



REQUEST FOR COUNCIL ACTION

City of Greenville, South Carolina

Agenda Item No.

16d

TO: Honorable Mayor and Members of City Council
FROM: John F. McDonough, City Manager

Ordinance/First Reading Ordinance/Second & Final Reading Resolution/First & Final Reading Information Only

AGENDA DATE REQUESTED: June 12, 2023

ORDINANCE/RESOLUTION CAPTION:

RESOLUTION FOR THE PURPOSE OF AUTHORIZING THE ESTABLISHMENT OF A NONPROFIT CORPORATION FOR ECONOMIC DEVELOPMENT PURPOSES

SUMMARY BACKGROUND:

This Resolution authorizes the establishment of a nonprofit-corporation for economic development purposes and outlines the operation of the nonprofit corporation.

IMPACT IF DENIED:

A nonprofit corporation will not be established for economic development purposes.

FINANCIAL IMPACT:

Minimal fees associated with establishing the corporation will be incurred in the General Fund if applicable.

REQUIRED SIGNATURES

Department Director _____

OMB Director _____

City Attorney _____

City Manager _____

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Leigh Padletti
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DocuSigned by:
John McDonough
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A R E S O L U T I O N

FOR THE PURPOSE OF AUTHORIZING THE ESTABLISHMENT OF A
NONPROFIT CORPORATION FOR ECONOMIC DEVELOPMENT PURPOSES

WHEREAS, currently the city of Greenville, South Carolina (the “City”) conducts economic development operations through an internal department of the City; and

WHEREAS, the City desires to create a nonprofit corporation (the “Corporation”) to operate as the economic development arm of the City and to promote and oversee the economic development efforts of the City; and

WHEREAS, the Corporation will be duly created and organized under the laws of the State of South Carolina as a nonprofit corporation, and the Corporation will have all authority, rights and powers of a nonprofit corporation; and

WHEREAS, the Corporation will be governed by a Board of Directors (the “Board”) who will consist of at least three (3) individuals, all of whom will be appointed by the City Council of the City (the “City Council”); and

WHEREAS, the City Council desires to authorize the creation of the Corporation;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF GREENVILLE, SOUTH CAROLINA:

1. Purposes of Corporation. The purposes for which the Corporation will be established and shall operate are as follows:

(a) The Corporation shall be organized and shall be operated to promote and oversee the economic development efforts of the City as a supporting organization exclusively for the benefit of, to perform the functions of, or to carry out the purposes of the City by assisting the City in its governmental function of promoting and enhancing the economic growth and development of the City and will generally lessen the burdens of government by becoming an integral part of the larger program of City government responsible for economic development needs of the City and by maintaining a close relationship with and working cooperatively with the City in order to carry out the aforesaid programs of economic development.

(b) The Corporation shall be organized and shall operate exclusively for the aforesaid purposes, and in connection therewith its scope of activities shall include the following:

(i) To accept, buy, sell, own, hold, lease, develop, operate, mortgage, insure, pledge, assign, transfer or otherwise receive or dispose of real and personal property.

(ii) To engage in any and all lawful activities necessary or incident to the foregoing purposes, except as limited herein.

(iii) To do any other act or thing incidental to or connected with the foregoing purposes or in advancement thereof, but not for the pecuniary profit or financial gain of its directors or officers. In furtherance of its corporate purposes, the Corporation shall have all general powers enumerated in Section 33-31-302 of the Code of Laws of South Carolina 1976, as amended (or the corresponding provision of any subsequent law).

Notwithstanding the foregoing, the funds or assets of the Corporation shall not be distributed or otherwise made available to any organization or entity other than the City unless such funds or assets are transferred or exchanged in return for goods or services acceptable to the Corporation.

(c) In the event of dissolution of the Corporation, all of the remaining assets and property of the Corporation shall, after necessary expenses thereof, be distributed to the City.

2. Establishment of Corporation. The City Council hereby directs the City Manager or his designee to establish a name for the Corporation, prepare Bylaws (subject to approval of City Council) and have Articles of Incorporation and any other necessary documents filed with the South Carolina Secretary of State's Office in order to cause the incorporation of the Corporation.

3. Appointment of Board of Directors. The Board of Directors of the Corporation will be comprised of at least three individuals as selected by the City Council for terms as established in the Bylaws.

4. Designation of Corporation. The City Council hereby authorizes the City Manager to pursue such federal tax exemption designation as is most beneficial to the operation of the Corporation and authorizes the City Manager to submit such applications to the Internal Revenue Service for such exempt organization designations as he deems appropriate, based upon advice of counsel.

5. Corporation Documents. The Bylaws and any amendments thereto as well as any amendments to the Articles of Incorporation of the Corporation will be subject to the approval of the City Council.

6. Authorizations. The City Manager and the City Clerk are each authorized to sign all documents necessary to establish the Corporation and to carry out the intent of this Resolution.

7. Conflicting Provisions. All resolutions or parts thereof in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

8. Effective Date. This Resolution shall be in full force and effect from and upon its date of adoption.

RESOLVED THIS _____ DAY OF _____, 2023.

MAYOR

Attest:

CITY CLERK