

26 Mar 2020

Memorandum For Chairman, Ad Hoc Task Force

Copy Furnished: As below

SUBJECT: Assessing, Supporting and Sustaining Current Business and Agencies in the Crisis

The Chairman, under his authority, hereby creates and appoints an AD HOC task force that is charged to evaluate the circumstances of our small businesses and nonprofits/agencies located in Kershaw County, periodically to advise the Chairman and Council on the state of business/non-profit health in the community, and to propose financial, policy and legislative solutions.

This task force is directed to address these features, with a goal of reporting back to the Kershaw County Council no later than April 10th, 2020, with the main focus being first to leverage State and Federal funds, but with recognition that time is of the essence and the financial burden to our businesses and organizations only accelerates and deepens. We do this as to achieve what may be done with what little we have: Stronger together; and not to pick winners or losers. Kershaw Strong.

I COMPOSITION It is to be Chaired by Council Vice Chairman Sammy Tucker, and composed of 2 members from Kershaw County Council - Councilmen Ben Connell and David Snodgrass, Councilman Jeffery Graham of the City of Camden, Mayor Melissa Emmons from the Town of Elgin; Kenneth McCaskill from the Town of Bethune and Amy Kinard from the Kershaw County Chamber of Commerce. Ex Officio supporting staff are to be the Auditor, Director of Finance, and Administrator (as needed)

II TASKS They are charged with the following tasks:

1. Determining the state and condition of small businesses and non-profits located in Kershaw County
 - a. Identifying areas of concern
 - b. Monitor closures and distressed business status, providing periodic updates
2. Determining the impact and effect on local small businesses, agencies and nonprofits of the recently passed Federal Stimulus program, as well as the

recently approved State of SC Emergency response, particularly as they address those areas of concerns identified in 1-a

- a. Advise how Council, Municipalities and agencies may leverage these assets quickly
 - b. Expedite SBA loans and means available to Kershaw County to expedite in this county as the hardest hit of all in State of SC
 - i. Terms ii. Guidelines iii. Practicality
3. Determine gaps in coverage that exist between the issues identified in Federal stimulus programs -- expecting delays to us at the Local level
4. Researching possible areas identified in 3 above that can be addressed through local efforts
- a. Kershaw County
 - b. City of Camden
 - c. Towns of Elgin and Bethune
 - d. Chamber of Commerce
 - e. Social agencies
5. Researching the financial implications of any possible local efforts, determining where local funds, if any, would be derived and the impact such use of funds may have on the various entities providing the fund.
6. Concluding and recommending back to Kershaw County Council possible responses from the various local Kershaw County entities.

III SCOPE

1. The focus shall be on the entire geographic confines of Kershaw County
2. Where Camden or other municipal entities have programs or resources for its residents, this effort is to take secondary to those primary ones

IV TIMING GOING FORWARD Effective immediately and into the recovery phase of the Pandemic, until suspended by the Chairman, subject to review 25 May and renewed on a 60 day basis by affirmative action of the Chairman.

V OPTIONS TO BE ADDRESSED Committee is not limited to but is specifically asked to address the following concerns

1. Effectiveness and expedition of SBA support, to include a letter from Chairman of Kershaw County Council to Governor McMaster, copied to the Kershaw County Legislative Delegation, for a special State task force to help small businesses in Kershaw County, the hardest hit of all SC Counties
2. A commitment from the State of South Carolina to underwrite and support efforts to restore local businesses in Kershaw County
3. A report from the committee on the implications of the Federal loan program and how to exploit it most effectively at the local level. This is regarded as a threshold issue for the use of any local funds
4. Best practices as seen in other communities in SC as well as other hard hit communities across the US.
5. Any recommended use of emergency/reserve funds for approval by Kershaw County Council, as in the attachment, should it be deemed feasible and necessary - in part or in whole

VI SPECIFIC TASKS

ADMINISTRATOR. Provide staff support to the committee, and virtual meetings as requested. Provide staff support to the preparation of ordinances regarding these matters both in the budgets and in the diversion of funds.

1. Provide analysis and lessons learned of 2007-2010 recession and impact on County revenues as a basis for determining the potential impacts on the County's ability to redirect funds to any alternatives that may be derived, and appraisal of risks By 1 April.
2. Provide alternative funding sources in the current budget ending June 30 and the proposed budget ending 30 June, 2021

3. Assess impact on County reserves, EMS reserves and other vital services, and the potential for alternative fund sources to Kershaw County from State and Federal emergency assistance (to include the hope of reimbursement) and FILOT.

4. Provide audit of all funds once the committee operations are closed as determined by the Chairman

Public Affairs Office Provide support to the task force, treating all products as preliminary and subject to approval by Council. All requests for information are to be sent to the Administrator

CHAIRMAN. Advocate immediately for SBA stimulus funds. Receive periodic updates prior to 10 April. Determine extension/termination of this effort


Julian Burns Chairman Kershaw County Council

ATTCH as

Copy: Members County Council, Members Ad Hoc committee, Mayors of Elgin Camden and Bethune, Director Chamber of Commerce, Members of the County Delegation, Clerk to County for further distribution under Council rules to Media etc

Sustaining our businesses and agencies
Local Business Stabilization and Retention Fund

draft

26 March

Subject to an ordinance by the Kershaw County Council

Whereas, by a vote of Kershaw County on June 1, 2019 an Emergency fund was established, for the purpose of providing funds for the use of County Council to respond to an emergency situation; and

Whereas such fund was established to be independent of Kershaw County's operating cash reserves, and

Whereas State Law provides that public funds may be spent for a "Public Purpose" See Caldwell v. McMillan, 224 S.C. 150, 157, 77 S.E.2d 798, 801, and

Whereas the definition of Public Purpose has for its objective the promotion of the public health, morals, general welfare, security, prosperity and contentment of all the inhabitants or residents within a given political division, and

Whereas Public purpose is "a fluid concept which changes with time, place, population, economy and countless other circumstances. It is a reflection of changing needs of society." [Emphases supplied]. Bauer v. S.C. State Housing Authority, 271 S.C. 219, 227, 246 S.E.2d 869, 872, and

Whereas Kershaw County Council, by a unanimous vote on March 10, 2020 determined that a State of Emergency existed, and giving specified tasks and authority to the Administrator and C KCC: Therefore

Be it resolved that Kershaw County Council create a panel for the purpose of reviewing and creating a timely response mechanism for the purpose of supporting our local small businesses, and agencies, and

Be it resolved that the following broad parameters are to be utilized as a possible framework for the initiative, therefore

Be it resolved that Kershaw County herewith appropriate up to \$1,000,000, having duly determined the adequacy and timeliness of State and Federal assistance, to be sent to the Kershaw County Chamber of Commerce for the following purpose:

The Creation of a Local Business Stabilization and Retention fund, to be administered as follows:

The Kershaw County Chamber of Commerce would act as the host for the funds

Chamber would select a small group of business leaders to draft requirements and process for applying. Sub groups may be needed. Whole Community representation desired for effective utilization -- care being exercised as to prevent further community spread in the execution of these tasks.

A local CPA firm would be engaged to provide oversight to ensure the public's funds are correctly handled

Application periods and methods for appropriating funds to local businesses will be established and weekly reports to the Administrator rendered, for further updates to Council

The funds would be directed generally as follows:

75% would be allocated to allow businesses with less than 25 employees to apply for a grant of up to \$15,000 – with a maximum of 3 grants. These grants must be used to either pay salaries, or pay operational costs related to the business itself. They may not be used for any personal expenses. The businesses must maintain the employment of its employees to the best extent practicable.

10% would be allocated to create a debt support fund allowing a business to apply for a grant of up to \$10,000 to go towards interest payments on debt directly related to the operation of the business.

10% would be allocated to support the efforts of existing charities for their support of outreach efforts. Food, medicine,

shelter and other human needs would be the focus, with an allowance for appropriate overhead of the agencies

5% would be allocated to the Chamber of Commerce to allow it to continue its support of our greater community through marketing, outreach and overhead, as well as to allow it to effectively administer the funds

Subject to review and approval of KCC