THE STATE OF SOUTH CAROLINA

In The Court of Appeals

APPEAL FROM RICHLAND COUNTY

Court of Common Pleas

L Casey Manning, Circuit Court Judge

Case No. 2017-CP-40-000617

RECEIVED
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SC Court of Appeals

South Carolina Public Interest Foundation and William B. DePass, Jr., individually, and on behalf of all others similarly situated, ... Appellant,

v.

The City of Columbia, Richland County, and Fairfield County, ... Respondents.

RECORD ON APPEAL
VOLUME I

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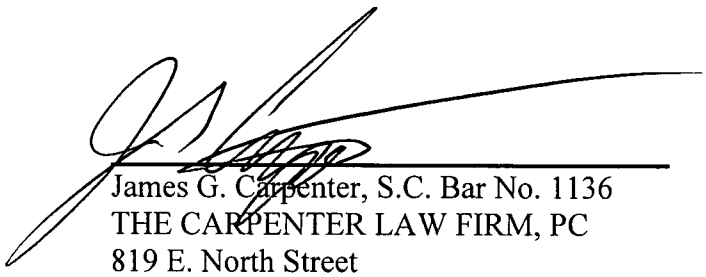
Certificate of Counsel

The undersigned Counsel for the Appellants certifies that the Record on Appeal contains all material proposed to be included by any of the parties and not any other material.

THE CARPENTER LAW FIRM, P.C



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FORM 4

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND
IN THE COURT OF COMMON PLEAS

JUDGMENT IN A CIVIL CASE

CASE NUMBER: 2016CP4000946

South Carolina Public Interest Foundation
William B DePass Jr
PLAINTIFF(S)

City Of Columbia
DEFENDANT(S)

Submitted by: _____	Attorney for : ☐ Plaintiff ☐ Defendant or ☐ Self-Represented Litigant

DISPOSITION TYPE (CHECK ONE)

☐ **JURY VERDICT.** This action came before the court for a trial by jury. The issues have been tried and a verdict rendered.

☐ **DECISION BY THE COURT.** This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered.

☐ **ACTION DISMISSED** (*CHECK REASON*): ☐ Rule 12(b), SCRCP; ☐ Rule 41(a), SCRCP (Vol. Nonsuit); ☐ Rule 43(k), SCRCP (Settled); ☐ Other _____

☐ **ACTION STRICKEN** (*CHECK REASON*): ☐ Rule 40(j), SCRCP; ☐ Bankruptcy; ☐ Binding arbitration, subject to right to restore to confirm, vacate or modify arbitration award; ☐ Other _____

☐ **DISPOSITION OF APPEAL TO THE CIRCUIT COURT** (*CHECK APPLICABLE BOX*): ☐ Affirmed; ☐ Reversed; ☐ Remanded; ☐ Other _____

NOTE: ATTORNEYS ARE RESPONSIBLE FOR NOTIFYING LOWER COURT, TRIBUNAL, OR ADMINISTRATIVE AGENCY OF THE CIRCUIT COURT RULING IN THIS APPEAL.

IT IS ORDERED AND ADJUDGED: ☐ See attached order (formal order to follow) ☐ Statement of Judgment by the Court:

ORDER INFORMATION

This order ☐ ends ☐ does not end the case.
Additional Information for the Clerk : _____

INFORMATION FOR THE JUDGMENT INDEX

Complete this section below when the judgment affects title to real or personal property or if any amount should be enrolled. If there is no judgment information, indicate "N/A" in one of the boxes below.

Judgment in Favor of (List name(s) below)	Judgment Against (List name(s) below)	Judgment Amount To be Enrolled
		$
		$
		$

If applicable, describe the property, including tax map information and address, referenced in the order:

The judgment information above has been provided by the submitting party. Disputes concerning the amounts contained in this form may be addressed by way of motion pursuant to the SC Rules of Civil Procedure. Amounts to be computed such as interest or additional taxable costs not available at the time the form and final order are submitted to the judge may be provided to the clerk. **Note: Title abstractors and researchers should refer to the official court order for judgment details.**

Circuit Court Judge _____ **Judge Code** 2061 **Date** _____

For Clerk of Court Office Use Only

This judgment was entered on the ___ day of _____, 20 ____ and a copy mailed first class or placed in the appropriate attorney's box on this 17 day of Feb, 20 17 to attorneys of record or to parties (when appearing pro se) as follows:

James G. Carpenter

Burnet Rhett Maybank III
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Ray Nelson Stevens
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ATTORNEY(S) FOR THE PLAINTIFF(S)

ATTORNEY(S) FOR THE DEFENDANT(S)

Court Reporter _____

Clerk of Court Jeanette [illegible]

SCRCP Form 4C (10/2011)

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND	IN THE COURT OF COMMON PLEAS
South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiffs, vs. The City of Columbia, Richland County, and Fairfield County. Defendants.	CASE NO.: 2016-CP-40-00946 **FINAL ORDER GRANTING SUMMARY JUDGMENT TO RICHLAND COUNTY, FAIRFIELD COUNTY, AND CITY OF COLUMBIA**

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I. BACKGROUND

The South Carolina Public Interest Foundation, and William B. DePass, Jr., ("Plaintiffs") on February 26, 2016 requested a Declaratory Judgment. The suit raises the issue of whether properties used as private student dormitories ("Student Housing Apartments" or "Private Dormitories") are properties not permitted in a Multicounty Business and Industrial Park ("Park") and not eligible to receive special source revenue credits. Richland County and Fairfield County ("Richland" or "Fairfield" individually and "Counties" collectively) and the City of Columbia ("City") timely responded to the Declaratory Judgment suit by asserting Art. VIII, § 13(D), S.C. Constitution and S.C. Code Ann. §4-1-170 grant the Counties and City authority to place such property in a Park and to provide special source revenue credits.

The parties filed cross-motions for Summary Judgment with Plaintiffs and Counties filing Summary Judgment motions on September 20, 2016 and City filing its Summary Judgment motion on May 11, 2016. All parties filed memoranda and affidavits in response to the cross-motions and on January 17, 2017, the Court heard oral arguments. Having now considered the

matter, the Court grants Summary Judgment to the Counties and the City and denies Summary Judgment to the Plaintiffs.

II. STIPULATED AND UNDISPUTED FACTS

Summary judgment is appropriate when no issues exist on any material fact and the moving party is entitled to a judgment as a matter of law. *Quality Towing, Inc. v. City of Myrtle Beach*, 340 S.C. 29, 530 S.E.2d 369 (2000); Rule 56(c), SCRCP. Here, no material facts are disputed because the parties not only stipulated the facts but also established undisputed facts by affidavit.

A. Joint Stipulations

The joint stipulations establish:

1. On or about April 15, 2003, Richland County entered into a Master Agreement governing the 1-77 Corridor Regional Industrial Park with Fairfield County, which consolidated all multi-county parks, and any prior agreement governing those multi-county parks, between Richland County and Fairfield County into the 1-77 Corridor Regional Industrial Park ("the Park").

2. Richland County and Fairfield County have added numerous new projects to the Park pursuant to the terms of the Master Agreement and have amended the Master Agreement three times to alter the internal distribution of Richland County's Park Revenues.

3. On March 4, 2014, The City of Columbia passed Resolution No. R-2014-024.

4. Richland County passed several ordinances which, together with Fairfield County ordinances, included certain student housing projects in the Park. The Ordinances are as follows:

Developer	*Project*	*City Ordinance*	*Richland County Ordinance*	*Fairfield County Ordinances*
Park 7 Group	Park Place Columbia (Park I)	2014-015	004-14HR	624
Edwards Communities	Greene Crossing (University Residences)	2014-019	011-14HR	632
Park 7 Group	University SC Towers (Park II)	2014- 020 2015- 109	005-14HR 051-15HR	624 659
Peak Campus	Station at Five Points (Project Peak)	2014-123	072-14HR	642

5. Richland County, by the ordinances referenced above, further authorized a 50% Special Source Revenue Credit (the "Credit") to [each of] the student housing projects located in the Park pursuant to the terms and conditions of the agreements between Richland County and each of the developers of the student housing projects.

6. The City of Columbia utilized Resolution No. 2015-049 (attached) "to sunset the tax credit on December 31, 2015 for previously approved projects or projects submitted."

7. Following the passage of the City of Columbia's Resolution No, R-2014-024, several developers obtained approval from the City for their projects in subsequent ordinances (Ordinances Nos. 2014-015, 2014-019,2014-020, 2014-123, and 2015-109) which provided the City consent to the inclusion of the properties in the Park.

8. After the City consented to the inclusion of the projects in the Park . . . four student housing projects were built or are in the process of being built in the City.

9. The "Park I" development, located at Blossom and 500 Huger Street, consists of a 482,000 square feet of private dormitory development. The project consists of approximately 237 units with 640 bedrooms. The project also includes 480 structured parking spaces.

10. The "University Residences" development is located [at] . . . 620 Blossom, 708 Pulaski, and 810 Pulaski Streets. At 347,000 square feet, the project consists of 247 units with 726 bedrooms. The project also includes an 85,000 square feet parking garage with approximately 300 spaces.

11. The "Project Peak" development is located at 2015 Gervais . . . , 1225 Harden, and 2000 Lady Street[s]. The project is approximately 367,000 square feet private dormitory development with a 212,000 square feet

parking garage. The development consists of 218 units with 660 bedrooms and 574 structured parking spaces.

12. The "Park II" development is located [at] 1001 and 1011 Assembly Street [and] at 1016 Park Street. It comprises 490,000 square feet of private dormitory development. The development will have 227 units with 684 bedrooms and a 177,000 square feet parking garage with 518 dedicated spaces.

13. All of the projects engage in the continuous activity of letting beds to students through the entering of a lease or other contractual arrangements between the student and the developer or other property manager.

B. Undisputed Facts by Affidavits

When a properly supported motion sets forth facts that remain undisputed, summary judgment is appropriate. *David v. McLeod Reg'l Med. Ctr.*, 367 S.C. 242, 250, 626 S.E.2d 1, 5 (2006). The Court finds a number of undisputed facts are supported by unopposed affidavits.

For example, the unopposed affidavit of the Richland County's Assessor, Elizabeth McDonald, states she is familiar with the properties subject to this lawsuit and classifies them as commercial properties operated as "Private Dormitories." She states:

7. The aforementioned Private Dormitories are currently or will be classified as property assessable at a 6% rate.

8. The Private Dormitories are assessed at this rate because my office classified the Private Dormitories as commercial properties.

9. The Private Dormitories were classified as commercial properties by my office because it is my office's understanding that each of the Private Dormitories' activities, which consist of operating and leasing off-campus accommodations for college students, and provision of specific services, including security, property management, and planned recreational activities, comprise business and commercial activities.

Further, the uncontradicted affidavit of Paul Levine, the Executive Vice President of Development for Park 7 Group (one of the developers of the properties under dispute here) states:

10. These student housing properties are classified as commercial for all purposes in Columbia including water and sewer, property taxes, and zoning.

Finally, in an unopposed affidavit of Mark Farris, a Certified Economic Developer, an explanation is given of how properties are placed in a Park from a work experience perspective.

> 14. As a Certified Economic Developer, when considering whether to offer to a business the location of its project in a multicounty business or industrial park as an incentive, I do not consider whether the project meets the definition of "Projects" or "Industry" under S.C. Code Ann. § 4-29-10.
>
> 15. In addition, I am not familiar with a Certified Economic Developer in South Carolina who believes that a project must meet the definition of "Projects" or "Industry" under S.C. Code Ann. § 4-29-10 before it may be located in a multi-county business or industrial park.
>
> 16. Rather, the analysis of whether to include property in a multi-county business or industrial park or extend other economic development incentives to a project is based on an analysis of whether the project will serve a "public purpose," which is a determination to be made by the governing body and is based on whether the benefits of the project will outweigh the costs.

III. ANALYSIS

Plaintiffs' suit contends Counties and City are without authority to place Private Dormitories in a Park and without authority to provide special source revenue credits for such property. The Court disagrees with Plaintiffs. Two questions and their respective answers show the basis for the Court's decision. First, what authority allows the practice carried out by Counties and City? Second, what authority seeks to prohibit such a practice?

A. What Authority Permits Private Dormitories in a Park and Allows Granting Special Source Revenue Credits to such Properties?

1. Authority to Place Private Dormitories in a Park

The authority to place property in a Park is found in two separate authorizations: S.C. Constitution Art. VIII, § 13(D) and S.C. Code Ann. § 4-1-170. The Constitutional provision holds "Counties may jointly develop an industrial or business park with other counties." The statutory provision similarly holds "[b]y written agreement, counties may develop jointly an industrial or

business park with other counties." The issue is whether Private Dormitories are permitted in the Park. The Court finds Private Dormitories may be placed within an industrial or business park.

The language used in both the Constitution and the statute describes the Park by use of the disjunctive "or" with that word used to designate differences. *Brewer v. Brewer*, 242 S.C. 9, 129 S.E.2d 736 (1963) ("The word 'or' used in a statute, is a disjunctive particle that marks an alternative."). Hence, a Park may comprise many activities—some akin to industrial activities and some akin to business activities. However, both are permissible activities.

Here, the Court finds the Private Dormitories are within the Park's requirement of "business." The Court finds the word "business" as used in the Constitution and the statute is "clear and unambiguous."

The cardinal rule of statutory construction is to ascertain and effectuate the intent of the Legislature. *Hodges v. Rainey*, 341 S.C. 79, 85, 533 S.E.2d 578, 581 (2000). That task is best accomplished by giving words their plain and ordinary meaning without limiting or expanding the scope of the statute in such an interpretation. *State v Bull*, 350 S C 58, 60, 564 S E 2d 351, 353 (Ct App 2002). And, when the terms of a statute are clear and unambiguous, "there is no room for construction and courts are required to apply them according to their literal meaning." *Carolina Power & Light Co v City of Bennettsville*, 314 S C 137,139, 442 S E 2d 177, 179 (1994).

Here, the plain and ordinary meaning of the term "business" is "a commercial . . . establishment." WEBSTER'S NEW WORLD DICTIONARY 718 (2nd ed. 1976) at 192. The stipulations and unopposed affidavits show the activities of the Private Dormitories are commercial.

The Joint Stipulations agree the activity conducted at the properties is "the continuous activity of letting beds to students through the entering of a lease or other contractual arrangements

between the student and the developer or other property manager." Such is a commercial activity. The unopposed affidavit of the Richland County Assessor finds such an activity is on commercial property and is "classified as commercial properties by my office because it is my office's understanding that each of the Private Dormitories' activities, which consist of operating and leasing off-campus accommodations for college students, and provision of specific services, including security, property management, and planned recreational activities, comprise business and commercial activities." Finally, the unopposed affidavit of an owner of one of the Private Dormitories finds the properties are commercial when he states "[t]hese student housing properties are classified as commercial for all purposes in Columbia including water and sewer, property taxes, and zoning." Thus, the Court holds the properties here under review are commercial properties and are properly included within an industrial or business park.

The Court notes that while the language is clear and therefore needs no construction, if resort were made to construction, the Constitutional context of Home Rule is important here. The authority granted to Counties to include property in the Park is granted under the Home Rule provisions of the Constitution. The powers granted counties by Home Rule "mandate[] a liberal rule of construction regarding any constitutional provisions or laws concerning local government. S.C. Const, art. VIII, § 17." *Hosp. Ass'n v. Cty. of Charleston*, 320 S.C. 219, 464 S.E.2d 113, 117 (1995). Accordingly, if this Court were to engage in Constitutional or statutory construction, the Court would construe the constitutional provisions liberally in favor of the Counties and would find both the Constitutional provision and statutory provisions allow Counties and City to include Private Dormitories in the Park.

2. *Authority to Issue Special Source Revenue Credits to Private Dormitories*

Having found the Private Dormitories are properly included in the Park, the Court also finds special source revenue credits are proper for the projects. Under S.C. Code Ann. § 4-1-175, a county or municipality receiving a payment in lieu of taxes under Section 13 of Article VIII of the Constitution (which is the case here) "may use a portion of this revenue for the purposes outlined in Section 4-29-68 . . . by providing a credit against or payment derived from the revenues received and retained under Section 13 of Article VIII of the Constitution of this State." The Court finds the requirements of S.C. Code Ann. §4-1-175 are satisfied and the credits properly allowed.

a. The Revenue Source Is Proper

First, the revenue source (against which the credit under review is applied) is the Private Dormitories fee-in-lieu-of-tax payment from the I-77 Corridor Regional Industrial Park. The Ordinances stipulated to by the parties contain this provision:

> **Section 2. Approval of Credit: Authorization to Execute Credit Agreement.**
>
> There is hereby authorized a Credit against the Company's Fee Payments on the Facility as a reimbursement to the Company for its qualifying Infrastructure Expenditures

In each of the stipulated Ordinances, "Fee Payments" is defined as "fees-in-lieu of ad valorem property taxes in an amount equivalent to the ad valorem taxes that would have been due and payable but for the location of the property in such multicounty industrial parks." And, "Infrastructure" is defined in each of the stipulated Ordinances as "improved or unimproved real estate and personal property used in the operation of a commercial enterprise." Thus, the Court finds Counties and City are receiving payments in lieu of taxes under Section 13 of Article VIII of the Constitution and the Counties and City are using a portion of that revenue to provide special source revenue credits.

b. The Use of the Credit Is Proper

Second, under S.C. Code Ann. § 4-1-175, the proceeds of the credit must be used by the owners of the Student Housing Apartments for the "purposes" outlined in Section 4-29-68. A valid purpose in S.C. Code Ann. §4-29-68(2)(i) is using the credits to pay for "improved or unimproved real estate and personal property . . . used in the operation of a . . . commercial enterprise." Consistent with that requirement, the Student Housing Apartments are commercial enterprises and the Ordinances stipulated to by the parties show authorization for the credit for the Private Dormitories to be utilized to pay for improved or unimproved real estate and personal property used in the operation of the Private Dormitories. Therefore, the Court finds the credit extended to the Private Dormitories meets the requirements of S.C. Code Ann. §4-1-175 and satisfies the purposes outlined in S.C. Code Ann. §4-29-68. Accordingly, the Court holds the credits offered to the Private Dormitories are proper.

The Court finds the above analysis follows the plain and literal reading of S.C. Code Ann. §4-1-175 and S.C. Code Ann. §4-29-68. This Court must apply statutes based on their plain meaning if the language used is clear since words in a statute must be given their plain and ordinary meaning without limiting or expanding the statute. *State v Bull*, 350 S C 58, 60, 564 S E 2d 351, 353 (Ct App 2002). The Court finds the plain meaning of S.C. Code Ann. §4-1-175 and S.C. Code Ann. §4-29-68 shows Counties and City have complied with the required duties imposed by those statutes.

B. What Authority Prohibits Private Dormitories in a Park or Denies Special Source Revenue Credits to such Properties?

The Plaintiffs contend authority exists denying Counties and City the right to place Private Dormitories in a Park and denying the use of special source revenue credits to such properties.

Plaintiffs seek to support their views by raising two primary positions:[1] a Park does not permit residential use properties and the definitions of Chapter 29 of Title 4 control activities permitted in Chapter 1 of Title 4. The Court has examined both of Plaintiffs' positions and finds neither persuasive.

1. Residential Use

The Plaintiffs argue a Park may not contain properties with a residential use. The Court finds Plaintiffs are incorrect for two reasons. First, in all events, Student Housing Apartments are not "residential" in a property tax sense. Second, even if using the property for some element of residential purposes, the authority granted by Article VIII, § 13(D) and the enabling statute of S.C. Code Ann. § 4-1-170 allow any commercial investment (whether "residential" or otherwise) if designed to enhance economic development in the Counties.

a. The Private Dormitories Are Not Residential but Instead Are Commercial Properties for Taxation Purposes

The properties under review are real properties used as Student Housing Apartments. Plaintiffs seek to classify the property as residential to the exclusion of "industrial or business." The Court finds such a conclusion is incorrect. The S.C. Constitution classifies real property for property tax purposes in Article X, § 1 by assigning assessment ratios for properties by classification.

Article X, § 1 classifies real property into 5 categories. Manufacturers are classified and assessed at a 10.5% ratio, transportation at 9.5%, legal residences at 4%, agricultural at 4%, and

[1] Plaintiffs also argue the Private Dormitories are improper because they produce few jobs or investment amounts associated with a large manufacturing facility. The Court finds such an argument irrelevant. Nothing in the provisions of Article VIII, § 13(D) or in the enabling statute of S.C. Code Ann. § 4-1-170 requires Counties and City to invest in or incentivize manufacturing or to evaluate incentives based solely on jobs.

"all other real property" at 6%. The affidavit of the Assessor for Richland County classifies the Student Housing Apartments as "other real property" assessed at a 6% ratio. The Assessor does not assess the real property as a "legal residence."

A legal residence for property tax requires the real property be "owned totally or in part in fee or by life estate and occupied by the owner of the interest." S.C. Code Ann. § 12-43- 220(c)(1). The occupants of the Student Housing Apartments are renters, not owners.

Further, even when the "residence is located on leased or rented property," the 4% ratio is not available unless "the residence is owned and occupied by the owner of a residence on leased property." S.C. Code Ann. § 12-43-220(c)(l). Here, the stipulations and unopposed affidavits show the party occupying the property involves a student renting the property as a lessee, not an "owner of a residence." Hence, the Court finds the Private Dormitories are not residential but are commercial and properly placed within a Park.

b. Regardless of Use, the Private Dormitories Are Authorized by S.C. Code Ann. § 4-1-170 and Art. VIII, § 13(D) Because the Properties Are Within the Meaning of "Business or Industrial Park."

The Plaintiffs assert neither S.C. Code Ann. § 4-1-170 nor Art. VIII, § 13(D) authorizes Counties to develop an "industrial or business park," if the properties within the Park will have a residential use. The Court finds such an assertion is incorrect. On the contrary, the Student Housing Apartments are well within the meaning of the authorized "industrial or business" properties, regardless of whether the property has a residential feature. Nothing in the plain language of the statute or constitution denies the ability to place property in the Park merely because a residential feature exists within a commercial property. Here, the properties are undeniably commercial properties and properly included in the Park.

Further, the authority to develop a Park is granted to Counties under Home Rule within Art. VIII, § 13(D). The Constitutional provisions of Art. VIII, § 13(D) must be liberally construed since the constitution places no limitation on commercial entities or property eligible to include in the Park. Rather, since the Private Dormitories are commercial properties and the "[t]he participating counties . . . reduce the agreement to develop and share expenses and revenues of the park to a written instrument which is binding on all participating counties" the Private Dormitories are proper. Thus, to the extent the Private Dormitories have any element of residential character, the Court finds any such element of residential character does not defeat the properties as being commercial properties properly placed in a Park.

2. *The Definitions of Chapter 29 of Title 4 Do Not Apply to Activities of Chapter 1 of Title 4*

The Plaintiffs assert the definitions of Chapter 29 of Title 4 apply to Chapter 1 of Title 4 by asserting the definitions of "project" and "industry" in Chapter 29 of Title 4 must be imposed on the activities authorized in Chapter 1 of Title 4. For four reasons, the Court finds the Plaintiffs' assertion does not prohibit placing the Private Dormitories within the Park and providing special source revenue credits.

a. Plain Language Controls

First, the definitions of Chapter 29 of Title 4 cannot apply to Chapter 1 of Title 4 since the Court is bound by the plain and literal language of S.C. Code Ann. §4-29-10 of Chapter 29. The statute says the definitions Chapter 29 apply "[w]henever used in this chapter [Chapter 29]." Thus, the General Assembly's plain language states the definitions of Chapter 29 are limited to Chapter 29. Had the General Assembly meant the definitions of Chapter 29 were to apply to any other Chapter in Title 4, the General Assembly would have so stated. *Horry Cty. Sch. Dist. v. Horry*

Cty., 346 S.C. 621, 631, 552 S.E.2d 737, 742 (2001) ("if [the] legislature had intended [a] certain result in [a] statute[,] it would have said so.").

When a statute's terms are clear and unambiguous, no room exists for statutory construction, and a court must apply the statute according to its literal meaning. *Miller v. Aiken*, 364 S.C. 303, 613 S.E.2d 364 (2005). Stating the same result from the perspective of limitations on the Court's construction powers, if a statute's language is unambiguous and clear, the Court has no right to look for or impose another meaning. *Paschal v. State Election Comm'n*, 317 S.C. 434, 454 S.E.2d 890 (1995).

Here, the literal language states the definitions apply "[w]henever used in this chapter [Chapter 29]." No ambiguity results from such language. The definitions of "project" and "industry" as defined in Chapter 29 apply to those terms when used in Chapter 29. The language being clear, the literal application applies, and the Court finds the definitions of Chapter 29 do not apply to Chapter 1 of Title 4.

b. Logical Impossibility

Second, the Plaintiffs' position presents a logical impossibility. The words "Project" and "Industry" do not exist in Chapter 1. The word "industrial" is used only three times in Chapter 1 and even then the reference to "industrial" always appears as a reference to the multicounty park rather than in a description of activities within the park. To reach Plaintiffs' position that the definitions of "project" and "industry" in Chapter 29 apply to Chapter 1, the Court must write-in new provisions to Chapter 1. Such is obviously not permitted since Courts may not add words to a statute. *Kinard v. Moore*, 220 S.C. 376, 388, 68 S.E.2d 321, 325 (1951) ("The court has no right to add the words [the legislature] omitted, nor to interpolate them on conceits of symmetry and policy.").

c. Existing Practices

Third, while not controlling of the Court's legal analysis, it is instructive from a practical point of view to note the Counties submitted an unopposed affidavit from Mark Farris. Mr. Farris establishes that economic developers uniformly do not require investments in a Park to meet the definition of "Project" or "Industry" as defined in Title 4, Chapter 29. See Affidavit of Mark Farris paragraphs 14 & 15. Hence, the Court's ruling that the definitions of "Project" or "Industry" as defined in Title 4, Chapter 29 do not apply to Title 4, Chapter 1 follows existing practices of economic developers seeking to incentivize South Carolina economic development in a Park.

d. Even If the Definitions of Chapter 29 of Title 4 Applied to Chapter 1 of Title 4, the Private Dormitories Are Still Properly Included in the Park

Finally, while the Court finds the definitions of Chapter 29 do not apply to Chapter 1 of Title 4, even if such were the case, the Private Dormitories here satisfy the definitions of Chapter 29 of Projects within an Industry within the meaning of S.C. Code Ann. § 4-29-10(3) and (6).

i. The Term "Project" From Chapter 29 Is Satisfied

"Project" at S.C. Code Ann. §4-29-10(3)(d) is defined as "any land and any buildings and other improvements on the land . . . considered necessary, suitable, or useful by . . . any enterprise engaged in **commercial business** including, **but not limited to,** wholesale, retail, or other mercantile establishments." (Emphasis added). As established by the Court throughout this Order, the Private Dormitories are commercial businesses.

First, the unopposed affidavit of Elizabeth M. McDonald, Richland County Assessor, at paragraphs 8 and 9 explains the Assessor "classified the Private Dormitories as commercial properties . . . because . . . each of the Private Dormitories' activities . . . consist of operating and leasing off-campus accommodations for college students, and provision of specific services,

including security, property management, and planned recreational activities [all of which] comprise business and commercial activities.

Second, the parties agree in Joint Stipulation of Fact, paragraph 13 "[a]ll of the projects engage in the continuous activity of letting beds to students through the entering of a lease or other contractual arrangements between the student and the developer or other property manager." Case law confirms such activity is the operation of a commercial business. *See City of Beaufort* v. *Holcombe*, 369 S.C. 643, 650, 632 S.E.2d 894, 898 (Ct. App. 2006) ("A property owner renting commercial property to third parties is in the business of renting commercial property.").

The Court notes Plaintiffs have identified the definition of "Project" in S.C. Code Ann. §4-29-10(3) makes reference to "residential and mixed-use development." The Court finds such an identification is irrelevant here and does not prohibit the dormitory businesses conducted by the Student Housing Apartments. Rather, the statutory reference to residential within S.C. Code Ann. §4-29-10(3) means a use that is residential for property tax purposes. Article X, § 1 classifies real property into 5 categories.

Manufacturers are classified and assessed at a 10.5% ratio, transportation at 9.5%, legal residences at 4%, agricultural at 4%, and "all other real property" at 6%. The unopposed affidavit of the Assessor for Richland County classifies the Student Housing Apartment Complexes as "other real property" assessed at a 6% ratio and the Assessor does not assess the real property of the Private Dormitories as a "legal residence."

A legal residence for property tax requires the real property be "owned totally or in part in fee or by life estate and occupied by the owner of the interest." S.C. Code Ann. § 12-43-220(c)(1). The occupants of the Student Housing Apartment Complexes are not owners. Thus, the Student Housing Apartments are not residential—they are commercial business within S.C. Code Ann. §4-

29-10.

ii. The Term "Industry" From Chapter 29 Is Satisfied

The rental activity discussed by the Court for the term "Project" also meets the definition of "Industry" in S.C. Code Ann. §4-29-10(6). That statutes defines "Industry" as "any person, firm or corporation engaged in any one or more of the enterprises identified in item (3) of this section or any person, firm or corporation providing facilities constituting a project to be used by any one or more of the enterprises identified in item (3) of this section." As the above analysis of "Project" explains, the owners of the Student Housing Apartments are "engaged" in the enterprises identified in item (3) since the owners rent real property to students as dormitory space and that activity is the conducting of a commercial business within S.C. Code Ann. § 4-29-10(3)(d). Therefore, the Court finds the requirements of "Industry" are satisfied.

IV. CONCLUSION

WHEREFORE, based on the above reasons and analysis:

A. the Motion for Summary Judgment sought by Plaintiffs is denied;

B. the Motions for Summary Judgment sought by Counties and City are granted.

AND IT IS SO ORDERED, this 15 day of February, 2017.

L. Casey Manning,
Presiding Circuit Court Judge
Richland County
5th Judicial Circuit
Columbia, South Carolina

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated,
Plaintiffs,

v.

The City of Columbia, and Richland County,
Defendants.

IN THE CIRCUIT COURT

CASE NO: 2016-CP-40-00940

RICHLAND COUNTY FILED
2016 FEB 16 AM 9:39
JEANNETTE W. MCBRIDE C.C.P. & G.S.

SUMMONS

TO THE DEFENDANTS:

You are hereby summoned and required to serve upon the attorney at the address below an Answer to the attached Complaint within 30 days of the date of service hereof. If you fail to do so, judgment by default will be entered against you for the relief demanded in the Complaint.

I accept service for the Defendants this _____day of _____, 2016.

_____
Attorney for Defendants

Respectfully submitted,
THE CARPENTER LAW FIRM, PC

James G. Carpenter
S.C. Bar No. 1136
819 East North Street
Greenville, SC 29601
(864) 235-1269
Attorney for the Plaintiff

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiffs, v. The City of Columbia, and Richland County, Defendants.	IN THE CIRCUIT COURT CASE NO: 2016-CP-40-____ **COMPLAINT FOR DECLARATORY JUDGMENT**

RICHLAND COUNTY
FILED
2016 FEB 16 AM 9:39
JEANNETTE W. McBRIDE
C.C.P. & G.S.

NOW COME the Plaintiffs, by their undersigned attorney, and as a Complaint against the Defendants, would show unto the Court:

1. Plaintiff South Carolina Public Interest Foundation is a not for profit corporation organized and existing under the laws of the State of South Carolina and dedicated to the public interest, including the proper application and enforcement of the South Carolina Constitution and statutes.

2. Plaintiff William B. DePass, Jr. is a citizen, resident, taxpayer, and registered elector of the City of Columbia and Richland County. DePass possesses standing to bring this lawsuit as a City and County taxpayer. He brings this action individually and on behalf of all others similarly situated.

3. Defendant City of Columbia is a municipal corporation in the State of South Carolina

4. Defendant Richland County is a South Carolina County.

4. This Court possesses jurisdiction under the South Carolina Constitution, Art. VIII, § 13(D); and under the following decisions, which address public interest and taxpayer standing: *South Carolina Public Interest Foundation v. South*

Carolina Transportation Infrastructure Bank, 403 S.C. 640, 744 S.E.2d 521 (2013), *American Petroleum Institute v. S.C. Dep't. of Revenue*, 382 S.C. 572, 677 S.E.2d 16 (2009), *South Carolina Public Interest Foundation v. Harrell*, 378 S.C. 441, 663 S.E.2d 52 (2008), *Sloan v. Department of Transportation*, 379 S.C. 160, 666 S.E.2d 236 (2008), *Sloan v. Hardee*, 357 S.C. 495, 640 S.E.2d 457 (2007); *Cornelius v Oconee County*, 369 S.C. 531, 633 S.E.2d 492 (2006); *Sloan v. Department of Transportation*, 365 S.C. 299, 618 S.E.2d 876 (2005), *Sloan v. Wilkins*, 362 S.C. 430, 608 S.E.2d 579 (2005); *Sloan v. Sanford*, 357 S.C. 431, 593 S.E.2d 470 (2004); *Sloan v. Greenville County*, 356 S.C. 531, 590 S.E.2d 338 (Ct. App. 2003), *Sloan v. School District of Greenville County*, 342 S.C. 515, 537 S.E.2d 299 (Ct. App. 2000), *Baird v. Richland County*, 333 S.C. 519, 511 S.E.2d 69 (1999), *Newman v. Richland County Historic Preservation Commission*, 325 S.C. 79, 480 S.E.2d 72 (1997); and under S.C. Code Ann. § 15-53-10 *et seq.*, known as the Uniform Declaratory Judgment Act.

5. This action raises Constitutional and statutory issues of great public importance, and Plaintiffs ask the Court to grant them standing based upon the great public importance of the Constitutional issues this action raises.

6. On or about April 15, 2003, Richland County and Fairfield County created a multicounty industrial or business park called the I-77 Corridor Regional Industrial Park ("Park") and entered into an agreement entitled "Master Agreement Governing the I-77 Corridor Regional Industrial Park" ("Master Agreement").

7. Richland and Fairfield Counties entered into this Master Agreement "in order to promote the economic welfare of citizens" (Master Agreement, p. 1).

8. Including additional properties in the Park "has afforded the requesting companies additional tax benefits" (*Id.*).

9. Richland and Fairfield Counties expanded the boundaries of the park, "in response to requests from companies seeking to invest in either Richland or Fairfield" (*Id.*).

10. Under the Master Agreement, "Business enterprises locating in the Park shall be entitled to such enhancement of the regular jobs tax credit authorized by Section 12-6-3360 of the Code of Laws of South Carolina 1976" (*Id.*, p. 4).

11. On July 1, 2014, Richland County adopted a Second Amendment to the Master Agreement stating, "the County wishes to... continue to provide for funds to attract investment in and encourage economic development in the County" (*Id.*).

12. Thereafter, Richland County adopted a Third Amendment to the Master Agreement stating,, "the County wishes... to continue to provide for funds to attract investment in and encourage economic development in the County" (*Id.*).

13. The South Carolina Constitution Article VIII, section 13(D) authorizes counties to jointly develop "an **industrial or business park** with other counties," and property in the parks "is exempt from all ad valorem taxation," but the owners or lessees of the property must pay a fee in lieu of taxation ("FILOT"). *Id.* (emphasis added).

14. South Carolina Code Ann. § 4-1-170 allows counties to develop "an industrial or business park with other counties."

15. Such a park is also known as an "industrial development park." S.C. Code Ann. § 4-12-30 (B)(1); § 12-44-30 (15).

16. State statutes require that a qualifying County have an annual unemployment rate of at least twice the state average. S.C. Code Ann. § 4-29-67(B)(3).

17. The land in the multicounty industrial or business park is owned by the participating counties and is therefore exempt from *ad valorem* taxes. S.C. Code Ann. § 4-12-30 (A).

18. "Sponsors," who lease land in the Park, sign an "inducement agreement," by which they agree to pay a FILOT on the property that they use in the industrial or business park. S.C. Code Ann. § 4-12-30 (A).

19. Sponsors are expected to be "a manufacturing, research and development, corporate office, or distribution facility." S.C. Code Ann. § 4-12 - 30 (B)(4)(b).

20. The "sponsor" signs an "inducement agreement." S.C. Code Ann. § 4-12-10 (3); 4-29-67(A)(1)(e).

21. "The county and a sponsor may enter into an inducement agreement." S.C. Code Ann. § 4-12-30(A).

22. The sponsor has five years to "complete its investment" to qualify for the FILOT. S.C. Code Ann. § 4-12-30 (C)(2).

23. Under the statutory scheme, the FILOT acts as an inducement for investment.

24. S.C. Code Ann. § 4-12-30 provides additional inducements for investments exceeding $150 million in creating at least 125 new full-time jobs in the state.

25. The "inducement agreement" for any property located in a Park must be filed with the auditors and assessors for all counties participating in the industrial development park. S.C. Code Ann. § 4-12-30(O)(7).

26. Ordinarily, in the absence of the FILOT and tax break, the new park would not be built or the new investment would not be made, and the taxing entities would receive nothing. Therefore, ordinarily, the FILOT and tax break causes no loss of actual revenue.

27. S.C. Code Ann. § 4-1-170 requires the counties to gain the consent of the City of Columbia to include any City real estate in the Park.

28. Parks have two general statutory purposes: to attract industrial or business investment and to create industrial or business jobs.

29. The tax incentives in a Park were not legislated to create only those jobs necessary to construct the Park.

30. The statutory purpose of these Parks is to stimulate the growth of industrial jobs.

31. Housing projects create few jobs, and those disappear once the project is built.

32. The tax breaks will not be an inducement for new business, new industry, or new jobs. They simply amount to a tax break for favored taxpayers, at the expense of other taxpayers, whose taxes would be used to make up the loss, including those taxpayers who are competitors of the favored taxpayers.

33. Including residential projects in a Multicounty Business and Industrial Park and granting property tax breaks to such residential projects fails to satisfy the statutory purposes of such Parks and is not authorized by statute.

34. Granting these tax breaks to apartment complexes will cause a **loss of revenue** and reduce the money coming in to pay for schools and other services.

35. The recently proposed tax benefits for student housing or apartments are not authorized statewide, by state statute, therefore they are unconstitutional.

36. Five times from March 4, 2014 through May 19, 2015, the City of Columbia, in conjunction with Richland County and Fairfield County, has enacted ordinances to include City property expected to become student housing and residential apartments in the Park and to grant housing developers property tax breaks.

37. The City of Columbia, Richland County and Fairfield County have approved these inclusions of student and residential housing in the Park.

38. The plain meaning of the Constitutional and statutory provisions authorizing "an industrial or business park" excludes residential uses such as student housing and apartments. The statutes call them "industrial development projects." S.C. Code Ann. § 4-29-67.

39. Student housing and apartment complexes are neither commercial nor industry, and their subsidizing is not within the purpose and intent of either the Constitution or the specific statutes governing such Parks. Residential developments should not benefit from the tax advantages of an industrial or business Park.

40. The S.C. Constitution requires a uniform system of property taxation statewide, which is authorized by state statute.

41. These tax breaks amount to selective taxation, rather than equitable taxation, and they are unlawful and unconstitutional.

WHEREFORE, Plaintiffs pray the Court:

1. Rule that the City and the County's extension of the tax benefits of the multicounty industrial or business parks to residential uses is illegal and unconstitutional.

2. To grant Plaintiffs their costs and attorneys' fees under S.C. Code Ann. § 15-77-300 ff.; and

3. To grant such other and further relief as the Court deems just and proper.

Respectfully submitted,
THE CARPENTER LAW FIRM, PC

James G. Carpenter
S.C. Bar No. 1136
819 East North Street
Greenville, SC 29601
(864) 235-1269
Attorney for the Plaintiffs

February 8, 2016

MASTER AGREEMENT

GOVERNING THE

I-77 CORRIDOR REGIONAL INDUSTRIAL PARK

BETWEEN

RICHLAND COUNTY, SOUTH CAROLINA

AND

FAIRFIELD COUNTY, SOUTH CAROLINA

DATED AS OF APRIL 15, 2003

PREPARED BY:

PARKER POE ADAMS & BERNSTEIN LLP
COLUMBIA, SOUTH CAROLINA
803-253-8917

INSTRUCTIONS FOR COUNTY AUDITOR AND COUNTY TREASURER

THE TAX STATUS OF THE REAL AND PERSONAL PROPERTY LOCATED WITHIN THIS MULTI-COUNTY INDUSTRIAL PARK WILL BE EXEMPT FROM AD VALOREM TAXES AND WILL BE SUBJECT INSTEAD, UNDER THE TERMS OF THE STATE CONSTITUTION, TO A FEE-IN-LIEU OF AD VALOREM TAXES EQUAL TO WHAT THE TAXES WOULD HAVE BEEN. NOTE, THAT THE FEE-IN-LIEU PAYMENTS MAY BE REDUCED BELOW NORMAL AD VALOREM TAX RATES IN THE EVENT THE PROPERTY IS ALSO SUBJECT TO A NEGOTIATED FEE-IN-LIEU OF TAXES ("FILOT") ARRANGEMENT WITH EITHER RICHLAND OR FAIRFIELD COUNTY. THEREFORE, WHEN PREPARING THE FEE BILLS FOR THE REAL AND PERSONAL PROPERTY LOCATED IN THE PARK, PLEASE REFERENCE YOUR FILOT RECORDS TO ENSURE YOU ARE USING THE CORRECT MILLAGE RATE AND ASSESSMENT RATIO.

ONCE A FEE BILL HAS BEEN PAID, THE PROVISIONS OF THIS AGREEMENT WILL GOVERN HOW THE FEES RECEIVED ARE TO BE DISTRIBUTED AMONG THE VARIOUS TAXING ENTITIES WITHIN THE COUNTY. BY LAW, THE COUNTIES MAY UNDER THE TERMS OF THIS AGREEMENT ALTER THE CUSTOMARY DISTRIBUTION OF REVENUES.

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THIS AGREEMENT, made and entered into as of the 15th day of April 2003 by and between Richland County, a political subdivision of the State of South Carolina ("Richland"); and Fairfield County, a political subdivision of the State of South Carolina ("Fairfield") ("Richland" and "Fairfield" referred to collectively herein as the "Counties"), pursuant to Article VIII, Section 13(D) of the South Carolina Constitution, as amended, and Title 4, Chapter 1, Section 170 of the Code of Laws of South Carolina, 1976, as amended (the "Act").

RECITALS:

WHEREAS, in order to promote the economic welfare of their citizens, the Counties created the I-77 Corridor Regional Industrial Park (the "Park"); and,

WHEREAS, in response to requests from companies seeking to invest in either Richland or Fairfield, the Counties have heretofore expanded the boundaries of the Park to include additional property, which inclusion has afforded the requesting companies additional tax benefits under South Carolina law; and

WHEREAS, the Counties have entered into separate agreements to reflect each new phase of expansion of the Park ("Phase Agreements"); and

WHEREAS, in accordance with the Act, the Counties have provided for the sharing of expenses and revenues from the Park (hereafter, "Expenses" and "Revenues") in each of the Phase Agreements. The Counties initially established the revenue sharing ratio to allow the host county to retain 95% of the Revenues, with the partner county receiving 5% of the Revenues (this arrangement is hereafter referred to as "95/5"). The Counties later amended the revenue sharing ratio to allow the host county to retain 99%, with the partner county receiving 1% of the Revenues (this arrangement is hereafter referred to as "99/1"); and

WHEREAS, the Counties desire to preserve the revenue sharing scheme such that the 95/5 revenue sharing ratio is preserved on those properties to which it applies and the 99/1 revenue sharing ratio is likewise preserved and employed to any future expansions of the Park; and

WHEREAS, on September 4, 2001, the South Carolina Supreme Court issued an opinion in the case of *Horry County School District v. Horry County and the City of Myrtle Beach,* which provided guidance regarding provisions of the Act and established new requirements for the contents of multi-county park agreements; and

WHEREAS, in order to ensure compliance with the *Horry County School District* decision, the Counties now desire to adopt this Master Agreement (hereafter "Agreement"), which shall replace all of the Phase Agreements and serve as the governing document for the Park moving forward from the date hereof.

NOW, THEREFORE, on the basis of the premises and mutual covenants herein contained, the sufficiency of which consideration is acknowledged, the parties agree as set forth below:

ARTICLE I
PARK BOUNDARIES

Section 1.01. ***Phase I of the Park.*** Phase I of the Park ("Phase I") shall consist of those properties to which the Counties have historically applied a 95/5 revenue sharing arrangement. These properties are identified by tax map number on the attached **"Exhibit A: 95/5 Properties."** The Counties do not intend that there will be any future expansion of Phase I.

Section 1.02. ***Phase II of the Park.*** Phase II of the Park ("Phase II") shall consist of those properties to which the Counties have historically applied a 99/1 revenue sharing arrangement. These properties are identified by tax map number on the attached **"Exhibit B: 99/1 Properties."** The Counties intend that only Phase II will be subject to future expansion.

Section 1.03. ***Modification of Park Boundaries.***

(a) The boundaries of the Park may be enlarged, to include additional properties in one or both Counties, or diminished from time to time, as authorized by ordinances adopted by the County Councils of both Counties.

(b) In the event of any enlargement or diminution of the boundaries of the Park, this Agreement shall be deemed amended and the attached Exhibit B shall be revised accordingly to reflect the addition of property to the Park or the removal of property from the Park. Each County shall file in its respective ordinance books either a copy or an original (depending on County practice) of the ordinance adopted by the County Council of such County pursuant to which such enlargement or diminution was authorized.

(c) Prior to the adoption by the Richland County Council and the Fairfield County Council of ordinances authorizing the diminution of the boundaries of the Park, a public hearing shall first be held by the respective County Council of the County in which the area proposed for deletion is located. Notice of such public hearing shall be published in a newspaper of general circulation in that County at least once and not less than 15 days prior to such hearing.

(d) Notwithstanding the foregoing, for a period of 30 years commencing with the later of the effective date of this Agreement or the effective date of the expansion of the boundaries of the Park to include such parcel, the boundaries of the Park shall not be diminished so as to exclude therefrom any parcel of real estate without the consent of the owner and the Counties and, if applicable, lessee of such parcel; and this sentence of this Agreement may not be modified or deleted herefrom for a period of thirty (30) years commencing with the effective date hereof; except as provided below.

ARTICLE II
TAX STATUS OF PROPERTIES LOCATED IN THE PARK

Section 2.01. ***Constitutional Exemption from Taxation.*** The Counties acknowledge that under the provisions of Article VIII, Section 13(D) of the South Carolina Constitution, all real and personal property located in the Park shall be exempt from all *ad valorem* taxation.

Section 2.02. ***Fee-in-Lieu of Taxes.*** Property located in the Park shall be exempt from *ad valorem* taxation only during the term of this Agreement. The owners or lessees of any property situated in the Park shall pay in accordance with and during the term of this Agreement an amount equivalent to the *ad valorem* property taxes or other in lieu of payments that would have been due and payable but for the location of such property within the Park.

Section 2.03. ***Negotiated Fee-In-Lieu of Taxes.*** The amount of the annual payments due from the owner or lessee may be reduced if the owner or lessee has negotiated a FILOT incentive with either Richland or Fairfield pursuant to the provisions of Sections 12-44-10, *et seq.*, 4-12-30, or 4-29-67 of the Code of Laws of South Carolina 1976, as amended, or any successor provisions thereto as may be provided under South Carolina law. In such case, the terms of the executed FILOT agreement between the company and the applicable county shall govern the calculation of the annual FILOT payment.

ARTICLE III
SHARING OF REVENUES AND EXPENSES OF THE PARK

Section 3.01. ***Expense Sharing.*** The Counties shall share Expenses including, but not limited to, development, operations, maintenance and promotion of the Park. If the property is located in Fairfield, then Fairfield shall bear 100% of such expenses. If the property is located in Richland, then Richland shall bear 100% of such expenses. The Counties reserve the right to negotiate on a case-by-case basis the sharing of any additional expenditures that may be approved by both the Richland County Council and the Fairfield County Council.

Section 3.02. ***Revenue Sharing.***

(a) Revenues generated within the Park from sources other than fees in lieu of *ad valorem* taxes shall be distributed directly to Fairfield and Richland according to the proportions established in this Section 3.02 herein to be expended in any manner as the County Council of each County deems appropriate.

(b) The Counties shall share all of the Revenues received in lieu of *ad valorem* taxes from properties located in the Park.

With respect to Phase I of the Park, if Revenues are generated by properties located in Fairfield, then Fairfield shall, after reimbursing itself for expenditures made to attract a particular investment and/or making any reductions required by law or other agreement, retain 95% of such Revenues and transmit 5% of such Revenues to Richland. Likewise, if Revenues are generated by properties located in Richland, then Richland shall, after reimbursing itself for expenditures made to attract a particular investment and/or making any reductions required by law or other agreement, retain 95% of such Revenues and transmit 5% of such Revenues to Fairfield.

With respect to Phase II of the Park, if Revenues are generated by properties located in Fairfield, then Fairfield shall, after reimbursing itself for expenditures made to attract a particular investment and/or making any reductions required by law or other agreement, retain 99% of such Revenues and transmit 1% of such Revenues to Richland. Likewise, if Revenues are generated by properties located in Richland, then Richland shall, after reimbursing itself for expenditures made to attract a particular investment and/or making any reductions required by law or other agreement, retain 99% of such Revenues and transmit 1% of such Revenues to Fairfield.

Section 3.03. ***Revenue Distribution Within Each County.***

(a) In accordance with the provisions of the *Horry County School District* case, the Counties acknowledge they are required to set forth herein the scheme for distribution of Revenues received from the Park to other taxing entities within each of the Counties. Fairfield hereby elects to retain all of the Revenues from the Park. If Revenues are generated by properties located in Richland, then Richland shall retain a portion as may be necessary to reimburse it for any investments made in relation to attracting each new tenant in the Park. The Richland County Council reserves the right to determine the reimbursement amount on a case by case basis. Revenues remaining after such reimbursement shall be distributed on a pro-rata basis to the entities that would otherwise levy tax millage on the properties located in the Richland portion of the Park, if such properties were not located in the Park. Any school districts receiving a distribution of Revenues, shall divide the Revenues on a pro rata basis between operational and debt service expenditures in accordance with the amount of operating and debt service millage levied by such school district or collected on behalf of such school district.

(b) Either County may unilaterally amend the distribution scheme applicable to such County and set forth in section (a) above. Such amendment must be accomplished by passage of an ordinance.

Section 3.04. ***Annual Report and Disbursement.*** Not later than July 15 of each year, starting July 15, 2004, each of the Counties shall prepare and submit to the other County a report detailing the Revenues owed to the other County under the terms of this Agreement. A check for the amount reflected in the report shall be delivered at the same time.

ARTICLE IV
MISCELLANEOUS

Section 4.01. ***Jobs Tax Credit Enhancement.*** Business enterprises locating in the Park shall be entitled to such enhancement of the regular jobs tax credits authorized by Section 12-6-3360 of the Code of Laws of South Carolina 1976, as amended, or any successive provisions, as may be provided under South Carolina law.

Section 4.02. ***Assessed Valuation.*** For the purpose of bonded indebtedness limitation and for the purpose of computing the index of taxpaying ability pursuant to Section 59-20-20(3) of the Code of Laws of South Carolina 1976, as amended, allocation of the assessed value of property within the Park to the counties which are party to this Agreement must be identical to the percentage of total fee-in-lieu of *ad valorem* tax revenues retained and received by each such County in the preceding fiscal year.

Section 4.03. ***Non-Qualifying Use.*** In the event that a tract or site of land located in the Park is purchased and developed by a business enterprise which locates employees within the Park and which employees, because of the nature of their employment, do not qualify for the corporate income tax credit provided in South Carolina Code of Laws, 1976, as amended, Section 12-6-3360 (the "Non-Qualifying Site"), the Counties may remove, by ordinance, the Non-Qualifying Site from the Park pursuant to the provisions of Section 1.03(c) hereof.

Section 4.04. ***Records.*** The Counties covenant and agree that, upon the request of either, the other will provide to the requesting party copies of the records of the annual tax levy and copies of the actual fee-in-lieu of tax bills, for parcels of property encompassed by this Agreement, and will further provide copies of the County Treasurer's collection records for the fees-in-lieu of taxes so imposed, all as such records became available in the normal course of County procedures.

Section 4.05. ***Applicable Law.*** In order to avoid any conflict of laws or ordinances between the Counties, the County ordinances of the County in which a parcel of Park property is located will be the reference for such regulations or laws in connection with that part of the Park. Nothing herein shall be taken to supersede any state or federal law or regulation. The County in which Park property is located is specifically authorized to adopt restrictive covenants and land use requirements for that part of the Park at that County's sole discretion. This Agreement has been entered into in the State of South Carolina and shall be governed by, and construed in accordance with South Carolina law.

Section 4.06. ***Law Enforcement.*** The Sheriff's Department for each respective County will have initial jurisdiction to make arrests and exercise all authority and power within the boundaries of the Park located in that County and fire, sewer, water and EMS service for that part of the Park will be provided by the applicable service district or other political unit within that County.

Section 4.07. ***Binding Effect of Agreement.*** This Agreement serves as a written instrument, which is binding upon the signatory parties.

Section 4.08. ***Severability.*** In the event and to the extent (and only to the extent) that any provision or any part of a provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable the remainder of that provision or any other provision or part of a provision of this Agreement.

Section 4.09. ***Complete Agreement: Amendment.*** This Agreement constitutes the entire agreement between the parties and supersedes all agreements, representations, warranties, statements, promises and understandings, whether oral or written, with respect to the subject matter hereof, and no party hereto shall be bound by any oral or written agreements, statements, promises, or understandings not specifically set forth in this Agreement. Except for the amendment provided for in Section 3.03(b) above, this Agreement may be amended upon the adoption of an ordinance by both of the respective County Councils of Richland and Fairfield.

Section 4.10. ***Counterpart Execution.*** This Agreement may be executed in multiple counterparts.

Section 4.11. ***Termination.*** Notwithstanding any provision of this Agreement to the contrary, Fairfield and Richland agree that this Agreement may not be terminated by either party for a period of 30 years commencing with the effective date hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and the year first above written.

Witness:

Ashley Bloom

T. Cary McSwain

RICHLAND COUNTY, SOUTH CAROLINA

By: Bernice G. Scott
Council Chair

Attest: Michielle R. Cannon-Finch
Clerk to County Council

Witness:

Robin D. Clearney

Thomas Richardson

FAIRFIELD COUNTY, SOUTH CAROLINA

By:
Council Chair

Attest: Sheryl K. Brown
Clerk to County Council

THIRD AMENDMENT TO MASTER AGREEMENT
GOVERNING THE I-77 CORRIDOR REGIONAL INDUSTRIAL PARK

This Third Amendment to the Master Agreement Governing the I-77 Corridor Regional Industrial Park between Richland County, South Carolina and Fairfield County, South Carolina ("Amendment") is effective [DATE].

WHEREAS, pursuant to Article VIII, Section 13(D) of the South Carolina Constitution, as amended, and Title 4, Chapter 1, Section 170 of the Code of Laws of South Carolina, 1976, as amended ("Act"), Richland County, South Carolina ("County") and Fairfield County, South Carolina ("Fairfield") entered into the Master Agreement Governing the I-77 Corridor Regional Industrial Park between Richland County, South Carolina and Fairfield County, South Carolina ("Agreement"), a copy of which is attaches as Exhibit A;

WHEREAS, each capitalized term not defined in this Amendment has the meaning as provided in the Agreement or, if not provided in the Agreement, as provided in the Act;

WHEREAS, the County adopted an amendment to Section 3.03(a), effective April 3, 2012, which modified the internal distribution of the County's Revenues;

WHEREAS, the County also adopted an amendment to Section 3.03(a), effective July 1, 2014, which further modified the internal distribution of the County's Revenues;

WHEREAS, pursuant to the Act and Section 3.03(b) of the Agreement, the County wishes to further amend Section 3.03(a) to ratify and approve the internal distribution of the County's Revenues to continue to provide for funds to attract investment in and encourage economic development in the County; and

WHEREAS, by Ordinance No. [NUMBER] the County authorized the execution and delivery of this Amendment.

NOW, THEREFORE, the County amends the Agreement as follows:

Section 1. Amendment to Internal Distribution of Revenues. As authorized by the Act and Section 3.03(b), the County amends the internal distribution of the County's Revenues by amending Section 3.03(a) of the Agreement through the insertion of the following underlined language and deletion of the language indicated by trike-through text:

> **Section 3.03.** ***Revenue Distribution Within Each County.***
>
> (a) in accordance with the provisions of the *Horry County School District* case, the Counties acknowledge they are required to set forth herein the scheme for distribution of Revenues received from the Park to other taxing entities within each of the Counties. Fairfield hereby elects to retain all of the Revenues from the Park. For Revenues generated by properties located in Fairfield and received by Richland pursuant to Section 3.02, Richland shall deposit all of the Revenues into the Richland County Industrial Park fund ("Fund"). For Revenues generated by properties located in Richland and retained by Richland under Section 3.02, if the property is (i) located in the Park on or after January 15, 2009 and (ii) subject to a negotiated FILOT or a special source revenue credit

incentive, then Richland shall first deposit 7% of the Revenues into the Fund. For Revenues remaining after such deposit in the Fund or generated by properties or generated by properties located in Richland and retained by Richland under Section 3.02 but not meeting the criteria of (i) and (ii) above, Richland shall retain a portion as may be necessary to reimburse it for any investments made in relation to attracting each new investment to Richland. The Richland County Council reserves the right to determine the reimbursement amount on a case by case basis. Revenues remaining after such reimbursement shall be distributed on a pro-rata basis to the entities that would otherwise, at the time the property is included in the Park, be eligible to levy tax millage on the properties located in the Richland portion of the Park, if such properties were not located in the Park. Any school districts receiving a distribution of Revenues; shall divide the Revenues on a pro-rata basis between operational and debt service expenditures in accordance with the amount of operating and debt service millage levied by such school district or collected on behalf of such school district.

Section 2. Remainder of Agreement. Except as described in this Amendment's Section 1, the Agreement remains unchanged and in full force.

Section 3. Execution. This Amendment may be executed in printed form, by electronic means, or by facsimile, and is effective on delivery of the Amendment to Fairfield.

[SIGNATURE PAGE FOLLOW]
[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the County, acting by and through the County Council, has caused this Amendment to be executed in its name and on its behalf by the Chair of County Council and to be attested by the Clerk to County Council effective as of the day and year first above written.

RICHLAND COUNTY, SOUTH CAROLINA

Chair, Richland County Council

(SEAL)
ATTEST:

Clerk to Richland County Council

PPAB 2790685v2

EXHIBIT A

95/5 PROPERTIES
(As of August 2015)

RICHLAND COUNTY

COMPANY NAME	TAX MAP NUMBER	COUNTY	SID
1400 Atlas Properties LLC (formerly Boozer Lumber Company)	16305-02-01	Richland	
2T Properties, LLC **(Real)** Thermal Technologies, Inc. **(Personal)**	14900-01-20	Richland	2671929-000-A01**(R/P)** 2278106-001-A01 **(P)**
5 Tech LLC **(Real)** Colite Internal Enterprise LLC **(Personal)**	17200-02-15	Richland	2440836-000-A01**(R)** 1771844-002-A01**(P)**
AEB Business Properties, LLC **(Real)** Buck Enterprises LLC **(Personal)**	14900-01-34	Richland	2403449-000-A01**(R)** 1935739-001-A01**(P)**
ADF South Carolina **(Real)** (SMI Owen) Praxair Inc **(Personal)**	13605-01-01; 13606-01-05	Richland	2125172-000-A01**(R/P)** 2125172-000-S01**(R/P)** 1639103-222-A01(P)
Amcor Rigid Plastics **(Real)** Exeter 1080 Jenkins Bros. Exeter Property Group, L.P. PCO Carolina Pines **(Real)** Bauch & Lomb Inc **(Personal)** Coca Cola Company **(Personal)**	17600-02-38; 17600-01-21	Richland	1940298-001-A01(P) 1940298-001-S01(R/P) 1940298-001-S02(P) 2141809-000-S01 1269198-002-A01(P) 1465079-003-A01(P)
Arum Composites, LLC	15000-02-27	Richland	
Avantech, Inc. (Tenant) 2050 American Italian Way, LLC (Landlord) (Real Property Only)	19000-05-06	Richland	
Belk, Inc. **(Personal)** CK Columbia #1 (2000) **(Real)**	17600-01-22	Richland	1976366-043-D01R/P 1976366-043-T01(P) 2147878-000-T01 (R)
Blue Cross/Blue Shield (1999)	14400-02-06; 14400-02-08; 25600-04-12	Richland	1274856-003-T01(P) 1274856-005-T01R/P 9999990-001- 999900 **(R/P)**
Bose Corporation (1994 & 1996)	17500-02-17	Richland	1276566-001-A02 (P) 1276566-001-S01(R)
Broad River Silagi LLC Broad River Commons (formerly APAC)	07403-04-07	Richland	
Carolina Ceramics (1999)	22804-05-06	Richland	2083052-000-A01(P) 2083052-000-S01(R)
Century Realty LLC (formerly PMSC/Mynd)	14900-02-01	Richland	
Coca-Cola Bottling Co.	14900-01-18; 14900-01-28	Richland	
Cohn and Cohn Investment LLC (formerly SMI-Owen)	13511-03-04	Richland	
Con Agra (formerly American Italian Pasta Company)	19000-05-03, 19000-05-04, 19000-05-09, 19000-05-10	Richland	1853693-000-S01**(R/P)** 1853693-000-S02**(R/P)** 1853693-000-A01(P)
Consolidated Systems, Inc. (STAGE II) **(Personal)** Consys SC QRS 16 66 Inc **(Real)**	11100-01-01; 11100-01-03	Richland	1302294-000-A01(P) 1302294-000-A02(P) 2325625-000-A01(R)

Constantia Hueck Foils, Inc.	14900-01-26	Richland	1897025-000-A01(R/P)
Corcoran Cola LLC Corcoran Corp. (formerly IKON/Computer Group)	17200-02-21	Richland	
ET Columbia ENG LLC	14500-03-11	Richland	
FDRL, LLC **(Real)** (formerly SMI-Owen) Rhythmlink International LLC **(Personal)**	13511-03-05 **(R)**	Richland	54070806 **(P)**
Forum Development LLC (formerly SMI-Owen)	13511-03-02	Richland	
Intertape Polymer Corp. (former 1091 Carolina Pines property)	17600-01-17	Richland	2107875-000-S01(R)
KEMIRA FinnChem USA Inc.	40900-01-07, 40900-01-08	Richland	1532233-000-A01(P) 1532233-000-S01(R)
Koyo Corporation of USA (1994) (JTEKT)	14900-01-16	Richland	1375353-001-A01(R) 1375353-001-A02(P)
Mars Petcare US, Inc. CLF Columbia LLC	16200-06-01, 19000-05-07	Richland	2230875-000-A01(R) 2230875-000-A02(P) 2230875-000-S01(R/P)
NAAR Family Partnership (formerly Carribbits Incorporated)	25800-07-06	Richland	1830980-000-A01(R/P)
Navistar/ Pure Power Technologies LLC	14900-01-29; 14900-01-30; 14500-03-06	Richland	1404871-001-A01(R/P) 1404871-002-A01(R/P)
North Columbia Ventures, LLC	14900-01-19	Richland	
Northwoods Group, Inc.	14500-02-20; 14500-03-05	Richland	
Patterson, Vance M. **(Real)** Patterson Fan Company Inc **(Personal)**	14900-01-22	Richland	2088102-000-A01(R) 1664367-001-A01(P)
Premium Site Properties, LLC **NMFO Associates**	14500-03-10, 14400-02-03	Richland	
Richland County	14900-01-02	Richland	**NON-TAXABLE**
Primary Health Care Association	17200-02-19	Richland	**NON-TAXABLE**
Pure Fishing Inc.	17200-02-23	Richland	2455767-000-D01(R/P)
SCRA (formerly Indus Utility Systems Inc.)	17200-02-11; 17200-02-27	Richland	
Select Comfort (1997) **(Personal)** Blind John LLC **(Real)**	04000-05-18	Richland	1939493-000-A01(P) 2168345-000-A01(R)
Sjolund Properties, LLC **(Real)** Sjolund CNC LLC **(Personal)** Sjolund Enterprises Inc **(Personal)**	14900-01-21	Richland	2484136-000-A01(R) 2526609-001-A01(P) 2127913-000-A01
South Carolina School Boards	14500-03-09	Richland	**NON-TAXABLE**
Spartan SC LLC (formerly SMI-Owen)	13511-03-03	Richland	
Spirax Sarco Inc.	14900-01-27, 14900-01-32	Richland	1973218-001-A01 1973218-001-S01 1973218-001-S02
State Media	11209-02-12	Richland	1300603-003-A01
Store Capital Acquisitions LLC	17200-02-18	Richland	
T&N Enterprise (formerly Modine Manufacturing)	14900-01-23	Richland	
TRC Propco & Ritedose Corp.	17200-02-20	Richland	2527763-000-A01 2527763-000-S01 2527763-000-S02 1857711-000-A01 1857711-000-S01 1857711-000-S02

Tyson Prepared Food, Inc. (formerly KPR Holdings & Iowa Beef Products, Inc)	13602-02-03, 13602-02-02	Richland	2216449-000-A01 2216449-000-S01
Unumprovident (UNUM/Colonial Life)	07303-04-02A	Richland	1300204-006-T01 1300204-006-T02 1969344-000-T01 1969344-000-T02 06923616**(Personal)** 06923617**(Personal)**
Woodbridge Investments LP	14900-01-01	Richland	

95/5 PROPERTIES
(As of August 2015)

FAIRFIELD COUNTY

COMPANY NAME	TAX MAP NUMBER	COUNTY
Baldwin	200-00-00-006-000	Fairfield
(Natural Area)*	214-00-00-033-000	Fairfield
(Vacant tract)	200-00-00-007-000	Fairfield
Gividi USA Inc.	200-00-00-073-000	Fairfield
Lang-Mekra North America LLC	200-00-00-063-000	Fairfield
Makat USA	200-00-00-009-000	Fairfield
Mars Laminate Systems Corp.	214-00-00-032-000	Fairfield
Metal & Wire Products	200-00-00-065-000	Fairfield
Michelin North America Inc.	151-00-00-015-000	Fairfield

EXHIBIT B

99/1 PROPERTIES
(As of August 2015)

RICHLAND COUNTY

COMPANY NAME	TAX MAP NUMBER	COUNTY	SID
3130 Bluff Road, LLC (Real)	13507-04-01	Richland	
Spirax Sarco, Inc. (ALD Thermal Treatment, Inc.)	17600-01-25	Richland	1973218-003-S01(R)
Affiliated Computer Services	14900-02-18	Richland	
American Spiralweld Pipe Company	19000-05-08	Richland	204800-000-A01(P) 204800-000-S01(R/P)
Blue Atlantic Columbia, LLC	11406-13-03, 11406-13-04		
Blue Cross/Blue Shield (2000)	19809-01-01, 19708-03-01	Richland	?
Browning Office Investment, LP	06013-01-25	Richland	
Cellco Partnership & VW12 Columbia SC LLC **(Personal)** (Gladstone Commercial) **(Real)** (Verizon)	25700-05-01	Richland	1861656-023-T01(R/P) 2361683-001-T01 (R)
Century Capital Group, LLC (formerly Verizon Wireless/Bell Atlantic)	14005-08-02		
CD/Park 7 Columbia SC Owner LLC	08914-16-01, 0914-16-02	Richland	
CD Park 7 Columbia SC High Rise Owner LLC	08916-09-08, 08916-09-09, 08916-09-10	Richland	
Dayton Rogers of South Carolina, LLC LBE Two, LLC	13512-03-01	Richland	
Forest Hills Partners, LP	25800-01-07	Richland	
Garner's Ferry Development Co. (Farmer's Market Site)	18900-01-01	Richland	
Gerald L. Stimple	25800-01-01	Richland	
Icon Columbia SC LLC		Richland	
International Paper, Inc.	41300-01-03; 39000-04-01; 41400-01-01	Richland	1361043-066-A01(R/P) 1361043-066-S01(P) 1361043-066-S02(R/P) 1361043-066-S03(R/P)
John R. Jordan and Cecily J. Cobb (Farmer's Market Site)	16200-03-02	Richland	
Kirco Carolina Pines, Inc.	17600-01-34; 17600-01-33	Richland	
Koyo Corporation of USA	15005-01-02		
McEntire Limited Partnership, McEntire Produce, R.C. McEntire Trucking, Inc.	19000-05-05	Richland	2306744-001-S01(R/P) 1618927-001-T01(R/P) 1618927-001-T02(P) 1618926-001-T01(P) 54035355 (P)
Metso Mineral	22910-01-02	Richland	1523986-000-A01
Midlands Technical College	14500-02-24	Richland	NON-TAXABLE
Pineview 48	16200-06-03	Richland	
PTI Plastic & Rubber Gasket Inc.	25800-07-08	Richland	
Recreation Property (name of Richland County)	17300-02-10; 17300-02-33	Richland	NON-TAXABLE
Richland County (Farmer's Market Site)	16200-03-20; 16209-01-09; 16200-03-01, 16100-02-20,	Richland	NON-TAXABLE

	16100-02-02, 16100-02-04		
The Ritedose Corporation	17200-02-25		
Sensor Electronic Technology, Inc.	16306-07-03	Richland	
South Pills, LLC **(Real)** South University **(Personal)**	17200-02-24 **(Real)**	Richland	03200250 **(Personal)**
Spirit SPE Columbia, LLC (formerly Verizon Wireless/Bell Atlantic Mobile)	13908-04-36		
SYSCO Food Services	19000-01-01	Richland	2115071-001-T01**(R/P)**
Trane U.S., Inc. (American Standard, Inc.)	17400-09-13; 17400-09-14	Richland	1259920-000-A01**(R)** 1259920-000-S01**(R/P)** 1259920-000-S02**(R)**
University Residences Columbia LLC	08915-14-05, 08915-14-03, 08914-13-02, 08914-13-03, 08915-13-02, 08915-13-07, 08915-13-06, 08915-13-01	Richland	
~~**Verizon Wireless (Bell Atlantic Mobile) (1999)**~~	~~**13908-04-36; 14005-08-02**~~	~~**Richland**~~	~~**DELETE**~~
Vulcan Construction Materials, L.P.	08814-01-07; 08716-01-01 08716-01-06; 08814-01-01 08814-01-03; 08814-01-04 08814-01-06; 08814-02-05 08814-02-06; 08814-02-07; 08814-02-09; 08814-02-10; 08815-02-13; 08815-02-14; 08815-03-01; 08815-03-08; 08815-03-09; 08815-03-10; 08815-03-11; 08815-03-12; 08815-03-13; 08815-03-14; 08815-04-10; 08815-05-01; 08815-06-01; **08816-10-04**; 11201-02-16; 11202-17-07; 11202-17-09; 06500-01-03; 06500-01-13; **90000-18-01**	Richland	2001890-028-A01**(P)** 2001890-029-A01**(R/P)**
Westinghouse Electric Company, LLC	18600-01-02	Richland	2017168-000-A01**(R/P)** 2017168-000-A02 **(P)**
WNS Global Services, Inc. (State Record Company, Inc.)	11209-02-12	Richland	W9930736
Woodbridge Investments LP	14900-01-33	Richland	

99/1 PROPERTIES
(As of August 2015)

FAIRFIELD COUNTY

COMPANY NAME	TAX MAP NUMBER	COUNTY
Bomag Amercias, Inc.	184-00-00-096-000, 184-00-00-060-000	Fairfield
Element TV, LP		Fairfield
Elite ES, LLC	184-00-00-071-000 (portion)	Fairfield
Enor Corporation Enor Corporation SC, LLC	145-03-02-015-000	Fairfield
Guardian Fiberglass, Inc.	164-00-00-002-000	Fairfield
Primesouth, Inc.	184-00-00-071-000 (portion)	Fairfield
Wilburn Enterprises, LLC	077-00-00-002	Fairfield

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND	IN THE CIRCUIT COURT CASE NO: 2016-CP-40-00946
South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiffs, vs. The City of Columbia, and Richland County, Defendants.	**ANSWER AND COUNTERCLAIM OF DEFENDANT CITY OF COLUMBIA**

DEFENDANT, CITY OF COLUMBIA, BY AND THROUGH ITS UNDERSIGNED ATTORNEYS, ANSWER THE COMPLAINT OF THE PLAINTIFFS AS FOLLOWS:

FOR A FIRST DEFENSE

1. Defendant admits paragraphs 3, the first paragraph 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 29, and 40.

2. Defendant denies the second paragraph 4, as well as paragraphs 5, 16, 17, 31, 32, 34, 35, 38, and 41.

3. Regarding paragraph 1, Defendant admits that Plaintiff South Carolina Public Interest Foundation is a not for profit corporation organized and existing under the laws of South Carolina. Defendant lacks knowledge or information sufficient to form a belief as to the remaining allegations of paragraph 1, and therefore denies the same.

4. Regarding paragraph 2, Defendant admits that Plaintiff William B. DePass is a citizen, resident, taxpayer and registered elector of the City of Columbia and Richland County. Defendant denies the remaining allegations of paragraph 2.

5. Regarding paragraph 28, Defendant admits that parks were created by the General Assembly to attract industrial and business investment and create jobs. The parks were created for other purposes as well, including expanding the property tax base.

6. Regarding paragraph 30, Defendant admits that one of the purposes of the parks is to stimulate the growth of industrial jobs. The parks were created for numerous other purposes as well.

7. Regarding paragraph 33, none of the student housing projects referenced in the Complaint are "residential projects." Defendant accordingly denies the remaining allegations of paragraph 33.

8. Regarding paragraph 36, the Defendant admits it has enacted ordinances to include city property expected to become student housing. Defendant denies the remaining allegations of paragraph 36.

9. Regarding paragraph 37, the Defendant admits the city and county have approved the inclusion of student housing in the park. Defendant denies the remaining allegations of paragraph 37.

10. Regarding paragraph 39, the student housing projects referenced in the Complaint are not "residential developments." Defendant denies the remaining allegations of paragraph 39.

11. Defendant denies each and every averment contained in Plaintiff's prayer for relief.

FOR A SECOND DEFENSE
(Failure to State a Claim)

12. The Complaint fails to state facts sufficient to constitute a cause of action against this Defendant and should, therefore, be dismissed pursuant to Rule 12(b)(6) of the South Carolina Rules of Civil Procedure.

FOR A THIRD DEFENSE
(Failure to State a Claim)

13. The Complaint fails to state what statute or constitutional provisions have been violated sufficient to constitute a cause of action and should, therefore, be dismissed pursuant to Rule 12(b)(6) of the South Carolina Rules of Civil Procedure.

FOR A FOURTH DEFENSE
(Lack of Subject Matter Jurisdiction)

14. This Court lack subject matter jurisdiction over this action.

FOR A FIFTH DEFENSE
(No Standing)

15. Plaintiffs lack standing to pursue or obtain any of the relief sought in the Complaint.

FOR A SIXTH DEFENSE
(No Case or Controversy)

16. On information and belief, this litigation was filed on behalf of competing real estate developers for the purpose of pressuring or intimidating the Defendants City of Columbia and Richland County from entering into any future multi-county business parks for commercial property, regardless of how valid or legally enforceable. Plaintiffs have filed a meritless case, not for purpose of prevailing on the merits, but rather to chill valid economic development of commercial property during the course of this litigation.

17. The litigation accordingly does not involve a justiciable controversy and should be dismissed.

COUNTERCLAIM

18. Defendant incorporates by reference its responses to all prior allegations.

19. Defendant seeks declaratory relief pursuant to South Carolina Code Ann. Section 15-53-10 *et. seq.* (1976) declaring that the creation of a multi-county business park for commercial property, including student housing complexes, pursuant to South Carolina Code Ann. Section 4 -1-170 and 4 -1-175 is valid, lawful and constitutional under the laws of the State of South Carolina.

20. Defendant seeks a declaration from the Court that the County's Multi-County Business Park Agreement and the City of Columbia's consent thereto are a valid, lawful and constitutional exercise of the County's and the City's authority.

WHEREFORE, having fully answered the Complaint, the Defendant prays that the same be dismissed and that an appropriate order be entered as to Defendant's Counterclaim declaring that:

(i) Ordinance No. 2014-24, Ordinance No. 2014-045, Ordinance No. 2015-049, Ordinance No. 2014-015, Ordinance No. 2014-019, Ordinance No. 2014-020, Ordinance No. 2014-

123, Ordinance No. 2015-042, Ordinance No. 2015-109, Ordinance No. 2016-017 and the MCBP Agreements created by City Ordinance do not violate the South Carolina Code, Section 4-1-170 and/or Section 4-1-175 or Article I, Section 3, Article VIII, Section 13(D), Article VIII, Section 14, Article X, Section 5 or Section 6 of the South Carolina Constitution.

Respectfully submitted by,

Burnet R. Maybank, III
Chris Hampton
NEXSEN PRUET, LLC
1230 Main Street, Suite 700 (29201)
Post Office Drawer 2426
Columbia, South Carolina 29202
803.771.8900

Attorney for Defendant City of Columbia

March 23, 2016
Columbia, South Carolina

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND	IN THE CIRCUIT COURT CASE NO: 2016-CP-40-00946
South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiffs, vs. The City of Columbia, and Richland County, Defendants.	**CERTIFICATE OF SERVICE**

This is to certify that **Answer and Counterclaim of Defendant City of Columbia** has been served on the counsel of record by placing the same in the United States mail, first class postage prepaid, addressed to the following as shown below this 23rd day of March, 2016:

James G. Carpenter, Esquire
819 East North Street
Post Office Box 11449
Greenville, South Carolina 29601

Sharon L. Dodgins
Legal Practice Assistant
NEXSEN PRUET, LLC
1230 Main Street, Suite 700 (29201)
Post Office Drawer 2426
Columbia, South Carolina 29202
Telephone: 803.771.8900

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiffs, v. The City of Columbia, and Richland County, Defendants.	IN THE COURT OF COMMON PLEAS C.A. No. 2016-CP-40-00946 **DEFENDANT RICHLAND COUNTY'S NOTICE OF AND MOTION TO DISMISS**

The South Carolina Public Interest Foundation ("Foundation") and William B. DePass, Jr, ("DePass"), both collectively referred to as "Plaintiffs," filed a Complaint for Declaratory Relief ("Complaint") on February 16, 2016, with the Richland County Court of Common Pleas. The Defendant, Richland County, received a copy of the filed Summons and Complaint delivered by standard U.S mail on February 26, 2016. Richland County responds to the Complaint by moving this Court for an order dismissing this action in its entirety under Rules 12(b)(6), 12(b)(1), 12(b)(7), and 19(a) and (b) of the South Carolina Rules of Civil Procedure. A Memorandum of Law will be filed and served prior to the hearing on this motion.

GROUNDS FOR DISMISSAL

1. Rule 12(b)(6), SCRCP: Failure to State Facts Sufficient to State a Cause of Action

This Court may dismiss an action when the Plaintiffs fail "to state facts sufficient to constitute a cause of action." Rule 12(b)(6), SCRCP.

a. *Plaintiffs Fail to State Facts Sufficient to Constitute a Cause of Action Because Plaintiffs Allege Richland and Fairfield Counties Own the Property in the Multi-County Park—an Allegation Removing Any Controversy Over the Alleged Residential Use of the Property*

Plaintiffs' Complaint frames the controversy as Richland County improperly "granting property tax breaks" to property allegedly having a residential use. Plaintiffs then unequivocally remove any controversy on residential use by alleging "[t]he land in the multi-county industrial or business park is **owned by the participating counties** [of Richland and Fairfield.] (Compl. at ¶ 17). The allegation of government ownership removes any alleged concern as to residential use. Rather than creating a controversy, residential use of governmentally owned property has long been approved—an approval acknowledged for more than three decades. *See* S. Carolina Pub. Serv. Auth. v. Summers, 282 S.C. 148, 151, 318 S.E.2d 113, 114 (1984) (in a challenge to exempting residential use of governmentally owned property, the Court upheld the exemption for "property [that] consists primarily of land surrounding Lakes Marion and Moultrie [which] . . . land has been divided into lots and leased to private persons for residential and commercial use.")

The Court, bound by the allegations of the complaint (*see* Doe v. Marion, 361 S.C. 463, 469, 605 S.E.2d 556, 559 (Ct.App.2004)) must dismiss the requested declaratory judgment under Rule 12(b)(6) because the allegations leave no controversy to be resolved.

b. Plaintiffs Fail to State Facts Sufficient to Constitute a Cause of Action Because Plaintiffs Allege the Inclusion of the Property Under Review in a Multi-County Park is Not Authorized by Statute—an Allegation on the Face of Which Is Contrary to Law Because the Constitutional Amendment of Art VIII § 13D is Self-Executing, a Provision Needing No Statutory Enactment

Plaintiffs allege that "[i]ncluding residential projects in a Multicounty Business and Industrial Park and granting property tax breaks to such residential projects . . . is not authorized by statute." (Compl. at ¶ 33.). This allegation has no force and is incorrect as a matter of law. Art VIII § 13D is self-executing as a matter of law. McColl v. Marlboro Graded Sch. Dist. No. 10, 143 S.C. 120, 141 S.E. 265, 266 (1928) ("the specific rule

frequently laid down in this state is that all constitutional provisions are self–executing, and are to be interpreted as such, rather than as requiring further legislation."). Developing a multi-county park and exempting property from taxation does not require statutory authorization, but rather, only an agreement among the counties:

> Counties may jointly develop an industrial or business park with other counties . . . . The area comprising the parks . . . is exempt from all ad valorem taxation. . . . The participating counties shall reduce the agreement to develop . . . the park to a written instrument which is binding on all participating counties.

S.C. Const. art. VIII, § 13D. Plaintiffs' Complaint acknowledges the existence of an agreement between Richland County and Fairfield County with respect to the development of a multi-county park (Compl. at ¶ 6) and Plaintiffs make no allegation regarding any deficiency of the agreement between Richland and Fairfield County. Thus, Plaintiffs' allegations that "residential use" projects are not authorized by statute presents no controversy given that, as a matter of law, no statute is needed for a self-executing constitutional provision. Thus, Plaintiffs fail to present facts sufficient to constitute a cause of action and this Court should dismiss the Complaint as required by Rule 12(b)(6).

c. Plaintiff Fails to State Facts Sufficient to Constitute a Cause of Action Because Plaintiffs Allege the Taxation of the Property Under Review Violates the Uniformity Provisions of the S.C. Constitution—an Allegation on the Face of Which Is Contrary to Law Since the Constitutional Amendment of Art VIII § 13D Creates an Exemption from Property Taxes

Plaintiffs allege "[t]he S.C. Constitution requires a uniform system of property taxation statewide, which is authorized by state statute." (Compl. at ¶ 40.). Based on this assertion of uniformity, Plaintiffs allege "these tax breaks amount to selective taxation, rather than equitable taxation, and they are unlawful and unconstitutional." (Compl. at ¶ 41.). Plaintiffs' allegation of the property under review creating a violation of uniformity by selective

taxation is incorrect as a matter of law because Art. VIII § 13D creates an exemption. The creation of an exemption cannot constitute a violation of uniformity. *See* Quirk v. Campbell, 302 S.C. 148, 153, 394 S.E.2d 320, 323 (1990) (declaring no uniformity violation can arise from an exemption because uniformity "has been literally followed inasmuch as the property is not subject to ad valorem taxes.") Thus, again, Plaintiffs fail to present facts sufficient to constitute a cause of action and this Court should dismiss the Complaint as required by Rule 12(b)(6).

2. Rule 12(b)(1) SCRCP:
Lack of Subject Matter Jurisdiction

a. The Case is Not Ripe for Declaratory Judgment

A case is not ripe for adjudication if it rests upon "contingent future events that may not occur as anticipated, or indeed may not occur at all." Texas v. United States, 523 U.S. 296 (1996). Plaintiffs' case is not ripe—it rests wholly on contingent future events.

Plaintiffs make no allegations (and can make no such allegations) that Richland County has provided any tax advantages to "residential developments." On the contrary, Plaintiffs acknowledge such benefits have not been granted since Plaintiffs allege such benefits are only "proposed tax benefits for student housing or apartments." (Compl. at ¶ 35.) Thus, whether such tax benefits will come to fruition is wholly speculative and fully dependent upon future events and future actions by third parties. Further, Plaintiffs make no allegations (and can make no allegations) regarding any actual injury. Plaintiffs only speculate on possible outcomes: "will not be an inducement for new business" (Compl. at ¶ 32); "other . . . taxes would be used to make up the loss. . ." (Compl. at ¶ 33); "will cause a loss of revenue" (Compl. at ¶ 34). Until the property tax benefits are realized, Plaintiffs' claims remain "contingent, hypothetical [and] abstract." Colleton County Taxpayers Ass'n v. Sch. Dist. of Colleton County, 371 S.C. 224, 242, 638 S.E.2d 685, 695 (2006).

Accordingly, with no justiciable controversy existing, the Court lacks declaratory judgment jurisdiction. The Complaint should be dismissed under Rule 12(b)(1).

b. The Plaintiffs Lack Standing

The Court lacks subject matter jurisdiction since the Plaintiffs lack standing. A party can establish standing: (1) by statute; (2) through "constitutional" standing; or (3) under the public importance exception. Here, Plaintiffs lack all three.

As a matter of law, the Declaratory Judgement Act under which the Plaintiff is proceeding does not confer standing. *See* Bodman v. State, 403 S.C. 60, 67, 742 S.E.2d 363, 366 (2013) ("We reject any averment that the fact Bodman is proceeding under the Declaratory Judgment Act has any impact on our standing analysis."). Plaintiffs' allegation of "standing to bring this lawsuit as a City and County taxpayer" (Compl. at ¶ 2.) does not confer standing, *see* Bodman v. State, 403 S.C. 60, 67, 742 S.E.2d 363, 366 (2013) ("We reaffirm this principle today and hold that Bodman's status as a mere taxpayer is insufficient to confer standing upon him."), and Plaintiffs have not alleged a concrete and particularized injury needed for individual standing. Additionally, no facts have been alleged to demonstrate how the issue of whether commercial property can be included in a multi-county park is of great public importance. Finally, Plaintiffs allege no facts sufficient to establish how any resolution is needed for future guidance. *See* ATC S., Inc. v. Charleston County, 380 S.C. 191, 199, 669 S.E.2d 337, 341 (2008).

Plaintiffs lack standing to sue. The Complaint should be dismissed under Rule 12(b)(1).

c. The Revenue Procedures Act Imposes an Exclusive Remedy and Prohibits a Declaratory Judgment Action

For two reasons, the Court lacks subject matter jurisdiction to issue a declaratory judgment declaring the rights surrounding a property tax exemption.

First, the essence of Plaintiffs' case is a request of the Court to authorize a private right of action by Plaintiffs to challenge other taxpayers' exemptions (the owners of property in the Park). On the contrary, the authority to challenge over property tax exemptions rests not with private citizens, but with the South Carolina Department of Revenue. See S.C. Code § 12-4-710.

Second, a declaratory judgment challenging property taxes is improper since "there is no remedy other than those provided in [Title 12, Chapter 60] in any case involving the illegal or wrongful collection of taxes." *See* S.C. Code Ann. § 12-60-80(A). The Complaint alleges property tax illegalities by asserting Richland County is "[g]ranting these tax breaks to apartment complexes [that] will cause a loss of revenue and reduce the money coming in to pay for schools and other services." (Compl. at ¶ 34) and "[t]he recently proposed tax benefits for student housing or apartments are not authorized statewide . . . therefore they are unconstitutional." (Compl. at ¶ 35.).

Accordingly, dismissal is required under Rule 12(b)(1).

d. The Plaintiffs Improperly Seek to Overturn the Policy Judgment of Political Bodies, A Matter Over Which Courts Have No Jurisdiction

Plaintiffs' Complaint presents allegations seeking to embroil the Court in a nonjusticiable question of second guessing the policy judgment made by Richland County and Fairfield County in exercising their constitutionally granted authority.

Section 13D of Article VIII of the S.C. Constitution specifically grants the authority to create "an industrial or business park" to counties. Section 13D mandates the member counties who jointly develop a multi-county industrial or business park to "reduce the agreement to develop and share expenses and revenues of the park to a

written instrument which is binding on all participating counties." Thus, the S.C. Constitution, in unequivocal terms, vests the authority to "develop" a multi-county park in the hands of the constituent counties who create such a park. And, in enacting ordinances placing the property under review in the Park, both Richland County and Fairfield County exercised their best policy judgment and acted within their plenary constitutional authority.

A Court lacks jurisdiction to review questions of policy judgment when those matters are constitutionally committed to other legal bodies. *See* Stone v. Leatherman, 343 S.C. 484, 484-85, 541 S.E.2d 241 (2001) (holding the S.C. Constitution provides the Senate with the authority to judge the election returns and qualifications of its own members

Plaintiffs argue that including student housing projects in the multi-county park "amount[s] to a tax break for favored taxpayers, at the expense of other taxpayers, whose taxes would be used to make up the loss." (Compl. at ¶ 32.) Plaintiffs' allegations raise a personal disagreement over the policy judgment of the counties, as the legal authority of the counties to take such action is clear.

Thus, Plaintiffs voicing in the Complaint of their disagreement with the policy judgement exercised by Richland and Fairfield Counties, presents a nonjusticiable question asking the Court to usurp the authority of the political bodies imbued with the constitutional authority to develop a multi-county park. The Court, having no jurisdiction over such matters, should dismiss the Complaint under Rule 12(b)(1).

3. Rule 12(b)(7) and 19(a) and (b) SCRCP: Failure to Join Necessary, Indispensable Party

Should this case not otherwise be dismissed, dismissal is required under Rules 12(b)(7) and 19(a) and (b), SCRCP and S.C. Code Ann. section 15-53-80, if all necessary parties

cannot be named and served. Under S.C. Code Ann. section 15-53-80, "[w]hen declaratory relief is sought all persons shall be made parties who have or claim any interest which would be affected by the declaration, and no declaration shall prejudice the rights of persons not parties to the proceeding."

Plaintiffs specifically assert Fairfield County is a decision maker in the student housing matter. They allege both "Richland County and Fairfield County . . . enacted ordinances to include City [of Columbia] property expected to become student housing." (Compl. at ¶ 36.). Plaintiffs further allege both "Richland County and Fairfield County have approved these inclusions of student and residential housing in the Park." Further, as a matter of law, Fairfield shares in both the revenue and expenses from the Park. S.C. Const. art. VIII, § 13D ("The participating counties shall reduce the agreement to develop and share expenses and revenues of the park to a written instrument which is binding on all participating counties."). Thus, Fairfield County is both a necessary and indispensable party having significant interests in the issues of this case. If Fairfield County is not named and served, the Complaint must be dismissed.

WHEREFORE, Plaintiffs failed to state facts sufficient to constitute a cause of action and failed to establish jurisdiction for the Court. Thus, this case should be dismissed with prejudice. In addition, Plaintiffs have failed to name all necessary and indispensable parties. Failure to name Fairfield County warrants dismissal of the suit. Richland County will supplement the arguments made in this Motion with a supporting Memorandum of Law to be filed and served prior to the Motion's hearing.

Respectfully submitted,

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March 24, 2016
Columbia, South Carolina

PPAB 3184972v2

CERTIFICATE OF SERVICE

The undersigned certifies that on March 24, 2016, he or she caused a copy of ***Richland County's Notice of and Motion to Dismiss*** to be served upon the following counsel of record by depositing a copy of the same in the United States Mail, postage prepaid, addressed as follows:

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Randi M. Berlin

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PPAB 3184972v2

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND	IN THE CIRCUIT COURT
South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiffs, vs. The City of Columbia, and Richland County, Defendants.	Case No. 2016-CP-40-00946 **Defendant the City of Columbia's Notice of and Motion to Dismiss**

The South Carolina Public Interest Foundation (the "Foundation") and William B. DePass, Jr., ("DePass"), both collectively referred to as "Plaintiffs," filed a Complaint for Declaratory Relief ("Complaint") with the Richland County Court of Common Pleas on February 16, 2016. Defendant responds to the Complaint by moving this Court for an order dismissing this action in its entirety with prejudice under Rules 12(b)(1), 12(b)(6), 12(b)(7), and 19(a) and (b) of the South Carolina Rules of Civil Procedure.

ARGUMENT

I. Rule 12(b)(6): Plaintiffs have failed to state facts sufficient to constitute a cause of action.

This Court may dismiss an action when Plaintiffs fail "to state facts sufficient to constitute a cause of action." Rule 12(b)(6), SCRCP. A pleading must include "a short and plain statement of the facts showing that the pleader is entitled to relief." Rule 8, SCRCP.

a. Plaintiffs have not specified any constitutional provision that was allegedly violated.

Plaintiffs fail to state a claim for a declaration from this Court that Defendant's actions are unconstitutional because the Complaint does not allege any constitutional provision that Defendant violated. Courts routinely hold that a party has not stated a constitutional claim when that party fails to allege which constitutional provision was violated. Paragraph 35 of the Complaint alleges "The recently proposed tax benefits for student housing or apartments are not authorized statewide, by state statute, therefore they are unconstitutional." Paragraph 40 states "The S.C. Constitution requires a uniform system of property taxation statewide, which is authorized by state statute." Paragraph 41 states "These tax breaks amount to selective taxation, rather than equitable taxation, and they are unlawful and unconstitutional." Paragraph 1 of the Wherefore clause states "Rule that the City and the County's extension of the tax benefits of the multicounty industrial or business parks to residential uses is illegal and unconstitutional." The Complaint conspicuously fails to allege what constitutional provision has been violated.

> At the trial level appellants completely ignored compliance with the procedural requirement that 'sections of the Constitution claimed to have been violated must be specified.' The rationale of this tightly constricted and zealously adhered to procedural requirement is self-evident when viewed in conjunction with appellants' second point. It is impossible to tell from appellants' pleaded allegation whether they were attacking the ordinance at the trial level on the basis of due process or equal protection. The indecisive nature of the pleaded allegation vividly demonstrates the purpose which the requirement seeks to serve. *The requirement is obviously directed toward fusing pleaded facts with a particular constitutional provision in order that a trial court may determine whether the pleaded facts run afoul of the constitution. Otherwise a trial court is relegated to the laborious task of attempting to equate the allegations of a petition and the evidence with each and every article and section of the constitution to determine whether or not a constitutional violation has occurred, and if it fails or is unable to do so, of resorting to rank speculation as to what constitutional provision, if any, may have been violated.* Neither suggested alternative is satisfactory; the patent frailties of said alternatives point up the logic of requiring that sections of the constitution claimed to have been violated be specified. Moreover, on appeal, an indifferent or careless relaxation of said procedural requirement throws the

> matter of constitutional issues open to the unbridled after-thoughts of parties and counsel. Since appellants failed to specify at the trial level, by way of pleadings or otherwise, the constitutional provision claimed to have been violated by their amorphous allegation, their second point is not deserving of appellate consideration. It seems irrefutably fundamental that if a constitutional issue is not properly raised at the trial level nothing in the nature of a constitutional issue exists to be preserved for appellate review.

Oliver v. City of Higginsville, 527 S.W.2d 690, 694-95 (Mo. Ct. App. 1975).

> Paragraph 29 of the Commissioner's preliminary objections alleges that Paragraph 72 of the petition for review "fails to specify what specific constitutional provision 75 Pa.C.S. § 1797(b) pertaining to peer review organizations purportedly violates, and fails to assert [the Association's] standing to raise this issue." We grant this preliminary objection, because we believe that the petition for review is insufficiently clear, thereby impairing the Commissioner's ability to prepare her defense.

Hosp. Ass'n of Pennsylvania, Inc. v. Foster, 151 Pa. Cmwlth. 308, 312, 616 A.2d 1082, 1084 (1992).

> The fourth and last assignment of error appears to make a vague claim that the statutes involved are somehow unconstitutional. *Generally, this court will not consider a constitutional challenge in the absence of a specification of the constitutional provision which is claimed to be violated.* Since Meints failed to specify what constitutional language he claims has been violated, we must reject his constitutional challenge.

State v. Meints, 223 Neb. 199, 202, 388 N.W.2d 813, 815 (1986).

> Further, if the plaintiff intended to assert additional violations of public policy beyond the second and fourth counts, *any such claims cannot be determined because the plaintiff fails to specify what statutory and constitutional provisions were violated by the defendant* . . . . Therefore, the motion to strike the third count of the complaint is granted.

Beauregard v. BTC W. Hartford, LLC, No. HHDCV126033774S, 2013 WL 7088324, at *5 (Conn. Super. Ct. Dec. 27, 2013).

> This ground of demurrer does not specify by chapter number, section number, or paragraph number, or in any other manner identify what law or constitutional provision it is contended is violated by the ordinance attacked. Such an attack was entirely too vague and general to raise any question as to the constitutionality of the ordinance insofar as it might contravene the due-process clauses of the State and Federal Constitutions.

Smith v. City of Albany, 97 Ga. App. 731, 732, 104 S.E.2d 488, 490 (1958).

> Under [Massachusetts Law], a court is authorized to make binding declarations of right, duty, status and other legal relations only in a 'case in which an actual controversy has arisen and is specifically set forth in the pleadings . . . .' Furthermore, it is an elementary rule of equity pleading that the bill must contain a clear and exact statement of all the material facts upon which the plaintiff's right to relief sought depends in order that the defendant may answer fully and fairly and know what he will be called upon to meet. This rule requiring that a careful specification of facts be made in the bill has been no less applied where improper governmental action has been alleged. In fact, in cases where a review of tax assessment practices was sought, we have been particularly emphatic on the requirement of specific factual allegations in the bill 'so that the trial of very complicated issues of fact may be kept within reasonable limits.'
>
> [T]he plaintiff has not alleged specific facts necessary to demonstrate that the defendant assessors have deliberately and intentionally violated their constitutional and statutory duty. In Stone v. Springfield, 341 Mass. 246, 249, 168 N.E.2d 76, 78, we said that 'it would be reasonable to expect the plaintiff, without improperly stating evidence in his declaration, to make specific allegations of such asserted facts as would, if proved, establish invalid official action, as, for example, the precise nature of the lack of uniformity in assessments which he expects to prove and the circumstances indicating that it was intentionally discriminatory.'

State v. Garrette, 699 S.W.2d 468, 480-81 (Mo. Ct. App. 1985).

> Here, appellant's petition does not allege any specific deprivation of a constitutional right, but *merely contains a general citation to various constitutional amendments.* Even when construed liberally and in a light most favorable to appellant, such pleadings are insufficient to state a claim under section 1983.

Williams v. Scott, No. 14-98-00647-CV, 1999 WL 966635, at *2 (Tex. App. Oct. 21, 1999).

> *[T]he original complaint was legally insufficient since it did not allege specific constitutional rights which were violated.* Accordingly, the trial court did not err in granting summary disposition in favor of defendant.

Harris v. City of Detroit, 160 Mich. App. 223, 227, 408 N.W.2d 82, 84 (1987).

> [W]e find that the instant petition fails to state a cognizable action under section 1983. *The petition fails to identify the specific constitutional right allegedly infringed.*

Scheidler v. Cook Cty. Officers Electoral Bd., 276 Ill. App. 3d 297, 657 N.E.2d 1089 (1995).

> More notably, however, *the complaint does not specify the deprivation of a specific constitutional right,* nor does it allege a policy of the municipality that is causally related to his injuries. Contrary to his contention, appellant's complaint does not sufficiently put appellees on notice that he is seeking relief pursuant to 42 U.S.C.1983. . . . As such, we find appellees were entitled to dismissal of the claim . . . .

Bachtel v. Jackson, 2009-Ohio-1554, 2009 WL 840606, ¶ 22.

Plaintiffs merely recite the legal conclusion "that the City and the County's extension of the tax benefits of the multicounty industrial or business parks to residential uses is illegal and unconstitutional." (Compl. Wherefore Provision ¶ 1.) Without stating which constitutional provision was violated, plaintiffs have failed to state facts showing an entitlement to relief. SCRCP 8. Accordingly, Defendant respectfully submits that this Court should dismissal the Complaint with prejudice for failure to state a claim.

b. Plaintiffs have failed to state facts showing that Defendant violated any statute.

Plaintiffs appear to argue that only manufacturing, research and development, corporate office, or distribution facility projects can qualify as a "sponsor" of an industrial or business park, (Compl. ¶ 19), and commercial student housing projects do not qualify, (Compl. ¶ 33).

Plaintiffs have not alleged any facts or law showing that commercial student housing projects do not qualify as sponsors in a business park. Contrary to Plaintiffs' contentions, the title "Industrial Development Projects" of S.C. Code Ann. § 4-29-67 does not exclude commercial student housing projects from the purview of the statute. *See, e.g., Westvaco Corp. v. S. Carolina Dep't of Revenue*, 321 S.C. 59, 63, 467 S.E.2d 739, 741 (1995) (stating that the requirement that subject be expressed in title of act should be liberally construed so as to uphold act). A cursory reading of the statute will show that a project includes "any enterprise engaged in commercial business." S.C. Code Ann. § 4-29-3(d). Thus, Plaintiffs' contention that

industrial or business development projects are limited to manufacturing, research and development, corporate office, or distribution facility projects is facially incorrect; section 4-12-30(B)(4)(b) merely states that manufacturing, research and development, corporate office, and distribution facility projects are not subject to the $2.5 million minimum investment requirement if certain conditions are met.[1] "Any enterprise engaged in commercial business" may qualify as an industrial or business park project. S.C. Code Ann. § 4-29-10(3)(c). Plaintiffs have failed to allege any facts showing that developers constructing multimillion dollar commercial student housing projects are not engaged in commercial business. Thus, Plaintiffs have failed to state a claim for which relief can be granted the Complaint should be dismissed with prejudice pursuant to SCRCP Rule 12(b)(6).

CONCLUSION

For the reasons stated above, Plaintiffs have failed to state facts sufficient to constitute a cause of action and have failed to establish jurisdiction for the Court. Thus, dismissal with prejudice is warranted.

[1] S.C. Code Ann § 4-12-30(B)(4)(a)–(b) states:

(a) A sponsor and a sponsor affiliate may qualify for the fee if each sponsor and sponsor affiliate invests the minimum level of investment as specified in subsection (B)(3).

(b) If the project consists of a manufacturing, research and development, corporate office, or distribution facility, as those terms are defined in Section 12-6-3360(M), each sponsor or sponsor affiliate is not required to invest the minimum investment required by subsection (B)(3), if the total investment in the project exceeds five million dollars.

Respectfully Submitted,

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Attorneys for Defendants

April 12, 2016
Columbia, South Carolina

CERTIFICATE OF SERVICE

The undersigned certifies that on April 12, 2016, she caused a copy of City of Columbia's Notice of and Motion to Dismiss to be served upon the following counsel of record by depositing a copy of the same in the United States Mail, postage prepaid, addressed as follows:

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Sharon L. Dodgins

Columbia, South Carolina

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiffs, v. The City of Columbia, and Richland County, Defendants.	IN THE CIRCUIT COURT CASE NO: 2016-CP-40-00946 **Reply to Counterclaim of the City of Columbia**

2016 MAY -2 AM 11:52
RICHLAND COUNTY

NOW COME the Plaintiffs, by their undersigned attorney, and as a Reply to the Counterclaims of the City of Columbia, admit, deny, and allege as follows:

1. Plaintiffs incorporate by reference their allegations from the Complaint, as modified by the Amended Complaint.

2. Plaintiffs deny that the City's Counterclaim entitles the City to any relief.

WHEREFORE, Plaintiffs pray the Court:

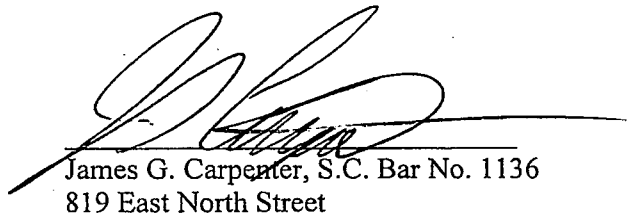
1. To deny the City any relief on its Counterclaim;

2. To rule that the City's and the County's extension of the tax benefits of the Multicounty Industrial or Business Parks to residential uses is illegal and unconstitutional.

3. To grant Plaintiffs their costs and attorneys' fees under S.C. Code Ann. § 15-77-300 ff.; and

4. To grant Plaintiffs such other and further relief as the Court deems just and proper.

Respectfully submitted,
THE CARPENTER LAW FIRM, PC



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Attorney for the Plaintiffs

April 27, 2016

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiffs, v. The City of Columbia, Richland County, and Fairfield County, Defendants.	IN THE CIRCUIT COURT CASE NO: 2016-CP-40-00946 **CERTIFICATE OF SERVICE**

2016 MAY -2 AM 11:52
RICHLAND COUNTY

The undersigned attorney hereby certifies that he served a copy of the foregoing Reply to Counterclaim of the City of Columbia on opposing counsel by first class mail, postage prepaid, this April 27, 2016, addressed as follows:

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Columbia, SC 29202

Ray N. Stevens
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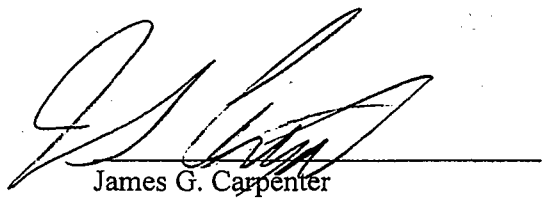
Respectfully submitted,
THE CARPENTER LAW FIRM, PC



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April 27, 2016

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiffs, v. The City of Columbia, Richland County, and Fairfield County, Defendants.	IN THE CIRCUIT COURT CASE NO: 2016-CP-40-00946 **AMENDED COMPLAINT FOR DECLARATORY JUDGMENT**

RICHLAND COUNTY
FILED
2016 MAY -2 PM 2:07
JEANNETTE W. McBRIDE
C.C.P. & G.S.

NOW COME the Plaintiffs, by their undersigned attorney, and as an Amended Complaint against the Defendants, would show unto the Court:

1. Plaintiff South Carolina Public Interest Foundation is a not for profit corporation organized and existing under the laws of the State of South Carolina and dedicated to the public interest, including the proper application and enforcement of the South Carolina Constitution and statutes.

2. Plaintiff William B. DePass, Jr. is a citizen, resident, taxpayer, and registered elector of the City of Columbia and Richland County. DePass possesses standing to bring this lawsuit as a City of Columbia and Richland County taxpayer. He brings this action individually and on behalf of all others similarly situated.

3. Defendant City of Columbia is a South Carolina municipal corporation.

4. Defendant Richland County is a South Carolina County.

5. Defendant Fairfield County is a South Carolina County.

6. This Court possesses jurisdiction under the South Carolina Constitution, Art. VIII, § 13(D); and under the following decisions, which address public

importance and taxpayer standing: *South Carolina Public Interest Foundation v. South Carolina Transportation Infrastructure Bank*, 403 S.C. 640, 744 S.E.2d 521 (2013), *American Petroleum Institute v. S.C. Dep't. of Revenue*, 382 S.C. 572, 677 S.E.2d 16 (2009), *South Carolina Public Interest Foundation v. Harrell*, 378 S.C. 441, 663 S.E.2d 52 (2008), *Sloan v. Department of Transportation*, 379 S.C. 160, 666 S.E.2d 236 (2008), *Sloan v. Hardee*, 357 S.C. 495, 640 S.E.2d 457 (2007); *Cornelius v Oconee County*, 369 S.C. 531, 633 S.E.2d 492 (2006); *Sloan v. Department of Transportation*, 365 S.C. 299, 618 S.E.2d 876 (2005), *Sloan v. Wilkins*, 362 S.C. 430, 608 S.E.2d 579 (2005); *Sloan v. Sanford*, 357 S.C. 431, 593 S.E.2d 470 (2004); *Sloan v. Greenville County*, 356 S.C. 531, 590 S.E.2d 338 (Ct. App. 2003), *Sloan v. School District of Greenville County*, 342 S.C. 515, 537 S.E.2d 299 (Ct. App. 2000), *Baird v. Richland County*, 333 S.C. 519, 511 S.E.2d 69 (1999), *Newman v. Richland County Historic Preservation Commission*, 325 S.C. 79, 480 S.E.2d 72 (1997); and under S.C. Code Ann. § 15-53-10 *et seq.*, known as the Uniform Declaratory Judgment Act.

7. This action raises Constitutional and statutory issues of great public importance, namely the proper interpretation of the South Carolina Constitution and enabling statutes. Plaintiffs ask the Court to grant them standing based upon the great public importance of the Constitutional and statutory issues this action raises.

8. "The assessment of all property shall be equal and uniform." South Carolina Constitution Art. X, § 1.

9. The South Carolina Constitution allows counties to develop "an industrial or business park."

> (D) Counties may jointly develop **an industrial or business park** with other counties within the geographical boundaries of one or more of the member counties. The area comprising the parks and all property having a situs therein is **exempt from all ad valorem taxation**. The owners or lessees of any property situated in the park **shall pay an amount equivalent to the property taxes or other in-lieu-of payments** that would have been due and payable except for the exemption herein provided. The participating counties shall reduce the agreement to develop and share expenses and revenues of the park to a written instrument which is binding on all participating counties. Included within expenses are the costs to provide public services such as sewage, water, fire, and police protection.

S.C. Constitution, Art. VIII, § 13(D) (emphasis added).

10. On or about April 15, 2003, Richland County and Fairfield County created a multicounty industrial or business park called the I-77 Corridor Regional Industrial Park ("Park") and entered into an agreement entitled "Master Agreement Governing the I-77 Corridor Regional Industrial Park" ("Master Agreement").

11. South Carolina Code Ann. § 4-1-170 allows counties to develop "an industrial or business park with other counties."

12. The land in the multicounty industrial or business park is exempt from *ad valorem* taxes. S.C. Code Ann. § 4-12-30 (A).

13. "Sponsors" sign an "inducement agreement," by which they agree to pay a fee in lieu of taxes ("FILOT") on the property in the industrial or business park. S.C. Code Ann. § 4-12-30 (A).

14. Upon information and belief, the FILOT amounts to about half the amount of what the property taxes would have been, by virtue of Defendants' granting the taxpayers a credit, allegedly pursuant to S.C. Code Ann. § 4-1-175.

15. In addition, for any jobs created through the project, the taxpayers are requesting an additional $1,000 per year credit for five years, for each new full-time job created, allegedly pursuant to S.C. Code Ann. § 12-6-3360(E)(1).

16. Sponsors are expected to be "a manufacturing, research and development, corporate office, or distribution facility." S.C. Code Ann. § 4-12-30 (B)(4)(b).

17. S.C. Code Ann. § 4-1-170 requires the counties to gain the consent of the City of Columbia to include any City real estate in the Park.

18. At least five times from March 4, 2014 through May 19, 2015, the City of Columbia, in conjunction with Richland County and Fairfield County, has enacted ordinances to include City property expected to become student housing and residential apartments in the Park.

19. The City of Columbia, Richland County and Fairfield County have enacted ordinances including these student and residential housing complexes in the Park.

20. Neither the South Carolina Constitution Article VIII, § 13(D), nor the enabling statutes (S.C. Code Ann. § 4-1-170 ff.) authorize Defendants to include residential projects in a Multicounty Business and Industrial Park.

21. Plaintiffs' legal research disclosed no South Carolina case ruling on the question of whether the South Carolina Constitution and enabling statutes permit residential properties to be included in a Multicounty Business and Industrial Park.

22. Twice the Attorney General has been asked for an opinion on this question, once by the Oconee County Attorney, and once by the Director of the Department of Revenue (copies attached).

23. The Attorney General issued an opinion that said the following:

> Based on the plain and ordinary meaning of the terms industrial and business, as described above, **it does not appear that the Legislature intended for residential property to be included in an industrial or business park** created pursuant to §4-1-170. Nevertheless, consistent with our prior opinion, we believe **the County should institute a declaratory judgment action** in order for a court to decide with finality whether or not residential property may be included in a multicounty park.

2010 WL 1370094 (S.C.A.G.) (March 17, 2010) p. 2 (emphasis added).

24. To the knowledge of the Plaintiffs, neither party who posed the question to the Attorney General instituted a declaratory judgment action on the issue.

WHEREFORE, Plaintiffs pray the Court:

1. Rule that the Defendants' inclusion of residential properties in a multicounty business and industrial park, and the granting of tax credits arising therefrom, violates the South Carolina Constitution, Art. X § 1, and Art. 8, § 13; and SC Code Ann. § 4-1-170 ff.;
2. To grant Plaintiffs their costs and attorneys' fees under S.C. Code Ann. § 15-77-300 ff.; and
3. To grant such other and further relief as the Court deems just and proper.

Respectfully submitted,
THE CARPENTER LAW FIRM, PC

James G. Carpenter
S.C. Bar No. 1136
819 East North Street
Greenville, SC 29601
(864) 235-1269
Attorney for the Plaintiffs

April 29, 2016

2010 WL 1370089 (S.C.A.G.)

Office of the Attorney General

State of South Carolina
March 1, 2010

*1 Thomas L. Martin, Esquire
McNair Law Firm, P.A.
Post Office Box 4086
Anderson, South Carolina 29622

Dear Mr. Martin:

We understand from your letter that as the Oconee County Attorney, you would like to request an opinion of this Office on behalf of the Oconee County Council concerning "whether real property anticipated to be used for residential purposes can be placed into a joint county industrial and business park (a 'Multi-County Business Park') created pursuant to Section 13 of Article VIII of the Constitution of the State of South Carolina, as implemented by Section 4-1-170, et seq., Code of Laws of South Carolina, 1976, as amended (the 'Joint County Industrial and Business Park Act')." Specifically, you pose the following two questions to us:

I. Can a Multi-County Business Park, created pursuant to Section 13 of Article VIII of the Constitution of the State of South Carolina and the Joint County Industrial and Business Park Act, contain residential property; and,

II. If the answer to question I is "Yes", does it matter if the end use for the residential property in question is to be owner-occupied (4%) or commercial (6%) residential property, so long as there is a business purpose to the development, construction, sales and/or lease of such property?

Law/Analysis

Section 4-1-170 of the South Carolina Code (Supp. 2009) allows counties to enter into a written agreement to jointly develop an industrial or business park. This provision states as follows:

> (A) By written agreement, counties may develop jointly an industrial or business park with other counties within the geographical boundaries of one or more of the member counties as provided in Section 13 of Article VIII of the Constitution of this State. The written agreement entered into by the participating counties must include provisions which:
>
> (1) address sharing expenses of the park;
>
> (2) specify by percentage the revenue to be allocated to each county;
>
> (3) specify the manner in which revenue must be distributed to each of the taxing entities

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within each of the participating counties.

(B) For the purpose of bonded indebtedness limitation and for the purpose of computing the index of taxpaying ability pursuant to Section 59-20-20(3), allocation of the assessed value of property within the park to the participating counties and to each of the taxing entities within the participating counties must be identical to the allocation of revenue received and retained by each of the counties and by each of the taxing entities within the participating counties. Misallocations may be corrected by adjusting later distributions, but these adjustments must be made in the same fiscal year as the misallocations. Provided, however, that the computation of bonded indebtedness limitation is subject to the requirements of Section 4-29-68(E).

(C) If the industrial or business park encompasses all or a portion of a municipality, the counties must obtain the consent of the municipality prior to the creation of the multi-county industrial park.

*2 S.C. Code Ann. § 4-1-170. In addition, section 4-1-172 of the South Carolina Code (Supp. 2009) provides: "All multicounty parks must consist of contiguous counties."

As you mentioned in your letter, neither section 4-1-170, nor any of the provisions pertaining to multicounty industrial and business parks, specifically state the type of property that may be included in such a park. Thus, we must employ the rules of statutory interpretation in order to determine whether such a park may include residential property. Our Supreme Court recently stated in SCANA Corp. v. South Carolina Dep't of Revenue, 384 S.C. 388, 392, 683 S.E.2d 468, 470 (2009):

> The cardinal rule of statutory construction is to ascertain and effectuate the intent of the Legislature. Hodges v. Rainey, 341 S.C. 79, 85, 533 S.E.2d 578, 581 (2000). "All rules of statutory construction are subservient to the one that the legislative intent must prevail if it can be reasonably discovered in the language used, and that language must be construed in light of the intended purpose of the statute." Broadhurst v. City of Myrtle Beach Election Comm'n, 342 S.C. 373, 380, 537 S.E.2d 543, 546 (2000). The Court should give words their plain and ordinary meaning, without resort to subtle or forced construction to limit or expand the statute's operation. Sloan v. S.C. Bd. of Physical Therapy Exam'rs, 370 S.C. 452, 469, 636 S.E.2d 598, 607 (2006).

While section 4-7-170 does not specify what type of property can be included in a multicounty industrial or business park, the statute allows for the creation of an "industrial" or "business" park. According to Webster's New World Dictionary, "industrial" means "having the nature of or characterized by industries . . . ." Webster's New World Dictionary 718 (2nd ed. 1976). The plain and ordinary meaning of the term "business" is "a commercial or industrial establishment; store, factory, etc." Id. at 192. Based on the plain and ordinary meaning of the terms industrial and business, one may argue that the Legislature did not intend for residential property to be included in an industrial or business park created pursuant to section 4-7-170. Nonetheless, because the type of property that may be included in a multicounty park is not specified in section 4-7-170, an argument can also be made that residential property is not prohibited from being included in a multicounty park. Accordingly, we believe the County should institute a declaratory judgement action in order for a court to decide with finality whether or not residential property may be included in a multicounty park.

Very Truly Yours,

Henry McMaster
Attorney General

By: Cydney M. Milling
Assistant Attorney General

REVIEWED AND APPROVED BY:

Robert D. Cook
Deputy Attorney General

2010 WL 1370089 (S.C.A.G.)

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2010 WL 1370094 (S.C.A.G.)

Office of the Attorney General

State of South Carolina
March 17, 2010

*1 Ray N. Stevens
Director
Department of Revenue
P. O. Box 125
Columbia, South Carolina 29214

Dear Mr. Stevens:

We received your letter requesting an opinion of this Office concerning Owner-Occupied Residential Property Located in a Multicounty Park. You asked if mulitcounty parks may include owner-occupied residential property, and if so, "whether such property may receive the [property tax] exemption contained in Code Section 12-37-220(B)(47)." Additionally, you asked how reimbursements paid to school districts and deposited in the Homestead Exemption Fund are to be distributed. As noted in your request, on March 14, 1990, this Office issued an opinion addressing the manufacturing exemption contained in Code Section 12-37-220(A)(7) for property located in a multicounty park. Additionally, on March 1, 2010, this Office issued an opinion specifically addressing your question regarding residential property. The March 1, 2010 opinion is enclosed for your convenience.

Law/Analysis

Article VIII, Section 13(D) of the South Carolina Constitution provides that counties have the authority to develop industrial or business parks with other counties, and that such multicounty parks are "exempt from all ad valorem taxation." However, the "owners and lessees of any property situated in the park shall pay an amount equivalent to the property taxes or other in-lieu-of payments that would have been due and payable except for the exemption herein provided."

S.C. Code Ann. § 4-1-170 also provides that participating counties, "by written agreement . . . may develop jointly an industrial or business park with other counties within the geographical boundaries." The written agreement should explain 1) how expenses will be shared, 2) the percentage of revenue allocated to each county, and 3) the manner in which revenue must be distributed

In an opinion of this Office dated March 14, 1990, we stated as follows:

> [M]unicipalities only have such powers as are granted them by the state in their characters or by legislative enactment. Williams v. Wylie, 217 S.C. 247, 60 S.E. 586 (1950). These powers may be expressly granted or may be fairly implied from or necessarily incidental to those powers expressly granted. Marshall v. Rose, 213 S.C. 428, 49 S.E.2d 720 (1948).

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In an opinion of this Office dated March 1, 2010, we stated as follows:

> S.C. Code Ann. § 4-1-170 does not specifically state the type of property that may be included in such a park. Thus, we must employ the rules of statutory interpretation in order to determine whether such a park may include residential property. Our Supreme Court recently stated in SCANA Corp. V. South Carolina Dep't of Revenue, 384 S.C. 388, 392, 683 S.E.2d 468, 470 (2009):
>
> > The cardinal rule of statutory construction is to ascertain and effectuate the intent of the Legislature. Hodges v. Rainey, 341 S.C. 79, 85, 533 S.E.2d 578, 581 (2000) . . . The Court should give words their plain and ordinary meaning . . . Sloan v. S.C. Bd. Of Physical Therapy Exam'rs, 370 S.C. 452, 469, 636 S.E.2d 598, 607 (2006). . . .

*2 According to Webster's New World Dictionary, "industrial" means "having the nature of or characterized by industries. . . ." Webster's New World Dictionary 718 (2nd ed. 1976). The plain and ordinary meaning of the term "business" is "a commercial or industrial establishment; store, factory, etc." Id. at 192.

Conclusion

Since S.C. Code Ann. § 4-1-170 does not specifically address what type of property can be included in a multicounty industrial or business park, one must look to the plain and ordinary meaning. Based on the plain and ordinary meaning of the terms industrial and business, as described above, it does not appear that the Legislature intended for residential property to be included in an industrial or business park created pursuant to § 4-1-170. Nevertheless, consistent with our prior opinion, we believe the County should institute a declaratory judgment action in order for a court to decide with finality whether or not residential property may be included in a multicounty park.

Unless the court determines that residential property may be included in a multicounty park, it is unnecessary to address the tax exemption and Homestead Exemption Fund distribution questions.

Sincerely,

Henry McMaster
Attorney General
By: Leigha Blackwell
Assistant Attorney General

REVIEWED AND APPROVED BY:

Robert D. Cook
Deputy Attorney General

2010 WL 1370094 (S.C.A.G.)

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STATE OF SOUTH CAROLINA COUNTY OF RICHLAND South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiffs, v. The City of Columbia, Richland County, and Fairfield County, Defendants.	IN THE CIRCUIT COURT CASE NO: 2016-CP-40-00946 **CERTIFICATE OF SERVICE**

RICHLAND COUNTY
FILED
2016 MAY -2 PM 3:07
JEANNETTE W. MCBRIDE
C.C.P. & G.S.

The undersigned attorney hereby certifies that he served a copy of the foregoing Amended Complaint on opposing counsel by first class mail, postage prepaid, this April 29, 2016, addressed as follows:

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Post Office Drawer 2426
Columbia, SC 29202

Ray N. Stevens
PO Box 1509
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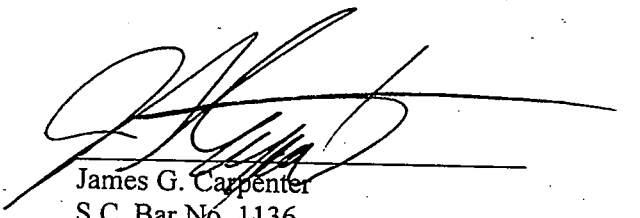
Respectfully submitted,
THE CARPENTER LAW FIRM, PC



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April 29, 2016

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND	IN THE CIRCUIT COURT
South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiffs, vs. The City of Columbia, and Richland County, Defendants.	Case No. 2016-CP-40-00946 **Motion for Summary Judgement**

NOW comes the Defendant the City of Columbia, by and through counsel, pursuant to S.C.R.Civ.P. 56 and respectfully moves this Court for judgment as a matter of law with respect to all claims alleged in the Complaint of Plaintiffs. The grounds for this motion, as are more fully set forth in the accompanying Memorandum of Law, are that the City of Columbia and Richland County's Multi-County Business Park Ordinances are lawful and do not violate the South Carolina Constitution or statutes.

This Motion is based on the pleadings, applicable law, Defendants' Memorandum of Law in Support of its Motion for Summary Judgment incorporated herein, affidavits and related exhibits attached hereto.

For the foregoing reasons and those set forth in the accompanying Memorandum of Law, Defendant respectfully requests that the Court grant Defendant's Motion for Summary Judgment *in toto* and grant such other and further relief as it may deem appropriate.

Respectfully Submitted,

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803.771.8900

Attorneys for Defendant City of Columbia

May 11, 2016
Columbia, South Carolina

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND	IN THE CIRCUIT COURT
South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiffs, vs. The City of Columbia, and Richland County, Defendants.	Case No. 2016-CP-40-00946 **Memorandum of Law in Support of Defendants' Motion for Summary Judgement**

Defendant the City of Columbia respectfully submits this Memorandum of Law in support of its Motion for Summary Judgment as to the claims asserted against it in Plaintiffs' Complaint.

I. BACKGROUND

The instant action involves a lawsuit filed against Richland County and the City of Columbia involving the constitutionality of S.C. Code Ann. §§ 4-1-170 and 4-1-175 and of Richland County Council Ordinance Nos. 004-14HR, 005-14HR, 072-14HR, 011-14HR and City of Columbia Ordinances 2014-015, 2014-019, 2014-020, 2014-123, 2015-109 and 2016-017 arising out of the County's inclusion of certain student housing projects in a multi-county business park ("the Park") in Richland County, South Carolina. The Park is located in Richland County and all the student housing projects are in the City of Columbia. Richland County has entered into the Multi-County Business Park Agreement with the contiguous County of Fairfield.

The instant action was commenced by the South Carolina Public Interest Foundation, and William B, DePass, Jr., individually, and on behalf of all others similarly situated (hereinafter the

"Plaintiff") on February 16, 2016, seeking declaratory relief and seeking to have the County's Ordinances creating the Park as well as S.C. Code Ann. §§ 4-1-170 and 4-1-175 declared unconstitutional or unlawful. The City filed its Answer and Counterclaim, denying that the Ordinances and statutes are unconstitutional. The City, in its Counterclaim, requested the Circuit Court to declare that the Richland County and City of Columbia Ordinances creating the multi-county business park and including the student housing projects discussed below are lawful and constitutional.

As stated above, this Appeal involves the constitutionality of including 4 student housing projects in a multi-county business park. The projects were built by private sector, for-profit real estate developers, including CD/Park 7 Columbia SC Owner, LLC, CD/Park7 Columbia SC High Rise Owner, LLC, Blue Atlantic Columbia, LLC and University Residences Columbia, LLC.

A large portion of the City of Columbia's tax base includes exempt properties that pay no property taxes. (The percentage in Columbia is almost certainly the highest in the state.) These include federal, state, county and city properties as well as several colleges and universities. The colleges and universities include the University of South Carolina, Allen University and Benedict College, Columbia College and Columbia International University. In addition, several large churches are in downtown Columbia (Trinity Cathedral, Greek Orthodox, Washington Street Methodist, St. Peters), as are several Museums and the Richland County Public Library. Richland County includes the federal facility at Fort Jackson. As may be seen in the attached **Exhibit A**, Richland County has the 19th highest millage rate in South Carolina. Taxpayers in the City also pay millage imposed by the City of Columbia as well as Richland County School District I and other school districts. As may be seen in the attached article, *South Carolina*

Property Tax Rates by County (2015) (**Exhibit A**), the very large percentage of exempt properties in Columbia as well as Act 388 results in Columbia having one of the highest combined millages in South Carolina. The millage for the City of Columbia (.09610) is actually only slightly above Charleston (.08160) and Greenville (.08530), but the Richland County millage is .12310, whereas Charleston County is .0593 and Greenville is .06640. The combined millage (which includes the school district) for Columbia, however, is 528.2[1], versus 403 for the City of Greenville[2] and 267.6 for the City of Charleston.[3]

Columbia Metropolitan magazine published an article, "Why is it more Expensive here" in November 2014. (**Exhibit B**) The article noted that "In 2010, the state Commerce Department prepared a report showing comparable commercial property tax rates among the state's largest cities. On a central business district worth $2 million, a Columbia business would have paid about $52,000 in property taxes at the time of the report, versus $37,000 in Greenville and about $28,000 in Charleston." The article noted that as stated above, the millage for the cities are similar but the combined millage is much higher in Richland County.

The subject Student Housing Projects are taxed as commercial in South Carolina. (Plaintiff's complaint repeatedly incorrectly references them as "residential.") The differences for property tax purposes between residential and commercial are outlined below.

Taxes on commercial property in the state of South Carolina are amongst the highest in the United States. And the situation has only gotten worse with passage of Act 388, which accelerated the property tax shift from residential to commercial and manufacturing. The South Carolina Taxation and Realignment Commission (TRAC) noted in December 2010 that property taxes on manufacturers located in the City of Columbia were the highest in the entire United

[1] County Millage of .09560, Richland County School District of .33650 and City millage of .09610.
[2] County Millage of .06640, Greenville School District millage of .18490 and City millage of .08530.
[3] County Millage of .05930, Charleston School District millage of .12670 and City millage of .08160.

States. (TRAC used a study which compared the property taxes on manufacturers located in the capital city of all 50 states as well as three other taxing jurisdictions.) The TRAC report noted that South Carolina has "some of the highest national tax rates on commercial and industrial property, and the lowest tax rates on residential."

The study that TRAC utilized, the Lincoln Institute, *50-State Authority Property Tax Comparison Study*, //www.lincolninst.edu// has been updated. The updated study (2015) looked at commercial property tax rates in Columbia and 52 other taxing jurisdictions. (The study looked at the combined millages.) Columbia was ranked the 8th highest for commercial with $100,000 valued property and 10th highest for $1 million and $25 million urban commercial properties. (Mullins, South Carolina was 5th ranked for $100,000 rural commercial property.) The study also looked at the tax differential between residential and apartments (which as stated above, are taxed as commercial). South Carolina had the 4th highest in the country.[4] Stated another way, only residents in New York City, Boston and Honolulu pay more on a $1 million commercial property relative to the taxes owing on a median-value primary residence than residents of Columbia—and the ratio in Columbia is 3.661%.

The extremes after Act 388 are best illustrated as follows:

Columbia is number 1 (i.e. the highest in the country) for urban cities with the highest and lowest industrial taxes payable in 2014. The Lincoln Institute study looked at $100,000, $1,000,000 and $25,000,000 industrial facilities and Columbia was number one in all three.[5] The study also looked at highest and lowest homestead (primary residence) taxes for median value homes, payable in 2014. Columbia was 50th (out of 53 taxing jurisdictions).[6]

[4] Lincoln Institute, supra, Table 19, pg. 10.
[5] Lincoln Institute, supra, Table 14 at pg. 7.
[6] Lincoln Institute, Table 3, pg. 2.

One other study looked at the total state and local taxes imposed upon commercial properties in South Carolina. *Location Matters* is an annual study done by KPMG and the Tax Foundation. It looks at all state taxes (including for example, unemployment insurance) for all 50 states. In addition to ranking manufacturers, the 2015 study looked at 3 entities taxed as commercial, to wit retail stores, call centers and warehouse facilities. The total taxes on a new retail store in South Carolina was ranked 49th – the second highest in the country.[7] A mature call center was ranked 41st.[8] A mature distribution center was ranked 49th, with a new distribution center ranked 50th – the highest in the country.[9]

The five properties at issue are student housing projects, built to house students at the University of South Carolina as well as Allen University, Benedict College, Midlands Tech, etc. By way of background, the University of South Carolina has some 31,027 students in Columbia.[10] Many live in on-campus dormitories the largest of which include 650 Lincoln (900 students), Capstone (579), Patterson Hall (544) and Bates House (531). Others live in fraternities and sororities. The USC dormitories, being state owned property, are exempt from property taxes.[11] Fraternities and sororities are also exempt from property taxes.[12] The dormitories at Allen and Columbia Universities and Benedict College are also exempt from property taxes.[13]

Given that the above dormitories are completely exempt and pay no property taxes whatsoever, the city sought to recruit private sector developers to construct dormitories which

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[7] *Location Matters: The State Tax Costs of Doing Business*, The Tax Foundation and KMPG (2015), page 18, available at http://taxfoundation.org/sites/taxfoundation.org/files/docs/TF_LocationMatters_2015.pdf.
[8] *Id.* at 21.
[9] *Id.* at 22.
[10] University of South Caroling Student Headcount / FTE Report, available at http://ipr.sc.edu/enrollment/prel2016/spring/prelim/pr031016.pdf.
[11] S.C. Const. Art. X § 3(a); section 12-37-220(A)(1).
[12] SC DOR PLR #97-3.
[13] S.C. Const. Art. X § 3(b); section 12-37-220(A)(2). See 1968-9 Op. Atty. Gen. No. 2753 (private colleges and universities are entitled to the exemption.)

would pay property taxes. The city passed a student housing Resolution No. R-2014-024, (**Exhibit C**), in part to "slow the growth of tax exempt real property."

The Resolution adopted in March 2014 contained a policy and criteria to consider the inclusion of student housing real property in the Richland County Multi-County Business Park in order to apply Richland County's Special Source Revenue Credit of 50% to properties located in the city. In order to qualify a project had to have:

1. A minimum private investment of $40 million;
2. A minimum investment of $5 million per usable acre;
3. Owe a minimum of $750,000 in property taxes prior to the application of the Special Source Credit; and
4. Structured parking and infrastructure with no use of public funds.

The Resolution was amended twice and sunsetted on December 31, 2015.[14] Section 2 of the Multi-County Business Park Agreements required the developers to "operate the facility as a private dormitory pursuant to the terms of and in compliance with section 17-321 of the Code of Ordinances of the City of Columbia." Failure to qualify as a private dormitory is an act of default under the agreement.

Student Housing is much more expensive than traditional apartment complexes. Sec. 17-321 – Private Dormitory (Attached **Exhibit D**) places a number of restrictions not found in traditional apartment complexes rented by students, including limiting occupancy to one person per bedroom, an onsite manager available 24 hours a day, seven days a week, and strict on-site parking requirements (0.75 vehicle/0.25 bicycle per person.)

The Resolutions done for each of the developers included the terms above, and further required the developers to "operate the facility in a manner which satisfies the requirements

[14] Resolution No. R-2014-045 and Resolution No. R-2015-049.

applicable to private dormitories under Section 17-321" of the City of Columbia Ordinances. Failure to so operate is an act of default.

The City met with several national housing developers, including Park 7 who pointed out that the property taxes on student housing in Columbia would be amongst the highest of any college or university town in the United States. Attached as **Exhibit E** is the Powerpoint presented to City Council by the first developer, Park 7. It compares the property taxes in Columbia versus other College towns including Norman, OK, Columbia, MS, Harrisonburg, VA, San Antonio, TX and Tallahassee, FL. The combined property taxes per bed in Columbia were higher (in some cases considerably higher) than all the other college towns.

As a result, City Council passed the Resolution referenced above which provided its consent to the 50% Special Source Credit authorized by the county for any student housing project which meet the above criteria.

Three national student housing developers, CD/Park 7 Columbia SC Owner, LLC, CD/Park7 Columbia SC High Rise Owner, LLC, Blue Atlantic Columbia, LLC and University Residences Columbia, LLC, based upon the assurances provided by the Resolution, decided to build student housing projects in Columbia. All three went before Richland County Council as well as Columbia City Council. (Under the MCBP statute, a city is required to consent to the granting of any SSRC on property located within the city.) Richland County ultimately passed four Ordinances which amended an existing Multi-County Business Park, to include these student housing projects, together with the 50% Special Source Credit. The City of Columbia passed four ordinances consenting to the Special Source Credits for each project. (Park 7 had two separate projects.)

As stated above, the Special Source Credit for each project was 50%, meaning that the property tax bill otherwise owing on the student housing buildings are cut in half.

The use of Special Source Credits in Multi-County Business Parks to recruit projects in South Carolina is common. There are currently hundreds of such projects in South Carolina.

The Plaintiff does not object to Multi-County Business Parks or the use of Special Source Credits. Rather, it objects to the use of Multi-County Business Parks and Special Source Credits for Student Housing.

II. STANDARD OF REVIEW

Summary judgment is appropriate in a case when it appears that there is no genuine issue of material fact and that the moving party is entitled to judgment as a matter of law. Rule 56(c), SCRCP; *see also, e.g., Brandt v. Gooding*, 368 S.C. 618, 626, 630 S.E.2d 259, 263 (2006). The purpose of summary judgment is to dispose of cases, which do not require a fact finder. *George v. Fabri*, 345 S.C. 440, 452, 548 S.E.2d 868, 874 (2001). When faced with a motion for summary judgment, the "adverse party may not rest upon the mere allegations or denials of his pleading, but his response, by affidavits or as otherwise provided in this rule, must set forth specific facts showing that there is a genuine issue for trial." Rule 56(e), SCRCP; *see also, e.g., Moore v. Weinberg*, 373 S.C. 209, 644 S.E.2d 740 (Ct. App. 2007). A trial court should grant summary judgment against a party who has failed to make a showing sufficient to establish the existence of an essential element of that party's case. *Harris v. Rose's Stores, Inc.*, 315 S.C. 344, 433 S.E.2d 905 (Ct. App. 1993).

III. ARGUMENTS

A. Background for Code Sections 4-1-170 and 4-1-175

Plaintiff's complaint actually cites a number of code sections, most of which are irrelevant to the subject student housing projects. The ordinances establishing the student housing projects were based on only two code sections, sections 4-1-170 and 4-1-175, which authorize Multi-County Business Parks. A history of this legislation is found below.

The 1988 Session of the South Carolina General Assembly was one of the most productive in history in terms of laying the statutory framework for modernizing the South Carolina industrial economy which for many years had been so dependent on the textile industry. This General Assembly created the Multi County Business Park incentive (discussed below) as well as Fee-in-Lieu of Taxes. The rationale for both incentives is found in footnote 3 of *Quirk v. Campbell*, 302 S.C. 148, 394 S.E.2d 320 (1990): "A South Carolina Tax Commission study indicates that South Carolina's property taxes are second highest among twelve southeastern states." The *Quirk* opinion noted "the perceived negative effect that this State's property taxes have upon recruitment of large capital-intensive businesses." *Id.* at 321.

In 1988 the General Assembly amended the Industrial Bond Act to include the Fee-in-Lieu of Taxes Act. The General Assembly subsequently enacted two other forms of fee-in-lieu. This incentive allows a manufacturer, for example, to lower its property tax bill by lowering the assessment ratio on its property from 10.5% to 6%. (Article X, § 1 provides that manufacturers must pay an assessment ratio of 10.5%). The Act accomplished this objective, not by amending the assessment ratio found in Art. X, § 1 (which would have required a constitutional amendment), but rather by providing a procedure whereby the manufacturer transfers title to its plant to the County and then leases it back. The Plant is then exempt from taxation under Art. X, § 3 as county owned property.

USC Law School Professor Bill Quirk subsequently brought a taxpayer's suit alleging that the Fee-in-Lieu Act violated the uniformity provisions of Art. X. Following the earlier case of *Elliott v. McNair*, 250 S.C. 75, 156 S.E.2d 421 (1967), the Supreme Court summarily disposed of this argument by noting: "Respondents contend that § 4-29-67 does not violate Article X because the property which is the subject of the negotiated fee is exempt from *ad valorem* taxation under Article X, § 3(a). We agree." The Supreme Court also rejected *Quirk's* Equal Protection argument.

B. Multi County Business Parks

1. Purpose

The major purpose of the MCBP is found in Section 4-1-175, which allows a County to issue Special Source Revenue Bonds payable from the MCBP Revenues for the purposes set forth in Section 4-29-68. Section 4-29-68 allows the Bond proceeds to be used for the "purpose of paying the cost of designing, acquiring, constructing, improving, or expanding the infrastructure serving the issuer and for improved or unimproved real estate used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the issuer and costs of issuance of the bonds."

Accordingly, a County which wants to provide public infrastructure or free land to entice a manufacturer to locate or expand its facility has two choices. It could pay for the incentives out of its General Fund (which would put smaller, rural, or poorer counties at a terrible competitive disadvantage to richer counties), or it could authorize the manufacturers to pay these up-front costs and then reimburse itself over time through a reduction in the amount of the property taxes which would otherwise be owing. (Since the manufacturer pays for the up-front

costs, a poor county is on the same competitive footing as Greenville or Spartanburg.) The MCBP legislation essentially authorizes the latter alternative.

Because the issuance of bonds is expensive and complex, the General Assembly subsequently authorized the use of a Special Source Revenue Credit in lieu of bonds. Section 4-1-175 now includes:

> A County or municipality or special purpose district that receives and retains revenues from a payment in lieu of taxes pursuant to Section 13 of Article VIII of the Constitution of this State may use a portion of this revenue for the purposes outlined in Section 4-29-68 without the requirement of issuing the special source revenue bonds or meeting the requirements of Section 4-29-68(A)(4) *by providing a credit against or payment derived from the revenues received and retained under Section 13 of Article VIII of the Constitution of this State.* (Emp. added.)

Counties now authorize the credit—rather than issuing bonds—in the vast majority of South Carolina projects. Richland County, with the consent of the city, utilized this Code section to provide the credits to the subject student housing.

2. Legal Mechanism

In addition to the Fee-in-Lieu Act, in 1988, the General Assembly also created the Multi-County Business Park when it ratified Joint Resolution No. 690, which proposed an amendment to Article VIII, Section 13 of the South Carolina Constitution, in accordance with Article XVI, Section 1 of the South Carolina Constitution. The discussion below is taken from the South Carolina Supreme Court's decision in *Horry County School District v. Horry County and the City of Myrtle Beach,* 346 S.C. 621, 552 SE 2d 737 (2001). The ballot question asked whether Article VIII, Section 13 should be amended:

> [T]o provide that counties, subject to the General Assembly first providing by law for bonded indebtedness and school fiscal ability considerations, may jointly develop an industrial or business park with other counties within the geographical boundaries of one or more of the member counties where the area comprising the parks and all property having a situs therein is exempt from all *ad valorem*

> taxation because the owners or lessees of any property situated in the park must pay an amount equivalent to the property taxes or other in-lieu-of payments that would have been payable except for the above exemption?

Acts and Joint Resolutions of the General Assembly of South Carolina of 1988, Joint Resolution No. 690 § 2 (emphasis added). This question was subsequently submitted to the qualified electors at the 1988 general election and passed by a majority vote.

Thereafter, on February 8, 1989, the General Assembly passed Act. No. 6 of 1989, which ratified this amendment to Article VIII, Section 13 of the South Carolina Constitution. In particular, Article VIII, Section 13(D) of the South Carolina Constitution was amended to read, in its entirety, as follows:

> Counties may jointly develop an industrial *or business* park with other counties within the geographical boundaries of one or more of the member counties. The area comprising the parks and all property having a situs therein is exempt from all ad valorem taxation. The owners or lessees of any property situated in the park shall pay an amount equivalent to the property taxes or other in-lieu-of payments that would have been due and payable except for the exemption herein provided. The participating counties shall reduce the agreement to develop and share expenses and revenues of the park to a written instrument which is binding on all participating counties. Included within expenses are the costs to provide public services such as sewage, water, fire, and police protection. Notwithstanding the above provisions of this subsection, before a group of member counties may establish an industrial or business park as authorized herein, the General Assembly must first provide by law for the manner in which the value of the property in the park will be considered for purposes of bonded indebtedness of political subdivisions and school districts and for purposes of computing the index of taxpaying ability pursuant to any provision of law which measures the relative fiscal capacity of a school district to support its schools based on the assessed valuation of taxable property in the district as compared to the assessed valuation of the taxable property in all school districts of this State.

S.C. Const. Art. VIII, § 13(D) (Supp. 1999) (emphasis added).

This Constitutional Provision accordingly provided for several major items. First, it completely exempted property in the business park from *ad valorem* taxation, similar to the numerous complete property tax exemptions found in Art. X, § 3 and Section 12-37-220. Second, unlike the complete exemptions found in Art. X, § 3 and Section 12-37-220, the

Provision substituted a fee payment in the amount of the property taxes which would otherwise have been due. The property taxes which would otherwise have been due consist of the millage imposed by the various political subdivisions in which the taxpayer resides. These would always include millage imposed by the County and the local School District. It would also include millage imposed by a City or other political subdivision, as in this case.

Four months later, on June 8, 1989, the General Assembly passed Act No. 139 of 1989, which amended the South Carolina Code of Laws of 1976, as amended (the "S.C. Code"), to enable the provisions of new Article VIII, Section 13(D) of the South Carolina Constitution, in particular by adding § 4-1-170 to the S.C. Code. This new § 4-1-170, which has been amended three times since 1989, closely tracked the language of the Constitutional Amendment and provides that if the industrial or business park encompasses all or a portion of a municipality, the counties must obtain the consent of the municipality prior to the creation of the multi-county industrial park.

C. Is the Use of these two Code sections to create Special Source Credits for Commercial Properties Constitutional?

1. General

Plaintiffs' Amended Complaint is based upon a single narrow issue -- that the subject Ordinances are unconstitutional because they create a Multi-County Business Park and provide Special Source Credits for student housing.

By way of background, the SC Constitution and property tax statutes divide all property for property tax purposes into 4 main categories: (1) manufacturing; (2) residential; (3) agricultural; and (4) commercial. "Residential" is defined as a person's primary residence as discussed below.

A person's second home is taxed as commercial, with a 6% assessment ratio. As discussed below, apartment complexes, including private student housing are taxed as commercial.

The inclusion of commercial property in a Multi-County Business Park with a Special Source Credit is common in South Carolina. The South Carolina Supreme Court held that the inclusion of commercial property (the Mall of South Carolina, see newspaper clippings, **Exhibit F**) in a Multi-County Business Park with a Special Source Credit was constitutional in *Horry County School District v. Horry County and the City of Myrtle Beach, 346 S.C. 621, 552 SE 2d 737* (2001). The Horry County School District in that case filed an action alleging that the inclusion of the Mall of South Carolina in a Multi-County Business Park with a Special Source Credit violated several school funding statutes as well as Equal Protection and Due Process. Presumably, unless student housing is deemed residential, the Supreme Court's decision in *Horry County School District* is dispositive of this litigation. Both involved the creation of a Multi-County Business Park. Both involved the county granting, and the City consenting to, a Special Source Credit. Both involve non-manufacturers. Both include entities taxed as commercial.

2. Can "Residential" Properties be included in a MCBP?

The Attorney General has twice been asked to opine whether residential properties may lawfully be included in a MCBP. In Opinion dated March 17, 2010, the Attorney General was asked if "Multi-County Parks may include owner-occupied residential property." In Opinion dated March , 2010, the Attorney General was asked if "residential property...[which] is to be owner-occupied (4%) or commercial (6%) [i.e. second homes] residential property" may be included in a MCBP.

The March 1st Opinion stated:

> While section 4-7-170 does not specify what type of property can be included in a multicounty industrial or business park, the statute allows for the creation of an "industrial" or "business" park. According to Webster's New World Dictionary, "industrial" means "having the nature of or characterized by industries..." Webster's New World Dictionary 718 (2nd ed. 1976). The plain and ordinary meaning of the term "business" is "a commercial or industrial establishment; store, factory, etc." Id. At 192. Based on the plain and ordinary meaning of the terms industrial and business, one may argue that the Legislature did not intend for residential property to be included in an industrial or business park created pursuant to section 4-7-170. Nonetheless, because the type of property that may be included in a multicounty park is not specified in section 4-7-170, an argument can also be made that residential property is not prohibited from being included in a multicounty park. Accordingly, we believe the County should institute a declaratory judgement action in order for a court to decide with finality whether or not residential property may be included in a multicounty park.

A declaratory judgment was not filed in either situation. Both opinions are irrelevant, however, as this action does not involve "owner-occupied residential" property.

3. Are the Subject Student Housing Projects "Commercial" or "Residential?"

Presumably to distinguish this case from the Horry County decision, Plaintiff's Complaint repeatedly alleges that the subject properties are "residential" and therefore the subject Ordinances are invalid and unconstitutional. Simply put, if these projects were taxed as residential, there would be no need for the City and County to have offered incentives. That apartment complexes, including student housing, are taxed as commercial and treated as commercial for all purposes, including e.g. zoning, is so obvious that neither the General Assembly nor the DOR in their various publications have seen fit to explicitly define it as such.

Two Administrative Law Judge decisions dealt with the valuation of apartment complexes. Neither developer claimed that it should be taxed as residential—no one besides the Plaintiffs in this action has ever made such a claim. In both ALC Decisions, the ALC noted,

"The income capitalization approach is an accepted means for valuing *commercial property.* S.C. Tax Comm'n v. South Carolina Tax Bd. of Review, 287 S.C.414, 339 S.E.2d 131 (Ct. App. 1985). *This approach has been specifically accepted as a reliable method for valuing apartment complexes.* See Property Assessment Valuation, International Association of Assessing Officers, p. 204."[15] (Emp. added)

4. Tax Differences between Residential and Commercial Properties

As outlined below, there are major differences between the taxation of residential and commercial, and these differences were amplified by Act 388 of 2006.

The equation to calculate property taxes in South Carolina is as follows:

FMV of tax base * Assessment Ratio * Combined Millage – Credits = **Property Tax Bill**

FMV and combined millage are calculated the same for residential and commercial. There are significant differences, however, in the assessment ratio, credits and the tax base.

1. Assessment Ratio

The assessment ratio for the primary legal residence is 4%.[16] The assessment ratio for apartment complexes and other commercial, as well as second homes and primary residences rented for more than 70 days is 6%.[17] The assessment ratio for commercial real property is 6% and the assessment ratio for business personal property is 10.5%.[18]

2. Credits/Exemptions

a. School Operating

[15] Lindsey v. Nirenblatt, Nirenblatt and Hoffman, 1997 WL 436049 (1997). See also W.O. Brisben Companies v. York County Assessor, 1997 WL 436197 (1997).
[16] Art. X, § 1; and S.C. Code § 12-43-220(c)(7).
[17] Art. X § 1(5). See section 12-43-220(c)(7) relative to second homes and primary residences rented for more than 70 days.
[18] See generally, DOR, *South Carolina Property Tax* (2015) at section 219.

Primary residences, as result of Act 388, no longer pay taxes for school operating expenses.[19] Owners of commercial and second homes do not enjoy this exemption.

b. Homestead Exemption

Persons over the age of 65, totally and permanently disabled or blind, receive a $50,000 Homestead exemption as well as a 4% assessment ratio on their residences.[20]

Owners of second homes and commercial property receive no such exemption.

c. Household Furnishings

Art. X, § 3 exempts from taxation all household goods and furniture in the home of the owner of the goods and furniture.[21] Section 3 goes on to state that this exemption "shall not apply to household goods used in hotels, rooming houses, apartments or other places of business."

By contrast, commercial businesses, including student housing and other apartments pay business personal property taxes on their personal property at a ratio of 10.5%.[22]

d. Insurance Premiums

The General Assembly provides various tax credits to owners of primary residents which it does not provide to commercial properties. *See* §§ 12-6-3660 and 12-6-3665 (hurricane retrofit income tax credits for primary residences) and § 12-6-3670 (credits for excess property insurance premiums).

6. Other Differences

The City of Columbia, like virtually every city, has different zoning for residential and commercial buildings. City of Columbia Ordinance 17-54 (**Exhibit G**) defines both

[19] S.C. Code § 12-37-220(B)(47)(a).
[20] S.C. Const. Art. X, § 3(j) and sections 12-37-220, -250, -252 and -290.
[21] Section 12-37-220(A)(5).
[22] *South Carolina Property Tax*, supra at section 219.

"residential"[23] and "commercial" districts.[24] The City Private Dormitory Ordinance section 17-321 provides that private dormitories are permitted in the following zoning districts:

C-3 – General Commercial District

C-4 – Central Area Commercial District

C-5 – Central Business District

M-1 – Light Industrial District

M-2 – Heavy Industrial District

MX-2 – Mixed Use Urban; and

RG-3 – Townhouse and High-Rise Residential District II[25]

They are not permitted in RS-1, Single Family Residential, RS-2, Single Family Residential District, RG-1, General Residential District or RG-2, General Residential District.

The City of Columbia, again like virtually every other city, charges different water rates depending upon the type and amount of usage. See City Ordinance Art. V – Water and sewer rates. The Ordinance establishes three rate classes – Residential, Irrigation and "All Others." Apartment Complexes pay under "All Others."

Section 23-148 of Art. V establishes nine categories for sewer tapping fees, including Single Family Residence, Single Family mobile home, hotels and motels and "All Others." Apartment Complexes fall under "All Others."

Sewer Service Rates, per section 23-149, are separately charged according to whether the facility is a single family residence, "Apartments and trailer parks," or "Hotels, motels dormitories and rooming houses."

---

[23] Ordinance Sec. 17-54 (i)(i)
[24] *Id.* at (i)(2).
[25] These Districts are defined in Ordinance Sec. 17-231, District Enumerated, Exhibit H.

In summary, apartment complexes are not treated as residential for either zoning, water rates or sewer rates.

5. Is Student Housing a "Business?"

Plaintiff's Complaint references manufacturers locating in Multi-County Industrial Parks and the thrust of his argument is that only manufacturers may receive the benefits of a MCBP, and that student housing is "residential." Of course, the Constitutional Amendment and section 4-1-170 reference "industrial *or business park.*" (Emp. added.) Plaintiff's Complaint necessarily assumes that for-profit student housing is not a "business." (Plaintiff, of course, has to distinguish not only the constitutional and statutory "Business Park" references, but also the Supreme Court's Horry County decision which blessed the inclusion of a commercial mall in a MCBP.)

While section 4-7-170 does not specify what type of property can be included in a park, the Constitution and the statute allow for the creation of a "business" park. According to Webster's New World Dictionary (2nd Ed. 1976), the plain and ordinary meaning of the term "business" is "a commercial...establishment; store, factory, etc." *Id.* at 192. Law.com defines "business" as "any activity or enterprise entered into for profit." Webster's also defines "business" as "the activity of making, buying, or selling goods or providing services in exchange for money." Wordnet defines "business" in part as "the activity of providing goods and services involving financial and commercial and industrial aspects." Black's Law Dictionary defines "business" as "a commercial enterprise carried on for profit."

Art. X § 3 of the South Carolina Constitution, which exempts household goods and furniture from property taxation, excludes from the exemption, "household goods used in hotels, rooming houses, *apartments or other places of business.*" (Emp. added.)

The subject student housing projects involve the for-profit renting of rooms to students and others. The major difference between the subject properties and any apartment complex is that the buildings must conform with the City's stricter student housing ordinance. Obviously, apartment complexes owned and leased to tenants by the private sector are "businesses."

Apartment complexes including student housing are required to file "business" personal property tax returns with the DOR as well as pay municipal "business" licenses.

As stated above, apartment complexes, including student housing are not treated as residential for either zoning, water or sewer services by the City of Columbia.

V. CONCLUSION

The SC Constitution and Sections 4-1-170 and -175 authorize counties with the consent of any municipality to create Multi-County Business Parks and provide Special Source Credits for any businesses included in the Park. The South Carolina Supreme Court has already ruled that it was constitutional and valid for a county to include a mall taxed as commercial in such a park and receive a Special Source Credit.

In order to distinguish this case from the Horry County Supreme Court decision, Plaintiff alleges that the subject student housing projects are "residential." While people spend the night in such facilities—as they do in hotels and apartment complexes—student housing, hotels and regular apartment complexes are treated as commercial for all purposes (e.g. taxes, zoning, etc.).

The South Carolina Supreme Court decision in *Horry County School District v. Horry County and the City of Myrtle Beach*, 346 S.C. 621, 552 SE 2d 737 (2001) is entirely on point and disposes of this litigation.

Were the Court to rule otherwise (i.e., that student housing is residential) it will create a torrent of litigation, including the filing of property tax appeals and refund claims by the owners

of every hotel, motel and apartment complex in South Carolina. It will create numerous other issues including zoning, and even water and sewer rates, which have different rate schedules for residential versus commercial use.

It is obviously entirely appropriate for the City and County to slow down the growth of exempt properties which pay no property taxes whatsoever and replace it with private sector dormitories which will pay property taxes.

Respectfully Submitted,

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May 11, 2016
Columbia, South Carolina

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

IN THE CIRCUIT COURT

CASE NO: 2016-CP-40-00946

South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated,

Plaintiffs,

vs.

The City of Columbia, and Richland County,

Defendants.

CERTIFICATE OF SERVICE

This is to certify that **Motion for Summary Judgment and Memorandum of Law in Support of Defendant's Motion for Summary Judgment** have been served on the counsel of record by placing the same in the United States mail, first class postage prepaid, addressed to the following as shown below this 11th day of May, 2016:

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EXHIBIT A

South Carolina
Property Tax Rates
By County

2015

South Carolina
Association of Counties

January 2016

METHODOLOGY OF PROPERTY TAX COLLECTION

The annual ***South Carolina Property Tax Rates Report by County*** details millage rates for every jurisdiction that levies property taxes in the state. We appreciate the contributions of county auditors from each of the 46 counties, without whom this report would not be possible. The information provided for each county is listed below in the order that it is presented in the report.

COUNTY BASE MILLAGE RATE: The total countywide millage rate levied for the purposes of county government. Includes a breakdown of components of the total county millage (e.g., county operating, county debt, sewer, hospital, library, etc.).

SCHOOL DISTRICT(S) MILLAGE RATE: The total school district millage rate levied for each school district. Includes components of the total school district millage (e.g., operating, bonds, special schools, etc.). Residential primary owner-occupied properties are exempt from the school property tax and are not charged a school district millage rate.

MUNICIPAL MILLAGE RATES: City or town millage rates, if levied. It will appear only in respective county listing.

OTHER MILLAGE RATES NOT INCLUDED IN COUNTY BASE: Miscellaneous special tax districts for a specific purpose, such as fire protection, water/sewer service, road maintenance, lights, recreation, etc. The purpose and location of the special tax district millage is listed.

SPECIAL FEES (additional charges): Similar to special tax districts in their purpose, but instead of a millage rate, a flat fee or dollar amount is charged for the service (e.g., fire, road maintenance, solid waste, sewer, recycling, etc.).

VALUE OF ONE MIL (based on county operations only): This figure is an approximate value, based on a percentage of a county's assessed value, contingent upon 100% collections. It may be used as a point of reference by which to determine a county's tax base in comparative analyses.

LOCAL OPTION SALES TAX CREDIT FACTOR: County City Tax Credit Factors for jurisdictions that impose a 1% local option sales tax for property tax relief. To estimate the local options sales tax credit, multiply the sales tax credit factor by the property's appraised value. The tax credit is subtracted from the property tax bill. Page 23 contains a listing of all jurisdictions with a local option sales tax credit factor.

ESTIMATING PROPERTY TAXES / EXAMPLES

1.) **DETERMINE THE TOTAL MILLAGE RATE** that applies to the property by adding the county base millage rate, the city/town rate (if charged), the school district mill age rate (except for owner-occupied residential properties), and any applicable "other" special purpose special tax district mills charged to your property. Residential owner-occupied properties are exempt from school property taxes. Omit school district millages from the total millage rate to calculate property tax for this property classification.

County Base + School District (if applicable) + City/Town (if applicable) + Other Special Mills (if applicable) = Total Millage

2.) **DETERMINE THE ASSESSED VALUE OF THE PROPERTY.** Multiply the assessment ratio (set forth by State law dependent on property classification) by the fair market value of the property. The value of real and personal property used in manufacturing operations is established by the SC Department of Revenue. The real and personal property values of certain distribution facilities, corporate headquarters and corporate offices are also established by the SC Department of Revenue. All other property values are the responsibility of county government. Assessment ratios applied to the fair market value of real property vary by classification as set forth by State law are:

Manufacturing and utility companies - real and personal property - 10.5%.
Residential real estate (owner-occupied) - 4.0%.
Commercial and residential non-owner-occupied real property - 6.0%.
Agricultural real property - private or commercial ownership respectively - 4.0% or 6.0%.
Motor vehicles - 6.0%.
All other personal property - 10.5%.

3.) **MULTIPLY THE ASSESSED VALUE BY THE TOTAL MILLAGE RATE.** Assessed Value x Millage Rate = Property Tax

Manufacturing Property Example:	
Appraised Value of Property	$ 200,000
Assessment Ratio for manufacturing	x 10.5%
Assessed Value	$ 10,500
Total Millage Rate (example)	x 311
Property Tax	$ 3,265

In certain jurisdictions, the local options sales tax credit is subtracted from the property tax.

Some new and expanding industries may qualify for economic development incentives that reduce property tax liability. For more information, contact the SC Department of Commerce.

Owner-Occupied Residential Property Example:	
Appraised Value of Property	$110,000
Assessment Ratio (owner-occupied home)	x 4%
Assessed Value	$4,400
Total Millage Rate (example)	x 311
Property Tax	$469

Residential owner-occupied properties are exempt from school property taxes. Omit school district millages from the total millage rate to calculate property tax for this property classification.

In certain jurisdictions, the local options sales tax credit is subtracted from the property tax bill.

Note: The above materials should be used for determining estimates only. Contact the county auditor for a property tax assessment for a specific property.

South Carolina Property Tax Rates for 2015

Abbeville

Millage Rates

COUNTY BASE MILLAGE RATE

Abbeville County	.12630
[illegible]	
[illegible]	.008850
County Library	.003760
Piedmont Technical College	.002260
County Office Building Bond	.000450
County Capital Projects	.001670
County Hodge Project Bond	.000471
Social Service	.000750
Fire	.000920
Other Services	.001770

SCHOOL DISTRICT MILLAGE

District Total Abbeville	.22010
Operating and Transfer	.18910
School Bond 2000	.012300
School Bond 2001	.000500
School Bond 2003	.009500
School Bond 2006	.000200
District Total Abbeville #1	.24510
School Operating	.18910
Combined School	.03900
School Bond	.012600
Municipal Facility	.000900

MUNICIPAL MILLAGE

Abbeville	.01027
Calhoun Falls	.01126
Donalds	.02400
Honea Path	.00700
Ware Shoals	.00900

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
Hazmat Check Form Compost Fee	Hazmat Compost Fee	Participating	$70.00
Landfill Fee	Solid Waste	Improved Properties	$27.50
Road Fee	Road Maintenance	Commercial	$13.00
Sales Tax	Sales	Per Household	$62.50

Value of One Mill (based on county operations only)

Includes decrease in county tax for fee structure changes $56,300

Local Option Sales Tax Credit Factors

City	City LOST	County LOST	Partial LOST
Abbeville	[illegible]	[illegible]	[illegible]
Calhoun Falls	[illegible]	[illegible]	[illegible]
Donalds	[illegible]	[illegible]	[illegible]
Honea Path	[illegible]	[illegible]	[illegible]
Ware Shoals	[illegible]	[illegible]	[illegible]

Aiken

Millage Rates

COUNTY BASE MILLAGE RATE

Aiken County	.06300
[illegible]	
[illegible]	[illegible]
[illegible]	[illegible]
Aiken Technical College	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

SCHOOL DISTRICT MILLAGE

[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

MUNICIPAL MILLAGE

[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible]	[illegible]	[illegible]	[illegible]

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
Road Maintenance	Maintain Roads	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

Value of One Mill (based on county operations only)

[illegible] [illegible]

Allendale

Millage Rates

COUNTY BASE MILLAGE RATE

Allendale County	.22400
[illegible]	
County Operations	20500
Hospital Operations	01900

SCHOOL DISTRICT MILLAGE

District Total Allendale	25500
Operations	23400
School Debt	01800
Capital and Maintenance	01200

MUNICIPAL MILLAGE

Allendale	.17000
Fairfax	.30400

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
[illegible]	Sanitation & Fire Protection	[illegible]	$8.50

Value of One Mill (based on county operations only)

The base assessed value for county tax rate for operations and [illegible] $156,25

Local Option Sales Tax Credit Factors

City	City LOST	County LOST	Total LOST
Allendale	[illegible]	[illegible]	[illegible]
Fairfax	[illegible]	[illegible]	[illegible]

Anderson

Millage Rates

COUNTY BASE MILLAGE RATE

Anderson County	.98530
[illegible]	
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

SCHOOL DISTRICT MILLAGE

District Total Anderson 1	22140
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
District Total Anderson 2	26220
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
District Total Anderson 3	23220
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
District Total Anderson 4	.20307
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
District Total Anderson 5	.21870
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

MUNICIPAL MILLAGE

[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
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[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

[illegible]	[illegible]	[illegible]	.006881
Rural Dist.	Fire	Unincorporated	.000600
Sedgefield Public Service	Water Svcs	Sedgefield	.000670
Three S. County	Waterline	[illegible]	.001000

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
Advanced	Roads	[illegible]	$155.55
Barnes Estates	Roads	Duncan	$175.20
Cedar Chase Estates	Roads	Cedar Chase	$263.90
Clarendon	Eagle Garbage Pick up	Duncan	$117.66
Cedar Shore Water	Shore Water	Cedar	$24.00
Dunlap Farms	Roads	Duncan	$37.75
Kingsborough	Roads	Duncan	$220.27
Maple Street Fire	Fire	Parkview	$38.00
Silver Sands	Roads	Duncan	$182.15
Sod Water Fee	Sod Water	Countywide	$60.00
Superior Estates Ltd	Roads	Duncan	$5,755.20
Whispering Oaks	Roads		$86.00

Value of One Mil (based on county operations only)

The hole decision, the county's tax rate for operations enables $67,445

Bamberg

Millage Rates

COUNTY BASE MILLAGE RATE

Bamberg County	.15670
Bonds:	
General Operations	.12500
Capital Projects	.000650
Hospital Bond	.001900
1998 Bonds	.018850
2001 Bonds	.005100

SCHOOL DISTRICT MILLAGE

District Total Per Roll #	.58150
School Operations	.27250
School Bond	.10000
District Total Per Roll # 2	.34900
School Operations	.25000
School Bond	.09900

MUNICIPAL MILLAGE

Bamberg	.01255
Denmark	.00870
Ehrhardt	.00200
Olar	.00937

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
Rural Dist.	Fire	Unincorporated	.02200

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
Solid Waste Fee	Solid Waste	County wide residential	$70.00

Value of One Mil (based on county operations only)

The hole decision, the county's tax rate for operations enables $24,933

Local Option Sales Tax Credit Factors

City	City Tax #	County Tax #	Total Tax #
Bamberg	[illegible]	[illegible]	[illegible]
Denmark	[illegible]	[illegible]	[illegible]
Ehrhardt	[illegible]	[illegible]	[illegible]
Olar	[illegible]	[illegible]	[illegible]

Barnwell

Millage Rates

COUNTY BASE MILLAGE RATE

Barnwell County	.14300
Bonds:	
[illegible]	15670
[illegible]	10750

SCHOOL DISTRICT MILLAGE

District Total Per Roll #	22150
[illegible]	12400
[illegible]	09750
District Total Per Roll # 2	22750
[illegible]	12900
[illegible]	09850
District Total Per Roll # 3	20927
[illegible]	10527
[illegible]	10400

MUNICIPAL MILLAGE

[illegible]	.07250
[illegible]	.07000
[illegible]	.02900
[illegible]	.07000

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible]	[illegible]	[illegible]	.02700
[illegible]	[illegible]	[illegible]	.00250
[illegible]	Fire	Unincorporated Areas	.01100

Value of One Mil (based on county operations only)

The hole decision, the county's tax rate for operations enables $55,046

Local Option Sales Tax Credit Factors

City	City Tax #	County Tax #	Total Tax #
Barnwell	[illegible]	[illegible]	[illegible]
Blackville	[illegible]	[illegible]	[illegible]
Snelling	[illegible]	[illegible]	[illegible]
Williston	[illegible]	[illegible]	[illegible]

Beaufort

Millage Rates

COUNTY BASE MILLAGE RATE

Beaufort County	.05915
[illegible]	
[illegible]	.058[illegible]
[illegible]	.00[illegible]
[illegible]	.00[illegible]

SCHOOL DISTRICT MILLAGE

District Total [illegible]	.12521
[illegible]	.[illegible]
School Debt	.03171

MUNICIPAL MILLAGE

[illegible]	.02[illegible]
[illegible]	.01[illegible]
[illegible]	.04[illegible]
[illegible]	.02[illegible]
[illegible]	.[illegible]
Hilton Head Is	.02[illegible]
Port Royal	.07200
Yemassee	.07[illegible]

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible] Fire Dist	Fire Dept	[illegible] Fire District	.00122
Beaufort Fire Op	Fire Operations	Beaufort Fire District	.02202
Broad Creek PSD	Water Service	Broad Creek	.01803
Burton Fire Dist	Fire Dept	Burton Fire District	.00526
Burton Fire Op	Fire Operations	Burton Fire District	.00806
Daufuskie Fire Dist	Fire Dept	Daufuskie Fire District	.00200
Daufuskie Fire Op	Fire Operations	Daufuskie Fire District	.05005
Hilton Head PSD	Water Service Fees	Hilton Head Island	.00038
Hilton Head PSD	Water Service	Hilton Head Island	.01273
Hilton Head PSD	Water Service	Hilton Head Island	.03501
Hilton Head PSD	Sewer Service Fees	Hilton Head Island	.00855
LS Hill Fire Dist	Fire Dept	Lady's Island & St Helena Island	.00223
LS Hill Fire Op	Fire Operations	Lady's Island & St Helena Island	.03602
Sheldon Fire Dist	Fire Dept	Sheldon Fire District	.00229
Sheldon Fire Op	Fire Operations	Sheldon Fire District	.05633

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
Road Maintenance Fee	Road Maintenance	Per Service Unit	$[illegible].50

Value of One Mill (based on county operations only)

The [illegible] $[illegible].75

Berkeley

Millage Rates

COUNTY BASE MILLAGE RATE

Berkeley County	.05050
[illegible]	
[illegible]	.[illegible]
[illegible]	.[illegible]
[illegible]	.[illegible]

SCHOOL DISTRICT MILLAGE

District Total Berkeley	.22970
[illegible]	.[illegible]
School Debt	.14501
[illegible]	.[illegible]

MUNICIPAL MILLAGE

[illegible]	.02000
[illegible]	.00[illegible]
[illegible]	.02550
[illegible]	.05620
[illegible]	.05000
[illegible]	.05450
[illegible]	.08000
[illegible]	.04[illegible]

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible]	[illegible]	[illegible]	.[illegible]
[illegible]	Base Maintenance	Residential Subdivisions	.05001

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
[illegible]	[illegible]	Per [illegible] Service Area	$[illegible]
Commercial/Industrial Fee		Commercial Commercial or Industrial Property	$2[illegible].00
[illegible]	Subdivision [illegible]	[illegible] Subdivisions	$23[illegible]
[illegible]	Subdivision [illegible]	[illegible] Subdivisions Improved	$10[illegible]
[illegible]	Subdivision Commercial	[illegible] Subdivisions Improved	$10[illegible]
[illegible]	[illegible]	[illegible]	$7[illegible]
[illegible]	[illegible] Water	[illegible]	$17[illegible]
[illegible]	Sub Water	[illegible]	$7[illegible]
[illegible]		[illegible] Mobile Homes	$18.00
[illegible]		[illegible] Other Than Residence Property	$18.00
[illegible]	Subdivision [illegible]	Purchase Subdivision Improved	$30.00
[illegible]	Subdivision [illegible]	Purchase Subdivision Improved	$25.00
[illegible]		[illegible] Residence Per [illegible]	$10.00
[illegible]	[illegible]	[illegible] Other Than Mobile Homes	$21[illegible]
[illegible]	[illegible]	[illegible] Other Than Mobile Homes	$18.00
[illegible]	[illegible]	[illegible] Other Than Mobile Homes	$18.00
[illegible]	[illegible]	[illegible] Other Than Mobile Homes	$72.00
[illegible]	[illegible]	[illegible] Other Than Mobile Homes	$[illegible]
[illegible]	Solid Waste Disposal	[illegible]	$18.26
[illegible]	Subdivision [illegible]	Full Parcel [illegible]	$50.00
[illegible]	Subdivision [illegible]	Full Parcel Subdivision Improved	$10[illegible]

[illegible] $72.01

Value of One Mil (based on county operations only)

This helps determine the county tax levy for comparative analysis $733,000

Local Option Sales Tax Credit Factors

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]
Charleston	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
Hanahan	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

Calhoun

Millage Rates

COUNTY BASE MILLAGE RATE

Calhoun County	.11400
[illegible]	
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

SCHOOL DISTRICT MILLAGE

[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

MUNICIPAL MILLAGE

[illegible]	[illegible]
[illegible]	[illegible]

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible]	[illegible]	[illegible]	[illegible]

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
[illegible]	[illegible]	[illegible]	$50.00
[illegible]	[illegible]	[illegible]	$176.50

Value of One Mil (based on county operations only)

This helps determine the county tax levy for comparative analysis $66,313

Local Option Sales Tax Credit Factors

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

Charleston

Millage Rates

COUNTY BASE MILLAGE RATE

Charleston County	.05030
Includes:	
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

SCHOOL DISTRICT MILLAGE

[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

MUNICIPAL MILLAGE

[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]		[illegible]
[illegible]	[illegible]		[illegible]
[illegible]	[illegible]		[illegible]
[illegible]	[illegible]		[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]		[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
[illegible]	[illegible]	[illegible]	$40.00
[illegible]	[illegible]	[illegible]	$71.00

Value of One Mil (based on county operations only)

[illegible] $1,201,794

Local Option Sales Tax Credit Factors

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
Isle of Palms	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
Mct Kilbrandis	[illegible]	[illegible]	[illegible]
Mt Pleasant	[illegible]	[illegible]	[illegible]
North Charleston	[illegible]	[illegible]	[illegible]
Sullivan's Island	[illegible]	[illegible]	[illegible]
Summerville	[illegible]	[illegible]	[illegible]

Cherokee

Millage Rates

COUNTY BASE MILLAGE RATE

Cherokee County	.00160
[illegible]	
[illegible]	[illegible]
Library	.00120
Recreation	.00350
Bonded Debt	.00500
Community College	.00260
Capital Debt Fund	.00350

SCHOOL DISTRICT MILLAGE

District Total Operations	.01900
General School	.01600
School Bond	.00300
District Total Operations Cross	.22810
General School	.01810
School Bond	.00800

MUNICIPAL MILLAGE

Blacksburg	.02000
Gaffney	.02000

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible]	Fire	[illegible]	.00750
Patrolled Fire District	Fire	District 5	.01200
[illegible] District	Fire	[illegible]	.01200
Cherokee Fire District	Fire	District 7	.01500
Formula Fire District	Fire	District 24	.01450
[illegible]	Fire	[illegible]	.00500
[illegible] District	Fire	District 11	.01200
[illegible]	Fire	[illegible] 02	.00600

Value of One Mil (based on county operations only)

[illegible]	$[illegible]

Local Option Sales Tax Credit Factors

City	City TCF	County TCF	Total TCF
Blacksburg	[illegible]	[illegible]	[illegible]
Gaffney	[illegible]	[illegible]	[illegible]

Chester

Millage Rates

COUNTY BASE MILLAGE RATE

Chester County	.160.30
[illegible]	
[illegible]	[illegible]
Health	.01140
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

SCHOOL DISTRICT MILLAGE

[illegible]	2430
[illegible]	[illegible]
[illegible]	[illegible]

MUNICIPAL MILLAGE

[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible]	Fire	[illegible]	.02750
[illegible]	Fire	District 8	.01250
[illegible]	Fire	District 1	.01250
[illegible]	Fire	[illegible]	.01250
[illegible]	Fire	[illegible]	.01250

Value of One Mil (based on county operations only)

[illegible]	$[illegible]

Local Option Sales Tax Credit Factors

City	City TCF	County TCF	Total TCF
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

Chesterfield

Millage Rates

COUNTY BASE MILLAGE RATE

Chesterfield County	.10978
Includes:	
County operations	.10221
[illegible]	.00205
[illegible]	.00112
[illegible]	.00250

SCHOOL DISTRICT MILLAGE

District Total Chesterfield	.21115
School Operations	.17660
School Debt Service	.03455

MUNICIPAL MILLAGE

Chesterfield	.12529
[illegible]	.11931
Jefferson	.06457
McBee	.05200
Pageland	.04484
Patrick	.05600

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible]	Fire		.01412
Coit			.01107
[illegible]			.01457
Harris Cross			.01455

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
Fire Hydrant	Fire	Anywhere within the district	$5.00
Road Improvement and Maintenance Fee	Road Improvement and Maintenance	For Each Lot	$30.00

Value of One Mil (based on county operations only)

This helps determine the county tax base for comparison analysis $118,107

Local Option Sales Tax Credit Factors

City	City FCF	County FCF	Total FCF
Chesterfield	[illegible]	[illegible]	[illegible]
Jefferson	[illegible]	[illegible]	[illegible]
McBee	[illegible]	[illegible]	[illegible]
Pageland	[illegible]	[illegible]	[illegible]
Patrick	[illegible]	[illegible]	[illegible]

Clarendon

Millage Rates

COUNTY BASE MILLAGE RATE

Clarendon County	.15830
Includes:	
[illegible]	14850
[illegible]	00980
[illegible]	00250

SCHOOL DISTRICT MILLAGE

District Total Clarendon 1	.27350
School Operations	.22750
School Debt	.04550
District Total Clarendon 2	.23140
School Operations	.19340
District Total Clarendon 3	.27750
School Operations	.27750

MUNICIPAL MILLAGE

Manning	.15770
Summerton	.08320
Turbeville	.04280

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible]	Fire	[illegible]	.01320
[illegible]	[illegible]	[illegible]	.01000
[illegible]	Fire	[illegible]	.01450

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
Annual Fee	Road Maintenance	For Each Lot	$25.00

Value of One Mil (based on county operations only)

The below represents the county tax base for comparison analysis $102,196

Local Option Sales Tax Credit Factors

City	City FCF	County FCF	Total FCF
Manning	[illegible]	[illegible]	[illegible]
Summerton	[illegible]	[illegible]	[illegible]
Turbeville	[illegible]	[illegible]	[illegible]

Colleton

Millage Rates

COUNTY BASE MILLAGE RATE

Colleton County	.12505
[illegible]	
[illegible]	.11281
Debt	.01024

SCHOOL DISTRICT MILLAGE

District Total Collection	.15492
Subsections	.11022
School Debt	.02950

MUNICIPAL MILLAGE

Edisto Beach	.02023
Walterboro	.06800

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
County Fire	Fire Dist	Unincorporated areas	.02266
County Fire	Fire	Unincorporated areas	.03556

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
Road Use	Road Maintenance	Per Street Addr.	$25.00
Solid Waste User Fee	Solid Waste Disposal	Residential properties	$65.00

Value of One Mil (based on county operations only)

This helps ascertain the county's tax base for comparative analysis $12,320

Local Option Sales Tax Credit Factors

City	City LOST	County LOST	Total LOST
Edisto Beach	[illegible]	[illegible]	[illegible]
Walterboro	[illegible]	[illegible]	[illegible]

Darlington

Millage Rates

COUNTY BASE MILLAGE RATE

Darlington County	.09165
[illegible]	
Bonds	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

SCHOOL DISTRICT MILLAGE

[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

MUNICIPAL MILLAGE

[illegible]	.12550
Hartsville	.12800
[illegible]	.07500
[illegible]	.06500

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible]	[illegible]	[illegible]	.00[illegible]
[illegible]	[illegible]	[illegible]	.01[illegible]
[illegible]	[illegible]	[illegible]	.00[illegible]

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
Solid Waste Fee	Solid Waste	Per Residence	$53.00
School Fee	Bond Fee	Per School District	$26.00

Value of One Mil (based on county operations only)

This helps ascertain the county's tax base for comparative analysis $276,124

Local Option Sales Tax Credit Factors

City	City LOST	County LOST	Total LOST
[illegible]	[illegible]	[illegible]	[illegible]
Hartsville	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
Society Hill	[illegible]	[illegible]	[illegible]

Dillon

Millage Rates

COUNTY BASE MILLAGE RATE

Dillon County	.13550
Includes	
[illegible]	.11500
[illegible]	.02050

SCHOOL DISTRICT MILLAGE

[illegible]	[illegible]
[illegible]	.15525
[illegible]	.01850
[illegible]	.00000
Debt Service	.00750
Dillon School District Four Operations	.00000

MUNICIPAL MILLAGE

Dillon	.04600
Lake View	.04200
Latta	.05300

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
Fire Fee	Fire Protection	Commercial	$35.00
Solid Waste Disposal Fee	Solid Waste	[illegible]	$48.00

Value of One Mill (based on county operations only)

[illegible]	$85,172

Local Option Sales Tax Credit Factors

Area	[illegible]	[illegible]	Total [illegible]
Dillon	[illegible]	[illegible]	[illegible]
Lake View	[illegible]	[illegible]	[illegible]
Latta	[illegible]	[illegible]	[illegible]

Dorchester

Millage Rates

COUNTY BASE MILLAGE RATE

Dorchester County	.08380
Includes	
[illegible]	.05500
[illegible]	.00620
[illegible]	.00710
[illegible]	.00520
[illegible]	.00530
[illegible]	.00150
[illegible]	.00110
Fire [illegible]	.01300

SCHOOL DISTRICT MILLAGE

[illegible]	.23220
[illegible]	.16900
[illegible]	.01500
[illegible]	.04820
[illegible]	.25230
[illegible]	.21500
[illegible]	.02800
[illegible]	.00930

MUNICIPAL MILLAGE

[illegible]	.00220
[illegible]	.00500
[illegible]	.00780
[illegible]	.00260
[illegible]	.00300

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
Fire Protection	Fire	[illegible]	.02000

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
[illegible]	Commercial	[illegible]	$30.00
[illegible]	Residential	[illegible]	$30.00
[illegible]	Solid Waste	[illegible]	$138.00
[illegible]	Solid Waste	[illegible]	$75.00
[illegible]	Commercial	[illegible]	$22.75
[illegible]	Residential	[illegible]	$20.00
[illegible]	Solid Waste	[illegible]	$102.00

Value of One Mill (based on county operations only)

[illegible]	$46,625

Edgefield

Millage Rates

COUNTY BASE MILLAGE RATE

Edgefield County	.09850
Include:	
[illegible]	.07500
Hospital	.00650
Industrial Development	.00850
[illegible]	.00250
[illegible]	.00150
Recreation	.00150

SCHOOL DISTRICT MILLAGE

District Total Edgefield	.22788
School Operations	.20038
School Bonds	.02750

MUNICIPAL MILLAGE

Johnston	.00433
Trenton	.00500

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible] Fire	Fire	Fire Department	.01000

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
Public Works Fee	Public Works	Town of Edgefield	$150.00
Public Works Fee	Public Works	Town of Johnston	$50.00
Road Maintenance Fee	Roads	Per Active Residence	$25.00
Sewer Fee	Sewer Service	Commercial	$50.00
	Disposal		

Value of One Mill (based on county operations only)

The table assumes the assessment rate for owner-occupied residence $74,220

Local Option Sales Tax Credit Factors

City	City Fee	County Fee	Total Fee
Edgefield	[illegible]	[illegible]	[illegible]
Trenton	[illegible]	[illegible]	[illegible]

Fairfield

Millage Rates

COUNTY BASE MILLAGE RATE

Fairfield County	.18450
Include:	
[illegible]	.10450
Hospital Emergency	.00750
County Bond	.01050
Library	.00700
Recreation Maintenance	.00500

SCHOOL DISTRICT MILLAGE

District Total, Fairfield	.22650
School Operations	.20350
School Debt	.02260

MUNICIPAL MILLAGE

Ridgeway	.01700
Winnsboro	.01650

Value of One Mill (based on county operations only)

The table assumes the assessment rate for owner-occupied residence $126,954

Local Option Sales Tax Credit Factors

City	City Fee	County Fee	Total Fee
Ridgeway	[illegible]	[illegible]	[illegible]
Winnsboro	[illegible]	[illegible]	[illegible]

Florence

Millage Rates

COUNTY BASE MILLAGE RATE

Florence County	.08910
Include:	
[illegible]	.04250
[illegible]	.00200
Parks	.01450
[illegible]	.01750
[illegible]	.00500
Conservation Commission	.00500
[illegible]	.00300

SCHOOL DISTRICT MILLAGE

District Total Florence 1	.22770
School Operations	.19730
School Bonds	.03040
District Total Florence 2	.20410
School Operations	.21020
School Bonds	.03390
District Total Florence 3	.21160
School Operations	.19390
School Bonds	.01770
District Total Florence 4	.17710
School Operations	.13510
School Bonds	.04200
District Total Florence 5	.26850
School Operations	.24270
School Bonds	.02580

MUNICIPAL MILLAGE

Florence	.03650
Lake City	.03650
Lamar	.01720
Olanta	.01520
Pamplico	.00650
Timmonsville	.01280

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible]	Fire	Areas of Florence	.02900
[illegible]	Waterline	[illegible]	.01700
[illegible]	Waterline	[illegible]	.01700

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
[illegible]	[illegible]	[illegible] Florence Mauldin [illegible]	$25.00
Road Maintenance Fee	Road Maintenance	Commercial	$20.00
Sewer Fee	Public Water, Sewer	Lexington and Florence Counties Lake City	$40.00

Value of One Mill (based on county operations only)

The table assumes the assessment rate for owner-occupied residence $101,724

Local Option Sales Tax Credit Factors

City	City Fee	County Fee	Total Fee
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
Olanta	[illegible]	[illegible]	[illegible]
Pamplico	[illegible]	[illegible]	[illegible]
Timmonsville	[illegible]	[illegible]	[illegible]

Georgetown

Millage Rates

COUNTY BASE MILLAGE RATE

Georgetown County	.05740
Includes	
County operations	.028510
Higher Education	.001220
Debt	.008420
Environmental Services	.002530
Tax Collection	.010620
Economic Development	.001450
Hazard Mitig	.000520

SCHOOL DISTRICT MILLAGE

District Total Operations	.12550
School Operating	.10000
School Debt	.02850

MUNICIPAL MILLAGE

Andrews	.03330
Georgetown	.02300

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
Fire District #1 - Andrews	Fire		.02450
Fire District #2 - Midway	Fire		.01250
Fire District #3 - Pleasant Hill	Fire		.01200
Rural Mitigation Area	Mitigation	Fire Districts 1, 2, 3, 4, 5, 6, 7	.00320

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
Commercial Landfill Tipping Fee	Solid Waste Disposal	Municipal and all Private Facilities	$22.00
Landfill Fee	Solid Waste	Per Residential Unit	$22.00
Road Fee	Roads	Per Vehicle	$30.00
Stormwater	Stormwater - NPDES Mandate	Unincorporated Per Residence	$52.00

Value of One Mill (based on county operations only)

The value of one mill for county tax purposes is $301,064

Greenville

Millage Rates

COUNTY BASE MILLAGE RATE

Greenville County	.06640
Includes	
[illegible]	.025[illegible]0
[illegible]	.01[illegible]30
[illegible]	.01[illegible]50
[illegible]	.01120
[illegible]	.00420
[illegible]	.01240
[illegible]	.00[illegible]0
[illegible]	.00[illegible]1

SCHOOL DISTRICT MILLAGE

District Total Operations	.25830
[illegible]	.22150
Debt - [illegible] Series	.03680
District Total Operations	.13480
[illegible]	.12730
[illegible]	.00750
District Total Operations	.11350
[illegible]	.23120
[illegible]	.07210

MUNICIPAL MILLAGE

[illegible]	.07[illegible]0
[illegible]	.04[illegible]0
[illegible]	.00[illegible]0
[illegible]	.05[illegible]0
[illegible]	.0[illegible]0
[illegible]	.00[illegible]0

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible]	[illegible]		.02500
[illegible]	[illegible]	[illegible]	.00[illegible]0
[illegible]	[illegible]	[illegible]	.00[illegible]0
[illegible]	[illegible]	[illegible]	.00[illegible]0
[illegible]	[illegible]	[illegible]	.00600
[illegible]	[illegible]	[illegible]	.00[illegible]0
[illegible]	[illegible]	[illegible]	.00[illegible]0
[illegible]	[illegible]	[illegible]	.01[illegible]0
[illegible]	[illegible]	[illegible]	.02[illegible]0
[illegible]	[illegible]	[illegible]	.01[illegible]0

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
[illegible]	[illegible] Mitigation	[illegible]	$15[illegible]

Value of One Mill (based on county operations only)

The value of one mill for county tax purposes is $2[illegible]

Greenwood

Millage Rates

COUNTY BASE MILLAGE RATE

Greenwood County	.07360
[illegible]	
Special Purpose	.01[illegible]
Capital Projects	.00[illegible]
General Operations	.04[illegible]

SCHOOL DISTRICT MILLAGE

District Total Greenwood 50	.24780
School Operations	.13[illegible]
School Bond	.04[illegible]
Library	.00[illegible]
Vocational Center	.00[illegible]
Countywide School	.03[illegible]
Special Education	.00[illegible]
District Total Greenwood 51	.25530
School Bond	.01[illegible]
Special Education	.00[illegible]
Library	.00[illegible]
Vocational Center	.00[illegible]
School Operations	.14[illegible]
Countywide School	.03[illegible]
District Total Greenwood 52	.23720
Library	.00[illegible]
Countywide School	.03[illegible]
School Bond	.02[illegible]
Special Education	.00[illegible]
School Operations	.13[illegible]
Vocational Center	.00[illegible]

MUNICIPAL MILLAGE

Greenwood	.01[illegible]
Hodges	.01[illegible]
Ninety Six	.1[illegible]
Troy	.0[illegible]
Ware Shoals	.0[illegible]

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
Ware Shoal Sanitation	Sanitation	Ware Shoals Sanitation District	.00[illegible]

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
Creekside	Solid Waste	Creekside Subdivision	$[illegible].00
Hallowell		Hallowell Subdivision	$[illegible].00
Hillcrest		Hillcrest Subdivision	$75.00
Horace Creek	Sewer Usage		$75.00
Hunters Glen		Hunters Glen Subdivision	$200.00
Lee Lake		Lee Lake Subdivision	$75.00
Mead Run	Solid Waste	Mead Run Subdivision	$50.00
Saddle Hill	Capital Improvements	Saddle Hill Subdivision	$50.00
Waterford Park		Waterford Park Subdivision	$85.00
Woodbury Park	Solid Waste		$225.00

Value of One Mill (based on county operations only)

The help [illegible] $20.[illegible]

Hampton

Millage Rates

COUNTY BASE MILLAGE RATE

Hampton County	.[illegible]680
[illegible]	
[illegible]	[illegible]

SCHOOL DISTRICT MILLAGE

[illegible]	.24[illegible]
[illegible]	.19[illegible]
[illegible]	.1[illegible]
[illegible]	.[illegible]
[illegible]	.[illegible]
[illegible]	.2[illegible]
[illegible]	.1[illegible]
[illegible]	.[illegible]

MUNICIPAL MILLAGE

[illegible]	.08[illegible]
[illegible]	.13[illegible]
[illegible]	.10[illegible]
[illegible]	.05[illegible]
[illegible]	.07[illegible]
[illegible]	.07[illegible]
[illegible]	.07[illegible]

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible]	[illegible]	[illegible]	.0[illegible]
[illegible]	Fire	[illegible]	.01[illegible]
[illegible]	Fire District	[illegible]	.01[illegible]

Value of One Mill (based on county operations only)

The help [illegible] $[illegible]

Local Option Sales Tax Credit Factors

City	City FY P	County FY P	Total FY P
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

Horry

Millage Rates

COUNTY BASE MILLAGE RATE

Horry County	.05087
[illegible]	
[illegible]	.052580
Debt	.010580
[illegible]	.001480
Higher Education Commission	.000754
Senior Citizen Fund	.000429
[illegible]	.000177

SCHOOL DISTRICT MILLAGE

District Total Rate	173.40
School Operating Fund	122.40
Board of Trustees Debt Service Fund	51.000

MUNICIPAL MILLAGE

Atlantic Beach	116.450
Aynor	69.000
Briarcliffe Acres	95.000
Conway	104.230
Loris	77.000
Myrtle Beach	67.250
North Myrtle Beach	61.930
Surfside Beach	48.920

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
Buck Creek Watershed	Watershed	District 4	.00072
Crabtree Watershed	Watershed		.00052
Oak Tree Watershed	Watershed	District 12	.00012
Fire District	Fire	Unincorporated Area except Municipalities	.01950
Hagans Swamp Watershed	Watershed	District 14	.00510
[illegible] Road	Road Maintenance	Municipal Participation	.00730
Municipalities District	Fire	Municipalities	.01200
Simpson Creek Watershed	Watershed	District 6	.00240
[illegible] Beach Fire	Fire	Special Tax District	.00950
Solid Waste District	Solid Waste	Unincorporated Area	.06000
Todd Swamp Watershed	Watershed	District 15	.00450

Value of One Mill (based on county operations only)

The [illegible] $1,567,000

Jasper

Millage Rates

COUNTY BASE MILLAGE RATE

Jasper County	.14200
[illegible]	
[illegible]	.13600
[illegible]	.00600

SCHOOL DISTRICT MILLAGE

District Total Rate	168.00
[illegible]	31.00

MUNICIPAL MILLAGE

Hardeeville	97.000
Ridgeland	118.20

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible]	Fire	[illegible]	.05200

Value of One Mill (based on county operations only)

The [illegible] $1,350,000

Local Option Sales Tax Credit Factors

City	City 3%	County 3%	Total 6%
Hardeeville	[illegible]	[illegible]	[illegible]
Ridgeland	[illegible]	[illegible]	[illegible]

Kershaw

Millage Rates

COUNTY BASE MILLAGE RATE

Kershaw County	.07460
[illegible]	
General Operations	.06580
[illegible]	.00880

SCHOOL DISTRICT MILLAGE

District Total Rate	227.10
[illegible]	1.260
[illegible]	10.420

MUNICIPAL MILLAGE

[illegible]	107.30

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible]	[illegible]	[illegible]	.01470
[illegible]	[illegible]	[illegible]	.00260
[illegible]	[illegible]	[illegible]	.07140

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
[illegible]	[illegible]	Legoli	$23.00
[illegible]	Solid Waste Collection and Disposal	Commercial	$55.00

Value of One Mill (based on county operations only)

The [illegible] $2,154,21

Local Option Sales Tax Credit Factors

City	City 1%	County 1%	Total 2%
[illegible]	[illegible]	[illegible]	[illegible]

Lancaster

Millage Rates

COUNTY BASE MILLAGE RATE

Lancaster County	.09430
[illegible]	
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

SCHOOL DISTRICT MILLAGE

[illegible]	.20650
[illegible]	.14950
[illegible]	.07300
[illegible]	.00270

MUNICIPAL MILLAGE

Kershaw	.07500
Lancaster	.36450

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
[illegible]	Fire	[illegible]	$75.00
[illegible]	[illegible]	[illegible]	$75.00
[illegible]	[illegible]	[illegible]	$225.00
[illegible]	[illegible]	[illegible]	$30.00

Value of One Mil (based on county operations only)

[illegible] $283.85

Local Option Sales Tax Credit Factors

City	City ILT	County ILT	Total ILT
Kershaw	[illegible]	[illegible]	[illegible]
Lancaster	[illegible]	[illegible]	[illegible]

Laurens

Millage Rates

COUNTY BASE MILLAGE RATE

Laurens County	.08760
[illegible]	
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

SCHOOL DISTRICT MILLAGE

[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

MUNICIPAL MILLAGE

[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

Value of One Mil (based on county operations only)

[illegible] [illegible]

Local Option Sales Tax Credit Factors

City	City ILT	County ILT	Total ILT
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

Lee

Millage Rates

COUNTY BASE MILLAGE RATE

Lee County	.17770
[illegible]	
[illegible]	[illegible]70
[illegible]	.017[illegible]00

SCHOOL DISTRICT MILLAGE

District Total Tax	[illegible]6[illegible]
[illegible]	[illegible]5961
[illegible]	029[illegible]
[illegible]	.002[illegible]

MUNICIPAL MILLAGE

[illegible]	.[illegible]401
[illegible]	.9200[illegible]

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
[illegible]	[illegible]	[illegible]	$[illegible]0.0
[illegible]	[illegible]	[illegible]	$[illegible]0.00

Value of One Mil (based on county operations only)

[illegible] $32,[illegible]

Local Option Sales Tax Credit Factors

City	City LOST	County LOST	Total LOST
[illegible]	[illegible]	0.[illegible]045	0.00[illegible]50
[illegible]	0.00[illegible]50	0.[illegible]045	0.00[illegible]95

Lexington

Millage Rates

COUNTY BASE MILLAGE RATE

Lexington County	.083[illegible]36
[illegible]	
[illegible]	[illegible]2492
[illegible]	[illegible]0[illegible]5
[illegible]	[illegible]0[illegible]85
[illegible]	[illegible]0[illegible]4[illegible]7
[illegible]	[illegible]0[illegible]512
[illegible]	[illegible]0[illegible]156
[illegible]	[illegible]0[illegible]111
[illegible]	[illegible]0[illegible]250
[illegible]	[illegible]0[illegible]140
[illegible]	[illegible]0[illegible]271

SCHOOL DISTRICT MILLAGE

[illegible]	[illegible]7[illegible]7
[illegible]	[illegible]2[illegible]5[illegible]7
[illegible]	[illegible]1[illegible]7[illegible]5[illegible]
[illegible]	[illegible]225[illegible]
[illegible]	[illegible]1[illegible]4[illegible]4
[illegible]	[illegible]1[illegible]7[illegible]5[illegible]
[illegible]	[illegible]0[illegible]5[illegible]5
[illegible]	[illegible]2[illegible]7[illegible]7[illegible]9
[illegible]	[illegible]0[illegible]7[illegible]1[illegible]0
[illegible]	[illegible]3[illegible]7[illegible]6[illegible]7
[illegible]	[illegible]3[illegible]1[illegible]5[illegible]4[illegible]7
[illegible]	[illegible]1[illegible]2[illegible]2[illegible]6
[illegible]	[illegible]3[illegible]6[illegible]6[illegible]8
[illegible]	[illegible]1[illegible]2[illegible]5[illegible]0
[illegible]	[illegible]0[illegible]2[illegible]5[illegible]6

MUNICIPAL MILLAGE

[illegible]	[illegible]0[illegible]0[illegible]0
[illegible]	[illegible]0[illegible]2[illegible]5[illegible]0
[illegible]	[illegible]0[illegible]1[illegible]5[illegible]0
[illegible]	[illegible]0[illegible]0[illegible]3[illegible]1
[illegible]	[illegible]0[illegible]0[illegible]5[illegible]0
[illegible]	[illegible]0[illegible]5[illegible]1[illegible]0
[illegible]	[illegible]0[illegible]5[illegible]0[illegible]0
[illegible]	[illegible]0[illegible]0[illegible]0[illegible]1
[illegible]	[illegible]0[illegible]0[illegible]0[illegible]1
[illegible]	[illegible]0[illegible]0[illegible]2[illegible]0
[illegible]	[illegible]0[illegible]0[illegible]1[illegible]5[illegible]0

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible]	[illegible]	[illegible]	.[illegible]1[illegible]5[illegible]0
[illegible]	[illegible]	[illegible]	.[illegible]0[illegible]7[illegible]2[illegible]5
[illegible]	[illegible]	[illegible]	.[illegible]1[illegible]5[illegible]5[illegible]
[illegible]	[illegible]	[illegible]	.[illegible]0[illegible]2[illegible]5[illegible]0
[illegible]	[illegible]	[illegible]	.[illegible]0[illegible]3[illegible]5[illegible]0
[illegible]	[illegible]	[illegible]	.[illegible]0[illegible]1[illegible]2[illegible]2[illegible]0
[illegible]	[illegible]	[illegible]	.[illegible]0[illegible]1[illegible]7[illegible]4[illegible]7

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
[illegible]		[illegible]	$[illegible]5[illegible]0.[illegible]0
[illegible]		[illegible]	$[illegible]2[illegible]0.[illegible]0[illegible]0
[illegible]		[illegible]	$[illegible]5[illegible]7[illegible]0.[illegible]0

Value of One Mil (based on county operations only)

[illegible] $1,[illegible]7,[illegible]2[illegible]5

Marion

Millage Rates

COUNTY BASE MILLAGE RATE

Marion County	.12300
Jurisdictional	
General Operations	.10700
Debt Retirement	.00500
Capital Improvement	.00800
General Obligation Bonds	.00300

SCHOOL DISTRICT MILLAGE

District Total Millage Levied	.16900
Operations	.16800

MUNICIPAL MILLAGE

Marion	.01350
Mullins	.00500
Nichols	.01200
Sellers	.00500

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
Dog Tax	Animal Control	Entire County	$15.00
Fire Fee	Fire	Mullins Corporate Area, Nichols Corporate Area and Sellers Corporate Area	$300.00
Fire Fee	Fire	Residential Property Outside Corporate Areas	$35.00
Fire Fee	Fire	Fee Varies by Commercial Area	$5.00
Road and Bridge Fee	Road and Bridge Maintenance	Entire County	$15.00

Value of One Mil (based on county operations only)

The value of one mill for county operations only is $67,925

Local Option Sales Tax Credit Factors

City	City TCF	County TCF	Total TCF
Marion	[illegible]	[illegible]	[illegible]
Mullins	[illegible]	[illegible]	[illegible]
Nichols	[illegible]	[illegible]	[illegible]
Sellers	[illegible]	[illegible]	[illegible]

Marlboro

Millage Rates

COUNTY BASE MILLAGE RATE

Marlboro County	.10933
Jurisdictional	
General Operations	.09938
South Carolina Technical College	.00570
Pee Dee Mental Health Services	.00116
Debt Service	.00529

SCHOOL DISTRICT MILLAGE

District Total Millage	.21828
School Operating	.19326
School Bonds	.02502

MUNICIPAL MILLAGE

Bennettsville	.01980
Clio	.00500
Tatum	.00487
McColl	.00630
Wallace	.01200

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
Rental Tax	Fire	Corporate Limits of Bennettsville, McColl and Wallace	.01500

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
Road Maintenance Fee	Road Maintenance	Entire County	$15.00

Value of One Mil (based on county operations only)

The value of one mill for county operations only is $67,000

Local Option Sales Tax Credit Factors

City	City TCF	County TCF	Total TCF
Bennettsville	[illegible]	[illegible]	[illegible]
Clio	[illegible]	[illegible]	[illegible]
McColl	[illegible]	[illegible]	[illegible]
Wallace	[illegible]	[illegible]	[illegible]

McCormick

Millage Rates

COUNTY BASE MILLAGE RATE

McCormick County	.13255
Purpose	
County operations	.12755
[illegible]	.00150
[illegible]	.00350

SCHOOL DISTRICT MILLAGE

District Total [illegible]	[illegible]
[illegible]	17120
[illegible]	02150
2014 [illegible]	.00110
2015 [illegible]	.00070

MUNICIPAL MILLAGE

McCormick	[illegible]

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible]	Public Safety	[illegible]	.01250

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
[illegible]	Public Safety	[illegible]	$175.00

Value of One Mil (based on county operations only)

[illegible]	$39,076

Local Option Sales Tax Credit Factors

City	City LOST	County LOST	Total LOST
McCormick	[illegible]	[illegible]	[illegible]

Newberry

Millage Rates

COUNTY BASE MILLAGE RATE

Newberry County	.14220
Purpose	
County operations	.12560
Conservancy districts	.00650
Debt service	.01050

SCHOOL DISTRICT MILLAGE

District Total [illegible]	23050
Dedicated School	18050
School Debt	05000

MUNICIPAL MILLAGE

Little Mountain	[illegible]
Newberry	[illegible]
Prosperity	[illegible]
[illegible]	[illegible]
Whitmire	[illegible]

Value of One Mil (based on county operations only)

[illegible]	$124,294

Oconee

Millage Rates

COUNTY BASE MILLAGE RATE

Oconee County	.07100
Purpose	
[illegible]	05750
[illegible]	00410
[illegible]	00220
[illegible]	00100
[illegible]	00210
Road Maintenance	00210

SCHOOL DISTRICT MILLAGE

Oconee [illegible]	14110
[illegible]	11010
[illegible]	03100

MUNICIPAL MILLAGE

[illegible]	03620
[illegible]	05530
Walhalla	00820
West Union	00830
Westminster	00950

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible]	[illegible]	[illegible]	.01250
[illegible]	Municipal Fire Services	[illegible]	.01250

Value of One Mil (based on county operations only)

[illegible]	$5,[illegible]

Orangeburg

Millage Rates

COUNTY BASE MILLAGE RATE

Orangeburg County	.13280
Includes:	
County Sinking Fund	.011710
General Operations	.006780
Special Education Fund	.000760
Solid Waste	.010680
Capital Improvement	.080290
Debt Service	.009990

SCHOOL DISTRICT MILLAGE

District Total Obligations	20500
School Operations	.176500
School Debt	.058500
County Fiscal Limitation	.010000
District Total Obligations	26220
School Operations	.172200
School Debt	.042000
County Fiscal Limitation	.010000
District Total Obligations	24450
School Operations	.174500
County Fiscal Limitation	.010000
Special Tax	.025000

MUNICIPAL MILLAGE

Bowman	.114000
Branchville	.077000
Cope	.025000
Eutawville	.014000
Elloree	.066000
Holly Hill	.078000
Livingston	.020000
Neeses	.017000
North	.061000
Norway	.057000
Orangeburg	.078000
Rowesville	.035000
Santee	.040500
Springfield	.056000
Vance	.050000
Woodford	.014000

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
Brookdale Estates	Street Lights	Brookdale Subdivision	.001500
Creekwood Estates	Street Lights	Creekwood Subdivision	.000700
Dogwood Estates	Street Lights	Dogwood Estates Subdivision	.000000
Fire Fee	Street Lights	Fire Fee Chargeable Area	.012000
New Brooklyn Estates	Street Lights	New Brooklyn Subdivision	.000500
Sanitation Fee	Fee	Service	91.00
Wastebed	Drainage	Districts 33 and 34	.012000
Whitaker Heights	Street Lights	Whitaker Heights Subdivision	.000700

Value of One Mill (based on county operations only)

The [illegible] Orangeburg County tax base [illegible] $261,107

Pickens

Millage Rates

COUNTY BASE MILLAGE RATE

Pickens County	.05930
Includes:	
County Operations	0.3530
Bond	0.0249

SCHOOL DISTRICT MILLAGE

County Fiscal Policy	17.30
School Operations	.112900
School Bond	0.0250
[illegible]	0.0000
Fire Service Fund	0.0200

MUNICIPAL MILLAGE

Central	0.0500
Clemson	0.0220
Easley	0.0000
Liberty	0.0000
Norris	0.0000
Pickens	0.0000
Six Mile	0.0250

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible]	[illegible]	[illegible]	0.0200
Southside Fire	Fire Protection	Unincorporated Area	.100000
Recreation Commission	Recreation	Unincorporated Area	0.0000
Recreation Commission	Fire Protection	Unincorporated Area	0.0000
Pickens County	Solid Waste	Countywide	0.0200
Sanitation	Solid Waste	Subdivision Subscription	.000000
Shadow Creek	Fire Protection		0.0200

Special Fees (additional charges)

Tax Name	Purpose	Location	Fee
Fire Protection	Fire	Outside of Fire Districts	$75.00
Solid Waste		Pickens	$150.00

Value of One Mill (based on county operations only)

The [illegible] Pickens County tax base [illegible] $459,137

Local Option Sales Tax Credit Factors

City	City FCF	County FCF	Total FCF
Central	[illegible]	[illegible]	[illegible]
Clemson	[illegible]	[illegible]	[illegible]
Easley	[illegible]	[illegible]	[illegible]
Liberty	[illegible]	[illegible]	[illegible]
Norris	[illegible]	[illegible]	[illegible]
Pickens	[illegible]	[illegible]	[illegible]
Six Mile	[illegible]	[illegible]	[illegible]

Richland

Millage Rates

COUNTY BASE MILLAGE RATE

Richland County	.12310
[illegible]	
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
Mental Health	[illegible]
[illegible]	[illegible]
Landfill	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

SCHOOL DISTRICT MILLAGE

District [illegible]	.30200
[illegible]	.25150
[illegible]	.05250
District [illegible]	.30900
[illegible]	.25000
[illegible]	.05900
District [illegible]	.21200
[illegible]	.20200
[illegible]	.10080

MUNICIPAL MILLAGE

[illegible]	[illegible]
Columbia	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	.10300
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	.00150
[illegible]	[illegible]	[illegible]	[illegible]

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

Value of One Mill (based on county operations only)

[illegible] $1,448,000

Local Option Sales Tax Credit Factors

City	City LOST	County LOST	Total LOST
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

Saluda

Millage Rates

COUNTY BASE MILLAGE RATE

Saluda County	.14400
[illegible]	
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

SCHOOL DISTRICT MILLAGE

[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

MUNICIPAL MILLAGE

[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]
[illegible]	[illegible]

Value of One Mill (based on county operations only)

[illegible] $[illegible]

Local Option Sales Tax Credit Factors

City	City LOST	County LOST	Total LOST
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]

Spartanburg

Millage Rates

COUNTY BASE MILLAGE RATE

Spartanburg County	.08300
In Index	
County Operations	.05000
Animal Control	.00150
Recreation	.00500
Charles Lea Center	.00150
Library	.01570
Tax Sales	.00050
Hospital Contribution	.00100
Debt Service	.00250
Conservation Districts	.00050
Federal Matches - Conservation	.00100

SCHOOL DISTRICT MILLAGE

District Total Operations	.18200
Current School	.13750
School Bonds	.04450
District Total Spartanburg 1	.30350
General School	.01700
Current School	.19400
Vocational Technical School	.00900
Maintenance Taxes	.01150
School Bonds	.07200
Tuberculosis School	.00000
District Total Spartanburg 2	.22850
Tuberculosis School	.00700
Vocational Technical School	.00400
Maintenance Taxes	.01150
General School	.01500
School Bonds	.03000
Current School	.04000
District Total Spartanburg 3	.21150
Maintenance Taxes	.01150
School Bonds	.04570
Tuberculosis School	.00500
District Morgan Vocational School	.00900
General School	.01500
Current School	.22700
District Total Spartanburg 4	.23550
Current School	.19350
Tuberculosis School	.00500
RD Additional Maintenance	.00200
School Bonds	.01100
Maintenance Taxes	.01150
General School	.01500
District Total Spartanburg 5	.23250
RD Additional Maintenance	.00200
School Bonds	.01600
Tuberculosis School	.00500
General School	.01500
Maintenance Taxes	.01150
Current School	.18250
District Total Spartanburg 6	.25150
Current School	.15500
Tuberculosis School	.00500
Maintenance Taxes	.01150
General School	.01500
School Bonds	.06500
District Total Spartanburg 7	.28050
District 7 Tuberculosis School	.00500
School Bonds	.06200
Maintenance Taxes	.01150
Tuberculosis School	.00500
General School	.01500
Current School	.18200

MUNICIPAL MILLAGE

Campobello	.12600
Chesnee	.13800
Cowpens	.10850
Duncan	.07450
Inman	.10500
Landrum	.06450
Lyman	.07500
Pacolet	.05500
Reidville	.07650
Spartanburg	.01500
Wellford	.10500
Woodruff	.06174
Woodruff	.11100

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
[illegible]	[illegible]	[illegible]	.00829
Mayo Soil Conservation	Water		.02750
[illegible]	[illegible]	[illegible]	.00750
[illegible]	Water		.01000
[illegible]	[illegible]	[illegible]	.01050
[illegible]	[illegible]	[illegible]	.01750

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
[illegible]	Solid Waste, Trash station	[illegible]	$154
[illegible]	Flood Control	Per Vehicle	$2.00
[illegible]	Trash pickup	[illegible]	$84.00
[illegible]	Sewer Rate	[illegible]	$21.66
Landfill Fee	Solid Waste	Countywide	$52.00
Fire Protection Fee	Sanitation	Parcel	$25.00
Public Water Fee	Public Water	[illegible]	$36.00
Public Water Fee	Public Water	[illegible]	$75.00
Sewer Water Fee	Sewer Rate	[illegible]	$71.00
Tax Service Fee	Tax Service	Per Vehicle	$24.00

Value of One Mil (based on county operations only)

[illegible] $1,552,452

Sumter

Millage Rates

COUNTY BASE MILLAGE RATE

Sumter County	.11130
Includes:	
County Operations	.08250
General Obligation Bonds	.01500
EMS Service	.00200
Capital Improvement Fund	.00100
Capital Project Technology	.00250
Includes:	
Social Security	.00270
Tax Increment Financing - Bond	.00360
Fund	
Tax Increment Financing - Sales	.00270
Fund	

SCHOOL DISTRICT MILLAGE

District Total Millage	.21100
School Operations	.15100
School Bonds	.06000

MUNICIPAL MILLAGE

Mayesville	.05000
Pinewood	.01550
Sumter	.04200

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
Fire District	Fire	Sumter Fire District	.02300

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
Fire Fee	Fire	Commercial	$15.00
Solid Waste Fee	Solid Waste	Countywide	$25.00
Stormwater Fee	Stormwater	Countywide	$15.00
Technology Fee	Technology	Countywide	$1.50

Value of One Mil (based on county operations only)

The value of one mil for county operations only is $200,000

Local Option Sales Tax Credit Factors

City	City LOST	County LOST	Total LOST
Mayesville	0.00000	0.00000	0.00000
Pinewood	0.00000	0.00000	0.00000
Sumter	0.00000	0.00000	0.00000

Union

Millage Rates

COUNTY BASE MILLAGE RATE

Union County	.13970
Includes:	
General Operations	.11130
Maintenance Fund	.00450
Emergency Medical Service Fund	.00520
Capital Improvement Fund	.00300
EMS	.00300
Landfill Fund	.00300
Capital Equipment	.00200
Emergency Medical Service	.00400
Special Projects	.00370

SCHOOL DISTRICT MILLAGE

District Total Millage	.26750
School Operations	.17950
School Bond	.08800

MUNICIPAL MILLAGE

Carlisle	.12000
Jonesville	.00650
Union	.00820

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
Fire District	Fire	Service Fee Districts	.01750

Value of One Mil (based on county operations only)

The value of one mil for county operations only is $72,000

Williamsburg

Millage Rates

COUNTY BASE MILLAGE RATE

Williamsburg County	.16710
Includes:	
County Operations	.11500
Hospital	.01080
Debt Retirement	.02470
Technical College	.01360

SCHOOL DISTRICT MILLAGE

District Total Williamsburg	160.67
School Operations	129.13
School Bond Debt Service	.03754

MUNICIPAL MILLAGE

Andrews	.13325
Greeleyville	.06219
Hemingway	.07999
Kingstree	.13778
Lane	.26691

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
Fire Districts	Fire	Various Fire Districts	.02266

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
Landfill Fee	Landfill Operations	Per Person/HH	$30.00
Recycling Fee	Recycling Curbside Maintenance	Per Person	$60.00
Solid Waste Disposal Fee	Solid Waste Disposal	Countywide	$65.00
Water Availability Fee	Fee Per Net Square Foot Assessed Available	Newly Built Property	$180.00

Value of One Mill (based on county operations only)

This helps determine the county's tax base for comparison analysis $41,035

Local Option Sales Tax Credit Factors

City	City LOST	County LOST	Total LOST
Andrews	[illegible]	[illegible]	[illegible]
Greeleyville	[illegible]	[illegible]	[illegible]
Hemingway	[illegible]	[illegible]	[illegible]
Kingstree	[illegible]	[illegible]	[illegible]
Lane	[illegible]	[illegible]	[illegible]

York

Millage Rates

COUNTY BASE MILLAGE RATE

York County	.86970
Includes:	
County Operations	.65250
Social Services	.10630
Library Operations	.03450
Conservation/Recreation	.01120
York Technical Operations	.06520

SCHOOL DISTRICT MILLAGE

District Total Clover	230.0
York 1 Total	194.1
Operations	150.0
School Bonds	42.0
District Total York 2	264.0
Operations	211.2
School Bonds	49.2
Capital Debt	3.6
District Total York 3	226.0
Operations	177.0
School Bonds	45.0
Capital Debt	4.0
District Total York 4	264.0
Operations	214.8
School Bonds	47.2
Capital Debt	4.0

MUNICIPAL MILLAGE

Clover	120.0
Fort Mill	69.0
Rock Hill	103.0
Rock Hill	109.0
Sharon	103.0
Tega Cay	98.0
York	117.0

OTHER MILLAGES NOT INCLUDED IN COUNTY BASE

Name	Purpose	Location	Millage Rate
Fire Districts	Fire	Various Fire Districts	09.00
Fort Mill Water Districts	Water/Sewer	Fort Mill Area	80.00
Rock Hill	Water/Sewer	Countywide	300.00
Rock Hill Landfill	Landfill Maintenance	Area of Rock Hill	300.00
Rural Fire Districts	Rural Fire	Unincorporated Areas	100.00
Solid Waste Districts	Solid Waste	Unincorporated Areas	300.00

Special Fees (additional charges)

Fee Name	Purpose	Location	Fee
Solid Waste Fee	Landfill Operations	Town of Fort Mill, Parts of Fort Mill	$72.00
Tax Collection Fee	Administration	Town of Fort Mill	$100.00

Value of One Mill (based on county operations only)

Taxable [illegible] $117,142

Local Option Sales Tax Credit Factors

Abbeville

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Allendale

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Bamberg

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Barnwell

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Berkeley

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Calhoun

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Charleston

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Cherokee

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Chester

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Chesterfield

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Chesterfield

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Clarendon

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Colleton

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Darlington

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Dillon

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Edgefield

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Fairfield

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Florence

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Hampton

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Jasper

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Kershaw

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Lancaster

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Laurens

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Lee

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Marion

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Marlboro

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

McCormick

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Pickens

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Richland

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Saluda

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Sumter

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

Williamsburg

City	City FCF	County FCF	Total FCF
[illegible]	[illegible]	[illegible]	[illegible]

SOUTH CAROLINA ASSOCIATION OF COUNTIES

1919 Thurmond Mall
Post Office Box 8207
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Phone: (803)252-7255
Fax: (803)252-0379
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Website: www.sccounties.org

EXHIBIT B

COLUMBIA METROPOLITAN
Est. 1990 Your City. Your Magazine!

Why is it More Expensive Here?

The high cost of doing business in Columbia

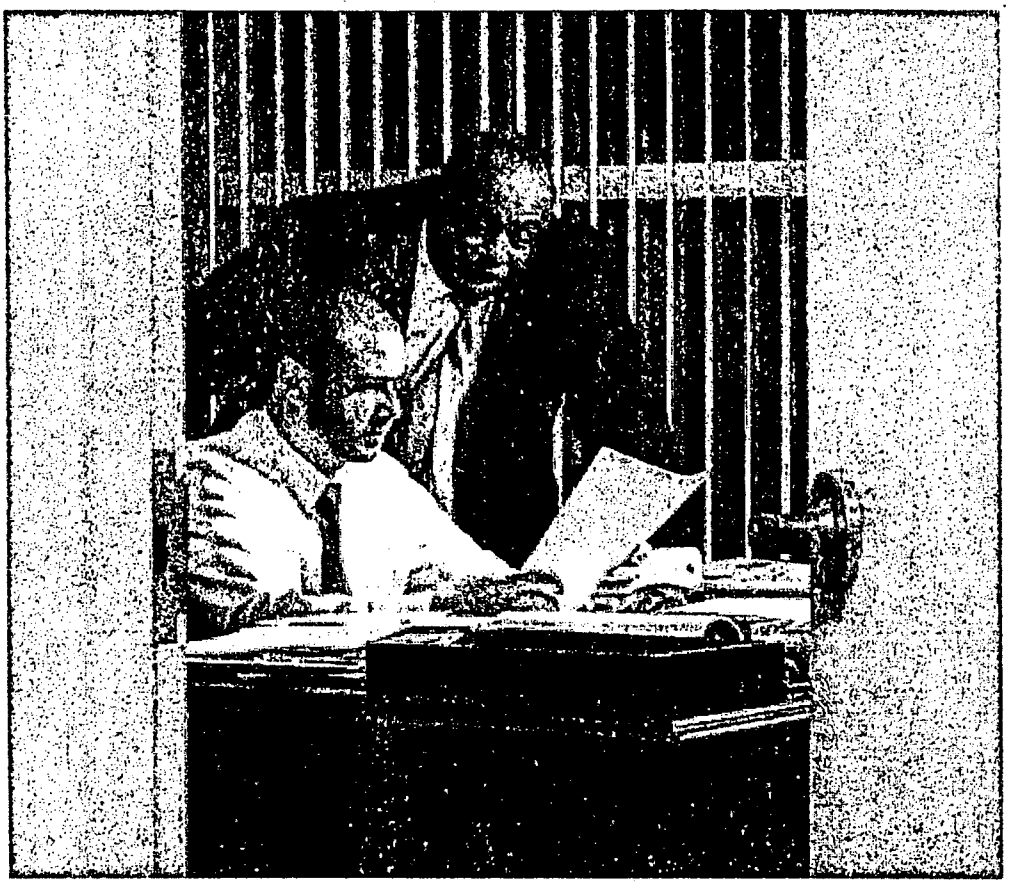
BY PAGE IVEY

Doing business in Columbia is more expensive than in other metropolitan areas of South Carolina.

Some blame a tax policy that favors residents over companies; others say it is because the city has a larger percentage of land than most that it cannot tax — federal and state government offices, plus several in-town college campuses.

The impact these higher taxes have on economic development is unclear. However, recent tax credits offered to developers of student-focused housing near the University of South Carolina campus could show a future with more negotiated taxes for all business types, not just large manufacturers.

"I don't think good business decisions are ever made truly just on how much money you can give me or how much money I can save, because I think most businesses are going to look at things like the labor force, they're going to look at the cost of doing business overall," says Nancy Whitworth, executive director for economic development for the city of Greenville. "I might save on my taxes here, but is it going to cost me more to get my raw products here, or are my distribution costs going to be more?



PHOTOGRAPHY BY JEFF AMBERG

"If you're a retailer, you may save being in one location, but if no one comes to you at that location and your sales aren't being generated at a level that is going to be sustainable, it isn't going to make any difference whether you're paying less.... you're not going to make it anyway."

Columbia by the Numbers

In 2010, the state Commerce Department prepared a report showing comparable commercial property tax rates among the state's largest cities.

On a central business district property worth $2 million, a Columbia business would have paid

about $52,000 in property taxes at the time of the report versus $37,000 in Greenville and about $28,000 in Charleston.

Not all of that was on the city, however. Those tax totals include county, school and city levies. Greenville County's millage (the amount of tax charged per $1,000 in value) was about 60 percent that of Richland County; and Charleston County's millage was nearly half of Richland's. Greenville and Charleston school taxes are also about the same percentages lower than in Columbia.

The city millage, however, was not that much different: 98.1 for Columbia, 89.9 for Greenville and 79.1 for Charleston.

When it is all added up, Columbia did have the highest total millage at 484.3. The town of Lexington was second with a total millage of 468.9.

The second part of the city tax equation is business license fees. There is no one method for assessing business license fees in South Carolina, but, by law, they have to be based on revenues, according to the Municipal Association of SC.

The Municipal Association helps cities develop categories for fees, but there is no requirement that cities adhere to any formula. In general, low profit-margin businesses, such as restaurants, tend to pay lower fees, while higher profit-margin businesses, such as professional service firms like doctors, lawyers and real estate tend to pay higher fees.

The Commerce Department report shows that Charleston, Greenville, Myrtle Beach, Spartanburg and Florence had higher business license fees across all categories for a comparison business with $1 million in annual gross receipts.

For example, a retailer in the city of Columbia that grosses $1 million would pay a little more than $1,200 for its business license, according to the report. That compares with more than $1,800 for the same business in Greenville and almost $2,000 in Charleston.

Wholesalers make out the best in Columbia with annual business license fees of just $655 for $1 million in gross receipts. That compares with more than $1,300 in Greenville and nearly $2,000 in Charleston.

The exceptions were fees for manufacturing operations in Florence and Spartanburg, which were either equal to or lower than Columbia's fees.

Who's Not Paying

Economic developers say South Carolina lawmakers have always favored residential property taxpayers over corporate. Commercial property is assessed at 6 percent of its value, as opposed to 4 percent for owner-occupied homes. Manufacturing property is assessed at 10.5 percent unless the company has worked out a fee-in-lieu of taxes or some other arrangement with the county or the state.

Homeowners get other forms of property tax relief not given to businesses but then there are school taxes, which vary widely depending on district.

Columbia also faces a unique problem of being home to the state government and several colleges as well as other public buildings, hospitals and churches that don't pay property taxes.

Cecil Hannibal, existing business manager and the newest addition to the city of Columbia's economic development office, estimates that state government offices, colleges, city and county facilities as well as churches take up about 30 percent of the city's commercial space and pay no taxes.

"But we can't use that as an excuse," he says. "We are looking at what others are doing. We are benchmarking ourselves against places like Austin, Texas and Raleigh, N.C., who have successfully overcome that problem."

New Approaches

One new twist on an old economic development tool is offering tax breaks for nonmanufacturing concerns. New private apartment developments near the University of South Carolina were given a 10-year tax break recently by Richland County Council. The action essentially cuts the property tax bills in half for the apartments, which will be marketed to USC students.

Richland County Council set a minimum investment of $40 million and a tax bill that would exceed $750,000 as the tipping point for the incentive. At that point, the bill would be cut in half, saving the developers $375,000 a year, for 10 years.

The city of Columbia requested the county make the deal because South Carolina cities do not have the authority to negotiate tax breaks, only county and state government can do that.

Greenville's Nancy Whitworth says sometimes such incentives are used to lure a game-changer to an area.

"I think you look at return on investment, but sometimes it has to do with what this is going to do, more than just the taxes it's going to generate," Nancy says. "Is this a project that could be catalytic and is going to cause other things to happen? There is a value there, and it's a little bit harder to quantify that, but it's certainly something that we look at."

The Little Things

In Columbia, Cecil and Ryan Coleman, director of the economic development office, say old-fashioned, one-to-one business practices and listening to business needs are going to drive future economic development efforts.

"We have to get a little more creative," Cecil says. "Capital cities are a lot more challenging."

One of those creative ventures that recently wrapped up was the city's façade program, which provided loans, some forgivable if certain standards were met, and grants to property owners to make improvements to the exterior of their buildings that faced Main and North Main Street. More than $200,000 was spent on the program that targeted the stretch of Main Street from Elmwood Avenue to Interstate 20.

"I think existing businesses are the backbone of any economic development strategy," Ryan says. "That's the cornerstone of our efforts, what can we do to help our existing businesses grow and be successful."

Part of that involves simply helping businesses navigate the red tape, getting permits, paying fees and dealing with any special requirements, such as being in a historic district.

"A lot of people don't know how to navigate the government," Cecil says.

If a business is planning to locate or expand inside the city, the economic development office will meet with them to create a plan with timelines and objectives. Workers from other areas of city government will be brought into the meetings so they are familiar with the companies when the applications come in.

"It's really about doing the homework on the front end, so you don't hit those hurdles down the road," Ryan says.

"We're working to change the perception that we're not an easy place to do business. And we think it's working. We're hearing a lot more positive feedback."

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EXHIBIT C

RESOLUTION NO.: R-2014-024

ORIGINAL
STAMPED IN RED

Adopting a Policy and Criteria to Consider the Inclusion of Real Property in a Multi-County Industrial Park to Apply Richland County's Special Source Revenue Credit Incentive to Real Property within the Corporate Limits of the City of Columbia

WHEREAS, Richland County recognizing that it and the City of Columbia have a real property tax base environment unlike any other in South Carolina, through its Economic Development Committee has informally approved Special Source Revenue Credit incentive guidelines similar to the City of Columbia's set forth below to offset a portion of the detrimental property tax effect to the taxpayer that is a result of tax exempt institutions owning real property within Richland County; and,

WHEREAS, in an effort to create an incentive for a public-private partnership for the benefit of Richland County the incentive has been created specifically for private, large capital investment, high density, vertical construction development in Richland County; and,

WHEREAS, the unique and specific incentive is for Richland County to create and realize real property tax revenue at a very high rate of real property taxes paid per acre of land developed within Richland County and/or the City of Columbia core; and,

WHEREAS, the incentive is focused upon specific development for a use that has traditionally and predominately been a use which is exempt from real property taxes; and,

WHEREAS, the real property tax revenue created as a result of the incentive is of the highest margin real property tax revenue possible for the limited number of sites expected to meet the criteria due to the low impact use and low cost of service nature of the developments; and,

WHEREAS, the incentive will slow the growth of tax exempt real property and development within Richland County and/or the City of Columbia; and,

WHEREAS, the proper economic conditions and market demand required to make the unique and specific incentive relevant will be limited in scope compared to more traditional development projects within Richland County and/or the City of Columbia; and,

WHEREAS, the City of Columbia desires to adopt criteria in order to determine when it is appropriate to include a real property or real properties located within the corporate limits of the City of Columbia in a Multi-County Industrial Park in order for the development to qualify for Richland County's Special Source Revenue Credit Incentive; NOW THEREFORE,

BE IT RESOLVED by the Mayor and City Council this 4th day of March, 2014, that the following criteria are hereby adopted in order for Columbia City Council to determine when it is appropriate to include a real property or real properties located within the corporate limits of the City of Columbia in a Multi-County Industrial Park in order for the development to qualify for Richland County's Special Source Revenue Credit Incentive:

ORIGINAL
STAMPED IN RED

1. A minimum private investment of $40,000,000 in brick and mortar with no use of JEDA funds;
2. A minimum investment of $5,000,000 per useable acre;
3. Pay a minimum tax bill of $750,000 per year in annual property taxes before all tax credits have been applied;
4. Use will pay more in taxes after all credits have been applied than any other likely use of the property;
5. Structured parking and infrastructure with no use of public funds, other than bonds or obligations payable solely from taxpayer funds, used in construction cost.
6. Columbia City Council reserves the right to review (cost benefit analysis) and approve or deny any other assistance that may already be available to development project.

BE IT FURTHER RESOLVED that any real property located within the Bull Street Development Project shall not qualify for inclusion, nor does the City Council consent to the inclusion of any real property located within the Bull Street Development Project in a Multi-County Industrial Park for Richland County's Special Source Revenue Credit Incentive.

BE IT FURTHER RESOLVED, that inclusion of a real property or real properties located within the corporate limits of the City of Columbia in a Multi-County Industrial Park shall be by ordinance and the enactment of such an ordinance is in the sole and exclusive legislative discretion of Columbia City Council.

Requested by:

Economic Development Director

Approved by:

City Manager

Mayor

Approved as to form:

City Attorney

ATTEST:

City Clerk

Introduced: 3/4/2014
Final Reading: 3/4/2014

last revised: 2/28/2014
14020286

EXHIBIT D

Sec. 17-321. - Private dormitory.

(a) Private dormitories are permitted in C-3, C-4, C-5, M-1, M-2, MX-2 and RG-3 districts, subject to the following conditions:

(1) No private dormitory shall be located upon a lot that is within 600 feet from a lot zoned RS-1, RS-1A, RS-1B, RS-2, RS-3, RD, RD-2, RG-1, RG-1A, RG-1B, or RG-2. In the C-3 district, this distance may be reduced to 300 feet for any portion of the lot that is adjacent to an active railroad track, commercial zoning, or arterial street.

(2) No private dormitory shall be located upon a lot that is within 600 feet from a lot zoned PUD-R where the majority of the dwelling units within that PUD-R are detached single- or two-family dwellings. In the C-3 district, this distance may be reduced to 300 feet for any portion of the lot that is adjacent to an active railroad track, commercial zoning, or arterial street.

(3) A private dormitory shall have a maximum density of 150 bedrooms per acre; however the board of zoning appeals may grant a special exception to exceed this density in C-3, C-4, C-5, and MX-2 districts. In considering the criteria for special exceptions set forth in section 17-112(2); the applicant shall provide to the board of zoning appeals an operation and management plan that shall describe the programs of operation and management including, but not limited to:

a. Use and activity that will occur in conjunction with the dormitory use;

b. Hours and operation of non-residential services;

c. Security plan including provisions for common and parking areas;

d. Noise control;

e. Provisions for transportation including location for loading/unloading of shuttles or buses, if applicable;

f. Location of entrances and exits;

g. Location and management of parking for residents and visitors;

h. Location of amenities and their relationship and compatibility with adjacent uses.

(4) A private dormitory occupancy is limited to one person per bedroom;

(5) Parking requirements for a private dormitory shall be as follows: in RG-3, C-3, C-4, M-1, M-2, and MX-2 districts the ratio shall be 0.75 on-site vehicular parking space and .25 on-site bicycle parking space per bedroom. In the C-5 zoning district the ratio shall be 0.5 vehicular parking space located within 800 feet of the dormitory's main entrance and 0.25 on-site bicycle parking space per bedroom. Seventy-five percent of required bicycle parking in all districts shall be located in an enclosed and secured area.

(6) A private dormitory shall maintain lot size, setback, and height requirements as set forth in section 17-275 (lot size, setback, and height requirements), except as may be reduced by section 17-276 (average building line of adjacent structures may be used as front setback line), or by any designated historic or design overlay district;

(7) A private dormitory shall include sidewalks along all streets;

(8) A private dormitory shall have an on-site manager available 24 hours a day, seven days a week.

(9) A private dormitory within the C-3, C-4, C-5, and MX-2 zoning classifications shall not have more than 60 percent of the total number of dwelling units designed for occupancy by more than three unrelated adults.

(10) A private dormitory shall conform to any designated historic or design overlay district design guidelines.

(b) Private dormitories need not be arranged with distinct dwelling units; however when bedrooms are located around a central kitchen or bathroom, a private dormitory may have more than three unrelated adults per dwelling unit.

(c) The board of zoning appeals shall not grant a variance from any of the provisions of this section;

(d) Private dormitories are not permitted within properties zoned PUD, except for parcels located within the Bull Street Planned Unit Development whose boundaries are Bull Street on the west, Calhoun Street to the south, Harden Street to the east, and Colonial Street to the north. Private dormitories within this Bull Street Neighborhood are subject only to conditions (1), (4) and (8) above.

(Ord. No. 2008-004, 1-23-08; Ord. No. 2010-110, 7-28-10; Ord. No. 2011-085, 12-13-11; Ord. No. 2012-026, 6-5-12; Ord. No. 2012-094, 10-16-12; Ord. No. 2014-103, 12-2-14)

EXHIBIT E

SPECIAL SOURCE REVENUE CREDIT
Park 7 Group Projects in Richland County
January 7, 2014
500

WHAT IS THE PROJECT?

Arnold Site: $40,000,000 Estimated Investment

- Located in the Innovista District between campus and Tanner Field
- 673 Bedrooms
- 4 Acres
- Four Stories
- Attached 450-Space Parking Garage
- Walkable Distance to USC Campus

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WHAT IS THE PROJECT?

Bernstein Tract: $62,000,000 Estimated Investment

- Located in the Central Business District/Vista
- +/- 700 Bedrooms
- +/- 1.8 Acres
- Twelve Stories
- Attached Parking Garage
- Ground Floor Retail
- Walkable Distance to USC Campus

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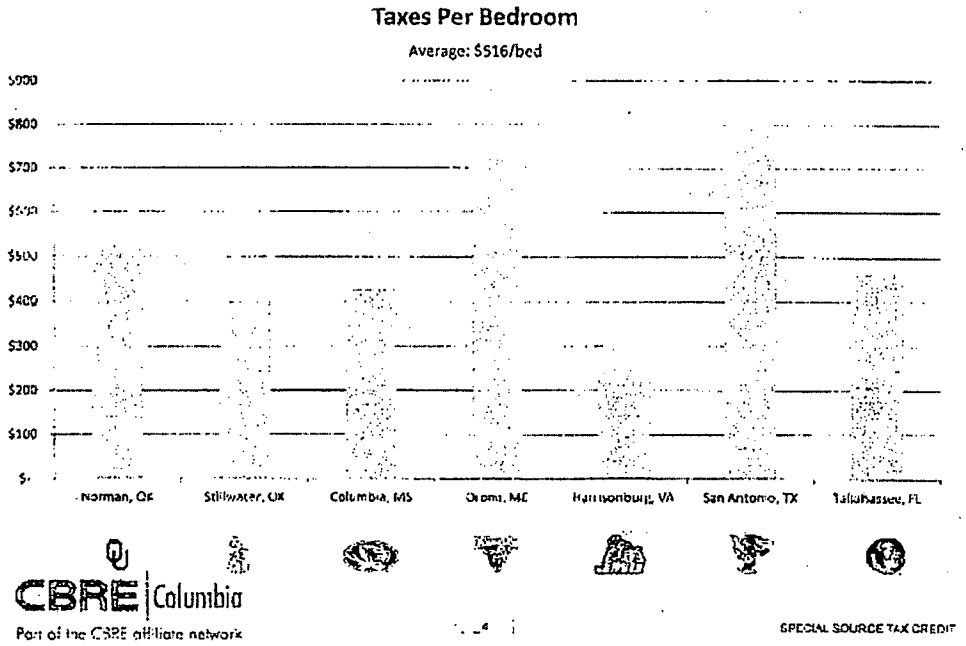
3

SPECIAL SOURCE TAX CREDIT

COMPARABLE TAXES AROUND THE COUNTRY



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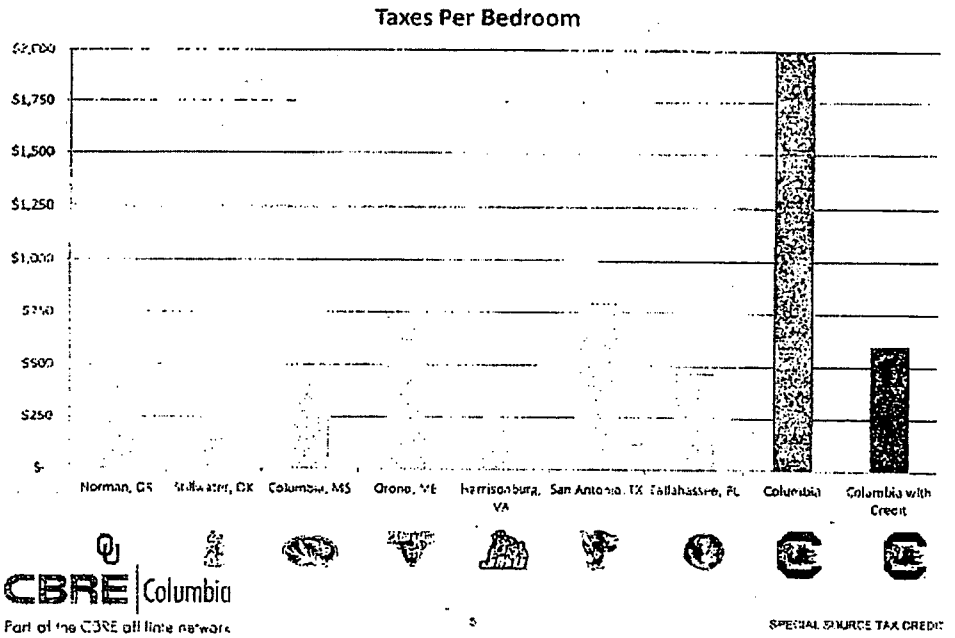
SPECIAL SOURCE TAX CREDIT

COMPARABLE TAXES AROUND THE COUNTRY



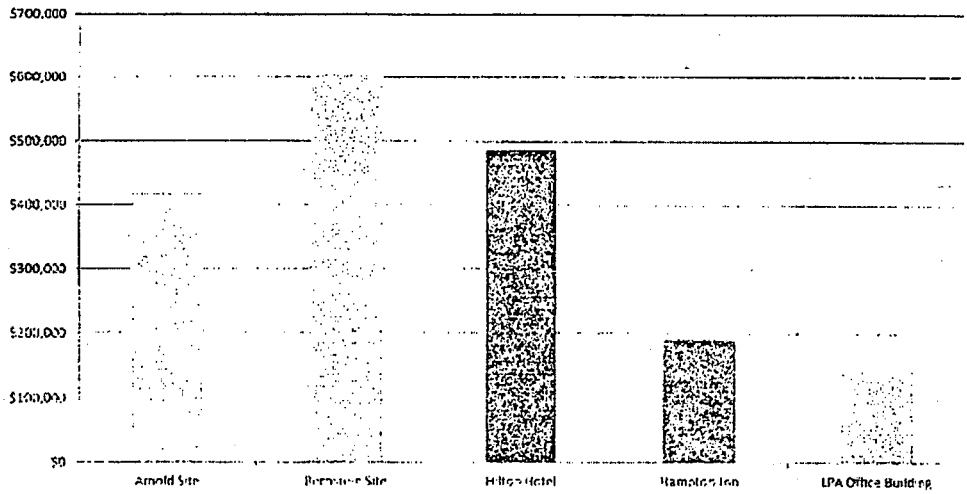
SPECIAL SOURCE REVENUE CREDIT

Request from Developer for Arnold and Bernstein sites

A Special Source Revenue Credit of 50% on real and personal property taxes for 10 Years beginning in year one of full operation of the property (or 15 years from date of closing).

Garage will be developed and taxed as part of the property. County will not need to own garage as part of SSRC as has been done with other projects in the county.

PROPERTY TAXES FROM ALTERNATIVE USES



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SPECIAL SOURCE TAX CREDIT

ALLOCATION OF PROPERTY TAX REVENUE

Taxing Entity	Millage	Pro Rata Percentage	Estimated Tax Arnold	Estimated Tax Bernstein	Estimated Tax Total	With 50% SSRC
School Operating	248.7	48.7%	$ 420,624	$ 600,941	$ 1,021,466	$ 510,733
School Bonds	53.0	10.4%	$ 89,617	$ 128,066	$ 217,683	$ 108,841
Recreation Commission	0	0.0%	$ -	$ -	$ -	$ -
Recreation Bonds	0	0.0%	$ -	$ -	$ -	$ -
Midlands Technical College	4.6	0.9%	$ 7,778	$ 11,115	$ 18,893	$ 9,447
Riverbank Zoo Bonds	0.8	0.2%	$ 1,353	$ 1,933	$ 3,286	$ 1,643
East Richland PSD Bonds	0	0.0%	$ -	$ -	$ -	$ -
Stormwater Management	0	0.0%	$ -	$ -	$ -	$ -
Fire Service Operating	19.3	3.8%	$ 32,634	$ 46,635	$ 79,269	$ 39,635
Fire Service Bonds	0	0.0%	$ -	$ -	$ -	$ -
County Operating	52.8	10.3%	$ 89,279	$ 127,582	$ 216,861	$ 108,431
County Bonds	9.0	1.8%	$ 15,218	$ 21,747	$ 36,965	$ 18,482
Library	14.8	2.9%	$ 25,025	$ 35,762	$ 60,787	$ 30,393
Mental Health	1.2	0.2%	$ 2,029	$ 2,900	$ 4,929	$ 2,464
Riverbanks Zoo Operating	1.3	0.3%	$ 2,198	$ 3,141	$ 5,339	$ 2,670
Landfill	3.2	0.6%	$ 5,411	$ 7,732	$ 13,143	$ 6,572
Conservation Commission	0.5	0.1%	$ 845	$ 1,208	$ 2,054	$ 1,027
Neighborhood Redevelopment	0.5	0.1%	$ 845	$ 1,208	$ 2,054	$ 1,027
Capital Replacement	3.2	0.6%	$ 5,411	$ 7,732	$ 13,143	$ 6,572
City of Columbia	98.1	19.2%	$ 165,875	$ 237,042	$ 402,918	$ 201,459
Total Millage 1CC	**511.0**	**100.0%**	**$ 864,045**	**$ 1,234,745**	**$ 2,098,790**	**$ 1,049,395**

WHY IS THIS GOOD FOR THE COUNTY

What is the benefit to Taxpayers outside the City Center?

- **No Taxpayer Dollars at risk. No taxpayer investment required. Low cost to serve.**
- **Projects will pay more than any other use would pay on the either site**
- **$1,022,108 of new, annual property tax revenue compared to $63,933 today**
- **$603,463 of new, annual tax revenue to Richland 1 School District**
- **$29,603 of new, annual tax revenue to the Richland County Public Library**
- **$4,200 of new, annual tax revenue to Riverbanks Zoo**
- Direct economic impact
  - +/- 200 jobs during construction
  - +/- $12.5 Million in salaries
  - $25 Million in supplies purchased locally
- $1 15 Million per year in annual spending using local contractors (Maintenance, Security. Landscaping. Janitorial,...)

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SPECIAL SOURCE TAX CREDIT

WHY IS THIS GOOD FOR THE COUNTY

What is the benefit to Taxpayers outside of the City Center?

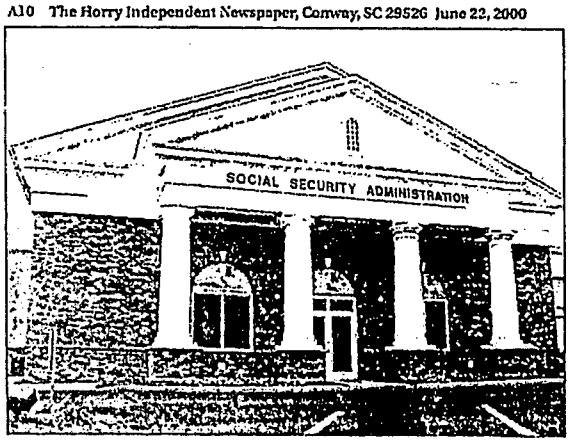
- Limited opportunity to realize tax revenue for a project that will be completed by USC and will not pay taxes.
- Minimal new required services from the City
- Utilizes existing infrastructure
- Minimal impact on existing traffic patterns
- Unlike construction of new primary residences, no new students will enter the public education system
- Quality housing assists local colleges in recruiting
- Promotes walkable communities encouraging alternative commuting patterns for students
- Parking garages eliminate "sea of asphalt" resulting from surface parking

THESE PROJECTS ARE A UNIQUE SCENARIO

- In building a quality development, the attached parking is a significant, non-revenue generating expense that is then taxed, creating an undue hardship on this type of development.
- This is one of the most expensive developments in Richland County. EVER.
  - Even all of the projects once owned by Holder Properties would not equal this dollar amount of development.
- Multi-family properties pay a higher tax burden than Office or Retail (due to the NOI per SF compared to the construction cost per SF because of the applied capitalization rate).
- In some cases, when industrial companies receive incentives, they leave the site as soon as the incentives expire. This project and use will be here for the long term.

This prevents two of the most expensive, under-utilized properties in the county from being purchased by or given to USC and taken off the tax rolls

EXHIBIT F



Conway's new Social Security office, located on Third Avenue, will open Wednesday July 5.

Social Security Move Coming Next Weekend

■ A.L. BRYSON
Staff Writer

Folks looking for a little security in their lives will soon be able to find it right across from the Horry County Courthouse when Conway's Social Security office moves downtown.

The present office, located at 2430 North Main St., will begin its move to 1216 Third Ave. June 30.

According to Social Security officials, the new office has a better location, more parking and larger office space with more privacy for interviews.

Horryites will remember the new office as the old Conway Hardware store. It was renovated according to specifications from the Social Security Department and now offers more than 9,000 square feet of office space. The existing Social Security Office offers just over 4,000 square feet.

"Everybody is very excited about moving," said Thomas S. Whidby, field representative for Horry County. "We've been trying to get improved space for sometime and although we were first told we'd move in April, this has worked out great for the public."

A reduced staff with little equipment will offer limited service to the public June 30 on North Main Street.

Limited customer service will also be available as employees unpark and set up office equipment. Full service at the new office will resume July 6, after the Independence Day holiday. Plans are being made for an Open House at a later date.

Services offered at the Social Security office include issuing new social security cards, or replacing cards if they are lost or someone changes their name. The office can also file benefits for retirement, disability and for survivors of workers who paid into the Social Security system. Customers may also take part in the Supplemental Security Income program (SSI)-I at the Conway office. SSI is a federally-funded program that regulates the amount of allowance allotted to disabled persons or seniors over the age of 65 to ensure they receive an adequate monthly income.

Currently, 30,900 Horryites receive social security benefits (enrolled more than 925 a mil-

Judge Hears Multi-County Business Park Lawsuit

■ By ROBERT ANDERSON
Staff Writer

The Horry County School District had its day in court this past Thursday and awaits a judge's ruling on the legality of Burroughs and Chapin's proposed Multi-County Business Park and Development Agreement.

Judge Howard P. King heard motions from school district, Horry County and city of Myrtle Beach attorneys regarding the lawsuit filed by Horry County Schools in February.

King told both sides he will carefully review the issue and notify attorneys when he reaches a decision. He gave no hint when that might be.

The district is challenging the validity of the multi-county business park legislation under which Horry County and Myrtle Beach acted to create the park. The school district asked King to find the ordinance creating the park unconstitutional because it uses school property tax money to pay for infrastructure.

Both sides filed motions for a declaratory judgment which means King will rule on the legality issue unless he decides to send the case to trial.

During the two and one-half hour hearing, school district attorney Ike Halligan concentrated on the negative impact the loss in revenue will have on educating students. The agreement approved by Horry County Council calls for the school district to receive 50 percent of the tax revenue from the business park. Halligan said the district deserves all the revenue generated by its tax millage.

"We're not getting the amount of money we're entitled to under our millage," he said.

Pat Henry, who represents Horry County and Myrtle Beach, called the school district's views "shortsighted." He said the business park and development agreement meet all the guidelines established by state government.

"This multi-county business park law is not something the legislature dreamed up," Henry said, adding the law was passed by both the S.C. House of Representatives and Senate. It has been amended three times.

"They (school officials) don't like what the law says," Henry said. "They wish it said something different. The structure of this is to enhance economic incentives, and it puts more money in schools but if it doesn't, that is a policy decision made by the people of this county and state."

The real question is whether the county should have full authority to determine where the revenue generated by the park eventually goes, Henry said. Under the agreement, the school district gets 50 percent, Horry County's general fund gets 25 percent, 24 percent goes to Burroughs and Chapin for infrastructure improvements and the partnering county gets up to 1 percent.

Henry believes the court's decision could affect future multi-county business parks as well as the 300 already in existence around the state.

Halligan argued the county should have no control over the school district and warned taxpayers will eventually have to pay more if the district doesn't receive its fair share of funding from the park.

Henry said the county also wants good schools and considered the district during negotiations.

"This is not an anti-school program," he said. "It's a pro-school program."

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Supreme Court Rules against Schools

By PAUL E. GORE
Staff Writer

The S.C. Supreme Court handed a decision Tuesday that the Horry County Board of Directors paving the way for Socastee and Chapin Multi-Duty Business Park.

In its written decision, the court said, "We sympathize with the Boards' public. However, this decision will not be a major impact."

The decision went up to any issues with the multi-county business park and should be dismissed by the S.C. Legislature.

The top portion of the business park includes the Mall of Carolina, the Outlets, entertainment and a major retail park for western Horry County.

Walter Coleman is HATC

Stephanie Alicia Tyler and David Brian Rabon

Tyler, Rabon

NEWS Economic Development Corporation said the industrial park will enhance efforts to attract new industry to the county.

"I don't want to interpret the fact there is a very large industrial park around our airport," Spivey said. "We're very excited about that. One of the things we know we have to do is develop more industrial sites and parks. We're very excited about the possibility of working with Burroughs and Chapin to see how we can benefit the entire county in the future."

A press release from the Horry County Board of Directors said, "While we are disappointed with the outcome, the Horry County Board of Directors accepts the Supreme Court's ruling. Our board, along with legal counsel throughout South Carolina, views this not as a public duty to present our questions and problems with the Multi-County Business Park agreements in the course. We believe that we have done so professionally and successfully."

Board Chairwoman Helen Smith said the county "will now look to the General Assembly to review the decision of the Supreme Court of South Carolina public committee."

A proposal submitted by Burroughs and Chapin to the Horry County Council last years ago stated that 45.5 percent of industrial taxes paid by businesses in the business park be diverted to infrastructure development within the park.

The final agreement gives 50 percent to the school board, 21.5 percent to Horry County, 23.5 percent to raise the PeeDee Soils, 4 percent to the city of Myrtle Beach and one-half of 1 percent each to Marion and Georgetown counties.

The school board estimates the citizens of Horry County will have to fill 10 percent increase in school taxes over the next 20 years to pay for the expected 8,500 students attracted to Horry County over that time by the business park.

When Horry County Council approved creating tax credits to pay for infrastructure costs as requested by IMC, the school board went to court to question the legality of the multi-county business park project.

Council approved nine projects and estimated approximately $60 million over 20 years will be applied to infrastructure. The SCD refused only rejected to raise the taxes of all nine projects, in order to council presented the bill, putting the Mall of South Carolina first. The new mall is listed as the state's largest.

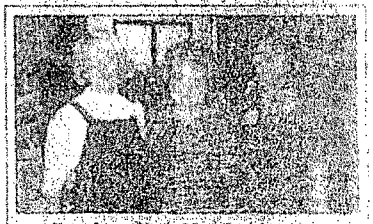
Burroughs and Chapin officials expressed appreciation for the Supreme Court's Sept. 4 decision.

"This is a major step forward in long range planning in Horry County. The Supreme Court's decision makes it possible to talk about public health, public safety, public services and public water and wastewater improvements prior to or in concert with the development of the economic engine proposed projects," said IMC spokesman Pat Dooley.

"The court's decision puts to rest the issues that the many various of businesses that make up the state's tourism industry are receptive and deserving of the attention as possible to other industries in the area," said Dooley.

Horry County Councilman Paul Prince responded, "This supported before I was elected to the council and that is a decision we have to live with. I support and do not agree with the business development in the county. We should need more developers like some and make sure they pay their fair share so that the county government and school system are the best out of new development."

District 11 County Councilman Tom Anderson, an opponent of diverting funds to infrastructure needs on the tax ballot, said, "I'm disappointed. The bottom line is the people of this county are going to suffer because the administration of the IMC is so much as the other developers do not, except who pay their fair share."



Garden Club Holds Meeting

HELP WANTED

Immediate Opening
for Qualified Service Advisor.
If you are a hard working,
aggressive individual who wants

EXHIBIT G

Sec. 17-54. - Rules of construction; interpretation of types of districts.

(a) Words to have customary meanings. The words and phrases used in this article shall have their customary meanings, or shall be defined as defined in a standard dictionary, except for the specific words and phrases as defined in this article.

(b) Tense. The present tense includes the future tense.

(c) Number. The singular number includes the plural number, and the plural number includes the singular number.

(d) Person. The word "person" includes a firm, association, partnership, trust, company, corporation, or any other entity usually defined in legal usage as a person.

(e) Shall and may. The word "shall" is mandatory; the word "may" is permissive.

(f) Used and occupied. The word "used" or "occupied" includes the words "intended, designed or arranged to be used or occupied."

(g) Lot. The word "lot" includes the words "plot or parcel."

(h) Structure. The word "structure" includes the word "building."

(i) Interpretation of types of districts or zones. Types of districts or zones, when used as a descriptive term for purposes of identifying certain circumstances in which particular regulations are applied (as, for example, "... when such parking lot is contiguous to a residential district ...") are defined as follows:

(1) Residential districts include:

a. D-1 development district;

b. RS-1, RS-1A, RS-2 and RS-3 single-family residential districts;

c. RD and RD-2 two-family residential district; and

d. RG-1, RG-1A, RG-2 and RG-3 general residential districts.

(2) Commercial districts include:

a. C-1 office and institutional district;

b. C-2 neighborhood commercial district:

c. C-3 general commercial district;

d. C-4 central area commercial district:

e. C-5 central business district;

f. C-6 limited commercial district; and

g. -MU multiple use district.

h. MX-1 mixed-use corridor/neighborhood district.

i. MX-2 mixed-use urban

(3) Industrial districts include:

a. M-1 light industrial district; and

b. M-2 heavy industrial district.

(4) Other districts not enumerated in this subsection shall be interpreted by the zoning administrator as being specifically residential, commercial or industrial, in any particular instance in keeping with the protective intent and purpose of this article as interpreted in the specific instance.

(j) Interpretation of "contiguous" as applied to lots or districts. The word "contiguous," as applied to lots or districts, shall be interpreted as meaning "sharing a common boundary of ten or more feet in length."

(k) Interpretation of "on the premises of." The phrase "on the premises of," as applied to accessory uses or structures, shall be interpreted to mean "on the same lot."

(Code 1979, § 6-3011; Ord. No. 2008-025, 6-18-08; Ord. No. 2009-036, 6-3-09; Ord. No. 2010-110, 7-28-10)

EXHIBIT H

Sec. 17-231. - Districts enumerated.

(a) For the purpose of promoting the health, safety, morals and general welfare of the city, and for other purposes as enumerated in division 1 of this article, the city is hereby divided into districts, as enumerated in this division, within which are regulated and restricted the erection, construction, reconstruction, alteration, repair or use of buildings and other structures, the percentage of lot that may be occupied, the size of yards, courts and other open spaces, the density of population and the location and use of buildings, structures and land for trade, industry, residence or other purposes.

(b) The regulations in this article have been made with reasonable consideration of, among other things, the character of each district and its peculiar suitability for particular uses and with a view to encouraging the most appropriate use of land throughout the city.

(c) The regulations of this division shall apply uniformly to each class or kind of structure or land located within any of the following district classifications respectively:

D-1	Development District
RS-1	Single-Family Residential District
RS-1A	Single-Family Residential District
RS-1B	Single-Family Residential District
RS-2	Single-Family Residential District
RS-3	Single-Family Residential District
RD	Two-Family Residential District
RD-2	Mill Village Two-Family Residential District
RG-1	General Residential District
RG-1A	General Residential District
RG-2	General Residential District
RG-3	Townhouse and High-Rise Residential District
UTD	Urban Transitional District
C-1	Office and Institutional District

C-2	Neighborhood Commercial District
C-3	General Commercial District
C-3A	General Commercial Overlay District
C-4	Central Area Commercial District
C-5	Central Business District
C-6	Limited Commercial District
MX-1	Mixed-Use Corridor/Neighborhood District
MX-2	Mixed-Use Urban
M-1	Light Industrial District
M-2	Heavy Industrial District
PUD-R	Residential Planned Unit Development District
PUD-C	Commercial Planned Unit Development District
-MU	Multiple Use Areas
-AP	Airport Height Restrictive Area
-FW	Floodway Area
-FP	Floodplain Area
-DP	Design and Preservation Area
-S	Sign Designated Area
-DD	Design/Development District
-PD	Planned Development Area

-5P	Five Points Overlay District
-ID	Innovista Design District
-NC	North Main Corridor

(Code 1979, § 6-3061; Ord. No. 98-079, 11-18-99; Ord. No. 2008-025, 6-18-08; Ord. No. 2009-36, 6-3-09; Ord. No. 2009-131, 3-7-10; Ord. No. 2010-110, 7-28-10)

NEXSEN|PRUET

Burnet R. Maybank, III
Member
Admitted in SC

June 7, 2016

VIA U.S. MAIL

The Honorable Jeanette W. McBride
PO Box 2766
Columbia, SC 29202-2766

Re: *South Carolina Public Interest Foundation and William B. DePass, Jr., individually, and on behalf of all others similarly situated v. The City of Columbia, and Richland County*
Case No. 2016-CP-40-00946

Dear Ms. McBride:

Enclosed are the original Affidavits referenced in and in support of the Motion for Summary Judgment in the above-referenced action.

By copy of this letter, I am serving counsel of record with a copy of the same. If you have any questions, please contact me.

Very truly yours,

Burnet R. Maybank, III

BRM/sld

cc: James G. Carpenter, Esquire (w/enclosure)
Ray N. Stevens, Esquire (w/enclosure)
Ray E. Jones, Esquire (w/enclosure)

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E BMaybank@nexsenpruet.com
Nexsen Pruet, LLC
Attorneys and Counselors at Law

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated,

Plaintiff,

vs.

City of Columbia and Richland County,

Defendants.

IN THE CIRCUIT COURT

Case No. 2016-CP-40-00946

Affidavit of Erika Moore in Support of Motion for Summary Judgment

Personally appeared before me, Erika Moore, who being duly sworn, deposes and says as follows:

1. My name is Erika D. Moore and I am over the age of 18 and competent to execute this Affidavit.

2. I serve as the Clerk of Council for the City of Columbia. I have served as Clerk since 2003.

3. The City of Columbia is a municipality in South Carolina, located within Richland County.

4. The City of Columbia through City of Columbia Ordinances Nos. 2014-015, 2014-019, 2014-020, 2014-123, and 2015-109 conjunction with Richland County Council Ordinance Nos. 004-14HR, 072-14HR, 011-14HR consented to the County's inclusion of student housing projects in a Multi-County Business Park located in Richland County, South Carolina. Richland County has entered into a Multi-County Business Park Agreement with the contiguous Fairfield County.

5. Plaintiff's lawsuit involves the constitutionality of including 4 student housing projects in a Multi-County Business Park. On information and belief, the student housing projects were private sector projects completed by for-profit real estate developers and include: CD/Park 7 Columbia SC Owner, LLC, CD/Park 7 Columbia SC High Rise Owner, LLC, Blue Atlantic Columbia, LLC, and University Residences Columbia, LLC.

FURTHER AFFIANT SAYETH NOT.

IN WITNESS WHEREOF, the undersigned executes this Affidavit on this 27th day of May, 2016.

Erika D. Moore

Erika D. Moore
Clerk of Council
City of Columbia
1737 Main Street
Columbia, SC 29201

SWORN TO before this 27th day of May, 2016.

Notary Public for South Carolina
My Commission Expires: 3/25/2023

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

IN THE CIRCUIT COURT

South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated,

Plaintiff,

vs.

City of Columbia and Richland County,

Defendants.

Case No. 2016-CP-40-00946

Affidavit of Krista Hampton in Support of Motion for Summary Judgment

1. My name is Krista M. Hampton and I am over the age of 18 and competent to execute this Affidavit.

2. I serve as the Director of Planning and Development Services for the City of Columbia. I have served as Director since 2010.

3. The City of Columbia is a municipality in South Carolina, located within Richland County.

4. Section 17-321 – Private Dormitory of the City of Columbia Ordinances places a number of restrictions not found on traditional apartment complexes, including limiting occupancy to one person per bedroom, an onsite manager available 24 hours a day, seven days a week, and on-site parking requirements (0.75 vehicle/0.25 bicycle per bedroom).

FURTHER AFFIANT SAYETH NOT.

IN WITNESS WHEREOF, the undersigned executes this Affidavit on this 25 day of May, 2016.

Krista Hampton

Krista M. Hampton
Director of Planning and Development Services
City of Columbia
1737 Main Street
Columbia, SC 29201

SWORN TO before this 26th day of
May, 2016.

Notary Public for South Carolina
My Commission Expires: 1/17/2023

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND	IN THE CIRCUIT COURT
South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiff, vs. City of Columbia and Richland County, Defendants.	Case No. 2016-CP-40-00946 **Affidavit of Paul Levine in Support of Motion for Summary Judgment**

Personally appeared before me, Paul Levine, who being duly sworn, deposes and says as follows:

1. My name is Paul Levine and I am over 18 years of age and competent to execute this affidavit.
2. I am the Executive Vice President of Development for the Park 7 Group.
3. Park 7 Group is a team of student housing development professionals comprised of three companies: Park 7 Development, Park 7 Management, and Park 7 Capital. The company is headquartered in New York. The Park 7 Group has completed previous student housing developments in Lubbock, Texas (Texas Tech University), San Marcos, Texas (Texas State University), Tuscaloosa, Alabama (University of Alabama), Tallahassee, Florida (Florida State University), and Norman, Oklahoma (University of Oklahoma). These developments consist of 2,957 units together with 8,609 beds. Prior to forming Park 7, the development team developed and managed a 16,000-bed student housing portfolio.
4. Plaintiff's lawsuit involves the constitutionality of including 4 student housing projects in a Multi-County Business Park. On information and belief, the student housing projects were private sector projects completed by for-profit real estate developers and include: CD/Park 7 Columbia SC Owner, LLC, CD/Park 7 Columbia SC High Rise Owner, LLC, Blue Atlantic Columbia, LLC, and University Residences Columbia, LLC.
5. Taxes on commercial properties in the state of South Carolina are among the highest in the United States. They are the highest of any project that I have been involved.

6. The City met with Park 7. Our realtor and Park 7 prepared the attached PowerPoint, which we presented to the City. It shows property taxes in Columbia are much higher, and in some cases much higher than other university towns.
7. My two national student housing development projects, CD/Park 7 Columbia SC Owner, LLC and CD/Park 7 Columbia SC High Rise Owner, LLC, went before both Richland County and the City of Columbia Councils. Richland County passed two ordinances which amended an existing Multi-County Business Park to include these student housing projects, together with the 50% Special Source Revenue Credit. The City of Columbia passed two ordinances consenting to the Special Source Revenue Credits for the two Park 7 projects.
8. The Park 7 entities, after passage of the Ordinances and Resolutions committed to building two student housing projects in Columbia. Both will pay at least $375,000 in property taxes. Park 7 relied on the Ordinances in making its decision to move forward.
9. Park Place Columbia, at Blossom & Huger Streets, is 237 units and consists of 640 beds. There is $46 million in capital construction and 500 structured parking spaces. This project is nearly complete and will be available for occupancy as soon as July 2016. The Assembly & Pendleton project is 227 units with 684 beds and $45 million in construction cost. The project will also include 4,500 square feet of retail. Construction has commenced on this project with a goal of occupancy for July 2018.
10. These student housing projects are classified as commercial for all purposes in Columbia, including water and sewer, property taxes, and zoning.

FURTHER AFFIANT SAYETH NOT.

IN WITNESS WHEREOF, the undersigned executes this Affidavit on this 19 day of May, 2016.

Paul Levine
Executive Vice President of Development
Park 7 Group
461 Park Avenue S, Floor 4
New York, NY 10016

SWORN TO before this 19 day of May, 2016.

Notary Public for ~~New York~~ CT
My Commission Expires: 8/31/17

SHIRLEY MATHEWS
Notary Public
Connecticut
My Commission Expires Aug 31, 2017

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND	IN THE CIRCUIT COURT
South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiff, vs. City of Columbia and Richland County, Defendants.	Case No. 2016-CP-40-00946 **Affidavit of Ryan Coleman in Support of Motion for Summary Judgment**

1. My name is Ryan T. Coleman and I am over the age of 18 and competent to execute this Affidavit.

2. I serve as the Director of Economic Development for the City of Columbia. I have served as Director since 2014.

3. The City of Columbia is a municipality in South Carolina, located within Richland County.

4. On information and belief, the five student housing projects at issue in this litigation were built to house students at the University of South Carolina (USC) as well as students at Allen University, Benedict College, Midlands Technical College. According to its website, the University of South Carolina has 31,027 students in Columbia. Many of those students utilize on-campus dormitories and the USC website states that the largest of those are 650 Lincoln which houses 900 students, Capstone at 579 students, Patterson Hall at 544 students, and Bates House at 531 students. The USC dormitories are state-owned property, which are exempt from property taxes. The dormitories located at Allen University, Benedict College, and Columbia College are also exempt from property taxes. None of these colleges and universities pay property taxes to the City of Columbia.

5. Given those tax exemptions which provide no property tax revenue, the City of Columbia sought to recruit private sector developers to construct dormitories which would pay property taxes. The City passed a student housing Resolution No. 2014-024 in part to "slow the growth of tax exempt real property." The City and County identified specific development to be utilized in a way that has traditionally and predominately been exempt from real property taxes.

6. The Resolution adopted by City Council in March 2014 contained a policy and criteria to consider the inclusion of student housing real property in the Richland County Multi-County Business Park in order to apply Richland County's Special Source Revenue Credit of 50% to properties located in the City. In order to qualify projects had to have:

   (a) A minimum private investment of $40 million;

   (b) A minimum investment of $5 million per usable acre;

   (c) Owe a minimum of $750,000 in property taxes prior to the application of the Special Source Revenue Credit; and

   (d) Structured parking and infrastructure with no use of public funds.

7. The resolution was amended twice and sunset on December 31, 2015.

8. Section 2 of the Multi-County Business Park Agreement required the developers to "operate the facility as a private dormitory pursuant to the terms of and in compliance with §17-321 of the Code of Ordinances of the City of Columbia." Failure to qualify as a private dormitory is an act of default under the agreement.

9. The City met with several national housing developers who stated that the property taxes on student housing in Columbia were among the highest of any college or university town in the United States.

10. Three national student housing developers, CD/Park 7 Columbia SC Owner, LLC, CD/Park 7 Columbia SC High Rise Owner, LLC, Blue Atlantic Columbia, LLC, and University Residences Columbia, LLC, went before both Richland County and the City of Columbia Councils. Richland County passed four ordinances which amended an existing Multi-County Business Park to include these student housing projects, together with the 50% Special Source Revenue Credit. The City of Columbia passed four ordinances consenting to the Special Source Revenue Credits for each project with Park 7 having two projects.

11. On information and belief, the use of Special Source Revenue Credits in Multi-County Business Parks to recruit projects in South Carolina is common. There are currently hundreds of such projects in South Carolina, including many in Richland County.

FURTHER AFFIANT SAYETH NOT.

IN WITNESS WHEREOF, the undersigned executes this Affidavit on this 2nd day of June, 2016.

Ryan T. Coleman
Director of Economic Development
City of Columbia
1737 Main Street
Columbia, SC 29201

SWORN TO before this 6 day of
June, 2016.

Notary Public for South Carolina
My Commission Expires: 7/13/2022

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

IN THE CIRCUIT COURT

CASE NO: 2016-CP-40-00946

South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated,

Plaintiffs,

vs.

The City of Columbia, and Richland County,

Defendants.

CERTIFICATE OF SERVICE

This is to certify that **Affidavits** have been served on the counsel of record by placing the same in the United States mail, first class postage prepaid, addressed to the following as shown below this 7th day of June, 2016:

James G. Carpenter, Esquire
819 East North Street
Post Office Box 11449
Greenville, South Carolina 29601

Ray E. Jones, Esquire
Ray N. Stevens, Esquire
Post Office Box 1509
Columbia, South Carolina 29202

Sharon L. Dodgins
Legal Practice Assistant
NEXSEN PRUET, LLC
1230 Main Street, Suite 700 (29201)
Post Office Drawer 2426
Columbia, South Carolina 29202
Telephone: 803.771.8900

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND	IN THE CIRCUIT COURT
South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiffs, vs. The City of Columbia, and Richland County, Defendants.	Case No. 2016-CP-40-00946 **Defendant City of Columbia's Supplemental Memorandum of Law in Support of Defendants' Motion for Summary Judgement**

Defendant the City of Columbia respectfully submits this supplemental Memorandum of Law in support of its Motion for Summary Judgment as to the claims asserted against it in Plaintiffs' Complaint.

This Appeal involves the constitutionality of including 4 student housing projects in a multi-county business park. The projects were built by private sector, for-profit real estate developers. Plaintiff contends the Ordinances are unconstitutional because the student housing projects are "residential."

The sole issue in this litigation is whether the large ($40 million) student housing apartment complexes are "residential." Plaintiff's complaint references two Attorney General opinions on the subject of whether a Multi-County Business Park may include residential property. The Opinions find the issue unclear. For purposes of this Motion, this defendant would stipulate that residential property may not be included.

Accordingly, the sole issue is whether student housing apartment complexes are "residential." The South Carolina Supreme Court has already found constitutional the inclusion of commercial property in a MCBP.

State law does not define for all purposes "residential." A primary single family residence is classic residential for all purposes (taxes, zoning, etc.). A second home is taxed as commercial but is considered residential for all other purposes. An apartment complex (or hotel) is considered commercial for *all* purposes (taxation, zoning, water, sewer, etc.).

As stated in our initial brief, taxes on commercial property in Columbia are amongst the highest in the United States for the reasons stated in our initial brief.

Defendant's initial brief cites the Lincoln Institute, *50-State Authority Property Tax Comparison Study*, //www.lincolninst.edu//. This is the leading property tax study in the U.S. Two weeks ago, the Institute released an updated study for taxes paid in 2015 (Exhibit A). The updated study looked at commercial property tax rates in Columbia and 52 other taxing jurisdictions. The rank of 1 is the highest property tax in the nation, and a rank of 53 is the lowest. Columbia had the 8th highest effective tax rate for commercial with $1 million valued property in the updated study (which was the same as last year).[1]

The updated study also looked at the tax differential between residential, commercial and apartments. Page 4 contains a chart for "Preferential Treatment of Homeowners: Ratio of Effective Tax Rate on Commercial and Apartment Properties to the Rate on Homestead Properties (2015)." Columbia was the third highest in the country for Commercial vs. Homestead Ratio.[2] Stated another way, only residents in New York City and Boston pay more on a $1 million commercial property relative to the taxes owing on a median-value primary

[1] Figure 3, page 23.
[2] Figure 6a, page 37.

residence than residents of Columbia—and the ratio in Columbia is 3.69%. Columbia was second highest in the Apartment vs. Homestead Ratio.[3] Only NYC had a high ratio. (Columbia previously had the 4th highest).

The new study also has a chart for Apartment Property taxes for the largest city in each state. Columbia ranked 8th.[4]

Columbia is number 1 (i.e. the highest in the country) for Industrial Property Taxes for largest city in each state payable in 2015.[5] (This is the same as last year.) The new study also looked at Property taxes on median valued primary residences (homestead) for the largest city in each state.[6] The new study broke it out for (1) effective tax rate and (2) tax bill. Columbia had the 46th lowest effective tax rate and the 51st lowest tax bill.

Obviously, it was both constitutional and made good business sense for the City to offer incentives through the Multi-County Business Park to entice three developers to invest $160 million of capital investment (4 student housing projects with a minimum of $40 million capital investment each) in student housing projects. This is particularly so given that the *no* taxes are paid on the student housing at the University of South Carolina, Benedict and Allen Universities.

Given that the taxes on a $1 million commercial property are almost 400% (369%) higher than a $1 million residence, the developers would applaud a Court Ruling that their student housing projects are "residential." If the Ordinance at issue was voided because their properties are deemed residential, they would receive a 319% tax savings (369% - 50% Special Source Credit). But such is not the law. And such a ruling would generate tax appeals by the owner of every hotel, motel and apartment complex in South Carolina.

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[3] Figure 66, page 38.
[4] Figure 5, page 32.
[5] Figure 4, page 28.
[6] Figure 2, page 18.

Respectfully Submitted,

Burnet R. Maybank, III
Christopher R. Hampton
NEXSEN PRUET, LLC
1230 Main Street, Suite 700 (29201)
Post Office Box 2426
Columbia, SC 29202
803.771.8900

Attorneys for Defendant City of Columbia

June 23, 2016
Columbia, South Carolina

Executive Summary

As the largest source of revenue raised by local governments, a well-functioning property tax system is critical for promoting municipal fiscal health. This report documents the wide range of property tax rates in more than 100 U.S. cities and helps explain why they vary so widely. This context is important because high property tax rates usually reflect some combination of heavy property tax reliance with low sales and income taxes, low home values that drive up the tax rate needed to raise enough revenue, or higher local government spending and better public services. In addition, some cities use property tax classification, which can result in considerably higher tax rates on business and apartment properties than on homesteads.

This report provides the most meaningful data available to compare cities' property taxes by calculating the *effective tax rate*: the tax bill as a percent of a property's market value. Data are available for 73 large U.S. cities and a rural municipality in each state, with information on four different property types (homestead, commercial, industrial, and apartment properties), and statistics on both net tax *bills* (i.e. $3,000) and effective tax *rates* (i.e. 1.5 percent). These data have important implications for cities because the property tax is a key part of the package of taxes and public services that affects cities' competitiveness and quality of life.

Why Property Tax Rates Vary Across Cities

To understand why property tax rates are high or low in a particular city, it is critical to know why property taxes vary so much across cities. This report uses statistical analysis to identify four key factors that explain most of the variation in property tax rates.

Property tax reliance is one of the main reasons why tax rates vary across cities. While some cities raise most of their revenue from property taxes, others rely more on alternative revenue sources. Cities with high local sales or income taxes do not need to raise as much revenue from the property tax, and thus have lower property tax rates on average. For example, this report shows that Bridgeport (CT) has the highest effective tax rate on a median valued home, while Birmingham (AL) has one of the lowest rates. However, in Bridgeport city residents pay no local sales or income taxes, whereas Birmingham residents pay both sales and income taxes to local governments. Consequently, despite the fact that Bridgeport has much higher property taxes, total local taxes are considerably higher in Birmingham ($2,429 vs. $1,914 per capita).

Property values are the other crucial factor explaining differences in property tax rates. Cities with high property values can impose a lower tax rate and still raise at least as much property tax revenue as a city with low property values. For example, consider San Francisco and Detroit, which have the highest and lowest median home values in this study. The average property tax bill on a median valued home for the large cities in this report is $3,039. To raise that amount from a median valued home, the effective tax rate would need to be more than 20 times higher in Detroit than in San Francisco—7.25 percent versus 0.36 percent.

Two additional factors that help explain variation in tax rates are the level of local government spending and whether cities tax homesteads at lower rates than other types of property (referred to as "classification"). Holding all else equal, cities with higher spending will need to have

higher property tax rates. Classification imposes lower property taxes on homesteads, but higher property taxes on business and apartment properties.

Homestead Property Taxes

There are wide variations across the country in property taxes on owner-occupied primary residences, otherwise known as homesteads. An analysis of the largest city in each state shows that the average effective tax rate on a median-valued homestead was 1.50 percent in 2015 for this group of 53 cities.[1] At that rate, a home worth $200,000 would owe $3,000 in property taxes (1.50% x $200,000). On the high end, there are three cities with effective tax rates that are roughly 2.5 times higher than the average – Bridgeport, Detroit, and Aurora (IL). Conversely, there are six cities where tax rates are less than half of the study average – Honolulu, Cheyenne, Denver, Birmingham, Boston, and Washington DC.

Highest and Lowest Effective Property Tax Rates on a Median Valued Home (2015)

Highest Property Tax Rates				Lowest Property Tax Rates			
1	Bridgeport (CT)	3.88%	*Why:* High property tax reliance	49	Boston (MA)	0.67%	*Why:* Classification shifts tax to business, high home values
2	Detroit (MI)	3.81%	*Why:* Low property values	50	Birmingham (AL)	0.66%	*Why:* Low property tax reliance, classification shifts tax to business
3	Aurora (IL)	3.72%	*Why:* High property tax reliance	51	Denver (CO)	0.66%	*Why:* Low property tax reliance, classification, high home values
4	Newark (NJ)	3.05%	*Why:* High property tax reliance	52	Cheyenne (WY)	0.65%	*Why:* Low property tax reliance
5	Milwaukee (WI)	2.68%	*Why:* Low property values, high property tax reliance	53	Honolulu (HI)	0.30%	*Why:* High home values, low local gov't spending, classification

Note: Data for all cities: Figure 2 (page 18), Appendix Table 1a (page 49), and Appendix Table 2a (page 57).

The average tax rate for these cities fell slightly between 2014 and 2015, from 1.511 percent to 1.503 percent, with increases in 20 cities, decreases in 31, and no change in 2 cities. The largest increase was in Phoenix, where the effective rate rose by about 12 percent, which drove the city's ranking up from 37th to 30th highest. The next largest increases were in Des Moines, Aurora (IL), Fargo, and Indianapolis. The largest decrease was in Sioux Falls (SD), which had a 9.4 percent decline and a six-place drop in rank, from 23rd to 29th highest. The next largest declines were in Chicago, Seattle, Billings (MT), and Memphis.

Note that differences in property values across cities mean that some cities with high tax *rates* can still have low tax *bills* on a median valued home if they have low home values, and vice versa. For example, Bridgeport and Detroit have similar tax rates on a median valued home, but because the median valued home is worth so much more in Bridgeport ($173k vs. $42k), the tax bill is far higher in Bridgeport (2nd highest) than in Detroit (42nd highest).

Effective tax rates rise with home values in about half of the cities (26 of 53), and this pattern has a progressive impact on the property tax distribution. Usually, this relationship occurs because of homestead exemptions that are set to a fixed dollar amount. For example, a $20,000 exemption

[1] The largest cities in each state includes 53 cities, because it includes Washington (DC) plus two cities in Illinois and New York since property taxes in Chicago and New York City are so different than the rest of the state.

provides a 20 percent tax cut on a $100,000 home, a 10 percent cut on a $200,000 home, and a 5 percent cut on a $400,000 home. The increase in effective tax rates with home values is steepest in Boston, Honolulu, Washington (DC), Atlanta, and New Orleans.

Commercial Property Taxes

There are also significant variations across cities in commercial property taxes, which include taxes on office buildings and similar properties. In 2015, the effective tax rate on a commercial property worth $1 million averaged 2.11 percent across the largest cities in each state. The highest rates were in Detroit, New York City, Providence, Chicago, and Bridgeport, all of which had effective tax rates that were at least two-thirds higher than the average for these cities. On the other hand, rates were less than half of the average in Cheyenne, Seattle, Honolulu, Virginia Beach, and Wilmington (DE).

Highest and Lowest Effective Property Tax Rates on $1-Million Commercial Property

Highest Property Tax Rates				Lowest Property Tax Rates			
1	Detroit (MI)	4.13%	*Why:* Low property values	49	Virginia Beach (VA)	1.03%	*Why:* High property values, Low local gov't spending
2	New York (NY)	3.96%	*Why:* High local gov't spending, Classification shifts tax to business	50	Billings (MT)	1.01%	*Why:* Low local gov't spending
3	Providence (RI)	3.71%	*Why:* High property tax reliance	51	Honolulu (HI)	0.91%	*Why:* High property values, Low local gov't spending
4	Chicago (IL)	3.60%	*Why:* Classification shifts tax to business, High local gov't spending	52	Seattle (WA)	0.88%	*Why:* High property values, Low property tax reliance
5	Bridgeport (CT)	3.59%	*Why:* High property tax reliance	53	Cheyenne (WY)	0.64%	*Why:* Low property tax reliance

Note: Analysis includes an additional $200k in fixtures (office equipment, etc.)
Data for all cities: Figure 3 (page 23), Appendix Table 1b (page 52), and Appendix Table 3a (page 73).

The cities with the largest drops in their effective tax rates from 2014 to 2015 were Columbus (OH), whose rate fell by almost a quarter and ranking dropped from 26th to 32nd, and Boston where the tax rate fell by a fifth and whose ranking dropped from 13th to 24th. There were also significant declines in Des Moines and Billings (MT). The largest increase was in Baltimore, where the effective tax rate increased by 9 percent, which drove the city's ranking up from 19th to 16th. No other city had its ranking increase by more than two places.

Preferential Treatment for Homeowners

Many cities have preferences built into their property tax systems that result in lower effective tax rates for certain classes of property, with these features usually designed to benefit homeowners. The "classification ratio" describes these preferences by comparing the effective tax rate on land and buildings for two types of property. For example, if a city has a 3.0% effective tax rate on commercial properties and a 1.5% effective tax rate on homestead properties, then the commercial-homestead classification ratio is 2.0 (3.0% divided by 1.5%).

An analysis of the largest cities in each state shows an average commercial-homestead classification ratio of 1.68, meaning that on average commercial properties experience an effective tax rate that is 68% higher than homesteads. Nearly a third of the cities (16 of 53) have

classification ratios above 2.0, meaning that commercial properties face an effective tax rate that is at least double that for homesteads.

Preferential Treatment of Homeowners: Ratio of Effective Tax Rate on Commercial and Apartment Properties to the Rate on Homestead Properties (2015)

Commercial vs. Homestead Ratio			Apartment vs. Homestead Ratio		
1	New York (NY)	4.22	1	New York (NY)	5.10
2	Boston (MA)	4.00	2	Columbia (SC)	3.69
3	Columbia (SC)	3.69	3	Indianapolis (IN)	2.65
4	Honolulu (HI)	3.62	4	Charleston (WV)	2.21
5	Denver (CO)	3.62	5	Birmingham (AL)	2.19

Note: Commercial-homestead ratio compares rate on $1 million commercial building to median valued home. Apartment-homestead ratio compares rate on $600k apartment building to median valued home. Data for all cities: Figures 6a and 6b (Page 37-38), and Appendix 6 (Page 99).

The average apartment-homestead classification ratio is significantly lower (1.38), with apartments facing an effective tax rate that is 38% higher than homesteads on average. There are six cities where apartments face an effective tax rate that is at least double that for homesteads, with New York City being a major outlier since the rate on apartments is more than five times higher than the rate on a median valued home. It is important to note that while renters do not pay property tax bills directly, they do pay property taxes indirectly since landlords are able to pass through some or all of their property taxes in the form of higher rents.

There are three types of statutory preferences built into property tax systems that can lead to lower effective tax rates on homesteads than other property types: the assessment ratio, the nominal tax rate, and exemptions and credits. In total, 40 of the 53 cities favor homesteads over commercial properties—27 of them have assessment ratios and/or nominal tax rates that favor homesteads, while in 13 cities classification is solely the result of exemptions or credits. Similarly, 36 cities favor homesteads relative to apartments, but only 16 of them have preferential assessment ratios and/or nominal tax rates, while in 20 cities classification is the result of exemptions or credits alone.

Property Tax Assessment Limits

Since the late 1970s, an increasing number of states have adopted property tax limits, including constraints on tax rates, tax levies, and assessed values. This report accounts for the impact of limits on tax rates and levies implicitly, because of how these laws impact cities' tax rates, but it is necessary to use an explicit modeling strategy to account for assessment limits.

Assessment limits typically restrict growth in the assessed value for individual parcels and then reset the taxable value of properties when they are sold. Therefore, the level of tax savings provided from assessment limits largely depends on two factors: how long a homeowner has owned her home and appreciation of the home's *market value* relative to the allowable growth of its *assessed value*. As a result, assessment limits can lead to major differences in property tax bills between owners of nearly identical homes based on how long they have owned their home.

This report estimates the impact of assessment limits by calculating the difference in taxes between newly purchased homes and homes that have been owned for the average duration in each city, for median valued homes. This discrepancy is largest in Long Beach (CA), where the average home has been owned for 14 years and the median home is worth $440,900. Because of the state's assessment limit, the owner of a newly purchased home would pay 40 percent more in property taxes than someone who has owned their home for 14 years, even though both homes are worth $440,900. Assessment limits have the largest impacts on the eight California cities studied, plus New York City (36.5% difference) and Miami (28.5% difference). Of the 27 cities in this report that are affected by parcel-specific assessment limits, new homeowners face higher property tax bills than existing homeowners in 21 cities.

Conclusion

Property taxes range widely across cities in the United States. This report not only shows which cities have high or low effective property tax rates, but also explains why. Cities will tend to have higher property tax rates if they have high property tax reliance, low property values, or high local government expenditures. In addition, some cities use property tax classification, which can result in considerably higher tax rates on business and apartment properties than on homesteads. By calculating the effective property tax rate, this report provides the most meaningful data available to compare cities' property tax burdens. These data have important implications for cities because the property tax is a key part of the package of taxes and public services that affects cities' competitiveness and quality of life.

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiffs, v. The City of Columbia, Richland County, and Fairfield County Defendants.	IN THE COURT OF COMMON PLEAS CASE NO. 2016-CP-40-00946 **DEFENDANT RICHLAND COUNTY'S NOTICE OF AND MOTION TO DISMISS**

The South Carolina Public Interest Foundation ("Foundation") and William B. DePass, Jr, ("DePass"), both collectively referred to as "Plaintiffs," filed an Amended Complaint for Declaratory Judgement ("Amended Complaint") on April 29, 2016, with the Richland County Court of Common Pleas. The Defendant, Richland County, received a copy of the filed Summons and Complaint delivered by standard U.S mail on May 3, 2016. Richland County responds to the Amended Complaint by moving this Court for an order dismissing this action in its entirety under Rules 12(b)(6) and 12(b)(1)of the South Carolina Rules of Civil Procedure. A Memorandum of Law will be filed and served prior to the hearing on this motion.

GROUNDS FOR DISMISSAL

1. Rule 12(b)(6), SCRCP:
Failure to State Facts Sufficient to State a Cause of Action

This Court may dismiss an action when the Plaintiffs fail "to state facts sufficient to constitute a cause of action." Rule 12(b)(6), SCRCP.

a. *Plaintiffs Fail to State Facts Sufficient to Constitute a Cause of Action Because Plaintiffs Do Not Allege the Student Housing Projects Included in the Multicounty Park is Not a Business.*

Plaintiffs' Amended Complaint alleges "Richland County . . . enacted ordinances to include. . . student housing. . . in the Park." (Amended Compl. at ¶ 18). Plaintiff then states the S.C. Constitution and state law do not permit "Defendants to include residential projects in a Multicounty Business and Industrial Park." (Amended Compl. at ¶ 19). Plaintiffs allege the projects under review are student housing. (Amended Compl. at ¶ 18). Further, Plaintiffs fail to state facts sufficient to allege the student housing projects are not a business, a permissible project for a multicounty park. By failing to allege student housing is not a business, Plaintiffs have failed to state facts giving rise to a cause of action.

b. Plaintiffs Fail to State Facts Sufficient to Constitute a Cause of Action Because Plaintiffs Allege the City of Columbia Owns the Property in the Multi-County Park—an Allegation Removing Any Controversy Over the Nature of the Property.

Plaintiff allege that "Richland County . . . enacted ordinances to include **City property**" in a multicounty park (Amended Compl. at ¶ 18) (emphasis added). The allegation of government ownership removes any alleged concern as to whether the property is a residential project. Rather than creating a controversy, residential use of governmentally owned property has long been approved—an approval acknowledged for more than three decades. *See* S. Carolina Pub. Serv. Auth. v. Summers, 282 S.C. 148, 151, 318 S.E.2d 113, 114 (1984) (in a challenge to exempting residential use of governmentally owned property, the Court upheld the exemption for "property [that] consists primarily of land surrounding Lakes Marion and Moultrie [which] . . . land has been divided into lots and leased to private persons for residential and commercial use.")

The Court, bound by the allegations of the complaint (*see* Doe v. Marion, 361 S.C. 463, 469, 605 S.E.2d 556, 559 (Ct.App.2004)) must dismiss the requested declaratory judgment under Rule 12(b)(6) because the allegations leave no controversy to be resolved.

2. Rule 12(b)(1) SCRCP: Lack of Subject Matter Jurisdiction

a. The Plaintiffs Lack Standing

The Court lacks subject matter jurisdiction since the Plaintiffs lack standing. A party can establish standing: (1) by statute; (2) through "constitutional" standing; or (3) under the public importance exception. Here, Plaintiffs lack all three.

Plaintiffs have alleged no concrete and particularized injury needed for individual standing. And, as a matter of law, the Declaratory Judgement Act under which the Plaintiff is proceeding confers no standing. *See* Bodman v. State, 403 S.C. 60, 67, 742 S.E.2d 363, 366 (2013) ("We reject any averment that the fact Bodman is proceeding under the Declaratory Judgment Act has any impact on our standing analysis."). Plaintiffs' allegation of "standing to bring this lawsuit as a City and County taxpayer" (Compl. at ¶ 2.) does not confer standing, *see* Bodman v. State, 403 S.C. 60, 67, 742 S.E.2d 363, 366 (2013) ("We reaffirm this principle today and hold that Bodman's status as a mere taxpayer is insufficient to confer standing upon him.").

Additionally, no allegations establish that the question regarding the inclusion of certain kinds of property in a multicounty park is of great public importance. Plaintiffs allege no facts sufficient to establish how any resolution is needed for future guidance. *See* ATC S., Inc. v. Charleston County, 380 S.C. 191, 199, 669 S.E.2d 337, 341 (2008). Finally, the Attorney General opinions cited by Plaintiffs rely upon a county with standing bringing a declaratory judgement as to multicounty parks, not an individual or nonprofit corporation.

Plaintiffs lack standing to sue. The Complaint should be dismissed under Rule 12(b)(1).

b. The Plaintiffs Improperly Seek to Overturn the Policy Judgment of Political Bodies, A Matter Over Which Courts Have No Jurisdiction

Plaintiffs' Complaint presents allegations seeking to embroil the Court in a nonjusticiable question of second guessing the policy judgment made by Richland County and Fairfield County in exercising their constitutionally granted authority.

Section 13D of Article VIII of the S.C. Constitution specifically grants the authority to create "an industrial or business park" to counties. Section 13D mandates the member counties who jointly develop a multi-county industrial or business park to "reduce the agreement to develop and share expenses and revenues of the park to a written instrument which is binding on all participating counties." Thus, the S.C. Constitution, in unequivocal terms, vests the authority to "develop" a multi-county park in the hands of the constituent counties who create such a park. And, in enacting ordinances placing the property under review in the Park, both Richland County and Fairfield County exercised their best policy judgment and acted within their plenary constitutional authority.

A Court lacks jurisdiction to review questions of policy judgment when those matters are constitutionally committed to other legal bodies. *See* Stone v. Leatherman, 343 S.C. 484, 484-85, 541 S.E.2d 241 (2001) (holding the S.C. Constitution provides the Senate with the authority to judge the election returns and qualifications of its own members

Plaintiffs' allegations raise a personal disagreement over the policy judgment of the counties, a policy judgment for which legal authority resides in the county.

Thus, Plaintiffs voicing in the Complaint of their disagreement with the policy judgement exercised by Richland and Fairfield Counties, presents a nonjusticiable question asking the Court to usurp the authority of the political bodies imbued with the

constitutional authority to develop a multi-county park. The Court, having no jurisdiction over such matters, should dismiss the Complaint under Rule 12(b)(1).

WHEREFORE, Plaintiffs failed to state facts sufficient to constitute a cause of action and failed to establish jurisdiction for the Court. Thus, this case should be dismissed with prejudice. Richland County will supplement the arguments made in this Motion with a supporting Memorandum of Law to be filed and served prior to the Motion's hearing.

Respectfully submitted,

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Attorneys for Defendant, Richland County

May 13, 2016
Columbia, South Carolina

CERTIFICATE OF SERVICE

The undersigned certifies that on May 13, 2016, he or she caused a copy of ***Defendant Richland County's Notice of and Motion to Dismiss*** to be served upon the following counsel of record by depositing a copy of the same in the United States Mail, postage prepaid, addressed as follows:

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Randi M. Berlin

Columbia, South Carolina

STATE OF SOUTH CAROLINA)	IN THE COURT OF COMMON PLEAS
)	
COUNTY OF RICHLAND)	
	CASE NO. 2016-CP-40-00946
South Carolina Public Interest Foundation,)	
and William B. DePass, Jr., individually, and)	
on behalf of all others similarly situated,)	**DEFENDANT RICHLAND COUNTY'S ANSWER TO AMENDED COMPLAINT**
)	
Plaintiffs,)	
)	
v.)	
)	
The City of Columbia, Richland County, and)	
Fairfield County,)	
)	
Defendants.)	

Defendant Richland County ("County"), through its undersigned counsel, hereby responds to the allegations of Plaintiffs' Amended Complaint, showing the Court as follows:

1. Any allegations of the Amended Complaint not expressly admitted herein are denied.

FOR A FIRST DEFENSE

2. County admits the allegations of Paragraphs 3, 4, 5, 13

3. County denies the allegations of Paragraphs 6, 7, 8, 16, 20,

4. Responding to Paragraph 1 of the Amended Complaint, the County admits Plaintiff South Carolina Public Interest Foundation is a not for profit corporation organized and existing under the laws of the State of South Carolina, but as to the remaining allegations of Paragraph 1, County lacks knowledge or information sufficient to form a belief about the truth of the allegations and, therefore, denies the same.

5. Responding to Paragraph 2 of the Amended Complaint, the County is informed and believes that Plaintiff William B. DePass, Jr. is a citizen, resident, taxpayer, and registered

elector of the City of Columbia and Richland County. The remaining allegations of Paragraph 2 are denied.

6. Responding to Paragraph 9 of the Amended Complaint, the County admits only that Article VIII, Section 13(D) of the South Carolina Constitution authorizes counties to develop industrial or business parks in accordance with the provisions thereof; Article VIII, Section 13(D) of the South Carolina Constitution speaks for itself and the County craves reference to Article VIII, Section 13(D) of the South Carolina Constitution for its exact terms and provisions and denies any allegations of the Amended Complaint to the extent they are inconsistent therewith and further denies any inferences or conclusions which may be drawn from the allegations of Paragraph 9.

7. Responding to Paragraph 10 of the Amended Complaint, the County admits so much of Paragraph 10 of the Amended Complaint that alleges the County and Fairfield County jointly developed a multicounty industrial or business park called the I-77 Corridor Regional Industrial Park ("Park"), and on or about April 15, 2003, the County and Fairfield County entered into an agreement entitled "Master Agreement Governing the I-77 Corridor Regional Industrial Park. The County denies the remaining allegations of Paragraph 10.

8. Responding to Paragraph 11 of the Amended Complaint, the County admits only that counties are permitted to develop industrial or business parks with other counties; Section 4-1-170 of the Code of Laws of South Carolina, 1976, as amended speaks for itself and the County craves reference to Section 4-1-170 for its exact terms and provisions and denies any allegations of the Amended Complaint to the extent they are inconsistent therewith and further denies any inferences or conclusions which may be drawn from the allegations of Paragraph 11.

9. Responding to Paragraph 12 of the Amended Complaint, the County admits only that land in a multicounty industrial or business park is exempt from *ad valorem* taxation,

Section 4-12-30(A) of the Code of Laws of South Carolina, 1976, as amended, speaks for itself and the County craves reference to Section 4-12-30(A) for its exact terms and provisions and denies any allegations of the Amended Complaint to the extent they are inconsistent therewith and further denies any inferences or conclusions which may be drawn from the allegations of Paragraph 12.

10. Responding to Paragraph 14 of the Amended Complaint, the County lacks knowledge or information sufficient to form a belief about the truth of the allegations and denies the same.

11. Responding to Paragraph 15 of the Amended Complaint, the County is without knowledge or information sufficient to form a belief as to the truth of the matters asserted and denies the same.

12. Responding to Paragraph 17 of the Amended Complaint, the County admits only that the County and Fairfield County must gain the consent of the City of Columbia to include property located in the City of Columbia in the Park; Section 4-1-170 of the Code of Laws of South Carolina, 1976, as amended speaks for itself and the County craves reference to Section 4-1-170 for its exact terms and provisions and denies any allegations of the Amended Complaint to the extent they are inconsistent therewith and further denies any inferences or conclusions which may be drawn from the allegations of Paragraph 17.

13. Responding to Paragraph 18 of the Amended Complaint, the County admits that from March 4, 2014 through May 19, 2015, the County, the City of Columbia and Fairfield County have adopted ordinances to include certain student housing projects in the Park. However, the County denies the remaining allegations of Paragraph 18.

14. Responding to Paragraph 19 of the Amended Complaint, the County admits the County, the City of Columbia and Fairfield County have adopted ordinances to include certain

student housing projects in the Park. However, the County denies the remaining allegations of Paragraph 19.

15. Responding to Paragraph 21 of the Amended Complaint, the County is without knowledge or information sufficient to form a belief as to the truth of the matters asserted and, therefore, denies the same.

16. Responding to Paragraph 22 of the Amended Complaint, the County admits the Attorney General has been asked for an opinion on the inclusion of residential property in a multicounty park but denies all other allegations of Paragraph 22.

17. Responding to Paragraph 23 of the Amended Complaint, the County admits only that the language set forth in the Amended Complaint is included in the cited opinion of the Attorney General; the cited Attorney General opinion speaks for itself and the County craves reference to the cited Attorney General opinion for its exact terms and provisions and denies any allegations of the Amended Complaint to the extent they are inconsistent therewith and further denies any inferences or conclusions which may be drawn from the allegations of Paragraph 23.

18. Responding to Paragraph 24 of the Amended Complaint, the County is without knowledge or information sufficient to form a belief as to the truth of the matters asserted and, therefore, denies the same.

FOR A SECOND DEFENSE
(Failure to State a Claim)

19. Plaintiffs fail to state facts sufficient to constitute a cause of action and the Amended Complaint should be dismissed.

FOR A THIRD DEFENSE
(Lack of Subject Matter Jurisdiction)

20. The Court lacks subject matter jurisdiction over this action.

FOR A FOURTH DEFENSE
(No Standing)

21. Plaintiffs lack standing to seek the relief sought in the Amended Complaint.

FOR A FIFTH DEFENSE
(No Case or Controversy)

22. The Amended Complaint should be dismissed because it seeks to raise a non-justiciable issue, a political question, attacking the County's policy judgement on economic development with such a challenge raising no case or controversy for this Court's decision.

FOR A SIXTH DEFENSE
(Reservation of Additional Defenses)

23. The County reserves the right to amend its Answer to add any additional or new defenses that may become available as discovery progresses in this case.

Respectfully submitted,

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Attorneys for Defendant
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May 16, 2016
Columbia, South Carolina

CERTIFICATE OF SERVICE

The undersigned certifies that on May 16, 2016, s/he caused to be served a copy of the ***Defendant Richland County's Answer to Amended Complaint*** on all counsel of record by depositing a copy of the same in the United States Mail, postage prepaid, addressed as follows:

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Felicia Turner

Columbia, South Carolina

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND	IN THE CIRCUIT COURT CASE NO: 2016-CP-40-00946
South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiffs, vs. The City of Columbia, Richland County, and Fairfield County Defendants.	**ANSWER AND COUNTERCLAIM OF DEFENDANT CITY OF COLUMBIA TO AMENDED COMPLAINT**

DEFENDANT, CITY OF COLUMBIA, BY AND THROUGH ITS UNDERSIGNED ATTORNEYS, ANSWER THE COMPLAINT OF THE PLAINTIFFS AS FOLLOWS:

FOR A FIRST DEFENSE

1. Defendant admits paragraphs 3, 4, 5, 8, 9, 10, 11, 12, 17, 22, 23, and 24.

2. Defendant denies paragraphs 6, 7, 13, 14, 15, 16, 31, 32, 34, 35, 38, and 41.

3. Regarding paragraph 1, Defendant admits that Plaintiff South Carolina Public Interest Foundation is a not for profit corporation organized and existing under the laws of South Carolina. Defendant lacks knowledge or information sufficient to form a belief as to the remaining allegations of paragraph 1, and therefore denies the same.

4. Regarding paragraph 2, Defendant admits that Plaintiff William B. DePass is a citizen, resident, taxpayer and registered elector of the City of Columbia and Richland County. Defendant denies the remaining allegations of paragraph 2.

5. Regarding paragraphs 18 and 19, Defendant admits that the counties and City have enacted ordinances to include student housing in the Park. Defendant denies the remaining allegations of both paragraphs.

6. Regarding paragraph 20 and 21, none of the student housing projects referenced in the Complaint are "residential projects." Defendant accordingly denies the remaining allegations of paragraph 20 and 21.

7. Defendant denies each and every averment contained in Plaintiff's prayer for relief.

FOR A SECOND DEFENSE
(Failure to State a Claim)

8. The Complaint fails to state facts sufficient to constitute a cause of action against this Defendant and should, therefore, be dismissed pursuant to Rule 12(b)(6) of the South Carolina Rules of Civil Procedure.

FOR A THIRD DEFENSE
(Lack of Subject Matter Jurisdiction)

9. This Court lack subject matter jurisdiction over this action.

FOR A FOURTH DEFENSE
(No Standing)

10. Plaintiffs lack standing to pursue or obtain any of the relief sought in the Complaint.

FOR A FIFTH DEFENSE
(No Case or Controversy)

11. On information and belief, this litigation was filed on behalf of competing real estate developers for the purpose of pressuring or intimidating the Defendants City of Columbia and Richland County from entering into any future multi-county business parks for commercial property, regardless of how valid or legally enforceable. Plaintiffs have filed a meritless case, not for purpose of prevailing on the merits, but rather to chill valid economic development of commercial property during the course of this litigation.

12. The litigation accordingly does not involve a justiciable controversy and should be dismissed.

COUNTERCLAIM

13. Defendant incorporates by reference its responses to all prior allegations.

14. Defendant seeks declaratory relief pursuant to South Carolina Code Ann. Section 15-53-10 *et. seq.* (1976) declaring that the creation of a multi-county business park for commercial property, including student housing complexes, pursuant to South Carolina Code Ann. Section 4 -1-170 and 4 -1-175 is valid, lawful and constitutional under the laws of the State of South Carolina.

15. Defendant seeks a declaration from the Court that the County's Multi-County Business Park Agreement and the City of Columbia's consent thereto are a valid, lawful and constitutional exercise of the County's and the City's authority.

WHEREFORE, having fully answered the Complaint, the Defendant prays that the same be dismissed and that an appropriate order be entered as to Defendant's Counterclaim declaring that:

(i) Ordinance No. 2014-24, Ordinance No. 2014-045, Ordinance No. 2015-049, Ordinance No. 2014-015, Ordinance No. 2014-019, Ordinance No. 2014-020, Ordinance No. 2014-123, Ordinance No. 2015-042, Ordinance No. 2015-109, Ordinance No. 2016-017 and the MCBP Agreements created by City Ordinance do not violate the South Carolina Code, Section 4-1-170 and/or Section 4-1-175 or Article I, Section 3, Article VIII, Section 13(D), Article VIII, Section 14, Article X, Section 5 or Section 6 of the South Carolina Constitution.

Respectfully submitted by,

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803.771.8900

Attorney for Defendant City of Columbia

May 18, 2016
Columbia, South Carolina

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

IN THE CIRCUIT COURT

CASE NO: 2016-CP-40-00946

South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated,

Plaintiffs,

vs.

The City of Columbia, Richland County, and Fairfield County

Defendants.

CERTIFICATE OF SERVICE

This is to certify that **Amended Answer and Counterclaim of Defendant City of Columbia** has been served on the counsel of record by placing the same in the United States mail, first class postage prepaid, addressed to the following as shown below this 18th day of May, 2016:

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STATE OF SOUTH CAROLINA COUNTY OF RICHLAND South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiff, vs. City of Columbia and Richland County, Defendants.	IN THE CIRCUIT COURT Case No. 2016-CP-40-00946 **Affidavit of Erika Moore in Support of Motion for Summary Judgment**

Personally appeared before me, Erika Moore, who being duly sworn, deposes and says as follows:

1. My name is Erika D. Moore and I am over the age of 18 and competent to execute this Affidavit.

2. I serve as the Clerk of Council for the City of Columbia. I have served as Clerk since 2003.

3. The City of Columbia is a municipality in South Carolina, located within Richland County.

4. The City of Columbia through City of Columbia Ordinances Nos. 2014-015, 2014-019, 2014-020, 2014-123, and 2015-109 conjunction with Richland County Council Ordinance Nos. 004-14HR, 072-14HR, 011-14HR consented to the County's inclusion of student housing projects in a Multi-County Business Park located in Richland County, South Carolina. Richland County has entered into a Multi-County Business Park Agreement with the contiguous Fairfield County.

5. Plaintiff's lawsuit involves the constitutionality of including 4 student housing projects in a Multi-County Business Park. On information and belief, the student housing projects were private sector projects completed by for-profit real estate developers and include: CD/Park 7 Columbia SC Owner, LLC, CD/Park 7 Columbia SC High Rise Owner, LLC, Blue Atlantic Columbia, LLC, and University Residences Columbia, LLC.

FURTHER AFFIANT SAYETH NOT.

IN WITNESS WHEREOF, the undersigned executes this Affidavit on this 27th day of May, 2016.

Erika D. Moore

Erika D. Moore
Clerk of Council
City of Columbia
1737 Main Street
Columbia, SC 29201

SWORN TO before this 27th day of May, 2016.

Notary Public for South Carolina
My Commission Expires: 3/25/2023

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND	IN THE CIRCUIT COURT
South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiff, vs. City of Columbia and Richland County, Defendants.	Case No. 2016-CP-40-00946 **Affidavit of Krista Hampton in Support of Motion for Summary Judgment**

1. My name is Krista M. Hampton and I am over the age of 18 and competent to execute this Affidavit.

2. I serve as the Director of Planning and Development Services for the City of Columbia. I have served as Director since 2010.

3. The City of Columbia is a municipality in South Carolina, located within Richland County.

4. Section 17-321 – Private Dormitory of the City of Columbia Ordinances places a number of restrictions not found on traditional apartment complexes, including limiting occupancy to one person per bedroom, an onsite manager available 24 hours a day, seven days a week, and on-site parking requirements (0.75 vehicle/0.25 bicycle per bedroom).

FURTHER AFFIANT SAYETH NOT.

IN WITNESS WHEREOF, the undersigned executes this Affidavit on this 25 day of May, 2016.

Krista Hampton

Krista M. Hampton
Director of Planning and Development Services
City of Columbia
1737 Main Street
Columbia, SC 29201

SWORN TO before this 26th day of
May, 2016.

Notary Public for South Carolina
My Commission Expires: 1/17/2023

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND	IN THE CIRCUIT COURT
South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiff, vs. City of Columbia and Richland County, Defendants.	Case No. 2016-CP-40-00946 **Affidavit of Paul Levine in Support of Motion for Summary Judgment**

Personally appeared before me, Paul Levine, who being duly sworn, deposes and says as follows:

1. My name is Paul Levine and I am over 18 years of age and competent to execute this affidavit.
2. I am the Executive Vice President of Development for the Park 7 Group.
3. Park 7 Group is a team of student housing development professionals comprised of three companies: Park 7 Development, Park 7 Management, and Park 7 Capital. The company is headquartered in New York. The Park 7 Group has completed previous student housing developments in Lubbock, Texas (Texas Tech University), San Marcos, Texas (Texas State University), Tuscaloosa, Alabama (University of Alabama), Tallahassee, Florida (Florida State University), and Norman, Oklahoma (University of Oklahoma). These developments consist of 2,957 units together with 8,609 beds. Prior to forming Park 7, the development team developed and managed a 16,000-bed student housing portfolio.
4. Plaintiff's lawsuit involves the constitutionality of including 4 student housing projects in a Multi-County Business Park. On information and belief, the student housing projects were private sector projects completed by for-profit real estate developers and include: CD/Park 7 Columbia SC Owner, LLC, CD/Park 7 Columbia SC High Rise Owner, LLC, Blue Atlantic Columbia, LLC, and University Residences Columbia, LLC.
5. Taxes on commercial properties in the state of South Carolina are among the highest in the United States. They are the highest of any project that I have been involved.

6. The City met with Park 7. Our realtor and Park 7 prepared the attached PowerPoint, which we presented to the City. It shows property taxes in Columbia are much higher, and in some cases much higher than other university towns.

7. My two national student housing development projects, CD/Park 7 Columbia SC Owner, LLC and CD/Park 7 Columbia SC High Rise Owner, LLC, went before both Richland County and the City of Columbia Councils. Richland County passed two ordinances which amended an existing Multi-County Business Park to include these student housing projects, together with the 50% Special Source Revenue Credit. The City of Columbia passed two ordinances consenting to the Special Source Revenue Credits for the two Park 7 projects.

8. The Park 7 entities, after passage of the Ordinances and Resolutions committed to building two student housing projects in Columbia. Both will pay at least $375,000 in property taxes. Park 7 relied on the Ordinances in making its decision to move forward.

9. Park Place Columbia, at Blossom & Huger Streets, is 237 units and consists of 640 beds. There is $46 million in capital construction and 500 structured parking spaces. This project is nearly complete and will be available for occupancy as soon as July 2016. The Assembly & Pendleton project is 227 units with 684 beds and $45 million in construction cost. The project will also include 4,500 square feet of retail. Construction has commenced on this project with a goal of occupancy for July 2018.

10. These student housing projects are classified as commercial for all purposes in Columbia, including water and sewer, property taxes, and zoning.

FURTHER AFFIANT SAYETH NOT.

IN WITNESS WHEREOF, the undersigned executes this Affidavit on this 19 day of May, 2016.

Paul Levine

Paul Levine
Executive Vice President of Development
Park 7 Group
461 Park Avenue S, Floor 4
New York, NY 10016

SWORN TO before this 19 day of May, 2016.

Notary Public for ~~New York~~ CT
My Commission Expires: 5/31/17

SHIRLEY MATHEWS
Notary Public
Connecticut
My Commission Expires Aug 31, 2017

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND	IN THE CIRCUIT COURT
South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiff, vs. City of Columbia and Richland County, Defendants.	Case No. 2016-CP-40-00946 **Affidavit of Ryan Coleman in Support of Motion for Summary Judgment**

1. My name is Ryan T. Coleman and I am over the age of 18 and competent to execute this Affidavit.

2. I serve as the Director of Economic Development for the City of Columbia. I have served as Director since 2014.

3. The City of Columbia is a municipality in South Carolina, located within Richland County.

4. On information and belief, the five student housing projects at issue in this litigation were built to house students at the University of South Carolina (USC) as well as students at Allen University, Benedict College, Midlands Technical College. According to its website, the University of South Carolina has 31,027 students in Columbia. Many of those students utilize on-campus dormitories and the USC website states that the largest of those are 650 Lincoln which houses 900 students, Capstone at 579 students, Patterson Hall at 544 students, and Bates House at 531 students. The USC dormitories are state-owned property, which are exempt from property taxes. The dormitories located at Allen University, Benedict College, and Columbia College are also exempt from property taxes. None of these colleges and universities pay property taxes to the City of Columbia.

5. Given those tax exemptions which provide no property tax revenue, the City of Columbia sought to recruit private sector developers to construct dormitories which would pay property taxes. The City passed a student housing Resolution No. 2014-024 in part to "slow the growth of tax exempt real property." The City and County identified specific development to be utilized in a way that has traditionally and predominately been exempt from real property taxes.

6. The Resolution adopted by City Council in March 2014 contained a policy and criteria to consider the inclusion of student housing real property in the Richland County Multi-County Business Park in order to apply Richland County's Special Source Revenue Credit of 50% to properties located in the City. In order to qualify projects had to have:

   (a) A minimum private investment of $40 million;

   (b) A minimum investment of $5 million per usable acre;

   (c) Owe a minimum of $750,000 in property taxes prior to the application of the Special Source Revenue Credit; and

   (d) Structured parking and infrastructure with no use of public funds.

7. The resolution was amended twice and sunset on December 31, 2015.

8. Section 2 of the Multi-County Business Park Agreement required the developers to "operate the facility as a private dormitory pursuant to the terms of and in compliance with §17-321 of the Code of Ordinances of the City of Columbia." Failure to qualify as a private dormitory is an act of default under the agreement.

9. The City met with several national housing developers who stated that the property taxes on student housing in Columbia were among the highest of any college or university town in the United States.

10. Three national student housing developers, CD/Park 7 Columbia SC Owner, LLC, CD/Park 7 Columbia SC High Rise Owner, LLC, Blue Atlantic Columbia, LLC, and University Residences Columbia, LLC, went before both Richland County and the City of Columbia Councils. Richland County passed four ordinances which amended an existing Multi-County Business Park to include these student housing projects, together with the 50% Special Source Revenue Credit. The City of Columbia passed four ordinances consenting to the Special Source Revenue Credits for each project with Park 7 having two projects.

11. On information and belief, the use of Special Source Revenue Credits in Multi-County Business Parks to recruit projects in South Carolina is common. There are currently hundreds of such projects in South Carolina, including many in Richland County.

FURTHER AFFIANT SAYETH NOT.

IN WITNESS WHEREOF, the undersigned executes this Affidavit on this 2nd day of June, 2016.

Ryan T. Coleman
Director of Economic Development
City of Columbia
1737 Main Street
Columbia, SC 29201

SWORN TO before this 6 day of
June, 2016.

Notary Public for South Carolina
My Commission Expires: 7/13/2022

FORM 4

STATE OF SOUTH CAROLINA
COUNTY OF RICHLAND
IN THE COURT OF COMMON PLEAS

JUDGMENT IN A CIVIL CASE

CASE NUMBER: 2016CP4000946

South Carolina Public Interest Foundation
William B DePass Jr
PLAINTIFF(S)

City Of Columbia
Richland County
DEFENDANT(S)

Submitted by:	Attorney for : ☐ Plaintiff ☐ Defendant or ☐ Self-Represented Litigant

DISPOSITION TYPE (CHECK ONE)

☐ **JURY VERDICT.** This action came before the court for a trial by jury. The issues have been tried and a verdict rendered.

☐ **DECISION BY THE COURT.** This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered.

☐ **ACTION DISMISSED** *(CHECK REASON)*: ☐ Rule 12(b), SCRCP; ☐ Rule 41(a), SCRCP (Vol. Nonsuit); ☐ Rule 43(k), SCRCP (Settled); ☐ Other _____

☐ **ACTION STRICKEN** *(CHECK REASON)*: ☐ Rule 40(j), SCRCP; ☐ Bankruptcy; ☐ Binding arbitration, subject to right to restore to confirm, vacate or modify arbitration award; ☐ Other _____

☐ **DISPOSITION OF APPEAL TO THE CIRCUIT COURT** *(CHECK APPLICABLE BOX)*: ☐ Affirmed; ☐ Reversed; ☐ Remanded; ☐ Other _____

NOTE: ATTORNEYS ARE RESPONSIBLE FOR NOTIFYING LOWER COURT, TRIBUNAL, OR ADMINISTRATIVE AGENCY OF THE CIRCUIT COURT RULING IN THIS APPEAL.

IT IS ORDERED AND ADJUDGED: ☐ See attached order (formal order to follow) ☐ Statement of Judgment by the Court:

Defendants Motion to Dismiss filed 3-21-16 has been withdrawn.

ORDER INFORMATION

This order ☐ ends ☑ does not end the case.

Additional Information for the Clerk : _____

JEANETTE W. McBRIDE
CLERK OF COURT
RICHLAND COUNTY
FILED
2016 JUN -8 AM 10:37

INFORMATION FOR THE JUDGMENT INDEX

Complete this section below when the judgment affects title to real or personal property or if any amount should be enrolled. If there is no judgment information, indicate "N/A" in one of the boxes below.

Judgment in Favor of (List name(s) below)	Judgment Against (List name(s) below)	Judgment Amount To be Enrolled
		$
		$
		$

If applicable, describe the property, including tax map information and address, referenced in the order:

The judgment information above has been provided by the submitting party. Disputes concerning the amounts contained in this form may be addressed by way of motion pursuant to the SC Rules of Civil Procedure. Amounts to be computed such as interest or additional taxable costs not available at the time the form and final order are submitted to the judge may be provided to the clerk. **Note: Title abstractors and researchers should refer to the official court order for judgment details.**

Circuit Court Judge D. Craig Judge **Judge Code** 2160 **Date** 6-6-16

For Clerk of Court Office Use Only

This judgment was entered on the ____ day of _____, 20 ____ and a copy mailed first class or placed in the appropriate attorney's box on this 9 day of June, 2016 to attorneys of record or to parties (when appearing pro se) as follows:

James G. Carpenter

Burnet Rhett Maybank III
Larry Cornell Smith

Ray Nelson Stevens

ATTORNEY(S) FOR THE PLAINTIFF(S)

ATTORNEY(S) FOR THE DEFENDANT(S)

Court Reporter _____

Clerk of Court Jeanette W. McBride

SCRCP Form 4C (10/2011)

SCANNED

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiffs, v. The City of Columbia, Richland County, and Fairfield County Defendants.	IN THE COURT OF COMMON PLEAS CASE NO. 2016-CP-40-00946 **DEFENDANT FAIRFIELD COUNTY'S NOTICE OF AND MOTION TO DISMISS**

YOU WILL PLEASE TAKE NOTICE THAT, Defendants Fairfield County (the "County") by and through its undersigned counsel, hereby moves the Court pursuant to Rules 12(b)(6) and 12(b)(1), SCRCP, to enter an Order dismissing Plaintiffs' action in its entirety. The South Carolina Public Interest Foundation ("Foundation") and William B. DePass, Jr, ("DePass"), collectively referred to as "Plaintiffs," filed an Amended Complaint for Declaratory Judgment ("Amended Complaint") on April 29, 2016, with the Richland County Court of Common Pleas. By agreement with the Plaintiffs, Defendant Fairfield County accepted service of the Amended Complaint on May 23, 2016. Plaintiffs' Amended Complaint must be dismissed based on one more of the following grounds:

1. Rule 12(b)(6), SCRCP:
Failure to State Facts Sufficient to State a Cause of Action

This Court must dismiss the Plaintiffs' Complaint because it fails "to state facts sufficient to constitute a cause of action." Rule 12(b)(6), SCRCP.

a. *Plaintiffs Fail to State Facts Sufficient to Constitute a Cause of Action Because Plaintiffs Do Not Allege the Student Housing Projects Included in the Multicounty Park are Not Businesses.*

Plaintiffs' Amended Complaint alleges "Fairfield County . . . enacted ordinances to include. . . student housing. . . in the Park." (Amended Compl. at ¶ 18). Plaintiff then states the S.C. Constitution and state law do not permit "Defendants to include residential projects in a Multicounty Business and Industrial Park." (Amended Compl. at ¶ 19). Plaintiffs allege the projects under review are student housing. (Amended Compl. at ¶ 18). However, Plaintiffs fail to state facts sufficient to allege that the student housing projects included by Fairfield County in the multicounty park are not a business. As Plaintiffs' own allegations make clear, the County has the express legal authority to jointly develop a "business" park. (Amended Compl. at ¶¶ 9, 11) By failing to allege student housing is not a business, Plaintiffs fail to state facts giving rise to a cause of action.

b. Plaintiffs Fail to State Facts Sufficient to Constitute a Cause of Action Because Plaintiffs Allege the City of Columbia Owns the Property in the Multicounty Park—an Allegation Removing Any Controversy Over the Nature of the Property.

Plaintiffs allege that "Fairfield County . . . enacted ordinances to include **City property**" in a multicounty park (Amended Compl. at ¶ 18) (emphasis added). The allegation of government ownership removes any alleged concern as to whether the property is a residential use. Rather than creating a controversy, residential use of governmentally owned property has long been approved—an approval acknowledged for more than three decades. *See S. Carolina Pub. Serv. Auth. v. Summers*, 282 S.C. 148, 151, 318 S.E.2d 113, 114 (1984) (In a challenge to exempting residential use of governmentally owned property, the Court upheld the exemption for "property [that] consists primarily of land surrounding Lakes Marion and Moultrie [which] . . . land has been divided into lots and leased to private persons for residential and commercial use.")

The Court, bound by the allegations of the complaint, *see Doe v. Marion*, 361 S.C. 463, 469, 605 S.E.2d 556, 559 (Ct. App. 2004), must dismiss the requested declaratory judgment under Rule 12(b)(6) because the allegations on their face leave no controversy to be resolved.

2. Rule 12(b)(1) SCRCP: Lack of Subject Matter Jurisdiction

a. The Plaintiffs Lack Standing.

Since the Plaintiffs lack standing, the Court lacks subject matter jurisdiction. Under South Carolina law, a party can establish standing in one of three ways: (1) by statute; (2) through "constitutional" standing; or (3) under the public importance exception. Here, Plaintiffs lack all three.

Plaintiffs allege no concrete and particularized injury in support of individual standing. Furthermore, Plaintiffs can point to no statute supporting a basis for jurisdiction. And, as a matter of law, the Declaratory Judgement Act under which the Plaintiff is proceeding confers no independent basis for standing. *See Bodman v. State*, 403 S.C. 60, 67, 742 S.E.2d 363, 366 (2013) ("We reject any averment that the fact Bodman is proceeding under the Declaratory Judgment Act has any impact on our standing analysis."). Without more, Plaintiffs' mere allegation of "standing to bring this lawsuit as a City of Columbia and Richland County taxpayer" (Compl. at ¶ 2.) fails to allege the requisite interest, injury or other basis needed to maintain the action. *See Bodman*, 742 S.E.2d at 366 ("We reaffirm this principle today and hold that Bodman's status as a mere taxpayer is insufficient to confer standing upon him."). Moreover, the Complaint utterly fails to allege any cognizable interest held by these Plaintiffs with respect to the fiscal policies of Fairfield County, a body politic wholly separate from both Richland County and the City of Columbia. *See Lennon v. S.C. Coastal Council*, 498 S.E.2d 906, 907-08 (Ct. App. 1998)(holding that an individual lacked standing to litigate an action on behalf of other affected parties).

Additionally, no allegations establish that the question regarding the inclusion of certain kinds of property in a multicounty park is of great public importance. Plaintiffs allege no facts sufficient to establish how any resolution is needed for future guidance. *See ATC S., Inc. v.*

Charleston County, 380 S.C. 191, 199, 669 S.E.2d 337, 341 (2008). Finally, the Attorney General opinions cited by Plaintiffs are inapposite on the issue of jurisdiction here, as they contemplate a county with standing bringing a declaratory judgment action as to multicounty parks, not an individual or nonprofit corporation.

Plaintiffs do not nor can they demonstrate the standing necessary to maintain their suit. The Complaint, therefore, must be dismissed under Rule 12(b)(1).

b. The Plaintiffs Improperly Seek to Overturn the Policy Judgment of Political Bodies, A Matter Over Which the Courts Have No Jurisdiction.

Plaintiffs' Complaint presents allegations seeking to embroil the Court in a nonjusticiable quest to second-guess the policy judgments made by Fairfield County and Richland County in exercising their constitutionally granted authority.

Section 13D of Article VIII of the S.C. Constitution specifically grants to counties the authority to create "an industrial or business park." Section 13D mandates the member counties who jointly develop a multicounty industrial or business park to "reduce the agreement to develop and share expenses and revenues of the park to a written instrument which is binding on all participating counties." Thus, the S.C. Constitution, in unequivocal terms, vests the authority to "develop" a multicounty park in the hands of the constituent counties who create such a park. And, in enacting ordinances placing the property under review in the Park, both Fairfield County and Richland County exercised their best policy judgment and acted within their plenary constitutional authority.

A Court lacks jurisdiction to review questions of policy judgment when those matters are constitutionally committed to other legal bodies. *See Stone v. Leatherman*, 343 S.C. 484, 484-85, 541 S.E.2d 241 (2001) (holding the S.C. Constitution provides the Senate with the authority to judge the election returns and qualifications of its own members).

Plaintiffs' allegations raise a personal disagreement over the discretionary policy judgments of counties, which authority resides exclusively with the counties.

Thus, Plaintiffs voicing in the Complaint their disagreement with the policy judgements exercised by Fairfield and Richland Counties presents a nonjusticiable question, which asks the Court to usurp the authority of the political bodies imbued with the constitutional authority to develop a multicounty park. The Court, having no jurisdiction over such matters, should dismiss the Complaint under Rule 12(b)(1).

WHEREFORE, Plaintiffs failed to state facts sufficient to constitute a cause of action and failed to establish jurisdiction for the Court. Thus, this case should be dismissed with prejudice. This Motion is based on the applicable pleadings and documents incorporated therein by reference, on the controlling legal authorities and on such arguments as are submitted in support hereof. Fairfield County will further supplement the arguments made in this Motion with a supporting Memorandum of Law to be filed and served prior to the Motion's hearing.

Respectfully submitted,

Ray E. Jones (SC Bar No. 11322)
Ray N. Stevens (SC Bar No. 5342)
Court E. Walsh (SC Bar No. 72723)
Parker Poe Adams & Bernstein LLP
1221 Main Street, Suite 1100
PO Box 1509
Columbia, SC 29202
Telephone: (803) 255-8000
Facsimile: (803) 255-8017
raystevens@parkerpoe.com
rayjones@parkerpoe.com
courtwalsh@parkerpoe.com

Attorneys for Defendant Fairfield County

June 20, 2016
Columbia, South Carolina

PPAB 3289886v1

CERTIFICATE OF SERVICE

The undersigned certifies that on June 20, 2016, he or she caused a copy of ***Defendant Fairfield County's Notice of and Motion to Dismiss*** to be served upon the following counsel of record by depositing a copy of the same in the United States Mail, postage prepaid, addressed as follows:

James Carpenter, Esquire
The Carpenter Law Firm, P.C.
819 East North Street
Greenville, South Carolina 29601

Burnet R. Maybank, III
Nexsen Pruet, LLC
1230 Main Street Suite 700 (29201)
Post Office Drawer 2426
Columbia, South Carolina 29202

Barbara A. Gzik
Barbara A. Gzik

Columbia, South Carolina

PPAB 3289886v1

STATE OF SOUTH CAROLINA)) COUNTY OF RICHLAND)	IN THE COURT OF COMMON PLEAS CASE NO. 2016-CP-40-00946
South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiffs, v. The City of Columbia, Richland County, and Fairfield County, Defendants.	**DEFENDANT FAIRFIELD COUNTY'S ANSWER TO AMENDED COMPLAINT**

Defendant Fairfield County (the "County"), through its undersigned counsel, hereby responds to the allegations of Plaintiffs' Amended Complaint, showing the Court as follows:

1. Any allegations of the Amended Complaint not expressly admitted herein are denied.

FOR A FIRST DEFENSE

2. County admits the allegations of Paragraphs 3, 4, 5, 13

3. County denies the allegations of Paragraphs 6, 7, 8, 16, 20,

4. Responding to Paragraph 1 of the Amended Complaint, the County admits Plaintiff South Carolina Public Interest Foundation is a not for profit corporation organized and existing under the laws of the State of South Carolina, but as to the remaining allegations of Paragraph 1, the County lacks knowledge or information sufficient to form a belief about the truth of the allegations and, therefore, denies the same.

5. Responding to Paragraph 2 of the Amended Complaint, the County does not contest that Plaintiff William B. DePass, Jr. ("DePass") is a citizen, resident, taxpayer, and registered elector of the City of Columbia and Richland County. Further responding to

Paragraph 2, the County states that DePass has no status whatsoever as either a resident, taxpayer, or registered elector of the County. The County denies the remaining allegations of Paragraph 2.

6. Responding to Paragraph 9 of the Amended Complaint, the County admits only that Article VIII, Section 13(D) of the South Carolina Constitution authorizes counties to develop industrial or business parks in accordance with the provisions thereof; Article VIII, Section 13(D) of the South Carolina Constitution speaks for itself and the County craves reference to Article VIII, Section 13(D) of the South Carolina Constitution for its exact terms and provisions and denies any allegations of the Amended Complaint to the extent they are inconsistent therewith and further denies any inferences or conclusions which may be drawn from the allegations of Paragraph 9.

7. Responding to Paragraph 10 of the Amended Complaint, the County admits so much of Paragraph 10 of the Amended Complaint that alleges the County and Richland County jointly developed a multicounty industrial or business park called the I-77 Corridor Regional Industrial Park ("Park"), and on or about April 15, 2003, the County and Richland County entered into an agreement entitled "Master Agreement Governing the I-77 Corridor Regional Industrial Park. The County denies the remaining allegations of Paragraph 10.

8. Responding to Paragraph 11 of the Amended Complaint, the County admits only that counties are permitted to develop industrial or business parks with other counties; Section 4-1-170 of the Code of Laws of South Carolina, 1976, as amended, speaks for itself and the County craves reference to Section 4-1-170 for its exact terms and provisions and denies any allegations of the Amended Complaint to the extent they are inconsistent therewith and further denies any inferences or conclusions which may be drawn from the allegations of Paragraph 11.

9. Responding to Paragraph 12 of the Amended Complaint, the County admits only that land in a multicounty industrial or business park is exempt from *ad valorem* taxation; Section 4-12-30(A) of the Code of Laws of South Carolina, 1976, as amended, speaks for itself and the County craves reference to Section 4-12-30(A) for its exact terms and provisions and denies any allegations of the Amended Complaint to the extent they are inconsistent therewith and further denies any inferences or conclusions which may be drawn from the allegations of Paragraph 12.

10. Responding to Paragraph 14 of the Amended Complaint, the County lacks knowledge or information sufficient to form a belief about the truth of the allegations and denies the same.

11. Responding to Paragraph 15 of the Amended Complaint, the County is without knowledge or information sufficient to form a belief as to the truth of the matters asserted and denies the same.

12. Responding to Paragraph 17 of the Amended Complaint, the County admits only that the County and Richland County must gain the consent of the City of Columbia to include property located in the City of Columbia in the Park; Section 4-1-170 of the Code of Laws of South Carolina, 1976, as amended, speaks for itself and the County craves reference to Section 4-1-170 for its exact terms and provisions and denies any allegations of the Amended Complaint to the extent they are inconsistent therewith and further denies any inferences or conclusions which may be drawn from the allegations of Paragraph 17.

13. Responding to Paragraph 18 of the Amended Complaint, the County admits that the County, the City of Columbia and Richland County have adopted ordinances to include certain student housing projects in the Park. The County craves reference to the referenced ordinances in question for their exact terms, provisions, and number, and denies any and all

allegations set forth in Paragraph 18 of the Amended Complaint to the extent they are inconsistent therewith and further denies any inferences or conclusions which may be drawn from the allegations of Paragraph 18.

14. Responding to Paragraph 19 of the Amended Complaint, the County admits that the County, the City of Columbia and Richland County have adopted ordinances to include certain student housing projects in the Park. The County craves reference to the referenced ordinances in question for their exact terms, provisions, and number, and denies any and all allegations set forth in Paragraph 19 of the Amended Complaint to the extent they are inconsistent therewith and further denies any inferences or conclusions which may be drawn from the allegations of Paragraph 19.

15. Responding to Paragraph 21 of the Amended Complaint, the County is without knowledge or information sufficient to form a belief as to the truth of the matters asserted and, therefore, denies the same.

16. Responding to Paragraph 22 of the Amended Complaint, the County admits the Attorney General has been asked for an opinion on the inclusion of residential property in a multicounty park but denies all other allegations of Paragraph 22.

17. Responding to Paragraph 23 of the Amended Complaint, the County admits only that the language set forth in the Amended Complaint is included in the cited opinion of the Attorney General; the cited Attorney General opinion speaks for itself and the County craves reference to the cited Attorney General opinion for its exact terms and provisions and denies any allegations of the Amended Complaint to the extent they are inconsistent therewith and further denies any inferences or conclusions which may be drawn from the allegations of Paragraph 23.

18. Responding to Paragraph 24 of the Amended Complaint, the County is without knowledge or information sufficient to form a belief as to the truth of the matters asserted and, therefore, denies the same.

FOR A SECOND DEFENSE
(Failure to State a Claim)

19. Plaintiffs fail to state facts sufficient to constitute a cause of action and the Amended Complaint should be dismissed.

FOR A THIRD DEFENSE
(Lack of Subject Matter Jurisdiction)

20. The Court lacks subject matter jurisdiction over this action.

FOR A FOURTH DEFENSE
(No Standing)

21. Plaintiffs lack standing to seek the relief sought in the Amended Complaint.

FOR A FIFTH DEFENSE
(No Case or Controversy)

22. The Amended Complaint should be dismissed because it seeks to raise a non-justiciable issue, a political question, attacking the County's policy judgment on economic development with such a challenge raising no case or controversy for this Court's decision.

FOR A SIXTH DEFENSE
(Reservation of Additional Defenses)

23. The County reserves the right to amend its Answer to add any additional or new defenses that may become available as discovery progresses in this case.

WHEREFORE, having fully answered Plaintiffs' Amended Complaint, the County prays this Court enter its Order as follows:

a. Dismissing all Plaintiffs' claims; and

b. Awarding Defendant Fairfield County such other and further relief as may be just and proper.

Respectfully submitted,

Ray N. Stevens (Bar No. 5342)
Ray E. Jones (Bar No. 11322)
Court E. Walsh (Bar No. 72723)
Parker Poe Adams & Bernstein LLP
1201 Main Street, Suite 1450 (29201)
Post Office Box 1509
Columbia, South Carolina 29202-1509
Telephone: (803) 255-8000
Facsimile: (803) 255-8017
raystevens@parkerpoe.com
rayjones@parkerpoe.com
courtwalsh@parkerpoe.com

Attorneys for Defendant Fairfield County

June 21, 2016
Columbia, South Carolina

CERTIFICATE OF SERVICE

The undersigned certifies that on June 21, 2016, a copy of ***Defendant Fairfield County's Answer to Amended Complaint*** was served on all counsel of record by depositing a copy of the same in the United States Mail, postage prepaid, addressed as follows:

James Carpenter, Esquire
The Carpenter Law Firm, P.C.
819 East North Street
Greenville, South Carolina 29601

Burnet R. Maybank, III
Nexsen Pruet, LLC
1230 Main Street Suite 700 (29201)
Post Office Drawer 2426
Columbia, South Carolina 29202

Barbara A. Gzik
Barbara A. Gzik

Columbia, South Carolina

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND	IN THE CIRCUIT COURT
South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiffs, vs. The City of Columbia, and Richland County, Defendants.	Case No. 2016-CP-40-00946 **Defendant City of Columbia's Supplemental Memorandum of Law in Support of Defendants' Motion for Summary Judgement**

Defendant the City of Columbia respectfully submits this supplemental Memorandum of Law in support of its Motion for Summary Judgment as to the claims asserted against it in Plaintiffs' Complaint.

This Appeal involves the constitutionality of including 4 student housing projects in a multi-county business park. The projects were built by private sector, for-profit real estate developers. Plaintiff contends the Ordinances are unconstitutional because the student housing projects are "residential."

The sole issue in this litigation is whether the large ($40 million) student housing apartment complexes are "residential." Plaintiff's complaint references two Attorney General opinions on the subject of whether a Multi-County Business Park may include residential property. The Opinions find the issue unclear. For purposes of this Motion, this defendant would stipulate that residential property may not be included.

Accordingly, the sole issue is whether student housing apartment complexes are "residential." The South Carolina Supreme Court has already found constitutional the inclusion of commercial property in a MCBP.

State law does not define for all purposes "residential." A primary single family residence is classic residential for all purposes (taxes, zoning, etc.). A second home is taxed as commercial but is considered residential for all other purposes. An apartment complex (or hotel) is considered commercial for *all* purposes (taxation, zoning, water, sewer, etc.).

As stated in our initial brief, taxes on commercial property in Columbia are amongst the highest in the United States for the reasons stated in our initial brief.

Defendant's initial brief cites the Lincoln Institute, *50-State Authority Property Tax Comparison Study*, //www.lincolninst.edu//. This is the leading property tax study in the U.S. Two weeks ago, the Institute released an updated study for taxes paid in 2015 (Exhibit A). The updated study looked at commercial property tax rates in Columbia and 52 other taxing jurisdictions. The rank of 1 is the highest property tax in the nation, and a rank of 53 is the lowest. Columbia had the 8th highest effective tax rate for commercial with $1 million valued property in the updated study (which was the same as last year).[1]

The updated study also looked at the tax differential between residential, commercial and apartments. Page 4 contains a chart for "Preferential Treatment of Homeowners: Ratio of Effective Tax Rate on Commercial and Apartment Properties to the Rate on Homestead Properties (2015)." Columbia was the third highest in the country for Commercial vs. Homestead Ratio.[2] Stated another way, only residents in New York City and Boston pay more on a $1 million commercial property relative to the taxes owing on a median-value primary

[1] Figure 3, page 23.
[2] Figure 6a, page 37.

residence than residents of Columbia—and the ratio in Columbia is 3.69%. Columbia was second highest in the Apartment vs. Homestead Ratio.[3] Only NYC had a high ratio. (Columbia previously had the 4th highest).

The new study also has a chart for Apartment Property taxes for the largest city in each state. Columbia ranked 8th.[4]

Columbia is number 1 (i.e. the highest in the country) for Industrial Property Taxes for largest city in each state payable in 2015.[5] (This is the same as last year.) The new study also looked at Property taxes on median valued primary residences (homestead) for the largest city in each state.[6] The new study broke it out for (1) effective tax rate and (2) tax bill. Columbia had the 46th lowest effective tax rate and the 51st lowest tax bill.

Obviously, it was both constitutional and made good business sense for the City to offer incentives through the Multi-County Business Park to entice three developers to invest $160 million of capital investment (4 student housing projects with a minimum of $40 million capital investment each) in student housing projects. This is particularly so given that the *no* taxes are paid on the student housing at the University of South Carolina, Benedict and Allen Universities.

Given that the taxes on a $1 million commercial property are almost 400% (369%) higher than a $1 million residence, the developers would applaud a Court Ruling that their student housing projects are "residential." If the Ordinance at issue was voided because their properties are deemed residential, they would receive a 319% tax savings (369% - 50% Special Source Credit). But such is not the law. And such a ruling would generate tax appeals by the owner of every hotel, motel and apartment complex in South Carolina.

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[3] Figure 66, page 38.
[4] Figure 5, page 32.
[5] Figure 4, page 28.
[6] Figure 2, page 18.

Respectfully Submitted,

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June 23, 2016
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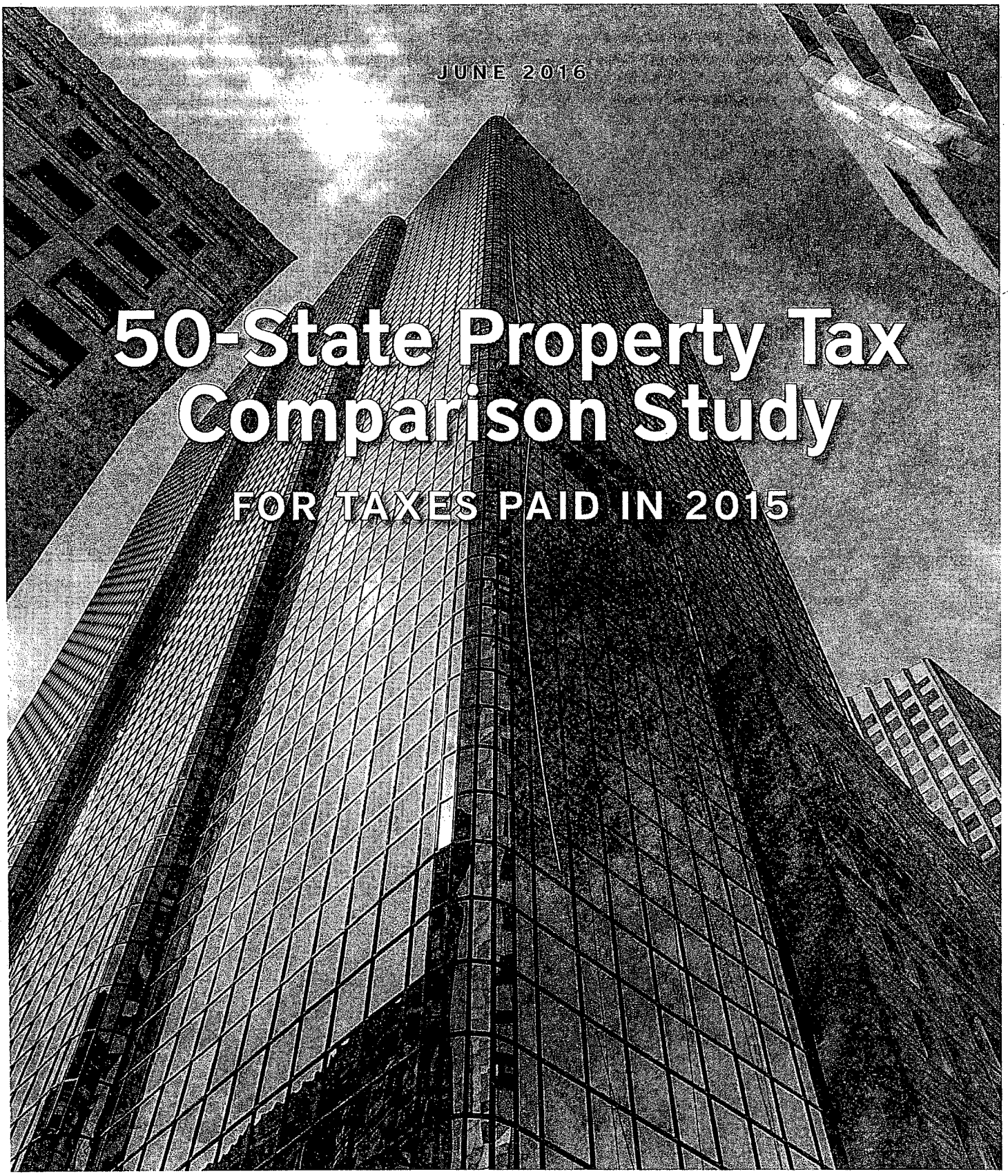

JUNE 2016

50-State Property Tax Comparison Study

FOR TAXES PAID IN 2015

LINCOLN INSTITUTE
OF LAND POLICY

MINNESOTA CENTER for
Fiscal Excellence

Sound tax policy. Efficient spending. Accountable government.

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About the Lincoln Institute of Land Policy

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The Minnesota Center for Fiscal Excellence was founded in 1926 to promote sound tax policy, efficient spending, and accountable government.

We pursue this mission by

- educating and informing Minnesotans about sound fiscal policy;
- providing state and local policy makers with objective, non-partisan research about the impacts of tax and spending policies
- advocating for the adoption of policies reflecting principles of fiscal excellence.

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50-State Property Tax Comparison Study

For Taxes Paid in 2015

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Executive Summary

As the largest source of revenue raised by local governments, a well-functioning property tax system is critical for promoting municipal fiscal health. This report documents the wide range of property tax rates in more than 100 U.S. cities and helps explain why they vary so widely. This context is important because high property tax rates usually reflect some combination of heavy property tax reliance with low sales and income taxes, low home values that drive up the tax rate needed to raise enough revenue, or higher local government spending and better public services. In addition, some cities use property tax classification, which can result in considerably higher tax rates on business and apartment properties than on homesteads.

This report provides the most meaningful data available to compare cities' property taxes by calculating the *effective tax rate*: the tax bill as a percent of a property's market value. Data are available for 73 large U.S. cities and a rural municipality in each state, with information on four different property types (homestead, commercial, industrial, and apartment properties), and statistics on both net tax *bills* (i.e. $3,000) and effective tax *rates* (i.e. 1.5 percent). These data have important implications for cities because the property tax is a key part of the package of taxes and public services that affects cities' competitiveness and quality of life.

Why Property Tax Rates Vary Across Cities

To understand why property tax rates are high or low in a particular city, it is critical to know why property taxes vary so much across cities. This report uses statistical analysis to identify four key factors that explain most of the variation in property tax rates.

Property tax reliance is one of the main reasons why tax rates vary across cities. While some cities raise most of their revenue from property taxes, others rely more on alternative revenue sources. Cities with high local sales or income taxes do not need to raise as much revenue from the property tax, and thus have lower property tax rates on average. For example, this report shows that Bridgeport (CT) has the highest effective tax rate on a median valued home, while Birmingham (AL) has one of the lowest rates. However, in Bridgeport city residents pay no local sales or income taxes, whereas Birmingham residents pay both sales and income taxes to local governments. Consequently, despite the fact that Bridgeport has much higher property taxes, total local taxes are considerably higher in Birmingham ($2,429 vs. $1,914 per capita).

Property values are the other crucial factor explaining differences in property tax rates. Cities with high property values can impose a lower tax rate and still raise at least as much property tax revenue as a city with low property values. For example, consider San Francisco and Detroit, which have the highest and lowest median home values in this study. The average property tax bill on a median valued home for the large cities in this report is $3,039. To raise that amount from a median valued home, the effective tax rate would need to be more than 20 times higher in Detroit than in San Francisco—7.25 percent versus 0.36 percent.

Two additional factors that help explain variation in tax rates are the level of local government spending and whether cities tax homesteads at lower rates than other types of property (referred to as "classification"). Holding all else equal, cities with higher spending will need to have

higher property tax rates. Classification imposes lower property taxes on homesteads, but higher property taxes on business and apartment properties.

Homestead Property Taxes

There are wide variations across the country in property taxes on owner-occupied primary residences, otherwise known as homesteads. An analysis of the largest city in each state shows that the average effective tax rate on a median-valued homestead was 1.50 percent in 2015 for this group of 53 cities.[1] At that rate, a home worth $200,000 would owe $3,000 in property taxes (1.50% x $200,000). On the high end, there are three cities with effective tax rates that are roughly 2.5 times higher than the average – Bridgeport, Detroit, and Aurora (IL). Conversely, there are six cities where tax rates are less than half of the study average – Honolulu, Cheyenne, Denver, Birmingham, Boston, and Washington DC.

Highest and Lowest Effective Property Tax Rates on a Median Valued Home (2015)

Highest Property Tax Rates				Lowest Property Tax Rates			
1	Bridgeport (CT)	3.88%	*Why:* High property tax reliance	49	Boston (MA)	0.67%	*Why:* Classification shifts tax to business, high home values
2	Detroit (MI)	3.81%	*Why:* Low property values	50	Birmingham (AL)	0.66%	*Why:* Low property tax reliance, classification shifts tax to business
3	Aurora (IL)	3.72%	*Why:* High property tax reliance	51	Denver (CO)	0.66%	*Why:* Low property tax reliance, classification, high home values
4	Newark (NJ)	3.05%	*Why:* High property tax reliance	52	Cheyenne (WY)	0.65%	*Why:* Low property tax reliance
5	Milwaukee (WI)	2.68%	*Why:* Low property values, high property tax reliance	53	Honolulu (HI)	0.30%	*Why:* High home values, low local gov't spending, classification

Note: Data for all cities: Figure 2 (page 18), Appendix Table 1a (page 49), and Appendix Table 2a (page 57).

The average tax rate for these cities fell slightly between 2014 and 2015, from 1.511 percent to 1.503 percent, with increases in 20 cities, decreases in 31, and no change in 2 cities. The largest increase was in Phoenix, where the effective rate rose by about 12 percent, which drove the city's ranking up from 37th to 30th highest. The next largest increases were in Des Moines, Aurora (IL), Fargo, and Indianapolis. The largest decrease was in Sioux Falls (SD), which had a 9.4 percent decline and a six-place drop in rank, from 23rd to 29th highest. The next largest declines were in Chicago, Seattle, Billings (MT), and Memphis.

Note that differences in property values across cities mean that some cities with high tax *rates* can still have low tax *bills* on a median valued home if they have low home values, and vice versa. For example, Bridgeport and Detroit have similar tax rates on a median valued home, but because the median valued home is worth so much more in Bridgeport ($173k vs. $42k), the tax bill is far higher in Bridgeport (2nd highest) than in Detroit (42nd highest).

Effective tax rates rise with home values in about half of the cities (26 of 53), and this pattern has a progressive impact on the property tax distribution. Usually, this relationship occurs because of homestead exemptions that are set to a fixed dollar amount. For example, a $20,000 exemption

[1] The largest cities in each state includes 53 cities, because it includes Washington (DC) plus two cities in Illinois and New York since property taxes in Chicago and New York City are so different than the rest of the state.

provides a 20 percent tax cut on a $100,000 home, a 10 percent cut on a $200,000 home, and a 5 percent cut on a $400,000 home. The increase in effective tax rates with home values is steepest in Boston, Honolulu, Washington (DC), Atlanta, and New Orleans.

Commercial Property Taxes

There are also significant variations across cities in commercial property taxes, which include taxes on office buildings and similar properties. In 2015, the effective tax rate on a commercial property worth $1 million averaged 2.11 percent across the largest cities in each state. The highest rates were in Detroit, New York City, Providence, Chicago, and Bridgeport, all of which had effective tax rates that were at least two-thirds higher than the average for these cities. On the other hand, rates were less than half of the average in Cheyenne, Seattle, Honolulu, Virginia Beach, and Wilmington (DE).

Highest and Lowest Effective Property Tax Rates on $1-Million Commercial Property

Highest Property Tax Rates				Lowest Property Tax Rates			
1	Detroit (MI)	4.13%	*Why:* Low property values	49	Virginia Beach (VA)	1.03%	*Why:* High property values, Low local gov't spending
2	New York (NY)	3.96%	*Why:* High local gov't spending, Classification shifts tax to business	50	Billings (MT)	1.01%	*Why:* Low local gov't spending
3	Providence (RI)	3.71%	*Why:* High property tax reliance	51	Honolulu (HI)	0.91%	*Why:* High property values, Low local gov't spending
4	Chicago (IL)	3.60%	*Why:* Classification shifts tax to business, High local gov't spending	52	Seattle (WA)	0.88%	*Why:* High property values, Low property tax reliance
5	Bridgeport (CT)	3.59%	*Why:* High property tax reliance	53	Cheyenne (WY)	0.64%	*Why:* Low property tax reliance

Note: Analysis includes an additional $200k in fixtures (office equipment, etc.)
Data for all cities: Figure 3 (page 23), Appendix Table 1b (page 52), and Appendix Table 3a (page 73).

The cities with the largest drops in their effective tax rates from 2014 to 2015 were Columbus (OH), whose rate fell by almost a quarter and ranking dropped from 26th to 32nd, and Boston where the tax rate fell by a fifth and whose ranking dropped from 13th to 24th. There were also significant declines in Des Moines and Billings (MT). The largest increase was in Baltimore, where the effective tax rate increased by 9 percent, which drove the city's ranking up from 19th to 16th. No other city had its ranking increase by more than two places.

Preferential Treatment for Homeowners

Many cities have preferences built into their property tax systems that result in lower effective tax rates for certain classes of property, with these features usually designed to benefit homeowners. The "classification ratio" describes these preferences by comparing the effective tax rate on land and buildings for two types of property. For example, if a city has a 3.0% effective tax rate on commercial properties and a 1.5% effective tax rate on homestead properties, then the commercial-homestead classification ratio is 2.0 (3.0% divided by 1.5%).

An analysis of the largest cities in each state shows an average commercial-homestead classification ratio of 1.68, meaning that on average commercial properties experience an effective tax rate that is 68% higher than homesteads. Nearly a third of the cities (16 of 53) have

classification ratios above 2.0, meaning that commercial properties face an effective tax rate that is at least double that for homesteads.

Preferential Treatment of Homeowners: Ratio of Effective Tax Rate on Commercial and Apartment Properties to the Rate on Homestead Properties (2015)

Commercial vs. Homestead Ratio			Apartment vs. Homestead Ratio		
1	New York (NY)	4.22	1	New York (NY)	5.10
2	Boston (MA)	4.00	2	Columbia (SC)	3.69
3	Columbia (SC)	3.69	3	Indianapolis (IN)	2.65
4	Honolulu (HI)	3.62	4	Charleston (WV)	2.21
5	Denver (CO)	3.62	5	Birmingham (AL)	2.19

Note: Commercial-homestead ratio compares rate on $1 million commercial building to median valued home. Apartment-homestead ratio compares rate on $600k apartment building to median valued home. Data for all cities: Figures 6a and 6b (Page 37-38), and Appendix 6 (Page 99).

The average apartment-homestead classification ratio is significantly lower (1.38), with apartments facing an effective tax rate that is 38% higher than homesteads on average. There are six cities where apartments face an effective tax rate that is at least double that for homesteads, with New York City being a major outlier since the rate on apartments is more than five times higher than the rate on a median valued home. It is important to note that while renters do not pay property tax bills directly, they do pay property taxes indirectly since landlords are able to pass through some or all of their property taxes in the form of higher rents.

There are three types of statutory preferences built into property tax systems that can lead to lower effective tax rates on homesteads than other property types: the assessment ratio, the nominal tax rate, and exemptions and credits. In total, 40 of the 53 cities favor homesteads over commercial properties—27 of them have assessment ratios and/or nominal tax rates that favor homesteads, while in 13 cities classification is solely the result of exemptions or credits. Similarly, 36 cities favor homesteads relative to apartments, but only 16 of them have preferential assessment ratios and/or nominal tax rates, while in 20 cities classification is the result of exemptions or credits alone.

Property Tax Assessment Limits

Since the late 1970s, an increasing number of states have adopted property tax limits, including constraints on tax rates, tax levies, and assessed values. This report accounts for the impact of limits on tax rates and levies implicitly, because of how these laws impact cities' tax rates, but it is necessary to use an explicit modeling strategy to account for assessment limits.

Assessment limits typically restrict growth in the assessed value for individual parcels and then reset the taxable value of properties when they are sold. Therefore, the level of tax savings provided from assessment limits largely depends on two factors: how long a homeowner has owned her home and appreciation of the home's *market value* relative to the allowable growth of its *assessed value*. As a result, assessment limits can lead to major differences in property tax bills between owners of nearly identical homes based on how long they have owned their home.

This report estimates the impact of assessment limits by calculating the difference in taxes between newly purchased homes and homes that have been owned for the average duration in each city, for median valued homes. This discrepancy is largest in Long Beach (CA), where the average home has been owned for 14 years and the median home is worth $440,900. Because of the state's assessment limit, the owner of a newly purchased home would pay 40 percent more in property taxes than someone who has owned their home for 14 years, even though both homes are worth $440,900. Assessment limits have the largest impacts on the eight California cities studied, plus New York City (36.5% difference) and Miami (28.5% difference). Of the 27 cities in this report that are affected by parcel-specific assessment limits, new homeowners face higher property tax bills than existing homeowners in 21 cities.

Conclusion

Property taxes range widely across cities in the United States. This report not only shows which cities have high or low effective property tax rates, but also explains why. Cities will tend to have higher property tax rates if they have high property tax reliance, low property values, or high local government expenditures. In addition, some cities use property tax classification, which can result in considerably higher tax rates on business and apartment properties than on homesteads. By calculating the effective property tax rate, this report provides the most meaningful data available to compare cities' property tax burdens. These data have important implications for cities because the property tax is a key part of the package of taxes and public services that affects cities' competitiveness and quality of life.

Introduction

The property tax is one of the largest taxes paid by American households and businesses and funds many essential public services, including K-12 education, police and fire protection, and a wide range of critical infrastructure. Yet it is surprisingly difficult to get good data on property taxes that are comparable across cities. This report provides the necessary data by accounting for several key features of major cities' property tax systems and then calculating the *effective tax rate*: the tax bill as a percent of a property's market value.

High or low effective property tax rates do not in themselves indicate that tax systems are "good" or "bad." Evaluating a property tax system requires a broader understanding of the pros and cons of the property tax, the implications of high or low property tax rates, and the method by which property tax rates are set. These key issues are outlined below.

The property tax has key strengths as a revenue instrument for local governments: it is the most stable tax source, it is more progressive than alternative revenue options, and it promotes local autonomy. Property taxes are more stable over the business cycle than sales and especially income taxes, so greater property tax reliance helps local governments avoid major revenue shortfalls during recessions. It also helps localities maintain revenue stability in the face of fluctuating state and federal aid.[2] In addition, the property tax is relatively progressive compared to the sales tax, which is the other main source of tax revenue for local governments. Whereas the property tax is largely neutral, the sales tax is highly regressive.[3]

The property tax is particularly appropriate for local governments because it is imposed on an immobile tax base. While it is often easy to cross borders in search of a lower sales tax rate, those who wish to live or locate their business in a particular location cannot avoid paying the property tax. Thus, local governments have limited ability to charge different sales tax rates than their neighbors, but have greater control over setting their property tax rate.

A drawback of any local tax is that the tax base can vary widely across communities, but these disparities can be offset with state aid to local governments. For example, there are significant differences in property values across communities, just as there are wide disparities in retail sales and incomes across localities. State government grants to local governments can help offset these differences to ensure everyone has access to necessary services at affordable tax prices regardless of where they live. In addition, state-funded circuit breaker programs can help households whose property taxes are particularly high relative to their income.[4]

Property taxes are one part of the package of taxes and public services that affects competitiveness and quality of life. This report shows that many of the cities with high property tax rates have relatively low sales and income taxes for local governments, so the total local tax

[2] Ronald C. Fisher. 2009. "What Policy Makers Should Know About Property Taxes." *Land Lines*. Cambridge, MA: Lincoln Institute of Land Policy.
[3] Institute on Taxation and Economic Policy. 2015. "Who Pays? A Distributional Analysis of the Tax Systems in All 50 States."
[4] Bowman, John H., Daphne A. Kenyon, Adam Langley, and Bethany P. Paquin. 2009. "Property Tax Circuit Breakers: Fair and Cost-Effective Relief for Taxpayers." Cambridge, MA: Lincoln Institute of Land Policy.

burden for residents and business could still be attractive. Furthermore, state aid may reduce local property taxes, but this reduction may be offset by higher state taxes.

Similarly, if higher property taxes are used to pay for better public services, then high property tax rates may not affect competitiveness or quality of life. Many homeowners are willing to pay higher property taxes to have better public schools and safer neighborhoods. The bottom line is that it is the total state-local tax burden relative to the quality of public services that determines competitiveness and quality of life.

Property tax rates are set differently than other tax rates and reflect decisions about local government spending. Income and sales tax rates usually do not vary much from year-to-year, which leads to significant revenue fluctuations over the business cycle. In contrast, property tax rates are usually established *after* the local government budget is determined by elected officials and/or voters and the rate is then set to raise the targeted revenue level. However, flexibility in setting property tax rates can be constrained by state tax limits or political concerns about property tax burdens. The process for determining property tax rates varies across jurisdictions.

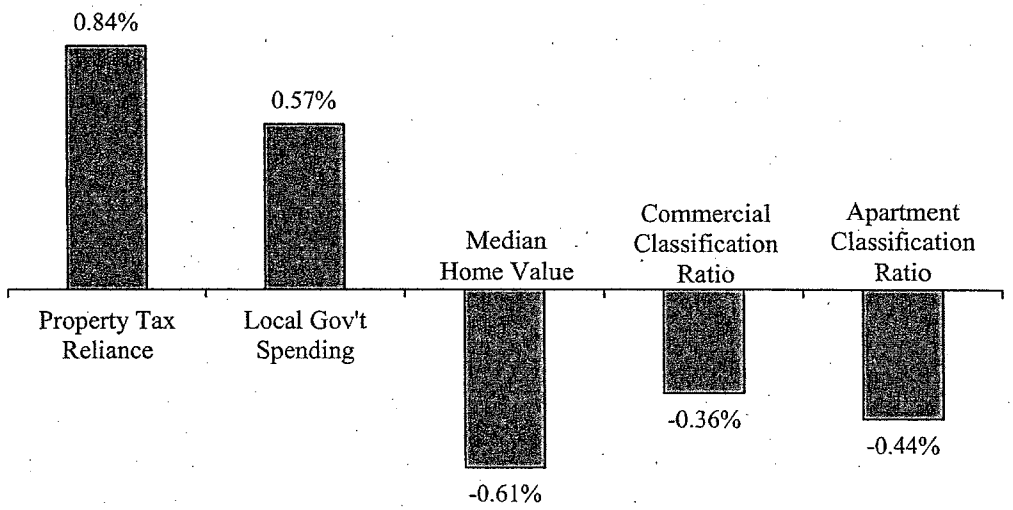
This report allows for meaningful comparisons of cities' property taxes by calculating the effective property tax rate—the tax bill as a percent of a property's market value. For most taxpayers, the effective tax rate will be significantly different from the nominal or official tax rate that appears on their tax bill. There are several reasons for this difference. First, many states only tax a certain percentage of a property's market value. For example, New Mexico assesses all property at 33.3 percent of market value for tax purposes, which means that a $300,000 home would be taxed as if it were worth $100,000. In addition, many states and cities use exemptions and/or credits to reduce property taxes. For example, a $50,000 homestead exemption would mean a $200,000 home would be taxed as if it were worth $150,000. Cities also vary in the accuracy of their assessments of property values for tax purposes. Finally, an analysis of property tax burdens requires consideration of property taxes paid to all local governments, including overlying counties and school districts, rather than simply comparing municipal tax rates. This report accounts for all of these differences in cities' property tax systems, which is essential for meaningful comparisons of their tax rates.

Why Property Tax Rates Vary Across Cities

This report demonstrates that effective property tax rates vary widely across U.S. cities. This section explores why some cities have relatively high property tax rates while others have much lower rates. Statistical analysis shows that four key factors explain nearly three-quarters of the variation in property tax rates. The two most important reasons why tax rates vary across cities are the extent to which cities rely on the property tax as opposed to other revenue sources, and the level of property values in each jurisdiction. Two additional factors that help explain variation in tax rates are the level of local government spending and whether cities tax homesteads at lower rates than other types of property (referred to as "classification").

Figure 1: Key Factors Explaining Differences in Property Tax Rates

Percent Change in Effective Tax Rate on Median Valued Home
from 1 Percent Increase in Each Variable



Appendix 1 shows how these variables affect tax rates on homestead and commercial properties for each large city included in this report and details the methodology used for this analysis. This section focuses on homestead property taxes, but our analysis shows that tax rates on business and apartment properties are driven by the same four key factors.

Property Tax Reliance

One of the main reasons why tax rates vary across cities is that some cities raise most of their revenue from the property tax, while others rely more on alternative revenue sources.[5] Cities with high local sales or income taxes do not need to raise as much revenue from the property tax, and thus have lower property tax rates on average. Figure 1 shows that a 1 percent increase in the

[5] One way to measure the "importance" of each factor is to look at squared semi-partial correlations, which are analogous to estimating the R-square between the effective tax rate on a median valued home and each factor, controlling for the effect of the other factors. For the first regression of Appendix Table 1c, 26% of the variation in effective tax rates is explained by property tax reliance, 31% is explained by median home values, 7% by local government spending, and 4-5% each for the commercial- and apartment-homestead classification ratios.

share of revenue raised by local governments that comes from the property tax is associated with a 0.841 percent increase in the effective tax rate on a median valued home.

To see how property tax reliance impacts tax rates, compare Bridgeport (CT) and Birmingham (AL). Bridgeport has the highest effective tax rate on a median valued home in large part because it has the highest property tax reliance of any large city included in this report. So while Bridgeport has high property taxes ($1,891 per capita), city residents pay no local sales or income taxes. In contrast, Birmingham has the fifth lowest effective tax rate on a median valued home, but also has the fourth lowest reliance on the property tax. As a result, Birmingham residents have low property taxes ($767 per capita), but also pay a host of other taxes to local governments, including sales taxes ($866 per capita), income taxes ($353 per capita), and other local taxes ($443 per capita).[6] Consequently, total local taxes are considerably higher in Birmingham despite the fact that it has much lower property taxes than Bridgeport ($2,429 per capita vs. $1,914 per capita).

It is important to note that the ability of local governments to tap alternative revenue sources that would reduce property tax reliance is normally constrained by state law. State governments usually determine which taxes local governments are authorized to use and set the maximum tax rate localities are allowed to impose.[7]

The data on property tax reliance and local government spending that is used for this analysis is for *fiscally standardized cities* (FiSCs) rather than for city municipal governments alone. FiSCs provide estimates of revenues raised from city residents and businesses and spending on their behalf, whether done by the city government or by overlying county governments, independent school districts, or special purpose districts. This approach is similar to the methodology used in this report, which includes property taxes paid to the city government, county government, and the largest independent school district in each city. The FiSC database is available on the website of the Lincoln Institute of Land Policy.[8]

Property Values

Home values are the other crucial factor explaining differences in property tax rates. Cities with high property values can impose a lower tax rate and still raise at least as much property tax revenue as a city with low property values. For example, Figure 1 shows that a 1 percent increase in the median home value is associated with a 0.61 percent decrease in the effective tax rate on a median valued home.

For example, consider San Francisco and Detroit, which have the highest and lowest median home values in this study—$846,800 and $41,900 respectively. After accounting for assessment limits, the average property tax bill on a median valued home in the 73 large cities in this report is $3,039. To raise that amount from a median valued home, the effective tax rate would need to

[6] Data on per capita tax collections in 2013 is from the Lincoln Institute's *Fiscally Standardized Cities* database.
[7] Michael A. Pagano and Christopher W. Hoene. 2010. "States and the Fiscal Policy Space of Cities." In *The Property Tax and Local Autonomy*, ed. Michael E. Bell, David Brunori, and Joan Youngman, 243-277. Cambridge, MA: Lincoln Institute of Land Policy.
[8] https://www.lincolninst.edu/subcenters/fiscally-standardized-cities

be more than 20 times higher in Detroit than in San Francisco—7.25 percent versus 0.36 percent. The effective tax rate on a median valued home is actually less than four times higher in Detroit than San Francisco (3.14% vs. 0.83%), which means San Francisco collects more than five times more in property taxes from a median valued home ($6,991 vs. $1,317). This is typical—higher property values usually lead cities to have both lower tax rates and to raise more revenue for public services. While the difference between San Francisco and Detroit is extreme, it is common for there to be dramatic differences in property wealth across communities within a state or region. State government grants to local governments can be used to offset these differences to help ensure everyone has access to necessary services at affordable property tax prices regardless of where they live.

This analysis uses the median home value in each city, but no one measure fully captures all differences in cities' property wealth. For example, even with identical tax rates on homes and businesses, cities with larger business tax bases will be able to have lower residential property tax rates since it usually costs more to provide public services to households than to businesses.[9] In addition, the median does not provide any information about the distribution of home values. Cities with larger concentrations of high value homes (relative to the median in that city) will be able to have lower tax rates on a median valued home for any given level of public expenditures.

Local Government Spending

The level of local government spending is another reason why property tax rates vary across cities, although its effect is considerably less than property tax reliance or home values. Holding all else equal, cities with higher spending will need to have higher property tax rates. For example, Figure 1 shows that a 1 percent increase in local government spending per capita is associated with a 0.57 percent increase in the effective tax rate on a median valued home.

Just as property tax rates are driven by a number of key variables, there are several factors that influence local government spending. In particular, spending is driven by needs, revenue capacity, costs, and preferences. For example, expenditure needs are higher in cities with larger shares of school age children or higher crime rates, because local governments in those cities will need to spend more on K-12 education and police protection to provide the same quality of education and public safety as cities with fewer children or lower crime. Spending will often be higher in cities with greater revenue capacity since cities with larger tax bases can raise more revenue without needing higher tax rates, as discussed above in the section on property values. Costs also play a role, because cities with higher costs of living and higher private sector wages will need to pay higher salaries to attract qualified teachers, police, and other local government employees. Finally, residents in some cities have a higher preference for public spending—which also means higher taxes—than in other cities.[10]

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[9] Ernst & Young LLP and Council on State Taxation. 2015. "Total State and Local Business Taxes: State-by-State Estimates for Fiscal Year 2014." Pg. 16-19.

[10] For an analysis that looks at the factors that drive differences in spending and revenue across states, see "Assessing Fiscal Capacities of States: A Representative Revenue System-Representative Expenditure System Approach, Fiscal Year 2012" by Tracy Gordon, Richard C. Auxier, and John Iselin published by the Urban Institute (March 8, 2016). For an analysis that looks at cities, see "The Fiscal Health of U.S. Cities" by Howard Chernick and Andrew Reschovsky in *Is Your City Healthy? Measuring Urban Fiscal Health* published by the Institute on Municipal Finance and Governance.

Classification and Preferential Treatment of Homestead Properties

Classification is the fourth factor that helps to explain differences across cities in property tax rates on homesteads. Under classified property tax systems, states and cities build preferences into their tax systems that result in lower effective tax rates for certain classes of property, with these features usually designed to benefit homeowners.

The "classification ratio" describes these preferences by comparing the effective tax rate for two types of property. For example, if a city has a 3.0% effective tax rate on commercial properties and a 1.5% effective tax rate on homestead properties, then the commercial-homestead classification ratio is 2.0 (3.0% divided by 1.5%). An increase in the classification ratio will be associated with a decrease in the tax rate on homestead properties, because it means that homeowners are collectively bearing a smaller share of the property tax burden while businesses and/or renters pay more. For example, Figure 1 shows that a 1 percent increase in the commercial-homestead classification ratio is associated with a 0.36 percent decrease in the effective tax rate on a median valued home, and a 1 percent increase in the apartment-homestead classification ratio is associated with a 0.44 percent decrease.

New York City has the highest classification ratios for both commercial and apartment properties relative to homesteads. This means that commercial buildings and apartments are taxed at a dramatically higher percentage of market value than owner-occupied residences. In New York, a $1 million commercial property faces an effective tax rate that is 4.2 times higher than a median valued home, while a $600,000 apartment building has an effective tax rate that is 5.1 times higher. As a result, among the largest cities in each state, New York City has the 7th lowest tax rate on a median valued home, but the highest tax rate on apartments and the 2nd highest rate on commercial properties.[11] In New York, homeowners are heavily subsidized at the expense of renters and businesses.[12]

The New York City example shows the other side of the classification equation: favoring homeowners by definition means higher property taxes on businesses and apartment buildings. Regression analysis shows that a 1 percent increase in the commercial-homestead classification ratio is associated with a 0.50 percent increase in the commercial property tax rate, and a 1 percent increase in the apartment-homestead classification ratio is associated with a 0.63 percent increase in the apartment tax rate.[13]

Note that while renters do not pay property tax bills directly, they do pay property taxes indirectly since landlords are able to pass through some of their property taxes by increasing rents.[14] Since renters have lower incomes than homeowners on average, preferences given to homesteads relative to apartment buildings will tend to make the property tax system more regressive.

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[11] Appendix tables 2b, 5a, and 3a.

[12] Josh Barro. 2013. "If You Live in New York and You Rent, You're Paying A Huge Tax You Don't Even Know About." *Business Insider*. June 28.

[13] Results for commercial properties are shown in Appendix Table 1d. The analysis with effective tax rates on apartments as the dependent variable uses the same set of explanatory variables; each variable has the same level of statistical significance as in Appendix table 1c and the R-square is very similar (0.739).

[14] Bowman, John H., Daphne A. Kenyon, Adam Langley, and Bethany P. Paquin. 2009. "Property Tax Circuit Breakers: Fair and Cost-Effective Relief for Taxpayers." Cambridge, MA: Lincoln Institute of Land Policy. Pg. 32.

Other Factors

The four key factors described above explain nearly three-quarters of the variation in cities' effective tax rates on median valued homes, and are thus the most important causes of differences in tax rates across cities. However, there are other factors that also play a role. For example, two variables that could affect property tax rates are the level of state and federal aid and local governments' share of total state and local government spending in each state. However, the impact of these variables will depend on how exactly the state government structures aid or takes on service responsibilities otherwise provided by local governments.

It is reasonable to expect that higher state aid will allow local governments to reduce their reliance on property taxes and thus lead to lower property tax rates. But in fact, research shows that the impact of state aid on local property taxes is ambiguous, and depends on how state aid is structured. Some state aid formulas can limit local spending, in which case state aid is likely to reduce property taxes. However, other aid formulas like matching grants can encourage higher local spending, and thus state aid may not reduce property taxes in those cases.[15]

Similarly, if the state government bears a larger share of state and local government expenditures, it makes sense that local government spending and the need for property taxes might decline. That would be the case if the state assumes responsibility for public services that would otherwise be provided by local governments, such as in Hawaii where there is a single statewide school district and thus no local expenditures on K-12 education. But it is also possible that state expenditures are higher because the state government spends more on traditional state responsibilities, like higher education or public welfare, in which case higher state spending would not lead to lower local government expenditures.

The regression analysis used for this section considered these two other variables, but they were not found to be related with effective tax rates at a statistically significant level. This finding is not surprising since the expected impact of these variables depends on institutional details that are not captured by a single measure of state aid or state expenditures.

[15] Kenyon, Daphne A. 2007. *The Property Tax-School Funding Dilemma*. Cambridge, MA: Lincoln Institute of Land Policy. Page 50.

Homestead Property Taxes

Figure 2 shows property taxes on a median valued home for the largest city in each state. The analysis looks at homesteads, which are owner-occupied primary residences. The average effective tax rate on median-valued homesteads for the 53 cities in Figure 2 is 1.503 percent. At that rate, a home worth $200,000 would owe $3,006 in property taxes (1.503% x $200,000).

Tax rates vary widely across the 53 cities. The three cities at the top of the chart – Bridgeport (CT), Detroit, and Aurora (IL) – have effective tax rates that are roughly 2.5 times higher than the average for the 53 cities. In five other cities, the effective property tax rate on a median valued home is 1.5 to about 2 times the average. Conversely, the bottom six cities – Honolulu, Cheyenne (WY), Denver, Birmingham (AL), Boston, and Washington (DC) – all have effective tax rates that are less than half of the study average.

Overall, the average effective tax rate for all cities fell slightly between 2014 and 2015, from 1.511 percent of value to 1.503 percent. The effective tax rate on the median-valued homestead climbed in 20 cities, fell in 31, and remained unchanged in 2 cities. The largest increase was in Phoenix, where the effective rate rose by about 12%, largely due to a higher nominal tax rate, with a corresponding increase in rank from 37th to 30th highest. Other cities where effective tax rates climbed by at least 5 percent include: Des Moines, Aurora (IL), Fargo, Indianapolis, Columbia (SC), and Newark (listed from largest increase to the smallest).

Effective rates on median-valued homesteads fell the farthest in Sioux Falls (SD), which had a 9.4 percent decline and a six-place drop in rank, from 23rd to 29th highest. Other cities with declines of at least 5 percent include: Chicago, Seattle, Billings (MT), Memphis, and Boston (listed from largest decrease to the smallest).

Note that in addition to effective tax rates, Figure 2 also reports the tax bill on a median valued home for each city. Because of significant variations in home values across these cities, some cities with modest tax *rates* can still have high tax *bills* on a median valued home relative to other cities, and vice versa. For example, Bridgeport and Detroit have similar tax rates on a median valued home, but because the median valued home is worth so much more in Bridgeport ($173k vs. $42k), the tax bill is far higher in Bridgeport (2nd highest) than in Detroit (42nd highest). In general, cities with high home values can raise considerable property tax revenue from a median valued home despite modest tax rates, whereas cities with low home values may have fairly low tax bills even with high tax rates.

The table on the next page shows cities with the largest differences in their ranking in terms of effective tax rates versus tax bills on a median valued home. Note that most of this report uses fixed home values (i.e., $300k home in all cities) to estimate effective tax rates, which forces the ordering of cities in terms of tax rates to match the order for tax bills.

Cities with Largest Differences in Ranking on Effective Tax Rate vs. Tax Bill, for a Median Valued Home (2015)

High Home Values Cities with high tax bills despite low tax rates			**Low Home Values** Cities with low tax bills despite high tax rates		
City	**Tax Rate**	**Tax Bill**	**City**	**Tax Rate**	**Tax Bill**
Washington (DC)	48	13	Detroit (MI)	2	42
Seattle (WA)	42	10	Buffalo (NY)	17	50
New York (NY)	37	7	Jackson (MS)	20	47
Boston (MA)	49	20	Memphis (TN)	14	38
Los Angeles (CA)	33	6	Wichita (KS)	24	46

Appendix Table 2b is similar to Table 2a except that it accounts for the effect of assessment limits, which restrict growth in the assessed value of individual parcels for property tax purposes. These limits reduce estimates of homestead property taxes for 11 of the 53 cities, with the largest impacts on Los Angeles, New York City, and Portland (OR). Overall, accounting for assessment limits reduces the average property tax bill for the 53 cities by 4 percent. For more details on the impact of assessment limits, see that section of this report.

Appendix Table 2c shows how effective tax rates on homestead properties vary based on their value, showing tax rates for properties worth $150,000 and $300,000 for the largest city in each state. As the table notes, effective tax rates vary with property value about half of the time (26 of 53 cities). Usually, effective tax rates rise with homestead value because of homestead exemptions and property tax credits that are set to a fixed dollar amount. Under these programs, the percentage reduction in property taxes falls as home values rise. For example, a $20,000 exemption provides a 20 percent tax cut on a $100,000 home, a 10 percent cut on a $200,000 home, and a 5 percent cut on a $400,000 home.[16] However, other design elements can create the same effect. For example, Minnesota uses a tiered assessment system, where 1% of a home's market value is taxable up through $500,000 of value, while 1.5% of value above that is taxable.

Value-driven differences in effective tax rates make the biggest difference in Boston, which in 2015 offered a homestead exemption equal to the lesser of $140,210 or 90 percent of a property's market value. This results in an ultra-low effective tax rate of 0.113% on a $150,000 home, which is less than a quarter of the effective rate on a $300,000 home (0.500%). The other two cities with the largest differentials in the effective rates between a $150,000-valued home and a $300,000-valued home also offer substantial homestead exemptions: Honolulu ($80,000 exemption) and Washington, D.C. ($71,400 exemption).

Other cities where effective tax rates are considerably lower on a $150,000 home than a $300,000 home due to fixed dollar credits, exemptions, or other policies, include:

- Atlanta – eight place difference (31st highest for $150k, 23rd highest for $300k)
- New Orleans – eight place difference (45th highest for $150k, 37th highest for $300k)
- Boise – seven place difference (44th highest for $150k, 39th highest for $300k)

[16] For information on homestead exemptions in each state, see "How Do States Spell Relief: A National Study of Homestead Exemptions and Property Tax Credits" by Adam H. Langley in *Land Lines* (April 2015).

- Jacksonville – seven place difference (25th highest for $150k, 20th highest for $300k)
- Little Rock – seven place difference (36th highest for $150k, 29th highest for $300k)

Readers should use some caution when interpreting the results in Appendix Tables 2c, 2f, and 2h; see the box on comparing property taxes calculated with fixed property values (page 22).

Appendix Tables 2d through 2f show effective tax rates on homestead properties for a different set of cities. Whereas Tables 2a through 2c focus on the largest city for each state, Tables 2d through 2f show the 50 largest cities in the country regardless of their state. There is considerable overlap between the two groups of cities, but some significant differences as well. In this set of tables, California has eight cities, Texas has six, Arizona has three, and six states have two cities each (CO, FL, NC, OH, OK, and TN). There are 21 states without any cities in the top 50. As with the tables for the largest city in each state, there are two sets of tables for median-valued homes; one before and one after accounting for the effects of assessment limitations (Tables 2d and 2e respectively).

The average effective tax rates for homesteads are generally about 2 to 3 percent lower for the 50 largest cities than for the largest city in each state. The exception is when comparing median-valued homes after accounting for assessment limitations. For those cities, the discrepancy is bigger (a 6.4% difference), largely because the share of top 50 cities with assessment limits in effect is much larger than the share on a nationwide basis.

Effective tax rates can be rather homogenous across large cities in a single state. For example, consider the effective rates on median-valued homes in the two largest states shown in Table 2d:

- In the eight California cities, the highest effective tax rate is Oakland (21st highest) and the lowest is Long Beach (39th). However, California accounts for six of the ten cities ranked between 30th and 39th, with effective tax rates clustering in the 1.1 to 1.2 percent range due to the effect of California's Proposition 13 limitations on tax rates.
- In the six Texas cities, the highest effective tax rate is El Paso (3rd highest) and the lowest is Houston (14th), with Texas accounting for four of the six cities ranked between 3rd and 8th. It is more difficult to point to a single feature of Texas' property tax system to explain this clustering. However, it likely reflects the fact that local governments in these six Texas cities have relatively high reliance on property taxes and that Texas has a uniform property tax system that does not allow for different tax rates or assessment ratios on different types of property.

However, in other cases there can be considerable differences in effective tax rates between cities within the same state. For example, Table 2d shows some noticeable differences in effective tax rates and rankings for median-valued homes between these sets of same-state cities:

- In Tennessee: Memphis has the 13th highest tax rate (1.837%), while Nashville has the 42nd highest (0.996%) – a 29 place differential.
- In Arizona: Phoenix has the 27th highest tax rate (1.228%) and Tucson has the 28th highest rate (1.209%), while Mesa has the 46th highest (0.830%) – a 19 place differential between the neighboring cities of Phoenix and Mesa.

Appendix Tables 2g and 2h provide additional information about how effective property tax rates vary across states by looking at a rural community in each state. The rural analysis includes county seats with populations between 2,500 and 10,000 located in nonmetropolitan counties.

The average effective tax rate on median-valued homes in the 50 rural communities in this report is 1.326% for taxes paid in 2015. As with large cities, the rates for rural municipalities vary considerably around that average. In three municipalities – Ridgway (PA), Warsaw (NY), and Lancaster (NH) – the effective tax rates on median-valued homes are 2 times the average or more. However, ten municipalities feature effective tax rates of less than half of the average, with the lowest rates in Kauai (HI), Pocahontas (AR), Monroeville (AL), Natchitoches (LA), and Wise (VA).

Comparing Tables 2a and 2g shows that effective tax rates on median-valued homesteads are around 6 percent lower in rural municipalities than in large cities on average. There are two major reasons why rates are lower in rural communities: lower nominal tax rates and homestead exemptions that apply to a fixed amount of value across the state and therefore exempt higher proportions of homestead value from taxation in rural areas, where home values are generally much lower than in large cities.

In 33 states, the effective tax rate on the median-valued home is higher in the largest city than in the rural municipality. Arkansas has the biggest difference; the 1.128% rate in Little Rock is over five times the 0.215% rate in Pocahontas. In three other states the tax rate in the largest city is at least two times higher than in the rural community: Delaware, Louisiana, and Tennessee (listed alphabetically).

On the other hand, in 17 states the effective tax rate on median-valued homes is higher in the rural municipality than in the largest city in the state. The biggest difference is in Massachusetts, where the effective tax rate in Adams is more than three times higher than the rate in Boston (2.09% vs. 0.67%), largely because of Boston's unique (within Massachusetts) homestead exemption. Other states where the tax rate in the rural community is at least 1.5 times higher than the largest city are Kansas, New York[17], and Pennsylvania (listed alphabetically).

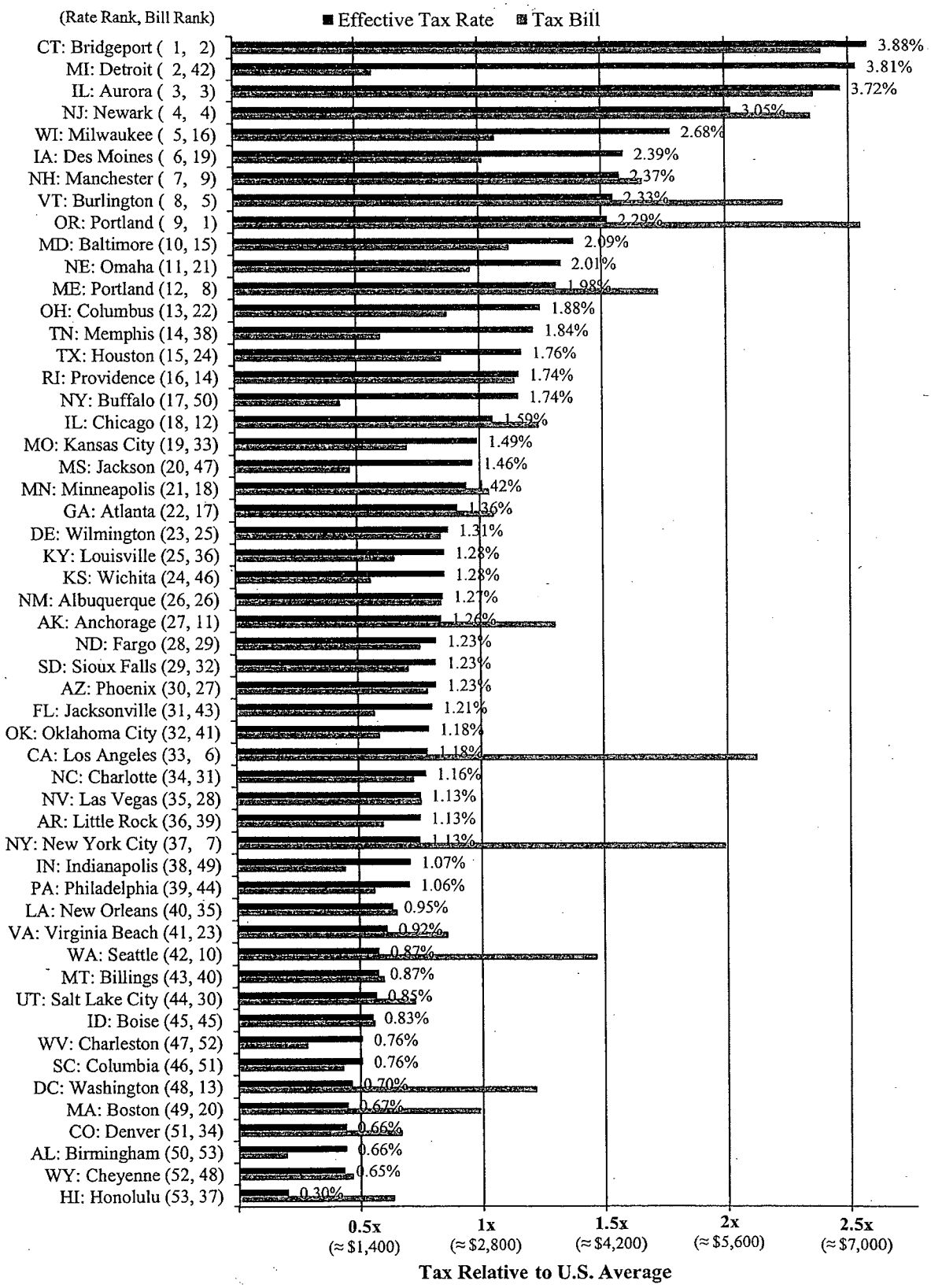
Some readers may want to use findings on effective tax rates from one specific table to reach conclusions on property taxes throughout an entire state. The small differences in tax rates across cities in California and Texas (Appendix Tables 2d-2f) show that the largest city in each state can serve as a proxy for property tax rates throughout an entire state. However, the large differences between the two largest cities in Tennessee and Arizona show that caution is needed when extrapolating findings for a single city to an entire state.

Readers wishing to determine whether taxes in a state are high, low, or somewhere in between are best served by comparing the rankings for urban and rural municipalities. For example, in six states (Illinois[18], Michigan, New Hampshire, New Jersey, Vermont, and Wisconsin) the effective tax rate on the median-valued home is among the ten highest in both a rural and an urban setting – suggesting that these states are most likely to have the highest homestead property taxes.

[17] When Buffalo and New York City are averaged.
[18] Aurora only.

Alabama, Colorado, Hawaii, West Virginia, and Washington (DC) are the five states where effective tax rates on median-valued homes are among the ten lowest in both urban and rural (where applicable) settings – suggesting that these states are most likely to have the lowest homestead property taxes.

Figure 2: Property Taxes on Median Valued Home for Largest City in Each State (2015)



Commercial Property Taxes

Figure 3 shows effective property tax rates for commercial properties worth $1 million dollars for the largest city in each state. This analysis looks specifically at taxes on office buildings, hotels, and other commercial properties without inventory on site. Tax rates for other types of commercial property will often be similar, but will vary in cities where personal property is taxed differently than real property. The analysis assumes each property has an additional $200,000 worth of fixtures, which includes items such as office furniture, equipment, display racks, and tools. Different types of commercial property will have different proportions of real and personal property. Therefore, effective tax rates will change between different types of commercial property in cities where personal property is taxed differently from real property.

The average effective tax rate on commercial properties for the 53 cities in Figure 3 is 2.113 percent. A property worth $1 million with $200,000 in fixtures would thus owe $25,357 in property taxes (2.113% x $1.2m).

Tax rates vary widely across the 53 cities. The top five cities of Detroit, New York City, Providence, Chicago, and Bridgeport all have effective tax rates that are at least two-thirds higher than the average for these cities. The bottom five cities of Cheyenne, Seattle, Honolulu, Virginia Beach, and Wilmington (DE) all have tax rates that are less than half of the average.

A few of the cities had significant changes in their effective tax rates from 2014 to 2015. The cities with the largest declines in their tax rates were Columbus (OH) and Boston. Growing underassessment of commercial properties led the effective tax rate on a $1-million valued commercial property in Columbus to decline by almost a quarter, from 2.16% to 1.62%, with the city's ranking falling from 26th to 32nd.[19] In Boston, the effective tax rate fell by a fifth, from 2.88% to 2.24%, so that the city's ranking dropped from 13th to 24th. Other cities with significant drops in their tax rate rankings were Des Moines, IA (from 5th to 9th) and Billings, MT (from 44th to 48th).

Baltimore had the largest increase in effective tax rates on commercial properties from 2014 to 2015. The city's effective tax rate on a commercial property worth $1 million increased by less than 10%, from 2.46% to 2.66%, so that Baltimore's ranking rose from 19th to 16th. No other city increased its ranking by more than two places; however, eleven cities' rankings increased by two spots from 2014.

Appendix Table 3a shows how effective tax rates on commercial properties vary based on their value, showing tax rates for properties worth $100,000, $1 million, and $25 million (all have fixtures worth 20% of the real property value). Effective tax rates for commercial properties generally do not vary based on property values, unlike homestead properties, where exemptions or other tax relief programs often create significantly lower rates on lower valued properties.

Only 10 of the 53 cities have effective tax rates that vary based on their value. Value-driven differences in effective tax rates make the biggest difference in rankings in Philadelphia.

[19] The sales ratio for commercial properties in Columbus fell from 92.4% to 68.8%.

Philadelphia has among the lowest tax rates for commercial properties worth $100,000 (1.106%, 47th lowest), but is just slightly below average for commercial properties worth $25 million (2.031%, 28th lowest). The city offers property owners a credit against the first $2,000 of Business Use and Occupancy Tax (effectively, a property tax imposed only on business properties) assessed against individual properties, and this credit creates this large differential. The credit reduces the tax on a $100,000-valued property by 45%, but by only 0.3% for a property worth $25 million.

Other cities where the rankings vary significantly because of beneficial tax treatment provided to lower-valued properties through credits, exemptions, or preferential assessment practices include:

- Des Moines (22nd highest for $100k, 8th highest for $25m)
- Washington, DC (41st highest for $100k, 30th highest for $25m)
- Minneapolis (16th highest for $100k, 7th highest for $25m)
- Phoenix (24th highest for $100k, 17th highest for $25m)

Appendix Table 3b shows effective tax rates on commercial properties for a different set of cities. Whereas Table 3a has the largest city for each state, Table 3b shows the 50 largest cities in the country regardless of their state. There is considerable overlap between the two groups of cities, but some significant differences as well. In Table 3b, California has eight cities, Texas has six cities, Arizona has three cities, and six states (CO, FL, NC, OH, OK, and TN) have two cities each. There are 21 states without any cities in the top 50 shown in Table 3b. Appendix Table 3b also shows effective tax rates on commercial properties worth $100,000, $1 million, and $25 million (with fixtures worth 20% of the real property value).

The average effective tax rates for commercial properties is slightly lower for the 50 largest cities shown in Table 3b than the cities shown in Table 3a—about 4 to 5 percent lower for the three property values analyzed.

In some states, tax rates do not vary too much across the largest cities. For example, consider tax rates for commercial properties worth $1 million in the two largest states:

- For California's eight cities, the highest tax rate is in Oakland (36th highest) and the lowest is in Long Beach (46th). California accounts for 8 of the 11 cities ranked between 36th and 46th.
- For Texas's six cities, the highest tax rate is in Fort Worth (11th highest) and the lowest is in Austin (22rd). Texas accounts for five of the six cities ranked between 11th and 16th.

However, in other cases there can be considerable differences in effective tax rates between cities within the same state. There are actually larger differences in tax rates for the states with just two cities:

- In Tennessee: Memphis has the 6th highest tax rate, while Nashville has the 32nd highest.
- In Ohio: Cleveland has the 17th highest tax rate, while Columbus has the 30th highest.
- In Colorado: Denver has the 18th highest tax rate, while Colorado Springs has the 28th highest.

Appendix Table 3c provides additional information about how effective property tax rates vary across states by looking at a rural community in each state. The rural analysis includes county seats with populations between 2,500 and 10,000 that are located in nonmetropolitan counties.

On average, commercial tax rates are about 17 to 18 percent lower for the 50 rural communities than the largest cities in each state. For a property worth $1 million, the average effective tax rate is 1.75% for the rural cities versus 2.11% for the urban cities shown in Appendix Table 3a. For 34 states, the effective tax rate on a $1-million valued commercial property is lower in the selected rural municipality than in the state's largest city.

The state with the biggest difference in the tax rate in the largest city and the rural municipality is Tennessee, where the tax rate on a commercial property worth $1 million in Savannah (TN) is about a third of the rate in Memphis (1.01% vs. 2.84%). Other states where the tax rate in the rural community is significantly lower than the largest city include Delaware (52% lower), Arkansas and Connecticut (both 50% lower), and Oregon (49% lower).

On the other hand, in 16 states the tax rate is higher in the rural municipality than in the largest city in the state. The biggest difference is in Kansas, where the tax rate on a commercial property worth $1 million in Iola is more than 60 percent higher than the rate in Wichita (4.55% vs. 2.83%). Other states where the tax rate in the rural municipality is significantly higher than the largest city include Washington (43% higher), Pennsylvania (35% higher), Florida (30% higher), and Wyoming (22% higher).

Variation in tax rates across the 50 rural cities is very similar to variation across the largest cities in each state.

Some readers may want to use findings on effective tax rates from one specific table to reach conclusions on property taxes throughout an entire state. The small differences in tax rates across cities in California and Texas (Appendix Table 3b) show that the largest city in each state can serve as a proxy for property tax rates throughout an entire state. However, the large differences between the two largest cities in Tennessee, Ohio, and Colorado show that caution is needed when extrapolating findings for a single city to an entire state.

Readers wishing to determine whether taxes in a state are high, low, or somewhere in between are best served by comparing the rankings for urban and rural municipalities. For example, five states (Iowa, Michigan, Minnesota, New York, and South Carolina) have multiple top ten rankings in both an urban and rural setting – suggesting that these states are most likely to have the highest commercial property taxes. Conversely, five states (Delaware, Hawaii, North Carolina, North Dakota, and Virginia) have multiple bottom ten rankings in both urban and rural settings.

Comparing Property Taxes Calculated with Fixed Property Values

This report uses fixed property values (i.e. $1 million in all cities) to control for the impact local real estate conditions have on relative tax burdens. However, differences in property values – driven largely by differences in land values – mean identically valued properties often look very different across the country. For example, a $1 million property in Detroit is very different from a $1 million parcel in New York City. For two properties with different values but identical characteristics (i.e. similar square footage, amenities, etc.) in two cities with the same effective tax rates, the property tax bill will be higher in dollar terms in the city with high property values than the city with low values.

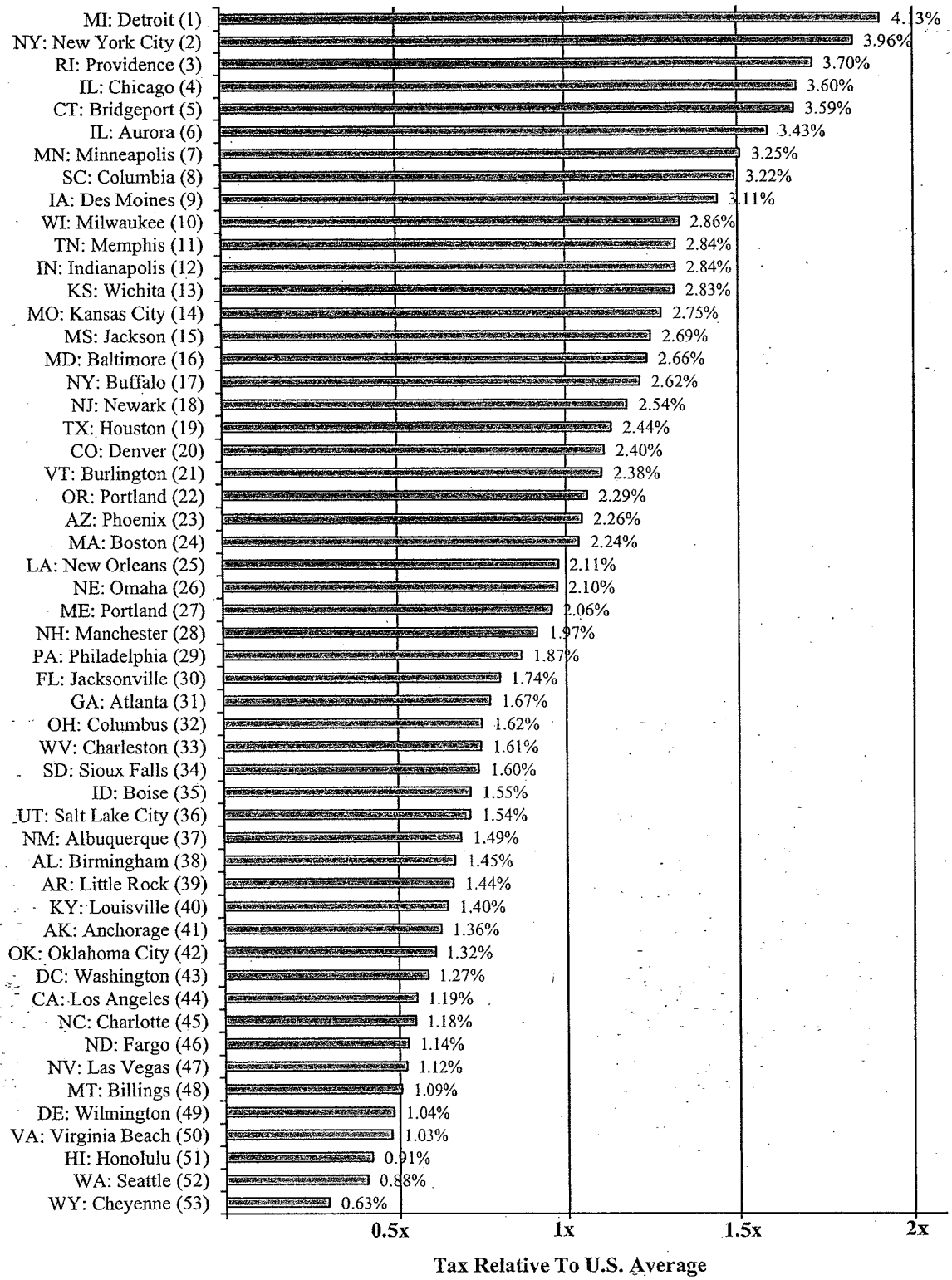
For taxes on commercial, industrial, and apartment properties, the report solely uses fixed property values. As a result, if the goal is to compare taxes due on properties with similar characteristics (i.e. 5000 square feet in the central business district), the net tax *bills* (i.e. $3,000) will be underestimated in cities with high property values and overestimated in cities with low property values. In contrast, data on effective tax *rates* (i.e. 1.5 percent) will be largely unaffected by the property value chosen for the analysis, because effective tax rates usually do not increase with property values for business properties. For this reason, it is better to use data on effective tax *rates* when making cross-city comparisons for taxes on commercial, industrial, and apartment properties.

In addition, fixed property values are not problematic from the perspective of a real estate investor looking to invest a certain amount of money—whether it's a $1 million condo in New York or a $1 million apartment complex in Detroit.

Note that the use of fixed property values also makes year-to-year comparisons of effective tax rates or tax bills challenging because property values change over time. A $1 million property in 1995 looks very different than a $1 million property in 2015 in most cities.

For homestead property taxes, the report analyzes property taxes on median valued homes, which adjusts for differences in property values, and thus allows for comparisons of property taxes on a "typical" home across cities and over time.

Figure 3: Commercial Property Taxes for Largest City in Each State (2015)
Effective Tax Rate for $1-Million Valued Property (plus $200k in Fixtures)



Industrial Property Taxes

Figure 4 shows effective property tax rates for industrial properties with $1 million worth of real property for the largest city in each state. This analysis looks specifically at taxes on manufacturing properties. We assume that each property has an additional $1 million of personal property, consisting of $500,000 of machinery and equipment, $400,000 of inventories, and $100,000 of fixtures. Differences in personal property taxation have significant impacts on effective tax rates for industrial properties, as described in the box on the next page. Readers should use some caution when interpreting these results; see the box on comparing property taxes calculated with fixed property values for guidance (page 22).

The average effective tax rate on industrial properties for the 53 cities in Figure 4 is 1.569 percent. A parcel with a real property value of $1 million that has an additional $1 million in personal property would thus owe $31,375 in property taxes (1.569% x $2m total parcel value). For shorthand, this section refers to parcels based on their real property values.

Tax rates vary widely across the 53 cities. The top five cities of Columbia (SC), Detroit, Jackson (MS), Memphis, and Houston all have effective tax rates that are at least 60% higher than the average for these cities. The bottom five cities of Virginia Beach, Honolulu, Wilmington (DE), Cheyenne, and Fargo all have tax rates that are less than half of the average.

Some cities had significant changes in their effective tax rates from 2014 to 2015. Similarly to commercial properties, the cities with the largest declines in their industrial property tax rates were Columbus (OH), Des Moines, and Boston. In Boston, the effective tax rate fell by nearly 15%, from 1.59% to 1.36%, so that the city's ranking dropped from 23rd to 32nd. The continued phase-in of Iowa's business property tax changes, which lowered the assessment ratio and provided an increased tax credit, influenced the 14% drop in the effective tax rate on a manufacturing parcel in Des Moines. Other cities with significant declines include Columbus (OH), which had a 13% drop in its effective tax rate and thus fell from 32nd to 36th in the rankings, and Atlanta, which fell from 20th to 25th.

Baltimore had the largest increase in effective tax rates on industrial properties from 2014 to 2015. The city's effective tax rate on an industrial property worth $1 million increased by 10%, from 1.19% to 1.32%, so that the city's ranking rose from 38th to 33rd. Two other cities experienced notable increases in their ranking, with each moving up five spots from 2014: Bridgeport (CT) rose from 17th to 12th and Oklahoma City rose from 33rd to 28th.

Appendix Table 4a shows how effective tax rates on industrial properties vary based on their value, showing tax rates for properties worth $100,000, $1 million, and $25 million (all have personal property worth 100% of the real property value). As the table notes, effective tax rates for industrial properties generally do not vary based on property values, unlike homestead properties, where exemptions or other tax relief programs often create significantly lower rates on lower valued properties.

Taxes on Personal Property

Property taxes are often imposed differently on real property (the value of land and buildings) versus personal property (the value of machinery and equipment, inventories, and fixtures). For example, Appendix Table 4g shows how three categories of personal property are taxed in the largest cities in each state:

- **Machinery and equipment**, which includes things like assembly robots and milling machines, is fully exempt from taxation in 21 cities. In another 10 cities, the property tax system provides preferential treatment to machinery and equipment over real property. In contrast, real property is treated preferentially relative to personal property in five cities.
- **Manufacturers' inventories**, which include raw materials, supplies, unfinished products, and similar items, are fully exempt from taxation in 43 cities. In another 4 cities, inventories receive preferential treatment relative to real property, while the reverse is true in 2 cities.
- **Fixtures**, which include office furniture, equipment, display racks, and tools, are fully exempt from taxation in 15 cities. In another 8 cities, the property tax system provides preferential treatment to fixtures relative to real property, while fixtures are taxed more heavily than real property in 10 cities.

Because personal property is often taxed at a lower rate than real property, the effective tax rate on business properties usually depends on the share of a parcel's total value (i.e. real property + personal property) that comes from personal property. That means estimates of effective tax rates depend on assumptions about the split of total parcel value between real and personal property.

However, the split between real and personal property varies by industry and location. Our modeling indicates that personal property's share of total parcel value ranges from a low of 31.7% for apparel manufacturers to a high of 67.4% for motor vehicle manufacturers. After applying state-specific weights for each manufacturing type, the median state has 56% of total industrial parcel value in personal property with the minimum amount being 49% (Oregon) and the maximum being 59% (Michigan).[20]

Because estimates of effective tax rates are sensitive to assumptions about personal property's share of total parcel value, we present two sets of estimates for industrial properties: personal property accounts for 50% of total parcel value in one set of estimates and 60% in the other set. The first set will be a better reflection of effective tax rates for industries and states where personal property accounts for a smaller share of total parcel value (like apparel manufacturers and Oregon), while the second set will be better when personal property accounts for a larger share of total parcel value (like motor vehicle manufacturers and Michigan).

Only 11 of the 53 cities have effective tax rates that vary based on their value. Value-driven differences in effective tax rates make the biggest difference in rankings in Washington, D.C. The District of Columbia has one of the lowest tax rates for industrial properties worth $100,000 (0.760%, 45th highest), but is somewhat above average for industrial properties worth $25 million (1.845%, 28th highest). The city exempts the first $225,000 of business personal

[20] To determine personal property's share of total parcel value, we replicate the methodology used by the Minnesota Department of Revenue's Research Division in their biennial *Tax Incidence Study*. These studies are available on their website: http://www.revenue.state.mn.us/research_stats/Pages/Tax_Incidence_Studies.aspx.

property, which is effectively a complete personal property exemption for the $100,000-valued parcel but only exempts 0.9% of the personal property associated with the $25 million-valued parcel. The exemption reduces the total tax on a $100,000-valued property by more than half but by less than 1% for a property worth $25 million.

Other cities where the rankings vary significantly because of beneficial tax treatment provided to lower-valued properties through credits, exemptions, or preferential assessment practices include:

- Phoenix (31st highest for $100k, 8th highest for $25m)
- Des Moines (27th highest for $100k, 15th highest for $25m)
- Billings (MT) (51st highest for $100k, 39th highest for $25m)
- Philadelphia (49th highest for $100k, 37th highest for $25m)

Appendix Table 4c shows effective tax rates on industrial properties for a different set of cities. Whereas Table 4a has the largest city for each state, Table 4c shows the 50 largest cities in the country regardless of their state. There is considerable overlap between the two groups of cities, but some significant differences as well. In Table 4c, California has eight cities, Texas has six cities, Arizona has three cities, and six states (CO, FL, NC, OH, OK, and TN) have two cities each. There are 21 states without any cities in the top 50 shown in Table 4c. Appendix Table 4c also shows effective tax rates on industrial properties worth $100,000, $1 million, and $25 million (again with personal property equal to 100% of the real property value).

The average effective tax rate for industrial properties is slightly higher for the 50 largest cities shown in Table 4c than the cities shown in Table 4a—about 3 to 3.5 percent higher, depending on which of the three property values is analyzed.

In some states, tax rates do not vary too much across the largest cities. For example, consider tax rates for industrial properties worth $1 million in the two largest states:

- For California's eight cities, the highest tax rate is in Oakland (34th highest) and the lowest is in Long Beach (43rd). California accounts for 8 of the 10 cities ranked between 34th and 43rd.
- For Texas's six cities, the highest tax rate is in Fort Worth (highest among the 50) and the lowest is in Austin (9th). Texas accounts for the top three cities and six of the nine cities ranked between 1st and 9th.

However, in other cases there can be considerable differences in effective tax rates between cities within the same state. Consider these noticeable differences in ranking (with the associated effective tax rates) for the $1 million-valued industrial properties in states with two cities among the nation's largest fifty:

- In Tennessee: Memphis has the 6th highest tax rate (2.635%), while Nashville has the 32nd highest (1.474%).
- In Colorado: Denver has the 17th highest tax rate (1.920%), while Colorado Springs has the 31st highest (1.362%).
- In Ohio: Cleveland has the 19th highest tax rate (1.773%), while Columbus has the 34th highest (1.234%).

Appendix Table 4e provides additional information about how effective property tax rates vary across states by looking at a rural community in each state. The rural analysis includes county seats with populations between 2,500 and 10,000 that are located in nonmetropolitan counties.

On average, industrial tax rates are about 17 to 18 percent lower for the 50 rural communities than the largest cities in each state. For a property worth $1 million, the average effective tax rate is 1.287% for the rural cities versus 1.569% for the urban cities shown in Appendix Table 4a. For 34 states, the effective tax rate on a $1-million valued industrial property is lower in the selected rural municipality than in the state's largest city.

The state with the biggest difference in the tax rate in the largest city and the rural municipality is Tennessee, where the tax rate on an industrial property worth $1 million in Savannah (TN) is about a third of the rate in Memphis (0.94% vs. 2.64%). Other states where the tax rate in the rural municipality is significantly lower than the largest city include Delaware (52% lower), Connecticut (51% lower), and Arkansas and Oregon (both 49% lower).

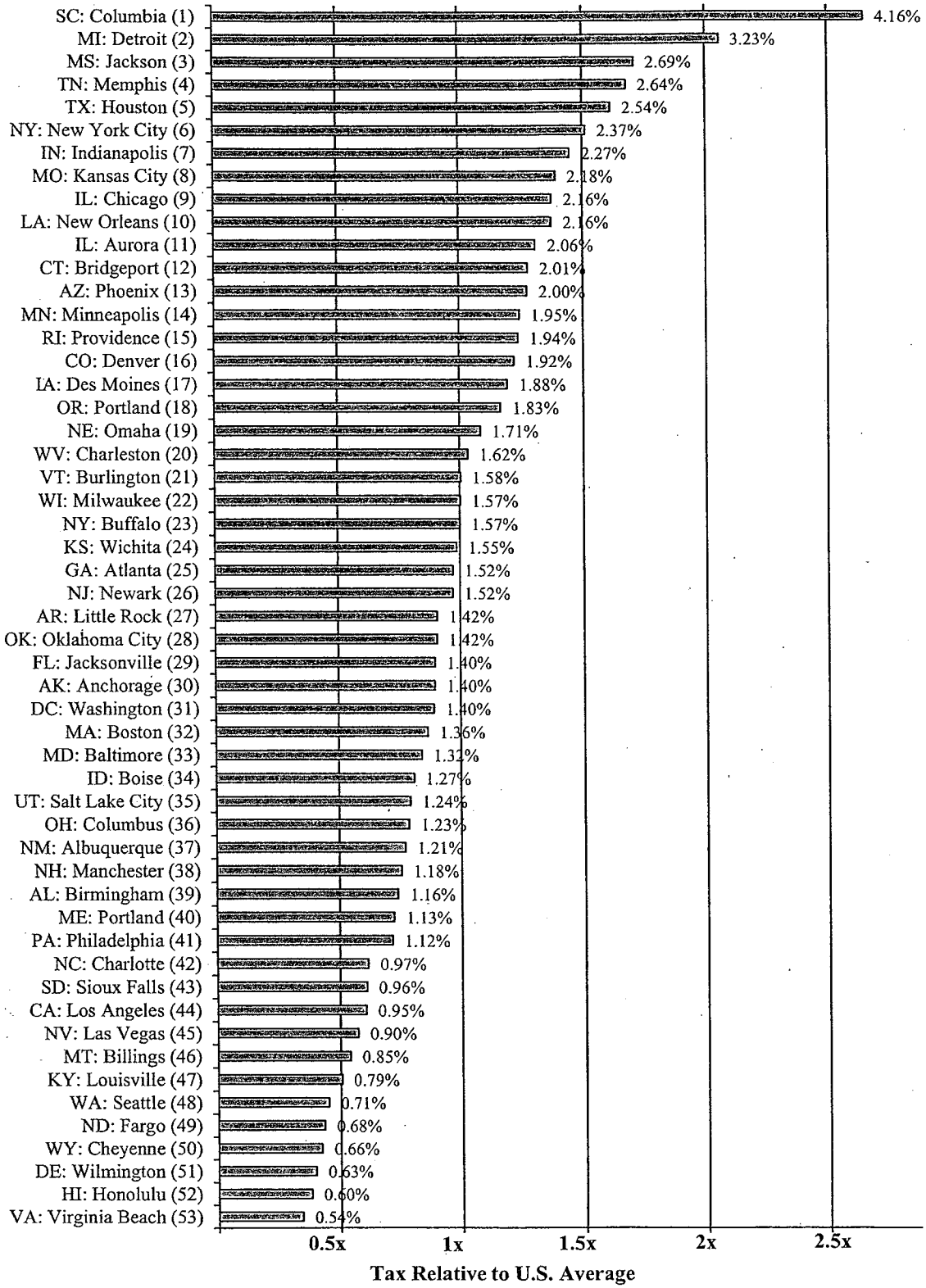
On the other hand, in 16 states the tax rate is higher in the rural municipality than in the largest city in the state. The biggest difference is in Kansas, where the tax rate on an industrial property worth $1 million in Iola is more than 60 percent higher than the rate in Wichita (2.50% vs. 1.55%). Other states where the tax rate in the rural municipality is significantly higher than the largest city include Washington (42% higher), Virginia (39% higher), Pennsylvania (35% higher), and Florida (29% higher).

Variation in industrial tax rates across the 50 rural cities is very similar to variation across the largest cities in each state.

Some readers may want to use findings on effective tax rates from one specific table to reach conclusions on property taxes throughout an entire state. The small differences in tax rates across cities in California and Texas (Appendix Table 4c) show that the largest city in each state can serve as a proxy for property tax rates throughout an entire state. However, the large differences between the two largest cities in Tennessee, Ohio, and Colorado show that caution is needed when extrapolating findings for a single city to an entire state.

Readers wishing to determine whether taxes in a state are high, low, or somewhere in between are best served by comparing the rankings for urban and rural municipalities. For example, five states (Indiana, Michigan, Mississippi, South Carolina, and Texas) have at least three top ten rankings in both an urban and rural setting – suggesting that these states are most likely to have the highest industrial property taxes. Delaware, Hawaii, Kentucky, North Dakota, and Wyoming are the five states that most often have bottom ten rankings in both urban and rural settings.

Figure 4: Industrial Property Taxes for Largest City in Each State (2015)
Effective Tax Rate for $1-Million Valued Property (plus $1 Million in Personal Property)



Apartment Property Taxes

Figure 5 shows effective property tax rates for apartment buildings worth $600,000 for the largest city in each state. The analysis assumes each property has an additional $30,000 worth of fixtures, which includes items such as stoves, refrigerators, garbage disposals, air conditioners, drapes, and lawn care equipment. Readers should use some caution when interpreting these results; see the box on comparing property taxes calculated with fixed property values for guidance (page 22).

The average effective tax rate on apartment properties for the 53 cities in Figure 5 is 1.907 percent. A property worth $600,000 with $30,000 in personal property would thus owe $12,016 in property taxes (1.907% x $630,000 total parcel value).

Tax rates vary widely across the 53 cities. The top two cities of New York City and Detroit have effective tax rates that are more than 2.5 times higher than the average for these cities. The next three cities (Aurora, IL; Des Moines, IA; and Bridgeport, CT) have effective tax rates that are roughly double the average for these cities. Conversely, there are eight cities where tax rates on apartments are less than half the average, with the lowest rates in Honolulu, Cheyenne, Denver, Washington (DC), and Virginia Beach.

Some cities had significant changes in their effective tax rates from 2014 to 2015. The cities where property tax rates on apartment properties declined by at least 15% were Columbus (OH), Virginia Beach, and Boston. In Boston, this effective tax rate reduction dropped the city's ranking from 40th to 45th highest. The continued phase-in of Iowa's business property tax changes, which lowered the assessment ratio, substantially influenced the effective tax rate reduction for apartments in Des Moines. Other cities with significant declines include Columbus (OH), which had a 25% drop in its effective tax rate and thus fell from 13th to 21st in the rankings, and Chicago which fell from 23rd to 27th.

The effective tax rate on apartments increased by 12% between 2014 and 2015 in Phoenix largely due to an increase in the city's nominal tax rate on apartments, so that city's ranking rose from 44th to 36th. Four other cities had notable increases in the effective tax rankings for apartments: Baltimore rose from 20th to 17th, Sioux Falls (SD) rose from 25th to 22nd, Charleston (WV) rose from 28th to 25th, and Salt Lake City rose from 49th to 46th.

Appendix Table 5b shows effective tax rates on apartment properties for a different set of cities. Whereas Table 5a has the largest city for each state, Table 5b shows the 50 largest cities in the country regardless of their state. There is considerable overlap between the two groups of cities, but some significant differences as well. In Table 5b, California has eight cities, Texas has six cities, Arizona has three cities, and six states (CO, FL, NC, OH, OK, and TN) have two cities each. There are 21 states without any cities in the top 50 shown in Table 5b.

The average effective tax rates for apartment properties is about 10 percent lower for the 50 largest cities shown in Table 5b than the cities shown in Table 5a. In some states, tax rates do not vary too much across the largest cities. For example, consider tax rates for apartment properties worth $600,000 in the two largest states:

- For California's eight cities, the highest tax rate is in Oakland (27th highest) and the lowest is in Long Beach (41st highest). There is a clustering effect as California accounts for 6 of the 7 cities ranked between 35th and 41st.
- For Texas's six cities, the highest tax rate is in Fort Worth (5th highest) and the lowest is in Austin (13th). Texas accounts for six of the nine cities ranked between 5th and 13th.

However, in some states there are considerable differences in effective tax rates between different cities. Consider these notable differences in rankings and effective tax rates between the cities in these states:

- In Tennessee: Memphis has the 3rd highest tax rate (2.911%), while Nashville has the 22nd highest (1.582%).
- In Ohio: Cleveland has the 6th highest tax rate (2.743%), while Columbus has the 16th highest (1.854%).
- In Arizona: Phoenix and Tucson have the 29th and 30th highest rates (1.311% and 1.296%, respectively), while Mesa has the 45th highest (0.929%).

Appendix Table 5c provides additional information about how effective property tax rates vary across states by looking at a rural community in each state. The rural analysis includes county seats with populations between 2,500 and 10,000 that are located in nonmetropolitan counties.

On average, apartment tax rates are about 16 percent lower for the 50 rural communities than the largest cities in each state. For the $600,000-valued apartment property, the average effective tax rate is 1.604% for the rural cities versus 1.907% for the large cities shown in Appendix Table 5a. For 34 states, the effective tax rate on a $600,000-valued apartment property is lower in the selected rural municipality than in the state's largest city.

The state where the tax rate in the largest city is the lowest vis-à-vis the rate for the rural municipality is Tennessee, where the tax rate on a $600,000-valued apartment property in Savannah is about a third of the rate in Memphis (1.03% vs. 2.91%). Other states where the tax rate in the rural municipality is significantly lower than the largest city include Delaware (55% lower), Connecticut (51% lower), Arkansas (50% lower) and Oregon (49% lower).

On the other hand, in 16 states the tax rate is higher in the rural municipality than in the largest city in the state. The biggest difference is in Pennsylvania, where the tax rate on an apartment property worth $600,000 in Ridgway is nearly 130 percent higher than the rate in Philadelphia (2.88% vs. 1.26%). Other states where the tax rate in the rural municipality is significantly higher than in the largest city include Massachusetts (86% higher), Hawaii (77% higher), Kansas (55% higher), and Washington (43% higher).

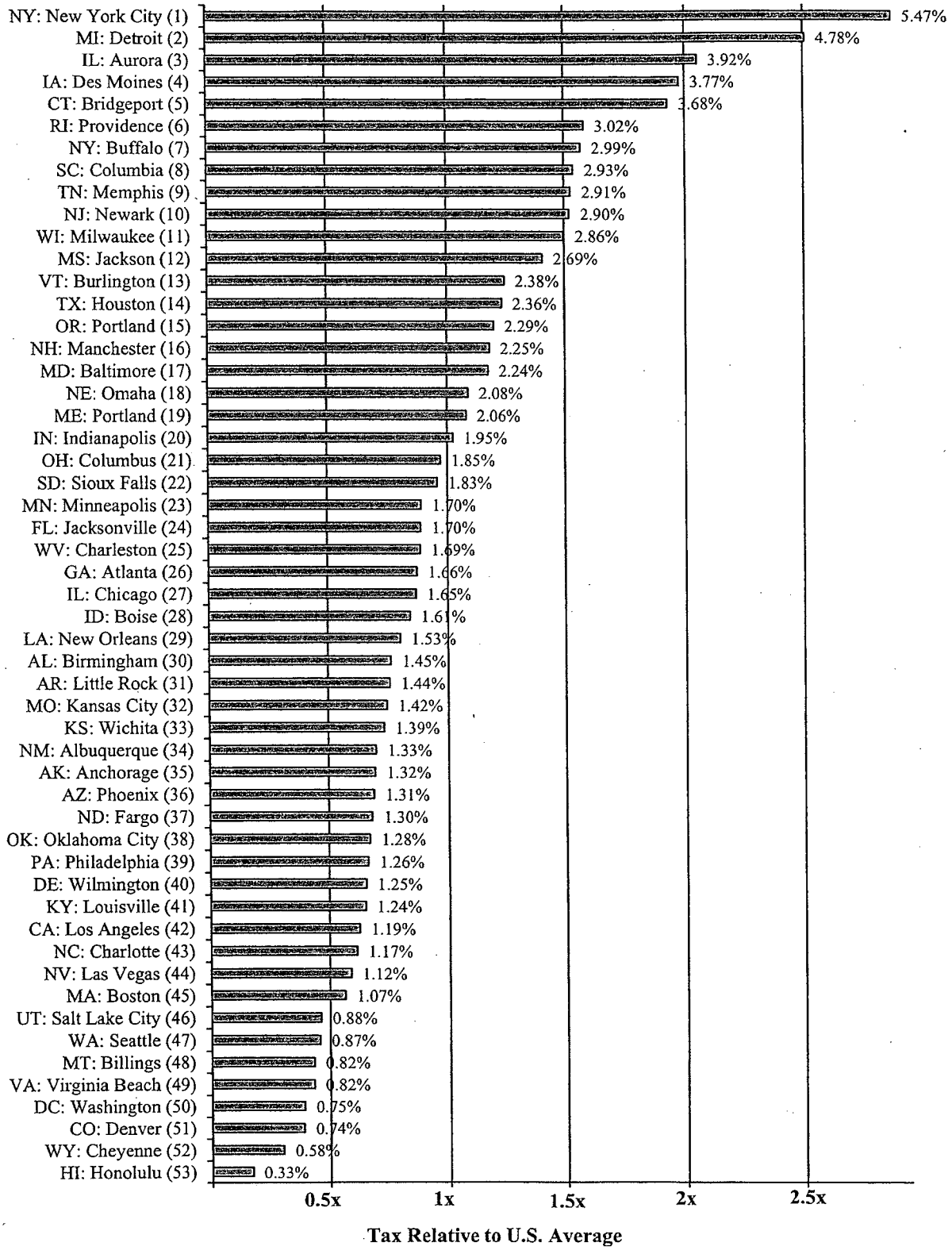
Variation in apartment tax rates across the 50 rural municipalities is very similar to variation across the largest cities in each state.

Some readers may want to use findings on effective tax rates from one specific table to reach conclusions on property taxes throughout an entire state. The small differences in tax rates across cities in California and Texas (Appendix Table 5b) show that the largest city in each state can serve as a proxy for property tax rates throughout an entire state. However, the large differences

between the two largest cities in Tennessee, Ohio, and Arizona show that caution is needed when extrapolating findings for a single city to an entire state.

Readers wishing to determine whether taxes in a state are high, low, or somewhere in between are best served by comparing the rankings for urban and rural municipalities. For example, five states (Iowa, Michigan, New Jersey, New York, and South Carolina) have top ten rankings in both an urban and rural setting – suggesting that these states are most likely to have the highest apartment property taxes. Colorado, Hawaii, Montana, Utah, Virginia, and Wyoming are the six states that have bottom ten rankings in both urban and rural settings.

Figure 5: Apartment Property Taxes for Largest City in Each State (2015)
Effective Tax Rate for $600,000 Valued Property (plus $30,000 of Fixtures)



Classification and Preferential Treatment of Homestead Properties

Many cities have preferences built into their property tax systems that result in lower effective tax rates for certain classes of property, with these features usually designed to benefit homeowners. The "classification ratio" describes these preferences by comparing the effective tax rate for two types of property. For example, if a city has a 3.0% effective tax rate on commercial properties and a 1.5% effective tax rate on homestead properties, then the commercial-homestead classification ratio is 2.0 (3.0% divided by 1.5%).

In a property tax system that treats all properties similarly, the classification ratio would be 1.0, because the effective rates on all properties would be the same. Therefore, the classification ratio provides a summary measure of the degree to which one type of property subsidizes lower property taxes on another class of properties. There are four main features of property tax systems that lead to different effective tax rates for different classes of property: the assessment ratio, the nominal tax rate, exemptions and credits, and the sales ratio.[21]

First, states may have different assessment ratios for different classes of property, which is the percentage of market value used to determine taxable values. For example, a state may have a 100% assessment ratio for commercial property and a 70% assessment ratio for residential property, which means a $100,000 commercial property would be taxed on its full market value but a $100,000 residential property would be taxed as if it were worth $70,000.

Second, cities may have different nominal tax rates for different classes of property, which is the tax rate applied to the taxable value to determine the tax bill. The nominal tax rate is also known as the statutory tax rate or millage rate.

Third, states or cities may have exemptions or credits that are only available to certain types of properties. The most common are homestead exemptions, which reduce the amount of property value subject to taxation, but are usually restricted to owner-occupied homes and unavailable to businesses or renters. For example, a $50,000 homestead exemption would mean a $200,000 home would be taxed as if it were worth $150,000, assuming there is a 100% assessment ratio.[22]

Fourth, the sales ratio may vary across property classes. The sales ratio measures the accuracy of assessments by comparing assessments to actual sales. For example, if the sales ratio for homesteads is 95%, then a home worth $100,000 would be "on the books" as if it were worth $95,000. Unlike the three other causes of classification, differences in sales ratios across classes are not written into law and are normally unintentional. Nonetheless, differences in the quality of assessments across property classes can produce a *de facto* classification system.

[21] For details on classification in each state, see the Property Tax Classification table on the Lincoln Institute of Land Policy's *Significant Features of the Property Tax* website (https://www.lincolninst.edu/subcenters/significant-features-property-tax/Report_Property_Tax_Classification.aspx).

[22] For information on homestead exemptions in each state, see "How Do States Spell Relief: A National Study of Homestead Exemptions and Property Tax Credits" by Adam H. Langley in *Land Lines* (April 2015).

Commercial-Homestead Classification Ratio

Figure 6a shows the commercial-homestead classification ratio for the largest city in each state, by comparing the effective tax rate on a $1 million commercial property to the effective tax rate on a median-value homestead property. Note that because homeowners' household goods are not taxable, we exclude commercial fixtures and instead compare only the effective rates on real property (land and buildings).

The average classification ratio for the 53 cities shown in Figure 6a is 1.683, which means that on average commercial properties experience an effective tax rate that is 68% higher than homesteads.

The commercial-homestead classification ratio varies widely across the 53 cities. The top five cities of New York City, Boston, Columbia (SC), Honolulu, and Denver all have classification ratios greater than 3.6. Nearly a third of the cities (16 of 53) have classification ratios above 2.0, meaning that commercial properties face an effective tax rate that is at least double that for homesteads.

There are six cities where the classification ratio is below one, meaning that their classification system favors commercial properties over homesteads: Wilmington (DE), Cheyenne, Bridgeport, Las Vegas, Baltimore, and Virginia Beach. The property tax systems in these cities are not structured to favor commercial properties, but the sales ratio results in a *de facto* classification system since commercial properties are under-assessed relative to homestead properties.

Appendix Table 6a provides additional information about the commercial-homestead classification ratio in each city. Of the 53 cities, 16 have a higher assessment ratio for commercial properties, 15 have a higher nominal tax rate on commercial properties, and 28 have exemptions or credits that favor homesteads over commercial properties. In total, 40 of the 53 cities have statutory preferences for homesteads—27 of them have differences in assessment ratios and/or nominal tax rates that favor homesteads, while in 13 cities classification is the result of exemptions or credits alone.

On average, tax disparities between commercial and homestead properties fell slightly in 2015—declining to 1.683 from 1.710 in 2014. The commercial-homestead classification ratio declined in 23 cities, with the largest drops in Indianapolis (-0.477); Des Moines (-0.401); Columbus, OH (-0.330); Phoenix (-0.289); and New Orleans (-0.184). Relative changes in sales ratios for commercial versus homestead properties tend to have the biggest impact on short-term changes in classification ratios. However, policy decisions that change the underlying property tax structure can come into play. In Des Moines, for example, the classification ratio fell primarily because the assessment ratio for commercial properties declined from 95% to 90% and to a lesser extent because the continued phase in of the state's business property tax credit was paired with a temporary reduction in the value of the homestead credit. In Phoenix, a slight reduction in the assessment ratio for commercial properties played a role in the classification ratio reduction. From a rankings perspective, Cheyenne (WY) fell 12 places, from 40th to 52nd highest, although its classification ratio fell by a relatively small amount (-0.078).

The classification ratio increased in 22 cities, with the largest rises in Sioux Falls (0.218); Washington, DC (0.143); Baltimore (0.133); Bridgeport (0.091); and Houston (0.050). Policy decisions again come into play. In Houston, policymakers increased the homestead exemption for school taxes from $15,000 to $25,000.

Figure 6c shows the longer-term picture, with trends in the commercial-homestead classification ratio going back to 1998. The 1.683 figure for 2015 is the second-lowest we have measured, just slightly higher than the 1.680 in 2002. There was a more significant drop from 2014 to 2015 when looking solely at locations where residential and commercial properties are treated differently in statute. For cities with "statutory classification,"[23] the average dropped from 1.923 to 1.907.

Apartment-Homestead Classification Ratio

Figure 6b shows the apartment-homestead classification ratio for the largest city in each state, by comparing the effective tax rate on a $600,000 apartment building to the effective tax rate on a median-value homestead. This classification ratio shows the degree of subsidy provided to homeowners at the expense of renters. The apartment-homestead classification ratio is about half of the commercial-homestead classification ratio, with apartments facing an effective tax rate that is 38% higher than homesteads on average. In nearly all locations studied, the apartment-homestead classification ratio is smaller than the commercial-homestead classification ratio, with the exceptions of Charleston (WV), Des Moines, Detroit, New York City, and Wilmington (DE).

New York City is a major outlier in the apartment-homestead classification ratio, with an effective tax rate on apartments that is more than five times higher than the median valued home. There are five other cities with classification ratios above 2.0: Columbia (SC), Indianapolis, Charleston (WV), Birmingham, and Boise. On the other hand, there are seven cities with a classification ratio below 1.0, with the lowest ratios in Virginia Beach, Cheyenne, and Bridgeport. The preference given to apartments in these cities is not the result of statutory provisions, but is simply the result of a lower sales ratio for apartments than homesteads.

Appendix Table 6b provides more details about the apartment-homestead classification ratio in each city. As with commercial properties, a large majority of cities have higher effective tax rates on apartments than homesteads. However, the preferences given to homesteads relative to apartments are caused more by homestead exemptions and credits than by differences in assessment ratios or nominal tax rates. In total, 36 of the 53 cities have statutory preferences for homesteads relative to apartments, but only 16 of them have differences in assessment ratios and/or nominal tax rates, while in 20 cities classification is the result of exemptions or credits alone.

On average, tax disparities between apartments and homesteads fell slightly in 2015—declining to 1.384 from 1.380 in 2014. The apartment-homestead classification ratio declined in 24 cities, with the largest drops in Des Moines (-0.345); Columbus, OH (-0.330); Virginia Beach (-0.176); Minneapolis (-0.117); and Fargo (-0.097). Policymakers' decisions influenced some changes in the apartment-homestead classification ratios. In Des Moines, the same factors affecting changes

[23] To identify cities with statutory classification, we ignore the sales ratio. This group only includes cities where classification is written into law with the assessment ratio, nominal tax rate, or exemptions/credits.

in the commercial-homestead classification ratio come into play. The ratio for Fargo declined in large part because the state allowed the temporary state-paid 12% credit against gross homestead taxes to elapse. The classification ratio increased in 19 cities, with the largest rises in Indianapolis (0.533); Sioux Falls (0.218); Baltimore (0.133); Charleston, WV (0.107); and Bridgeport (0.091). **Figure 6d** provides information on how the apartment-homestead classification ratio has changed since 1998.

Figure 6a: Commercial-Homestead Classification Ratio for Largest City in Each State (2015)

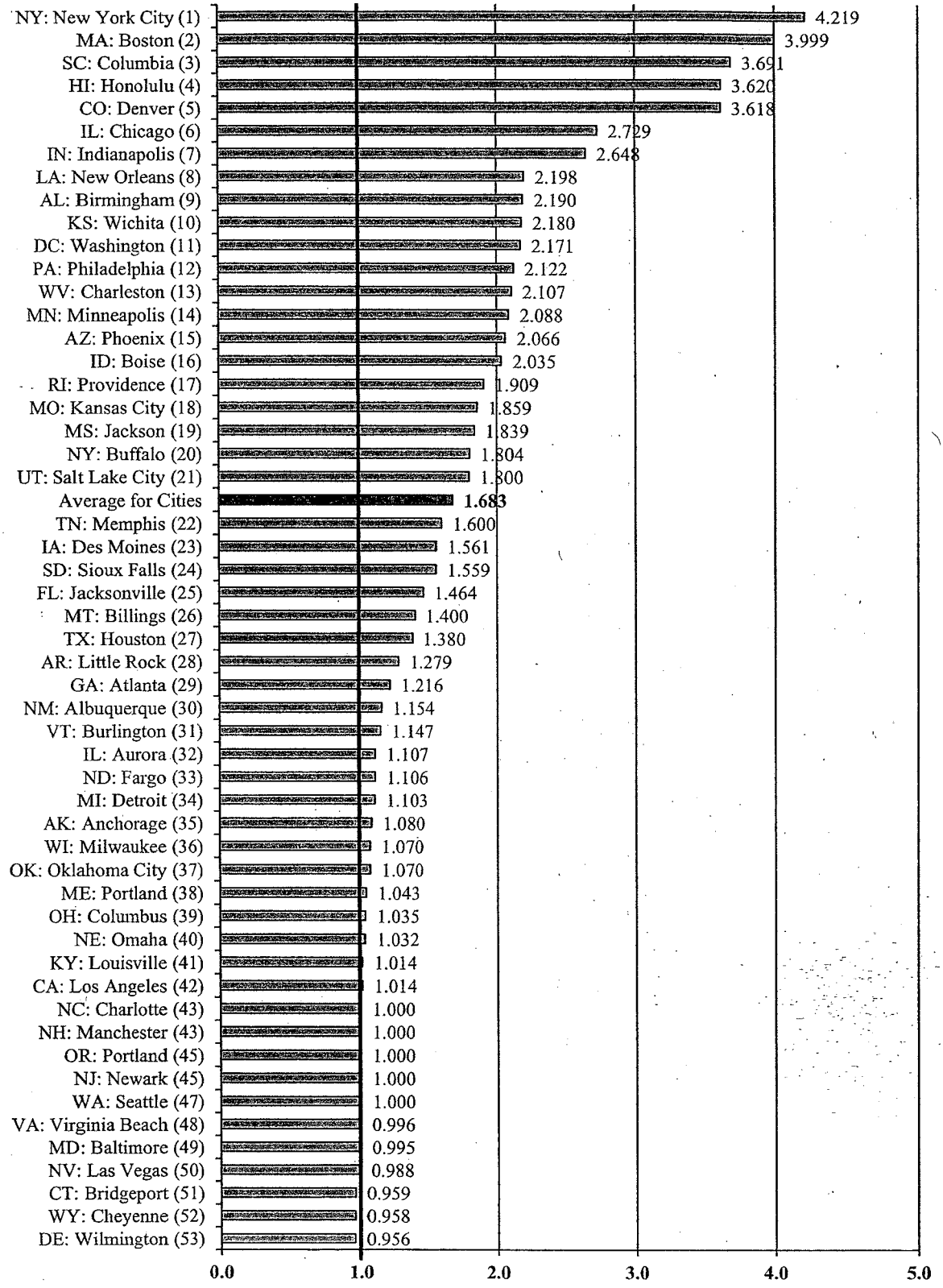


Figure 6b: Apartment-Homestead Classification Ratio for Largest City in Each State (2015)

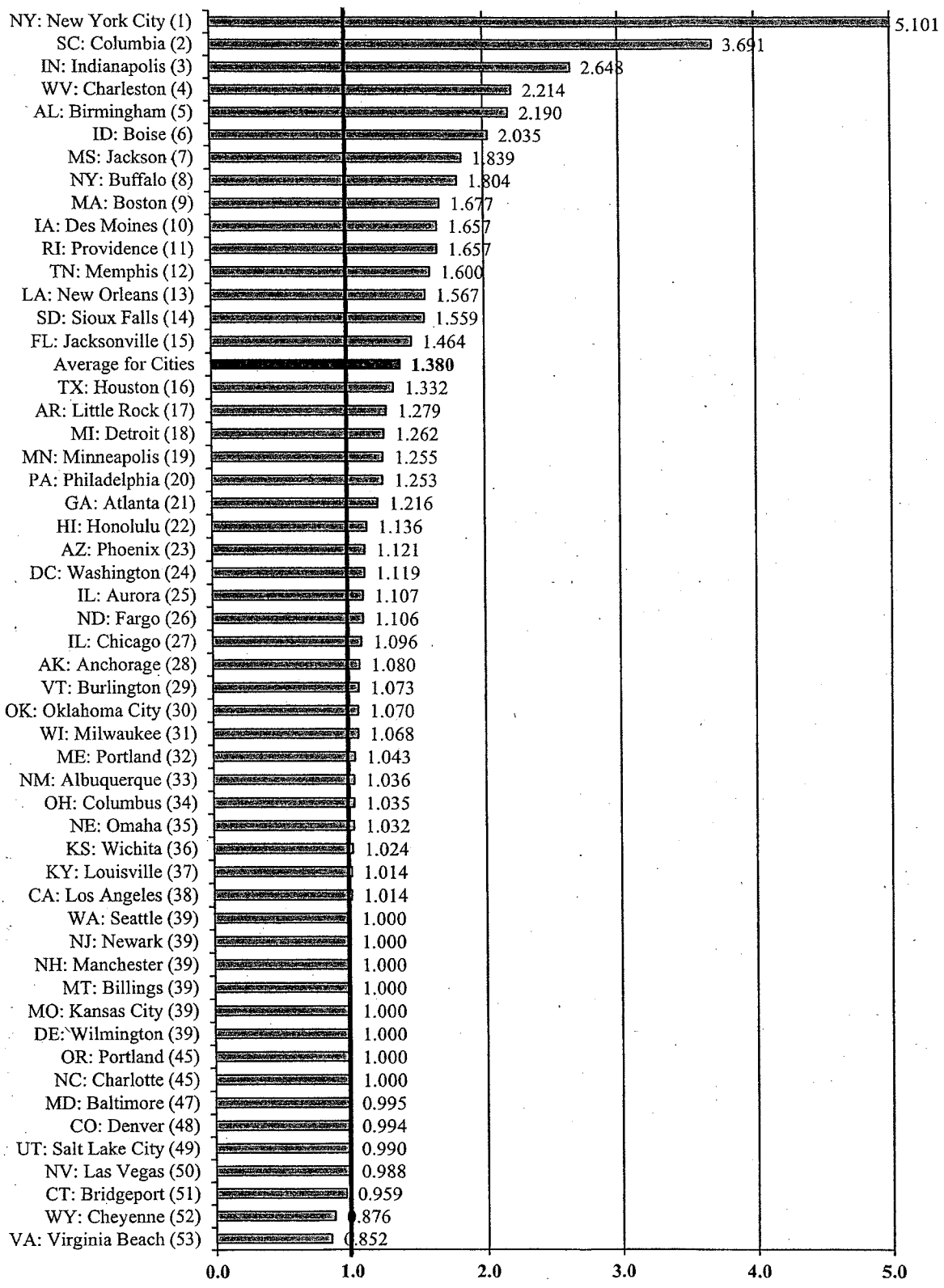
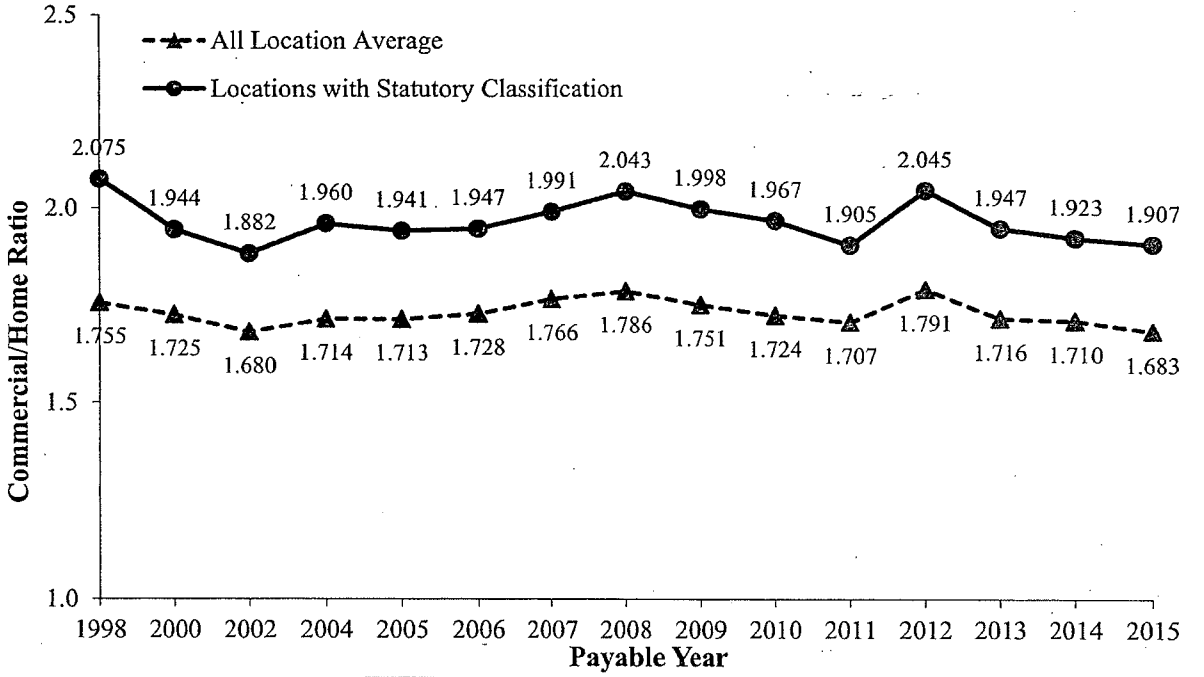
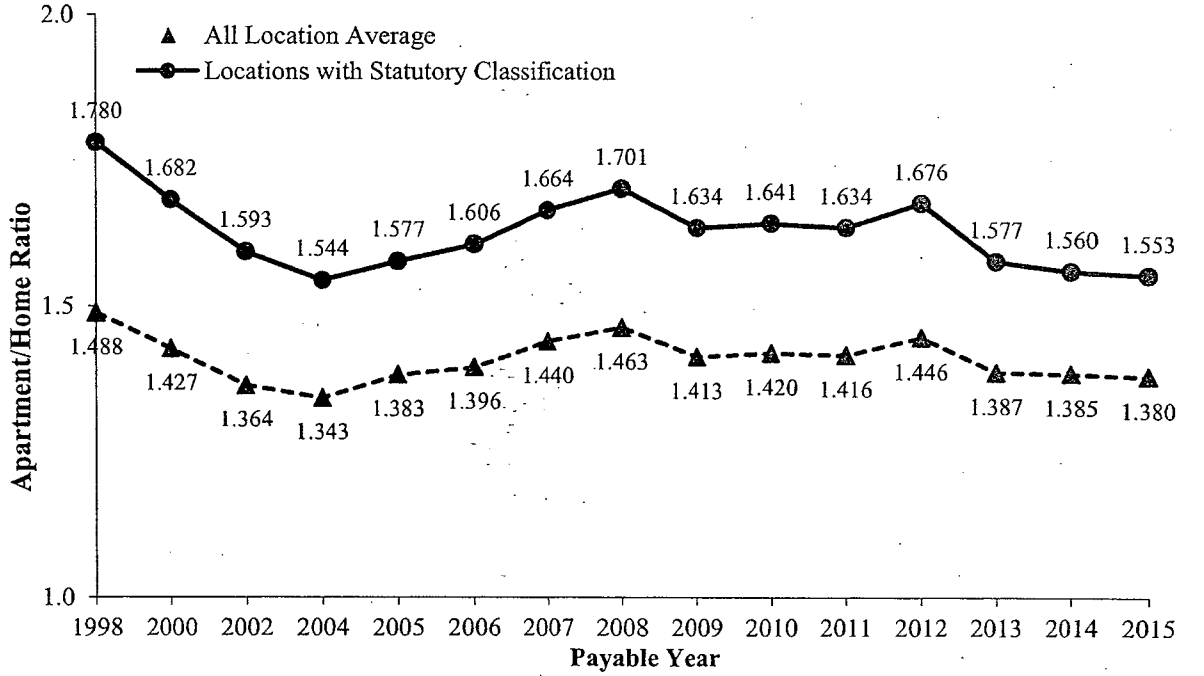


Figure 6c: Commercial-Homestead Classification Ratio for Largest City in Each State (1998 – 2015)



Note: "Statutory classification" is the group of cities where classification is written into law with the assessment ratio, nominal tax rate, or exemptions/credits. Identification of this group ignores the sales ratio.

Figure 6d: Apartment-Homestead Classification Ratio for Largest City in Each State (1998 – 2015)



Property Tax Assessment Limits

Property tax limitations have become an increasingly important feature of the local government finance landscape since the late 1970s, when rapid property value growth provoked Californians to adopt the now-iconic Proposition 13. Since that time, limitations on property taxes have become increasingly popular, especially during the late 1990s and early 2000s, when property values again appreciated significantly.[24]

There are many different types of property tax limits, including constraints on tax rates, tax levies, and assessed values.[25] This report accounts for the impact of limits on tax rates and levies implicitly, because of how these laws impact cities' tax rates. However, accounting for the impact of assessment limits requires an explicit modeling strategy.

Assessment limits typically restrict growth in the assessed value for individual parcels and then reset the taxable value of properties when they are sold. Therefore, the level of tax savings provided from assessment limits largely depends on two factors: how long a homeowner has owned her home and appreciation of the home's *market value* relative to the allowable growth of its *assessed value*.[26]

This report estimates the amount of tax relief provided by assessment limits for the average homeowner in a particular city by estimating the amount of value growth these limits exclude from taxation over an average tenure of ownership (See Methodology section for details). One key difference between assessment limits and other types of property tax limits, however, is that tax savings from assessment limits vary widely across individual taxpayers within the same city. Tax savings will be greater than average for homeowners whose home values have grown faster than average for the city and have owned their homes longer than average. States with parcel-specific assessment limits include Arizona, Arkansas, California, Florida, Illinois (Cook County only), Michigan, New Mexico, New York City, Oklahoma, Oregon, South Carolina, and Texas.

Figure 7 shows the impact of assessment limits for a median valued home in the 28 cities modeled. The impact of assessment limits varies widely across cities. In Long Beach, New York City, and Los Angeles a new homeowner who just purchased their home will pay 35-40 percent more in property taxes than an existing homeowner who has owned their home for the average tenure in their city despite the two owners having homes with identical market values. In contrast, in six cities assessment limits have no impact on taxes for the average homeowner, because growth in market values is less than allowable growth under the assessment limit.

Appendix Table 7 also show the impact of assessment limits in terms of the dollar difference in taxes between newly purchased homes and homes that have been owned for the average duration in each city, for median valued homes. In 9 cities, the difference in tax bills is at least $1,000.

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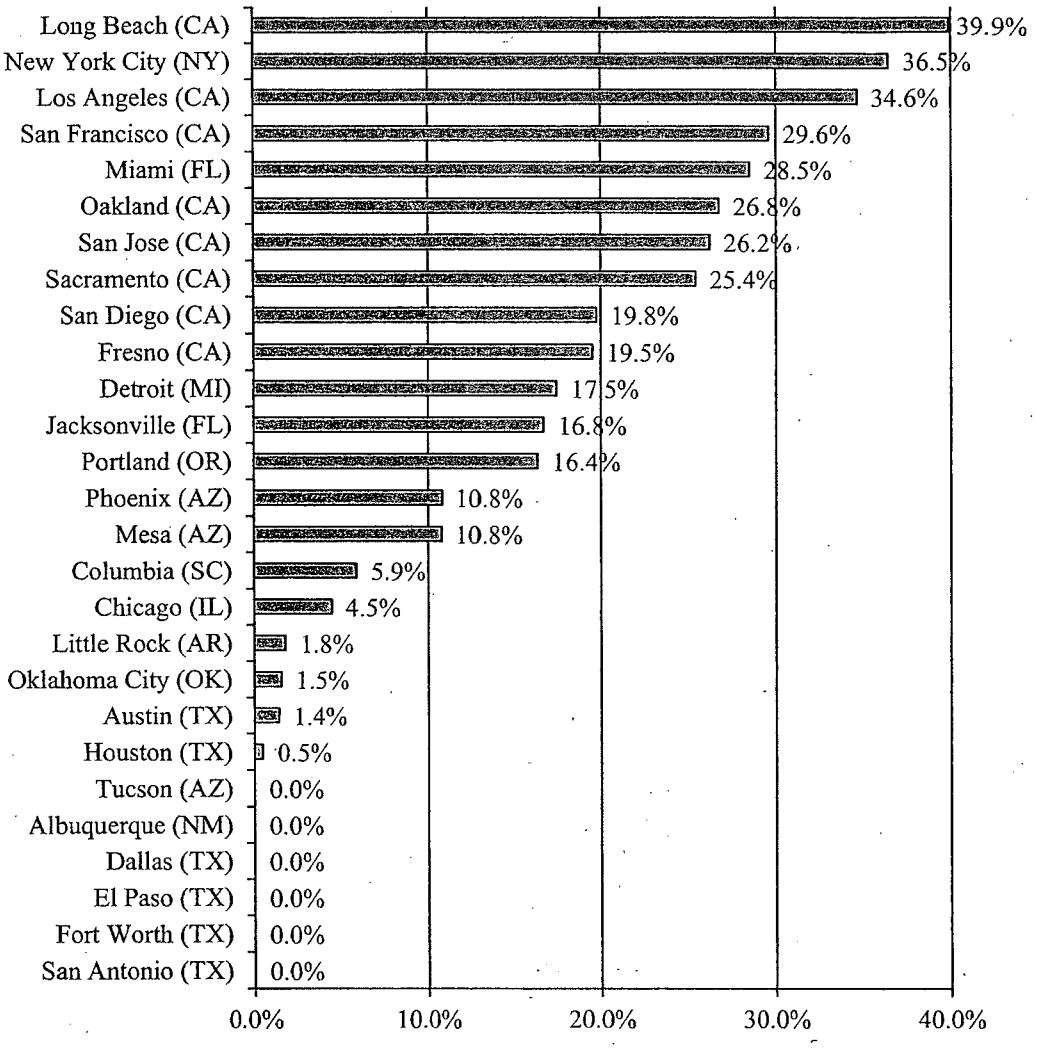
[24] Paquin, Bethany P. 2015. "Chronicle of the 161-Year History of State-Imposed Property Tax Limitations." Cambridge, MA: Lincoln Institute of Land Policy.

[25] The Lincoln Institute of Land Policy maintains a comprehensive database of property tax limits on its website: https://www.lincolninst.edu/subcenters/significant-features-property-tax/Report_Tax_Limits.aspx.

[26] Haveman, Mark and Terri A. Sexton. 2008. *Property Tax Assessment Limits: Lessons from Thirty Years of Experience.* Cambridge, MA: Lincoln Institute of Land Policy.

Figure 7: Impact of Assessment Limits

Difference in Property Taxes between a Newly Purchased Home and a Home that Has Been Owned for the Average Duration for the City (For Median Valued Home)



Notes: See Methodology section for details on calculation.

Accounting for assessment limits can lead to major differences in city's tax rate rankings. For example, consider effective tax rates for median valued homes in the largest city in each state (See Appendix Tables 2a and 2b). Los Angeles has the 33rd highest effective tax rate for new homeowners, but drops to 44th highest once adjusting for assessment limits. Other cities with large changes include New York City (37th to 47th); Jacksonville (31st to 37th); Phoenix (30th to 34th); and Portland, OR (9th to 12th).

Methodology

This study updates the *50-State Property Tax Comparison Study: Payable Year 2014.* It examines four distinct classes of property using a standard set of assumptions about their "true" market values and the split between real and personal property. The report calculates property taxes for parcels with a range of property values in three sets of cities:

- the largest city in each state and the District of Columbia along with Aurora, Illinois and Buffalo, New York;
- the largest fifty cities in the United States; and
- a rural municipality in each state.

This section first describes how property taxes are calculated, then describes data collection and the selection of cities, next defines the four property classes included in this study, and finally describes the methodology used to estimate the impact of assessment limits.

A. Components of the Property Tax Calculation

As an aid in reviewing the remaining assumptions of this study, it is helpful to think of the property tax calculation as having six distinct components:

(1) a "true" market value (TMV),
(2) a local sales ratio (SR),
(3) applicable exemptions that reduce taxable value (E),
(4) a statutory classification system (classification rate) or other provisions that effectively determine the proportion of the assessor's estimated market value that is taxable (CR),
(5) the total local property tax rate (TR), and
(6) applicable property tax credits (C).

Accordingly, the net local property tax for a given parcel of property is written:

$$\textbf{Net Property Tax} = \{[(TMV \times SR) - E] \times CR \times TR\} - C$$

Component 1: True Market Value (TMV)

The calculations for this study start with an assumption about the true market value of the four classes of property. This is the market value of a parcel of property as determined in a local real estate market consisting of arm-length transactions between willing buyers and sellers. This is in contrast to "assessed value" or "estimated market value," which is generally the starting point for tax calculations.

This study assumes the true market values are consistent across all locations in the study. For example, the ranking of property taxes on a residential homestead parcel with a true market value of $150,000 assumes that the parcel is actually worth $150,000 in the local real estate market in each location in each state, regardless of what the local assessor may think the property is worth.

For some locations the assumed true market value may be very atypical (a $150,000 home in Boston, for example). Nevertheless, this study assumes the property exists there. Essentially, this study is meant to compare the effects of property tax structures. Using fixed values allows the isolated effects of tax structures to be observed. That is, the report compares property taxes, not local real estate markets. However, as previously discussed the report does include tables that show the residential tax burdens where the home value is set equal to local median values.

Component 2: Sales Ratios (SR)

A unique aspect of this study is that it includes the effects of assessment practices on relative tax burdens. It would be much simpler to start the calculations by fixing the assessor's "estimated market value" for each property. However, in every state, the quality of property tax assessments is a significant aspect of the local property tax scene. Omission of this aspect of the property tax calculation would make this study much less useful.

Sales ratios are simply a measure of the accuracy of assessments. The sales ratio is determined by comparing assessments to actual sales. A sales ratio of 100% indicates that assessments are equal to market value. Sales ratios of less than 100% indicate that assessments are less than market value; sales ratios of over 100% indicate that assessments are higher than market value. In some states, state aid formulas use sales ratios to adjust assessors' values when local property wealth is used as a measure of local fiscal capacity. While sales ratios are generally not used in calculating an individual's actual property tax bill, some states do use sales data to equalize values as part of the property tax process.

By applying sales ratios, this study recognizes that our $150,000 residential homestead may be "on the books" at $155,000 in one location, and $140,000 in another, and that the actual tax on the property will be based on these "estimates" of market value. For example, if the relevant sales ratio in a given location is 93%, we convert the $150,000 true market value to $139,500 ($150,000 x .93) before applying the provisions of the local property tax. In this way, the study presents tax liabilities that represent the actual experience of property owners.

Sales ratio data is provided either at the city or county level, depending on the state. We use city-level data where appropriate; otherwise we default to county data. Our preference is to use sales ratio data that differentiates between different types of property. However, in many locations only one ratio is reported, covering all types of property. In those cases, we apply the same ratio to all of that location's examples in the study.

In the case of personal property, sales ratios are generally not used. Many states do not have sales ratios for personal property or assume they are 100%. Where states report personal property sales ratios, we include them in this study.

Component 3: Exemptions (E)

Many states provide exemptions that reduce the amount of property value subject to taxation. In some cases these exemptions are provided on a blanket basis across a state; in other cases the exemptions are local-option. Because exemptions are subtracted from assessed value, we apply

them after first applying the sales ratio to true market value, since the exemption will not incorporate any of the assessment error that properties can be subject to.

Note: in some cases the exemption is subtracted from taxable value instead of assessed value. In those cases we apply the exemption after applying the classification rate.

Component 4: Classification Rates (CR)

The fourth component of the property tax calculation involves subjecting the parcel's taxable value to classification (or assessment) rates, which convert assessed value to taxable value. In many cases, these classification rates are 100%, meaning that taxable value is equal to assessed value. However, governments often use differential rates to affect the distribution of property tax levies – to provide tax relief for a selected class of classes of properties at the expense of others.

In most states, state legislatures set the classification schemes. In a few states, local governments have some autonomy over classification rates.

Because of the wide variation in the quality of assessments across the states, particularly across classes of property, many states have no classification scheme in statute may in fact have significant classification via uneven assessments across classes of property. (In some cases, this may violate state constitutional provisions on uniform assessments.) Some states, like Minnesota, enforce strict standards of assessment quality (sales ratio studies, state orders adjusting values, state certification of assessors, etc.) and put their classification policy in statute.

Component 5: Total Local Tax Rate (TR)

The study defines "payable 2015 tax rate" as the rate used to calculate the property taxes with a lien date in 2015, regardless of the date(s) on which payments are due. In some cities, there are multiple combinations of taxing jurisdictions (namely, the state, cities, counties, school districts, and special taxing districts). For instance, a city may be located in multiple school districts and therefore rates will differ based on which school district a parcel is located in. This study uses the rate that is most prevalent in a city.

This study excludes special assessments since they are more in the nature of user charges, do not affect a majority of parcels, and are usually not sources of general revenue.

Component 6: Credits (C)

The final step in the tax calculation is to recognize any general deductions from the gross property tax calculations (credits). The study includes any credits that apply to a majority of parcels of the specified type. Certain states provide credits based on early payment; the study assumes that taxpayers take advantage of the credit by making the early payment.

Effective Tax Rates (ETRs)
Effective tax rates are used to express the relationship between net property taxes and the true market value of a property. This contrasts with the millage rates or other rates that are applied to

taxable value to determine a parcel's tax burden. By including the effects of all statutory tax provisions as well as the effects of local assessment practices, effective tax rates have the virtue of allowing more meaningful comparisons across states and property types.

B. Data Collection

Data for the property tax calculations was collected in one of two ways. Where possible, we collect property tax data directly from various state and local websites. Otherwise, we collect data using a contact-verification approach in which we ask state and local tax experts to provide information. In both cases, this information served as the basis for calculations by the Minnesota Center for Fiscal Excellence.

Selection of Additional Urban Cities

In Cook County (Chicago) and in New York City, the property tax system (notably, the assessment ratios) is substantially different from the system used in the remainder of Illinois and New York, respectively. We include the second-largest cities in those states (Buffalo and Aurora) to represent the property tax structures in the remainder of those states. In essence, the Urban analysis is a comparison of 53 different property tax structures.

Selection of Rural Cities

Rural cities generally must meet three criteria to be included in the study:

- the city has a population of between 2,500 and 10,000 (controlling for size);
- the city is a county seat (controlling, as best as possible, for economic conditions and type of services delivered); and
- the city is located in a county coded as a "6" or "7"[27] on the U.S. Department rural-urban measurement continuum (controlling for geographical relationships to urban areas)

In five states (Connecticut, Delaware, Hawaii, New Jersey, and Rhode Island), there were no counties coded 6 or 7 on the USDA's continuum. In the case of Massachusetts, the only code 6 or 7 county included Nantucket Island, which does not seem comparable to rural counties in other states. In these six cases, we selected the county seat in the most rural county available.

Data on Median-Valued Homes

This study compares homeowner property taxes using a "median value analysis", which sets the home value in each city equal to the median value of owner-occupied housing units in the city, or for smaller cities, in the relevant county. This data comes from the one-year or five-year data in the Census Bureau's *American Community Survey* for 2014, as appropriate. We intend this comparison to show how differences in local real estate markets affect residential property taxes.

[27] Counties coded "6" are nonmetro counties with urban population of 2,500 to 19,999 that are adjacent to a metro area; counties coded "7" are nonmetro counties within the same population range that are not adjacent to a metro area.

Note that the payable 2014 edition of this study was the first to use ACS data on median home values. Prior to that, median home value data came from metropolitan-area data provided by the National Association of Realtors. Readers should make time-trend comparisons of tax burdens on median-valued homes before and after this methodological change with care.

Special Property Tax Provisions

"Special property tax provisions" are provisions that, in practice, apply to less than half of all taxpayers for a given class of property. Special provisions are normally triggered by special circumstances or attributes of the taxpayer or property. Examples include senior tax deferrals, and special valuation exclusions based on age, health or special use.

Because the goal of this study is to compare the actual tax experience of the largest number of taxpayers in the selected jurisdictions, this study excludes special property tax provisions.

C. Property Classes and Assumptions About Value

This report studies hypothetical properties in four property classes (1) residential homesteads, (2) commercial property, (3) industrial property, and (4) apartments. Except for apartments, the study calculates taxes for all properties based on multiple values that are fixed across states. All classes of business property (commercial, industrial, and apartments) have a corresponding set of assumptions regarding the amount of personal property each parcel has.

These four classes were selected for a variety of reasons. First, they represent the vast majority of property value across the country. In Minnesota, these four classes represent nearly 70% of market value. It is likely that this figure is similar to other states, and may be even higher in states that do not have substantial agricultural operations. Second, these are the classes of property that policymakers tend to focus time and attention on. Third, most omitted classes of property are either not relevant to all fifty states (cabin properties, for example) or require more complex work to develop assumptions about value (public utilities and farms, for example).

Selection of Fixed Values

This report compares the tax burdens various property tax systems across the nation impose on a fixed amount of value. Holding property values constant across all jurisdictions controls for the effects differences in property values have on effective tax rates. The specific fixed values the study uses for homes, commercial, and industrial properties were largely chosen between 1995 and 2000 to represent a low-valued[28], medium-valued, and high-valued parcel.

Over time we have added or eliminated property values when appropriate. However, to preserve the usefulness of time-trend comparisons we have not changed any fixed values after their first appearance in the report.

[28] Note that the study no longer includes the $70,000 "low-valued" home.

Importantly, in most locations the effective tax rates for commercial and industrial properties do not vary much with value. Therefore, with few exceptions the specific fixed values selected for inclusion in the report are not of major consequence.

Real and Personal Property

The treatment of personal property is a significant part of each state's property tax regime. Because personal property exemptions (or lack thereof) vary from state to state, creating accurate property tax comparisons will depend in large part on making accurate assumptions about personal property. This is especially true with regard to industrial parcels, which have much higher proportions of personal property than do commercial properties in general.

Making these assumptions is challenging because the specific mix of real and personal property obviously varies by industry and location. With the permission of the Minnesota Department of Revenue's Research Division, we have borrowed the methodology they use to determine shares of real and personal business property in their biennial *Tax Incidence Study*.[29] Using that methodology, we have calculated state-specific real property, machinery and equipment, fixtures, and inventory shares for industrial parcels. The findings this model generates indicate that the average split for industrial parcels nationwide is 44.3% land and buildings (real property) and 55.7% personal property. Overall, the split ranges from 41.1% real/58.9% personal (Michigan) to 51.1% real/48.9% personal (Oregon).

PROPERTY CLASSES AND TRUE MARKET VALUES

Class	Values of Property				
	Real	**Mach. & Equip.**	**Inventories**	**Fixtures**	**Total**
Homestead	$150,000	$0	$0	$0	**$150,000**
	$300,000	$0	$0	$0	**$300,000**
Apartments	$600,000	$0	$0	$30,000	**$630,000**
Commercial	$100,000	$0	$0	$20,000	**$120,000**
	$1,000,000	$0	$0	$200,000	**$1,200,000**
	$25,000,000	$0	$0	$5,000,000	**$30,000,000**
Industrial (50% Personal)	$100,000	$50,000	$40,000	$10,000	**$200,000**
	$1,000,000	$500,000	$400,000	$100,000	**$2,000,000**
	$25,000,000	$12,500,000	$10,000,000	$2,500,00	**$50,000,000**
Industrial (60% Personal)	$100,000	$75,000	$60,000	$15,000	**$250,000**
	$1,000,000	$750,000	$600,000	$150,000	**$2,500,000**
	$25,000,000	$18,750,000	$15,000,000	$3,750,000	**$62,500,000**

These results suggest a two-assumption approach, with one set of rankings assuming 40% real property/60% personal property and a second set of rankings assuming 50% real property/50% personal property. The following table summarizes the assumed true market values and assessed value of personal property used for each property class.

[29] *Tax Incident Studies* are available on the website of the Minnesota Department of Revenue: http://www.revenue.state.mn.us/research_stats/Pages/Tax_Incidence_Studies.aspx.

This study does not include intangibles such as bank balances or financial securities in the property tax calculations.

Definitions of Real and Personal Property

The types of property found in this study are defined as follows:

- **Real Property:** consists of land and buildings not classified as personal property for tax purposes.
- **Machinery and Equipment:** includes large and ponderous equipment, generally not portable and often mounted on special foundations. Examples include large printing presses and assembly robots.
- **Inventories:** includes raw materials, unfinished products, supplies and similar items used by manufacturers. Does not include any inventory retailers hold for sale.
- **Fixtures:** includes items such as office furnishings, display racks, tools and similar items, but not motor vehicles. In the case of apartments, it includes such things as stoves, refrigerators, garbage disposals, air conditioners, drapes, and lawn care equipment.

D. Estimates of Assessment Limitation Effects

This study estimates the effect that provisions have which deliver property tax relief for homeowners by limiting increases in home value or property taxes at the parcel level. Generally, the value of parcel-specific assessment limitations results from a combination of the length of homeowner tenure and changes in the market value of the parcel relative to the provisions of the applicable limitation. This study uses data from the Census Bureau's *American Community Survey* to estimate that average length of homeowner tenure for locations where assessment limitation provisions are in effect. The Federal Housing Finance Agency's *House Price Index for All Transactions* is used to estimate the average change in residential property value in locations where assessment limitation provisions are in effect. We then model the average change in residential property value over the average length of homeowner tenure in each of these locations and compare that change to the allowable growth in homestead value and/or taxes during that period to determine the amount of excluded value or property tax relief these provisions afford.

One final key assumption: the model represents the experience of a homeowner with an "average" length of tenure. Therefore, if the model returns no excluded value, then we assume that the provision does not apply to half or more of homeowners and therefore does not apply.

MCFE prepared a working paper for the Lincoln Institute of Land Policy on this subject where there is considerably more detailed information on the methodology underlying this analysis.[30] .

[30] Twait, Aaron. 2012. "Property Assessment Limits: Effects on Homestead Property Tax Burdens and National Property Tax Rankings." Cambridge, MA: Lincoln Institute of Land Policy. April.

Appendix Table 1a: Factors Correlated with Homestead Property Tax Rates in Large U.S. Cities

(Effective Tax Rate for Median Valued Home, with Assessment Limits)

		Tax Rate		Property Tax Reliance		Median Home Value		Local Gov't Spending		Classification Ratio		
State	City	Rank (1-73)	Rank (1-73)	Rank (1-73)	Impact on Tax Rate	Rank (1-73)	Impact on Tax Rate	Rank (1-73)	Impact on Tax Rate	Commercial Rank (1-73)	Apartments Rank (1-73)	Impact on Tax Rate
Alabama	Birmingham	69	0.66	70	-0.62	70	0.68	23	0.11	11	5	-0.54
Alaska	Anchorage	34	1.26	6	0.87	13	-0.41	45	-0.10	44	37	0.18
Arizona	Mesa	63	0.74	48	-0.24	43	0.05	62	-0.25	14	25	-0.13
Arizona	Phoenix	43	1.10	45	-0.16	38	0.02	52	-0.14	18	30	-0.08
Arizona	Tucson	37	1.21	34	0.03	59	0.32	60	-0.24	9	29	-0.15
Arkansas	Little Rock	42	1.11	59	-0.39	48	0.18	61	-0.24	32	18	0.05
California	Fresno	50	0.95	43	-0.13	32	-0.04	41	-0.06	49	43	0.21
California	Long Beach	68	0.67	66	-0.55	10	-0.78	7	0.38	54	49	0.22
California	Los Angeles	61	0.77	50	-0.27	4	-0.91	5	0.43	57	52	0.22
California	Oakland	49	0.99	52	-0.32	5	-0.90	4	0.56	56	51	0.22
California	Sacramento	58	0.83	54	-0.33	18	-0.30	16	0.21	53	47	0.21
California	San Diego	53	0.93	28	0.10	7	-0.88	36	0.01	55	50	0.22
California	San Francisco	60	0.83	53	-0.32	1	-1.36	2	0.97	60	55	0.22
California	San Jose	52	0.94	36	-0.03	2	-1.14	25	0.07	59	54	0.22
Colorado	Colorado Springs	72	0.47	71	-0.63	24	-0.16	33	0.02	6	69	-0.40
Colorado	Denver	69	0.66	69	-0.60	14	-0.39	9	0.33	5	66	-0.41
Connecticut	Bridgeport	1	3.88	1	1.40	41	0.05	43	-0.07	70	70	0.26
DC	Washington	66	0.70	68	-0.56	8	-0.87	1	1.79	13	31	-0.11
Delaware	Wilmington	30	1.31	42	-0.11	37	0.01	19	0.12	72	56	0.24
Florida	Jacksonville	47	1.00	37	-0.03	56	0.29	27	0.05	29	16	-0.07

How to Interpret Each Factor's Impact on a City's Tax Rate

The columns labeled "Impact on Tax Rate" shows how each factor is expected to affect the tax rate in that city relative to a scenario where the city had the average value for that variable—a positive value means that factor increases the city's tax rate, while a negative value means that factor decreases the city's tax rate.

For example, consider Birmingham, Alabama. The city has the 70th highest property tax reliance (4th lowest), which is predicted to decrease the city's tax rate on a median valued home by 0.62 percentage points relative to a city with average property tax reliance. An alternative way to interpret this data is that if Birmingham had the average property tax reliance and all other characteristics of the city were unchanged (home values, government spending, etc.), then the city's tax rate would be 0.62 percentage points higher, which at 1.28% would be 32nd highest. Birmingham also has the 70th highest median home value (4th lowest), which is expected to increase their tax rate by 0.68 percentage points relative to a scenario where the city had the average home value for all cities in this analysis. Local government spending per capita is a bit higher than average in Birmingham (23rd highest), which is expected to increase the city's tax rate by 0.11 percentage points relative to a city with average spending. Finally, Birmingham has significantly higher tax rates for commercial properties and apartments than for homestead properties; the classification ratio is 11th highest for commercial properties and 4th highest for apartments. The city's classification ratios are predicted to decrease the property tax rate on a median valued home by 0.54 percentage points compared to a city with the average classification ratio.

State	City	Tax Rate		Property Tax Reliance		Median Home Value		Local Gov't Spending		Classification Ratio		
		Rank (1-73)	Tax Rate	Rank (1-73)	Impact on Tax Rate	Rank (1-73)	Impact on Tax Rate	Rank (1-73)	Impact on Tax Rate	Commercial	Apartments	Impact
Florida	Miami	40	1.15	33	0.05	19	-0.26	18	0.14	33	23	0.09
Georgia	Atlanta	28	1.36	40	-0.06	23	-0.16	6	0.39	34	24	0.09
Hawaii	Honolulu*	73	0.30	16	0.28	3	-1.05	73	-0.50	4	28	-0.47
Idaho	Boise	58	0.83	11	0.45	33	-0.03	72	-0.44	19	6	-0.44
Illinois	Aurora	2	3.72	4	1.04	39	0.02	64	-0.26	39	32	0.16
Illinois	Chicago	24	1.51	31	0.07	22	-0.17	11	0.29	7	35	-0.24
Indiana	Indianapolis	44	1.07	41	-0.11	65	0.39	26	0.05	8	3	-0.83
Iowa	Des Moines	9	2.39	12	0.38	62	0.38	44	-0.07	27	10	-0.17
Kansas	Wichita	31	1.28	29	0.10	61	0.36	58	-0.22	12	48	-0.07
Kentucky	Louisville	31	1.28	46	-0.17	50	0.22	67	-0.31	57	52	0.22
Louisiana	New Orleans	50	0.95	61	-0.41	31	-0.05	37	0.00	10	14	-0.29
Maine	Portland	16	1.98	10	0.46	20	-0.26	39	-0.04	48	42	0.20
Maryland	Baltimore	14	2.09	27	0.11	47	0.17	17	0.16	68	65	0.23
Massachusetts	Boston	67	0.67	3	1.15	11	-0.73	34	0.02	2	9	-0.78
Michigan	Detroit	3	3.14	57	-0.39	73	1.31	15	0.22	41	19	0.10
Minnesota	Minneapolis	27	1.42	24	0.16	27	-0.10	20	0.12	17	20	-0.14
Mississippi	Jackson	26	1.46	7	0.80	69	0.62	69	-0.35	22	7	-0.31
Missouri	Kansas City	25	1.49	64	-0.45	55	0.28	50	-0.13	21	56	0.02
Montana	Billings	56	0.87	22	0.19	30	-0.06	71	-0.39	30	56	0.13
Nebraska	Omaha	15	2.01	23	0.18	53	0.27	32	0.03	52	46	0.21
Nevada	Las Vegas	41	1.13	47	-0.21	34	-0.02	42	-0.07	69	68	0.24
New Hampshire	Manchester	10	2.37	8	0.64	29	-0.07	55	-0.17	61	56	0.23
New Jersey	Newark*	4	3.05	2	1.27	25	-0.15	48	-0.11	61	56	0.23
New Mexico	Albuquerque	33	1.27	49	-0.25	35	-0.01	68	-0.32	37	44	0.18
New York	Buffalo	23	1.74	62	-0.43	71	0.85	13	0.26	23	8	-0.29
New York	New York City	65	0.72	51	-0.30	6	-0.89	3	0.88	1	1	2.19
North Carolina	Charlotte	39	1.16	63	-0.43	40	0.04	21	0.12	61	56	0.23
North Carolina	Raleigh	46	1.04	13	0.34	26	-0.15	59	-0.23	61	56	0.23
North Dakota	Fargo	35	1.23	38	-0.05	42	0.05	56	-0.19	40	33	0.16
Ohio	Cleveland	7	2.62	67	-0.55	72	0.90	14	0.25	42	34	0.17

*Honolulu and Newark do not have data on property tax reliance or local government spending in the Fiscally Standardized Cities database, so statewide data on all local governments is used instead (Source: U.S. Census Bureau, 2012 Census of Government Finances).

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State	City	Tax Rate		Property Tax Reliance		Median Home Value		Local Gov't Spending		Classification Ratio		
		Rank (1-73)	Tax Rate	Rank (1-73)	Impact on Tax Rate	Rank (1-73)	Impact on Tax Rate	Rank (1-73)	Impact on Tax Rate	Commercial	Apartments	Impact
Ohio	Columbus	19	1.88	39	-0.06	57	0.30	40	-0.06	51	45	0.21
Oklahoma	Oklahoma City	38	1.16	60	-0.39	52	0.24	70	-0.36	46	40	0.18
Oklahoma	Tulsa	29	1.35	55	-0.33	60	0.34	65	-0.26	45	38	0.18
Oregon	Portland	18	1.92	19	0.25	12	-0.48	38	-0.01	61	56	0.23
Pennsylvania	Philadelphia	45	1.06	72	-0.71	49	0.18	22	0.11	15	21	-0.15
Rhode Island	Providence	22	1.74	5	0.89	36	-0.01	46	-0.10	20	10	-0.26
South Carolina	Columbia	64	0.72	30	0.07	46	0.13	54	-0.17	3	2	-1.50
South Dakota	Sioux Falls	36	1.23	25	0.15	45	0.11	66	-0.30	28	15	-0.13
Tennessee	Memphis	20	1.84	35	-0.02	68	0.61	8	0.35	26	13	-0.16
Tennessee	Nashville	48	1.00	32	0.06	44	0.07	24	0.08	25	12	-0.16
Texas	Austin	17	1.96	9	0.49	17	-0.30	29	0.04	43	36	0.17
Texas	Dallas	13	2.12	26	0.13	51	0.23	31	0.03	35	22	0.09
Texas	El Paso	6	2.64	21	0.20	62	0.38	63	-0.26	73	72	0.31
Texas	Fort Worth	8	2.47	14	0.32	58	0.32	53	-0.16	50	27	0.16
Texas	Houston	21	1.75	17	0.27	54	0.27	47	-0.11	31	17	0.00
Texas	San Antonio	12	2.23	18	0.27	64	0.38	30	0.03	36	26	0.12
Utah	Salt Lake City	57	0.85	44	-0.14	21	-0.24	49	0.12	24	67	0.04
Vermont	Burlington	11	2.33	65	-0.48	15	-0.35	28	0.04	38	39	0.16
Virginia	Virginia Beach	54	0.92	20	0.25	16	-0.32	57	-0.20	67	73	0.29
Washington	Seattle	55	0.87	56	-0.39	9	-0.85	12	0.26	61	56	0.23
West Virginia	Charleston	62	0.76	58	-0.39	67	0.50	51	-0.13	16	4	-0.52
Wisconsin	Milwaukee	5	2.68	15	0.31	66	0.43	35	0.01	46	41	0.19
Wyoming	Cheyenne	71	0.65	73	-1.02	28	-0.09	10	0.30	71	71	0.29

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Appendix Table 1b: Factors Correlated with Commercial Property Tax Rates in Large U.S. Cities

(Effective Tax Rate for $1-Million Valued Commercial Property, with $200k in Fixtures)

		Tax Rate		Property Tax Reliance		Median Home Value		Local Gov't Spending		Classification Ratio*	
State	City	Rank (1-73)	Tax Rate	Rank (1-73)	Impact on Tax Rate	Rank (1-73)	Impact on Tax Rate	Rank (1-73)	Impact on Tax Rate	Rank (1-73)	Impact on Tax Rate
Alabama	Birmingham	50	1.45	70	-0.66	70	0.73	23	0.13	11	0.28
Alaska	Anchorage	54	1.36	6	0.92	13	-0.44	45	-0.13	44	-0.18
Arizona	Mesa	44	1.60	48	-0.25	43	0.06	62	-0.32	14	0.26
Arizona	Phoenix	29	2.26	45	-0.16	38	0.02	52	-0.17	18	0.23
Arizona	Tucson	22	2.51	34	0.04	59	0.35	60	-0.30	9	0.35
Arkansas	Little Rock	51	1.44	59	-0.41	48	0.19	61	-0.30	32	-0.10
California	Fresno	58	1.23	43	-0.14	32	-0.04	41	-0.08	49	-0.20
California	Long Beach	65	1.13	66	-0.58	10	-0.84	7	0.48	54	-0.21
California	Los Angeles	59	1.19	50	-0.29	4	-0.97	5	0.55	57	-0.21
California	Oakland	53	1.37	52	-0.33	5	-0.96	4	0.71	56	-0.21
California	Sacramento	63	1.14	54	-0.35	18	-0.32	16	0.27	53	-0.20
California	San Diego	62	1.18	28	0.11	7	-0.94	36	0.01	55	-0.21
California	San Francisco	61	1.18	53	-0.34	1	-1.46	2	1.24	60	-0.21
California	San Jose	56	1.29	36	-0.03	2	-1.22	25	0.09	59	-0.21
Colorado	Colorado Springs	39	1.69	71	-0.67	24	-0.17	33	0.03	6	0.86
Colorado	Denver	26	2.40	69	-0.63	14	-0.42	9	0.42	5	0.87
Connecticut	Bridgeport	5	3.59	1	1.48	41	0.05	43	-0.09	70	-0.23
DC	Washington	57	1.27	68	-0.60	8	-0.93	1	2.27	13	0.27
Delaware	Wilmington	68	1.04	42	-0.12	37	0.01	19	0.15	72	-0.23
Florida	Jacksonville	38	1.74	37	-0.03	56	0.31	27	0.06	29	-0.02

*Table shows impact of the commercial-homestead classification ratio

How to Interpret Each Factor's Impact on a City's Tax Rate

The columns labeled "Impact on Tax Rate" shows how each factor is expected to affect the tax rate in that city relative to a scenario where the city had the average value for that variable—a positive value means that factor increases the city's tax rate, while a negative value means that factor decreases the city's tax rate.

For example, consider Birmingham, Alabama. The city has the 70th highest property tax reliance (4th lowest), which is predicted to decrease the city's commercial property tax rate by 0.66 percentage points relative to a city with average property tax reliance. An alternative way to interpret this data is that if Birmingham had the average property tax reliance and all other characteristics of the city were unchanged (home values, government spending, etc.), then the city's commercial tax rate would be 0.66 percentage points higher. Birmingham also has the 70th highest median home value (4th lowest), which is expected to increase their tax rate by 0.73 percentage points relative to a scenario where the city had the average home value for all cities in this analysis. Local government spending per capita is a bit higher than average in Birmingham (23rd highest), which is expected to increase the city's tax rate by 0.13 percentage points relative to a city with average spending. Finally, Birmingham has the 11th highest commercial-homestead classification ratio, which is predicted to increase the commercial property tax rate by 0.28 percentage points compared to a city with the average classification ratio.

State	City	Tax Rate		Property Tax Reliance		Median Home Value		Local Gov't Spending		Classification Ratio*	
		Rank (1-73)	Tax Rate	Rank (1-73)	Impact on Tax Rate	Rank (1-73)	Impact on Tax Rate	Rank (1-73)	Impact on Tax Rate	Rank (1-73)	Tax Rate
Florida	Miami	36	1.96	33	0.05	19	-0.28	18	0.17	33	-0.12
Georgia	Atlanta	40	1.67	40	-0.07	23	-0.17	6	0.50	34	-0.12
Hawaii	Honolulu**	71	0.91	16	0.30	3	-1.12	73	-0.63	4	0.87
Idaho	Boise	46	1.55	11	0.47	33	-0.03	72	-0.56	19	0.21
Illinois	Aurora	6	3.43	4	1.10	39	0.02	64	-0.33	39	-0.17
Illinois	Chicago	4	3.60	31	0.07	22	-0.18	11	0.37	7	0.50
Indiana	Indianapolis	12	2.84	41	-0.12	65	0.42	26	0.06	8	0.47
Iowa	Des Moines	9	3.11	12	0.40	62	0.40	44	-0.10	27	0.02
Kansas	Wichita	13	2.83	29	0.10	61	0.39	58	-0.27	12	0.27
Kentucky	Louisville	52	1.40	46	-0.18	50	0.24	67	-0.39	57	-0.21
Louisiana	New Orleans	32	2.11	61	-0.43	31	-0.05	37	0.00	10	0.28
Maine	Portland	34	2.06	10	0.48	20	-0.28	39	-0.06	48	-0.20
Maryland	Baltimore	16	2.66	27	0.11	47	0.18	17	0.20	68	-0.22
Massachusetts	Boston	30	2.24	3	1.21	11	-0.78	34	0.02	2	1.02
Michigan	Detroit	1	4.13	57	-0.41	73	1.40	15	0.28	41	-0.17
Minnesota	Minneapolis	7	3.25	24	0.17	27	-0.11	20	0.15	17	0.24
Mississippi	Jackson	15	2.69	7	0.84	69	0.66	69	-0.44	22	0.13
Missouri	Kansas City	14	2.75	64	-0.48	55	0.30	50	-0.16	21	0.14
Montana	Billings	67	1.09	22	0.20	30	-0.06	71	-0.50	30	-0.05
Nebraska	Omaha	33	2.10	23	0.19	53	0.29	32	0.03	52	-0.20
Nevada	Las Vegas	66	1.12	47	-0.22	34	-0.03	42	-0.08	69	-0.22
New Hampshire	Manchester	35	1.97	8	0.67	29	-0.08	55	-0.22	61	-0.21
New Jersey	Newark**	21	2.54	2	1.34	25	-0.16	48	-0.14	61	-0.21
New Mexico	Albuquerque	48	1.49	49	-0.26	35	-0.01	68	-0.41	37	-0.15
New York	Buffalo	17	2.62	62	-0.45	71	0.91	13	0.33	23	0.12
New York	New York City	2	3.96	51	-0.31	6	-0.95	3	1.12	1	1.11
North Carolina	Charlotte	60	1.18	63	-0.46	40	0.04	21	0.15	61	-0.21
North Carolina	Raleigh	69	1.04	13	0.36	26	-0.16	59	-0.30	61	-0.21
North Dakota	Fargo	64	1.14	38	-0.05	42	0.06	56	-0.25	40	-0.17
Ohio	Cleveland	25	2.40	67	-0.58	72	0.97	14	0.32	42	-0.17

*Table shows impact of the commercial-homestead classification ratio

**Honolulu and Newark do not have data on property tax reliance or local government spending in the Fiscally Standardized Cities database, so statewide data on all local governments is used instead (Source: U.S. Census Bureau, 2012 Census of Government Finances).

State	City	Tax Rate		Property Tax Reliance		Median Home Value		Local Gov't Spending		Classification Ratio*	
		Rank (1-73)	Tax Rate	Rank (1-73)	Impact on Tax Rate	Rank (1-73)	Impact on Tax Rate	Rank (1-73)	Impact on Tax Rate	Rank (1-73)	Tax Rate
Ohio	Columbus	41	1.62	39	-0.06	57	0.32	40	-0.08	51	-0.20
Oklahoma	Oklahoma City	55	1.32	60	-0.41	52	0.26	70	-0.46	46	-0.18
Oklahoma	Tulsa	49	1.46	55	-0.35	60	0.37	65	-0.33	45	-0.18
Oregon	Portland	28	2.29	19	0.27	12	-0.51	38	-0.02	61	-0.21
Pennsylvania	Philadelphia	37	1.87	72	-0.75	49	0.19	22	0.14	15	0.25
Rhode Island	Providence	3	3.71	5	0.94	36	-0.01	46	-0.13	20	0.16
South Carolina	Columbia	8	3.22	30	0.07	46	0.14	54	-0.21	3	0.90
South Dakota	Sioux Falls	43	1.60	25	0.16	45	0.12	66	-0.38	28	0.02
Tennessee	Memphis	11	2.84	35	-0.02	68	0.65	8	0.45	26	0.03
Tennessee	Nashville	45	1.55	32	0.06	44	0.07	24	0.10	25	0.03
Texas	Austin	31	2.21	9	0.52	17	-0.32	29	0.05	43	-0.17
Texas	Dallas	20	2.55	26	0.13	51	0.25	31	0.04	35	-0.14
Texas	El Paso	24	2.41	21	0.22	62	0.40	63	-0.33	73	-0.27
Texas	Fort Worth	18	2.62	14	0.33	58	0.34	53	-0.20	50	-0.20
Texas	Houston	23	2.44	17	0.29	54	0.29	47	-0.14	31	-0.06
Texas	San Antonio	19	2.60	18	0.29	64	0.40	30	0.04	36	-0.15
Utah	Salt Lake City	47	1.54	44	-0.15	21	-0.26	49	-0.16	24	0.12
Vermont	Burlington	27	2.38	65	-0.51	15	-0.37	28	0.05	38	-0.15
Virginia	Virginia Beach	70	1.03	20	0.26	16	-0.34	57	-0.25	67	-0.22
Washington	Seattle	72	0.88	56	-0.41	9	-0.91	12	0.33	61	-0.21
West Virginia	Charleston	42	1.61	58	-0.41	67	0.54	51	-0.17	16	0.24
Wisconsin	Milwaukee	10	2.86	15	0.33	66	0.46	35	0.01	46	-0.18
Wyoming	Cheyenne	73	0.64	73	-1.08	28	-0.09	10	0.38	71	-0.23

*Table shows impact of the commercial-homestead classification ratio

Appendix Table 1c: Correlates of Cities' Effective Tax Rates on Homestead Properties

	(1)	(2)	Mean	St. Dev.	Data
Tax Rate on Median Valued Home	N/A	N/A	1.444	0.731	Effective tax rate on median valued home, with assessment limits Source: *50-State Property Tax Comparison Study* (Appendix Tables 2b, 2e)
Median Home Value	-0.611*** (0.055)	-0.888*** (0.121)	212,475	139,756	Median home value in city Source: 2014 American Community Survey (U.S. Census Bureau)
Business Classification Ratio	-0.355*** (0.079)	-0.247*** (0.070)	1.518	0.728	Commercial-homestead classification ratio, with taxes on personal property excluded for commercial properties Source: *50-State Property Tax Comparison Study*
Apartments Classification Ratio	-0.444*** (0.122)	-0.396** (0.179)	1.257	0.460	Apartment-homestead classification ratio, with taxes on personal property excluded for apartments Source: *50-State Property Tax Comparison Study*
Property Tax Reliance	0.836*** (0.103)	0.0337*** (0.006)	41.0	13.7	Property taxes as a percent of own source revenue for the fiscally standardized city (FiSC) Source: Lincoln Institute of Land Policy. FiSC database (2012).
Local Gov't Spending Per Capita (1000s)	0.568*** (0.119)	0.141*** (0.034)	5.988	1.774	Direct expenditures per capita for the fiscally standardized city (FiSC) Source: Lincoln Institute of Land Policy. FiSC database (2012).
State and Federal Aid as % Local Gov't Budget	0.00557 (0.111)	0.00212 (0.006)	36.2	9.7	Intergovernmental revenue as a percent of general revenue for the fiscally standardized city (FiSC) Source: Lincoln Institute of Land Policy. FiSC database (2012).
Local as % State-Local Spending	-0.25 (0.309)	-0.00371 (0.010)	50.4	7.6	Local government direct expenditures as a percent of state and local direct expenditures (State-level variable) Source: 2013 Survey of State and Local Gov't Finances (U.S. Census Bureau)
Constant	-1.043 (1.260)	10.96*** (1.418)			
N	69	69			
R-sq	0.739	0.679			
adj. R-sq	0.709	0.643			
F	47.28	14.85			

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$; robust standard errors in parenthesis.

Regression #1 shows elasticities with all variables measured in natural logs; these coefficients are reported in figure 1.

Regression #2 measures all variables in levels except for median home value, which is measured as the natural log; these coefficients are used in appendix table 1a.

Notes: Washington, DC and New York City were excluded from the regression because they have very atypical revenue structures, and as major outliers they significantly altered the coefficient estimates and weakened the overall fit for the model. Honolulu and Newark were excluded because they do not have data in the FiSC database on property tax reliance or state and federal aid as a percent of the local government budget. The means and standard deviations shown in the table also exclude these four cities.

Appendix Table 1d: Correlates of Cities' Effective Tax Rates on Commercial Properties

	(1)	(2)	Mean	St. Dev.	Data
Tax Rate on Commercial Property	N/A	N/A	2.006	0.803	Effective tax rate on $1-Million Commercial Property Source: *50-State Property Tax Comparison Study* (Appendix Tables 3a, 3b)
Median Home Value	-0.467*** (0.062)	-0.950*** (0.165)	212,475	139,756	Median home value in city Source: 2014 American Community Survey (U.S. Census Bureau)
Business Classification Ratio	0.496*** (0.084)	0.413*** (0.134)	1.518	0.728	Commercial-homestead classification ratio, with taxes on personal property excluded for commercial properties Source: *50-State Property Tax Comparison Study*
Apartments Classification Ratio	-0.257* (0.140)	-0.152 (0.210)	1.257	0.460	Apartment-homestead classification ratio, with taxes on personal property excluded for apartments Source: *50-State Property Tax Comparison Study*
Property Tax Reliance	0.762*** (0.101)	0.0356*** (0.006)	41.0	13.7	Property taxes as a percent of own source revenue for the fiscally standardized city (FiSC) Source: Lincoln Institute of Land Policy. FiSC database (2012).
Local Gov't Spending Per Capita (1000s)	0.583*** (0.133)	0.179*** (0.045)	5.988	1.774	Direct expenditures per capita for the fiscally standardized city (FiSC) Source: Lincoln Institute of Land Policy. FiSC database (2012).
State and Federal Aid as % Local Gov't Budget	0.0458 (0.103)	0.00431 (0.006)	36.2	9.7	Intergovernmental revenue as a percent of general revenue for the fiscally standardized city (FiSC) Source: Lincoln Institute of Land Policy. FiSC database (2012).
Local as % State-Local Spending	0.073 (0.307)	0.00639 (0.011)	50.4	7.6	Local government direct expenditures as a percent of state and local direct expenditures (State-level variable) Source: 2013 Survey of State and Local Gov't Finances (U.S. Census Bureau)
Constant	-2.679** (1.296)	10.07*** (2.057)			
N	69	69			
R-sq	0.675	0.626			
adj. R-sq	0.638	0.583			
F	25.2	13.15			

* p < 0.10, ** p < 0.05, *** p < 0.01; robust standard errors in parenthesis.
Regression #1 shows elasticities with all variables measured in natural logs.
Regression #2 measures all variables in levels except for median home value, which is measured as the natural log; these coefficients are used in appendix table 1b.

Notes: Washington, DC and New York City were excluded from the regression because they have very atypical revenue structures, and as major outliers they significantly altered the coefficient estimates and weakened the overall fit for the model. Honolulu and Newark were excluded because they do not have data in the FiSC database on property tax reliance or state and federal aid as a percent of the local government budget. The means and standard deviations shown in the table also exclude these four cities.

Appendix Table 2a: Homestead Property Taxes for Largest City in Each State: Median Valued Homes

		Tax Rate (%)			Tax Bill ($)			Median Home Value
State	City	Rate	Rank	Change from '14	Rate	Rank	Change from '14	
Alabama	Birmingham	0.662%	50	2 ↑	559	53	-	84,400
Alaska	Anchorage	1.263%	27	1 ↓	3,655	11	-	289,400
Arizona	Phoenix	1.228%	30	7 ↑	2,196	27	8 ↑	178,800
Arkansas	Little Rock	1.128%	36	2 ↓	1,684	39	6 ↓	149,300
California	Los Angeles	1.175%	33	2 ↓	5,942	6	-	505,500
Colorado	Denver	0.662%	51	-	1,873	34	2 ↑	283,100
Connecticut	Bridgeport	3.878%	1	-	6,705	2	-	172,900
DC	Washington	0.700%	48	1 ↑	3,408	13	-	486,900
Delaware	Wilmington	1.309%	23	1 ↑	2,357	25	3 ↑	180,100
Florida	Jacksonville	1.205%	31	3 ↓	1,586	43	3 ↓	131,600
Georgia	Atlanta	1.364%	22	-	2,970	17	1 ↑	217,700
Hawaii	Honolulu	0.301%	53	-	1,780	37	4 ↑	591,600
Idaho	Boise	0.829%	45	-	1,567	45	1 ↑	189,000
Illinois	Aurora*	3.715%	3	-	6,617	3	2 ↑	178,100
Illinois	Chicago	1.585%	18	1 ↓	3,483	12	-	219,800
Indiana	Indianapolis	1.065%	38	1 ↑	1,246	49	2 ↑	117,000
Iowa	Des Moines	2.390%	6	3 ↑	2,849	19	2 ↑	119,200
Kansas	Wichita	1.284%	24	5 ↑	1,552	46	2 ↓	120,900
Kentucky	Louisville	1.284%	25	2 ↑	1,823	36	2 ↓	142,000
Louisiana	New Orleans	0.953%	40	2 ↑	1,829	35	4 ↑	192,000
Maine	Portland	1.979%	12	1 ↑	4,838	8	1 ↑	244,500
Maryland	Baltimore	2.087%	10	-	3,147	15	1 ↓	150,800
Massachusetts	Boston	0.672%	49	1 ↓	2,777	20	-	413,500
Michigan	Detroit	3.809%	2	-	1,596	42	1 ↑	41,900
Minnesota	Minneapolis	1.422%	21	1 ↓	2,909	18	1 ↓	204,600
Mississippi	Jackson	1.460%	20	1 ↑	1,326	47	2 ↑	90,800
Missouri	Kansas City	1.490%	19	-	1,971	33	3 ↓	132,300
Montana	Billings	0.865%	43	2 ↓	1,679	40	3 ↓	194,100
Nebraska	Omaha	2.008%	11	-	2,709	21	2 ↓	134,900
Nevada	Las Vegas	1.131%	35	-	2,118	28	4 ↑	187,300
New Hampshire	Manchester	2.367%	7	1 ↓	4,673	9	1 ↓	197,400
New Jersey	Newark	3.046%	4	-	6,585	4	-	216,200
New Mexico	Albuquerque	1.273%	26	1 ↓	2,355	26	3 ↓	185,000
New York	Buffalo*	1.741%	17	1 ↓	1,217	50	2 ↓	69,900
New York	New York City	1.125%	37	1 ↓	5,583	7	-	496,200
AVERAGE		**1.503%**			**2,801**			**207,025**

State	City	Tax Rate (%)			Tax Bill ($)			Median Home Value
		Rate	Rank	Change from '14	Rate	Rank	Change from '14	
North Carolina	Charlotte	1.162%	34	4 ↓	2,027	31	2 ↓	174,400
North Dakota	Fargo	1.232%	28	5 ↑	2,116	29	2 ↑	171,800
Ohio	Columbus	1.880%	13	1 ↑	2,437	22	2 ↑	129,600
Oklahoma	Oklahoma City	1.182%	32	-	1,644	41	1 ↑	139,100
Oregon	Portland	2.291%	9	1 ↓	7,144	1	-	311,800
Pennsylvania	Philadelphia	1.059%	39	1 ↓	1,575	44	1 ↑	148,700
Rhode Island	Providence	1.744%	16	2 ↑	3,202	14	2 ↑	183,600
South Carolina	Columbia	0.764%	46	1 ↑	1,206	51	1 ↓	157,800
South Dakota	Sioux Falls	1.230%	29	6 ↓	1,977	32	5 ↓	160,700
Tennessee	Memphis	1.837%	14	2 ↓	1,687	38	-	91,800
Texas	Houston	1.763%	15	-	2,371	24	1 ↑	134,500
Utah	Salt Lake City	0.853%	44	-	2,036	30	4 ↓	238,700
Vermont	Burlington	2.326%	8	1 ↓	6,265	5	2 ↓	269,300
Virginia	Virginia Beach	0.920%	41	2 ↑	2,409	23	1 ↓	261,800
Washington	Seattle	0.868%	42	2 ↓	4,109	10	-	473,300
West Virginia	Charleston	0.764%	47	1 ↓	791	52	-	103,600
Wisconsin	Milwaukee	2.675%	5	-	2,994	16	1 ↓	111,900
Wyoming	Cheyenne	0.652%	52	2 ↓	1,312	48	1 ↓	201,200
AVERAGE		**1.503%**			**2,801**			**207,025**

* Illinois and New York have two cities included in this table, because the tax systems in Chicago and New York City are significantly different from the rest of the state.
Source for median home values: *2014 American Community Survey*, 1-year data

Appendix Table 2b: Homestead Property Taxes for Largest City in Each State: Median Valued Homes, with Assessment Limits

		Tax Rate (%)			Tax Bill ($)			Median Home Value
State	City	Rate	Rank	Change from '14	Rate	Rank	Change from '14	
Alabama	Birmingham	0.662%	50	2 ↑	559	53	-	84,400
Alaska	Anchorage	1.263%	27	1 ↓	3,655	10	1 ↓	289,400
Arizona	Phoenix	1.095%	34	3 ↑	1,958	33	8 ↑	178,800
Arkansas	Little Rock	1.108%	33	1 ↑	1,654	40	6 ↓	149,300
California	Los Angeles	0.768%	44	1 ↑	3,884	9	2 ↑	505,500
Colorado	Denver	0.662%	51	-	1,873	34	1 ↑	283,100
Connecticut	Bridgeport	3.878%	1	-	6,705	1	-	172,900
DC	Washington	0.700%	48	-	3,408	12	1 ↑	486,900
Delaware	Wilmington	1.309%	23	1 ↑	2,357	25	3 ↑	180,100
Florida	Jacksonville	1.003%	37	7 ↓	1,320	46	4 ↓	131,600
Georgia	Atlanta	1.364%	22	-	2,970	17	1 ↑	217,700
Hawaii	Honolulu	0.301%	53	-	1,780	37	2 ↑	591,600
Idaho	Boise	0.829%	43	-	1,567	43	2 ↑	189,000
Illinois	Aurora*	3.715%	2	-	6,617	2	3 ↑	178,100
Illinois	Chicago	1.514%	18	1 ↓	3,328	13	3 ↓	219,800
Indiana	Indianapolis	1.065%	35	1 ↑	1,246	49	2 ↑	117,000
Iowa	Des Moines	2.390%	6	2 ↑	2,849	19	2 ↑	119,200
Kansas	Wichita	1.284%	24	4 ↑	1,552	44	1 ↓	120,900
Kentucky	Louisville	1.284%	25	2 ↑	1,823	34	3 ↓	142,000
Louisiana	New Orleans	0.953%	38	2 ↑	1,829	35	3 ↑	192,000
Maine	Portland	1.979%	11	2 ↑	4,838	6	1 ↑	244,500
Maryland	Baltimore	2.087%	9	-	3,147	15	1 ↓	150,800
Massachusetts	Boston	0.672%	49	2 ↓	2,777	20	-	413,500
Michigan	Detroit	3.143%	3	-	1,317	47	-	41,900
Minnesota	Minneapolis	1.422%	21	1 ↓	2,909	18	1 ↓	204,600
Mississippi	Jackson	1.460%	20	1 ↑	1,326	45	5 ↑	90,800
Missouri	Kansas City	1.490%	19	-	1,971	32	2 ↓	132,300
Montana	Billings	0.865%	41	2 ↓	1,679	39	3 ↓	194,100
Nebraska	Omaha	2.008%	10	1 ↑	2,709	21	2 ↓	134,900
Nevada	Las Vegas	1.131%	32	1 ↑	2,118	27	5 ↑	187,300
New Hampshire	Manchester	2.367%	7	1 ↓	4,673	7	1 ↓	197,400
New Jersey	Newark	3.046%	4	-	6,585	3	-	216,200
New Mexico	Albuquerque	1.273%	26	1 ↓	2,355	26	3 ↓	185,000
New York	Buffalo*	1.741%	17	1 ↓	1,217	50	1 ↓	69,900
New York	New York City	0.715%	47	2 ↑	3,547	11	1 ↑	496,200
AVERAGE		**1.459%**			**2,682**			**207,025**

State	City	Tax Rate (%)			Tax Bill ($)			Median Home Value
		Rate	Rank	Change from '14	Rate	Rank	Change from '14	
North Carolina	Charlotte	1.162%	31	2 ↓	2,027	30	1 ↓	174,400
North Dakota	Fargo	1.232%	28	4 ↑	2,116	28	3 ↑	171,800
Ohio	Columbus	1.880%	13	1 ↑	2,437	22	2 ↑	129,600
Oklahoma	Oklahoma City	1.164%	30	1 ↑	1,619	41	1 ↓	139,100
Oregon	Portland	1.915%	12	2 ↓	5,971	5	1 ↓	311,800
Pennsylvania	Philadelphia	1.059%	36	1 ↓	1,575	42	2 ↑	148,700
Rhode Island	Providence	1.744%	16	2 ↑	3,202	14	2 ↑	183,600
South Carolina	Columbia	0.719%	46	2 ↓	1,135	51	3 ↓	157,800
South Dakota	Sioux Falls	1.230%	29	6 ↓	1,977	31	4 ↓	160,700
Tennessee	Memphis	1.837%	14	2 ↓	1,687	38	1 ↓	91,800
Texas	Houston	1.754%	15	-	2,360	24	1 ↑	134,500
Utah	Salt Lake City	0.853%	42	-	2,036	29	3 ↓	238,700
Vermont	Burlington	2.326%	8	1 ↓	6,265	4	2 ↓	269,300
Virginia	Virginia Beach	0.920%	39	2 ↑	2,409	23	1 ↓	261,800
Washington	Seattle	0.868%	40	2 ↓	4,109	8	-	473,300
West Virginia	Charleston	0.764%	45	1 ↑	791	52	-	103,600
Wisconsin	Milwaukee	2.675%	5	-	2,994	16	1 ↓	111,900
Wyoming	Cheyenne	0.652%	52	2 ↓	1,312	48	2 ↓	201,200
AVERAGE		**1.459%**			**2,682**			**207,025**

* Illinois and New York have two cities included in this table, because the tax systems in Chicago and New York City are significantly different from the rest of the state.
Source for median home values: *2014 American Community Survey*, 1-year data

Appendix Table 2c: Homestead Property Taxes for Largest City in Each State: Homes worth $150,000 and $300,000

		$150,000 Property Value				$300,000 Property Value				Tax Rate Varies with Property Value
State	City	Tax Rate	Tax Bill	Rank	Change from '14	Tax Rate	Tax Bill	Rank	Change from '14	
Alabama	Birmingham	0.690%	1,035	48	2 ↑	0.707%	2,122	48	-	X
Alaska	Anchorage	1.228%	1,842	29	1 ↓	1.267%	3,800	28	1 ↓	X
Arizona	Phoenix	1.228%	1,842	30	6 ↑	1.228%	3,684	32	7 ↑	
Arkansas	Little Rock	1.129%	1,693	36	1 ↓	1.245%	3,736	29	1 ↑	X
California	Los Angeles	1.136%	1,705	34	1 ↓	1.164%	3,493	35	1 ↓	X
Colorado	Denver	0.662%	993	49	-	0.662%	1,985	49	1 ↑	
Connecticut	Bridgeport	3.878%	5,817	1	-	3.878%	11,634	1	-	
DC	Washington	0.420%	630	51	-	0.622%	1,867	51	-	X
Delaware	Wilmington	1.309%	1,963	22	1 ↓	1.309%	3,926	24	1 ↑	
Florida	Jacksonville	1.274%	1,911	25	1 ↓	1.519%	4,558	20	-	X
Georgia	Atlanta	1.218%	1,827	31	2 ↓	1.445%	4,335	23	-	X
Hawaii	Honolulu	0.162%	242	52	-	0.255%	765	53	-	X
Idaho	Boise	0.814%	1,222	44	-	1.125%	3,375	39	1 ↓	X
Illinois	Aurora*	3.641%	5,461	3	-	3.877%	11,630	2	1 ↑	X
Illinois	Chicago	1.484%	2,226	20	2 ↓	1.643%	4,928	19	2 ↓	X
Indiana	Indianapolis	1.074%	1,611	37	2 ↑	1.090%	3,269	41	-	X
Iowa	Des Moines	2.415%	3,623	6	3 ↑	2.464%	7,392	6	2 ↑	X
Kansas	Wichita	1.291%	1,937	23	4 ↑	1.306%	3,919	25	4 ↑	X
Kentucky	Louisville	1.284%	1,925	24	2 ↑	1.284%	3,851	27	1 ↑	
Louisiana	New Orleans	0.802%	1,202	45	-	1.147%	3,441	37	1 ↑	X
Maine	Portland	1.925%	2,888	12	4 ↑	1.994%	5,983	12	2 ↑	X
Maryland	Baltimore	2.087%	3,130	10	-	2.087%	6,261	10	-	
Massachusetts	Boston	0.113%	169	53	-	0.500%	1,499	52	-	X
Michigan	Detroit	3.809%	5,713	2	-	3.809%	11,427	3	1 ↓	
Minnesota	Minneapolis	1.327%	1,990	21	1 ↑	1.505%	4,515	21	-	X
Mississippi	Jackson	1.590%	2,385	18	1 ↑	1.690%	5,071	18	1 ↑	X
Missouri	Kansas City	1.490%	2,234	19	1 ↑	1.490%	4,469	22	-	
Montana	Billings	0.865%	1,298	42	1 ↓	0.865%	2,596	44	1 ↓	
Nebraska	Omaha	2.008%	3,012	11	-	2.008%	6,024	11	-	
Nevada	Las Vegas	1.131%	1,696	35	1 ↓	1.131%	3,393	38	1 ↓	
New Hampshire	Manchester	2.367%	3,551	7	1 ↓	2.367%	7,102	7	1 ↓	
New Jersey	Newark	3.046%	4,568	4	-	3.046%	9,137	4	-	
New Mexico	Albuquerque	1.262%	1,893	26	1 ↓	1.291%	3,872	26	-	X
New York	Buffalo*	1.879%	2,818	14	2 ↓	1.939%	5,817	13	1 ↓	X
New York	New York City	1.042%	1,562	39	1 ↓	1.102%	3,305	40	-	X
AVERAGE		**1.478%**	**2,218**			**1.541%**	**4,622**			**N = 26**

		$150,000 Property Value				$300,000 Property Value				Tax Rate Varies with Property Value
State	City	Tax Rate	Tax Bill	Rank	Change from '14	Tax Rate	Tax Bill	Rank	Change from '14	
North Carolina	Charlotte	1.162%	1,744	33	3↓	1.162%	3,487	36	4↓	
North Dakota	Fargo	1.232%	1,848	27	5↑	1.232%	3,695	30	5↑	
Ohio	Columbus	1.880%	2,821	13	1↓	1.880%	5,641	14	2↑	
Oklahoma	Oklahoma City	1.188%	1,782	32	1↓	1.226%	3,678	33	2↓	X
Oregon	Portland	2.291%	3,437	9	1↓	2.291%	6,874	9	-	
Pennsylvania	Philadelphia	1.061%	1,592	38	1↓	1.194%	3,582	34	1↓	X
Rhode Island	Providence	1.744%	2,616	17	-	1.744%	5,232	17	1↑	
South Carolina	Columbia	0.764%	1,146	46	1↑	0.764%	2,293	46	1↑	
South Dakota	Sioux Falls	1.230%	1,846	28	5↓	1.230%	3,691	31	7↓	
Tennessee	Memphis	1.837%	2,756	15	2↓	1.837%	5,512	16	3↓	
Texas	Houston	1.781%	2,672	16	1↓	1.861%	5,583	15	-	X
Utah	Salt Lake City	0.853%	1,280	43	-	0.853%	2,559	45	-	
Vermont	Burlington	2.326%	3,490	8	1↓	2.326%	6,979	8	1↓	
Virginia	Virginia Beach	0.920%	1,380	40	2↑	0.920%	2,760	42	2↑	
Washington	Seattle	0.868%	1,302	41	1↓	0.868%	2,604	43	1↓	
West Virginia	Charleston	0.764%	1,146	47	1↓	0.764%	2,292	47	1↓	
Wisconsin	Milwaukee	2.725%	4,087	5	-	2.797%	8,392	5	-	X
Wyoming	Cheyenne	0.652%	978	50	2↓	0.652%	1,956	50	1↓	
AVERAGE		**1.478%**	**2,218**			**1.541%**	**4,622**			**N = 26**

* Illinois and New York have two cities included in this table, because the tax systems in Chicago and New York City are significantly different from the rest of the state.

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Appendix Table 2d: Homestead Property Taxes for the Largest Fifty U.S. Cities: Median Valued Homes

		Tax Rate (%)			Tax Bill ($)			Median Home Value
State	City	Rate	Rank	Change from '14	Rate	Rank	Change from '14	
Arizona	Mesa	0.830%	46	-	1,423	48	-	171,400
Arizona	Phoenix	1.228%	27	14 ↑	2,196	31	7 ↑	178,800
Arizona	Tucson	1.209%	28	-	1,530	47	2 ↓	126,500
California	Fresno	1.184%	30	2 ↑	2,250	29	2 ↑	190,000
California	Long Beach	1.107%	39	1 ↓	4,881	9	-	440,900
California	Los Angeles	1.175%	32	1 ↓	5,942	5	-	505,500
California	Oakland	1.346%	21	1 ↓	6,723	4	-	499,400
California	Sacramento	1.111%	38	2 ↑	2,837	21	4 ↑	255,300
California	San Diego	1.158%	35	-	5,662	6	1 ↑	489,000
California	San Francisco	1.173%	33	1 ↑	9,931	1	-	846,800
California	San Jose	1.277%	25	-	8,447	2	-	661,600
Colorado	Colorado Springs	0.467%	50	-	1,013	50	-	217,200
Colorado	Denver	0.662%	49	-	1,873	36	4 ↑	283,100
DC	Washington	0.700%	47	1 ↑	3,408	13	-	486,900
Florida	Jacksonville	1.205%	29	2 ↓	1,586	45	2 ↓	131,600
Florida	Miami	1.613%	15	2 ↑	3,953	11	1 ↑	245,000
Georgia	Atlanta	1.364%	20	1 ↑	2,970	19	3 ↑	217,700
Illinois	Chicago	1.585%	16	-	3,483	12	1 ↓	219,800
Indiana	Indianapolis	1.065%	40	3 ↑	1,246	49	-	117,000
Kansas	Wichita	1.284%	23	6 ↑	1,552	46	1 ↑	120,900
Kentucky	Louisville	1.284%	24	2 ↑	1,823	38	1 ↓	142,000
Louisiana	New Orleans*	0.953%	43	NA	1,829	37	NA	192,000
Maryland	Baltimore	2.087%	9	2 ↑	3,147	15	1 ↓	150,800
Massachusetts	Boston	0.672%	48	1 ↓	2,777	22	2 ↑	413,500
Michigan	Detroit	3.809%	1	-	1,596	44	2 ↑	41,900
Minnesota	Minneapolis	1.422%	18	1 ↑	2,909	20	-	204,600
Missouri	Kansas City	1.490%	17	1 ↑	1,971	35	2 ↓	132,300
Nebraska	Omaha	2.008%	10	2 ↑	2,709	23	-	134,900
Nevada	Las Vegas	1.131%	36	-	2,118	32	3 ↑	187,300
New Mexico	Albuquerque	1.273%	26	2 ↓	2,355	28	1 ↓	185,000
New York	New York City	1.125%	37	2 ↑	5,583	7	1 ↓	496,200
North Carolina	Charlotte	1.162%	34	4 ↓	2,027	33	1 ↓	174,400
North Carolina	Raleigh	1.040%	41	1 ↑	2,236	30	-	215,000
Ohio	Cleveland	2.618%	4	1 ↓	1,725	39	-	65,900
Ohio	Columbus	1.880%	12	2 ↑	2,437	25	3 ↑	129,600
AVERAGE		**1.467%**			**3,097**			**239,962**

State	City	Tax Rate (%)			Tax Bill ($)			Median Home Value
		Rate	Rank	Change from '14	Rate	Rank	Change from '14	
Oklahoma	Oklahoma City	1.182%	31	2 ↑	1,644	43	1 ↑	139,100
Oklahoma	Tulsa	1.371%	19	3 ↑	1,700	40	2 ↑	124,000
Oregon	Portland	2.291%	6	1 ↑	7,144	3	-	311,800
Pennsylvania	Philadelphia	1.327%	22	1 ↑	1,973	34	2 ↑	148,700
Tennessee	Memphis	1.837%	13	-	1,687	41	-	91,800
Tennessee	Nashville	0.996%	42	5 ↓	1,686	42	8 ↓	169,300
Texas	Austin	1.984%	11	1 ↓	5,077	8	-	255,900
Texas	Dallas	2.117%	8	1 ↑	2,978	18	3 ↑	140,700
Texas	El Paso	2.640%	3	2 ↑	3,147	14	3 ↑	119,200
Texas	Fort Worth	2.467%	5	1 ↑	3,141	16	2 ↑	127,300
Texas	Houston	1.763%	14	1 ↑	2,371	27	2 ↑	134,500
Texas	San Antonio	2.225%	7	3 ↓	2,648	24	8 ↑	119,000
Virginia	Virginia Beach	0.920%	44	1 ↑	2,409	26	-	261,800
Washington	Seattle	0.868%	45	1 ↓	4,109	10	-	473,300
Wisconsin	Milwaukee	2.675%	2	-	2,994	17	2 ↓	111,900
AVERAGE		**1.467%**			**3,097**			**239,962**

* New Orleans, LA replaces Arlington, TX in the set of fifty largest cities.
Source for median home values: *2014 American Community Survey*, 1-year data

Appendix Table 2e: Homestead Property Taxes for the Largest Fifty U.S. Cities: Median Valued Homes, with Assessment Limits

		Tax Rate (%)			Tax Bill ($)			Median Home Value
State	City	Rate	Rank	Change from '14	Rate	Rank	Change from '14	
Arizona	Mesa	0.740%	44	2 ↓	1,269	48	-	171,400
Arizona	Phoenix	1.095%	29	8 ↑	1,958	34	9 ↑	178,800
Arizona	Tucson	1.209%	24	1 ↑	1,530	45	1 ↓	126,500
California	Fresno	0.953%	35	1 ↑	1,811	38	2 ↑	190,000
California	Long Beach	0.665%	48	5 ↓	2,934	18	4 ↓	440,900
California	Los Angeles	0.768%	43	2 ↑	3,884	8	1 ↑	505,500
California	Oakland	0.986%	34	2 ↓	4,924	5	-	499,400
California	Sacramento	0.829%	41	-	2,116	30	1 ↑	255,300
California	San Diego	0.929%	38	-	4,543	6	-	489,000
California	San Francisco	0.826%	42	2 ↑	6,991	1	2 ↑	846,800
California	San Jose	0.942%	37	2 ↓	6,232	2	1 ↓	661,600
Colorado	Colorado Springs	0.467%	50	-	1,013	50	-	217,200
Colorado	Denver	0.662%	49	-	1,873	35	3 ↑	283,100
DC	Washington	0.700%	46	1 ↑	3,408	10	1 ↑	486,900
Florida	Jacksonville	1.003%	32	4 ↓	1,320	46	1 ↓	131,600
Florida	Miami	1.153%	27	5 ↓	2,826	20	1 ↓	245,000
Georgia	Atlanta	1.364%	18	1 ↑	2,970	17	5 ↑	217,700
Illinois	Chicago	1.514%	15	1 ↑	3,328	11	3 ↓	219,800
Indiana	Indianapolis	1.065%	30	4 ↑	1,246	49	-	117,000
Kansas	Wichita	1.284%	21	5 ↑	1,552	44	2 ↑	120,900
Kentucky	Louisville	1.284%	22	2 ↑	1,823	37	1 ↓	142,000
Louisiana	New Orleans*	0.953%	36	NA	1,829	36	NA	192,000
Maryland	Baltimore	2.087%	8	2 ↑	3,147	13	1 ↓	150,800
Massachusetts	Boston	0.672%	47	1 ↓	2,777	21	3 ↑	413,500
Michigan	Detroit	3.143%	1	-	1,317	47	-	41,900
Minnesota	Minneapolis	1.422%	17	1 ↑	2,909	19	1 ↑	204,600
Missouri	Kansas City	1.490%	16	1 ↑	1,971	33	1 ↓	132,300
Nebraska	Omaha	2.008%	9	3 ↑	2,709	22	1 ↑	134,900
Nevada	Las Vegas	1.131%	28	2 ↑	2,118	29	5 ↑	187,300
New Mexico	Albuquerque	1.273%	23	-	2,355	27	1 ↓	185,000
New York	New York City	0.715%	45	3 ↑	3,547	9	1 ↑	496,200
North Carolina	Charlotte	1.162%	26	1 ↑	2,027	31	1 ↓	174,400
North Carolina	Raleigh	1.040%	31	2 ↑	2,236	28	1 ↑	215,000
Ohio	Cleveland	2.618%	4	1 ↓	1,725	39	2 ↓	65,900
Ohio	Columbus	1.880%	12	2 ↑	2,437	24	3 ↑	129,600
AVERAGE		**1.365%**			**2,721**			**239,962**

		Tax Rate (%)			Tax Bill ($)			Median Home Value
State	City	Rate	Rank	Change from '14	Rate	Rank	Change from '14	
Oklahoma	Oklahoma City	1.164%	25	4 ↑	1,619	43	1 ↓	139,100
Oklahoma	Tulsa	1.347%	19	1 ↑	1,670	42	1 ↓	124,000
Oregon	Portland	1.915%	11	-	5,971	3	1 ↓	311,800
Pennsylvania	Philadelphia	1.327%	20	1 ↑	1,973	32	3 ↑	148,700
Tennessee	Memphis	1.837%	13	-	1,687	40	1 ↓	91,800
Tennessee	Nashville	0.996%	33	2 ↓	1,686	41	8 ↓	169,300
Texas	Austin	1.957%	10	1 ↓	5,007	4	-	255,900
Texas	Dallas	2.117%	7	1 ↑	2,978	16	5 ↑	140,700
Texas	El Paso	2.640%	3	2 ↑	3,147	12	4 ↑	119,200
Texas	Fort Worth	2.467%	5	1 ↑	3,141	14	3 ↑	127,300
Texas	Houston	1.754%	14	1 ↑	2,360	26	2 ↑	134,500
Texas	San Antonio	2.225%	6	2 ↓	2,648	23	8 ↓	119,000
Virginia	Virginia Beach	0.920%	39	1 ↑	2,409	25	-	261,800
Washington	Seattle	0.868%	40	1 ↓	4,109	7	-	473,300
Wisconsin	Milwaukee	2.675%	2	-	2,994	15	2 ↓	111,900
AVERAGE		**1.365%**			**2,721**			**239,962**

* New Orleans, LA replaces Arlington, TX in the set of fifty largest cities.
Source for median home values: *2014 American Community Survey*, 1-year data

Appendix Table 2f: Homestead Property Taxes for the Largest Fifty U.S. Cities: Homes worth $150,000 and $300,000

		$150,000 Property Value				$300,000 Property Value				Tax Rate Varies with Property Value
State	City	Tax Rate	Tax Bill	Rank	Change from '14	Tax Rate	Tax Bill	Rank	Change from '14	
Arizona	Mesa	0.830%	1,245	45	1 ↑	0.830%	2,491	46	-	
Arizona	Phoenix	1.228%	1,842	27	11 ↑	1.228%	3,684	28	12 ↑	
Arizona	Tucson	1.209%	1,814	29	3 ↓	1.209%	3,628	30	1 ↓	
California	Fresno	1.172%	1,758	31	1 ↑	1.201%	3,602	31	1 ↑	X
California	Long Beach	1.072%	1,609	39	-	1.099%	3,296	40	2 ↓	X
California	Los Angeles	1.136%	1,705	33	-	1.164%	3,493	32	1 ↑	X
California	Oakland	1.302%	1,953	21	-	1.334%	4,001	22	1 ↑	X
California	Sacramento	1.089%	1,634	37	3 ↑	1.116%	3,348	38	1 ↑	X
California	San Diego	1.120%	1,680	36	-	1.147%	3,442	35	1 ↓	X
California	San Francisco	1.127%	1,691	35	2 ↑	1.155%	3,465	34	1 ↑	X
California	San Jose	1.230%	1,845	26	3 ↑	1.260%	3,781	27	1 ↑	X
Colorado	Colorado Springs	0.467%	700	48	-	0.467%	1,400	50	-	
Colorado	Denver	0.662%	993	47	-	0.662%	1,985	47	-	
DC	Washington	0.420%	630	49	-	0.622%	1,867	48	-	X
Florida	Jacksonville	1.274%	1,911	24	2 ↓	1.519%	4,558	17	1 ↑	X
Florida	Miami	1.385%	2,077	18	-	1.680%	5,039	15	2 ↑	X
Georgia	Atlanta	1.218%	1,827	28	-	1.445%	4,335	20	1 ↑	X
Illinois	Chicago	1.484%	2,226	16	-	1.643%	4,928	16	-	X
Indiana	Indianapolis	1.074%	1,611	38	4 ↑	1.090%	3,269	41	2 ↑	X
Kansas	Wichita	1.291%	1,937	22	5 ↑	1.306%	3,919	24	3 ↑	X
Kentucky	Louisville	1.284%	1,925	23	2 ↑	1.284%	3,851	26	-	
Louisiana	New Orleans*	0.802%	1,202	46	NA	1.147%	3,441	36	NA	X
Maryland	Baltimore	2.087%	3,130	9	1 ↑	2.087%	6,261	9	2 ↑	
Massachusetts	Boston	0.113%	169	50	-	0.500%	1,499	49	-	X
Michigan	Detroit	3.809%	5,713	1	-	3.809%	11,427	1	-	
Minnesota	Minneapolis	1.327%	1,990	19	1 ↑	1.505%	4,515	18	1 ↑	X
Missouri	Kansas City	1.490%	2,234	15	2 ↑	1.490%	4,469	19	1 ↑	
Nebraska	Omaha	2.008%	3,012	10	2 ↑	2.008%	6,024	10	2 ↑	
Nevada	Las Vegas	1.131%	1,696	34	-	1.131%	3,393	37	1 ↓	
New Mexico	Albuquerque	1.262%	1,893	25	1 ↓	1.291%	3,872	25	-	X
New York	New York City	1.042%	1,562	40	3 ↑	1.102%	3,305	39	2 ↑	X
North Carolina	Charlotte	1.162%	1,744	32	2 ↓	1.162%	3,487	33	2 ↓	
North Carolina	Raleigh	1.040%	1,560	41	-	1.040%	3,120	42	-	
Ohio	Cleveland	2.618%	3,926	4	1 ↓	2.618%	7,853	4	-	
Ohio	Columbus	1.880%	2,821	12	2 ↑	1.880%	5,641	12	3 ↑	
AVERAGE		**1.434%**	**2,151**			**1.494%**	**4,481**			**N = 29**

		$150,000 Property Value				$300,000 Property Value				Tax Rate Varies with Property Value
State	City	Tax Rate	Tax Bill	Rank	Change from '14	Tax Rate	Tax Bill	Rank	Change from '14	
Oklahoma	Oklahoma City	1.188%	1,782	30	1↑	1.226%	3,678	29	1↑	X
Oklahoma	Tulsa	1.390%	2,085	17	2↑	1.435%	4,304	21	1↑	X
Oregon	Portland	2.291%	3,437	6	1↑	2.291%	6,874	7	1↑	
Pennsylvania	Philadelphia	1.327%	1,990	20	3↑	1.327%	3,980	23	1↑	
Tennessee	Memphis	1.837%	2,756	13	-	1.837%	5,512	14	1↓	
Tennessee	Nashville	0.996%	1,494	42	7↓	0.996%	2,988	43	6↓	
Texas	Austin	1.933%	2,900	11	-	1.995%	5,984	11	1↓	X
Texas	Dallas	2.124%	3,187	8	1↑	2.182%	6,546	8	1↑	X
Texas	El Paso	2.682%	4,024	3	2↑	2.764%	8,292	3	2↑	X
Texas	Fort Worth	2.492%	3,737	5	1↑	2.559%	7,678	5	1↑	X
Texas	Houston	1.781%	2,672	14	1↑	1.861%	5,583	13	1↑	X
Texas	San Antonio	2.285%	3,428	7	3↓	2.401%	7,203	6	3↓	X
Virginia	Virginia Beach	0.920%	1,380	43	2↑	0.920%	2,760	44	1↑	
Washington	Seattle	0.868%	1,302	44	-	0.868%	2,604	45	1↓	
Wisconsin	Milwaukee	2.725%	4,087	2	-	2.797%	8,392	2	-	X
AVERAGE		**1.434%**	**2,151**			**1.494%**	**4,481**			**N = 29**

* New Orleans, LA replaces Arlington, TX in the set of fifty largest cities

Appendix Table 2g: Homestead Property Taxes for Selected Rural Municipalities: Median Valued Homes

		Tax Rate (%)		Tax Bill ($)		Median Home Value
State	**Municipality**	**Rate**	**Rank***	**Bill**	**Rank***	
Alabama	Monroeville	0.364%	48	344	49	94,400
Alaska	Ketchican	0.963%	32	2,291	13	237,800
Arizona	Safford	0.644%	42	856	38	132,900
Arkansas	Pocahontas	0.215%	49	153	50	71,100
California	Yreka	1.007%	31	1,596	18	158,600
Colorado	Walsenburg	0.572%	45	445	48	77,800
Connecticut	Litchfield	2.069%	12	7,472	1	361,200
Delaware	Georgetown	0.594%	44	1,306	24	220,000
Florida	Moore Haven	1.069%	26	857	37	80,100
Georgia	Fitzgerald	1.489%	19	1,257	27	84,400
Hawaii	Kauai	0.201%	50	938	33	467,500
Idaho	St. Anthony	0.869%	34	825	39	95,000
Illinois	Galena	2.091%	10	3,154	6	150,800
Indiana	North Vernon	0.791%	37	629	42	79,500
Iowa	Hampton	1.953%	15	1,601	17	82,000
Kansas	Iola	1.978%	14	1,179	29	59,600
Kentucky	Morehead	1.051%	29	1,271	26	120,900
Louisiana	Natchitoches	0.370%	47	519	47	140,400
Maine	Rockland	1.981%	13	3,010	7	152,000
Maryland	Denton	1.565%	18	2,821	9	180,300
Massachusetts	Adams	2.094%	9	2,909	8	138,900
Michigan	Manistique	2.201%	6	1,400	23	63,600
Minnesota	Glencoe	1.243%	22	1,733	16	139,400
Mississippi	Philadelphia	1.058%	28	920	35	87,000
Missouri	Boonville	1.068%	27	1,150	30	107,700
Montana	Glasgow	0.931%	33	1,135	31	121,900
Nebraska	Sidney	2.121%	8	2,437	11	114,900
Nevada	Fallon	1.270%	21	1,431	21	112,700
New Hampshire	Lancaster	2.809%	3	4,091	5	145,600
New Jersey	Maurice River Twp	2.463%	4	4,337	4	176,100
New Mexico	Santa Rosa	0.847%	35	727	41	85,800
New York	Warsaw	2.851%	2	2,592	10	90,900
North Carolina	Edenton	1.039%	30	1,284	25	123,600
North Dakota	Devils Lake	1.083%	25	932	34	86,100
Ohio	Bryan	1.480%	20	1,434	20	96,900
AVERAGE		**1.326%**		**1,750**		**132,356**

State	Municipality	Tax Rate (%)		Tax Bill ($)		Median Home Value
		Rate	Rank*	Bill	Rank*	
Oklahoma	Mangum	0.786%	38	598	45	76,100
Oregon	Tillamook	1.166%	24	1,940	15	166,300
Pennsylvania	Ridgway	2.856%	1	2,014	14	70,500
Rhode Island	Hopkinton	2.071%	11	5,398	3	260,700
South Carolina	Mullins	0.833%	36	618	43	74,200
South Dakota	Madison	1.602%	16	1,419	22	88,600
Tennessee	Savannah	0.651%	41	566	46	87,000
Texas	Fort Stockton	1.575%	17	1,247	28	79,200
Utah	Richfield	0.664%	40	1,048	32	157,700
Vermont	Hartford	2.450%	5	5,500	2	224,500
Virginia	Wise	0.556%	46	787	40	141,500
Washington	Okanogan	1.239%	23	1,518	19	122,500
West Virginia	Elkins	0.608%	43	611	44	100,600
Wisconsin	Rice Lake	2.140%	7	2,333	12	109,000
Wyoming	Worland	0.710%	39	866	36	122,000
AVERAGE		**1.326%**		**1,750**		**132,356**

* The 2015 report is the first to include estimates of property taxes for a median valued home in rural municipalities, so there is no 2014 data for comparison.
Source for median home values: *2014 American Community Survey*, 5-year data

Appendix Table 2h: Homestead Property Taxes for Selected Rural Municipalities: Homes worth $150,000 and $300,000

		$150,000 Property Value				$300,000 Property Value				Tax Rate Varies with Property Value
State	City	Tax Rate	Tax Bill	Rank	Change from '14	Tax Rate	Tax Bill	Rank	Change from '14	
Alabama	Monroeville	0.381%	572	49	-	0.396%	1,187	49	-	X
Alaska	Ketchican	0.963%	1,445	33	2 ↓	0.963%	2,890	34	2 ↓	
Arizona	Safford	0.644%	966	42	-	0.644%	1,933	42	1 ↑	
Arkansas	Pocahontas	0.474%	710	47	1 ↑	0.590%	1,771	46	1 ↑	X
California	Yreka	1.004%	1,506	31	1 ↑	1.028%	3,085	32	1 ↑	X
Colorado	Walsenburg	0.572%	857	45	-	0.572%	1,715	47	1 ↓	
Connecticut	Litchfield	2.069%	3,103	12	-	2.069%	6,206	12	-	
Delaware	Georgetown	0.594%	890	44	4 ↓	0.594%	1,781	45	4 ↓	
Florida	Moore Haven	1.641%	2,462	17	1 ↑	1.969%	5,906	16	3 ↓	X
Georgia	Fitzgerald	1.593%	2,389	19	2 ↓	1.659%	4,977	18	-	X
Hawaii	Kauai	0.033%	50	50	-	0.142%	427	50	-	X
Idaho	St. Anthony	0.869%	1,303	36	1 ↑	1.231%	3,693	26	1 ↑	X
Illinois	Galena	2.090%	3,135	10	-	2.232%	6,697	7	1 ↑	X
Indiana	North Vernon	0.970%	1,455	32	1 ↑	0.970%	2,910	33	1 ↑	
Iowa	Hampton	2.017%	3,026	14	3 ↓	2.056%	6,169	13	2 ↓	X
Kansas	Iola	2.025%	3,037	13	4 ↓	2.040%	6,121	15	5 ↓	X
Kentucky	Morehead	1.051%	1,577	29	1	1.051%	3,154	30	1 ↑	
Louisiana	Natchitoches	0.403%	604	48	1 ↓	0.644%	1,932	43	3 ↓	X
Maine	Rockland	1.979%	2,968	15	1 ↓	2.049%	6,148	14	1 ↑	X
Maryland	Denton	1.565%	2,347	20	1 ↑	1.565%	4,694	20	1 ↑	
Massachusetts	Adams	2.094%	3,141	9	4 ↑	2.094%	6,283	10	4 ↑	
Michigan	Manistique	2.201%	3,302	6	-	2.201%	6,604	8	1 ↓	
Minnesota	Glencoe	1.271%	1,906	22	-	1.455%	4,366	22	-	X
Mississippi	Philadelphia	1.203%	1,804	25	-	1.303%	3,908	23	-	X
Missouri	Boonville	1.068%	1,602	28	1 ↓	1.068%	3,204	29	1 ↓	
Montana	Glasgow	0.931%	1,396	34	4 ↑	0.931%	2,792	35	3 ↑	
Nebraska	Sidney	2.121%	3,181	8	-	2.121%	6,362	9	-	
Nevada	Fallon	1.270%	1,905	23	-	1.270%	3,810	24	-	
New Hampshire	Lancaster	2.809%	4,214	3	-	2.809%	8,428	3	-	
New Jersey	Maurice River Twp	2.463%	3,694	4	-	2.463%	7,389	4	-	
New Mexico	Santa Rosa	0.875%	1,312	35	1 ↓	0.894%	2,681	36	1 ↓	X
New York	Warsaw	3.134%	4,701	1	-	3.352%	10,056	1	-	X
North Carolina	Edenton	1.039%	1,558	30	1 ↓	1.039%	3,116	31	1 ↓	
North Dakota	Devils Lake	1.083%	1,624	27	1 ↑	1.083%	3,248	28	1 ↑	
Ohio	Bryan	1.480%	2,220	21	2 ↓	1.480%	4,439	21	2 ↓	
AVERAGE		**1.365%**	**2,048**			**1.411%**	**4,232**			**N = 25**

		$150,000 Property Value				$300,000 Property Value				Tax Rate Varies with Property Value
State	City	Tax Rate	Tax Bill	Rank	Change from '14	Tax Rate	Tax Bill	Rank	Change from '14	
Oklahoma	Mangum	0.834%	1,251	37	1 ↓	0.858%	2,575	37	1 ↓	X
Oregon	Tillamook	1.166%	1,750	26	-	1.166%	3,499	27	1 ↓	
Pennsylvania	Ridgway	2.948%	4,422	2	-	2.988%	8,965	2	-	
Rhode Island	Hopkinton	2.071%	3,106	11	4 ↑	2.071%	6,212	11	5 ↑	X
South Carolina	Mullins	0.833%	1,250	38	3 ↓	0.833%	2,500	38	1 ↓	X
South Dakota	Madison	1.602%	2,403	18	2 ↑	1.602%	4,806	19	1 ↑	
Tennessee	Savannah	0.651%	977	41	2 ↑	0.651%	1,953	41	3 ↑	
Texas	Fort Stockton	1.762%	2,643	16	-	1.867%	5,601	17	-	
Utah	Richfield	0.664%	997	40	1 ↑	0.664%	1,993	40	2 ↑	X
Vermont	Hartford	2.450%	3,675	5	-	2.450%	7,350	5	-	X
Virginia	Wise	0.556%	834	46	-	0.556%	1,669	48	-	X
Washington	Okanogan	1.239%	1,858	24	-	1.239%	3,716	25	-	X
West Virginia	Elkins	0.608%	911	43	1 ↑	0.608%	1,823	44	1 ↑	X
Wisconsin	Rice Lake	2.186%	3,278	7	-	2.246%	6,737	6	-	
Wyoming	Worland	0.710%	1,065	39	-	0.710%	2,131	39	-	X
AVERAGE		**1.365%**	**2,048**			**1.411%**	**4,232**			**N = 25**

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Appendix Table 3a: Commercial Property Taxes for Largest City in Each State

		Land and Building Value: $100,000			Land and Building Value: $1 Million			Land and Building Value: $25 Million			Tax Rate Varies with Property Value	Lower Tax Rate on Personal Property
State	City	Tax Rate	Tax Bill	Rank	Tax Rate	Tax Bill	Rank	Tax Rate	Tax Bill	Rank		
Alabama	Birmingham	1.450%	1,740	36 (2 ↑)	1.450%	17,400	38 (1 ↑)	1.450%	435,000	39 (2 ↑)		
Alaska	Anchorage	1.137%	1,365	44 (1 ↑)	1.358%	16,292	41 (-)	1.381%	414,356	42 (2 ↓)	X	X
Arizona	Phoenix	2.114%	2,537	24 (2 ↑)	2.257%	27,086	23 (1 ↑)	2.638%	791,431	17 (1 ↑)	X	X
Arkansas	Little Rock	1.436%	1,723	37 (1 ↓)	1.436%	17,231	39 (1 ↓)	1.436%	430,765	40 (1 ↓)		X
California	Los Angeles	1.192%	1,430	42 (1 ↑)	1.192%	14,304	44 (2 ↑)	1.192%	357,598	44 (2 ↑)		
Colorado	Denver	2.397%	2,876	19 (2 ↑)	2.397%	28,758	20 (1 ↑)	2.397%	718,957	21 (1 ↑)		
Connecticut	Bridgeport	3.590%	4,308	5 (-)	3.590%	43,084	5 (2 ↑)	3.590%	1,077,104	5 (2 ↑)		X
DC	Washington	1.266%	1,520	41 (1 ↓)	1.266%	15,197	43 (1 ↓)	1.941%	582,313	30 (1 ↑)	X	X
Delaware	Wilmington	1.042%	1,251	48 (1 ↑)	1.042%	12,510	49 (-)	1.042%	312,739	49 (-)		X
Florida	Jacksonville	1.471%	1,765	35 (2 ↓)	1.735%	20,822	30 (1 ↑)	1.771%	531,428	31 (1 ↑)	X	X
Georgia	Atlanta	1.672%	2,006	29 (1 ↑)	1.672%	20,060	31 (1 ↑)	1.672%	501,494	33 (-)		
Hawaii	Honolulu	0.908%	1,089	51 (1 ↑)	0.908%	10,892	51 (1 ↑)	0.908%	272,304	51 (1 ↑)		X
Idaho	Boise	1.406%	1,688	38 (1 ↓)	1.547%	18,563	35 (1 ↓)	1.682%	504,563	32 (2 ↑)	X	X
Illinois	Aurora*	3.427%	4,112	6 (-)	3.427%	41,124	6 (2 ↑)	3.427%	1,028,106	6 (2 ↑)		X
Illinois	Chicago	3.604%	4,325	4 (1 ↓)	3.604%	43,249	4 (1 ↓)	3.604%	1,081,225	4 (1 ↓)		X
Indiana	Indianapolis	2.836%	3,404	9 (2 ↓)	2.836%	34,035	12 (3 ↓)	2.836%	850,887	12 (3 ↓)		
Iowa	Des Moines	2.258%	2,709	22 (12 ↓)	3.109%	37,312	9 (4 ↓)	3.294%	988,070	8 (4 ↓)	X	X
Kansas	Wichita	2.831%	3,398	10 (4 ↑)	2.831%	33,977	13 (2 ↑)	2.831%	849,416	13 (2 ↑)		
Kentucky	Louisville	1.400%	1,680	39 (-)	1.400%	16,804	40 (-)	1.400%	420,105	41 (1 ↑)		
Louisiana	New Orleans	2.106%	2,527	25 (1 ↓)	2.106%	25,274	25 (-)	2.106%	631,848	25 (-)		
Maine	Portland	2.063%	2,476	27 (2 ↑)	2.063%	24,756	27 (2 ↑)	2.063%	618,900	27 (3 ↑)		
Maryland	Baltimore	2.662%	3,194	14 (5 ↑)	2.662%	31,941	16 (3 ↑)	2.662%	798,523	16 (4 ↑)		
Massachusetts	Boston	2.239%	2,686	23 (12 ↓)	2.239%	26,863	24 (11 ↓)	2.239%	671,580	24 (11 ↓)		X
Michigan	Detroit	4.125%	4,950	1 (-)	4.125%	49,502	1 (-)	4.125%	1,237,562	1 (-)		X
Minnesota	Minneapolis	2.576%	3,092	16 (1 ↓)	3.254%	39,047	7 (1 ↓)	3.369%	1,010,610	7 (1 ↓)	X	X
Mississippi	Jackson	2.685%	3,223	13 (4 ↑)	2.685%	32,225	15 (2 ↑)	2.685%	805,635	15 (2 ↑)		
Missouri	Kansas City	2.751%	3,301	12 (1 ↑)	2.751%	33,013	14 (-)	2.751%	825,337	14 (-)		X
Montana	Billings	1.009%	1,211	50 (4 ↓)	1.091%	13,095	48 (4 ↓)	1.170%	350,948	46 (3 ↓)	X	X
Nebraska	Omaha	2.099%	2,518	26 (1 ↑)	2.099%	25,183	26 (1 ↑)	2.099%	629,572	26 (1 ↑)		
Nevada	Las Vegas	1.123%	1,347	46 (1 ↑)	1.123%	13,473	47 (1 ↑)	1.123%	336,835	48 (-)		
New Hampshire	Manchester	1.973%	2,367	28 (-)	1.973%	23,674	28 (-)	1.973%	591,860	29 (-)		X
New Jersey	Newark	2.538%	3,046	17 (3 ↑)	2.538%	30,456	18 (2 ↑)	2.538%	761,401	19 (2 ↑)		X
New Mexico	Albuquerque	1.488%	1,785	34 (1 ↑)	1.488%	17,854	37 (-)	1.488%	446,348	38 (-)		
New York	Buffalo*	2.618%	3,141	15 (1 ↑)	2.618%	31,413	17 (1 ↓)	2.618%	785,315	18 (2 ↓)		X
New York	New York City	3.956%	4,747	2 (-)	3.956%	47,472	2 (-)	3.956%	1,186,812	2 (-)		X
AVERAGE		**2.053%**	**2,463**		**2.113%**	**25,357**		**2.147%**	**644,066**		**N = 10**	**N = 27**

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		Land and Building Value: $100,000			Land and Building Value: $1 Million			Land and Building Value: $25 Million			Tax Rate Varies with Property Value	Lower Tax Rate on Personal Property
State	**City**	**Tax Rate**	**Tax Bill**	**Rank**	**Tax Rate**	**Tax Bill**	**Rank**	**Tax Rate**	**Tax Bill**	**Rank**		
North Carolina	Charlotte	1.184%	1,421	43 (1 ↓)	1.184%	14,213	45 (-)	1.184%	355,313	45 (-)		
North Dakota	Fargo	1.135%	1,363	45 (1 ↓)	1.135%	13,626	46 (1 ↑)	1.135%	340,643	47 (-)		X
Ohio	Columbus	1.622%	1,946	30 (5 ↓)	1.622%	19,464	32 (6 ↓)	1.622%	486,612	34 (8 ↓)		X
Oklahoma	Oklahoma City	1.316%	1,579	40 (1 ↑)	1.316%	15,790	42 (1 ↑)	1.316%	394,739	43 (1 ↑)		
Oregon	Portland	2.291%	2,750	21 (1 ↑)	2.291%	27,496	22 (-)	2.291%	687,406	23 (-)		
Pennsylvania	Philadelphia	1.106%	1,327	47 (1 ↑)	1.873%	22,473	29 (1 ↑)	2.031%	609,345	28 (-)	X	X
Rhode Island	Providence	3.705%	4,446	3 (1 ↑)	3.705%	44,456	3 (1 ↑)	3.705%	1,111,388	3 (2 ↑)		
South Carolina	Columbia	3.217%	3,860	7 (1 ↑)	3.217%	38,602	8 (2 ↑)	3.217%	965,055	9 (1 ↑)		
South Dakota	Sioux Falls	1.599%	1,919	32 (2 ↑)	1.599%	19,187	34 (2 ↑)	1.599%	479,665	36 (1 ↑)		X
Tennessee	Memphis	2.838%	3,406	8 (1 ↑)	2.838%	34,061	11 (-)	2.838%	851,514	11 (-)		X
Texas	Houston	2.440%	2,928	18 (-)	2.440%	29,279	19 (1 ↓)	2.440%	731,978	20 (1 ↓)		
Utah	Salt Lake City	1.543%	1,852	33 (1 ↓)	1.543%	18,516	36 (1 ↓)	1.543%	462,911	37 (1 ↓)		
Vermont	Burlington	2.382%	2,858	20 (3 ↑)	2.382%	28,581	21 (2 ↑)	2.382%	714,532	22 (2 ↑)		X
Virginia	Virginia Beach	1.030%	1,236	49 (1 ↑)	1.030%	12,364	50 (-)	1.030%	309,111	50 (-)		
Washington	Seattle	0.876%	1,051	52 (1 ↓)	0.876%	10,508	52 (1 ↓)	0.876%	262,695	52 (1 ↓)		
West Virginia	Charleston	1.614%	1,937	31 (-)	1.614%	19,372	33 (-)	1.614%	484,298	35 (-)		
Wisconsin	Milwaukee	2.803%	3,364	11 (1 ↑)	2.863%	34,360	10 (2 ↑)	2.870%	860,938	10 (2 ↑)	X	
Wyoming	Cheyenne	0.635%	762	53 (-)	0.635%	7,617	53 (-)	0.635%	190,416	53 (-)		
AVERAGE		**2.053%**	**2,463**		**2.113%**	**25,357**		**2.147%**	**644,066**		**N = 10**	**N = 27**

* Illinois and New York have two cities included in this table, because the tax systems in Chicago and New York City are significantly different from the rest of the state. $100,000-valued property has an additional $20,000 worth of fixtures; $1 million-valued property has an additional $200,000 worth of fixtures; $25 million-valued property has an additional $5 million worth of fixtures.

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Appendix Table 3b: Commercial Property Taxes for the Largest Fifty U.S. Cities

		Land and Building Value: $100,000			Land and Building Value: $1 Million			Land and Building Value: $25 Million			Tax Rate Varies with Property Value	Lower Tax Rate on Personal Property
State	**City**	**Tax Rate**	**Tax Bill**	**Rank**	**Tax Rate**	**Tax Bill**	**Rank**	**Tax Rate**	**Tax Bill**	**Rank**		
Arizona	Mesa	1.495%	1,793	30 (-)	1.598%	19,176	31 (2 ↓)	1.873%	561,993	28 (2 ↓)	X	X
Arizona	Phoenix	2.114%	2,537	22 (2 ↑)	2.257%	27,086	20 (2 ↑)	2.638%	791,431	12 (2 ↑)	X	X
Arizona	Tucson	2.372%	2,847	18 (4 ↑)	2.511%	30,132	14 (6 ↑)	2.880%	864,025	5 (5 ↑)	X	X
California	Fresno	1.229%	1,475	39 (-)	1.229%	14,752	40 (-)	1.229%	368,809	40 (-)		
California	Long Beach	1.125%	1,350	45 (1 ↓)	1.125%	13,500	46 (1 ↓)	1.125%	337,499	46 (1 ↓)		
California	Los Angeles	1.192%	1,430	40 (1 ↑)	1.192%	14,304	41 (1 ↑)	1.192%	357,598	41 (1 ↑)		
California	Oakland	1.365%	1,638	35 (1 ↓)	1.365%	16,385	36 (1 ↓)	1.365%	409,620	37 (1 ↓)		
California	Sacramento	1.143%	1,371	44 (1 ↑)	1.143%	13,711	45 (1 ↑)	1.143%	342,780	45 (1 ↑)		
California	San Diego	1.175%	1,410	43 (1 ↓)	1.175%	14,095	44 (1 ↓)	1.175%	352,377	44 (1 ↓)		
California	San Francisco	1.183%	1,419	42 (1 ↑)	1.183%	14,191	43 (1 ↑)	1.183%	354,780	43 (1 ↑)		
California	San Jose	1.290%	1,548	37 (1 ↑)	1.290%	15,485	38 (1 ↑)	1.290%	387,120	39 (-)		
Colorado	Colorado Springs	1.688%	2,026	25 (3 ↑)	1.688%	20,260	28 (4 ↑)	1.688%	506,508	30 (3 ↑)		
Colorado	Denver	2.397%	2,876	17 (2 ↑)	2.397%	28,758	18 (1 ↑)	2.397%	718,957	19 (2 ↑)		
DC	Washington	1.266%	1,520	38 (2 ↓)	1.266%	15,197	39 (2 ↓)	1.941%	582,313	27 (2 ↑)	X	X
Florida	Jacksonville	1.471%	1,765	32 (1 ↓)	1.735%	20,822	27 (1 ↑)	1.771%	531,428	29 (1 ↑)	X	X
Florida	Miami	1.645%	1,974	27 (2 ↑)	1.957%	23,480	25 (1 ↑)	1.999%	599,814	26 (2 ↑)	X	X
Georgia	Atlanta	1.672%	2,006	26 (-)	1.672%	20,060	29 (1 ↑)	1.672%	501,494	31 (-)		
Illinois	Chicago	3.604%	4,325	3 (-)	3.604%	43,249	3 (-)	3.604%	1,081,225	3 (-)		X
Indiana	Indianapolis	2.836%	3,404	5 (1 ↓)	2.836%	34,035	7 (2 ↓)	2.836%	850,887	8 (3 ↓)		
Kansas	Wichita	2.831%	3,398	6 (3 ↑)	2.831%	33,977	8 (2 ↑)	2.831%	849,416	9 (2 ↑)		
Kentucky	Louisville	1.400%	1,680	34 (1 ↑)	1.400%	16,804	35 (1 ↑)	1.400%	420,105	36 (1 ↑)		
Louisiana	New Orleans*	2.106%	2,527	23 (NA)	2.106%	25,274	23 (NA)	2.106%	631,848	23 (NA)		
Maryland	Baltimore	2.662%	3,194	9 (9 ↑)	2.662%	31,941	10 (8 ↑)	2.662%	798,523	11 (9 ↑)		
Massachusetts	Boston	2.239%	2,686	20 (14 ↓)	2.239%	26,863	21 (13 ↓)	2.239%	671,580	21 (13 ↓)		X
Michigan	Detroit	4.125%	4,950	1 (-)	4.125%	49,502	1 (-)	4.125%	1,237,562	1 (-)		X
Minnesota	Minneapolis	2.576%	3,092	12 (2 ↓)	3.254%	39,047	4 (-)	3.369%	1,010,610	4 (-)	X	X
Missouri	Kansas City	2.751%	3,301	8 (-)	2.751%	33,013	9 (-)	2.751%	825,337	10 (1 ↓)		X
Nebraska	Omaha	2.099%	2,518	24 (1 ↑)	2.099%	25,183	24 (1 ↑)	2.099%	629,572	24 (1 ↑)		
Nevada	Las Vegas	1.123%	1,347	46 (-)	1.123%	13,473	47 (-)	1.123%	336,835	47 (-)		
New Mexico	Albuquerque	1.488%	1,785	31 (1 ↑)	1.488%	17,854	33 (-)	1.488%	446,348	34 (-)		
New York	New York City	3.956%	4,747	2 (-)	3.956%	47,472	2 (-)	3.956%	1,186,812	2 (-)		X
North Carolina	Charlotte	1.184%	1,421	41 (1 ↓)	1.184%	14,213	42 (1 ↓)	1.184%	355,313	42 (1 ↓)		
North Carolina	Raleigh	1.039%	1,247	48 (-)	1.039%	12,472	48 (-)	1.039%	311,789	48 (-)		X
Ohio	Cleveland	2.400%	2,880	16 (5 ↓)	2.400%	28,803	17 (6 ↓)	2.400%	720,080	18 (6 ↓)		X
Ohio	Columbus	1.622%	1,946	28 (5 ↓)	1.622%	19,464	30 (6 ↓)	1.622%	486,612	32 (8 ↓)		X
AVERAGE		**1.959%**	**2,351**		**2.009%**	**24,104**		**2.050%**	**614,945**		**N = 9**	**N = 19**

		Land and Building Value: $100,000			Land and Building Value: $1 Million			Land and Building Value: $25 Million			Tax Rate Varies with Property Value	Lower Tax Rate on Personal Property
State	**City**	**Tax Rate**	**Tax Bill**	**Rank**	**Tax Rate**	**Tax Bill**	**Rank**	**Tax Rate**	**Tax Bill**	**Rank**		
Oklahoma	Oklahoma City	1.316%	1,579	36 (1 ↑)	1.316%	15,790	37 (1 ↑)	1.316%	394,739	38 (-)		
Oklahoma	Tulsa	1.457%	1,749	33 (-)	1.457%	17,486	34 (-)	1.457%	437,158	35 (-)		X
Oregon	Portland	2.291%	2,750	19 (1 ↑)	2.291%	27,496	19 (2 ↑)	2.291%	687,406	20 (2 ↑)	X	
Pennsylvania	Philadelphia	1.106%	1,327	47 (-)	1.873%	22,473	26 (1 ↑)	2.031%	609,345	25 (2 ↑)		X
Tennessee	Memphis	2.838%	3,406	4 (1 ↑)	2.838%	34,061	6 (-)	2.838%	851,514	7 (1 ↓)		X
Tennessee	Nashville	1.554%	1,865	29 (2 ↓)	1.554%	18,646	32 (1 ↓)	1.554%	466,142	33 (1 ↓)		X
Texas	Austin	2.212%	2,655	21 (-)	2.212%	26,547	22 (1 ↑)	2.212%	663,682	22 (1 ↑)		
Texas	Dallas	2.554%	3,065	13 (1 ↓)	2.554%	30,652	13 (1 ↓)	2.554%	766,288	15 (2 ↓)		
Texas	El Paso	2.408%	2,889	15 (2 ↑)	2.408%	28,892	16 (1 ↑)	2.408%	722,291	17 (2 ↑)		
Texas	Fort Worth	2.615%	3,139	10 (3 ↑)	2.615%	31,385	11 (2 ↑)	2.615%	784,634	13 (2 ↑)		
Texas	Houston	2.440%	2,928	14 (2 ↑)	2.440%	29,279	15 (1 ↑)	2.440%	731,978	16 (2 ↑)		
Texas	San Antonio	2.601%	3,121	11 (3 ↑)	2.601%	31,214	12 (2 ↑)	2.601%	780,342	14 (2 ↑)		
Virginia	Virginia Beach	1.030%	1,236	49 (-)	1.030%	12,364	49 (-)	1.030%	309,111	49 (-)		
Washington	Seattle	0.876%	1,051	50 (-)	0.876%	10,508	50 (-)	0.876%	262,695	50 (-)		
Wisconsin	Milwaukee	2.803%	3,364	7 (-)	2.863%	34,360	5 (2 ↑)	2.870%	860,938	6 (1 ↑)	X	
AVERAGE		**1.959%**	**2,351**		**2.009%**	**24,104**		**2.050%**	**614,945**		**N = 9**	**N = 19**

* New Orleans, LA replaces Arlington, TX in the set of fifty largest cities.
$100,000-valued property has an additional $20,000 worth of fixtures; $1 million-valued property has an additional $200,000 worth of fixtures; $25 million-valued property has an additional $5 million worth of fixtures.

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Appendix Table 3c: Commercial Property Taxes for Selected Rural Municipalities

		Land and Building Value: $100,000			Land and Building Value: $1 Million			Land and Building Value: $25 Million			Tax Rate Varies with Property Value	Lower Tax Rate on Personal Property
State	**Municipality**	**Tax Rate**	**Tax Bill**	**Rank**	**Tax Rate**	**Tax Bill**	**Rank**	**Tax Rate**	**Tax Bill**	**Rank**		
Alabama	Monroeville	0.820%	984	44 (1 ↑)	0.820%	9,840	45 (-)	0.820%	246,000	45 (-)		
Alaska	Ketchican	0.803%	963	45 (1 ↓)	0.974%	11,682	43 (1 ↓)	0.997%	299,081	43 (2 ↓)	X	X
Arizona	Safford	1.169%	1,403	33 (5 ↓)	1.258%	15,091	32 (5 ↓)	1.493%	447,970	27 (3 ↓)	X	X
Arkansas	Pocahontas	0.722%	866	48 (-)	0.722%	8,663	48 (-)	0.722%	216,581	48 (-)		
California	Yreka	1.053%	1,264	38 (2 ↑)	1.053%	12,636	39 (2 ↑)	1.053%	315,900	39 (3 ↑)		
Colorado	Walsenburg	2.136%	2,563	11 (3 ↑)	2.136%	25,627	13 (2 ↑)	2.136%	640,668	13 (2 ↑)		
Connecticut	Litchfield	1.805%	2,166	24 (1 ↑)	1.805%	21,660	24 (1 ↑)	1.805%	541,489	24 (2 ↑)		
Delaware	Georgetown	0.497%	597	50 (-)	0.497%	5,970	50 (-)	0.497%	149,240	50 (-)		X
Florida	Moore Haven	1.914%	2,296	23 (2 ↓)	2.250%	27,002	12 (-)	2.296%	688,890	12 (1 ↓)	X	X
Georgia	Fitzgerald	1.726%	2,071	25 (1 ↓)	1.726%	20,707	25 (1 ↓)	1.726%	517,668	25 (-)		
Hawaii	Kauai	0.675%	810	49 (-)	0.675%	8,100	49 (-)	0.675%	202,500	49 (-)		X
Idaho	St. Anthony	1.004%	1,205	42 (12 ↓)	1.146%	13,749	36 (7 ↓)	1.281%	384,423	31 (3 ↓)	X	X
Illinois	Galena	1.979%	2,375	20 (1 ↓)	1.979%	23,750	22 (2 ↓)	1.979%	593,742	22 (2 ↓)		X
Indiana	North Vernon	2.875%	3,450	4 (-)	2.875%	34,500	4 (2 ↑)	2.875%	862,500	5 (1 ↑)		
Iowa	Hampton	1.944%	2,333	22 (16 ↓)	2.796%	33,549	6 (3 ↓)	2.980%	893,988	3 (-)	X	X
Kansas	Iola	4.547%	5,456	1 (-)	4.547%	54,562	1 (-)	4.547%	1,364,055	1 (-)		X
Kentucky	Morehead	1.089%	1,306	35 (1 ↑)	1.089%	13,062	37 (1 ↓)	1.089%	326,560	37 (1 ↓)		
Louisiana	Natchitoches	1.356%	1,627	29 (-)	1.356%	16,271	29 (1 ↑)	1.356%	406,787	30 (-)		
Maine	Rockland	2.120%	2,544	13 (3 ↑)	2.120%	25,440	15 (2 ↑)	2.120%	636,000	15 (2 ↑)		
Maryland	Denton	1.962%	2,355	21 (2 ↑)	1.962%	23,548	23 (-)	1.962%	588,700	23 (-)		
Massachusetts	Adams	2.073%	2,487	15 (6 ↓)	2.073%	24,872	17 (7 ↓)	2.073%	621,810	17 (7 ↓)		X
Michigan	Manistique	2.815%	3,378	5 (2 ↓)	2.815%	33,776	5 (-)	2.815%	844,412	6 (1 ↓)		X
Minnesota	Glencoe	2.966%	3,559	3 (4 ↑)	3.766%	45,188	2 (-)	3.901%	1,170,326	2 (-)	X	X
Mississippi	Philadelphia	2.104%	2,525	14 (1 ↓)	2.104%	25,250	16 (2 ↓)	2.104%	631,260	16 (2 ↓)		
Missouri	Boonville	2.057%	2,468	17 (2 ↓)	2.057%	24,685	19 (3 ↓)	2.057%	617,124	19 (3 ↓)		
Montana	Glasgow	1.086%	1,303	36 (6 ↑)	1.186%	14,227	34 (6 ↑)	1.281%	384,414	32 (6 ↑)	X	X
Nebraska	Sidney	2.125%	2,551	12 (-)	2.125%	25,505	14 (1 ↓)	2.125%	637,635	14 (1 ↓)		
Nevada	Fallon	1.281%	1,537	30 (1 ↑)	1.281%	15,372	30 (1 ↑)	1.281%	384,300	33 (2 ↓)		
New Hampshire	Lancaster	2.341%	2,809	9 (8 ↑)	2.341%	28,095	10 (8 ↑)	2.341%	702,370	10 (8 ↑)		X
New Jersey	Maurice River Twp	2.052%	2,463	18 (-)	2.052%	24,629	20 (1 ↓)	2.052%	615,718	20 (1 ↓)		X
New Mexico	Santa Rosa	1.054%	1,265	37 (1 ↑)	1.054%	12,653	38 (-)	1.054%	316,336	38 (1 ↑)		
New York	Warsaw	2.975%	3,570	2 (-)	2.975%	35,700	3 (1 ↑)	2.975%	892,508	4 (-)		X
North Carolina	Edenton	1.050%	1,261	39 (-)	1.050%	12,605	40 (1 ↓)	1.050%	315,129	40 (-)		
North Dakota	Devils Lake	1.046%	1,255	40 (5 ↓)	1.046%	12,550	41 (6 ↓)	1.046%	313,750	41 (6 ↓)		X
Ohio	Bryan	1.398%	1,677	27 (1 ↓)	1.398%	16,770	27 (1 ↓)	1.398%	419,255	28 (1 ↓)		X
AVERAGE		**1.699%**	**2,039**		**1.750%**	**20,999**		**1.767%**	**530,140**		**N = 8**	**N = 24**

State	Municipality	Land and Building Value: $100,000 Tax Rate	Land and Building Value: $100,000 Tax Bill	Land and Building Value: $100,000 Rank	Land and Building Value: $1 Million Tax Rate	Land and Building Value: $1 Million Tax Bill	Land and Building Value: $1 Million Rank	Land and Building Value: $25 Million Tax Rate	Land and Building Value: $25 Million Tax Bill	Land and Building Value: $25 Million Rank	Tax Rate Varies with Property Value	Lower Tax Rate on Personal Property
Oklahoma	Mangum	0.920%	1,104	43 (-)	0.920%	11,036	44 (-)	0.920%	275,888	44 (-)		
Oregon	Tillamook	1.166%	1,400	34 (3 ↑)	1.166%	13,996	35 (2 ↑)	1.166%	349,910	36 (1 ↑)		
Pennsylvania	Ridgway	2.524%	3,029	8 (3 ↑)	2.524%	30,288	9 (2 ↑)	2.524%	757,197	9 (3 ↑)		X
Rhode Island	Hopkinton	2.065%	2,478	16 (6 ↑)	2.065%	24,782	18 (4 ↑)	2.065%	619,552	18 (4 ↑)		X
South Carolina	Mullins	2.765%	3,318	6 (1 ↓)	2.765%	33,179	7 (-)	2.765%	829,470	7 (-)		
South Dakota	Madison	1.673%	2,007	26 (1 ↑)	1.673%	20,070	26 (2 ↑)	1.673%	501,760	26 (3 ↑)		X
Tennessee	Savannah	1.007%	1,209	41 (-)	1.007%	12,085	42 (1 ↑)	1.007%	302,130	42 (1 ↑)		X
Texas	Fort Stockton	2.556%	3,067	7 (1 ↑)	2.556%	30,673	8 (-)	2.556%	766,830	8 (-)		
Utah	Richfield	1.261%	1,513	31 (2 ↑)	1.261%	15,130	31 (2 ↑)	1.261%	378,240	34 (1 ↓)		
Vermont	Hartford	2.004%	2,405	19 (1 ↑)	2.004%	24,053	21 (-)	2.004%	601,331	21 (-)		X
Virginia	Wise	0.748%	898	47 (1 ↓)	0.748%	8,980	47 (1 ↓)	0.748%	224,500	47 (1 ↓)		
Washington	Okanogan	1.249%	1,498	32 (2 ↑)	1.249%	14,985	33 (1 ↑)	1.249%	374,620	35 (1 ↓)		
West Virginia	Elkins	1.374%	1,649	28 (4 ↑)	1.374%	16,492	28 (4 ↑)	1.374%	412,292	29 (3 ↑)		X
Wisconsin	Rice Lake	2.250%	2,700	10 (-)	2.300%	27,604	11 (2 ↓)	2.306%	691,706	11 (2 ↓)	X	
Wyoming	Worland	0.775%	930	46 (1 ↑)	0.775%	9,300	46 (1 ↑)	0.775%	232,510	46 (1 ↑)		
AVERAGE		**1.699%**	**2,039**		**1.750%**	**20,999**		**1.767%**	**530,140**		**N = 8**	**N = 24**

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$100,000-valued property has an additional $20,000 worth of fixtures; $1 million-valued property has an additional $200,000 worth of fixtures; $25 million-valued property has an additional $5 million worth of fixtures.

Appendix Table 4a: Industrial Property Taxes for Largest City in Each State (Personal Property = 50% of Total Parcel Value)

		Land and Building Value: $100,000			Land and Building Value: $1 Million			Land and Building Value: $25 Million			Tax Rate Varies with Property Value
State	City	Tax Rate	Tax Bill	Rank	Tax Rate	Tax Bill	Rank	Tax Rate	Tax Bill	Rank	
Alabama	Birmingham	1.160%	2,320	37 (-)	1.160%	23,200	39 (1 ↑)	1.160%	580,000	41 (1 ↓)	
Alaska	Anchorage	1.270%	2,541	30 (-)	1.403%	28,052	30 (1 ↓)	1.417%	708,356	31 (1 ↓)	X
Arizona	Phoenix	1.268%	2,537	31 (-)	2.002%	40,045	13 (-)	2.231%	1,115,416	8 (2 ↑)	X
Arkansas	Little Rock	1.422%	2,845	25 (2 ↑)	1.422%	28,447	27 (4 ↑)	1.422%	711,165	29 (2 ↑)	
California	Los Angeles	0.954%	1,907	41 (1 ↓)	0.954%	19,072	44 (1 ↓)	0.954%	476,798	45 (2 ↓)	
Colorado	Denver	1.920%	3,839	14 (2 ↓)	1.920%	38,393	16 (1 ↓)	1.920%	959,814	17 (2 ↓)	
Connecticut	Bridgeport	2.007%	4,013	12 (2 ↑)	2.007%	40,130	12 (5 ↑)	2.007%	1,003,257	14 (3 ↑)	
DC	Washington	0.760%	1,520	45 (1 ↓)	1.397%	27,947	31 (1 ↓)	1.845%	922,313	18 (-)	X
Delaware	Wilmington	0.625%	1,251	50 (1 ↑)	0.625%	12,510	51 (-)	0.625%	312,739	51 (-)	
Florida	Jacksonville	1.200%	2,400	35 (2 ↓)	1.404%	28,077	29 (1 ↓)	1.426%	712,803	28 (-)	X
Georgia	Atlanta	1.525%	3,049	23 (5 ↓)	1.525%	30,492	25 (5 ↓)	1.525%	762,294	26 (5 ↓)	
Hawaii	Honolulu	0.597%	1,194	52 (-)	0.597%	11,937	52 (-)	0.597%	298,437	52 (-)	
Idaho	Boise	0.844%	1,688	43 (-)	1.266%	25,311	34 (-)	1.347%	673,271	33 (1 ↑)	X
Illinois	Aurora*	2.056%	4,112	11 (-)	2.056%	41,124	11 (3 ↑)	2.056%	1,028,106	12 (2 ↑)	
Illinois	Chicago	2.158%	4,316	9 (1 ↑)	2.158%	43,156	9 (3 ↑)	2.158%	1,078,906	10 (3 ↑)	
Indiana	Indianapolis	2.274%	4,547	7 (2 ↓)	2.274%	45,474	7 (1 ↓)	2.274%	1,136,853	7 (1 ↓)	
Iowa	Des Moines	1.365%	2,731	27 (11 ↓)	1.876%	37,526	17 (7 ↓)	1.987%	993,439	15 (7 ↓)	X
Kansas	Wichita	1.549%	3,098	20 (5 ↑)	1.549%	30,980	24 (2 ↑)	1.549%	774,511	25 (2 ↑)	
Kentucky	Louisville	0.793%	1,586	44 (1 ↑)	0.793%	15,862	47 (1 ↓)	0.793%	396,555	47 (-)	
Louisiana	New Orleans	2.156%	4,311	10 (2 ↓)	2.156%	43,114	10 (2 ↓)	2.156%	1,077,858	11 (2 ↓)	
Maine	Portland	1.135%	2,269	38 (-)	1.135%	22,693	40 (1 ↑)	1.135%	567,325	42 (1 ↓)	
Maryland	Baltimore	1.317%	2,635	29 (7 ↑)	1.317%	26,349	33 (5 ↑)	1.317%	658,726	34 (5 ↑)	
Massachusetts	Boston	1.358%	2,716	28 (7 ↓)	1.358%	27,158	32 (9 ↓)	1.358%	678,960	32 (8 ↓)	
Michigan	Detroit	2.445%	4,890	5 (2 ↑)	3.230%	64,601	2 (-)	3.230%	1,615,026	2 (-)	X
Minnesota	Minneapolis	1.546%	3,092	21 (2 ↓)	1.952%	39,047	14 (3 ↓)	2.021%	1,010,610	13 (1 ↓)	X
Mississippi	Jackson	2.685%	5,371	2 (1 ↑)	2.685%	53,709	3 (1 ↑)	2.685%	1,342,725	3 (1 ↑)	
Missouri	Kansas City	2.183%	4,366	8 (1 ↑)	2.183%	43,663	8 (1 ↑)	2.185%	1,091,580	9 (2 ↑)	
Montana	Billings	0.606%	1,211	51 (3 ↓)	0.851%	17,023	46 (2 ↑)	1.191%	595,464	39 (7 ↑)	X
Nebraska	Omaha	1.705%	3,410	16 (1 ↑)	1.705%	34,104	19 (-)	1.705%	852,611	20 (-)	
Nevada	Las Vegas	0.903%	1,806	42 (-)	0.903%	18,063	45 (-)	0.903%	451,572	46 (1 ↓)	
New Hampshire	Manchester	1.184%	2,367	36 (1 ↓)	1.184%	23,674	38 (1 ↓)	1.184%	591,860	40 (2 ↓)	
New Jersey	Newark	1.523%	3,046	24 (2 ↑)	1.523%	30,456	26 (1 ↑)	1.523%	761,401	27 (2 ↑)	
New Mexico	Albuquerque	1.209%	2,419	34 (-)	1.209%	24,186	37 (1 ↓)	1.209%	604,641	38 (2 ↓)	
New York	Buffalo*	1.571%	3,141	19 (1 ↑)	1.571%	31,413	23 (2 ↓)	1.571%	785,315	24 (2 ↓)	
New York	New York City	2.374%	4,747	6 (-)	2.374%	47,472	6 (1 ↑)	2.374%	1,186,812	6 (1 ↑)	
AVERAGE		**1.482%**	**2,965**		**1.569%**	**31,375**		**1.595%**	**797,694**		**N = 11**

		Land and Building Value: $100,000			Land and Building Value: $1 Million			Land and Building Value: $25 Million			Tax Rate Varies with Property Value
State	City	Tax Rate	Tax Bill	Rank	Tax Rate	Tax Bill	Rank	Tax Rate	Tax Bill	Rank	
North Carolina	Charlotte	0.970%	1,939	39 (-)	0.970%	19,390	42 (-)	0.970%	484,753	43 (1 ↓)	
North Dakota	Fargo	0.681%	1,363	47 (-)	0.681%	13,626	49 (-)	0.681%	340,643	49 (-)	
Ohio	Columbus	1.234%	2,468	33 (5 ↓)	1.234%	24,684	36 (4 ↓)	1.234%	617,102	36 (4 ↓)	
Oklahoma	Oklahoma City	1.419%	2,838	26 (3 ↑)	1.419%	28,385	28 (5 ↑)	1.419%	709,614	30 (3 ↑)	
Oregon	Portland	1.833%	3,666	15 (-)	1.833%	36,662	18 (-)	1.833%	916,541	19 (-)	
Pennsylvania	Philadelphia	0.663%	1,327	49 (1 ↑)	1.124%	22,473	41 (2 ↓)	1.219%	609,345	37 (-)	X
Rhode Island	Providence	1.944%	3,888	13 (-)	1.944%	38,876	15 (1 ↑)	1.944%	971,888	16 (-)	
South Carolina	Columbia	4.158%	8,316	1 (-)	4.158%	83,162	1 (-)	4.158%	2,079,040	1 (-)	
South Dakota	Sioux Falls	0.959%	1,919	40 (1 ↑)	0.959%	19,187	43 (1 ↑)	0.959%	479,665	44 (-)	
Tennessee	Memphis	2.635%	5,271	3 (1 ↓)	2.635%	52,709	4 (1 ↓)	2.635%	1,317,714	4 (1 ↓)	
Texas	Houston	2.535%	5,070	4 (-)	2.535%	50,703	5 (-)	2.535%	1,267,582	5 (-)	
Utah	Salt Lake City	1.242%	2,485	32 (-)	1.242%	24,847	35 (-)	1.242%	621,171	35 (-)	
Vermont	Burlington	1.578%	3,156	18 (6 ↑)	1.578%	31,555	21 (4 ↑)	1.578%	788,885	23 (3 ↑)	
Virginia	Virginia Beach	0.538%	1,076	53 (-)	0.538%	10,764	53 (-)	0.538%	269,111	53 (-)	
Washington	Seattle	0.708%	1,416	46 (-)	0.708%	14,162	48 (1 ↓)	0.708%	354,048	48 (-)	
West Virginia	Charleston	1.623%	3,247	17 (5 ↑)	1.623%	32,468	20 (4 ↑)	1.623%	811,711	21 (4 ↑)	
Wisconsin	Milwaukee	1.538%	3,077	22 (1 ↑)	1.575%	31,490	22 (-)	1.578%	789,186	22 (1 ↑)	X
Wyoming	Cheyenne	0.665%	1,329	48 (1 ↑)	0.665%	13,290	50 (-)	0.665%	332,258	50 (-)	
AVERAGE		**1.482%**	**2,965**		**1.569%**	**31,375**		**1.595%**	**797,694**		**N = 11**

* Illinois and New York have two cities included in this table, because the tax systems in Chicago and New York City are significantly different from the rest of the state.
$100,000-valued property has an additional $50,000 worth of machinery and equipment, an additional $40,000 worth of inventories, and an additional $10,000 worth of fixtures.
$1 million-valued property has an additional $500,000 worth of machinery and equipment, an additional $400,000 worth of inventories, and an additional $100,000 worth of fixtures.
$25 million-valued property has an additional $12.5 million worth of machinery and equipment, an additional $10 million worth of inventories, and an additional $2.5 million worth of fixtures.

Appendix Table 4b: Industrial Property Taxes for Largest City in Each State (Personal Property = 60% of Total Parcel Value)

		Land and Building Value: $100,000			Land and Building Value: $1 Million			Land and Building Value: $25 Million			Tax Rate Varies with Property Value
State	City	Tax Rate	Tax Bill	Rank	Tax Rate	Tax Bill	Rank	Tax Rate	Tax Bill	Rank	
Alabama	Birmingham	1.102%	2,755	32 (3 ↑)	1.102%	27,550	36 (2 ↑)	1.102%	688,750	37 (1 ↑)	
Alaska	Anchorage	1.310%	3,276	22 (2 ↑)	1.416%	35,402	25 (2 ↓)	1.427%	892,106	24 (1 ↓)	X
Arizona	Phoenix	1.015%	2,537	35 (1 ↑)	1.991%	49,765	9 (-)	2.173%	1,358,405	6 (2 ↑)	X
Arkansas	Little Rock	1.418%	3,546	20 (1 ↑)	1.418%	35,457	24 (1 ↑)	1.418%	886,415	25 (-)	
California	Los Angeles	0.906%	2,265	40 (1 ↓)	0.906%	22,648	42 (1 ↓)	0.906%	566,197	44 (2 ↓)	
Colorado	Denver	1.825%	4,562	10 (- -)	1.825%	45,618	11 (- -)	1.825%	1,140,456	12 (- -)	
Connecticut	Bridgeport	1.664%	4,161	14 (3 ↑)	1.664%	41,607	15 (5 ↑)	1.664%	1,040,181	16 (5 ↑)	
DC	Washington	0.608%	1,520	47 (- -)	1.526%	38,147	20 (2 ↑)	1.884%	1,177,313	11 (1 ↓)	X
Delaware	Wilmington	0.500%	1,251	50 (1 ↑)	0.500%	12,510	51 (- -)	0.500%	312,739	51 (- -)	
Florida	Jacksonville	1.177%	2,944	29 (- -)	1.341%	33,518	27 (1 ↓)	1.358%	848,834	27 (1 ↓)	X
Georgia	Atlanta	1.498%	3,744	18 (6 ↓)	1.498%	37,444	22 (7 ↓)	1.498%	936,104	22 (6 ↓)	
Hawaii	Honolulu	0.477%	1,194	52 (-)	0.477%	11,937	52 (-)	0.477%	298,437	52 (-)	
Idaho	Boise	0.675%	1,688	45 (-)	1.215%	30,372	32 (-)	1.280%	799,802	30 (1 ↑)	X
Illinois	Aurora*	1.645%	4,112	15 (3 ↑)	1.645%	41,124	16 (5 ↑)	1.645%	1,028,106	17 (5 ↑)	
Illinois	Chicago	1.726%	4,316	12 (2 ↑)	1.726%	43,156	13 (4 ↑)	1.726%	1,078,906	14 (4 ↑)	
Indiana	Indianapolis	2.169%	5,424	6 (1 ↓)	2.169%	54,237	7 (1 ↓)	2.169%	1,355,928	8 (2 ↓)	
Iowa	Des Moines	1.092%	2,731	33 (13 ↓)	1.501%	37,526	21 (8 ↓)	1.589%	993,433	21 (8 ↓)	X
Kansas	Wichita	1.299%	3,248	23 (5 ↑)	1.299%	32,479	29 (2 ↑)	1.299%	811,963	29 (3 ↑)	
Kentucky	Louisville	0.691%	1,728	43 (1 ↑)	0.691%	17,283	47 (- -)	0.691%	432,080	47 (- -)	
Louisiana	New Orleans	2.171%	5,426	5 (1 ↑)	2.171%	54,265	6 (1 ↑)	2.171%	1,356,614	7 (- -)	
Maine	Portland	0.949%	2,372	37 (3 ↑)	0.949%	23,725	39 (3 ↑)	0.949%	593,113	41 (2 ↑)	
Maryland	Baltimore	1.166%	2,914	30 (4 ↑)	1.166%	29,145	34 (3 ↑)	1.166%	728,625	35 (2 ↑)	
Massachusetts	Boston	1.086%	2,716	34 (11 ↓)	1.086%	27,158	37 (8 ↓)	1.086%	678,960	38 (9 ↓)	
Michigan	Detroit	2.019%	5,047	8 (-)	2.961%	74,019	2 (-)	2.961%	1,850,487	2 (-)	X
Minnesota	Minneapolis	1.237%	3,092	26 (-)	1.562%	39,047	19 (5 ↓)	1.617%	1,010,610	20 (5 ↓)	X
Mississippi	Jackson	2.685%	6,714	2 (- -)	2.685%	67,136	3 (- -)	2.685%	1,678,406	3 (- -)	
Missouri	Kansas City	2.066%	5,165	7 (- -)	2.066%	51,650	8 (- -)	2.066%	1,291,262	9 (- -)	
Montana	Billings	0.485%	1,211	51 (2 ↓)	0.799%	19,969	45 (4 ↑)	1.188%	742,763	33 (15 ↑)	X
Nebraska	Omaha	1.632%	4,080	16 (1 ↓)	1.632%	40,796	17 (1 ↑)	1.632%	1,019,891	18 (1 ↑)	
Nevada	Las Vegas	0.860%	2,150	41 (- -)	0.860%	21,505	44 (- -)	0.860%	537,625	45 (1 ↓)	
New Hampshire	Manchester	0.947%	2,367	38 (1 ↓)	0.947%	23,674	40 (1 ↓)	0.947%	591,860	42 (2 ↓)	
New Jersey	Newark	1.218%	3,046	27 (5 ↑)	1.218%	30,456	31 (4 ↑)	1.218%	761,401	32 (3 ↑)	
New Mexico	Albuquerque	1.157%	2,893	31 (-)	1.157%	28,934	35 (1 ↓)	1.157%	723,361	36 (2 ↓)	
New York	Buffalo*	1.257%	3,141	25 (2 ↑)	1.257%	31,413	30 (-)	1.257%	785,315	31 (1 ↓)	
New York	New York City	1.899%	4,747	9 (-)	1.899%	47,472	10 (-)	1.899%	1,186,812	10 (1 ↑)	
AVERAGE		**1.331%**	**3,328**		**1.427%**	**35,683**		**1.451%**	**906,763**		**N = 11**

		Land and Building Value: $100,000			Land and Building Value: $1 Million			Land and Building Value: $25 Million			Tax Rate Varies with Property Value
State	**City**	**Tax Rate**	**Tax Bill**	**Rank**	**Tax Rate**	**Tax Bill**	**Rank**	**Tax Rate**	**Tax Bill**	**Rank**	
North Carolina	Charlotte	0.931%	2,327	39 (1 ↓)	0.931%	23,273	41 (1 ↓)	0.931%	581,833	43 (2 ↓)	
North Dakota	Fargo	0.545%	1,363	48 (-)	0.545%	13,626	50 (-)	0.545%	340,643	50 (-)	
Ohio	Columbus	0.987%	2,468	36 (3 ↓)	0.987%	24,684	38 (2 ↓)	0.987%	617,102	39 (3 ↓)	
Oklahoma	Oklahoma City	1.450%	3,626	19 (-)	1.450%	36,256	23 (1 ↑)	1.450%	906,411	23 (1 ↑)	
Oregon	Portland	1.741%	4,354	11 (-)	1.741%	43,536	12 (-)	1.741%	1,088,393	13 (1 ↑)	
Pennsylvania	Philadelphia	0.531%	1,327	49 (1 ↑)	0.899%	22,473	43 (-)	0.975%	609,345	40 (1 ↓)	X
Rhode Island	Providence	1.667%	4,167	13 (-)	1.667%	41,666	14 (2 ↑)	1.667%	1,041,638	15 (2 ↑)	
South Carolina	Columbia	3.950%	9,875	1 (-)	3.950%	98,754	1 (-)	3.950%	2,468,860	1 (-)	
South Dakota	Sioux Falls	0.767%	1,919	42 (1 ↑)	0.767%	19,187	46 (-)	0.767%	479,665	46 (-)	
Tennessee	Memphis	2.575%	6,436	3 (-)	2.575%	64,364	4 (-)	2.575%	1,609,089	4 (-)	
Texas	Houston	2.535%	6,338	4 (-)	2.535%	63,379	5 (-)	2.535%	1,584,478	5 (-)	
Utah	Salt Lake City	1.184%	2,959	28 (2 ↑)	1.184%	29,595	33 (-)	1.184%	739,866	34 (1 ↓)	
Vermont	Burlington	1.376%	3,441	21 (1 ↑)	1.376%	34,409	26 (1 ↑)	1.376%	860,219	26 (1 ↑)	
Virginia	Virginia Beach	0.463%	1,156	53 (-)	0.463%	11,564	53 (-)	0.463%	289,111	53 (-)	
Washington	Seattle	0.676%	1,690	44 (2 ↓)	0.676%	16,902	48 (3 ↓)	0.676%	422,562	48 (3 ↓)	
West Virginia	Charleston	1.626%	4,065	17 (1 ↓)	1.626%	40,654	18 (1 ↑)	1.626%	1,016,344	19 (1 ↑)	
Wisconsin	Milwaukee	1.288%	3,220	24 (1 ↑)	1.317%	32,925	28 (-)	1.320%	825,062	28 (-)	X
Wyoming	Cheyenne	0.631%	1,578	46 (-)	0.631%	15,782	49 (1 ↓)	0.631%	394,556	49 (-)	
AVERAGE		**1.331%**	**3,328**		**1.427%**	**35,683**		**1.451%**	**906,763**		**N = 11**

* Illinois and New York have two cities included in this table, because the tax systems in Chicago and New York City are significantly different from the rest of the state.
$100,000-valued property has an additional $75,000 worth of machinery and equipment, an additional $60,000 worth of inventories, and an additional $15,000 worth of fixtures.
$1 million-valued property has an additional $750,000 worth of machinery and equipment, an additional $600,000 worth of inventories, and an additional $150,000 worth of fixtures.
$25 million-valued property has an additional $18.75 million worth of machinery and equipment, an additional $15 million worth of inventories, and an additional $3.75 million worth of fixtures.

Appendix Table 4c: Industrial Property Taxes for the Largest Fifty U.S. Cities (Personal Property = 50% of Total Parcel Value)

		Land and Building Value: $100,000			Land and Building Value: $1 Million			Land and Building Value: $25 Million			Tax Rate Varies with Property Value
State	City	Tax Rate	Tax Bill	Rank	Tax Rate	Tax Bill	Rank	Tax Rate	Tax Bill	Rank	
Arizona	Mesa	0.897%	1,793	44 (8 ↓)	1.427%	28,542	26 (-)	1.592%	796,127	23 (3 ↓)	X
Arizona	Phoenix	1.268%	2,537	30 (-)	2.002%	40,045	15 (1 ↑)	2.231%	1,115,416	12 (1 ↑)	X
Arizona	Tucson	1.423%	2,847	23 (6 ↑)	2.134%	42,687	14 (1 ↓)	2.356%	1,177,896	9 (3 ↑)	X
California	Fresno	0.983%	1,967	36 (2 ↑)	0.983%	19,670	39 (1 ↑)	0.983%	491,745	39 (1 ↑)	
California	Long Beach	0.900%	1,800	43 (1 ↓)	0.900%	18,000	46 (2 ↓)	0.900%	449,999	46 (2 ↓)	
California	Los Angeles	0.954%	1,907	38 (1 ↑)	0.954%	19,072	41 (-)	0.954%	476,798	41 (-)	
California	Oakland	1.092%	2,185	34 (-)	1.092%	21,846	37 (1 ↓)	1.092%	546,160	37 (-)	
California	Sacramento	0.914%	1,828	41 (2 ↑)	0.914%	18,282	44 (1 ↑)	0.914%	457,040	44 (1 ↑)	
California	San Diego	0.940%	1,879	40 (-)	0.940%	18,793	43 (1 ↓)	0.940%	469,836	43 (1 ↓)	
California	San Francisco	0.946%	1,892	39 (2 ↑)	0.946%	18,922	42 (1 ↑)	0.946%	473,040	42 (1 ↑)	
California	San Jose	1.032%	2,065	35 (-)	1.032%	20,646	38 (-)	1.032%	516,160	38 (-)	
Colorado	Colorado Springs	1.362%	2,724	26 (2 ↑)	1.362%	27,241	31 (2 ↑)	1.362%	681,016	31 (2 ↑)	
Colorado	Denver	1.920%	3,839	14 (-)	1.920%	38,393	17 (-)	1.920%	959,814	17 (-)	
DC	Washington	0.760%	1,520	47 (1 ↓)	1.397%	27,947	30 (1 ↓)	1.845%	922,313	18 (-)	X
Florida	Jacksonville	1.200%	2,400	33 (2 ↓)	1.404%	28,077	29 (1 ↓)	1.426%	712,803	28 (1 ↑)	X
Florida	Miami	1.361%	2,722	27 (-)	1.601%	32,019	21 (1 ↑)	1.627%	813,271	22 (1 ↑)	X
Georgia	Atlanta	1.525%	3,049	21 (4 ↓)	1.525%	30,492	24 (4 ↓)	1.525%	762,294	26 (4 ↓)	
Illinois	Chicago	2.158%	4,316	12 (1 ↑)	2.158%	43,156	12 (3 ↑)	2.158%	1,078,906	14 (2 ↑)	
Indiana	Indianapolis	2.274%	4,547	10 (2 ↓)	2.274%	45,474	10 (1 ↓)	2.274%	1,136,853	11 (2 ↓)	
Kansas	Wichita	1.549%	3,098	18 (5 ↑)	1.549%	30,980	23 (4 ↑)	1.549%	774,511	25 (3 ↑)	
Kentucky	Louisville	0.793%	1,586	46 (1 ↑)	0.793%	15,862	48 (-)	0.793%	396,555	48 (-)	
Louisiana	New Orleans*	2.156%	4,311	13 (NA)	2.156%	43,114	13 (NA)	2.156%	1,077,858	15 (NA)	
Maryland	Baltimore	1.317%	2,635	29 (4 ↑)	1.317%	26,349	33 (2 ↑)	1.317%	658,726	33 (3 ↑)	
Massachusetts	Boston	1.358%	2,716	28 (8 ↓)	1.358%	27,158	32 (8 ↓)	1.358%	678,960	32 (6 ↓)	
Michigan	Detroit	2.445%	4,890	7 (4 ↑)	3.230%	64,601	1 (-)	3.230%	1,615,026	1 (-)	X
Minnesota	Minneapolis	1.546%	3,092	19 (1 ↓)	1.952%	39,047	16 (2 ↓)	2.021%	1,010,610	16 (1 ↓)	X
Missouri	Kansas City	2.183%	4,366	11 (1 ↑)	2.183%	43,663	11 (1 ↑)	2.183%	1,091,580	13 (1 ↑)	
Nebraska	Omaha	1.705%	3,410	17 (1 ↓)	1.705%	34,104	20 (1 ↓)	1.705%	852,611	21 (-)	
Nevada	Las Vegas	0.903%	1,806	42 (2 ↑)	0.903%	18,063	45 (1 ↑)	0.903%	451,572	45 (1 ↑)	
New Mexico	Albuquerque	1.209%	2,419	32 (-)	1.209%	24,186	35 (1 ↓)	1.209%	604,641	36 (2 ↓)	
New York	New York City	2.374%	4,747	8 (1 ↑)	2.374%	47,472	8 (2 ↑)	2.374%	1,186,812	8 (2 ↑)	
North Carolina	Charlotte	0.970%	1,939	37 (-)	0.970%	19,390	40 (1 ↓)	0.970%	484,753	40 (1 ↓)	
North Carolina	Raleigh	0.831%	1,661	45 (-)	0.831%	16,614	47 (-)	0.831%	415,339	47 (-)	
Ohio	Cleveland	1.773%	3,546	16 (3 ↑)	1.773%	35,464	19 (2 ↑)	1.773%	886,604	20 (4 ↑)	
Ohio	Columbus	1.234%	2,468	31 (7 ↓)	1.234%	24,684	34 (4 ↓)	1.234%	617,102	34 (4 ↓)	
AVERAGE		**1.527%**	**3,055**		**1.622%**	**32,445**		**1.648%**	**823,906**		**N = 10**

		Land and Building Value: $100,000			Land and Building Value: $1 Million			Land and Building Value: $25 Million			Tax Rate Varies with Property Value
State	City	Tax Rate	Tax Bill	Rank	Tax Rate	Tax Bill	Rank	Tax Rate	Tax Bill	Rank	
Oklahoma	Oklahoma City	1.419%	2,838	24 (1 ↑)	1.419%	28,385	27 (4 ↑)	1.419%	709,614	29 (2 ↑)	
Oklahoma	Tulsa	1.412%	2,825	25 (1 ↑)	1.412%	28,247	28 (4 ↑)	1.412%	706,178	30 (2 ↑)	
Oregon	Portland	1.833%	3,666	15 (-)	1.833%	36,662	18 (-)	1.833%	916,541	19 (-)	
Pennsylvania	Philadelphia	0.663%	1,327	49 (-)	1.124%	22,473	36 (1 ↑)	1.219%	609,345	35 (-)	X
Tennessee	Memphis	2.635%	5,271	5 (1 ↓)	2.635%	52,709	6 (1 ↓)	2.635%	1,317,714	6 (1 ↓)	
Tennessee	Nashville	1.474%	2,948	22 (1 ↓)	1.474%	29,484	25 (-)	1.474%	737,102	27 (-)	
Texas	Austin	2.296%	4,592	9 (1 ↑)	2.296%	45,922	9 (2 ↑)	2.296%	1,148,041	10 (1 ↑)	
Texas	Dallas	2.742%	5,484	3 (1 ↓)	2.742%	54,837	4 (1 ↓)	2.742%	1,370,918	4 (1 ↓)	
Texas	El Paso	2.772%	5,544	2 (1 ↑)	2.772%	55,438	3 (1 ↑)	2.772%	1,385,956	3 (1 ↑)	
Texas	Fort Worth	2.848%	5,697	1 (-)	2.848%	56,968	2 (-)	2.848%	1,424,199	2 (-)	
Texas	Houston	2.535%	5,070	6 (1 ↑)	2.535%	50,703	7 (1 ↑)	2.535%	1,267,582	7 (1 ↑)	
Texas	San Antonio	2.698%	5,396	4 (1 ↑)	2.698%	53,961	5 (1 ↑)	2.698%	1,349,023	5 (1 ↑)	
Virginia	Virginia Beach	0.538%	1,076	50 (-)	0.538%	10,764	50 (-)	0.538%	269,111	50 (-)	
Washington	Seattle	0.708%	1,416	48 (-)	0.708%	14,162	49 (-)	0.708%	354,048	49 (-)	
Wisconsin	Milwaukee	1.538%	3,077	20 (2 ↑)	1.575%	31,490	22 (1 ↑)	1.578%	789,186	24 (1 ↑)	X
AVERAGE		**1.527%**	**3,055**		**1.622%**	**32,445**		**1.648%**	**823,906**		**N = 10**

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* New Orleans, LA replaces Arlington, TX in the set of fifty largest cities.
$100,000-valued property has an additional $50,000 worth of machinery and equipment, an additional $40,000 worth of inventories, and an additional $10,000 worth of fixtures.
$1 million-valued property has an additional $500,000 worth of machinery and equipment, an additional $400,000 worth of inventories, and an additional $100,000 worth of fixtures.
$25 million-valued property has an additional $12.5 million worth of machinery and equipment, an additional $10 million worth of inventories, and an additional $2.5 million worth of fixtures.

Appendix Table 4d: Industrial Property Taxes for the Largest Fifty U.S. Cities (Personal Property = 60% of Total Parcel Value)

		Land and Building Value: $100,000			Land and Building Value: $1 Million			Land and Building Value: $25 Million			Tax Rate Varies with Property Value
State	City	Tax Rate	Tax Bill	Rank	Tax Rate	Tax Bill	Rank	Tax Rate	Tax Bill	Rank	
Arizona	Mesa	0.717%	1,793	45 (1 ↓)	1.423%	35,566	25 (1 ↓)	1.555%	971,728	22 (3 ↓)	X
Arizona	Phoenix	1.015%	2,537	33 (1 ↑)	1.991%	49,765	13 (-)	2.173%	1,358,405	10 (2 ↑)	X
Arizona	Tucson	1.139%	2,847	30 (2 ↑)	2.084%	52,103	11 (1 ↑)	2.261%	1,413,299	9 (2 ↑)	X
California	Fresno	0.934%	2,336	36 (1 ↑)	0.934%	23,358	38 (1 ↑)	0.934%	583,947	39 (1 ↑)	
California	Long Beach	0.855%	2,137	43 (2 ↓)	0.855%	21,375	46 (2 ↓)	0.855%	534,374	46 (2 ↓)	
California	Los Angeles	0.906%	2,265	38 (-)	0.906%	22,648	40 (-)	0.906%	566,197	41 (-)	
California	Oakland	1.038%	2,594	32 (1 ↓)	1.038%	25,943	35 (-)	1.038%	648,565	35 (-)	
California	Sacramento	0.868%	2,171	41 (1 ↑)	0.868%	21,709	44 (1 ↑)	0.868%	542,735	44 (1 ↑)	
California	San Diego	0.893%	2,232	40 (1 ↓)	0.893%	22,317	43 (1 ↓)	0.893%	557,930	43 (1 ↓)	
California	San Francisco	0.899%	2,247	39 (1 ↑)	0.899%	22,469	42 (1 ↑)	0.899%	561,735	42 (1 ↑)	
California	San Jose	0.981%	2,452	35 (-)	0.981%	24,518	37 (-)	0.981%	612,940	37 (-)	
Colorado	Colorado Springs	1.299%	3,248	24 (-)	1.299%	32,476	31 (1 ↓)	1.299%	811,896	31 (1 ↓)	
Colorado	Denver	1.825%	4,562	13 (-)	1.825%	45,618	15 (-)	1.825%	1,140,456	16 (-)	
DC	Washington	0.608%	1,520	48 (-)	1.526%	38,147	21 (1 ↑)	1.884%	1,177,313	15 (1 ↓)	X
Florida	Jacksonville	1.177%	2,944	27 (1 ↑)	1.341%	33,518	28 (1 ↓)	1.358%	848,834	28 (2 ↓)	X
Florida	Miami	1.345%	3,362	22 (1 ↓)	1.537%	38,422	20 (1 ↑)	1.557%	973,364	21 (2 ↑)	X
Georgia	Atlanta	1.498%	3,744	17 (2 ↓)	1.498%	37,444	22 (4 ↓)	1.498%	936,104	23 (3 ↓)	
Illinois	Chicago	1.726%	4,316	15 (1 ↑)	1.726%	43,156	17 (2 ↑)	1.726%	1,078,906	18 (3 ↑)	
Indiana	Indianapolis	2.169%	5,424	9 (-)	2.169%	54,237	10 (-)	2.169%	1,355,928	12 (2 ↓)	
Kansas	Wichita	1.299%	3,248	23 (4 ↑)	1.299%	32,479	30 (2 ↑)	1.299%	811,963	30 (2 ↑)	
Kentucky	Louisville	0.691%	1,728	46 (1 ↑)	0.691%	17,283	48 (1 ↑)	0.691%	432,080	48 (1 ↑)	
Louisiana	New Orleans*	2.171%	5,426	8 (NA)	2.171%	54,265	9 (NA)	2.171%	1,356,614	11 (NA)	
Maryland	Baltimore	1.166%	2,914	28 (5 ↑)	1.166%	29,145	32 (4 ↑)	1.166%	728,625	32 (4 ↑)	
Massachusetts	Boston	1.086%	2,716	31 (9 ↓)	1.086%	27,158	34 (5 ↓)	1.086%	678,960	34 (5 ↓)	
Michigan	Detroit	2.019%	5,047	11 (-)	2.961%	74,019	1 (-)	2.961%	1,850,487	1 (-)	X
Minnesota	Minneapolis	1.237%	3,092	26 (1 ↓)	1.562%	39,047	19 (2 ↓)	1.617%	1,010,610	20 (2 ↓)	X
Missouri	Kansas City	2.066%	5,165	10 (-)	2.066%	51,650	12 (1 ↓)	2.066%	1,291,262	13 (-)	
Nebraska	Omaha	1.632%	4,080	16 (1 ↑)	1.632%	40,796	18 (2 ↑)	1.632%	1,019,891	19 (3 ↑)	
Nevada	Las Vegas	0.860%	2,150	42 (1 ↑)	0.860%	21,505	45 (1 ↑)	0.860%	537,625	45 (1 ↑)	
New Mexico	Albuquerque	1.157%	2,893	29 (-)	1.157%	28,934	33 (-)	1.157%	723,361	33 (-)	
New York	New York City	1.899%	4,747	12 (-)	1.899%	47,472	14 (-)	1.899%	1,186,812	14 (1 ↑)	
North Carolina	Charlotte	0.931%	2,327	37 (1 ↓)	0.931%	23,273	39 (1 ↓)	0.931%	581,833	40 (1 ↓)	
North Carolina	Raleigh	0.789%	1,972	44 (1 ↑)	0.789%	19,720	47 (-)	0.789%	493,002	47 (-)	
Ohio	Cleveland	1.419%	3,546	20 (6 ↑)	1.419%	35,464	26 (5 ↑)	1.419%	886,604	26 (5 ↑)	
Ohio	Columbus	0.987%	2,468	34 (4 ↓)	0.987%	24,684	36 (2 ↓)	0.987%	617,102	36 (2 ↓)	
AVERAGE		**1.415%**	**3,538**		**1.527%**	**38,164**		**1.547%**	**966,887**		**N = 10**

		Land and Building Value: $100,000			Land and Building Value: $1 Million			Land and Building Value: $25 Million			Tax Rate Varies with Property Value
State	City	Tax Rate	Tax Bill	Rank	Tax Rate	Tax Bill	Rank	Tax Rate	Tax Bill	Rank	
Oklahoma	Oklahoma City	1.450%	3,626	19 (-)	1.450%	36,256	24 (1 ↑)	1.450%	906,411	25 (-)	
Oklahoma	Tulsa	1.399%	3,497	21 (1 ↓)	1.399%	34,973	27 (1 ↓)	1.399%	874,315	27 (-)	
Oregon	Portland	1.741%	4,354	14 (-)	1.741%	43,536	16 (-)	1.741%	1,088,393	17 (-)	
Pennsylvania	Philadelphia	0.531%	1,327	49 (-)	0.899%	22,473	41 (-)	0.975%	609,345	38 (-)	X
Tennessee	Memphis	2.575%	6,436	5 (-)	2.575%	64,364	6 (-)	2.575%	1,609,089	6 (-)	
Tennessee	Nashville	1.450%	3,626	18 (-)	1.450%	36,258	23 (-)	1.450%	906,452	24 (-)	
Texas	Austin	2.296%	5,740	7 (1 ↑)	2.296%	57,402	8 (1 ↑)	2.296%	1,435,051	8 (1 ↑)	
Texas	Dallas	2.742%	6,855	3 (1 ↓)	2.742%	68,546	4 (1 ↓)	2.742%	1,713,647	4 (1 ↓)	
Texas	El Paso	2.772%	6,930	2 (1 ↑)	2.772%	69,298	3 (1 ↑)	2.772%	1,732,445	3 (1 ↑)	
Texas	Fort Worth	2.848%	7,121	1 (-)	2.848%	71,210	2 (-)	2.848%	1,780,248	2 (-)	
Texas	Houston	2.535%	6,338	6 (1 ↑)	2.535%	63,379	7 (1 ↑)	2.535%	1,584,478	7 (1 ↑)	
Texas	San Antonio	2.698%	6,745	4 (-)	2.698%	67,451	5 (-)	2.698%	1,686,278	5 (-)	
Virginia	Virginia Beach	0.463%	1,156	50 (-)	0.463%	11,564	50 (-)	0.463%	289,111	50 (-)	
Washington	Seattle	0.676%	1,690	47 (1 ↓)	0.676%	16,902	49 (1 ↓)	0.676%	422,562	49 (1 ↓)	
Wisconsin	Milwaukee	1.288%	3,220	25 (2 ↓)	1.317%	32,925	29 (1 ↓)	1.320%	825,062	29 (1 ↓)	X
AVERAGE		**1.415%**	**3,538**		**1.527%**	**38,164**		**1.547%**	**966,887**		**N = 10**

* New Orleans, LA replaces Arlington, TX in the set of fifty largest cities.
$100,000-valued property has an additional $75,000 worth of machinery and equipment, an additional $60,000 worth of inventories, and an additional $15,000 worth of fixtures.
$1 million-valued property has an additional $750,000 worth of machinery and equipment, an additional $600,000 worth of inventories, and an additional $150,000 worth of fixtures.
$25 million-valued property has an additional $18.75 million worth of machinery and equipment, an additional $15 million worth of inventories, and an additional $3.75 million worth of fixtures.

Appendix Table 4e: Industrial Property Taxes for Selected Rural Municipalities (Personal Property = 50% of Total Parcel Value)

		Land and Building Value: $100,000			Land and Building Value: $1 Million			Land and Building Value: $25 Million			Tax Rate Varies with Property Value
State	**Municipality**	**Tax Rate**	**Tax Bill**	**Rank**	**Tax Rate**	**Tax Bill**	**Rank**	**Tax Rate**	**Tax Bill**	**Rank**	
Alabama	Monroeville	0.656%	1,312	44 (3 ↑)	0.656%	13,120	46 (2 ↑)	0.656%	328,000	46 (2 ↑)	
Alaska	Ketchican	0.686%	1,373	43 (-)	0.818%	16,362	42 (2 ↓)	0.832%	416,081	42 (3 ↓)	X
Arizona	Safford	0.701%	1,403	41 (6 ↓)	1.155%	23,107	25 (10 ↓)	1.297%	648,377	20 (6 ↓)	X
Arkansas	Pocahontas	0.722%	1,443	40 (5 ↑)	0.722%	14,434	44 (2 ↑)	0.722%	360,861	44 (2 ↑)	
California	Yreka	0.842%	1,685	38 (1 ↑)	0.842%	16,848	41 (1 ↑)	0.842%	421,200	41 (1 ↑)	
Colorado	Walsenburg	1.708%	3,417	9 (1 ↓)	1.708%	34,169	11 (1 ↑)	1.708%	854,224	12 (-)	
Connecticut	Litchfield	0.991%	1,983	31 (1 ↑)	0.991%	19,826	33 (1 ↑)	0.991%	495,639	34 (1 ↑)	
Delaware	Georgetown	0.298%	597	50 (-)	0.298%	5,970	50 (-)	0.298%	149,240	50 (-)	
Florida	Moore Haven	1.552%	3,104	11 (2 ↑)	1.812%	36,233	8 (-)	1.859%	919,674	8 (-)	X
Georgia	Fitzgerald	1.525%	3,050	13 (2 ↓)	1.525%	30,496	14 (-)	1.525%	762,400	14 (1 ↑)	
Hawaii	Kauai	0.405%	810	49 (-)	0.405%	8,100	49 (-)	0.405%	202,500	49 (-)	
Idaho	St. Anthony	0.603%	1,205	48 (8 ↓)	1.027%	20,531	27 (6 ↓)	1.108%	553,978	28 (9 ↓)	X
Illinois	Galena	1.187%	2,375	22 (-)	1.187%	23,750	23 (1 ↑)	1.187%	593,742	25 (-)	
Indiana	North Vernon	2.325%	4,650	4 (-)	2.325%	46,500	4 (-)	2.325%	1,162,500	5 (1 ↓)	
Iowa	Hampton	1.093%	2,185	25 (9 ↓)	1.604%	32,071	13 (3 ↓)	1.714%	857,036	11 (1 ↓)	X
Kansas	Iola	2.505%	5,009	3 (-)	2.505%	50,094	3 (-)	2.505%	1,252,339	3 (-)	
Kentucky	Morehead	0.621%	1,242	47 (1 ↓)	0.621%	12,416	48 (1 ↓)	0.621%	310,400	48 (1 ↓)	
Louisiana	Natchitoches	1.393%	2,787	16 (2 ↓)	1.393%	27,866	17 (1 ↓)	1.393%	696,647	17 (1 ↓)	
Maine	Rockland	1.166%	2,332	23 (1 ↑)	1.166%	23,320	24 (2 ↑)	1.166%	583,000	26 (1 ↑)	
Maryland	Denton	0.980%	1,960	33 (1 ↑)	0.980%	19,598	35 (1 ↑)	0.980%	489,950	36 (1 ↑)	
Massachusetts	Adams	1.244%	2,487	18 (-)	1.244%	24,872	20 (-)	1.244%	621,810	22 (-)	
Michigan	Manistique	1.540%	3,079	12 (2 ↓)	1.994%	39,886	7 (1 ↓)	1.994%	997,151	7 (1 ↓)	X
Minnesota	Glencoe	1.780%	3,559	7 (5 ↑)	2.259%	45,188	5 (2)	2.341%	1,170,326	4 (3 ↑)	X
Mississippi	Philadelphia	2.104%	4,208	5 (-)	2.104%	42,084	6 (1 ↓)	2.104%	1,052,100	6 (1 ↓)	
Missouri	Boonville	1.650%	3,301	10 (1 ↓)	1.650%	33,007	12 (1 ↑)	1.650%	825,164	13 (-)	
Montana	Glasgow	0.652%	1,303	45 (3 ↑)	0.951%	19,015	36 (1 ↑)	1.365%	682,456	18 (-)	X
Nebraska	Sidney	1.727%	3,454	8 (1 ↓)	1.727%	34,537	10 (1 ↑)	1.727%	863,431	10 (1 ↑)	
Nevada	Fallon	1.025%	2,050	26 (-)	1.025%	20,496	28 (-)	1.025%	512,400	29 (-)	
New Hampshire	Lancaster	1.405%	2,809	15 (5 ↑)	1.405%	28,095	16 (6 ↑)	1.405%	702,370	16 (7 ↑)	
New Jersey	Maurice River Twp	1.231%	2,463	20 (1 ↑)	1.231%	24,629	21 (2 ↑)	1.231%	615,718	23 (1 ↑)	
New Mexico	Santa Rosa	0.848%	1,697	37 (-)	0.848%	16,968	40 (1 ↓)	0.848%	424,200	40 (-)	
New York	Warsaw	1.785%	3,570	6 (-)	1.785%	35,700	9 (-)	1.785%	892,508	9 (-)	
North Carolina	Edenton	0.852%	1,705	36 (2 ↑)	0.852%	17,045	39 (2 ↑)	0.852%	426,129	39 (2 ↑)	
North Dakota	Devils Lake	0.628%	1,255	46 (4 ↓)	0.628%	12,550	47 (3 ↓)	0.628%	313,750	47 (3 ↓)	
Ohio	Bryan	0.990%	1,980	32 (7 ↓)	0.990%	19,797	34 (7 ↓)	0.990%	494,920	35 (7 ↓)	
AVERAGE		**1.227%**	**2,453**		**1.287%**	**25,749**		**1.305%**	**652,470**		**N = 9**

State	Municipality	Land and Building Value: $100,000 Tax Rate	Land and Building Value: $100,000 Tax Bill	Land and Building Value: $100,000 Rank	Land and Building Value: $1 Million Tax Rate	Land and Building Value: $1 Million Tax Bill	Land and Building Value: $1 Million Rank	Land and Building Value: $25 Million Tax Rate	Land and Building Value: $25 Million Tax Bill	Land and Building Value: $25 Million Rank	Tax Rate Varies with Property Value
Oklahoma	Mangum	0.993%	1,986	30 (2 ↓)	0.993%	19,864	32 (2 ↓)	0.993%	496,598	33 (2 ↓)	
Oregon	Tillamook	0.933%	1,866	35 (2 ↓)	0.933%	18,662	38 (3 ↓)	0.933%	466,547	38 (2 ↓)	
Pennsylvania	Ridgway	1.514%	3,029	14 (1 ↑)	1.514%	30,288	15 (2 ↑)	1.514%	757,197	15 (2 ↑)	
Rhode Island	Hopkinton	1.137%	2,274	24 (3 ↑)	1.137%	22,744	26 (3 ↑)	1.137%	568,602	27 (3 ↑)	
South Carolina	Mullins	3.586%	7,172	1 (-)	3.586%	71,718	1 (-)	3.586%	1,792,960	1 (-)	
South Dakota	Madison	1.004%	2,007	29 (2 ↑)	1.004%	20,070	31 (2 ↑)	1.004%	501,760	32 (2 ↑)	
Tennessee	Savannah	0.938%	1,876	34 (2 ↑)	0.938%	18,757	37 (1 ↑)	0.938%	468,930	37 (1 ↑)	
Texas	Fort Stockton	2.556%	5,112	2 (-)	2.556%	51,122	2 (-)	2.556%	1,278,050	2 (-)	
Utah	Richfield	1.009%	2,017	28 (2 ↑)	1.009%	20,173	30 (2 ↑)	1.009%	504,320	31 (2 ↑)	
Vermont	Hartford	1.203%	2,405	21 (2 ↑)	1.203%	24,053	22 (3 ↑)	1.203%	601,331	24 (2 ↑)	
Virginia	Wise	0.747%	1,494	39 (2 ↑)	0.747%	14,940	43 (-)	0.747%	373,500	43 (-)	
Washington	Okanogan	1.009%	2,018	27 (2 ↑)	1.009%	20,178	29 (2 ↑)	1.009%	504,452	30 (2 ↑)	
West Virginia	Elkins	1.345%	2,691	17 (-)	1.345%	26,908	18 (1 ↑)	1.345%	672,688	19 (2 ↑)	
Wisconsin	Rice Lake	1.235%	2,470	19 (-)	1.265%	25,298	19 (1 ↓)	1.268%	634,059	21 (1 ↓)	X
Wyoming	Worland	0.701%	1,401	42 (2 ↑)	0.701%	14,012	45 (-)	0.701%	350,290	45 (-)	
AVERAGE		**1.227%**	**2,453**		**1.287%**	**25,749**		**1.305%**	**652,470**		**N = 9**

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$100,000-valued property has an additional $50,000 worth of machinery and equipment, an additional $40,000 worth of inventories, and an additional $10,000 worth of fixtures.
$1 million-valued property has an additional $500,000 worth of machinery and equipment, an additional $400,000 worth of inventories, and an additional $100,000 worth of fixtures.
$25 million-valued property has an additional $12.5 million worth of machinery and equipment, an additional $10 million worth of inventories, and an additional $2.5 million worth of fixtures.

Appendix Table 4f: Industrial Property Taxes for Selected Rural Municipalities (Personal Property = 60% of Total Parcel Value)

		Land and Building Value: $100,000			Land and Building Value: $1 Million			Land and Building Value: $25 Million			Tax Rate Varies with Property Value
State	**Municipality**	**Tax Rate**	**Tax Bill**	**Rank**	**Tax Rate**	**Tax Bill**	**Rank**	**Tax Rate**	**Tax Bill**	**Rank**	
Alabama	Monroeville	0.623%	1,558	43 (2 ↑)	0.623%	15,580	46 (-)	0.623%	389,500	46 (-)	
Alaska	Ketchican	0.690%	1,724	41 (-)	0.795%	19,872	41 (4 ↓)	0.806%	503,831	39 (3 ↓)	X
Arizona	Safford	0.561%	1,403	44 (4 ↓)	1.165%	29,120	18 (3 ↓)	1.278%	798,682	18 (6 ↓)	X
Arkansas	Pocahontas	0.722%	1,806	40 (2 ↑)	0.722%	18,061	44 (-)	0.722%	451,536	44 (-)	
California	Yreka	0.800%	2,001	37 (-)	0.800%	20,007	40 (1 ↑)	0.800%	500,175	41 (-)	
Colorado	Walsenburg	1.623%	4,058	7 (-)	1.623%	40,576	10 (1 ↓)	1.623%	1,014,391	10 (-)	
Connecticut	Litchfield	0.830%	2,074	33 (3 ↑)	0.830%	20,743	36 (4 ↑)	0.830%	518,564	36 (4 ↑)	
Delaware	Georgetown	0.239%	597	50 (-)	0.239%	5,970	50 (-)	0.239%	149,240	50 (-)	
Florida	Moore Haven	1.519%	3,796	9 (-)	1.726%	43,157	8 (1 ↓)	1.748%	1,092,762	8 (1 ↓)	X
Georgia	Fitzgerald	1.485%	3,712	10 (-)	1.485%	37,116	12 (-)	1.485%	927,905	12 (1 ↑)	
Hawaii	Kauai	0.324%	810	49 (-)	0.324%	8,100	49 (-)	0.324%	202,500	49 (-)	
Idaho	St. Anthony	0.482%	1,205	48 (4 ↓)	1.025%	25,618	21 (3 ↓)	1.090%	681,144	21 (2 ↓)	X
Illinois	Galena	0.950%	2,375	28 (2 ↓)	0.950%	23,750	31 (3 ↓)	0.950%	593,742	32 (3 ↓)	
Indiana	North Vernon	2.220%	5,550	3 (-)	2.220%	55,500	3 (-)	2.220%	1,387,500	3 (-)	
Iowa	Hampton	0.874%	2,185	31 (14 ↓)	1.283%	32,071	16 (-)	1.371%	857,036	16 (1 ↓)	X
Kansas	Iola	2.093%	5,233	5 (-)	2.093%	52,328	5 (-)	2.093%	1,308,197	5 (-)	
Kentucky	Morehead	0.548%	1,369	45 (1 ↑)	0.548%	13,689	47 (-)	0.548%	342,230	47 (-)	
Louisiana	Natchitoches	1.404%	3,511	13 (1 ↓)	1.404%	35,112	14 (-)	1.404%	877,809	14 (2 ↑)	
Maine	Rockland	0.975%	2,438	22 (5 ↑)	0.975%	24,380	25 (4 ↑)	0.975%	609,500	26 (4 ↑)	
Maryland	Denton	0.863%	2,157	32 (1 ↑)	0.863%	21,573	35 (1 ↑)	0.863%	539,325	35 (2 ↑)	
Massachusetts	Adams	0.995%	2,487	20 (2 ↓)	0.995%	24,872	23 (2 ↓)	0.995%	621,810	24 (2 ↓)	
Michigan	Manistique	1.268%	3,170	15 (2 ↓)	1.814%	45,341	6 (-)	1.814%	1,133,526	7 (1 ↓)	X
Minnesota	Glencoe	1.424%	3,559	12 (3 ↑)	1.808%	45,188	7 (3 ↑)	1.873%	1,170,326	6 (3 ↑)	X
Mississippi	Philadelphia	2.104%	5,261	4 (-)	2.104%	52,605	4 (-)	2.104%	1,315,125	4 (-)	
Missouri	Boonville	1.570%	3,925	8 (-)	1.570%	39,248	11 (-)	1.570%	981,194	11 (-)	
Montana	Glasgow	0.521%	1,303	46 (2 ↑)	0.904%	22,606	33 (1 ↓)	1.379%	861,999	15 (2 ↑)	X
Nebraska	Sidney	1.652%	4,131	6 (-)	1.652%	41,311	9 (1 ↓)	1.652%	1,032,777	9 (1 ↓)	
Nevada	Fallon	0.974%	2,434	23 (2 ↓)	0.974%	24,339	26 (3 ↓)	0.974%	608,475	27 (3 ↓)	
New Hampshire	Lancaster	1.124%	2,809	17 (5 ↑)	1.124%	28,095	19 (5 ↑)	1.124%	702,370	20 (5 ↑)	
New Jersey	Maurice River Twp	0.985%	2,463	21 (3 ↑)	0.985%	24,629	24 (2 ↑)	0.985%	615,718	25 (2 ↑)	
New Mexico	Santa Rosa	0.808%	2,020	35 (1 ↓)	0.808%	20,204	38 (-)	0.808%	505,097	38 (-)	
New York	Warsaw	1.428%	3,570	11 (-)	1.428%	35,700	13 (-)	1.428%	892,508	13 (1 ↑)	
North Carolina	Edenton	0.815%	2,038	34 (1 ↑)	0.815%	20,375	37 (2 ↑)	0.815%	509,379	37 (2 ↑)	
North Dakota	Devils Lake	0.502%	1,255	47 (-)	0.502%	12,550	48 (-)	0.502%	313,750	48 (-)	
Ohio	Bryan	0.792%	1,980	38 (6 ↓)	0.792%	19,797	42 (7 ↓)	0.792%	494,920	42 (7 ↓)	
AVERAGE		**1.105%**	**2,761**		**1.169%**	**29,217**		**1.186%**	**740,952**		**N = 9**

		Land and Building Value: $100,000			Land and Building Value: $1 Million			Land and Building Value: $25 Million			Tax Rate Varies with Property Value
State	**Municipality**	**Tax Rate**	**Tax Bill**	**Rank**	**Tax Rate**	**Tax Bill**	**Rank**	**Tax Rate**	**Tax Bill**	**Rank**	
Oklahoma	Mangum	1.015%	2,538	19 (1 ↑)	1.015%	25,382	22 (-)	1.015%	634,541	23 (-)	
Oregon	Tillamook	0.886%	2,216	30 (1 ↓)	0.886%	22,161	34 (3 ↓)	0.886%	554,024	34 (2 ↓)	
Pennsylvania	Ridgway	1.212%	3,029	16 (-)	1.212%	30,288	17 (2 ↑)	1.212%	757,197	19 (1 ↑)	
Rhode Island	Hopkinton	0.951%	2,376	27 (3 ↑)	0.951%	23,763	30 (3 ↑)	0.951%	594,077	31 (2 ↑)	
South Carolina	Mullins	3.407%	8,517	1 (-)	3.407%	85,166	1 (-)	3.407%	2,129,140	1 (-)	
South Dakota	Madison	0.803%	2,007	36 (3 ↑)	0.803%	20,070	39 (4 ↑)	0.803%	501,760	40 (3 ↑)	
Tennessee	Savannah	0.917%	2,293	29 (2 ↑)	0.917%	22,927	32 (2 ↑)	0.917%	573,180	33 (1 ↑)	
Texas	Fort Stockton	2.556%	6,390	2 (-)	2.556%	63,903	2 (-)	2.556%	1,597,563	2 (-)	
Utah	Richfield	0.958%	2,396	26 (1 ↓)	0.958%	23,955	29 (2 ↓)	0.958%	598,880	30 (2 ↓)	
Vermont	Hartford	0.962%	2,405	25 (3 ↑)	0.962%	24,053	28 (2 ↑)	0.962%	601,331	29 (2 ↑)	
Virginia	Wise	0.776%	1,941	39 (1 ↓)	0.776%	19,410	43 (1 ↓)	0.776%	485,250	43 (1 ↓)	
Washington	Okanogan	0.963%	2,407	24 (1 ↓)	0.963%	24,073	27 (2 ↓)	0.963%	601,825	28 (2 ↓)	
West Virginia	Elkins	1.337%	3,342	14 (-)	1.337%	33,417	15 (2 ↑)	1.337%	835,435	17 (1 ↑)	
Wisconsin	Rice Lake	1.034%	2,585	18 (1 ↑)	1.058%	26,451	20 (-)	1.061%	662,882	22 (1 ↓)	X
Wyoming	Worland	0.666%	1,664	42 (1 ↑)	0.666%	16,639	45 (-)	0.666%	415,969	45 (-)	
AVERAGE		**1.105%**	**2,761**		**1.169%**	**29,217**		**1.186%**	**740,952**		**N = 9**

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$100,000-valued property has an additional $75,000 worth of machinery and equipment, an additional $60,000 worth of inventories, and an additional $15,000 worth of fixtures.
$1 million-valued property has an additional $750,000 worth of machinery and equipment, an additional $600,000 worth of inventories, and an additional $150,000 worth of fixtures.
$25 million-valued property has an additional $18.75 million worth of machinery and equipment, an additional $15 million worth of inventories, and an additional $3.75 million worth of fixtures.

Table 4g: Preferential Treatment of Personal Property, Largest City in Each State (2015)

State	City	Machinery & Equipment		Manufacturers' Inventories		Fixtures		Rural Municipality
		Full Exemption	Preferential Treatment	Full Exemption	Preferential Treatment	Full Exemption	Preferential Treatment	Are preferences for personal property the same as in the state's rural municipality?
Alabama	Birmingham			X	X			Yes
Alaska	Anchorage		X		X		X	No - See note below
Arizona	Phoenix		X	X	X		X	Yes
Arkansas	Little Rock							No - See note below
California	Los Angeles			X	X			Yes
Colorado	Denver			X	X			Yes
Connecticut	Bridgeport	X	X	X	X			Yes
DC	Washington			X	X			Yes
Delaware	Wilmington	X	X	X	X	X	X	Yes
Florida	Jacksonville		X	X	X		X	Yes
Georgia	Atlanta				X			Yes
Hawaii	Honolulu	X	X	X	X	X	X	Yes
Idaho	Boise		X	X	X		X	Yes
Illinois	Chicago	X	X	X	X	X	X	Yes
Illinois	Aurora	X	X	X	X	X	X	Yes
Indiana	Indianapolis			X	X			Yes
Iowa	Des Moines	X	X	X	X	X	X	Yes
Kansas	Wichita	X	X	X	X			Yes
Kentucky	Louisville		X		X			Yes
Louisiana	New Orleans							Yes
Maine	Portland	X	X	X	X			Yes
Maryland	Baltimore	X	X	X	X		-	Yes
Massachusetts	Boston	X	X	X	X	X	X	Yes
Michigan	Detroit		X	X	X		X	Yes
Minnesota	Minneapolis	X	X	X	X	X	X	Yes
Mississippi	Jackson							Yes
Missouri	Kansas City		X	X	X		X	Yes
Montana	Billings		***	X	X		***	Yes
Nebraska	Omaha		-	X	X		-	Yes
Nevada	Las Vegas			X	X			Yes
New Hampshire	Manchester	X	X	X	X	X	X	Yes
New Jersey	Newark	X	X	X	X	X	X	Yes
New Mexico	Albuquerque			X	X			No - See note below
New York	New York City	X	X	X	X	X	X	Yes
New York	Buffalo	X	X	X	X	X	X	Yes
	Number of Cities	**21**	**31**	**43**	**47**	**15**	**23**	**No = 7**

State	City	Machinery & Equipment		Manufacturers' Inventories		Fixtures		Rural Municipality
		Full Exemption	Preferential Treatment	Full Exemption	Preferential Treatment	Full Exemption	Preferential Treatment	Are preferences for personal property the same as in the state's rural municipality?
North Carolina	Charlotte			X	X			Yes
North Dakota	Fargo	X	X	X	X	X	X	Yes
Ohio	Columbus	X	X	X	X	X	X	Yes
Oklahoma	Oklahoma City		-		-		-	Yes
Oregon	Portland			X	X			Yes
Pennsylvania	Philadelphia	X	X	X	X	X	X	Yes
Rhode Island	Providence	X	X	X	X			No - See note below
South Carolina	Columbia			X	X			Yes
South Dakota	Sioux Falls	X	X	X	X	X	X	Yes
Tennessee	Memphis		X		X		X	Yes
Texas	Houston							Yes
Utah	Salt Lake City			X	X			Yes
Vermont	Burlington		X	X	X		X	No - See note below
Virginia	Virginia Beach		X	X	X		-	No - See note below
Washington	Seattle			X	X			Yes
West Virginia	Charleston							Yes
Wisconsin	Milwaukee	X	X	X	X			Yes
Wyoming	Cheyenne			X	X			No - See note below
	Number of Cities	**21**	**31**	**43**	**47**	**15**	**23**	**No = 7**

* Preferential treatment means there are statutory provisions that result in lower property taxes on personal property than on real property, which could be due to exemptions/credits, the nominal tax rate, or the assessment ratio. Preferences are usually fairly uniform within a state.
** A dash ("-") indicates that real property is treated preferentially to personal property.
*** In Montana, whether personal property is treated preferentially to real property depends on the total value of a parcel. At low values, machinery and equipment and fixtures are taxed preferentially, because of Montana's exemption of the first $100,000 of property value. But at high values, personal property is being taxed more heavily than real property because the state has a system of tiered assessment ratios.

Differences in Preferential Treatment in Rural Municipalities
-Alaska: Ketchikan has a full exemption for manufacturers' inventories.
-Arkansas: Pocahontas has preferential treatment for manufacturers' inventories.
-New Mexico: Santa Rosa has preferential treatment for machinery/equipment and fixtures.
-Rhode Island: Hopkinton does not treat real property preferentially to fixtures.
-Vermont: Hartford has a full exemption for machinery/equipment and fixtures.
-Virginia: Wise treats real property preferentially to machinery/equipment.
-Wyoming: Worland does not have preferential treatment for manufacturers' inventories.

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Appendix Table 5a: Apartment Property Taxes for Largest City in Each State

		Land and Building Value: $600,000				Lower Tax Rate on Personal Property
State	City	Tax Rate	Tax Bill	Rank	Change From '14	
Alabama	Birmingham	1.450%	9,135	30	2 ↑	
Alaska	Anchorage	1.323%	8,335	35	-	X
Arizona	Phoenix	1.311%	8,259	36	8 ↑	X
Arkansas	Little Rock	1.441%	9,077	31	-	X
California	Los Angeles	1.192%	7,510	42	-	
Colorado	Denver	0.741%	4,669	51	-	
Connecticut	Bridgeport	3.681%	23,192	5	-	X
DC	Washington	0.746%	4,697	50	-	X
Delaware	Wilmington	1.246%	7,851	40	3 ↓	X
Florida	Jacksonville	1.695%	10,679	24	-	X
Georgia	Atlanta	1.662%	10,473	26	-	
Hawaii	Honolulu	0.326%	2,051	53	-	X
Idaho	Boise	1.607%	10,126	28	1 ↓	X
Illinois	Aurora*	3.917%	24,675	3	1 ↑	X
Illinois	Chicago	1.654%	10,420	27	4 ↓	X
Indiana	Indianapolis	1.954%	12,313	20	1 ↓	X
Iowa	Des Moines	3.773%	23,769	4	1 ↓	X
Kansas	Wichita	1.394%	8,783	33	-	
Kentucky	Louisville	1.240%	7,812	41	-	X
Louisiana	New Orleans	1.528%	9,625	29	1 ↑	
Maine	Portland	2.063%	12,997	19	2 ↑	
Maryland	Baltimore	2.243%	14,132	17	3 ↑	
Massachusetts	Boston	1.073%	6,757	45	5 ↓	X
Michigan	Detroit	4.783%	30,135	2	-	X
Minnesota	Minneapolis	1.700%	10,709	23	1 ↓	X
Mississippi	Jackson	2.685%	16,918	12	-	
Missouri	Kansas City	1.419%	8,938	32	3 ↓	X
Montana	Billings	0.824%	5,191	48	-	X
Nebraska	Omaha	2.080%	13,102	18	-	
Nevada	Las Vegas	1.119%	7,051	44	1 ↑	
New Hampshire	Manchester	2.255%	14,205	16	1 ↑	X
New Jersey	Newark	2.901%	18,274	10	1 ↑	X
New Mexico	Albuquerque	1.332%	8,389	34	-	
New York	Buffalo*	2.992%	18,848	7	1 ↓	X
New York	New York City	5.466%	34,436	1	-	X
AVERAGE		**1.907%**	**12,016**			**N = 30**

		Land and Building Value: $600,000				Lower Tax Rate on Personal Property
State	**City**	**Tax Rate**	**Tax Bill**	**Rank**	**Change From '14**	
North Carolina	Charlotte	1.169%	7,363	43	-	
North Dakota	Fargo	1.298%	8,175	37	1↓	X
Ohio	Columbus	1.854%	11,679	21	8↓	X
Oklahoma	Oklahoma City	1.279%	8,057	38	-	
Oregon	Portland	2.291%	14,436	15	1↑	
Pennsylvania	Philadelphia	1.263%	7,960	39	-	X
Rhode Island	Providence	3.017%	19,009	6	2↑	
South Carolina	Columbia	2.934%	18,483	8	2↑	
South Dakota	Sioux Falls	1.827%	11,512	22	3↑	X
Tennessee	Memphis	2.911%	18,338	9	2↓	X
Texas	Houston	2.358%	14,854	14	-	
Utah	Salt Lake City	0.879%	5,541	46	3↑	
Vermont	Burlington	2.378%	14,980	13	2↑	X
Virginia	Virginia Beach	0.823%	5,186	49	3↓	
Washington	Seattle	0.870%	5,483	47	-	
West Virginia	Charleston	1.689%	10,641	25	3↑	X
Wisconsin	Milwaukee	2.857%	18,001	11	2↓	
Wyoming	Cheyenne	0.576%	3,632	52	-	
AVERAGE		**1.907%**	**12,016**			**N = 30**

* Illinois and New York have two cities included in this table, because the tax systems in Chicago and New York City are significantly different from the rest of the state. Property has an additional $30,000 worth of fixtures.

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Appendix Table 5b: Apartment Property Taxes for the Largest Fifty U.S. Cities

		Land and Building Value: $600,000				Lower Tax Rate on Personal Property
State	City	Tax Rate	Tax Bill	Rank	Rank	
Arizona	Mesa	0.929%	5,855	45	1 ↑	X
Arizona	Phoenix	1.311%	8,259	29	1 ↑	X
Arizona	Tucson	1.296%	8,164	30	1 ↓	X
California	Fresno	1.229%	7,745	35	1 ↓	
California	Long Beach	1.125%	7,087	41	-	
California	Los Angeles	1.192%	7,510	36	-	
California	Oakland	1.365%	8,602	27	1 ↓	
California	Sacramento	1.143%	7,198	40	2 ↑	
California	San Diego	1.175%	7,400	38	-	
California	San Francisco	1.183%	7,450	37	3 ↑	
California	San Jose	1.290%	8,130	31	1 ↓	
Colorado	Colorado Springs	0.521%	3,285	50	-	
Colorado	Denver	0.741%	4,669	49	-	
DC	Washington	0.746%	4,697	48	-	X
Florida	Jacksonville	1.695%	10,679	19	3 ↑	X
Florida	Miami	1.897%	11,954	15	4 ↑	X
Georgia	Atlanta	1.662%	10,473	20	3 ↑	
Illinois	Chicago	1.654%	10,420	21	1 ↓	X
Indiana	Indianapolis	1.838%	11,582	17	1 ↓	X
Kansas	Wichita	1.394%	8,783	26	1 ↑	
Kentucky	Louisville	1.240%	7,812	34	1 ↑	X
Louisiana	New Orleans*	1.528%	9,625	23	NA	
Maryland	Baltimore	2.243%	14,132	12	5 ↑	
Massachusetts	Boston	1.073%	6,757	43	1 ↓	X
Michigan	Detroit	4.783%	30,135	2	-	X
Minnesota	Minneapolis	1.700%	10,709	18	2 ↑	X
Missouri	Kansas City	1.419%	8,938	25	1 ↓	X
Nebraska	Omaha	2.080%	13,102	14	1 ↑	
Nevada	Las Vegas	1.119%	7,051	42	1 ↑	
New Mexico	Albuquerque	1.332%	8,389	28	-	
New York	New York City	5.466%	34,436	1	-	X
North Carolina	Charlotte	1.169%	7,363	39	2 ↓	
North Carolina	Raleigh	1.040%	6,551	44	-	X
Ohio	Cleveland	2.743%	17,282	6	2 ↓	X
Ohio	Columbus	1.854%	11,679	16	6 ↓	X
AVERAGE		**1.729%**	**10,895**			**N = 21**

State	City	Land and Building Value: $600,000 Tax Rate	Tax Bill	Rank	Rank	Lower Tax Rate on Personal Property
Oklahoma	Oklahoma City	1.279%	8,057	32	1↓	
Oklahoma	Tulsa	1.473%	9,281	24	1↑	X
Oregon	Portland	2.291%	14,436	11	2↑	
Pennsylvania	Philadelphia	1.263%	7,960	33	1↓	X
Tennessee	Memphis	2.911%	18,338	3		X
Tennessee	Nashville	1.582%	9,968	22	1↓	X
Texas	Austin	2.178%	13,720	13	1↑	
Texas	Dallas	2.655%	16,729	7	4↑	
Texas	El Paso	2.315%	14,584	10	2↓	
Texas	Fort Worth	2.823%	17,786	5	1↑	
Texas	Houston	2.358%	14,854	9	3↓	
Texas	San Antonio	2.610%	16,444	8	1↓	
Virginia	Virginia Beach	0.823%	5,186	47	2↓	
Washington	Seattle	0.870%	5,483	46	1↑	
Wisconsin	Milwaukee	2.857%	18,001	4	1↑	
AVERAGE		**1.729%**	**10,895**			**N = 21**

* New Orleans, LA replaces Arlington, TX in the set of fifty largest cities.
Property has an additional $30,000 worth of fixtures.

Appendix Table 5c: Apartment Property Taxes for Selected Rural Municipalities

		Land and Building Value: $600,000				Lower Tax Rate on Personal Property
State	Municipality	Tax Rate	Tax Bill	Rank	Rank	
Alabama	Monroeville	0.820%	5,166	42	1 ↓	
Alaska	Ketchican	0.927%	5,839	37	-	X
Arizona	Safford	0.736%	4,634	43	1 ↓	X
Arkansas	Pocahontas	0.719%	4,531	46	-	
California	Yreka	1.053%	6,634	32	3 ↑	
Colorado	Walsenburg	0.660%	4,158	47	2 ↑	
Connecticut	Litchfield	1.801%	11,345	22	2 ↑	
Delaware	Georgetown	0.565%	3,562	50	3 ↓	X
Florida	Moore Haven	2.205%	13,893	12	-	X
Georgia	Fitzgerald	1.726%	10,871	23	1 ↓	
Hawaii	Kauai	0.576%	3,630	49	1 ↑	X
Idaho	St. Anthony	1.148%	7,232	31	5 ↓	X
Illinois	Galena	2.262%	14,250	11	-	X
Indiana	North Vernon	1.810%	11,400	21	2 ↑	X
Iowa	Hampton	3.414%	21,511	1	1 ↑	X
Kansas	Iola	2.163%	13,628	13	3 ↓	
Kentucky	Morehead	0.940%	5,922	36	4 ↓	X
Louisiana	Natchitoches	0.912%	5,749	39	1 ↑	
Maine	Rockland	2.120%	13,356	14	2 ↑	
Maryland	Denton	1.678%	10,574	24	1 ↑	
Massachusetts	Adams	1.995%	12,566	19	2 ↓	X
Michigan	Manistique	3.131%	19,725	3	-	X
Minnesota	Glencoe	2.012%	12,676	18	1 ↑	X
Mississippi	Philadelphia	2.104%	13,256	16	1 ↓	
Missouri	Boonville	1.017%	6,407	35	1 ↓	X
Montana	Glasgow	0.886%	5,585	41	2 ↑	X
Nebraska	Sidney	2.107%	13,271	15	1 ↓	
Nevada	Fallon	1.271%	8,004	27	1 ↑	
New Hampshire	Lancaster	2.676%	16,857	5	3 ↑	
New Jersey	Maurice River Twp	2.346%	14,777	8	1 ↑	X
New Mexico	Santa Rosa	0.920%	5,798	38	1 ↑	
New York	Warsaw	3.400%	21,420	2	1 ↓	X
North Carolina	Edenton	1.042%	6,564	33	-	
North Dakota	Devils Lake	1.195%	7,530	29	2 ↓	X
Ohio	Bryan	1.597%	10,062	25	7 ↓	X
AVERAGE		**1.604%**	**10,103**			**N = 24**

		Land and Building Value: $600,000				Lower Tax Rate on Personal Property
State	**Municipality**	**Tax Rate**	**Tax Bill**	**Rank**	**Rank**	
Oklahoma	Mangum	0.893%	5,628	40	-	
Oregon	Tillamook	1.166%	7,348	30	1 ↑	
Pennsylvania	Ridgway	2.885%	18,173	4	-	X
Rhode Island	Hopkinton	2.069%	13,035	17	3 ↑	X
South Carolina	Mullins	2.520%	15,873	7	2 ↓	
South Dakota	Madison	1.911%	12,042	20	1 ↑	X
Tennessee	Savannah	1.032%	6,501	34	2 ↑	X
Texas	Fort Stockton	2.556%	16,103	6	-	
Utah	Richfield	0.720%	4,539	45	-	
Vermont	Hartford	2.291%	14,432	10	3 ↑	X
Virginia	Wise	0.642%	4,047	48	-	
Washington	Okanogan	1.242%	7,822	28	1 ↑	
West Virginia	Elkins	1.302%	8,202	26	4 ↑	
Wisconsin	Rice Lake	2.295%	14,461	9	2 ↓	
Wyoming	Worland	0.723%	4,558	44	-	
AVERAGE		**1.604%**	**10,103**			**N = 24**

Property has an additional $30,000 worth of fixtures.

Appendix Table 6a: Commercial-Homestead Classification Ratio for Largest City in Each State

		Classification Ratio			Causes of Preferential Treatment of Homesteads			
City	State	Rank	Ratio	Chg. from 2014	Assessment Ratio	Nominal Tax Rate	Exemptions & Credits	Sales Ratio*
Birmingham	Alabama	9	2.190	-0.011	X		X	
Anchorage	Alaska	35	1.080	0.002			X	
Phoenix	Arizona	15	2.066	-0.289	X	X		-
Little Rock	Arkansas	28	1.279	0.017			X	+
Los Angeles	California	42	1.014	-0.002			X	
Denver	Colorado	5	3.618	0.000	X			-
Bridgeport	Connecticut	51	0.959	0.091				-
Washington	DC	11	2.171	0.143		X	X	-
Wilmington	Delaware	53	0.956	-0.025				-
Jacksonville	Florida	25	1.464	0.012			X	
Atlanta	Georgia	29	1.216	-0.040			X	
Honolulu	Hawaii	4	3.620	-0.043		X	X	-
Boise	Idaho	16	2.035	-0.058			X	+
Aurora	Illinois	32	1.107	-0.016			X	
Chicago	Illinois	6	2.729	0.033	X		X	
Indianapolis	Indiana	7	2.648	-0.477			X	
Des Moines	Iowa	23	1.561	-0.401	X			-
Wichita	Kansas	10	2.180	0.007	X		X	-
Louisville	Kentucky	41	1.014	0.001				+
New Orleans	Louisiana	8	2.198	-0.184	X		X	-
Portland	Maine	38	1.043	-0.003			X	
Baltimore	Maryland	49	0.995	0.133				-
Boston	Massachusetts	2	3.999	-0.009		X	X	-
Detroit	Michigan	34	1.103	0.017		X		-
Minneapolis	Minnesota	14	2.088	-0.069	X	X	X	+
Jackson	Mississippi	19	1.839	-0.035	X		X	
Kansas City	Missouri	18	1.859	0.028	X	X		
Billings	Montana	26	1.400	-0.081	X			
Omaha	Nebraska	40	1.032	0.032				
Las Vegas	Nevada	50	0.988	0.000				
Manchester	New Hampshire	43	1.000	0.000				
Newark	New Jersey	45	1.000	0.000				
Albuquerque	New Mexico	30	1.154	0.000		X	X	
Buffalo	New York	20	1.804	0.014		X	X	+
New York City	New York	1	4.219	-0.104	X	-	X	

		Classification Ratio			Causes of Preferential Treatment of Homesteads			
City	State	Rank	Ratio	Chg. from 2014	Assessment Ratio	Nominal Tax Rate	Exemptions & Credits	Sales Ratio*
Charlotte	North Carolina	43	1.000	0.000				
Fargo	North Dakota	33	1.106	-0.097	X			-
Columbus	Ohio	39	1.035	-0.330		X	X	-
Oklahoma City	Oklahoma	37	1.070	-0.001			X	
Portland	Oregon	45	1.000	0.000				
Philadelphia	Pennsylvania	12	2.122	-0.048		X	X	
Providence	Rhode Island	17	1.909	0.000		X		
Columbia	South Carolina	3	3.691	0.029	X		X	
Sioux Falls	South Dakota	24	1.559	0.218		X		+
Memphis	Tennessee	22	1.600	0.000	X			
Houston	Texas	27	1.380	0.050			X	+
Salt Lake City	Utah	21	1.800	0.011			X	-
Burlington	Vermont	31	1.147	0.043	X	X		+
Virginia Beach	Virginia	48	0.996	0.043				-
Seattle	Washington	47	1.000	0.000				
Charleston	West Virginia	13	2.107	0.036		X		+
Milwaukee	Wisconsin	36	1.070	0.005			X	-
Cheyenne	Wyoming	52	0.958	0.078				-
	TOTAL/AVERAGE		**1.683**	**-0.027**	**16**	**15**	**28**	**10 (+), 20 (-)**

*For sales ratio, "+" indicates that the sales ratio is higher for commercial properties and thus increases the classification ratio, while "-" indicates that the sales ratio is lower for commercial properties and thus decreases the classification ratio. For a few cities, one of the other three features of the property tax system favors commercial properties over homesteads, and this is also indicated with a "-".

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Appendix Table 6b: Apartment-Homestead Classification Ratio for Largest City in Each State

		Classification Ratio			Causes of Preferential Treatment of Homesteads			
City	State	Rank	Ratio	Chg. from 2014	Assessment Ratio	Nominal Tax Rate	Exemptions & Credits	Sales Ratio*
Birmingham	Alabama	5	2.190	-0.011	X		X	
Anchorage	Alaska	28	1.080	0.002			X	
Phoenix	Arizona	23	1.121	-0.008		X		
Little Rock	Arkansas	17	1.279	0.017			X	+
Los Angeles	California	38	1.014	-0.002			X	
Denver	Colorado	48	0.994	0.005				-
Bridgeport	Connecticut	51	0.959	0.091				-
Washington	DC	24	1.119	-0.035			X	-
Wilmington	Delaware	39	1.000	0.000				
Jacksonville	Florida	15	1.464	0.012			X	
Atlanta	Georgia	21	1.216	-0.040			X	
Honolulu	Hawaii	22	1.136	-0.014			X	-
Boise	Idaho	6	2.035	-0.058			X	+
Aurora	Illinois	25	1.107	-0.016			X	
Chicago	Illinois	27	1.096	-0.004	-		X	
Indianapolis	Indiana	3	2.648	0.539			X	-
Des Moines	Iowa	10	1.657	-0.345	X		X	-
Wichita	Kansas	36	1.024	-0.002			X	
Louisville	Kentucky	37	1.014	0.001				+
New Orleans	Louisiana	13	1.567	-0.048			X	
Portland	Maine	32	1.043	-0.003			X	
Baltimore	Maryland	47	0.995	0.133				-
Boston	Massachusetts	9	1.677	0.024			X	
Detroit	Michigan	18	1.262	-0.004		X		
Minneapolis	Minnesota	19	1.255	-0.117	X		X	-
Jackson	Mississippi	7	1.839	-0.035	X		X	
Kansas City	Missouri	39	1.000	0.000				
Billings	Montana	39	1.000	-0.028				
Omaha	Nebraska	35	1.032	0.032				+
Las Vegas	Nevada	50	0.988	0.000				
Manchester	New Hampshire	39	1.000	0.000				
Newark	New Jersey	39	1.000	0.000				
Albuquerque	New Mexico	33	1.036	0.000			X	
Buffalo	New York	8	1.804	0.014		X	X	+
New York City	New York	1	5.101	-0.096	X	-	X	

		Classification Ratio			Causes of Preferential Treatment of Homesteads			
City	State	Rank	Ratio	Chg. from 2014	Assessment Ratio	Nominal Tax Rate	Exemptions & Credits	Sales Ratio*
Charlotte	North Carolina	45	1.000	0.000				
Fargo	North Dakota	26	1.106	-0.097	X			-
Columbus	Ohio	34	1.035	-0.330		X	X	-
Oklahoma City	Oklahoma	30	1.070	-0.001			X	
Portland	Oregon	45	1.000	0.000				
Philadelphia	Pennsylvania	20	1.253	-0.028			X	
Providence	Rhode Island	11	1.657	0.000		X		
Columbia	South Carolina	2	3.691	0.029	X		X	
Sioux Falls	South Dakota	14	1.559	0.218		X		+
Memphis	Tennessee	12	1.600	0.000	X			
Houston	Texas	16	1.332	0.048			X	-
Salt Lake City	Utah	49	0.990	0.006				-
Burlington	Vermont	29	1.073	0.014	X	X		-
Virginia Beach	Virginia	53	0.852	-0.176				-
Seattle	Washington	39	1.000	0.000				
Charleston	West Virginia	4	2.214	0.107		X		+
Milwaukee	Wisconsin	31	1.068	0.004			X	
Cheyenne	Wyoming	52	0.876	-0.062				-
	TOTAL/AVERAGE		**1.380**	**-0.005**	**9**	**8**	**28**	**7 (+), 16 (-)**

*For sales ratio, "+" indicates that the sales ratio is higher for apartments and thus increases the classification ratio, while "-" indicates that the sales ratio is lower for apartments and thus decreases the classification ratio. For a few cities, one of the other three features of the property tax system favors apartments over homesteads, and this is also indicated with a "-".

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Table 7: Impact of Assessment Limits

Difference in Property Taxes between a Newly Purchased Home and a Home that Has Been Owned for the Average Duration for the City (For Median Valued Home)

		Tax Rate on Median-Valued Home			Tax Bill on Median-Valued Home			
State	City	Newly Purchased Home	Home Owned for Average Duration in City	Difference	Newly Purchased Home	Home Owned for Average Duration in City	Difference	% Difference
Arizona	Mesa	0.830	0.740	0.090	1,423	1,269	154	10.8%
Arizona	Phoenix	1.228	1.095	0.133	2,196	1,958	238	10.8%
Arizona	Tucson	1.209	1.209	0.000	1,530	1,530	0	0.0%
Arkansas	Little Rock	1.128	1.108	0.020	1,684	1,654	30	1.8%
California	Fresno	1.184	0.953	0.231	2,250	1,811	439	19.5%
California	Long Beach	1.107	0.665	0.442	4,881	2,934	1,947	39.9%
California	Los Angeles	1.175	0.768	0.407	5,942	3,884	2,058	34.6%
California	Oakland	1.346	0.986	0.360	6,723	4,924	1,799	26.8%
California	Sacramento	1.111	0.829	0.282	2,837	2,116	721	25.4%
California	San Diego	1.158	0.929	0.229	5,662	4,543	1,119	19.8%
California	San Francisco	1.173	0.826	0.347	9,931	6,991	2,940	29.6%
California	San Jose	1.277	0.942	0.335	8,447	6,232	2,215	26.2%
Florida	Jacksonville	1.205	1.003	0.202	1,586	1,320	266	16.8%
Florida	Miami	1.613	1.153	0.460	3,953	2,826	1,127	28.5%
Illinois	Chicago	1.585	1.514	0.071	3,483	3,328	155	4.5%
Michigan	Detroit	3.809	3.143	0.666	1,596	1,317	279	17.5%
New Mexico	Albuquerque	1.273	1.273	0.000	2,355	2,355	0	0.0%
New York	New York City	1.125	0.715	0.410	5,583	3,547	2,036	36.5%
Oklahoma	Oklahoma City	1.182	1.164	0.018	1,644	1,619	25	1.5%
Oregon	Portland	2.291	1.915	0.376	7,144	5,971	1,173	16.4%
South Carolina	Columbia	0.764	0.719	0.045	1,206	1,135	71	5.9%
Texas	Austin	1.984	1.957	0.027	5,077	5,007	70	1.4%
Texas	Dallas	2.117	2.117	0.000	2,978	2,978	0	0.0%
Texas	El Paso	2.640	2.640	0.000	3,147	3,147	0	0.0%
Texas	Fort Worth	2.467	2.467	0.000	3,141	3,141	0	0.0%
Texas	Houston	1.763	1.754	0.009	2,371	2,360	11	0.5%
Texas	San Antonio	2.225	2.225	0.000	2,648	2,648	0	0.0%
	AVERAGE	**1.554**	**1.363**	**0.191**	**3,756**	**3,057**	**699**	**13.9%**

Notes: Table is for states with parcel-specific assessment limits. Taxes on newly purchased homes come from Appendix Tables 2a and 2d, which ignore assessment limits. Taxes on homes owned for the average duration in each city come from Appendix Tables 2b and 2e, which do account for assessment limits. See Methodology section for details on calculation.

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

IN THE CIRCUIT COURT

CASE NO: 2016-CP-40-00946

South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated,

Plaintiffs,

vs.

The City of Columbia, and Richland County,

Defendants.

CERTIFICATE OF SERVICE

This is to certify that **Defendant City of Columbia's Supplemental Memorandum of Law in Support of Defendant's Motion for Summary Judgment** have been served on the counsel of record by placing the same in the United States mail, first class postage prepaid, addressed to the following as shown below this 23rd day of June, 2016:

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STATE OF SOUTH CAROLINA COUNTY OF RICHLAND South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiffs, v. The City of Columbia, Richland County, and Fairfield County, Defendants.	IN THE CIRCUIT COURT CASE NO: 2016-CP-40-00946 **PLAINTIFFS' MEMORANDUM OF LAW IN OPPOSITION TO THE CITY OF COLUMBIA'S MOTION FOR SUMMARY JUDGMENT AND RICHLAND COUNTY'S MOTION TO DISMISS**

RICHLAND COUNTY FILED
2016 JUN 27 PM 12: 28
JEANETTE W. WALKER C.P. & G.S.

NOW COME the Plaintiffs, by their undersigned attorney, and submit this Memorandum of Law in Opposition to the Defendant City's Motion for Summary Judgment and the Defendant Richland County's Motion to Dismiss. Plaintiffs would show unto the Court the following:

STATEMENT OF THE CASE

The South Carolina Constitution allows counties to jointly develop "an industrial or business park."

> (D) Counties may jointly develop **an industrial or business park** with other counties within the geographical boundaries of one or more of the member counties. The area comprising the parks and all property having a situs therein is **exempt from all ad valorem taxation**. The owners or lessees of any property situated in the park **shall pay an amount equivalent to the property taxes or other in-lieu-of payments** that would have been due and payable except for the exemption herein provided. The participating counties shall reduce the agreement to develop and share expenses and revenues of the park to a written instrument which is binding on all participating counties. Included within expenses are the costs to provide public services such as sewage, water, fire, and police protection.

S.C. Constitution, Art. VIII, § 13(D) (emphasis added). Similarly, South Carolina Code Ann. § 4-1-170 allows counties to develop "an industrial or business park with other counties."

The land in the multicounty industrial or business park is exempt from *ad valorem* taxes. S.C. Code Ann. § 4-12-30 (A). "Sponsors" sign an "inducement agreement," by which they agree to pay a fee in lieu of taxes ("FILOT") on the property in the industrial or business park. S.C. Code Ann. § 4-12-30 (A). The FILOT amounts to about half the amount of what the property taxes would have been, by virtue of Defendants' granting the taxpayers a credit, allegedly pursuant to S.C. Code Ann. § 4-1-175. S.C. Code Ann. § 4-1-170 requires the counties to gain the consent of the City of Columbia to include in the Park any real estate within the corporate bounds of the City.

Neither the South Carolina Constitution Article VIII, § 13(D), nor the enabling statutes (S.C. Code Ann. § 4-1-170 ff.) authorize Defendants to include residential properties in a Multicounty Business and Industrial Park.

Defendant City of Columbia filed a Motion for Summary Judgment. Defendant Richland County filed a Motion to Dismiss. Today, June 23, Plaintiffs received, for the first time, an Answer and Motion to Dismiss from Defendant Fairfield County. **Thus, the pleadings have been joined only today**.

After the City and County filed their Motions, the Parties entered into extended discussions regarding case management and a scheduling order. All parties agreed that the case could probably be decided on Cross Motions for Summary Judgment, but Plaintiffs

insisted that Defendants provide Plaintiffs all the relevant documents before Cross-Motions for Summary Judgment would be filed.

With the consent of the Defendants, on May 30, Plaintiffs requested a list of relevant documents, which the Defendants agreed to provide by July 15, including the following:

1. Master Agreement. (April 15, 2003?)
    a. First amendment.
    b. Second amendment (July 1, 2014)
    c. Third amendment.
    d. Any other amendments.
2. All Ordinances adopting the Master Agreement or its amendments by Richland County and Fairfield County.
3. Any Inducement Agreements related to residential or apartment projects related to the Park.
4. All ordinances (5 or more) adding property for residential projects, or apartment projects to the Park (March 4, 2014 through May 9, 2015?)
    a. City of Columbia ordinances.
    b. Richland County ordinances.
    c. Fairfield County ordinances.

Presumably these documents are all the possession of the various Defendants, but **Defendants have not provided these requested documents**.

All parties agreed to a Scheduling Order by which Defendants would provide these documents by July 15. The parties agreed that the all parties would file Cross-Motions for Summary Judgment by August 15, that opposing parties would file Responses by September 2, and that the case would be ready for argument on the Cross-Motions for Summary Judgment by September 19.

In addition, the parties agreed that they would submit a proposed Consent Order to the Court designating this case as a "complex case," and asking for the appointment of a single judge to hear all matters connected with this case.

The Administrative Judge has not signed the proposed Consent Order, but instead, on June 22, at 3:33 PM, advised the parties to prepare for hearing on June 30. Since that time, Plaintiffs have worked to prepare this Memorandum.

STATEMENT OF FACTS

This Statement of Facts comes from the Amended Complaint.

Plaintiff South Carolina Public Interest Foundation is a not for profit corporation organized and existing under the laws of the State of South Carolina and dedicated to the public interest, including the proper application and enforcement of the South Carolina Constitution and statutes. Plaintiff William B. DePass, Jr. is a citizen, resident, taxpayer, and registered elector of the City of Columbia and Richland County. DePass possesses standing to bring this lawsuit as a City of Columbia and Richland County taxpayer. He brings this action individually and on behalf of all others similarly situated.

Defendant City of Columbia is a South Carolina municipal corporation. Defendant Richland County is a South Carolina County. Defendant Fairfield County is a South Carolina County.

On or about April 15, 2003, Richland County and Fairfield County created a multicounty industrial or business park called the I-77 Corridor Regional Industrial Park ("Park") and entered into an agreement entitled "Master Agreement Governing the I-77 Corridor Regional Industrial Park" ("Master Agreement").

At least five times from March 4, 2014 through May 19, 2015, the City of Columbia, Richland County, and Fairfield County, have enacted ordinances to include

property within the City of Columbia expected to become student housing and residential apartments in the Park, and have agreed to grant their owners and developers a 50% reduction in property taxes, **unlike all the other persons** who own and manage residential rental property in the City of Columbia.

LEGAL DISCUSSION

"The assessment of all property shall be equal and uniform." South Carolina Constitution Art. X, § 1.

I. THE CITY'S MOTION FOR SUMMARY JUDGMENT IS PREMATURE.

The South Carolina Supreme Court has ruled repeatedly that a trial court should not grant summary judgment until the parties have had a full and fair opportunity for discovery.

> Since it is a drastic remedy, summary judgment "should be cautiously invoked so that no person will be improperly deprived of a trial of the disputed factual issues." *Watson v. Southern Ry. Co.*, 420 F.Supp. 483, 486 (D.S.C.1975); *see also Holloman v. McAllister*, 289 S.C. 183, 186, 345 S.E.2d 728, 729 (1986) ("an extreme remedy to be cautiously invoked"). This means, among other things, that **summary judgment must not be granted until the opposing party has had a full and fair opportunity to complete discovery**. 10A Wright & Miller,*Federal Practice and Procedure* § 2741, p. 543 (1983); 6 *Moore's Federal Practice* ¶ 56.02[6], p. 56–39 (2d ed. 1990); *see, e.g., First Chicago Int'l v. United Exchange Co.*, 836 F.2d 1375 (D.C.Cir.1988); *Gary Plastic Packaging Corp. v. Merrill Lynch, Pierce, Fenner & Smith, Inc.*, 756 F.2d 230 (2d Cir.1985); *Tyler v. City of Enterprise*, 521 So.2d 951 (Ala.1988); *Gangadean v. Leumi Fin. Corp.*, 13 Ariz.App. 534, 478 P.2d 532 (1970); *Commercial Bank of Kendall v. Heiman*, 322 So.2d 564 (Fla.Dist.Ct.App.1975); *Board of Education v. Van Buren & Firestone, Architects, Inc.*, 165 W.Va. 140, 267 S.E.2d 440 (1980); *cf.* Rule 56(f), S.C.R.C.P.

Baughman v. AT&T, 306 S.C. 101, 112, 410 S.E.2d 537, 544-545. (1991) (footnote omitted) (emphasis added).

Obviously, Plaintiffs have not had "a full and fair opportunity to complete discovery." **Today, June 23**, Plaintiffs received, for the first time, an Answer and a Motion to Dismiss from Fairfield County.

Furthermore, the Defendants agreed to provide important documentation related to this case that the Plaintiff requested on May 30, and Defendants have not done so. Accordingly, the City's Motion for Summary Judgment is premature and should be denied at this time.

II. RICHLAND COUNTY'S MOTION TO DISMISS SHOULD BE DENIED.

Richland County offers four theories in support of its Motion to Dismiss:

1. Failure to state facts sufficient to constitute a cause of action;
2. City-owned property is not taxable;
3. Plaintiffs lack standing; and
4. The issue is a political question.

None of these four grounds is sufficient to grant Defendant Richland County's Motion to Dismiss.

A. Plaintiffs have stated sufficient facts to constitute a cause of action.

Plaintiffs alleged the facts articulated in the Statement of Facts above. Plaintiffs brought this action for declaratory judgment asking the Court to "rule that the Defendants' inclusion of residential properties in a multicounty business and industrial park, and the granting of tax credits arising therefrom, violates the South Carolina Constitution, Art. X § 1, and Art. 8, § 13; and SC Code Ann. § 4-1-170 ff." Amended

Complaint, Prayer for Relief. Plaintiffs ask that this Court interpret the South Carolina Constitution and South Carolina statutes. Plaintiffs submitted sufficient facts supporting their claim, by alleging that the Defendants had enacted ordinances placing residential properties into a statutory "business and industrial park." Plaintiffs contend that including these properties and granting them tax breaks was both contrary to the statute, and contrary to the South Carolina Constitution. Accordingly, Plaintiff has stated sufficient facts to constitute a cause of action, and Richland County's Motion to Dismiss on this basis must be denied.

B. Plaintiffs did not allege that the property was City-owned, but rather located within the City.

Second, Richland County misstates the allegations in the Complaint, arguing that the Plaintiffs alleged that the real estate in question was City-owned, when in fact, Plaintiffs allege that the real estate was located within the corporate boundaries of the City. The specific allegation is this: "At least five times from March 4, 2014 through May 19, 2015, the City of Columbia, in conjunction with Richland County and Fairfield County, has enacted ordinances to include City property expected to become student housing and residential apartments in the Park." A fair and plain reading of this allegation indicates that the property is within the municipal boundaries of the City of Columbia, not that it is owned by the City. Furthermore, Defendants have indicated that the real estate in question is privately owned and developed by private investors.

This argument borders on the frivolous, and the Motion on this basis should be denied.

C. Plaintiffs possess standing based on the public importance of the issues they raise and as taxpayers.

Plaintiffs alleged:

> This Court possesses jurisdiction under the South Carolina Constitution, Art. VIII, § 13(D); and **under the following decisions, which address public importance and taxpayer standing**: ***South Carolina Public Interest Foundation*** *v. South Carolina Transportation Infrastructure Bank*, 403 S.C. 640, 744 S.E.2d 521 (2013), *American Petroleum Institute v. S.C. Dep't. of Revenue,* 382 S.C. 572, 677 S.E.2d 16 (2009), ***South Carolina Public Interest Foundation*** *v. Harrell,* 378 S.C. 441, 663 S.E.2d 52 (2008), ***Sloan*** *v. Department of Transportation,* 379 S.C. 160, 666 S.E.2d 236 (2008), ***Sloan*** *v. Hardee,* 357 S.C. 495, 640 S.E.2d 457 (2007); *Cornelius v Oconee County,* 369 S.C. 531, 633 S.E.2d 492 (2006); ***Sloan*** *v. Department of Transportation,* 365 S.C. 299, 618 S.E.2d 876 (2005), ***Sloan*** *v. Wilkins,* 362 S.C. 430, 608 S.E.2d 579 (2005); ***Sloan*** *v. Sanford,* 357 S.C. 431, 593 S.E.2d 470 (2004); ***Sloan*** *v. Greenville County,* 356 S.C. 531, 590 S.E.2d 338 (Ct. App. 2003), ***Sloan*** *v. School District of Greenville County,* 342 S.C. 515, 537 S.E.2d 299 (Ct. App. 2000), *Baird v. Richland County,* 333 S.C. 519, 511 S.E.2d 69 (1999), *Newman v. Richland County Historic Preservation Commission,* 325 S.C. 79, 480 S.E.2d 72 (1997); and under S.C. Code Ann. § 15-53-10 *et seq.,* known as the Uniform Declaratory Judgment Act.
>
> This action raises Constitutional and statutory **issues of great public importance**, namely the proper interpretation of the South Carolina Constitution and enabling statutes. Plaintiffs ask the Court to grant them standing based upon the great public importance of the Constitutional and statutory issues this action raises.

Amended Complaint, par. 6-7 (emphasis added). Plaintiffs have brought many such actions listed above and many times have been granted standing based on the public importance of the issues they raise. This case fits neatly within that long line of cases, in which Plaintiffs have been granted standing based on the public importance of the issues.

Plaintiffs' legal research disclosed no South Carolina case ruling on the question in this case: whether the South Carolina Constitution and enabling statutes permit residential properties to be included in a Multicounty Business and Industrial Park. When there is no South Carolina appellate case addressing an issue, that factor indicates a need for judicial decision.

In the *Ladson Road* case, the Supreme Court analyzed the public importance exception this way:

> This Court has noted "the limited nature of the exception for questions of 'imperative and manifest urgency.'" *Sloan v. Greenville County,* 361 S.C. 568, 571, 606 S.E.2d 464, 466 (2004) (*Greenville County II*). In *Greenville County II,* we held that **where judicial guidance exists** on the legal issue presented, **there is no imperative and manifest urgency** for an advisory opinion.
>
> **In the instant case, however, there is no case law** specifically addressing the DOT's authorization of an emergency procurement. Because this is a matter of public importance which **could occur** at any time (given the inherent unpredictability of emergencies), we find there is an urgent nature to this issue.
>
> Accordingly, even though the Ladson Road Project was completed in 2005, we will address the other issues raised in the case.

Sloan v. Dept. of Transportation, 379 S.C. 160, 169, 666 S.E.2d 236, 240 (2008).

Similarly, there is no case law on the issue in the case at bar: whether Counties may include residential properties in a "Business and Industrial Park" and grant them a 50% property tax credit. This issue "could occur at any time."

Twice the Attorney General has been asked for an opinion on this question, once by the Oconee County Attorney, and once by the Director of the Department of Revenue (copies attached). The Attorney General said:

> Based on the **plain and ordinary meaning** of the terms industrial and business, as described above, **it does not appear that the Legislature intended for residential property to be included in an industrial or business park** created pursuant to §4-1-170. Nevertheless, consistent with our prior opinion, we believe **the County should institute a declaratory judgment action** in order for a court to decide with finality whether or not residential property may be included in a multicounty park.

2010 WL 1370094 (S.C.A.G.) (March 17, 2010) p. 2 (emphasis added). To the knowledge of the Plaintiffs, neither party who posed the question to the Attorney General instituted a declaratory judgment action on the issue. The City of Columbia alleges that the investments involved in this case **exceed $160 million**. Accordingly, this is an issue of great public importance, and Plaintiffs should be granted public importance standing to enable the Court to address this issue.

In addition, Plaintiff Rusty DePass is a City taxpayer and County taxpayer, and as such, he is financially affected by the unlawful and unconstitutional tax breaks at issue in this case. Accordingly, Plaintiffs possess standing, both taxpayer standing and public importance standing, and the County's Motion to Dismiss on this basis must be denied.

D. The issue is one of statutory and constitutional interpretation, not politics.

Finally, Defendant Richland County argues that the issue in this case is a political issue, which this Court must not address. Nothing could be further from the truth. Plaintiffs have intentionally and openly addressed this issue, not from a standpoint of political wisdom or policy, but rather as a matter of statutory and constitutional interpretation. The **Defendant City, in its Motion for Summary Judgment, has attempted to invoke a discussion of policy reasons** for why this Court should allow

this unlawful and unconstitutional arrangement, as a question of fairness and as a matter of comparison between the City of Columbia and various other cities around the country; but the **Plaintiffs have not**.

Plaintiffs agree with the Defendant Richland County that this Court should not involve itself in the second-guessing of political officials, over matters of policy and wisdom, right or wrong, but rather should focus on statutory and constitutional interpretation. Accordingly, the Richland County Motion to Dismiss on this basis must be denied.

CONCLUSION

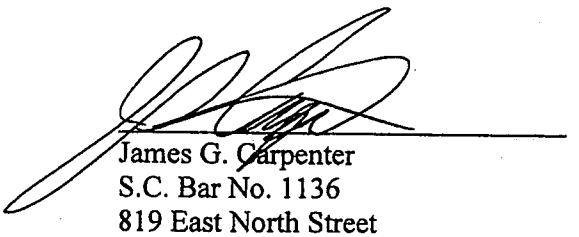
Having fully responded to both the Motion for Summary Judgment and the Motion to Dismiss, Plaintiffs pray the Court:

1. That the Court deny the City's Motion for Summary Judgment as premature;
2. That the Court deny the County's Motion to Dismiss on the merits;
3. That the Court enter the Parties' proposed Consent Order;
4. and if the Court will not enter the proposed Consent Order designating the case as complex, that the Court adopt and enforce the proposed Scheduling Order, as agreed to by the Parties;
5. Rule that the Defendants' inclusion of residential properties in a Multicounty Business and Industrial Park, and the granting of tax credits arising therefrom, violates the South Carolina Constitution, Art. X § 1, and Art. 8, § 13; and S.C. Code Ann. § 4-1-170 ff.;

6. To grant Plaintiffs their costs and attorneys' fees under S.C. Code Ann. § 15-77-300 ff.; and

7. To grant such other and further relief as the Court deems just and proper.

Respectfully submitted,
THE CARPENTER LAW FIRM, PC



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Attorney for the Plaintiffs

June 23, 2016

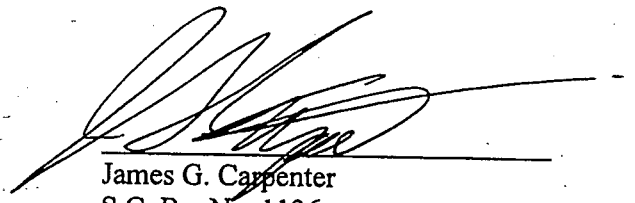
STATE OF SOUTH CAROLINA COUNTY OF RICHLAND South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiffs, v. The City of Columbia, Richland County, and Fairfield County, Defendants.	IN THE CIRCUIT COURT CASE NO: 2016-CP-40-00946 **CERTIFICATE OF SERVICE**

The undersigned attorney hereby certifies that he served a copy of the foregoing Plaintiffs' Memorandum of Law in Opposition to the City of Columbia's Motion for Summary Judgment and Richland County's Motion to Dismiss on opposing counsel by first class mail, postage prepaid, this June 23, 2016, addressed as follows:

Burnet R. Maybank III
Post Office Drawer 2426
Columbia, SC 29202

Ray N. Stevens
PO Box 1509
Columbia, SC 29202

Respectfully submitted,
THE CARPENTER LAW FIRM, PC



James G. Carpenter
S.C. Bar No. 1136
819 East North Street
Greenville, SC 29601
(864) 235-1269
Attorney for the Plaintiffs

June 23, 2016

2010 WL 1370094 (S.C.A.G.)

Office of the Attorney General

State of South Carolina
March 17, 2010

*1 Ray N. Stevens
Director
Department of Revenue
P. O. Box 125
Columbia, South Carolina 29214

Dear Mr. Stevens:

We received your letter requesting an opinion of this Office concerning Owner-Occupied Residential Property Located in a Multicounty Park. You asked if mulitcounty parks may include owner-occupied residential property, and if so, "whether such property may receive the [property tax] exemption contained in Code Section 12-37-220(B)(47)." Additionally, you asked how reimbursements paid to school districts and deposited in the Homestead Exemption Fund are to be distributed. As noted in your request, on March 14, 1990, this Office issued an opinion addressing the manufacturing exemption contained in Code Section 12-37-220(A)(7) for property located in a multicounty park. Additionally, on March 1, 2010, this Office issued an opinion specifically addressing your question regarding residential property. The March 1, 2010 opinion is enclosed for your convenience.

Law/Analysis

Article VIII, Section 13(D) of the South Carolina Constitution provides that counties have the authority to develop industrial or business parks with other counties, and that such multicounty parks are "exempt from all ad valorem taxation." However, the "owners and lessees of any property situated in the park shall pay an amount equivalent to the property taxes or other in-lieu-of payments that would have been due and payable except for the exemption herein provided."

S.C. Code Ann. § 4-1-170 also provides that participating counties, "by written agreement . . . may develop jointly an industrial or business park with other counties within the geographical boundaries." The written agreement should explain 1) how expenses will be shared, 2) the percentage of revenue allocated to each county, and 3) the manner in which revenue must be distributed

In an opinion of this Office dated March 14, 1990, we stated as follows:

> [M]unicipalities only have such powers as are granted them by the state in their characters or by legislative enactment. Williams v. Wylie, 217 S.C. 247, 60 S.E. 586 (1950). These powers may be expressly granted or may be fairly implied from or necessarily incidental to those powers expressly granted. Marshall v. Rose, 213 S.C. 428, 49 S.E.2d 720 (1948).

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In an opinion of this Office dated March 1, 2010, we stated as follows:

> S.C. Code Ann. § 4-1-170 does not specifically state the type of property that may be included in such a park. Thus, we must employ the rules of statutory interpretation in order to determine whether such a park may include residential property. Our Supreme Court recently stated in SCANA Corp. V. South Carolina Dep't of Revenue, 384 S.C. 388, 392, 683 S.E.2d 468, 470 (2009):
>
> > The cardinal rule of statutory construction is to ascertain and effectuate the intent of the Legislature. Hodges v. Rainey, 341 S.C. 79, 85, 533 S.E.2d 578, 581 (2000) . . . The Court should give words their plain and ordinary meaning . . . Sloan v. S.C. Bd. Of Physical Therapy Exam'rs, 370 S.C. 452, 469, 636 S.E.2d 598, 607 (2006). . . .

*2 According to Webster's New World Dictionary, "industrial" means "having the nature of or characterized by industries. . . ." Webster's New World Dictionary 718 (2nd ed. 1976). The plain and ordinary meaning of the term "business" is "a commercial or industrial establishment; store, factory, etc." Id. at 192.

Conclusion

Since S.C. Code Ann. § 4-1-170 does not specifically address what type of property can be included in a multicounty industrial or business park, one must look to the plain and ordinary meaning. Based on the plain and ordinary meaning of the terms industrial and business, as described above, it does not appear that the Legislature intended for residential property to be included in an industrial or business park created pursuant to § 4-1-170. Nevertheless, consistent with our prior opinion, we believe the County should institute a declaratory judgment action in order for a court to decide with finality whether or not residential property may be included in a multicounty park.

Unless the court determines that residential property may be included in a multicounty park, it is unnecessary to address the tax exemption and Homestead Exemption Fund distribution questions.

Sincerely,

Henry McMaster
Attorney General
By: Leigha Blackwell
Assistant Attorney General

REVIEWED AND APPROVED BY:

Robert D. Cook
Deputy Attorney General

2010 WL 1370094 (S.C.A.G.)

End of Document

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2010 WL 1370089 (S.C.A.G.)

Office of the Attorney General

State of South Carolina
March 1, 2010

*1 Thomas L. Martin, Esquire
McNair Law Firm, P.A.
Post Office Box 4086
Anderson, South Carolina 29622

Dear Mr. Martin:

We understand from your letter that as the Oconee County Attorney, you would like to request an opinion of this Office on behalf of the Oconee County Council concerning "whether real property anticipated to be used for residential purposes can be placed into a joint county industrial and business park (a 'Multi-County Business Park') created pursuant to Section 13 of Article VIII of the Constitution of the State of South Carolina, as implemented by Section 4-1-170, et seq., Code of Laws of South Carolina, 1976, as amended (the 'Joint County Industrial and Business Park Act')." Specifically, you pose the following two questions to us:

I. Can a Multi-County Business Park, created pursuant to Section 13 of Article VIII of the Constitution of the State of South Carolina and the Joint County Industrial and Business Park Act, contain residential property; and,

II. If the answer to question I is "Yes", does it matter if the end use for the residential property in question is to be owner-occupied (4%) or commercial (6%) residential property, so long as there is a business purpose to the development, construction, sales and/or lease of such property?

Law/Analysis

Section 4-1-170 of the South Carolina Code (Supp. 2009) allows counties to enter into a written agreement to jointly develop an industrial or business park. This provision states as follows:

> (A) By written agreement, counties may develop jointly an industrial or business park with other counties within the geographical boundaries of one or more of the member counties as provided in Section 13 of Article VIII of the Constitution of this State. The written agreement entered into by the participating counties must include provisions which:
>
> (1) address sharing expenses of the park;
>
> (2) specify by percentage the revenue to be allocated to each county;
>
> (3) specify the manner in which revenue must be distributed to each of the taxing entities

within each of the participating counties.

(B) For the purpose of bonded indebtedness limitation and for the purpose of computing the index of taxpaying ability pursuant to Section 59-20-20(3), allocation of the assessed value of property within the park to the participating counties and to each of the taxing entities within the participating counties must be identical to the allocation of revenue received and retained by each of the counties and by each of the taxing entities within the participating counties. Misallocations may be corrected by adjusting later distributions, but these adjustments must be made in the same fiscal year as the misallocations. Provided, however, that the computation of bonded indebtedness limitation is subject to the requirements of Section 4-29-68(E).

(C) If the industrial or business park encompasses all or a portion of a municipality, the counties must obtain the consent of the municipality prior to the creation of the multi-county industrial park.

*2 S.C. Code Ann. § 4-1-170. In addition, section 4-1-172 of the South Carolina Code (Supp. 2009) provides: "All multicounty parks must consist of contiguous counties."

As you mentioned in your letter, neither section 4-1-170, nor any of the provisions pertaining to multicounty industrial and business parks, specifically state the type of property that may be included in such a park. Thus, we must employ the rules of statutory interpretation in order to determine whether such a park may include residential property. Our Supreme Court recently stated in SCANA Corp. v. South Carolina Dep't of Revenue, 384 S.C. 388, 392, 683 S.E.2d 468, 470 (2009):

> The cardinal rule of statutory construction is to ascertain and effectuate the intent of the Legislature. Hodges v. Rainey, 341 S.C. 79, 85, 533 S.E.2d 578, 581 (2000). "All rules of statutory construction are subservient to the one that the legislative intent must prevail if it can be reasonably discovered in the language used, and that language must be construed in light of the intended purpose of the statute." Broadhurst v. City of Myrtle Beach Election Comm'n, 342 S.C. 373, 380, 537 S.E.2d 543, 546 (2000). The Court should give words their plain and ordinary meaning, without resort to subtle or forced construction to limit or expand the statute's operation. Sloan v. S.C. Bd. of Physical Therapy Exam'rs, 370 S.C. 452, 469, 636 S.E.2d 598, 607 (2006).

While section 4-7-170 does not specify what type of property can be included in a multicounty industrial or business park, the statute allows for the creation of an "industrial" or "business" park. According to Webster's New World Dictionary, "industrial" means "having the nature of or characterized by industries . . . ." Webster's New World Dictionary 718 (2nd ed. 1976). The plain and ordinary meaning of the term "business" is "a commercial or industrial establishment; store, factory, etc." Id. at 192. Based on the plain and ordinary meaning of the terms industrial and business, one may argue that the Legislature did not intend for residential property to be included in an industrial or business park created pursuant to section 4-7-170. Nonetheless, because the type of property that may be included in a multicounty park is not specified in section 4-7-170, an argument can also be made that residential property is not prohibited from being included in a multicounty park. Accordingly, we believe the County should institute a declaratory judgement action in order for a court to decide with finality whether or not residential property may be included in a multicounty park.

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Very Truly Yours,

Henry McMaster
Attorney General

By: Cydney M. Milling
Assistant Attorney General

REVIEWED AND APPROVED BY:

Robert D. Cook
Deputy Attorney General

2010 WL 1370089 (S.C.A.G.)

End of Document

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STATE OF SOUTH CAROLINA COUNTY OF RICHLAND South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiffs, v. The City of Columbia, Richland County, and Fairfield County, Defendants.	IN THE CIRCUIT COURT CASE NO: 2016-CP-40-00946 **Affidavit of James G. Carpenter Rule 56(f), SCRCP**

James G. Carpenter, being first duly sworn on oath, and pursuant to South Carolina Rules of Civil Procedure 56(f), deposes and states the following:

1. My name is James G. Carpenter. I am counsel for the Plaintiffs in this action.
2. Defendant City of Columbia filed a Motion for Summary Judgment. Defendant Richland County filed a Motion to Dismiss.
3. After the City and Richland County filed their Motions, the Parties entered into extended discussions regarding case management and a scheduling order. All parties agreed that the case could probably be decided on Cross Motions for Summary Judgment, but Plaintiffs insisted that Defendants provide Plaintiffs all the relevant documents before Cross-Motions for Summary Judgment would be filed.
4. All parties agreed to a Scheduling Order by which Defendants would provide these documents by July 15. The parties agreed that the all parties would file Cross-Motions for Summary Judgment by August 15, that opposing parties would file Responses by September 2, and that the case would be ready for argument on the Cross-Motions for Summary Judgment by September 19, 2016.

5. In addition, the parties agreed that they would submit a proposed Consent Order to the Court designating this case as a "complex case," and asking for the appointment of a single judge to hear all matters connected with this case.

6. Plaintiffs requested a list of relevant documents, which the Defendants agreed to provide by July 15, 2016, including the following:

    1. Master Agreement. (April 15, 2003?)
        a. First amendment.
        b. Second amendment (July 1, 2014)
        c. Third amendment.
        d. Any other amendments.
    2. All Ordinances adopting the Master Agreement or its amendments by Richland County and Fairfield County.
    3. Any Inducement Agreements related to residential or apartment projects related to the Park.
    4. All ordinances (5 or more) adding property for residential projects, or apartment projects to the Park (March 4, 2014 through May 9, 2015?)
        a. City of Columbia ordinances.
        b. Richland County ordinances.
        c. Fairfield County ordinances.

7. Presumably these documents are all the possession of the various Defendants, but Defendants failed to provide these requested documents until June 27, 2016.

8. The Administrative Judge did not sign the proposed Consent Order, but instead, on June 22, 2016, advised the parties to prepare for hearing on June 30, 2016.

9. On June 23, 2016, Plaintiffs received, for the first time, an Answer and Motion to Dismiss from Defendant Fairfield County.

10. The South Carolina Supreme Court has ruled repeatedly that a trial court should not grant summary judgment until the parties have had a full and fair opportunity for discovery. *Baughman v. AT&T*, 306 S.C. 101, 112, 410 S.E.2d 537, 544-545. (1991)

11. Plaintiffs have not had "a full and fair opportunity to complete discovery." Plaintiffs have not had an adequate opportunity to review and study the documents provided so recently by the Defendants.

12. Furthermore, Plaintiffs are informed and believe that other persons and organizations have sought and received similar agreements and specialized tax treatment from the City and the Counties, but Defendants have not provided all documents related to such agreements and concessions.

13. Finally, based on what has been provided, Plaintiffs believe that depositions of certain officers and officials of the Defendants will need to be taken.

14. Accordingly, the City's Motion for Summary Judgment is premature and should be denied at this time.

Further the affiant saith naught.

James G. Carpenter
S.C. Bar No. 1136
819 East North Street
Greenville, SC 29601
(864) 235-1269
Attorney for the Plaintiffs

Subscribed and sworn to
before me this June 29, 2016.

Notary Public, State of South Carolina
My commission expires: Aug 11 2020

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND	IN THE CIRCUIT COURT
South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated, Plaintiff, vs. City of Columbia, Fairfield County, and Richland County, Defendant.	Case No. 2016-CP-40-00946 **Joint Stipulation of Facts**

1. On or about April 15, 2003, Richland County entered into a Master Agreement governing the I-77 Corridor Regional Industrial Park with Fairfield County, which consolidated all multi-county parks, and any prior agreement governing those multi-county parks, between Richland County and Fairfield County into the I-77 Corridor Regional Industrial Park ("the Park").
2. Richland County and Fairfield County have added numerous new projects to the Park pursuant to the terms of the Master Agreement and have amended the Master Agreement three times to alter the internal distribution of Richland County's Park Revenues.
3. On March 4, 2014, The City of Columbia passed Resolution No. R-2014-024 (attached).
4. Richland County passed several ordinances which, together with Fairfield County ordinances, included certain student housing projects in the Park. The Ordinances are as follows:

Developer	Project	City Ordinance	Richland County Ordinance	Fairfield County Ordinances
Park 7 Group	Park Place Columbia (Park I)	2014-015	004-14HR	624
Edwards Communities	Greene Crossing (University Residences)	2014-019	011-14HR	632
Park 7 Group	University SC Towers (Park II)	2014-020 2015-109	005-14HR 051-15HR	624 659
Peak Campus	Station at Five Points (Project Peak)	2014-123	072-14HR	642

5. Richland County, by the ordinances referenced above, further authorized a 50% Special Source Revenue Credit (the "Credit") to the student housing projects located in the Park pursuant to the terms and conditions of the agreements between Richland County and each of the developers of the student housing projects.
6. The City of Columbia utilized Resolution No. 2015-049 (attached) "to sunset the tax credit on December 31, 2015 for previously approved projects or projects submitted."
7. Following the passage of the City of Columbia's Resolution No. R-2014-024, several developers obtained approval from the City for their projects in subsequent ordinances (Ordinances Nos. 2014-015, 2014-019, 2014-020, 2014-123, and 2015-109) which provided the City consent to the inclusion of the properties in the Park.
8. After the City consented to the inclusion of the projects in the Park through these adopted ordinances by the City of Columbia, Fairfield County, and Richland County, as detailed below four student housing projects were built or are in the process of being built in the City.
9. The "Park I" development, located at Blossom and 500 Huger Street, consists of a 482,000 square feet of private dormitory development. The project consists of approximately 237 units with 640 bedrooms. The project also includes 480 structured parking spaces.
10. The "University Residences" development is located on the 620 Blossom, 708 Pulaski, and

810 Pulaski Streets. At 347,000 square feet, the project consists of 247 units with 726 bedrooms. The project also includes an 85,000 square feet parking garage with approximately 300 spaces.

11. The "Project Peak" development is located at 2015 Gervais Street, 1225 Harden, and 2000 Lady Street. The project is approximately 367,000 square feet private dormitory development with a 212,000 square feet parking garage. The development consists of 218 units with 660 bedrooms and 574 structured parking spaces.

12. The "Park II" development is located 1001 and 1011 Assembly Street at 1016 Park Street. It comprises 490,000 square feet of private dormitory development. The development will have 227 units with 684 bedrooms and a 177,000 square feet parking garage with 518 dedicated spaces.

13. All of the projects engage in the continuous activity of letting beds to students through the entering of a lease or other contractual arrangements between the student and the developer or other property manager.

James G. Carpenter
The Carpenter Law Firm, PC
819 East North Street
Greenville, SC 29601
864.235.1269

Attorney for Plaintiffs
South Carolina Public Interest Foundation, and William B. DePass, Jr., individually, and on behalf of all others similarly situated

August __, 2016
Greenville, South Carolina

Burnet R. Maybank, III
Nexsen Pruet, LLC
1230 Main Street, Suite 700 (29201)
Post Office Box 2426
Columbia, SC 29202
803.771.8900

Attorney for Defendant
City of Columbia

August __, 2016
Columbia, South Carolina

Ray E. Jones
Ray N. Stevens
Parker Poe Adams & Bernstein, LLP
1201 Main Street, Suite 1450 (29201)
PO Box 1509
Columbia, SC 29202
803.255.8000

Attorneys for Defendants
Richland County and Fairfield County

August 15, 2016
Columbia, South Carolina

ORIGINAL
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RESOLUTION NO.: R-2014-024

Adopting a Policy and Criteria to Consider the Inclusion of Real Property in a Multi-County Industrial Park to Apply Richland County's Special Source Revenue Credit Incentive to Real Property within the Corporate Limits of the City of Columbia

WHEREAS, Richland County recognizing that it and the City of Columbia have a real property tax base environment unlike any other in South Carolina, through its Economic Development Committee has informally approved Special Source Revenue Credit incentive guidelines similar to the City of Columbia's set forth below to offset a portion of the detrimental property tax effect to the taxpayer that is a result of tax exempt institutions owning real property within Richland County; and,

WHEREAS, in an effort to create an incentive for a public-private partnership for the benefit of Richland County the incentive has been created specifically for private, large capital investment, high density, vertical construction development in Richland County; and,

WHEREAS, the unique and specific incentive is for Richland County to create and realize real property tax revenue at a very high rate of real property taxes paid per acre of land developed within Richland County and/or the City of Columbia cores; and,

WHEREAS, the incentive is focused upon specific development for a use that has traditionally and predominately been a use which is exempt from real property taxes; and,

WHEREAS, the real property tax revenue created as a result of the incentive is of the highest margin real property tax revenue possible for the limited number of sites expected to meet the criteria due to the low impact use and low cost of service nature of the developments; and,

WHEREAS, the incentive will slow the growth of tax exempt real property and development within Richland County and/or the City of Columbia; and,

WHEREAS, the proper economic conditions and market demand required to make the unique and specific incentive relevant will be limited in scope compared to more traditional development projects within Richland County and/or the City of Columbia; and,

WHEREAS, the City of Columbia desires to adopt criteria in order to determine when it is appropriate to include a real property or real properties located within the corporate limits of the City of Columbia in a Multi-County Industrial Park in order for the development to qualify for Richland County's Special Source Revenue Credit Incentive; NOW THEREFORE,

BE IT RESOLVED by the Mayor and City Council this 4th day of March, 2014, that the following criteria are hereby adopted in order for Columbia City Council to determine when it is appropriate to include a real property or real properties located within the corporate limits of the City of Columbia in a Multi-County Industrial Park in order for the development to qualify for Richland County's Special Source Revenue Credit Incentive:

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STAMPED IN RED

1. A minimum private investment of $40,000,000 in brick and mortar with no use of JEDA funds;
2. A minimum investment of $5,000,000 per useable acre;
3. Pay a minimum tax bill of $750,000 per year in annual property taxes before all tax credits have been applied;
4. Use will pay more in taxes after all credits have been applied than any other likely use of the property;
5. Structured parking and infrastructure with no use of public funds, other than bonds or obligations payable solely from taxpayer funds, used in construction cost.
6. Columbia City Council reserves the right to review (cost benefit analysis) and approve or deny any other assistance that may already be available to development project.

BE IT FURTHER RESOLVED that any real property located within the Bull Street Development Project shall not qualify for inclusion, nor does the City Council consent to the inclusion of any real property located within the Bull Street Development Project in a Multi-County Industrial Park for Richland County's Special Source Revenue Credit Incentive.

BE IT FURTHER RESOLVED, that inclusion of a real property or real properties located within the corporate limits of the City of Columbia in a Multi-County Industrial Park shall be by ordinance and the enactment of such an ordinance is in the sole and exclusive legislative discretion of Columbia City Council.

Requested by:

Economic Development Director

Approved by:

City Manager

Mayor

Approved as to form:

City Attorney

ATTEST:

City Clerk

Introduced: 3/4/2014
Final Reading: 3/4/2014

Last revised: 2/28/2014
14020286

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RESOLUTION NO.: R-2014-045

Amending Resolution R-2014-024 Adopting a Policy and Criteria to Consider the Inclusion of Real Property in a Multi-County Industrial Park to Apply Richland County's Special Source Revenue Credit Incentive to Real Property within the Corporate Limits of the City of Columbia to remove the exclusion of the Bull Street Development Project

WHEREAS, Resolution R-2014-024 enacted on March 4, 2014 adopted criteria in order for Columbia City Council to determine when it is appropriate to include a real property or real properties located within the corporate limits of the City of Columbia in a Multi-County Industrial Park in order for the development to qualify for Richland County's Special Source Revenue Credit Incentive, which policy excluded the property known as the Bull Street Development Project; and,

WHEREAS, Columbia City Council desires to amend Resolution R-2014-024 to specify that the previously approved criteria apply only to privately owned student housing projects; and,

WHEREAS, Columbia City Council desires to amend Resolution R-2014-024 to allow for the inclusion of the Bull Street Development Project, should real property or real properties developed as privately owned student housing projects located within the Bull Street Project qualify for Richland County's Special Source Revenue Credit Incentive; NOW THEREFORE,

BE IT RESOLVED by the Mayor and City Council this 10th day of June, 2014, that the following criteria are hereby adopted in order for Columbia City Council to determine when it is appropriate to include a real property or real properties developed as privately owned student housing projects located within the corporate limits of the City of Columbia in a Multi-County Industrial Park in order for the development to qualify for Richland County's Special Source Revenue Credit Incentive:

1. A minimum private investment of $40,000,000 in total project costs as allowed by Richland County with no use of JEDA funds;
2. A minimum investment of $5,000,000 per useable acre;
3. Pay a minimum tax bill of $750,000 per year in annual property taxes before all tax credits have been applied;
4. Use will pay more in taxes after all credits have been applied than any other likely use of the property;
5. Structured parking and infrastructure with no use of public funds, other than bonds or obligations payable solely from taxpayer funds, used in construction cost.
6. Columbia City Council reserves the right to review (cost benefit analysis) and approve or deny any other assistance that may already be available to development project.

BE IT FURTHER RESOLVED, that inclusion of a real property or real properties developed as privately owned student housing projects located within the corporate limits of the City of Columbia in a Multi-County Industrial Park shall be by ordinance and the enactment of such an ordinance is in the sole and exclusive legislative discretion of Columbia City Council.

Requested by:

Economic Development Director

Approved by:

City Manager

Approved as to form:

City Attorney

Introduced: deferred 4/1/2014; deferred 4/8/2014
Final Reading: 6/10/2014

Mayor

ATTEST:

City Clerk

Last revised: 6/10/2014

RESOLUTION NO.: R-2014-045

Amending Resolution R-2014-024 Adopting a Policy and Criteria to Consider the Inclusion of Real Property in a Multi-County Industrial Park to Apply Richland County's Special Source Revenue Credit Incentive to Real Property within the Corporate Limits of the City of Columbia to remove the exclusion of the Bull Street Development Project

WHEREAS, Resolution R-2014-024 enacted on March 4, 2014 adopted criteria in order for Columbia City Council to determine when it is appropriate to include a real property or real properties located within the corporate limits of the City of Columbia in a Multi-County Industrial Park in order for the development to qualify for Richland County's Special Source Revenue Credit Incentive, which policy excluded the property known as the Bull Street Development Project; and,

WHEREAS, Columbia City Council desires to amend Resolution R-2014-024 to specify that the previously approved criteria apply only to privately owned student housing projects; and,

WHEREAS, Columbia City Council desires to amend Resolution R-2014-024 to allow for the inclusion of the Bull Street Development Project, should real property or real properties developed as privately owned student housing projects located within the Bull Street Project qualify for Richland County's Special Source Revenue Credit Incentive; NOW THEREFORE,

BE IT RESOLVED by the Mayor and City Council this ___ day of _____, 2014, that the following criteria are hereby adopted in order for Columbia City Council to determine when it is appropriate to include a real property or real properties developed as privately owned student housing projects located within the corporate limits of the City of Columbia in a Multi-County Industrial Park in order for the development to qualify for Richland County's Special Source Revenue Credit Incentive:

1. A minimum private investment of $40,000,000 in brick and mortar with no use of JEDA funds;
2. A minimum investment of $5,000,000 per useable acre;
3. Pay a minimum tax bill of $750,000 per year in annual property taxes before all tax credits have been applied;
4. Use will pay more in taxes after all credits have been applied than any other likely use of the property;
5. Structured parking and infrastructure with no use of public funds, other than bonds or obligations payable solely from taxpayer funds, used in construction cost.
6. Columbia City Council reserves the right to review (cost benefit analysis) and approve or deny any other assistance that may already be available to development project.

BE IT FURTHER RESOLVED, that inclusion of a real property or real properties developed as privately owned student housing projects located within the corporate limits of the City of Columbia in a Multi-County Industrial Park shall be by ordinance and the enactment of such an ordinance is in the sole and exclusive legislative discretion of Columbia City Council.

Requested by:

Economic Development Director

Approved by:

_____
City Manager

Approved as to form:

_____
City Attorney

_____
Mayor

ATTEST:

_____
City Clerk

Introduced: deferred 4/1/2014; deferred 4/8/2014
Final Reading:

Last revised: 5/1/2014

LEGAL DEPARTMENT DRAFT

RESOLUTION NO.: R-2015-049

Amending Resolution R-2014-045 Amending R-2014-024 Adopting a Policy and Criteria to Consider the Inclusion of Real Property in a Multi-County Industrial Park to Apply Richland County's Special Source Revenue Credit Incentive to Real Property within the Corporate Limits of the City of Columbia to remove the exclusion of privately owned market rate rental housing projects and to sunset the tax credit effective December 31, 2015

WHEREAS, Resolution R-2014-024, enacted on March 4, 2014, adopted criteria for Columbia City Council to determine when it is appropriate to include a real property or real properties located within the corporate limits of the City in a Multi-County Industrial Park in order for the development to qualify for Richland County's Special Source Revenue Credit Incentive; and

WHEREAS Resolution R-2014-045, enacted on June 10, 2014, amended Resolution R-2014-024 to specify that the criteria approved in Resolution R-2014-024 could apply only to privately owned student housing projects; and,

WHEREAS, Columbia City Council now desires to expand the tax credit to include comparable market rate rental housing projects to afford those projects an equivalent tax benefit as those that have already received approval for the Special Source Revenue Credit that meet the investment criteria for such projects; and,

WHEREAS, Columbia City Council desires to sunset the tax credit on December 31, 2015 for previously approved projects or projects submitted, accepted and scheduled for site plan review approval by the applicable review body on or before December 31, 2015; NOW THEREFORE,

BE IT RESOLVED by the Mayor and City Council this __ day of _____, 2015, that the following criteria are hereby adopted in order for Columbia City Council to determine when it is appropriate to include a real property or real properties developed as privately owned market rate rental and/or student housing projects located within the corporate limits of the City of Columbia in a Multi-County Industrial Park in order for the development to qualify for Richland County's Special Source Revenue Credit Incentive:

1. A minimum private investment of $40,000,000 in total project costs as allowed by Richland County with no use of JEDA funds;
2. A minimum investment of $5,000,000 per useable acre;
3. Pay a minimum tax bill of $750,000 per year in annual property taxes before all tax credits have been applied;
4. Use will pay more in taxes after all credits have been applied than any other likely use of the property;
5. Structured parking and infrastructure with no use of public funds, other than bonds or obligations payable solely from taxpayer funds, used in construction cost.
6. Columbia City Council reserves the right to review (cost benefit analysis) and approve or deny any other assistance that may already be available to development project.

BE IT FURTHER RESOLVED that only those otherwise eligible housing projects that have been already been approved or projects submitted, accepted and scheduled for site plan review approval by the applicable review body on or before December 31, 2015 shall be eligible for this tax credit.

BE IT FURTHER RESOLVED, that inclusion of a real property or real properties developed as privately owned rental housing projects located within the corporate limits of the City of Columbia in a Multi-County Industrial Park shall be by ordinance and the enactment of such an ordinance is in the sole and exclusive legislative discretion of Columbia City Council.

Requested by:

Assistant City Manager Palen

Approved by:

_____
City Manager

Approved as to form:

_____
Assistant City Attorney

Introduced:
Final Reading:

Last revised: 6/11/2015
15061365

_____
Mayor

ATTEST:

_____
City Clerk