STATE OF SOUTH CAROLINA	) IN THE COURT OF COMMON PLEAS
COUNTY OF EDGEFIELD	) ELEVENTH JUDICIAL CIRCUIT
Blue Sky Properties and	)
Investments, LLC, and	
James E. Miller,	SUMMONS
,	(Non-Jury)
Appellant/Blue Sky,	)
	)
V.	)
Edgefield County,	)
Edgefield County Planning Commission,	)
Edgefield County Council,	)
Rhonda Nowicki, individually,	)
Sharon Hadden, individually,	
Tracy Walsh, individually, and	
Karlene Butler, individually	
Respondents/Defendants.	) Civil Action No.
1	)

### TO THE RESPONDENTS/DEFENDANTS ABOVE NAMED:

YOU ARE HEREBY SUMMONED and required to answer the attached Notice of Appeal in this action, a copy of which is hereby served upon you, and to serve a copy of your Answer to said Notice of Appeal on the subscriber at their office at 115 Hearthstone Dr., Aiken, SC 29803, within thirty (30) days after the service hereof, exclusive of the date of such service; and if you fail to answer the Notice of Appeal within the time aforesaid, judgment by default will be rendered against you for the relief demanded in the Notice of Appeal.

## **AUSTIN & PETHICK LAW FIRM, P.C.**

s/Kevin E. Pethick SC Bar No. 100878 115 Hearthstone Dr. 29803 Aiken, South Carolina (803)-226-0453 Attorney for Appellants

Aiken, South Carolina September 22, 2023

STATE OF SOUTH CAROLINA	) IN THE COURT OF COMMON PLEAS
COUNTY OF EDGEFIELD	ELEVENTH JUDICIAL CIRCUIT
Blue Sky Properties and Investments, LLC, and James E. Miller, Appellant/Blue Sky,	(Non-Jury)
v.	)
Edgefield County, Edgefield County Planning Commission, Edgefield County Council, Rhonda Nowicki, individually, Sharon Hadden, individually, Tracy Walsh, individually, and Karlene Butler, individually	) ) ) ) ) ) ) )
Respondents/Defendants.	) Civil Action No
	) )

Appellants/Blue Skys, Blue Sky Properties and Investments, LLC, ("Blue Sky") and James E. Miller, ("Miller"), (collectively the "Blue Sky"), by and through this Complaint/Appeal, complaining of Defendants Edgefield County, (the "County"), Edgefield County Planning Commission (the "Planning Commission"), Edgefield County Council, (the "Council"), Rhonda Nowicki, individually, ("Nowicki"), Sharon Hadden, individually, ("Hadden"), Tracy Walsh, individually, ("Walsh"), and Karlene Butler, individually, ("Butler"), (collectively the "Defendant(s)") and appealing the Planning Commission decision to deny the proposal of Blue Sky Properties and Investments, LLC, to develop a subdivision entitled "Trestle Run," would respectfully show unto the Court as follows:

### **PARTIES AND JURISDICTION**

- 1. Appellant Blue Sky is a limited liability company organized under the laws of South Carolina, who submitted a land development application for the Property dated July 19, 2023 for consideration by the Edgefield Planning Commission. Blue Sky has a vested equitable interest in the Property by way of its right to purchase the Property under the purchase contract, and Blue Sky is the entity that invested in the development of the Property and submitted the land development application.
- 2. Appellant Miller is an individual and current property owner of the real property in Edgefield County, South Carolina, identified as Parcel ID: 125-00-00-067-000, 125-00-00-013-000, & 125-00-00-057-000 (the "Property"), which was the subject of the planned subdivision entitled "Trestle Run". Appellant Miller has executed a purchase contract that grants Blue Sky the right to purchase and develop the Property, so Blue Sky is the primary party that was harmed by the County's actions to deny the land development application, but Miller joins this appeal as a Plaintiff to satisfy the requirements of Section 6-29-1150 (to the extent the "property owner's" participation is required), and Miller also joins the appeal to the extent that his interest in the Property is harmed.
- 3. Defendant Edgefield County is a political subdivision of the State of South Carolina and the governing authority for the geographic region of Edgefield County, State of South Carolina, amenable to suit pursuant to the South Carolina Tort Claims Act, (the "Tort Act").
- 4. Defendant Edgefield County Planning Commission is an appointed local planning commission as defined in South Carolina Code of Laws § 6-29-310, et. seq., also known

- as the South Carolina Local Government Comprehensive Planning Enabling Act of 1994, (the "Planning Act"), and was created pursuant to that legislation and operates within Edgefield County.
- 5. Defendant Edgefield County Council is a body politic and incorporate and governing body of the County of Edgefield.
- 6. Defendant Rhonda Nowicki, individually, is a member of the Edgefield County Planning Commission (a co-defendant), who is being named individually to the extent that Blue Sky's allegations lead the Court to find that she acted outside of her capacity as a Planning Commissioner, as such allegations are further outlined within this Complaint.
- 7. Defendant Sharon Hadden, individually, is a member of the Edgefield County Planning Commission (a co-defendant), who is being named individually to the extent that Blue Sky's allegations lead the Court to find that she acted outside of her capacity as a Planning Commissioner, as such allegations are further outlined within this Complaint.
- 8. Defendant Tracy Walsh, individually, is a member of the Edgefield County Planning Commission (a co-defendant), who is being named individually to the extent that Blue Sky's allegations lead the Court to find that she acted outside of her capacity as a Planning Commissioner, as such allegations are further outlined within this Complaint.
- 9. Defendant Karlene Butler, individually, is a member of the Edgefield County Planning Commission (a co-defendant), who is being named individually to the extent that Blue Sky's allegations lead the Court to find that she acted outside of her capacity as a Planning Commissioner, as such allegations are further outlined within this Complaint.
- 10. Blue Sky is naming Nowicki, Hadden, Walsh, and Butler individually (collectively, the "Individual Defendants") as a form of "Alternative Pleading", because the Tort Act shields

an employee from liability "who commits a tort while acting within the scope of his official duty" (S. C. Code § 15-78-70(a)), but an employee is not shielded from liability "if it is proved that the employee's conduct was not within the scope of his official duties or that it constituted . . . actual malice, or intent to harm". (S. C. Code § 15-78-70(b)) Further, S. C. Code § 15-78-60 provides that, "The government entity is not liable for a loss resulting from:... (17) employee conduct outside the scope of his official duties or which constitutes actual fraud, actual malice, intent to harm, or a crime involving moral turpitude." Blue Sky's allegations against the Individual Defendants outlined below raise the possibility that a court could find their actions were not within the scope of their official duties and that they constituted malice or intent to harm. Such a finding would potentially excuse Edgefield County from liability for the actions of its employees, so Blue Sky brings these claims against the Individual Defendants to the extent they are found to have acted outside of the scope of their duties and with malice or harmful intent.

- 11. Blue Sky contends that the South Carolina Circuit Court has subject matter jurisdiction over this matter pursuant to Article V. § 11 of the South Carolina Constitution and South Carolina Code of Laws, § 6-29-1150, 1976, as amended.
- 12. Blue Sky contends that the South Carolina Circuit Court has personal jurisdiction over the parties to this matter pursuant to S. C. Code § 36-2-802 and 803 and due to their location or activities in Edgefield County.
- 13. Venue is proper in this Court under S.C. Code § 15-7-30, since the real property subject to this Appeal lies in Edgefield County; the Edgefield Planning Commission and Edgefield County Council are a part of the Edgefield County government; and the actions giving rise to this action occurred in Edgefield County.

- 14. The land development application submitted by Blue Sky, which is attached hereto as **Exhibit "A"** (the "Application"), is the subject of this appeal and covers the proposed Trestle Run subdivision, which is identified as Parcel ID: 125-00-00-067-000, 125-00-00-013-000, & 125-00-00-057-000 located in Edgefield County, (the "Property"). James E. Miller was the owner of the Property at the time that the Application was filed and remains the owner of the Property at the time of filing of this Appeal, with Blue Sky having entered into an agreement to purchase the Property from James E. Miller.
- 15. The proposed Trestle Run subdivision is situated in Edgefield County and lies in an unzoned development district.
- 16. South Carolina's Local Comprehensive Planning Enabling Act, as outlined within S.C. Code § 6-29-1150, outlines a right to appeal from Planning Commission decisions. An appeal from the decision of the planning commission must be taken to circuit court within thirty days after notice of the decision of the board is mailed. Notice of the decision of the Planning Commission was mailed by Andrew Marine (Edgefield County Attorney), pursuant to a letter dated August 23, 2023, which he mailed the same day. Therefore, the thirty-day period to file an appeal expires on September 22, 2023 and this Appeal is timely filed.

#### STATEMENT OF FACTS

### Procedural Summary of Application Submission, Project Analysis & Voting Rationale

17. Blue Sky submitted a land development application requesting to develop a portion of three
(3) parcels of land located in Edgefield County, South Carolina. The Application outlined
a subdivision plan containing one-hundred twenty-six (126) town home lots and one

- hundred twenty-eight (128) single family detached lots, totaling two-hundred and fifty-four (254) residential lots.
- 18. Blue Sky met with the Edgefield County Planning Staff and incorporated some of their suggestions before submitting its final version of the Application for consideration by the Edgefield County Planning Commission and the Commissioners presiding on the committee.
- 19. The Planning Commission held a public hearing on August 10, 2023 (the "Meeting") to consider whether Blue Sky's land development application conformed to the requirements set forth in the Edgefield County Ordinances. Present at the Meeting were James Burt, Lisa Whitaker, Tracy Walsh, Rhonda Nowicki, Karlene Butler, Sharon Hadden and Daniel Baker (the "Commissioners") and during the Meeting the Commissioners reviewed and discussed the Application.
- 20. A memorandum dated July 24, 2023 (the "Memorandum") and written by April Morgan, Edgefield County Planner, is attached hereto as **Exhibit "B"**. The Memorandum was circulated at the Meeting and found the Trestle Run Subdivision's land development application to be compliant in all respects with regard to the County Land Development Ordinances, including compliance with zoning laws, lot size requirements, and the application process.
- 21. While the Memorandum found the Application to be compliant with all applicable Edgefield County Land Development Ordinances, the Memorandum indicated the Application's proposed density was noncompliant with the Edgefield County Comprehensive Plan's permitted land use, stating that: "Under Edgefield County's Comprehensive Plan, the parcels proposed for development has been designated as

- Suburban Density Residential. While single family units are compliant with the Comprehensive Plan, this designation has suggested 0.5-2 units per acre regarding density. As proposed, this development with a total of 254 lots, has a density around 2.5 units per acre."
- 22. Notwithstanding the Application's non-compliance with the density requirements of the Comprehensive Plan, the Edgefield County Commissioners were reminded numerous times before and during their August 10<sup>th</sup>, 2023 Planning Commission Meeting that zoning on a property constitutes law, but when a property is un-zoned, the Comprehensive Plan is no more than just an idea or a guideline. They were further advised that state law includes provisions that allow a developer to ignore the Planning Commission's decision that are based on non-compliance with the Comprehensive Plan. During the Meeting, these points were made by the following individuals as noted below:
  - a. TRACY WALSH Planning Commissioner (per August 10, 2023 Planning Commission Work Session Minutes attached hereto as Exhibit "C"): "Walsh continues to explain that she understands that these lots are un-zoned but that the comprehensive plan is our guidance and that she would prefer to see developments that comply with the comprehensive plan but continues to explain that is her opinion."
  - b. HART CLARK Planning Director (per August 10, 2023 Planning Commission Work Session Minutes): During the New Business session, "Clark explains that because it is un-zoned, there is no use restriction on the property." . . . Clark explains that whatever vision that the Comprehensive Plan is made to look like, you take the citizen comments and concerns into the Comprehensive Plan, but just pass the laws required to give yourself the teeth to back it up. He explains that it does no good to plan for

something and not put laws in place because if somebody goes against what you plan for, what is the enforcement agency going to do about it if they are not breaking any laws? He explains that you can plan for everything but plans do no good without any legal tools to enforce it."

- c. LISA WHITAKER Planning Commissioner (per August 10, 2023 Planning Commission Work Session Minutes): "Doc (Clark) stated that the State Law has a section in it that allows the developer to basically ignore your decision if the Comprehensive Plan is what you based your decisions on. So, there's a legal loophole and Doc (Clark) said yes there's a big gaping legal loophole. He said if you get the zoning correct and denied them based on the zoning then there is no loophole you can go into court with the zoning and show that the County's law says that a thing can't be done and it will be absolute as to where a Comprehensive Plan is no more than just an idea, a guideline. We have been told repeatedly by those in the County who know the laws and govern this commission the very thing the Comprehensive Plan is an idea but that zoning is law. . . . The developer has met all their legal requirements so the Comprehensive Plan does not apply here and the developer is within his legal limits. You also know that the development meets all requirements of the law which is what planning is supposed to do is follow the law. There is no requirement on subdivisions, therefore the Comprehensive Plan does not apply here.
- d. **FAB BURT Planning Chairman**: (per August 10, 2023 Planning Commission Meeting Minutes, attached hereto as **Exhibit** "**D**"): Burt explains that it seems that they are in compliance with the minimum lot size, zoning and applicant process. He continues that the density with the Comprehensive Plan is noncompliance but that the

parcels proposed for development are designated as Suburban Density Residential. While single family units are compliant with the Comprehensive Plan, this designation has suggested 0.5-2 units per acre regarding density. As proposed this development with a total of 254 lots has a density of around 2.5 units per acre. Burt continues that the Comprehensive Plan is not a law, but rather a guidance."

- e. ANDREW MARINE County Attorney. (per August 10, 2023 Planning Commission Meeting Minutes): "Andrew Marine introduces himself as the county attorney. "I do want to let you know that there are court cases around the state on this. A few weeks ago there were cases in Georgetown where basically Georgetown said that the Comprehensive Plan is just a general guideline that is not used for implementing zoning decisions that you have to use the zoning ordinances and that the Comprehensive Plan is just a riding idea."
- f. TRACY WALSH Planning Commissioner. (per August 10, 2023 Planning Commission Meeting Minutes): Responding to Andrew Marine's comments above and cutting him off while speaking, Walsh remarked, "she is aware of other cases and that it seems that the South Carolina Court judges are disagreeing on the interpretation and that she believes it may be time for some cases to go to the Supreme Court."
- During long discussions at the Planning Commission's Work Session and its public meeting, there were acknowledgments that the Trestle Run Subdivision fully complied with the Land Ordinance requirements and that the Comprehensive Plan was "not enforceable law, but merely a guide" by three Planning Commission Members, as well as the County Attorney and the Planning Director. In spite of these discussion and reminders, four Planning Commissioners still voted against the subdivision.

- 24. At the Meeting, three Commissioners, James Burt, Lisa Whitaker, and Daniel Baker, voted to approve the Application, while the other four Commissioners, being Tracy Walsh, Rhonda Nowicki, Karlene Butler, and Sharon Hadden voted to deny it. The Commissioners who voted to deny the Application did not provide any relevant legal basis for denying the Application.
- On August 23, 2023, the Edgefield County government issued its notice of denial letter, (the "Denial Letter") attached hereto as **Exhibit "E"**, stating that that the denial of the Trestle Run subdivision was due to non-compliance "with the density proposals outlined as 'Future Land Use' for this property in the 2019 Edgefield County Comprehensive Plan and Map, as amended," and due to "Non-Compliance with Sections 24-66, 24-164, and 24-166 of the Edgefield County Code of Ordinances."
- 26. The Denial Letter did not reference any applicable evidence or relevant legal basis to support the propositions contained within the letter. However, upon discovery, Blue Sky learned that Hart Clark (the "Planning Director") sent an email to the Commissioners on August 13, 2023 at 11:11 a.m. ("Hart's Email") in which he gave his own explanation of why a denial for "non-compliance with Sections 24-66, 24-164, and 24-166 of the Edgefield County Code of Ordinances was an improper basis for rejecting the application." A copy of Hart's Email is attached hereto as **Exhibit "F"** and his detailed explanation of why these Sections do not serve as a basis for rejection is outlined on pages 1 & 2 therein.

### **Evidence of Bias, Intentional Interference and** *Ex Parte Communications*

27. Upon information and belief, Blue Sky alleges that Rhonda Nowicki: (i) engaged in *ex* parte conversations with 3 other planning commission members which resulted in the "fate" of Blue Sky's application having already been decided prior to the public meeting;

- (ii) was openly and outwardly biased against Blue Sky's subdivision plans; and (iii) intentionally attempted to interfere with Blue Sky's application and undermine Blue Sky's right to a fair hearing when she "begged people to come to a meeting" to fight the Application by utilizing her position as a Planning Commission member and as an administrator of the Merriwether Community Coalition to disparage Blue Sky's application.
- 28. As to the first allegation in Section 27 (i) above, Nowicki directly admitted her participation in *ex parte* activities through text messages to Hart Clark. Blue Sky discovered this information through a Freedom of Information Request, pursuant to the South Carolina Freedom of Information Act, S.C. Code § 30-4-10, and a screenshot of said text conversations is attached as **Exhibit "G"** hereto. In a text exchange where Hart was attempting to explain to her why Blue Sky's application met the requirements of Edgefield County's laws, Nowicki responded, "**Regardless we all still would have voted no. The fate had already been decided**."
- 29. As to the second and third allegations against Nowicki in Section 27 (ii) & (iii), the evidence of her bias and her intentional interference is prevalent in many ways, including:
  - a. Nowicki's comments and her tone towards Blue Sky at the Meeting;
  - b. The disparaging email Nowicki sent to community members as administrator of the Merriwether Community Coalition (see Exhibit "H" hereto);
  - c. Accusations of bias made by Hart Clark in Hart's Email when he stated, "To address another matter that I will be bringing up with David and the County Attorney to plan a path forward on. I am sure that some of you are aware that a few of our commissioners appear to have a bit of an agenda. I believe they did not choose to bring

their concerns to me because they are suffering from bias, specifically confirmation bias. Confirmation bias is a prejudice that entails ignoring data that contradicts one's ideas in favor of information that supports those assumptions. When people prioritize their personal preferences, biases, or interests above objective ethical concerns, this can substantially negatively influence ethical decision-making. The Planning Commission must follow clear ethical rules in guiding decisions based on fairness, honesty, and openness. I believe we have a problem in this regard and will be working to correct it."

d. Accusations of bias made by Lisa Whitaker: "I have spent the past two and a half weeks hyper focused on issues and solutions. There is too much focus on stopping something rather than there is on planning to prevent something. . . If there is a kneejerk reaction without hearing facts then nothing constructive can come from this . . . So, what brings us to this point? Stephens Road, an un-zoned property. One of the planning commissioners stated during one meeting that she had been collecting signatures of people who were against zoning. No one has seen that letter but she stated she knows peopled don't want it . . . . Has this list of yet to be seen names been more informed, this would not be on the table. Had people listened to the warnings from Doc (Clark) things would be different instead of jumping on a bandwagon of misinformation . . . So, we heard the facts again right there in 2021 and 2022. However, misconceptions and misleading information is constantly put out on social media with alerts and fear-mongering which then leads to conspiracy theories . . . . Not every voice is being heard and not every voice is speaking but the loudest voices aren't giving the whole picture. Begging people to come to a meeting after you were aware and know

the facts when you know un-zoned land is prime property for a developer. You also know that the development meets all requirements of the law which is what planning is supposed to do is follow the law. There is no requirement on subdivisions, therefore the Comprehensive Plan does not apply here and there was no need for the alert emails and scare tactic then once again to stop the inevitable. Thank you." While Nowicki was not specifically named by Whitaker, Blue Sky alleges based on information and belief that Whitaker's comments above were directed at Nowicki, since the meeting minutes from an Edgefield County Planning Commission Meeting that took place on November 4, 2021 read, "Nowicki stated (addressing the audience) that she had been collecting signatures of people who are against zoning. She said she knows people don't want it."

30. As to Hadden, Walsh and Butler, the evidence of (i) *ex parte* communications, (ii) bias, and (iii) intentional interference is not quite as evident as it is with Nowicki, but the evidence is still there. To begin with, it is clear that all three of these Commissioners participated in *ex parte* communications with Nowicki, because she informed Hart Clark that "*Regardless we all still would have voted no. The fate had already been decided.*"

This was a clear indication by Nowicki that the fate of Blue Sky's subdivision had already been decided by a majority of Commissioners prior to the Meeting. Since Hadden, Walsh and Butler were the other three commissioners who voted against the subdivision and two of them also spoke out against it at the Meeting, it is clear that they were biased against the project and intentionally deprived Blue Sky of its rights by voting against the project prior to its public submission.

- 31. As further evidence of bias by Sharon Hadden, at the Meeting she stated, "she is not okay with this project being presented as if it's some philanthropic endeavor that we're providing affordable housing for the County because it is not. It like everything else is for profit, and I don't feel like the profit of a developer should be at the expense of our County." At no time did the developer present the development as if it were a "philanthropic endeavor". These comments were rude and aggressive and not reflective of comments that should be made by a neutral arbiter at what should be a fair and unbiased hearing.
- 32. As further evidence of bias by Tracy Walsh, at the Meeting she stated, "she has been searching to see what other Counties may have denied a major subdivision based on their Comprehensive Plan alone in an un-zoned area." This too is clear evidence that Walsh had a biased agenda to turn down the subdivision without giving it fair consideration, since she admitted to searching for ways to support her "predetermined" decision to reject the application.
- 33. Blue Sky hereby gives notice of its intent to appeal the Planning Commission's denial of its land development application, and does hereby appeal and petition this Court to review and overturn the decision of the Planning Commission, pursuant to S.C. Code Ann. § 6-29-1150 and any other applicable Section or Sections of the South Carolina Local Government Planning Act.

### Evidence of a Pattern of Abuse of Discretion by Edgefield County Planning Commission

34. Over the last few years, the Edgefield County Planning Commissioners have developed a pattern of abuse of discretion in performing the role they are called to perform. Edgefield County has a significant portion of land within its borders that is un-zoned. Andrew Marine (County Attorney) and Hart Clark (Planning Director) have repeatedly told the Planning

Commissioners that if their goal is to slow or control the rate of residential growth in Edgefield County, then the tool they need to use to establish legal controls over land use is that of zoning classifications in lieu of a Comprehensive Plan without zoning. When reviewing developments proposed on un-zoned properties, the Commissioners have been reminded again and again in both private and public settings that the Comprehensive Plan is a guideline that is not used for implementing zoning decisions, and that a zoning ordinance must be used to do that. Yet the Commissioners behave as if they are above the law and are therefore permitted to ignore these rules. On one project proposed by JSMG Development, LLC for the Hollow Creek Development, the Planning Staff's Memorandum noted that the project was fully compliant with all aspects of the land ordinance and Comprehensive Plan, yet four of the Planning Commissioners still wanted to vote it down. At that meeting, one of the Commissioners went so far as to ask the County Attorney on the record, "What will happen if we vote to turn the project down anyway?" He was told that the County would likely get sued by the developer and lose. Unphased by that advice, four Commissioners still elected to vote the project down and the County was in fact sued and forced to approve the development. Blue Sky has previously faced a similar situation with its development of an un-zoned property called Annison Point, but instead of fighting the County Commissioners, Blue Sky elected to make additional major concessions in order to avoid a dispute. In spite of continuous guidance, warnings, and reminders, the Edgefield County Planning Commissioners continue to ignore the law and they continue to ignore the advice and guidance of their attorney and professional staff. Commissioners behave as if they are above the law and are therefore permitted to deny projects that are either fully compliant with applicable requirements, or are otherwise not

- restricted by law, knowing full well that they are abusing their discretion and acting arbitrarily and unreasonably to deny others their due process rights.
- 35. Some of the Commissioners still have such a high disregard for the law that they refuse to even hear it. In the August 10<sup>th</sup> Meeting, when questions were raised about the applicability of the Comprehensive Plan, County Attorney Andrew Marine began to explain, "I do want to let you know that there are court cases around the state on this. A few weeks ago there were cases in Georgetown where basically Georgetown said that the Comprehensive Plan is just a general guideline that is not used for implementing zoning decisions that you have to use the zoning ordinances and that the Comprehensive Plan is just a riding idea." Before he could finish his comments, Walsh interrupted him and indicated, "she is aware of other cases and that it seems that the South Carolina Court judges are disagreeing on the interpretation and that she believes it may be time for some cases to go to the Supreme Court." It was clear at that moment she was inviting litigation to challenge her uninformed opinion, and that she is not going to stop ignoring the laws that guide her until a court reforms her conduct or removes her from her position as part of the Planning Commission.

# STANDARD OF REVIEW

36. A Planning Commission decision "will not be upheld where it is based on errors of law, where there is no legal evidence to support it, where the board acts arbitrarily or unreasonably, or where, in general, the [commission] has abused its discretion." Peterson Outdoor Advertising v. City of Myrtle Beach, 327 S.C. 230, 235, 489 S.E.2d 630, 633 (1997), cited in Kurschner v. City of Camden Planning Commission, 376 S.C. 165, 173-74, 656 S.E.2d 346, 351 (2008) (applying Zoning Board standards to a Planning Commission decision.). ("Further, a decision of the planning commission will be

overturned if it is arbitrary, capricious, has no reasonable relation to a lawful purpose, or if the board has abused its discretion." Rest. Row Assocs. v. Horry Cty., 335 S.C. 209, 216, 516 S.E.2d 442, 446 (1999).

### GROUNDS FOR APPEAL AND CAUSES OF ACTION

- 37. Blue Sky restates and re-alleges the allegations of the foregoing paragraphs as if set forth verbatim herein.
- 38. Section 24-251 of the Edgefield County Land Development Ordinances provide that "[i]f the land development application is disapproved or approved conditionally, the reasons for such action shall be conveyed to the applicant. The reasons for disapproval shall refer specifically to those parts of the comprehensive plan or ordinance or regulation with which the plat does not conform."
- 39. According to the Denial Letter, the land development application was denied for two reasons, the first of which was because it was "Non-compliant with the density proposals outlined as 'Future Land Use' for this property in the 2019 Edgefield County Comprehensive Plan and Map, as amended." As to this first basis of denial, the Property is un-zoned and without enforceable zoning requirements, and the Comprehensive Plan is simply a guide but not enforceable law. With regard to the enforceability of Comprehensive Plans, SC Code § 6-29-540 reads in relevant part, "In the event the planning commission finds the proposal to be in conflict with the comprehensive plan, the commission shall transmit its findings and the particulars of the nonconformity to the entity proposing the facility. If the entity proposing the facility determines to go forward with the project which conflicts with the comprehensive plan, the governing or policy making body of the entity shall publicly state its intention to proceed and the reasons for the action. A

copy of this finding must be sent to the local governing body, the local planning commission, and published as a public notice in a newspaper of general circulation in the community at least thirty days prior to awarding a contract or beginning construction." This issue was addressed in an opinion issued by the Office of Attorney General for the State of South Carolina, attached hereto as **Exhibit "I"**, (the "2011 AG Opinion"), wherein a Planning Commission attempted to stop a local school district from moving forward with a school project. The School district moved forward with the project anyway, and in supporting the school's right to proceed, the 2011 AG Opinion determined there was no indication that the Planning Commission had authority to stop construction and stated, "In the many parts of South Carolina that lack zoning but have adopted comprehensive plans, section 6-29-540 of the CPA sets forth a public process that must be followed before most projects can proceed. The plan for the project must be submitted to the local planning commission to determine whether it is compatible with the comprehensive plan. If the commission finds that the project is not compatible, the finding must be presented to the project owner or manager." Citing S.C. Code Ann. § 6-29-540, the 2011 AG Opinion further states that "section 6-29-540 does not establish any substantive mandate that major public projects be consistent with local comprehensive plans. Rather, it seeks to ensure public awareness of the fact that a project in conflict with the plan is about to begin. The public can then decide whether to become involved in the local political process and try to have the project stopped or modified."

40. The second reason provided in the Denial Letter was due to "Non-Compliance with Sections 24-66, 24-164, and 24-166 of the Edgefield County Code of Ordinances." In his follow-up email to the Commissioners after the Meeting, Hart Clark did an excellent job

of summarizing the reasons that these arguments do not carry any merit, which are copied below:

<u>"24-164</u>: is an intent statement for land development. It uses words like harmonious. It does not have any specific requirements of Law. It simply states the intent of that section of the ordinances.

24-166: is our public roads section and is basically the design for highway safety. It is a very strong ordinance. However, in this case, the applicant was not given the opportunity to prove that he met those requirements. The planning commission declined the application because it was, in their OPINION, unsafe and not meeting those requirements. The applicant was not given a chance to submit their engineering to the appropriate authority or make any required road improvements because they were denied in a preliminary hearing. That is why their road approval with the SCDOT is listed as pending when reading my report on the matter. Because DOT and DHEC like preliminary land development approval before ordering a developer to do the engineering and reviewing civic drawings. Had they been approved in the preliminary hearing, they would then have had to submit their engineering to the state for an encroachment permit. The SCDOT traffic engineers would have then reviewed the application and either approved it, approved it with a list of required road improvements or denied it. In order to receive final plat approval, we would have to receive approval from the DOT (which is the authority having jurisdiction over State roads) before final approval is given. So, in my opinion, because they based their decision on their personal opinion rather than on the basis of fact, this law section does not specify a failure to comply on the applicant's part.

<u>24-66</u>: I too looked at this ordinance before rendering my decision that they do, in fact, comply with the requirements of our ordinance. Section 7 of this ordinance says the following (maximum six units per acre, but density shall not exceed the maximum allowed per the land use area of the Edgefield County Comprehensive plan); In my opinion, this is almost defensible; however, there are a few issues with it.

If you apply this ordinance to only the townhouse portion of the development, since it is specifically a conditional use regulation for townhouses, then the density of townhouses for this development is 1.3 townhouses per acre, which in fact, complies with the requirement of the comp plan and this ordinance. However, if you calculate the total density in the development, including detached housing, the total density for the development is 2.5 units per acre which is not in accordance with the comp plan. This is why I state in my report that they comply with the Law but not with the comprehensive plan.

It could be argued that the State law [i.e. § 6-29-540] already specifically addresses the procedure that should take place when a property is not in compliance with the comprehensive plan, and thus this ordinance would be in

conflict with State law. State preemption nullifies any law in part or in whole that conflicts with state law. It is my opinion that the applicant meets the requirements of our Law, but they do not meet the recommendations of our Comprehensive plan."

- As noted above, the basis offered by the Planning Commission for their decision has no legal merit. To the contrary, the Planning Commission merely relied on personal opinions and surmise to deny the Trestle Run land development application. As evidence, at the August 10, 2023 Meeting, multiple Commissioners, the County Attorney and the Planning Director stated on multiple occasions that the land development application meets the requirements, that there is compliance with the ordinances and that the Comprehensive Plan is not actual law. Despite this, Individual Defendants continued to assert their personal feelings and opinions about the proposed land development as basis for its denial.
- The decision by the four Commissioners to deny the land development application for the Trestle Run subdivision was arbitrary, capricious, unreasonable, and based on errors of law and fact. The Planning Commission abused its discretion by disapproving the Application and acted beyond its lawfully delegated authority. We ask the Court to review and overturn the decision of the Planning Commission and authorize Blue Sky to proceed with its plans for the Trestle Run development.

#### **DUE PROCESS**

- 43. Blue Sky restates and re-alleges the allegations of the foregoing paragraphs as if set forth verbatim herein.
- 44. In an opinion issued by the Office of the Attorney General for the State of South Carolina attached hereto as **Exhibit "J"** ("1997 AG Opinion"), the Attorney General's office issued an informal opinion on whether it is proper for members of the Georgetown County Planning Commission to make *ex parte* communications with interest parties in matters

pending before the Commission. Excerpts from that opinion are included below and relevant findings are highlighted in bold:

Dear Mr. Scoville: You have requested an opinion of this Office on whether it is proper for members of the Georgetown County Planning Commission (hereinafter the "Planning Commission") to make *ex parte* communications with interested parties in matters pending before the Commission. You have informed this Office that the Planning Commission was created pursuant to Section 6-7-340 of the South Carolina Code of Laws. Under this Section, local planning commissions, upon the authorization of the governing authority, have the power to: (1) Prepare and revise a comprehensive plan and program for development of its jurisdiction. (2) Prepare and recommend for adoption to the appropriate governing authority as a means for implementing the plan and program: (a) Zoning ordinances or resolutions, and maps and appropriate revisions thereof; (b) Regulations for the subdivision of land and appropriate revisions thereof; (c) An official map and appropriate revision thereof; and (d) A capital program for its jurisdiction based on the comprehensive plan and the capital improvements necessary to implement the plan.

Courts in this State have never ruled on whether planning commissions are quasi-judicial in nature. However, courts in other jurisdictions have found that planning commissions are quasi-judicial bodies. Jodeco, Inc. v. Hann, 674 F.Supp. 488 (D.N.J. 1987); See Jennings v. Dade County, 589 So.2d 1337 (Fla. Dist. Ct. App. 1991); Blaker v. Planning and Zoning Commission of the Town of Fairfield, 562 A.2d 1093 (Conn. 1989); Rodine v. Zoning Board of Adjustment of Polk County, 434 N.W.2d 124 (Iowa 1988). Consistent with these opinions, it would appear that in exercising a portion of its functions, the Planning Commission would be quasi-judicial in nature.

Due process requires that an administrative board or body, when acting in a quasi-judicial capacity, must consider all the evidence before rendering its decision upon any particular question. Pettiford v. South Carolina State Board of Education, 218 S.C. 322, 62 S.E.2d 780 (1950). This does not mean that the administrative board or body must itself hear the evidence, but it must have the evidence before it, and consider such evidence when rendering its decision. Id.

While proceedings before a quasi-judicial body such as the Planning Commission are informal and are conducted without regard to the strict rules of evidence, **the substantial rights of the parties must be preserved**. City of Spartanburg v. Parris, 251 S.C. 187, 161 S.E.2d 228 (1968); Blaker v. Planning and Zoning Commission of the Town of Fairfield, supra. It is generally held that these rights include a reasonable opportunity to cross-examine the important witnesses against a party when their credibility is challenged. City of Spartanburg v. Parris, supra. The right to cross-examine witnesses in quasi-judicial or adjudicatory proceedings is a right of fundamental importance which, in regard to serious matters, exists even in the absence of express statutory provision, as a requirement of due process of law or

the right to a hearing, and no one may be deprived of such right even in an area in which the Constitution would permit it if there is no explicit authorization therefor. Id. In addition, these rights also include the fair opportunity to inspect documents presented and to offer evidence in explanation or rebuttal. Blaker v. Planning and Zoning Commission of the Town of Fairfield, supra.

It is well settled that *ex parte* communications are inherently improper and are anathema to quasi-judicial proceedings. Jennings v. Dade County, supra; Daniel v. Zoning Commission of the City of Norwalk, 645 A.2d 1022 (Conn. App. Ct. 1994). Thus, quasi-judicial officers should avoid all such contacts where they are identifiable. Jennings v. Dade County, supra. In addition, rudimentary administrative law clearly prohibits the use of information by a municipal agency that has been supplied by a party to a contested hearing on an *ex parte* basis. Daniel v. Zoning Commission of the City of Norwalk, supra. 1

1 While South Carolina law does not specifically address *ex parte* communications between a planning commission and interested parties, the rules found in the Administrative Procedures Act, Sections 1-23-310 et seq. of the Code, provide some guidance in this type of situation. Section 1-23-360 of the Code requires that in proceedings before a state agency, unless required for the disposition of *ex parte* matters authorized by law, members or employees of an agency assigned to render a decision or to make findings of fact and conclusions of law in a contested case shall not communicate, in connection with any issue of fact, with any person or party, nor, in connection with any issue of law, with any party or his representative, except upon notice and opportunity for all parties to participate.

The occurrence of an *ex parte* communication in a quasi-judicial proceeding does not mandate automatic reversal. Jennings v. Dade County, supra. However, an *ex parte* communication raises a rebuttable presumption of prejudice. Blaker v. Planning and Zoning Commission of the Town of Fairfield, supra; Daniel v. Zoning Commission of the City of Norwalk, supra. Once the plaintiff shows that an improper *ex parte* communication has occurred, the burden of showing that the communication was harmless shifts to the party seeking to uphold the validity of the zoning commission's decision. Id. The presumption of prejudice may be rebutted by evidence that the *ex parte* evidence or testimony was not received by the commission or was not considered by it and, therefore, did not affect the commission's final decision. Blaker v. Planning and Zoning Commission of the Town of Fairfield, supra; Daniel v. Zoning Commission of the City of Norwalk, supra.

In <u>PATCO v. Federal Labor Relations Authority</u>, 685 F.2d 547 (1982), the United Stated Court of Appeals, District of Columbia Circuit, set forth the following criteria to be used by a court in determining the prejudicial effect of an *ex parte* communication:

... a court must consider whether, as a result of improper ex parte communications, the agency's decision-making process was irrevocably tainted so as to make the ultimate judgment of the agency unfair, either as to an innocent party or to the public interest that the agency was obliged to protect. In making this determination, a number of considerations may be relevant: the gravity of the ex parte communications; whether the contacts may have influenced the agency's ultimate decision; whether the party making the improper contacts benefited from the agency's ultimate decision; whether the contents of the communication were unknown to opposing parties, who therefore had no opportunity to respond; and whether vacation of the agency's decision and remand for new proceedings would serve a useful purpose.

Based on the foregoing, I would recommend that members of the Planning Commission make every effort to avoid *ex parte* communications with interested parties. *Ex parte* communications between members of the Planning Commission and interested parties jeopardize the hearing process and infringe upon the rights of those parties appearing before the Planning Commission. Moreover, the occurrence of an improper *ex parte* communication has the added detriment of shifting the burden and expense of showing that the communication was harmless to the party seeking to uphold the Planning Commission's decision.

This letter is an informal opinion only. It has been written by a designated assistant attorney general and represents the position of the undersigned attorney as to the specific questions asked. It has not, however, been personally scrutinized by the Attorney General nor officially published in the manner of a formal opinion.

As noted in the forgoing Attorney General Opinion, "it would appear that in exercising a portion of its functions, the Planning Commission would be quasi-judicial in nature" under South Carolina law. Confirming whether these are Quasi-judicial hearing is important, because an applicant/appellant's fundamental constitutional rights are involved. When conducting a quasi-judicial hearing, due process requires the board/commission members to take on the role of impartial triers of fact in a dispute involving the legal rights of one or more parties. In a quasi-judicial hearing, members must be careful to provide the basic legal rights due under state and federal constitutions and statutes. Members must base their

decisions solely on the evidence presented at the hearing and should not discuss the case beforehand or be influenced by the opinions of others who are not a part of the proceedings. In the case at hand, the Individual Defendants failed to act as an impartial trier of fact when they conducted themselves with bias and spoke out against the application prior to the meeting. Additionally, by conducting *ex parte* communications that led to the applicant's fate already being decided prior to the Meeting, the Individual Defendants clearly failed to afford Blue Sky the due process it deserves.

- 45. The South Carolina Constitution affords both due process rights and equal protections to the citizens of South Carolina. Specifically, "The privileges and immunities of citizens of this State and of the United States under this Constitution shall not be abridged, nor shall any person be deprived of life, liberty, or property without due process of law, nor shall any person be denied the equal protection of the laws." (See S.C. Constitution of 1895, Art. I, Sec. III.) Substantive due process protects private citizens against arbitrary or capricious public decisions, while procedural due process requires a minimum standard of fairness during the process of making public decisions that impact private rights. Relevant standards include proper public notice; a fair hearing presenting of all sides of an issue; reasonable and impartial standards for decision-making; accurate and accessible public records, and assurance that public decision-makers act without bias or conflict of interest including avoidance of *ex parte* contact.
- 46. The Planning Commission's failure to provide Blue Sky with a meaningful opportunity to be heard on a matter that directly affects his property rights is a violation of Blue Sky's right to due process, pursuant to the Privileges and Immunities; Due Process; & Equal Protection clause of the South Carolina Constitution. (See S.C. Constitution of 1895, Art.

- I, Sec. III.) These due process rights were violated by the County (and the Individual Defendants) when the Planning Commission refused to give Blue Sky a fair hearing and conducted *ex parte* discussions prior to the public Meeting and "decided the fate" of Blue Sky's application without their input or participation. These due process rights were further violated when the Individual Defendants refused to be impartial decision makers, as evidenced by their biased behaviors (i) exhibited at the meeting; (ii) conducted through email campaigns; and (iii) witnessed by the Planning Director and other members of the Planning Commission who exposed their behavior.
- A7. Defendant Nowicki further demonstrated her bias when she utilized the Edgefield Concerned Citizen email list to encourage Edgefield County residents to "sign up to speak" and "voice your concerns during the public hearing", even going so far as to state that "silence is consent", displaying an unequivocal bias in her efforts to organize Edgefield County residents against the development proposed within the Application, as shown in an email circulated to the Edgefield Concerned Citizen email list on August 6, 2023, (the "August 6th Email"), a copy of which is attached hereto as **Exhibit "H"**. Defendant Nowicki's bias against the Application is further shown in the August 6th Email, when she asks, "Is there anything in our ordinances that will allow us to legally deny them???"
- 48. Defendant Nowicki intentionally acted against the interest of Blue Sky in furtherance of her own personal political agenda by engaging in concerted efforts to rally Edgefield County residents against Blue Sky's Application. Nowicki's actions were clearly displayed in her use of a Facebook group called "Merriwether Community Coalition" and an email list of Edgefield County residents referred to as the "Edgefield Concerned

- Citizen" email list, as shown in **Exhibit "K"**, (the "Merriwether Community Screenshots"), attached hereto.
- 49. As a result of the denial of Blue Sky's basic due process rights at the hands of the Planning Commission and the Individual Defendants, Blue Sky has suffered and will continue to suffer significant financial damages, including, but not limited to, lost business opportunities, unreasonable delay, lost profits, earnest money deposits, interest, expenditures on due diligence, overhead burdens, time associated with unnecessary legal battles, and attorney's fees for the costs of bringing this action.
- 50. Blue Sky is entitled to an order granting approval of the Application by the Planning Commission and prohibiting the Planning Commission from further unlawful interference with its current and future developments.
- 51. Blue Sky is also entitled to a judgment against Edgefield County and the Individual Defendants for actual damages in an amount that exceeds \$250,000, or an amount to be proven at trial.

### **CIVIL CONSPIRACY**

- 52. Blue Sky restates and re-alleges the allegations of the foregoing paragraphs as if set forth verbatim herein.
- 53. Pursuant to the 2021 South Carolina Supreme Court Case *Paradis v. Charleston County School District*, the elements of a Civil Conspiracy Claim under South Carolina law are:

  (1) The combination or agreement of two or more persons; (2) To commit an unlawful act or a lawful act by unlawful means; (3) Together with the commission of an overt act in furtherance of the agreement; and (4) Damages proximately resulting to Blue Sky.

- In the case at hand, the Individual Defendants served as a (1) combination of two or more persons; (2) who committed a lawful act (*voting on subdivision application*) by unlawful means (*ex parte communications*); (3) together committed an overt act (*voting to deny Blue Sky's application*) at the public Meeting; and (4) Blue Sky proximately suffered damages as a result of their actions when its property development rights were denied. There is no question that the actions of the Edgefield County Planning Commission (and the Individual Defendants) satisfy all four elements of a Civil Conspiracy Claim under South Carolina law.
- As a direct and proximate result of these actions, Blue Sky suffered special damages, including, but without limitation to, lost business opportunities, unreasonable delay, lost profits, earnest money deposits, interest, expenditures on due diligence, overhead burdens, time associated with unnecessary legal battles, and attorney's fees for the costs of bringing this action. Blue Sky is entitled to a judgment against the Planning Commission and the Individual Defendants for actual damages in an amount that exceeds \$250,000, or an amount to be proven at trial.

#### **GROSS NEGLIGENCE**

- 56. Blue Sky restates and re-alleges the allegations of the foregoing paragraphs as if set forth verbatim herein.
- 57. Under South Carolina law, gross negligence is defined as "the intentional, conscious failure to do something which one ought to do or the doing of something one ought not to do." Hollins v. Richland County Sch. Dist. One, 310 S.C. 486, 427 S.E.2d 654 (1993). It has also been defined as "the failure to exercise slight care," Clyburn v. Sumter County Sch. Dist. # 17, 317 S.C. 50, 451 S.E.2d 885 (1994), or when "a person is so indifferent to

the consequences of his conduct as not to give slight care to what he is doing." Jackson v. SC Dep't of Corrections, 301 S.C. 125, 390 S.E.2d 467 (Ct. App.1989) *aff'd*, 302 S.C. 519, 397 S.E.2d 377 (1990).

- 58. Over the last few years, the Edgefield County Planning Commission has developed a local reputation as a mayerick group of officials with little regard for the laws that govern their rules of procedure. The Planning Commissioners repeatedly debate the same issues over and over in public forums, inquiring about their ability to stop lawful developments from proceeding on un-zoned properties. On several occasions, Commissioners have been instructed by the County Attorney and their planning staff in public meetings that they do not have a basis for denying a petitioner's application, yet they have voted to deny the application anyway. This is the second time that Blue Sky has been a victim of their abuse of discretion. Defendant Nowicki and other Commissioners publicly lobby against developers' applications as if they are playing the role of a prosecutor as opposed to a neutral arbiter. There is no doubt that the County Council has observed the consistent bad behaviors of these individuals, yet they continue to allow them serve as Planning Commissioners who deny due process to the citizens of Edgefield County. The County's failure to discipline these individuals or to remove them from their position constitutes gross negligence on the part of Edgefield County. In other words, it constitutes the County's intentional, conscious failure to do something which one ought to do (remove the Planning Commissioners), or the County is so indifferent to the consequences of its conduct as not to give slight care to what it is doing.
- 59. The practical effect of allowing these Commissioners to continue to exercise arbitrary authority results in restrictions on un-zoned property that can be deemed more restrictive

than zoned property, which is not what the legislature intended in establishing governance for the establishment of County planning and zoning ordinances and County Comprehensive Plans, pursuant to the South Carolina's Local Comprehensive Planning Enabling Act.

- 60. The application of this authority also results in the entirely inconsistent, egregious, arbitrary and capricious application of law in Edgefield County.
- A lack of consistent application by the Edgefield County Planning Commission has made it practically impossible for developers and property owners to prepare plans for approval, or make investments in Edgefield County, with any level of certainty about what will and will not be approved. The Blue Sky developers prefer to develop a partnership with local authorities and work with them to bring developments that represent a cooperative design and they certainly do not want to file suit against local authorities to force development. However, the inappropriate actions of the Individual Defendants have been extremely harmful to Blue Sky and other developers, so Blue Sky was left with no choice but to resort to legal action.
- As evidenced by this case, the Defendants' use of the Comprehensive Plan to impose zoning regulations outside of the legislative process has resulted in arbitrary, politically-driven and abusive decisions that have become impossible to predict, which is exactly what the Planning Act was designed to prevent.
- 63. The Individual Defendants biased behavior and denial of the Application based on the Comprehensive Plan provides a clear example of why Edgefield County needs to replace the Individual Defendants and hold Planning Commissioners accountable to the citizens of

- Edgefield County. Taking these actions will help the County avoid the gross negligence it has committed by leaving these maverick officials on the Planning Commission.
- As a direct and proximate result of the County's gross negligence, Blue Sky suffered damages, including, but without limitation to, lost business opportunities, unreasonable delay, lost profits, earnest money deposits, interest, expenditures on due diligence, overhead burdens, time associated with unnecessary legal battles, and attorney's fees for the costs of bringing this action. Blue Sky is entitled to a judgment against Edgefield County and the Edgefield County Council for actual damages in an amount that exceeds \$250,000, or an amount to be proven at trial.

# REQUEST FOR PRE-LITIGATION MEDIATION

65. Pursuant to S.C. Code Ann. § 6-29-1150 and 6-29-1155, Blue Sky hereby requests prelitigation mediation of this controversy.

### **ATTORNEY'S FEES**

- 66. Blue Sky re-alleges the allegations of the foregoing paragraphs as if set forth verbatim herein.
- 67. Blue Sky demands attorney's fees pursuant to S.C. Code §15-77-300.

### **RESERVATION OF RIGHTS**

68. A complete response to Plaintiff's request for information, pursuant to the South Carolina Freedom of Information Act (S.C. Code 30-4-10 through 30-4-165) is not available as of the time of filing this Notice of Appeal. As such, Plaintiff reserves the right to amend or modify this appeal after receipt of all requested information and the full record on appeal.

WHEREFORE, Blue Sky prays for the following relief:

1) That the Court grant all declaratory relief requested above;

2) This matter be mediated pursuant to S.C. Code § 6-29-1155;

3) That in the event mediation proves unsuccessful, that the Court enter an order

granting approval of the Trestle Run land development application;

4) That the Court find that Defendant Nowicki, Defendant Hadden, Defendant

Walsh, and Defendant Butler be deemed unfit to serve in their official capacity

as Planning Commissioners and be removed from their positions as such;

5) That the Court determine the respective rights, obligations, duties and liabilities

of the Parties;

6) That Blue Sky be awarded attorney's fees, actual damages, consequential

damages, punitive damages and other reasonable costs related to this appeal

from the Edgefield County Planning Commission; and

7) For such other and further relief as the Court deems just and proper.

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**Attorney for Appellants** 

4863-5371-7632, v. 10