

**AN ORDINANCE**

**TO UPDATE AND PROVIDE FOR THE SPECIAL PROPERTY TAX ASSESSMENTS AUTHORIZED BY SECTION 4-9-195 OF THE SOUTH CAROLINA CODE OF LAWS AS TO REAL PROPERTY WHICH QUALIFIES AS “REHABILITATED HISTORIC PROPERTY”; TO REPEAL ORDINANCE NO. 2709; AND OTHER MATTERS RELATED THERETO.**

**WHEREAS**, Section 4-9-195 of the South Carolina Code of Laws (Supp. 2013), as amended (“S.C. Code”), provides that counties may by ordinance grant special property tax assessments to real property which qualifies as “rehabilitated historic property”;

**WHEREAS**, Greenville County, South Carolina (“the County”) contains a substantial amount of historic property, the preservation of which is beneficial for the economic development of the County and for its citizens;

**WHEREAS**, Greenville County Council by adoption of Ordinance No. 2709 on April 4, 1995 and codified at Section 7-13 of the Greenville County Code of Ordinances, as amended, provided for incentives for the rehabilitation of historic property under the predecessor statute to S.C. Code § 4-9-195;

**WHEREAS**, the South Carolina General Assembly has revised S.C. Code § 4-9-195 such that Ordinance No. 2709 is an outdated representation of the special property tax assessments available under State law to real property that qualifies as “rehabilitated historic property”;

**WHEREAS**, Greenville County Council (the “County Council”) has determined that it is in the best interests of the County and its citizens to update and provide for the current special property tax assessments available and set forth in S.C. Code § 4-9-195 to qualifying properties;

**WHEREAS**, the County Council finds that providing for this special property tax assessment will (1) encourage the restoration of historic properties, (2) promote community development and redevelopment, (3) encourage sound community planning, and (4) promote the general health, safety, and welfare of the community; and

**WHEREAS**, pursuant to S.C. Code § 4-9-195, the County must specify the minimum investment threshold and the number of years in which the special assessment shall apply, and in the absence of a board of architectural review the County may name an appropriate reviewing authority to consider proposed rehabilitation plans and actual rehabilitation work.

**NOW, THEREFORE, BE IT ORDAINED BY GREENVILLE COUNTY COUNCIL:**

**Section 1. General Provisions.** Pursuant to the provisions of S.C. Code § 4-9-195 (1976), as those sections are from time to time amended, the County grants a special property tax assessment to real property which qualifies as “rehabilitated historic property” for a total period

not to exceed ten (10) years. County Council designates the Greenville County Historic Preservation Commission to perform Council's functions in regard to determining property to be "historic" and to certifying property as having qualified as "rehabilitated historic property" for special tax assessment purposes when all statutory requirements have been met.

**Section 2. Certification, Criteria for "Historic" Designation.** In order to be eligible for the special property tax assessment, historic properties must receive preliminary certification prior to the commencement of any work, and final certification upon completion of approved work.

- A. To receive preliminary certification a property must meet the following conditions:
  - i. The owner of the property applies for and is granted historic designation pursuant to Section 2(C) below by the Greenville County Historic Preservation Commission; and
  - ii. The proposed rehabilitation receives approval of rehabilitation work from the Greenville County Historic Preservation Commission.
- B. To receive final certification, a property must have met the following conditions:
  - i. The property has received preliminary certification;
  - ii. The completed rehabilitation receives approval of rehabilitation work from the Greenville County Historic Preservation Commission as being consistent with the plans approved by the Greenville County Historic Preservation Commission as part of the preliminary certification; and
  - iii. The minimum expenditures for rehabilitation were incurred and paid.
- C. Property shall qualify as "historic" for the special assessment when:
  - i. It is listed in the National Register of Historic Places;
  - ii. It is at least 50 years old and is designated as a historic property by the Greenville County Historic Preservation Commission in accord with this Ordinance; or
  - iii. It meets such other and additional requirements as may be established by the South Carolina General Assembly in the future.
- D. In order for a building which is 50 years old to qualify as "historic" when it is not listed on the National Register of Historic Places, the building must be shown to meet one of the following criteria:
  - i. The structure's architectural design and materials of construction are good examples of those types of design and construction recognized among

architects and preservationists as having had historical significance in the County's development;

- ii. The structure is associated in a meaningful way with a person or group who made a significant contribution to the County's political, economic, religious, social, artistic, or literary development; or
- iii. The structure is associated with a person or group recognized on the state or national level as having made significant contributions to science, religion, politics, business, literature, the arts, or other professions.

**Section 3. Standards for review of rehabilitation work.** To be eligible for the special tax assessment, historic rehabilitations must be appropriate for the historic building and the historic district in which it is located. This is achieved through adherence to the Secretary of the Interior's Standards for Rehabilitation and any applicable County adopted design guidelines, as from time to time are amended.

A. *Work to be reviewed.* The following work will be reviewed according to the standards set forth above:

- i. Repairs to the exterior of the designated building;
- ii. Alterations to the exterior of the designated building;
- iii. New construction on the property on which the building is located;
- iv. Alterations to interior primary spaces; and
- v. Any remaining work where the expenditures for such work are being used to satisfy the minimum expenditures for rehabilitation.

B. *Minimum expenditures for rehabilitation.* Minimum expenditures for rehabilitation means the owner or his estate rehabilitates the building, with expenditures for rehabilitation exceeding 50 percent (50%) of the fair market value of the owner-occupied building, or with expenditures for rehabilitation exceeding the fair market value of the income-producing building. Fair market value means the appraised value as certified to the Greenville County Historic Preservation Commission by a real estate appraiser licensed by the State of South Carolina; the sales price as delineated in a bona fide contract of sale within six months of the time it is submitted, or the most recent appraised value published by the Greenville County Tax Assessor.

C. *Expenditures for rehabilitation.* Expenditures for rehabilitation means the actual costs of rehabilitation relating to one or more of the following:

- i. Improvements located on or within the historic building as designated;
- ii. Improvements outside of but directly attached to the historic building which are necessary to make the building fully useable (such as vertical

circulation), but shall not include rentable/habitable floor space attributable to new construction;

- iii. Architectural and engineering services attributable to the design of the improvements; or
- iv. Costs necessary to maintain the historic character or integrity of the building.

D. *Scope.* The special tax assessment may apply to the following:

- i. Structure(s) rehabilitated; and/or
- ii. Real property on which the building is located.

E. *Time limits.* Upon preliminary certification, the property will be assessed for two (2) years on the fair market value of the property at the time the preliminary certification was made. If the project is not complete after two (2) years, but the minimum expenditures for rehabilitation have been incurred, the property continues to receive the special assessment until the project is complete, but not for more than five (5) years. The total special tax assessment period shall not exceed ten (10) years.

#### **Section 4. Process.**

A. *Plan required.* Owners of property seeking approval of rehabilitation work must submit a completed application for preliminary certification for special tax assessment with supporting documentation prior to beginning work.

B. *Preliminary certification.* Upon receipt of the completed application the proposal shall be placed on the next available agenda of the Greenville County Historic Preservation Commission to determine if the project is consistent with the standards for rehabilitation in Section 3 above. Within 30 calendar days of its decision, the Greenville County Historic Preservation Commission shall provide written notification of its decision to the owner of property. Upon receipt of this determination the owner may:

- i. If the application is approved, obtain required permits and begin rehabilitation;
- ii. If the application is not approved, revise such application in accordance with comments provided by the Greenville County Historic Preservation Commission; or
- iii. If the application is not approved, appeal the decision to the South Carolina Department of Archives and History.

C. *Substantive changes.* Once preliminary certification is granted to an application, substantive changes must be approved by the Greenville County Historic Preservation Commission. Unapproved substantive changes are conducted at the risk of the

property owner and may disqualify the project from eligibility. Additional expenditures will not qualify the project for an extension on the special tax assessment.

- D. *Final certification.* Upon completion of the project, owners of property must submit a completed application for final certification for special tax assessment to receive final certification in order to be eligible for the special tax assessment. The Greenville County Historic Preservation Commission will inspect completed projects to determine if the work is consistent with the approval granted by the Greenville County Historic Preservation Commission. Final Certification will be granted when the completed work meets the standards and verification is made that expenditures have been made in accordance with Subsections 3(C) and (D). Upon final certification, the property will be assessed for the remainder of the special assessment period on the fair market value of the property at the time of the preliminary certification was made. If the completed project does not comply with all requirements for final certification, final certification must not be granted and any monies not collected by the Greenville County Tax Collector due to the special assessment must be returned to the Greenville County Tax Collector. The Greenville County Historic Preservation Commission shall notify the Greenville County Tax Assessor if final certification is not granted.
- E. *Additional work.* For the remainder of the special assessment period after final certification, the property owner shall notify the Greenville County Historic Preservation Commission of any additional work, other than ordinary maintenance. The Greenville County Historic Preservation Commission shall review the work at a regularly scheduled hearing and determine whether the overall project is consistent with the standards for rehabilitation. If the additional work is found to be inconsistent, the property owner may withdraw his request, or revise the proposed additional work.
- F. *Decertification.* When property has received final certification and is assessed as rehabilitated historic property it remains so certified and must be granted the special assessment until the property becomes disqualified by any one of the following:
  - i. written notice by the owner to the County to remove the preferential assessment;
  - ii. removal of the historic designation by County Council; or
  - iii. rescission of the approval of rehabilitation work by the Greenville County Historic Preservation Commission because of alterations or renovations by the owner or his estate which cause the property to no longer possess the qualities and features which made it eligible for final certification.
- G. *Sale or Transfer of Ownership of Real Property.* Under no circumstances shall the sale or transfer of ownership of real property certified and assessed in accordance with this ordinance and any ordinance in effect at the time disqualify the property from receiving the special property tax assessment under this section. Notification of

any change affecting eligibility must be given immediately to the appropriate county taxing and assessing authorities.

- H. *Notification.* Upon preliminary certification and final certification of a property, the owner of property shall notify the Greenville County Assessor that such property has been duly certified and is eligible for the special tax assessment. The owner has the responsibility to confirm the special assessment status on an annual basis with the County. Furthermore, notification of any change affecting eligibility must be given immediately to the Greenville County Assessor. Upon decertification, the owner shall provide the notification if he initiates the decertification; the Greenville County Historic Preservation Commission shall provide the notification if it initiates the decertification.
- I. *Date effective.* If an application for preliminary certification is approved by August 1, the special assessment authorized herein is effective for that year. Otherwise, it is effective beginning with the following year. The special assessment only begins in the current or future tax years as provided for in this section. In no instance may the special assessment be applied retroactively.

**Section 5.** **Repeal.** Ordinance No. 2709 is hereby repealed, the effect being that any real property certified to receive the special property tax assessment authorized by Ordinance No. 2709 shall continue to receive the tax assessment in effect at the time certification was made, and any real property being certified to receive the special property tax assessment on or after the effective date of this Ordinance shall received the special property tax assessment authorized by this Ordinance. 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 6.** **Effective Date.** This Ordinance is effective after third and final reading hereof.

**DONE IN REGULAR MEETING THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2014.**

GREENVILLE COUNTY

\_\_\_\_\_  
Bob Taylor, Chairman  
County Council

ATTEST:

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Theresa B. Kizer  
Clerk to Council

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Joseph M. Kernell  
County Administrator