



Economic Tax Incentive Grant Program

Purpose and Objectives

The Economic Tax Incentive Grant Program is intended to encourage the rehabilitation and redevelopment of older buildings and promote infill growth with new commercial development in the City of Whiteville's Central Business District. The anticipated benefits of the program include:

- Reduction in downtown blight;
- Increases in property values of existing and redeveloped properties;
- Support of locally owned businesses;
- Control urban sprawl; and
- Grow and strengthen the Central Business District.

Qualifications for the Economic Tax Incentive Grant Program

To qualify for the Economic Tax Incentive Grant Program, a property owner or developer within the special downtown tax district is expect to:

1. Submit an application. The application is to have attached to it the proposed development plans to be reviewed by the City of Whiteville Planning and Inspections Department, and City Manager.
2. Obtain all necessary and applicable State and Local permits.
3. Receive a current tax value appraisal of the site or building from the Columbus County Tax Office before renovation or construction begins.
4. Receive a tax value appraisal of the site or building from the Columbus County Tax office after renovations and construction are completed.
5. Pay the full annual amount of the newly appraised tax value of the property.

After the property owner pays all annual taxes, the City of Whiteville and Columbus County will "grant" the property owner a sum equal to the difference between the total tax amount paid and the original tax value before renovation and construction. The duration of this incentive is for five years after the renovation. A property or site may not receive this incentive more than once in any ten (10) year period.

Calculation of Tax Incentive

The following example illustrates the Economic Tax Incentive Grant Program.

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Before Development

Vacant acre of land or vacant building - \$50,000 tax value

.805 = \$402.50 Annual Columbus County Tax
.5125 = \$256.25 Annual City of Whiteville Tax
.12 = \$60.00 Annual Whiteville Downtown Special Tax District Tax

\$718.75 Total Annual Tax (Before Development)

After Development

Newly developed land or renovated building - \$250,000 tax value

.805 = \$2,015.50 Annual Columbus County Tax
.5125 = \$1,281.25 Annual City of Whiteville Tax
.12 = \$300.00 Annual Whiteville Downtown Special Tax District Tax

\$3,596.75 Total Annual Tax (After Development)

The property owner pays \$3,593.75 annually in County, City, and Downtown Special District taxes. Each year, the property owner will be “granted” **\$2,878.00** (\$3,596.75 - \$718.75). At the end of the five year incentive period, the annual grant amount will total **\$14,390.00**.

Cessation of Tax Incentive

Participation in the Economic Tax Incentive Grant Program is permitted for five years for each application. After five years, the property owner or developer will pay the full amount of the newly appraised tax value of the property without benefit of a grant.

Expanded Example

Five Year example using data from 2011 through 2016. This example uses a property reevaluation with a decrease in value. This example uses a hypothetical increase in taxes for Year 2016.

Year	Property Value	County Tax	City Tax	Downtown Tax	Total Tax Paid	Grant
2011	50,000	407.50	220.00	60.00	687.50	N/A
2012	250,000	2037.50	1225.00	300.00	3562.50	\$ 2,875.00
2013	250,000	2012.50	1281.25	300.00	3593.75	\$ 2,906.25
2014	200,000	1610.00	1025.00	240.00	2875.00	\$ 2,187.50
2015	200,000	1610.00	1025.00	240.00	2875.00	\$ 2,187.50
2016	200,000	1620.00	1040.00	260.00	2920.00	\$ 2,232.50

Total “grant” over the five year period would be \$12,388.75.

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