

STATE BUDGET AND CONTROL BOARD

Meeting of Tuesday, October 14, 2014 -- 10:00 A. M.

Room 252, Edgar A. Brown Building

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B.		MEETING OF BUDGET AND CONTROL BOARD
C.		ADOPTION OF PROPOSED AGENDA
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3.	Division of General Services	Easements
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STATE EDUCATION ASSISTANCE AUTHORITY

Meeting of Tuesday, October 14, 2014 -- 10:00 A. M.

Room 252, Edgar A. Brown Building

REGULAR SESSION AGENDA INDEX

Item

No.

Agency

Subject

A. ADOPTION OF PROPOSED AGENDA

B. REGULAR SESSION

1. Education Assistance Authority Request to Utilize Funds from the Agency
Operating Fund of the South Carolina State
Education Assistance Authority

C. ADJOURNMENT

AGENCY: Education Assistance Authority

SUBJECT: Request to Utilize Funds from the Agency Operating Fund of the South Carolina State Education Assistance Authority

In 1971, the General Assembly of South Carolina established the State Education Assistance Authority (the "Authority") as a public instrumentality of the State and empowered it to provide financial guidance and assistance to residents of South Carolina through the making or guaranteeing of student loans. The Authority is governed by its members, who are by statute the members of the State Budget and Control Board. The Authority acts through its contractual agent, the South Carolina Student Loan Corporation (the "Corporation"), a private non-profit corporation.

Currently, the Authority maintains two accounts related to the servicing of defaulted student loans, the Federal Reserve Fund and the Agency Operating Fund. The Federal Reserve Fund is the federally-owned account which contains funds used to pay claims on defaulted student loans at the time the loans are transferred to the Authority as the guaranty agency, and its source of revenue is derived from the federal default fee of 1% that the Corporation was required to charge all student loan borrowers in the federal loan program. The Agency Operating Fund is a state-owned account which holds revenue used for specific requirements as outlined in federal statute. Among the uses allowed for expenditures from this fund are default aversion activities and financial literacy outreach activities.

With the passage of the Health Care and Education Reconciliation Act in 2010, the Corporation lost all authority to originate new federal loans, as this legislation nationalized the origination of all federal student loans under the U.S. Department of Education. Because the Corporation no longer is permitted to originate federal student loans, the revenue that historically funded the Federal Reserve Fund account is no longer generated; therefore, the fund balance of this account is declining. However, the Agency Operating Fund balance continues to increase based on revenue earned from account maintenance fees, default aversion fees and loan recovery fees. The balance of the Agency Operating Fund as of July 2014 was approximately \$54.5 million, an increase of approximately \$5.7 million over the past 10 months.

The Corporation is requesting the use of \$1,250,000 from the Agency Operating Fund to launch a new initiative to provide default prevention and financial awareness to the approximately 55 public and private colleges and universities in South Carolina. It has become evident based on the increasing cohort default rates of South Carolina schools that the federal government's nationalization of student loan originations in 2010 has created a void which the Corporation, as a contractual agent of the Authority, has historically provided in South Carolina. The statewide default rate as reported for the 2011 academic year increased to 13.7%, which for the first time in recent history coincides with the national default rate average.

AGENCY: Education Assistance Authority

SUBJECT: Request to Utilize Funds from the Agency Operating Fund of the South Carolina State Education Assistance Authority

The Authority has proven since its inception in 1974 that the key to preventing student loan defaults is financial awareness presented early in the borrowing and repayment cycle and the importance of borrowing wisely. Activities such as financial aid nights with parents and students, financial literacy presentations, and default prevention with borrowers who have become delinquent, but not yet defaulted, on their student loans are a few of the services that the Corporation has performed on behalf of the Authority and in partnership with the schools throughout the state. Many of these same activities are part of this proposed initiative.

Activities performed would include, but not be limited to, approximately 45,000 calls monthly to delinquent borrowers, skip tracing efforts to locate delinquent borrowers, reporting to each school, and in-person financial literacy presentations to borrowers, parents, and school staff. It also supports an independent website to provide access to and perhaps even testing of the financial literacy topics presented within it. The Corporation will also assist schools in developing default management plans for those schools whose default rates are so high that they are required by the U.S. Department of Education to submit such a plan. If a school reaches an established threshold of a 30% or greater cohort default rate for each of the last 3 reporting periods, then that school may be sanctioned and even lose all Title IV financial aid, including Pell grants, Perkins loans, and federal Direct Loans for students and parents. When evaluating the return on the financial investment for this initiative, we considered both the most current trend of student loan borrowing and the most recent statewide cohort default rate. Upon analysis, the Corporation determined that an increase of approximately \$9,700,000 in defaulted student loans was realized from 2013 to 2014 alone, which negatively impacts the economy in our state. These defaulted student loans prevent South Carolina residents from purchasing homes or cars because the borrower's credit is impacted, and in some cases wage garnishment is used to recover the debt owed. This can also impact their ability to meet typical cost of living expenses. Additionally, the schools throughout our state do not have the staffing resources to effectively meet the growing need for contacting these delinquent borrowers. If this request is approved, the State's institutions of higher education will benefit tremendously from this type of partnership.

AUTHORITY ACTION REQUESTED:

Approve the use of the Agency Operating Fund of the South Carolina State Education Assistance Authority in order to provide default aversion activities and financial literary outreach activities.

ATTACHMENTS:

Sanders 5/29/13 letter

Loan Originations
P.O. Box 102405
Columbia, SC 29224



Repayment Services
P.O. Box 102423
Columbia, SC 29224

8806 Two Notch Rd. • Columbia, SC 29223
www.scstudentloan.org • 800-347-2752 • 803-798-0916

September 29, 2014

Delbert H. Singleton Jr.
S.C. State Budget and Control Board
601 Wade Hampton Office Building
Columbia, SC 29201

Re: Petition to utilize funds from the Agency Operating Fund of the South Carolina State Education Assistance Authority

Dear Delbert:

In 1971, the General Assembly of South Carolina established the State Education Assistance Authority (the "Authority") as a public instrumentality of the State and empowered it to provide financial guidance and assistance to residents of South Carolina through the making or guaranteeing of student loans. The Authority is governed by its members, who are by statute the members of the State Budget and Control Board. The Authority acts through its contractual agent, the South Carolina Student Loan Corporation (the "Corporation"), a private non-profit corporation.

Currently, the Authority maintains two accounts related to the servicing of defaulted student loans, the Federal Reserve Fund and the Agency Operating Fund. The Federal Reserve Fund is the federally-owned account which contains funds used to pay claims on defaulted student loans at the time the loans are transferred to the Authority as the guaranty agency, and its source of revenue is derived from the federal default fee of 1% that the Corporation was required to charge all student loan borrowers in the federal loan program. The Agency Operating Fund is a state-owned account which holds revenue used for specific requirements as outlined in federal statute. Among the uses allowed for expenditures from this fund are default aversion activities and financial literacy outreach activities.

With the passage of the Health Care and Education Reconciliation Act in 2010, the Corporation lost all authority to originate new federal loans, as this legislation nationalized the origination of all federal student loans under the U.S. Department of Education. Because the Corporation no longer is permitted to originate federal student loans, the revenue that historically funded the Federal Reserve Fund account is no longer generated; therefore, the fund balance of this account is declining. However, the Agency Operating Fund balance continues to increase based on revenue earned from account maintenance fees, default aversion fees and loan recovery fees. The balance of the Agency Operating Fund as of July 2014 was approximately \$54.5 million, an increase of approximately \$5.7 million over the past 10 months.

We are requesting the use of \$1,250,000 from the Agency Operating Fund to launch a new initiative to provide default prevention and financial awareness to the approximately 55 public and private colleges and universities in South Carolina. It has become evident based on the increasing cohort default rates of South Carolina schools that the federal government's nationalization of student loan originations in 2010 has created a void which the Corporation, as a contractual agent of the Authority, has historically provided in South Carolina. The statewide default rate as reported for the 2011 academic year increased to 13.7%, which for the first time in recent history coincides with the national default rate average.

The Authority has proven since its inception in 1974 that the key to preventing student loan defaults is financial awareness presented early in the borrowing and repayment cycle and the importance of borrowing wisely. Activities such as financial aid nights with parents and students, financial literacy presentations, and default prevention with borrowers who have become delinquent, but not yet defaulted, on their student loans are a few of the services that the Corporation has performed on behalf of the Authority and in partnership with the schools throughout the state. Many of these same activities are part of this proposed initiative.

Activities performed would include, but not be limited to, approximately 45,000 calls monthly to delinquent borrowers, skip tracing efforts to locate delinquent borrowers, reporting to each school, and in-person financial literacy presentations to borrowers, parents, and school staff. It also supports an independent website to provide access to and perhaps even testing of the financial literacy topics presented within it. The Corporation will also assist schools in developing default management plans for those schools whose default rates are so high that they are required by the U.S. Department of Education to submit such a plan. If a school reaches an established threshold of a 30% or greater cohort default rate for each of the last 3 reporting periods, then that school may be sanctioned and even lose all Title IV financial aid, including Pell grants, Perkins loans, and federal Direct Loans for students and parents. When evaluating the return on the financial investment for this initiative, we considered both the most current trend of student loan borrowing and the most recent statewide cohort default rate. Upon analysis, we determined that an increase of approximately \$9,700,000 in defaulted student loans was realized from 2013 to 2014 alone, which negatively impacts the economy in our state. These defaulted student loans prevent South Carolina residents from purchasing homes or cars because the borrower's credit is impacted, and in some cases wage garnishment is used to recover the debt owed. This can also impact their ability to meet typical cost of living expenses. Additionally, the schools throughout our state do not have the staffing resources to effectively meet the growing need for contacting these delinquent borrowers. If this request is approved, our State's institutions of higher education will benefit tremendously from this type of partnership.

In conclusion, we respectfully request approval to use the Agency Operating Fund in order to provide these much-needed services to the students and schools in South Carolina.

Very truly yours,



Chuck Sanders
President & CEO
South Carolina Student Loan Corporation

STATE BUDGET AND CONTROL BOARD
Meeting of Tuesday, October 14, 2014 -- 10:00 A. M.
Room 252, Edgar A. Brown Building
BLUE AGENDA INDEX

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1.	State Treasurer's Office	Bond Counsel Selection
2.	Division of General Services	Real Property Conveyances
3.	Division of General Services	Easements
4.	South Carolina Energy Office	\$15M Qualified Energy Conservation Bond Volume Cap Allocation Authority to Abundant Power Group, LLC/SC Saves with the SC Jobs- Economic Development Authority (JEDA) as Conduit Issuer for Use at Denmark-Olar School District 2 of Bamberg County
5.	Division of Procurement Services	Procurement Audit of the Department of Consumer Affairs
6.	Executive Director	Revenue Bonds
7.	Executive Director	Economic Development – 2014 Ceiling Allocation

AGENCY: State Treasurer's Office

SUBJECT: Bond Counsel Selection

The State Treasurer's Office has provided the following notification of the assignment of bond counsel for conduit issues, other revenue issues, and special assignment of bond counsel for which Board approval is requested:

CONDUIT ISSUES: (For ratification of Issuer's Counsel only)

Description of Issue	Agency/Institution (Borrower)	Borrower's Counsel	Issuer's Counsel
\$25,000,000 SC JEDA	Bishop of Charleston/Catholic Diocese of Charleston	Haynsworth Sinkler Boyd	Nexsen Pruet
\$16,500,000 SC JEDA	CareAlliance Health Services d/b/a Roper St. Francis Healthcare	Haynsworth Sinkler Boyd	Howell, Linkous & Nettles
\$21,000,000 SC JEDA	Myrtle Beach Convention Center	McNair Law Firm	Parker Poe
\$15,000,000 SC JEDA	SC SAVES (c/o Abundant Power Solutions)	McGuire Woods	Haynsworth Sinkler Boyd
\$20,000,000 SC JEDA	Conway Hospital	Parker Poe Adams & Bernstein	Haynsworth Sinkler Boyd
\$20,000,000 SC JEDA	Palmetto Health	Chapman & Cutler	Howell Linkous & Nettles
\$36,000,000 SC JEDA	Anderson University	Haynsworth Sinkler Boyd	Nexsen Pruet
\$70,000,000.00 SC JEDA	RePower South, LLC	Nexsen Pruet	Pope Zeigler
\$36,090,000.00 SC JEDA	Destination Developments, LLC	Haynsworth Sinkler Boyd	McNair Law Firm

OTHER REVENUE ISSUES:

Description of Issue	Agency/Institution	Approved Bond Counsel
\$16,250,000.00 Clemson University	Clemson University-Athletic Facilities Rev Bonds, Series 2014 (refunding of 2005)	Pope Zeigler, LLC/recommended

SPECIAL ASSIGNMENT OF BOND COUNSEL:

Description of Issue	Agency/Institution	Approved Bond Counsel
US Securities & Exchange Comm Municipalities Continuing Disclosure Cooperation Initiative.	Clemson University	Pope Zeigler, LLC/recommended

BOARD ACTION REQUESTED:

Approve the referenced bond counsel assignment.

ATTACHMENTS:

Bond Counsel Selection Approved by the State Treasurer's Office

Items for October 4, 2014 Budget & Control Board Meeting
 Bond Counsel and Issuer Counsel Selections by the State Treasurer's Office are as follows:

CONDUIT ISSUES: (For ratification of Issuer's Counsel only)

Description of Issue	Agency/Institution (Borrower)	Borrower's Counsel	Issuer's Counsel	Date STO Approved
\$25,000,000 SC JEDA	Bishop of Charleston/Catholic Diocese of Charleston	Haynsworth Sinkler Boyd	Nexsen Pruet	07/29/14
\$16,500,000 SC JEDA	CareAlliance Health Services d/b/a Roper St. Francis Healthcare	Haynsworth Sinkler Boyd	Howell, Linkous & Nettles	09/15/14
\$21,000,000 SC JEDA	Myrtle Beach Convention Center	McNair Law Firm	Parker Poe	09/15/14
\$15,000,000 SC JEDA	SC SAVES (c/o Abundant Power Solutions)	McGuire Woods	Haynsworth Sinkler Boyd	09/15/14
\$20,000,000 SC JEDA	Conway Hospital	Parker Poe Adams & Bernstein	Haynsworth Sinkler Boyd	09/15/14
\$20,000,000 SC JEDA	Palmetto Health	Chapman & Cutler	Howell Linkous & Nettles	09/15/14
\$36,000,000 SC JEDA	Anderson University	Haynsworth Sinkler Boyd	Nexsen Pruet	09/16/14
\$70,000,000.00 SC JEDA	RePower South, LLC	Nexsen Pruet	Pope Zeigler	09/17/14
\$36,090,000.00 SC JEDA	Destination Developments, LLC	Haynsworth Sinkler Boyd	McNair Law Firm	09/18/14

OTHER REVENUE ISSUES:

Description of Issue	Agency/Institution	Approved Bond Counsel	Date STO Approved
\$16,250,000.00	Clemson Univ.		
	Clemson Univ.-Athletic Facilities Rev Bonds, Series 2014 (refunding of 2005)	Pope Zeigler, LLC/recommended	07/17/14

SPECIAL ASSIGNMENT OF BOND COUNSEL:

Description of Issue	Agency/Institution	Approved Bond Counsel	Date STO Approved
US Securities & Exchange Comm Municipalities Continuing Disclosure Cooperation Initiative.	Clemson Univ.	Pope Zeigler, LLC/recommended	08/14/14

AGENCY: Division of General Services

SUBJECT: Real Property Conveyances

The Division of General Services recommends approval of the following real property conveyances:

- (a) **Agency:** Department of Employment and Workforce
Acreage: 0.685± acres and a 9,461 square foot office building
Location: 309 W. Whitner Street, Anderson
County: Anderson
Purpose: To dispose of surplus real property.
Price/Transferred To: \$135,000/First Presbyterian Church of Anderson
Disposition of Proceeds: To be retained and/or divided accordingly between the Department of Employment and Workforce and the Budget and Control Board based on federally funded real property requirements and pursuant to Proviso 101.23.
Additional Information: On June 17, 2014, the Board approved the sale of the subject property for not less than the appraised value which was \$443,000. The property was recently advertised for sale by sealed bid which resulted in only one offer from the Church. The surrounding property is owned by the Church and the acquisition of this building would enhance the Church's ability to provide programs for the Anderson community.
- (b) **Agency:** Department of Employment and Workforce
Acreage: 2.04± acres and a 4,769 square foot office building
Location: 353 Highway 28 By-Pass, Abbeville
County: Abbeville
Purpose: To dispose of surplus real property.
Price/Transferred To: Not less than appraised value/To be determined
Disposition of Proceeds: To be retained and/or divided accordingly between the Department of Employment and Workforce and the Budget and Control Board based on federally funded real property requirements and pursuant to Proviso 101.23.
- (c) **Agency:** Department of Employment and Workforce
Acreage: 2.0± acres and a 4,745 square foot office building
Location: 101 Mable T. Willis Boulevard, Walterboro
County: Colleton
Purpose: To dispose of surplus real property.
Price/Transferred To: Not less than appraised value/To be determined
Disposition of Proceeds: To be retained and/or divided accordingly between the Department of Employment and Workforce and the Budget and Control Board based on federally funded real property requirements and pursuant to Proviso 101.23.

AGENCY: Division of General Services

SUBJECT: Real Property Conveyances

- (d) **Agency:** Department of Employment and Workforce
Acreage: 1.25± acres and a 4,591 square foot office building
Location: 317 Summit Drive, Liberty
County: Pickens
Purpose: To dispose of surplus real property.
Price/Transferred To: Not less than appraised value/To be determined
Disposition of Proceeds: To be divided between Budget and Control Board and Department of Employment and Workforce pursuant to Proviso 101.23.
- (e) **Agency:** Department of Employment and Workforce
Acreage: 1.45± acres
Location: 400 South Church Street, Spartanburg
County: Spartanburg
Purpose: To dispose of surplus real property.
Price/Transferred To: Not less than appraised value/To be determined
Disposition of Proceeds: To be retained and/or divided accordingly between the Department of Employment and Workforce and the Budget and Control Board based on federally funded real property requirements and pursuant to Proviso 101.23.
- (f) **Agency:** Department of Disabilities and Special Needs
Acreage: 374.504± acres
Location: Off Old Colony Road, Clinton (DDSN Whitten Center)
County: Laurens
Purpose: To dispose of surplus real property.
Price/Transferred To: Not less than appraised value/ To be determined
Disposition of Proceeds: To be divided between the Department of Disabilities and Special Needs and the Budget and Control Board pursuant to Proviso 101.23.
- (g) **Agency:** Budget and Control Board
Acreage: 27.046± acres and improvements
Location: 921 Ribaut Road, Beaufort
County: Beaufort
Purpose: To transfer seven parcels of land that makes up the Technical College of the Lowcountry's main campus to the College's governing body, the Technical College of the Lowcountry Area Commission. This transfer will be consistent with other property holdings of the College.

AGENCY: Division of General Services

SUBJECT: Real Property Conveyances

Price/Transferred To: No consideration/Technical College of the Lowcountry Area Commission

Additional Information: The State of South Carolina acquired the property in 1968 from the Woman's American Baptist Home Mission Society for use as an area trade school, now known as the Technical College of the Lowcountry. At the time of the conveyance, the College was not a separate entity as it is now and operated under the State Board for Technical and Comprehensive Education. The College has had sole possession of the property since the conveyance and has been responsible for all maintenance and operations.

(h) **Agency:** **Department of Transportation**

Acreage: 10.16± acres and 4 vacant buildings totaling 19,832 square feet

Location: 1439 Laurens Road, Greenville

County: Greenville

Purpose: To dispose of surplus real property owned by the Department of Transportation, Department of Public Safety and the Department of Motor Vehicles pursuant to Provisos 63.4 and 101.23.

Price/Purchaser: Not less than appraised value/To be determined

Disposition of Proceeds: To be divided with the agencies pursuant to Proviso 63.4.

Additional Information: On June 21, 2006, the Board approved the sale of the surplus property for not less than the appraised value which was \$2,018,000. The property has been actively marketed for well over 10 years with varying inquiries and unsuccessful contracts. In February of this year, SCDOT partnered with the Greenville County Economic Development Corporation (GCEDC) in association with Greenville County to market the property for a mixed use development project. The proposed project will contribute to the revitalization of the area and encourage and support economic development consistent with the goals of GCEDC, Greenville County and the City of Greenville.

(i) **Agency:** **Department of Transportation**

Acreage: 12.60± acres

Location: On University Boulevard (S-26-953)

County: Horry

Purpose: To transfer ownership and maintenance responsibility of University Boulevard due to SCDOT removing the road from the State Highway System.

Price/Transferred To: No consideration/Coastal Carolina University

AGENCY: Division of General Services

SUBJECT: Real Property Conveyances

- (j) **Agency:** **Clemson University**
Acreage: 4.73± acre
Location: Old Stone Church Road at US Highway 76, Clemson
County: Pickens
Purpose: To convey a 4.73-acre tract of land in exchange for a 0.7-acre tract owned by the City of Clemson. The exchange will allow the University to control the corner parcel adjacent to its ballpark property and to acquire property consistent with the University's long range master plan.
Price/Transferred To: Property exchange between Clemson University and the City of Clemson with the property Clemson will acquire having a greater appraised value (\$59,000) than the property the City will acquire (\$57,000).
Disposition of Proceeds: N//A

OTHER TRANSACTION

- (k) **Agency:** **South Carolina Forestry Commission**
Equipment: Communication tower, associated facilities and equipment
Location: Richard B. Russell Lake and Dam
County: Abbeville
Purpose: To transfer ownership and maintenance responsibility of a communication tower back to the US Army Corps of Engineers.
Price/Transferred To: No consideration/US Army Corps of Engineers
Additional Information: In 2002, the Army Corps of Engineers (COE) transferred ownership of a communications tower located at the Richard B. Russell Lake and Dam to the Forestry Commission. COE now wants to take back ownership of the tower and give Forestry long-term use of the tower. Forestry is in favor of transferring ownership back to the COE as the tower is in great need of repair.

BOARD ACTION REQUESTED:

Approve the real property conveyances as requested.

ATTACHMENTS:

Agenda item worksheet and attachments

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

Meeting Scheduled for: October 14, 2014

Blue Agenda

1. Submitted by:

- (a) Agency: Division of General Services
- (b) Authorized Official Signature:


Nolan L. Wiggins, Jr., Director

2. Subject: REAL PROPERTY CONVEYANCES

3. Summary Background Information:

- (a) **Agency:** Department of Employment and Workforce
Acreage: 0.685± acres and a 9,461 square foot office building
Location: 309 W. Whitner Street, Anderson
County: Anderson
Purpose: To dispose of surplus real property.
Price/Transferred To: \$135,000/First Presbyterian Church of Anderson
Disposition of Proceeds: To be retained and/or divided accordingly between the Department of Employment and Workforce and the Budget and Control Board based on federally funded real property requirements and pursuant to Proviso 101.23.
Additional Information: On June 17, 2014, the Board approved the sale of the subject property for not less than the appraised value which was \$443,000. The property was recently advertised for sale by sealed bid which resulted in only one offer from the Church. The surrounding property is owned by the Church and the acquisition of this building would enhance the Church's ability to provide programs for the Anderson community.

- (b) **Agency:** Department of Employment and Workforce
Acreage: 2.04± acres and a 4,769 square foot office building
Location: 353 Highway 28 By-Pass, Abbeville
County: Abbeville
Purpose: To dispose of surplus real property.
Price/Transferred To: Not less than appraised value/To be determined
Disposition of Proceeds: To be retained and/or divided accordingly between the Department of Employment and Workforce and the Budget and Control Board based on federally funded real property requirements and pursuant to Proviso 101.23.

- (c) **Agency:** Department of Employment and Workforce
Acreage: 2.0± acres and a 4,745 square foot office building
Location: 101 Mable T. Willis Boulevard, Walterboro
County: Colleton
Purpose: To dispose of surplus real property.
Price/Transferred To: Not less than appraised value/To be determined
Disposition of Proceeds: To be retained and/or divided accordingly between the Department of Employment and Workforce and the Budget and Control Board based on federally funded real property requirements and pursuant to Proviso 101.23.
- (d) **Agency:** Department of Employment and Workforce
Acreage: 1.25± acres and a 4,591 square foot office building
Location: 317 Summit Drive, Liberty
County: Pickens
Purpose: To dispose of surplus real property.
Price/Transferred To: Not less than appraised value/To be determined
Disposition of Proceeds: To be divided between Budget and Control Board and Department of Employment and Workforce pursuant to Proviso 101.23.
- (e) **Agency:** Department of Employment and Workforce
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County: Spartanburg
Purpose: To dispose of surplus real property.
Price/Transferred To: Not less than appraised value/To be determined
Disposition of Proceeds: To be retained and/or divided accordingly between the Department of Employment and Workforce and the Budget and Control Board based on federally funded real property requirements and pursuant to Proviso 101.23.
- (f) **Agency:** Department of Disabilities and Special Needs
Acreage: 374.504± acres
Location: Off Old Colony Road, Clinton (DDSN Whitten Center)
County: Laurens
Purpose: To dispose of surplus real property.
Price/Transferred To: Not less than appraised value/ To be determined
Disposition of Proceeds: To be divided between the Department of Disabilities and Special Needs and the Budget and Control Board pursuant to Proviso 101.23.

- (g) **Agency:** **Budget and Control Board**
Acreage: 27.046± acres and improvements
Location: 921 Ribaut Road, Beaufort
County: Beaufort
Purpose: To transfer seven parcels of land that makes up the Technical College of the Lowcountry's main campus to the College's governing body, the Technical College of the Lowcountry Area Commission. This transfer will be consistent with other property holdings of the College.
- Price/Transferred To:** No consideration/Technical College of the Lowcountry Area Commission
- Additional Information:** The State of South Carolina acquired the property in 1968 from the Woman's American Baptist Home Mission Society for use as an area trade school, now known as the Technical College of the Lowcountry. At the time of the conveyance, the College was not a separate entity as it is now and operated under the State Board for Technical and Comprehensive Education. The College has had sole possession of the property since the conveyance and has been responsible for all maintenance and operations.
- (h) **Agency:** **Department of Transportation**
Acreage: 10.16± acres and 4 vacant buildings totaling 19,832 square feet
Location: 1439 Laurens Road, Greenville
County: Greenville
Purpose: To dispose of surplus real property owned by the Department of Transportation, Department of Public Safety and the Department of Motor Vehicles pursuant to Provisos 63.4 and 101.23.
- Price/Purchaser:** Not less than appraised value/To be determined
- Disposition of Proceeds:** To be divided with the agencies pursuant to Proviso 63.4.
- Additional Information:** On June 21, 2006, the Board approved the sale of the surplus property for not less than the appraised value which was \$2,018,000. The property has been actively marketed for well over 10 years with varying inquiries and unsuccessful contracts. In February of this year, SCDOT partnered with the Greenville County Economic Development Corporation (GCEDC) in association with Greenville County to market the property for a mixed use development project. The proposed project will contribute to the revitalization of the area and encourage and support economic development consistent with the goals of GCEDC, Greenville County and the City of Greenville.

(i) **Agency:** Department of Transportation
Acreage: 12.60± acres
Location: On University Boulevard (S-26-953)
County: Horry
Purpose: To transfer ownership and maintenance responsibility of University Boulevard due to SCDOT removing the road from the State Highway System.
Price/Transferred To: No consideration/Coastal Carolina University

(j) **Agency:** Clemson University
Acreage: 4.73± acre
Location: Old Stone Church Road at US Highway 76, Clemson
County: Pickens
Purpose: To convey a 4.73-acre tract of land in exchange for a 0.7-acre tract owned by the City of Clemson. The exchange will allow the University to control the corner parcel adjacent to its ballpark property and to acquire property consistent with the University's long range master plan.
Price/Transferred To: Property exchange between Clemson University and the City of Clemson with the property Clemson will acquire having a greater appraised value (\$59,000) than the property the City will acquire (\$57,000).
Disposition of Proceeds: N/A

OTHER TRANSACTION

(k) **Agency:** South Carolina Forestry Commission
Equipment: Communication tower, associated facilities and equipment
Location: Richard B. Russell Lake and Dam
County: Abbeville
Purpose: To transfer ownership and maintenance responsibility of a communication tower back to the US Army Corps of Engineers.
Price/Transferred To: No consideration/US Army Corps of Engineers
Additional Information: In 2002, the Army Corps of Engineers (COE) transferred ownership of a communications tower located at the Richard B. Russell Lake and Dam to the Forestry Commission. COE now wants to take back ownership of the tower and give Forestry long-term use of the tower. Forestry is in favor of transferring ownership back to the COE as the tower is in great need of repair.

4. **What is Board asked to do?** Approve the property conveyances and transactions as requested.

5. **What is recommendation of Board Division involved?** Recommend approval of the property conveyances and transactions as requested.

6. List of Supporting Documents:

1. SC Code of Laws Section 1-11-65
2. 2014-2015 Appropriations Bill H.4701, Part 1B, Proviso 101.23
3.
 - (a) Department of Employment and Workforce – Anderson County
 - (b) Department of Employment and Workforce – Abbeville County
 - (c) Department of Employment and Workforce – Colleton County
 - (d) Department of Employment and Workforce – Pickens County
 - (e) Department of Employment and Workforce – Spartanburg County
 - (f) Department of Disabilities and Special Needs – Laurens County
 - (g) Budget and Control Board – Beaufort County
 - (h) Department of Transportation – Greenville County
 - (i) Department of Transportation – Horry County
 - (j) Clemson University – Pickens County
 - (k) South Carolina Forestry Commission – Abbeville County

SOUTH CAROLINA CODE OF LAWS

SECTION 1-11-65. Approval and recordation of real property transactions involving governmental bodies.

(A) All transactions involving real property, made for or by any governmental bodies, excluding political subdivisions of the State, must be approved by and recorded with the State Budget and Control Board. Upon approval of the transaction by the Budget and Control Board, there must be recorded simultaneously with the deed, a certificate of acceptance, which acknowledges the board's approval of the transaction. The county recording authority cannot accept for recording any deed not accompanied by a certificate of acceptance. The board may exempt a governmental body from the provisions of this subsection.

(B) All state agencies, departments, and institutions authorized by law to accept gifts of tangible personal property shall have executed by its governing body an acknowledgment of acceptance prior to transfer of the tangible personal property to the agency, department, or institution.

South Carolina General Assembly
120th Session, 2014-2015
H. 4701
General Appropriations Bill for fiscal year 2014-2015
As Ratified by the General Assembly

PART IB

OPERATION OF STATE GOVERNMENT

SECTION 101 – F03-BUDGET AND CONTROL BOARD

101.23. (BCB: Sale of Surplus Real Property) Up to fifty percent of the proceeds, net of selling expenses, from the sale of surplus real properties shall be retained by the Budget and Control Board and used for the deferred maintenance of state-owned buildings. The remaining fifty percent of the net proceeds shall be returned to the agency that the property is owned by, under the control of, or assigned to and shall be used by that agency for non-recurring purposes. This provision applies to all state agencies and departments except: institutions of higher learning; the Public Service Authority; the Ports Authority; the MUSC Hospital Authority; the Myrtle Beach Air Force Redevelopment Authority; the Department of Transportation; the Columbia State Farmers Market; the Department of Agriculture's Columbia Metrology Lab building and property; the Charleston Naval Complex Redevelopment Authority; the Department of Commerce's Division of Public Railways; the Midlands Technical College Enterprise Campus Authority; the Trident Technical College Enterprise Campus Authority; the Commissioners residence at the Department of Corrections and the Educational Television Commission's Key Road property.

The Educational Television Commission shall be authorized to retain the net proceeds from the sale of its property on Key Road, and such proceeds may be used for the renovation of the ETV Telecommunications Center and other maintenance and operating expenses. If it is determined that sufficient net proceeds are not to be derived from the sale of its property on Key Road to cover the cost of all renovations of the Telecommunications Center, the property on Key Road shall not be sold. Any proposed sale hereunder shall, prior to said sale, be submitted to the Budget and Control Board for approval as being in compliance with the requirements of this subsection.

The Department of Corrections shall be authorized to retain the net proceeds from the sale of the residence provided for the Commissioner of the Department of Corrections and use such proceeds for deferred maintenance needs at the Department of Corrections.

The Forestry Commission shall be authorized to retain the net proceeds from the sale of surplus land for use in firefighting operations and replacement of firefighting equipment.

The Department of Natural Resources shall be authorized to retain the net proceeds from the sale of existing offices originally purchased with a federal grant or with restricted revenue from hunting and fishing license sales for the improvement, consolidation, and/or establishment of regional offices and related facilities.

The Department of Vocational Rehabilitation shall be authorized to retain the net proceeds from the sale of 3.205 acres located at 22861 Highway 76 East in Clinton, South Carolina to be used for capital projects and deferred maintenance.

The Department of Agriculture, the Educational Television Commission, the Department of Corrections, the Department of Natural Resources, the Forestry Commission, and the Department of Vocational Rehabilitation shall annually submit a report, within sixty days after the close of the fiscal year, to the Senate Finance Committee and the House Ways and Means Committee on the status of the sale of the identified property and a detailed accounting on the expenditure of funds resulting from such sale.

This provision is comprehensive and supersedes any conflicting provisions concerning disposition of state owned real property whether in permanent law, temporary law or by provision elsewhere in this act.

Any unused portion of these funds may be carried forward into succeeding fiscal years and used for the same purposes.

**(a) Department of Employment and Workforce
Anderson County**

List of Supporting Documents:

1. Letter from Department of Employment and Workforce dated September 22, 2014
2. Letter from U.S. Department of Labor dated September 19, 2014
3. Map

P.O. Box 995
1550 Gadsden Street
Columbia, SC 29202
dew.sc.gov



Nikki R. Haley
Governor

Cheryl M. Stanton
Executive Director

September 22, 2014

Ms. Ashlie Lancaster
Deputy Director, Division of General Services
State Budget and Control Board
1200 Senate Street, Suite 460
Columbia, SC 29201

Dear Ms. Lancaster:

The South Carolina Department of Employment and Workforce received an offer from First Presbyterian Church in Anderson, SC, to purchase the property at 309 W. Whitner Street, Anderson, SC, for \$135,000. The property has been advertised for public bid since February of this year, and this church represents the only bid received for the property to date.

The Department of Labor has provided guidance that the offering price can be deemed fair market value, although it falls below the appraised value of \$375,000. The adjacent lot the church wishes to include with this purchase is appraised at \$68,000.

The building is directly across the street from First Presbyterian Church in Anderson. When the building was in use, the church allowed agency customers to use a large parking lot owned by the church which was next to the building. The church's purchase of this building would enhance the ability of the church as they continue to provide programs for the Anderson community. The agency intends to deposit the net sale proceeds into a special infrastructure/systems fund that will be used to fund a project to replace our UI Tax system. This use is in compliance with applicable federal guidelines for state owned properties containing federal (USDOL) equity.

If you have any questions or need additional information, please do not hesitate to contact me at (803) 737-0108.

Sincerely,

Martha R. Stephenson
Assistant Executive Director
SCDEW Administration, Support and Operations

U.S. Department of Labor

**Employment and Training Administration
Sam Nunn Atlanta Federal Center
Room 6M12 - 61 Forsyth Street, S.W.
Atlanta, Georgia 30303**



September 19, 2014

Ms. Cheryl Stanton
Agency Administrator
Department of Employment and
Workforce
P. O. Box 995
Columbia, SC 29202

Dear Ms. Stanton:

This response is in regards to your letter dated August 14, 2014, requesting approval to sell the property located at 309 W. Whitner Street, Anderson, South Carolina. Federal Equity is governed by TEGL 3-07, dated August 1, 2007, which transferred equity in all States real property acquired by UC, WP, or Reed Act funds to States. This is also codified in 29 USC 2943 and PL 110-5, Section 301-304 of Revised Continuing Appropriations Resolution. Based upon our review of your request, the Regional Office hereby grants your agency approval to sell the building at 309 W. Whitner Street, Anderson, South Carolina for \$135,000.

The amount of proceeds less any costs associated with the sale should be allocated between the State of South Carolina (11% State) and Reed Act (89% Federal). Expenditures of these disposition proceeds are to be reported on the quarterly financial reports (ETA-9130) under line 11b, "Real Property Proceeds Expended" for the appropriate UI/WP/WIA programs in accordance with the reporting instructions. A copy of 9130 report should be included in your correspondence with our office. These expenditures must also be recorded in a State's book of accounts and included within the scope of its annual OMB Circular A-133 Single Audit.

Should you have any questions regarding this matter, please feel free to contact Ms. Lynn Owens or Ms. Deborah Bradley in the Division of Financial Management and Administrative Services (DFMAS) at 404 302-5308.

Sincerely,

A handwritten signature in black ink that reads "Les Range".

Digitally signed by Les Range
DN: cn=Les Range, o=ETA
[unintelligible] and [unintelligible]
[unintelligible] email=les.range@eta.dhs.gov,
c=US
Date: 2014.09.19 13:44:41

Les Range
Regional Administrator



309 W Whitner St, Anderson, SC 29624

My Notes

On the go? Use m.bing.com to find maps, directions, businesses, and more.



**(b - c) Department of Employment and Workforce
Abbeville, Colleton, Pickens, and Spartanburg Counties**

List of Supporting Documents:

4. Letter from Department of Employment and Workforce dated September 22, 2014
5. Maps

P.O. Box 995
1550 Gadsden Street
Columbia, SC 29202
dew.sc.gov



Nikki R. Haley
Governor
Cheryl M. Stanton
Executive Director

September 22, 2014

Ms. Ashlie Lancaster
Deputy Director, Division of General Services
State Budget and Control Board
1200 Senate Street, Suite 460
Columbia, SC 29201

Dear Ms. Lancaster:

The South Carolina Department of Employment and Workforce is respectfully requesting Budget and Control Board approval to formally declare the following properties as surplus properties:

Address	Tax Map Number	Square Footage	Acreage
101 Mable T. Willis Blvd. Walterboro, SC Colleton County	178-00-00-183	4,745	2.0 acres
317 Summit Drive Liberty, SC Pickens County	4087-07-69-8198	4,591	1.25 acres
353 Highway 28 By Pass Abbeville, SC Abbeville County	121-00-00-016	4,769	2.04 acres
400 S. Church St. Spartanburg, SC Spartanburg County	7-16-02-048 01	N/A	1.45 acres

The Walterboro and Liberty office locations were Unemployment Insurance Hub locations and have consolidated staff to our Beaufort and Greenville offices respectively. Re-employment services are offered in separate SC Works office locations in Colleton and Pickens counties.

The Abbeville SC Works office moved from the SCDEW building to Piedmont Technical College in July 2014. Re-employment services are now being provided at the Technical College location.

B&CB Request to Surplus
September 22, 2014
Page 2

SCDEW is no longer intending to build on the 400 S. Church St. lot in Spartanburg, therefore we are requesting this property also be listed as surplus.

Of the four properties listed in this request, all properties contain equity portions that were amortized with federal grant funds under the Unemployment Compensation (UC), Wagner-Peyser (WP), and/or Reed Act programs through the US Department of Labor.

Although the retainage amounts authorized under South Carolina Budget Proviso 101.24 may properly apply to non-federal portions of eventual sales proceeds, SCDEW seeks approval to exclude portions of proceeds attributable to the UC, WP and Reed Act equity in these properties from application of the proviso. This will ensure that those proceeds are treated in accordance with federal laws and official guidance from the U.S. Department of Labor. These relevant equity-shares by funding source are summarized in the Summary of Federal/Non-Federal Equities (attachment A). The federal guidance related to this request, referencing the applicable laws, is summarized in TEGL 3-07 (attachment B).

If you have any questions or need additional information, please do not hesitate to contact me at (803) 737-0108.

Sincerely,



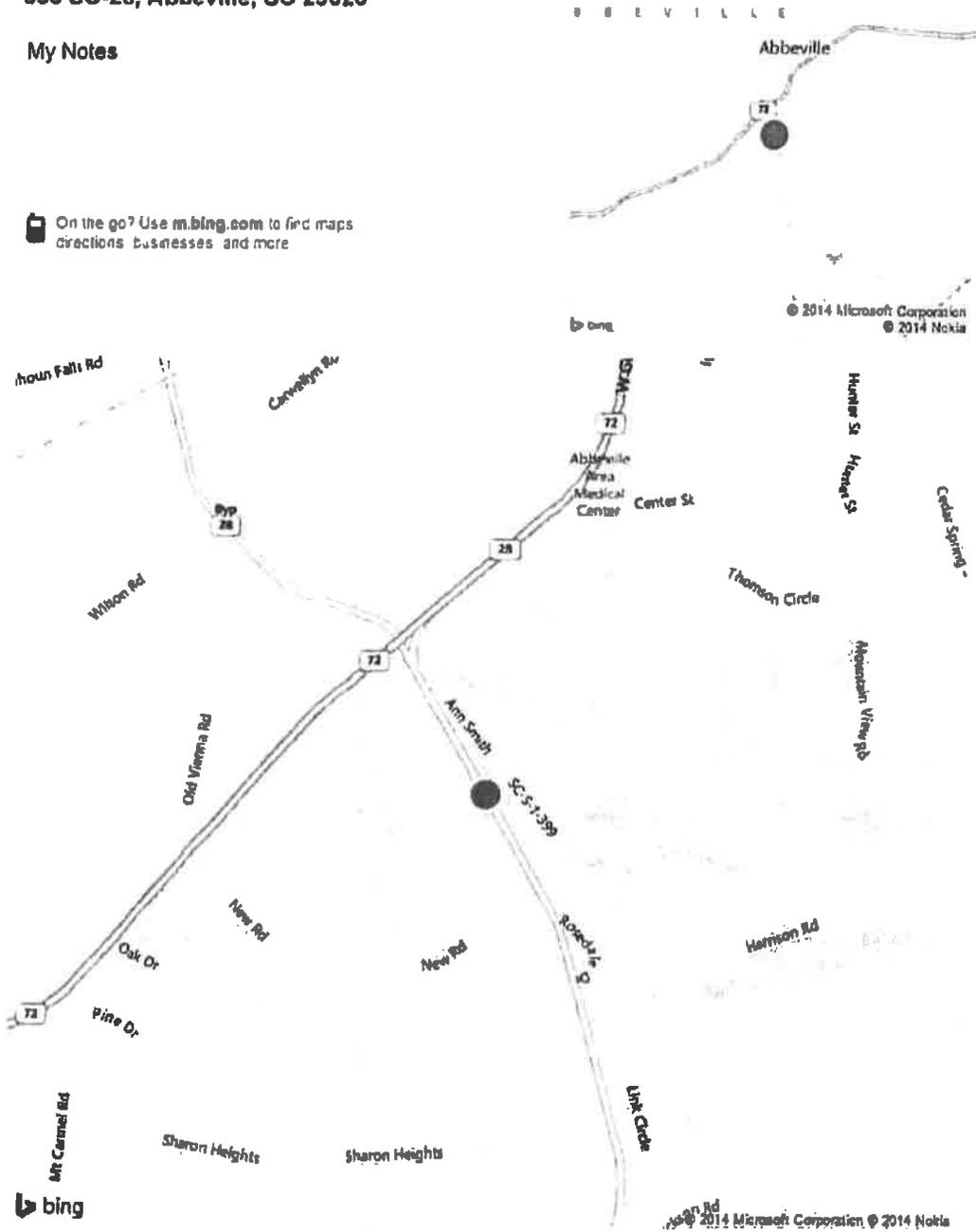
Martha R. Stephenson
Assistant Executive Director
SCDEW Administration, Support and Operations



353 SC-28, Abbeville, SC 29620

My Notes

On the go? Use m.bing.com to find maps, directions, businesses, and more.

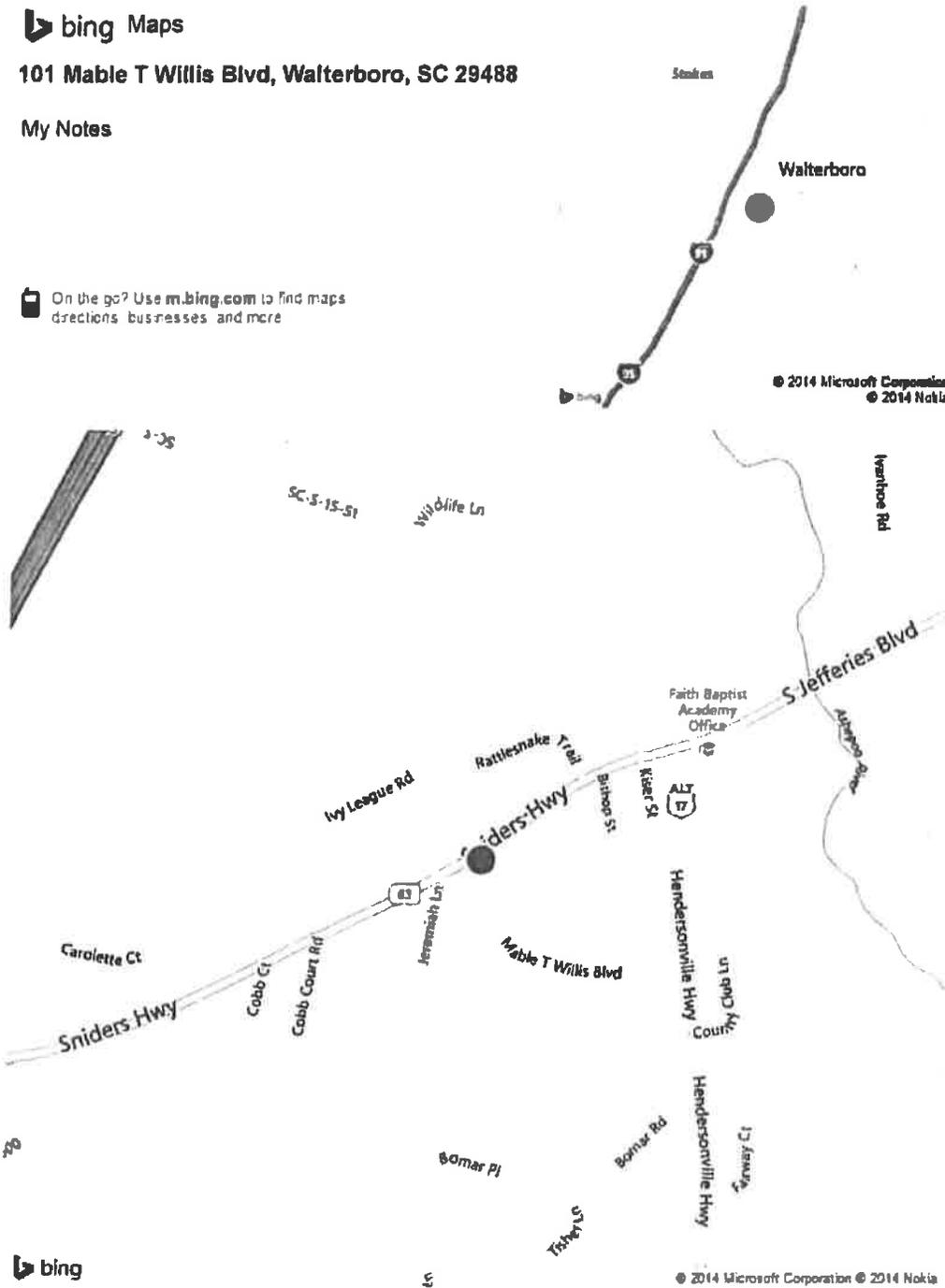


bing Maps

101 Mable T Willis Blvd, Walterboro, SC 29488

My Notes

On the go? Use m.bing.com to find maps, directions, businesses, and more.

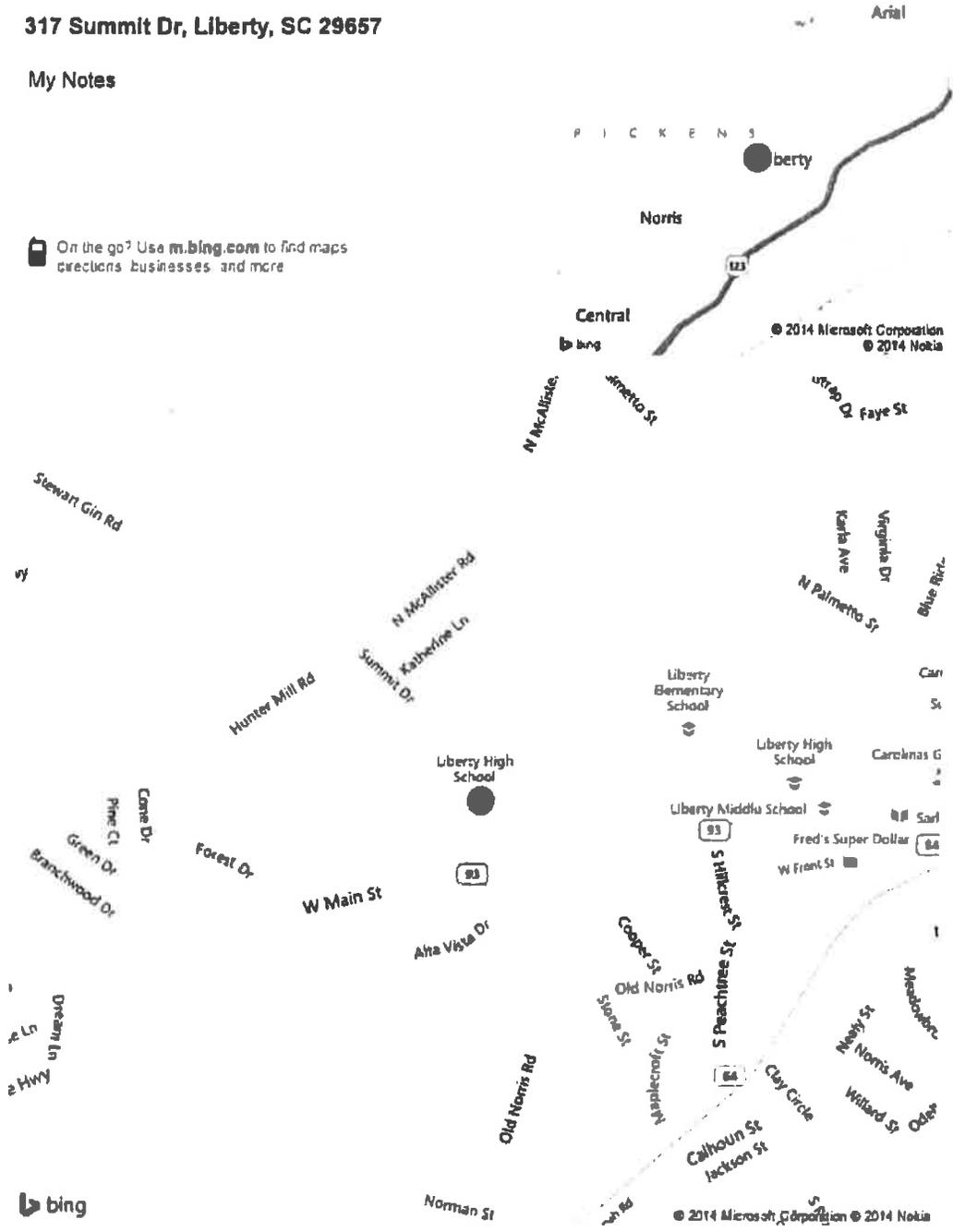




317 Summit Dr, Liberty, SC 29657

My Notes

On the go? Use m.bing.com to find maps, directions, businesses, and more





400 S Church St, Spartanburg, SC 29306

My Notes

On the go? Use m.bing.com to find maps, directions, businesses, and more



**(f) Department of Disabilities and Special Needs
Laurens County**

List of Supporting Documents:

1. Letter from Department of Disabilities and Special Needs dated September 5, 2014
2. Maps

Beverly A. H. Buscemi, Ph.D.
State Director
 David A. Goodell
*Assistant Director
 Operations*
 Susan Kreh Beck
*Assistant Director
 Finance*
 Thomas P. Waring
*Assistant Director
 Administration*



3440 Harden Street Ext (29203)
 PO Box 4706, Columbia, South Carolina 29240
 803/898-9600
 Toll Free: 888/DSN-INFO
 Website: www.dds.sc.gov

COMMISSION
 Christine Sharp
Chairman
 Fred Lynn
Vice Chairman
 Eva R. Ravenel
Secretary
 William O. Danielson
 Katherine W. Davis
 Harvey L. Shiver

September 5, 2014

Ms. Ashlie Lancaster
 Deputy Director
 Division of General Services
 SC Budget and Control Board
 1200 Senate Street, Suite 460
 Columbia, South Carolina 29201

Dear Ms. Lancaster:

It is the desire of the Commission of the SC Department of Disabilities and Special Needs to submit for Budget and Control Board approval at its October 2014 meeting the surplus of 374.504 acres known as "Tract B" north of and contiguous to the campus of Whitten Center in Clinton, SC. As reflected within all attachments below, SCDDSN has stipulated a caveat that it must retain an acceptable egress from the Whitten Center campus via Old Colony Road to reach the Highway 72 By-Pass (Ring Road). Other than this egress issue, Tract B has no future use to this agency. Tract B's current market value is \$825,000, should a future buyer be interested in its entirety.

Attached are the following documents pertaining to this submittal, and an electronic version will be sent as well:

- (1) SCDDSN Commission Minutes Authorizing Tract B as Surplus (meeting of September 20, 2012)
- (2) SCDDSN-Prepared Plat of Tract B (374.504 acres)
- (3) Self-Contained Independent Appraisal Report (dated September 2, 2014)

DISTRICT I

Mitlans Center Phone: 803/931-7300
 Whitten Center Phone: 803/834-7100

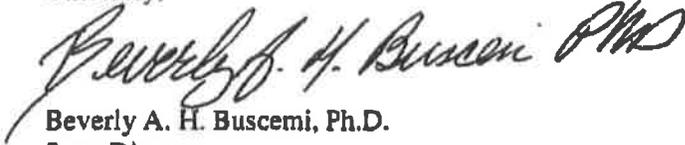
DISTRICT II

999 1/2 Mile James M Road
 Sumner Co. Bldg, SC 29153
 Phone: 803/807-6600
 Coastal Center Phone: 843/873-3750
 F. C. DeLoach Center Phone: 843/694-2600
 Salceby Center Phone: 843/331-0133

Ms. Lancaster
September 5, 2014
Page 2

Should you or your staff have further questions, please contact Tom Waring, Associate State Director - Administration, at twaring@ddsn.sc.gov or 898-9792. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, reading "Beverly A. H. Buscemi Ph.D." with a stylized flourish at the end.

Beverly A. H. Buscemi, Ph.D.
State Director

Attach.

SOUTH CAROLINA COMMISSION ON DISABILITIES AND SPECIAL NEEDS

MINUTES

September 20, 2012

The South Carolina Commission on Disabilities and Special Needs met on Thursday, September 20, 2012, at 10:00 AM at the Department of Disabilities and Special Needs Central Office, 3440 Harden Street Extension, Columbia, South Carolina.

The following were in attendance:

COMMISSION

Present:

Fred Lynn, Chairman
Deborah McPherson, Vice Chairman
Christine Sharp, Secretary – via Teleconference
Katherine Davis
Eva Ravenel
Katherine Finley

Absent:

Harvey Shiver

DDSN Administrative Staff

Dr. Buscemi, State Director; Dr. Kathi Lacy, Policy; Mr. David Goodell, Associate State Director, Operations; Mr. Tom Waring, Associate State Director, Administration; Mrs. Tana Vanderbilt, General Counsel (For other Administrative Staff see Attachment 1 – Sign In Sheet).

Guests

(See Attachment 1 Sign-In Sheet)

Coastal Regional Center (via videoconference)

(See Attachment 2 Coastal Regional Center Sign-In Sheet)

Pee Dee Regional Center (via videoconference)

(See Attachment 3 Pee Dee Regional Center Sign-In Sheet)

Whitten Regional Center (via videoconference)

(See Attachment 4 Whitten Center Regional Center Sign-In Sheet)

York County DSN Board (via videoconference)

(See Attachment 5 York County Sign-In Sheet)

News Release of Meeting

Chairman Fred Lynn called the meeting to order and read a statement of announcement about the meeting that had been mailed to the appropriate media, interested persons, and posted at the Central Office and on the website in accordance with the Freedom of Information Act.

Invocation

Chairman Fred Lynn gave the invocation.

Introduction of Guests

Chairman Fred Lynn welcomed and introduced the new commission members, Ms. Eva Ravenel and Ms. Katherine Finley.

Adoption of the Agenda

The Commission adopted the September 20, 2012 Meeting Agenda by unanimous consent. (Attachment A)

Approval of the Minutes of the August 16, 2012 Meetings

The Commission approved the minutes of the August 16, 2012 Commission Meeting by unanimous consent.

Public Input

Ms. Sandra Loy of Summerville, SC spoke on behalf of the Coastal Center.

Report from DSN Boards

Ms. Elizabeth Krauss spoke on behalf of the SC Human Service Providers Association.

Commissioners' Update

Commissioners Christine Sharp and Deborah McPherson spoke of events and meetings that they attended and shared news of upcoming events in their respective districts.

New Business

Surplus Property - Whitten Center

Mr. Tom Waring presented information of the property at the Whitten Center, making a recommendation to sell all three tracts of land as surplus. Discussion followed. Commissioner Deborah McPherson made the motion to surplus tract A and B only and wait to sell tract C. The motion was seconded. Discussion followed. Commissioner Eva Ravenel made a motion to amend to sell tract A and tract B after Tract B is reconfigured into a rectangle. The motion was seconded. With all in favor of the amended motion, the motion passed. (Attachment B)

Special Contract Applications

Dr. Kathi Lacy reported the Policy Committee met last month to address an item presented by former commission member Nancy Banov regarding the Commission's role with special grants. Commissioner Deborah McPherson made the motion that three months prior to issuing the RFP for special grants the Policy Committee would review the criteria and priorities and make a recommendation to the full Commission. Any special grant awards exceeding \$100,000 would be reviewed by the Policy Committee for a recommendation to the full Commission. Special considerations would be given to emergencies. The motion was seconded and passed.

Two-Month TCM Data Report

Mr. Tom Waring gave a report of TCM activity from July through August. He stated Dr. Buscemi would provide the information to DHHS. The TCM issue could dramatically impact DDSN with a loss of revenue and may change the quality of service DDSN provides. Discussion followed. Mr. Waring stated TCM data for an entire quarter would be provided at the October Commission Meeting. (Attachment C)

Budget Request 2013 - 2014

Mr. Tom Waring provided information on the 2013 - 2014 Budget Request. Mr. Waring stated input was received from the providers and the advocacy group. Mr. Waring requested Commission approval of the budget. Discussion followed. Commissioner Deborah McPherson made the motion to take \$2.5 million out of Priority 2 for cost of providing care and combine it with Priority 4 of Aging Caregivers of \$1.35 million for a new total of \$3.85 million. The motion was seconded. Discussion followed. Commissioner McPherson amended the original motion to move the new Priority 4 to Priority 2 with a new title of Response to Safety and Critical Needs for Aging Caregivers. This change

reprioritized the budget request as follows: Priority 1-Federal Requirements/Initiatives of \$2.2 million, Priority 2 - Response to Safety and Critical Needs of Aging Caregivers of \$3.85 million, Priority 3 - Maintenance of Effort to Continue Provision of Quality Care to Consumers of \$3.6 million and Priority 4 - In-Home Individual Family Supports of \$3.375 million. The motion was seconded and passed. Commissioner Katherine Davis motioned to reconsider her vote on the amended motion. The motion was seconded. The motion to reconsider did not pass.

State Director's Report

Dr. Buscemi reported on the following topics:

DDSN will be working with CMS through DHHS on the OIG audit issue. The formal report was released and is consistent with what she has reported before. DDSN did not think it was correct to pass on the cost to the consumers and has been using the same methodology for 30 years.

Alliant has started quality assurance reviews and will start licensing October 15, 2012.

The Accountability Report will be posted on the website and has been placed in the Commission binders.

The Stakeholder formal report has been provided to the Commissioners and will be posted on the DDSN website.

DHHS changed the amount of therapy that could be received without prior approval from 75 to 105.

Greenville County DSN Board - DDSN is directing operations and will continue to do so for two to three months. Still working on getting key positions filled.

The November Commission Meeting has been moved to November 8, 2012 in order for Dr. Buscemi to attend the NASDDDS Annual Meeting.

Supports Intensity Scale (SIS) - An overview of the SIS will take place on November 7, 2012 at DDSN for the Advisory Group and DSN Executive Directors and another overview on November 8, 2012 for the Commissioners during their Work Session.

Next Regular Meeting Date

Chairman Fred Lynn announced the next Commission Meeting is scheduled for Thursday, October 18, 2012 and a time will be set at a later date and a notification of the time will be issued.

Executive Session

On motion of Commissioner Deborah McPherson, seconded and passed, the Commission entered into Executive Session to discuss a personnel matter.

Enter Into Public Session

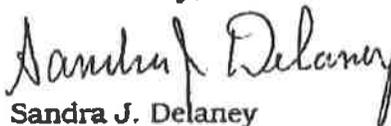
The Commission entered into Public Session. It was noted that no action was taken in the Executive Session.

On motion of Commissioner Deborah McPherson, seconded and passed, the Commission accepted Dr. Buscemi's planning document as drafted.

Adjournment

With no further business, Chairman Fred Lynn adjourned the meeting.

Submitted by,


Sandra J. Delaney

Approved:



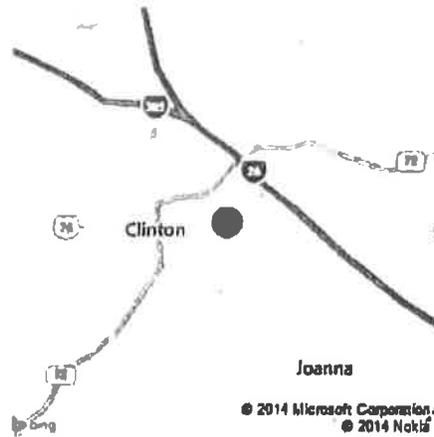
Commissioner Christine Sharp
Secretary



Old Colony Rd, Clinton, SC 29325

My Notes

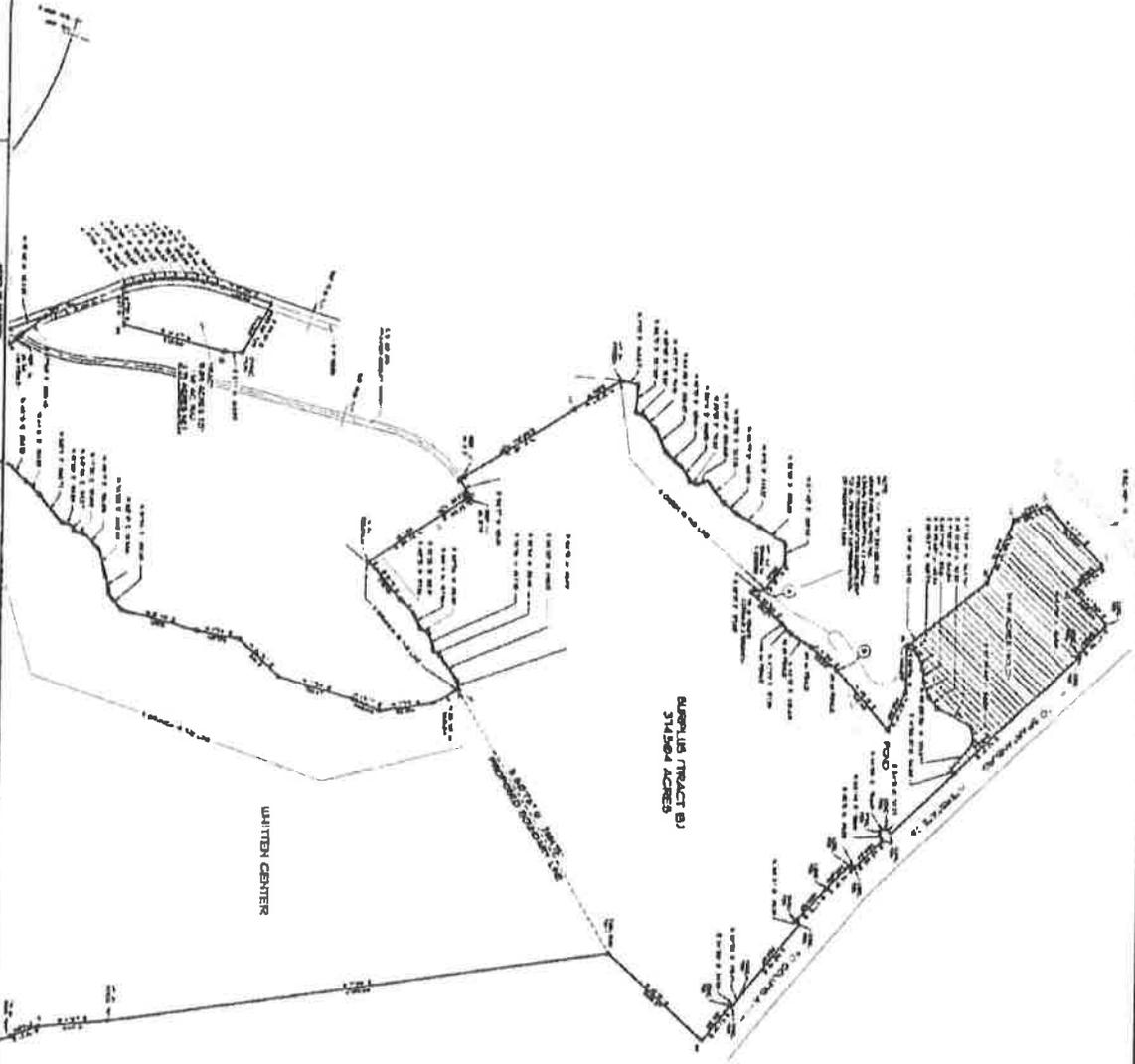
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The State
of
South Carolina

Department
of
Handicaps and Special Needs



1. This is a site plan map showing the boundaries and location of the surplus property owned by the State of South Carolina, Department of Handicaps and Special Needs, located in Clanton, South Carolina. The map shows the location of the surplus property in relation to the Whitten Center and the road. The map is a plan view of the property and does not show topography or other features. The map is a plan view of the property and does not show topography or other features.

2. The surplus property is located in Clanton, South Carolina. The map shows the location of the surplus property in relation to the Whitten Center and the road. The map is a plan view of the property and does not show topography or other features.

3. The surplus property is located in Clanton, South Carolina. The map shows the location of the surplus property in relation to the Whitten Center and the road. The map is a plan view of the property and does not show topography or other features.

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6. The surplus property is located in Clanton, South Carolina. The map shows the location of the surplus property in relation to the Whitten Center and the road. The map is a plan view of the property and does not show topography or other features.



SURPLUS PROPERTY
(TRACT B)

WHITTEN CENTER PROPERTY
CLANTON, SC

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100

**(g) Budget and Control Board
Beaufort County**

List of Supporting Documents:

1. Letter from the Technical College of the Lowcountry dated July 25, 2014

July 25, 2014

Mr. Scott Capell
General Services Division
South Carolina Budget and Control Board
1200 Senate Street, Suite 460
Columbia, SC 29201

Dear Mr. Capell,

The Technical College of the Lowcountry (TCL) is requesting a transfer of title to the College of the real property located in Beaufort, South Carolina which composes the majority of the College's main campus. This request has the full support of TCL's Area Commission and the State Board for Technical and Comprehensive Education.

As background, the property in question consists of seven parcels on the Beaufort County tax map, all of which were originally conveyed to the State in a single transaction on August 12, 1968. The properties are deeded in the name of the "the State of South Carolina" and were conveyed by the Women' American Baptist Home Mission Society for the purpose of establishing the Beaufort Regional Training Center (later to become TCL) on the site of the historic Mather School. At the time of conveyance, the College was not organized as a separate legal entity, but operated under the State Board for Technical and Comprehensive Education. As a result, all of the initial real property used by the College was deeded directly to the State.

Having the College's real property titled in the name of the College rather than the State has been proven important in pursuing certain grant funding opportunities. In 2009, the College requested – and the Budget and Control Board granted – that the real property associated with TCL's Hampton campus be transferred in this same fashion. This transfer was crucial to securing \$598,000 in federal EDA funds to assist in renovating that facility. While there is no similar application currently pending at the Beaufort campus, transferring the properties now puts TCL in a stronger position if a suitable opportunity arises.

It is important to note that the 1968 deed to the properties contains significant restrictions on the use of the land. To wit:

"On condition, nevertheless, that this deed and conveyance shall be effective only so long as said premises are used for educational purposes without discrimination of the basis of race, color, creed or national origin, and for no other purposes, and whenever said premises hereby conveyed shall cease to be used for such education without discrimination of the basis of race, color, creed or national origin and for no other purposes, this deed and the estate conveyed hereby to the Grantee shall cease..."

TCL's current use of the property is consistent with these restrictions. We believe that transferring the property to the College, instead of the more general State ownership, reinforces the commitment to the Grantor's intended use of the property.



As a body politic of the State of South Carolina, there is no "loss" to the State in the transfer of this real property to the TCL Area Commission. Citizens of this state retain ownership of the asset, the property continues to be used in the restricted manner prescribed by its deed, and TCL gains a measure of flexibility in pursuing future funding opportunities.

You will find several documents attached to support this request. These include: the deed from the original conveyance of the property to the State, the plat from the original conveyance, an updated survey of the property, minutes from recent meetings of the TCL Area Commission that show their support of this request, and a letter of support from the State Board for Comprehensive and Technical Education. If additional documentation would be helpful, we would be glad to provide it.

Your prompt attention to this request is greatly appreciated and will aid the College in the service of its mission. Feel free to contact me should you have any questions.

Sincerely,

A handwritten signature in cursive script, appearing to read "Richard J. Gough". The signature is written in black ink and is positioned below the word "Sincerely,".

Richard J. Gough, Ed.D.
President

D E E D

KNOW ALL MEN BY THESE PRESENTS, That WOMAN'S AMERICAN BAPTIST HOME MISSION SOCIETY, an Illinois Corporation (hereinafter referred to as the "Grantor"), in consideration of the sum of Five Hundred Two Thousand One Hundred Twenty-Two and 00/100 Dollars (\$502,122.00) to it in hand paid at and before the sealing of these presents, by the STATE OF SOUTH CAROLINA, ~~hereinafter referred to as the "Grantee"~~ (hereinafter referred to as the "Grantee"), has granted, bargained, sold and released, and by these presents does grant, bargain, sell and release, unto the Grantee:

Handwritten notes:
 The property is located in Beaufort County, South Carolina, and is bounded by the Eastern margin of South Carolina Highway 281, the Eastern margin of South Carolina Highway 281, the Eastern margin of South Carolina Highway 281, and the Eastern margin of South Carolina Highway 281.

All that certain piece, parcel or tract of land with all improvements thereon situate, lying and being on Fort Royal Island in Beaufort County, South Carolina and more particularly described as follows, to-wit: Starting at a concrete land monument on the eastern margin of South Carolina Highway No. 281 at the northern line of property owned by the Huskie Oil Company; and running thence along the eastern margin of said South Carolina Highway 281 in a direction North 01° 16' East for a distance of 217 feet to a point; thence North 85° 44' West for a distance of 7.5 feet to a point; thence along the Eastern margin of South Carolina Highway 281 in a direction North 01° 16' East for a distance of 641.8 feet to a point which is the southwest corner of the property commonly referred to as Colonial Apartments; thence South 85° 44' East for a distance of 221.2 feet to a concrete monument and in the same direction for an additional 40 feet to the highwater mark of Beaufort River; thence in a southerly direction along the highwater mark of Beaufort River a distance of approximately 875 feet to the property line of Ned Brown; thence westwardly along the property line of Ned Brown and Huskie Oil Company for a distance of 351.8 feet to the point of beginning.

AND ALSO all that certain piece, parcel or tract of land with all improvements thereon situate, lying and being on Fort Royal Island in Beaufort County, South Carolina more particularly described as follows, to-wit: Starting at a concrete land monument situate on the western margin of South Carolina Highway 281 at its southern intersection with a 40 foot unnamed street extending between South Carolina Highway 281 and Reynolds Street within the City of Beaufort and running thence along the western margin of said South Carolina Highway 281 South 01° 16' West for a distance of 500 feet to a concrete land monument thence South 85° 41' West for a distance of 361.0 feet along the property line now or formerly of Waterman to a concrete land monument, thence South 01° 16' West for a distance of approximately 100 feet to the northern lot line of Lot 37, thence North 85° 38' West along the northern line of said Lot 37 for a distance of 233 feet more or less to a concrete land monument, thence South 01° 23' West along the eastern line of Lot 38 for a distance of 660 feet more or less to the Southeastern corner of said Lot 38, thence North 85° 32' West along the southern line of Lot 38 for a distance of 450 feet more or less to the eastern margin of the right-of-way of the C & W Railroad Company (now Seaboard Coastline Railway Company) thence along the eastern margin of said railroad right-of-way North 01° 23' East for a distance of approximately 660 feet thence North 85° 32' West for a distance of 70 feet, thence along the eastern margin of the railroad right-of-way in a direction North 01° 23' East for a distance of 1,127.3 feet more or less to a concrete land monument at the Southwest property line of Trask, thence South 85° 22' East for a distance of 519.0 feet to a concrete land monument on the western margin of Elliott Street, thence South 02° 51' West along the western margin of Elliott Street for a distance of 30 feet to a concrete land monument, thence along the southern margin of Jenkins Street in a direction South 85° 22' East for a distance of 324.8 feet to a concrete land monument at the southwestern intersection

of Jenkins Street with Reynolds Street, thence along the western margin of Reynolds Street in a direction South 02° 51' West for a distance of 467.8 feet to a concrete land monument at the southwestern intersection of Reynolds Street and an unnamed street extending between Reynolds Street and South Carolina Highway 251, thence

South 89° 36' East along the southern margin of such unnamed street for a distance of 419.8 feet to the point of beginning.

ALL of the above will more fully appear by reference to a plat prepared by Palmer A Malone Civil Engineers in July 1928 for Women's American Baptist Home Mission Society, which said plat is duly recorded in the Office of the Clerk of Court for Beaufort County, South Carolina in Plat Book 17 at Page 36.

TOGETHER with all and singular the rights, privileges, hereditaments and appurtenances to the said premises belonging, or in anywise incident or appertaining;

ON CONDITION, NEVERTHELESS, THAT this deed and conveyance shall be effective only so long as said premises are used for educational purposes without discrimination on the basis of race, color, creed or national origin, and for no other purposes, and whenever said premises hereby conveyed shall cease to be used for such educational purposes without discrimination on the basis of race, color, creed or national origin and for no other purposes, this deed and the estate conveyed hereby to the Grantee shall cease, determine and be void and said premises, with all the rights, privileges and appurtenances appertaining to said premises shall automatically revert to the Grantor, but the right of reverter hereby retained and reserved by the Grantor shall be subordinate to and shall not defeat or render invalid the lien or claim of any mortgage or deed of trust hereafter affecting said premises, provided that such mortgage or deed of trust be given in good faith, for a valid consideration, and that the proceeds of said mortgage or deed of trust be used to improve said premises hereby conveyed, and provided further that should said premises ever be sold by judicial foreclosure or otherwise to satisfy the lien or claim of any such mortgage or deed of trust to which the right of reverter hereby retained by and reserved to the Grantor is subordinate, the proceeds of such sale, to the extent that such proceeds are not used to satisfy the lien or claim of such mortgage or deed of trust, shall be paid to and shall be the property of the Grantor.

TO HAVE AND TO HOLD, all and singular said premises unto the Grantee, its successors and assigns forever, SUBJECT to the possibility of reverter hereinabove reserved by the Grantor.

Said premises are sold and conveyed also SUBJECT to the following matters and things:

(a) Any state of facts that an accurate survey or an inspection of said premises would disclose.

(b) Fact that a portion of said premises may lie below mean highwater mark.

(c) Any and all highways, streets, roadways, easements, rights of way, or prescriptive rights or easements of any nature whatsoever in favor of or held by the public, any individual, partnership, corporation or organization or any segment of the public, over, through, across and under said premises.

(d) Any and all existing easements or rights

- 5 -

of way for electric power, telephone, telegraph or other utility lines over, through, across and under said premises.

(e) Flowage rights, water rights and water power rights in respect of any and all rivers, streams or water courses running through and across said premises.

(f) The presence of cemeteries or family burying grounds, if any, and all rights, titles and interests, if any, of others therein.

(g) All governmental, fire, sanitary, health, conservation, drainage, flooding and other laws, rules and regulations and violations, if any, thereof.

(h) Real estate taxes, if any, apportionable to any period subsequent to June 30, 1962.

(i) Any and all exceptions, exclusions, limitations, conditions or encumbrances contained in, or referred to, in any prior deeds of record in respect of all or any part of said premises.

(j) Any and every abandonment by the Grantor, or its predecessors in title, of any right, license, easement or right of way purported to be conveyed by any prior deeds of record in respect of all or any part of said premises.

(k) The possibility of reverter hereinabove reserved by the Grantor.

IN WITNESS WHEREOF, the Grantor has caused these

presents to be executed in its name by Alois L. Rutz Executive Assistant Treasurer and by William B. Rhoades its Secretary and its corporate seal to be hereto affixed this 12th day of August, 1968.

WOMAN'S AMERICAN BAPTIST HOME MISSION SOCIETY

Signed, Sealed and delivered in Presence of

[Signature]
Witness
[Signature]
Witness

By *[Signature]*
TITLE: Assistant Treasurer
[Signature]
TITLE: Executive Secretary

COMMONWEALTH OF PENNSYLVANIA)
COUNTY OF MONTGOMERY)

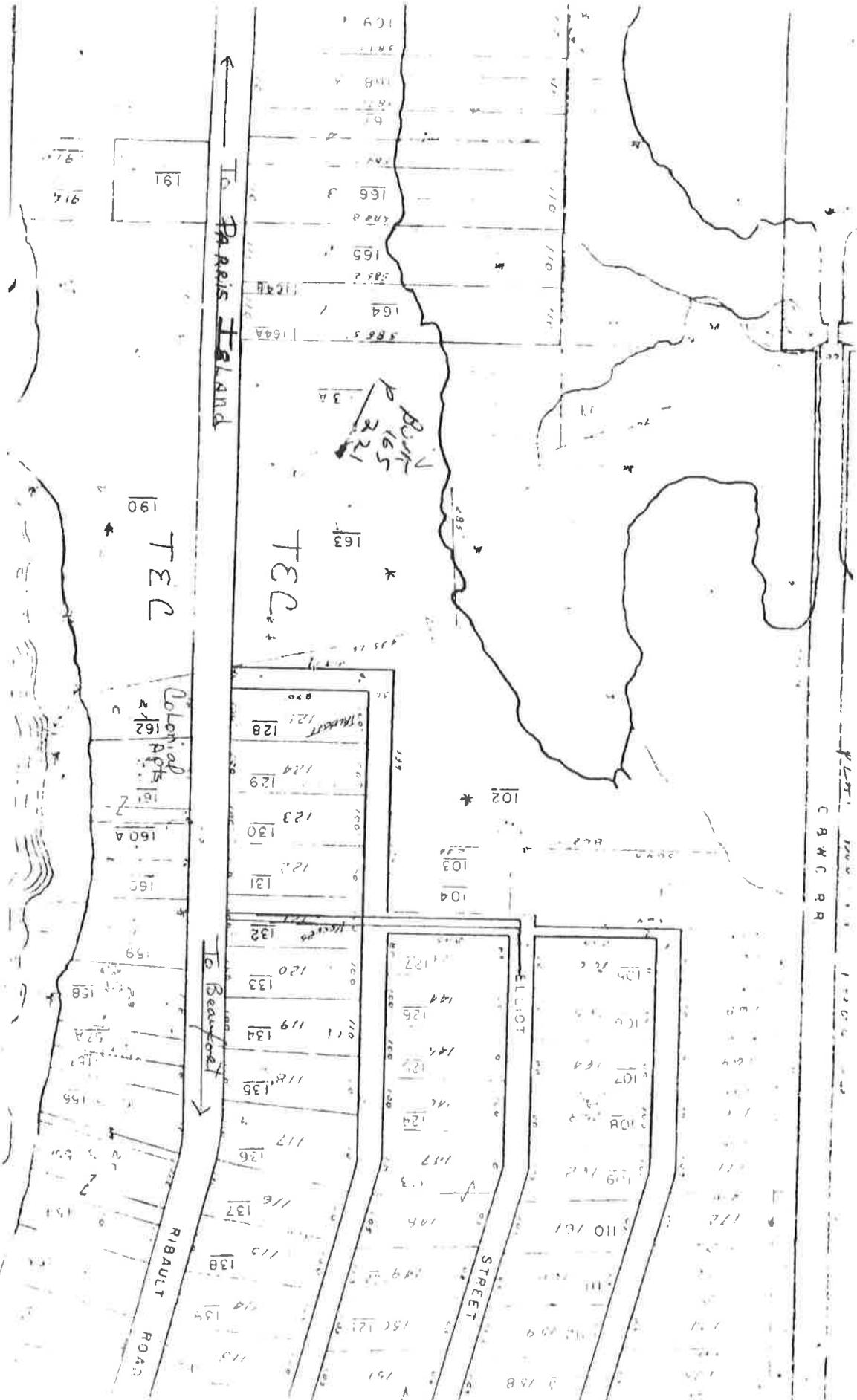
PERSONALLY appeared before me Ray P. Riddle who, on oath, says that he saw the within named WOMAN'S AMERICAN BAPTIST HOME MISSION SOCIETY by Alois L. Rutz, its Assistant Treasurer sign the within Deed, and William B. Rhoades, its Executive Secretary attest the same, and the said Corporation by said officers, seal said Deed, and, as the act and deed, deliver the same, and that he with H. Alvin Young witnessed the execution thereof.

[Signature]
Witness

SWORN to before me, this 12th day of August, 1968

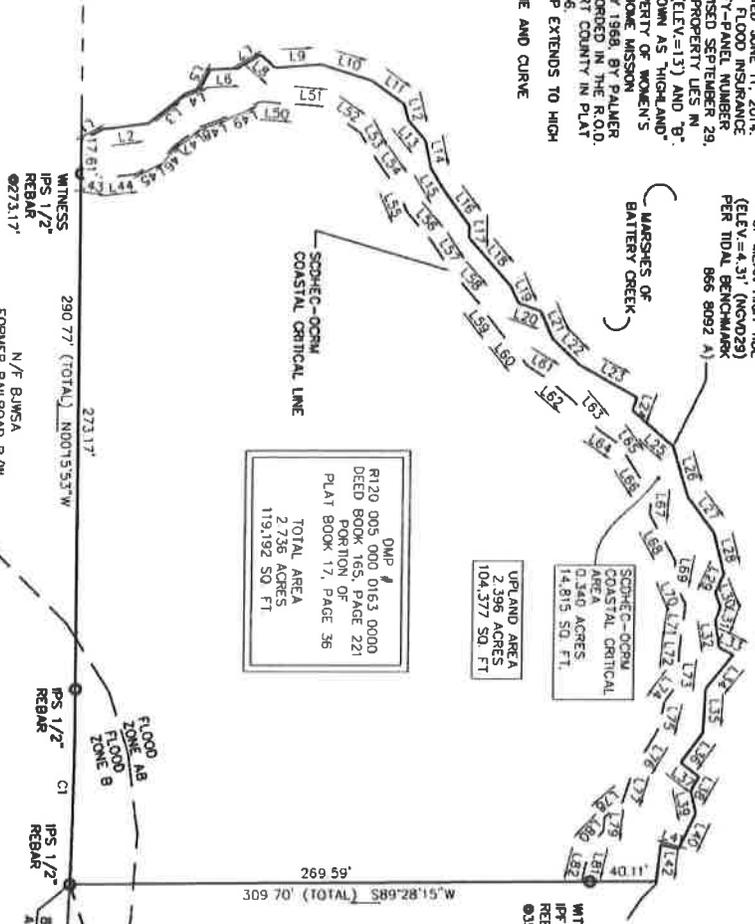
[Signature]
Notary Public
Commonwealth of Pennsylvania
My Commission Expires July 23, 1971
By Comptroller August 23, 1968

FILED	DEPUTY	RECORDED
IN	COUNTY	IN
5/15	S. C.	BOOK
		764
	AUG 16 1968	PAGE
		221
<i>[Signature]</i> DEPUTY CLERK OF COURT OF COMMON PLEAS		



- NOTES:
1. BEARINGS ARE BASED ON SC STATE PLANE COORDINATE SYSTEM.
 2. FIELD WORK COMPLETED JUNE 11, 2014.
 3. ACCORDING TO FEMA FLOOD INSURANCE RATE MAP COMMUNITY-PANEL NUMBER 450025 0095 D REVISED SEPTEMBER 29, 1986, THE SUBJECT PROPERTY LIES IN FLOOD ZONES "A" (ELEV.=13') AND "B".
 4. THE SAME BEING SHOWN AS "HIGHLAND" ON A PLAT OF PROPERTY OF WOMEN'S AMERICAN BAPTIST HOME MISSION SOCIETY, DATED JULY 1968, BY PALMER & MALONE AND RECORDED IN THE R.O.D. OFFICE FOR BEAUFORT COUNTY IN PLAT BOOK 17 AT PAGE 36.
 5. PROPERTY OWNERSHIP EXTENDS TO HIGH WATER MARK.
 6. SEE PAGE 2 FOR LINE AND CURVE TABLES.

APPROXIMATE LOCATION OF MEAN HIGH TIDE (ELEV.=4.31' (NGVD29) PER TIDAL BENCHMARK 866 8092 A)



DMP # R120 005 000 0163 0000
DEED BOOK 165, PAGE 221
PORTION OF PLAT BOOK 17, PAGE 36
TOTAL AREA 2.736 ACRES
119,192 SQ. FT.

UPLAND AREA 2.399 ACRES
104,377 SQ. FT.

SCHEG-OGRU COASTAL CRITICAL AREA 0.340 ACRES
14,815 SQ. FT.

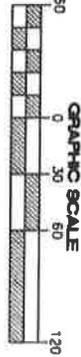
DMP # R120 005 000 0189 0000
DEED BOOK 751, PAGE 563
PORTION OF PLAT BOOK 51, PAGE 130

WITNESS IPS 1/2 REBAR #35517



- LEGEND:
- CONCRETE MONUMENT FOUND
 - IPS IRON PIN SET (1/2" REBAR)
 - IPF IRON PIN FOUND

I HEREBY STATE THAT TO THE BEST OF MY PROFESSIONAL KNOWLEDGE, INFORMATION, AND BELIEF, THE SURVEY SHOWN HEREON WAS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF THE STANDARDS OF PRACTICE MANUAL FOR SURVEYING IN SOUTH CAROLINA, AND MEETS OR EXCEEDS THE REQUIREMENTS FOR A CLASS "A" SURVEY AS SPECIFIED THEREIN.



GARY B. BURGESS
PROFESSIONAL ENGINEER
NO. 19229
STATE OF SOUTH CAROLINA

GARY B. BURGESS
PROFESSIONAL SURVEYOR
NO. 19229
STATE OF SOUTH CAROLINA

CERTIFICATE OF AUTHORIZATION

REF. PLAT BOOK: 17, PAGE 36
REF. DEED BOOK: 165, PAGE 221
TAX MAP: R120 005 000 0163
PARTY CHIEF: S.M.
DRAWN BY: G.B.
CHECKED BY: G.B.
DATE DRAWN: 06/20/14
LAST REVISED: 06/20/14

BOUNDARY SURVEY
Prepared for
TECHNICAL COLLEGE
OF THE LOWCOUNTRY
PAGE 1 OF 2
CITY OF BEAUFORT
BEAUFORT COUNTY, SOUTH CAROLINA

Andrews & Burgess Inc.
Engineering & Surveying

2712 Bull Street, Suite A
Beaufort, SC 29902
843.379.2222
Fax 843.379.2223



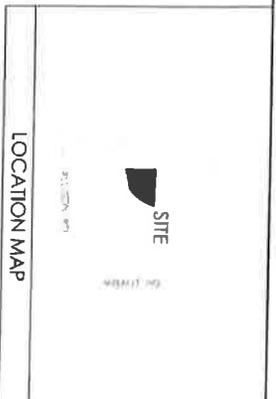
LINE #	BEARING	LENGTH
L1	N62°03'16"E	12.28'
L2	N82°10'32"E	24.30'
L3	N50°58'45"E	24.73'
L4	N68°03'27"E	8.41'
L5	N28°25'21"E	10.93'
L6	N87°12'01"E	14.20'
L7	N59°13'19"E	14.00'
L8	S48°38'19"E	10.20'
L9	N85°50'22"E	24.27'
L10	S72°51'28"E	28.31'
L11	S54°12'09"E	21.18'
L12	S132°4'01"E	8.42'
L13	S40°04'15"E	14.40'
L14	S12°16'08"E	14.79'
L15	S31°06'27"E	15.04'
L16	S37°04'33"E	21.76'
L17	S00°00'00"E	6.52'
L18	S41°22'30"E	34.09'
L19	S24°44'29"E	9.55'
L20	S70°57'28"E	12.73'

LINE #	BEARING	LENGTH
L21	S23°52'45"E	15.61'
L22	S45°01'02"E	19.94'
L23	S61°16'55"E	35.61'
L24	S18°50'16"W	7.15'
L25	S49°00'29"E	28.96'
L26	S16°55'25"E	28.32'
L27	S37°02'30"E	23.42'
L28	S14°43'53"E	22.44'
L29	S23°58'08"W	11.12'
L30	S21°48'48"E	8.08'
L31	S19°36'55"W	7.75'
L32	S08°41'30"E	14.57'
L33	S64°03'17"E	8.46'
L34	S38°17'29"W	23.11'
L35	S02°28'49"W	23.20'
L36	S35°42'40"W	19.86'
L37	S52°01'05"E	12.28'
L38	S29°04'00"W	8.38'
L39	S12°44'04"E	12.42'
L40	S24°12'09"W	21.03'

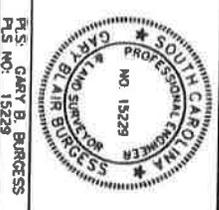
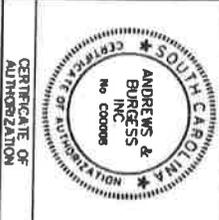
LINE #	BEARING	LENGTH
L41	N74°03'49"W	9.71'
L42	S05°50'24"W	19.83'
L43	S80°33'47"E	13.24'
L44	N83°03'14"E	15.39'
L45	N62°12'57"E	14.81'
L46	N40°42'10"E	10.48'
L47	N33°52'01"E	17.51'
L48	N69°28'26"E	11.48'
L49	N65°51'33"E	22.64'
L50	S85°30'29"E	18.05'
L51	S84°55'09"E	15.29'
L52	S55°05'24"E	23.92'
L53	S27°42'55"E	9.22'
L54	S35°41'34"E	27.19'
L55	S23°20'38"E	11.86'
L56	S40°07'55"E	20.33'
L57	S33°52'01"E	19.03'
L58	S41°38'55"E	20.79'
L59	S37°26'23"E	19.92'
L60	S39°42'45"E	24.25'

LINE #	BEARING	LENGTH
L61	S58°05'02"E	11.22'
L62	S48°55'16"E	18.87'
L63	S41°13'44"E	19.94'
L64	S56°24'59"E	12.36'
L65	S38°43'15"E	8.13'
L66	S33°43'31"E	26.03'
L67	S04°15'07"W	10.17'
L68	S29°25'21"E	28.72'
L69	S09°43'54"W	7.74'
L70	S24°37'10"E	16.52'
L71	S06°35'20"W	22.76'
L72	S03°36'43"W	8.31'
L73	S05°28'17"W	13.15'
L74	S35°43'34"W	9.76'
L75	S12°43'23"W	15.96'
L76	S30°21'22"W	26.18'
L77	S16°45'40"W	15.78'
L78	S48°47'59"W	12.56'
L79	S04°40'44"W	7.46'
L80	S42°34'15"W	9.98'

LINE #	BEARING	LENGTH
L81	S127°53'3"W	17.55'
L82	S127°53'3"W	17.55'



CURVE #	RADIUS	DELTA	ARC	CHORD BEARING	CHORD
C1	2982.00'	2°00'35"	103.89'	N00°44'24"E	103.89'

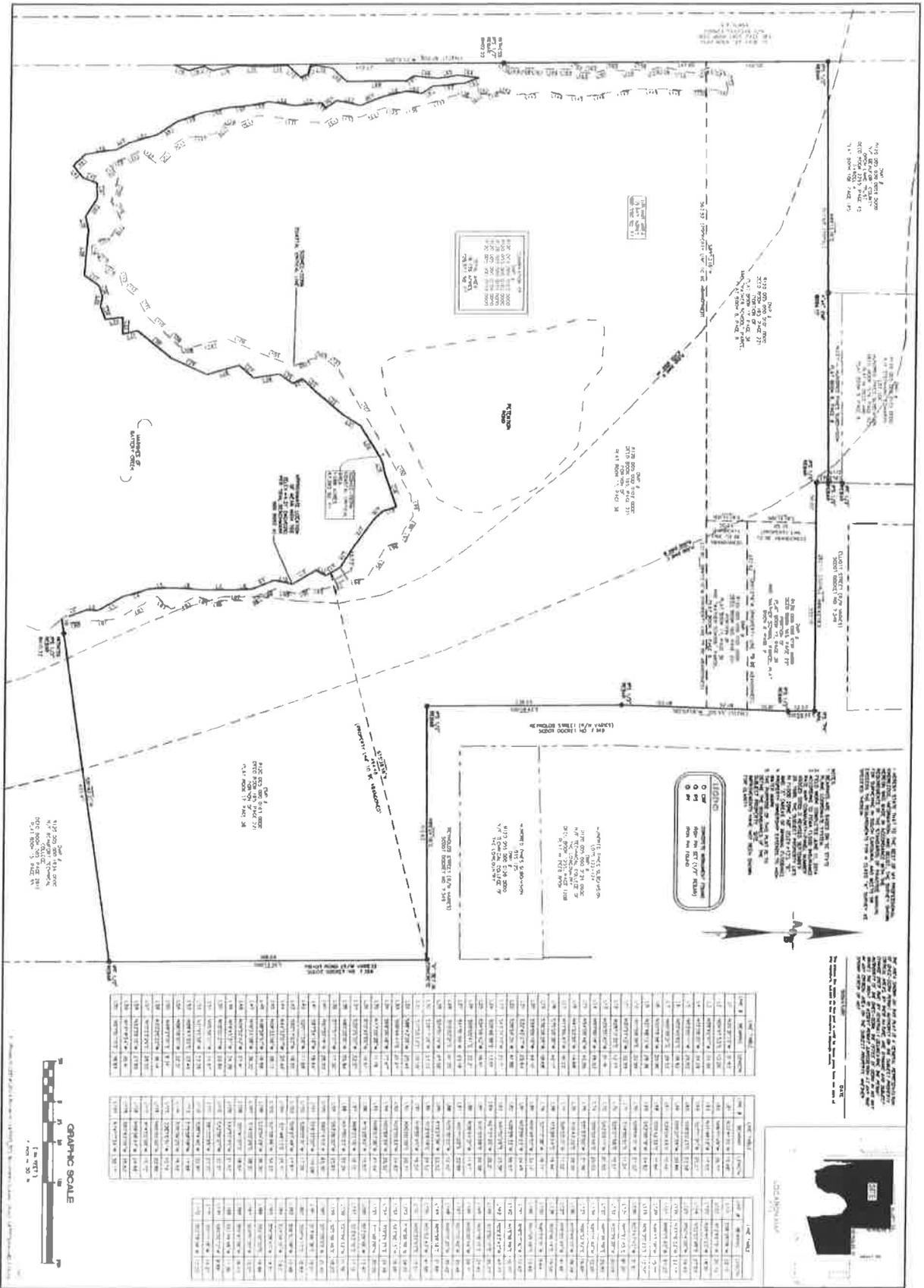


REF. PLAT BOOK: 17, PAGE 36
 REF. DEED BOOK: 165, PAGE 221
 TAX MAP: R120 0MS 000 0163
 PARTY CHIEF: S.M.L.
 DRAWN BY: G.B.
 CHECKED BY: G.B.
 DATE DRAWN: 06/20/14
 LAST REVISED: 06/20/14

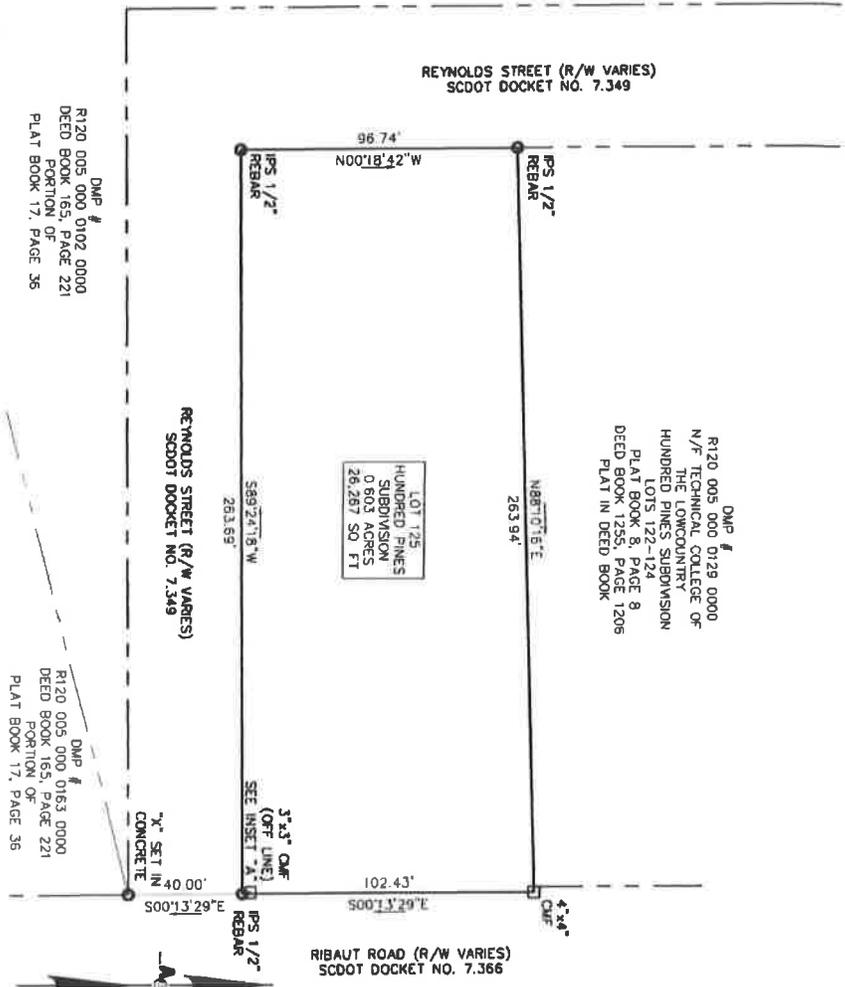
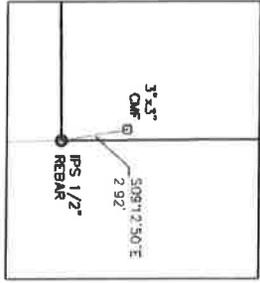
BOUNDARY SURVEY
 Prepared for
 TECHNICAL COLLEGE
 OF THE LOWCOUNTRY
 PAGE 2 OF 2
 CITY OF BEAUFORT
 BEAUFORT COUNTY, SOUTH CAROLINA

Andrews & Burgess Inc.
 Engineering & Surveying

2712 Bull Street, Suite A
 Beaufort, SC 29902
 843.379.2222
 Fax 843.379.2223



- NOTES:
1. REMARKS ARE BASED ON SC STATE PLANE COORDINATE SYSTEM.
 2. FIELD WORK COMPLETED JUNE 11, 2014.
 3. ACCORDING TO FEDERAL INSURANCE RATE MAP COMMUNITY-PANEL NUMBER 450025, 0095 D REVERSED SEPTEMBER 29, 1986, THE SUBJECT PROPERTY LIES IN FLOOD ZONE "C" (AREAS OF MINIMAL FLOODING).
 4. THE SAME BEING SHOWN AS LOT 125 ON A PLAT OF HUNDRED PINES SUBDIVISION, DATED JUNE 22, 1949, BY B.P. FRASER AND RECORDED IN THE R.O.D. OFFICE FOR BEAUFORT COUNTY IN PLAT BOOK 8 AT PAGE 8.
 5. THE PURPOSE OF THIS PLAT IS TO DEFINE THE BOUNDARIES OF THE SUBJECT PROPERTY. SITE IMPROVEMENTS HAVE NOT BEEN SHOWN FOR CLARITY.



DMP # R120 005 000 0129 0000
N/F TECHNICAL COLLEGE OF THE LOWCOUNTRY
HUNDRED PINES SUBDIVISION
LOTS 122-124
PLAT BOOK 8, PAGE 8
DEED BOOK 1255, PAGE 1206
PLAT IN DEED BOOK

LOT 125
HUNDRED PINES
SUBDIVISION
0.803 ACRES
26,287 SQ. FT.

REYNOLDS STREET (R/W VARIES)
SCDOT DOCKET NO. 7.349

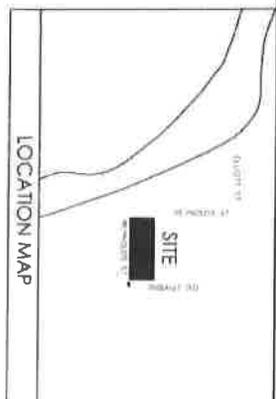
RIBAUT ROAD (R/W VARIES)
SCDOT DOCKET NO. 7.366

DMP # R120 005 000 0102 0000
DEED BOOK 165, PAGE 221
PORTION OF
PLAT BOOK 17, PAGE 36

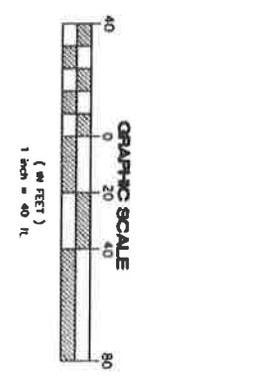
DMP # R120 005 000 0163 0000
DEED BOOK 165, PAGE 221
PORTION OF
PLAT BOOK 17, PAGE 36

LEGEND:

- ☐ C/MF CONCRETE MONUMENT FOUND
- I/P S IRON PIN SET (1/2" REBAR)
- I/P F IRON PIN FOUND



I HEREBY STATE THAT TO THE BEST OF MY PROFESSIONAL KNOWLEDGE, INFORMATION, AND BELIEF, THE SURVEY SHOWN HEREON WAS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF THE STANDARDS OF PRACTICE MANUAL FOR SURVEYING IN SOUTH CAROLINA, AND MEETS OR EXCEEDS THE REQUIREMENTS FOR A CLASS "A" SURVEY AS SPECIFIED THEREIN.



ANDREW W. BURGESS
INC.
No. 60008

GARY B. BURGESS
PROFESSIONAL LAND SURVEYOR
No. 15229

CERTIFICATE OF AUTHORIZATION

PLS: GARY B. BURGESS
PLS NO.: 15229

BOUNDARY SURVEY
Prepared for
**TECHNICAL COLLEGE
OF THE LOWCOUNTRY**
LOT 125 - 100 PINES SUBDIVISION
CITY OF BEAUFORT
BEAUFORT COUNTY, SOUTH CAROLINA

Andrews & Burgess Inc.
Engineering & Surveying

2712 Bull Street, Suite A
Beaufort, SC 29902
843.379.2222
Fax 843.379.2223

JOB: 147005

**TECHNICAL COLLEGE OF THE LOWCOUNTRY
COMMISSION MEETING
April 8, 2014**

MINUTES

COMMISSIONERS PRESENT

**General Art Brown, Chairman
Bill Bootle, Vice Chairman
Sheree Darien, Secretary/Treasurer
Pat Green
David Smalls
Marjorie Thomas**

COMMISSIONERS EXCUSED

**Sheree Darien
David Smalls**

STAFF

**Richard Gough, President
Gina Mounfield, Vice President for
Academic Affairs
Nancy Weber, Vice President for
Student Services
Leigh Copeland, Director PR
Louise Mathews, Executive Director of the
TCL Foundation**

STAFF EXCUSED

Hayes Wiser

GUEST

**Jerry Stewart, Beaufort County Council
Liaison**

The April meeting of the Area Commission of the Technical College of the Lowcountry was held on April 8, 2014 in the Boardroom of MacLean Hall on the Beaufort campus. One week in advance of the meeting, media were notified and a copy of the agenda was posted outside the meeting room.

CALL TO ORDER

General Brown called the meeting to order at 8:45 and stated that a quorum is present. General Brown noted that Mrs. Darien and Mr. Smalls are unable to be in attendance. Dr. Gough noted that VP Wiser is also unable to attend.

CONSENT AGENDA

The Consent Agenda, consisting of the minutes of the March Commission meeting and a request to serve beer and wine at an upcoming Chamber of Commerce event at TCL, was provided to the Commissioners in advance of the April meeting. General Brown called for a motion to accept the Consent Agenda. Mrs. Thomas made the motion which was seconded by Mrs. Heyward. The Commission vote was unanimous in favor of accepting the Consent Agenda and therefore so ordered by General Brown.

TRANSFER OF PROPERTIES

General Brown called for a motion to support the request to transfer title of the TCL property in Beaufort from the state to the Area Commission. Mrs. Green made the following motion:

That the Area Commission endorses the transfer of all Beaufort campus property from the State of South Carolina to The Technical College of the Lowcountry Area Commission and directs the College Administration to pursue this transfer through the appropriate channels within State government.

The motion was seconded by Mr. Bootle. All Commissioners voted in favor of the motion which was then so ordered by General Brown. General Brown directed Ms. Copeland to prepare a response should the College receive any inquiries from the public. He asked that VP Wisner keep the Commission as well as the Director of Public Relations advised of the status. Dr. Gough will contact the President of South Carolina Educational Television as well as the Mayor of Beaufort to appraise them of plans.

TCL FOUNDATION REPORT

Mrs. Mathews reported on the following activities:

The new Simulated Man for the Nursing Lab is expected to arrive shortly. The Foundation gratefully acknowledged the \$50,000 grant from the Community Foundation of the Lowcountry for this purchase. The TCL Foundation will be making of the difference of approximately \$15,000 from unrestricted funds.

The TCL Foundation newsletter arrived in mailboxes during the week of March 30. General Brown complimented Mrs. Mathews and Ms. Copeland on the informative and attractive piece.

On April 8, Dr. and Mrs. Gough will attend an informal reception at the Dataw Island Community Center. The TCL Foundation thanks Board member and faculty member, Laura Dukes and TCL friend Jim Marks for arranging the reception.

The Foundation held an off-site on March 12, during which Foundation board members learned about TCL academics, students and budget.

The Foundation Scholarship Committee and several college staff members have been working on the improving the TCL Foundation scholarship process. Approved changes will simplify the internal college accounting, streamline the Foundation spreadsheets, and expand data collection and analysis.

TCL COMMISSION MEETING

April 8, 2014

Page 3

New scholarships to the TCL Foundation include two from the Heritage Classic Foundation in honor of Angus Cotton (for a student in a hospitality program) and in honor of Norman Harberger (for a student in the business curriculum). Massage Envy has established scholarships to help massage therapy students in the last semester of the program.

The TCL Foundation Scholarship applications for summer 2014 are due April 15. The Committee will meet May 1 and notification should be made by May 5. The fall and fall/spring applications will be available in June with a mid-July deadline.

COMMISSIONERS ASSOCIATION REPORT

Commissioner Smalls was unable to attend the meeting and sent a message conveying that he had no updates for the Commissioners.

PRESIDENT'S REPORT

Dr. Gough reported that TCL and Beaufort County Schools are in preliminary talks to acquire the old Lady's Island Fire station located at the Lady's Island airport. The partnership would form a true aviation center for the students from TCL and Beaufort County public schools. The Commission engaged in a short discussion about possible modifications and financial support over time.

Mr. Stewart remarked that Paul Merritt and Jack Snyder recently spoke to the Greater Island Council and garnered interest and support from its members. Mr. Stewart feels the county would be open to a partnership and would encourage further discussion.

Dr. Gough reported a very productive meeting with personal on the military bases and TCL as we begin the process of establishing a presence on the bases. The initial selection of programs is geared to on line programs so deployment or military transfer need not interrupt a soldier's course of study. Dr. Gough noted that there is a lot of synergy to building on with the transitioning military program at TCL.

Dr. Gough asked Mr. Stewart to update the Commissions on the Penny Sales Tax Initiative.

Mr. Stewart said that the Governmental Committee of County Council, on which he serves, is currently conducting a listening tour of stakeholders to ascertain specific needs. Mr. Stewart provided an explanation of local option sales tax versus the penny sales tax and the rationale for the best choice for the citizens of Beaufort County. Dr. Gough said that he will work with the Leadership team to craft a proposal for facility and capital projects to be submitted to the committee. The Leadership team will bring their recommendations to the Commission at the May Commission meeting. General Brown and Mrs. Heyward concurred that an expanded facility with

TCL COMMISSION MEETING

April 8, 2014

Page 4

a culinary component at New River would be a sound investment and holds much appeal for both sides of the Broad River and would serve the four county service area.

Dr. Gough asked VP Weber to update the Commission on activities around May 9 Commencement. Ms. Weber reported that Student Awards Day is May 2 at 11:00 and will be preceded by the May Commission meeting. Health Sciences Nurses Pinning will be held on Thursday, May 8 at 1:00 in the afternoon. Each of these events takes place in the auditorium of MacLean Hall. Commencement will be held May 9 at 6:00 in the evening in the All Weather Training Facility on Parris Island. Graduation will be preceded by the President's Reception at Traditions on Parris Island beginning at 4:00 in the afternoon.

Dr. Gough stated that he is proud of TCL's PR and Marketing department for receiving the top industry awards, The Paragon Awards. TCL's print ads took a Bronze award and the television spots took a Gold award. He offered his congratulations to VP Weber and Ms. Copeland.

Dr. Gough confirmed to the Commission that budget request presentations have been made to Beaufort, Jasper and Hampton counties. Mrs. Thomas said that she attended the Hampton County presentation with Dr. Gough and that he was very succinct and professional in his presentation and that it was well received by the county.

Dr. Gough gave the Commission an overview of an Initiative originating from Beaufort County School District office whereby students meeting certain criteria are guaranteed tuition at TCL. The group engaged in discussion of how best to execute the initiative. TCL's Foundation currently withholds 15% from any donation to cover administrative costs. The Commission, Dr. Gough and the Leadership team concluded that the positive impact and potential ROI will be great enough to offset any costs of doing business. Mrs. Green made a motion that Dr. Gough go before the Foundation board and request a waiver of the 15% administrative fee for donations to the fund. Mr. Bootle seconded the motion. The Commission vote was unanimous in favor of asking for the waiver.

CHAIRMAN'S REPORT

General Brown reported that he and other Commissioners are working hard to get legislation through to support the Transitioning Military program.

General Brown asked for nominations for the Presidential Medallion. Mr. Bootle nominated Mr. W. R. "Skeet" Von Harten, a former Commissioner and civic minded Beaufort County citizen. Mrs. Green seconded the nomination. The Commission vote was unanimous in favor of presenting the TCL Presidential Medallion to Mr. Von Harten. Mr. Bootle will arrange a lunch meeting with Dr. Gough and Mr. Von Harten.

General Brown noted that Brigadier General Lori Reynolds has confirmed that she will be the Commencement speaker for 2014. He noted that her command at Parris Island will end in a few months and he remarked that she has made a tremendous impact everywhere she has gone.

General Brown, Dr. Gough and Dr. Mounfield discussed the use of e books in the classroom and some of the challenges from a publisher and an instructor's perspective. Dr. Mounfield emphasized that the instructors stay informed on what's available and are periodically making decisions on whether to use e books while being cognizant of constantly finding ways to make student's expense as low as possible.

ADJOURNMENT

With no further business, the April meeting of the TCL Area Commission was adjourned at 10:30.

Respectfully submitted,

Ann Cullen

APPROVED:



Arthur E. Brown, Jr., Chairman



Sheree Darien, Secretary/Treasurer



James C. Williamson
System President

July 22, 2014

BOARD MEMBERS

Ralph A. Odom, Jr.
Chairman
Fifth Congressional District

Warren L. Helm
First Congressional District

Robert E. Barnett
Second Congressional District

Charles G. Wilson
Third Congressional District

Stephen J. Burry
Fourth Congressional District

Gregory B. Askins
Sixth Congressional District

Dan P. Gray
Seventh Congressional District

Gwendolyn A. Bright
At-Large

Bruce Herbert Ellis
At-Large

Montez C. Martin, Jr.
At-Large

Dr. Robert A. Wilson
At-Large

Dr. Mitchell M. Zals
Ex Officio

Robert M. Hitt III
Ex Officio

Mr. Hayes Wiser
Vice President for Administrative Services
Technical College of the Lowcountry
921 Ribaut Road
Beaufort, SC 29901

Dear Henry:

On July 10, 2014, the State Board for Technical and Comprehensive Education unanimously approved the Technical College of the Lowcountry's request to transfer the Beaufort campus property from the State of South Carolina to the Technical College of the Lowcountry Area Commission.

Please continue to pursue the appropriate channels through the State Budget and Control Board for the necessary approvals beyond the State Board.

If I can be of further assistance, please do not hesitate to let me know.

Sincerely,

Mandy M. Kibler, M.Ed., CGFO
Vice President for Finance



South Carolina State Board for Technical and Comprehensive Education

111 Executive Center Drive Columbia, SC 29210 803/896-5320 Fax 803/896-5201 www.sc.tchsystem.edu

**(h) Department of Transportation
Greenville County**

List of Supporting Documents:

1. Letter from Department of Transportation dated September 22, 2014
2. Letter from Department of Motor Vehicles dated September 18, 2014
3. Letter from Department of Public Safety dated September 18, 2014
4. Proviso 63.4 (DPS: Sale of Real Property)
5. Map



South Carolina
Department of Transportation

Director, Rights of Way
Brian W. Keys
(803) 737-1402 Fax (803) 737-1403

September 22, 2014

Ms. Linda M. Gordon
SC Budget and Control Board, Real Property Services
1200 Senate Street, Suite 460
Columbia, South Carolina 29201

RE: Surplus Property at 1439 Laurens Road, Greenville County

Dear Ms. Gordon:

South Carolina Department of Transportation (SCDOT), South Carolina Department of Public Safety (SCDPS), and South Carolina Department of Motor Vehicles (SCDMV) request approval from the South Carolina Budget and Control Board for the proposed sale of the subject property. Enclosed are copies of an updated appraisal and the proposed contract. This request is in compliance with the South Carolina Legislative Proviso of 2014-2015, Section 63-Department of Public Safety, item 4.

The Laurens Road property has been actively marketed for well over 10 years with varying inquires and unsuccessful contracts. Market conditions and known environmental contamination have contributed to fluctuations in the property value. The most recent land appraisal differs from previous reports because it includes information and analysis as to proposed mitigation efforts with regard to site and building contamination. Additionally, previous attempts to dispose of the property were complicated by the uncertainty of the proposed separation of parcels by the respective State agencies operating on the site. At this point, all three agencies have relocated as the property has been marketed and is proposed to be sold as one parcel. At the completion of sale, the funds would be held in trust to be divided among the respective agencies in accordance with their respective interests. Enclosed are copies of letters from the agencies indicating their concurrence to proceed with the transaction. Finally, it is worth noting that the proposed sale is supported on a local level. In February of this year, SCDOT agreed to partner with the Greenville County Economic Development Corporation in association with Greenville County, who in turn, transferred and assigned its intent to purchase to the current buyer, who shares in the County's vision for development of the property.

If the information above and enclosures meet with approval of Facilities Management, SCDOT, on behalf of itself and SCDPS and SCDMV, requests that the proposed sale be presented at the October meeting for approval by the Budget and Control Board. I trust this is helpful and please do not hesitate to contact me directly at 737-1402 if you need clarification or further information.

Sincerely,

Brian W. Keys
Director, Rights of Way

BWK:jth
Enclosures

cc: Christy A. Hall, Deputy Secretary for Engineering
Ron K. Patton, Chief Engineer for Location and Design





South Carolina Department of Public Safety

10311 WILSON BOULEVARD - P. O. BOX 1993
BLYTHEWOOD, SC 29016
www.scdps.gov

NICKI R. BAILEY
GOVERNOR

LEROY SMITH
DIRECTOR

September 18, 2014

Ms. Ashlie Lancaster
Deputy Director
Division of General Services
SC Budget and Control Board
1200 Senate Street, Suite 460
Columbia, SC 29201

Re: 1439 Laurens Road Property, Greenville, SC
10.2 acres, TMS No. 0256.00-06-001-00

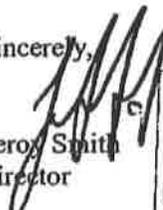
Dear Ms. Lancaster:

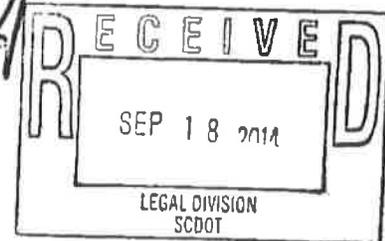
The South Carolina Department of Public Safety (SCDPS) requests the Budget and Control Board's approval for the sale of the above-referenced property that it owns jointly with the South Carolina Department of Transportation (SCDOT) and the South Carolina Department of Motor Vehicles (SCDMV). SCDPS vacated the property in 2000 and has determined that it is surplus to our agency's needs.

SCDPS, SCDOT, and SCDMV are still discussing the specifics of how the proceeds of sale will be distributed among themselves, but resolution of this issue should not delay the sale to a third party. Once the sale occurs, SCDPS's share of the proceeds will be utilized in accordance with Proviso 63.4 of the State Appropriations Act (a copy of which is enclosed).

Thank you for your consideration of this matter.

Sincerely,


Leroy Smith
Director



Enclosure

cc: Mr. Brian Keys, SCDOT
Ms. Linda McDonald, SCDOT
Mr. Val Valenta, SCDMV
Mr. Warren Ganjehsani, SCDPS
Mr. Paul Lewis, SCDPS



SOUTH CAROLINA HIGHWAY PATROL



STATE TRANSPORT POLICE



BUREAU OF PROTECTIVE SERVICES



IMMIGRATION ENFORCEMENT UNIT



International Accredited Law Enforcement Agency

Nikki R. Haley
Governor



Kevin A. Shvedo
Executive Director

State of South Carolina
Department of Motor Vehicles

September 18, 2014

Ms. Ashlie Lancaster
Division of General Services
SC Budget and Control Board
1200 Senate Street, Suite 460
Columbia, South Carolina 29201

RE: 1439 Laurens Road Property, Greenville, SC
10.2 acres, TMS No. 0256.00-06-001-00

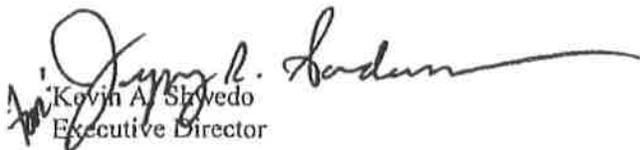
Dear Ms. Lancaster:

The South Carolina Department of Motor Vehicles (SCDMV) requests the South Carolina Budget and Control Board's approval for the sale of the above-referenced property that it owns jointly with the South Carolina Department of Transportation (SCDOT) and the South Carolina Department of Public Safety (SCDPS). SCDMV vacated the property on June 30, 2008, and has determined that it is surplus to our agency's needs.

SCDMV, SCDOT, and SCDPS are still discussing the specifics of how the proceeds of sale will be distributed among themselves, but resolution of this issue should not delay the sale to a third party. Once the sale occurs, SCDMV's share of the proceeds will be utilized in accordance with Proviso 63.4 of the State Appropriations Act (a copy of which is enclosed).

Thank you for your consideration of this matter.

Sincerely,


Kevin A. Shvedo
Executive Director

Enclosure

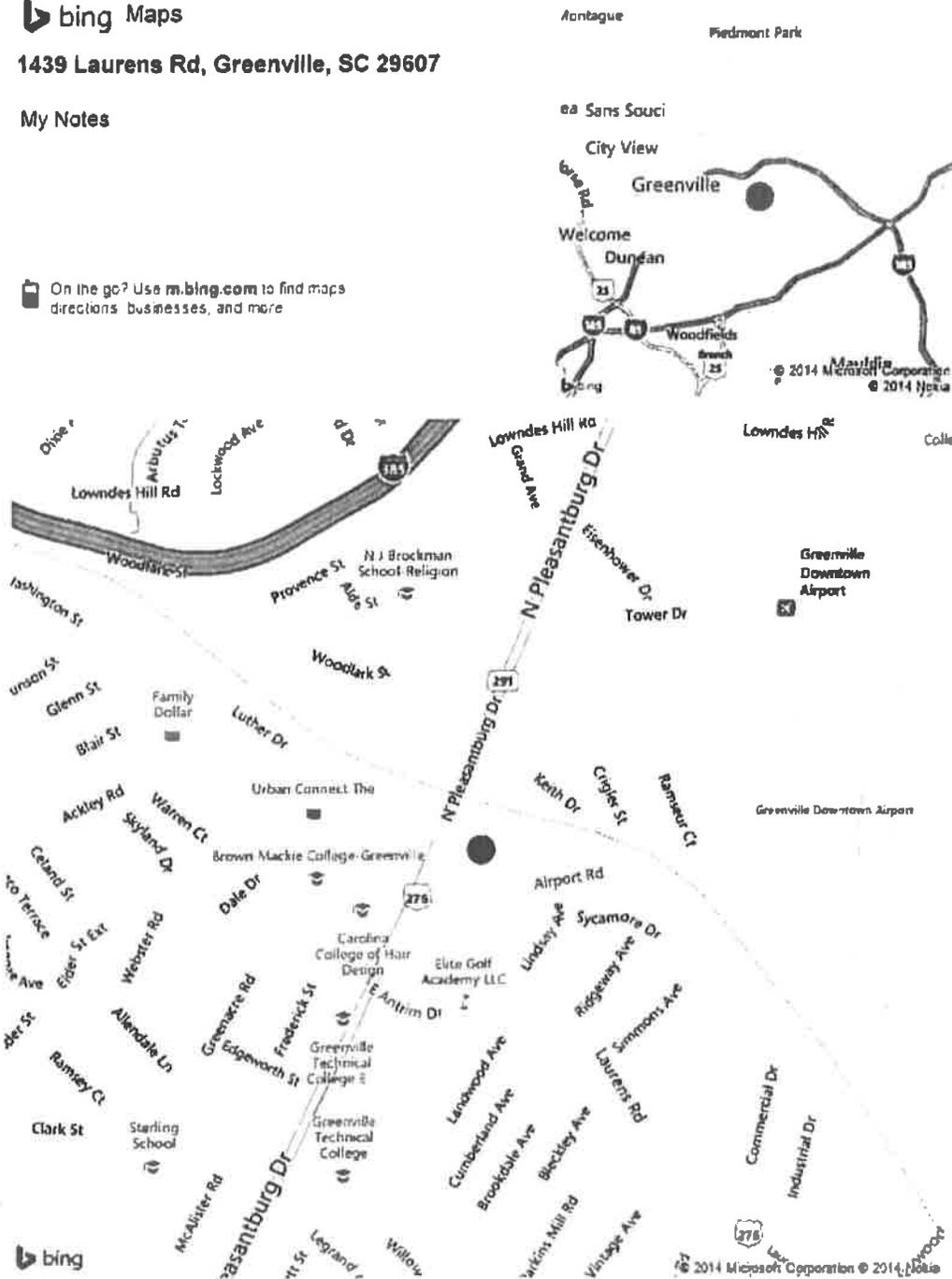
c: Leroy Smith, Director, SCDPS
Frank L. Valenta, Jr., General Counsel, SCDMV
Warren Ganjehsani, General Counsel, SCDPS
Linda McDonald, Chief Counsel, SCDOT
J.R. Sanderson, Director of Operations, SCDMV



1439 Laurens Rd, Greenville, SC 29607

My Notes

On the go? Use m.bing.com to find maps, directions, businesses, and more.



South Carolina General Assembly
120th Session, 2014-2015
H. 4701
General Appropriations Bill for fiscal year 2014-2015
As Ratified by the General Assembly

PART IB

OPERATION OF STATE GOVERNMENT

SECTION 63 – K05-DEPARTMENT OF PUBLIC SAFETY

63.4. (DPS: Sale of Real Property) At such time as any portion of the Laurens Road property in Greenville is declared to be surplus by the agency or agencies which occupy said portion, and after receiving approval from the Budget and Control Board for the sale of the property, the Department of Public Safety, the Department of Transportation, and the Department of Motor Vehicles are authorized to receive, retain, expend, and carry forward funds derived from the sale of the real property in which each agency holds an interest or title. No portion of the property may be declared as surplus by one agency if another agency is occupying said property. The Department of Public Safety is directed to use these funds to defray the operating expenses of the Highway Patrol and the Department of Transportation and the Department of Motor Vehicles are directed to use their portion of these funds for department operating expenses.

**(i) Department of Transportation
Horry County**

List of Supporting Documents:

1. Letter from Coastal Carolina University dated April 25, 2014
2. Letters from Department of Transportation dated January 21, 2014 and September 8, 2014



April 25, 2014

Ms. Linda M. Gordon
SC Budget & Control Board
Division of General Services
1200 Senate Street, Suite 460
Columbia, SC 29201

Re: Transfer of University Boulevard (S-26-953) - Horry County

Dear Linda:

As requested, please find enclosed three (3) copies of the Right of Way Survey for transfer of ownership of University Boulevard (S-26-953) from SCDOT to Coastal Carolina University. I have also enclosed a copy of a letter from Dennis Townsend at SCDOT indicating their willingness to transfer the road. It is important to note, however, that the transfer of the road is not to occur until after University Boulevard has been resurfaced. That is to take place during the upcoming paving season and according to conversation between our Executive Vice President, Eddie Dyer, and Mike Wooten at SCDOT, this should be scheduled between mid-May and the first of August. We would like to take ownership of the road as quickly as possible following the resurfacing.

Please let me know of anything else that you will need from the University to support this transfer.

Sincerely,

Sandy Williams
Director, Facilities Planning & Management

cc: Eddie Dyer, Executive V.P. and COO
Stacie Bowie, V.P. for Finance & Administration and CFO

Enclosures

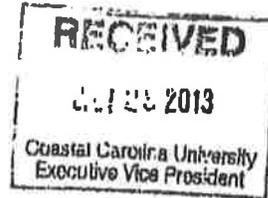


South Carolina
Department of Transportation

Darlington County
Dillon County
Florence County
Georgetown County
Horry County
Marion County
Marlboro County
Williamsburg County

January 21, 2014

Mr. Edgar Dyer
Executive Vice President
Coastal Carolina University
Post Office Box 261954
Conway, South Carolina 29528



RE: University Boulevard (S-26-953) – Horry County

Dear Mr. Dyer:

As discussed on several occasions, the South Carolina Department of Transportation is willing to transfer maintenance responsibility of University Boulevard to Coastal Carolina University. The Horry County Transportation Committee has agreed to fund the resurfacing of the road, and we anticipate this project will be completed during the upcoming paving season. Upon completion and acceptance of the resurfacing project, we will begin the process of removing the road from the State Highway System and transferring ownership and maintenance responsibility to the University.

If you have any questions, please feel free to contact me at your earliest convenience.

Sincerely yours,

Dennis L. Townsend
District Engineering Administrator

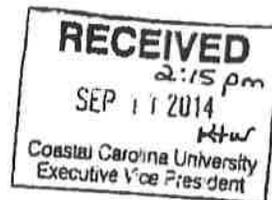
DLT:grg
cc: Shannon L. Welch, Resident Maintenance Engineer
File: D5/Horry/DLT
501.26.00



South Carolina
Department of Transportation

September 8, 2014

Mr. Edgar Dyer
Coastal Carolina University
Post Office Box 261954
Conway, South Carolina 29528-6054



RE: Removal of Roads from State Highway Secondary System

Dear Mr. Dyer:

This is to advise that at the State Highway Commission Meeting on August 21, 2014, the following road was removed from the State Highway System:

Horry County

S-Number

Description

S-953	University Boulevard at Coastal Carolina, From SC 544 Northeasterly to US 501 ~ Approximately 0.99 mile – Addition: 822 (Added to System 5-15-1969; Revised 9-19-1974; Revised 9-18-2008)
-------	---

The above road removal is being requested by Coastal Carolina University, who will accept maintenance responsibility for this section of road and it qualifies under the abandonment of Right-of-Way portion of the law.

Sincerely yours,

Dennis L. Townsend
District Engineering Administrator

DLT/tbg

- cc: Chris Eldridge, Horry County Administrator
- ec: M. Thad Brunson, P.E., Chief Engineer for Field Operations
- Jim Feda, Director of Maintenance
- Brian Keys, Director of Rights of Way
- Tony Sheppard, Director of Traffic Engineering
- Donnio McElveen, Data Collections System
- Shannon Welch, Resident Maintenance Engineer

File: D5/Horry/DLT

**(j) Clemson University
Pickens County**

List of Supporting Documents:

1. Letter from Clemson University dated September 8, 2014
2. Maps



September 8, 2014

Ms. Ashlie Lancaster
Division of General Services
Budget and Control Board
Wade Hampton Building, Fourth Floor
Columbia, SC 29201

Dear Ms. Lancaster:

Clemson University has completed the due diligence required by the State to investigate a property exchange between the City of Clemson and Clemson University in Pickens County. Included are appraisals of both properties and a Phase I environmental study on the property the University will acquire, along with other required forms.

Finance and Operations

Clemson University
606 Sikes Hall
Box 345302
Clemson, SC
29631-5302

P 864-656-2421
F 864-656-2008

Details of the proposed property exchange and the associated benefits to the University are outlined below. The City of Clemson currently leases 2.49 acres of a 4.73 acre parcel of land on Cochran Road owned by Clemson University for operations associated with the City's waste water treatment plant. The City completed a preliminary engineering report for DHEC that determined that future capital improvements and/or facility expansion will be required to meet the growing needs associated with the City's waste water treatment. Additionally, Clemson University owns 8.22 acres of land at Highway 76 and Old Stone Church Road that the City of Clemson leases for a ballpark. The City of Clemson recently purchased 0.7 acres of land adjacent to the University property and has been using the land for ballpark parking. The University and the City of Clemson wish to swap the University's 4.73 acre parcel (valued at \$57,000) of which the City already leases a portion for waste water treatment facilities for the 0.7 acre parcel (valued at \$59,000) the City recently purchased adjacent to land it leases from Clemson for a ballpark.

In doing the exchange, Clemson will control the corner parcel adjacent to its 8.22 acre ballpark property and will acquire property consistent with the University's long range master plan. The City of Clemson will gain property it needs for additional waste water treatment facilities from which the University will also gain benefit. The properties will be exchanged for no monetary consideration as the value of the property Clemson will receive (\$59,000) exceeds the value of the property it will exchange to the City (\$57,000).

Clemson University requests approval from the Joint Bond Review Committee and the Budget and Control Board to proceed with the proposed land exchange as outlined in this letter. We sincerely appreciate your consideration of this request. Please let us know if you need additional information.

Sincerely,

Brett Dalton
Vice President for Finance and Operations

cc: Allyn Powell

**Exhibit A
Waste Water Treatment Plant**



CU Property – Outlined in Orange
City of Clemson Property – Outlined in Yellow
Currently Leased Property – Outlined in White
Proposed Additional Property Needed – Outlined in Red

**Exhibit B
Ballpark Property**



CU Property – Outlined in Orange
City of Clemson Property Proposed for Swap – Outlined in Red

**(k) South Carolina Forestry Commission
Abbeville County**

List of Supporting Documents:

- I. Letter from South Carolina Forestry Commission dated September 8, 2014



PO Box 21707
Columbia, SC 29221
(p) 803.896.8800
(f) 803.798.8097
www.trees.sc.gov

Henry E. (Gene) Kodama, State Forester

September 8th, 2014

Re: Transfer of Property / US Army Corp of Engineer

Linda,

In 2002 the Army Corp of Engineers gave a communication tower and some other related items to the Forestry Commission. This was communication equipment that Forestry had been using for a number of years. The COE had decided they no longer needed it and gave ownership to Forestry. All of this equipment was located on COE property and Forestry was given a License Agreement to continue use of their property. This property is located in Abbeville County at the Richard B. Russell Dam.

Earlier this year the COE approached us and said they needed use of the tower again and would be upgrading the security on that site. They requested that we transfer ownership of the tower and related items back to them. In return they would grant us a 25 year agreement for continued use of the equipment.

After some discussion the Forestry Commission feels that it is in our best interest to grant this transfer and accept the 25 year agreement. The tower is in need of repair and by transferring ownership to COE this would place the cost of repairs back on COE. Forestry would ask that contingent upon approval of the SC Budget & Control Board these items be transferred back to the COE.

Sincerely,

David P. Owen
Construction & Property Manager
SC Forestry Commission

Our mission is to protect and develop the forest resources of South Carolina.

AGENCY: Division of General Services

SUBJECT: Easements

The Division of General Services requests approval of the following easements in accordance with SC Code of Laws:

- (a) County Location: Richland
From: Budget and Control Board
To: South Carolina Electric and Gas Company
Consideration: \$700
Description/Purpose: To grant a 0.98 acre easement for the construction, operation and maintenance of two aerial 230 kV electric transmission lines over the Broad River between I-126 and US 176 bridges. The easement is part of a project to provide reliable electric service to SCE&G's residential, commercial and industrial customers in the Columbia Northwest region of its service area and to ensure that SCE&G remains in compliance with North American Electric Reliability Corporation (NERC) standards. Consideration is \$500 plus \$200 per acre for easements across navigable waterways and submerged lands.
- (b) County Location: Sumter
From: Budget and Control Board
To: High Hills Rural Water Company, Inc.
Consideration: \$1
Description/Purpose: To grant a 0.04 acre easement for the installation, operation and maintenance of a water distribution system on property of the Wateree River Correctional Institution to provide potable water service to the facility. The easement is being sought by the Department of Corrections for the benefit of the property.

BOARD ACTION REQUESTED:

Approve granting the referenced easements.

ATTACHMENTS:

Agenda item worksheet; SC Code of Laws Sections 10-1-13; Exhibits (maps, plats, etc.) - (a) SCE&G; (b) High Hills Rural Water Co.

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

Meeting Scheduled for: October 14, 2014

Blue Agenda

1. Submitted by:

- (a) Agency: Division of General Services
- (b) Authorized Official Signature:



Nolan L. Wiggins, Jr., Director

2. Subject: EASEMENTS

3. Summary Background Information:

The Division of General Services requests approval of the following easements in accordance with SC Code of Laws:

- (a) County Location: Richland
From: Budget and Control Board
To: South Carolina Electric and Gas Company
Consideration: \$700
Description/Purpose: To grant a 0.98 acre easement for the construction, operation and maintenance of two aerial 230 kV electric transmission lines over the Broad River between I-126 and US 176 bridges. The easement is part of a project to provide reliable electric service to SCE&G's residential, commercial and industrial customers in the Columbia Northwest region of its service area and to ensure that SCE&G remains in compliance with North American Electric Reliability Corporation (NERC) standards. Consideration is \$500 plus \$200 per acre for easements across navigable waterways and submerged lands.

- (b) County Location: Sumter
From: Budget and Control Board
To: High Hills Rural Water Company, Inc.
Consideration: \$1
Description/Purpose: To grant a 0.04 acre easement for the installation, operation and maintenance of a water distribution system on property of the Wateree River Correctional Institution to provide potable water service to the facility. The easement is being sought by the Department of Corrections for the benefit of the property.

4. What is the Board asked to do? Approve the referenced easements.

5. What is recommendation of the Division of General Services? Recommend approval of the referenced easements.

6. List of Supporting Documents:

1. SC Code of Laws Sections 1-11-80 and 1-11-100
2. Exhibits (maps, plats, etc.)
 - (a) SCE&G
 - (b) High Hills Rural Water Co.

SOUTH CAROLINA CODE OF LAWS

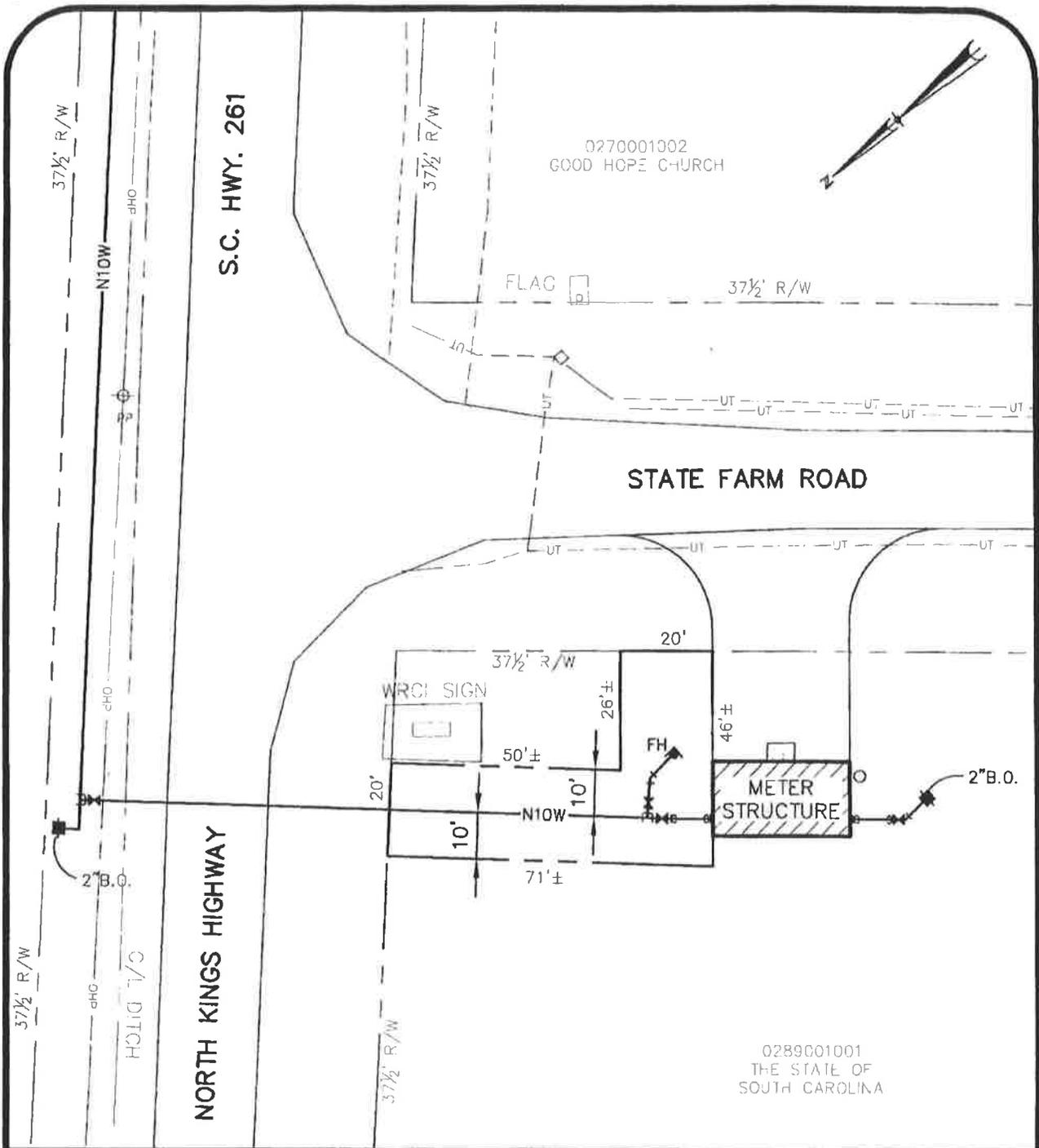
SECTION 1-11-80. Board authorized to grant easements for public utilities on vacant State lands.

The State Budget and Control Board is authorized to grant easements and rights of way to any person for construction and maintenance of power lines, pipe lines, water and sewer lines and railroad facilities over, on or under such vacant lands or marshland as are owned by the State, upon payment of the reasonable value thereof.

SECTION 1-11-100. Execution of instruments conveying rights of way or easements over marshlands or vacant lands.

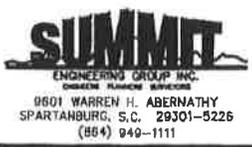
Deeds or other instruments conveying such rights of way or easements over such marshlands or vacant lands as are owned by the State shall be executed by the Governor in the name of the State, when authorized by resolution of the Budget and Control Board, duly recorded in the minutes and records of such Board and when duly approved by the office of the Attorney General; deeds or other instruments conveying such easements over property in the name of or under the control of State agencies, institutions, commissions or other bodies shall be executed by the majority of the governing body thereof, shall name both the State of South Carolina and the institution, agency, commission or governing body as grantors, and shall show the written approval of the majority of the members of the State Budget and Control Board.

N:\PROJECTS\13007\DWG\13007_METERSITE.DWG 7/9/2014 9:30:01 AM



EASEMENT EXHIBIT "A"

DATE: JULY 2014
 STATE OF SOUTH CAROLINA
 METER STRUCTURE
 WRCI OFFSITE
 WATER DISTRIBUTION



DRAWING OF THE APPROXIMATE LOCATION OF A RIGHT-OF-WAY ACROSS THE PROPERTY OF:

THE STATE OF SOUTH CAROLINA
PARCEL# 0289001001

FOR
HIGH HILLS RURAL WATER COMPANY, INC
 SUMTER COUNTY, SOUTH CAROLINA

TOTAL AREA OF PERMANENT EASEMENT: 0.04± Acres

LEGEND

- NEW 10" WATER LINE ——— N10W ———
- NEW METER STRUCTURE
- PERMANENT EASEMENT
- EXISTING RIGHT OF WAY



SCALE: 1" = 30'
 (IN FEET)

AGENCY: South Carolina Energy Office

SUBJECT:: \$15M Qualified Energy Conservation Bond Volume Cap Allocation Authority to Abundant Power Group, LLC/SC Saves with the SC Jobs-Economic Development Authority (JEDA) as Conduit Issuer for Use at Denmark-Olar School District 2 of Bamberg County

Abundant Power Group, LLC is requesting \$15M Qualified Energy Conservation Bond [QECB] volume cap allocation in connection with the implementation of a qualifying green community program at the Denmark-Olar School District 2 of Bamberg County.

The project consists of building a net-zero K-12 school for Denmark-Olar School District 2 of Bamberg County. The Owner of the building will be Denmark-Olar School Foundation, a nonprofit corporation created in SC. The Foundation and the School District have signed a Pre-Development Agreement with FirstFloor K-12 Solutions, LLC, as developer. The Foundation will own the school and lease it to the school district. Financing will be provided in two parts: approximately \$31 million in a loan directly from USDA and a loan of approximately \$15 million from a bank which will be guaranteed by USDA and run through the SC SAVES program utilizing the QECB allocation. Both loans will be made to the Foundation. The developer is not guaranteeing that there will not be an electric bill; however, it is providing maintenance and optimization of the energy systems in the building for 5 years. The school district will keep any excess power generation revenues to its benefit. Under the lease, the school district provides building maintenance and janitorial services. The developer plans to start land clearing in April 2015 with the school ready for occupancy in August 2016. The developer will be responsible for negotiations with the utility in terms of a net-metering or purchase power agreement. The developer will determine the best terms for the school district and the district will make the final decision on the contract. The application submitted by Abundant Power Group, LLC estimates the creation of approximately 300 direct jobs from the capital investment and approximately 38 indirect jobs based on expected energy savings of 22,500 MWHs annually.

In July 2012, the Internal Revenue Service guidelines for the use of QECBs broadened the range of programs which qualify under the Green Community Programs designation to 'promote energy conservation, energy efficiency or environmental conservation initiatives relating to energy consumption, broadly construed' and 'programs must involve property that is available for general public use or involve a loan or grant program that is broadly available to members of the general public'. Eligible initiatives under this expanded interpretation include [a] retrofitting initiatives for heating, cooling, lighting, water-saving, storm-water reducing or other efficiency measures; [b] distributed generation initiatives; [c] transportation initiatives that conserve energy and/or support alternative fuel infrastructure; [d] improvements to public infrastructure that enhance proximity and connectivity between community assets and public transit to reduce motor vehicle use; and [e] public street lighting upgrades. Based on the expanded definition of the

AGENCY: South Carolina Energy Office

SUBJECT:: \$15M Qualified Energy Conservation Bond Volume Cap Allocation Authority to Abundant Power Group, LLC/SC Saves with the SC Jobs-Economic Development Authority (JEDA) as Conduit Issuer for Use at Denmark-Olar School District 2 of Bamberg County

Green Community Program, Abundant Power, using the SouthCarolinaSAVES (SC SAVES) Program, will implement a Green Community Program at the Denmark-Olar School District 2 of Bamberg County, with the intent of reducing energy costs through increased energy conservation and increasing operational savings. Applicant indicates QECCB's will be sold in private placement to one or more qualified institutional buyers.

The QECCB allocation request was approved by the SC ARRA Volume CAP Advisory Committee on September 18, 2014, specifically for use at Denmark Olar School District 2 of Bamberg County and with the stipulation that if the bonds are not issued within six (6) months of Budget and Control Board approval for the designated purpose, this allocation expires and reverts to the pool.

BOARD ACTION REQUESTED:

Approve the proposed \$15M Qualified Energy Conservation Bond volume cap allocation authority to Abundant Power Group, LLC/SC Saves with the SC Jobs-Economic Development Authority (JEDA) as conduit issuer for use at Denmark-Olar School District 2 of Bamberg County. This allocation will expire and revert to the volume cap allocation pool if the bonds are not issued within six (6) months of Budget and Control Board approval.

ATTACHMENTS:

Agenda item worksheet; SC Saves Letter and Application for QECCB Reallocation; QECCB Information Sheet; Abundant Power/JEDA Inducement Resolution and Agreement Project Overview

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

Meeting Scheduled for: October 14, 2014

Blue Agenda

1. Submitted by:

(a) Agency: SC Energy Office

(b) Authorized Official Signature:

Ashlie Lancaster, Director

2. Subject: \$15M Qualified Energy Conservation Bond volume cap allocation authority to Abundant Power Group, LLC/SC Saves with the SC Jobs-Economic Development Authority (JEDA) as conduit issuer for use at Denmark-Olar School District 2 of Bamberg County.

3. Summary Background Information:

Abundant Power Group, LLC is requesting \$15M Qualified Energy Conservation Bond [QECCB] volume cap allocation in connection with the implementation of a qualifying green community program at the Denmark-Olar School District 2 of Bamberg County.

The project consists of building a net-zero K-12 school for Denmark-Olar School District 2 of Bamberg County. The Owner of the building will be Denmark-Olar School Foundation, a nonprofit corporation created in SC. The Foundation and the School District have signed a Pre-Development Agreement with FirstFloor K-12 Solutions, LLC, as developer. The Foundation will own the school and lease it to the school district. Financing will be provided in two parts: approximately \$31 million in a loan directly from USDA and a loan of approximately \$15 million from a bank which will be guaranteed by USDA and run through the SC SAVES program utilizing the QECCB allocation. Both loans will be made to the Foundation. The developer is not guaranteeing that there will not be an electric bill; however, it is providing maintenance and optimization of the energy systems in the building for 5 years. The school district will keep any excess power generation revenues to its benefit. Under the lease, the school district provides building maintenance and janitorial services. The developer plans to start land clearing in April 2015 with the school ready for occupancy in August 2016. The developer will be responsible for negotiations with the utility in terms of a net-metering or purchase power agreement. The developer will determine the best terms for the school district and the district will make the final decision on the contract. The application submitted by Abundant Power Group, LLC estimates the creation of approximately 300 direct jobs from the capital investment and approximately 38 indirect jobs based on expected energy savings of 22,500 MWHs annually.

In July 2012, the Internal Revenue Service guidelines for the use of QECCBs broadened the range of programs which qualify under the Green Community Programs designation to 'promote energy conservation, energy efficiency or environmental conservation initiatives relating to energy consumption, broadly construed' and 'programs must involve property that is available for general public use or involve a loan or grant program that is broadly available to members of the general public'. Eligible initiatives under this expanded interpretation include [a] retrofitting initiatives for heating, cooling, lighting, water-saving, storm-water reducing or other efficiency measures; [b] distributed generation initiatives; [c] transportation initiatives that conserve energy

and/or support alternative fuel infrastructure; [d] improvements to public infrastructure that enhance proximity and connectivity between community assets and public transit to reduce motor vehicle use; and [e] public street lighting upgrades. Based on the expanded definition of the Green Community Program, Abundant Power, using the SouthCarolinaSAVES (SC SAVES) Program, will implement a Green Community Program at the Denmark-Olar School District 2 of Bamberg County, with the intent of reducing energy costs through increased energy conservation and increasing operational savings. Applicant indicates QECB's will be sold in private placement to one or more qualified institutional buyers.

The QECB allocation request was approved by the SC ARRA Volume CAP Advisory Committee on September 18, 2014, specifically for use at Denmark Olar School District 2 of Bamberg County and with the stipulation that if the bonds are not issued within six (6) months of Budget and Control Board approval for the designated purpose, this allocation expires and reverts to the pool.

4. What is the Board asked to do? Approve the proposed \$15M Qualified Energy Conservation Bond volume cap allocation authority to Abundant Power Group, LLC/SC Saves with the SC Jobs-Economic Development Authority (JEDA) as conduit issuer for use at Denmark-Olar School District 2 of Bamberg County.

5. What is recommendation of the Division of General Services? Recommend approval of the proposed \$15M Qualified Energy Conservation Bond volume cap allocation authority to Abundant Power Group, LLC/SC Saves with the SC Jobs-Economic Development Authority (JEDA) as conduit issuer for use at Denmark-Olar School District 2 of Bamberg County.

6. List of Supporting Documents:

- SC Saves Letter and Application for QECB Reallocation
- QECB Information Sheet
- Abundant Power/JEDA Inducement Resolution and Agreement
- Project Overview



September 12, 2014

Via Overnight Delivery for Monday September 15, 2014

**Ms. Ashlie Lancaster
South Carolina Energy Office
1201 Main Street, Suite 1600
Columbia, SC 29201**

**Re: Application for Reallocation of Qualified Energy Conservation Bonds on
Behalf of the South Carolina SAVES Green Community Program**

Dear Ashlie:

In follow up to the electronic submission of the above-referenced application and supporting materials for a reallocation of QECBs in continued support of the South Carolina SAVES Green Community Program. This application is being submitted in parallel to an application for entering into an inducement agreement with SC JEDA as the conduit issuer for the program which application is being considered at the JEDA board meeting on September 17, 2014.

Please let us know of any additional information needed. We look forward to continuing to work with the SC Energy Office on the South Carolina SAVES Green Community Program and furthering energy efficiency in the State of South Carolina.

Thank you for your assistance in this matter, I remain

Yours sincerely,

A handwritten signature in blue ink, appearing to read "W. Gregory Montgomery".

**W. Gregory Montgomery
Managing Director**

**Cc: Harry Huntley, SC Jobs – Economic Development Authority
Shannon Smith, Abundant Power**

**Qualified Energy Conservation Bonds
Allocation Application
South Carolina Energy Office
408 Wade Hampton Building
1200 Senate Street
Columbia, South Carolina 29201
Phone (803) 737-8030/ Fax (803) 737-9846**

I. Applicant Information:

Please print or type clearly.

Name of Institution: South Carolina SAVES Inc. and Abundant Power Group LLC (collectively the "Applicant")

Street Address: 2201 South Blvd, Suite 300
Charlotte, NC 28203

Mailing Address: Same

Federal Tax ID#: SSC: 46-5416690 APG:26-4092146

Contact Person: W. Gregory Montgomery

Telephone #: 704-271-9889

Signatory Official: W. Gregory Montgomery

Position: Managing Member

Telephone #: 704-271-9889

Fax #: 704-271-9889

II. Type of Institution:

Please mark appropriate description:

Public School District: _____

County / City: _____

Municipality: _____

State Agency: _____

501(c)(3) Corporation: _____

Other: Specify

SCS is a South Carolina non-profit corporation;
APG is a North Carolina limited liability company

III. Bond Purpose (Type of Project):

Description of Project: (Attach additional pages as needed. Refer to 26 USC § 54D for eligible measures) To provide another \$15M in QECB reallocation to expand the funding capabilities of the statewide South Carolina SAVES Green Community Program (the "SC SAVES Program"), which is a green community program and thus a qualified conservation purpose under section 54D(f)(1)(A)(ii) of the Internal Revenue Code. See Exhibit A -Overview of the SC SAVES Green Community Program.

Project Estimated Start Date: Start using the additional funding Q4 2014
 Project Estimated Completion Date: Finish using the additional funding Q4 2014
 Estimated Number of Jobs Created: 338 (see Exhibit B attached)

IV. Location of Project:

Name of Building(s) Qualified conservation purposes, including
 Building Ownership energy efficiency, renewable energy and alternative
 Address: fuel projects throughout the State of South Carolina
(the "Qualified Projects").

County of Improvements: Counties throughout the State of South Carolina, where the Qualified Projects are located.

V. Technical Analysis (Name of person or firm who completed either):

Energy Audit: Energy assessments on a per project basis.
 Or
 Architect/Engineer design: Derek McGarry, Abundant Power

VI. Project Cost Summary:

<u>Type of Energy Measures</u>	<u>Estimated Cost</u>	<u>Projected Annual Savings</u>
<u>See Exhibit C attached.</u>		

Total Project Cost: \$15,000,000 Total Savings: See Exhibit B attached

Bond Issuer: SC Jobs Economic Development Authority

Bond Counsel: McGuire Woods LP

Financing Mechanism: Private placement

VII. Allocation Information:

Requested Allocation Amount: \$15,000,000
Percentage Private Activity Bonds: 0% based on use of Green Community Program.

VIII. Accompanying Documents & Signature(s):

Note: The documents noted below must be submitted and approved prior to allocation approval. Each of the following to be provided on a per project

1. Copy of Technical Analysis basis for Qualified Projects funded through the SC SAVES Program.
2. Current Financial Statement
3. Financial Summaries For Last 3 years
4. In addition, successful projects may be required to certify compliance with Davis-Bacon, Buy American, and NEPA as appropriate.

Applicant's Signatory Official or Chief Financial Officer:

Name: W. Gregory Montgomery

Title: Managing Member

Signature: W. Gregory Montgomery

Date: September 9, 2014



STATE OF SOUTH CAROLINA
STATE BUDGET AND CONTROL BOARD

APPLICATION FOR RECOVERY ZONE BOND OR QUALIFIED ENERGY CONSERVATION
BOND
VOLUME CAP REALLOCATION

Submit original form to:

Via U.S. Mail or Hand Delivery
South Carolina Jobs-Economic Development Authority
Attn: Claudia Miller
1201 Main Street
Suite 1600
Columbia, SC 29201

NOTE: A SEPARATE APPLICATION FOR REALLOCATION MUST BE FILED FOR EACH PROJECT FOR WHICH ALLOCATION IS REQUESTED

1. Name of governmental entity requesting reallocation (the "Applicant"): South Carolina Jobs-Economic Development Authority (on behalf of Abundant Power Group, LLC/South Carolina SAVES, Inc.)

2. Type of Bonds

Recovery Zone Economic Development Bonds

Recovery Zone Facility Bonds

Qualified Energy Conservation Bonds

Amount of Recovery Zone or Qualified Energy Conservation Bond Reallocation requested:

\$15,000,000, none of which counts against the cap designated for private activity bonds for the purposes of Section 54D(e)(3) of the Internal Revenue Code of 1986 (the "Code"), as amended, pursuant to Section 54D(e)(4) of the Code.

3. Attach a General Description of the Project or Purpose to be financed with Recovery Zone Bonds or Qualified Energy Conservation Bonds, as applicable, including the location and purpose of the Project, likelihood of successful completion of the financing, the number of jobs to be created or preserved and the wages for such jobs.

Please see attached Appendices A, D and E.

4. Name, address, and telephone number of the proposed issuer and, if Recovery Zone Facility Bonds or Qualified Energy Conservation Bonds (for private activity purposes), private borrower or developer, as applicable.

Please see attached Appendix B.

5. In addition, the Applicant may provide additional information for consideration by the State Budget and Control Board pursuant to Section 11-18-50 of the South Carolina Code of Laws, 1976, as amended, as it deems appropriate in order to support a finding by the Board that the proposed project meets some or all of the factors to

be considered by the Board in reallocating Recovery Zone Bond allocation. The factors to be considered include but are not limited to the following:

- (a) the likelihood of successful completion of such financing;
- (b) the number of jobs to be created or preserved and the wages for such jobs;
- (c) relative economic need and benefit to the Applicant and any other entity benefiting from the proposed issue; and
- (d) the overall best interest of the State and the people of the State.

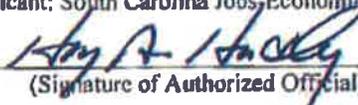
Please see attached Appendix C.

6. Actions of the governing body of the appropriate governmental entity or entities may be evidenced by one or more resolutions. The following resolutions may be attached to this Application for Recovery Zone Bond or Qualified Energy Conservation Bond Volume Cap Reallocation:

- (a) Resolutions of the Applicant designating a recovery zone or otherwise identifying the proposed project;
- (b) Inducement resolution, reimbursement resolution or other documentation of the preliminary approval of the project by the Applicant, in conformity with applicable federal and state law; and
- (c) Resolution of the requesting Applicant authorizing the appropriate officer to file this Application for Recovery Zone Bond or Qualified Energy Conservation Bond Volume Cap Reallocation.

The undersigned, on behalf of the Applicant, hereby certifies that it is authorized by the Applicant to make the request contained herein on behalf of the Applicant.

Applicant: South Carolina Jobs, Economic Development Authority

By: 
(Signature of Authorized Official)

Name (please print): Harry A. Huntley

Title: Executive Director

Address: 1201 Main Street, Columbia, SC 29201

Phone Number of Authorized Official:

(803) 737-0627

Date

9/17/2014

Appendix A

Project Overview: The South Carolina SAVES Green Community Loan Program

Abundant Power Group, LLC ("APG") in conjunction with its affiliate, South Carolina SAVES, Inc., a South Carolina non-profit corporation ("SCS")(APG and SCS collectively "Abundant") propose to issue the Qualified Energy Conservation Bond (the "Bond") as a conduit issuance through the South Carolina Jobs-Economic Development Authority ("JEDA") for use in the South Carolina SAVES Green Community Program (the "Project" or "SC SAVES Program" or "Program"). JEDA filed an original application in 2013 to receive an initial allocation of \$10,000,000 for the SC SAVES Program, which application was granted (the "Initial Allocation"). This application is in follow to provide continued funding for the Program to meet demand based on a pipeline of projects that have been developed and immediate need for additional funding.

The Authority's Findings Relating to the Project

Abundant Power Group, LLC ("Abundant") has entered into an Inducement Agreement with the South-Carolina Jobs-Economic Development Authority (the "Authority") for the Authority to issue not exceeding \$15,000,000 aggregate principal amount of its Qualified Energy Conservation Bonds (the "Bonds") on a private placement basis in one or more series to further fund a "green community program" - the South Carolina SAVES Green Community Loan Program (the "Project" or "SC SAVES Program" or "Program"). The Project has been established as a qualified conservation purpose pursuant to Sec 54D(f)(1)(A)(ii) of the Internal Revenue Code to provide loans for acquiring, developing, constructing, installing and equipping energy efficiency, energy conservation, renewable energy and environmental conservation improvements, and related infrastructure, including any necessary rehabilitation, within the territory of any county or municipality within the State. To date, the Program received the Initial Allocation and has closed one transaction for \$2 million, leaving \$8 million available but has generated a pipeline of over \$100 million in potential improvements, of which over \$30 million are in active discussions and potentially \$13 million are targeted for closing by the end of 2014; thus the need for additional funding for the Program and the purpose of this application. Attached to this Project Overview as Appendix D is a summary pipeline of the potential improvement opportunities that have been originated by the Program for funding.

The Authority has determined that (i) the Project constitutes a green community program because it promotes Statewide policies regarding energy efficiency and conservation and environmental conservation in furtherance of the policies set forth in the South Carolina Energy Efficiency Act, codified at Title 48, Chapter 52 of the South Carolina Code; (ii) Abundant, as the borrower and administrator of the Project, is a responsible party engaged in the business of providing for the implementation of green community programs by making energy efficiency, renewable energy and environmental conservation loans for qualified conservation purposes such as those to be funded by the Project and therefore is an "industry" as defined in Section 4-29-10(6) of the South Carolina Code; and (iii) it is anticipated that the Project will benefit the economy of the State by inducing investment and the creation of jobs in the State. Attached to this Project Overview as Appendix E is a one page summary of the SC SAVES Program.

Description of the Program

The SC SAVES Program uses proceeds from the Bonds to make low interest loans for the financing of energy efficiency and conservation projects sponsored by governmental, institutional and select commercial/industrial entities in municipalities and counties located within South Carolina. The SC SAVES Program is funded through the private placement of the Bonds in one or more series of issuances, with each tranche to specifically fund identified loans/leases and ultimate borrowers as they are originated and underwritten through the Program.

The Program generates loans of between \$500,000 and \$5 million in size (with larger amounts in the Program administrator's discretion) in the form of amortizing senior debt or capital leases with durations of up to 10 years or whatever duration is permissible under applicable law. As described in the Program schematic below, the loans/leases are between SC SAVES, as the conduit borrower, and the ultimate borrowers. The loans/leases have effective interest rates to the borrow set to cover the Bonds costs of capital and program administration costs, with such interest rates projected to be 0.0% to 2.0% for governmental loans and 2.0% to 3.0% for non-governmental loans, depending upon the credit quality of the ultimate borrower and the capital markets at the time of issuance. Accordingly, funding under the Program and its

repayment are dependent on the credit worthiness of the ultimate borrower and are not reliant on, or an encumbrance to, the credit of the State of South Carolina or the Authority.

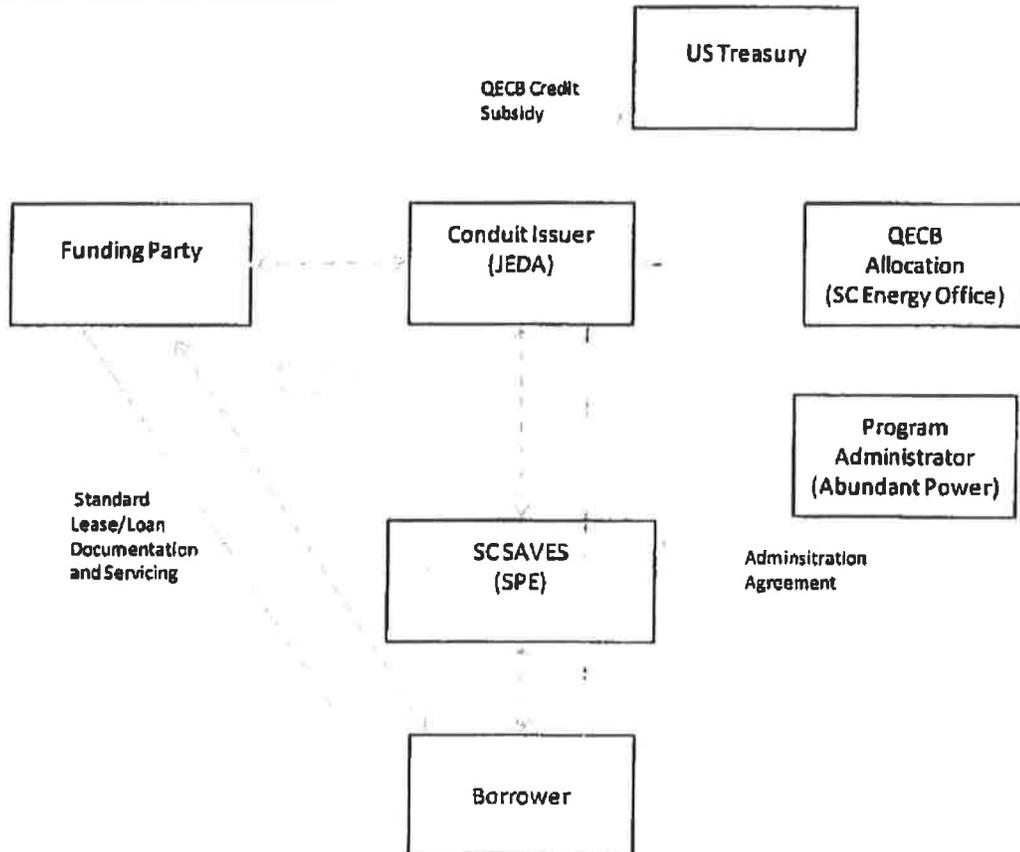
Eligible borrowers include governmental, institutional and commercial/industrial borrowers with sufficient credit to support the bond underwriting.

Eligible improvements include projects satisfying applicable law, including energy efficiency measures, with a payback of 10 years or less (longer within the Administrator's discretion) using proven commercial technologies with strong vendor warranties, such as: lighting and control upgrades, HVAC maintenance/replacement, chiller/boiler upfits, insulation, retro-commissioning and select distributed renewables generation, as well as alternative fuel conversions of facilities or fleets from diesel or gasoline to propane or natural gas and associated refueling infrastructure.

The Program will work with contractors with demonstrated experience in energy efficiency and conservation contracting. Depending on the project, the Program may require an acceptable form of Energy Performance Contracting Agreement, Energy Performance Savings Guarantee or Third-Party Energy Savings Warranty on certain Eligible Improvements.

The Program Structure

**SC SAVES ENERGY EFFICIENCY LOAN FUND
Interest Rate Subsidy Funding Structure**



Abundant serves in the role of administrator of the SC SAVES Program. As administrator, Abundant assumes responsibility for the design and set up of the Program, establishment of origination channels and eligible projects, project qualification, underwriting the energy savings for eligible improvements, the credit underwriting of ultimate borrowers, and the documentation, closing and on-going servicing of loans/leases issued by the Program. Abundant receive a program fee from the proceeds of the Bonds issuance and an on-going servicing fee based on the amount of principal outstanding under the Program.

About Abundant Power and Clean Source Capital

Abundant Power Group, LLC based in Charlotte, NC, is an energy management services company providing financial and technology solutions for the built environment ecosystem. Abundant brings expertise in finance, engineering, building science, technology and real estate to each of its programs. For more information on Abundant, please visit www.abundantpower.com.

CleanSource Capital, LLC, also based in Charlotte, NC, is an affiliate formed by Abundant Power to administer and grow its SAVES platform using QECCBs as well as provide specialty finance solutions and advisory services in the energy efficiency industry.

SAVES (Sustainable and Verifiable Energy Savings) is Abundant's proprietary, core energy financing platform for designing and administering energy efficiency financing programs. Abundant can leverage its existing SAVES credit and financial underwriting standards, origination and loan servicing standards, energy underwriting protocols and energy measurement and verification processes, and documentation in designing and establishing the SC SAVES Program and then providing the on-going administration.

STATE BUDGET AND CONTROL BOARD
MEETING OF October 14, 2014

BLUE AGENDA
ITEM NUMBER 5

AGENCY: Division of Procurement Services

SUBJECT: Procurement Audit of the Department of Consumer Affairs

In accordance with Section 11-35-1210 of the South Carolina Consolidated Procurement Code, the Division of Procurement Services has reviewed the procurement system of the Department of Consumer Affairs. As the Department has not requested procurement certification, the audit report is submitted as information only.

BOARD ACTION REQUESTED:

In accordance with Section 11-35-1210 of the South Carolina Consolidated Procurement Code, receive as information the procurement audit of the Department of Consumer Affairs.

ATTACHMENTS:

Agenda item worksheet and attachments

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

Meeting scheduled for: October 14, 2014

Blue Agenda

1. Submitted by:

(a) Agency: Division of Procurement Services

(b) Authorized Official Signature:


John St. C. White, Interim Materials Management Officer

2. Subject: Procurement Audit of the Department of Consumer Affairs

3. Summary Background Information:

In accordance with Section 11-35-1210 of the South Carolina Consolidated Procurement Code, the Division of Procurement Services has reviewed the procurement system of the Department of Consumer Affairs. As the Department has not requested procurement certification, the audit report is submitted as information only.

4. What is Board asked to do?

Receive the audit report as information only.

5. What is recommendation of Board division involved?

We recommend the report be received as information only.

6. Recommendation of other office (as required)?

(a) Authorized Signature: _____

(b) Division/Agency Name: _____

7. List of supporting documents:

(a) Section 11-35-1210 of the Consolidated Procurement Code

South Carolina Consolidated Procurement Code

Auditing and Fiscal Reporting

§ 11-35-1210. Certification

- (1) **Authority.** The board may assign differential dollar limits below which individual governmental bodies may make direct procurements not under term contracts. The designated board office shall review the respective governmental body's internal procurement operation, shall certify in writing that it is consistent with the provisions of this code and the ensuing regulations, and recommend to the board those dollar limits for the respective governmental body's procurement not under term contract.
- (2) **Policy.** Authorizations granted by the board to a governmental body are subject to the following:
 - (a) adherence to the provisions of this code and the ensuing regulations, particularly concerning competitive procurement methods;
 - (b) responsiveness to user needs;
 - (c) obtaining of the best prices for value received.
- (3) **Adherence to Provisions of the Code.** All procurements shall be subject to all the appropriate provisions of this code, especially regarding competitive procurement methods and nonrestrictive specifications.

AGENCY: Executive Director

SUBJECT: Revenue Bonds

The required reviews on the following proposal to issue revenue bonds have been completed with satisfactory results. The project requires approval under State law. Ceiling allocation requests will be considered in a separate item.

- a. Issuing Authority: Beaufort County
Amount of Issue: Not Exceeding \$21,000,000 Hospital Revenue Bonds
Allocation Needed: -0-
Name of Project: Beaufort County Memorial Hospital d/b/a Beaufort Memorial Hospital
Employment Impact: N/A
Project Description: acquisition, construction, renovation, improvement, and equipping of hospital facilities
Bond Counsel: Kathleen Crum McKinney, Haynsworth Sinkler Boyd, P. A.

- b. Issuing Authority: Dillon County
Amount of Issue: Not Exceeding \$900,000 Special Source Revenue Bonds
Allocation Needed: -0-
Name of Project: \$900,000 Original Principal Amount Dillon County, Special Source Revenue Bond, Series 2014
Employment Impact: N/A
Project Description: proceeds of the bond will be used to (a) defray the costs of undertaking one or more of the following projects located in or adjacent to a Dillon County joint county industrial and business park in order to enhance the continued economic development of Dillon County and to pay costs of issuance of the Series 2014 Bond: acquiring, designing, constructing and improving water and wastewater infrastructure; (b) acquiring, designing, constructing and improving such other infrastructure necessary for the continued economic development of Dillon County
Bond Counsel: Brandon T. Norris, McNair Law Firm

- c. Issuing Authority: Jobs-Economic Development Authority
Amount of Issue: Not Exceeding \$36,000,000 Educational Facilities Revenue and Refunding Bonds (\$13,530,000 refunding involved)
Allocation Needed: -0-
Name of Project: Anderson University
Employment Impact: maintain existing employment for 611 people and providing

AGENCY: Executive Director

SUBJECT: Revenue Bonds -- Continued

Project Description: additional employment for 3 people within 12 months
A. (i) constructing, furnishing and equipping a new student center, (ii) constructing, landscaping, furnishing, and equipping a new residence hall to accommodate enrollment growth, and (iii) constructing, landscaping, furnishing, and equipping various athletic venues;
B. refinance a taxable loan with Peoples Bank, outstanding in the principal amount of \$2,431,338 maturing in December 2028, used to provide funds to acquire land for an athletic campus;
C. refinance a taxable loan with Bank of America, N.A. outstanding in the principal amount of \$2,613,384 maturing in May 2017, used to provide funds for the School of Nursing and residence hall;
D. refinance the \$13,335,000 original principal amount of Educational Facilities Authority for Private Nonprofit Institutions of Higher Learning Educational Facilities Refunding and Improvement Revenue Bonds (Anderson College Project), Series 2004A, currently outstanding in the principal amount of \$8,480,000, used to provide funds for defraying the costs of (i) the design, acquisition, construction, furnishing and equipping of an approximately 45,000 square foot library, and related improvements and amenities and (ii) the construction, furnishing and equipping of other improvements and facilities on the University's campus; and
E. pay certain costs of issuance of the bonds.

Note:

private sale

Bond Counsel:

Jeremy Cook, Haynsworth Sinkler Boyd, P. A.

- d. Issuing Authority: Jobs-Economic Development Authority
Amount of Issue: Not Exceeding \$16,500,000 Economic Development Revenue Bonds
Allocation Needed: -0-
Name of Project: CareAlliance Health Services D/B/A Roper St. Francis Healthcare
Employment Impact: maintenance of approximately 5,300 employees
Project Description: acquisition of approximately 123 acres of land in Goose Creek (Berkeley County) to be used as the site for the development of future healthcare facilities by Roper St. Francis Healthcare.

AGENCY: Executive Director

SUBJECT: Revenue Bonds -- Continued

Note: *private sale*
Bond Counsel: Rion D. Foley, McNair Law Firm, P. A.

e. Issuing Authority: Jobs-Economic Development Authority
Amount of Issue: N/E \$20,000,000 Revenue Notes
Allocation Needed: -0-
Name of Project: Conway Hospital Inc.
Employment Impact: N/A
Project Description: financing certain items of equipment and software to upgrade the hospital's information technology infrastructure and paying certain fees, payment, premium and expenses to be incurred in connection with the issuance of the revenue notes.
Bond Counsel: Ray E. Jones, Parker Poe Adams & Bernstein LLP

f. Issuing Authority: Jobs-Economic Development Authority
Amount of Issue: N/E \$21,000,000 Revenue Refunding Bonds (\$21,000,000 refunding involved)
Allocation Needed: -0-
Name of Project: City of Myrtle Beach
Employment Impact: maintaining approximately 135 jobs
Project Description: to refinance the outstanding \$23,500,000 original principal amount South Carolina Jobs-Economic Development Authority Subordinate Revenue Bonds (Myrtle Beach Convention Center Hotel Project), 2001 Series B issued to finance a portion of the cost of acquisition, by construction or purchase, of a 404-unit convention center hotel and related parking garage contiguous to, and the refurbishment of certain support facilities within, the Myrtle Beach Convention Center in the City of Myrtle Beach
Note: *private sale, for public reoffering thereafter*
Bond Counsel: William M. Musser, McNair Law Firm, P. A.

g. Issuing Authority: Jobs-Economic Development Authority
Amount of Issue: N/E \$42,000,000 Economic Development Revenue Bonds
Allocation Needed: \$42,000,000 (carryforward requested)
Name of Project: Olde York Square Senior Living LLC project
Employment Impact: provide employment for those engaged in construction of the project and create new, full-time employment for 300 people

AGENCY: Executive Director

SUBJECT: Revenue Bonds -- Continued

- within 4 months
- Project Description: the proceeds of the bonds will be used (i) primarily for the acquisition, construction and equipping of a senior living residential healthcare complex in York County; (ii) to pay capitalized interest, if any, on the bonds; (iii) fund the debt service reserve requirement, if any, with respect to the bonds; and (iv) pay certain costs of issuance with respect to the bonds.
- Note:* *limited public offering*
- Bond Counsel: April C. Lucas, Nexsen Pruet, LLC
- h. Issuing Authority: Jobs-Economic Development Authority
Amount of Issue: N/E \$20,000,000 Hospital Refunding Revenue Bonds (\$20,000,000 refunding involved)
Allocation Needed: -0-
Name of Project: Palmetto Health, Series 2014A
Employment Impact: maintain 8,322 jobs
Project Description: refund a portion of the \$126,895,000 South Carolina Jobs-Economic Development Authority Hospital Refunding and Improvement Revenue Bonds, Series 2009, specifically the bond maturing August 1, 2036, in the aggregate principal amount of \$18,085,000 (the "Refunded Bonds"); pay certain costs incurred in connection with the issuance of the bonds and the refunding of the Refunded Bonds.
- Note:* *private sale, for public reoffering thereafter*
- Bond Counsel: David J. Kates, Chapman and Cutler LLP.
- i. Issuing Authority: Jobs-Economic Development Authority
Amount of Issue: \$70,000,000 Solid Waste Disposal Revenue Bonds
Allocation Needed: \$70,000,000 (carryforward requested)
Name of Project: Repower South, LLC
Employment Impact: 75
Project Description: municipal solid waste disposal facilities, including recycling and production of renewable fuel specifically engineered as a coal substitute in power generation from non-recyclable fibers and polymers.
- Note:* *negotiated private sale or sales*
- Bond Counsel: Alan M. Lipsitz, Nexsen Pruet, LLC

AGENCY: Executive Director

SUBJECT: Revenue Bonds -- Continued

- j. Issuing Authority: Jobs-Economic Development Authority
Amount of Issue: \$15,000,000 Qualified Energy Conservation Bonds
Allocation Needed: -0-
Name of Project: South Carolina SAVES, Inc. and Abundant Power Group, LLC and the South Carolina SAVES Green Community Program
Employment Impact: estimated at 300 direct jobs and 38 indirect jobs
Project Description: construction of a net zero K-12 school in Bamberg County Denmark-Olar School District which requires the subsidy associated with the entire amount of the reallocation to offset the intent of financing and makes the project viable.
Note: *negotiated private sale*
Bond Counsel: Douglas E. Lamb, McGuire Woods
- k. Issuing Authority: Jobs-Economic Development Authority
Amount of Issue: N/E \$1,050,000 Athletic Facilities Refunding Revenue Bonds (\$1,050,000 refunding involved)
Allocation Needed: -0-
Name of Project: The Citadel, the Military College of South Carolina
Employment Impact: N/A
Project Description: refunding of the Athletic Facilities Refunding Revenue Bonds, Series 2003
Note: *private sale*
Bond Counsel: Jeremy L. Cook, Haynsworth Sinkler Boyd, P. A.
- l. Issuing Authority: State Housing Finance and Development Authority
Amount of Issue: N/E \$100,000,000 Mortgage Revenue Bonds (\$30,000,000 refunding involved)
Allocation Needed: (\$70,000,000 from available carryforward)
Name of Project: Mortgage Revenue Bonds, Series 2014
Employment Impact: N/A
Project Description: Mortgage Revenue Bonds, Series 2014
Bond Counsel: Rion D. Foley, McNair Law Firm, P. A.

AGENCY: Executive Director

SUBJECT: Revenue Bonds -- Continued

- m. Issuing Authority: State Housing Finance and Development Authority
Amount of Issue: N/E \$30,000,000 Multifamily Rental Housing Revenue Bonds
Allocation Needed: (\$30,000,000 from available carryforward)
Name of Project: Various Rural Housing Apartment projects
Employment Impact: 100+
Project Description: acquisition and rehabilitation of affordable housing complexes
located throughout South Carolina
Bond Counsel: Ray E. Jones, Parker Poe Adams & Bernstein LLP

BOARD ACTION REQUESTED:

Adopt the resolutions approving the referenced proposals to issue revenue bonds.

ATTACHMENTS:

Resolutions

A RESOLUTION APPROVING THE ISSUANCE BY BEAUFORT COUNTY, SOUTH CAROLINA, OF ITS NOT EXCEEDING \$21,000,000 PRINCIPAL AMOUNT HOSPITAL REVENUE BONDS (BEAUFORT MEMORIAL HOSPITAL) SERIES 2014, PURSUANT TO THE PROVISIONS OF TITLE 44, CHAPTER 7, ARTICLE 11, CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED.

WHEREAS, the County Council (the "*County Board*") of Beaufort County, South Carolina (the "*County*"), has heretofore, by submitting a petition (the "*Petition*") under and pursuant to the provisions of Title 44, Chapter 7, Article 11, Code of Laws of South Carolina 1976, as amended (the "*Act*"), requested the approval by the State Budget and Control Board of the issuance by the County pursuant to the Act of its Hospital Revenue Bonds (Beaufort Memorial Hospital) Series 2014, in the aggregate principal amount of not exceeding \$21,000,000 (the "*Bonds*"); and

WHEREAS, the County proposes to issue the Bonds under and pursuant to the Act and to make certain of the proceeds of the Bonds available to Beaufort Memorial Hospital (the "*Hospital*") by way of a loan for the purpose of (a) acquiring the Beaufort Medical Plaza, an existing 61,175 square foot medical office building located on the Hospital's main campus in Beaufort, South Carolina, (b) acquiring a 13,628 square foot outpatient surgery center located near the Hospital's campus, (c) acquiring certain hospital equipment, (d) the reimbursement of certain capital expenditures related to the capital improvements, (collectively, the "*Project*"), and (e) paying certain costs of issuance of the Bonds, by way of a loan pursuant to a bond purchase and loan agreement; and

WHEREAS, it is proposed that the Bonds will be secured under the provisions of a Bond Purchase and Loan Agreement (the "*Purchase Agreement*") among the County, the Hospital, and a financial institution as purchaser; will be entitled to the benefit of the Master Trust Indenture dated as of November 1, 1997, between the Hospital and First Union National Bank, as master trustee, to which U.S. Bank National Association is successor master trustee; and are payable solely from the Pledged Revenues (as defined in the Purchase Agreement) received by the Hospital;

NOW, THEREFORE, BE IT RESOLVED, by the State Budget and Control Board of South Carolina, as follows:

Section 1. The Board has made such review of the matters set forth in the Petition as it deems appropriate, and on the basis of such review it is hereby found, determined and declared:

(a) The Petition filed by the County contains all matters required by law and the rules of this Board to be set forth therein, and that in consequence thereof the jurisdiction of this Board has been properly invoked under and pursuant to the Act;

(b) The Hospital Facilities (as defined in the Act), including the Project, which are the subject of the Petition of the County Board, are intended to promote the purposes of the Act and it is reasonably anticipated to effect such result; and

Section 2. In consequence of the foregoing, the proposal of the County to issue the Bonds in the aggregate amount of not exceeding \$21,000,000 for the purpose of paying the cost of undertaking the Project and paying costs of issuing the Bonds, be and the same is hereby in all respects approved.

Section 3. Notice of the action taken by this Board in approving the above-described undertaking of the County shall be published in a newspaper having general circulation in the County.

Section 4. The Notice, required in Section 3 above to be published, shall be in substantially the form set forth in *Exhibit "A"* of this Resolution.

Section 5. This Resolution shall take effect immediately.

NOTICE PURSUANT TO THE PROVISIONS OF
SECTION 44-7-1590, CODE OF LAWS OF SOUTH
CAROLINA 1976, AS AMENDED

Notice is hereby given pursuant to the provisions and requirements of Title 44, Chapter 7, Article 11, Code of Laws of South Carolina 1976, as amended (the "Act"), that the State Budget and Control Board of South Carolina, pursuant to Petition filed by the County Council of Beaufort County, South Carolina (the "County"), has given its approval to the following undertaking by the County:

The issuance by the County of its Hospital Revenue Bonds (Beaufort Memorial Hospital) Series 2014, in the aggregate principal amount of not exceeding \$21,000,000 (the "Bonds"), for the purpose of (i) acquiring the Beaufort Medical Plaza, an existing 61,175 square foot medical office building located on the Hospital's main campus in Beaufort, South Carolina, (ii) acquiring of a 13,628 square foot outpatient surgery center located near the Hospital's campus, (iii) acquiring certain hospital equipment, (iv) reimbursement for certain capital expenditures related to the above capital improvements (collectively, the "Project"); and (v) paying certain costs of issuing the Bonds, by way of a loan pursuant to a bond purchase and loan agreement.

Notice is further given that any interested party may, within twenty (20) days after the date of the publication of this notice, but not afterwards, challenge the validity of the action taken by the State Budget and Control Board, the County Council of the County, or the Department of Health and Environmental Control of South Carolina, by action *de novo* instituted in the Court of Common Pleas for Beaufort County, South Carolina.

STATE BUDGET AND CONTROL BOARD

By: Delbert H. Singleton, Jr., Secretary

Dated: October 14, 2014

STATE BUDGET AND CONTROL BOARD RESOLUTION
DILLON COUNTY, SOUTH CAROLINA
SPECIAL SOURCE REVENUE BONDS

A RESOLUTION APPROVING THE ISSUANCE BY DILLON COUNTY, SOUTH CAROLINA, OF SPECIAL SOURCE REVENUE BONDS, IN ONE OR MORE SERIES, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$900,000 PURSUANT TO THE PROVISIONS OF TITLE 4, CHAPTER 29, SOUTH CAROLINA CODE OF LAWS 1976, AS AMENDED.

WHEREAS, the County Council of Dillon County, South Carolina (the "County Council"), has, by submitting a petition (the "Petition") under and pursuant to the provisions of Title 4, Chapter 29, South Carolina Code of Laws 1976, as amended (the "Code"), specifically Section 4-29-140 thereof, requested the approval by the State Budget and Control Board of the issuance by Dillon County, South Carolina (the "County"), pursuant to Section 4-1-175 and Section 4-29-68 of the Code, of special source revenue bonds, in one or more series, in the aggregate principal amount of not exceeding \$900,000 (the "Bonds"); and

WHEREAS, the County has entered into, and may continue to enter into, certain agreements with various partner counties for the development of joint county industrial and business parks (collectively, the "Parks") pursuant to Section 13 of Article VIII of the Constitution of the State of South Carolina and Section 4-1-170 of the Code in order to implement the public purposes enumerated therein; and

WHEREAS, the County proposes to issue the Bonds for the purpose of defraying a portion of the costs of the following projects in order to enhance the continued economic development of the County: (a) acquiring, designing, constructing and improving water and wastewater infrastructure; and (b) acquiring, designing, constructing and improving such other infrastructure necessary for the continued economic development of the County as permitted by the Code (collectively, the "Projects"), and costs of issuance of the Bond; and

WHEREAS, the Bonds will be payable from and secured by a portion of the payments in lieu of taxes received and retained by the County attributable to properties located within the Parks pursuant to Section 13 of Article VIII of the Constitution of the State of South Carolina and Section 4-1-170 of the Code (the "Park Revenues"); and

WHEREAS, the County has submitted a certified copy of a Resolution adopted by the County Council on September 18, 2014, and a Petition of the County dated September 18, 2014, making application to the State Budget and Control Board for approval of the issuance of the Bonds and the Petition. This Board has reviewed and considered each of such documents in its consideration of the Petition by the County;

NOW, THEREFORE, BE IT RESOLVED, by the State Budget and Control Board of the State of South Carolina (the "Board"), as follows:

1. Acceptance of Petition. The Board has made such review of the matters set forth in the Petition as it deems appropriate, and on the basis of such review it is hereby found, determined and declared:

a. The Petition filed by the County Council contains all matters required by law and the rules of this Board to be set forth therein, and that in consequence thereof the jurisdiction of this Board has been properly invoked under and pursuant to Section 4-29-140 of the Code; and

b. The Projects which are the subject of the Petition of the County Council are intended to promote the purposes of Section 4-29-68 of the Code and are reasonably anticipated to effect such result.

2. Approval of Proposal. In consequence of the foregoing, the proposal of the County to undertake the Projects, and to finance a portion of the costs thereof and expenses incidental thereto by the execution and delivery of the Bonds in one or more series in an aggregate principal amount of not exceeding \$900,000, secured by a pledge of a portion of the Park Revenues paid on behalf of properties located within the Parks, be and the same is hereby in all respects approved. This approval shall not be affected by any changes in the details of the proposal of the County so long as such changes do not impose a pecuniary liability upon the County or its general credit or taxing power.

3. Notice of Board's Action. Notice of the action taken by this Board in approving the above described undertaking of the County shall be published in the Dillon Herald, which is a newspaper having general circulation in the County.

4. Form of Notice. The Notice, required in Section 3 above to be published, shall be in substantially the form set forth in Exhibit A of this Resolution.

5. Adoption of Resolution. This Resolution shall take effect immediately.

Adopted: October 14, 2014.

EXHIBIT A

NOTICE PURSUANT TO THE PROVISIONS OF TITLE 4, CHAPTER 29, SOUTH CAROLINA CODE OF LAWS 1976, AS AMENDED

Notice is hereby given pursuant to the provisions and requirements of Title 4, Chapter 29, South Carolina Code of Laws 1976, as amended, specifically Section 4-29-140 thereof (the "Act"), that the State Budget and Control Board of South Carolina, pursuant to a Petition dated September 18, 2014, filed by the County Council of Dillon County, South Carolina, has given on October 14, 2014, its approval to the following undertaking by Dillon County, South Carolina:

The issuance by Dillon County of special source revenue bonds, in one or more series, in the aggregate principal amount of not exceeding \$900,000 (the "Bonds"), to defray a portion of the costs of the following projects in order to enhance the continued economic development of the County: (a) acquiring, designing, constructing and improving water and wastewater infrastructure; and (b) acquiring, designing, constructing and improving such other infrastructure necessary for the continued economic development of the County as permitted by the Code (collectively, the "Projects"), and costs of issuance of the Bonds. A portion of the payments in lieu of taxes (the "Park Revenues") from properties located within certain joint county industrial and business parks (collectively, the "Parks") established pursuant to Section 13 of Article VIII of the Constitution of the State of South Carolina and Section 4-1-170 of the Code will be dedicated to pay the principal and interest on the Bonds. The Bonds will be payable by Dillon County solely and exclusively out certain Park Revenues received and retained by the County for the properties located within the Parks.

Notice is further given that any interested party may, within 20 days after the date of the publication of this notice but not afterwards, challenge the validity of the State Budget and Control Board's approval of the Projects, and the issuance of the Bonds by Dillon County to finance the Projects, by action de novo instituted in the Court of Common Pleas for Dillon County, South Carolina.

STATE BUDGET AND CONTROL BOARD

A RESOLUTION APPROVING THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY THROUGH PUBLIC OR PRIVATE SALE OF NOT EXCEEDING \$36,000,000 AGGREGATE PRINCIPAL AMOUNT EDUCATIONAL FACILITIES REVENUE AND REFUNDING BONDS (ANDERSON UNIVERSITY PROJECT), IN ONE OR MORE SERIES, PURSUANT TO THE PROVISIONS OF SECTION 41-43-110 OF SOUTH CAROLINA CODE ANNOTATED, TITLE 11, CHAPTER 43 (1976), AS AMENDED.

WHEREAS, the South Carolina Jobs-Economic Development Authority (the "*Authority*") has heretofore under and pursuant to the provisions of Section 41-43-110 of South Carolina Code Annotated, Title 41, Chapter 43 (1976), as amended (the "*Act*"), requested approval by the State Budget and Control Board (the "*Board*") of the issuance by the Authority pursuant to the Act of its Educational Facilities Revenue and Refunding Bonds (Anderson University Project), in one or more series, in the aggregate principal amount of not exceeding \$36,000,000 (the "*Bonds*"), through private sale which the Authority has determined to be most advantageous; and

WHEREAS, the Authority represents to the Board that the Bonds will be sold by the Authority through private sale acceptable to the Authority;

NOW, THEREFORE, BE IT RESOLVED, by the State Budget and Control Board of the State of South Carolina, as follows:

Section 1. It is hereby found, determined and declared by the Board that the Petition filed by the Authority contains all matters required by law and the rules of this Board to be set forth therein, and that in consequence thereof the jurisdiction of this Board has been properly invoked under and pursuant to Section 41-43-110 of the Act.

Section 2. In consequence of the foregoing, the proposal of the Authority to issue the Bonds through private sale be and the same is hereby in all respects approved.

Section 3. This Resolution shall take effect immediately.

Memorandum

To: Delbert Singleton, South Carolina Budget & Control Board
From: Tripp Robinson, First Tryon Advisors
Date: September 25, 2014
Re: Anderson University / Budget and Control Board Refinancing Summary

Anderson University is preparing to issue approximately \$30 to \$35 million in bonds for the purpose of financing two new capital projects and refunding existing debt. One of the portions of debt that will be refinanced is a Series 2004 variable rate demand bond that has an embedded interest rate swap at a fixed interest rate of 4.13% through maturity in 2025. Currently the bond is supported by a Bank of America letter of credit facility and the outstanding principal balance is approximately \$8.5 million.

Anderson University requested financing proposals from various banks and determined that Toronto Dominion Bank has proposed the most favorable terms with regard to cost, length of commitment, and covenant flexibility. As such, TD Bank will replace Bank of America and become the new credit provider for Anderson for the entire amount of the financing. The security that Bank of America holds for the bond is cross-collateralized with the interest rate swap. Thus, once the bonds are refinanced by TD, the swap no longer has sufficient collateral and security for Bank of America to continue to hold and is subject to an automatic termination event.

Due to the current rate environment, the interest rate swap has a negative mark to market value of about \$1.2 million against Anderson University.

In lieu of making this large cash payment to settle the swap, TD bank has offered to novate (or assume) the swap from Bank of America so that it can continue through maturity. However, in order for TD Bank to become the new swap counterparty for Anderson, it has to account for the negative valuation on its books and is entitled to earn a fair return on capital for providing the service and assuming counterparty risk. The sum of the negative market valuation and the return of capital will increase the fixed interest rate on the swap by 54 basis points (0.54%) – from 4.13% to 4.67%. This is a better outcome for Anderson to pay this higher rate over the next 11 years on an amortizing basis than to pay an immediate payment of \$1.2 million. Thus, the swap novation creates negative net present value savings against the 2004 bond refunding of approximately \$91,000.

Summary of Refinancing Proposal for

ANDERSON UNIVERSITY

PRELIMINARY – SUBJECT TO CHANGE

September 23, 2014

Outstanding bonds proposed to be refinanced	\$13,335,000 original principal amount Educational Facilities Authority For Private Nonprofit Institutions of Higher Learning Educational Facilities Refunding and Improvement Revenue Bonds (Anderson College Project), Series 2004A, currently outstanding in the principal amount of \$8,480,000	
Average interest rate of bonds refinanced	5.28% (4.13 + 1.05 + 0.10)	
Projected average interest rate of refinancing bonds	5.44% (4.67 + 0.77+ 0.00)	
True interest cost of refinancing bonds	5.44%	
Projected net present value savings (net of costs)	-91,320	
Projected net present value savings as a percentage of the bonds refinanced	-1.08%	
Estimated costs (costs as a percentage of refinancing bonds, costs as a percentage of refinancing savings)	Costs as a % of refinancing bonds	Costs as a % of refinancing savings
Underwriting	0.00%	0.00%
Legal fees – bond, disclosure and general counsel	0.28%	-26.3%
Rating agency fees	0.00%	0.00%
Advisory fees	0.18%	-16.4%
Bond trustee/registrar	0.00%	0.00%
Accounting and verification	0.00%	0.00%
Credit enhancement/bond insurance	0.00%	0.00%
Bank, appraisal, surveys, contingency, etc.	0.16%	-15.3%
Total	0.62%	-58%

Prepared by Charlie Shoemaker, First Tryon Advisors

Date September 23, 2014

C.

A RESOLUTION APPROVING THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY THROUGH PRIVATE SALE OF NOT EXCEEDING \$16,500,000 AGGREGATE PRINCIPAL AMOUNT ECONOMIC DEVELOPMENT REVENUE BONDS (CAREALLIANCE HEALTH SERVICES D/B/A ROPER ST. FRANCIS HEALTHCARE) PURSUANT TO THE PROVISIONS OF SECTION 41-43-110 OF SOUTH CAROLINA CODE OF LAWS 1976, AS AMENDED.

WHEREAS, the South Carolina Jobs-Economic Development Authority (the "**Authority**") has heretofore under and pursuant to the provisions of Section 41-43-110 of South Carolina Code Annotated, Title 41, Chapter 43 (1976), as amended (the "**Act**"), requested approval by the State Budget and Control Board of the issuance by the Authority pursuant to the Act of its Economic Development Revenue Bonds or Notes (CareAlliance Health Services D/B/A Roper St. Francis Healthcare) in the aggregate principal amount of not exceeding \$16,500,000 (the "**Bonds**") through private sale, which the Authority has determined to be most advantageous; and

WHEREAS, the Authority represents to the State Budget and Control Board that the Bonds will be sold by the Authority through a negotiated private sale to a financial institution;

NOW, THEREFORE, BE IT RESOLVED, by the State Budget and Control Board of the State of South Carolina, as follows:

Section 1. It is hereby found, determined and declared by the Board that the Petition filed by the Authority contains all matters required by law and the rules of this Board to be set forth therein, and that in consequence thereof the jurisdiction of this Board has been properly invoked under and pursuant to Section 41-43-110 of the Act.

Section 2. In consequence of the foregoing, the proposal of the Authority to issue the Bonds through private sale be and the same is hereby in all respects approved.

Section 3. The series designations of each series of the Bonds shall reflect the year of issuance of such series of the Bonds.

Section 4. This Resolution shall take effect immediately.

A RESOLUTION APPROVING THE ISSUANCE OF REVENUE NOTES BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY OF NOT EXCEEDING \$20,000,000, PURSUANT TO THE PROVISIONS OF SECTION 41-43-110 OF SOUTH CAROLINA CODE ANNOTATED, TITLE 41, CHAPTER 43 (1976), AS AMENDED

WHEREAS, the South Carolina Jobs-Economic Development Authority (the "*Authority*") has heretofore under and pursuant to the provisions of Section 41-43-110 of South Carolina Code Annotated, Title 41, Chapter 43 (1976), as amended (the "*Act*"), requested approval by the State Budget and Control Board to issue revenue notes in an amount not exceeding \$20,000,000 (the "*Notes*") to a lender as the Authority may determine to be most advantageous; and

WHEREAS, the Authority represents to the Budget and Control Board of the State of South Carolina that the Notes will be issued in a manner acceptable to the Authority.

NOW, THEREFORE, BE IT RESOLVED, by the Budget and Control Board of the State of South Carolina, as follows:

Section 1. It is hereby found, determined and declared by the Board that: the Petition filed by the Authority contains all matters required by law and the rules of this Board to be set forth therein, and that in consequence thereof the jurisdiction of this Board has been properly invoked under and pursuant to Section 41-43-110 of the Act.

Section 2. In consequence of the foregoing, the proposal of the Authority to issue the Notes and the same is hereby in all respects approved.

Section 3. This Resolution shall take effect immediately.

**NOTICE OF APPROVAL
PURSUANT TO SECTION 4-29-140,
CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED**

Notice is hereby given that following the filing of a Petition by the South Carolina Jobs-Economic Development Authority ("Authority") to the State Budget and Control Board of South Carolina ("State Board"), approval has been given by the State Board to the following undertaking ("Undertaking") (including changes in any details of the said financing as finally consummated which do not materially affect the Undertaking), viz.:

The proposed Undertaking will be used by Conway Hospital, Inc., to defray the costs of certain medical equipment, including information technology. To finance the Undertaking, the Authority will issue its revenue notes in an amount not exceeding \$20,000,000 ("Notes") pursuant to Title 41, Chapter 43, Section 110, Code of Laws of South Carolina 1976, as amended ("Act"). The Notes will a limited obligation secured solely by a specified stream of revenues and shall not constitute indebtedness of the Authority or the State of South Carolina ("State").

The Notes will be consummated pursuant to the Act and an Inducement Resolution and Agreement adopted by the Authority on or about September 17, 2014, and shall not be (i) secured by, or in any way entitled to, a pledge of the full faith, credit, or taxing power of the Authority or the State, (ii) an indebtedness of the Authority or the State within the meaning of any state constitutional provision or statutory limitation but are payable solely from a special source that does not include revenues from any tax or license, (iii) a pecuniary liability of the Authority or State or (iv) a charge against the general credit or taxing power of the Authority or the State.

Notice is further given that any interested party may at any time within twenty (20) days after the date of publication of this Notice, but not afterwards, challenge the validity of the action of the State Board in approving the undertaking of the Authority by action *de novo* instituted in the Court of Common Pleas for Horry County.

THE STATE BUDGET AND CONTROL
BOARD OF SOUTH CAROLINA

By: Delbert H. Singleton, Jr.
Its: Secretary

A RESOLUTION APPROVING THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY OF NOT EXCEEDING \$21,000,000 AGGREGATE PRINCIPAL AMOUNT REFUNDING REVENUE BONDS (CITY OF MYRTLE BEACH PROJECT) SERIES 2014, PURSUANT TO THE PROVISIONS OF SECTION 41-43-110, CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED.

WHEREAS, the South Carolina Jobs-Economic Development Authority (the "Authority") has heretofore under and pursuant to the provisions of Section 41-43-110 Code of Laws of South Carolina 1976, as amended (the "Act"), requested approval by the State Budget and Control Board of the issuance by the Authority pursuant to the Act of its Refunding Revenue Bonds (City of Myrtle Beach Project), Series 2014, in the aggregate principal amount of not exceeding \$21,000,000 (the "Bonds"); and

WHEREAS, the Authority represents to the State Budget and Control Board that the Bonds will be sold through private sale, for public reoffering thereafter, which the Authority has determined to be most advantageous.

NOW, THEREFORE, BE IT RESOLVED, by the State Budget and Control Board of the State of South Carolina, as follows:

Section 1. It is hereby found, determined and declared by the Board that the Petition filed by the Authority contains all matters required by law and the rules of this Board to be set forth therein, and that in consequence thereof the jurisdiction of this Board has been properly invoked under and pursuant to Section 41-43-110 of the Act.

Section 2. In consequence of the foregoing, the proposal of the Authority to issue the Bonds through private sale, for public reoffering thereafter, be and the same is hereby in all respects approved.

Section 3. This Resolution shall take effect immediately.

Summary of Refinancing Proposal for
City of Myrtle Beach

PRELIMINARY – SUBJECT TO CHANGE

October 14, 2014 Board Meeting

Outstanding bonds proposed to be refinanced	\$23,500,000 original principal amount South Carolina Jobs-Economic Development Authority Subordinate Revenue Bonds (Myrtle Beach Convention Center Hotel Project), 2001 Series B (\$19,285,000 aggregate principal outstanding at 10/01/14)
Average interest rate of bonds refinanced	5.24%
Projected average interest rate of refinancing bonds	3.79%
True interest cost of refinancing bonds	3.79%
Projected net present value savings (net of costs)	\$2,400,000
Projected net present value savings as a percentage of the bonds refinanced	12.5%
Estimated costs (costs as a percentage of refinancing bonds, costs as a percentage of refinancing savings)	
Underwriting	0.5% / 3.75%
Legal fees – bond, disclosure and general counsel	1.0% / 8.3%
Rating agency fees	0.1% / 0.88%
Advisory fees	N/A
Bond trustee/registrar	0.02% / 0.20%
Accounting and verification	0.02% / 0.20%
Credit enhancement/bond insurance	N/A
Publication, printing, contingencies and all other expenses	0.02% / 0.20%
Total	1.7% / 13.5%

Prepared by: Wells Fargo Bank, National Association
Date: September 22, 2014

A RESOLUTION APPROVING THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY THROUGH A LIMITED PUBLIC OFFERING OF NOT EXCEEDING \$42,000,000 AGGREGATE PRINCIPAL AMOUNT ECONOMIC DEVELOPMENT REVENUE BONDS (OLDE YORK SQUARE SENIOR LIVING, LLC PROJECT), PURSUANT TO THE PROVISIONS OF TITLE 41, CHAPTER 43 OF SOUTH CAROLINA CODE (1976), AS AMENDED, AND SPECIFICALLY SECTION 41-41-110 THEREOF.

WHEREAS, the South Carolina Jobs-Economic Development Authority (the "Authority") has heretofore under and pursuant to the provisions of Title 41, Chapter 43 of South Carolina Code (1976), as amended, and specifically Section 41-43-100 thereof, (the "Act") requested approval by the State Budget and Control Board of the issuance by the Authority pursuant to the Act of its Economic Development Revenue Bonds (Olde York Square Senior Living, LLC Project), from time to time in one or more series in the aggregate principal amount of not exceeding \$42,000,000 (the "Bonds") through a limited public offering to qualified institutional buyers and/or accredited investors, which the Authority has determined to be most advantageous; and

WHEREAS, the Authority represents to the State Budget and Control Board that the Bonds will be limited obligations of the Authority payable solely from loan repayments received by the Authority from Olde York Square Senior Living, LLC, a for-profit South Carolina limited liability company, and that the Bonds will be sold through a placement agent or underwriter acceptable to the Authority pursuant to a limited public offering to qualified institutional buyers and/or accredited investors.

NOW, THEREFORE, BE IT RESOLVED, by the State Budget and Control Board of the State of South Carolina, as follows:

Section 1. It is hereby found, determined and declared by the Board that: the Petition filed by the Authority contains all matters required by law and the rules of this Board to be set forth therein, and that in consequence thereof the jurisdiction of this Board has been properly invoked under and pursuant to Section 41-43-110 of the Act.

Section 2. In consequence of the foregoing, the proposal of the Authority to issue the Bonds through a limited public offering as described hereinabove, be and the same is hereby in all respects approved, including changes in the details of said financing which do not materially affect the undertaking of the Authority.

Section 3. This Resolution shall take effect immediately.

G.

April C. Lucas
Member
Admitted in SC

September 26, 2014

Delbert Singleton, Jr.,
Assistant Executive Director and Secretary
South Carolina Budget & Control Board
Post Office Box 12444
Columbia, SC 29211

Re: Not Exceeding \$42,000,000 Aggregate Principal Amount South Carolina
Jobs-Economic Development Authority Economic Development Revenue
Bonds (Olde York Square Senior Living, LLC Project)

Dear Delbert:

As requested for bond transactions, I am writing to provide you with an executive summary of the above-referenced bond transaction. This summary is being delivered simultaneously with our transmittal package for placing this bond issue on the agenda for the Board's October 14 meeting.

Charleston
Charlotte

Columbia
Greensboro
Greenville
Hilton Head
Myrtle Beach
Raleigh

Issuer: South Carolina Jobs-Economic Development Authority ("JEDA").

Authority: Authority for issuance of bonds by JEDA and approval by the State Budget and Control Board (the "Board") is found at Title 41, Chapter 43, Code of Laws of South Carolina, 1976, as amended (the "State Code"), particularly §41-43-110 thereof.

All or a portion of the interest on Bonds is expected to be excludable from gross income for federal tax purposes pursuant to §103(a), §141 and §142(a)(7) of Internal Revenue Code of 1986, as amended (the "IRC").

Authority for allocation of State Ceiling for Private Activity Bonds is found at §146 of the IRC; §§1-11-500 *et seq.* of the State Code and §19.103 of Board Regulations. Authority to carry forward such allocation is found at §1-11-550(A) and §1-

G.

11-560(A) of the State Code and §19-103.08 of Board Regulations.

Repayment

Source:

Payments by Borrower under Loan Agreement between JEDA and Borrower.

Borrower:

The Borrower is Olde York Square Senior Living, LLC, a for-profit, South Carolina limited liability company formed for the purpose of developing, owning and operating the Project. The sole current member of the Borrower is CDS Development Co., LLC ("CDS"), a York, South Carolina based developer that has developed over 3,000 lots/residential units in North Carolina, South Carolina, and Pennsylvania since 1981. CDS is wholly owned by Christopher D. Sinz and Myra P. Strickland. The Project will be located at 1314 W. Alexander Love Highway, York, South Carolina 29745.

Principal Contact:

Christopher D. Sinz and/or Myra P. Strickland, owners of Olde York Square

Purpose:

The Bonds will be issued to fund the acquisition, construction and equipping of a facility to be located in the Town of York, within York County, South Carolina, to be used for a senior residential healthcare complex, including a senior living facility with memory unites, multi-family units and assisted living cottages (the "Project") which will be owned and operated by the Borrower.

Bond

Placement:

It is anticipated that the Borrower will arrange for a limited public offering of the Bonds with Stern Brothers, as the placement agent or underwriter, for sale or resale to qualified institutional buyers and accredited investors. Bonds may be issued from time to time in one or more series.

Delbert Singleton, Jr.
South Carolina Budget and Control Board
September 26, 2014
Page 3

Allocation from
2014 State Ceiling
For Private
Activity Bonds
And Approval of
Carry-forward:

JEDA and the Borrower are requesting that the Board approve an allocation of the State Ceiling for Private Activity Bonds for 2014 as well as the carry-forward of such allocation for up to three years beyond 2014.

Delbert, as we discussed over the telephone, we are still in the early planning stages for this transaction. Ordinarily, we would wait until final sizing and completion of the tax analysis and placement arrangements to request approval and ceiling allocation by the Board. However, the parties would like to work toward closing this year if possible and approval by the Board in October would facilitate the process. Also, it is our understanding that there is very little demand for the substantial amounts of volume cap remaining for calendar year 2014 and that most of such volume cap will be lost to businesses within the State if not allocated at this time to projects which are eligible for a carry-forward allocation.

Under these circumstances, we hereby request Board approval for the issuance of the Bonds through a limited public offering, allocation of the State Ceiling for Private Activity Bonds for 2014 and designation of the allocation for carry-forward beyond 2014. If you have any questions, please do not hesitate to call.

Best regards,


April C. Lucas

ACL/ssc

cc: Harry Huntley
A. Daniel Young
Myra Strickland
Chris Sinz
F. Richard Harmon, Jr.

A RESOLUTION APPROVING THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY THROUGH PRIVATE SALE OF NOT EXCEEDING \$20,000,000 AGGREGATE PRINCIPAL AMOUNT HOSPITAL REFUNDING REVENUE BONDS (PALMETTO HEALTH) IN ONE OR MORE SERIES, PURSUANT TO THE PROVISIONS OF SECTION 41-43-110, CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED.

WHEREAS, the South Carolina Jobs-Economic Development Authority (the "Authority") has heretofore under and pursuant to the provisions Section 41-43-110 Code of Laws of South Carolina 1976, as amended (the "Act"), requested approval by the State Budget and Control Board of the issuance by the Authority pursuant to the Act of its Hospital Refunding and Improvement Revenue Bonds (Palmetto Health), in one or more series, in the aggregate principal amount of not exceeding \$20,000,000 (the "Bonds") through private sale which the Authority has determined to be most advantageous; and

WHEREAS, the Authority represents to the State Budget and Control Board that the Bonds will be sold through a private sale acceptable to the Authority; and

NOW THEREFORE, BE IT RESOLVED, by the State Budget and Control Board (the "Board") of the State of South Carolina, as follows:

SECTION 1. It is hereby found, determined and declared by the Board that: the Petition filed by the Authority contains all matters required by law and the rules of this Board to be set forth therein, and that in consequence thereof the jurisdiction of this Board has been properly invoked under and pursuant to Section 41-43-110 of the Act.

SECTION 2. In consequence of the foregoing, the proposal of the Authority to issue the Bonds through private sale, for public reoffering thereafter, be and the same is hereby in all respects approved.

SECTION 3. This Resolution shall take effect immediately.

Summary of Refinancing Proposal for

Palmetto Health

PRELIMINARY – SUBJECT TO CHANGE

September 19, 2014

Outstanding bonds proposed to be refinanced	the \$18,085,000 South Carolina Jobs-Economic Development Authority Hospital Refunding and Improvement Revenue Bonds (Palmetto Health), Series 2009 maturing August 1, 2036
Average interest rate of bonds refinanced	5.75%
Projected average interest rate of refinancing bonds	3.50%
True interest cost of refinancing bonds	3.51%
Projected net present value savings (net of costs)	\$5,941,707
Projected net present value savings as a percentage of the bonds refinanced	32.85%
Estimated costs (costs as a percentage of refinancing bonds, costs as a percentage of refinancing savings)	\$250,000 1.36% of refinancing bonds 4.21% of PV savings
Underwriting	\$100,000
Legal fees – bond, disclosure and general counsel	\$110,000
Rating agency fees	\$0
Advisory fees	\$30,000
Bond trustee/registrar	\$3,000
Accounting and verification	\$0
Credit enhancement/bond insurance	\$0
Publication, printing, contingencies and all other expenses	\$7,000
Total	

Prepared by Ponder & Co.

Date September 19, 2014

EXECUTIVE SUMMARY

TO: Paul Koch, Esq.
State Budget and Control Board

FROM: David J. Kates
Chapman and Cutler LLP, Bond Counsel

DATE: September 19, 2014

RE: \$20,000,000 South Carolina Jobs-Economic Development Authority
Hospital Refunding and Improvement Revenue Bonds (Palmetto Health)

Pursuant to Title 41, Chapter 43, Code of Laws of South Carolina 1976, as amended (the “Act”), the South Carolina Jobs-Economic Development Authority (the “Authority” or the “Issuer”) has the power to issue bonds through public or private sale in order to provide funds for any program authorized by the Act and to secure payment of such bonds. The Bonds are not an obligation of the Authority nor do they constitute an indebtedness of the Authority or the State of South Carolina but are payable solely from a revenue producing source and secured by a pledge of said revenues. The Act requires that the following language must be stated on the face of each Bond:

THIS BOND AND THE INTEREST THEREON ARE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE REVENUES AND RECEIPTS DERIVED BY THE ISSUER PURSUANT TO THE AGREEMENT AND FROM PAYMENTS ON THE BORROWER NOTE, WHICH REVENUES AND RECEIPTS HAVE BEEN PLEDGED AND ASSIGNED TO SECURE PAYMENT THEREOF, WHICH OBLIGATIONS CONSTITUTE AN INDEBTENESS PAYABLE ONLY FROM A REVENUE-PRODUCING PROJECT OR SPECIAL SOURCE WITHIN THE MEANING OF ARTICLE X, SECTION 13(9) OF THE CONSTITUTION OF THE STATE OF SOUTH CAROLINA, WHICH SOURCE DOES NOT INCLUDE REVENUES FROM ANY TAX OR LICENSE. THIS BOND AND THE INTEREST HEREON DO NOT AND SHALL NEVER CONSTITUTE A GENERAL OBLIGATION OR INDEBTENESS OF THE ISSUER OR OF THE STATE OF SOUTH CAROLINA WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL PROVISION OR STATUTORY LIMITATION AND DO NOT AND SHALL NEVER CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE ISSUER OR THE STATE OF SOUTH CAROLINA OR A CHARGE AGAINST THE GENERAL CREDIT OF THE ISSUER OR THE STATE OF SOUTH CAROLINA OR AGAINST THE TAXING POWER OF THE STATE OF SOUTH CAROLINA. THE ISSUER DOES NOT HAVE TAXING POWER.

The Bonds, which may be issued in one or more series, will be issued by the Authority for the following purposes:

1. Refund a portion of the \$126,895,000 original principal amount South Carolina Jobs-Economic Development Authority Hospital Refunding and Improvement Revenue Bonds (Palmetto Health), Series 2009, specifically the Bond maturing August 1, 2036 in the aggregate principal amount of

Chapman and Cutler LLP

Paul Koch, Esquire
September 19, 2014
Page 2

\$18,085,000 (the "Refunded Bonds") previously issued by the Authority to finance or refinance assets of Palmetto Health (the "Corporation") located in Richland County (the "County").

The proceeds of the Refunded Bonds were used to (i) finance or refinance the costs of the acquisition of land, buildings or other improvements thereon, machinery, equipment, office furnishings and other depreciable assets, constituting hospital facilities located in the County and (ii) pay certain related expenses.

2. Fund debt service reserve funds if necessary or advisable.
3. Pay fees and expenses of issuing the Bonds and refunding the Refunded Bonds.

Items 1 through 3 are referred to collectively as the "*Undertaking*."

Approval Information

On September 17, 2014, the Authority adopted a resolution (the "*Resolution*") authorizing an inducement agreement between the Authority and the Corporation for the issuance of not exceeding \$20,000,000 South Carolina Jobs-Economic Development Authority Hospital Refunding Revenue Bonds (Palmetto Health) for the above Undertaking.

The State Budget and Control Board is being asked to place this matter on its agenda for approval at the October 14, 2014 meeting of the Board.

A RESOLUTION APPROVING THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY THROUGH A NEGOTIATED PRIVATE SALE OF NOT EXCEEDING \$70,000,000 AGGREGATE PRINCIPAL AMOUNT SOLID WASTE DISPOSAL REVENUE BONDS (REPOWER SOUTH PROJECT), PURSUANT TO THE PROVISIONS OF TITLE 41, CHAPTER 43 OF THE SOUTH CAROLINA CODE OF LAWS 1976, AS AMENDED, AND SPECIFICALLY SECTION 41-43-110 THEREOF.

WHEREAS, the South Carolina Jobs-Economic Development Authority (the "Authority") has heretofore under and pursuant to the provisions of Title 41, Chapter 43 of the South Carolina Code of Laws 1976, as amended, and specifically Section 41-43-110 thereof, (the "Act") requested approval by the State Budget and Control Board of the issuance by the Authority pursuant to the Act of its Solid Waste Disposal Revenue Bonds (Repower South Project), from time to time in one or more series in the aggregate principal amount of not exceeding \$70,000,000 (the "Bonds") through a negotiated private sale, which the Authority has determined to be most advantageous; and

WHEREAS, the Authority represents to the State Budget and Control Board that the Bonds will be limited obligations of the Authority payable solely from loan repayments received by the Authority from Repower South, LLC, a limited liability company organized and existing under the laws of the State of South Carolina, or a subsidiary/affiliate thereof or related person thereto, and that a financial institution acceptable to the Authority shall purchase the Bonds in a negotiated private sale or sales for public or private reoffering thereafter.

NOW, THEREFORE, BE IT RESOLVED, by the State Budget and Control Board of the State of South Carolina (the "Board"), as follows:

Section 1. It is hereby found, determined and declared by the Board that: the Petition filed by the Authority contains all matters required by law and the rules of the Board to be set forth therein, and that in consequence thereof the jurisdiction of the Board has been properly invoked under and pursuant to Section 41-43-110 of the Act.

Section 2. In consequence of the foregoing, the proposal of the Authority to issue the Bonds through a negotiated private sale or sales, be and the same is hereby in all respects approved, including changes in the details of said financing which do not materially affect the undertaking of the Authority.

Section 3. This Resolution shall take effect immediately.

Alan M. Lipsitz
Member
Admitted in SC

September 22, 2014

Delbert Singleton, Jr.,
Assistant Executive Director and Secretary
South Carolina Budget & Control Board
Post Office Box 12444
Columbia, SC 29211

Re: Not Exceeding \$70,000,000 Aggregate Principal Amount South Carolina Jobs-Economic Development Authority Solid Waste Disposal Revenue Bonds (Repower South Project)

Dear Delbert:

As requested for bond transactions, I am writing to provide you with an executive summary of the above-referenced bond transaction. This summary is being delivered simultaneously with our transmittal package for placing this bond issue on the agenda for the Board's October 14 meeting.

Charleston
Charlotte

Columbia
Greensboro

Greenville
Hilton Head
Myrtle Beach
Raleigh

Issuer: South Carolina Jobs-Economic Development Authority ("JEDA").

Authority: Authority for issuance of bonds by JEDA and approval by the State Budget and Control Board (the "Board") is found at Title 41, Chapter 43, Code of Laws of South Carolina, 1976, as amended (the "State Code"), particularly §41-43-110 thereof.

All or a portion of the interest on Bonds is expected to be excludable from gross income for federal tax purposes pursuant to §103(a), §141 and §142(a)(6) of Internal Revenue Code of 1986, as amended (the "IRC"), which pertains to solid waste disposal facilities bonds.

Authority for allocation of State Ceiling for Private Activity Bonds is found at §146 of the IRC; §§1-11-500 *et seq.* of the State Code and §19.103 of Board Regulations. Authority to carry forward such allocation is found at §1-11-550(A) and §1-

I.

11-560(A) of the State Code and §19-103.08 of Board Regulations.

Repayment

Source:

Payments by Borrower under Loan Agreement between JEDA and Borrower.

Borrower:

Repower South, LLC, a South Carolina limited liability company (or other special purpose entity to be formed to own and operate the Project being financed with the proceeds of the Bonds). The Project will be located at the Berkeley County Water & Sanitation Landfill, 2277 Highway 52, Moncks Corner, South Carolina 29461. One or more affiliated companies may own a portion of the project assets and/or become a co-borrower.

Principal Contact:

Brian Gilhuly, Chief Operating Officer

Purpose:

The Bonds will be issued to fund solid waste disposal facilities to be located in Berkeley County, South Carolina which will be owned and operated by the Borrower. The Borrower will process municipal solid waste using a proprietary multi material processing platform technology which segregates municipal solid waste normally destined for landfills into three categories for recycling: (i) familiar "blue bin" high value recyclable materials such as bottles, cans, paper and plastics; (ii) "nonrecoverable" fibers and polymers for recycling as renewable fuel feedstock; and (iii) recoverable organics (yard waste and food waste) for composting or processing into energy. This system enables communities to divert 80% or more of its waste from landfill. The Borrower also will transform non-recyclable fibers and polymers segregated from municipal solid waste into a renewable fuel specifically engineered as a coal substitute in power generation.

Bond

Placement:

It is anticipated that the Borrower will arrange for a financial institution to purchase the Bonds pursuant to a negotiated private sale for public or private reoffering thereafter. Bonds may be issued from time to time in one or more series.

Delbert Singleton, Jr.,
South Carolina Budget and Control Board
September 22, 2014
Page 3

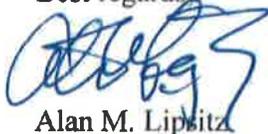
Allocation from
2014 State Ceiling
For Private
Activity Bonds
And Approval of
Carry-forward:

JEDA and the Borrower are requesting that the Board approve an allocation of the State Ceiling for Private Activity Bonds for 2014 as well as the carry-forward of such allocation for up to three years beyond 2014.

Delbert, as we discussed over the telephone, we are still in the early planning stages for this transaction. Ordinarily, we would wait until final sizing and completion of the tax analysis and placement arrangements to request approval and ceiling allocation by the Board. However, it is our understanding that there is very little demand for the substantial amounts of volume cap remaining for calendar year 2014 and that most of such volume cap will be lost to businesses within the State if not allocated at this time to projects which are eligible for a carry-forward allocation.

Under these circumstances, we hereby request Board approval for the issuance of the Bonds at a negotiated private sale, allocation of the State Ceiling for Private Activity Bonds for 2014 and designation of the allocation for carry-forward beyond 2014. If you have any questions, please do not hesitate to call.

Best regards,



Alan M. Lipsitz

AML/ssc

cc: Harry Huntley
A. Daniel Young
Brian Gilhuly
F. Richard Harmon, Jr.

A RESOLUTION APPROVING THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY THROUGH A NEGOTIATED PRIVATE SALE OF NOT EXCEEDING \$15,000,000 AGGREGATE PRINCIPAL AMOUNT QUALIFIED ENERGY CONSERVATION BONDS, PURSUANT TO THE PROVISIONS OF SECTION 41-43-110 OF SOUTH CAROLINA CODE ANNOTATED, TITLE 41, CHAPTER 43 (1976), AS AMENDED.

WHEREAS, the South Carolina Jobs-Economic Development Authority (the "Authority") has heretofore under and pursuant to the provisions of Section 41-43-110 of South Carolina Code Annotated, Title 41, Chapter 43 (1976), as amended, (the "Act") requested approval by the State Budget and Control Board of the issuance by the Authority pursuant to the Act of its Qualified Energy Conservation Bonds, in the aggregate principal amount of not exceeding \$15,000,000 (the "Bonds") through a negotiated private sale, which the Authority has determined to be most advantageous; and

WHEREAS, the Authority represents to the State Budget and Control Board that the Bonds will be limited obligations of the Authority payable solely from loan repayments received by the Authority from South Carolina SAVES, Inc., a South Carolina non-profit corporation, an affiliate of Abundant Power Group, LLC, a North Carolina limited liability company, and created for purposes of the project to be undertaken with the proceeds of the Bonds (collectively with any affiliate thereof, the "Borrower"); and that a financial institution or other entity or purchaser acceptable to the Authority shall either purchase the Bonds or provide credit enhancement with respect to the Bonds in which event the Bonds would be sold at a negotiated private sale for private re-offering thereafter; provided, however, that the Bonds may be remarketed at a later date without such credit enhancement if the Authority receives, inter alia, evidence satisfactory to it that the Bonds will continue to be rated as investment grade or better by a nationally recognized securities rating group.

NOW, THEREFORE, BE IT RESOLVED, by the State Budget and Control Board of the State of South Carolina, as follows:

Section 1. It is hereby found, determined and declared by the Board that the Petition filed by the Authority contains all matters required by law and the rules of this Board to be set forth therein, and that in consequence thereof the jurisdiction of this Board has been properly invoked under and pursuant to Section 41-43-110 of the Act.

Section 2. In consequence of the foregoing, the proposal of the Authority to issue the Bonds through a negotiated private sale, be and the same is hereby in all respects approved, including changes in the details of said financing which do not materially affect the undertaking of the Authority.

Section 3. This Resolution shall take effect immediately.

Project Overview: The South Carolina SAVES Green Community Program

South Carolina SAVES, Inc., a South Carolina non-profit corporation (“SCS”), an affiliate of Abundant Power Group, LLC (“APG”)(SCS and APG collectively “Abundant”) propose to issue the Qualified Energy Conservation Bonds (the “Bond”) as a conduit issuance through the South Carolina Jobs-Economic Development Authority (“JEDA”) for use in the South Carolina SAVES Green Community Program (the “Project” or “SC SAVES Program” or “Program”). JEDA filed an original application in 2013 to receive an initial allocation of \$10,000,000 for the SC SAVES Program, which application was granted (the “Initial Allocation”). This application is in follow up to provide continued funding for the Program to meet demand based on a pipeline of projects that have been developed and immediate need for additional funding. Specifically, the application is being submitted for the reallocation to be used in association with the construction of a net zero K-12 School in Bamberg County Denmark-Olar School District which requires the subsidy associated with the entire amount of the reallocation to offset the interest cost of financing and make the project viable.

The Authority’s Findings Relating to the Project

South Carolina SAVES, Inc. (“SCS”) and Abundant Power Group, LLC (“Abundant”) have entered into an Inducement Agreement with the South-Carolina Jobs-Economic Development Authority (the “Authority”) for the Authority to issue not exceeding \$15,000,000 aggregate principal amount of its Qualified Energy Conservation Bonds (the “Bonds”) on a private placement basis in one or more series to further fund a “green community program” - the South Carolina SAVES Green Community Loan Program (the “Project” or “SC SAVES Program” or “Program”). The Project has been established as a qualified conservation purpose pursuant to Sec 54D(f)(1)(A)(ii) of the Internal Revenue Code to provide loans for acquiring, developing, constructing, installing and equipping energy efficiency, energy conservation, renewable energy and environmental conservation improvements, and related infrastructure, including any necessary rehabilitation, within the territory of any county or municipality within the State. To date, the Program received the Initial Allocation and has closed one transaction for \$2 million, leaving \$8 million available but has generated a pipeline of over \$100 million in potential improvements, of which over \$20 million are in active discussions and another \$17 million are targeted for closing by the end of 2014; thus the need for additional funding for the Program and the purpose of this application. Attached to this Project Overview as Appendix A is a summary pipeline of the potential improvement opportunities that have been originated by the Program for funding.

The Authority has determined that (i) the Project constitutes a green community program because it promotes Statewide policies regarding energy efficiency and conservation and environmental conservation in furtherance of the policies set forth in the South Carolina Energy Efficiency Act, codified at Title 48, Chapter 52 of the South Carolina Code; (ii) Abundant, as the borrower and administrator of the Project,, is a responsible party engaged in the business of providing for the implementation of green community programs by making energy efficiency, renewable energy and environmental conservation loans for qualified conservation purposes such as those to be funded by the Project and therefore is an “industry” as defined in Section 4-29-10(6) of the South Carolina Code; and (iii) it is anticipated that the Project will benefit the economy of the State by inducing investment and the creation of jobs in the State.

Description of the Program

The SC SAVES Program uses proceeds from the Bonds to make low interest loans for the financing of energy efficiency and conservation projects sponsored by governmental, institutional and select commercial/industrial entities in municipalities and counties located within South Carolina. The SC SAVES Program is funded through the private placement of the Bonds in one or more series of issuances, with each tranche to specifically fund identified loans/leases and ultimate borrowers as they are originated and underwritten through the Program.

The Program generates loans of between \$500,000 and \$5 million in size (with larger amounts in the Program administrator’s discretion) in the form of amortizing senior debt or capital leases with durations of up to 10 years or whatever duration is permissible under applicable law. As described in the Program schematic below, the loans/leases are between SC SAVES, as the conduit borrower, and the ultimate borrowers. The loans/leases have effective interest rates to the borrow set to cover the Bonds costs of capital and program administration costs, with such interest rates projected to be 0.0% to 2.0% for governmental loans and 2.0% to 3.0% for non-governmental loans, depending upon the credit quality of the ultimate borrower and the capital markets at the time of issuance. Accordingly, funding under the Program and its repayment are dependent on the credit worthiness of the ultimate borrower and are not reliant on, or an encumbrance to, the credit of the State of South Carolina or the Authority.

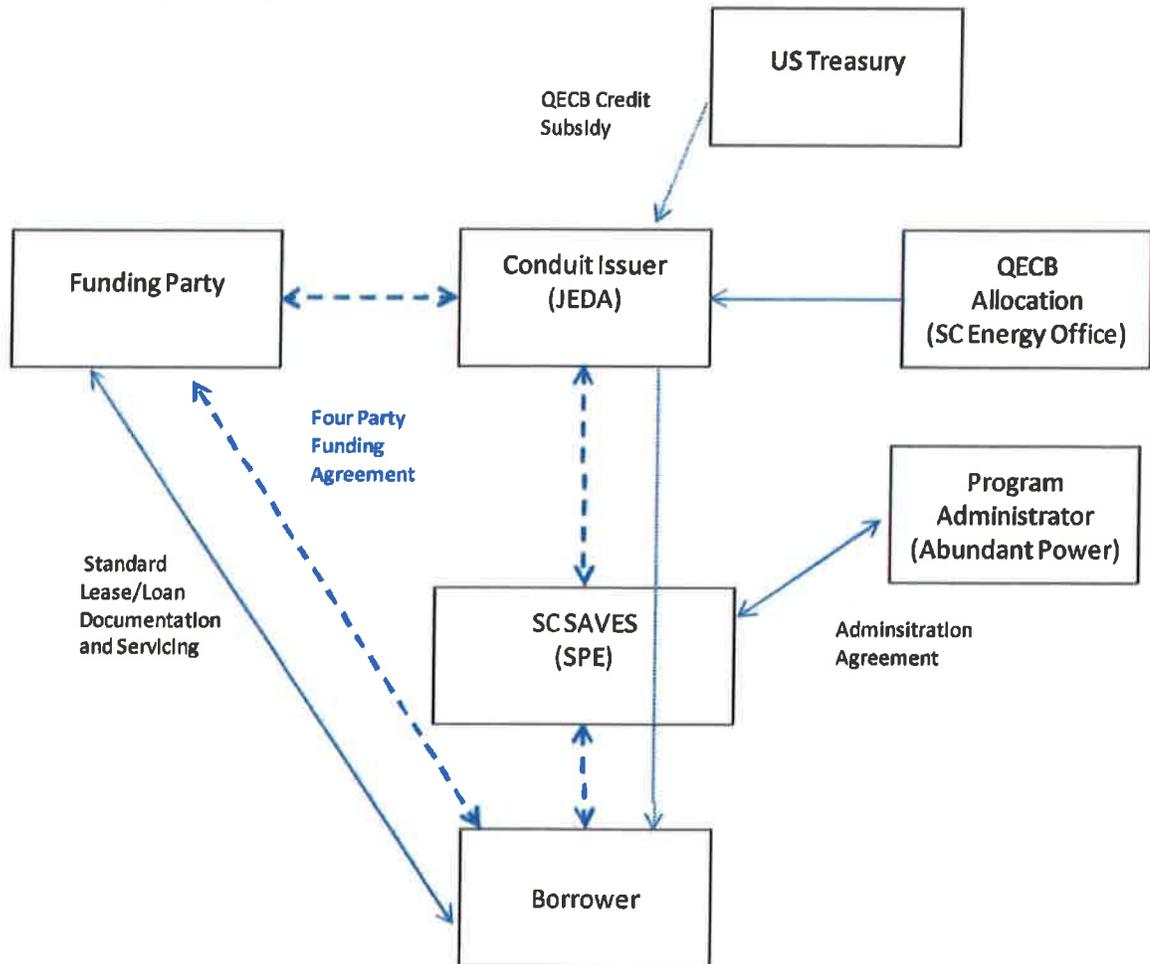
Eligible borrowers include governmental, institutional and commercial/industrial borrowers with sufficient credit to support the bond underwriting.

Eligible improvements include projects satisfying applicable law, including energy efficiency measures, with a payback of 10 years or less (longer within the Administrator's discretion) using proven commercial technologies with strong vendor warranties, such as: lighting and control upgrades, HVAC maintenance/replacement, chiller/boiler upfits, insulation, retro-commissioning and select distributed renewables generation, as well as alternative fuel conversions of facilities or fleets from diesel or gasoline to propane or natural gas and associated refueling infrastructure.

The Program will work with contractors with demonstrated experience in energy efficiency and conservation contracting. Depending on the project, the Program may require an acceptable form of Energy Performance Contracting Agreement, Energy Performance Savings Guarantee or Third-Party Energy Savings Warranty on certain Eligible Improvements.

The Program Structure

**SC SAVES ENERGY EFFICIENCY LOAN FUND
Interest Rate Subsidy Funding Structure**



Abundant serves in the role of administrator of the SC SAVES Program. As administrator, Abundant assumes responsibility for the design and set up of the Program, establishment of origination channels and eligible projects, project qualification, underwriting the energy savings for eligible improvements, the credit underwriting of ultimate borrowers, and the documentation, closing and on-going servicing of loans/leases issued by the Program. Abundant receive a program fee from the proceeds of the Bonds issuance and an on-going servicing fee based on the amount of principal outstanding under the Program.

Jobs Expected to be Created

The American Council for an Energy Efficient Economy estimates that each \$1 million expended on energy efficiency results in 20 additional jobs and that each \$1 million in savings from reduced energy consumption when recycled in the local economy produces another 17 additional jobs.

Based on these metrics, the SC SAVES Program would expect the full deployment of the \$15M reallocation sought to be issued through this application would result in:

- 300 direct jobs from the capital invested (20 jobs/\$1M invested x \$15M)
- 38 indirect jobs based on the expected energy savings of 22,500 MWhs annually, which at average retail price of \$0.10/kWh, equates to \$2.25M in annual savings (17 jobs/\$1M savings x \$2.25M)(for the expected energy savings see below)

The types of jobs to be created include design, engineering, construction, service and management associated with the implementation and on-going management of the Qualified Projects funded through the SC SAVES Program. Compensation to the workers for these jobs will be both wages and salaried. Wages paid for the implementation of the Qualified Projects will be in compliance with the Davis Bacon wage act requirements.

Savings Expected to be Generated

Based on its experience in managing other SAVES programs, Abundant would estimate annual energy savings of 1,500 MWh's per \$1 million in capital expended, dependent on the type of energy efficiency or conservation measure being deployed. Thus, investing the full \$15 million available through the reallocation sought to be issued could generate projected annual energy savings of upwards of 22,500 MWh's.

About Abundant Power and Clean Source Capital

Abundant Power Group, LLC based in Charlotte, NC, is an energy management services company providing financial and technology solutions for the built environment ecosystem. Abundant brings expertise in finance, engineering, building science, technology and real estate to each of its programs. For more information on Abundant, please visit www.abundantpower.com.

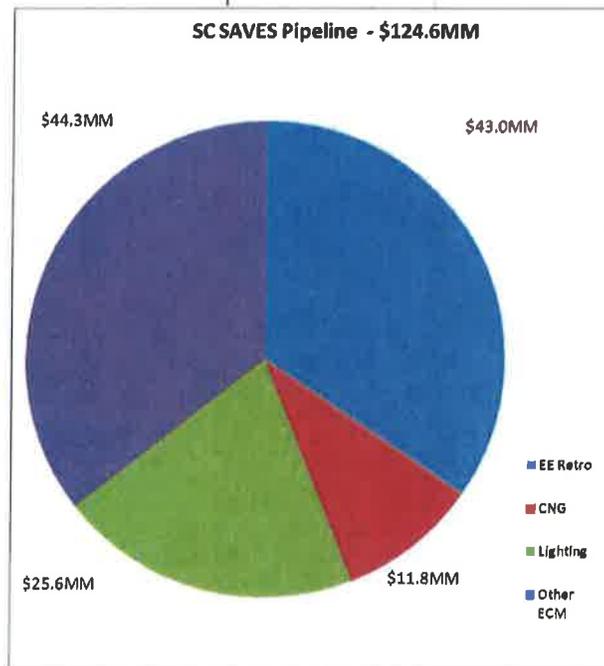
CleanSource Capital, LLC, also based in Charlotte, NC, is an affiliate formed by Abundant Power to administer and grow its SAVES platform using QECCBs as well as provide specialty finance solutions and advisory services in the energy efficiency industry.

SAVES (Sustainable and Verifiable Energy Savings) is Abundant's proprietary, core energy financing platform for designing and administering energy efficiency financing programs. Abundant can leverage its existing SAVES credit and financial underwriting standards, origination and loan servicing standards, energy underwriting protocols and energy measurement and verification processes, and documentation in designing and establishing the SC SAVES Program and then providing the on-going administration.

Appendix A

Summary Pipeline for the South Carolina SAVES Green Community Program

South Carolina SAVES Green Community Program - Summary Pipeline				CONFIDENTIAL			
Sponsor	Entity	Project	Size	EE Retro	CNG	Lighting	Other ECM
Underwriting							
School District	Governmental	Lighting retrofit	\$ 2,000			\$ 2,000	
Developer	Private	Net Zero School	\$ 15,000				\$ 15,000
Active Discussions							
County Govnt	Governmental	EE retrofits	\$ 3,000	\$ 3,000			
School District	Governmental	Lighting retrofit	\$ 2,000			\$ 2,000	
School District	Governmental	Lighting retrofit	\$ 4,000			\$ 4,000	
City Govnt	Governmental	Lighting retrofit	\$ 750			\$ 750	
Industrial	Private	Lighting retrofit	\$ 800			\$ 800	
Industrial	Private	EE retrofits	\$ 800	\$ 800			
Industrial	Private	Lighting retrofit	\$ 8,000			\$ 8,000	
Developer	Private	CNG Fueling Station	\$ 500		\$ 500		
Developer	Private	Solar PV System	\$ 3,300				\$ 3,300
Pending							
School District	Governmental	Lighting retrofit	\$ 1,000			\$ 1,000	
Grocery Chain	Private	Lighting retrofit	\$ 2,000			\$ 2,000	
Institutional	Non-Profit	EE retrofits	\$ 3,000	\$ 3,000			
Developer	Private	CNG Fueling Station	\$ 1,000		\$ 1,000		
School District	Governmental	EE retrofits	\$ 2,100	\$ 2,100			
Utility	Private	Solar PV System	\$ 18,000				\$ 18,000
Commercial	Private	Lighting retrofit	\$ 2,000			\$ 2,000	
City Govnt	Governmental	CNG Conversion	\$ 1,000		\$ 1,000		
Commercial	Private	EE retrofits	\$ 2,000	\$ 2,000			
Industrial	Private	LFG System	\$ 5,000				\$ 5,000
Industrial	Private	CNG Fueling Station	\$ 1,000		\$ 1,000		
Public Housing	Governmental	EE retrofits	\$ 2,000	\$ 2,000			
Agriculture	Private	EE retrofits	\$ 1,000	\$ 1,000			
Industrial	Private	CNG Conversion	\$ 3,250		\$ 3,250		
Industrial	Private	EE retrofits	\$ 10,000	\$ 10,000			
City Govnt	Governmental	CNG Conversion	\$ 1,000		\$ 1,000		
Industrial	Private	EE retrofits	\$ 1,100	\$ 1,100			
School District	Governmental	EE retrofits	\$ 2,000	\$ 2,000			
County Govnt	Governmental	EE retrofits	\$ 5,000	\$ 5,000			
Industrial	Private	CNG Conversion	\$ 3,000		\$ 3,000		
Commercial	Private	EE retrofits	\$ 2,000	\$ 2,000			
County Govnt	Governmental	EE retrofits	\$ 2,000	\$ 2,000			
County Govnt	Governmental	EE retrofits	\$ 2,000	\$ 2,000			
Institutional	Non-Profit	EE retrofits	\$ 1,000	\$ 1,000			
Institutional	Non-Profit	EE retrofits	\$ 1,000	\$ 1,000			
Industrial	Private	EE retrofits	\$ 1,000	\$ 1,000			
Utility	C&I	EE retrofits	\$ 2,000	\$ 2,000			
Industrial	Private	Lighting retrofit	\$ 2,000			\$ 2,000	
County Govnt	Governmental	Other QCM	\$ 3,000				\$ 3,000
Commercial	Private	Lighting retrofit	\$ 1,000			\$ 1,000	
Transportation	Private	CNG Conversion	\$ 1,000		\$ 1,000		
Total			\$ 124,600	\$ 43,000	\$ 11,750	\$ 25,550	\$ 44,300



A RESOLUTION APPROVING THE ISSUANCE BY THE CITADEL, THE MILITARY COLLEGE OF SOUTH CAROLINA OF NOT EXCEEDING \$1,050,000 AGGREGATE PRINCIPAL AMOUNT ATHLETIC FACILITIES REFUNDING REVENUE BONDS, PURSUANT TO THE PROVISIONS OF TITLE 59, CHAPTER 121 OF THE CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED.

WHEREAS, the Board of Visitors as the governing entity of The Citadel, the Military College of South Carolina ("The Citadel"), an institution of higher learning of the State of South Carolina and an agency thereof, has been authorized to issue bonds pursuant to Title 59, Chapter 121 of the Code of Law of South Carolina 1976, as amended, in order to raise monies for "athletic facilities" for The Citadel and to pledge for the payment of such bonds; and

WHEREAS, the Board of Visitors of The Citadel has previously made general provision for the issuance of athletic facilities revenue bonds of The Citadel through the means of a resolution entitled "A Resolution Providing for the Issuance and Sale of Athletic Facilities Revenue Bonds of The Citadel, the Military College of South Carolina, and Other Matters Related Thereto" adopted September 14, 2002 ("the Bond Resolution"); and

WHEREAS, it is provided in and by the Bond Resolution that, upon adoption of a "Series Resolution" there may be issued one or more series of Bonds for the purposes of refunding obligations incurred to expand, improve, construct or acquire Athletic Facilities (as defined therein) and of obtaining funds for the expansion, improvement, construction or acquisition of additional Athletic Facilities or to reimburse The Citadel for qualifying expenditures made for such purposes; and

WHEREAS, in order to refund athletic facilities revenue bonds of The Citadel which were issued in 2003, and to pay related financing costs and expenses, the Board of Visitors of The Citadel has made provision for the issuance of athletic facilities refunding revenue bonds of The Citadel in the principal amount of not exceeding \$1,050,000 through the means of a resolution entitled "A Resolution Providing for the Issuance and Sale of A Series of Athletic Facilities Refunding Revenue Bonds of The Citadel, the Military College of South Carolina in the Aggregate Principal Amount of Not Exceeding One Million Fifty Thousand Dollars (\$1,050,000) and Other Matters Related Thereto" adopted September 27, 2014 (the "Series Resolution"); and

WHEREAS, The Citadel under and pursuant to the provisions of Title 59, Chapter 121 of the Code of Laws of South Carolina, 1976, as amended (the "Act") has petitioned the State Budget and Control Board for its approval of the issuance by The Citadel pursuant to the Act of its Athletic Facilities Refunding Revenue Bonds, in the aggregate principal amount of not exceeding \$1,050,000 (the "Bonds"), secured by a pledge of certain Special Student Fees and certain other Additional Revenue, all as provided in the Bond Resolution, through a private sale; and

NOW, THEREFORE, BE IT RESOLVED, by the State Budget and Control Board of the State of South Carolina, as follows:

K.

Section 1. It is hereby found, determined and declared by the Board that the Petition submitted by The Citadel contains all matters required by law and the rules of this Board to be set forth therein, and that in consequence thereof the jurisdiction of this Board has been properly invoked under and pursuant to Section 59-121-340 of the Act.

Section 2. As described herein, the proposal of The Citadel to issue the Bonds through a private sale is hereby approved.

Section 3. After due consideration, approval is hereby given to (i) the issuance of not exceeding \$1,050,000 of Athletic Facilities Refunding Revenue Bonds of The Citadel in order to raise money for the purposes set forth herein, such Bonds to be in such principal amounts, shall be sold, be dated, mature, bear interest, and be subject to redemption in such manner as the State Treasurer shall approve; and (ii) the taking by the State Treasurer of such further action and the granting of approval by the State Treasurer of such further action by The Citadel as shall not be inconsistent with the foregoing provisions of this Resolution and as may be necessary to consummate the sale of the Bonds.

Section 4. This Resolution shall take effect immediately.

K.

Summary of Refinancing Proposal for
The Citadel

Outstanding bonds proposed to be refinanced	Approximately \$1,038,000 Athletic Facilities Refunding Revenue Bond, Series 2003 of The Citadel, the Military College of South Carolina
Interest rate of bonds refinanced	4.19%
Interest rate of refinancing bonds	1.74%
Projected net present value savings (net of costs)	\$29,120
Projected net present value savings as a percentage of the bonds refinanced	2.81%
Estimated costs (costs as a percentage of refinancing bonds, costs as a percentage of refinancing savings)	1.81% 38.6%
Underwriting	0
Legal fees	\$18,750
Rating agency fees	0
Advisory fees	0
Bond trustee/registrar	0
Accounting and verification	0
Credit enhancement/bond insurance	0
Publication, printing, contingencies and all other expenses	0
Total	\$18,750

Prepared by: Jeremy L. Cook, Haynsworth Sinkler Boyd, P.A. and Jay Puchir, The Citadel
Date: September 24, 2014

K.

THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

A RESOLUTION

APPROVING THE ISSUANCE BY THE SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY OF SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY MORTGAGE REVENUE BONDS, SERIES 2014A (TAX-EXEMPT AND/OR TAXABLE) OR SUCH OTHER NUMBERING CONVENTION AS MAY BE NECESSARY

WHEREAS, pursuant to Chapter 13, Title 31, Code of Laws of South Carolina, 1976, as amended, (the "Act"), upon the approval of the State Budget and Control Board of South Carolina (the "State Board"), the South Carolina State Housing Finance and Development Authority (the "Authority") is empowered to issue bonds, the principal proceeds of which will be applied to providing sanitary and safe residential housing for persons and families of low income and moderate-to-low income at prices which such persons can afford and/or to refund any such bonds of the Authority; and

WHEREAS, the Authority heretofore on September 13, 1994, adopted a General Resolution for the issuance of South Carolina State Housing Authority Mortgage Revenue Bonds to provide money for mortgage loans to the beneficiary classes and/or to refund any such bonds of the Authority and afterwards issued multiple series of its bonds pursuant to said General Resolution (the "General Resolution"); and

WHEREAS, in light of additional demand for mortgage loans, the Authority proposes to make provision for the issuance of additional Authority Mortgage Revenue Bonds in one or more series, which may include long-term tax-exempt bonds and/or long-term taxable bonds not requiring additional State Ceiling (the "Series 2014A Bonds") or such other numbering convention as may be necessary, in an aggregate amount not to exceed \$100,000,000, with the final amount to be determined on the basis of the apparent demand for mortgage loans to be made directly (or indirectly through mortgage backed securities) with the proceeds of the Series 2014A Bonds and when a determination of the appropriate amount of bonds of the Authority for refunding can be made; and

WHEREAS, it is anticipated that the Series 2014A Bonds will be sold to underwriters (the "Underwriters") headed by Citigroup Global Markets Inc. bearing interest at competitive rates; and

WHEREAS, such sale shall be made pursuant to a purchase contract between the Authority and the Underwriters (the "Purchase Contract"); and

WHEREAS, the State Board has given due consideration to the proposed undertaking of the Authority and wishes to give approval to the issuance and sale of the Series 2014A Bonds, subject to the conditions set forth herein.

NOW, THEREFORE BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

Section 1. Subject to the conditions set forth herein, approval is hereby granted by the State Board to the issuance and sale by the Authority of not exceeding \$100,000,000 South Carolina State Housing Finance and Development Authority Mortgage Revenue Bonds, Series 2014A or such other numbering convention as may be necessary.

The Series 2014A Bonds shall be secured by the General Resolution and shall be further secured by, and subject to such terms and conditions as shall be set forth in, a supplemental resolution or resolutions which shall hereafter be adopted by the Authority.

Section 2. The approval is granted provided that the Authority shall submit to the State Board all information required to be submitted to it pursuant to Section 31-13-220 of the Act such as the following:

- (a) the purpose and the principal amount of the Series 2014A Bonds to be issued;
- (b) the maturity schedule of the Series 2014A Bonds to be issued;
- (c) a schedule showing the annual debt service requirements of all outstanding bonds of the Authority;
- (d) a schedule showing the amount and source of revenues available for the payment of debt service on said bonds of the Authority; and
- (e) the method to be employed in selling the Series 2014A Bonds

Section 3. The approval is granted subject to the following conditions:

- (a) The Authority shall submit to the State Board all information required to be submitted to it pursuant to Section 31-13-220 of the Act as stated above;
- (b) The State Treasurer shall approve the principal amount of the Series 2014A Bonds and the rate of interest to be borne thereby upon the issuance and delivery thereof;
- (c) The State Treasurer shall approve the form and substance of preliminary and final official statements to be distributed in connection with the sale of the Series 2014A Bonds;
- (d) The State Treasurer shall approve the form and substance of a supplemental resolution or supplemental resolutions setting forth the terms and conditions of the Series 2014A Bonds;
- (e) The State Treasurer shall approve the terms and conditions of the Purchase Contract; and
- (f) The State Treasurer shall approve, upon determination that the funds anticipated to be available for the payment of the Authority's bonds, including the Series 2014A bonds, will be sufficient to provide for the payment of principal and interest thereon.

Section 4. Approval is granted to the undertaking of the Authority to make mortgage loans directly (or indirectly through mortgage backed securities) to members of the beneficiary classes to enable such borrower to acquire single family homes with all available proceeds from the Series 2014A Bonds and/or to refund any such bonds of the Authority.

Summary of Refinancing Proposal for
 South Carolina Housing Finance and Development Authority
 Mortgage Revenue Bonds, Series 2014 A and 2014 B

PRELIMINARY – SUBJECT TO CHANGE

September 16, 2014

Range of Bond Issues:	Taxable Bond Refunding with New Money Tax Exempt Bonds	Tax Exempt Refunding with New Money Tax Exempt Bonds
Final sizing determined by market conditions at time of offering		
Outstanding bonds proposed to be refinanced	Series 2005 A \$27,280,000 maturing 7/1/2036	Same Refunded Bonds
Approximate New Money bonds	\$70,000,000	\$70,000,000
Total Bond Issuance	\$97,280,000	\$97,280,000
Average interest rate of bonds refinanced	4.649%	4.649%
Projected average interest rate of refinancing bonds	3.724%	3.384%
True interest cost of refinancing bonds ^(1.)	3.468%	3.077%
True interest cost of refinancing bonds ^(2.)	3.035%	2.613%
Projected net present value savings (net of costs) ^(2.)	\$1,795,501	\$2,101,271
Projected net present value savings as a percentage of the bonds refinanced ^(2.)	6.58%	7.70%
Estimated costs (costs related to refinancing as a percentage of refinancing bonds)	1.03%	1.03%
Estimated costs (costs related to refinancing as a percentage of refinancing savings) ^(2.)	13.49%	11.76%
Underwriting	\$672,972	\$672,972
Legal fees – bond, disclosure and general counsel (including expenses)	\$175,240	\$175,240
Rating agency fees	\$42,000	\$42,000

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Advisory fees (including expenses)	\$55,000	\$55,000
Cash Flow Structuring fees	\$18,500	\$18,500
Bond trustee/registrar	\$17,147	\$17,147
Accounting and verification	\$0	\$0
Credit enhancement/bond insurance	\$0	\$0
Publication, printing, contingencies and all other expenses	\$14,141	\$14,141
Total Costs of Issuance	<u>\$995,000</u>	<u>\$995,000</u>

Costs Related to Refinancing	\$280,000	\$280,000
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Footnotes:

- 1) The first TIC calculation assumes no mandatory bond redemption, which is not typical for housing bonds.
- 2) Housing bonds differ from general obligation bonds in that they are subject to mandatory redemption at any time from repayments and prepayments of principal received on the underlying mortgage loans. In addition, the proposed bond structures include "Planned Amortization Class" bonds priced to include original issue premium. The so called "PAC" bonds have a higher coupon but a lower expected average yield because they are expected to be redeemed more rapidly resulting in a shorter average life. To adequately measure the yield on housing bonds, it is therefore important to apply a reasonably expected prepayment rate on the underlying mortgage loans. The estimates of yield and net present value provided assume expected mandatory bond redemption resulting from 200% PSA prepayment rate on the pledged mortgage loans.

Prepared by: David Jones & Patrick Johnson
CSG Advisors Incorporated

Date: September 16, 2014

A RESOLUTION

GRANTING APPROVAL TO THE ISSUANCE BY THE SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY OF ITS MULTIFAMILY RENTAL HOUSING REVENUE BONDS (VARIOUS RURAL HOUSING APARTMENT PROJECTS) SERIES 2014

WHEREAS, it is provided by the South Carolina State Housing Finance and Development Authority Act of 1977, as amended (the "Act"), that, upon approval of the State Budget and Control Board (the "Board"), that the South Carolina State Housing Finance and Development Authority (the "Authority") may issue from time to time bonds or notes for the purpose of obtaining funds with which to make (1) construction and/or rehabilitation loans secured by mortgages of housing sponsors; and (2) permanent mortgage loans to housing sponsors who agree to and shall be required to provide construction rehabilitation of residential housing for rental by persons or families of either Beneficiary Class as defined in the Act; however, with respect to any particular issue of notes or bonds one of the following conditions must be met: (a) if there is a public distribution of the notes or bonds, the issue must be rated by one or more of the national rating agencies, and one or more of the following conditions must be met: (i) there must be in effect a Federal program providing assistance in repayment of such loans; (ii) the proceeds must be used to acquire either Federally insured mortgage loans or mortgage loans insured by a private mortgage insurer authorized to do business in the State of South Carolina; (iii) the payment of the notes or bonds to the purchasers and holders of them must be assured by the maintenance of adequate reserves or insurance or a guaranty from a responsible entity which has been determined to be sufficient by the Board; or (b) if the notes or bonds are secured by a mortgage or other security agreement and are offered and sold as a unit with such mortgage or other security agreement in transactions with banks, institutional investors as provided in Section 35-1-202(11)(A) of the Code of Laws of South Carolina, 1976, as amended, the documents pursuant to which the notes or bonds are issued must permit the Authority to avoid any default by it by completing an assignment of, or foregoing its rights with respect to, any collateral or security pledged to secure the notes or bonds; and

WHEREAS, the ownership entities listed on the attached Exhibit A (collectively, the "Sponsors"), have requested the Authority to assist them in an acquisition and rehabilitation of the rural housing developments (collectively, the "Projects") also set forth on Exhibit A; and

WHEREAS, in order to provide funds to acquire and rehabilitate the Projects, the Authority proposes to issue its bonds to be known as South Carolina State Housing Finance and Development Authority Multifamily Rental Housing Revenue Bonds (Various Rural Housing Apartment Projects) Series 2014, in the principal amount of not to exceed \$30,000,000 (the "Series 2014 Bonds"); and

WHEREAS, the Authority has presented to the Board its Petition dated as of September 23, 2014 (the "Petition"), which sets forth certain information with respect to the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD IN MEETING DULY ASSEMBLED:

Section 1. Approval is granted to the undertaking of the Authority as outlined in the Petition, including the exhibits attached thereto.

Section 2. Subject to the conditions set forth in Section 3, approval is hereby granted by the Board to the execution and delivery by the Authority of its South Carolina State Housing Finance and Development Authority Multifamily Rental Housing Revenue Bonds (Various Rural Housing Apartment Projects) Series 2014 in the principal amount not to exceed \$30,000,000.

Section 3. The approval of the Board is hereby conditioned on the following:

(a) The approval of the State Treasurer of the information required by Section 31-13-220 and the form and substance of and such other documents as he deems necessary therefor;

(b) The State Treasurer shall approve the interest rate on the Bonds and grant on behalf of the Board final approval for the issuance of the Bonds;

(c) The State Treasurer shall find and determine that documents submitted by or on behalf of the Authority demonstrate that the funds estimated to be available for the repayment of the Authority's notes and bonds, including the Bonds, will be sufficient to provide for the payment of the principal and interest thereon;

(d) The documents pursuant to which the Bonds are being issued shall provide that all expenses, costs and fees of the Authority in connection with the issuance of the Bonds, including legal fees, printing and all disbursements shall be paid by the Sponsors; and

(e) The final approval by the Governor as the elected official of the State of South Carolina for purposes of Section 142(f) of the Internal Revenue Code of 1986, as amended.

Section 4. This Resolution shall take effect immediately upon its adoption.

**SC13 RD PRESERVATION PORTFOLIO
WWJ - Phase III**

EXHIBIT A

PROPERTY	NEW OWNERSHIP	STREET	CITY	COUNTY	ST	ZIP	UNITS
Briarwood (MPR)	New Briarwood Apartments, LLC	106 Bundy Street	Clio	Marlboro	SC	29525	24
Cottonwood	New Cottonwood Apartments of SC, LLC	61 Cottonwood Circle	Williston	Barnwell	SC	29853	24
Country Ridge (MPR)	New Country Ridge Apartments, LLC	100 Pine Manor Circle	Walhalla	Oconee	SC	29691	32
Hazelwood Manor	New Hazelwood Manor Apartments, LLC	1202 Calhoun St	Johnston	Edgefield	SC	29832	24
Landings, The (MPR)	New Landings Apartments, LLC	4080 North Horseshoe Road	Little River	Horry	SC	29566	24
Laurelwood I & II (C)	New Laurelwood Apartments, LLC	16A Laurelwood Court (Ofc); 1-20 Laurelwood Court; 21-32 Manorwood Court; 33-64 Sunset Court	Winnsboro	Fairfield	SC	29180	64
Logan Lane (MPR)	New Logan Lane Apartments, LLC	544 South Logan Street	Ridgeland	Jasper	SC	29936	36
Manning Lane	New Manning Lane Apartments, LLC	300 East South Street	Manning	Clarendon	SC	29102	42
Marlon Manor	New Marlon Manor Apartments, LLC	131 Hotel St	St Stephen	Berkeley	SC	29479	28
Meadow Park (MPR)	New Meadow Park Apartments, LLC	301 West Dogwood Drive	Mullins	Marion	SC	29574	56
Pineridge	New Pineridge Apartments of SC, LLC	125 Pine Street	Prosperity	Newberry	SC	29127	24
Riverwinds	New Riverwinds Apartments, LLC	1324 Old River Road	Camden	Kershaw	SC	29020	48
Scarlett Oaks	New Scarlett Oaks Apartments, LLC	200 Old Chapln Road	Lexington	Lexington	SC	29072	40
Sharon Lane	New Sharon Lane Apartments, LLC	123 Sharon Lane	St George	Dorchester	SC	29477	12
Stonegate	New Stonegate Apartments, LLC	700 Stonegate Drive	Clover	York	SC	29710	44
Three Oaks (MPR)	New Three Oaks Apartments, LLC	200 Three Oaks Road	Cowpens	Spartanburg	SC	29330	52
Timber Ridge	New Timber Ridge Apartments, LLC	308 Wall Rd	McCormick	McCormick	SC	29835	36
Westchase (MPR)	New Westchase Apartments, LLC	590 Phillips Street	Clinton	Laurens	SC	29325	85
TOTALS >>>>		18					695

**South Carolina State Housing Finance and Development Authority
Multifamily Tax-Exempt Bond Financing Program**

Date: 8/1/2014 Bond Committee Date: 8/13/2014

Tax-Exempt Bond Amount: \$30,000,000
HOME Funds: \$ 964,000
4% Low-Income Housing Tax Credits: \$ 1,685,000

Sponsor (Developer): WWJ, LLC
Bond Counsel: Parker Poe Adams & Bernstein LLP
Offering Type: Public Offering
Underwriter: Merchant Capital LLC
Credit Enhancement: 100% cash collateralization

Project Type: Acquisition and Rehabilitation
Units: 695
Target Population: Family and Older Persons
Transaction Type: USDA/Rural Development pooled portfolio (18 properties)

The 2014 WWJ Portfolio is the third in a series of pooled tax-exempt bond transactions undertaken with funding from SC Housing and the USDA's Rural Development Office in Columbia, SC. The first, in 2006, rehabilitated 803 units in 20 properties. The second, in 2008, rehabilitated 1,547 units in 41 properties. This portfolio represents 695 units in 18 properties in rural areas of the state. This application comes from a highly experienced and capable sponsor/developer with a long and successful record of participation in SC Housing's Low-Income Tax Credit and Tax-Exempt Bond Programs.

All 18 properties in this portfolio will be financed with a combination of Tax-Exempt Bonds and 4% Low Income Housing Tax Credits. Two properties will also utilize HOME funds from SC Housing. All units will be rented to tenants at 60% or less of area median income (AMI). The HOME properties are required to set aside 20% of their units for tenants at or below 50% AMI, with the remaining units at or below 60% AMI.

The portfolio is currently financed with RD 515 loans which will be assumed by the new owner. The portfolio has applied to RD for new financing under the RD 538 Guaranteed Loan Program. SC Housing has completed its initial financial review and underwriting of all 18 properties based on the RD 538 Guaranteed Loan Program. In addition, 17 of the 18 properties have received awards from RD for MPR financing, which may take the form of new RD 515 loans and/or debt deferral. These financing options, if awarded, will reduce debt service costs and strengthen project cash flow.

All of these existing properties are occupied and have low vacancy rates ranging from 0-8%, with an average vacancy of 2%. It is clear there is market demand for the units. The properties receive project-based rental subsidies from Rural Development (RD) on an overall average of 83% of the total units. Nine properties receive assistance for at least

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90% of their units. These properties receive subsidized rents at the level approved by RD and are not vulnerable to market factors, unlike properties without project-based rental assistance. RD will approve the proposed rents on each property. The Columbia, SC Rural Development office has selected the portfolio applications for processing and will award funds pending completion of final underwriting.

Based on our review of the initial applications for site and market, staff recommends approval of the proposed portfolio.

SCSHFDA

2014 RHS Pooled Tax-Exempt Bonds / WWJ, LLC

9/23/2014

Apartment Name	City	County	Cong. Distr.	Type Dev.	Tenant Population	QCT	DDA	Census Tract	Total Units	LI Units
1 Riverwinds	Camden	Kershaw	5	Acquisition/Rehab	Family	Yes	SC	9708	48	48
2 Manning Lane	Manning	Clarendon	6	Acquisition/Rehab	Family	No	SC	9607.01	42	42
3 Sharon Lane	St. George	Dorchester	6	Acquisition/Rehab	Family	Yes	SC	102	12	12
4 Hazelwood Manor	Johnston	Edgefield	3	Acquisition/Rehab	Older Persons	No	SC	9703	24	24
5 Pineridge	Prosperity	Newberry	5	Acquisition/Rehab	Family	No	SC	9506.01	24	24
6 Stonegate	Clover	York	5	Acquisition/Rehab	Family	Yes	SC	618.01	44	44
7 The Landings	Little River	Horry	7	Acquisition/Rehab	Family	No	SC	401.03	24	24
8 Three Oaks	Cowpens	Spartanburg	2	Acquisition/Rehab	Family	No	SC	222.02	52	52
9 Westchase	Clinton	Laurens	3	Acquisition/Rehab	Family	Yes	SC	9206	85	85
10 Scarlett Oaks	Lexington	Lexington	2	Acquisition/Rehab	Older Persons	No	SC	210.28	40	40
11 Cottonwood Apartments	Williston	Barnwell	2	Acquisition/Rehab	Family	No	SC	9701	24	24
12 Briarwood Apartments	Clio	Marlboro	7	Acquisition/Rehab	Older Persons	Yes	SC	9605	24	24
13 Country Ridge	Walhalla	Oconee	3	Acquisition/Rehab	Family	No	SC	304.01	32	32
14 Logan Lane	Ridgeland	Jasper	6	Acquisition/Rehab	Family	Yes	SC	9502	36	36
15 Meadow Park	Mullins	Marion	7	Acquisition/Rehab	Family	Yes	SC	9503	56	56
16 Laurelwood	Winnsboro	Fairfield	5	Acquisition/Rehab	Older Persons	Yes	SC	9604	64	64
17 Marion Manor	St. Stephen	Berkeley	6	Acquisition/Rehab	Older Persons	Yes	SC	202.01	28	28
18 Timber Ridge	McCormick	McCormick	3	Acquisition/Rehab	Family	No	SC	9202	36	36

695 695

AGENCY: Executive Director

SUBJECT: Economic Development (2014 Ceiling Allocations)

The initial balance of the 2014 state ceiling allocation is \$477,483,900. In accord with Code Section 1-11-520, \$190,993,560 (40% of the total) was designated as the state pool and \$286,490,340 (60% of the total) was designated as the local pool. There is presently a state ceiling balance of \$477,483,900 remaining for 2014. Allocation requests for 2014 totaling \$112,000,000 have been received thus far.

Relating to requests for calendar year 2014 ceiling allocations, the Board is asked to authorize shifts as necessary between the state pool and the local pool for the remainder of the calendar year.

The recommendation from the Department of Commerce for allocations for this cycle total \$112,000,000. The Department of Commerce makes the following recommendation:

From the local pool:

JEDA, Olde York Square Senior Living, LLC, (York County) \$42,000,000; and
JEDA, Repower South, LLC, (Berkeley County) \$70,000,000.

If the Board approves the recommended requests, this will leave an unexpended state ceiling balance of \$365,483,900 (state pool - \$190,993,560; local pool - \$174,490,340) to be allocated later in the calendar year.

Additionally, in accord with S.C. Code of Laws Section 1-11-560, JEDA has requested the allocations to Olde York Square Senior Living, LLC, and Repower South, LLC, be designated as carryforward for use in subsequent years. The Olde York Square Senior Living, LLC, project is for a multi-family housing unit and the Repower South, LLC, project is for a solid waste recycling facility and, therefore, qualify for carryforward designation for the next three calendar years.

BOARD ACTION REQUESTED:

1) In accord with Code Section 1-11-500 et seq. and upon the recommendation of the Department of Commerce, grant the following tentative ceiling allocation from the local pool and designate the allocations for carryforward for the next three calendar years, and authorize the filing of a carryforward election with the Internal Revenue Service, if the bonds are not issued on or before December 31, 2014:

JEDA, Olde York Square Senior Living, LLC, (York County) \$42,000,000; and
JEDA, Repower South, LLC, (Berkeley County) \$70,000,000.

2) Authorize shifts as necessary between the state pool and the local pool for the remainder of the calendar year.

ATTACHMENTS:

2014 Ceiling Allocation Requests; Young 9/30/14 Memo; Code Section 1-11-500 et seq.

**2014 South Carolina State Ceiling
Balance remaining as of January 2, 2014, if ceiling allocation granted**

State Pool (40%)	190,993,560
Total State Pool (40%)	<u>190,993,560</u>
Local Pool (60%)	286,490,340
Total Local Pool (60%)	<u>286,490,340</u>
Certified State Ceiling 2014	<u>477,483,900</u>

<u>Date</u>	<u>Governmental Unit</u>	<u>Name of Project</u>	<u>Pool Total</u>	<u>Amount Allocated</u>	<u>Balance Available</u>	<u>Certified for Issue</u>	<u>Issue Date</u>	<u>Attorney</u>
01/02/14	STATE POOL		190,993,560					

TOTAL STATE POOL								
01/02/14	LOCAL POOL		<u>190,993,560</u>	0	<u>190,993,560</u>	0		
10/14/14	JEDA	Olde York Square Senior Living, LLC	286,490,340	42,000,000				
10/14/14	JEDA	Repower South, LLC		70,000,000				

TOTAL LOCAL POOL								
			<u>286,490,340</u>	<u>112,000,000</u>	<u>174,490,340</u>	0		
GRAND TOTAL								
			<u>477,483,900</u>	<u>112,000,000</u>	<u>365,483,900</u>	0		

Summary, CY 2014

2014 South Carolina State Ceiling Allocations

2014 State Ceiling **477,483,900**
 Initial Allocations 112,000,000
 Expired/Relinquished 0
 Actual Allocations **112,000,000**
 Certified for Issue 0
 Carried Forward 0

Balance Available: 365,483,900

Issuer	Name of Project	Allocation Amount	Expired/ Relinquished	Certified for Issue	Issue Date	Attorney
Allocation: 10/14/14 Expiration: 12/31/14						
JEDA	Olde York Square Senior Living, LLC	42,000,000				Lucas
JEDA	Repower South, LLC	70,000,000				Lipsitz

Nikki R. Haley
Governor

SOUTH CAROLINA
DEPARTMENT OF COMMERCE

Robert M. Hitt III
Secretary

MEMORANDUM

To: Delbert Singleton

From: Daniel Young *ADY*

Date: September 30, 2014

Re: Ceiling Allocation

Upon the request of the Budget & Control Board, the South Carolina Department of Commerce evaluates allocation requests that pertain to economic development.

After reviewing the information provided by the Nexsen Pruet law firm The Department of Commerce recommends approval of Economic Development bonds at the October 14, 2014, Budget & Control Board meeting for Repower South, LLC in Berkeley County and Olde York Square Senior Living, LLC. These two companies are creating 370 new jobs and investing more than \$110 million.

Name	Amount	Score	County
Repower South, LLC	\$70,000,000	3	Berkeley County
Olde York Square Senior Living Center	\$42,000,000	8	York County

Please let me know if you have any questions.

Thank you.

ARTICLE 3.

ALLOCATION OF STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS

SECTION 1-11-500. Calculation and certification of state ceiling.

The state ceiling on the issuance of private activity bonds as defined in Section 146 of the Internal Revenue Code of 1986 (the Code) established in the act must be certified annually by the Budget and Control Board secretary based upon the provisions of the act. The board secretary shall make this certification as soon as practicable after the estimates of the population of the State of South Carolina to be used in the calculation are published by the United States Bureau of the Census but in no event later than February first of each calendar year.

SECTION 1-11-510. Allocation of bond limit amounts.

- (A) The private activity bond limit for all issuing authorities must be allocated by the board in response to authorized requests as described in Section 1-11-530 by the issuing authorities.
- (B) The aggregate private activity bond limit amount for all South Carolina issuing authorities is allocated initially to the State for further allocation within the limits prescribed herein.
- (C) Except as is provided in Section 1-11-540, all allocations must be made by the board on a first-come, first-served basis, to be determined by the date and time sequence in which complete authorized requests are received by the board secretary.

SECTION 1-11-520. Private activity bond limits and pools.

- (A) The private activity bond limit for all state government issuing authorities now or hereafter authorized to issue private activity bonds as defined in the act, to be known as the "state government pool", is forty percent of the state ceiling less any amount shifted to the local pool as described in subsection (B) of this section or plus any amount shifted from that pool.
- (B) The private activity bond limit for all issuing authorities other than state government agencies, to be known as the "local pool", is sixty percent of the state ceiling plus any amount shifted from the state government pool or less any amount shifted to that pool.
- (C) The board, with review and comment by the Joint Bond Review Committee, may shift unallocated amounts from one pool to the other at any time.

SECTION 1-11-530. Authorized requests for allocation of bond limit amounts.

- (A) For private activity bonds proposed for issue by other than state government issuing authorities, an authorized request is a request included in a petition to the board that a specific amount of the state ceiling be allocated to the bonds for which the petition is filed. The petition must be accompanied by a copy of the Inducement Contract, Inducement Resolution, or other comparable preliminary approval entered into or adopted by the issuing authority, if any, relating to the bonds. The board shall forward promptly to the committee a copy of each petition received.
- (B) For private activity bonds proposed for issue by any state government issuing authority, an authorized request is a request included in a petition to the board that a specific amount of the state ceiling be allocated to the bonds for which the petition is filed. The petition must be accompanied by a bond resolution or comparable action by the issuing authority authorizing the issuance of the bonds. The board shall forward promptly to the committee a copy of each petition received.
- (C) Each authorized request must demonstrate that the allocation amount requested constitutes all of the private activity bond financing contemplated at the time for the project and any other facilities located at or used as a part of an integrated operation with the project.

SECTION 1-11-540. Limitations on allocations.

(A) The board, with review and comment by the committee, may disapprove, reduce, or defer any authorized request. If it becomes necessary to exercise this authority, the board and the committee shall take into account the public interest in promoting economic growth and job creation.

(B) Authorized requests for state ceiling allocations of more than ten million dollars for a single project are deferred until after July first unless the board, after review and comment by the committee, determines in any particular instance that the positive impact upon the State of approving an allocation of an amount greater than ten million dollars is of such significance that approval of the allocation is warranted.

SECTION 1-11-550. Certificates by issuing authority and by board.

(A) An allocation of the state ceiling approved by the board is made formal initially by a certificate which allocates tentatively a specific amount of the state ceiling to the bonds for which the allocation is requested. This tentative allocation certificate must specify the state ceiling amount allocated, the issuing authority and the project involved, and the time period during which the tentative allocation is valid. This certificate must remind the issuing authority that the tentative allocation is made final after the issuing authority chairman or other duly authorized official or agent of the issuing authority, before the issue is made, certifies the issue amount and the projected date of issue, as is required by subsection (B) of this section. It also may include other information considered relevant by the board secretary.

(B) The chairman or other authorized official or agent of an issuing authority issuing any private activity bond for which a portion of the state ceiling has been allocated tentatively shall execute and deliver to the board secretary an issue amount certificate setting forth the exact amount of bonds to be issued and the projected bond issue date which date must not be more than ten business days after the date of the issue amount certificate and it must be before the state ceiling allocation involved expires. The issue amount certificate may be an executed copy of the appropriate completed Internal Revenue Service form to be submitted to the Internal Revenue Service on the issue or it may be in the form of a letter which certifies the exact amount of bonds to be issued and the projected date of the issue.

(C) In response to the issuing authority's issue amount certificate required by subsection (B) of this section, the board secretary is authorized to issue and, as may be necessary, to revise a certificate making final the ceiling allocation approved previously by the board on a tentative basis, if the secretary determines that:

(1) the issuing authority's issue amount certificate specifies an amount not in excess of the approved tentative ceiling allocation amount;

(2) the issue amount certificate was received prior to the issue date projected and that the certificate is dated not more than ten days prior to the issue date projected;

(3) the issue date projected is within the time period approved previously for the tentative ceiling allocation; and

(4) the bonds when issued and combined with the total amount of bonds requiring a ceiling allocation included in issue amount certificates submitted previously to the board by issuing authorities do not exceed the state ceiling for the calendar year. Except under extraordinary circumstances, the board secretary shall issue this certificate within two business days following the date the issue amount certificate is received.

(D) In accordance with Section 149(e)(2)(F) of the Code, the secretary of the Budget and Control Board is designated as the state official responsible for certifying, if applicable, that certain bonds meet the requirements of Section 146 of the Code relating to the volume cap on private activity bonds.

(E) Any tentative or final state ceiling allocation granted by the board before the effective date of this act remains valid as an allocation of a portion of the volume cap for South Carolina provided under Section 146 of the Code. The allocations expire in accordance with the regulations under which they were granted or extended and their validity may be extended or reinstated in accordance with the provisions of Sections 1-11-500 through 1-11-570.

SECTION 1-11-560. Time limits on allocations.

(A) Any state ceiling allocation approved by the board is valid only for the calendar year in which it is approved, unless eligible and approved for carry-forward election or unless specified differently in the board certificates required by Section 1-11-550.

(B) Unless eligible and approved for carry-forward election or unless specified differently in board certificates required by Section 1-11-550, each state ceiling allocation expires automatically if the bonds for which the allocation is made are not issued within ninety consecutive calendar days from the date the allocation is approved by the board.

(C) In response to a written request by the chairman or other duly authorized official or agent of an issuing authority, the board, acting during the period an approved allocation is valid, may extend the period in which an allocation is valid in a single calendar year by thirty-one consecutive calendar days to a total of not more than one hundred twenty-one consecutive calendar days.

(D) In response to a written request by the chairman or other authorized official or agent of an issuing authority, the board may reinstate for a period of not more than thirty-one consecutive calendar days in any one calendar year part or all of an allocation approved but not extended previously in accordance with subsection (C) of this section in that same calendar year which has expired. The reinstatement request must certify that the authorized request submitted previously is still true and correct or a new authorized request must be submitted.

(E) A tentative ceiling allocation is canceled automatically if the chairman or other authorized official or agent of the issuing authority involved fails to deliver the issue amount certificate required by Section 1-11-550 to the board secretary before the bonds for which the allocation is made are issued.

(F) The chairman or other authorized official or agent of an issuing authority shall advise the board secretary in writing as soon as is practicable after a decision is made not to issue bonds for which a portion of the state ceiling has been allocated. All notices of relinquishment of ceiling allocations must be entered promptly in the board's records by the board secretary.

(G) Ceiling allocations which are eligible and approved for carry-forward election are not subject to the validity limits of this section. The board shall join with the issuing authorities involved in carry-forward election statements to meet the requirements of the Internal Revenue Service.

STATE BUDGET AND CONTROL BOARD
MEETING OF October 14, 2014

REGULAR SESSION
ITEM NUMBER 1

AGENCY: South Carolina State University

SUBJECT: President's Update

Receive an update concerning South Carolina State University.

BOARD ACTION REQUESTED:

Receive as information an update concerning South Carolina State University.

ATTACHMENTS:

AGENCY: Division of General Services

SUBJECT: SC Public Service Commission Lease

The SC Public Service Commission requests approval to continue leasing 18,041 rentable square feet of office space located at 101 Executive Center Drive, Suite100, in Columbia from GPT Properties Trust c/o Reit Management and Research, LLC. Approximately thirty-four (34) employees and seven (7) commissioners utilize the space. The facility also contains a boardroom to accommodate one-hundred and twelve (112) people at a time in auditorium seating, court reporter and witness seating, and podium/seating for seven (7) commissioners, as well as a hearing room to accommodate thirty (30) people.

A solicitation was conducted and four (4) responses were received, of which the selected location represents the lowest bid. The lease term will be ten (10) years beginning September 1, 2015, at a rate of \$11.00 per square foot for the first year, which is a reduction from their current rate of \$16.29 per square foot. The landlord is also providing five (5) months rent free during the first year. Thereafter, basic rent increases two (2) percent annually as shown in the chart below:

<u>INITIAL TERM</u>	<u>PERIOD: FROM - TO</u>	<u>ANNUAL RENT</u>	<u>MONTHLY</u>	<u>RENT</u>
			<u>RENT</u>	<u>PER SF</u>
YEAR 1	09-01-2015 to 01-31-2016	(5 months free rent)	(5 months free rent)	\$11.00
YEAR 1	02-01-2016 to 08-31-2016	\$115,763.06	\$16,537.58	\$11.00
YEAR 2	09-01-2016 to 08-31-2017	\$202,420.08	\$16,868.34	\$11.22
YEAR 3	09-01-2017 to 08-31-2018	\$206,389.08	\$17,199.09	\$11.44
YEAR 4	09-01-2018 to 08-31-2019	\$210,538.44	\$17,544.87	\$11.67
YEAR 5	09-01-2019 to 08-31-2020	\$214,687.92	\$17,890.66	\$11.90
YEAR 6	09-01-2020 to 08-31-2021	\$219,017.76	\$18,251.48	\$12.14
YEAR 7	09-01-2021 to 08-31-2022	\$223,347.60	\$18,612.30	\$12.38
YEAR 8	09-01-2022 to 08-31-2023	\$227,857.80	\$18,988.15	\$12.63
YEAR 9	09-01-2023 to 08-31-2024	\$232,368.12	\$19,364.01	\$12.88
YEAR 10	09-01-2024 to 08-31-2025	\$237,058.80	\$19,754.90	\$13.14
	Total	\$2,089,448.66	Average	\$11.95

All operating expenses are included in the base rent, and the agency will not be responsible for any operating expense escalations. The lease includes free surface parking for employees and visitors. The following table represents comparable gross lease rates of similar business space in the Columbia area:

AGENCY: Division of General Services

SUBJECT: SC Public Service Commission Lease

Agency	SF	Address	Lease Term	Initial Rate/SF	Final Rate/SF
School for the Deaf and Blind	6,323	101 Executive Center Drive	5/1/11-9/30/15	\$12.00	\$12.00
Patients Compensation Fund	2,573	121 Executive Center Drive	7/1/12-6/30/17	\$12.73	\$12.73
Office of the Inspector General	1,786	111 Executive Center Drive	10/1/13-9/30/18	\$13.75	\$13.75
State Board of Technical and Comprehensive Education	23,831	111 Executive Center Drive	7/1/12-6/30/22	\$9.75	\$11.65
Department of Labor, Licensing and Regulation	71,580	110 Centerview Drive	1/1/13-12/31/22	\$9.00	\$10.76

Additionally, there are adequate funds for the lease according to a Budget Approval Form and multi-year plan submitted by the Agency. The lease was approved by JBRC at its October 7, 2014 meeting.

BOARD ACTION REQUESTED:

Approve the proposed 10 year lease for the SC Public Service Commission at 101 Executive Center Drive, Suite 100 in Columbia, South Carolina.

ATTACHMENTS:

Agenda item worksheet; SC Code of Laws Section 1-11-55 and 1-11-56

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

Meeting Scheduled for: October 14, 2014

Regular Agenda

1. Submitted by:

- (a) Agency: Division of General Services
- (b) Authorized Official Signature:



Nolan L. Wiggins, Jr., Director

2. Subject: SC Public Service Commission Lease

3. Summary Background Information:

The SC Public Service Commission requests approval to continue leasing 18,041 rentable square feet of office space located at 101 Executive Center Drive, Suite 100, in Columbia from GPT Properties Trust c/o Reit Management and Research, LLC. Approximately thirty-four (34) employees and seven (7) commissioners utilize the space. The facility also contains a boardroom to accommodate one-hundred and twelve (112) people at a time in auditorium seating, court reporter and witness seating, and podium/seating for seven (7) commissioners, as well as a hearing room to accommodate thirty (30) people.

A solicitation was conducted and four (4) responses were received, of which the selected location represents the lowest bid. The lease term will be ten (10) years beginning September 1, 2015, at a rate of \$11.00 per square foot for the first year, which is a reduction from their current rate of \$16.29 per square foot. The landlord is also providing five (5) months rent free during the first year. Thereafter, basic rent increases two (2) percent annually as shown in the chart below:

<u>INITIAL TERM</u>	<u>PERIOD: FROM - TO</u>	<u>ANNUAL RENT</u>	<u>MONTHLY</u>	<u>RENT</u>
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YEAR 10	09-01-2024 to 08-31-2025	\$237,058.80	\$19,754.90	\$13.14
Total		\$2,089,448.66	Average	\$11.95

All operating expenses are included in the base rent, and the agency will not be responsible for any operating expense escalations. The lease includes free surface parking for employees and visitors. The following table represents comparable gross lease rates of similar business space in the Columbia area:

Agency	SF	Address	Lease Term	Initial Rate/SF	Final Rate/SF
School for the Deaf and Blind	6,323	101 Executive Center Drive	5/1/11-9/30/15	\$12.00	\$12.00
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Office of the Inspector General	1,786	111 Executive Center Drive	10/1/13-9/30/18	\$13.75	\$13.75
State Board of Technical and Comprehensive Education	23,831	111 Executive Center Drive	7/1/12-6/30/22	\$9.75	\$11.65
Department of Labor, Licensing and Regulation	71,580	110 Centerview Drive	1/1/13-12/31/22	\$9.00	\$10.76

Additionally, there are adequate funds for the lease according to a Budget Approval Form and multi-year plan submitted by the Agency. The lease was approved by JBRC at its October 7, 2014 meeting.

4. What is the Board asked to do? Approve the proposed 10 year lease for the SC Public Service Commission.

5. What is recommendation of the Division of General Services? Recommend approval of the proposed 10 year lease for the SC Public Service Commission.

6. List of Supporting Documents:

- SC Code of Laws Section 1-11-55 and 1-11-56

SOUTH CAROLINA CODE OF LAWS

SECTION 1-11-55. Leasing of real property for governmental bodies.

(1) "Governmental body" means a state government department, commission, council, board, bureau, committee, institution, college, university, technical school, legislative body, agency, government corporation, or other establishment or official of the executive, judicial, or legislative branches of this State. Governmental body excludes the General Assembly, Legislative Council, the Office of Legislative Printing, Information and Technology Systems, and all local political subdivisions such as counties, municipalities, school districts, or public service or special purpose districts.

(2) The Budget and Control Board is hereby designated as the single central broker for the leasing of real property for governmental bodies. No governmental body shall enter into any lease agreement or renew any existing lease except in accordance with the provisions of this section. However, a technical college, with the approval by the State Board for Technical and Comprehensive Education, and a public institution of higher learning, may enter into any lease agreement or renew any lease agreement up to one hundred thousand dollars annually for each property or facility.

(3) When any governmental body needs to acquire real property for its operations or any part thereof and state-owned property is not available, it shall notify the Office of General Services of its requirement on rental request forms prepared by the office. Such forms shall indicate the amount and location of space desired, the purpose for which it shall be used, the proposed date of occupancy and such other information as General Services may require. Upon receipt of any such request, General Services shall conduct an investigation of available rental space which would adequately meet the governmental body's requirements, including specific locations which may be suggested and preferred by the governmental body concerned. When suitable space has been located which the governmental body and the office agree meets necessary requirements and standards for state leasing as prescribed in procedures of the board as provided for in subsection (5) of this section, General Services shall give its written approval to the governmental body to enter into a lease agreement. All proposed lease renewals shall be submitted to General Services by the time specified by General Services.

(4) The board shall adopt procedures to be used for governmental bodies to apply for rental space, for acquiring leased space, and for leasing state-owned space to nonstate lessees.

(5) Any participant in a property transaction proposed to be entered who maintains that a procedure provided for in this section has not been properly followed, may request review of the transaction by the Director of the Office of General Services or his designee.

SECTION 1-11-56. Program to manage leasing, procedures.

The State Budget and Control Board, in an effort to ensure that funds authorized and appropriated for rent are used in the most efficient manner, is directed to develop a program to manage the leasing of all public and private space of state agencies. The board's regulations, upon General Assembly approval, shall include procedures for:

(1) assessing and evaluating agency needs, including the authority to require agency justification for any request to lease public or private space;

(2) establishing standards for the quality and quantity of space to be leased by a requesting agency;

(3) devising and requiring the use of a standard lease form (approved by the Attorney General) with provisions which assert and protect the state's prerogatives including, but not limited to, a right of cancellation in the event of

(a) a nonappropriation for the renting agency

(b) a dissolution of the agency, and

(c) the availability of public space in substitution for private space being leased by the agency.

(4) rejecting an agency's request for additional space or space at a specific location, or both,

(5) directing agencies to be located in public space, when available, before private space can be leased,

(6) requiring the agency to submit a multi-year financial plan for review by the board's budget office with copies sent to Ways and Means Committee and Senate Finance Committee, before any new lease for space is entered into, and requiring prior review by the Joint Bond Review Committee and the requirement of Budget and Control Board approval before the adoption of any new lease that commits more than one million dollars in a five-year period and

(7) requiring prior review by the Joint Bond Review Committee and the requirement of Budget and Control Board approval before the adoption of any new lease that commits more than one million dollars in a five-year period.

AGENCY: Executive Budget Office

SUBJECT: Permanent Improvement Projects

Budget and Control Board approval is requested for the following permanent improvement project establishment requests and budget revisions which have been reviewed favorably by the Joint Bond Review Committee:

- (a) Summary 2-2015: JBRC Item 1. The Citadel
Project: 9611, New Capers Hall
Funding Source: \$250,000 Other, Capital Improvement Fee funds, which are funds that are derived from a \$160 per academic year per cadet fee dedicated to funding new construction efforts on campus.
Request: Establish project and budget for \$250,000 (Other, Capital Improvement Fee funds) to begin design work to construct a new building to replace Capers Hall. The 65 year old building is 75,116 square feet and houses the English, History, Math, Psychology, Criminal Justice and Education departments. The configuration of the building is not conducive to current teaching methods and the building has numerous maintenance needs that make replacing the building more feasible than renovating the existing structure. The new building will be between 80,000 and 96,000 square feet. The Citadel is considering two different configurations for Capers. One configuration would house all of the existing programs, while the other would not include the School of Education. The Citadel is also exploring the possibility of building a new stand-alone facility to house the School of Business. Should this facility be built, space currently occupied by the School of Business in Bond Hall will be available to house the School of Education allowing a smaller configuration for the new Capers Hall. The final decision on which configuration will be constructed will be made based on cost and the availability of donor funds for the School of Business as the project reaches pre-design completion.
- (b) Summary 2-2015: JBRC Item 2. The Citadel
Project: 9612, New School of Business Building
Funding Source: \$250,000 Other, Gift funds, which are restricted donor gifts raised by the Citadel Foundation for this project.
Request: Establish project and budget for \$250,000 (Other, Gift Funds) to begin design work to construct a new building to house the School of Business. The business program is currently located in Bond Hall and lacks the space necessary to accommodate the increased demand for the business program and growth in the corps of cadets. The new School of Business will be approximately 56,000 square feet. In addition to lecture space and office space for the 34 full time staff, the building will provide flexible use conference

AGENCY: Executive Budget Office

SUBJECT: Permanent Improvement Projects

space that will be available for conferences and community events as well as an auditorium capable of seating an entire academic class of cadets. The final decision on whether to construct the business school will be made based on cost and the availability of donor funds as the project reaches pre-design completion.

- (c) Summary 2-2015: JBRC Item 3. College of Charleston
Project: 9655, 176 Lockwood Drive Renovation
Funding Source: \$79,500 Other, Capital Institutional Project Funds, which are revenues generated by the Capital Improvement fee of \$781 per semester in excess of annual debt service payments.
Request: Establish project and budget for \$79,500 (Other, Capital Institutional Project Funds) to begin design work to renovate the building at 176 Lockwood Drive. The College is in the process of purchasing this property, which was declared as surplus by the Department of Employment and Workforce. The 25 year old 22,980 square foot building, which is located within several blocks of the College's existing footprint in downtown Charleston, will require renovation to meet College security, safety and technological infrastructure standards. Assessments done by an external architectural and engineering firm as part of a feasibility study recommend replacing or repairing the HVAC system, main electrical distribution panels, and the low slope roof system. Repairs to the building's exterior, plumbing and sewer systems are also needed due to ground settling. Once renovated, this property will be occupied by the Controller's Office, the Procurement Office and the Center for Livable Communities to this property. These administrative offices are currently located in the core campus and their previous location will be converted into instructional space to better serve the College community.
- (d) Summary 2-2015: JBRC Item 4. College of Charleston
Project: 9656, Physical Plant Renovation
Funding Source: \$53,000 Other, Renovation Reserve funds, which are revenues derived from student tuition and fees such as charges for course credits, lab fees, transcript fees, and other miscellaneous revenues. The college commits \$4,000,000 of these fees annually to the Renovation Reserve to fund maintenance projects.
Request: Establish project and budget for \$53,000 (Other, Renovation Reserve funds) to begin design work to renovate the interior of the Physical Plant building,

AGENCY: Executive Budget Office

SUBJECT: Permanent Improvement Projects

located at 133 Calhoun Street. The 122 year old 22,770 square foot building was purchased by the College 40 years ago. The renovations will address building and fire code deficiencies as well as ADA compliance issues. These renovations will include a new first floor rear exits and stairs, a commercial fire sprinkler system and upgraded fire alarm system, new ADA bathrooms on the first floor and ADA access between the multi-level second floor spaces. The renovations will also create new office spaces within the existing footprint to allow the consolidation of the Physical Plant Department, which was newly expanded to include Residence Life facilities staff.

- (e) Summary 2-2015: JBRC Item 5. Vocational Rehabilitation Department
Project: 9604, Evaluation Center Reroofing
Funding Source: \$11,000 Federal funds, which are general operating funds derived from the State Vocational Rehabilitation Services Grant and are to be used in the provision of vocational rehabilitation services.
Request: Establish project and budget for \$11,000 (Federal funds) to begin design work to replace the roof on the Evaluation Center Building, located in Lexington County. The 21,200 square foot coal tar pitch roof is 27 years old and is experiencing increasingly frequent leaks which are not economically feasible to repair. The work would include adding insulation, the installation of a two-ply smooth granular surfaced modified bitumen roofing system with associated flashings and metal work. The project may also require the removal and disposal of asbestos containing roofing, soffit and flashing materials.
- (f) Summary 2-2015: JBRC Item 6. Vocational Rehabilitation Department
Project: 9605, Gaffney VR Center Reroofing
Funding Source: \$11,000 Federal funds, which are general operating funds derived from the State Vocational Rehabilitation Services Grant and are to be used in the provision of vocational rehabilitation services.
Request: Establish project and budget for \$11,000 (Federal funds) to begin design work to replace the roof on the Gaffney VR Center. The 20,000 square foot existing roof is 21 years old and is experiencing increasingly frequent leaks which are not economically feasible to repair. The work will include adding insulation, the installation of a two-ply smooth granular surfaced modified bitumen roofing system with associated flashings and metal work. The project may also require the removal and disposal of asbestos containing roofing, soffit and flashing materials.

AGENCY: Executive Budget Office

SUBJECT: Permanent Improvement Projects

- (g) Summary 2-2015: JBRC Item 7. Vocational Rehabilitation Department
Project: 9606, Marlboro VR Center Repaving
Funding Source: \$10,000 Federal funds, which are general operating funds derived from the State Vocational Rehabilitation Services Grant and are to be used in the provision of vocational rehabilitation services.
Request: Establish project and budget for \$10,000 (Federal funds) to begin design work to repair and resurface the Marlboro VR Center parking lot and loading area. The facility is over 26 years old and the parking lot and loading areas have deteriorated to the point they are in need of repair and resurfacing. The existing facilities have been patched as much as is economically feasible. Exterior lighting will also be added to the parking lot areas to enhance safety and security in the area. The pre-design amount is in excess of the 1.5% typically allowed under the Phase I policy as deterioration of the parking area requires borings and other subsurface investigations to be conducted prior to resurfacing to adequately estimate the final construction cost.
- (h) Summary 2-2015: JBRC Item 8. Vocational Rehabilitation Department
Project: 9607, Oconee Pickens VR Center Repaving
Funding Source: \$10,000 Federal funds, which are general operating funds derived from the State Vocational Rehabilitation Services Grant and are to be used in the provision of vocational rehabilitation services.
Request: Establish project and budget for \$10,000 (Federal funds) to begin design work to repair and resurface the Oconee-Pickens VR Center parking lot and loading area. The facility is over 25 years old and the parking lot and loading areas have deteriorated to the point they are in need of repair and resurfacing. The existing facilities have been patched as much as is economically feasible. Exterior lighting will also be added to the parking lot areas to enhance safety and security in the area. The pre-design amount is in excess of the 1.5% typically allowed under the Phase I policy as deterioration of the parking area requires borings and other subsurface investigations to be conducted prior to resurfacing to adequately estimate the final construction cost.
- (i) Summary 2-2015: JBRC Item 9. Department of Mental Health
Project: 9732, Harris Hospital Utility Building Renovations
Funding Source: \$15,000 Other, Capital Improvement/Maintenance Funds, which are funds authorized pursuant to Proviso 35.14 of FY 2014 and may include Medicaid fee-for service earned revenue, legal settlements and other one-time funding sources.

AGENCY: Executive Budget Office

SUBJECT: Permanent Improvement Projects

Request: Establish project and budget for \$15,000 (Other, Capital Improvement and Maintenance Funds) to begin design work to repair or replace the Harris Hospital Utility/Support Building roof and wall waterproofing. The roof of the building is 29 years old and is constructed of precast concrete framing and a poured concrete deck. The poured concrete deck is covered with a membrane roofing system on top of which is 18 inches of soil covered with grass. The 13,016 square foot existing roof is leaking and concrete is falling from the concrete roof framing and deck. Signs of water infiltration have also been discovered in the exterior walls of the facility, indicating that waterproofing on the retaining walls has begun to fail. The pre-design amount is in excess of the 1.5% typically allowed under the Phase I policy as to determine the condition of the roof structure the soil will have to be excavated at several locations along the roof. Soil excavations will also have to be performed along the retaining wall to assess the wall condition.

- (j) Summary 2-2015: JBRC Item 10. Department of Parks, Recreation and Tourism
Project: 9742, Fort Mill Welcome Center Replacement
Funding Source: \$ 60,000 Other, Proviso 49.9 FY 13-14 and Proviso 49.8 FY 14-15 funds which are unexpended funds from the Motion Picture Incentive Act carried forward from the prior fiscal year and directed by proviso to the Department of Parks, Recreation and Tourism for capital improvements to Welcome Centers, deferred maintenance and capital projects at state parks, marketing and advertising.
Request: Establish project and budget for \$60,000 (Other, Proviso 49.9 FY 13-14 funds) to begin design work to replace the existing Fort Mill Welcome Center, located in York County. The facility is 33 years old and has not received any major renovations since its construction. The welcome center and restroom facility, which serve 673,000 visitors per year, are outdated and inadequate to meet current visitor demand. The new design will take into account historic visitor counts as well the needs of visitors at the center. The pre-design process will also explore opportunities to incorporate new technologies to assist travelers.
- (k) Summary 2-2015: JBRC Item 11. Department of Parks, Recreation and Tourism
Project: 9743, Hardeeville Welcome Center Replacement
Funding Source: \$ 60,000 Other, Proviso 49.9 FY 13-14 and Proviso 49.8 FY 14-15 funds which are unexpended funds from the Motion Picture Incentive Act carried forward from the prior fiscal year and directed by proviso to the Department of Parks, Recreation and Tourism for capital improvements to

AGENCY: Executive Budget Office

SUBJECT: Permanent Improvement Projects

Welcome Centers, deferred maintenance and capital projects at state parks, marketing and advertising.

Request: Establish project and budget for \$60,000 (Other, Proviso 49.9 FY 13-14 funds) to begin design work to replace the existing Hardeeville Welcome Center, located in Jasper County. The facility is 36 years old has not received any major renovations since the addition of a restroom 27 years ago. The welcome center and restroom facility, which serve 697,000 visitors per year, are outdated and inadequate to meet current visitor demand. The new design will take into account historic visitor counts as well the needs of visitors at the center. The pre-design process will also explore opportunities to incorporate new technologies to assist travelers.

- (l) Summary 2-2015: JBRC Item 12. Department of Parks, Recreation and Tourism
Project: 9744, Kings Mountain State Park Paving
Funding Source: \$5,250 Other, Proviso 49.9 FY 13-14 and Proviso 49.8 FY 14-15 funds which are unexpended funds from the Motion Picture Incentive Act carried forward from the prior fiscal year and directed by proviso to the Department of Parks, Recreation and Tourism for capital improvements to Welcome Centers, deferred maintenance and capital projects at state parks, marketing and advertising.
Request: Establish project and budget for \$5,250 (Other, Proviso 49.9 FY 13-14 funds) to begin design work to repair and repave the roadways at Kings Mountain State Park, located in York County. The 1.1 mile stretch of road to be repaved runs from the Park Headquarters past the historic farm and ends at the Cherokee Group Camp. The roadways in the park, which serves 184,652 visitors per year, are over 30 years old. The pre-design work will include geotechnical work necessary to determine which portions can be repaired and which portions require repaving.
- (m) Summary 2-2015: JBRC Item 13. Department of Parks, Recreation and Tourism
Project: 9745, Myrtle Beach State Park Paving
Funding Source: \$ 15,000 Other, Proviso 49.9 FY 13-14 and Proviso 49.8 FY 14-15 funds which are unexpended funds from the Motion Picture Incentive Act carried forward from the prior fiscal year and directed by proviso to the Department of Parks, Recreation and Tourism for capital improvements to Welcome Centers, deferred maintenance and capital projects at state parks, marketing and advertising.

AGENCY: Executive Budget Office

SUBJECT: Permanent Improvement Projects

Request: Establish project and budget for \$15,000 (Other, Proviso 49.9 FY 13-14 funds) to begin design work to repair and repave roadways and parking areas at Myrtle Beach State Park, located in Horry County. The 2.7 mile stretch of road to be repaved runs from the Gate House past the Park Office headquarters and fishing pier and along the beach front parking areas and boardwalks. The paved surfaces in the park, which serves 1,280,012 visitors per year, are over 20 years old and are in need of repaving.

- (n) Summary 2-2015: JBRC Item 14. Department of Motor Vehicles
Project: 9608, Anderson DMV Renovation
Funding Source: \$5,250 Other, Miscellaneous Revenue funds, which are DMV operating revenues that have been set aside for capital improvements.
Request: Establish project and budget for \$5,250 (Other, Miscellaneous Revenue funds) to begin design work to renovate the Department of Motor Vehicles facility in Anderson County. The scope of the project will include building renovations, data and telephone infrastructure and asbestos abatement. The Department of Motor Vehicles currently shares this facility with the Department of Public Safety, however the Department of Public Safety is moving out of this location and into a larger space. This will allow the Department of Motor Vehicles to expand into the remaining portion of the facility, approximately 4,251 square feet, adding customer workstations, renovating restrooms and replacing the current flooring with slip-resistant flooring. The facility is 42 years old and, other than HVAC and lighting systems, all equipment is original to the building. The renovations will help to improve wait times at the facility, which is one of the 15 busiest offices in the state and currently has high customer wait times compared to similar facilities.

Establish Construction Budget

- (o) Summary 2-2015: JBRC Item 16. Clemson University
Project: 9916, Memorial Stadium Suites Renovation
Funding Source: \$25,000,000 Athletic Revenue Bonds, which are long-term debt instruments issued by the State Treasurer's Office in the name of the University and are pledged to be repaid from a combination of Athletic net revenues, ticket surcharges, private (IPTAY) gifts and contributions from the Clemson Athletics Facilities Trust Endowment invested with the Clemson University Foundation.

AGENCY: Executive Budget Office

SUBJECT: Permanent Improvement Projects

Request: Increase budget to \$25,000,000 (add \$25,000,000 Revenue Bond and subtract \$375,000 Other, Private Athletic Gift funds) to renovate the Memorial Stadium Suites and Concourses at Clemson. The project was established for pre-design in February 2014, which is now complete. The suites and concourses have not had any substantial renovations in 35 years. The project will address life cycle issues, add 750 premium seats, provide enhanced amenities including completely redesigned space with an upgraded lighting system, improved access points, the addition of operable windows, and HVAC replacement. In addition, the renovation addresses several critical structural issues and repairs water intrusion issues, addresses ADA noncompliance issues with elevators and stair access, and provide a safe and more secure building at night through additional lighting. The agency reports the total projected cost of this project is \$25,000,000 and no additional operating expenses are anticipated. Pursuant to Section 59-119-940, the Athletic Facilities Revenue Bond issuance is anticipated not to exceed \$25,000,000. The agency plans to execute the construction contract in October 2014 with completion of construction in August 2015.

(p) Summary 2-2015: JBRC Item 17. State Board for Technical and Comprehensive Education

Project: 6088, Spartanburg - Tyger River Building CBED

Funding Source: \$1,700,000 which includes \$782,445 Other, EDA Grant funds, which are a grant from the Economic Development Administration of the US Department of Commerce specifically for this project, \$500,000 Other, ARC Grant funds, which are a grant from the Appalachian Regional Commission specifically for this project and \$417,555 Other, College Plant Funds which are defined as total revenue and fund balance less college capital expenses less college plant fund carry forward projects, resulting in the remaining college revenue and fund balance.

Request: Increase budget to \$1,700,000 (add \$1,674,500 - \$782,445 Other, EDA Grant, \$500,000 Other, ARC Grant and \$392,055 Other, College Plant Funds) to renovate the Tyger River Building for Spartanburg Community College's Center for Business and Entrepreneurial Development (CBED). The building is located on the Tyger River Campus in Duncan, SC. The project was established for pre-design in January 2014, which is now complete. The work will include renovating 19,032 square feet of unused space to create additional office and meeting spaces, training classrooms and workstations and to provide the necessary equipment and technology for the CBED. It will also include

AGENCY: Executive Budget Office

SUBJECT: Permanent Improvement Projects

upgrading the roof, restrooms, wall and floor finishes and the HVAC, plumbing, lighting, fire protection, and security systems in the space. The CBED expansion is needed because it is currently occupied at capacity and because of increasing business demand for office and training spaces for starting and expanding businesses, product lines and manufacturing processes in Spartanburg County. The agency reports the total projected cost of this project is \$1,700,000 and additional operating costs ranging from \$61,180 to \$64,300 are anticipated in the three years following project completion. The agency plans to execute the construction contract in January 2015 with completion of construction in September 2015.

- (q) Summary 2-2015: JBRC Item 18. State Board for Technical and Comprehensive Education
- Project:** 6091, Piedmont - Event Center Breakout Building and N Building Renovations
- Funding Source:** \$898,857 Other, Local/College
- Funds which are a combination of a dedicated capital fee of \$150 per fulltime student per semester included in the college's tuition and residual balance transfers that have been approved for transfer to the Plant Fund by the college's Area Commission.
- Request:** Increase budget to \$898,857 (add \$886,107 Other, Local Funds) to construct an event center and make exterior upgrades to the N Building on the Greenwood Campus of Piedmont Technical College. The project was established for pre-design in December 2013, which is now complete. The work will include constructing an approximately 2,000 square foot event center breakout building with an open space that can be subdivided, a kitchenette and restrooms and renovating the exterior to the adjacent event center, the N Building, to tie the two facilities together. The breakout building will be used for community and internal events, training and classes, for which the need for space has increased up to 40% over the past two years. The N Building's interior was renovated in 2012, but the exterior of the former gym building, built in 1980, was not included in the renovation. The agency reports the total projected cost of this project is \$898,857 and additional operating costs ranging from \$8,367 to \$9,224 are anticipated in the three years following project completion. The agency plans to execute the construction contract in April 2015 with completion of construction in February 2016.

AGENCY: Executive Budget Office

SUBJECT: Permanent Improvement Projects

- (r) Summary 2-2015: JBRC Item 20. Budget and Control Board
Project: 9927, Hayne Lab Boiler/Cooling Tower/Roof Replacements/Repairs
Funding Source: \$1,413,809 Other, Depreciation Reserve funds, which are derived from the rent account which receives rent charged to state agencies housed in state buildings.
Request: Increase budget to \$1,413,809 (add \$1,398,670 Other, Depreciation Reserve funds) to replace the boiler and cooling tower and repair the roof at the Hayne Lab in Richland County which houses DHEC staff. The project was approved for pre-design in December 2013, which is now complete. The work will include replacing a portion of the roof membrane, repairing roof parapet walls, replacing selected metal panels in the roof, and coating other metal panels and replacing the boiler and chiller serving the facility. The majority of the roof is 38 years old, original to the facility, past its useful life, and leaks. The boiler and chiller are also 38 years old, original to the facility, at the end of their life cycles, and are not energy efficient. The agency reports the total projected cost of this project is \$1,413,809 and no additional operating costs are anticipated in association with this project. The agency plans to execute the construction contract in February 2015 with completion of construction in June 2015.
- (s) Summary 2-2015: JBRC Item 21. Budget and Control Board
Project: 9934, Five Points Building DPPPS Generator Installation
Funding Source: \$293,144 Other, Miscellaneous Revenue funds, which are funds derived from fines and fees that the agency is authorized to collect.
Request: Increase budget to \$293,144 (add \$291,326 Other, Miscellaneous Revenue funds) to install a generator for the Department of Probation, Pardon and Parole (PPP) at the Five Points building in Richland County. The project was established for pre-design in April 2014, which is now complete. The project will include the installation of a 230 KW generator which will provide back-up power to PPP's information technology operations and the building elevator. The 39 year old Five Points building is 97,000 square feet and houses five state agencies in addition to PPP. PPP has a staff of 200 that will benefit from the generator. The Five Points Building does not currently have an emergency generator, and PPP is the only agency housed in the building that has requested a generator. The agency reports the total projected cost of this project is \$293,144 and no additional operating costs are anticipated in association with this project. The agency plans to execute the construction contract in March 2015 with completion of construction in October 2015.

AGENCY: Executive Budget Office

SUBJECT: Permanent Improvement Projects

Revise Scope

- (t) Summary 2-2015: JBRC Item 22. State Board for Technical and Comprehensive Education
Project: 6094, Horry-Georgetown - Land Acquisition
Funding Source: \$20,000 Other, College Funds which are funds dedicated to plant maintenance that are set aside from carry forwards in tuition, state and local allocations.
Request: To revise the scope of a project to procure the investigative studies required to adequately evaluate property prior to purchase. Horry-Georgetown Technical College (HGTC) was considering the acquisition of approximately 2 commercial buildings along with 3.5 acres of land in the Business Park across from the Conway Campus in Horry County. However, upon further investigation HGTC determined that the asking price of the facilities is in excess of their budget and an estimated appraised value. In the process of investigating this building, the College identified a separate 3.5 acre parcel of land in the same business park that would be suitable for the construction of a purpose built facility to house the College's CNC/Machine Tool, Welding, CDL/Truck Driver Training and HVAC programs. The College has outgrown its existing academic space for these programs, and needs additional space to support growing these programs to meet increased employer demands. The College would like to change the scope of this project and proceed with preliminary studies as a land-only project.

Establish Project for Preliminary Land Studies

- (u) Summary 2-2015: JBRC Item 23. Department of Natural Resources
Project: 9941, Jocassee Gorges WMA and Wadokoe Mountain Tracts Land Trade
Funding Source: \$20,000 Other, Timber Revenue funds, which are derived from timber harvest on DNR lands.
Request: Establish project and budget for \$20,000 (Other, Timber Revenue funds) to procure investigative studies required to adequately evaluate property prior to purchase. The Department of Natural Resources is considering a property exchange that involves the acquisition of two adjacent tracts totaling approximately 62 acres in exchange for approximately 80 acres of property that is deemed not ecologically significant. The property to be acquired includes a 54 acre tract at Wadokoe Mountain, which borders the Wadokoe Mountain

AGENCY: Executive Budget Office

SUBJECT: Permanent Improvement Projects

Heritage Preserve, and an 8 acre tract at Jocassee Gorges. This Wadakoe Mountain tract contains soils with high concentrations of magnesium and calcium that help produce habitat for species not commonly found in the area, resulting in one of the most biologically diverse regions in the United States. The Jocassee Gorges tract will ensure unimpeded access to the Wadakoe Mountain tract along an access road in the Jocassee Gorges Wildlife Management Area and safeguard additional wildlife habitat. When acquired, both tracts would be open to the public for outdoor recreational activities.

BOARD ACTION REQUESTED:

Approve permanent improvement project establishment requests and budget revisions. All items have been reviewed favorably by the Joint Bond Review Committee.

ATTACHMENTS:

Attachments

**ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS
RESULTING FROM PERMANENT IMPROVEMENT PROJECT**

1. AGENCY Code: H59 Name: Spartanburg Community College

2. PROJECT Project #: 6088 Name: Spartanburg - Tyger River Building CBED Renovation

3. ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS. (Check whether reporting costs or savings.)

COSTS SAVINGS NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS/SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) 2013/14 (partial)	\$0	\$	\$	\$0
2) 2014/15	\$61,180	\$	\$	\$61,180
3) 2015/16	\$64,300	\$	\$	\$64,300

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).

6. Will the additional costs be absorbed into your existing budget? YES NO
If no, how will additional funds be provided?

Note: Some of the additional costs will be absorbed by and written into the lease agreement with the tenants.

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year.

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. <u>Telephone</u>	<u>\$2,400</u>
2. <u>Custodial/Janitorial/Security Services & Supplies</u>	<u>\$16,000</u>
3. <u>Non-cap Equip</u>	<u>\$180</u>
4. <u>Utilities (elec, gas, water, sewer)</u>	<u>\$37,000</u>
5. <u>Maintenance Supplies</u>	<u>\$1,000</u>
6. <u>Entrance Grounds Maint & Supplies</u>	<u>\$1,000</u>
7. <u>Misc Services and Supplies</u>	<u>\$1,600</u>
8. _____	_____
TOTAL	<u>\$61,180</u>

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved. 1 Additional Part-time Custodial/Janitorial

9. Submitted By: Ray Anderson VP Business Affairs 10/21/13
Signature of Authorized Official and Title Date

**ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS
RESULTING FROM PERMANENT IMPROVEMENT PROJECT**

1. AGENCY
Code H59 Name PIEDMONT TECHNICAL COLLEGE

2. PROJECT
Project # 6091 Name PIEDMONT -- Event Center Breakout Bldg. and N Renovations

3. ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS. (Check whether reporting costs or savings.)
 COSTS SAVINGS NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS/SAVINGS				
Projected Financing Sources				
(1) Fiscal Year	(2) General Funds	(3) Federal	(4) Other (Local Funds)	(5) Total
1) 2015		\$	\$8,367	
2) 2016		\$	\$8,785	
3) 2017		\$	\$9,224	

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenue, fees, etc.).

College Funds
6. Will the additional costs be absorbed into your existing budget? YES NO
If no, how will additional funds be provided?

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year. Projected amount below illustrates additional cost over existing facility budget.

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. <u>Utilities</u>	<u>\$4,837</u>
2. <u>Janitorial</u>	<u>\$2,257</u>
3. <u>Routine Maintenance</u>	<u>\$1,000</u>
4. <u>Insurance</u>	<u>\$273</u>
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	<u>\$8367.00</u>

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved. 0

9. Submitted By: Paige Childs Paige Childs - VP of Business and Finance Date: 9/2/2014

Signature of Authorized Official and Title

**ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS
RESULTING FROM PERMANENT IMPROVEMENT PROJECT**

1. AGENCY Code F03 Name: South Carolina Budget & Control Board / General Services Division

2. PROJECT Project # _____ Name: Hayne Laboratory Building (100414) - Replace Boiler, Cooling Tower and Repair Roof

3. ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS. (Check whether reporting costs or savings.)

COSTS SAVINGS NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS/SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) 2014-2015	\$	\$	\$34,866	\$34,866
2) 2015-2016	\$	\$	\$34,866	\$34,866
3) 2016-2017	\$	\$	\$34,866	\$34,866

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).

6. Will the additional costs be absorbed into your existing budget? YES NO
If no, how will additional funds be provided?

N/A - there will be no additional operating costs, only savings

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year.

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. <u>Energy Bill Savings - Boiler</u>	<u>\$21,614 per year</u>
2. <u>Energy Bill Savings - Chiller</u>	<u>\$13,252 per year</u>
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	<u>\$34,866</u>

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved.

9. Submitted By: Nolan L. Wiggins, Jr. Director - General Services Division 9/5/14 Date
Signature of Authorized Official and Title

Permanent Improvement Project Information for October 14, 2014 B&CB Meeting

Agency/ Project No.	Agency/Project Name	Original Approved Budget	Date of Original Approval	Phase I Amount	Date of Phase I Approval	Included in CIP	Total Projected Project Cost
H09-9611	The Citadel - New Capers Hall	\$250,000 for pre-design	10/14/14	\$250,000	10/14/14	No	To Be Determined
H09-9612	The Citadel - New School of Business Building	\$250,000 for pre-design	10/14/14	\$250,000	10/14/14	No	To Be Determined
H15-9655	College of Charleston - Lockwood Drive Renovation	\$79,500 for pre-design	10/14/14	\$79,500	10/14/14	No	To Be Determined
H15-9656	College of Charleston - Physical Plant Renovation	\$53,000 for pre-design	10/14/14	\$53,000	10/14/14	Yes	To Be Determined
H73-9604	Vocational Rehabilitation Department - Evaluation Center Reroofing	\$11,000 for pre-design	10/14/14	\$11,000	10/14/14	Yes	To Be Determined
H73-9605	Vocational Rehabilitation Department - Gaffney VR Center Reroofing	\$11,000 for pre-design	10/14/14	\$11,000	10/14/14	Yes	To Be Determined
H73-9606	Vocational Rehabilitation Department - Marlboro VR Center Repaving	\$10,000 for pre-design	10/14/14	\$10,000	10/14/14	Yes	To Be Determined
H73-9607	Vocational Rehabilitation Department - Oconnee Pickens VR Center Repaving	\$10,000 for pre-design	10/14/14	\$10,000	10/14/14	Yes	To Be Determined
J12-9732	Department of Mental Health - Harris Hospital Utility Building Improvements	\$15,000 for pre-design	10/14/14	\$15,000	10/14/14	Yes	To Be Determined
P28-9742	Department of Parks, Recreation and Tourism - Fort Mill Welcome Center Replacement	\$60,000 for pre-design	10/14/14	\$60,000	10/14/14	No	To Be Determined

Permanent Improvement Project Information for October 14, 2014 B&CB Meeting

Agency/ Project No.	Agency/Project Name	Original Approved Budget	Date of Original Approval	Phase I Amount	Date of Phase I Approval	Included in CIP	Total Projected Project Cost
P28-9743	Department of Parks, Recreation and Tourism - Hardeeville Welcome Center Replacement	\$60,000 for pre-design	10/14/14	\$60,000	10/14/14	No	To Be Determined
P28-9744	Department of Parks, Recreation and Tourism - Kings Mountain State Park Road Paving	\$5,250 for pre-design	10/14/14	\$5,250	10/14/14	Yes	To Be Determined
P28-9745	Department of Parks, Recreation and Tourism - Kings Mountain State Park Paving	\$15,000 for pre-design	10/14/14	\$15,000	10/14/14	Yes	To Be Determined
R40-9608	Department of Motor Vehicles - Anderson DMV Renovation	\$5,250 for pre-design	10/14/14	\$5,250	10/14/14	Yes	To Be Determined
H12-9916	Clemson University - Memorial Stadium Suites Renovation	\$375,000 for pre-design	2/26/14	\$375,000	2/26/14	Yes	\$25,000,000
H59-6088	Spartanburg Community College - Tyger River Building CBED	\$25,000 for pre-design	1/29/14	\$25,000	1/29/14	Yes	\$1,700,000
H59-6091	Piedmont Technical College - Event Center Breakout and N Building Renovations	\$12,750 for pre-design	12/10/13	\$12,750	12/10/13	Yes	\$898,857
F03-9927	Budget and Control Board - Hayne Lab Boiler/Cooling Tower/Roof Replacements/Repairs	\$15,139 for pre-design	11/26/13	\$15,139	11/26/14	Yes	\$1,413,809
F03-9934	Budget and Control Board - Five Points Building DPPPS Generator Installation	\$1,818 for pre-design	4/15/15	\$1,818	4/15/14	Yes	\$293,144
H59-6094	Horry Georgetown Technical College - Land Acquisition	\$20,000 for pre-design	8/12/14	\$20,000	8/12/14	Yes	To Be Determined

Permanent Improvement Project Information for October 14, 2014 B&CB Meeting

Agency/ Project No.	Agency/Project Name	Original Approved Budget	Date of Original Approval	Phase I Amount	Date of Phase I Approval	Included in C/P	Total Projected Project Cost
P24-9941	Jocasse Gorges WMA and Wadakoe Mountain Stracts Land Trade	\$20,000 for pre-design	10/14/14	\$20,000	10/14/14	No	To Be Determined

Additional Information on Funding Sources for Higher Education Permanent Improvement Projects

Item (a) – The Citadel – New Capers Hall

The source of funds for A&E pre-design is \$250,000 Other, Housing Maintenance Reserve funds, which are funds that are derived from a \$160 per academic year per cadet fee dedicated to funding new construction efforts on campus.

The proposed source of funds for construction depends on the cost estimates from pre-design, but is likely to include funds derived from the \$160 per academic year housing maintenance fee, long term debt issuances and/or donations.

As the University has not yet determined the source of funds for construction, it has not yet determined the potential impact on student fees or tuition.

Item (b) – The Citadel – New Capers Hall

The source of funds for A&E pre-design is \$250,000 Other, Gift funds, which are restricted donor gifts raised by the Citadel Foundation for this project.

The proposed source of funds for construction is donor gifts.

The University reports that no increase in any student fee or tuition will be required for this project.

Item (c) - Lockwood Drive Renovation

The source of funds for A&E pre-design is \$79,500 Other, Capital Institutional Project Funds, which are revenues generated by the Capital Improvement fee of \$781 per semester in excess of annual debt service payments.

The proposed source of funds for construction is also the Capital Institutional Project Fund.

The University reports that no increase in any student fee or tuition will be required for this project.

Item (d) – College of Charleston – Physical Plant Renovation

\$53,000 Other, Renovation Reserve funds, which are revenues derived from student tuition and fees such as charges for course credits, lab fees, transcript fees, and other miscellaneous revenues. The college commits \$4,000,000 of these fees annually to the Renovation Reserve to fund maintenance projects.

The proposed source of funds for construction is also Renovation Reserve funds.

The University reports that no increase in any student fee or tuition will be required for this project.

Item (o) – Clemson University – Memorial Stadium Suites Renovation

The source of funds for construction is \$25,000,000 Athletic Revenue Bonds, which are long-term debt instruments issued by the State Treasurer's Office in the name of the University and are pledged to be repaid from a combination of Athletic net revenues, ticket surcharges, private (IPTAY) gifts and contributions from the Clemson Athletics Facilities Trust Endowment invested with the Clemson University Foundation.

The University reports that no increase in any student fee or tuition will be required for this project.

Item (p) – Spartanburg Community College – Tyger River Building CBED

The sources of funds for construction total \$1,700,000, which includes:

1. \$782,445 Other, EDA Grant funds, which are a grant from the Economic Development Administration of the US Department of Commerce specifically for this project;
2. \$500,000 Other, ARC Grant funds, which are a grant from the Appalachian Regional Commission specifically for this project; and
3. \$417,555 Other, College Plant Funds which are defined as total revenue and fund balance less college capital expenses less college plant fund carry forward projects, resulting in the remaining college revenue and fund balance.

The College reports that no increase in any student fee or tuition will be required for this project.

Item (q) – Piedmont Technical College – Event Center Breakout and N Building Renovations

The source of funds for construction is \$898,857 Other, Local/College Funds which are a combination of a dedicated capital fee of \$150 per fulltime student per semester included in the college's tuition and residual balance transfers that have been approved for transfer to the Plant Fund by the college's Area Commission.

The College reports that no increase in any student fee or tuition will be required for this project.

Item (u) – Horry Georgetown Technical College – Acquisition of Commercial Buildings

The source of funds for preliminary studies is \$20,000 of Other, College Funds which are funds dedicated to plant maintenance that are set aside from carry forwards in tuition, state and local allocations.

The proposed source of funds for the acquisition is the same as for preliminary studies.

The College reports that no increase in any student fee or tuition will be required for this acquisition.

AGENCY: Executive Budget Office

SUBJECT: Real Property Acquisitions

The Executive Budget Office recommends approval of the following real property acquisitions:

- (a) Agency: H12 Clemson University
Acreage: 0.7 Acres
Location: The property is located at the corner of Old Stone Church Road and US76
County: Pickens
Purpose: This acquisition is part of a property exchange with the City of Clemson, and would result in Clemson's acquisition of property adjacent to property it owns at the ballpark while transferring property to the City of Clemson adjacent to its water treatment plant to allow for expansion of the plant.
- Appraised Value: N/A
Price/Seller: N/A City of Clemson
Source of Funds: N/A
Project Number: 9919
Environmental Study: Approved
Building Condition: None
Assessment:
Additional Annual Op: None
Cost/SOF:
Current Year Property Tax: N/A - Exempt
Approved By: JBRC staff on 10/9/2014
- (b) Agency: H15 College of Charleston
Acreage: 1.76 Acres
Location: 176 Lockwood Drive in Charleston, SC
County: Charleston
Purpose: To relocate administrative functions away from the campus core to allow for space in the campus core to be used for instructional purposes.
- Appraised Value: \$4,985,000
Price/Seller: \$4,985,000/ SC Department of Employment and Workforce
Source of Funds:
Project Number: 9657
Environmental Study: Approved
Building Condition: Approved, issues addressed in associated project
Assessment:
Additional Annual Op: \$160,860 for 22,980 square feet
Cost/SOF:
Current Year Property Tax: N/A - Exempt
Approved By: JBRC on 10/7/2014

BOARD ACTION REQUESTED:

Approve the real property acquisitions as requested.

ATTACHMENTS: Agenda item worksheet and attachments

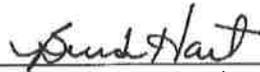
BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

Meeting Scheduled for: October 14, 2014

Regular Agenda

1. Submitted by:

- (a) Agency: Executive Budget Office
(b) Authorized Official Signature:



Brenda Hart, Interim Director

2. Subject: REAL PROPERTY ACQUISITIONS

3. Summary Background Information:

- (a) Agency: H12 Clemson University

Acreage: 0.7 Acres

Location: The property is located at the corner of Old Stone Church Road and US 76

County: Pickens

Purpose: This acquisition is part of a property exchange with the City of Clemson, and would result in Clemson's acquisition of property adjacent to property it owns at the ballpark while transferring property to the City of Clemson adjacent to its water treatment plant to allow for expansion of the plant.

Appraised Value: N/A

Price/Seller: N/A City of Clemson

Source of Funds: N/A

Project Number: 9919

Environmental Study: Approved

Building Condition Assessment: None

Additional Annual Op Cost/SOF: None

Current Year Property Tax: N/A - Exempt

Approved By: JBRC staff on 10/9/2014

- (b) Agency: H15 College of Charleston

Acreage: 1.76 Acres

Location: 176 Lockwood Drive in Charleston, SC

County: Charleston

Purpose: To relocate administrative functions away from the campus core to allow for space in the campus core to be used for instructional purposes.

Appraised Value: \$4,985,000

Price/Seller: \$4,985,000/ SC Department of Employment and Workforce

Source of Funds:

Project Number: 9657

Environmental Study: Approved

Building Condition Assessment: Approved, issues addressed in associated project

Additional Annual Op Cost/SOF: \$160,860 for 22,980 square feet

Current Year Property Tax: N/A - Exempt

Approved By: JBRC on 10/7/2014

4. What is Board asked to do?

Approve the property acquisitions as requested.

5. What is recommendation of Board Division involved?

Recommend approval of the property acquisitions requested.

6. Recommendation of other Division/Agency (as required)?

- (a) Authorized Signature: _____
(b) Division/Agency Name: _____
-

7. List of Supporting Documents:

1. Code Section 1-11-65
 - (a) Clemson University
 - (b) College of Charleston
-

(a)
Clemson University

1. Letter from Agency
2. Appraisal
3. Environmental Results
4. Map
5. Cost Implications

CLEMSON

U N I V E R S I T Y

September 8, 2014

Ms. Allyn Powell
Executive Budget Office
Budget and Control Board
1205 Pendleton Street, Suite 529
Columbia, SC 29201

Dear Ms. Powell:

Clemson University has completed the due diligence required by the State to investigate a property exchange between the City of Clemson and Clemson University in Pickens County. Included are appraisals of both properties and a Phase 1 environmental study on the property the University will acquire, along with other required forms.

Finance and Operations

Clemson University
606 Silkes Hall
Box 345302
Clemson, SC
29634-5302

P 864-656-2421
F 864-656-2008

Details of the proposed property exchange and the associated benefits to the University are outlined below. The City of Clemson currently leases 2.49 acres of a 4.73 acre parcel of land on Cochran Road owned by Clemson University for operations associated with the City's waste water treatment plant. The City completed a preliminary engineering report for DHEC that determined that future capital improvements and/or facility expansion will be required to meet the growing needs associated with the City's waste water treatment. Additionally, Clemson University owns 8.22 acres of land at Highway 76 and Old Stone Church Road that the City of Clemson leases for a ballpark. The City of Clemson recently purchased 0.7 acres of land adjacent to the University property and has been using the land for ballpark parking. The University and the City of Clemson wish to swap the University's 4.73 acre parcel (valued at \$57,000) of which the City already leases a portion for waste water treatment facilities for the 0.7 acre parcel (valued at \$59,000) the City recently purchased adjacent to land it leases from Clemson for a ballpark.

In doing the exchange, Clemson will control the corner parcel adjacent to its 8.22 acre ballpark property and will acquire property consistent with the University's long range master plan. The City of Clemson will gain property it needs for additional waste water treatment facilities from which the University will also gain benefit. The properties will be exchanged for no monetary consideration as the value of the property Clemson will receive (\$59,000) exceeds the value of the property it will exchange to the City (\$57,000).

Clemson University requests approval from the Joint Bond Review Committee and the Budget and Control Board to proceed with the proposed land exchange as outlined in this letter. We sincerely appreciate your consideration of this request. Please let us know if you need additional information.

Sincerely,



Brett Dalton
Vice President for Finance and Operations

cc: Ashlie Lancaster

SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS

Effective Date of Appraisal: June 20, 2014

Date of Inspection: June 20, 2014

Date of Report: June 30, 2014

Property Type: Vacant Land

Location: Southwest corner of Old Stone Church Road and US Highway 76, outside the Clemson city limits, in Pickens County, South Carolina.

Tax Map No.: 4053-14-44-3125 (Pickens County)

Land Area Appraised: 0.7± acres or 30,492 square feet

Highest and Best Use: Assemblage/Small Secondary Commercial

Property Rights Appraised: Fee Simple Interest

Zoning: None

Flood Map: 45077C0387D, dated April 16, 2008
(Not in flood plain)

Inspecting Appraiser: Mark T. Selby, MAI

Reviewing Appraiser: H. Corbin Haskell, MAI

OPINIONS OF VALUE

Value Per Square Foot:

\$1.95

Final Opinion:

\$59,000



Reference: Aerial photograph obtained on-line from Pickens County, SC GIS website.

NORTH



FIGURE 2 – 2011 AERIAL PHOTOGRAPH

0.7 Acre Parcel
Old Stone Church Road at U.S. Highway 76
Clemson, Pickens County, South Carolina

S&ME Project No. 4226-14-128



281 Fairforest Way
Greenville, South Carolina 29607

EXECUTIVE SUMMARY

S&ME has completed a Phase I ESA of the 0.7 acre parcel located southwest of the intersection of Old Stone Church Road and U.S. Highway 76 in Clemson, Pickens County, South Carolina (hereby referred to as the "subject property" and/or "site"). According to the Pickens County Tax Assessor's database, the subject property is identified as Parcel #4053-14-44-3125. The City of Clemson is listed as the owner. The site is currently undeveloped and used as an unimproved parking lot for the adjacent Dawson Field ballpark.

We understand The City of Clemson and Clemson University are performing a land exchange as part of the project known as City of Clemson Waste Water/Ballpark Property Exchange. Our review of available historical information appears to indicate the site has been undeveloped since at least 1947.

The following environmental findings were revealed on the subject property during this Phase I ESA:

1. Three pole-mounted transformers were observed along the eastern property boundary. No staining was observed at the base of the transformers. Based on their condition, the transformers are not considered a REC with respect to the subject site.
2. The subject property did not appear to be referenced on any of the regulatory databases reviewed during this assessment.

Off-Site Facilities

Three off-site facilities were referenced with the specified search distances of the site. However, none of these facilities are considered RECs based on their respective distances, intervening topography, and regulatory listings.

In summary, this assessment has revealed no evidence of *recognized environmental conditions* in connection with the subject property.

As part of the ASTM E 1527-13 standard, a Tier I Vapor Encroachment Screening was also performed. In summary, a *vapor encroachment condition* in connection with the subject property can be ruled out because the three off-site facilities are located outside the Area of Concern.

(b)
College of Charleston

1. Letter from Agency
2. Appraisal Results
3. Environmental Results
4. Map
5. Cost Implications

COLLEGE of CHARLESTON

September 8, 2014

SC Budget and Control Board
Box 12444
Columbia, SC 29211

To the members of the Budget and Control Board:

I respectfully request permission for the College of Charleston to purchase the surplus real property located at 176 Lockwood Drive in Charleston, South Carolina. The Division of General Services granted the College the right of first refusal to purchase this surplus real property, and the College would like to use this opportunity to address its shortage of instructional space.

The College is in need of additional academic and academic support space in proximity of its downtown Charleston campus. The campus is landlocked in the center of a historic, urban area, and opportunities to reduce its space deficiency are limited. A 2012 utilization study found a space deficiency of approximately 280,000 assignable square feet. With consideration to shortages at the base year of analysis and planning for future needs, the College's space deficiency is projected to grow to approximately 640,000 assignable square feet by 2020. The Lockwood Drive property would provide 22,980 gross square feet to help address this shortage immediately. This acquisition would allow the College to relocate three functions from the core of campus to the Lockwood Drive property – the Controller's Office, the Office of Procurement, and the Joseph P. Riley, Jr. Center for Livable Communities. Moving these three functions to the Lockwood Drive property would allow the College to re-purpose space in the campus core for instructional use.

The College has conducted a feasibility study, building condition assessment, and environmental phase I study in order to determine that the property is a sound investment that will suit the Institution's needs. The property's purchase price is equal to the appraised underlying land value. The 25-year-old building will require renovation in order to meet current codes and College needs, as well as address building and plumbing damage caused by ground settling.

The property is located on the Charleston peninsula within the footprint of the Horizon Development Project, approximately 1.5 miles from the campus core. The building is currently occupied by the South Carolina Department of Employment and Workforce. As a result of downsizing and reductions in force, the Department no longer needs the space and will relocate to a new space by December 1, 2014.

Thank you for your consideration.

Sincerely,

Stephen C. Osborne

Stephen C. Osborne
Executive Vice President for Business Affairs
College of Charleston



Matthew Sexton
SC Department of Employment and Workforce
October 4, 2013
Page 2

The acceptance of this appraisal assignment and the completion of the appraisal report submitted herewith are contingent on the following extraordinary assumptions and/or hypothetical conditions:

Extraordinary Assumptions:

None

Hypothetical Conditions:

None

Based on the analysis contained in the following report, the market value of the captioned property is summarized here.

VALUE CONCLUSION

Value Type	Value Premise	Interest Appraised	Effective Date of Value	Market Value Conclusion
Market value	As Is	Fee simple interest	September 30, 2013	\$4,985,000

This letter of transmittal is not considered valid if separated from this report, and must be accompanied by all sections of this report as outlined in the Table of Contents, in order for the value opinions set forth above to be valid.

Respectfully submitted,
Valbridge Property Advisors | Atlantic Appraisals, LLC

Pledger M. Bishop, III, MAI, SRA, CRE
Senior Managing Director
South Carolina License #795
License Expires 06-30-2014



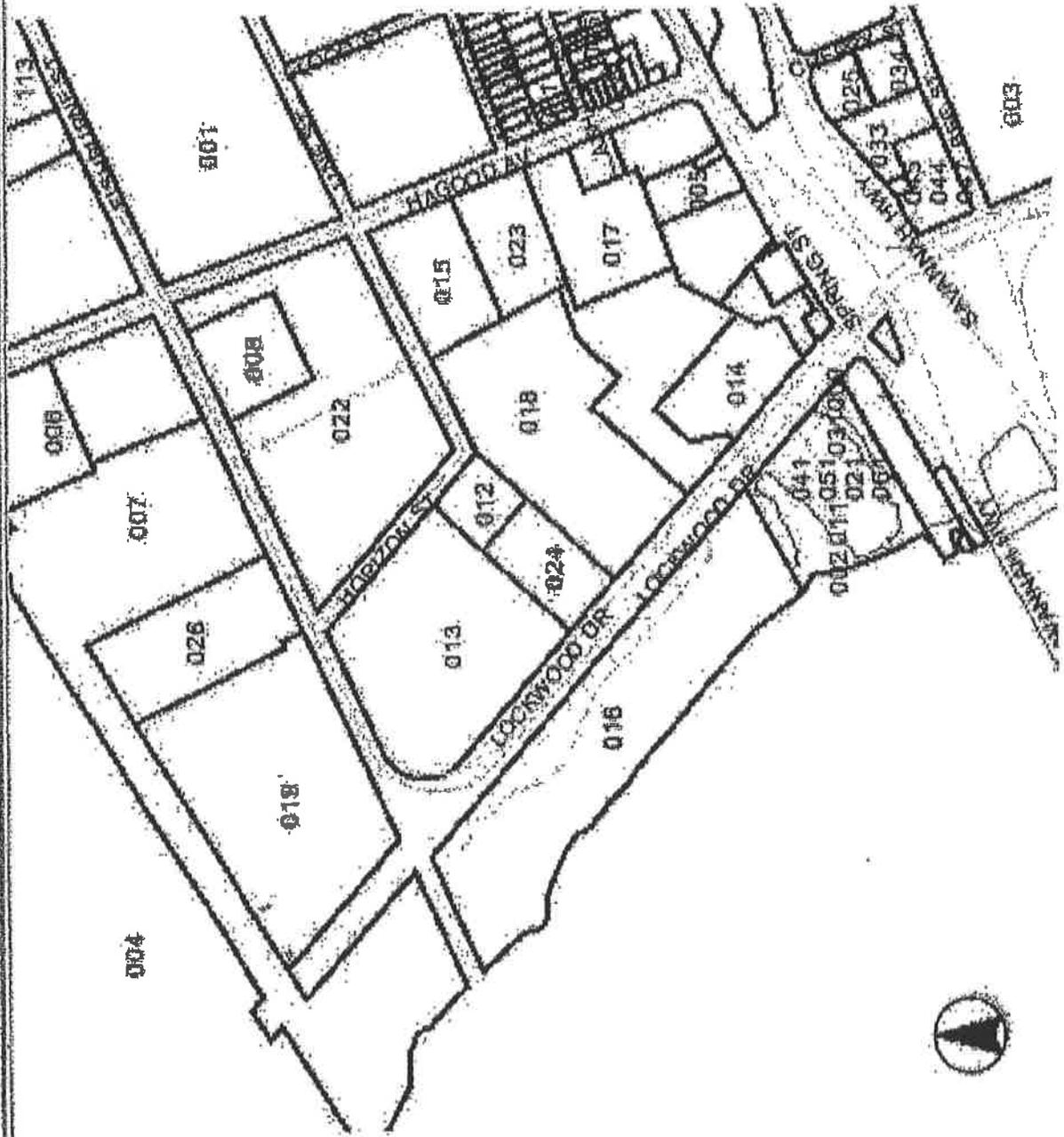
Copyright 2008
 Charleston County GIS
 4045 Bridge View Drive
 North Charleston, SC 29405-7464

Legend

 Selected Features

 Streets/Roads

 Parcels



SUMMARY

S&ME, Inc. has completed a Phase I Environmental Site Assessment (ESA) in accordance with ASTM E 1527-13 for a property located at 176 Lockwood Boulevard in Charleston, South Carolina. Our services were performed pursuant to S&ME Proposal No. 42-1400494 dated May 16, 2014. This summary is intended as an overview of the Phase I ESA for the convenience of the reader. The information in this report was obtained from a site reconnaissance, environmental records review, interviews, and historical research. The complete report must be reviewed in its entirety prior to making decisions regarding this property.

The subject property is located at 176 Lockwood Boulevard in Charleston, South Carolina and is that parcel of land currently identified by the Charleston County Tax Assessor as TMS No. 460-00-00-024. The subject property is currently developed with an approximately 16,865 sq. ft. three-story office building and associated parking areas.

The subject property is situated within an area that prior to the 1950s comprised marshland and tidal creeks. Beginning in the 1950s, this area west of Hagood Avenue from Spring Street northward past Fishburne Street was used as a landfill. The landfill was an unregulated dump operated primarily by the City of Charleston until about 1969. Since the closure of the landfill, the area has been developed for various uses. The adjacent City of Charleston Police Station, which was constructed about 1973, was one of the first developments on the closed landfill. The existing office building on the subject property was constructed about 1989.

S&ME contracted Environmental Data Resources, Inc. (EDR) to conduct an environmental database search of the subject property and the surrounding area. The subject property, as the Charleston Landfill, was identified on the environmental databases. Six off-site locations were also listed on the environmental databases reviewed within the specified search distances. One of the sites, the adjacent City of Charleston Police Station, includes two documented petroleum releases. One release received no further action status (NFA). The other release is still under assessment. The police station LUST site is up-gradient to the subject property and groundwater flow direction has previously been reported in a southerly direction, towards the subject property. The police station LUST site is considered a recognized environmental condition. The Charleston Landfill site includes the area of the subject property and adjoining and surrounding properties and is also considered a recognized environmental condition. Based on their regulatory status and proximity to the subject property, the other off-site database listed sites are not considered recognized environmental conditions.

This assessment has revealed no evidence of recognized environmental conditions in connection with the subject property except the following.

On-Site

- The former use of the subject property as an unregulated landfill is considered a recognized environmental condition due to the presence of debris, soil and groundwater contamination, and the continued production of methane and other landfill vapors / gases from the decay of subsurface debris.

Off-Site

- A petroleum release from a former UST at the adjacent police station facility represents a potential environmental threat to the subject property due to its proximity and reported groundwater flow direction. Therefore, the police station LUST site is considered a recognized environmental condition
- Contaminated groundwater and the continued production of methane and other landfill gases from the decay of subsurface debris pose an environmental threat for the migration of groundwater and vapors onto the subject property. The former use of the surrounding property as an unregulated landfill is considered a recognized environmental condition.

The College of Charleston
176 Lockwood Boulevard Property Assessment

August 25, 2014
SMHA Project No. 1332.02
Agency IDC No. H15-0100-PG

II. Executive Summary

The building at 176 Lockwood Blvd in Charleston, South Carolina was surveyed by SMHA and their consultants to determine the existing condition of the building and to make recommendations on corrective measures be made to accommodate the re-location of three departments of the College of Charleston. Recommendations of these measures are included in this report.

The three departments being considered for relocation are:

- The Controller's Department
- The Procurement Department
- The Rifley Center

Schematic plans for these departments are included in Section XII of this report.

The building was surveyed for issues involving the building envelope and interiors, the building's structural, mechanical, electrical and plumbing systems. Code and handicap accessibility issues are also addressed. The following corrective measures are recommended:

Building Envelope

In general, the building envelope is in reasonably good condition. However, corrective measures recommended or required by this report, include the following:

- Because of current flood elevations, the first floor will require flood proofing if any substantial improvement is to be made. The program and schematic plans indicate the need to create useable space in the area that is currently unoccupied.
- Repair the base of the building at the perimeter where the grade has settled.
- Replace exterior fenestration if the budget permits. The existing fenestration does not meet current hurricane and impact resistance requirements.
- Clean the exterior of the building.

Roofing

ADC recommends complete roof replacement of the low slope roof system and the standing seam metal roof system. ADC recommends the existing low slope roof system be replaced with a two ply modified bitumen roof system with insulations and sheet metal components meeting the latest International Building Code requirements. ADC recommends the existing steep slope roof system be replaced with a structural standing seam metal roof system with appropriate insulation and designed by a structural engineer to meet appropriate wind uplift requirements. If replacement is not considered, please see the recommendations for appropriate repairs.

The College of Charleston
176 Lockwood Boulevard Property Assessment

August 25, 2014
SMHa Project No. 1392.02
Agency IDC No. H15-D100-PG

Building Interiors - Architectural

- Existing partitions, except for the group toilets, telephone and electrical closets and vertical circulation, will be removed as required to upfit the space for the new occupants. See the demolition plans included in Section XII – Schematic Design.
- Existing floor finishes will be replaced. They are generally worn and in poor condition throughout the building. See Section XII.B for suggested new finishes.
- Existing ceilings will be replaced. Their construction does not meet current seismic requirements and the plan layout for the new occupants does not allow for their retention.
- Existing doors may be re-used if practical, however, this is unlikely to occur due to practical issues such as hardware replacement.
- The existing group toilets will require some renovation due primarily to current ADA requirements. See Section X – Handicap Accessibility.

Structural

A structural evaluation and report was completed for this project to address both general conditions and seismic hazards. The seismic portion of the report was completed in accordance with ASCE 31-03 "Seismic Evaluation of Existing Buildings."

- The condition assessment found no deterioration with respect to the vertical and lateral force resisting systems. Some deterioration was found at the mechanical unit supports at the first floor. No variances of the original construction from design drawings were noted.

Due to the date of construction of the building and recent (post 1997 SBC) code changes it is expected that numerous items of seismic non-compliance will be identified in the seismic analysis.

- The Tier One (seismic) analysis found a number of non-compliant Structural items. These were all related to the lateral force resisting system.
- The Tier One (seismic) analysis found no non-compliant Foundation items.
- The Tier One (seismic) analysis also found several non-compliant Non-Structural items.

A summary of the noncompliant items is listed below in Priority Order (Number one being the highest priority item in terms of seismic safety).

The College of Charleston
176 Lockwood Boulevard Property Assessment

August 25, 2014
SMHe Project No. 1332.02
Agency IDC No. H15-D100-PG

CATEGORY	In Priority Order ITEM OF NON-COMPLIANCE	ASCE / SEI 31-03 CHECKLIST (SEE APPENDIX B)					PRIORITY
		VERTICAL EXTENT		GEOTECH.	BASIC NON- STRUC.	INTERM. NON- STRUC.	
		1st-Roof	TYPE C1, BASIC				
APPENDICES:		B-1	B-2	B-3	B-4	B-5	
Stairs	Stair Details				X		1
Cladding & Glazing	Glazing					X	2
Light Fixtures	Independent Support					X	3
Lateral-Force-Resisting System	Column-Tie Spacing		X				4
Lateral-Force-Resisting System	Stirrup Spacing		X				5
Lateral-Force-Resisting System	Joint Reinforcing		X				6
Lateral-Force-Resisting System	Strong Column / Weak Beam		X				7
Lateral-Force-Resisting System	Beam Bar Splices		X				8
Lateral-Force-Resisting System	No Shear Failures		X				9
Lateral-Force-Resisting System	Shear Strass Check	X					10
Ceiling Systems	Support				X		11
Ceiling Systems	Lay-in Tiles					X	12
Ceiling Systems	Integrated Ceilings					X	13
Ceiling Systems	Suspended Lath & Plaster					X	14
Building Contents & Furnishings	Tall Narrow Contents				X		15
Mechanical & Electrical Equipme	Deterioration				X		16
Connections	Lateral Load @ Pile Caps		X				17

Mechanical

Because of their age and condition, It is recommended that the existing HVAC system and all of its components be demolished and removed in its entirety. An air cooled chiller and two variable air volume air handling units are recommended to replace the system. An estimated 40 to 45 terminal units shall be located within the building to provide effective zoning for the 1st floor build-out and 2nd and 3rd floor occupants. CMI shall provide a full web based DDC control system.

Electrical

The electrical work consists of the following:

- Replace the building's main distribution panels.
- Accommodate the interior renovation by adding receptacles, data drops, switches, etc.
- Modify the fire alarm system to incorporate the renovated spaces.
- Replace the lighting throughout the building's interior with new LED fixtures for energy efficiency.
- Provide a new security system.

The College of Charleston
175 Lockwood Boulevard Property Assessment

August 25, 2014
SMHA Project No. 1332.02
Agency IDC No. H15-D100-PG

Plumbing

The extreme ground settling has caused failure in portions of the existing storm and sewer piping. This piping must be reworked to eliminate some temporary piping routed on the exterior of the building.

The existing group toilets shall be renovated fully to allow compliance with ADA requirements. It may be possible to re-use portions of the existing main risers based on further evaluation. A new domestic water pump shall be provided and located within a proper space. The existing 2" domestic water service is expected to be re-used.

Cost

A Statement of Probable Cost was provided by Aiken Cost Consultants. The total construction cost is estimated to be \$3,108,346, with Add Alternates totaling \$1,635,099. The detailed estimate is included in Section XIII.

**ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS
RESULTING FROM PERMANENT IMPROVEMENT PROJECT**

1. AGENCY Code H15 Name College of Charleston

2. PROJECT Project # 9657 Name 176 Lockwood Drive Property Acquisition

3. ADDITIONAL ANNUAL OPERATING COSTS / SAVINGS. (Check whether reporting costs or savings.)

COSTS SAVINGS NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS / SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) 2015	\$	\$	\$ 0.00	\$ 0.00
2) 2016	\$	\$	\$ 160,860.00	\$ 160,860.00
3) 2017	\$	\$	\$ 160,860.00	\$ 160,860.00

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).
College Fees

6. Will the additional costs be absorbed into your existing budget? YES NO
If no, how will additional funds be provided?

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year.

	<u>COST FACTORS</u>	<u>AMOUNT</u>
1.	<u>Utilities</u>	<u>\$80,430.00</u>
2.	<u>Maintenance</u>	<u>80,430.00</u>
3.	<u>_____</u>	<u>_____</u>
4.	<u>_____</u>	<u>_____</u>
5.	<u>_____</u>	<u>_____</u>
6.	<u>_____</u>	<u>_____</u>
7.	<u>_____</u>	<u>_____</u>
8.	<u>_____</u>	<u>_____</u>
	TOTAL	\$160,860.00

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved. _____

9. Submitted By: Stephen C. DeLorme 9/9/2014
Signature of Authorized Official and Title Date

STATE BUDGET AND CONTROL BOARD
MEETING OF October 14, 2014

REGULAR SESSION
ITEM NUMBER 5

AGENCY: Clemson University

SUBJECT: Not Exceeding \$16,250,000 Athletic Facilities Refunding Revenue Bonds, Series 2014 of Clemson University

The Board is asked to adopt a resolution making provision for the issuance and sale of not exceeding \$16,250,000 Athletic Facilities Refunding Revenue Bonds, Series 2014 of Clemson University.

The proceeds of the Series 2014 bonds will be used for the purposes of (i) providing the amount necessary, together with other available funds of the University, to defray the costs of defeasing and advance refunding the Refunded Bonds; (ii) subject to the provisions of Section 6.03 of the 2014 Series Resolution, providing money to fund the Series 2014 Debt Service Reserve Fund, if any, for the Series 2014 Bonds; and (iii) paying certain costs and expenses relating to the issuance of the Series 2014 Bonds.

BOARD ACTION REQUESTED:

Adopt a resolution making provision for the issuance and sale of not exceeding \$16,250,000 Athletic Facilities Refunding Revenue Bonds, Series 2014 of Clemson University.

ATTACHMENTS:

Pope 9/23/14 letter; Resolution; Summary of Refinancing Proposal



POPE ZEIGLER
LAW FIRM

COLUMBIA | CHARLOTTE

Pope Zeigler, LLC
1411 Gervais St., Ste 300
Post Office Box 11509
Columbia, SC 29211

MAIN 803 354.4900
FAX 803 354.4899
popezeigler.com

September 23, 2014

Mr. Delbert H. Singleton, Jr., Board Secretary
South Carolina Budget and Control Board
Wade Hampton Office Building
1200 Senate Street, Room 612
Columbia, South Carolina 29201

VIA HAND DELIVERY

Re: Not exceeding \$16,250,000 Athletic Facilities Refunding Revenue Bonds, Series 2014 of Clemson University, South Carolina (the "Bonds")

Dear Delbert:

On behalf of Clemson University, South Carolina, in connection with the issuance of the Bonds and in anticipation of the meeting of the South Carolina Budget and Control Board (the "State Board") scheduled for October 14, 2014, we respectfully enclose the following for consideration:

1. A copy of a bond resolution dated April 16, 1999, of the Board of Trustees of Clemson University providing for the issuance of Athletic Facilities Revenue Bonds of Clemson University;
2. A copy of a series resolution for consideration by the Board of Trustees of Clemson University on October 10, 2014, authorizing the issuance of the Bonds (an executed copy of the series resolution will be provided to you prior to the October 14 meeting of the State Board);
3. A copy of the proposed South Carolina Budget and Control Board resolution for consideration at its meeting of October 14, 2014, regarding the issuance of the Bonds; and
4. A Summary of Refinancing Proposal.

We will also be sending you in Microsoft Word format the electronic version of Item 3 listed above so that you may revise it as necessary. Please let us know if you need anything further or if you have any questions or concerns.

Sincerely,

Gary F. Pope, Jr.

Enclosures

cc: F. Richard Harmon, Jr., Senior Assistant State Treasurer, Office of State Treasurer
Steven H. Crump, Assoc. Vice President & University Controller, Clemson University

A RESOLUTION

APPROVING THE ISSUANCE AND SALE OF NOT EXCEEDING \$16,250,000 ATHLETIC FACILITIES REFUNDING REVENUE BONDS, SERIES 2014, OF CLEMSON UNIVERSITY, SOUTH CAROLINA, AND OTHER MATTERS RELATING THERETO.

BE IT RESOLVED BY THE SOUTH CAROLINA BUDGET AND CONTROL BOARD, IN MEETING DULY ASSEMBLED:

ARTICLE I

FINDINGS OF FACT

As an incident to the adoption of this resolution (this "Resolution"), the South Carolina Budget and Control Board (the "State Board") finds:

Section 1.01

(a) The Board of Trustees of Clemson University (the "Board of Trustees"), the governing body of Clemson University, South Carolina (the "University"), is authorized by Article 9, Chapter 119 of Title 59 of the Code of Laws of South Carolina, 1976, as amended (the "Athletic Facilities Revenue Bond Act") to construct and improve certain facilities of the University designated by the Board of Trustees as intercollegiate athletic facilities (the "Athletic Facilities") and to issue bonds payable from certain revenues of the Athletic Department of the University (the "Athletic Department") in order to finance such construction and improvements and to refund outstanding revenue bonds issued pursuant to the Athletic Facilities Revenue Bond Act (the "Athletic Facilities Revenue Bonds"). The Board of Trustees is authorized by the Athletic Facilities Revenue Bond Act to further secure such bonds of the University payable from certain revenues of the Athletic Department by the pledge of the receipts of (i) such admissions fees as may be imposed by the Board of Trustees upon persons admitted to any event held at any of the Athletic Facilities for the purpose of providing assistance in the repayment of bonds and (ii) such special student fees as may be imposed by the Board of Trustees upon persons in attendance at any academic session of the University. Pursuant to the provisions of Title 11, Chapter 21 of the Code of Laws of South Carolina, 1976, as amended (the "Refunding Act," and together with the Athletic Facilities Revenue Bond Act, the "Enabling Act"), the University is authorized to effect advanced refundings of its outstanding indebtedness.

(b) On April 16, 1999, the Board of Trustees adopted a resolution entitled "A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF ATHLETIC FACILITIES REVENUE BONDS OF CLEMSON UNIVERSITY, SOUTH CAROLINA, AND OTHER MATTERS RELATED THERETO" (the "Bond Resolution"), as a means of providing for the issuance from time to time of Athletic Facilities Revenue Bonds of a particular series pursuant to the provisions of a Series Resolution of the Board of Trustees, provided all conditions required by the Bond Resolution are met. Pursuant to the Bond Resolution, the Board of Trustees previously issued and there remain Outstanding: (a) \$13,600,000 of the originally issued \$15,000,000 Athletic Facilities Revenue Bonds, Series 2005 of Clemson University, South Carolina (the "Series 2005 Bonds"); and (b) \$9,080,000 of the originally issued \$12,335,000 Athletic Facilities Refunding Revenue Bonds, Series 2012 of Clemson University, South Carolina (the "Series 2012 Bonds").

(c) On October 10, 2014, the Board of Trustees adopted a series resolution entitled "A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF A SERIES OF ATHLETIC FACILITIES REFUNDING REVENUE BONDS OF CLEMSON UNIVERSITY, SOUTH CAROLINA, TO BE DESIGNATED SERIES 2014 IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING SIXTEEN MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS (\$16,250,000), AND OTHER MATTERS RELATING THERETO" (the "2014 Series Resolution") authorizing the issuance of Athletic Facilities Refunding Revenue Bonds, Series 2014 (the "Series 2014 Bonds") for the purpose of defeasing and advance refunding certain maturities (the "Refunded Bonds") of the Outstanding Series 2005 Bonds.

(d) The 2014 Series Resolution authorized the use of proceeds of the Series 2014 Bonds for the purposes of: (i) providing the amount necessary, together with other available funds of the University, to defray the costs of defeasing and advance refunding the Refunded Bonds; (ii) subject to the provisions of Section 6.03 of the 2014 Series Resolution, providing money to fund the Series 2014 Debt Service Reserve Fund, if any, for the Series 2014 Bonds; and (iii) paying certain costs and expenses relating to the issuance of the Series 2014 Bonds.

(e) The Board of Trustees has determined that prevailing market conditions indicate that substantial debt service savings may be achieved through refunding the Refunded Bonds, and the University hereby requests the State Board to approve at this time the issuance by the University of the Series 2014 Bonds for the purposes set forth in paragraph (d) above.

Section 1.02

The Bond Resolution and the 2014 Series Resolution, each in the form adopted by the Board of Trustees, have been presented to the State Board.

Section 1.03

The Board of Trustees has determined that all conditions precedent to the issuance of the Series 2014 Bonds, including those required by the Bond Resolution, the 2014 Series Resolution, and the Enabling Act, will be met upon the issuance of the Series 2014 Bonds.

Section 1.04

All capitalized terms used in this Resolution, but not defined herein, shall have the meaning ascribed to such terms in the Bond Resolution and the 2014 Series Resolution.

ARTICLE II

AUTHORIZATION TO ISSUE AND SELL THE SERIES 2014 BONDS

Section 2.01

The State Board hereby approves and authorizes the issuance and sale of not exceeding \$16,250,000 principal amount Athletic Facilities Refunding Revenue Bonds, Series 2014, of the University and to sell the same in the manner and under the conditions prescribed by the 2014 Series Resolution.

Section 2.02

On the basis of the foregoing and after due consideration of the facts above recited and other matters appurtenant thereto, this Resolution has been adopted.

Dated: October 14, 2014.

Summary of Refinancing Proposal for
 \$16,250,000
 Clemson University
 Athletic Facilities Refunding Revenue Bonds
 Series 2014

PRELIMINARY – SUBJECT TO CHANGE

October 7, 2014

Outstanding bonds proposed to be refinanced \$13,600,000 of the originally issued \$15,000,000
 Clemson University Athletic Facilities Revenue
 Bonds, Series 2005

Average interest rate of bonds refinanced	4.46%
Projected average interest rate of refinancing bonds	2.25% (avg. yield)
True interest cost of refinancing bonds	2.50% (all-in TIC)
Projected net present value savings (net of costs)	\$917,230.41
Projected net present value savings as a percentage of the bonds refinanced	6.74%

Estimated costs (costs as a percentage of
 refinancing bonds, costs as a percentage of
 refinancing savings):

Underwriting	\$81,250 (0.50%; 8.86%)
Legal fees – bond, disclosure and general counsel	\$37,500 (0.23%; 4.09%)
Rating agency fees	\$44,000 (0.27%; 4.80%)
Advisory fees	\$16,250 (0.10%; 1.77%)
Bond trustee/registrar	\$10,000 (0.06%; 1.09%)
Accounting and verification	\$5,500 (0.03%; 0.60%)
Credit enhancement/bond insurance	-
Publication, printing, contingencies and all other expenses	\$16,500 (0.10%; 1.80%)
Total	\$211,000 (1.30%; 23.00%)

Prepared by: First Southwest Company, financial advisor to Clemson University.

Date: September 8, 2014

STATE BUDGET AND CONTROL BOARD
MEETING OF October 14, 2014

REGULAR SESSION
ITEM NUMBER 6

AGENCY: Clemson University

SUBJECT: Not Exceeding \$25,000,000 Athletic Facilities Revenue Bonds, Series 2014 of
Clemson University

The Board is asked to adopt a resolution making provision for the issuance and sale of not exceeding \$25,000,000 Athletic Facilities Revenue Bonds, Series 2014 of Clemson University.

The proceeds of the Series 2014 bonds will be used to (i) provide the amount necessary, together with other available funds of the University, to defray the costs of construction and equipping of renovations to Memorial Stadium suites and concourses on the campus of the University; (ii) capitalizing interest during construction, if necessary; (iii) subject to the provisions of Section 6.03 of the 2014 Series Resolution, providing money to fund the Series 2014 Debt Service Reserve Fund, if any, for the Series 2014 Bonds; and (iv) paying certain costs and expenses relating to the issuance of the Series 2014 Bonds, including a municipal bond insurance premium, if any.

BOARD ACTION REQUESTED:

Adopt a resolution making provision for the issuance and sale of not exceeding \$25,000,000 Athletic Facilities Revenue Bonds, Series 2014 of Clemson University.

ATTACHMENTS:

Pope 9/23/14 letter; Resolution



POPE ZEIGLER
LAW FIRM

COLUMBIA | CHARLOTTE

Pope Zeigler, LLC
1411 Gervais St., Ste 300
Post Office Box 11509
Columbia, SC 29211

MAIN 803.354.4900
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popezeigler.com

September 23, 2014

Mr. Delbert H. Singleton, Jr., Board Secretary
South Carolina Budget and Control Board
Wade Hampton Office Building
1200 Senate Street, Room 612
Columbia, South Carolina 29201

VIA HAND DELIVERY

Re: Not exceeding \$25,000,000 Athletic Facilities Revenue Bonds, Series 2014 of
Clemson University, South Carolina (the "Bonds")

Dear Delbert:

On behalf of Clemson University, South Carolina, in connection with the issuance of the Bonds and in anticipation of the meeting of the South Carolina Budget and Control Board (the "State Board") scheduled for October 14, 2014, we respectfully enclose the following for consideration:

1. A copy of a bond resolution dated April 16, 1999, of the Board of Trustees of Clemson University providing for the issuance of Athletic Facilities Revenue Bonds of Clemson University;
2. A copy of a series resolution adopted by the Board of Trustees of Clemson University on July 18, 2014, authorizing the issuance of the Bonds; and
3. A copy of the proposed State Board resolution regarding the issuance of the Bonds.

We will also be sending you in Microsoft Word format the electronic version of Item 3 listed above so that you may revise it as necessary. Please let us know if you need anything further or if you have any questions or concerns.

Sincerely,

Gary T. Pope, Jr.

Enclosures

cc: F. Richard Harmon, Jr., Senior Assistant State Treasurer, Office of State Treasurer
Steven H. Crump, Assoc. Vice President & University Controller, Clemson University

A RESOLUTION

APPROVING THE ISSUANCE AND SALE OF NOT EXCEEDING \$25,000,000 ATHLETIC FACILITIES REVENUE BONDS, SERIES 2014, OF CLEMSON UNIVERSITY, SOUTH CAROLINA, AND OTHER MATTERS RELATING THERETO.

BE IT RESOLVED BY THE SOUTH CAROLINA BUDGET AND CONTROL BOARD, IN MEETING DULY ASSEMBLED:

ARTICLE I

FINDINGS OF FACT

As an incident to the adoption of this resolution (this "Resolution"), the South Carolina Budget and Control Board (the "State Board") finds:

Section 1.01

(a) The Board of Trustees of Clemson University (the "Board of Trustees"), the governing body of Clemson University, South Carolina (the "University"), is authorized by Article 9, Chapter 119 of Title 59 of the Code of Laws of South Carolina, 1976, as amended (the "Enabling Act") to construct and improve certain facilities of the University designated by the Board of Trustees as intercollegiate athletic facilities (the "Athletic Facilities") and to issue bonds payable from certain revenues of the Athletic Department of the University (the "Athletic Department") in order to finance such construction and improvements (the "Athletic Facilities Revenue Bonds"). The Board of Trustees is authorized by the Enabling Act to further secure such bonds of the University payable from certain revenues of the Athletic Department by the pledge of the receipts of (i) such admissions fees as may be imposed by the Board of Trustees upon persons admitted to any event held at any of the Athletic Facilities for the purpose of providing assistance in the repayment of bonds and (ii) such special student fees as may be imposed by the Board of Trustees upon persons in attendance at any academic session of the University.

(b) On April 16, 1999, the Board of Trustees adopted a resolution entitled "A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF ATHLETIC FACILITIES REVENUE BONDS OF CLEMSON UNIVERSITY, SOUTH CAROLINA, AND OTHER MATTERS RELATED THERETO" (the "Bond Resolution"), as a means of providing for the issuance from time to time of Athletic Facilities Revenue Bonds of a particular series pursuant to the provisions of a Series Resolution of the Board of Trustees, provided all conditions required by the Bond Resolution are met. Pursuant to the Bond Resolution, the Board of Trustees previously issued and there remain Outstanding: (a) \$13,600,000 of the originally issued \$15,000,000 Athletic Facilities Revenue Bonds, Series 2005 of Clemson University, South Carolina (the "Series 2005 Bonds"); and (b) \$9,080,000 of the originally issued \$12,335,000 Athletic Facilities Refunding Revenue Bonds, Series 2012 of Clemson University, South Carolina (the "Series 2012 Bonds").

(c) On July 18, 2014, the Board of Trustees adopted a series resolution entitled "A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF A SERIES OF ATHLETIC FACILITIES REVENUE BONDS OF CLEMSON UNIVERSITY, SOUTH CAROLINA, TO BE DESIGNATED SERIES 2014 IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING TWENTY-FIVE MILLION DOLLARS (\$25,000,000), AND OTHER MATTERS RELATING THERETO" (the "2014 Series Resolution") authorizing the issuance of Athletic Facilities Revenue Bonds, Series 2014 (the

“Series 2014 Bonds”) for the purpose of the development, construction and equipping of renovations to the Memorial Stadium Suites and concourses on the campus of the University (the “Project”).

(d) The 2014 Series Resolution authorized the use of proceeds of the Series 2014 Bonds for the purposes of: (i) providing the amount necessary, together with other available funds of the University, to defray the costs of the Project; (ii) capitalizing interest during construction, if necessary; (iii) subject to the provisions of Section 6.03 of the 2014 Series Resolution, providing money to fund the Series 2014 Debt Service Reserve Fund, if any, for the Series 2014 Bonds; and (iv) paying certain costs and expenses relating to the issuance of the Series 2014 Bonds, including a municipal bond insurance premium, if any.

(e) The Board of Trustees has determined that the designing, constructing, and equipping of the Project is advantageous to the University for its continued successful operation as a public institution of higher learning, and the University hereby requests the State Board to approve at this time the issuance by the University of the Series 2014 Bonds to defray the costs of the designing, constructing and equipping of the Project, and other matters related thereto.

Section 1.02

The Bond Resolution and the 2014 Series Resolution, each in the form adopted by the Board of Trustees, have been presented to the State Board.

Section 1.03

The Board of Trustees has determined that all conditions precedent to the issuance of the Series 2014 Bonds, including those required by the Bond Resolution, the 2014 Series Resolution, and the Enabling Act, will be met upon the issuance of the Series 2014 Bonds.

Section 1.04

All capitalized terms used in this Resolution, but not defined herein, shall have the meaning ascribed to such terms in the Bond Resolution and the 2014 Series Resolution.

ARTICLE II

AUTHORIZATION TO ISSUE AND SELL THE SERIES 2014 BONDS

Section 2.01

The State Board hereby approves and authorizes the issuance and sale of not exceeding \$25,000,000 principal amount Athletic Facilities Revenue Bonds, Series 2014, of the University and to sell the same in the manner and under the conditions prescribed by the 2014 Series Resolution.

Section 2.02

On the basis of the foregoing and after due consideration of the facts above recited and other matters appurtenant thereto, this Resolution has been adopted.

Dated: October 14, 2014.

STATE BUDGET AND CONTROL BOARD

REGULAR SESSION

MEETING OF October 14, 2014

ITEM NUMBER 7

AGENCY: Budget and Control Board

SUBJECT: Future Meeting

The next regular meeting of the Budget and Control Board will be held at 10:00 a.m. on Tuesday, December 9, 2014, in Room 252, Edgar A. Brown Building.

BOARD ACTION REQUESTED:

Agree to meet at 10:00 a.m. on Tuesday, December 9, 2014, in Room 252, Edgar A. Brown Building.

ATTACHMENTS: