SALES TAX REFERENDUM

November 2014

Opportunity knocking?

Officials: Economic development project will attract business

FROM PAGE A1

BY CARLOS GALARZA-VEVE
THE JOURNAL

SALEM — Opportunity has been knocking on the door of Salem town officials for many years, but without essential infrastructure they have had to turn developers and business suitors away.

That's why town leaders were ecstatic when Oconee County Council approved a capital projects sales tax referendum question with 10 projects that includes their proposal for northern economic development.

EDITOR'S NOTE

This is the fourth of a multi-part series covering potential additional costs for the projects included in the Oconee County Capital Sales Tax Referendum, which will be put to voters in the November election.

The 10 projects have a combined price tag of $36.5 million, including $1.1 million for northern development.

SEE **OPPORTUNITY**, PAGE **A5**

Not only did Salem's proposal make the list, it was prioritized as second among the 10 projects.

The projects will remain a wish list that can only become reality if a majority of Oconee County voters approve the referendum Nov. 4. To pay for the projects, voters would have to agree to increase the county's sales tax, which is applied to everything except food, from the current six cents to seven cents on the dollar.

During a recent public forum to inform voters about the referendum and what's at stake, which was hosted by the Oconee County Chamber of Commerce, Salem town clerk Kim Alexander talked about the need for the northern economic development project. She said the project would extend the water lines from Salem city limits to Tamassee, providing a water supply loop along the S.C. Highway 11 corridor.

The extension of water infrastructure made possible by the project, along with other initiatives to add power facilities in the area, would be instrumental in attracting businesses and not having to turn away developers, Alexander said.

"A number of developers have come to the town from time to time over the past several years and requested service, and it's not there," Alexander said. "As you drive on Highway 11, you see areas with stores and restaurants, but there is no area with the infrastructure to develop a shopping center."

Two of the county's crown jewels — lakes Jocassee and Keowee — border the northern economic development area. The lakes help bring visitors and new residents to the county, and that in turn would potentially bring more rooftops, retail and commercial developments, according to Alexander.

"If we could develop those two utilities (power and water) in the ground, then developers can come in and they can build," Alexander said.

Although most of the northern economic development project would fall outside Salem city limits, Alexander said it would be part of the town's water system. Salem's water system is the town's big moneymaker, and its revenues are used to augment the town's budget.

Salem's water enterprise fund is closing in on $900,000 a year, which eclipses the town's budget by almost $400,000.

If voters approve the referendum, Salem would be responsible for owning, maintaining, and fixing those lines if they ever rupture once the northern development project is built.

County administrator Scott Moulder has made it clear no additional county funds would be channeled to northern development with public funds.

The sales tax increase is estimated to generate $41 million in revenues over eight years, which would be the extent of taxpayers' commitment to the 10 capital projects.

Salem likely would not need further assistance, if what leaders say would be a development boom in the area pans out as they say.

carlos@upstatetoday.com | (864) 973-6686
Follow on Twitter @cgvnewsupstate

ORTUNITY: Salem project itized as second among 10