainable Development", "Smart Growth", "Comprehensive Land Use Plan", and "Sustainable Agriculture" — as encrouchments on personal property rights and national sovereignty.

Doug Cobb made a presentation to the SCGOP Executive Committee a couple of years ago. I thought it was a timely reprint.

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What is Agenda 21?

Agenda 21 is a 40 chapter document that advocates taking away your personal property using environmental initiatives without congressional approval.

Smart Growth is Agenda 21. Smart Growth has become the latest politically correct buzz-word. Smart Growth is the term being used to mask the policy initiatives designed to bring about sustainable development of sustainable communities that will supposedly produce sustainable lifestyles. The SGN Smart Growth Network is a nationwide effort coordinated by the US Environmental Protection Agency's Urban and Economic Development Division.

Agenda 21 started in 1992 at the United Nations Conference on environment and development. At the

as there would be no need for vehicles that spew forth CO_2.

Haven't you wondered why all of a sudden Spartanburg had to have all these bike lanes. We have got to put pressure on our elected officials for this to stop.

October 16, 2014 Posted in: Uncategorized

One Response

1. Voice from ...The Resistance - October 17, 2014

   Regionalism is like the open border policies of Democrats
   and Republican CINO RINOs.

   Regionalism is not to help a region as some would hope
   but as it is used it is to help organize the tyranny,
   to make sure it is applied correctly for Agenda 21.

   It is like it has been by governments in America on property
   and associated rights, a piecemeal approach to overcome the
   body of resistance of their liberty of the people looking
   for allies among those that should be protecting them
   and finding them.
   It is a two step forward one step back approach that is
   working well for them over you.

   Destruction of one region at a time creates a majority
   of areas overrun and ruled by Agenda 21 or other tyrannies.
   We are not dealing with a simple socialist plan but are
   dealing with a well planned out attack and war. Whose
   planning started before the oldest of us were ever born.

   "Die Revolution" was the first socialist communist monthly
   publication in America. It was published in New York
   by a good friend of Karl Marx in 1852 before the Civil War.

   When I tell people like those on county council that they
   are passing socialist communist ordinances they roll their
   eyes or have a grin of "No its Not." without the words.

   None are so blind as those who refuse to see.

Leave a Reply

Zoning in the United States

From Wikipedia, the free encyclopedia

Zoning in the United States includes various land use laws falling under the police power rights of state governments and local governments to exercise authority over privately owned real property.

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Origins and history

Unsightly wires were among the targets of late nineteenth century agitation for zoning

During the 1860s, a specific state statute prohibited all commercial activities along Eastern Parkway (Brooklyn), setting a trend for future decades. In 1916, New York City adopted the first zoning regulations to apply city-wide as a reaction to construction of the Equitable Building (which still stands at 120 Broadway). The building towered over the neighboring residences, completely covering all available land area within the property boundary, blocking windows of neighboring buildings and diminishing the availability of sunshine for the people in the affected area. These laws, written by a commission headed by Edward Bassett and signed by Mayor John Purroy Mitchel, became the blueprint for zoning in the rest of the country, partly because Bassett headed the group of planning lawyers who wrote The Standard State Zoning Enabling Act that was issued by the U.S. Department of Commerce in 1924 and accepted almost without change by most states. The effect of these zoning regulations on the shape of skyscrapers was illustrated famously by architect and illustrator Hugh Ferriss.

There was a separate origin of zoning regulations in the West. Land use zoning laws in Colorado have their roots in Denver's Capitol Hill Improvement Association and Robert Speer League, both of which were KKK organizations supported by KKK member, Mayor Stapleton. Their goals, of regulating what kinds of businesses could be in a neighborhood and who ran them, as well as what kinds of housing and who could live in them, translated into the modern zoning regulations, adopted in 1925.[1]

The constitutionality of zoning ordinances was upheld in 1926. The zoning ordinance of Euclid, Ohio was challenged in court by a local land owner on the basis that restricting use of property violated the Fourteenth Amendment to the United States Constitution. Although initially ruled unconstitutional by lower courts, ultimately the zoning ordinance was upheld by the U.S. Supreme Court in *Village of Euclid, Ohio v. Ambler Realty Co.*.

By the late 1920s most of the nation had developed a set of zoning regulations.

New York City went on to develop more complex zoning regulations encompassing floor-area ratio regulations, air rights, and others according to the density-specific needs of the neighborhoods.

Houston

Among large populated cities in the United States, Houston is unique as the largest city in the country with *no* zoning ordinances. Houston voters have rejected efforts to implement zoning in 1948, 1962, and 1993. It is commonly believed that "Houston is Houston" because of the lack of zoning laws.[2] Houston is similar, however, to other large cities throughout the Sun Belt, who all experienced the bulk of their

population growth during the Age of the Automobile. The largest of these cities, such as Los Angeles, Atlanta, Miami, Tampa, Dallas, Phoenix, and Kansas City, have all experienced urban sprawl such as experienced by Houston despite having zoning systems.[3][4][5]

While Houston has no official zoning ordinances, many private properties have legal covenants or "deed restrictions" that limit the future uses of land, which have effects similar to those of zoning systems.[4][6] The city also has enacted development regulations that specify how lots are subdivided, standard setbacks, and parking requirements.[7] These regulations have contributed to the city's automobile-dependent urban sprawl by requiring the existence of large minimum residential lot sizes and large commercial parking lots.

Without land use-based zoning, many inner-ring suburbs, such as Montrose feature small businesses such as bars, restaurants, mechanics, and hardware stores mixed in among residential streets.

Scope

Theoretically, the primary purpose of zoning is to segregate uses that are thought to be incompatible. In practice, however, zoning is used as a permitting system to prevent new development from harming existing residents or businesses. Zoning is commonly exercised by local governments such as counties or municipalities, although the state determines the nature of the zoning scheme with a zoning enabling law. Federal lands are not subject to state planning controls.

Parking provision is sometimes specified

Zoning may include regulation of the kinds of activities that will be acceptable on particular lots (such as open space, residential, agricultural, commercial, or industrial), the densities at which those activities may be performed (from low-density housing such as single family homes to high-density such as high-rise apartment buildings), the height of buildings, the amount of space structures may occupy, the location of a building on the lot (setbacks), the proportions of the types of space on a lot (for example, how much landscaped space and how much paved space), and how much parking must be provided. Some commercial zones specify what types of products may be sold by particular stores.[8] The details of how individual planning systems incorporate zoning into their regulatory regimes varies although the intention is always similar.

Most zoning systems have a procedure for granting variances (exceptions to the zoning rules), usually because of some perceived **hardship** due to the particular nature of the property in question. If the variance is not warranted, then it may cause an allegation of spot zoning to arise. Most state zoning-enabling laws prohibit local zoning authorities from engaging in any spot zoning because it would undermine the purpose of a zoning scheme.[9]

Zoning codes vary by jurisdiction. As one example, residential zones might be coded as R1 for single-family homes, R2 for two-family homes, and R3 for multiple-family homes. As another example, R60 might represent a minimum lot of 60,000 sq. ft. (1.4 acre or about 0.5 hectares) per single family home, while R30 might require lots of only half that size.

Constitutional challenges

Facial challenges

There have been notable legal challenges to zoning regulations. In 1926 the United States Supreme Court upheld zoning as a right of U.S. states (typically via their cities and counties) to impose on landowners. The case was *Village of Euclid, Ohio v. Ambler Realty Co.* (often shortened to *Euclid v. Ambler*), 272 U.S. 365 (1926). The village had zoned an area of land held by Ambler Realty as a residential neighborhood. Ambler argued that it would lose money because if the land could be leased to industrial users it would have netted a great deal more money than as a residential area. Euclid won, and a precedent was set favorable to local enforcement of zoning laws.

In doing so, the court accepted the arguments of zoning defenders that it met two essential needs. First, zoning extended and improved on nuisance law in that it provided advance notice that certain types of uses were incompatible with other uses in a particular district. The second argument was that zoning was a necessary municipal-planning instrument.

The Euclid case was a facial challenge, meaning that the entire scheme of regulation was argued to be unconstitutional under any set of circumstances. The United States Supreme Court justified the ordinance saying that a community may enact reasonable laws to keep the pig out of the parlor, even if pigs may not be prohibited from the entire community.

Since the Euclid case, there have been no more facial challenges to the general scheme. By the late 1920s most of the nation had developed a set of zoning regulations.

Takings

Beginning in 1987, several United States Supreme Court cases ruled against land use regulations as being a taking requiring just compensation pursuant to the Fifth Amendment to the Constitution. *First English Evangelical Lutheran Church v. Los Angeles County* ruled that even a temporary taking may require compensation. *Nollan v. California Coastal Commission* ruled that construction permit (short: permit) conditions that fail to substantially advance the agency's authorized purposes, require compensation. *Lucas v. South Carolina Coastal Council* ruled that numerous environmental concerns were not sufficient to deny all development without compensation. *Dolan v. City of Tigard* ruled that conditions of a permit must be roughly proportional to the impacts of the proposed new development. *Palazzolo v. Rhode Island* ruled property rights are not diminished by unconstitutional laws that exist without challenge at the time the complaining property owner acquired title.

The landowner victories have been limited mostly to the U.S. Supreme Court, however, despite that Court's purported overriding authority. Each decision in favor of the landowner is based on the facts of the particular case, so that regulatory takings rulings in favor of landowners are little more than a landowners' mirage. Even the trend of the U.S. Supreme Court may have reversed now, with the 2002 ruling in Tahoe-Sierra Preservation Council, Inc. v. Tahoe Regional Planning Agency. Justice Sandra Day O'Connor, who had previously ruled with a 5-4 majority in favor of the landowner, switched sides to favor the government that had delayed development for more than 20 years because of the government's own indecision about alleged concerns about the water quality of Lake Tahoe.

Equal protection

Specific zoning laws have been overturned in some other U.S. cases where the laws were not applied evenly (violating equal protection) or were considered to violate free speech. In the Atlanta suburb of Roswell, Georgia, an ordinance banning billboards was overturned in court on such grounds. It has been deemed that a municipality's sign ordinance must be content neutral with regard to the regulation of signs. The city of Roswell, Georgia now has instituted a sign ordinance that regulates signs, based strictly on dimensional and aesthetic codes rather than an interpretation of the sign content (i.e. use of colors, lettering, etc.).

Religious exercise

On other occasions, religious institutions sought to circumvent zoning laws, citing the Religious Freedom Restoration Act of 1993 (RFRA). The Supreme Court eventually overturned RFRA in just such a case, *City of Boerne v. Flores* 521 U.S. 507 (1997). Congress enacted the Religious Land Use and Institutionalized Persons Act (RLUIPA) in 2000, however, in an effort to correct the constitutionally-objectionable problems of the RFRA. In the 2005 case of Cutter v. Wilkinson, the United States Supreme Court held RLUIPA to be constitutional as applied to institutionalized persons, but has not yet decided RLUIPA's constitutionality as it relates to religious land uses.

Types

Zoning codes have evolved over the years as urban planning theory has changed, legal constraints have fluctuated, and political priorities have shifted.[10] The various approaches to zoning may be divided into four broad categories: Euclidean, Performance, Incentive, and Form-based.

Euclidean

Conventional

Named for the type of zoning code adopted in the town of Euclid, Ohio, Euclidean zoning codes are by far the most prevalent in the United States, being used extensively in small towns and large cities alike.

Standard Euclidean

Also known as "Building Block" zoning, Euclidean zoning is characterized by the segregation of land uses into specified geographic districts and dimensional standards stipulating limitations on the magnitude of development activity that is allowed to take place on lots within each type of district. Typical types of land-use districts in Euclidean zoning are: residential (single-family), residential (multi-family), commercial, and industrial. Uses within each district are usually heavily prescribed to exclude other types of uses (residential districts typically disallow commercial or industrial uses). Some "accessory" or "conditional" uses may be allowed in order to accommodate the needs of the primary uses. Dimensional standards apply to any structures built on lots within each zoning district, and typically, take the form of setbacks, height limits, minimum lot sizes, lot coverage limits, and other limitations on the building envelope.

The zoning ordinance of Euclid, Ohio was challenged in court by a local land owner on the basis that restricting use of property violated the Fourteenth Amendment to the United States Constitution. Although initially ruled unconstitutional by lower courts, the zoning ordinance was upheld by the U.S. Supreme Court in Village of Euclid, Ohio v. Ambler Realty Co. (1926).

Euclidean zoning is preferred by many municipalities, due to its relative effectiveness, ease of implementation (one set of explicit, prescriptive rules), long-established legal precedent, and familiarity to planners and design professionals. Euclidean zoning has received heavy criticism, however, for its lack of flexibility and institutionalization of now-outdated planning theory. Separation of uses contributes to wasteful sprawl development, loss of open space, heavy infrastructure costs, and reliance on the automobile.

Euclidean II

Euclidean II Zoning uses traditional Euclidean zoning classifications (industrial, commercial, multi-family, residential, etc.), but places them in a hierarchical order "nesting" one zoning class within another similar to the concept of Planned Unit Developments (PUD) mixed uses, but now for all zoning districts.

For example, multi-family is not only permitted in "higher order" multi-family zoning districts, but also permitted in high order commercial and industrial zoning districts as well. Protection of land values is maintained by stratifying the zoning districts into levels according to their location in the urban society (neighborhood, community, municipality, and region). Euclidean II zoning also incorporates transportation and utilities as new zoning districts in its matrix dividing zoning into three categories: public, semi-public and private. In addition, all Euclidean II Zoning permitted activities and definitions are tied directly to the state's building code, Municode, and the North American Industry Classification System (NAICS) assuring statewide uniformity. Euclidean II zoning fosters the concepts of mixed use, new urbanism and "highest and best use" and, simplifies all zoning classifications into a single and uniform set of activities. It is relatively easy to make a transition from most existing zoning classification systems to the Euclidean II Zoning system.

Smart zoning

Smart zoning (or smart coding) is an alternative to Euclidean zoning. There are a number of different techniques to accomplish smart zoning. Floating zones, cluster zoning, and planned unit development (PUDs) are possible even as the conventional Euclidean code exists, or the conventional code may be

completely replaced by a smart code, as the city of Miami is proposing. The following three techniques may be used to accomplish either conventional separation of uses or more environmentally responsible, traditional neighborhood development, depending on how the codes are written.

For serious reform of Euclidean zoning, traditional neighborhood development ordinances such as form-based codes or the SmartCode are usually necessary.

Floating zones involve an ordinance that describes a zone's characteristics and requirements for its establishment, but its location remains without a designation until the board finds that a situation exists that allows the implementation of that type of zone in a particular area. When the criteria of a floating zone is met the floating zone ceases "to float" and is adopted by a zoning amendment. Some states allow this type of zoning, such as New York and Maryland, while states such as Pennsylvania do not, as an instance of spot zoning.[9] To be upheld, the floating zone the master plan must permit floating zones or at least they should not conflict with the master plan. Further, the criteria and standards provided for them should be adequate and the action taken should not be arbitrary or unreasonable. Generally, the floating zone is more easily adoptable and immune from legal challenges if it does not differ substantially from zoned area in which it is implemented.

Cluster zoning permits residential uses to be clustered more closely together than normally allowed, thereby leaving substantial land area to be devoted to open space.

Planned unit development is cluster zoning, but allows for mixed uses. They include some commercial and light industrial uses in order to blend together a traditional downtown environment, but with at a suburban scale. Some have argued, however, that such a planned unit development may be a sham for the purpose of bringing in commercial and industrial uses forbidden by the state's zoning law; some courts have held such a "sham" to be an "arbitrary and capricious abuse" of the police power.

Performance

Also known as "effects-based planning", performance zoning uses performance-based or goal-oriented criteria to establish review parameters for proposed development projects in any area of a municipality. Performance zoning often utilizes a "points-based" system whereby a property developer may apply credits toward meeting established zoning goals through selecting from a 'menu' of compliance options (some examples include: mitigation of environmental impacts, providing public amenities, building affordable housing units, etc.). Additional discretionary criteria may be established also as part of the review process.

The appeal of performance zoning lies in its high level of flexibility, rationality, transparency, and accountability.[11] Performance zoning avoids the arbitrary nature of the Euclidean approach, and better accommodates market principles and private property rights with environmental protection, however, performance zoning can be extremely difficult to implement and can require a high level of discretionary activity on the part of the supervising authority. For this reason performance zoning has not been adopted widely in the USA, and is usually limited to specific categories within a broader prescriptive code when found.

New Zealand's planning system, however, is grounded in effects-based performance zoning under the Resource Management Act 1991.

Incentive

First implemented in Chicago and New York City, incentive zoning is intended to provide a reward-based system to encourage development that meets established urban development goals.[12] Typically, a base level of prescriptive limitations on development will be established and an extensive list of incentive criteria will be established for developers to adopt or not, at their discretion. A reward scale connected to the incentive criteria provides an enticement for developers to incorporate the desired development criteria into their projects. Common examples include (floor-area-ratio) bonuses for affordable housing provided on-site and height limit bonuses for the inclusion of public amenities on-site. Incentive zoning has become more common throughout the United States during the last 20 years.

Incentive zoning allows for a high degree of flexibility, but may be complex to administer. The more a proposed development takes advantage of incentive criteria, the more closely it has to be reviewed on a discretionary basis. The initial creation of the incentive structure in order to best serve planning priorities also may be challenging and often, requires extensive ongoing revision to maintain balance between incentive magnitude and value given to developers.

Form-based

Form-based zoning relies on rules applied to development sites according to both prescriptive and potentially discretionary criteria. Typically, these criteria are dependent on lot size, location, proximity, and other various site- and use-specific characteristics. For example, in a largely suburban single family residential area, uses such as offices, retail, or even light industrial could be permitted so long as they conformed (setback, building size, lot coverage, height, and other factors) with other existing development in the area.

Form based codes offer considerably more flexibility in building uses than do Euclidean codes, but, as they are comparatively new, may be more challenging to create. Form-based codes have not yet been widely adopted in the United States. When form-based codes do not contain appropriate illustrations and diagrams, they have been criticized as being difficult to interpret.

One example of a recently adopted code with form-based design features is the Land Development Code (http://www.louisvilleky.gov/PlanningDesign/ldc/) adopted by Louisville, Kentucky in 2003. This zoning code creates "form districts" for Louisville Metro. Each form district intends to recognize that some areas of the city are more suburban in nature, while others are more urban. Building setbacks, heights, and design features vary according to the form district. As an example, in a "traditional neighborhood" form district, a maximum setback might be 15 feet (4.6 m) from the property line, while in a suburban "neighborhood" there may be no maximum setback.

Dallas, Texas, is currently developing an optional form-based zoning ordinance.[1] (http://www.forwarddallas.org/projects/devcode.php) Since the concept of form-based codes is relatively new, this type of zoning may be more challenging to enact.

One version of form-based or "form integrated" zoning uses a base district overlay method or "composite" zoning. This method is based on a Euclidian framework and includes three district components - a use component, a site component, and an architectural component.

The use component is similar in nature to the use districts of Euclidian zoning. With an emphasis on form standards, however, use components are typically more inclusive and broader in scope. The site components define a variety of site conditions from low intensity to high intensity such as size and scale of buildings and parking, accessory structures, drive-through commercial lanes, landscaping, outdoor storage and display, vehicle fueling and washing, overhead commercial service doors, etc. The architectural components address architectural elements and materials.

This zoning method is more flexible and contextually adaptable than standard Euclidian zoning while being easier to interpret than other form-based codes. It has been utilized primarily for contemporary "conventional" standards and has not yet been fully developed for traditional standards.

Amendments to zoning regulations

Amendments to zoning regulations may be subject to judicial review, should such amendments be challenged as ultra vires or unconstitutional.

The standard applied to the amendment to determine whether it may survive judicial scrutiny is the same as the review of a zoning ordinance: whether the restriction is arbitrary or whether it bears a reasonable relationship to the exercise of the police power of the state.

If the residents in the targeted neighborhood complain about the amendment, their argument in court does not allow them any vested right to keep the zoned district the same,[13] however, they do not have to prove the difficult standard that the amendment amounts to a taking.[13] If the gain to the public for the rezoning is small compared to the hardships that would affect the residents, then the amendment may be granted if it provides relief to the residents.[13]

If the local zoning authority passes the zoning amendment, then spot zoning allegations may arise, should the rezoning be preferential in nature and not reasonably justified.

Limitations and criticisms

Land-use zoning is a tool in the treatment of certain social ills, and part of the larger concept of social engineering. Criticism of zoning is widespread, however, and its effectiveness as a tool for promoting or discouraging social change is debatable. The voters of Houston have rejected implementation of zoning districts through referendums held in 1948, 1962, and 1993.

Circumventions

Generally, existing development in a community is not affected by the new zoning laws because it is "grandfathered" or *legally non-conforming* as a nonconforming use, meaning the prior development is exempt from compliance. Consequently, zoning may only affect new development in a growing community. In addition, if undeveloped land is zoned to allow development, that land becomes relatively expensive, causing developers to seek land that is not zoned for development with the intention to seek rezoning of that land. Communities generally react by not zoning undeveloped land to allow development until a developer requests rezoning and presents a suitable plan. Development under this practice appears to be piecemeal and uncoordinated. Communities try to influence the timing of development by government expenditures for new streets, sewers, and utilities usually desired for modern developments. Contrary to federal recommendations discouraging it, the development of interstate freeways for purposes unrelated to planned community growth, creates an inexorable rush to develop the relatively cheap land near interchanges. Property tax suppression measures such as California Proposition 13 have led many communities desperate to capture sales tax revenue to disregard their comprehensive plans and rezone undeveloped land for retail establishments.

In Colorado, local governments are free to choose not to enforce their own zoning and other land regulation laws. This is called selective enforcement. Steamboat Springs, Colorado is an example of a location with illegal buildings and lax enforcement.[14][15]

Social

In more recent times, zoning has been criticized by urban planners and scholars (most notably Jane Jacobs) as a source of new social ills, including urban sprawl, the separation of homes from employment, and the rise of "car culture." Some communities have begun to encourage development of denser, homogenized, mixed-use neighborhoods that promote walking and cycling to jobs and shopping. Nonetheless, a single-family home and car are major parts of the "American Dream" for nuclear families, and zoning laws often reflect this: in some cities, houses that do not have an attached garage are deemed "blighted" and are subject to redevelopment. Movements that disapprove of zoning, such as New Urbanism and Smart Growth, generally try to reconcile these competing demands. New Urbanists in particular try through creative urban design solutions that hark back to 1920s and 1930s practices. Late in the twentieth century, New Urbanists have also come under attack for encouraging sprawl and for the highly prescriptive nature of their model code proposals.

Exclusionary

Zoning has long been criticized as a tool of racial and socio-economic exclusion and segregation, primarily through minimum lot-size requirements and land-use segregation (sometimes referred to as "environmental racism"). Early zoning codes often were explicitly racist.[16]

Exclusionary practices remain common among suburbs wishing to keep out those deemed socioeconomically or ethnically undesirable: for example, representatives of the city of Barrington Hills, Illinois once told editors of the Real Estate section of the *Chicago Tribune* that the city's 5-acre (20,000 m^2) minimum lot size helped to "keep out the riff-raff."

Racial

Since 1910 in Baltimore,[17] numerous U.S. States created racial zoning laws (redlining); however such laws were ruled out in 1917 when the U.S. Supreme Court ruled that such laws interfered with the property rights of owners (*Buchanan v. Warley*).[18] There were repeated attempts by various states, municipalities, and individuals since then to create zoning and housing laws based on race, however, such laws eventually were overturned by the courts. The legality of all discrimination in housing, by public or private entities, was ended by the Fair Housing Act (Title VIII of the Civil Rights Act of 1968).[19]

Despite such rulings, many claim that zoning laws are still used for the purpose of racial segregation.[20]

Housing affordability

Zoning also has been implicated as a primary driving factor in the rapidly accelerating lack of affordable housing in urban areas.[21] One mechanism for this is zoning by many suburban and exurban communities for very large minimum residential lot and building sizes in order to preserve home values by excluding poorer people. This shifts the market toward more expensive homes than ordinarily might be built. According to the Manhattan Institute, as much as half of the price paid for housing in some jurisdictions is directly attributable to the hidden costs of restrictive zoning regulation.

For example, the entire town of Los Altos Hills, California (with the exception of the local community college and a religious convent), is zoned for residential use with a minimum lot size of one acre (4,000 m^2) and a limit to only one primary dwelling per lot. All these restrictions were upheld as constitutional by federal and state courts in the early 1970s.[22][23] The town traditionally attempted to comply with state affordable housing requirements by counting secondary dwellings (that is, apartments over garages and guest houses) as affordable housing, and since 1989 also has allowed residents to build so-called "granny units".[24]

In 1969 Massachusetts enacted the Massachusetts Comprehensive Permit Act: Chapter 40B, originally referred to as the anti-snob zoning law. Under this statute, in municipalities with less than 10% affordable housing, a developer of affordable housing may seek waiver of local zoning and other requirements from the local zoning board of appeals, with review available from the state Housing Appeals Committee (http://www.mass.gov/hed/economic/eohed/dhcd/hac.html) if the waiver is denied. Similar laws are in place in other parts of the United States (e.g., Rhode Island, Connecticut, and Illinois), although their effectiveness is disputed.

See also

- Agricultural zoning
- Transfer of development rights

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Categories: Urban planning in the United States | Zoning

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From: moestreich@heartland.org
Subject: Someone has sent you a message from Heartlander Magazine
Date: February 22, 2015 at 6:04 PM
To: john dalen Johndalen@gmail.com

Message from sender:

Hi

heartlander. news that empowers people

Central planning dooms 'smart growth' strategies

September 1, 2001

Imagine that almost every city, county, town, and village in the United States has at least one communist on its staff--not a secret communist infiltrator, but someone whose job title is Communist, whose job description is to implement communism in that community, and whose job prerequisite is being a card-carrying member of the Communist Party.

Sounds pretty difficult to believe, doesn't it? But the most important part of soviet communism is central planning. Now go back to the previous paragraph and replace the word communist with planner, communism with planning, and Communist Party with American Planning Association. Then the paragraph turns out to be the absolute truth.

I'm not accusing planners of being communists. I'm accusing communists of being planners. The Soviet Union might have survived if it hadn't put planners in charge of everything from how much cement to produce to how many shoes to make and when fishing boats should dip their nets into the sea and when they should pull them out again.

In the United States, many planners agree with architect Andres Duany, who urges land-use planners to write plans "with such precision that only the architectural detail is left" to the land owners. Most planners believe property rights are "flexible," and that no property owner should be able to do anything with his or her land without government approval.

While conservatives hunted for communists in the State Department, planners gathered enormous power over our lives down at city hall. Despite their scientific pretensions, planners really have no idea how a city or any other economy works. So they rely on fads to tell them how to run our lives. In the 1950s and 1960s, the fad was urban renewal. Today, it is smart growth.

Oregon: Planning's victim

Smart growth says Americans drive too much, and the large lots on which they live waste too much land. To solve these supposed problems, planners promote all sorts of regulations aimed at reducing driving and forcing people to live on less land.

The smart-growth fad is furthest advanced in Oregon, where planners

have passed an unbelievable set of regulations for land use and transportation. Here are just a few of them.

Planners have drawn urban-growth boundaries around all of Oregon's cities and towns. These growth boundaries contain just 1.25 percent of all the land in Oregon, yet planners hope to eventually force 90 percent of Oregon residents to live within them. Only actual farmers should be allowed to live outside the boundaries, say planners, so the state planning agency passed a rule allowing people to build homes on farm land only if they actually earn $80,000 a year farming it.

Inside the boundaries, planners regulate everything from parking on the streets to the use of church buildings. One Portland church with 400 seats in its sanctuary was told that it could allow no more than 70 people to worship in the church at one time. A growing church in southern Oregon was told it could not expand unless it remained closed on Saturdays and held no more than five weddings or funerals a year.

Religious regulation is an outrageous but minor component of Oregon's land-use planning. More important is minimum-density zoning, which requires that all development be to at least a given number of houses per acre. To fit a growing population within the urban-growth boundaries, planners are rezoning existing neighborhoods to higher densities. Some neighborhoods of single-family homes have been rezoned to multi-family densities.

If you own a quarter-acre lot in such a neighborhood, you would not be allowed to build a single house on it--even if many other homes in the neighborhood are on quarter-acre lots. Instead, if the area is

zoned to 24 units per acre, you will be required to build a six-unit apartment. Owners of large yards are encouraged to build apartments in their backyards. If your house burns down, you will be required to replace it with an apartment.

Planners also want to control the design of people's homes. They derisively called houses with garages in front "snout houses," and say that people who own such houses drive too much. So Portland has passed an ordinance requiring that garages be recessed behind the front of new homes.

To further discourage driving, planners are deliberately not building new highways. Their goal is to increase congestion to stop-and-go levels during much of the day, so people will walk or ride public transit instead of drive. Planners are also building concrete barriers and speed bumps on existing roads in order to slow traffic and reduce traffic flows. They call this traffic calming, though the people who must drive on such roads feel anything but calm.

Be careful what you ask for

Smart growth turns out to accomplish the exact opposite of almost everything it promises. It makes cities more congested. Because cars pollute more in stop-and-go traffic, it increases air pollution. Artificial

land shortages lead to unaffordable housing. Open spaces are rapidly filled with high-density housing.

Portland planners even admit their goal is to "replicate" Los Angeles--the nation's most congested, polluted, and one of its least-affordable

cities--in Portland. They have come close to achieving this goal. In the last 18 years, congestion in the Portland-area has grown faster than in any other U.S. urban area, while the city has gone from being one of the 50 most affordable to one of the 10 least affordable markets for single-family housing in the nation.

A decade ago, smart-growth ideas were peculiar to Oregon. But now they are rapidly taking over the country. Government officials in such diverse states as Florida, Georgia, Maryland, Minnesota, Washington, and Wisconsin have strongly endorsed smart growth. President George W. Bush's new director of the Environmental Protection Agency and secretaries of Transportation and Housing and Urban Development have all promised to maintain federal smart-growth policies launched during the Clinton administration.

In retrospect, it is likely that planners in our city governments will do far more harm to our personal and economic freedoms than communists in the State Department. The solution is simple: Fire all the planners. Achieving that solution, however, will require a concerted effort by conservatives, libertarians, and everyone else who cares about urban livability, mobility, and freedom.

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found online at http://news.heartland.org/newspaper-article/2001/09/01/central-planning-dooms-smart-growth-strategies

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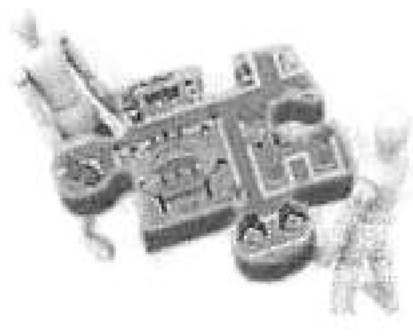
From: john dalen johndalen@gmail.com
Subject: Zoning Laws Destroy Communities
Date: February 14, 2015 at 6:10 PM
To: john dalen johndalen@gmail.com

Zoning Laws Destroy Communities



Mises Published Date:

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Author:

Troy Camplin [1]

Zoning laws are a violation of property rights. They destroy the sense of community in neighborhoods, increase crime, increase traffic congestion, contribute to urban and suburban air pollution, contribute to poverty, contribute to reliance in government — and, thus, reduce self-reliance — and contribute to the ruin of our schools. Most of our urban and suburban problems arose with zoning and other antiproperty laws, to which welfare programs and public housing projects have contributed. Each of these policies came out of the idea that society could and should be engineered from the top down to give rise to efficiency, community, and prosperity. What in fact resulted was the opposite outcome.

I. Neighborhoods and Communities

With zoning laws, commercial, industrial, and residential areas are separated from each other. The result is blocks of houses, industrial parks, and strips of stores and restaurants. People have to drive miles to go to the store, to work, or even to the park. It is rare to go to the store and see anyone you know.

But imagine a neighborhood without zoning laws. It would then be possible to have, say, a small grocery store on the corner where you could buy fresh fruits and vegetables, bread, and meat. That store would likely be within walking distance, be owned by one of your neighbors, and be designed to serve the neighborhood.

I encountered such a store when I lived in Athens, Greece for a month. It was less than a minute's walk away from where I was living. I could get most of what I needed on any given day, and if I was in the mood for some fresh fruit or vegetables, I could walk right over and buy some. I have little doubt that I ate more fruits and vegetables there than I do here in Richardson, Texas. If I'm in the mood for something — say, some strawberries — then I have to get in my car and drive a mile to the store. More likely than not, I'm just going to decide it's not worth the effort. Thus, a sale is not made, and I'm not eating my strawberries, meaning I'm less happy and less healthy.

The large grocery store a few blocks away from where I lived in Athens provided a wider variety of goods, of course, which is why I would do my weekly shopping there to get paper products, canned good, dry goods, etc. For major shopping trips, the large stores servicing the larger community are best — but the small family-owned store on the corner contributes to the local community. If I go to the small store on the corner

in my neighborhood to get one or two things every other day or so, and

so does everyone else in the community, we are going to be more likely to recognize each other, then to talk to each other, then to befriend each other.

If everyone is going to the large stores, one goes less often, and one only sees one's neighbors on the rare occasion you are both leaving your houses at the same time to get into your respective cars. You may wave, but you may also not even know their names. If you know your neighbors within a block or two, a stronger neighborhood is created because community is created. Crime will go down because people will be more likely to look out for each other — and one is less likely to commit a crime against someone one knows:

""Your money or your life!"

"Bob? Is that you?"

"Sorry, Charlie. I didn't recognize you in the dark.""

That's simply not going to happen.

As people get to know each other, there will be more respect for the neighborhood community. It is one thing to spray graffiti on the front of a grocery store, but it's another thing to spray graffiti on Chuck Johnson's store, where you went growing up and where Johnson used to give you a piece of candy when you were little.

Sure, this sounds like a romantic dream of the 1950s, but that era was more that way precisely because neighborhoods were communities.

Zoning laws and other anticommunity government policies were not yet in place to atomize people, making them less dependent on each other and, thus, more dependent on more distant government bureaucrats. It's

amazing what you can do by simply preventing someone from opening up a store in a "residential area."

II. Zoning Laws Favor Big Business Over Small Businesses

Zoning laws force you to have your business only in certain locations. This drives up the price of property for businesses, making it harder to start a new business. If I wanted to sell cookies (and I do make some good cookies), I would have to either buy some expensive commercial property or rent a place in a shopping center, get the proper permits and licenses (another barrier to entry into the marketplace), buy stoves and mixers, etc.

"But imagine a neighborhood without zoning laws. It would then be possible to have, say, a small grocery store on the corner where you could buy fresh fruits and vegetables, bread, and meat."

By the time I did all this, I wouldn't be able to afford the ingredients to make the cookies. I would either have to save up a small fortune or go in debt. But if the local government would leave me alone, I could bake cookies in my home, using the mixer and stove I have, and sell the cookies in front of my house to my neighbors. As I began to make money from selling cookies, I could buy a bigger mixer and a better stove to make more cookies. I could hire a neighbor kid to sell the cookies for me so I could bake more, and I could maybe start selling my cookies to local stores. As I started making more money with higher demand, I could put an addition onto my house for the cookie store, or buy or rent another place and make the cookies there. I could thus start my own business with little initial cost and without going into debt while providing a service to my community and to my neighbors.

And people used to do this. My wife's grandfather sold fruit trees from his yard until the city passed an ordinance prohibiting people from selling

anything on residential properties. They made an exception that you could hold two yard sales a year — but only if you got a permit.

The result is that big business is favored over upstarts. Walmart and Home Depot can afford to buy as much commercial land as they need to build a store. And they don't have to worry about a bunch of people selling similar items locally. Most Americans are like me, and we cannot afford to buy property like large corporations can, so we are prohibited from participating in the marketplace as anything other than employees to others.

With as many barriers to starting a new business as there are, it's surprising how many do get started. It's typically done by going into debt. This makes it even more difficult for the poor to get out of their poverty. Barred from starting a business at home by zoning and other prohibitory laws, they also cannot get loans due to their poverty and bad credit. Those who do manage to figure out how to make money spend the money frivolously for fear that if they save or invest the money, the government will punish them with fines and audits. Thus, these laws contribute to poor spending habits among the poor. The government can take away your property, but they can never take away the party you threw and had a good time at.

III. Zoning Laws, Traffic, and Pollution

When our jobs and stores are several miles away, we have to drive. Americans like their independence, so public transportation is an option only if one cannot afford a car. As a result, traffic in most cities and suburbs is a nightmare between 5 and 7 PM. Not only are people trying to get home from work but once they are home, they need to head right out to go to the store. A fifteen-minute drive becomes an hour or more. All

that time driving creates large amounts of air pollution, contributing to lung problems and stress. Thus our physical and mental healths are harmed by heavy traffic, making us less happy and less productive workers.

The way my city is zoned, I can walk to a dentist (whose office is across the back alley from my house), but I have to drive to the grocery store. Typically, I need to go shopping more often than I need to see the dentist. I must drive to go to any store, to go to the coffee house, or even to go to the park. I walk less and drive more, contributing to health problems due to less exercise and to my contribution to air pollution. With local stores integrated into neighborhoods, there would be less traffic on the roads, meaning less traffic congestion and less pollution.

IV. Neighborhoods and Schools

American schools have gotten worse and neighborhoods have deteriorated and communities have been dissolved. In places where there is still a strong sense of local community, the schools do a much better job of educating students. These places are typically rural and have few if any zoning laws artificially separating peoples' lives into sections unconnected to each other. People who live in strong communities are aware they have a vested interest in the health of that community.

Schools are one of the main centers of any community, and those concerned with their communities are concerned with their schools. When parents are involved in the schools, the schools do a better job of educating students. The schools in turn become more community oriented and work to contribute more to the community.

A good example of this (and its collapse) was the elementary school I went to in rural Kentucky. This school was always holding festivals and

events the town could participate in. Parents would contribute food for the school to sell at the festivals. Between that and people paying for various games, our school actually ran a profit, meaning it could do more things for the students.

"Zoning laws and other anticommunity government policies were not yet in place to atomize people, making them less dependent on each other and, thus, more dependent on more distant government bureaucrats."

Over time, laws destroyed what our school was doing. First, there was a law passed that prohibited the use of anything canned that was not bought at a store. So people stopped contributing as much, because if you are canning your own green beans, you're not going to buy beans in a can — and few if any would go to the store just to buy a can of beans for the school event. Next came prohibitions on home-baked goods, making for even fewer contributions. This made the events less personal — and less profitable.

But in the end, it didn't matter. My elementary school no longer exists because the county school board decided to ignore all the evidence that indicates that smaller schools educate students better than larger schools: they consolidated it with three other local schools to make one large school that is now five miles away from the town I grew up in. White Plains is still a town, but it is no longer a community. There is also far less local interest in the new school.

V. Zoning Laws Violate Property-Rights Protection

So far I have addressed direct psychological, social, and economic aspects of the harm done by zoning laws. But such laws also violate our rights regarding property ownership. Property taxes make local governments see property owners as tenants on property the government

is renting to them. If you do not pay your property taxes, the local government will treat you like a renter and throw you out, so the analogy is more than apt: it's precise.

A tenant has to abide by the rules of the property owner, which is why local governments have adopted this attitude toward other people's property. If local government really owns the property, they can tell you what you can and cannot do with it. Without ownership rights, we cannot really express ourselves as we wish, organize with whomever we wish, or prosper as we wish. We always have to get permission first.

Property-rights protection is a necessary element for the creation of prosperity. People need to feel secure to want to take risks. This can be seen in small children: a toddler will giggle if her father throws her in the air, but scream if a stranger does. She has to feel secure to take the risk.

When we live under threat of government taking away our property for failure to pay rent to them, for violating some zoning ordinance, or for not paying off the right government employee, people are less inclined to take the risks necessary to become independent and prosperous. People need to feel like their property is secure and protected from both criminals and government if they are going to take economic risks with it.

VI. Zoning Laws are Unnatural and Disruptive

A community is a complex system. In nature, complex systems self-organize from the bottom up, from less complex elements. Structures develop that affect but do not force the elements that make up the system to do what they are doing naturally. No system in nature is created from the top down.

Let me put it this way. A biological cell is a bottom-up structure; an engine

is a top-down structure. Cells are complex, efficient, and generate order; engines are simple, inefficient, and generate disorder. Cells run up; engines run down.

Communities are like cells. They are made up of different elements — people and families — that, working together, create a more complex entity known as a community. Quite large communities can be created by many subcommunities integrating. I can belong to a school community, a church community, a work community, and to various clubs and organizations. We know that humans are most comfortable in groups of 150 people. We can and often do expand the community we live in by being members of many different communities containing 150 members. But that number — 150 — must be maintained if we are to remain psychologically comfortable. Where there is overlap — the same people belonging to the same subcommunities — the larger community is strengthened. Though a Christian, I have become friends with several Muslims because we are all part of the same "Starbucks community."

Communities are not like engines. When we try to engineer communities, the results are disastrous. Forced bussing to integrate schools did nothing to create a community of blacks and whites. Instead, it destroyed the community schools, breaking down the neighborhoods where the schools existed and creating resentment among those who were bussed. It did not improve education for anyone, but instead contributed to the worsening of education for everyone. And the students still self-segregated in the lunchrooms.

The same kind of thing happened when public-housing projects were built. Artificially throwing people together into ugly apartments of bare concrete was dehumanizing and thus destructive for the community as well. This is why all urban-renewal plans have been miserable failures,

resulting in increased poverty and worse crime. Community is destroyed by top-down processes precisely because top-down processes are simplifying, unnatural, and create disorder.

Conclusion

Zoning laws and other laws that restrict what people can do with their property do more harm than good. People argue that "I don't want someone building a factory in my neighborhood," but the fact is that nobody wants to build a factory in your neighborhood. They want to build a factory where it is easy to get supplies in and products out, and where there's plenty of room for employees to park. That's not your neighborhood. And in an increasingly post-industrial economy, that argument is mostly irrelevant.

I am arguing for allowing natural organization of communities and neighborhoods. I am arguing for healthier neighborhoods and communities.

The elimination of such anti-property-rights laws will allow this. It will make people more self-reliant and thus less dependent on government, meaning there will be more people contributing to the economy, to society, and to their neighborhoods and communities. People will also be healthier, happier, and less stressed.

Social engineering only works to destroy communities and make people more reliant on government programs.

Sent from my iPad

AUGUST 01, 1994 by JAMES D. SALTZMAN

Mr. Saltzman teaches American literature and public speaking at St. John's School, Houston, Texas. He is chairman of the Houston Property Rights Association speakers bureau.

"Zoning goes down for third time" read the morning headline of *The Houston Post* last November 3. As they had in 1948 and 1962, Houstonians voted once more to remain America's largest city without a zoning ordinance.

"We've got to stop the cancerous erosion of the quality of life in many of our neighborhoods. Those people are crying out for help. Zoning is the answer," said the president of the Houston Homeowner's Association last August.[1]

Yet, the vast majority of Houstonians were not crying out for zoning. Hispanics and low-income blacks voted overwhelmingly, 58 percent and 71 percent, against a measure touted as the way to "save" their neighborhoods.[2] In a low-turnout referendum, only 10 percent[3] of the city's registered voters gave their nod to zoning, disproving the pro-zoners' claim of widespread discontent among Houstonians with their "under-regulated" land market.

In fact, with 17 separate land-use ordinances covering things so specific as trailer parks, rendering plants, and commercial landscaping, property in Houston is not exactly "under-regulated." However, the evidence from this debate in Houston highlights the advantages of a large city that relies more than any other in America on the market to determine land use.

With zoning, a city can regulate the location and design of all land uses, from houses to gas stations to bars. Its supporters said that homes unprotected by zoning risk a loss in property value if a business or apartment locates nearby.

Not necessarily. Drive around central Houston and you'll find plenty of expensive new houses built across the street from or adjacent to existing commercial or apartment buildings. The people who build and buy these homes are not dumb. There is obviously a strong market for homes in convenient urban settings.

This casts doubt on the need for zoning to protect or boost property values. Within Houston are two small, independent cities, Bellaire and West University, with zoning. Between 1970 and 1980 home prices in Bellaire and West University climbed more slowly than in many Houston communities, including those lacking private neighborhood restrictions against businesses and apartments.[4] In fact, between 1990 and 1993, average annual home sale prices actually fell in the two zoned cities while sprinting up in a number of Housto neighborhoods, restricted and unrestricted.[5] The financial risks to homes unshielded by zoning are, at best, greatly overstated.

Another exaggeration is that single-family neighborhoods without zoning are likely to be overrun by businesses and apartments. In the Houston Heights, a century-old neighborhood of 300 blocks, only about 5 percent of the residential blocks have private restrictions.[6] Also, a Prohibition-era law left over in the Heights bans liquor sales. Those are the only controls on property in the Heights for the last 100 years, apart from city codes.

Yet single-family homes occupy almost 86 percent of the lots on interior streets. Businesses take up 7 percent; industrial uses, less than percent; apartments, less than 2 percent; churches and schools, 4 percent.[7] Similar distributions in land use have been documented for other unrestricted inner-city neighborhoods.[8] Why does this happen?

In Houston land uses tend to segregate themselves as investors respond to market incentives. Under the Houston system, heavy

industry voluntarily locates on large tracts near rail lines or highways; apartments and stores seek thoroughfares; gas stations vie for busy intersections.[9]

With the market at work there's no need for government-imposed districting. Businesses that open inside quiet residential neighborhoods will compete poorly with establishments that enjoy the visibility and traffic count of a heavily traveled street. Businesses that thrive amidst homes often serve strong local demand.

"Shade-tree" mechanics appear in low-income neighborhoods to service old cars owners cannot afford to replace. "More and pop" grocery stores supply those who have no cars. In Houston's West End, an area with a large population of artists, stylish and expensive townhomes exist beside framing factories and studios. Around Houston, such mutually beneficial mixtures of commercial and residential uses reflect the market's sensitivity to consumer needs, a sensitivity unimpeded by the tastes of politicians and bureaucrats.

Pro-zoning fears ignore the serf-regulating qualities of the market. In locations with stable demand for single-family homes, healthy real estate values are likely to prohibit many "noxious" uses—like junkyards and machine repair shops—that want cheap land. Without realizing it, the homeowners have "zoned out" such uses through their own free choices. As zoning expert Bernard Siegan says, "the most effective of restrictions [is] competition."[10]

Since the market creates predictability in land use, anyone can buffer himself according to his own standards from uses he dislikes. He can pursue his own notions about quality of life without the local government imposing its version on him.

People who like proximity to retail services can live on or near heavily traveled streets and assume the risk of facing more noise and traffic than individuals who seek the peace and quiet of an interior residential street. The need to keep bars away from residents is a frequent justification for zoning, but one Houstonian said he likes living near a bar because "patrons to establishments and pedestrian traffic are deterrents to crime."[11] In Houston, to each his own.

Even without zoning, home buyers wanting control over the development of land in their neighborhood have a choice called "deed restrictions." Usually, these deed restrictions are initiated by an original developer to cover all property purchased in a subdivision for 25 or 30 years. Restrictions are often renewable after that period, and most homes in Houston built since World War II have such renewable restrictions.[12] Enforceable by civic associations with help from the city, the document can prevent businesses or apartments from entering the neighborhood. It can even require residents to keep their lawns manicured or their homes painted only certain colors. However detailed, deed restrictions contain rules voluntarily accepted by home buyers, unlike the edicts issued to property owners by a zoning commission.

Predictably, zoning proponents criticize deed restrictions for not providing air-tight protection against mixed uses. Restrictions end at subdivision boundaries, leaving residents at the neighborhood's edge possibly unbuffered from an apartment or business. Zoning supporters want guarantees of protection that neither deed restrictions nor the market's natural separation of land uses can provide.

But are such guarantees possible, even under zoning? In Fort Worth and Dallas, two zoned cities, one can notice an eight-story office building overshadowing nearby homes, a high-density apartment complex and a shopping center across a narrow street from homes, and a junk dealer and a tire store next door to homes. Even in tightly zoned central Connecticut, one can find a factory right beside a home, a new supermarket being built next to homes, and a bar across the street from homes—mixes routinely denounced as "incompatible" by zoning advocates in Houston.[13]

In land-use patterns and in the predictability of those patterns, Houston and zoned central cities are more similar than pro-zoners admit [14] The difference is that Houstonians internalize risks (quite successfully) that zoning attempts to control elsewhere by managing the property rights of citizens.

That's the Houston advantage: private property rights. True, Houston has many strict ordinances, but without zoning, citizens in Houston maintain over their property much of the control that other cities give to local government. Zoning dramatically increases the opportunity for public officials to manipulate private property for maximum political benefit and "impose costs on others at no cost to themselves,"[15] writes economist Thomas Sowell. Under zoning, local goods and services reflect regulatory costs Houstonians avoid.

One such good is housing. Without zoning, Houston ranks consistently as the leader among major American cities for housing affordability. "It's more affordable here than any other large city in the nation," said University of Houston economist Barton Smith.[16] According to Smith, one reason for this affordability is Houston's lack of zoning.[17] And a federal report in 1991 cited zoning as a leading cause for the shortage of affordable housing in America.[18] How does zoning push up the cost of housing?

The proposed Houston zoning plan showed how. It contained density controls that would have forced higher rents for many new apartments and higher prices for many new townhouses.[19] In one case, a planning commissioner effectively froze the renovation of a low-income apartment building by having it zoned into a district just for single family homes. In this way, the structure became a "non-conforming" use, discouraging lenders from risking money on the project.[20] In the long run, zoning increases the cost of housing by restricting its supply. Ironically, zoning makes such bad policy a predictable choice for municipal authorities because they are sensitive to the desire of politically influential homeowners to limit development near their neighborhoods.[21] In unzoned Houston, developers can adjust the number of dwelling units per lot to suit consumer demand, not the agendas of zoning insiders.

Zoning proponents say they just want bargaining power with a developer of land near homes. Ideally, they argue, a compromise on use or design could be struck that would create a "win-win" situation for everyone.

Well, not exactly everyone. Concessions to build fewer dwelling units in an apartment could raise rents there, pricing some individuals out of the complex. And the likelihood of construction delays fostered by zoning procedures and squabbles will price some builders out of their market as well. For example, according to one journalist, zoning and related land-use regulations have boosted the cost of development in Austin, Texas: "Problems—whether they involve neighborhood opposition, new ordinances, unclear policies or moratoriums—mean delays and delays cost money."[22] The interests of the most vulnerable consumers and producers are protected by secure private property rights, not by zoning.

Such rights also provide Houston with employment opportunities that zoning would have removed. One case involved Forged Vessel Connections, a manufacturer of special parts for pressure vessels. The company has been in its location in the largely black community of Acres Homes for the last 17 years and employs residents from the surrounding neighborhood. But the plant was zoned into a residential district, meaning the building could not expand, meaning the end of plans to add 35 new jobs by 1996.

In unzoned Houston home businesses are common and operate relatively freely wherever they are not prohibited by deed restrictions. But the zoning plan had a different approach:

No employees on site except residents. No signs. No parking spaces for customers. No external evidence of commercial activity.[23] For Houstonians, a taste of the regulation plaguing home businesses in 90 percent of American cities.[24] And the Houston Homeowner's Association, a leading pro-zoning interest, assured its members that there was no reason why home business "standards have to be limited to these prohibitions,"[25] suggesting that more rules could be added later.

Zoning would have created undue hardship for many entrepreneurs. For example, one single mother started a telephone answering service in her own home, hiring other women from the neighborhood for help. Zoning would have forced her to fire her employees or rent office space. She might have applied for an exemption and prayed that her aspirations suited her neighbors and city officials. This scenario offends the principle that the opportunity to use private property for employment is a right, not just a favor granted by local government.

The greatest beneficiaries of Houston's abstention from zoning are not the rich, greedy developers as zoning proponents would claim. Big developers in zoned areas enjoy the reduced competition brought by zoning and can afford the lawyers and other consultants needed to acquire variances from zoning rules. Those who have the most to gain from the free exercise of rights to private property are the unemployed and the poor, those who can least afford the costs of regulation.

Examples occurred during the 1980s when Houston lost 250,000 jobs[26] during the "oil crash." As one Houston reporter recalls: "Because there were a handful of neighborhoods where there were no significant barriers to home businesses, the bust became an opportunity instead of a devastation. Time and time again I saw the unemployed become entrepreneurs."[27] Time and time again in Houston's Hispanic neighborhoods entrepreneurs also emerge from homes.

Affordable housing near retail services, home businesses unhindered by excessive regulation—these are the blessings, not cancers, of a city in which the people determine the use of their property.

If anything, the presence of zoning, not the lack of it, can be cancerous to an old neighborhood. Real estate economist Jack Harris explains that "zoning causes problems in transitional neighborhoods. Although the market may indicate the need for change in land use, zoning attempts to prohibit change."[28] Harris is saying that the market is smarter than bureaucrats and politicians. Unfettered by the realities of the marketplace, they may attempt to "improve" or "preserve" a neighborhood by zoning out most businesses and apartments, as if declining communities can be economically revived just by legislating non-existent demand for single-family homes.

A free market in land use does not guarantee neighborhood revitalization. But letting people decide what to do with their property can assist the recycling of land, especially when commercial or multi-family construction may capture the only viability a neighborhood has.

In the end, zoning restrictions only inspire their circumvention. A speculator will purchase tightly zoned properties for their artificially deflated price and then turn a hefty profit by negotiating with the proper officials for a less restrictive classification.[29] Such a scheme favors those with political clout. At least without zoning, larger benefits go to the original property owners, who can sell their land at its actual market price. Either way, market forces prevail. Zoning just slows them down and makes them costlier.

But zoning makes intolerance less costly. Some pro-zoners demanded the separation of houses from low-income apartments. "These ramshackle complexes contain hundreds of people of minimal educational and economic attainment, with value systems completely foreign to the majority of homeowners,"[30] complained the vice president of the Committee to Zone the City in August of 1990. In other words, it is not just the wrong kind of land uses that are "incompatible" with homes but the wrong kind of people as well. Such efforts to exclude the poor cannot prevail where the property rights of landlords and developers are secure.

Zoning makes business activities and housing more expensive, but the greater cost of zoning is moral. In essence, zoning grants a cadre of public officials and favored private citizens the free exercise of state power to force their designs on the use of someone else's property. This process trivializes the individual's basic right to self-determination. By voting down zoning, Houstonians have strengthened their claim to that right. ▯

Notes

1. "Is Your Neighborhood Next?", political advertisement, Citizens for Zoning.
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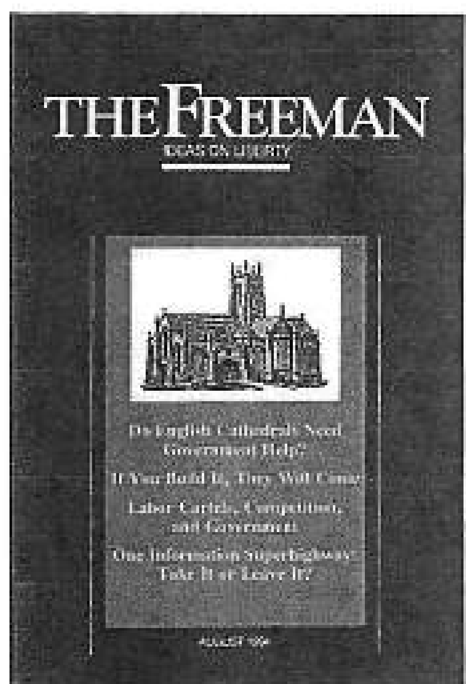

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MAY 30, 2012 by ARTHUR FOULKES

MARCH 28, 2012 by SAMUEL R. STALEY

AUGUST 24, 2011 by RICHARD W. FULMER

MARCH 24, 2010 by PAUL A. CLEVELAND, ART CARDEN

MARCH 24, 2010 by JAMES A. DORN

MAY 21, 2009 by STEVEN GREENHUT

NOVEMBER 01, 2008 by STEVEN GREENHUT

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eResources

Zoning laws

Biking and hiking, but no parking

Are Oregon's strict planning rules stifling growth?

Jul 27th 2013 | PORTLAND | From the print edition

THE city of Vancouver, Washington lies just across the Columbia river from Portland, Oregon. Since 1990 Portland's population has grown by 38%, while Vancouver's has nearly quadrupled. To critics, that is proof that Oregon's strict land-use laws are crimping the city and the state's growth. To supporters, it is a sign that the planning regime is working as intended, preventing sprawl and preserving Portland's pristine surroundings—on Oregon's side of the river, at any rate.

No one disputes that Oregon's land-use law, in force for 40 years, is among the strictest in the country. The governor who pushed for its adoption insisted that the state's "quality of life" was at risk from "sagebrush subdivision, coastal condo-mania and the ravenous rampage of suburbia". To hold these horrors in check, and bolster Oregon's two main industries at the time (forestry and farming), he pushed for every inch of the state to be zoned, with cities corralled within "urban growth boundaries". A new house can be built outside these areas only for the use of a farmer, his relatives or employees, only on a tract of at least 80 acres which has produced at least $40,000 a year in agricultural income in recent years, and only if there is no alternative structure on the same land that could be used for the same purpose. Inside the growth boundaries, meanwhile, planners urge ever denser construction and discourage cars.

Jim Rue, the head of the agency that oversees these rules, says that they have been a success. Since Oregon's planning regime came into force, he points out, the state has lost just 1% of its farmland, while Washington has seen almost 10% disappear. Had sprawl not been kept in

check, he adds, Oregon's booming wine industry would not exist, since houses and vines would otherwise compete for the same south-facing hillsides. Martha Bennett, who runs Metro, the agency that supervises planning for Portland and its hinterland, sees other intangible benefits. Locals prize easy access to hiking, berry-picking and beaches; that is the yin to the yang of Portland's crowded streets, she says. Both the walkable neighbourhoods and the unspoilt surroundings, she believes, help to attract young, bright migrants to the city.

Planning officials do not deny that the rules they oversee probably impede economic growth on the margins. Nonetheless, property prices, Mr Rue notes, remain lower than in the other big cities in the region, such as Seattle and San Francisco; by the same token, employment is growing faster in Portland than in the rest of Oregon despite its especially severe regulations. Tom Hughes, the head of the elected council that presides over Metro, likens Oregon's economy to its strawberries: they are slower growing than Californian ones, he says, but also more flavourful.

Zoning bureaucrats also admit that Oregonians often chafe against their edicts. When Metro allowed developers to build apartment buildings without any parking in districts near railway stations, Ms Bennett recalls, existing residents "went bananas" at the prospect that parking spaces on the street might get harder to find. Last year a group calling itself the Clackistani Allied Forces, which opposes plans to bring more development to Clackamas County, on Portland's south-eastern fringes, asked the local council to disavow Metro's talk of "smart growth" and urban renewal "or face the dire consequences at the hands of the mainstream voters".

The problem, Mr Rue contends, is that voters "are completely schizophrenic". They say they dislike sprawl, yet they abhor efforts to pack more people into their neighbourhoods or prise them from their cars. Although they have backed the planning regime in several referendums, they have also balked at light-rail schemes intended to underpin it and approved a more generous compensation scheme for landowners hurt by zoning. Others say that Oregon's single-party rule (the state has not had a Republican governor since 1987) has prevented a proper debate.

Randal O'Toole of the Cato Institute, a free-market think-tank, says Oregonians are shooting themselves in the feet. By his calculation, housing costs nearly twice as much relative to local incomes in the states with the strictest planning regimes compared with those with the most permissive. Thus a city like Houston, which has very little land-use regulation, is expanding by 120,000 people a year as migrants rush to live in its big, cheap houses. Portland, by contrast, is deterring migrants and thus subduing economic growth.

NIMBYs make the world less equal

An increasing amount of academic evidence backs up that claim. In a paper published in 2007, Raven Saks, an economist at the Federal Reserve, found that much demand for labour went unmet in cities with strict planning rules. Last year two academics at Harvard University, Peter Ganong and Daniel Shoag, found not only that land-use restrictions were impeding migration to wealthier parts of the country, but that those impediments accounted for roughly a tenth of the increase in inequality in wages since 1980.

Yet Oregon's planning tsars insist they are not trying to prevent growth, only ensure that it can continue indefinitely. Mr Rue, for one, says it is not outlandish to imagine that Oregon will receive a wave of "climate refugees" from places like Texas in the future. If so, he says, they will have to learn to live in greater proximity.

From the print edition: United States

Milwaukee may create zoning rule to block school choice

July 18, 2012

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JASON

By Steve Gunn
EAGnews.org

MILWAUKEE – The opponents of school choice are working overtime to keep new charter and private schools from opening in Milwaukee.

Their goal is to trap K-12 students (and the state money attached to them) trapped in traditional public schools, whether their needs are met or not.

The latest example comes from the Milwaukee Zoning, Neighborhoods and Development Committee, which has recommended a new ordinance that would require large amounts of play space to be set aside at any new school in the city.

Given the lack of available real estate in the city, it would be difficult for any new school to meet the requirements of the new ordinance, according to Terry Brown, vice president of School Choice Wisconsin. For example, St. Marcus Lutheran School, an outstanding parochial school in Milwaukee, would not have been able to complete a recent expansion if the ordinance had been in place, he said.

And that's exactly what the public school establishment has in mind.

Several new charter schools have already gained the necessary approval to open in Milwaukee over the next few years. Meanwhile, the city's school voucher program continues to attract students to outstanding private and parochial schools.

Officials at Milwaukee Public Schools don't care for the competition, because the district loses money every time a student leaves for a private or charter school. The Milwaukee Teachers Education Association has also taken a stance against charter and private schools, because they typically don't hire union teachers.

The city's education establishment is suspected of encouraging the formation of a group called "Women Committed to an Informed Community." Members of the group have been lobbying various city committees and departments to prevent more charter and private schools from coming to town, according to Brown.

Somehow the group's influence reached the Zoning, Neighborhoods and Development Committee, which debated and recommended the "play area" policy on very short notice.

The Milwaukee Common Council is expected to vote on the proposed ordinance this month, according to Brown.

"In a time when students in Milwaukee perform significantly below their peers academically, the committee chose to require new schools to direct dollars to playgrounds, not classrooms," said Jim Bender, president of School Choice Wisconsin. "The goal of this policy is to restrict education reform in Milwaukee, not improve education."

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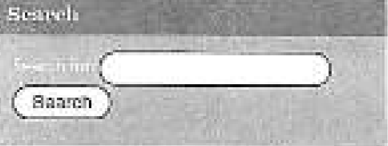

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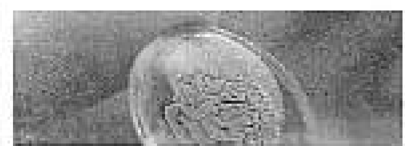

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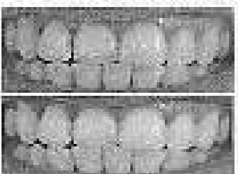
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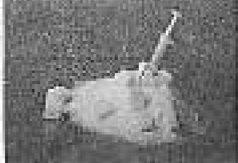
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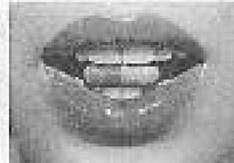
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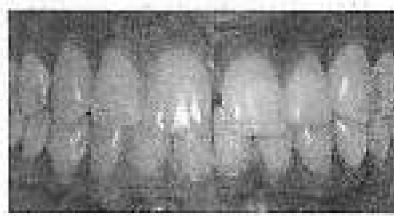
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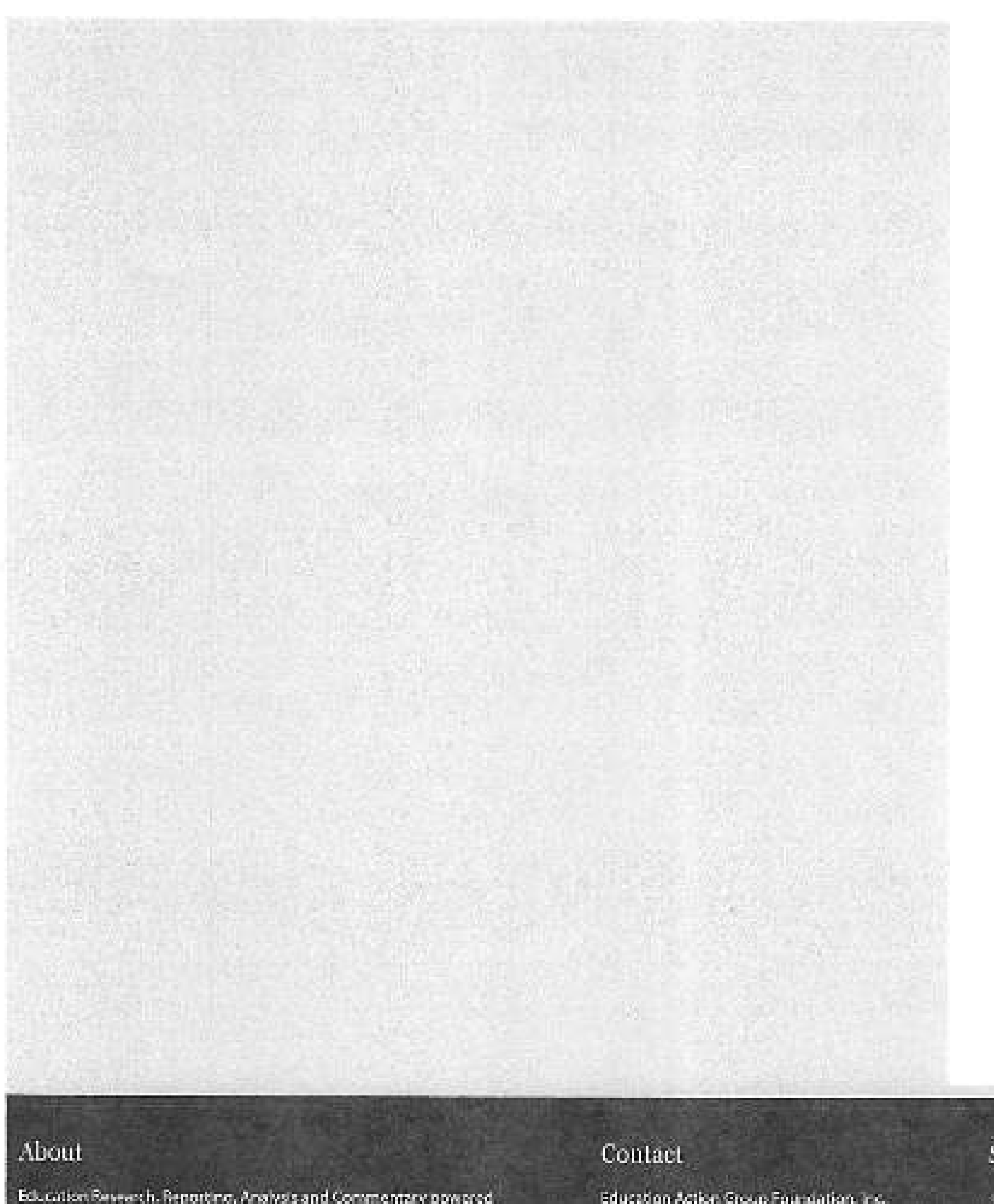

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Social Channels

In the nation's tightest housing markets, land-use regulation contributes heavily to high housing costs.

Zoning's Steep Price

By Edward Glaeser
Harvard University
and Joseph Gyourko
University of Pennsylvania

A chorus of voices appears to proclaim unanimously that America is in the midst of an affordable housing crisis. In his introduction to a Housing and Urban Development report in March of 2000, then-secretary Andrew Cuomo asserted the existence of such a crisis, and he repeatedly cited it to justify aggressive requests for funding. Numerous advocacy groups share Cuomo's view; in the words of the Housing Assistance Council, "The federal government should commit to a comprehensive strategy for combating the housing affordability crisis in rural America." Home-construction trade associations agree; the National Association of Home Builders asserts, "America is facing a silent housing affordability crisis." Adds the National Association of Realtors, "There is a continuing, growing crisis in housing affordability and homeownership that is gripping our nation." (See "The Fall and Rise of Public Housing," Summer 2002.)

Does the United States really face a housing affordability crisis? Are home prices high throughout the country, or are there just a few places where they have become extreme? In those places that are expensive, why are house prices so high? Is subsidized construction a sensible approach to solving the crisis, or would other reforms be more effective?

HOUSING PRICES IN THE UNITED STATES

The R.S. Means Company monitors construction costs per square foot of living area in numerous American and Canadian cities. Their data on construction costs include material costs, labor costs, and equipment costs for four different qualities of single-unit residences — economy, average, custom, and luxury. No land costs are included in their data.

Table 1 shows the distribution of housing values relative to construction costs (according to Means) for the nation as a whole and for the four main census regions. The table indicates that at least half of the nation's housing is less than 40 percent more expensive than economy-grade home construction costs, or no more than 20 percent more expensive than average-grade home construction costs. It also indicates that a large share of the nation's housing has its price roughly determined by the physical costs of new construction, as most of the housing value is within 40 percent of the physical construction costs of modest-quality homes. That said, the regional breakdowns reported in Table 1 emphasize that much land in western cities looks to be relatively expensive.

The data for housing prices for several major urban and suburban areas in 1989 and 1999 appear in Tables 2 and 3. As the tables show, there are many areas with extremely cheap housing. Some central cities such as Philadelphia and Detroit have especially large fractions of housing priced at less than 90 percent of the structure cost, as shown in Table 2.

More recent data from the 2000 Census reports that the self-reported median home value is $120,000. Sixty-three percent of single-family detached homes in America are valued at less than $150,000. Seventy-eight percent of those homes are val-

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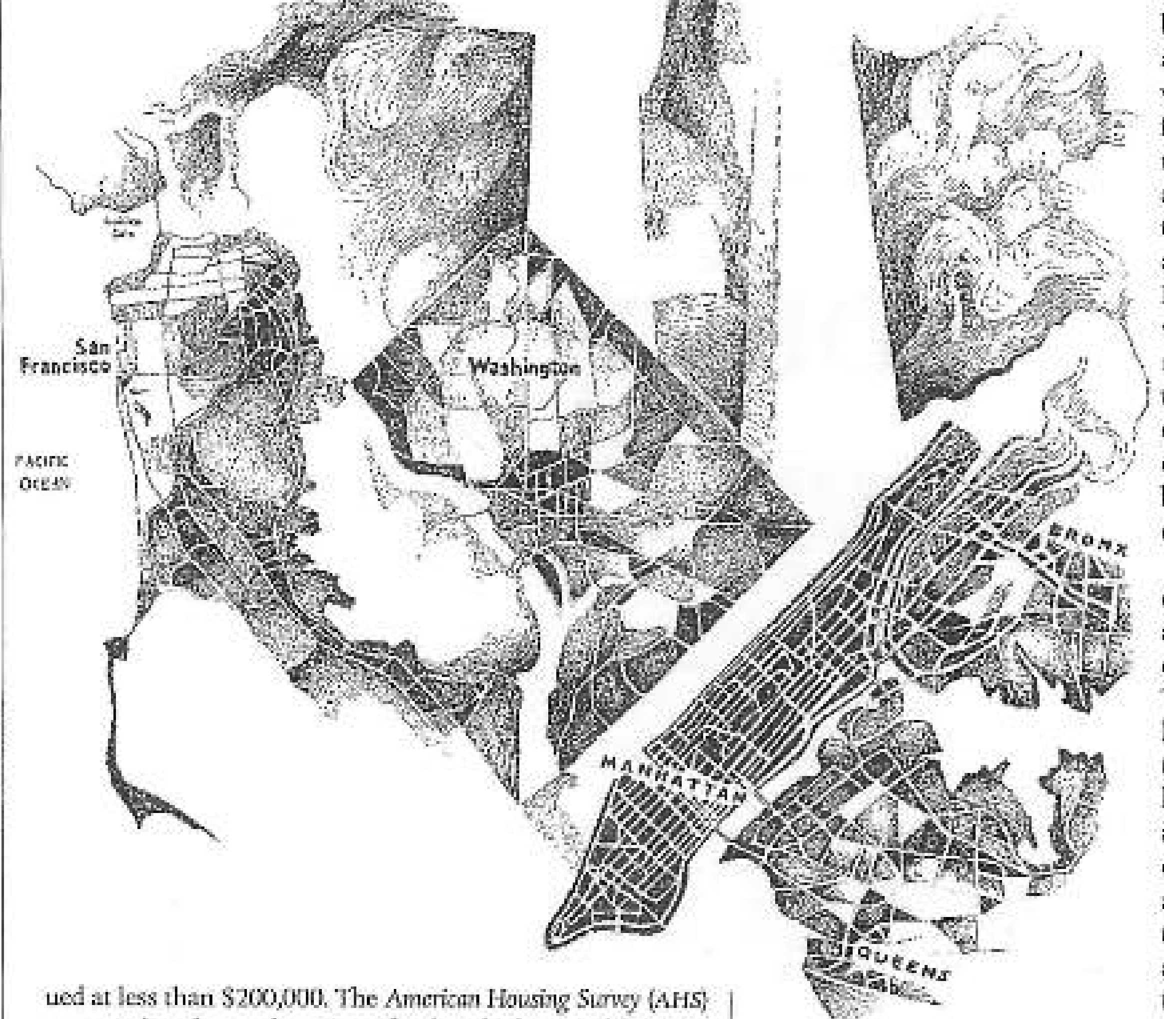
This article is based on Glaeser and Gyourko's paper "The Impact of Building Restrictions on Housing Affordability," which was written for the Federal Reserve Bank of New York's February 2002 conference "Policies to Promote Housing Affordability."



MORGAN BALLARD

ued at less than $200,000. The *American Housing Survey* (*AHS*) reports that the median size of a detached, owned home is 1,704 square feet. Using the construction costs of an average-grade home, the data imply that the median-size home should cost about $127,500 to build, while an economy-grade home should cost about $102,000 to construct.

The data provide us with the first important lesson from housing markets. The majority of homes in this country are priced — even in the midst of a supposed housing affordability crisis — at close to construction costs. The value of land generally seems modest — probably 20 percent or less of the value of the house. To us, that means that America as a whole may have a poverty crisis, but its housing prices basically reflect the cost of new construction. Unless state intervention can miraculously produce houses at far less than normal construction costs, such programs are unlikely to reduce radically the distribution of housing costs in America.

Horror stories But if average housing costs in the United States are so low, what about the horror stories? What about the teardowns going for millions in Palo Alto? What about the multi-million-dollar apartments in Manhattan?

Our calculations suggest that America can be divided into three broad areas. First, there are a number of places where housing is priced far below the cost of new construction. Those areas primarily are central cities in the Northeast and the Midwest, such as Detroit and Philadelphia, where there is almost no new growth. In general, those places had significant housing price appreciation over the 1990s, but values are still below construction costs.

In large areas of the country, housing costs are quite close to the cost of new construction. Those places generally have robust growth on the edges of cities where land is quite cheap. The areas represent the bulk of American housing, according to data contained in the *AHS* — although they do seem to be somewhat underrepresented in the *AHS*.

Finally, there is a third category of cities and suburbs where the price of homes is much higher than the cost of new construction. Manhattan and Palo Alto are two of those places. Indeed, many such places are in California, but the 1990s saw an increase in the number of those areas in the Northeast and South. While there are a number of areas with extremely

TABLE 1

Housing Across the Nation

House price distribution, 1989 and 1999

	1989		1999	
	Units valued less than 90% of construction costs	Units valued greater than 140% of construction costs	Units valued less than 90% of construction costs	Units valued greater than 140% of construction costs
Nation	17%	46%	17%	50%
Northeast	12%	58%	37%	34%
South	11%	50%	13%	46%
Midwest	41%	14%	30%	27%
West	5%	69%	4%	77%

Source: Authors' calculations, derived from central city data contained in the *American Housing Survey* and construction costs from the R.S. Means Company.

TABLE 2

Housing in the Cities

House price distribution for major U.S. cities, 1989 and 1999

City	1989		1999	
	Units valued less than 90% of construction costs	Units valued greater than 140% of construction costs	Units valued less than 90% of construction costs	Units valued greater than 140% of construction costs
Albuquerque, N.M.	2%	82%	3%	83%
Anaheim, Calif.	0%	100%	0%	93%
Austin, Tex.	0%	46%	6%	71%
Baltimore, Md.	18%	41%	30%	27%
Chicago, Ill.	20%	28%	16%	44%
Columbus, Ohio	33%	18%	12%	29%
Dallas, Tex.	6%	56%	13%	47%
Denver, Colo.	4%	60%	8%	86%
Detroit, Mich.	85%	5%	54%	20%
El Paso, Tex.	5%	34%	2%	28%
Fort Worth, Tex.	12%	40%	26%	29%
Greensboro, N.C.	13%	59%	0%	69%
Houston, Tex.	25%	40%	25%	27%
Indianapolis, Ind.	25%	22%	24%	22%
Jacksonville, Fla.	8%	55%	11%	43%
Kansas City, Mo.	33%	9%	40%	12%
Las Vegas, Nev.	0%	29%	3%	45%
Little Rock, Ark.	9%	36%	8%	40%
Los Angeles, Calif.	2%	93%	4%	89%
Milwaukee, Wis.	32%	10%	27%	22%
Minneapolis, Minn.	22%	21%	20%	30%
Nashville-Davidson, Tenn.	2%	69%	5%	56%
New Orleans, La.	2%	49%	3%	57%
New York, N.Y.	4%	81%	11%	56%
Norfolk, Va.	1%	87%	2%	66%
Oklahoma City, Okla.	13%	30%	16%	41%
Omaha, Neb.	21%	15%	30%	21%
Philadelphia, Pa.	10%	52%	60%	16%
Phoenix, Ariz.	2%	69%	5%	65%
Raleigh, N.C.	6%	81%	2%	81%
Sacramento, Calif.	0%	55%	3%	72%
San Antonio, Tex.	12%	48%	30%	26%
San Diego, Calif.	7%	88%	3%	93%
San Francisco, Calif.	0%	97%	4%	96%
Seattle, Wash.	6%	49%	2%	86%
Tampa, Fla.	9%	43%	13%	49%
Toledo, Ohio	27%	16%	40%	23%
Tucson, Ariz.	6%	43%	4%	61%
Tulsa, Okla.	7%	36%	8%	38%
Wichita, Kans.	18%	21%	13%	48%

Source: Authors' calculations, derived from central city data contained in the *American Housing Survey* and construction costs from the R.S. Means Company.

expensive homes, they do not represent the norm for America. However, both poor and non-poor people suffer from higher housing costs in such areas.

ZONING AND THE DEMAND FOR LAND

Why are home prices in those areas so high? The traditional answer is that land in those areas is intrinsically expensive. According to that view, there is a great deal of demand and land, by its very nature, is limited in supply. As such, the price of housing must rise.

There is another alternative, namely that homes are expensive in high-cost areas primarily because of government regulation in the form of zoning and other restrictions on building. According to this view, housing is expensive because of artificial limits on construction created by the regulation of new housing.

There is no doubt that property values are relatively high in the coastal parts of the country, at least partially because of strong demand to live in those high-amenity areas. However, our examination of the data suggests that there is plenty of land in high-cost areas, and new construction might be able to push the cost of houses down to near the cost of construction. However, the barriers to building create a potentially massive wedge between housing prices and building costs.

The gap between total housing costs and the price of structure is a combination of land costs and what we call the "zoning tax." The zoning tax is meant to include all of the impact of government regulation on the cost of construction housing. In principle, the gap between structure costs and total housing costs measures the combination of the zoning tax and the land costs. However, we can use several measures to determine the significance of the zoning tax.

Land-value testing If the driving force for the wedge between construction costs and housing costs is intense demand for land in high-cost areas, then houses with bigger lots should be much more expensive than similar houses on smaller lots. If you double the lot size, you should double the gap between the structure cost and the housing price. But, if zoning also is driving the wedge, then the gap should be wider (and more constant for homes on various-size lots). That is, the lot's ability to accommodate a house in accordance with land-use regulations produces the lot's value. That implication is the best test of the importance of the zoning tax.

Empirically, we can test that implication by

looking at two different ways of valuing land. First, we would compare the price of comparable homes situated on lots of different sizes to see if the prices of the larger lots are proportional to the smaller lots. That hedonic methodology can be thought of as giving the "intensive value" of land — that is, how much land is worth on the margin to homeowners. Once we have determined that value, we would then determine the "extensive" value for the land by subtracting the construction cost from the home value and dividing by the number of acres. That would give us another per-acre value of land that is implied in the home price. The second methodology shows us how much it is worth to have a plot of land with a house on it.

In a free market, land should be valued the same using either methodology. After all, if a homeowner does not value his land very much, he would subdivide and sell it to someone else. But under regulation, the differences between the two values can be quite large because the homeowner is not allowed to subdivide.

The test To determine the intensive value, we estimated both linear and logarithmic regressions of housing prices as a function of lot size and a number of control factors, including the number of bedrooms; the number of bathrooms; the number of other rooms; the inclusion of such features as a fireplace, garage, basement, or air conditioner; whether the home was located in a central city; and the home's age. Using data from the 1999 AHS, we estimated regressions separately for 26 metropolitan areas, each of which had at least 100 observations, so that our estimate of the value of land would be reasonably precise. Our results are shown in the first two columns of Table 4

In general, the estimates suggest that land is relatively cheap. In places where the point estimate is reasonably precise, land prices tend to be between $1 and $2 per square foot. In those areas, that implies that an average homeowner would be willing to pay between $11,000 and $22,000 for an extra quarter-acre of land. The estimates are higher in some cities, primarily in California. For example, in San Francisco it appears that homeowners are willing to pay almost $80,000 for an extra quarter-acre of land.

We determined the extensive values by computing the difference between home prices and structure costs. Subtracting structure costs from reported home values and then dividing by the amount of land generated an estimate of the value of land including the implicit tax on new construction. The average values for each metro-

TABLE 3

Housing in the Suburbs

House price distribution for major U.S. suburban areas, 1989 and 1999

	1989		1999	
City	Units valued less than 90% of construction costs	Units valued greater than 140% of construction costs	Units valued less than 90% of construction costs	Units valued greater than 140% of construction costs
Albany, N.Y.	6%	63%	0%	40%
Anaheim, Calif.	25%	96%	3%	96%
Atlanta, Ga.	3%	67%	6%	58%
Baltimore, Md.	5%	66%	1%	61%
Birmingham, Ala.	10%	56%	12%	53%
Boston, Mass.	1%	87%	2%	86%
Chicago, Ill.	6%	67%	5%	74%
Cincinnati, Ohio	10%	29%	10%	47%
Cleveland, Ohio	15%	23%	5%	58%
Columbus, Ohio	12%	47%	3%	61%
Dallas, Tex.	3%	58%	6%	52%
Detroit, Mich.	24%	26%	8%	58%
Fort Lauderdale, Fla.	0%	76%	0%	85%
Fort Worth, Tex.	9%	59%	9%	49%
Houston, Tex.	23%	24%	8%	31%
Kansas City, Mo.	15%	22%	5%	39%
Los Angeles, Calif.	4%	91%	4%	89%
Miami, Fla.	5%	72%	0%	73%
Milwaukee, Wis.	5%	39%	8%	53%
Minneapolis, Minn.	8%	29%	5%	43%
New Orleans, La.	10%	53%	6%	61%
New York, N.Y.	3%	85%	9%	78%
Newark, N.J.	1%	96%	1%	72%
Orlando, Fla.	3%	70%	4%	61%
Oxnard, Calif.	0%	100%	4%	93%
Philadelphia, Pa.	3%	78%	11%	47%
Phoenix, Ariz.	2%	65%	0%	76%
Pittsburgh, Pa.	23%	19%	25%	21%
Riverside, Calif.	5%	87%	2%	76%
Rochester, N.Y.	1%	63%	9%	28%
Sacramento, Calif.	3%	83%	5%	72%
Salt Lake City, Utah	10%	22%	2%	86%
San Diego, Calif.	4%	92%	5%	88%
San Francisco, Calif.	1%	98%	2%	97%
Seattle, Wash.	2%	72%	1%	90%
St. Louis, Mo.	11%	34%	21%	34%
Tampa, Fla.	3%	57%	5%	66%

Source: Authors' calculations, derived from central city data contained in the *American Housing Survey* and construction costs from the R.S. Means Company.

TABLE 4

At What Price, Zoning?

Land price on the extensive and intensive margins

City	Hedonic price of land/ft linear specification	Hedonic price of land/ft log-log specification	Imputed land cost from Means data (extensive margin)	Mean house price
Anaheim, Calif.	$2.89 (1.54)	$3.55 (1.34)	$38.99	$312,312
Atlanta, Ga.	$0.23 (0.50)	-$0.30 (-0.70)	$3.20	$150,027
Baltimore, Md.	$1.15 (2.53)	$5.21 (2.31)	$4.43	$152,813
Boston, Mass.	$0.07 (0.10)	$0.55 (0.67)	$13.16	$250,897
Chicago, Ill.	$0.79 (2.43)	$0.80 (1.96)	$14.57	$184,249
Cincinnati, Ohio	$0.89 (1.92)	$0.50 (1.14)	$2.71	$114,083
Cleveland, Ohio	$0.26 (0.95)	$0.24 (0.81)	$4.13	$128,127
Dallas, Tex.	-$0.83 (-1.14)	$0.21 (0.27)	$5.42	$117,805
Detroit, Mich.	$0.14 (0.92)	$0.45 (2.31)	$5.10	$138,217
Houston, Tex.	$1.43 (2.61)	$1.62 (2.66)	$4.37	$108,463
Kansas City, Mo.	$2.06 (2.75)	$1.65 (2.11)	$1.92	$112,700
Los Angeles, Calif.	$2.19 (4.63)	$2.60 (3.53)	$30.44	$254,221
Miami, Fla.	$0.37 (0.45)	$0.18 (0.24)	$10.87	$153,041
Milwaukee, Wis.	$1.44 (3.08)	$0.95 (1.90)	$3.04	$130,451
Minneapolis, Minn.	$0.29 (0.93)	$0.35 (1.09)	$8.81	$149,267
New York, N.Y.	$0.84 (1.09)	$1.62 (1.60)	$32.33	$252,743
Newark, Del.	$0.42 (0.62)	$0.10 (0.11)	$17.70	$231,312
Philadelphia, Pa.	$1.07 (6.41)	$0.77 (5.28)	$3.20	$163,615
Phoenix, Ariz.	$1.89 (3.88)	$1.86 (3.26)	$6.86	$143,296
Pittsburgh, Pa.	$2.28 (6.26)	$1.71 (4.55)	$3.08	$106,747
Riverside, Calif.	$1.35 (3.55)	$1.60 (2.95)	$7.92	$149,819
San Diego, Calif.	$0.58 (0.97)	$1.29 (1.33)	$26.12	$245,764
San Francisco, Calif.	$0.97 (0.76)(	$7.84 2.42)	$63.72	$461,209
Seattle, Wash.	-$0.68 (-0.69)	$0.48 (0.06)	$18.91	$262,676
St. Louis, Mo.	$0.63 (1.91)	$0.07 (1.55)	$1.74	$110,335
Tampa, Fla.	$0.19 (0.36)	$0.89 (1.30)	$6.32	$101,593

T-statistics in parentheses

politan area are in the third column of Table 4.

Comparing the first two columns with the third column illustrates the vast differences in our estimates of the intensive and extensive prices of land. In many cases, our extensive estimates are about 10 times larger than the intensive prices. For example, in Chicago our imputed price of land per square foot from the extensive margin methodology is $14.57. That means that a home on a quarter-acre plot in Chicago costs over $140,000 more than construction costs. In San Diego, a quarter-acre plot is implicitly priced at nearly $285,000. The analogous figure is even higher in New York City at just over $350,000. And in San Francisco, the plot apparently is worth just under $700,000.

Empirically, we found that the hedonic estimates produce land values that often are about one-tenth of the values calculated with the extensive methodology. We believe that the dramatic difference between the two sets of estimates is our best evidence for the critical role that zoning plays in creating high housing costs. The findings suggest that, for an average lot, only 10 percent of the value of the land comes from an intrinsically high land price as measured by hedonic prices.

Lot-size testing If the price of land, and not the zoning tax, is driving the high housing costs in "extreme" areas, then people should consume less land and houses would be built on small lots (holding incomes constant). However, prices inflated from a high zoning tax would not push people onto small lots; instead, the land-use restrictions would force homebuyers to purchase larger yards than they may otherwise desire. As such, if the zoning tax is driving high housing prices, we should not expect to see much of a correlation between land costs and lot sizes.

We can test that implication empirically by looking at crowding in high-cost areas. If high-cost areas have high population densities, then we have reason to believe that demand for land is what is driving the high housing prices. If, however, the high-price areas do not have abnormally high population densities, then we have reason to believe that regulation is driving the high prices.

The test To test that implication, we correlated land density within a central city with our various measures of housing prices within the city. We used as our land area measure the logarithm of the city's land area divided by the number of households. (Use of population per

square mile yields similar results.) Obviously, density is higher the lower the value of this variable.

Table 5 shows the results from a series of regressions exploring the relationship of our density measure with the index of expensive homes and land in our sample of cities. In the first regression, we use our measure of the share of houses that cost at least 40 percent more than construction costs as the independent variable. In that case, the relationship is negative so that a higher concentration of expensive homes is associated with greater density. However, the coefficient is not much larger than its standard error, so the relationship is not statistically significant. The standard error was large because of the extraordinary amount of heterogeneity in the relationship between density and the distribution of house prices. For example, Detroit, Seattle, and Los Angeles have similar land densities per household, but radically different fractions of units sitting on expensive land. Analogously, New York City and San Diego have similarly high fractions of expensive land but very different residential densities.

In the second regression, we controlled for median income in each city in 1990 to allow for the possibility that richer people live in expensive areas and demand more land. However, there still is no strong relationship between density and the fraction of expensive land and homes. Density is slightly higher in more expensive areas on average, but the relationship is tenuous even when controlling for income.

In the third regression, the median house price in 1990 was used as the independent variable. There is a statistically significant negative relationship between density and price in that case, with the elasticity being -0.56. However, the large heterogeneity described in the first regression is also found there.

For the fourth, fifth, and sixth regressions, we took the zoning-tax model more seriously and used an amenity to look at the impact of housing costs and land consumption. We focused on a particularly well-studied amenity — average January temperature. In the fourth regression, we see that there is a strong positive relationship between the fraction of expensive homes and land, and average January temperature. That relationship is necessary for the variable to qualify as an amenity. In the fifth regression, we regressed the logarithm of land area per household on January temperature. In that case, the relationship is much less strong; the t-statistic is 1.6. Taken together, the results show that warmer January temperature may raise housing prices, but there is no strong evidence that it increases densities — at least, not by very much. Indirectly, that suggests that the warmer temperatures are not raising the marginal cost of land by much.

For the sixth regression, we regressed the logarithm of land area per household on the distribution of housing prices using average January temperature as an instrument. January temperature is meant to represent the exogenous variation in amenities that causes prices to rise. Not only is there no statistically meaningful connection between prices and land consumption, but the instrumental variables results also imply that higher prices are associated with lower, not higher, densities. One possibility is that incomes are higher in the areas and that richer people are demanding more land. Consequently, we redid the analysis adding median family income as a control, but the results were largely unchanged. That is, there is no statistically significant relation between instrumented prices and density, and the point estimate still is slightly positive (albeit small). While we acknowledge that the sample is small and there could be other omitted factors, the results suggest to us that higher prices have more to do with zoning than a higher marginal cost of land.

As a final test, we regressed our two measures of land costs from Table 4 with average January temperature. We only have 26 observations, but the results are still quite illuminating. A standard deviation increase of 14.7 degrees in mean January temperature is associated with a $5.02 higher construction cost-based price of land. The same increase in warmth is associated with only a 47¢ higher hedonic-based price of land. Once again, amenities seem to have more of an effect on the implicit zoning tax than on the marginal cost of land.

TABLE 5

Demand for Land

Density and the distribution of house prices in U.S. cities, 1990

	Dep. var: log land area per HH	Dep. var: log land area per HH	Dep. var: log land area per HH	Dep. var: % units valued at ≥ 140% of CC	Dep. var: log land area per HH	(2SLS: Jan. temp. as instrument) Dep. var: log land area per HH
% Units valued at ≥ 140% of CC	-0.51 (0.451)	-0.57 (0.507)				1.177 (0.880)
Log median family income, 1989		0.266 (0.895)				
Median house price, 1990			-0.565 (0.225)			
Mean January temperature				0.013 (0.003)	0.015 (0.009)	
Intercept	-7.050 (0.245)	-9.784 (9.191)	-0.959 (2.536)	-0.021 (0.113)	-7.882 (0.387)	-17.254 (8.678)
$\bar{R}^2$	0.01	-0.02	0.12	0.34	0.04	
Number of obs.	40	40	40	40	40	40

Notes: HH = household; CC = construction costs. Standard errors in parentheses. Density is defined as the log of the ratio of square miles of land in the city divided by the number of households. See the text for the details.

Regulation and prices The third implication of the zoning tax view suggests that the amount of zoning should be correlated with land prices, but not lot size. As such, our third approach is to correlate measures of regulation with the value of housing prices. That approach is somewhat problematic because high values of land may themselves create regulation. Nonetheless, we find a robust connection between high prices and regulation. Almost all of the very high cost areas are extremely regulated even though they have fairly reasonable density levels. Again, we interpret that as evidence for the importance of regulation.

The test As a measure of zoning, we used data from the *Wharton Land Use Control Survey*, which is a 1989 collection of information on land-use restrictions from jurisdictions in 60 metropolitan areas. We specifically looked at the zoning information for the 45 metropolitan areas covered in the AHS.

The variable we focus on here is a survey measure of the average length of time between an application for rezoning and the issuance of a building permit for a modest-size, single-family subdivision of less than 50 units. The measure can take on values ranging from one to five with a value of one indicating the permit issuance lag is less than three months, a value of two indicating the time frame is between three and six months, a value of three indicating a lag of seven months to a year, a value of four meaning the lag is between one and two years, and a five signaling a very long lag of over two years.

The correlation of the permit length variable with the fraction of housing stock priced more than 40 percent above the cost of new construction is fairly high at 0.43. The mean fraction of high-cost housing among the cities with permit waiting times of at least six months is 0.75. Difficult zoning seems to be ubiquitous in high cost areas.

Table 6 reports some regression results using that variable.

TABLE 6

The Effects of Zoning

Zoning regulations and the distribution of house prices

	Dep. variable: % units valued at ≥ 140% of CC	Dep. variable: % units valued at ≥ 140% of CC	Dep. variable: Implied zoning tax
Time to permit issuance for rezoning request	0.150 (0.051)	0.112 (0.044)	6.796 (3.048)
Log median family income, 1989		0.260 (0.255)	
% Pop. growth, 1980-1990		1.080 (0.411)	
Intercept	0.111 (0.120)	-2.512 (2.634)	-3.527 (7.732)
$\bar{R}^2$	0.16	0.40	0.15
N	40	40	22

Notes: CC = construction costs. The independent zoning variable is a categorical measure of time lag between application for rezoning and issuance of building permit for development of a modest-sized single-family subdivision. See the text for details.

In the first column, we regressed our housing cost measure (again using the share of the city's housing stock priced more than 40 percent above the cost of new construction) on the time required to get a permit issued for a rezoning request. We see a strong positive relationship so that when the index increases by one, 15 percent more of the housing stock becomes quite expensive. That positive relationship also survives controlling for population growth during the 1980s and median income, as shown in the second column.

In the final column of Table 6, we returned to our implied zoning tax calculated using the data in Table 4. Specifically, we subtracted the cost of land estimated in the non-linear hedonic equation (i.e., the second column of Table 4) from the cost of land implied by subtracting structure cost from total home value (i.e., the third column of Table 4). We then regressed that variable on our zoning measure. As the results show, the implied zoning tax is strongly increasing in the length of time it takes to get a permit issued for a subdivision. Increasing a single category in terms of permit issuance lag is associated with an increase of nearly $7 per square foot in the implicit zoning tax. If the dependent variable is logged, the results imply that a one-unit increase in the index is associated with a 0.50-log point increase in the implicit zoning tax.

CONCLUSION

America is not facing a nationwide affordable-housing crisis. In most areas of the country, home prices appear to be fairly close to the physical costs of construction. In some areas of the country, home prices are even far below the physical costs of construction. Only in particular areas, especially New York City and California, do housing prices diverge substantially from the costs of new construction.

Those areas where houses are expensive are not generally characterized by substantially higher marginal costs of land as estimated by a hedonic model. The hedonic results imply that the cost of a house on 10,000 square feet usually is pretty close in value to a house on 15,000 square feet. In addition, the high prices often are not associated with extremely high densities. For example, there is as much land per household in San Diego (a high price area) as there is in Cleveland (a low price area).

The bulk of the evidence that we have marshaled suggests that zoning and other land-use controls are more responsible for high prices where we see them. There is a huge gap between the price of land implied by the difference between home prices and construction costs and the price of land implied by the price differences between homes on 10,000 square feet and homes on 15,000 square feet. Measures of zoning strictness are highly correlated with high prices. While all of our evidence is suggestive, not definitive, it seems to suggest that land-use regulation is responsible for high housing costs where they exist.

If policy advocates are interested in reducing housing costs, they would do well to start with zoning reform. Building small numbers of subsidized housing units is likely to have a trivial impact on average housing prices (given any reasonable demand elasticity), even if well-targeted toward deserving poor households. However, reducing the implied zoning tax on new construction could well have a massive impact on housing prices. R

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How Urban Planners Caused the Housing Bubble

by Randal O'Toole

Executive Summary

Everyone agrees that the recent financial crisis started with the deflation of the housing bubble. But what caused the bubble? Answering this question is important both for identifying the best short-term policies and for fixing the credit crisis, as well as for developing long-term policies aimed at preventing another crisis in the future.

Some people blame the Federal Reserve for keeping interest rates low; some blame the Community Reinvestment Act for encouraging lenders to offer loans to marginal homebuyers; others blame Wall Street for failing to properly assess the risks of subprime mortgages. But all of these explanations apply equally nationwide, while a close look reveals that only some communities suffered from housing bubbles.

Between 2000 and the bubble's peak, inflation-adjusted housing prices in California and Florida more than doubled, and since the peak they have fallen by 20 to 30 percent. In contrast, housing prices in Georgia and Texas grew by only about 20 to 25 percent, and they haven't significantly declined.

In other words, California and Florida housing bubbled, but Georgia and Texas housing did not. This is hardly because people don't want to live in Georgia and Texas: since 2000, Atlanta, Dallas-Ft. Worth, and Houston have been the nation's fastest-growing urban areas, each growing by more than 120,000 people per year.

This suggests that local factors, not national policies, were a necessary condition for the housing bubbles where they took place. The most important factor that distinguishes states like California and Florida from states like Georgia and Texas is the amount of regulation imposed on landowners and developers, and in particular a regulatory system known as *growth management*.

In short, restrictive growth management was a necessary condition for the housing bubble. States that use some form of growth management should repeal laws that mandate or allow such planning, and other states and urban areas should avoid passing such laws or implementing such plans; otherwise, the next housing bubble could be even more devastating than this one.

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As late as the fourth quarter of 2008, home prices remained stable in many parts of the country.

Misconceptions about the Housing Bubble

In 2005, both Alan Greenspan and Ben Bernanke argued that there was "no housing bubble" and that people need not fear that such a bubble would burst. Greenspan admitted there was "froth" in local housing markets but no national bubble. Bernanke argued that growing housing prices "largely reflected strong economic fundamentals" such as growth in jobs, incomes, and new household formation.[1]

How could they have gone so wrong? "Bubble deniers point to average prices for the country as a whole, which look worrisome but not totally crazy," Princeton economist Paul Krugman wrote in a 2005 newspaper column. "When it comes to housing, however, the United States is really two countries, Flatland and the Zoned Zone." Flatland, he said, had little land-use regulation and no bubble, while the Zoned Zone was heavily regulated and was "prone to housing bubbles."[2]

Krugman's choice of terms is unfortunate because most of "Flatland" is in fact zoned. What makes the Zoned Zone different is not zoning but *growth-management planning*, a broad term that includes such policies as urban-growth boundaries, greenbelts, annual limits on the number of building permits that can be issued, and a variety of other practices.

Growth control, which limits a city's growth to a specific annual rate, is a form of growth-management planning that was popular in the 1970s. *Smart growth*, which discourages rural development and encourages higher-density development of already developed areas, is another form that is more popular today. No matter what the form, by interfering with markets for land and housing, growth-management planning almost inevitably drives up housing prices and is closely associated with housing bubbles.

Harvard professor Harvey Mansfield criticizes economists for failing to foresee the housing bubble.[3] But, in fact, many economists did see the bubble as it was growing and predicted that its collapse would lead to severe hardships.

For example, as early as 2003 *The Economist* observed, "The stock-market bubble has been replaced by a property-price bubble," and pointed out that "sooner or later it will burst."[4] By 2005, it estimated that housing had become "the biggest bubble in history." Because of the effects of the bubble on consumer spending, *The Economist* warned, the inevitable deflation would lead to serious problems. "The whole world economy is at risk," the newspaper pointed out,[5] adding, "It is not going to be pretty."[6] Although *The Economist* did not predict the complete collapse of credit markets, it was correct that the bubble's deflation was not pretty.

After home-price deflation led to the credit crisis, it became "conventional wisdom that Alan Greenspan's Federal Reserve was responsible for the housing crisis," notes Hoover Institution economist David Henderson in a column in the *Wall Street Journal*.[7] Although Henderson disagreed with this view, several other economists writing in the same issue agree that by boosting demand for housing, the Federal Reserve Bank's low interest rates caused the housing bubble. "The Fed owns this crisis," charges Judy Shelton, the author of *Money Meltdown*.[8]

Other people blame the crisis on the Community Reinvestment Act and other federal efforts to extend homeownership to low-income families.[9] Those policies, along with unscrupulous lenders, fraudulent homebuyers, and greedy homebuilders—all of whom have also been blamed for the housing crisis—have two things in common. First, they focus on changes in the demand for housing. Second, they are all nationwide phenomena.

National changes in demand should have had about the same effect on home prices in Houston as in Los Angeles. But they did not. As this paper will show, just as prices rose much more dramatically in Krugman's Zoned Zone than in Flatland, prices later fell steeply in most of the Zoned Zone but—except for states where home prices declined because of the collapse of the auto industry—prices hardly fell at all in Flatland. As late as the fourth quarter of 2008, home prices remained stable in many non-bubbling parts of the country. This suggests that the real source of the bub-

ble was limits on supply that exist in some parts of the country but not in others.

In response to the crisis, some have suggested that the federal government should buy surplus homes and tear them down or rent them to low-income families. This misreads the crisis, which is not due to a surplus of homes but to an artificial shortage created by land-use regulation. This shortage pushed up home prices to unsustainable levels, but that doesn't mean that there is no demand for housing at more reasonable prices.

Related to this are increased claims that this crisis signals the last hurrah for suburban single-family homes. "The American suburb as we know it is dying," proclaims *Time* magazine.[10] The *Atlantic Monthly* frets that suburbs will become "the next slums." Both articles quote a demographic study that claims that "by 2025 there will be a surplus of 22 million large-lot homes (on one-sixth of an acre or more) in the U.S."[11] Ironically, articles such as these promote an intensification of the kind of land-use regulation that created the housing bubbles.

A Theory of the Housing Bubble

Bubbles have characterized recent economic history, as institutional and other major investors have sought high-return, low-risk investments. These investments have turned into speculative manias that eventually come crashing down. The last decade alone has seen the telecom bubble, the nearly simultaneous dot-com bubble, the housing bubble, and most recently, the oil bubble—all of which led the satirical newspaper, *The Onion*, to report, "Nation Demands New Bubble to Invest In."[12]

Of these, the housing bubble is the most significant. On one hand, consumer spending fed by people borrowing against the temporarily increased equity in their homes kept the world economy going after the high-tech and telecom bubbles burst in 2001. On the other hand, the eventual deflation of the housing bubble caused far more severe economic problems than the deflation of the telecom and high-tech bubbles would have caused if the housing bubble had not disguised them.

A *bubble* has been defined as "trade in high volumes at prices that are considerably at variance with intrinsic values."[13] Bubbles are essentially irrational, so they are difficult to describe with a rational economic model. However, the preliminaries to the housing bubble can be explained using simple supply-and-demand curves.

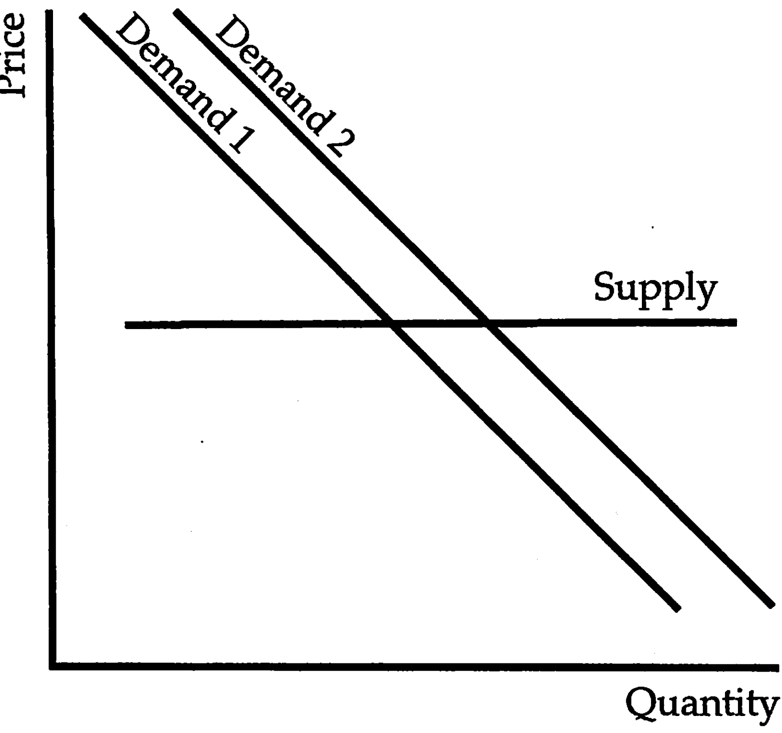
Charles Kindleberger's classic book *Manias, Panics, and Crashes* describes six stages of a typical bubble. First, a *displacement* or outside shock to the economy leads to a change in the value of some good. Second, new *credit instruments* are developed to allow investors to take advantage of that change. This leads to the third stage, a period of *euphoria*, in which investors come to believe that prices will never fall. This often results in a period of *fraud*, the fourth stage, in which increasing numbers of people try to take advantage of apparently ever-rising prices. Soon, however, prices do fall, and, in the fifth stage, the market *crashes*. In the sixth and final stage, government officials try to impose new regulation to prevent such bubbles from taking place in the future.[14] All of these stages are apparent in the recent housing bubble. The key point of this paper is that because growth controls did not allow heightened demand for housing to dissipate through new supply, the result was an immense price bubble in states housing nearly half of the nation's population.

Housing markets include both new and used housing. New housing accommodates population growth and replaces both worn-out older housing and housing in areas that are being converted to other uses. The price of used housing is set by the cost of new housing. If the price of new housing rises, sellers of existing homes will respond by adjusting their asking prices. Thus, to understand the price of housing, we must focus on the supply and demand curves for new housing.

The steepness of those curves—which economists call *elasticity*—describes the sensitivity of prices to changes in demand or supply. A flat or elastic supply curve, for example,

Claims that the suburbs are dying are made to support the policies that created the housing bubbles in the first place.

Figure 1
Elastic Housing Supply



Note: When supply is perfectly elastic, changes in demand have no influence on price.

The 2000 census found that urban areas housing 79 percent of the nation's people occupy less than 2.5 percent of the nation's land.

means that large changes in demand will lead to only small changes in price. But a steep or inelastic curve means small changes in demand can lead to large changes in price.

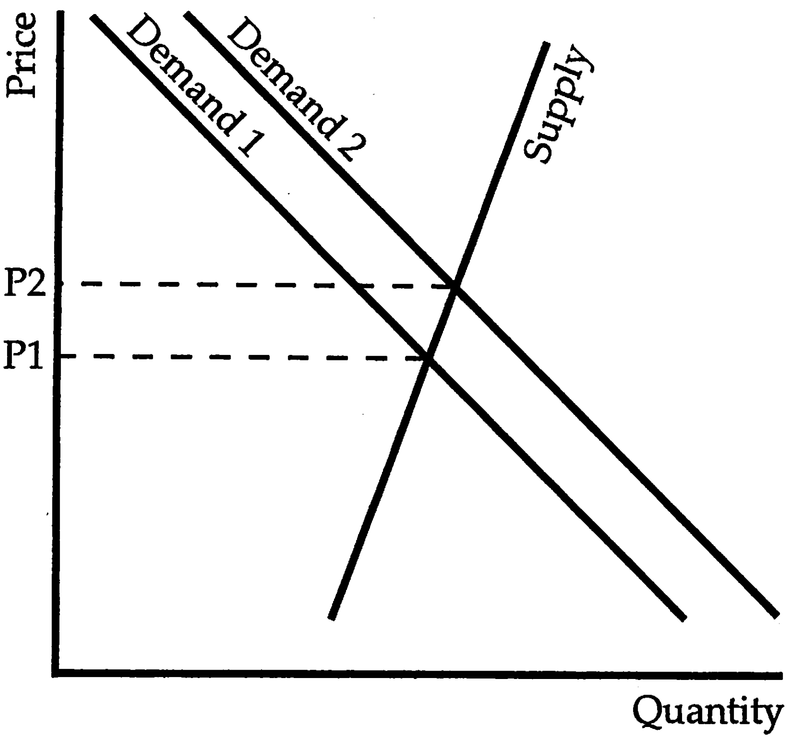
The demand for housing is inelastic: few Americans are willing to live without a home.[15] The vast majority of Americans, moreover, prefer a single-family home with a yard.[16] The same is true for Canadians and, likely, the people of most other nations.[17] While people are willing to live in multifamily housing, most see such housing as only temporary until they can afford a single-family home. This suggests that the demand for single-family housing may be even more inelastic than for housing in general. Inelastic demand curves mean that a small change in the supply of new homes can lead to large changes in price.

While demand for housing is inelastic, supply can be either elastic or inelastic. The main determinants of the cost of new housing are land, materials, labor, and the time required to construct a house. Although realtors love to remind people that the supply of land is fixed, it is actually fixed at an extremely abundant level.

The 2000 census found that U.S. urban areas of more than 2,500 people house 79 percent of the population, yet they occupy less than 2.5 percent of the nation's land.[18] This means that, with rare exceptions, the value of land for housing at the urban fringe is influenced mainly by its value for other purposes, such as farming. Given that farmland is also abundant—the U.S. has nearly 800 million acres of private agricultural land, but farmers grow crops on less than 400 million of those acres—those alternate values tend to be low.[19]

Land can also be valuable for its proximity to certain activities such as jobs, schools, retail, and amenities such as parks. But the automo-

Figure 2
Inelastic Housing Supply



Note: When both supply and demand are inelastic, small changes in either result in large changes in price.

bile has greatly reduced the relative importance of such "agglomerative economies." Jobs, housing, retail, and other activities are distributed through modern urban areas in a fine-grained pattern. For example, downtowns typically have only about 10 percent of the jobs in their urban areas, and suburban and other job centers typically have only 20 to 30 percent of the jobs.[20] This means that 60 to 70 percent of the jobs are finely distributed throughout the area.

As a result, the *monocentric* view of a city, in which people pay a premium to locate near the downtown area and housing prices steadily decline with distance from downtown, is obsolete. Under this view, housing is expensive in some urban areas because people are not willing to live far from the center, and so they drive up housing prices to live closer. In fact, few or no U.S. urban areas look like this. Instead, housing prices vary more according to the quality of schools, proximity to parks or other amenities, and similar factors, meaning that there is no predictable rent gradient in any cross section of the region.

Thanks to low transportation costs, construction supplies cost about the same throughout the United States. Labor costs vary somewhat, but one of the reasons for such variation is the difference in housing costs.

The last key factor in housing prices is time—specifically, the actual time it takes to construct a home and the time it takes to get permits for construction. Thanks to assembly-line methods developed during and after World War II, homes can be built in a few months. However, permit times vary anywhere from zero (in a few Nevada counties that don't even require building permits) to many years, and—in the case of some large projects—decades.

Downtowns today typically have only about 10 percent of a region's jobs.

Houston's minimal government regulation allows homebuilders to provide for 125,000 new residents a year while keeping the price of a 2,200-square-foot home well under $200,000.

A Normal Housing Market

In a recent attempt to prop up sales, the National Association of Realtors produced a television ad claiming that "on average, home values nearly double every 10 years," which is a growth rate of about 7 percent per year.[21] This is true only when areas with restrictive land-use regulations are included in the average.

Prior to 1970, median home prices in the vast majority of the United States were 1.5 to 2.5 times median family incomes.[22] The main exception was Hawaii, which, not coincidentally, had passed the nation's first growth-management law in 1961.[23] Home-value to income ratios remain in that range today in most places that do not have growth-management planning. In other words, in the absence of government regulation, median housing prices average about two times median family incomes.

Without supply restrictions, housing prices grow only if median family incomes grow. Even then, most of the growth in median housing prices is due to people building larger or higher-quality homes, thus increasing the value of the median home. The actual value of any given home will not grow much faster than inflation.

In a normal housing market, then, home values keep up with inflation and median home values keep up with median family incomes. Markets become abnormal when there is some limit on the supply of new homes—and most such limits result from government regulation. The National Association of Realtors' claim may be correct when regulated housing markets are averaged with unregulated ones, but it is incorrect if it is applied to unregulated markets alone.

The Extremes: Houston vs. San Francisco

Houston is an example of a place where, with minimal government regulation, the supply curve for housing is almost perfectly elastic. Houston and surrounding areas have no zoning, so developers face minimal regulation when building on vacant land. Once built, most developers add deed restrictions to their properties in order to enhance their value for buyers who want assurance that the neighborhood will maintain a positive character. But these deed restrictions do not impede further growth, as there is plenty of land in the region without such restrictions.[24]

In the suburbs of Houston, developers often assemble parcels of 5,000 to 10,000 acres, subdivide them into lots for houses, apartments, shops, offices, schools, parks, and other uses, and then sell the lots to builders. The developers provide the roads, water, sewer, and other infrastructure using *municipal utility districts*, which allow homebuyers to repay their share of the costs over 30 years. At any given moment, hundreds of thousands of home sites might be available, allowing builders to quickly respond to changing demand by building both on speculation and for custom buyers.

Between 2000 and 2008, the Houston metropolitan area grew by nearly 125,000 people per year. This is 10 times faster than population growth in 85 percent of American metropolitan areas.[25] Yet brand-new homes are available in Houston-area developments for less than $120,000, and four-bedroom, two-and-a-half bath homes on a quarter-acre lot average under $160,000.[26] When supply is this elastic, the inelasticity of demand is irrelevant.

In contrast, land-use regulations steepen the supply curve, making supply as well as demand inelastic. While the exact nature of such regulations varies from state to state, typically they involve the use of urban-growth boundaries outside of which development is limited to homes on lots as large as 80 acres; a lengthy and uncertain permitting process; high impact fees; and frequent passage of new regulations that make subdivision and construction increasingly costly and difficult.

The eight counties in the San Francisco Bay Area, for example, have collectively drawn urban-growth boundaries that exclude 63 percent of the region from development. Regional and local park districts have purchased more

than half of the land inside the boundaries for open space purposes. Virtually all of the remaining 17 percent has been urbanized, making it nearly impossible for developers to assemble more than a few small parcels of land for new housing or other purposes.[27]

Urban-growth boundaries and greenbelts not only drive up the cost of new homes, they make each additional new housing unit more expensive than the last. In other words, they steepen the supply curve.

Once growth boundaries are in place, cities no longer need to fear that developers will simply build somewhere else. This gives the cities carte blanche to pass increasingly restrictive rules on new construction. In places like Houston, such rules would drive developers to unregulated land in the suburbs. In the San Francisco Bay Area, the nearest relatively (with emphasis on "relatively") unregulated land is in the Central Valley, 60 to 80 miles away.

An onerous permitting process can significantly delay developments both large and small. Scott Adams, the creator of the Dilbert comic strip, reports that it took him more than four years to gain approval to build one home in the San Francisco Bay Area.[28]

Approval of larger developments can take even longer and is highly uncertain. When San Jose drew its urban-growth boundary in 1974, it set aside a 7,000-acre area known as Coyote Valley as an "urban reserve" that supposedly would be brought into the boundary when needed. Nearly 30 years later, after inflation-adjusted housing prices had more than quadrupled, the city finally offered developers an opportunity to propose a plan for building in Coyote Valley. After spending $17 million and five years on planning, however, developers announced in 2008 that they were giving up because there was "simply too much uncertainty surrounding the plan and the market to continue as is." Developers doubted the city would have approved the plan, and even if approval were given, environmental groups were likely to delay development even further through legal challenges.[29]

A lengthy permitting process makes it impossible for developers and homebuilders to quickly respond to changes in demand. California developers responding to the increase in housing demand in 2000 were unlikely to have increased the amount of product they would have brought to market before the prices collapsed in 2006. Empty homes in states with growth-management planning are symptoms of planning delays, not of any actual housing surplus.

Legal challenges can add to both delays and uncertainties in home construction. Growth-management planners believe almost anyone should have the right to challenge development of private land on the grounds that property is really a "collective institution," says Eric Freyfogle in his book, *The Land We Share*. "When property rights trump conservation laws, they curtail the positive liberties of the majority."[30] In other words, if the majority of people decide that your land should be preserved as their "scenic viewshed," you can effectively lose the right to use it yourself.

In Oregon, for example, the courts grant standing to anyone trying to stop a development as long as they say they have some interest, however slight, in the property. In one case, a challenger was granted standing because she "pass[ed] by the property regularly" (it was on a major highway) and used nearby areas "for passive recreation, including the viewing of wildfowl."[31]

Oregon courts grant standing to anyone who wants to challenge a proposed development, even if their only interest in the property is for birdwatching.

These challenges have a major effect on the type of housing built in a region. Homeowners are more likely to object to new homes that cost less than their own homes, which are perceived as "bringing down the neighborhood." They also tend to oppose higher-density developments because of the potential effects on traffic and other issues. At lower densities, homes must cost more to cover the costs of land and permitting.

For example, a developer once proposed to build 2,200 homes on 685 acres in Oakland, California. After eight years, the developer finally received a permit to build 150 homes, each of which ended up selling for six times as much as the homes in the original plans.[32].

Regions that use growth management are also more likely to charge stiff developer fees to

When planners make housing unaffordable, their first response is to require developers to sell some of their homes to low-income families.

cover infrastructure costs. Whereas Houston developers allow homebuyers to pay off infrastructure costs over 30 years, impact fees or development charges require up-front payments often totaling tens of thousands of dollars. The difference is crucial for housing affordability: since development charges increase the cost of new housing, sellers of existing homes can get a windfall by raising the price of their houses by an amount equal to those charges, thus reducing the general level of housing affordability.

Increasing land and housing costs make other things more expensive as well. When housing is more expensive, for example, businesses must pay their employees more so that workers can afford to live in the region.

A 2002 study broke down the difference in the costs of a new home in San Jose, which has had an urban-growth boundary since 1974, and Dallas, which has zoning but whose suburbs remain, like Houston's, almost completely unregulated. Some of the key findings were as follows:

- The biggest difference was in land costs: A 7,000-square-foot lot in Dallas cost only $29,000, while a 2,400-square-foot lot in San Jose cost $232,000.
- San Jose's lengthy permitting process (and the high risk that a permit will never be issued) added $100,000 to the cost of a home in San Jose, while permitting cost less than $10,000 per home in Dallas.
- To help pay for roads, schools, and other services, San Jose charged impact fees of $29,000 per new residence, whereas Dallas charged only $5,000.
- Due mainly to high housing prices for workers, San Jose construction labor costs are higher: $143,000 for a three-bedroom house compared with $100,000 in Dallas.[33]

When planners make housing unaffordable, their first response is to impose "affordability mandates" on builders. Typically, such regulations require builders to sell 15 to 20 percent of their homes below cost to low-income buyers. Far from making housing more affordable, such mandates make it less affordable as builders build fewer homes and pass the costs on to the buyers of the other 80 to 85 percent of homes. This in turn raises the general price of housing in the region. One econometric analysis found that such affordability mandates increased housing prices by 20 percent.[34]

Land-use regulation can affect prices in other ways as well. A wide range of homebuilders compete for business in relatively unregulated markets, ranging from small companies that produce only a few homes each year, to medium-sized companies that produce a few hundred homes per year, to giant national companies that build thousands of homes in many different states. Excessive regulation tends to put the small companies out of business and discourage the national companies as well. The resulting loss of competition helps keep home prices high. Portland, Oregon's, "urban-growth boundary has really been our friend," says one mid-sized Portland homebuilder. "It has kept the major builders out of the market."[35]

Given that both demand and supply in regulated regions are inelastic, small changes in either one can result in large changes in price. If lower interest rates increase demand for housing, Houston-area homebuilders respond by building more homes; San Francisco-area builders respond by filing more applications, which may wait several years for approval. If government purchase of a large block of land for a park or open space restricts supply, Houston-area builders can simply go somewhere else nearby; in the San Francisco area, the nearest alternative building location is more than 50 miles away.

Notice that inelastic supply not only makes housing prices rapidly increase with small increases in demand; it also makes housing prices rapidly fall with small decreases in demand. This is exacerbated by lengthy permitting periods that can put homebuilders out of phase with the market. Thus, land-use restrictions create conditions ripe for housing bubbles.

Supply and demand charts only go so far in explaining bubbles. The recent bubble was probably exacerbated as much by money fleeing the post-dot-com bubble stock market than by loose credit. Investors looking for safe places to put their money quickly noted that housing prices were increasing at double-digit rates in California, Florida, and other places with growth management policies. At this point, home sales were driven by speculation as much as by the need for shelter.

For example, because of the dot-com crash, San Jose lost 17 percent of its jobs between 2001 and 2004. In the same period, office vacancy rates increased from 3 to 30 percent.[36] Yet, between the beginning of 2001 and the end of 2004, home prices increased by more than 20 percent.

This rise in prices in the face of declining demand can be attributed to speculation—that is, people buying homes as sources of income rather than for shelter. Even those who are buying for shelter will pay more for a house than its fundamental value (as measured by rents) if they believe, as the National Association of Realtors claims, that it is a safe investment. So the sharp rises in price caused by growth management turn into sharper rises caused by people seeing housing as an investment.

Houston and the San Francisco Bay Area are at the extremes of a continuum between almost no regulation and highly intrusive land-use regulation. Within that continuum, there appear to be five ways in which growth management can influence housing prices:

First, as of 2000, when housing prices were beginning to bubble, 12 states had passed growth-management or smart-growth laws, including Arizona, California, Connecticut, Florida, Hawaii, Maryland, New Jersey, Oregon, Rhode Island, Tennessee, Vermont, and Washington.[37] Those laws generally require all municipalities to write and follow growth-management plans. In a few cases, the plans are written by the state itself.

Second, most New England states have largely abandoned the county level of government. This effectively gives cities growth-management authority over the countryside around them.

Third, Nevada is a unique case where nearly all of the land in the state is owned by the federal government. The rapid growth of Las Vegas and Reno have been enabled by federal land sales, but concerns over environmental issues slowed such sales after 2000 and led to rising prices. Moreover, under the Southern Nevada Public Land Management Act of 1998, most of the revenue from land sales in Clark County (Las Vegas) is dedicated to buying open space and other amenities.[38] Since then, nearly half the revenues from land sales have been used to buy parklands, effectively requiring developers to buy two acres from the federal government to net one more acre of developable land.[39] In effect, Nevada growth management is regulated at the federal level.

Fourth, some counties or urban areas implemented growth-management plans without state mandates. Prominent examples include Denver-Boulder; Minneapolis-St. Paul; Missoula, Montana; and Charleston, South Carolina. This can produce local bubbles that are sometimes obscured when examining data at the state level.

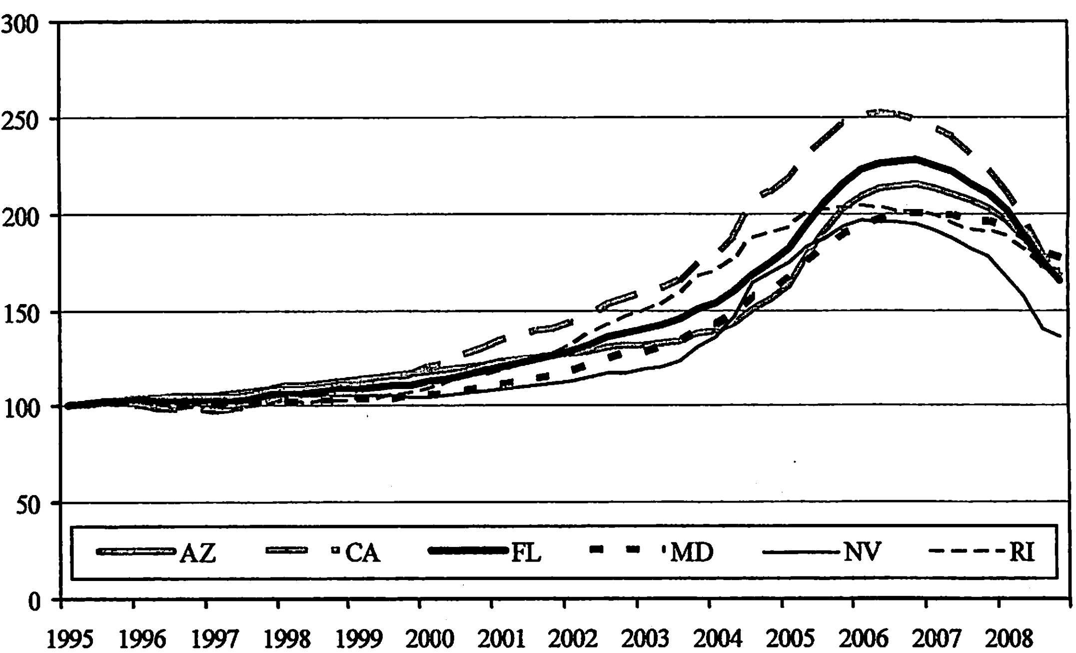
Fifth, and finally, some major urban areas may not have coordinated growth-management plans, yet they are hemmed in by state or local areas that do have such plans. Washington, DC, has no growth-management plan, but Maryland has a statewide growth-management law and selected counties in northern Virginia have also begun to practice growth management. New York has no state growth-management law, and prices in upstate New York did not bubble. But New York City prices bubbled, partly because it is hemmed in by Connecticut and New Jersey. Table 1 shows which form of growth management, if any, affects housing in each state.

State Housing Bubbles

A careful examination of home price data for the 50 states and 384 metropolitan areas reveals strong correlations between growth-

A 1998 federal law dedicates half the revenues from federal land sales in southern Nevada to land preservation, so developers have to buy two acres to net one developable acre.

Figure 3
State Housing Bubbles



Source: Federal Housing Finance Agency, fourth quarter 2008 data for individual states, tinyurl.com/cb72o7.
Note: Price indices for the states with the biggest housing bubbles, with home prices in the first quarter of 1995 set to 100.

management planning and housing bubbles. The home price indices used in this and other figures are published by the Federal Housing Finance Agency (formerly the Office of Federal Housing Enterprise Oversight) and are based on the Case-Schiller method of comparing changes in prices of same-home sales over time.[40]

On a state level, the biggest housing bubbles were in six states. Five of the states–Arizona, California, Florida, Maryland, and Rhode Island–have growth-management laws, while the sixth state, Nevada (Figure 3), does not.[41] In all of these states, inflation-adjusted prices rose by 80 to 125 percent after 2000 and dropped by 10 to 30 percent after their peak.[42] Even though several of these states are located at opposite corners of the country, the price indices are very similar.

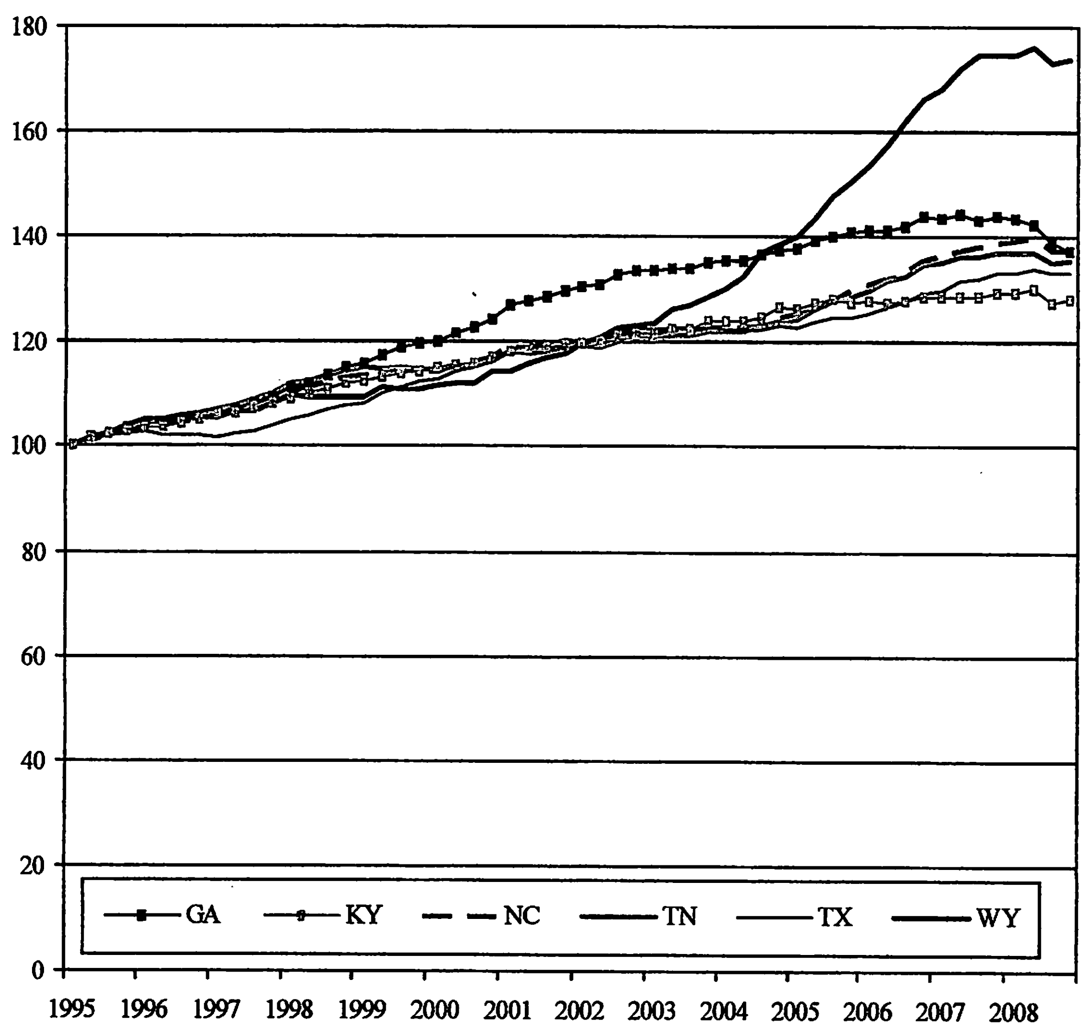
Prices in all but one of the other states with growth-management laws, including the New England states, also increased by 50 to 100 percent after 2000 and have declined since 2006, in most cases by 5 to 15 percent. The exception is Tennessee, whose price trends are nearly identical to those in Georgia and Texas (Figure 4). Tennessee housing did not bubble because its law was passed in 1998 and the urban-growth boundaries drawn by the cities were so large that they did not immediately constrain homebuilders.

In contrast, Figure 4 shows housing prices in Tennessee and several fast-growing states with no growth-management laws. Notice that the price indices appear very similar to one another but are very different from those in Figure 3.

Wyoming stands out as a state in which prices grew rapidly after 2004 and have not significantly declined. This is because the state's economy is closely tied to fossil fuel extraction, and home prices began to grow rapidly when oil prices rose in 2004. Apparently, newcomers didn't trust oil prices to remain high for long enough to justify building new homes. Cyclical housing prices are

Housing prices bubbled in 16 states, virtually all of which have some form of growth management.

Figure 4
States without Bubbles



Source: Federal Housing Finance Agency, fourth quarter 2008 data for individual states, tinyurl.com/ cb72o7.
Note: Price indices for states with no bubbles. Wyoming prices were boosted after 2004 because of increased oil prices. The short-term nature of such oil booms prevented newcomers from building new homes.

typical of energy-related boom-bust economies, and it is just a coincidence that this boom vaguely paralleled housing bubbles elsewhere.

Altogether, housing prices bubbled in 16 states, meaning inflation-adjusted prices grew by at least 45 percent after the beginning of 2000 and then fell by at least 5 percent after peaking (see Table 1). These 16 states housed 45 percent of the population in 2008.[43] Virtually all of these states have some form of growth management, though in some cases, such as Minnesota, it is practiced only by major urban areas in the state.

Housing prices did not bubble—meaning that prices grew by less than 45 percent after 2000—in 29 states housing nearly 54 percent of the nation. Other than Tennessee, none of these states have statewide growth management, but a few, such as Colorado and Wisconsin, contain urban areas that have written growth-management plans. The only no-

Prices did not bubble in 29 states, only one of which has a state growth-management law.

Table 1
State Housing Bubbles and Land-Use Regulation

State	Price Gain	Price Decline	Bubble?	Regulation
Dist. of Columbia	145.8%	-9.3%	Yes	HI
California	124.3%	-31.2%	Yes	GM
Florida	107.7%	-27.4%	Yes	GM
Hawaii	96.2%	-8.5%	Yes	GM
Rhode Island	96.0%	-16.1%	Yes	GM
Maryland	93.8%	-11.6%	Yes	GM
Arizona	87.1%	-21.6%	Yes	GM
Nevada	86.7%	-30.8%	Yes	FL
New Jersey	83.7%	-10.0%	Yes	GM
Virginia	77.7%	-8.4%	Yes	UA
New York	72.1%	-7.7%	Yes	HI
New Hampshire	70.8%	-11.4%	Yes	NE
Massachusetts	70.5%	-14.1%	Yes	NE
Delaware	64.8%	-7.3%	Yes	HI
Vermont	61.9%	-2.5%	Ambiguous	GM
Maine	60.9%	-4.4%	Ambiguous	GM
Washington	59.2%	-5.7%	Yes	GM
Wyoming	58.4%	-1.3%	Ambiguous	NG
Connecticut	58.2%	-8.6%	Yes	NE
Oregon	55.5%	-6.7%	Yes	GM
Montana	54.4%	-1.7%	Ambiguous	UA
Minnesota	49.3%	-10.2%	Yes	UA
Idaho	45.5%	-3.8%	Ambiguous	UA
Pennsylvania	44.1%	-3.0%	No	UA
New Mexico	39.0%	-3.9%	No	UA
Alaska	38.6%	-3.6%	No	NG
Illinois	35.1%	-5.8%	No	UA
Utah	32.9%	-5.0%	No	UA
North Dakota	30.6%	0.0%	No	NG
Louisiana	30.5%	-1.8%	No	NG
Wisconsin	27.0%	-3.8%	No	UA
Colorado	26.1%	-3.3%	No	UA
South Carolina	25.9%	-2.0%	No	NG
South Dakota	24.8%	0.0%	No	NG
Missouri	24.6%	-3.1%	No	NG
Georgia	22.7%	-4.8%	No	NG
West Virginia	22.1%	-3.2%	No	NG
North Carolina	22.1%	-1.4%	No	NG
Alabama	21.8%	-0.8%	No	NG
Texas	21.5%	-0.4%	No	NG
Arkansas	20.4%	-2.3%	No	NG
Oklahoma	20.3%	-1.8%	No	NG.
Mississippi	20.2%	-2.0%	No	NG
Tennessee	19.4%	-1.3%	No	GM

Table 1 ***Continued***

State	Price Gain	Price Decline	Bubble?	Regulation
Michigan	15.7%	-19.4%	No	NG
Kansas	15.4%	-2.2%	No	NG
Kentucky	14.6%	-1.3%	No	NG
Iowa	13.2%	-1.7%	No	NG
Nebraska	9.7%	-4.4%	No	NG
Ohio	9.0%	-9.4%	No	NG
Indiana	6.5%	-4.8%	No	NG

Notes: States are listed in descending order of price gain, that is, the increase in home prices from the first quarter of 2000 to the peak; price decline is the decrease in prices from the peak to the second quarter of 2008. States that gained less than 75 percent are classified "no"; the remaining states are "ambiguous." Regulatory status is: FL=state dominated by federal land; GM=mandatory state growth-management law; HI=urban areas hemmed in by other states with growth management; NE=New England (weak county governments); NG=no growth management; UA=selected urban areas practice growth management (including Denver and Boulder, CO; Boise, ID; Chicago, IL; Minneapolis–St. Paul, MN; Missoula and Whitefish, MT; Albuquerque and Santa Fe, NM; Philadelphia, PA; Charleston, SC; Salt Lake City, UT; northern Virginia; and Madison and Milwaukee, WI).

bubble states with significant price declines are Michigan and Ohio, and those declines are due to contractions in manufacturing, not a housing bubble.

The remaining five states, whose prices rose by more than 45 percent but shrank by less than 5 percent, are ambiguous. These states house less than 2 percent of the population and include one with a growth-management law (Vermont), one with no growth management (Wyoming), and three with controls in a few urban areas (Idaho, Maine, and Montana).[44]

There is a strong correlation between foreclosure rates and growth-management-induced housing bubbles. As of January 2009, one out of every 173 homes in California was in foreclosure. The rate in Arizona was 1 in 182; Florida was 1 in 214; Nevada was 1 in 76; and Oregon was 1 in 357—all of which are worse than Michigan (1 in 400), despite the latter having the nation's highest unemployment rate. By comparison, barely 1 in 1,000 Texas homes was in foreclosure. The rate in Georgia was 1 in 400, North Carolina was 1 in 1,700, and Kentucky was 1 in 2,800. The correlation is not perfect, but the hardest-hit states all have some form of growth-management planning.[45]

Metropolitan Area Housing Bubbles

Figure 5 shows home price trends in the San Francisco Bay area and the Merced, Modesto, and Stockton metropolitan areas in central California. The latter areas enjoyed some of the biggest price increases after 2000 and suffered the largest price declines since the top of the housing bubble.[46]

In 1963, the California legislature passed a law effectively (though unintentionally) authorizing cities and counties to do growth-management planning.[47] The counties in the San Francisco Bay Area used this law to impose urban-growth boundaries in the mid 1970s. This made Bay Area housing some of the most expensive in the nation, and by the 1990s, increasing numbers of Bay Area workers were buying homes in relatively affordable central California, some 50 to 80 miles away.

Central California counties were less prone to adopt strict growth-management plans. But in 2000, the California legislature amended the law to mandate growth-management planning by all cities and counties. This new mandate, combined with the overflow from the Bay Area, caused central

There is a strong correlation between foreclosure rates and growth-management-induced housing bubbles.

Figure 5
Central California and Bay Area Housing Bubbles

Source: Federal Housing Finance Agency, fourth quarter 2008 data for metropolitan statistical areas, tinyurl.com/dkr3gg.
Note: Price indices for Merced, Modesto, and Stockton.

Between 2000 and 2008, the Atlanta, Dallas-Ft. Worth, and Houston metro populations each grew by more than 125,000 per year without experiencing housing bubbles.

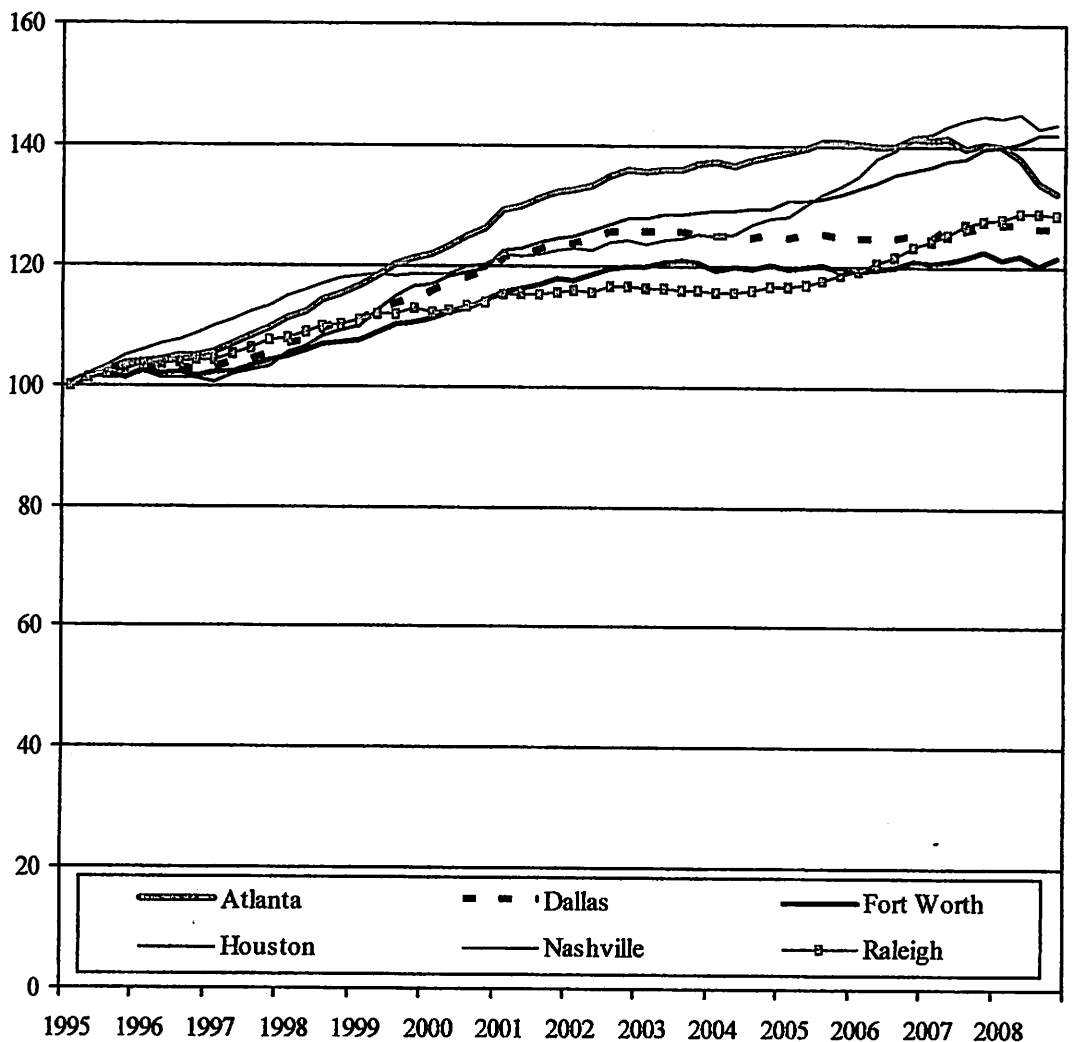
California home prices to bubble with special vigor, with prices rising during the boom and falling during the bust by more, on a percentage basis, than anywhere else in the country.

Although prices certainly bubbled in the San Francisco Bay Area, the bubble was not as severe. This illustrates a "first-in, last-out" phenomenon: since housing in the Central Valley, with its 80-mile-one-way commutes to jobs in San Francisco and San Jose, was less desirable to begin with, it experienced greater price declines than in the cities where the best jobs were located.

In contrast, Figure 6 tracks housing prices in the Atlanta, Dallas, Ft. Worth, Houston, Nashville, and Raleigh metropolitan areas. Although a very slight increase in price growth can be discerned in late 1997, prices did not significantly bubble upwards, nor has there been a significant decline in prices in recent years (although Atlanta prices fell by 0.7 percent in the second quarter of 2008).

The lack of a housing bubble in those metro areas is not because they are unpopular places to live. In fact, between 2000 and 2008, the Atlanta, Dallas-Ft. Worth, and Houston metro area populations each grew

Figure 6
Metropolitan Areas with No Bubbles



Source: Federal Housing Finance Agency, fourth quarter 2008 data for metropolitan statistical areas, tinyurl.com/dkr3gg.
Note: Price indices for Atlanta, Dallas, Ft. Worth, and Houston.

by more than 120,000 people per year. Along with Nashville and Raleigh, these regions are all growing faster than 2 percent per year. By comparison, the San Francisco Bay area (the combined Oakland, San Francisco, and San Jose metro areas) grew by less than 20,000 people (0.4 percent) per year and central California (the combined Merced, Modesto, and Stockton metro areas) grew by less than 30,000 people (1.9 percent) per year.[48]

Atlanta, Dallas–Ft. Worth, and Houston were just as influenced by low interest rates, predatory lenders, and other changes in the credit market as Merced, Modesto, and Stockton. It may be that changing credit rules are responsible for the slight increase in the growth of housing prices after 1997. The trend lines in Figures 4 and 6 are likely what would have happened all over the country were it not for governmental restraints on new home construction.

Almost all other housing bubbles were in urban areas hemmed in by states with growth-management laws. New York State has no

The trend lines in Figures 4 and 6 are likely what would have happened throughout the country were it not for government restraints on new home construction.

French economist Vincent Benard says that land-use regulations "appeared to be, by far, the main factor explaining" the housing bubble in France.

such law, and most of its urban areas did not experience bubbles. But New York City and its immediate suburbs (Poughkeepsie, Nassau-Suffolk) did, as their expansion is partly controlled by Connecticut and New Jersey. Similarly, Washington, DC, is bordered by Maryland, which has a state growth-management law, and Virginia, whose northern counties have imposed large-lot zoning to prevent urban expansion into rural areas.

Bubbles—prices growing more than 45 percent and then declining more than 5 percent—took place in 115, or 30 percent, of the nation's 384 metro areas. Those areas house 46 percent of the metropolitan population.[49] All but a handful of these were in states that were subject to some form of growth management. The few that were not, such as Myrtle Beach, South Carolina, and Wilmington, North Carolina, may have had some local growth-management programs.[50]

No-bubble metro areas numbered 245 and include 50 percent of metro area residents. Only a handful of these, such as Salem and Corvallis, Oregon, and Longview, Washington, were in states that had some form of growth management. Most regions that saw prices decline by more than 10 percent are in Michigan, and this is due to the auto industries' troubles, not to a housing bubble.

The remaining 24 urban areas are in the ambiguous category and include a mixture of areas with and without growth management. Prices in growth-managed Charleston, South Carolina, and Missoula, Montana, for example, increased more than 50 percent but only declined by a little more than 4 percent. Larger declines are likely in those areas before the market bottoms out. On the other hand, prices in unregulated Casper, Wyoming, and Midland, Texas, grew by around 70 percent and have hardly declined. Those cities' economies are based on fossil fuel production, which stepped up after 2004 with the increase in oil prices.

In short, there is a very close correlation between regions with growth-management planning and regions that have seen a major housing bubble. Without growth management, prices in a few parts of the country, such as Casper and Midland, would have grown because of local factors; and prices in other parts, such as Michigan, would have declined because of local factors.

In most of the country, however, prices without growth management would have looked like those in Figures 4 or 6. There might have been some subprime mortgage defaults—particularly in Michigan—but there would have been no major housing bubbles, no credit crisis, no need for a bank bailout, and no worldwide recession.

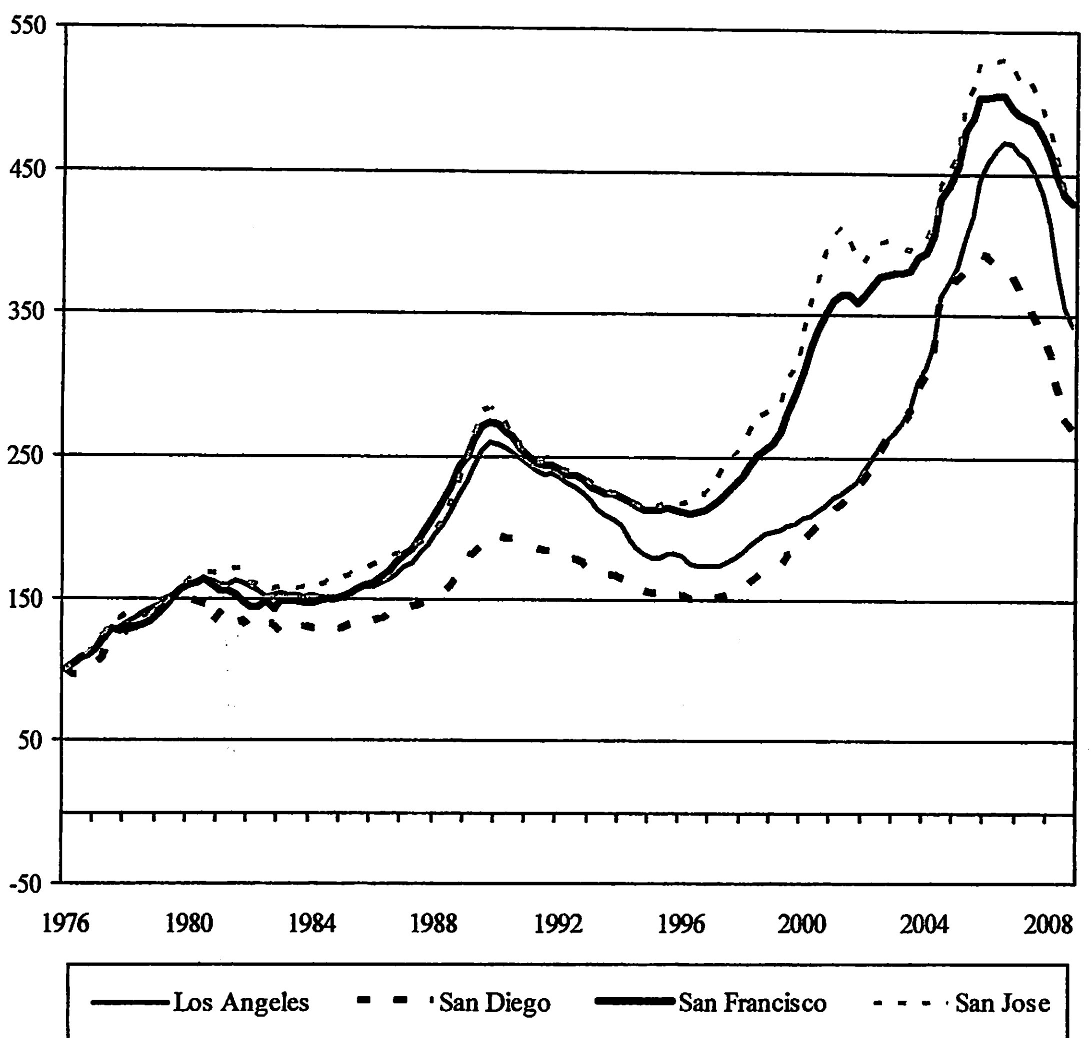
Housing Bubbles in Other Countries

The United States is not the only country whose planners use growth-management tools, and it is not the only country to have a housing bubble. "Two thirds (by economic weight) of the world . . . has a potential housing bubble," observed *The Economist* in 2004.[51] Great Britain has used growth management since 1947, and it underwent a severe housing bubble. Much of continental Europe, Australia, and New Zealand have similar land-use policies and also have had housing bubbles.

Vincent Benard, of l'Institut Hayek, observes that French land-use authorities write plans every 10 to 15 years. If there is a surge in demand between the rewrites, the plans may fail to have enough land available to accommodate new development. A six-year permitting process further contributes to long lags between new demand and the time homebuilders can meet that demand. As a result, land-use regulations "appeared to be, by far, the main factor explaining" the French housing bubble.[52]

Canada, like the United States, does not have a national land-use policy. But some urban areas, notably Vancouver and Toronto, practice growth management. These two regions have the most expensive housing in the nation, with a typical home in Vancouver costing four times as much as a similar home in Ottawa, the nation's capital, and five times as much as a similar home in Montreal.[53]

Figure 7
California Housing Bubbles



Source: Federal Housing Finance Agency, fourth quarter 2008 data for metropolitan statistical areas, tinyurl.com/dkr3gg.

Vancouver home prices peaked in 2007 and declined by 10 percent in 2008.[54]

In a recent survey of 227 housing markets around the world, former governor of the New Zealand Reserve Bank Donald Brash observes that "the affordability of housing is overwhelmingly a function of just one thing, the extent to which governments place artificial restrictions on the supply of residential land."[55] Using the same data, Wendell Cox shows that "one of the most important factors" in the mortgage meltdown around the world has been "the role of excessive land-use regulations in exacerbating the extent of losses."[56]

Housing Bubbles in the Past

Growth management was a necessary condition for most or all of the housing bubbles American communities have seen in the last decade. Beyond that, growth management was part of several housing bubbles well before 2000. Those bubbles took place before the

"The affordability of housing," says former New Zealand central banker, "is a function of the extent to which governments place artificial restrictions on the supply of residential land."

Land-use restrictions not only make housing unaffordable, they make prices more volatile.

loosening of credit that many claim caused the recent bubble. The difference between earlier bubbles and the recent one is that fewer states were practicing growth management in earlier decades, and so a much smaller share of American housing suffered from such bubbles.

Figure 7 shows two earlier bubbles in the Los Angeles, San Diego, San Jose, and San Francisco metropolitan areas. The first was when prices grew in the late 1970s in response to the original imposition of urban-growth boundaries. Prices fell in the early 1980s. Then prices bubbled again, peaking in 1990 and crashing again through 1995. Silicon Valley suffered a small bubble that peaked in 2001, but this was really just a part of the most recent bubble.

Again, there is a close correlation between bubbles and growth management. The bubble that peaked in 1980 took place in California, Hawaii, Oregon, and Vermont—the only states that were practicing growth management in the 1970s. By the 1980s, several New England states and a few urban areas, including Seattle, began practicing growth management, and they joined in the bubble that peaked in 1990. Few, if any, states or urban areas that were not practicing growth management had housing bubbles before 2000.

Foreign countries that practice growth management have also had previous bubbles. Norway, Sweden, and Finland had property bubbles that peaked in 1990 and were severe enough to send virtually all of the nations' banks into bankruptcy.[57] Japanese policies aimed at preventing the development of rural land included 150 percent capital gains taxes on short-term property gains.[58] The resulting property bubble and inevitable collapse led to a decade-long recession.

Several studies have tied volatility to land-use regulation. A 2005 economic analysis of the housing market in Great Britain, which has practiced growth management since 1947, found that planning makes housing markets more volatile. "By ignoring the role of supply in determining house prices," the report says, "planners have created a system that has led not only to higher house prices but also to a highly volatile housing market."[59]

Economists Edward Glaeser and Joseph Gyourko have found similar results in the United States. Land-use rules that restrict "housing supply lead to greater volatility in housing prices," they say, adding that, "if an area has a $10,000 increase in housing prices during one period, relative to national and regional trends, that area will lose $3,300 in housing value over the next five-year period."[60] Both the Great Britain and the Glaeser-Gyourko studies were based on data preceding the current housing bubble.

Responding to Unaffordability

Because prices do not decline as much in crashes as they increase in booms, successive bubbles can make housing grotesquely unaffordable. In 1969, the nation's least-affordable metropolitan area, with a median-home-value-to-median-family-income ratio of 3.2, was Honolulu, mainly because of Hawaii's 1961 growth-management law. As previously noted, most other metropolitan areas had ratios of 1.5 to 2.5.

By 1979, after Oregon and California had implemented growth management plans, the Honolulu value-to-income ratio was 5.5, at which point it became virtually impossible for a median family to get a mortgage on a median home given the terms typical of the day. In much of California, 1979 value-to-income ratios were between 4 and 5, while they had reached 3.2 (Honolulu's 1969 ratio) in some Oregon communities.

Despite the decline in real California and Hawaii home prices in the early 1980s, the late-1980s bubble pushed California value-to-income ratios to as high as 6.7 in San Francisco (compared with 6.2 in Honolulu) and well above 4 in much of the rest of California. This bubble also pushed prices in Boston, New York, and nearby metro areas above 4. Oregon, which suffered a greater recession in the early 1980s than most states, did not have a late-1980s bubble.

Prices in California, Hawaii, and the Northeast crashed in the early 1990s, but by 1999

value-to-income ratios had recovered and were poised for another leap. By 2006, price-to-income ratios throughout California and Hawaii ranged from 5 to as high as 11.5. In response to growth-management plans written in the mid- to late-1990s, value-to-income ratios in Arizona, Florida, Maryland, and Washington ranged from 3 to 5.5.

The pattern is clear: each successive bubble pushes value-to-income ratios further away from the natural ratio of about 2.0. Even at the bottom of the cycle in 1995, many California value-to-income ratios were well above 5, meaning that housing was still unaffordable despite the crash of the early 1990s.

Much media attention has focused on the Community Reinvestment Act of 1977 and its role in encouraging banks to make risky loans to low-income families. Just as important is how the Department of Housing and Urban Development responded to the growing housing affordability crisis by encouraging banks to loosen their criteria for making loans to *moderate-income* families that were priced out of housing markets by growth-management planning.

In 1992, Congress gave the Department of Housing and Urban Development the responsibility for regulating Fannie Mae and Freddie Mac (collectively known as government-sponsored enterprises, or GSEs) to ensure that they did not engage in risky behavior. But this conflicted with HUD's primary mission, which "is to increase homeownership, support community development, and increase access to affordable housing free from discrimination."[61]

As successive HUD secretaries became aware of housing affordability problems in California and other parts of the country, they used their regulatory authority to order the GSEs to buy more loans from "low- and moderate-income families." Specifically, in 1995, Secretary Henry Cisneros ordered that at least 42 percent of the mortgages purchased by the GSEs had to be from low- and moderate-income families. In 2000, Secretary Andrew Cuomo increased this to 50 percent.[62] In 2004, Secretary Alphonso Jackson increased it yet again to 58 percent.[63]

One response to these rules was an increase in Fannie Mae and Freddie Mac purchases of subprime loans, meaning loans made to people with poor credit histories. But another response was to relax the loan criteria for prime loans, that is, loans to people with excellent credit histories who nonetheless had a hard time buying houses in unaffordable states like California. Before 1995, Fannie Mae and Freddie Mac would normally buy only 15- to 30-year mortgages with at least 10 percent down and monthly payments (plus insurance and property taxes) that were no more than about 33 percent of the homebuyer's income.

When brand-new starter homes cost $110,000, as they do in Houston, a 10 percent down payment is not a formidable obstacle. When starter homes cost closer to $400,000, as they did in the San Francisco Bay Area in the late-1990s, the obstacle is much greater. Value-to-income ratios of 5 and above require 40- to 50-year payment periods and/or mortgages that cost more than 33 percent of a family's income.

The result was that mortgage companies greatly reduced the criteria required to get loans. They no longer required 10 percent down payments. People could get loans for 40 and even 50 years. And borrowers could dedicate well over half their incomes to their mortgages. These changes allowed people to buy homes that were five or six times their incomes, but they also increased the risks of defaults even among supposedly prime borrowers.

Such regulatory actions would not have been necessary if growth management had not made a substantial portion of American housing unaffordable. While urban planners had nothing to do with credit default swaps or other derivatives, they are directly responsible for unaffordable housing and indirectly responsible for the government's loosening of credit standards in response to that unaffordability.

By eliminating the requirement that homebuyers make at least a 10 percent down-payment, Fannie Mae and Freddie Mac increased the risk of defaults.

Should Government Stabilize Home Prices?

When financial markets melted down in October 2008, several economists argued that

Though some people want to stabilize housing prices, the reality is that housing remains much too expensive in virtually all of the bubble markets.

the solution was to "stabilize home prices."[64] In February 2009, President Obama announced a plan that aimed to "shore up housing prices" and "arrest this downward spiral."[65] When potential homeowners refuse to buy homes until the market bottoms out, it is easy to see why some people might think that the problem with the nation's housing markets is falling prices.

Yet the reality is that—in terms of median-home-price-to-median-income ratios—housing remains much too expensive in virtually all of the bubble markets. Such expensive housing puts hardships on consumers, and as Portland economist Randall Pozdena notes, those hardships fall hardest on poor, minority, and working-class families.[66] The benefits gained by homesellers who earn windfall profits because of artificial housing shortages are unfair because existing homeowners tend to be wealthier than first-time home buyers. Moreover, those benefits do not entirely offset the costs, some of which, such as the cost of an onerous permitting process, are simply deadweight losses to society.

Furthermore, housing is only one symptom of the problems created by growth-management policies. Such policies impose the same sorts of hardships on businesses that need land and structures for offices, factories, stores, and other purposes.

Glaeser and Gyourko agree that an effort to stabilize housing prices is a bad idea. They point out that most of the tools government would use to support housing prices, such as reduced interest rates or more favorable loans, would be extremely costly yet have only marginal and uncertain effects on housing. "This is a bad combination," they dryly observe.[67]

The biggest reason to oppose price stabilization is that it contradicts other government policies. "Housing affordability has long been a stated goal of the federal government," Glaeser and Gyourko point out. "Why should it now try to make it more difficult for people to buy, or rent, a home by supporting prices?"[68] The real problem, they add, "is not the price decline but the previous price explosion."[69]

Of course, the reason housing prices are high in most areas that suffered housing bubbles is because of explicit government policies aimed at discouraging construction of new single-family homes. Rightly or wrongly, high housing prices serve this agenda, so government efforts to promote homeownership are undermined by other government efforts to discourage it.

As an alternative, "home prices must get back to pre-bubble levels," suggests Harvard economist Martin Feldstein. But, he adds, "Congress should enact policies to reduce defaults that could drive prices down much further."[70] Yet such policies carry the same perils as efforts to stabilize prices—especially since pre-bubble prices in several states and urban areas were already well above normal value-to-income ratios.

Table 2 shows value-to-income ratios by state in 1999, when the bubble was in an incip-

Table 2
Median Home Value to Median Family Income Ratios

State	1999	2006	2008
Alabama	1.8	2.1	2.2
Alaska	2.3	3.1	3.2
Arizona	2.3	4.4	3.4
Arkansas	1.7	2.1	2.1
California	3.8	8.3	5.5
Colorado	2.9	3.7	3.5
Connecticut	2.5	3.7	3.5
Delaware	2.2	3.5	3.5
Dist. of Columbia	3.3	7.3	6.3

Table 2 ***Continued***

State	1999	2006	2008
Florida	2.0	4.2	3.0
Georgia	2.0	2.5	2.4
Hawaii	4.4	8.7	7.8
Idaho	2.3	4.2	4.2
Illinois	1.8	2.2	2.2
Indiana	1.7	1.8	1.8
Iowa	2.3	2.4	2.4
Kansas	1.6	1.9	1.9
Kentucky	1.9	2.2	2.2
Louisiana	1.9	2.4	2.4
Maine	2.1	3.2	3.2
Maryland	2.3	4.3	3.7
Massachusetts	3.0	4.8	4.1
Michigan	2.1	2.4	2.1
Minnesota	2.1	3.1	2.7
Mississippi	1.7	2.2	2.1
Missouri	1.9	2.3	2.3
Montana	2.4	3.4	3.4
Nebraska	1.8	1.9	1.9
Nevada	2.6	5.0	3.3
New Hampshire	2.2	3.6	3.1
New Jersey	2.6	4.5	4.1
New Mexico	2.4	3.3	3.2
New York	2.9	4.9	4.3
North Carolina	2.1	2.5	2.6
North Dakota	1.6	1.8	1.9
Ohio	2.0	2.2	2.1
Oklahoma	1.7	1.9	2.0
Oregon	3.0	4.4	4.5
Pennsylvania	1.9	2.7	2.7
Rhode Island	2.5	4.7	3.8
South Carolina	1.9	2.3	2.4
South Dakota	1.7	2.0	2.1
Tennessee	2.0	2.4	2.5
Texas	1.7	2.0	2.1
Utah	2.8	3.6	3.8
Vermont	2.3	3.4	3.5
Virginia	2.2	3.8	3.4
Washington	3.0	4.6	4.4
West Virginia	1.8	2.0	2.1
Wisconsin	2.1	2.7	2.6
Wyoming	2.0	2.7	3.0

Source: 1999 home values and family incomes from the 2000 census. Median incomes for 2006 and 2008 from "Income Limits," Department of Housing and Urban Development, 2006 and 2008, tinyurl.com/c7rjvp. Home values for 2006 and 2008 were calculated from 1999 census values using home price indices from the Federal Housing Finance Agency, tinyurl.com/cydm8h.

ient stage; 2006, when it reached its peak in many places; and the last quarter of 2008. In 1999, only 4 states had average value-to-income ratios of three or more, and only 1 state was greater than four. By 2006, home values in 24 states were three times incomes and 13 states were greater than four. As of the last quarter of 2008, values in 24 states were still at least three times median incomes and eight states were greater than four. So prices still have to fall to get back to 1999 levels of affordability, and in a few states they should fall even further to value-to-income ratios lower than three.

Planners argue that growth management helps preserve open space and reduces the amount of driving people need to do. Yet the share of U.S. land that would be protected from urbanization through denser housing is miniscule—probably less than 1 percent—and the effects of density on driving are also small.

Housing bubbles are due solely to supply problems, not to changes in housing demand.

The negative effects of growth management—on housing prices, on the costs of doing business, on congestion, and on personal liberty—are far greater than the benefits, most of which can be achieved in other ways at a far lower cost. Rather than prop up housing prices, then, the current recession is an excellent time to start the discussion of how housing prices in areas with growth management can be returned to normal, affordable levels.

Planners' Response

Many urban planners steadfastly deny that their growth-management policies make housing more expensive. Instead, they claim that higher-priced housing is solely due to increased demand resulting from the quality-of-life improvements resulting from their policies. As Paul Danish, the city council member whose plans made Boulder, Colorado, housing less affordable than 90 percent of the other urban areas in the United States, says, Boulder housing prices are high solely because it is "a really desirable place to live," while anywhere else with lower prices is "a really awful place to live."[71]

In reality, housing bubbles are solely due to supply problems. When the supply of new homes is elastic, an increase in demand should not result in a significant increase in price. There are several reasons why supply may be inelastic, but most of them relate to land-use regulation or other government policies that keep land unavailable for housing. Preventing future housing bubbles and the economic instability they cause will require dismantling those growth-management policies.

Ironically, many planning advocates are using declining home prices as an argument in favor of more growth-management planning. They observe that most of the households in the high-density housing projects favored by smart-growth plans have no children, and that an increasing share of American households is childless. They therefore reason that the share of households that want single-family homes is about to decline drastically, and the recent drop in housing prices is a symptom of that decline.

A prime example is Arthur Nelson, an urban planning professor at the University of Utah, whose projection of 22 million "surplus" suburban homes by 2025 was cited in *Time* and *Atlantic Monthly*. That projection is based on a table in a paper by Nelson titled "Summary of Housing Preference Survey Results." The table says that 38 percent of Americans prefer multi-family housing, 37 percent prefer homes on small (less than one-sixth acre) lots, and 25 percent prefer homes on large lots. A note to the table says it "is based on interpretations of surveys by Myers and Gearin (2001)."[72]

However, Myers and Gearin's paper, which reviews surveys of housing preferences, hardly supports Nelson's table. "Americans overwhelmingly prefer a single-family home on a large lot," concludes one survey they cite. Others found that "83 percent of respondents in the 1999 National Association of Home Builders Smart Growth Survey prefer a single-family detached home in the suburbs"; "74 percent of respondents in the 1998 Vermonters Attitudes on Sprawl Survey preferred a home in an outlying area with a larger lot"; and "73 percent of the 1995 American Lives New

Urbanism Study respondents prefer suburban developments with large lots."[73]

Indeed, the main point of Myers and Gearin's article is not that most Americans want to live on small lots or in multifamily homes, but only that there is a contingent of Americans who do prefer such housing. "Some housing consumers actually prefer higher density," they report.[74] They also speculate that people are more likely to join that group as they get older. However, their evidence for this is sketchy: surveys showing that older people are "receptive to decreased auto dependence."[75] Being "receptive" is far from choosing to live in higher densities; the same Vermont survey that reported 74 percent of people want to live on a large lot found that 48 percent want to be within walking distance of stores and services.[76] These two preferences are incompatible, and most Americans have picked the large lot over walking distance to stores.

The information used by Nelson "may not be terribly reliable," comments Emil Malizia, a planning professor at the University of North Carolina. "The samples are self-selected" he says, "the responses may be heavily influenced by the data collection method," and "people often do not behave in ways that are consistent with the preferences or opinions they express."[77]

So the claim that the nation will soon have a huge surplus of large-lot homes is based on, at best, a misinterpretation of the data. Nelson uses this misinterpretation to urge planners to design a new "template" for future development and redevelopment that focuses on higher densities and mixed-use developments.[78] In short, Nelson promotes his erroneous data to justify growth-management policies that will increase the scarcity of single-family homes despite the reality that these are the homes most Americans prefer.

The Next Housing Bubble

The prime cause of the housing bubble that generated the recent financial crisis was overregulation of land that created artificial shortages of housing. Over the last decade, housing prices have bubbled in almost every state and region that has attempted to regulate growth, while very few areas that haven't practiced growth management have seen housing prices rise and crash. Prices have also bubbled in other countries with managed growth policies, as well as in past decades in the few states that attempted to manage growth before 1990.

Understanding that growth management caused the housing bubble that led to the recent economic crisis provides little help in solving the crisis. But it can help in preventing future housing bubbles and economic crises.

As previously noted, Tennessee passed a growth-management law in 1998 but did not experience a housing bubble. In the next economic boom, however, Tennessee is likely to join the bubble club. So will any other states that are persuaded by local chapters of the American Planning Association to pass similar laws. The APA has written "model statutes" for such planning as well as a guidebook to help planners generate "grassroots support" for laws that give them more power to manage growth.[79]

On top of this, the California legislature recently passed a bill mandating even stricter growth management on the unproven (and unlikely) premise that ever-denser housing will reduce greenhouse gas emissions.[80] This bill is regarded as a model for other states and some in Congress have proposed to incorporate some of its concepts into federal law.

If present trends continue, then, the next housing bubble is likely to affect an even greater percentage of American housing. It is also likely to push value-to-income ratios even higher, with ratios reaching 14 or 15 in the San Francisco Bay Area, 10 in much of the rest of California, and 6 or more in Florida and other states that experienced their first bubble in the last decade.

If problems with derivatives are fixed, the next housing bubble might not cause an international financial meltdown. Yet, as Edward Chancellor observes in *Devil Take the Hindmost*, "speculation demands continuing govern-

Despite the relationship between growth management and housing bubbles, the American Planning Association is urging more states to pass such laws.

While low-cost housing markets maintain a diversity of incomes, lower- and middle-income people are migrating away from high-cost markets.

ment restrictions, but inevitably it will break any chains and run amok."[81] Even if the next bubble does not cause an international crisis, it will impose severe hardships on homebuyers, turn ordinarily stable regions into boom-bust economies, increase the costs to businesses, and greatly restrict personal choice and freedom.

It will also greatly transform urban areas, and not for the better. As Joel Kotkin has documented, while low-cost housing markets maintain a diversity of incomes, lower- and middle-income people are migrating away from San Francisco and other high-cost markets.[82] This is turning these places, says one demographer, into "Disneylands for yuppies."[83] Some could argue that this helps to create a diverse array of communities, but the alternative view (as expressed by Glaeser) is that it makes the affected regions "less diverse" and turns them into "boutique cities catering only to a small, highly educated elite."[84]

Conclusions

Housing bubbles triggered the financial meltdown of 2008. Those bubbles did not result from low interest rates, changes in mortgage requirements, or other factors influencing demand. Instead, a necessary condition for their formation was supply shortages, most of which resulted from urban planners engaged in what they considered to be state-of-the-art growth-management planning. The United States is fortunate that they were able to practice these policies in only about 16 states, else the costs of the financial crisis would be even greater.

The best thing the government can do is allow home prices to fall to market levels. To do this, states and urban areas with growth-management laws and plans should repeal those laws and dismantle the programs that made housing expensive in the first place. This will obviously be easier to do in states like Florida, where value-to-income ratios have returned to affordable levels, than in California, where housing remains unaffordable. But repealing California's grotesque planning laws will probably help kick-start its economy, which in many respects is in even worse shape than Michigan's.

States and regions that have been considering growth-management laws and plans should firmly reject them. Both Congress and the states should reject proposals to impose California-style policies aimed at creating more compact cities, supposedly to reduce driving and greenhouse gas emissions. The costs of such policies will be extremely high and their beneficial effects will be negligible.

Bubbles and credit crises happen too often as it is. Governments should not increase their frequencies and depths by creating artificial housing and real estate shortages.

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CATO INSTITUTE

STATE OF SOUTH CAROLINA
COUNTY OF OCONEE
ORDINANCE 2014-33

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AGREEMENT BETWEEN OCONEE COUNTY, SOUTH CAROLINA AND ITT ENIDINE INC AND OTHER MATTERS RELATING THERETO INCLUDING, WITHOUT LIMITATION, PAYMENT OF A FEE IN LIEU OF TAXES RELATED TO THE PROJECT

WHEREAS, Oconee County, South Carolina (the "County"), acting by and through its County Council (the "County Council"), is authorized and empowered under and pursuant to the provisions of Title 12, Chapter 44 (the "Act") of the Code of Laws of South Carolina, 1976, as amended (the "Code"), to acquire, construct, or cause to be acquired or constructed by lease or otherwise, properties (which such properties constitute "projects" as defined in the Act) and to enter into agreements with any industry or business providing for the construction, operation, maintenance and improvement of such projects; to enter into or allow financing agreements with respect to such projects; to provide for payment of a fee in lieu of taxes pursuant to the Act; and, to accept any grants for such projects through which powers the industrial development of the State of South Carolina (the "State") and will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ the manpower, agricultural products and natural resources of the State and benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally; and

WHEREAS, the County is authorized by the Act to execute a fee in lieu of tax agreement, as defined in the Act, with respect to any such project; and

WHEREAS, ITT Enidine Inc. (also known to the County as Project Control), a company duly incorporated under the laws of the State of Delaware (the "Company"), has requested the County to participate in executing an Inducement Agreement and Millage Rate Agreement, and a Fee Agreement pursuant to the Act for the purpose of authorizing and of acquiring and expanding, by construction and purchase, certain land, a building or buildings, and machinery, apparati, and equipment, for the purpose of the development of a facility for the purpose of the manufacturing natural gas vehicle components and products in which the minimum level of taxable investment is not less than Two Million Five Hundred Thousand Dollars ($2,500,000) in qualifying fee in lieu of tax investment by the end of the fifth (5th) year following the year of execution of the Fee Agreement, all as more fully set forth in the Fee Agreement attached hereto; and

WHEREAS, the County has determined that the Project would benefit the general public welfare of the County by providing service, employment, recreation or other public benefits not otherwise provided locally; and, that the Project gives rise to no pecuniary liability of the County or incorporated municipality or a charge against the general credit or taxing power of either; and, that the purposes to be accomplished by the Project, i.e., economic development, creation of jobs, and addition to the tax base of the County, are proper governmental and public purposes; and, that the inducement of the location or expansion of the Project within the County and State is of paramount importance; and, that the benefits of the Project will be greater than the costs; and

WHEREAS, the County has determined on the basis of the information supplied to it by the Company that the Project would be a "project" as that term is defined in the Act and that the Project would subserve the purposes of the Act; and

WHEREAS, the County Council has previously determined to enter into and execute the aforesaid Inducement Agreement and Millage Rate Agreement, and a Fee Agreement and to that end has, by its Resolution adopted on December 16, 2014, authorized the execution of an Inducement Agreement, which included a Millage Rate Agreement, and, will by this County Council Ordinance, authorize a fee in lieu of tax agreement (the "Fee Agreement"); and

WHEREAS, the Company has caused to be prepared and presented to this meeting the form of the Fee Agreement by and between the County and the Company which includes the agreement for payment of a payment in lieu of tax; and

WHEREAS, it appears that the instrument above referred to, which is now before this meeting, is in appropriate form and is an appropriate instrument to be executed and delivered by the County for the purposes intended; and

WHEREAS, the Project is located in a joint county industrial and business park with Pickens County.

NOW, THEREFORE, BE IT ORDAINED by Oconee County, South Carolina, as follows:

Section 1. In order to promote industry, develop trade and utilize and employ the manpower, agricultural products and natural resources of the State by assisting the Company to expand a manufacturing facility in the State, and acquire by acquisition or construction a building or buildings and various machinery, apparati, and equipment, all as a part of the Project to be utilized for the purpose of a facility for the manufacturing natural gas vehicle components and products, the execution and delivery of a Fee Agreement with the Company for the Project is hereby authorized, ratified and approved.

Section 2. It is hereby found, determined and declared by the County Council, as follows:

(a) Based solely upon representations of the Company, the Project will constitute a "project" as said term is referred to and defined in the Act, and the County's actions herein will subserve the purposes and in all respects conform to the provisions and requirements of the Act;

(b) The Project and the payments in lieu of taxes set forth herein are beneficial to the County;

(c) The terms and provisions of the Inducement Agreement and Millage Rate Agreement are hereby incorporated herein and made a part hereof;

(d) The Project will benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally;

(e) The Project and the Fee Agreement give rise to no pecuniary liability of the County or incorporated municipality or a charge against the general credit or taxing power of either;

(f) The purposes to be accomplished by the Project, i.e., economic development, creation of jobs, and addition to the tax base of the County, are proper governmental and public purposes;

(g) The inducement of the location or expansion of the Project within the County and State is of paramount importance; and,

(h) The benefits of the Project will be greater than the costs.

Section 3. The form, terms and provisions of the Fee Agreement presented to this meeting and filed with the Clerk of the County Council be and they are hereby approved and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if the Fee Agreement were set out in this Ordinance in its entirety. The Chairman of County Council and the Clerk of the County Council be and they are hereby authorized, empowered and directed to execute, acknowledge and deliver the Fee Agreement in the name and on behalf of the County, and thereupon to cause the Fee Agreement to be delivered to the Company. The Fee Agreement is to be in substantially the form now before this meeting and hereby approved, or with such minor changes therein as shall not be materially adverse to the County and as shall be approved by the officials of the County executing the same, upon the advice of counsel to the County, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of Fee Agreement now before this meeting.

Section 4. The Chairman of the County Council and the Clerk of the County Council, for and on behalf of the County, are hereby each authorized and directed to do any and all things necessary to effect the execution and delivery of the Fee Agreement and the performance of all obligations of the County under and pursuant to the Fee Agreement and this Ordinance.

Section 5. The provisions of this Ordinance are hereby declared to be separable and if any section, phrase or provisions shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereunder.

Section 6. All orders, resolutions, ordinances and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Ordinance shall take effect and be in full force from and after its passage and approval.

Section 7. The County hereby agrees to waive, to the full extent allowed by law, the requirements of Section 12-44-55 of the Act with regard to the Fee Agreement for the Project, to the extent and so long as the Company makes and continues to make all filings required by the Act and provide copies thereof to the County.

Passed and approved this 17th day of February 2015

OCONEE COUNTY, SOUTH CAROLINA

By:______________________________________

Wayne McCall, Chairman of County Council
Oconee County, South Carolina

ATTEST:

By:______________________________________

Elizabeth Hulse, Clerk to County Council
Oconee County, South Carolina

First Reading:	December 16, 2014
Second Reading:	January 20, 2015
Public Hearing:	February 17, 2015
Third Reading:	February 17, 2015

FEE AGREEMENT

between

OCONEE COUNTY, SOUTH CAROLINA

and

ITT ENIDINE INC.
a Delaware corporation
Dated as of December 31, 2014

The County and the Company hereby agree to waive, to the full extent allowed by law, the requirements of Section 12-44-55 with regard to the Fee Agreement for the Project, to the extent and so long as the Company makes and continues to make all filings required by the Act, and provides copies of all such filings to the County.

Prepared by J. Wesley Crum, III P.A.
2014-33

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Oconee County, South Carolina

FEE AGREEMENT

THIS FEE AGREEMENT (this "Fee Agreement") is made and entered into as of December 31, 2014, by and between OCONEE COUNTY, SOUTH CAROLINA (the "County"), a body politic and corporate and a political subdivision of the State of South Carolina (the "State"), acting by and through the Oconee County Council (the "County Council") as the governing body of the County, and ITT ENIDINE INC. (the "Company"), a company duly incorporated and existing under the laws of the State of Delaware.

WITNESSETH:

Recitals.

The County is authorized by Title 12, Chapter 44 of the Code of Laws of South Carolina, 1976, as amended (the "Act") to enter into a fee agreement with entities meeting the requirements of such Act, which identifies certain property of such entities as economic development property, to induce such industries to locate in the State and to encourage industries now located in the State to expand their investments and thus make use of and employ manpower and other resources of the State.

Pursuant to the Act, the County finds that (a) the Project (as defined herein) is anticipated to benefit the general public welfare of the County by providing services, employment, recreation, or other public benefit not otherwise adequately provided locally; (b) the Project gives rise to no pecuniary liability of the County or any incorporated municipality and to no charge against its general credit or taxing power; (c) the purposes to be accomplished by the Project are proper governmental and public purposes; and (d) the cost benefit analysis required by Section 12-44-

40(H)(1)(c) demonstrates the benefits of the Project to the public are greater than the costs of the Project to the public.

Pursuant to an Inducement Agreement executed by the County on December 16, 2014 and by the Company on December 17, 2014 (referred to herein as the "Inducement Agreement") authorized by a resolution adopted by the County Council on December 16, 2014 (referred to herein as the "Inducement Resolution"), the Company has agreed to expand, acquire and equip by construction, purchase, lease-purchase, lease or otherwise a facility for the manufacturing of natural gas vehicle components and products (the "Facility") which is located in the County, which would consist of the acquisition, construction, installation, expansion, improvement, design and engineering, in phases, of additional or improved machinery and equipment, buildings, improvements or fixtures which will constitute the project (the "Project"). The Project in the Park (as hereinafter defined) in the County involves an initial taxable investment of at least $2,500,000 in qualifying Economic Development Property (hereinafter defined) in the County.

Pursuant to an Ordinance adopted on February 17, 2015 (the "Fee Ordinance"), as an inducement to the Company to develop the Project and at the Company's request, the County Council authorized the County to execute and deliver this Fee Agreement which identifies the property comprising the Project as Economic Development Property (as defined in the Act) under the Act subject to the terms and conditions hereof.

NOW, THEREFORE, FOR AND IN CONSIDERATION of the respective representations and agreements hereinafter contained, the parties hereto agree as follows, with the understanding that no obligation of the County described herein shall create a pecuniary liability or charge upon its general credit or taxing powers, but shall be payable solely out of the sources of payment described

herein and shall not under any circumstances be deemed to constitute a general obligation of the County.

ARTICLE I

DEFINITIONS

The terms defined in this Article shall for all purposes of this Fee Agreement have the meaning herein specified, unless the context clearly requires otherwise.

"Act" shall mean Title 12, Chapter 44 of the Code of Laws of South Carolina, 1976, as amended, and all future acts supplemental thereto or amendatory thereof.

"Authorized Company Representative" shall mean any person designated from time to time to act on behalf of the Company by its President or one of its vice presidents, its chief executive officer, its general counsel, its treasurer or any assistant treasurer, its secretary or any assistant secretary as evidenced by a written certificate or certificates furnished to the County containing the specimen signature of each such person, signed on behalf of the Company by its President, one of its vice presidents, its chief executive officer, its general counsel, its treasurer or any assistant treasurer, its secretary or any assistant secretary. Such certificates may designate an alternate or alternates, and may designate different Authorized Company Representatives to act for the Company with respect to different sections of this Fee Agreement.

"Authorized County Representative" shall mean the Chairman of County Council, Administrator of the County or their designee as evidenced by a written certificate of the Chairman of County Council or the County Administrator (hereinafter defined).

"Chairman" shall mean the Chairman of the County Council of Oconee County, South Carolina.

"Clerk to County Council" shall mean the Clerk to the County Council of Oconee County, South Carolina.

"Closing" or "Closing Date" shall mean the date of the execution and delivery hereof.

"Code" shall mean the Code of Laws of South Carolina, 1976, as amended.

"Company" shall mean ITT ENIDINE, INC., a Delaware corporation duly qualified to transact business in the State.

"County" shall mean Oconee County, South Carolina, a body politic and corporate and a political subdivision of the State, its successors and assigns, acting by and through the County Council as the governing body of the County.

"County Administrator" shall mean the Administrator of Oconee County, South Carolina.

"County Council" shall mean the Oconee County Council, the governing body of the County.

"Diminution of Value" in respect of any Phase of the Project shall mean any reduction in the value based on original fair market value as determined in Step 1 of Section 4.1 of this Fee Agreement, of the items which constitute a part of the Phase which may be caused by (i) the Company's removal of equipment pursuant to Section 4.6 of this Fee Agreement, (ii) a casualty to the Phase of the Project, or any part thereof, described in Section 4.7 of this Fee Agreement or (iii) a condemnation to the Phase of the Project, or any part thereof, described in Section 4.8 of this Fee Agreement.

"Economic Development Property" shall mean all items of real and/or tangible personal property comprising the Project which are eligible for inclusion as economic development property under the Act, become subject to the Fee Agreement, and which are identified by the Company in

connection with its required annual filing of a SCDOR PT-100, PT-300 or comparable form with the South Carolina Department of Revenue (as such filing may be amended from time to time) for each year within the Investment Period. Title to all Economic Development Property shall at all times remain vested in the Company.

"Equipment" shall mean all of the machinery, equipment, furniture and fixtures, together with any and all additions, accessions, replacements and substitutions thereto or therefor to the extent such machinery, equipment and fixtures constitute Economic Development Property and thus become a part of the Project under this Fee Agreement.

"Event of Default" shall mean any Event of Default specified in Section 5.6 of this Fee Agreement.

"Facility" shall mean any such facility that the Company may cause to be constructed, acquired, modified or expanded in Oconee County, South Carolina on the land owned by, leased by or on behalf of the Company for the Project.

"Fee Agreement" shall mean this fee agreement.

"Fee Term" or "Term" shall mean the period from the date of delivery of this Fee Agreement until the last Phase Termination Date unless sooner terminated or extended pursuant to the terms of this Fee Agreement.

"Improvements" shall mean improvements to real property, together with any and all additions, accessions, replacements and substitutions thereto or therefor, but only to the extent such additions, accessions, replacements, and substitutions are deemed to become part of the Project under the terms of this Fee Agreement.

"Inducement Agreement" shall mean the Inducement Agreement entered into between the County on December 16, 2014 and the Company on December 17, 2014 as authorized by the Inducement Resolution.

"Inducement Resolution" shall mean the resolution of the County Council adopted on December 16, 2014, authorizing the County to enter into the Inducement Agreement.

"Investment Period" shall mean the period commencing January 1, 2014 and ending on the last day of the fifth (5th) property tax year following the property tax year in which this Agreement is executed; or, the tenth (10th) property tax year following the property tax year in which this Agreement is executed if the County shall hereafter agree, pursuant to and in accordance with the Act, to extend the Investment Period.

"Park" shall mean the industrial and business park created by the Park Agreement.

"Park Agreement" shall mean the Agreement for Development of an Industrial/Business Park for Oconee County and Pickens County in which the Economic Development Property is located, originally dated May 4, 1998 and as amended from time to time.

"Phase" or "Phases" in respect of the Project shall mean the Equipment, Improvements and Real Property, if any, placed in service during each year of the Investment Period.

"Phase Termination Date" shall mean with respect to each Phase of the Project the day thirty years after each such Phase of the Project becomes subject to the terms of this Fee Agreement. Anything contained herein to the contrary notwithstanding, the last Phase Termination Date shall be no later than December 31, 2049, or December 31, 2054, if an extension of time in which to complete the Project is granted by the County at its discretion pursuant to Section 12-44-30(13) of the Act, as amended, but only if the County subsequently agrees to such an extension of

the Investment Period in writing, or an even later date if the Phase Termination Date is extended, in accordance with the terms hereof, with or without an extension of the Investment Period, but only if the County subsequently agrees to a maximum Phase Termination Date exceeding thirty years after each Phase of the Project becomes subject to the terms of this Fee Agreement and such agreement is approved by the county Council and reduced to writing.

"Project" shall mean such of the Equipment, Improvements, and/or Real Property located at the Facility, which constitutes eligible Economic Development Property under the Act and this Agreement and which is reported as such to the SC Department of Revenue on the appropriate forms.

"Real Property" shall mean the real property described in Exhibit A, together with all and singular the rights, members, hereditaments and appurtenances belonging or in any way incident or appertaining thereto to the extent such shall become a part of the Project under the terms of this Fee Agreement; all Improvements now or hereafter situated thereon; and all fixtures now or hereafter attached thereto, but only to the extent such Improvements and fixtures are deemed to become part of the Project under the terms of this Fee Agreement.

"Removed Components" shall mean the following types of components or Phases of the Project or portions thereof, all of which the Company shall be entitled to remove from the Project with the result that the same shall no longer be subject to the terms of the Fee Agreement: (a) components or Phases of the Project or portions thereof which the Company, in its sole discretion, determines to be inadequate, obsolete, worn-out, uneconomic, damaged, unsuitable, undesirable or unnecessary; or (b) components or Phases of the Project or portions thereof which the Company in

its sole discretion, elects to remove pursuant to Section 4.7(c) or Section 4.8(b)(iii) of this Fee Agreement.

"Replacement Property" shall mean any property which is placed in service as a replacement of any item of Equipment or any Improvement which is scrapped or sold by the Company and treated as a Removed Component under Sections 4.6, 4.7 or 4.8 hereof regardless of whether such property serves the same function as the property it is replacing and regardless of whether more than one piece of property replaces any item of Equipment or any Improvement.

"Required Minimum Investment" shall mean that the Company shall be required to invest under and pursuant to the Fee Agreement not less than Two Million Five Hundred Thousand Dollars ($2,500,000) in qualifying, taxable investment in the Project by the end of the fifth (5th) year after the year of execution of the Fee Agreement and such investment will be maintained, without regard to depreciation, in accordance with the Act.

"State" shall mean the State of South Carolina.

Any reference to any agreement or document in this Article I or otherwise in this Fee Agreement shall be deemed to include any and all amendments, supplements, addenda, and modifications to such agreement or document.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.1 Representations of the County. The County hereby represents and warrants to the Company as follows:

(a) The County is a body politic and corporate and a political subdivision of the State which acts through the County Council as its governing body and by the provisions of the Act is authorized and empowered to enter into the transactions contemplated by this Fee Agreement and to carry out its obligations hereunder. The County has duly authorized the execution and delivery of this Fee Agreement and any and all other agreements described herein or therein.

(b) The Project, as represented by the Company to the County, constitutes a "project" within the meaning of the Act.

(c) By due corporate action, the County has agreed that, subject to compliance with applicable laws, each item of real and tangible personal property comprising the Project shall be considered Economic Development Property under the Act. The Authorized County Representative is to take all administrative or managerial actions to be taken or consented to by the County pursuant to this Agreement.

(d) The benefits of the Project, based upon the representations of value by the Company and a cost benefit analysis performed by the Oconee County Economic Development Commission or the Oconee Economic Alliance exceed the costs of the Project to the County.

Section 2.2 Representations of the Company. The Company hereby represents and warrants to the County as follows:

(a) The Company is duly incorporated and in good standing under the laws of the State of Delaware, is qualified to do business in the State, has power to enter into this Fee Agreement, and by proper company action has duly authorized the execution and delivery of this Fee Agreement.

(b) The Company's execution and delivery of this Fee Agreement and its compliance with the provisions hereof will not result in a default, not waived or cured, under any company organizational document or any agreement or instrument to which the Company is now a party or by which it is bound.

(c) The Company intends to operate the Project as a "project" within the meaning of the Act as in effect on the date hereof. The Company intends to operate the Project for the purpose of a facility to be used for the manufacturing of natural gas vehicle components and products and other legal activities and functions with respect thereto, and for such other purposes permitted under the Act as the Company may deem appropriate.

(d) The availability of the payment in lieu of taxes with regard to the Economic Development Property authorized by the Act has induced the Company to expand or to locate the Project in the State.

(e) The Company anticipates that the cost of the project will be at least $2,500,000 in qualifying Economic Development Property in the County on or before December 31, 2019.

(f) The Company agrees to invest not less than Two Million Five Hundred Thousand Dollars ($2,500,000) in Economic Development Property (the “Required Minimum Investment”) on or before December 31, 2019, and to maintain such investment, without regard to depreciation, in the Project from that point on until the end of the Term. Should such Required Minimum

Investment not be met, the Company will lose the benefit of the Fee Agreement, and the Project will revert to normal tax treatment, pursuant to Section 12-44-140(B) of the Act and Section 4.2 hereof. Failure to maintain the investment shall result in termination of this Agreement and its benefits prospectively, in accordance with Section 4.4 hereof.

ARTICLE III

COMMENCEMENT AND COMPLETION OF THE PROJECT

Section 3.1 The Project. The Company has acquired, constructed and/or installed or made plans for the acquisition, lease, construction, expansion and/or installation of certain land, buildings, improvements, fixtures, machinery and equipment which comprise the Project.

Pursuant to the Act, the Company and the County hereby agree that the property comprising the Project shall be Economic Development Property as defined under the Act. Anything contained in this Agreement to the contrary notwithstanding, the Company shall not be obligated to complete the acquisition of the Project provided it makes the payments required hereunder, and provided that the Company may lose the benefit of this Fee Agreement if it does not meet the Required Minimum Investment.

Section 3.2 Diligent Completion. The Company agrees to use its reasonable efforts to cause the acquisition, construction and installation of the Project to be completed as soon as practicable, but in any event on or prior to December 31, 2019. Anything contained in this Agreement to the contrary notwithstanding, the Company shall not be obligated to complete the acquisition of the Project in the event that it pays all amounts due by it under the terms of this Fee Agreement, and provided that the Company may lose the benefit of this Fee Agreement if it does not complete the Project.

Section 3.3. Filings

(a) On or before May 1 of each year up to and including the May 1 immediately following the preceding December 31 of the year in which the completion of the Project has occurred, including an extension of the Investment Period if granted, the Company shall provide the Oconee County Auditor with a list of all Project property as was placed in service during the year ended as of the prior December 31.

(b) The Company shall deliver to the Oconee County Auditor copies of all annual filings made with the Department with respect to the Project during the term of this Agreement, not later than thirty (30) days following delivery thereof to the Department.

(c) The Company shall cause a copy of this Agreement to be filed with the Oconee County Auditor, Oconee County Assessor and the Department within thirty (30) days after the date of execution and delivery hereof.

(d) The Company shall be responsible to the County (i) for filing annual tax reports to the South Carolina Department of Revenue, (ii) for computing the fee in lieu of tax owed to the County by the Economic Development Property and (iii) for paying the fee in lieu of tax and any other amounts due hereunder to the County.

ARTICLE IV

PAYMENTS IN LIEU OF TAXES

Section 4.1 Negotiated Payments. Pursuant to Section 12-44-50 of the Act, the Company is required to make payments in lieu of ad valorem taxes to the County with respect to the Project. Inasmuch as the Company anticipates the Project will involve an initial investment of sufficient sums to qualify to enter into a fee in lieu of tax arrangement under Section 12-44-

50(A)(1) of the Act, and to meet the Required Minimum Investment, the County and the Company have negotiated the amount of the payments in lieu of taxes in accordance therewith. In accordance therewith, the Company shall make payments in lieu of ad valorem taxes on all real and personal property which comprises the Project and is placed in service, as follows: the Company shall make payments in lieu of ad valorem taxes with respect to each Phase of the Project placed in service on or before each December 31 through December 31, 2019, or up to December 31, 2024, if an extension of time to complete the Project is subsequently granted by the County in its discretion pursuant to Section 12-44-30(13) of the Act, said payments to be made annually and to be due and payable and subject to penalty assessments on the same dates and in the same manner as prescribed by the County for ad valorem taxes. The amount of such equal annual payments in lieu of taxes shall be determined by the following procedure (subject, in any event, to the required procedures under the Act):

Step 1: Determine the fair market value of the Phase of the Project placed in service in any given year for such year and for the following 29 years using original income tax basis for State income tax purposes for any real property (provided, if real property is constructed for the fee or is purchased in an arms length transaction, fair market value is deemed to equal the original income tax basis, otherwise, the Department of Revenue will determine fair market value by appraisal) and original income tax basis for State income tax purposes less depreciation for each year allowable to the Company for any personal property as determined in accordance with Title 12 of the Code, as amended and in effect on December 31 of the year in which each Phase becomes subject to the Fee Agreement, except that no extraordinary obsolescence shall be allowable but taking into account all applicable property tax exemptions which would be allowed to the Company under State law, if the property were taxable, except those exemptions specifically disallowed under Section 12-44-50(A)(2) of the Act, as amended and in effect on December 31 of the year in which each Phase becomes subject to the Fee Agreement.

Step 2: Apply an assessment ratio of six percent (6%) to the fair market value as determined for each year in Step 1 to establish the taxable value of each Phase of the Project in the year it is placed in service and in each of the twenty-nine years thereafter or such longer period of years that the annual fee payment is permitted to be made by the Company under the Act, as amended, if the County approves, in writing, the use of such longer period created by any such amendment.

Step 3: Multiply the taxable values, from Step 2, by the cumulative, combined millage rate in effect for the Project site on June 30, 2014, which the parties believe to be 215.0 mils (which millage rate shall remain fixed for the term of this Fee Agreement), to determine the amount of the payments in lieu of taxes which would be due in each of the thirty years listed on the payment dates prescribed by the County for such payments, or such longer period of years that the County may subsequently agree, in writing, that the annual fee payment is permitted to be made by the Company under the Act, as amended.

In the event that it is determined by a final order of a court of competent jurisdiction or by agreement of the parties that the minimum payment in lieu of taxes applicable to this transaction is to be calculated differently than described above, the payment shall be reset at the minimum permitted level so determined, but never lower than the level described in this Agreement for the investment in the Project without the express, written consent of the County.

In the event that the Act and/or the above-described payments in lieu of taxes are declared invalid or unenforceable, in whole or in part, for any reason, the parties express their intentions that such payments be reformed so as to most closely effectuate the legal, valid, and enforceable intent thereof and so as to afford the Company with the benefits to be derived herefrom, it being the intention of the County to offer the Company a strong inducement to locate the Project in the County. If the Project is deemed to be subject to ad valorem taxation, the payment in lieu of ad

valorem taxes to be paid to the County by the Company shall become equal to the amount which would result from taxes levied on the Project by the County, municipality or municipalities, school district or school districts, and other political units as if the Project did not constitute Economic Development Property under the Act, but with appropriate reductions equivalent to all tax exemptions which would be afforded to the Company if the Project was and had not been Economic Development Property under the Act. In such event, any amount determined to be due and owing to the County from the Company, with respect to a year or years for which payments in lieu of ad valorem taxes have been previously remitted by the Company to the County hereunder, shall be reduced by the actual amount of payments in lieu of ad valorem taxes already made by the Company with respect to the Project pursuant to the terms hereof.

Section 4.2 Failure to Make Required Minimum Investment. Notwithstanding any other provision of this Agreement to the contrary, in the event that investment (within the meaning of the Act) in the Project has not exceeded $2,500,000 in non-exempt (subject to the fee) investment, as required under Section 12-44-30 (13) of the Act by December 31, 2019, then, unless otherwise agreed to by the County, beginning with the payment due in 2020, the payment in lieu of ad valorem taxes to be paid to the County by the Company shall become equal to the amount as would result from taxes levied on the Project by the County, municipality or municipalities, school district or school districts, and other political units as if the items of property comprising the Project were not Economic Development Property, but with appropriate reductions equivalent to all tax exemptions which would be afforded to the Company in such a case, and the Investment Period will be terminated at that point. In addition to the foregoing, the Company shall pay to the County an amount which is equal to the excess, if any, of (i) the total amount of ad valorem taxes that

would have been payable to the County with respect to the Project through and including 2020 using the calculations described in this Section, over, (ii) the total amount of payments in lieu of ad valorem taxes actually made by the Company with respect to the Project through and including 2020. Any amounts determined owing pursuant to the foregoing sentence shall be subject to interest as provided under State law for non-payment of ad valorem taxes.

Section 4.3 Payments in Lieu of Taxes on Replacement Property. If the Company elects to replace any Removed Components and to substitute such Removed Components with Replacement Property as a part of the Project, then, pursuant and subject to Section 12-44-60 of the Act or any successor provision, the Company shall make statutory payments in lieu of ad valorem taxes with regard to such Replacement Property as follows:

(i) to the extent that the income tax basis of the Replacement Property (the "Replacement Value") is less than or equal to the original income tax basis of the Removed Components (the "Original Value") the amount of the payments in lieu of taxes to be made by the Company with respect to such Replacement Property shall be calculated in accordance with Section 4.1 hereof; provided, however, in making such calculations, the original cost to be used in Step 1 of Section 4.1 shall be equal to the lesser of (x) the Replacement Value and (y) the Original Value, and the number of annual payments to be made with respect to the Replacement Property shall be equal to thirty (30) (or, if greater, pursuant to subsequent written agreement with the County, the maximum number of years for which the annual fee payments are available to the Company for each portion of the Project under the Act, as amended) minus the number of annual payments which have been made with

respect to the Removed Components; and provided, further, however, that in the event a varying number of annual payments have been made with respect to such Removed Components as a result of such Removed Components being included within more than one Phase of the Project, then the number of annual payments which shall be deemed to have been made shall be the greater of such number of annual payments; and

(ii) to the extent that the Replacement Value exceeds the Original Value of the Removed Components (the "Excess Value"), the payments in lieu of taxes to be made by the Company with respect to the Excess Value shall be equal to the payment that would be due if the property were not Economic Development Property.

Section 4.4 Reductions in Payments of Taxes Upon Removal, Condemnation or Casualty. In the event of a Diminution in Value of any Phase of the Project, the payment in lieu of taxes with regard to that Phase of the Project shall be reduced in the same proportion as the amount of such Diminution in Value bears to the original fair market value of that Phase of the Project as determined pursuant to Step 1 of Section 4.1 hereof; provided, always, however, and notwithstanding any other provision of this Agreement, that if at any time subsequent to December 31, 2019, the total value of the Project based on the original income tax basis of the Equipment, Real Property and Improvements contained therein, without deduction for depreciation, is less than $2,500,000 in taxable (fee-in-lieu of tax) investment then, beginning with the first payment thereafter due hereunder and continuing until the end of the Fee Term, the Company shall make

payments equal to the payments which would be due if the property were not Economic Development Property.

Section 4.5 Place and Allocation of Payments in Lieu of Taxes. The Company shall make the above-described payments in lieu of taxes directly to the County in accordance with applicable law as to time, place, method of payment, and penalties and enforcement of collection.

Section 4.6 Removal of Equipment. Provided that no Event of Default shall have occurred and be continuing under this Fee Agreement, and subject to Section 4.4, hereof, the Company shall be entitled to remove the following types of components or Phases of the Project from the Project with the result that said components or Phases (the "Removed Components") shall no longer be considered a part of the Project and shall no longer be subject to the terms of this Fee Agreement: (a) components or Phases which become subject to statutory payments in lieu of ad valorem taxes; (b) components or Phases of the Project or portions thereof which the Company, in its sole discretion, determines to be inadequate, obsolete, uneconomic, worn-out, damaged, unsuitable, undesirable or unnecessary; or (c) components or Phases of the Project or portions thereof which the Company, in its sole discretion, elects to remove pursuant to Section 4.7(c) or Section 4.8(b)(iii) hereof. The Company shall provide annual written notice to the County of the Removed Components in conjunction with the filing of the PT300 property tax form.

Section 4.7 Damage or Destruction of Project.

(a) Election to Terminate. In the event the Project is damaged by fire, explosion, or any other casualty, the Company shall be entitled to terminate this Agreement.

(b) Election to Rebuild. In the event the Project is damaged by fire, explosion, or any other casualty, and if the Company does not elect to terminate this Agreement, the Company may

commence to restore the Project with such reductions or enlargements in the scope of the Project, changes, alterations and modifications (including the substitution and addition of other property) as may be desired by the Company, subject to the provisions of Section 4.4, hereof. Subject to the terms and provisions of this Agreement, all such restorations and replacements shall be considered substitutions of the destroyed portions of the Project and shall be considered part of the Project for all purposes hereof, including, but not limited to any amounts due by the Company to the County under Section 4.1 hereof.

(c) Election to Remove. In the event the Company elects not to terminate this Agreement pursuant to subsection (a) and elects not to rebuild pursuant to subsection (b), the damaged portions of the Project shall be treated as Removed Components.

Section 4.8 Condemnation.

(a) Complete Taking. If at any time during the Fee Term title to or temporary use of the entire Project should become vested in a public or quasi-public authority by virtue of the exercise of a taking by condemnation, inverse condemnation or the right of eminent domain, or by voluntary transfer under threat of such taking, or in the event that title to a portion of the Project shall be taken rendering continued occupancy of the Project commercially infeasible in the judgment of the Company, the Company shall have the option to terminate this Fee Agreement as of the time of vesting of title by sending written notice to the County within a reasonable period of time following such vesting.

(b) Partial Taking. In the event of a partial taking of the Project or a transfer in lieu thereof, and subject to Section 4.4, hereof, the Company may elect: (i) to terminate this Fee Agreement; (ii) to repair and restore the Project, with such reductions or enlargements in the scope

of the Project, changes, alterations and modifications (including the substitution and addition of other property) as may be desired by the Company; or (iii) to treat the portions of the Project so taken as Removed Components.

ARTICLE V

MISCELLANEOUS

Section 5.1 Maintenance of Existence. The Company agrees (i) that it shall not take any action which will materially impair the maintenance of its company existence and (ii) that it will maintain its good standing under all applicable provisions of State law. Provided; however, the Company may merge with, or be acquired by, another company so long as the surviving Company has a net asset value equal to or greater than that of the Company's net asset value.

Section 5.2 Indemnification Covenants; Fees and Expenses of County.

(a) The Company shall and agrees to indemnify and save the County, its members, employees, officers, and agents (the "Indemnified Parties") harmless against and from all claims by or on behalf of any person, firm or corporation arising from the County's entry into this Agreement. The Company shall indemnify and save the Indemnified Parties harmless from and against all costs and expenses incurred in or in connection with any such claim arising as aforesaid or in connection with any action or proceeding brought thereon, and upon notice from the County; the Company shall defend them in any such action, prosecution or proceeding.

(b) The Company further agrees to pay all reasonable and necessary expenses incurred by the County with respect to the preparation and delivery, and administration of this Agreement, including but not limited to attorneys fees and expenses.

Section 5.3 Confidentiality/Limitation on Access to Project. The County acknowledges and understands that the Company utilizes confidential and proprietary "state of the art" equipment and techniques and that any disclosure of any information relating to such equipment or techniques, including but not limited to disclosures of financial or other information concerning the Company's operations could result in substantial harm to the Company and could thereby have a significant detrimental impact on the Company's employees and also upon the County. Therefore, the County agrees that, except as required by law and pursuant to the County's police powers or neither the County nor any employee, agent or contractor of the County: (i) shall request or be entitled to receive any such confidential or proprietary information; (ii) shall request or be entitled to inspect the Project, the Facility or any property associated therewith; provided, however, that if an Event of Default shall have occurred and be continuing hereunder, the County shall be entitled to inspect the Project provided they shall comply with the remaining provisions of this Section; or the County (iii) shall use its best, good faith efforts to not knowingly and intentionally disclose or otherwise divulge any such confidential or proprietary information to any other person, firm, governmental body or agency, or any other entity unless specifically required to do so by State law. Notwithstanding the expectation that the County will not have any confidential or proprietary information of the Company, if the Company does provide such information to the County, if the Company will clearly and conspicuously mark such information as "Confidential" or "Proprietary", or both, then, in that event, prior to disclosing any confidential or proprietary information or allowing inspections of the Project, the Facility or any property associated therewith, the Company may require the execution of reasonable, individual, confidentiality and non-disclosure agreements by any officers, employees or agents of the County or any supporting or cooperating governmental agencies who

would gather, receive or review such information or conduct or review the results of any inspections. Notwithstanding the above, the Company agrees:

(i) to maintain complete books and records accounting for the acquisition, financing, construction and operation of the Project. Such books and records shall permit ready identification of the components of the Project;

(ii) confirm the dates on which each portions of the Project are placed in service; and

(iii) include copies of all filings made by the Company with the Oconee County Auditor or the Department with respect to property placed in service as part of the Project.

Section 5.4 Assignment and Subletting. This Fee Agreement may be assigned in whole or in part and the Project may be subleased as a whole or in part by the Company with the prior consent of the County, which consent will not unreasonably be withheld, so long as such assignment or sublease is made in compliance with Section 12-44-120 of the Act.

Section 5.5 Events of Default. The following shall be "Events of Default" under this Fee Agreement, and the term "Events of Default" shall mean, whenever used with reference to this Fee Agreement, any one or more of the following occurrences:

(a) Failure by the Company to pay any other amounts due hereunder or to make, upon levy, the payments in lieu of taxes described in Section 4.1 hereof; provided, however, that the Company shall be entitled to all redemption rights granted by applicable statutes; or

(b) Failure by the Company to perform any of the material terms, conditions, obligations or covenants of the Company hereunder, other than those already noted in this Section

5.5 which failure shall continue for a period of ninety (90) days after written notice from the County to the Company specifying such failure and requesting that it be remedied, unless the County shall agree in writing to an extension of such time prior to its expiration.

(c) The Company shall file a voluntary petition seeking an order for relief in bankruptcy, or shall be adjudicated insolvent, or shall file any petition or answer or commence a case seeking any reorganization, composition, readjustment, liquidation or similar order for relief or relief for itself under any present or future statute, law or regulation, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of either of the Company or of the Project, or shall make any general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts generally as they become due.

Section 5.6 Remedies on Default. Whenever any Event of Default shall have occurred and shall be continuing, the County may take any one or more of the following remedial actions:

(a) Terminate the Fee Agreement; or

(b) Take whatever action at law or in equity may appear necessary or desirable to collect the other amounts due and thereafter to become due or to enforce performance and observance of any obligation, agreement or covenant of the Company under this Fee Agreement, including, without limitation, those actions previously specified in this Agreement.

In addition to all other remedies herein provided, the nonpayment of payments in lieu of taxes herein shall constitute a lien for tax purposes as provided in Section 12-44-90 of the Act. In this regard, and notwithstanding anything in this Agreement to the contrary, the County may exercise the remedies provided by general law (including Title 12, Chapter 49, of the South

Carolina Code) relating to the enforced collection of ad valorem taxes to collect any payments in lieu of taxes due hereunder.

Section 5.7 Remedies Not Exclusive. No remedy conferred upon or reserved to the County under this Fee Agreement is intended to be exclusive of any other available remedy or remedies, but each and every remedy shall be cumulative and shall be in addition to every other lawful remedy now or hereafter existing. No delay or omission to exercise any right or power accruing upon any continuing default hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the County to exercise any remedy reserved to it, it shall not be necessary to give notice, other than such notice as may be herein expressly required and such notice required at law or equity which the Company is not competent to waive.

Section 5.8 Reimbursement of Legal Fees and Expenses. The Company agrees to reimburse or otherwise pay, on behalf of the County, any and all reasonable expenses not hereinbefore mentioned incurred by the County in connection with the Project. Further if the Company shall default under any of the provisions of this Fee Agreement and the County shall employ attorneys or incur other reasonable expenses for the collection of payments due hereunder or for the enforcement of performance or observance of any obligation or agreement on the part of the Company contained herein, the Company will, within thirty (30) days of demand therefor, reimburse the reasonable fees of such attorneys and such other reasonable expenses so incurred by the County.

Section 5.9 No Waiver. No failure or delay on the part of the County in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy hereunder. No waiver of any provision hereof shall be effective unless the same shall be in writing and signed by the County.

Section 5.10 Notices. Any notice, election, demand, request or other communication to be provided under this Fee Agreement shall be effective when delivered to the party named below or when deposited with the United States Postal Service, certified mail, return receipt requested, postage prepaid, addressed as follows (or addressed to such other address as any party shall have previously furnished in writing to the other party), except where the terms hereof require receipt rather than sending of any notice, in which case such provision shall control:

AS TO THE COUNTY:	Oconee County, South Carolina 415 South Pine Street Walhalla, South Carolina 29691 Attention: County Administrator
AS TO THE COMPANY:	ITT ENIDINE INC. 105 Commerce Way Westminster, South Carolina 29693
WITH A COPY TO:	J. Wesley Crum, III P.A. 233 North Main Street, Suite 200F Greenville, South Carolina 29601 Attention: J. Wesley Crum III, Esquire

Section 5.11 Binding Effect. This Fee Agreement and each document contemplated hereby or related hereto shall be binding upon and inure to the benefit of the Company and the County and their respective successors and assigns. In the event of the dissolution of the County or

the consolidation of any part of the County with any other political subdivision or the transfer of any rights of the County to any other such political subdivision, all of the covenants, stipulations, promises and agreements of this Fee Agreement shall bind and inure to the benefit of the successors of the County from time to time and any entity, officer, board, commission, agency or instrumentality to whom or to which any power or duty of the County has been transferred.

Section 5.12 Counterparts. This Fee Agreement may be executed in any number of counterparts, and all of the counterparts taken together shall be deemed to constitute one and the same instrument.

Section 5.13 Governing Law. This Fee Agreement and all documents executed in connection herewith shall be construed in accordance with and governed by the laws of the State.

Section 5.14 Headings. The headings of the articles and sections of this Fee Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Fee Agreement.

Section 5.15 Amendments. The provisions of this Fee Agreement may only be modified or amended in writing by any agreement or agreements entered into between the parties.

Section 5.16 Further Assurance. From time to time, and at the sole expense of the Company, the County agrees to execute and deliver to the Company such additional instruments as the Company may reasonably request to effectuate the purposes of this Fee Agreement.

Section 5.17 Severability. If any provision of this Fee Agreement is declared illegal, invalid or unenforceable for any reason, the remaining provisions hereof shall be unimpaired and such illegal, invalid or unenforceable provision shall be reformed so as to most closely effectuate the legal, valid and enforceable intent thereof and so as to afford the Company with the maximum

benefits to be derived herefrom, it being the intention of the County to offer the Company a strong inducement to locate the Project in the County.

Section 5.18 Limited Obligation. ANY OBLIGATION OF THE COUNTY CREATED BY OR ARISING OUT OF THIS FEE AGREEMENT SHALL BE A LIMITED OBLIGATION OF THE COUNTY, PAYABLE BY THE COUNTY SOLELY FROM THE PROCEEDS DERIVED UNDER THIS FEE AGREEMENT AND SHALL NOT UNDER ANY CIRCUMSTANCES BE DEEMED TO CONSTITUTE A GENERAL OBLIGATION OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION.

Section 5.19 Force Majeure. Except with respect to the timely payment of all fee in lieu of tax payments to the County hereunder and to the extent recognized by the Act, the Company shall not be responsible for any delays or non-performance caused in whole or in part, directly or indirectly, by strikes, accidents, freight embargoes, fire, floods, inability to obtain materials, conditions arising from government orders or regulations, war or national emergency, acts of God, and any other cause, similar or dissimilar, beyond Company's reasonable control.

IN WITNESS WHEREOF, the County, acting by and through the County Council, has caused this Fee Agreement to be executed in its name and behalf by the County Chairman and to be attested by the Clerk to County Council; and the Company has caused this Fee Agreement to be executed by its duly authorized officer, all as of the day and year first above written.

OCONEE COUNTY, SOUTH CAROLINA

By:______________________________________
Wayne McCall, Chairman of County Council
Oconee County, South Carolina

ATTEST:

By:____________________________________
Elizabeth G. Hulse, Clerk to County Council
Oconee County, South Carolina

ITT ENIDINE INC.

By:______________________________________

Its:

EXHIBIT A
LAND DESCRIPTION

105 Commerce Way
Westminster, SC 29693

All that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Oconee containing 7.41 acres, more or less, fronting S.C. Highway 11, as shown and more fully described on plat thereof prepared by Richard Bruce Cook II, PLS No. 17219, of Precision Land Surveying, Inc. dated February 4, 2002, and recorded in the Office of the RMC for Oconee County, SC in Plat Book A862 at page 2.

Tax Map 251-00-04-007

Cost/Benefit Analysis
Project Control
Oconee County

Project Data

New Building (Construction)	$	1,000,000
Existing Building	$	-
Land Cost	$	-
Equipment (Less Pollution Cor	$	4,000,000
Employees		0
Avg. Hourly Wage	$	-
Avg. Salary	$	-
Total Direct Payroll	$	-

Project Multipliers

Income	1.37
Investment -- Construction	1.33
Investment -- Machinery	0.20

Employment Impacts

Employment -- Direct	0
Employment -- Indirect	0
Total Employment Impact	0

	Year 1		20-Year NPV	
Net Costs				
Local	$	9,957	$	142,375
Total State & Local Costs	$	9,957	$	142,375
Net Benefits				
Local	$	57,601	$	355,550
Local Economy	$	2,760,000	$	2,591,549
Total Local Benefits	$	2,817,601	$	2,947,099

	Year 1		20-Year NPV	
Local Government Costs				
Fee-in-Lieu of Property Taxes	$	9,282	$	137,395
MCP Split	$	676	$	4,979
Special Source	$	-	$	-
Gov't Services	$	-	$	-
Education Costs	$	-	$	-
Site Acquisition	$	-	$	-
Site Preparation	$	-	$	-
Site Utilities	$	-	$	-
Special Infrastructure	$	-	$	-
Equipment / Machinery	$	-	$	-
Special Development Financing	$	-	$	-
Consulting/ Special Studies	$	-	$	-
Waived Fees / Permits	$	-	$	-
Streamlined Approvals	$	-	$	-
Total Value of Costs	**$**	**9,957**	**$**	**142,375**
Local Government Benefits				
Taxes from existing building	$	-	$	-
Direct Property Taxes	$	67,559	$	497,924
New Residential Prop. Taxes				
Single family - (Owner occupied)	$	-	$	-
Single Family - (Rental)	$	-	$	-
Multi-family (Rental)	$	-	$	-
Prop. Taxes from New Autos	$	-	$	-
LOST from Const. Materials	$	-	$	-
LOST from Increase Retail Sales	$	-	$	-
LOST from Operational Supplies	$	-	$	-
Public Utilities	$	-	$	-
Total Value of Benefits	**$**	**67,559**	**$**	**497,924**
Net Local Benefits	**$**	**57,601**	**$**	**355,550**
Local Benefit/Cost Ratio		6:1		2:1
Local Economy Benefits				
Total Private Sector Benefits	$	2,760,000	$	2,591,549

STATE OF SOUTH CAROLINA
COUNTY OF OCONEE
ORDINANCE 2015-05

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDMENT TO THE AMENDED FEE AGREEMENT BETWEEN OCONEE COUNTY AND GREENFIELD INDUSTRIES, INC., TO INCLUDE THE ADDITION OF TDC GREENFIELD PROPERTIES LLC, AS A CO-SPONSOR, AMENDING THE AMENDED FEE AGREEMENT DATED AS OF OCTOBER 1, 2013; AND OTHER MATTERS RELATED THERETO

WHEREAS, Oconee County, South Carolina (the "County"), acting by and through its County Council (the "County Council"), is authorized and empowered under and pursuant to the provisions of Title 12, Chapter 44, Code of Laws of South Carolina, 1976, as amended (the "Act") to cause to be acquired properties (which such properties constitute "projects" as defined in the Act) and to enter into or allow financing agreements with respect to such projects; to provide for payment of a fee in lieu of taxes (the "FILOT") through a FILOT agreement (the "Fee Agreement") pursuant to the Act through which powers the industrial development of the State of South Carolina (the "State") will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ the manpower, agricultural products and natural resources of the State and benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally; and

WHEREAS, pursuant to an Oconee County ordinance dated September 17, 2013, the County Council authorized the execution by the County of an Amended Fee Agreement dated as of October 1, 2013 (the "Amended Fee Agreement") with Greenfield Industries, Inc. ("Greenfield") for the purpose of financing the cost of the expansion and acquisition, by construction and purchase of buildings, improvements, machinery, equipment and fixtures which constitute a facility used for the purpose of manufacturing metal products in the County and all activities related thereto (the "Project"); and

WHEREAS, Greenfield is desirous of amending the Amended Fee Agreement dated as of October 1, 2013, to include the addition of TDC Greenfield Properties LLC as a Co-Sponsor along with TDC Clemson Land Company, GreenTech Metal Recycling, LLC and TDC Saws, LLC, as Co-Sponsors in the Project (jointly hereafter the "Sponsors"); and

WHEREAS, the County Council has caused to be prepared and presented to this meeting the form of an amendment of the Amended Fee Agreement (the "Second Amended Fee Agreement") by and between the County and the Sponsors which includes TDC Greenfield Properties LLC as an additional Co-Sponsor; and

WHEREAS, it appears that the Second Amended Fee Agreement, which is now before this meeting, is in appropriate form and is an appropriate instrument to be executed and delivered by the County for the purposes intended.

NOW, THEREFORE, BE IT ORDAINED by Oconee County, South Carolina, as follows:

Section 1. It is the intention of the County Council and the Sponsors that the amendment of the Amended Fee Agreement to simply add TDC Greenfield Properties LLC as an additional Co-Sponsor, shall not diminish or enhance the value of the existing fee in lieu of tax arrangement between the County and Greenfield to either party, provided, the Sponsors, collectively, shall now (with the Second Amended Fee Agreement) have a minimum required investment level of $15,000,000 in the Project on or before December 31, 2018.

Section 3. The terms of the Second Amended Fee Agreement, simply adding TDC Greenfield Properties LLC as an additional Co-Sponsor, presented to this meeting and filed with the Clerk to the County Council be and they are hereby approved and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if the Second Amended Fee Agreement were set out in this Ordinance in its entirety. The Chairman of County Council and the Clerk to the County Council be and they are hereby authorized, empowered and directed to execute, acknowledge and deliver the Second Amended Fee Agreement in the name and on behalf of the County, and thereupon to cause the Second Amended Fee Agreement to be delivered to the Company. The Second Amended Fee Agreement is to be in substantially the form now before this meeting and hereby approved, or with such minor changes therein as shall not be materially adverse to the County and as shall be approved by the officials of the County executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the Second Amended Fee Agreement now before this meeting.

Section 4. The Chairman of the County Council and the Clerk to the County Council, for and on behalf of the County, are hereby each authorized and directed to do any and all things necessary to effect the execution and delivery of the Second Amended Fee Agreement and the performance of all obligations of the County under and pursuant to the Second Amended Fee Agreement.

Section 5. The provisions of this Ordinance are hereby declared to be separable and if any section, phrase or provisions shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereunder.

Section 6. All orders, resolutions, ordinances and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Ordinance shall take effect and be in full force from and after its passage and approval.

Passed and approved this 17th day of February, 2015.

OCONEE COUNTY, SOUTH CAROLINA

By:____
Wayne McCall, Chairman of County Council
Oconee County, South Carolina

ATTEST:

By:__________________________________
Elizabeth Hulse, Clerk to County Council
Oconee County, South Carolina

First Reading:	January 20, 2015
Second Reading:	February 3, 2015
Public Hearing:	February 17, 2015
Third Reading:	February 17, 2015

SECOND AMENDED FEE AGREEMENT

between

OCONEE COUNTY, SOUTH CAROLINA

and

GREENFIELD INDUSTRIES, INC.
a South Carolina corporation

and

TDC CLEMSON LAND COMPANY, LLC,
GREENTECH METAL RECYCLING, LLC
TDC SAWS, LLC
AND
TDC GREENFIELD PROPERTIES LLC,
(jointly with the Company hereinafter the "Sponsors")

Dated as of February 1, 2015

The County and the Company hereby agree to waive, to the full extent allowed by law, the requirements of Section 12-44-55 with regard to the Fee Agreement for the Project, to the extent and so long as the Company makes and continues to make all other filings with the County required by the Act.

2015-05

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SECOND AMENDED FEE AGREEMENT

THIS SECOND AMENDED FEE AGREEMENT (the "Second Amended Fee Agreement") is made and entered into as of February 1, 2015, by and between OCONEE COUNTY, SOUTH CAROLINA (the "County"), a body politic and corporate and a political subdivision of the State of South Carolina (the "State"), acting by and through the Oconee County Council (the "County Council") as the governing body of the County, and GREENFIELD INDUSTRIES, INC. (the "Company"), a corporation duly incorporated and existing under the laws of the State of South Carolina, and TDC CLEMSON LAND COMPANY, LLC, GREENTECH METAL RECYCLING, LLC, TDC SAWS, LLC AND TDC GREENFIELD PROPERTIES LLC, (jointly with the Company hereinafter the "Sponsors"), and is an amendment and continuation of the Fee Agreement (hereinafter defined).

WITNESSETH:

Recitals.

The County is authorized by Title 12, Chapter 44 of the Code of Laws of South Carolina, 1976, as amended (the "Act") to enter into a fee agreement with entities meeting the requirements of such Act, which identifies certain property of such entities as economic development property, to induce such industries to locate in the State and to encourage industries now located in the State to expand their investments and thus make use of and employ manpower and other resources of the State.

Pursuant to the Act, the County finds that (a) the Project (as defined herein) is anticipated to benefit the general public welfare of the County by providing services, employment, recreation, or

other public benefit not otherwise adequately provided locally; (b) the Project gives rise to no pecuniary liability of the County or incorporated municipality and to no charge against its general credit or taxing power; (c) the purposes to be accomplished by the Project are proper governmental and public purposes; and (d) the benefits of the Project to the public are greater than the costs to the public.

Pursuant to a Fee Agreement between the County and the Company dated as of December 1, 2009 (referred to herein as the "Fee Agreement") authorized by the "Fee Ordinance", adopted by the County Council on December 15, 2009, the Company entered into the Fee Agreement dated as of December 1, 2009 and agreed to acquire and equip by construction, lease-purchase, lease or otherwise a manufacturing facility (the "Facility") which manufactures metal products, which Facility is located in the County, which consisted of the acquisition, construction, installation, expansion, improvement, design and engineering, in phases, of additional or improved machinery and equipment, buildings, improvements or fixtures and which constituted the project (the "Initial Project"). The Initial Project in the Park (as defined in the Fee Agreement) in the County has constituted, prior to the execution of the Amended Fee Agreement dated as of October 1, 2013 and this Second Amended Fee Agreement, an investment of at least $10,000,000 in fee in lieu of tax expenditures otherwise subject to ad valorem taxes except for the fee granted in the Fee Agreement and thus is in compliance with the Act and the Amended Fee Agreement and this Second Amended Fee Agreement.

Pursuant to an Amended Fee Ordinance (as defined herein) adopted on September 17, 2013 to amend the Fee Agreement dated as of December 1, 2009 and now a Second Amended Fee Ordinance (as defined herein) adopted on February 17, 2015 to amend the Amended Fee

Agreement dated October 1, 2013 by and between the County and the Company and, as an inducement to the Sponsors to further develop the Project and at the Sponsors' request, the County Council authorized the County to enter into this Second amended Fee Agreement with the Sponsors which amends the Fee Agreement and the Amended Fee Agreement to read as stated herein, and identifies the property comprising the Project as Economic Development Property (as defined in the Act) under the Act and subject to the terms and conditions hereof.

NOW, THEREFORE, FOR AND IN CONSIDERATION of the respective representations and agreements hereinafter contained, the parties hereto agree as follows, with the understanding that no obligation of the County described herein shall create a pecuniary liability or charge upon its general credit or taxing powers, but shall be payable solely out of the sources of payment described herein and shall not under any circumstances be deemed to constitute a general obligation of the County:

ARTICLE I

DEFINITIONS

The terms defined in this Article shall for all purposes of this Amended Fee Agreement have the meaning herein specified, unless the context clearly requires otherwise.

"Act" shall mean Title 12, Chapter 44 of the Code of Laws of South Carolina, 1976, as amended, and all future acts supplemental thereto or amendatory thereof

"Amended Fee Agreement" shall mean the Amended Fee Agreement dated as of October 1, 2013, which amends and replaces the Fee Agreement, except as otherwise noted herein or in the Fee Agreement.

"Amended Fee Ordinance" shall mean the Ordinance of the County Council adopted on September 17, 2013 authorizing the Amended Fee Agreement dated as of October 1, 2013.

"Authorized Sponsors Representative" shall mean any person designated from time to time to act on behalf of each or any of the Sponsors by its President or one of its vice presidents, its chief executive officer, its general counsel, its treasurer or any assistant treasurer, its secretary or any assistant secretary as evidenced by a written certificate or certificates furnished to the County containing the specimen signature of each such person, signed on behalf of the Sponsors, its chief executive officer, its general counsel, its treasurer or any assistant treasurer, its secretary or any assistant secretary. Such certificates may designate an alternate or alternates, and may designate different Authorized Sponsors Representatives to act for the Sponsors with respect to different sections of this Second Amended Fee Agreement.

"Chairman" shall mean the Chairman of the County Council of Oconee County, South Carolina

"Clerk to County Council" shall mean the Clerk to the County Council of Oconee County, South Carolina.

"Closing" or "Closing Date" shall mean the date of the execution and delivery hereof.

"Code" shall mean the Code of Laws of South Carolina, 1976, as amended.

"Company" shall mean Greenfield Industries, Inc., a South Carolina corporation duly qualified to transact business in the State.

"County" shall mean Oconee County, South Carolina, a body politic and corporate and a political subdivision of the State, its successors and assigns, acting by and through the County Council as the governing body of the County.

"County Council" shall mean the Oconee County Council, the governing body of the County.

"Diminution of Value" in respect of any Phase of the Project shall mean any reduction in the value based on original fair market value as determined in Step 1 of Section 4.1 of this Second Amended Fee Agreement, of the items which constitute a part of the Phase which may be caused by (i) the Company's removal of equipment pursuant to Section 4.6 of this Second Amended Fee Agreement, (ii) a casualty to the Phase of the Project, or any part thereof, described in Section 4.7 of this Second Amended Fee Agreement or (iii) a condemnation to the Phase of the Project, or any part thereof, described in Section 4.8 of this Second Amended Fee Agreement.

"Economic Development Property" shall mean all items of real and/or tangible personal property comprising the Project which are eligible for inclusion as economic development property under the Act, become subject to this Second Amended Fee Agreement, and which are identified by the Company in connection with its required annual filing of a SCDOR PT-100, PT-300 or comparable form with the South Carolina Department of Revenue and Taxation (as such filing may be amended from time to time) for each year within the Investment Period. Title to all Economic Development Property shall at all times remain vested in the Company.

"Equipment" shall mean all of the machinery, equipment, furniture and fixtures, together with any and all additions, accessions, replacements and substitutions thereto or therefor to the extent such machinery, equipment and fixtures constitute Economic Development Property and thus become a part of the Project pursuant to this Amended Fee Agreement.

"Event of Default" shall mean any Event of Default specified in Section 4.13 of this Second Amended Fee Agreement.

"Facility" shall mean any such facility that the Sponsors may cause to be constructed, acquired, modified or expanded in Oconee County, South Carolina on the land acquired by or on behalf of the Sponsors for the Project.

"Fee Agreement" shall mean the Fee Agreement dated as of December 1, 2009.

"Fee Ordinance" shall mean the ordinance adopted by the County Council on December 15, 2009.

"Fee Term" or "Term" shall mean the period from the date of delivery of this Second Amended Fee Agreement until the last Phase Termination Date unless sooner terminated or extended pursuant to the terms of this Second Amended Fee Agreement.

"FILOT Revenues" shall mean the payments in lieu of taxes which the Sponsors are obligated to pay to the County pursuant to Section 4.1 hereof.

"Improvements" shall mean improvements, together with any and all additions, accessions, replacements and substitutions thereto or therefor, but only to the extent such additions, accessions, replacements, and substitutions are deemed to become part of the Project under the terms of this Second Amended Fee Agreement.

"Investment Period" shall mean the period commencing with the first day that economic development property is acquired pursuant to the Fee Agreement, the Amended Fee Agreement and continuing pursuant to this Second Amended Fee Agreement and ending on December 31, 2018.

"Phase" or "Phases" in respect of the Project shall mean the Equipment, Improvements and Real Property, if any, placed in service during each year of the Investment Period.

"Phase Termination Date" shall mean with respect to each Phase of the Project the day twenty years after each such Phase of the Project becomes subject to the terms of this Second Amended Fee Agreement. Anything contained herein to the contrary notwithstanding, the last Phase Termination Date shall be no later than December 31, 2038.

"Project" shall mean the Equipment, Improvements, and/or Real Property, together with the acquisition, construction, installation, design and engineering thereof, in phases, which shall constitute expansions or improvements of the Facility, and includes the Initial Project. The Project involves an initial investment of sufficient sums to qualify under the Act.

"Real Property" shall mean real property, together with all and singular the rights, members, hereditaments and appurtenances belonging or in any way incident or appertaining thereto to the extent such shall become a part of the Project under the terms of this Second Amended Fee Agreement; all Improvements now or hereafter situated thereon; and all fixtures now or hereafter attached thereto, but only to the extent such Improvements and fixtures are deemed to become part of the Project under the terms of the Fee Agreement, the Amended Fee Agreement and this Second Amended Fee Agreement.

"Removed Components" shall mean the following types of components or Phases of the Project or portions thereof, all of which the Sponsors shall be entitled to remove from the Project with the result that the same shall no longer be subject to the terms of this Second Amended Fee Agreement: (a) components or Phases of the Project or portions thereof which the Sponsors, in their sole discretion, determine to be inadequate, obsolete, worn-out, uneconomic, damaged, unsuitable, undesirable or unnecessary; or (b) components or Phases of the Project or portions thereof which the Sponsors in their sole discretion, elect to remove pursuant to Section 4.7(c) or

Section 4.8(b)(iii) of this Second Amended Fee Agreement (subject, always, to the terms and provisions of Section 4.3, hereof).

"Replacement Property" shall mean any property which is placed in service as a replacement pursuant to Section 4.3 for any item of Equipment or any Improvement which is scrapped or sold by the Sponsors and treated as a Removed Component under Section 4.6 hereof regardless of whether such property serves the same function as the property it is replacing and regardless of whether more than one piece of property replaces any item of Equipment or any Improvement.

"Second Amended Fee Agreement" shall mean this Second Amended Fee Agreement dated as of February 1, 2015, which amends and replaces the Fee Agreement and the Amended Fee Agreement, except as otherwise noted herein or in the Fee Agreement or Amended Fee Agreement.

"Second Amended Fee Ordinance" shall mean the Ordinance of the County Council adopted on February 17, 2015 authorizing this Second Amended Fee Agreement dated as of February 1, 2015.

"Sponsors" shall mean the Company and TDC Clemson Land Company, LLC, Greentech Metal Recycling, LLC, TDC Saws, LLC and TDC Greenfield Properties LLC in conformity with the terms of the Act, specifically as the Act was amended by Act 283 in 2003. Any reference to any agreement or document in this Article I or otherwise in this Second Amended Fee Agreement shall be deemed to include any and all amendments, supplements, addenda, and modifications to such agreement or document.

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.1 Representations of the County. The County hereby represents and warrants to the Sponsors as follows:

(a) The County is a body politic and corporate and a political subdivision of the State which acts through the County Council as its governing body and by the provisions of the Act is authorized and empowered to enter into the transactions contemplated by this Second Amended Fee Agreement and to carry out its obligations hereunder. The County has duly authorized the second amendment of the Amended Fee Agreement, and the execution and delivery of this Second Amended Fee Agreement and any and all other agreements described herein or therein.

(b) The Project, as represented by the Sponsors to the County, constitutes a "project" within the meaning of the Act.

(c) By due corporate action, the County has agreed that, subject to compliance with applicable laws, each item of real and tangible personal property comprising the Project shall be considered Economic Development Property under the Act.

Section 2.2 Representations of the Company. The Sponsors individually or jointly represents and warrant to the County as follows:

(a) The Sponsors represent and warrant that the Sponsors are each duly organized and in good standing under the laws of the State, and are each qualified to do business in the State, have power to enter into this Second Amended Fee Agreement, and by proper company action each has duly authorized the execution and delivery of this Second Amended Fee Agreement.

(b) The Sponsors represent and warrant that the execution and delivery of this Second Amended Fee Agreement by the Sponsors and their compliance with the provisions hereof will not result in a default, not waived or cured, under any company restriction or any agreement or instrument to which the Company or any of the Sponsors is now a party or by which it is bound.

(c) The Sponsors intend to operate the Project as a "project" within the meaning of the Act as in effect on the date hereof. The Company intends to operate the Project for the purpose of manufacturing metal products, recycling of materials for industry and commercial use and other legal activities and functions with respect thereto, and for such other purposes permitted under the Act as the Company may deem appropriate.

(d) The availability of the payment in lieu of taxes with regard to the Economic Development Property authorized by the Act has induced the Sponsors to locate and expand the Facility in the State.

(e) Inasmuch as at present the Company has invested at least $10,000,000 in the Project under the Fee Agreement, the cost of the Project exceeds the minimum investment required by the Act.

(f) The Sponsors will continue to invest and will, within the Investment Period, invest in excess of Fifteen Million Dollars ($15,000,000) in fee in lieu of tax eligible investments, subject to the fee, in the Project (counting the investment already made in the Project under the Fee Agreement).

ARTICLE III

COMMENCEMENT AND COMPLETION OF THE PROJECT

Section 3.1 The Project. The Sponsors have acquired, constructed and/or installed or made plans for the acquisition, lease, construction, expansion and/or installation of certain land, buildings, improvements, fixtures, machinery and equipment which comprise the Project, and have already invested at least $10,000,000 in the Project under the Fee Agreement which is being amended by this Second Amended Fee Agreement.

Pursuant to the Act, the Sponsors and the County hereby agree that the property properly comprising the Project shall be Economic Development Property as defined under the Act. Anything contained in this Second Amended Fee Agreement to the contrary notwithstanding, the Company shall not be obligated to complete the acquisition of the Project provided it makes the payments required hereunder, and provided that the Company may lose the benefit of this Second Amended Fee Agreement if it does not complete the Project.

Section 3.2 Diligent Completion. The Sponsors agree to use their reasonable efforts to cause the acquisition, construction and installation of the Project to be completed as soon as practicable, but in any event on or prior to December 31, 2018, with not less than $15,000,000 being invested in the Project within the Investment Period. Anything contained in this Agreement to the contrary notwithstanding, the Sponsors shall not be obligated to complete the acquisition of the Project in the event that they pay all amounts due under the terms of this Second Amended Fee Agreement; and provided that the Company and the Sponsors may lose the benefit of this Second Amended Fee Agreement if they do not complete the Project.

ARTICLE IV

PAYMENTS IN LIEU OF TAXES

Section 4.1 Negotiated Payments. Pursuant to Section 12-44-50 of the Act, the Sponsors are required to make payments in lieu of ad valorem taxes to the County with respect to the Project. Inasmuch as the Sponsors anticipate the Project will involve an investment of sufficient sums to qualify to enter into a fee in lieu of tax arrangement under Section 12-44-50(A)(1) of the Act, and to meet the investment representation of Section 2.2(f), hereof, the County and the Sponsors have negotiated the amount of the payments in lieu of taxes in accordance therewith. In accordance therewith, the Sponsors shall make payments in lieu of ad valorem taxes on all real and personal property which comprises the Project and is placed in service, as follows: the Sponsors shall make payments in lieu of ad valorem taxes with respect to each Phase of the Project placed in service on or before each December 31 through December 31, 2013, or through December 31, 2018, if the Sponsors invest not less than $15,000,000 in nonexempt (subject to the fee) investment in the Project. Said payments are to be made annually and to be due and payable and subject to penalty assessments on the same dates and in the same manner as prescribed by the County for ad valorem taxes. The amount of annual payments in lieu of taxes shall be determined by the following procedure (subject, in any event, to the required procedures under the Act):

Step 1: Determine the fair market value of the Phase of the Project placed in service in any given year for such year and for the following 19 years using original income tax basis for State income tax purposes for any real property (provided, if real property is constructed for the fee or is purchased in an arm's length transaction, fair market value is deemed to equal the original income tax basis, otherwise, the Department of Revenue and Taxation will determine fair market value by appraisal) and original income tax basis for State income

tax purposes less depreciation for each year allowable to the Company and Sponsors for any personal property as determined in accordance with Title 12 of the Code, as amended and in effect on December 31 of the year in which each Phase becomes subject to the Second Amended Fee Agreement, except that no extraordinary obsolescence shall be allowable but taking into account all applicable property tax exemptions which would be allowed to the Company under State law, if the property were taxable, except those exemptions specifically disallowed under Section 12-44-50(A)(2) of the Act, as amended and in effect on December 31 of the year in which each Phase is or becomes subject to the Second Amended Fee Agreement.

Step 2: Apply an assessment ratio of six percent (6.0%) to the fair market value as determined for each year in Step 1 to establish the taxable value of each Phase of the Project in the year it is placed in service and in each of the nineteen years thereafter or such longer period of years that the annual fee payment is permitted to be made by the Company under the Act, as amended, if the County approves, in writing, the use of such longer period created by any such amendment.

Step 3: Multiply the taxable values, from Step 2, by the millage rate in effect at the Project site, for all taxing entities, on June 30, 2009, which the parties hereto believe to be 216.7 mils, (which millage rate shall remain fixed for the term of this Second Amended Fee Agreement), to determine the amount of the payments in lieu of taxes which would be due in each of the twenty years listed on the payment dates prescribed by the County for such payments, or such longer period of years that the County may subsequently agree, in writing, that the annual fee payment is permitted to be made by the Company under the Act, as amended.

In the event that it is determined by a final order of a court of competent jurisdiction or by agreement of the parties that the minimum payment in lieu of taxes applicable to this transaction is to be calculated differently than described above, the payment shall be reset at the minimum permitted level so determined, but never lower than the level described in this Agreement without the express, written consent of the County.

In the event that the Act and/or the above-described payments in lieu of taxes are declared invalid or unenforceable, in whole or in part, for any reason, the parties express their intentions that such payments be reformed so as to most closely effectuate the legal, valid, and enforceable intent thereof and so as to afford the Sponsors with the benefits to be derived herefrom, it being the intention of the County to offer the Sponsors a strong inducement to locate the Project in the County. If due to such invalidity or unenforceability the Project is deemed to be subject to ad valorem taxation for any reason other than as provided in Section 4.2 hereof, the payment in lieu of ad valorem taxes to be paid to the County by the Sponsors shall become equal to the amount which would result from taxes levied on the Project by the County, municipality or municipalities, school district or school districts, and other political units as if the Project did not constitute Economic Development Property under the Act, but with appropriate reductions equivalent to all tax exemptions which would be afforded to the Sponsors if the Project was and had not been Economic Development Property under the Act. In such event, any amount determined to be due and owing to the County from the Sponsors, with respect to a year or years for which payments in lieu of ad valorem taxes have been previously remitted by the Sponsors to the County hereunder, shall be reduced by the actual amount of payments in lieu of ad valorem taxes already made by the Sponsors with respect to the Project pursuant to the terms hereof.

Section 4.2 Payments in Lieu of Taxes on Replacement Property. If the Company elects to replace any Removed Components and to substitute such Removed Components with Replacement Property as a part of the Project, then, pursuant and subject to Section 12-44-60 of the Act, the Company shall make statutory payments in lieu of ad valorem taxes with regard to such Replacement Property as follows:

(i) to the extent that the income tax basis of the Replacement Property (the "Replacement Value") is less than or equal to the original income tax basis of the Removed Components (the "Original Value") the amount of the payments in lieu of taxes to be made by the Sponsors with respect to such Replacement Property shall be calculated in accordance with Section 4.1 hereof; provided, however, in making such calculations, the original cost to be used in Step 1 of Section 4.1 shall be equal to the lesser of (x) the Replacement Value and (y) the Original Value, and the number of annual payments to be made with respect to the Replacement Property shall be equal to twenty (20) (or, if greater, pursuant to subsequent written agreement with the County, the maximum number of years for which the annual fee payments are available to the Sponsors for each portion of the Project under the Act, as amended) minus the number of annual payments which have been made with respect to the Removed Components; and provided, further, however, that in the event a varying number of annual payments have been made with respect to such Removed Components as a result of such Removed Components being included within more than one Phase of the Project, then the number of annual payments which shall be deemed to have been made shall be the greater of such number of annual payments; and

(ii) to the extent that the Replacement Value exceeds the Original Value of the Removed Components (the "Excess Value"), the payments in lieu of taxes to be made by the Sponsors with respect to the Excess Value shall be equal to the

payment that would be due if the property were not Economic Development Property.

Section 4.3 Reductions in Payments of Taxes Upon Removal, Condemnation or Casualty. In the event of a Diminution in Value of any Phase of the Project, the payment in lieu of taxes with regard to that Phase of the Project subject to the provisions of the Act, shall be reduced in the same proportion as the amount of such Diminution in Value bears to the original fair market value of that Phase of the Project as determined pursuant to Step 1 of Section 4.1 hereof; provided, always, however, and notwithstanding any other provision of this Agreement, that if at any time subsequent to December 31, 2013, the total value of the Project based on the original income tax basis of the Equipment, Real Property and Improvements contained therein, without deduction for depreciation, is less than $10,000,000, beginning with the first payment thereafter due hereunder and continuing until the end of the Fee Term, the Company shall make payments for the Project equal to the payments which would be due if the Project property were not Economic Development Property.

Section 4.4 Place and Allocation of Payments in Lieu of Taxes. The Sponsors shall make the above-described payments in lieu of taxes directly to the County in accordance with applicable law as to time, place, method of payment, and penalties and enforcement of collection.

Section 4.5 Removal of Equipment. Provided that no Event of Default shall have occurred and be continuing under this Second Amended Fee Agreement, and subject, always, to Section 4.3, hereof, the Sponsors shall be entitled upon written notice to the County to remove the following types of components or Phases of the Project from the Project with the result that said components or Phases (the "Removed Components") shall no longer be considered a part of the

Project and shall no longer be subject to the terms of this Second Amended Fee Agreement: (a) components or Phases which become subject to statutory payments in lieu of ad valorem taxes; (b) components or Phases of the Project or portions thereof which each of the Sponsors, in its sole discretion, determines to be inadequate, obsolete, uneconomic, worn-out, damaged, unsuitable, undesirable or unnecessary; or (c) components or Phases of the Project or portions thereof which each of the Sponsors, in their sole discretion, elects to remove pursuant to Section 4.6(c) or Section 4.7(b)(iii) hereof.

Section 4.6 Damage or Destruction of Project.

(a) Election to Terminate. In the event the Project is damaged by fire, explosion, or any other casualty, the Sponsors shall be entitled to terminate this Agreement.

(b) Election to Rebuild. In the event the Project is damaged by fire, explosion, or any other casualty, and if the Sponsors do not elect to terminate this Agreement, the Sponsors may commence to restore the Project with such reductions or enlargements in the scope of the Project, changes, alterations and modifications (including the substitution and addition of other property) as may be desired by the Sponsors, subject, always, to Section 4.3, hereof. Subject to the provisions of the Act, all such restorations and replacements shall be considered substitutions of the destroyed portions of the Project and shall be considered part of the Project for all purposes hereof, including, but not limited to any amounts due by the Sponsors to the County under Section 4.1 hereof.

(c) Election to Remove. In the event the Sponsors elect not to terminate this Agreement pursuant to subsection (a) and elects not to rebuild pursuant to subsection (b), the damaged portions of the Project shall be treated as Removed Components.

Section 4.7 Condemnation.

(a) Complete Taking. If at any time during the Amended Fee Term title to or temporary use of the entire Project should become vested in a public or quasi-public authority by virtue of the exercise of a taking by condemnation, inverse condemnation or the right of eminent domain, or by voluntary transfer under threat of such taking, or in the event that title to a portion of the Project shall be taken rendering continued occupancy of the Project commercially infeasible in the judgment of the Sponsors, the Sponsors shall have the option to terminate this Second Amended Fee Agreement as of the time of vesting of title by sending written notice to the County within a reasonable period of time following such vesting.

(b) Partial Taking. In the event of a partial taking of the Project or a transfer in lieu thereof, the Sponsors, subject, always, to Section 4.3, hereof, may elect: (i) to terminate this Second Amended Fee Agreement; (ii) to repair and restore the Project, with such reductions or enlargements in the scope of the Project, changes, alterations and modifications (including the substitution and addition of other property) as may be desired by the Sponsors; or (iii) to treat the portions of the Project so taken as Removed Components.

Section 4.8 Maintenance of Existence. Each of the Sponsors agree (i) that it shall not take any action which will materially impair the maintenance of its company existence and (ii) that they will maintain their respective companies' existence and their good standing under all applicable provisions of State law. Provided, however, the Company or any of the Sponsors may merge with or be acquired by another company so long as the surviving company has a net asset value equal to or greater than that of the company that is a Sponsor herein.

Section 4.9 Indemnification Covenants. (a) The Sponsors agree jointly and severally to indemnify and save the County, its employees, officers, and agents (the "Indemnified Parties") harmless against and from all claims by or on behalf of any person, firm or corporation arising from the County's entry into this Agreement, except such claims as may arise from the failure of the representations made by the County pursuant to Sections 2.1(a) and 2.1(c). The Sponsors shall jointly and severally indemnify and save the Indemnified Parties harmless from and against all costs and expenses incurred in or in connection with any such claim arising as aforesaid or in connection with any action or proceeding brought thereon, and upon notice from the County; the Sponsors shall jointly and severally defend them in any such action, prosecution or proceeding, with counsel reasonably acceptable to the County. (b) The Sponsors further agree, jointly and severally, to pay all reasonable and necessary expenses incurred by the county with respect to the preparation and delivery, and administration of this Agreement, including but not limited to attorneys' fees and expenses.

Section 4.10 Confidentiality/Limitation on Access to Project; Records and Reports. The County acknowledges and understands that the Sponsors utilize confidential and proprietary "state of the art" manufacturing equipment and techniques and that any disclosure of any information relating to such equipment or techniques, including but not limited to disclosures of financial or other information concerning the Sponsors'' operations could result in substantial harm to the Sponsors and could thereby have a significant detrimental impact on the Sponsors' employees and also upon the County. Therefore, the County agrees that, except as required by law and pursuant to the County's police powers, neither the County nor any employee, agent or contractor of the County: (i) shall request or be entitled to receive any such confidential or proprietary information;

(ii) shall request or be entitled to inspect the Project, the Facility or any property associated therewith; provided, however, that if an Event of Default shall have occurred and be continuing hereunder, the County shall be entitled to inspect the Project provided they shall comply with the remaining provisions of this Section; or (iii) shall use its best, good faith efforts to not knowingly and intentionally disclose or otherwise divulge any such confidential or proprietary information to any other person, firm, governmental body or agency, or any other entity unless specifically required to do so by State law. Notwithstanding the expectation that the County will not have any confidential or proprietary information of the Sponsors, if the Sponsors do provide such information to the County, the Sponsors will clearly and conspicuously mark such information as "Confidential" or "Proprietary", or both, then, in that event, prior to disclosing any such properly marked and identified confidential or proprietary information or allowing inspections of the Project, the Facility or any property associated therewith, the Sponsors may require the execution of reasonable, individual, confidentiality and non-disclosure agreements by any officers, employees or agents of the County or any supporting or cooperating governmental agencies who would gather, receive or review such information or conduct or review the results of any inspections.

Section 4.11 Assignment and Subletting. Subject to the prior written consent of the County (unless such consent is expressly not required under Section 12-44-120 of the Act or any amendment thereof) this Second Amended Fee Agreement may be assigned in whole or in part and the Project may be leased or subleased as a whole or in part by the Sponsors.

Section 4.12 Events of Default. In addition, to the specific events of default noted elsewhere herein, as to investment requirements, the following shall be "Events of Default" under this Second Amended Fee Agreement, and the term "Events of Default" shall mean, whenever used

with reference to this Second Amended Fee Agreement, any one or more of the following occurrences:

(a) Failure by the Sponsors to make, upon levy, the payments in lieu of taxes described in Section 4.1 hereof; provided, however, that the Sponsors shall be entitled to all redemption rights granted by applicable statutes; or

(b) Failure by the Sponsors to pay any other amounts to the County due hereunder or to perform any of the material terms, conditions, obligations or covenants of the Sponsors hereunder, other than those already noted in this Section 4.12 and which failure shall continue for a period of ninety (90) days after written notice from the County to the Sponsors specifying such failure and requesting that it be remedied, unless the County shall agree in writing to an extension of such time prior to its expiration.

Section 4.13 Remedies on Default. Whenever any Event of Default shall have occurred and shall be continuing, the County may take any one or more of the following remedial actions:

(a) Terminate this Second Amended Fee Agreement; or

(b) Take whatever action at law or in equity may appear necessary or desirable to collect the other amounts due and thereafter to become due or to enforce performance and observance of any obligation, agreement or covenant of the Sponsors under this Second Amended Fee Agreement.

In addition to all other remedies herein provided, the nonpayment of payments in lieu of taxes herein shall constitute a lien for tax purposes as provided in Section 12-44-90 of the Act. In this regard, and notwithstanding anything in this Agreement to the contrary, the County may exercise the remedies provided by general law (including Title 12, Chapter 49, of the South

Carolina Code) relating to the enforced collection of ad valorem taxes to collect any payments in lieu of taxes due hereunder

Section 4.14 Remedies Not Exclusive. No remedy conferred upon or reserved to the County under this Second Amended Fee Agreement is intended to be exclusive of any other available remedy or remedies, but each and every remedy shall be cumulative and shall be in addition to every other lawful remedy now or hereafter existing. No delay or omission to exercise any right or power accruing upon any continuing default hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the County to exercise any remedy reserved to it, it shall not be necessary to give notice, other than such notice as may be herein expressly required and such notice required at law or equity which the Company is not competent to waive.

Section 4.15 Reimbursement of Legal Fees and Expenses. The Sponsors agree to reimburse or otherwise pay, on behalf of the County, any and all expenses not hereinbefore mentioned incurred by the County in connection with the Project. Further if the Sponsors shall default under any of the provisions of this Second Amended Fee Agreement and the County shall employ attorneys or incur other reasonable expenses for the collection of payments due hereunder or for the enforcement of performance or observance of any obligation or agreement on the part of the Sponsors contained herein, the Sponsors will, within thirty (30) days of demand therefor, reimburse the reasonable fees of such attorneys and such other reasonable expenses so incurred by the County.

Section 4.16 No Waiver. No failure or delay on the part of the County in exercising any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy hereunder. No waiver of any provision hereof shall be effective unless the same shall be in writing and signed by the County.

ARTICLE V

MISCELLANEOUS

Section 5.1 Notices. Any notice, election, demand, request or other communication to be provided under this Second Amended Fee Agreement shall be effective when delivered to the party named below or when deposited with the United States Postal Service, certified mail, return receipt requested, postage prepaid, addressed as follows (or addressed to such other address as any party shall have previously furnished in writing to the other party), except where the terms hereof require receipt rather than sending of any notice, in which case such provision shall control:

AS TO THE COUNTY:	Oconee County, South Carolina 415 South Pine Street Walhalla, South Carolina 29601 Attention: Chairman of County Council
AS TO THE COMPANY:	Greenfield Industries, Inc. 2501 Davis Creek Road Seneca, South Carolina 29678 Attention: Controller
AS TO THE SPONSORS:	Greenfield Industries, Inc. 2501 Davis Creek Road Seneca, South Carolina 29678 Attention: Controller
WITH A COPY TO:	J. Wesley Crum, III P.A. 233 North Main St., Suite 200F Greenville, SC 29601 Attention: J. Wesley Crum III, Esquire

Section 5.2 Binding Effect. This Second Amended Fee Agreement and each document contemplated hereby or related hereto shall be binding upon and inure to the benefit of the Company and the County and their respective successors and assigns. In the event of the dissolution of the County or the consolidation of any part of the County with any other political subdivision or the transfer of any rights of the County to any other such political subdivision, all of the covenants, stipulations, promises and agreements of this Second Amended Fee Agreement shall bind and inure to the benefit of the successors of the County from time to time and any entity, officer, board, commission, agency or instrumentality to whom or to which any power or duty of the County has been transferred.

Section 5.3 Counterparts. This Second Amended Fee Agreement may be executed in any number of counterparts, and all of the counterparts taken together shall be deemed to constitute one and the same instrument.

Section 5.4 Governing Law. This Second Amended Fee Agreement and all documents executed in connection herewith shall be construed in accordance with and governed by the laws of the State.

Section 5.5 Headings. The headings of the articles and sections of this Second Amended Fee Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Second Amended Fee Agreement.

Section 5.6 Amendments. The provisions of this Second Amended Fee Agreement may only be modified or amended in writing by any agreement or agreements entered into between the parties.

Section 5.7 Further Assurance. From time to time, and at the sole expense of the Sponsors, the County agrees to execute and deliver to the Sponsors such additional instruments as the Sponsors may reasonably request to effectuate the purposes of this Second Amended Fee Agreement.

Section 5.8 Severability. If any provision of this Second Amended Fee Agreement is declared illegal, invalid or unenforceable for any reason, the remaining provisions hereof shall be unimpaired and such illegal, invalid or unenforceable provision shall be reformed so as to most closely effectuate the legal, valid and enforceable intent thereof and so as to afford the Sponsors with the maximum benefits to be derived herefrom, it being the intention of the County to offer the Sponsors a strong inducement to locate the Project in the County.

Section 5.9 Limited Obligations. ANY OBLIGATION OF THE COUNTY CREATED BY OR ARISING OUT OF THIS SECOND AMENDED FEE AGREEMENT SHALL BE A LIMITED OBLIGATION OF THE COUNTY, PAYABLE BY THE COUNTY SOLELY FROM THE PROCEEDS DERIVED UNDER THIS SECOND AMENDED FEE AGREEMENT AND SHALL NOT UNDER ANY CIRCUMSTANCES BE DEEMED TO CONSTITUTE A GENERAL OBLIGATION OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION.

Section 5.10 Force Majeure. To the extent recognized by the Act, the Sponsors shall not be responsible for any delays or non-performance caused in whole or in part, directly or indirectly, by strikes, accidents, freight embargoes, fire, floods, inability to obtain materials, conditions arising from government orders or regulations, war or national emergency, acts of God, and any other cause, similar or dissimilar, beyond Sponsors' reasonable control.

IN WITNESS WHEREOF, the County, acting by and through the County Council, has caused this Second Amended Fee Agreement to be executed in its name and behalf by the Chairman of the County and to be attested by the Clerk to County Council; and the Company has caused this Second Amended Fee Agreement to be executed by its duly authorized officer, all as of the day and year first above written.

OCONEE COUNTY, SOUTH CAROLINA

By:____________________________________
Wayne McCall, Chairman of County Council Oconee County, South Carolina

ATTEST:

By:____________________________________
Elizabeth G. Hulse, Clerk to County Council
Oconee County, South Carolina

WITNESSES:

____

____

GREENFIELD INDUSTRIES, INC.

By:____
Its:

TDC CLEMSON LAND COMPANY, LLC.

By:____
Its:

GREENTECH METAL RECYCLING, LLC.

By:____
Its:

TDC SAWS, LLC

By:____
Its:

TDC GREENFIELD PROPERTIES LLC

By:____
Its:

EXHIBIT A
LAND DESCRIPTION

All that piece, parcel or tract of land situate, lying and being in the County of Oconee, State of South Carolina, located on the Southern side of U.S. Highway 76 and 123 and being more particularly shown and designated as a tract of land containing 78.20 acres, more or less, on a plat entitled "Plat of a Tract of Land Surveyed at the Request of The First National Bank of Boston" by Farmer & Simpson Engineers, dated June 3, 1986 and recorded in the office of the Clerk of Court of Oconee County, South Carolina in Plat Book P-51 at page 132, and being more particularly described, according to said plat as follows:
Beginning at an iron pin (P.O.B.) located on the southwester edge of the right of way for U.S. Highway 76 and 123 and at the northwestern most corner of said tract of land (said corner being a common corner with the northeastern most corner of lands now or formerly of Delta Corporation) and running thence along the southwestern edge of the right of way for U.S. Highway 76 and 123 S 63 degrees – 19' E 1,890.8 feet to an iron pin corner; thence S 22 degrees – 57' W 456.9 feet to an iron pin corner; thence S 02 degrees -07' E 261.1 feet to a nail and bottle top; thence S 38 degrees -42' W 243.9 feet to a nail and bottle top located within the right of way for Highway S-439; thence S 32 degrees - 40' W 248.5 feet to a nail and bottle top located in the center of the right of way for Highway S-439; thence S 25 degrees - 27' W 240.3 feet to an iron pin corner; thence N 86 degrees 32' W 249.9 feet to an iron pin corner; thence S 86 degrees-19' W 593.3 feet to an iron pin corner; thence S 09 degrees - 16' W 241.6 feet to an iron pin corner; thence N 78 degrees - 56' W 673.4 feet to an iron pin corner; thence N 05 degrees - 25' W 398.7 feet to an iron pin corner; thence N 09 degrees - 32' E 798.4 feet to an iron pin corner; thence N 23 degrees – 02' W 365.0 feet to an iron pin corner; thence N 75 degrees – 09' E 132.3 feet to an iron pin corner; thence N 24 degrees – 28' E 796.4 feet to the POINT OF BEGINNING. Said tract of land is bounded on the North by the right of way for U.S. Highway 76 and 123, on the East by lands of various owners, on the South by lands now or formerly of Clemson University and U.S. Government Hartwell Reservoir and on the West by lands now or formerly of U.S. Government Hartwell Reservoir and Delta Corporation.

LESS AND EXCEPT all that certain piece, parcel or tract of land conveyed from Greenfield Industries, Inc., predecessor in interest of Grantor herein, by deed dated December 22, 2003, and recorded on December 31, 2003, in the Office of the Register of Deeds of Oconee County, South Carolina in Book 1302, page 345.
LESS AND EXCEPT all that certain piece, parcel or tract of land conveyed from Greenfield Industries, Inc., predecessor in interest of Grantor herein, by deed dated March 4, 1996 and recorded on April 10, 1996 in the Office of the Register of Deeds of Oconee County, South Carolina in Book 857, page 305.
BEING commonly referred to as 2501 Davis Creek Road, Seneca, and Oconee County, South Carolina and as Tax Map/Parcel Numbers 226-00-04-006 and 226-00-04-020.

Cost/Benefit Analysis
Project May
Oconee County

Project Data

New Building (Construction)	$	5,500,000
Existing Building	$	-
Land Cost	$	800,000
Equipment (Less Pollution Cor	$	2,100,000
Employees		28
Avg. Hourly Wage	$	31.58
Avg. Salary	$	63,160
Total Direct Payroll	$	1,768,480

Project Multipliers

Income	1.37
Investment -- Construction	1.33
Investment -- Machinery	0.20

Employment Impacts

Employment -- Direct	28
Employment -- Indirect	25
Total Employment Impact	53

		Year 1		20-Year NPV
Net Costs				
Local	$	38,233	$	812,270
Total State & Local Costs	$	38,233	$	812,270
Net Benefits				
Local	$	75,435	$	725,163
Local Economy	$	7,220,004	$	11,040,797
Total Local Benefits	$	7,295,439	$	11,765,960

	Year 1		20-Year NPV	
Local Government Costs				
Fee-in-Lieu of Property Taxes	$	13,430	$	574,452
MCP Split	$	1,136	$	15,360
Special Source	$	22,713	$	184,220
Gov't Services	$	359	$	29,941
Education Costs	$	596	$	8,297
Site Acquisition	$	-	$	-
Site Preparation	$	-	$	-
Site Utilities	$	-	$	-
Special Infrastructure	$	-	$	-
Equipment / Machinery	$	-	$	-
Special Development Financing	$	-	$	-
Consulting/ Special Studies	$	-	$	-
Waived Fees / Permits	$	-	$	-
Streamlined Approvals	$	-	$	-
Total Value of Costs	**$**	**38,233**	**$**	**812,270**
Local Government Benefits				
Taxes from existing building	$	-	$	-
Direct Property Taxes	$	113,565	$	1,535,998
New Residential Prop. Taxes				
Single family - (Owner occupied)	$	9	$	129
Single Family - (Rental)	$	4	$	51
Multi-family (Rental)	$	-	$	-
Prop. Taxes from New Autos	$	90	$	1,255
LOST from Const. Materials	$	-	$	-
LOST from Increase Retail Sales	$	-	$	-
LOST from Operational Supplies	$	-	$	-
Public Utilities	$	-	$	-
Total Value of Benefits	**$**	**113,668**	**$**	**1,537,433**
Net Local Benefits	**$**	**75,435**	**$**	**725,163**
Local Benefit/Cost Ratio		2:1		1:1
Local Economy Benefits				
Total Private Sector Benefits	$	7,220,004	$	11,040,797

AGENDA ITEM SUMMARY
OCONEE COUNTY, SC

COUNCIL MEETING DATE: February 17, 2014
COUNCIL MEETING TIME: 6:00 PM

ITEM TITLE [Brief Statement]:

First Reading of Ordinance 2015-08 "AN ORDINANCE AMENDING CHAPTER 32 AND CHAPTER 38 OF THE OCONEE COUNTY CODE OF ORDINANCES, IN CERTAIN LIMITED REGARDS AND PARTICULARS ONLY, REGARDING SETBACKS, AND AMENDING CHAPTER 38 REGARDING AGRICULTURAL RESIDENTIAL ZONING DISTRICTS IN CERTAIN LIMITED REGARDS AND PARTICULARS; AND OTHER MATTERS RELATED THERETO."

BACKGROUND DESCRIPTION:

Proposed Ordinance 2015-08 stems from a desire to ensure Oconee's land use regulations are clear and easy to use by staff and citizens by clarifying setback standards. To achieve this Ord. 2015-08 will move current setbacks found in Chapter 32 Article 6 Sec. 32-214 to Chapter 38 Article 10 Sec. 38-10.2. In addition, Ord. 2015-08 will amend the definition and intent section of the Agricultural Residential District found in Chapter 38 Article 10 Sec. 38-10.12, to reflect the agreement between all parties resolving litigation concerning ARD, as to how the intent and definition portions of the ARD section should read.

The Commission voted unanimously, on November 17, 2014, to direct staff to draft amendment language that moves the setback provisions found in Chapter 32 Article 6 to the Control Free District in Chapter 38 Article 10. As noted above, the setback provisions contained within Chapter 32 Article 6 Sec. 32-214.d apply to property zoned in the Control Free District. Moving the setbacks in Sec. 32-214.d to Sec. 38-10.2 would be beneficial because all of the County's setback provisions would be in one place and any variance requests would be made to the Board of Zoning Appeals which considers most other variance requests. On January 26, 2015, the Planning Commission voted, unanimously, to recommend that County Council adopt Ord. 2015-08.

SPECIAL CONSIDERATIONS OR CONCERNS [only if applicable]:

None

FINANCIAL IMPACT [Brief Statement]:

_______ Check Here if Item Previously approved in the Budget. No additional information required.

Approved by : _________ Finance

COMPLETE THIS PORTION FOR ALL GRANT REQUESTS:

Are Matching Funds Available: Yes / No

If yes, who is matching and how much:

Approved by : _________ Grants

ATTACHMENTS

Ordinance 2015-08

STAFF RECOMMENDATION [Brief Statement]:

It is staff's recommendation that Council take first reading of Ordinance 2015-08.

Submitted or Prepared By: **Approved for Submittal to Council:**

Department Head/Elected Official **T. Scott Moulder, County Administrator**

Council has directed that they receive their agenda packages a week prior to each Council meeting, therefore, Agenda Items Summaries must be submitted to the Administrator for his review/approval no later than 12 days prior to each Council meeting. It is the Department Head / Elected Officials responsibility to ensure that all approvals are obtained prior to submission to the Administrator for inclusion on an agenda.

A calendar with due dates marked may be obtained from the Clerk to Council.

OCONEE COUNTY PLANNING COMMISSION

415 South Pine Street - Walhalla, SC

TEL (864) 638-4218 FAX (864) 638-4168

Date: January 28, 2015

To: County Council

From: Planning Commission

Re: Ord. 2015-08

During the regular meeting on January 26, 2015, the Planning Commission voted, unanimously, to recommend that County Council adopt Ord. 2015-08.

Please let me know if you have any questions.

Josh Stephens

STATE OF SOUTH CAROLINA
COUNTY OF OCONEE
ORDINANCE 2015-08

AN ORDINANCE AMENDING CHAPTER 32 AND CHAPTER 38 OF THE OCONEE COUNTY CODE OF ORDINANCES, IN CERTAIN LIMITED REGARDS AND PARTICULARS ONLY, REGARDING SETBACKS, AND AMENDING CHAPTER 38 REGARDING AGRICULTURAL RESIDENTIAL ZONING DISTRICTS IN CERTAIN LIMITED REGARDS AND PARTICULARS; AND OTHER MATTERS RELATED THERETO.

WHEREAS, Oconee County, South Carolina (the "County"), a body politic and corporate and a political subdivision of the State of South Carolina (the "State"), acting by and through its governing body, the Oconee County Council (the "County Council"), has adopted multiple ordinances for the effective, efficient governance of the County, which, subsequent to adoption, are codified in the Oconee County Code of Ordinances (the "Code of Ordinances"), as amended, from time to time; and

WHEREAS, the County, acting by and through the County Council, is authorized by Section 4-9-30(9) and Chapter 29 of Title 6 of the South Carolina Code, 1976, as amended, among other sources, to impose land use restrictions and development standards in the unincorporated areas of the County; and,

WHEREAS, Chapter 32 of the Code of Ordinances contains terms, provisions and procedures applicable to performance standards in the County; and

WHEREAS, Chapter 38 of the Code of Ordinances contains terms, provisions and procedures applicable to zoning in the County; and

WHEREAS, County Council recognizes that there is a need to revise the law of the County to meet the changing needs of the County and that there is a need to amend, specifically, certain sections of Chapter 32 and Chapter 38 of the Code of Ordinances involving setbacks and setback lines, and to amend the Agricultural Residential District sections of Chapter 38, as to the "Intent" and "Definitions" provisions; and

WHEREAS, County Council has therefore determined to modify Chapters 32 and 38 of the Code of Ordinances, and to affirm and preserve all other provisions of the Code of Ordinances not specifically or by implication amended hereby.

NOW, THEREFORE, it is hereby ordained by the Oconee County Council, in meeting duly assembled, that:

1. Section 32-214 of Chapter 32 of the Code of Ordinances, entitled *Lot Improvements*, is hereby revised, rewritten, and amended to read as set forth in Attachment A, which is attached hereto and hereby incorporated by reference as fully as if set forth verbatim herein.

2. Section 38-10.2 of Chapter 38 of the Code of Ordinances, entitled *Control Free District (CFD)*, is hereby revised, rewritten, and amended to read as set forth in Attachment B, which is attached hereto and hereby incorporated by reference as fully as if set forth verbatim herein.

3. The *Definition* and *Intent* portions of Section 38-10.12 of the Code of Ordinances, entitled *Agricultural Residential Districts (ARD)*, are hereby revised, rewritten and amended to read as set forth in Attachment C, which is attached hereto and hereby incorporated by reference as fully as is set forth verbatim herein.

4. County Council hereby declares and establishes its legislative intent that Attachment A, hereto, as may be amended from time to time, amend Section 32-214 of the land use performance standards of the County, and that Attachments B and C, hereto, as may perhaps be amended from time to time, become the applicable zoning provisions of the County, or parts thereof, with regard to the sections amended by Attachments B and C, from and after their adoption, states its intent to so adopt Attachments A, B and C, and directs that a public hearing thereon be undertaken by County Council or the Oconee County Planning Commission, in accord with and as required by Section 6-29-760 and by Section 4-9-130, South Carolina Code, 1976, as amended.

5. Should any part or provision of this Ordinance be deemed unconstitutional or unenforceable by any court of competent jurisdiction, such determination shall not affect the rest and remainder of this Ordinance, all of which is hereby deemed separable.

6. All ordinances, orders, resolutions, and actions of County Council inconsistent herewith are, to the extent of such inconsistency only, hereby repealed, revoked, and rescinded. However, nothing contained herein, or in the Attachments hereto, shall cancel, void, or revoke, or shall be interpreted as cancelling, voiding, or revoking, *ex post facto*, in any regard any prior performance standard, zoning or rezoning acts, actions, or decisions of the County or County Council based thereon, which were valid and legal at the time in effect and undertaken pursuant thereto, in any regard.

6. All other terms, provisions, and parts of the Code of Ordinances, and specifically, but without exception, the remainder of Section 38-10.2 of Chapter 38, not amended hereby, directly or by implication, shall remain in full force and effect.

7. This Ordinance shall take effect and be in full force and effect from and after third reading and enactment by County Council, and will apply to all zoning processes initiated after first (1st) reading hereof. All processes actually initiated by submitting a properly and legally completed petition to the County, at a minimum, prior to first (1st) reading of this ordinance and the establishment of the pending ordinance doctrine thereby, shall be completed under the zoning

and performance standard rules and regulations of Chapters 32 and 38 of the Code of Ordinances, as in effect prior to final adoption of this ordinance.

ORDAINED in meeting, duly assembled, this _____ day of _____________, 2015.

ATTEST:

______________________________	______________________________
Elizabeth Hulse, Clerk to Oconee County Council	Wayne McCall, Chairman, Oconee County Council

First Reading:	February 17, 2015
Second Reading:	__________________
Third Reading:	__________________
Public Hearing:	__________________

ATTACHMENT A
To Ordinance 2015-08

Sec. 32-214. - Lot improvements.

(a) *Lot arrangements.* All lots shall be arranged such that there will be no apparent difficulties in securing driveway encroachment permits or building permits for reasons of topography or other conditions and must have driveway access from an approved road. The developer shall be liable for all lots within a proposed subdivision.

(b) *Lot dimensions.* Except where circumstances such as topography, watercourses, road alignment or existing site boundary configurations dictate otherwise, the following requirements shall apply:

(1) Dimensions of corner lots shall be large enough to allow for the erection of buildings observing the minimum yard setbacks from both streets, without encroaching into side and rear yard setbacks, established in the building line section of this chapter.

(2) Depth and width of properties reserved or laid out for business, commercial, or industrial purposes shall be adequate to provide for off-street parking and loading facilities required for that type of development, without encroaching into yard setbacks.

(c) *Lot size.* Minimum lot size shall be .57 acres (approximately 25,000 square feet) with traditional onsite septic tanks served by public water, unless DHEC requires greater area or dimensions. All required set backs shall be met regardless of lot size. No part of a septic system shall be located within any road right-of-way.

(d) *Building Lines.* [See Section 38-10.2 for all setback requirements in the Control Free District of the County]

(e) [Reserved]

(f) *Usable area.* All lots adjacent to floodplains, creeks, and wetlands should use these natural features as lot boundaries when possible. Lots containing areas unsuitable for usage shall not use these areas in calculating minimum lot area.

(g) *Septic system setback.*

(1) Traditional septic systems shall be constructed so that they comply with all regulations of the South Carolina Department of Health and Environmental Control (DHEC).

(2) The applicant shall provide the planning director a copy of all South Carolina Department of Health and Environmental Control (DHEC) permit drawings and an approved DHEC permit application for the proposed septic systems utilized within the development.

(3) The developer must demonstrate to the planning director that the proposed development will not adversely affect the present water table and the existing water supplies; and also demonstrate that the proposed water supply system will not be adversely affected by existing septic systems.

(h) *Lot drainage.* Lots shall be laid out so as to provide positive drainage away from all buildings, and individual lot drainage shall be coordinated with the general storm drainage pattern for the area. Drainage shall be designed so as to prevent concentration of stormwater from each lot to any adjacent property. Drainage systems used to control water on one property shall not increase the water flow on adjacent properties without legal easements.

(i) *Lakes and streams.* If a tract being subdivided contains a water body, or portion thereof, the ownership of and the responsibility for safe and environmentally compliant maintenance of the water body is to be placed so that it will not become a local government responsibility. The minimum area of a lot required under this article may not be satisfied by land that is under water. Where a watercourse other than storm drainage separates the lot's buildable area from the road providing access, an engineer's certified structure shall be provided linking the buildable area to the road. All watercourses shall remain free of obstructions and degradations.

(j) *Easements.* Easements having a minimum width of ten feet and located along the side or rear lot lines shall be provided as required for utilities and drainage.

(k) *Entrances.* One entrance is required for every 100 lots in a proposed subdivision, or a maximum of 100 lots on a dead end road with a cul-de-sac. This requirement may be waived by the planning director due to topography and feasibility. Every effort shall be made to not have an entrance directly onto an arterial road.

(l) [Reserved]

(Ord. No. 2008-20, Art. 4(4.1—4.12), 12-16-2008)

ATTACHMENT B
To Ordinance 2015-08

Sec. 38-10.2. - Control free district (CFD).

The control free district is intended to be the initial zoning district for all parcels within the jurisdiction at the time of initial adoption of zoning in Oconee County, only; any parcel subsequently rezoned to any other district shall not be a part of the control free district at any future date.

*Dimensional requirements:**

Residential uses	Density and Lot Size			Minimum Yard Requirements			Max. Height
	Min. lot size	Max. Density	Min. width (ft.)	Front setback (ft.)	Side setback (ft.)	Rear setback (ft.)	Structure height (ft.)
	N/A	N/A	N/A	25	5	10	65
Nonresidential Uses	Minimum Lot Size			Minimum Yard Requirements			Max. Height
	Min. Lot Size		Min. Width (ft.)	Front Setback (ft.)	Side Setback (ft.)	Rear Setback (ft.)	Structure Height (ft.)
	N/A		N/A	25	5	10	65

(Ord. No. 2012-14, § 1, 5-15-2012)

ATTACHMENT C
To Ordinance 2015-08
Changes to the Intent and Definition portions of Section 38-10.12
Of the Oconee County Code of Ordinances

Intent: The Agricultural Residential districts are intended to allow for most agricultural, forestry, and other related uses that are typically found in rural communities; however, in consideration for the residential areas nearby, certain uses are prohibited in this zoning district.

Definition: For those areas that have maintained their rural uses, including engaging in agricultural and forestry practices, while the neighboring areas have experienced a growth in residential development not typical to rural areas.

AGENDA ITEM SUMMARY
OCONEE COUNTY, SC

COUNCIL MEETING DATE: February 17, 2014
COUNCIL MEETING TIME: 6:00 PM

ITEM TITLE [Brief Statement]:

First Reading of Ordinance 2015-09 "AN ORDINANCE AMENDING SECTION 12-34 OF ARTICLE II OF CHAPTER 12 OF THE OCONEE COUNTY CODE OF ORDINANCES, IN CERTAIN LIMITED REGARDS AND PARTICULARS ONLY, REGARDING NOISE REGULATIONS OF THE COUNTY; AND OTHER MATTERS RELATED THERETO."

BACKGROUND DESCRIPTION:

Proposed Ordinance 2015-09 stems from a desire to ensure Oconee's land use regulations take into account the evolving needs of industrial development. The Oconee Economic Alliance and Community Development Department have identified an area of Oconee's code of ordinances that staff would recommend be amended to reflect changes in the economic development industry. Specifically, the issue at hand is Oconee's noise ordinance. Ord. 2015-09 would add warehousing and distribution uses under exempted uses. As the Council knows, these types of uses and the logistics involved are an important part of the economic environment in Oconee, and that importance is growing not only for new industrial partners but for existing ones as well.

On January 26, 2015, the Planning Commission voted, unanimously, to recommend that County Council adopt Ord. 2015-09 as presented.

SPECIAL CONSIDERATIONS OR CONCERNS [only if applicable]:

None

FINANCIAL IMPACT [Brief Statement]:

______ Check Here if Item Previously approved in the Budget. No additional information required.

Approved by : ________ Finance

COMPLETE THIS PORTION FOR ALL GRANT REQUESTS:

Are Matching Funds Available: Yes / No

If yes, who is matching and how much:

Approved by : ________ Grants

ATTACHMENTS

Ordinance 2015-09

STAFF RECOMMENDATION [Brief Statement]:

It is staff's recommendation that Council take first reading of Ordinance 2015-09.

Submitted or Prepared By:

____

Department Head/Elected Official

Approved for Submittal to Council:

T. Scott Moulder, County Administrator

Council has directed that they receive their agenda packages a week prior to each Council meeting, therefore, Agenda Items Summaries must be submitted to the Administrator for his review/approval no later than 12 days prior to each Council meeting. It is the Department Head / Elected Officials responsibility to ensure that all approvals are obtained prior to submission to the Administrator for inclusion on an agenda.

A calendar with due dates marked may be obtained from the Clerk to Council.

OCONEE COUNTY PLANNING COMMISSION

415 South Pine Street - Walhalla, SC

TEL (864) 638-4218 FAX (864) 638-4168

Date: January 28, 2015

To: County Council

From: Planning Commission

Re: Ord. 2015-09

During the regular meeting on January 26, 2015, the Planning Commission voted, unanimously, to recommend that County Council adopt Ord. 2015-09 as presented.

Please let me know if you have any questions.

Josh Stephens

STATE OF SOUTH CAROLINA
COUNTY OF OCONEE

ORDINANCE 2015-09

AN ORDINANCE AMENDING SECTION 12-34 OF ARTICLE II OF CHAPTER 12 OF THE OCONEE COUNTY CODE OF ORDINANCES, IN CERTAIN LIMITED REGARDS AND PARTICULARS ONLY, REGARDING NOISE REGULATIONS OF THE COUNTY; AND OTHER MATTERS RELATED THERETO.

WHEREAS, Oconee County, South Carolina (the "County"), a body politic and corporate and a political subdivision of the State of South Carolina (the "State"), acting by and through its governing body, the Oconee County Council (the "County Council"), has adopted multiple ordinances for the effective, efficient governance of the County, which, subsequent to adoption, are codified in the Oconee County Code of Ordinances (the "Code of Ordinances"), as amended, from time to time; and

WHEREAS, the County, acting by and through the County Council, is authorized by Section 4-9-30(16.2) of the South Carolina Code, 1976, as amended, among other sources, to establish noise regulations in the unincorporated areas of the County; and,

WHEREAS, Article II of Chapter 12 of the Code of Ordinances contains terms, provisions and procedures applicable to noise regulations in the County; and

WHEREAS, County Council recognizes that there is a need to revise the law of the County to meet the changing needs of the County and that there is a need to amend, specifically, certain sections of Article II of Chapter 12 of the Code of Ordinances to revise the County's noise regulations, and, specifically, but without limitation, to clarify the application and scope of the exceptions to such regulations in order to take into account the evolving needs of industrial development and operation, including the rapid technological and operational advances that allow companies to design and build facilities and their related operations that ensure increased operational efficiencies, and to ensure that the County maintains its competitive edge when recruiting new industry and when working with existing industry; and

WHEREAS, County Council has therefore determined to modify Article II of Chapter 12 of the Code of Ordinances, and to affirm and preserve all other provisions of the Code of Ordinances not specifically or by implication amended hereby.

NOW, THEREFORE, it is hereby ordained by the Oconee County Council, in meeting duly assembled, that:

1. Section 12-34 of Article II of Chapter 12 of the Code of Ordinances, entitled *Exceptions*, is hereby revised, rewritten, and amended to read as set forth in Attachment A,

which is attached hereto and hereby incorporated by reference as fully as if set forth verbatim herein.

2. Should any part or provision of this Ordinance be deemed unconstitutional or unenforceable by any court of competent jurisdiction, such determination shall not affect the rest and remainder of this Ordinance, all of which is hereby deemed separable.

3. All ordinances, orders, resolutions, and actions of County Council inconsistent herewith are, to the extent of such inconsistency only, hereby repealed, revoked, and rescinded. However, nothing contained herein, or in the Attachment hereto, shall cancel, void, or revoke, or shall be interpreted as cancelling, voiding, or revoking in any regard any prior acts, actions, or decisions of the County or County Council, in any regard.

5. All other terms, provisions, and parts of the Code of Ordinances not amended hereby, directly or by implication, shall remain in full force and effect.

6. This Ordinance shall take effect and be in full force and effect from and after third reading and enactment by County Council.

ORDAINED in meeting, duly assembled, this _____ day of ______________, 2015.

ATTEST:

____

Elizabeth Hulse,
Clerk to Oconee County Council

____

Wayne McCall,
Chairman, Oconee County Council

First Reading: February 17, 2015
Second Reading: __________________
Third Reading: __________________
Public Hearing: __________________

Attachment A

Sec. 12-34. – Exceptions.

(a)

This article does not apply to noise emanating from industrial, warehouse, distribution and manufacturing activities and facilities and operations related thereto, governmental activities, airports and aircraft, railways, emergency signal devices, firearms discharges as a result of lawful game hunting, agricultural activities, parades, carnivals, school band practice or performances, and school or government sponsored athletic events.

(b)

Additionally, this article does not apply to noise between the hours of 7:00 a.m. and 10:00 p.m. which emanates from lawn and yard maintenance activities, tree harvesting or clearing, or explosives for construction and land clearing.

(c)

Additionally, this article does not apply to any racing automobile equipped with and using a certified automotive racing muffler system, or to any automobile racing facility, at which all participating automobiles are using such a certified automotive racing muffler system, all between the hours of 10:00 a.m. and 11:30 p.m. local time, Monday through Saturday only.

(d)

Additionally, this article does not apply to trucking and railroad operations related to or arising out of industrial, warehouse, distribution or manufacturing activities and facilities, which are lawfully established and operated in the County, in the normal course of business of such activities and facilities, regardless of whether the trucks and rail operations are owned or operated by the industrial, warehouse, distribution or manufacturing entities, activities, and facilities, or by independent third party trucking or rail firms serving such entities, activities and facilities, as long as such trucking and rail operations are otherwise conducted in accordance with the laws and regulations of the State of South Carolina and the federal government .

(e)

Any lawful business operating as of the date of this article that is not in compliance with this article and does not fall under exceptions set out in this article shall have six months from the date of the ordinance from which this article derives to come into compliance with this article.

(f)

Any lawful business or activity operating as of the date of this article that is not in compliance with this article and does not fall under exceptions set out in this article will nevertheless be considered to be in compliance with this article if such lawful business or activity has existed or occurred on or at its present location and made noise that is not in compliance with this article prior to the complaining party moving to an area that is affected by the noise. This exception shall not apply to the nuisance described in section 12-33(10), which has its own exception, herein.

AGENDA ITEM SUMMARY
OCONEE COUNTY, SC

COUNCIL MEETING DATE: February 17, 2010
COUNCIL MEETING TIME: 6:00 PM

ITEM TITLE [Brief Statement]:

First Reading of Ordinance 2015-12 [In Title Only] "AN ORDINANCE TO REVISE AND AMEND SECTION 34-1 OF THE OCONEE COUNTY CODE OF ORDINANCES, BY DELETING AND RESCINDING THE SECTION IN ITS ENTIRETY; AND OTHER MATTERS RELATED THERETO"

BACKGROUND DESCRIPTION:

The Oconee County Infrastructure Advisory Commission met on Wednesday, February 5, 2015, and took up discussion regarding [1] possibly dissolving the Commission as the established goals have been met, and [2] there are other avenues that most members already participate in; therefore, this group is becoming redundant. [Copy of their final minutes presented as information.]

The Commission voted unanimously [with 14 of 17 members present] to request that Council take first reading in title only of an ordinance to dissolve the Oconee County Infrastructure Advisory Commission effective upon adoption of an ordinance.

SPECIAL CONSIDERATIONS OR CONCERNS [only if applicable]:

None

FINANCIAL IMPACT [Brief Statement]:

______ Check Here if Item Previously approved in the Budget. No additional information required.

Approved by : ________ Finance

COMPLETE THIS PORTION FOR ALL GRANT REQUESTS:
Are Matching Funds Available: Yes / No
If yes, who is matching and how much:

Approved by : ________ Grants

ATTACHMENTS

February 4, 2015 Infrastructure Advisory Commission Minutes

STAFF RECOMMENDATION [Brief Statement]:

It is the commission's recommendation that Council take first reading [in title only] of Ordinance 2015-12.

Submitted or Prepared By:

____
Department Head/Elected Official

Approved for Submittal to Council:

T. Scott Moulder, County Administrator

Council has directed that they receive their agenda packages a week prior to each Council meeting, therefore, Agenda Items Summaries must be submitted to the Administrator for his review/approval no later than 12 days prior to each Council meeting. It is the Department Head / Elected Officials responsibility to ensure that all approvals are obtained prior to submission to the Administrator for inclusion on an agenda.

A calendar with due dates marked may be obtained from the Clerk to Council.

MINUTES
INFRASTRUCTURE ADVISORY COMMISSION

February 4, 2015

1:00 p.m.

Oconee County Administrative Offices, Council Chambers
Walhalla, South Carolina 29691

No Sign In Sheet was prepared for this meeting.
No Recording of this meeting was made.

[Lunch was provided at 12:30 prior to the start of the meeting courtesy of Oconee County Council]

Commission Members Present:

B. Faires, City of Seneca
T. Bagwell, City of Walhalla
L. Oliver, Town of West Union

A. Blackmon, Blue Ridge Electric Coop
L. Taylor, Duke Energy
J. Hawkins, Fort Hill Natural Gas
B. Winchester, Oconee Joint Regional Sewer Authority
T. Pruitt, Pioneer Rural Water District

S. Moulder, Oconee County Administration
J. Thrift, Oconee County Council
R. Johnson Oconee Economic Alliance
J. Cox, Oconee County IT Department
M. Kelly, Oconee County Road Department
J. Stephens, Oconee County Community Development

Commission Members Absent:

Town of Salem
Town of West Union

AT&T

Press:

No Press was present at this meeting.

Call to Order:

Mr. Blackmon called the meeting to order at 1:00 p.m. with a quorum present.

Approval of Minutes:

Mr. Winchester made a motion, seconded by Mr. Hawkins, approved unanimously to approve the minutes from the February 5, 2014 meeting as presented.

Discussion Regarding Future of and/or Possible Disbanding of the Commission

Mr. Blackmon led discussion regarding the possible disbanding or the Commission and/or the establishment of an informal group under the Oconee Economic Alliance umbrella. Discussion followed regarding various aspects of the issue to include lack of quorum over last few years; accomplishment of established goals; and, establishment of relationships between the county, municipalities and infrastructure providers.

Mr. Faires made a motion, seconded by Mr. Hawkins, approved unanimously to recommend to full Council dissolving of the Infrastructure Advisory Commission. Mr. Thrift as the Council representative requested that Mr. Moulder and the Clerk prepare an ordinance for first reading in title only for the February 17, 2015 regular council meeting.

Mr. Blackmon noting the Commission vote; stated that all other matters on the agenda would be removed from consideration at this meeting.

Adjourn:

Mr. Faires made a motion, approved unanimously to adjourn at 1:13 p.m.

Respectfully Submitted by:

Elizabeth G. Hulse
Clerk to Council

AGENDA ITEM SUMMARY
OCONEE COUNTY, SC

COUNCIL MEETING DATE: February 17, 2015
COUNCIL MEETING TIME: 6:00 PM

ITEM TITLE [Brief Statement]:

First Reading of Ordinance 2015-13 [Title Only] "AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AGREEMENT BETWEEN OCONEE COUNTY, SOUTH CAROLINA AND PROJECT MOLD AND INCLUDING, WITHOUT LIMITATION, PAYMENT OF A FEE IN LIEU OF TAXES RELATED TO THE PROJECT; EXTENDING THE TERM OF THE JOINT COUNTY INDUSTRIAL AND BUSINESS PARK FOR THE PROJECT UNTIL DECEMBER 31, 2023; AND OTHER MATTERS RELATING THERETO"

BACKGROUND DESCRIPTION:

Ordinance 2015-13 puts into place an agreed upon "fee-in-lieu" (FILOT) tax agreement between the company and the County.

SPECIAL CONSIDERATIONS OR CONCERNS [only if applicable]:

N/A

FINANCIAL IMPACT [Brief Statement]:

_____ Check Here if Item Previously approved in the Budget. No additional information required.

Approved by: _______ Finance

COMPLETE THIS PORTION FOR ALL GRANT REQUESTS:

Are Matching Funds Available: Yes / No

If yes, who is matching and how much:

Approved by: _______ Grants

ATTACHMENTS

STAFF RECOMMENDATION [Brief Statement]:

It is the staff's recommendation that Council approve Ordinance 2015-13 on first reading in title only.

Submitted or Prepared By:

____

Department Head/Elected Official

Approved for Submittal to Council:

____

T. Scott Moulder, County Administrator

Council has directed that they receive their agenda packages a week prior to each Council meeting, therefore, Agenda Items Summaries must be submitted to the Administrator for his review/approval no later than 12 days prior to each Council meeting. It is the Department Head / Elected Officials responsibility to ensure that all approvals are obtained prior to submission to the Administrator for inclusion on an agenda.

A calendar with due dates marked may be obtained from the Clerk to Council.

STATE OF SOUTH CAROLINA
OCONEE CO8UNTY
RESOLUTION R2015-03

A RESOLUTION EXPRESSING INTENT TO CEASE COUNTY MAINTENANCE ON AND TO AUTHORIZE COUNTY CONSENT TO JUDICIAL ABANDONMENT AND CLOSURE OF A CERTAIN OCONEE COUNTY ROAD; AND OTHER MATTERS RELATED THERETO.

WHEREAS, Moccasin Flower Road (CH-83) (the "Road") is currently an Oconee County public road which extends from Highlands Highway (SC-28) in a northwesterly direction for a distance of approximately six hundred eighty two (682) feet until its termination, as shown on Attachment 2 of the staff report and recommendations prepared by Mack Kelly, County Engineer on January 12, 2015 ("Staff Report"), attached hereto as **Exhibit A** and incorporated herein by reference; and,

WHEREAS, the residents located along the Road (hereinafter referred to as "Residents" whether one or more) have requested that Oconee County abandon the Road, as evidenced by a letter dated September 13, 2014, as shown on Attachment 4 of the Staff Report; and,

WHEREAS, with respect to the Road, Oconee County has complied with §26-9 of Oconee County Code of Ordinances pertaining to cessation of maintenance and consent to judicial abandonment of Oconee County public roads; and,

WHEREAS, none of the procedures undertaken by Oconee County have shown a need for the Road to be maintained by Oconee County or to remain a public road, and the Oconee County Transportation Committee and Oconee County staff have recommended that Oconee County consent to the requested judicial abandonment; and,

WHEREAS, in accordance with §26-9 of Oconee County Code of Ordinances, the Residents must fully comply with all applicable law, including, without limitation, S.C. Code 1976, §57-9-10, as amended (providing all required notices and service of process to interested parties in accordance with applicable law and filing a proper petition with a court of competent jurisdiction), and,

WHEREAS, Oconee County, a body politic and corporate and a political subdivision of the State of South Carolina, acting by and through its County Council, desires to express its intent to cease maintenance of the Road, and contingent on the understanding and qualification that such abandonment and closure will be at no expense or prejudice to Oconee County, and so long as the Residents meet the requirements set forth in §26-9 of Oconee County Code of Ordinances and South Carolina state law, Oconee County further desires to express its intent to authorize consent to judicial abandonment of the Road:

NOW, THEREFORE, be it resolved by Oconee County Council in meeting duly assembled that:

1. Oconee County, acting by and through its County Council, hereby states that Oconee County will no longer maintain Moccasin Flower Road (CH-83).
2. So long as the moving party fully complies with all applicable law, including §26-9 of Oconee County Code of Ordinances and S.C. Code 1976, §57-9-10, as amended, and contingent on the understanding and qualification that such abandonment and closure will be at no expense or prejudice to Oconee County, Oconee County consents to the judicial abandonment and closure of Moccasin Flower Road (CH-83).
3. All orders and resolutions in conflict herewith are, to the extent of such conflict only, repealed and rescinded.

4. Should any part or portion of this resolution be deemed unconstitutional or otherwise unenforceable by any court of competent jurisdiction, such finding shall not affect the remainder hereof, all of which is hereby deemed separable.

5. This resolution shall take effect and be in force immediately upon enactment.

RESOLVED this _____ day of _____________, 2015, in meeting duly assembled.

OCONEE COUNTY, SOUTH CAROLINA

____

Wayne McCall
Chairman of County Council

Oconee County, South Carolina

ATTEST:

____

Elizabeth G. Hulse, Clerk to Council
Oconee County, South Carolina

STAFF REPORT OF FINDINGS

TO: Transportation Committee

FROM: Mack Kelly, County Engineer

DATE: January 12, 2015

MOCCASIN FLOWER ROAD ABANDONMENT AND CLOSURE

FACTS

The process for road closure and abandonment is to follow the requirements listed in the ordinance referenced below. Summary of Investigations:

	The County Needs to Determine:	**Determination:**	**Attachment**
1	Whether Moccasin Flower Road is or has been a County Road	Moccasin Flower Road is a County Road	1 & 2
2	If the section of Moccasin Flower Road is still a County Road	Yes, the section of Moccasin Flower Road is a County Road	1
3	If the section of Moccasin Flower Road to be abandoned is in use by the general public or if the road has been practically abandoned	The section of Moccasin Flower Road is in use by two residents. The two residents request that the County abandon Moccasin Flower Road so that they may maintain the road privately.	4
4	If documentation is available relating to the status of the access easement	Documentation is available	1 & 2
5	If other information is available to assist County Council in evaluating the best interest for the Oconee County public.	Comments were solicited from the posting of a sign indicating that Moccasin Flower Road was proposed for abandonment and closure	3

Pertinent Ordinance or Regulation

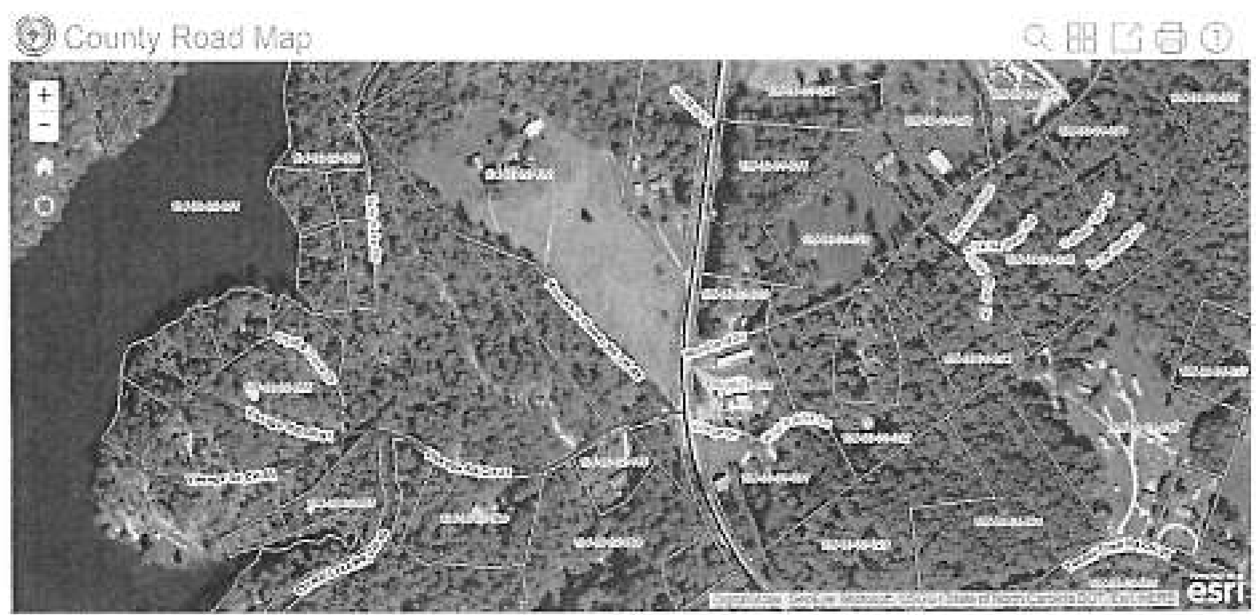
Oconee County Code of Ordinances Section 26-9 (Attachment 5)

Recommendations

Moccasin Flower Road is not used by the general public. Property owners Hardy and Smith abut Moccasin Flower Road. Property owner Hardy has requested that the County consent to abandonment and closure of the road. Neighboring property owners, Mr. Vissage and Mr. Landers also have occasion to use the road. We should also note that the properties of Vissage and Landers do not abut the public portion of Moccasin Flower Road. In the course of our investigation, we have determined that Moccasin Flower Road is not in use by the general public. My recommendation is to honor the request of the Hardys' to remove Moccasin Flower Road from County Maintenance and that the Transportation Committee support this recommendation. If this recommendation is supported by the Transportation

Committee, the Transportation Committee should make a recommendation to County Council as to whether the request for abandonment and closure should be honored. If this recommendation is not supported by the Transportation Committee, no further action is needed.

ATTACHMENT 1



Attachment 2

THE STATE OF SOUTH CAROLINA GPB [illegible] Ref:
COUNTY OF OCONEE

ACCEPTED FOR OCONEE COUNTY BY: Harrison E. Orr

CH #3 10-11-12 DEED TO RIGHT-OF-WAY AUTHORITY 91-9

DATE 2-17-98

ROAD NO. WA-318 ROAD NAME MOCCASIN FLOWER ROAD

BOOK 959 PAGE 0171

__________ SUBDIVISION WHEN APPLICABLE

KNOW ALL MEN BY THESE PRESENT, That I, (or we) EULA C. SMITH

In consideration of the sum of one dollar, to me (or us) in hand paid and the acceptance and maintenance of the same as part of the Oconee County Road System, by Oconee County, receipt of which is hereby acknowledged, have granted, bargained, sold and released and by these presents do grant, bargain, sell release unto Oconee County, its successors and assigns, a right-of-way for the construction or maintenance of the road/highway from CH-51 VISSAGE ROAD (Name of Place) to CUL DE SAC (Name of Place) on Road No. WA-318 State and County afforesaid, see Plat Book ______ at Page ______ recorded with the Clerk of Court, Oconee County, on and over all lands which I (or we) may own whole or in part; for the purpose of locating, constructing, improving and maintaining the above described highway with the bridges and causeways theron, and the installation of public utilities. Said tract being shown on Tax Map 104-00-02-066 and being over the lands purchased from ESTATE OF NORMAN F. SMITH

Deed Book 627, Page 100. Said right-of-way to have a width of 50 feet, that is 25 feet on each side of the center* line of the Highway except where a greater width is necessary for short distances on account of large cuts or fills and being approximately 800 feet in length.

"Special Provisions": The undersigned waives any claim for damages, if any, and accepts the surface water from roadway and culverts and assumes the responsibility for drainage ditches, culverts, and etc., beyond the right-of-way.

* As staked or constructed by Oconee County.

THIS RIGHT OF WAY INCLUDES ONE HALF OF A CUL DE SAC WITH A RADIUS OF FIFTY FEET.

OCONEE COUNTY
STATE TAX
COUNTY TAX
EXEMPT VC

Together with all singular, the rights, members, hereditaments and appurtenances thereunto belonging, or in any wise incident or appertaining. It is agreed that buildings, fences, signs or other obstructions will not be erected by me (or us), my heirs, assigns, or administrators within the limits of the right-of-way herein conveyed.

TO HAVE AND TO HOLD, all singular, the said right-of-way and the rights hereinbefore granted unto the said Oconee County, its successors and assigns forever.

IN WITNESS WHEREOF, I (or we) have hereunto set my (or our) hand...seal...this 17th day of February in the year of our Lord, one Thousand, Nine Hundred and Ninety Eight

SIGNED, SEALED & DELIVERED IN THE PRESENCE OF:

Joseph V. Hardy

Frank D. Nicholson

Eula C. Smith
Signature

FILED OCONEE SC CLERK OF COURT
1998 FEB 17 PM 2:49

THE STATE OF SOUTH CAROLINA, COUNTY OF OCONEE:

Personally appeared Joseph V. Hardy and made oath that He the within named EULA C. SMITH (Print or type name) sign, seal and as HER act and deed, deliver the within written Deed: and that with Frank D. Nicholson witnessed the execution thereof.

Sworn to before me this 17th day of February A.D. 1998.

Frank D. Nicholson (L.S.) Joseph V. Hardy
Notary Public for S. C. Witness sign here

My Commission Expires 2-23-2007

[illegible] 18 Feb 1998
98 [illegible] 360738
R. F. Williams
Auditors Oconee County, S.C.

THE STATE OF SOUTH CAROLINA
COUNTY OF OCONEE

ACCEPTED FOR OCONEE COUNTY BY: Harrison E. Orr

DEED TO RIGHT-OF-WAY

AUTHORITY 91-9

DATE 2-17-98

BOOK 959 PAGE 0172

ROAD NO. WA-318 ROAD NAME MOCCASIN FLOWER ROAD

SUBDIVISION WHEN APPLICABLE

KNOW ALL MEN BY THESE PRESENT, That I, (or we) JOSEPH V. HARDY AND MARY JO L. HARDY

In consideration of the sum of one dollar, to me (or us) in hand paid and the acceptance and maintenance of the same as part of the Oconee County Road System, by Oconee County, receipt of which is hereby acknowledged, have granted, bargained, sold and released and by these presents do grant, bargain, sell release unto Oconee County, its successors and assigns, a right-of-way for the construction or maintenance of the road/highway from CH-51 VISSAGE ROAD (Name of Place) to CUL-DE-SAC (Name of Place) on Road No. WA-318 State and County afforesaid, see Plat Book --- at Page --- recorded with the Clerk of Court, Oconee County, on and over all lands which I (or we) may own whole or in part; for the purpose of locating, constructing, improving and maintaining the above described highway with the bridges and causeways theron, and the installation of public utilities. Said tract being shown on Tax Map 104-00-02-102 and being over the lands purchased from BESSIE C. LAND

Deed Book 122, Page 111. Said right-of-way to have a width of 50 feet, that is 25 feet on each side of the center* line of the Highway except where a greater width is necessary for short distances on account of large cuts or fills and being approximately 800 feet in length.

"Special Provisions": The undersigned waives any claim for damages, if any, and accepts the surface water from roadway and culverts and assumes the responsibility for drainage ditches, culverts, and etc., beyond the right-of-way.

* As staked or constructed by Oconee County.

THIS RIGHT OF WAY INCLUDES ONE HALF OF A CUL DE SAC WITH A RADIUS OF FIFTY FEET.

OCONEE COUNTY
STATE TAX
COUNTY TAX
EXEMPT ✓

Together with all singular, the rights, members, hereditaments and appurtenances thereunto belonging, or in any wise incident or appertaining. It is agreed that buildings, fences, signs or other obstructions will not be erected by me (or us), my heirs, assigns, or administrators within the limits of the right-of-way herein conveyed.

TO HAVE AND TO HOLD, all singular, the said right-of-way and the rights hereinbefore granted unto the said Oconee County, its successors and assigns forever.
IN WITNESS WHEREOF, I (or we) have hereunto set my (or our) hand...seal...this 17th day of February in the year of our Lord, one Thousand, Nine Hundred and Ninety Eight

SIGNED, SEALED & DELIVERED IN THE PRESENCE OF:

Linda T. Young
[signature]

Joseph V. Hardy
Mary Jo L. Hardy
Signature

THE STATE OF SOUTH CAROLINA, COUNTY OF OCONEE:

Personally appeared Linda T. Young and made oath that she saw the within named JOSEPH V. AND MARY JO L. HARDY (Print or type name) sign, seal and as THEIR act and deed, deliver the within written Deed: and that with Frank D. Nichols witnessed the execution thereof.

Sworn to before me this 17th day of February A.D. 1998.

[signature] (L.S.) Linda T. Young
Notary Public for S. C. Witness sign here

My Commission Expires 2-13-2007

18 Feb 1998
98 300739
R. J. Williams
Auditors Oconee County, S.C.

I HEREBY STATE THAT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF, THE SURVEY SHOWN HEREON WAS MADE IN ACCORDANCE WITH THE MINIMUM STANDARDS MANUAL FOR THE PRACTICE OF LAND SURVEYING IN SOUTH CAROLINA, AND MEETS OR EXCEEDS THE REQUIREMENTS FOR A CLASS B SURVEY AS SPECIFIED THEREIN; ALSO THERE ARE NO VISIBLE ENCROACHMENTS OR PROJECTIONS OTHER THAN SHOWN.

104-00-02-102

REF. NORTH PB P32 PG 663

FILED FOR RECORD OCONEE COUNTY S.C. REGISTER OF DEEDS 06 AUG 21 AM 10 25

LOCATION MAP
NOT TO SCALE

C/L CHAUGA (AKA JERRY) CREEK IS PROPERTY LINE

S79°12'16"E 152.51'
N81°51'49"E 82.97'
S83°40'41"E 138.48'
S77°17'32"E 102.52'
S88°35'44"E 93.09'
N03°32'04"E 39.71'

BRANCH

3/4" BOLT FOUND IN OLD BRIDGE FOOTER 9.48' BACK

IPS 26.71' BACK

WILLIAM E. SCOTT DB 753 PG 38 PB P-58 PG 603

SUSIE LEWIS PB P-44 PG 382

WILLIAM LAND DB 10-F PG 43

N58°41'07"E 549.19'

SITE AREA:
TOTAL SITE = 17.378 ACRES
AREA IN R/W SC-28 = 0.356 ACRES
NET SITE AREA = 17.022 ACRES

Recorded this 21 day of August 20 06
Vol 1157 Pg 6 and Certified
Register of Deeds, Oconee County

S07°43'11"W 490.00'

WELL
157 MOCCASIN FLOWER RD.

SHED

JOHN LANDERS

N42°39'16"W 509.26'
PRIVATE ROAD
Old Mill Lane

SHED
WELL
160 MOCCASIN FLOWER RD.

GRAVEL

WILLIAM LAND DB 10-F PG 43

Highlands Highway
SC-28 66' R/W

PP

S42°03'14"E 273.22'

LEGEND:
CONC. O. = CONC MONUMENT, OLD
C.T. = CRIMP TOP PIPE
IPF = IRON PIN FOUND
IPS = IRON PIN SET (1/2" RB)
N & C = NAIL AND CAP
RB = REBAR PIN
POB = POINT OF BEGINNING
P/L = PROPERTY LINE
—x— = FENCE
WV = WATER VALVE

N68°27'25"W 254.60'

S64°00'09"E 54.12'

N45°36'00"W 689.05'

MOCCASIN FLOWER ROAD

CENTERLINE IS PROPERTY LINE

BOUNDARY SURVEY FOR
Joseph V. Hardy
OR
Mary J. Hardy
160 Moccasin Flower Rd
REFERENCE PB P-32 PAGE 663

COMBINATION OF
TAX PARCEL 104-00-02-82
TAX PARCEL 104-00-02-101
TAX PARCEL 104-00-02-102
CHATTOOGA TOWNSHIP
OCONEE COUNTY, SOUTH CAROLINA

SCALE: 1"=120'	JOB NO.: 03391SV1	DATE: 07-31-2003

Doc ID: Type: PLA
Book 1157 Page 6 - 6

120 60 0 120 240
SCALE IN FEET

RANDALL G. MILLER
LAND SURVEYOR

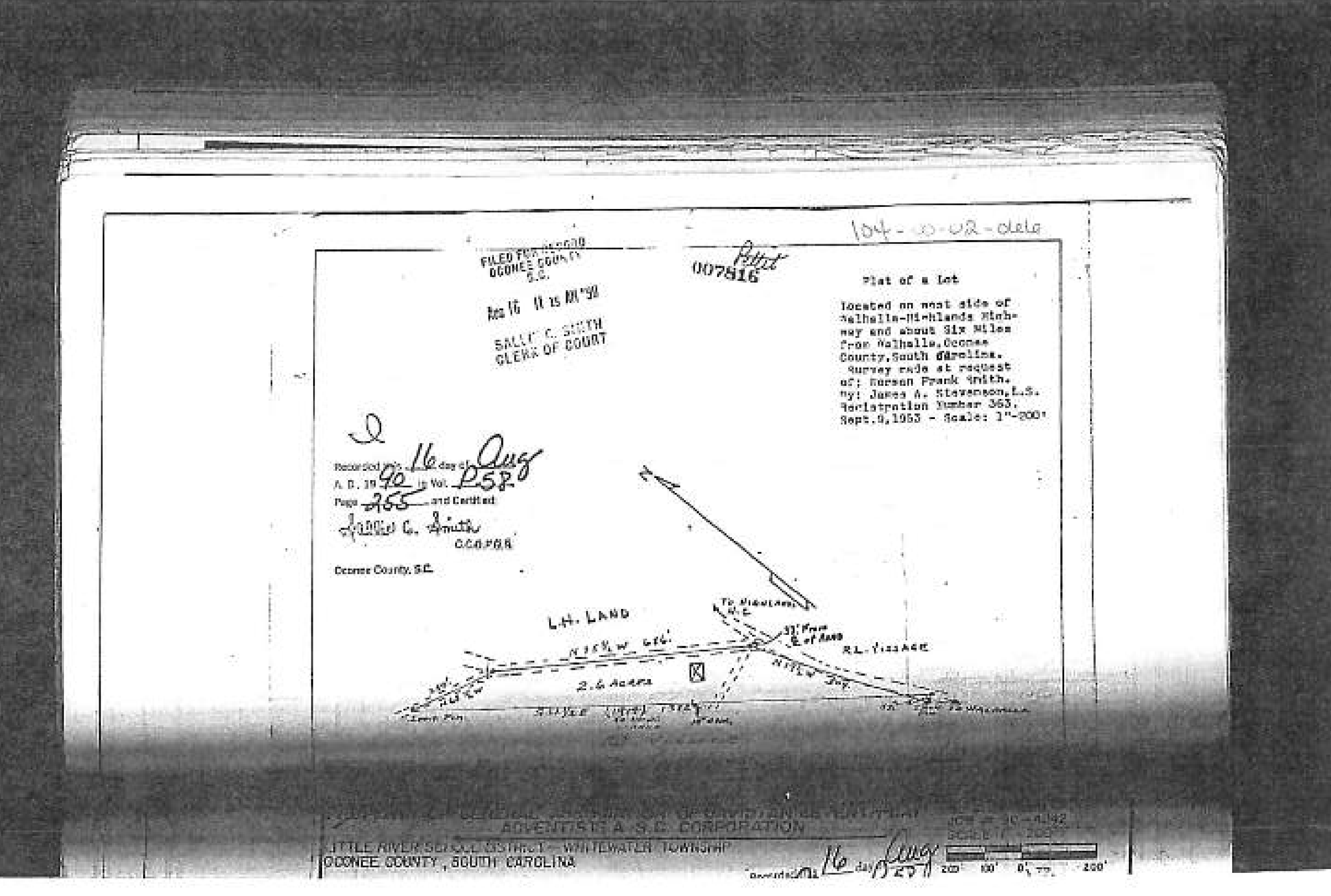
116 ZION DRIVE
SENECA, SC 29678
TELEPHONE 864-885-9751

RANDALL G. MILLER, SC RLS # 19402

VISSAGE ROAD

S83°21'42"W 33.01'

REVISION NOTE: 9-13-2005 ADDED NEW ADDITIONAL PARCEL TO EAST SIDE OF PROPERTY. ADDITION SHOWN IN DEED BOOK 1422, PAGE 84.



104-00-02-006
FILED FOR RECORD
OCONEE COUNTY
S.C.
Aug 16 11 15 AM '90
SALLIE C. SMITH
CLERK OF COURT
007816
Plat of a Lot
Located on west side of Walhalla-Highlands Highway and about Six Miles from Walhalla, Oconee County, South Carolina.
Survey made at request of: Dorsen Frank Smith.
By: James A. Stevenson, L.S.
Registration Number 363.
Sept. 9, 1953 - Scale: 1"-200'
Recorded this 16 day of Aug
A. D. 19 90 in Vol. P58
Page 265 and Certified
Sallie C. Smith
C.C.C.P.&S.
Oconee County, S.C.
L.H. LAND
2.6 Acres
R.L. VILLAGE
To Highlands N.C.
ADVENTISTS A S.C. CORPORATION
OCONEE COUNTY, SOUTH CAROLINA

Attachment 3

NOTICE

A PETITION TO CLOSE AND ABANDON THIS ROAD WILL BE FILED IN COURT IN ACCORDANCE WITH COUNTY ORDINANCE § 26-9

THE COUNTY IS SEEKING CITIZEN COMMENTS

FOR INFORMATION AND COMMENTS CONTACT OCONEE COUNTY PUBLIC WORKS AT

(864) 886-1072

15022 WELLS HWY SENECA SC

roads@oconeesc.com

DEAD
END
NOTICE
A PETITION TO CLOSE AND ABANDON THIS ROAD WILL
BE FILED IN COURT IN ACCORDANCE WITH
COUNTY ORDINANCE § 26-9
THE COUNTY IS SEEKING CITIZEN COMMENTS
FOR INFORMATION AND COMMENTS CONTACT
OCONEE COUNTY PUBLIC WORKS AT
(864) 886-1072
15022 WELLS HWY SENECA SC
roads@oconeesc.com

Work Order 38158

Issue: Missing Sign
Activity: Replace Sign
Asset Type: Other Sign
Address: MOCCASIN FLOWER RD (CH-83) Mountain Rest
Assigned To: __________
Department: Signs
Entered By: dmoore
Details: mack kelly

Status: Planned
Priority: __________
Scheduled: __________
Start Date: __________
Stop Date: __________
In City: No
Transaction Date 11/24/2014 11:36:18 AM
Notes: make and install the abandon road notice sign.
INSTAll sign on 11-26-14

Directions: WEST ON HIGHLANDS HWY FROM WALHALLA, WILL BE ON THE LEFT PAST VISSAGE RD.

Request Information

Labor Information

ID	Standard Hrs	Overtime Hrs

Equipment Information

ID / Description	Total Hours Used

Notes/Action Taken:

Employee Signature: [signature]

Date: 11-26-14

Print Date: 11/24/2014

ATTACHMENT 5

Work Order 38159

Issue:	Other Sign Issue	Status:	Planned
Activity:	Other Sign Activity	Priority:	
Asset Type:	Other Sign	Scheduled:	
Address:	MOCCASIN FLOWER RD (CH-83) Mountain Rest	Start Date:	
		Stop Date:	
Assigned To:		In City:	No
Department:	Signs	Transaction Date	11/24/2014 11:37:24 AM
Entered By:	dmoore	Notes:	retrieve the abandon road sign and post when notified by mack. RETRIEVE SIGN AND POST ON 12-29-14
Details:			

Directions: WEST ON HIGHLANDS HWY FROM WALHALLA, WILL BE ON THE LEFT PAST VISSAGE RD.

Request Information

Labor Information ID	Standard Hrs	Overtime Hrs	Equipment Information ID / Description	Total Hours Used

Notes/Action Taken:

Employee Signature: [signature] Date: 12/29/14

Print Date: 11/24/2014

County Road Abandonment Calls:

Mr. Ben Vissage

Moccasin Flower Rd (CH-83) – Mr. Ben Vissage called on December 17, 2014 to express his concerns with the county abandoning Moccasin Flower Rd (CH-83) because of being able to access his property from the back side.

Attachment 4

9/13/14

Mr. Thrift,

This letter is to request that Moccasin Flower Rd. CH-83 be removed from the responsibility of Oconee County and returned to the responsibility of Mr / Mrs. Joseph V. Hardy Address 160 Moccasin Flower Rd. Mt. Rest, SC. 29664
This request is to insure the driveway remain in its original and historic state with signage removed. No other right of ways or eassments are granted regarding this private drive.
Please contact our son, Joe at (828) 508-3772 with any questions or requests. Thank You.

Joseph V. Hardy Mary Hardy

Attachment 7

Hardy
160 Moccasin Flower Rd
Mt. Rest SC 29664

GREENVILLE SC 296
15 SEP 2014 PM 2 I

Mr. Joel Thrift
629 Seed Farm Rd.
Westminster, SC
29693

2969343102

ATTACHMENT 5

Sec. 26-9. Road closure and abandonment.

(a)

Prior to any request for abandonment and closure of an Oconee County public road being brought before county council, county staff, including, without limitation, the Oconee County Roads and Bridges Department, will conduct a thorough investigation, adequate to determine: whether the road in question is, or ever has been, a county road; whether the road still is a county road; whether the road is still in general public use or has been practically abandoned; whether the county has any documentation relating to the status of the road, such as a dedication of right-of-way or easement, or a deed, or whether such road was subject to a prescriptive easement or easement by usage; whether there is any other information which would assist county council in determining whether the best interests of the Oconee County public will be served by consenting to the abandonment and closure of the road in question or by not so consenting. As a part of the investigatory process addressed herein, the Oconee County Roads and Bridges Department will post, adjacent to the road in question, a sign, marked so as to be as conspicuous as possible, prominently providing notice that the road, or portion thereof abutting the sign, is proposed for abandonment and closure, soliciting citizen comments concerning such proposed abandonment and closure, and providing notice of address and telephone number at the Oconee County Public Works Department to which concerned citizens may forward comments concerning such proposed abandonment and closure.

(b)

Following the investigation referred to in paragraph 1, supra, county staff will make a recommendation to the Transportation Committee of Oconee County Council, which, in turn, will make a recommendation to Oconee County Council as to whether the request for abandonment and closure should be honored or not, and provide the results of the staff investigation to county council for its use and final determination whether the county will consent to such abandonment and closure. Included with the recommendation will be any public comments received and the recommendation(s) of county staff and the transportation committee.

(c)

County council shall then, in public meeting, make a determination as to whether the request for abandonment and closure should be consented to by the County, acting

by and through county council, and shall signify its decision by motion, if such decision be negative, and shall signify its decision by resolution of county council, if such decision be positive.

(d)

If county council consents to the abandonment and closure of a county public road, as addressed herein, the resolution of county council consenting to such abandonment and closure shall state, with particularity, the road, or section thereof, to be closed; the basis for county council's decision to consent to the abandonment and closure of the road; and the absolute requirement that, prior to the road, or portion thereof, in question being closed, the primary private party(ies) in interest (unless the county, itself, is the party requesting the road closure, in which case the county will be the primary party in interest to comply with this section) shall fully comply with all applicable law, including, without limitation, S.C. Code 1976, § 57-9-10, as amended, and shall provide all required notice and service of process. Only upon the meeting of such conditions and the fulfillment of such procedures will the county council consent to such abandonment and closure be considered final, and that shall be stated in such resolution.

(Ord. No. 2010-28, §§ 1—5, 10-19-2010)

STATE OF SOUTH CAROLINA

OCONEE COUNTY

PROCLAMATION P2015-01

A PROCLAMATION ESTABLISHING FEBRUARY 23, 2015 AS HONOR OUR WORLD WAR II HEROES DAY

WHEREAS, President Harry S. Truman signed Proclamation 2714 on December 31, 1946, declaring the cessation of hostilities of World War II, effective at twelve o'clock noon on that day; and

WHEREAS, 38% or 6,332,000 of our U.S. servicemen and all servicewomen were volunteers and 61.2% or 11,535,000 of our U.S. servicemen were draftees; and

WHEREAS, the total of U.S. civilian and military deaths in World War II was 418,500; and

WHEREAS, all our World War II Veterans are heroes whose actions and sacrifices are symbolized in the statue of six U.S. servicemen who helped raise our United States Flag at Mount Suribachi on Iwo Jima in the middle of battle on February 23, 1945; and

WHEREAS, our World War II Veterans who came home and are still with us are Oconee County's true treasures whose stories are priceless seventy years later and will continue to be; and

WHEREAS, we, as a community, need to ensure that our World War II Veterans interact with the youth in our county so that their sacrifices and experiences are known and appreciated.

NOW, THEREFORE, we the Oconee County Council do hereby proclaim February 23, 2015 as **Honor Our World War II Heroes Day**, and urge all our citizens to recognize the World War II Veterans still living in our community, thanking them and learning from their sacrifices.

APPROVED AND ADOPTED this 17TH day of February, 2015.

____

Wayne McCall
Chairman of County Council

ATTEST:

____

Elizabeth G. Hulse, Clerk to Council
Oconee County, South Carolina

PROCUREMENT - AGENDA ITEM SUMMARY

OCONEE COUNTY, SC

COUNCIL MEETING DATE: February 17, 2015

ITEM TITLE:

Procurement #: PO 49624/50044 Change Order #2 **Title: Sewer South Project** **Department: Economic Dev.** **Amount: $207,683.00**

FINANCIAL IMPACT:

☒ Procurement was approved by Council in Fiscal Year 2014-2015 budget process.

Budget: $ 316 365.50

Project Cost: $ 314 365.50

Balance: $ 2,000-contingency

Finance Approval: Ladale Price

BACKGROUND DESCRIPTION:

On November 9, 2012, Oconee County entered into a contract with URS Corporation of Greenville, SC, for preliminary engineering services for sewer services to Golden Corner Commerce Park and southern Oconee County. These initial services were $19,900.00 and did not require Council approval. At the January 22, 2013 meeting Council approved moving forward with this project. Change Order #1 in the amount of $717,830.00 was approved by Council at the February 5, 2013 meeting. URS has assisted Procurement in issuing and awarding three bids for this project: ITB 13-04 – 10" & 12" Force Main, ITB 13-09 – New 1800 GPM Pump Station and ITB 14-03 Wastewater Treatment Plant Improvements. The Force Main project is complete and the WWTP project will begin in March. This new proposal from URS for Change Order #2 includes Relocation of the Pump Station, Recommendations for Interim No Flow, Redesign of the Electrical Room, Relocate Access Road and Force Main, Grants Administration and additional Construction Administration and Observation services.

SPECIAL CONSIDERATIONS OR CONCERNS:

Under the Request for Proposals #11-15, On Call Professional Engineering Consultant Services, URS Corporation was accepted as qualified to provide General Engineering Services. County Council approved a contract and fee schedule at the March 20, 2012, County Council Meeting.
Note: PO 49624 originally issued to URS was converted to PO 50044 in June of 2013 due to an upgrade in the County's accounting system.

ATTACHMENT(S):

1. URS proposal for Sewer South, dated February 5, 2015

STAFF RECOMMENDATION:

It is the staff's recommendation that Council approve Change Order #2 for PO 50044, to URS Corporation of Greenville, SC, to perform general engineering services for the Sewer South Project, per the attached proposal, not to exceed $207,683.00. This will bring the total cost of the project to a total of $945,413.00.

Submitted or Prepared By: Robyn Courtright
Robyn Courtright, Procurement Director

Approved for Submittal to Council: [signature]
T. Scott Moulder, County Administrator

Council has directed that they receive their agenda packages a week prior to each Council meeting, therefore, Agenda Items Summaries must be submitted to the Administrator for his review/approval no later than 12 days prior to each Council meeting. It is the Department Head / Elected Officials responsibility to ensure that all approvals are obtained prior to submission to the Administrator for inclusion on an agenda.

A calendar with due dates marked may be obtained from the Clerk to Council.

February 5, 2015

Mr. Scott Moulder
County Administrator
Oconee County
415 S. Pine Street
Walhalla, SC 29691

RE: Proposal for Additional Services for Golden Corner Commerce Park

Dear Mr. Moulder:

URS is pleased to submit this proposed scope for additional services associated with the Golden Corner Commerce Park. Included in this proposal is a brief description of the project understanding, a proposed scope of services, and associated costs.

Project Understanding:

Oconee County (County) requested a proposal for design services associated with a proposed relocation of the Golden Corner Commerce Park pump station (PS). Tasks included surveying and geotechnical investigations, as well as plans and specifications revisions and other hydraulic and mechanical redesign work. This work was initiated as requested and then stopped at the request of the client when a decision was made to leave the PS in its original location. Client agreed to reimburse URS and subs for costs incurred.

The County is also requesting a proposal for additional services beyond the original scope of services for the project. Expected tasks include investigating low flow scenarios at the pump station, redesigning the electrical room, coordinating with grant funding agencies, and continuing construction observation and administration.

Scope of Services:

It is our understanding that URS is to provide Surveying, Geotechnical, and Consulting Services as requested by the County, and that URS will be compensated on a lump sum basis for Task 1 through 4 and on a time and materials basis for Tasks 5 through 7. The time and material costs will be based on URS's hourly rate schedule defined in the General Engineering Services - IDC with Oconee County and will be billed as not to exceed the lump sum numbers provided herein. The proposed services include the following:

URS Corporation
128 Millport Circle, Suite 100
Greenville, South Carolina 29607
Tel: 864.609.9111
Fax: 864.609.9939
www.urscorp.com

Task 1 – Relocate Pump Station

In response to the County's request to relocate the pump station, URS performed the following work:

A. Coordinated a topographic survey of the new proposed pump station location at Golden Corner Commerce Park. This survey located items crucial to the design such as existing utilities, storm drainage, right of way, etc.
B. Coordinated with a local geotechnical investigation firm in order to gather geotechnical information at the new proposed pump station site. Preliminary design and planning work was completed but the efforts were stopped before any onsite investigation was performed.
C. Preliminary engineering efforts including correspondence and coordination of surveying and geotechnical investigation and preliminary hydraulic re-evaluation.

Task 1 Compensation (Lump Sum)................................ .... $ 9,980.00

Task 2 – Recommendations for Interim No Flow

To address the potentialities of no– and low–flow scenarios at the Golden Corner Commerce Park pump station, URS will evaluate available strategies to keep the pump station operational during both short-term low-flow conditions through future high-flow buildout conditions. Evaluated strategies will be presented to the County in a technical memorandum.

Task 2 Compensation (Lump Sum)................................ .... $ 6,660.00

Task 3 – Redesign Electrical Room

In response to the City of Seneca's request, URS will redesign structural, mechanical, and electrical components of the electrical room in order to accommodate future, larger variable frequency drives and other related equipment and appurtenances.

Task 3 Compensation (Lump Sum)................................ .... $ 6,900.00

Task 4 – Relocate Access Road and Force Main

In response to the County's request to relocate the permanent access road and force main, URS will provide an updated site plan for the pump station project. The updated site plan will show the new access road alignment following along the southwestern boundary of the park property; the new force main alignment paralleling the access road; and any necessary changes and additions to yard piping, fence and gate placements, casing pipes, etc, affected by the new road alignment. This design assumes that the access road will be installed as a standard width gravel roadway and that the Contractor will be able to field install the access road using the alignment and minimum/maximum slope, soil compaction, and drainage parameters provided by URS. Asphalt design, slope and cross section profiles, and stormwater drainage calculations will not be provided as part of this design.

Task 4 Compensation (Lump Sum)............................... .... $ 10,625.00

Task 5 – Grants Administration

URS will coordinate project plans and expected timeline with the Appalachian Council of Governments (ACOG) – grants administrator for the County. URS will continue to communicate with EPA directly. URS will coordinate the monthly and quarterly communication with TVA. Expected tasks would be items needed for coordination, documentation and reporting such as such as email, phone, plan submittals, etc.

Task 5 Compensation (Not to Exceed)............................... .... $ 3,015.00

Task 6 – Construction Administration Beyond 12 Months (Est. 39 Weeks)

URS will assist the County during an expected 9-month construction phase of the Project extending beyond the original 12-month schedule by continuing to provide various administrative services as listed originally:

A. Schedule and conduct a pre-construction meeting prepare and distribute meeting minutes to all attendees.
B. Submit progress reports as required by the County or other responsible agency.
C. Prepare and submit proposed change orders to the County for approval.
D. Review the contractor's periodic requests for payment and make recommendations to the County concerning payments to the contractor.
E. Following completion of construction activities, URS will prepare a submittal package in order for the Owner to obtain SCDHEC approval to place system into operation. URS will prepare a final summary change order to reflect final installed quantities to be coordinated with the final contractor pay request.

Task 6 Compensation (Not to Exceed)............................... .... $ 29,263.00

Task 7 – Construction Observation Beyond 12 Months (Est. 39 Weeks)

URS will act as the Owner's representative during an expected 9-month construction phase of the Project extending beyond the original 12-month schedule. URS and the Owner will continue to jointly decide questions which may arise as to quality and acceptability of materials furnished and work performed by the contractor. During this period, URS will continue to provide various observation services as listed originally:

A. URS will make visits to the site at intervals appropriate to the various stages of construction as the URS deems necessary in order to observe the progress and quality of the various aspects of the contractor's work. URS will devote an average of 40 hours per week to construction observation services which will include on-site observation, on-site meetings, travel, and observation report writing.
B. The purpose of URS's visits to the site will be to enable URS to provide the Owner a greater degree of confidence that the completed work of the contractor conforms generally to the project plans and specifications and that the integrity of the design

concept as reflected in the Project plans and specifications has been implemented and preserved by the contractor. URS shall not, during such visits or as a result of such observations of the contractor's work, supervise, direct or have control over the contractor's work nor shall URS have authority over or responsibility for the means, methods, techniques, sequences or procedures of construction selected by the contractor, for safety precautions and programs incident to the work of the contractor or for any failure of the contractor to comply with laws, rules, regulations, ordinances, codes or orders applicable to the contractor furnishing or performing its work.

C. URS can neither guarantee the performance of the construction contracts by the contractor nor assume responsibility for the contractor's failure to furnish and perform its work in accordance with the contract documents.

Task 7 Compensation (Not to Exceed).. $ 141,240.00

We look forward to continuing to work with you on this project and appreciate the opportunity to provide our proposal. If you have any questions regarding the above information, please do not hesitate to contact us.

Very truly yours,

URS Corporation

Erica A. Huggins, P.E.

Branch Manager / Senior Project Manager

Golden Corner Commerce Park
Proposal for Additional Services for GCCP
URS Corporation - Civil Services Labor Breakdown
February 5, 2015

		Task 1	Task 2	Task 3	Task 4	Task 5	Task 6	Task 7		
Personnel	Billing Rate	Relocate Pump Station	Recommendations for Interim No Flow	Redesign Electrical Room	Relocate Access Road and Force Main	Grants Administration	Construction Administration Beyond 12 Months	Construction Observation Beyond 12 Months	Total Hours	Total Labor Cost
Senior Project Manager	$170	19	18	2		2	45		86	$14,620
Project Manager	$130		15	10	25				50	$6,500
Project Engineer	$110	19	15	5	20	20	107		186	$20,460
CADD	$90			5	40				45	$4,050
Electrical Consultant	$130			32			18		50	$6,500
Project Representative	$80	9			15		51	1560	1,635	$130,800
Administrative Services	$75	4			5	5	9	6	29	$2,175
Total Hours		51	48	54	105	27	230	1566	2,081	-
Total Labor Cost		$6,340	$6,660	$6,800	$10,625	$2,915	$26,515	$125,250	-	$185,105
Total Expenses		$3,640	$0	$100	$0	$100	$2,748	$15,990	-	$22,578
Total Cost		$9,980	$6,660	$6,900	$10,625	$3,015	$29,263	$141,240		$207,683

NOTES

LAW ENFORCEMENT, PUBLIC SAFETY, HEALTH & WELFARE COMMITTEE MEETING
February 10, 2015

COMMITTEE MEMBERS
Mr. Wayne McCall, Chairman, District II
Mr. Joel Thrift, District IV
Mr. Reg Dexter, District V

This report is for information purposes – no actions by Council required.

Occupancy Inspections / Mr. David Stokes

Mr. David Stokes, Community Development Director, updated the Committee regarding the occupancy inspections. Mr. Stokes stated that staff is currently discussing the program with the following power providers: Blue Ridge, Duke Power, City of Westminster and Seneca Light & Water. Each provider has shown interest in partnering with the county on this initiative to help ensure structures are safe for use by the citizens of Oconee. Lastly, Mr. Stokes reported that the online permitting portal for Citizenserve has been activated which allows for the submission of building permit applications online.

Possible Expansion of Drug Prevention Project in SDOC / Sheriff Mike Crenshaw

Sheriff Crenshaw addressed the Committee utilizing a PowerPoint presentation entitled "Oconee County Leadership for Life" [copy filed with these minutes] highlighting the following issues:

- Program goals to include
  - [1] reaching out to at risk youth within the county and offer them training on skills necessary to be successful in school, sports, etc. and,
  - [2] provide programs to train and encourage students working with the School District.
- Benefits

- Community Partners
- Statistics
- Program Outline including Phase I & Phase II
- Request of County to include youth to be served and cost estimates
- Expected Outcomes

Sheriff Crenshaw also asked that Mr. Ashley Williams, Christ Central Ministries Oconee, who addressed the Committee utilizing several handouts [copies filed with these minutes] regarding their services and resources to include:

- Transitional Housing for men and women
- Recovery Programs for men and women
- Emergency Homeless Shelters [Ash Tree in Walhalla]
- Offers career and life skills classes, GED classes, free medical/optical/dental

Boating Safety Update / Mr. Ray Lewis

Mr. Ray Lewis, DNR, addressed the Committee utilizing a presentation entitled "Law Enforcement Investigations & Education Statistics 2013", pages 1-17 [copy filed with these minutes] highlighting the following issues:

- Accident Reporting
  - Accident Type Analysis to include
    - vessel analysis
    - primary cause analysis, and
    - statistics by operation
  - Statistics by Accident Type and Cause of Death
  - Statistics by Type of Boat and Operator Experience & Education

NOTES

BUDGET, FINANCE & ADMINISTRATION COMMITTEE
COUNCIL CHAMBERS
OCONEE ADMINISTRATIVE OFFICES, WALHALLA, SC
February 10, 2015

MEMBERS, ALL OCONEE COUNTY COUNCIL
Ms. Edda Cammick, District I, Chairman
Mr. Wayne McCall, District II
Mr. Paul Cain, District III
Mr. Joel Thrift, District IV
Mr. Reg Dexter, District V

This report is for information purposes – no actions by Council required.

Oconee County Pre-Budget Presentation for FY 2015-2016 / Mr. Moulder

Mr. Moulder addressed Council utilizing a PowerPoint presentation entitled "Oconee County Pre-Budget Workshop: Annual Budget for Year Ending June 30, 2016" [copy filed with these minutes] highlighting the following key areas:

- Cash Flow Projection
- Expenditure History
- Personnel Expenses
- Number of Personnel by Function
- Cost to Serve
- Revenue History
- Millage Rate Trends
- Debt Margin
- Fund Balance Breakdown
- Capital Projects Fund
- Budget Calendar
- Revenue Projections

The Committee accepted Mr. Moulder's report as information.
Some discussion followed regarding various aspects of the presentation.

Foothills Heritage Fair Presentation / Mr. Stanley Gibson

Mr. Gibson addressed Council utilizing a handout entitled "Impact of Agriculture on the Oconee County Economy" [copy filed with these minutes] highlighting the following key areas:

- Statistics for Oconee County Agriculture
- Request of Council to secure and develop 50-60 acres of land centrally located for the purpose of an Agriculture Center
- Additional proposed site development to include:
    - Market Building
    - Livestock Barn & Demonstration Area
    - Covered Arena
    - Cold Storage Building
    - Honey Processing

Some discussion followed regarding various aspects of Mr. Gibson's presentation. The Committee took no action at this meeting regarding this matter.

Establishment of FY2015-2016 Goals/ Mr. Moulder

Ms. Cammick noted that Mr. Moulder had stated in is initial presentation that as a half day retreat is in the process of being scheduled that this matter might be deferred to that meeting. She requested an update from the Clerk to Council regarding scheduling. Discussion followed. Three tentative dates were finalized [February 25, 2015, March 6, 2015 or March 13, 2015]. The Clerk stated that she had been in contact with two facilitators and hoped to have this matter finalized by close of business Friday, February 13, 2015.

The Committee deferred this matter to the Planning Retreat for discussion/action.

OCONEE COUNTY BOARD / COMMISSION / COMMITTEE
CANDIDATE LISTING

	DX	AT LARGE	Reappoint Request	AERONAUTICS	PUBLIC SAFETY	REGULATORY	PLANNING	EDUCATION	TOURISM & REC.	Questionnaire Received Date	
Faiola, John A.	1								x	July	2014
Lockhart, Raymond	1					x	x		x	July	2014
Marcengill, Richard	2	Yes				x	x			December	2014
Blair, Gene	5	Yes		x		x	x		x	August	2014
Jimenez, Jennie	5						x	x	x	December	2013
Walker, William	5						x			July	2014

Questionnaires are maintained on file for one year then removed from consideration unless updated by candidate.

	Areas of Interest [please check one or more]	Board/Commissions Applicable to Interests
	Aeronautics	Aeronautics Commission
	Public Safety, Health & Welfare	Anderson-Oconee Behavior Health Services Commission Emergency Services Commission
	Regulatory	Building Codes Appeal Board Parks, Recreation & Tourism Commission Board of Zoning Appeals
	Planning Activities	Appalachian Council of Governments Board of Directors Board of Zoning Appeals Capital Project Advisory Committee Conservation Bank Board Economic Development Commission Planning Commission Scenic Highway Committee
	Education	Arts & Historical Commission Library Board
	Tourism & Recreation	Arts & Historical Commission Parks, Recreation & Tourism Commission Scenic Highway Committee

Boards & Commissions	State / OC Code Reference	Reps [DX-At Large]	Co-Terminus	Term Limits	4 Year Term	Meeting Date to Appoint	Edda Cammick	Wayne McCall	Paul Cain	Joel Thrift	Reg Dexter		
							2010-2014	2013-2016	2010-2014	2013-2016	2013-2016	2010-2014	2013-2016
							District I	District II	District III	District IV	District V	At Large	At Large
Aeronautics Commission	2-262	5 - 2	YES	2X	YES	Jan - March	Randy Renz [2]	David Bryant [1]	Edward Perry [2]	Dan Schmeidt [2]	Ronald Chiles [1]	A. Brightwell [1]	Michael Gray [<1]
Arts & Historical Commission	2-321	5 - 2	YES	2X	YES	Jan - March	Bette Boreman [1]	Luther Lyle [2]	Mariam Noorai [1]	Barbara Waters [2]	H. Richardson [2]	Amber Lange [1]	Jean Dobson [2]
Board of Zoning Appeals	38-6-1	5 - 2	YES	2X	YES	Jan - March	Allen Medford [2]	Sammy Lee [2]	Bill Gilster [1]	Marty McKee [<2]	Dick Hughes [2]	Berry Nichols [2]	Paul Reckert [2]
Building Codes Appeal Board		5 - 0	YES	2X	YES	Jan - March	George Smith [1]	Matt Rochester [1]	Bob DuBose [1]	Mike Willimon [2]	Harry Tollison [2]		
Conservation Bank Board	2-381	Appointed by Category		2X	YES	Jan - March	Shea Airey [2]	Andy Lee [2]	Rocky Nation [1]	Marvin Prater [2]	Frank Ables [1]	Richard Cain [2]	Glenn Buddin [1]
PRT Commission [members up for reappointment due to initial stagger]	6-4-25 2-381	Appointed by Industry		2X	YES	Jan - March	Brian Greer [2], Rosemary Bailes [2], JoAnne Blake [2]			Becky Wise [2], Rick Lacey [2], Mike Wallace [2]			Dave Lavere [1]
Scenic Highway Committee	26-151	0 - 2	YES	2X	YES	Jan - March						Allen D. Boggs [1]	Staley Powell [1]
Library Board	4-9-35 / 18-1	0 - 9	YES	2X	YES	Jan - March	Daniel Day [2], Ellis Hughes [2], B Hetherington [1], H McPheeters [1], A Champion [1], K Holleman [1]				William Caster [2], Maria Jacobson [2], Marie McMahan [2]		
Planning Commission	6-29-310 32-4	5 - 2	YES	N/A	YES	Jan - March	Brad Kisker	C. W. Richards	David Owensby	Bud Childress	Ryan Honea	Gwen McPhail	John Lyle
Behavioral Health Services Commission	2-291	0 - 7	YES	2X	3 yr	N/A	Steve Jenkins [1], Harold Alley [1], Louie Holleman [1], Wanda Long [1], Priscilla Taylor [1], Joan Black [1], Jere DuBois [1] BHS contacts Council w/ recommendations when seats open						
Capital Project Advisory Committee	2-391	CC, PC, Infra, 2 @ Lg.	NO	3X	1 yr	January	Council Representative Wayne McCall, Planning Commission GMcPhail [1], Infrastructure Advisory Representative Bwinchester [1]					Randy Abbott [1]	Frankie Pearson [1]
Infrastructure Advisory Commission	34-1	N/A	NO	N/A	NO	January	Council Representative Appointed Annually						
Oconee Business Education Partnership	N/A	N/A	NO	N/A	NO	January	Council Representative Appointed Annually						
Oconee Economic Alliance	N/A	N/A	NO	N/A	NO	January	Council Representative Appointed Annually						
Ten At The Top [TATT]				NO	NO	January	Council Representative Appointed Annually						
ACOG BOD				N/A	NO	January	Council Rep: CC CHAIR or designee [yearly]; 2 yr terms Citizen Rep: Bob Winchester, Minority Rep: Bennie Cunningham						
Worklink Board						N/A	Worklink contacts Council w/ recommendations when seats open						

[#] - denotes term. [<2] denotes a member who has served one term and less than one half of an additional term making them eligible for one additional appointment.

[SHADING = reappointment requested - questionnaire on file] Denotes Individual who DOES NOT WISH TO BE REAPPOINTED

Bold Italics TEXT denotes member ineligible for reappointment - having served or will complete serving max # of terms at the end of their current term.

NOTICE OF PUBLIC HEARING

There will be a public hearing for Ordinance 2014-33 with respect to the approval by Oconee County, South Carolina of a fee-in-lieu-of-tax agreement ("FILOT"). The FILOT will be entered into by Oconee County with ITT Enidine Inc. ITT Enidine Inc's facility is located at 105 Commerce Way Westminster, South Carolina. Said public hearings will occur at a meeting of the Oconee County Council in the Administration Building, 415 South Pine Street, Walhalla, South Carolina on Tuesday, February 17, 2015 at 6:00 p.m.

OCONEE COUNTY
SOUTH CAROLINA
Wayne McCall
Chairman of County Council

PUBLISHER'S AFFIDAVIT

STATE OF SOUTH CAROLINA
COUNTY OF OCONEE

J. WESLEY CRUM, III. PA

IN RE: Notice of Public Hearing, Ordinance # 2014-33

BEFORE ME the undersigned, a Notary Public for the State and County above named, This day personally came before me, Hal Welch, who being first duly sworn according to law, says that he is the General Manager of **THE JOURNAL**, a newspaper published Tuesday through Saturday in Seneca, SC and distributed in **Oconee County, Pickens County** and the Pendleton area of **Anderson County** and the notice (of which the annexed is a true copy) was inserted in said papers on 01/28/2015 and the rate charged therefore is not in excess of the regular rates charged private individuals for similar insertions.

Hal Welch
General Manager

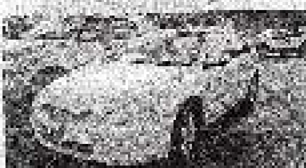
Subscribed and sworn to before me this
01/28/2015

Jennifer A. White
Notary Public
State of South Carolina
My Commission Expires July 1, 2024

JENNIFER A WHITE
NOTARY PUBLIC
State of South Carolina
My Commission Expires July 1, 2024

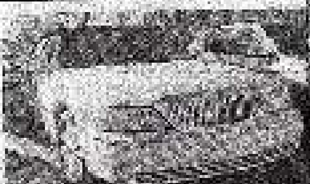
TRANSPORTATION

AUTOS FOR SALE



04 HONDA ACCORD V6 Nav
109K Miles • $7,900
Pete's Auto
402 Oak St. • Seneca
882-1467

02 CHEVY S-10
173K Miles • $5,900
Pete's Auto
402 Oak St. • Seneca
882-1467



08 LINCOLN TOWN Car
Signature Series
98,000 miles • $8,900
Pete's Auto
402 S. Oak St. • Seneca
864-882-1467

04 VOLVO V70 XC Turbo AWD
88k Miles • $7,900
Pete's Auto
402 Oak St. • Seneca
882-1467

05 LINCOLN • 64K Miles
1 Local Owner • $6,500
Pete's Auto
402 Oak St. • Seneca
882-1467

1997 DODGE CARAVAN. 77,000 Actual Miles. $1250.00 Call 864-784-2257 or 864-338-9604

99 TOYOTA CAMRY
159K Miles
1 Local Owner • $3,950
Pete's Auto
402 Oak St. • Seneca
882-1467

LEGAL NOTICES

LEGALS

NOTICE OF PUBLIC HEARING

There will be a public hearing for Ordinance 2014-22 with respect to the approval by Oconee County, South Carolina of a fee-in-lieu-of-tax agreement ("FILOT"). The FILOT will be entered into by Oconee County with ITT Enidine Inc. ITT Enidine Inc's facility is located at 105 Commerce Way Westminster, South Carolina. Said public hearings will occur at a meeting of the Oconee County Council in the Administration Building, 415 South Pine Street, Walhalla, South Carolina on Tuesday, February 17, 2015 at 6:00 p.m.

OCONEE COUNTY
SOUTH CAROLINA
Wayne McCall
Chairman of County Council

NOTICE OF PUBLIC HEARING

There will be a public hearing on Ordinance No. 2015-05 with respect to the approval by Oconee County, South Carolina of the amendment of a fee-in-lieu-of-tax agreement. The Second Amended Fee Agreement will be entered into by Oconee County with Greenfield Industries, Inc. TDC Clemson Land Company, LLC, Greentech Metal Recycling, LLC, TDC Saws, LLC and TDC Greenfield Properties, LLC. The Greenfield Industries, Inc. facility is located at 2501 Davis Creek Road Seneca, South Carolina. Said public hearing is to occur at a meeting of the Oconee County Council in the Administration Building, 415 South Pine Street, Walhalla, South Carolina on Tuesday, February 17, 2015 at 6:00 p.m.

OCONEE COUNTY
SOUTH CAROLINA
Wayne McCall
Chairman of County Council

STATE OF SOUTH CAROLINA
COURT OF COMMON PLEAS
COUNTY OF OCONEE
NON-JURY MATTER
C/A #2014-CP-37-753

JOANNE BORTZ,
PERSONAL REPRESENTATIVE
OF THE ESTATE OF
CHARLES E. COX,
LIS PENDENS
Plaintiff,
versus
DWAN L. WARREN,
JACKIE M. BROOME,
SHIRLEY R. HOLLIDAY,
CHARLES C. STEWART,
DOPHINE STEWART
AND PAULIE E. PERRY,
JOHN AND JANE DOE,

copy of your Answer upon the undersigned at their offices at 107 North Fairplay Street [or at P. O. Box 795] in Seneca, South Carolina, thirty days after service hereof upon you, exclusive of the day of such service, and if you fail to answer the Complaint within that time, the Plaintiff will apply to the Court for the relief sought therein.

01/16/15
DERRICK, RITTER, WILLIAMS & MORRIS, P. A.
S/EMMA W. MORRIS
Attorney for the Plaintiff
P. O. Box 795
Seneca, SC 29679-0795
Telephone:
(864) 882-2747

NOTICE OF PUBLIC HEARING

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OCONEE COUNTY
SOUTH CAROLINA
Wayne McCall
Chairman of County Council

PUBLISHER'S AFFIDAVIT

STATE OF SOUTH CAROLINA
COUNTY OF OCONEE

J. WESLEY CRUM, III, PA

IN RE: Notice of Public Hearing, Ordinance # 2015-05

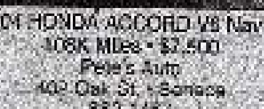
BEFORE ME the undersigned, a Notary Public for the State and County above named, This day personally came before me, Hal Welch, who being first duly sworn according to law, says that he is the General Manager of **THE JOURNAL**, a newspaper published Tuesday through Saturday in Seneca, SC and distributed in **Oconee County, Pickens County** and the Pendleton area of **Anderson County** and the notice (of which the annexed is a true copy) was inserted in said papers on 01/28/2015
and the rate charged therefore is not in excess of the regular rates charged private individuals for similar insertions.

Hal Welch
General Manager

Subscribed and sworn to before me this
01/28/2015

Jennifer A. White
Notary Public
State of South Carolina
My Commission Expires July 1, 2024

JENNIFER A WHITE
NOTARY PUBLIC
State of South Carolina
My Commission Expires July 1, 2024



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108K Miles • $7,500
Pete's Auto
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179K Miles • $5,900
Pete's Auto
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Signature Series
98,000 miles • $6,900
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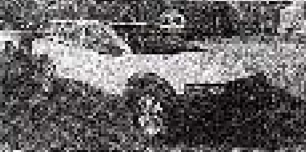

04 VOLVO V70 XC Turbo AWD
88k Miles • $7,900
Pete's Auto
402 Oak St. • Seneca
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05 LINCOLN • 84K Miles
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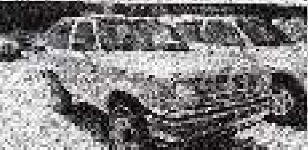
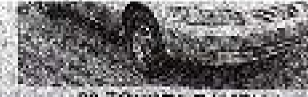
1997 DODGE CARAVAN. 77,000 Actual Miles. $1250.00 Call 864-784-2257 or 864-839-8804



99 FORD BRONCO II XLT
4WD 177k miles • $5500
Pete's Auto



99 TOYOTA CAMRY
169K Miles
1 Local Owner • $3,950
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882-1467

LEGAL NOTICES

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OCONEE COUNTY
SOUTH CAROLINA
Wayne McCall
Chairman of County Council

NOTICE OF PUBLIC HEARING
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OCONEE COUNTY
SOUTH CAROLINA
Wayne McCall
Chairman of County Council

STATE OF SOUTH CAROLINA
COURT OF COMMON PLEAS
COUNTY OF OCONEE
NON-JURY MATTER
C/A #2014-CP-37-753
JOANNE BORTZ,
PERSONAL REPRESENTATIVE
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CHARLES E. COX,
LIS PENDENS
Plaintiff,
versus
DWAN L. WARREN,
JACKIE M. BROOME,
SHIRLEY H. HOLLIDAY,
CHARLES C. STEWART,
DOPHINE STEWART,
AND PAULIE E. PERRY,
JOHN AND JANE DOE,
Representing any and all
Heirs, both known and unknown
Of Pauline E. Perry,
Defendants.
NOTICE IS HEREBY GIVEN, that an action has been commenced and is

days after service hereof upon you, exclusive of the day of such service, and if you fail to answer the Complaint within that time, the Plaintiff will apply to the Court for the relief sought therein.
01/1815
DERRICK, RITTER, WILLIAMS & MORRIS, P. A.
SIEMMA W. MORRIS
Attorney for the Plaintiff
P. O. Box 795
Seneca, SC 29679-0795
Telephone:
(864) 882-2747

SERVI
BEST LOC
CLEANING
MARINA'S PROFESSIONAL WINDOW CLEANING
Specializing in Residential
NEEDY BUT NEVER GREEDY!
10% DISCOUNT
if you have your windows cleaned in January & February
Insured

STATE OF SOUTH CAROLINA

COUNTY OF OCONEE

Lisa Lucas, being duly sworn, says she is a representative of The Keowee Courier, a weekly newspaper of general circulation in the state and county afore said, deposes and declares:
That the attached printed ad/notice was published in said newspaper on

January 28, 2015

(Signature) Lisa Lucas L.S.

SUBSCRIBED AND SWORN BEFORE ME, A NOTARY PUBLIC THE STATE OF SOUTH CAROLINA, THIS 29th DAY OF January 2015.

NOTARY PUBLIC FOR SOUTH CAROLINA

MY COMMISSION EXPIRES: 03-01-22

NOTICE OF PUBLIC HEARING

There will be a public hearing on Ordinance No. 2015-05 with respect to the approval by Oconee County, South Carolina of the amendment of a fee-in-lieu-of-tax agreement. The Second Amended Fee Agreement will be entered into by Oconee County with Greenfield Industries, Inc., TDC Clemson Land Company, LLC, Greentech Metal Recycling, LLC, TDC Saws, LLC and TDC Greenfield Properties LLC. The Greenfield Industries, Inc. facility is located at 2501 Davis Creek Road Seneca, South Carolina. Said public hearing is to occur at a meeting of the Oconee County Council in the Administration Building, 415 South Pine Street, Walhalla, South Carolina on Tuesday, February 17, 2015 at 6:00 p.m.
OCONEE COUNTY, SOUTH CAROLINA
Wayne McCall
Chairman of County Council
(4c)

STATE OF SOUTH CAROLINA
COUNTY OF OCONEE

Lisa Lucas, being duly sworn, says she is a representative of the Westminster News, a weekly newspaper of general circulation in the state and county afore said, deposes and declares:
That the attached printed ad/notice was published in said newspaper on

January 28, 2015
____
____
____

Lisa Lucas L.S.
(Signature)

SUBSCRIBED AND SWORN BEFORE ME, A NOTARY PUBLIC THE STATE OF SOUTH CAROLINA, THIS 29th DAY OF January, 2015.

Deanne P. Hamon
NOTARY PUBLIC FOR SOUTH CAROLINA

MY COMMISSION EXPIRES: 03-01-22

NOTICE OF PUBLIC HEARING

There will be a public hearing on Ordinance No. 2015-05 with respect to the approval by Oconee County, South Carolina of the amendment of a fee-in-lieu-of-tax agreement. The Second Amended Fee Agreement will be entered into by Oconee County with Greenfield Industries, Inc., TDC Clemson Land Company, LLC, Greentech Metal Recycling, LLC, TDC Saws, LLC and TDC Greenfield Properties LLC. The Greenfield Industries, Inc. facility is located at 2501 Davis Creek Road Seneca, South Carolina. Said public hearing is to occur at a meeting of the Oconee County Council in the Administration Building, 415 South Pine Street, Walhalla, South Carolina on Tuesday, February 17, 2015 at 6:00 p.m.
OCONEE COUNTY, SOUTH CAROLINA
Wayne McCall
Chairman of County Council