

STATE FISCAL ACCOUNTABILITY AUTHORITY

Meeting of Tuesday, December 15, 2015 -- 10:00 A. M.

Room 252, Edgar A. Brown Building

AGENDA INDEX

Item	Agency	Subject
A.	MEETING OF STATE FISCAL ACCOUNTABILITY AUTHORITY	
B.	ADOPTION OF PROPOSED AGENDA	
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D.	BLUE AGENDA	
1.	State Treasurer's Office	Bond Counsel Selection
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3.	Department of Administration, Executive Budget Office	Bank Account Transparency and Accountability
4.	Department of Administration, Executive Budget Office	Report of FTE Positions Recommended for Deletion in Accordance with Proviso 104.2 of the Fiscal Year 2015-16 Appropriations Act
5.	Department of Administration Division of General Services	Easements
6.	SC Jobs-Economic Development Authority	\$3,420,000 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
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1.	Department of Administration, Executive Budget Office	Permanent Improvement Projects
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3.	Department of Administration, Division of General Services	Clemson University Lease for Space at 701 East Bay Street, Suite 200, Charleston
4.	Department of Administration, Division of General Services	Clemson University Lease for Space at 1 Research Drive, Greenville
5.	Department of Administration, Division of General Services	State Housing Finance and Development Authority Market Pointe Centre Lease at 300 Outlet Pointe Boulevard

STATE FISCAL ACCOUNTABILITY AUTHORITY
Meeting of Tuesday, December 15, 2015 -- 10:00 A. M.
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REGULAR SESSION AGENDA INDEX -- Page 2

<u>Item</u>	<u>Agency</u>	<u>Subject</u>
6.	Department of Administration, Division of General Services	Workers Compensation Commission Lease for Space at 1333 Main Street, Columbia
7.	Department of Administration, Division of General Services	State Ports Authority Conveyance of up to 317.51± Acres in Port Royal to Palmetto Alliance Property Group, LLC
8.	Midlands Technical College	Not Exceeding \$10,975,000 General Obligation State Institution Refunding Bonds (Issued on Behalf of Midlands Technical College), Series 2016 of the State of South Carolina
9.	Medical University of South Carolina	Not Exceeding \$34,000,000 General Obligation State Institution Refunding Bonds (Issued on Behalf of The Medical University of South Carolina), Series 2016
10.	State of South Carolina	Not Exceeding \$69,000,000 General Obligation State Economic Development Refunding Bonds
11.	State of South Carolina	Not Exceeding \$81,000,000 State General Obligation Research University Infrastructure Refunding Bonds, Series 2016A
12.	Winthrop University	Not Exceeding \$26,000,000 General Obligation State Institution Refunding Bonds, Issued on behalf of Winthrop University
13.	State Fiscal Accountability Authority	Future Meeting
F. EXECUTIVE SESSION		
1.	State Fiscal Accountability Authority	Personnel Matters (Discuss and Consider Qualifications and Suitability of Various Individuals for Potential Offer(s) of Employment for Position(s) of Responsibility within the Authority); and Return to Regular Session (For Offer(s) of Employment, if Appropriate)

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 and special assignment for bond counsel for which Authority approval is requested:

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

Description of Issue	Agency/Institution (Borrower)	Borrower's Counsel	Issuer's Counsel
\$ 240,000,000 SC JEDA	Palmetto Health	David Kates & Megan Rudd with Chapman & Cutler	Howell Linkous & Nettles

SPECIAL ASSIGNMENT OF BOND COUNSEL:

Description of Issue	Agency/Institution	Approved Bond Counsel	Date STO Approved
\$ 40,000,000 Limited Obligation Bonds	Department of Mental Health	Pope Flynn	11/17/2015
\$ 6,500,000 State Institution Bonds	Clemson University	Pope Flynn	11/17/2015
\$ 34,000,000 State Institution Bonds	MUSC	McNair	11/19/2015
\$24,000,000 State Institution Bonds	SC State University	Pope Flynn	11/17/2015
\$12,600,000 State Institution Bonds	Midlands Technical College	Pope Flynn	11/17/2015
\$13,000,000 State Institution Bonds	Coastal Carolina	Pope Flynn	11/17/2015
\$26,000,000 State Institution Bonds	Winthrop University	Haynsworth Sinkler Boyd	11/17/2015
\$53,000,000 Economic Development Bonds (Volvo)	Department of Commerce	Haynsworth Sinkler Boyd	11/17/2015
\$23,600,000 Cash Defeasance	STO	Haynsworth Sinkler Boyd	11/17/2015
\$ 69,000,000 Economic Development Bonds-Refunding	STO	Haynsworth Sinkler Boyd	11/17/2015
\$ 81,000,000 Research University Refunding bonds	University of South Carolina	McNair	11/17/2015

AUTHORITY ACTION REQUESTED:

Approve the referenced bond counsel assignment.

ATTACHMENTS:

Bond Counsel Selection Approved by the State Treasurer's Office

Items for December 15, 2015 State Fiscal Accountability Authority 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
\$ 240,000,000 SC JEDA	Palmetto Health	David Kates & Megan Rudd with Chapman & Cutler	Howell Linkous & Nettles	11/12/2015

OTHER REVENUE ISSUES:

Description of Issue	Agency/Institution	Approved Bond Counsel	Date STO Approved

SPECIAL ASSIGNMENT OF BOND COUNSEL:

Description of Issue	Agency/Institution	Approved Bond Counsel	Date STO Approved
\$ 40,000,000 Limited Obligation Bonds	Department of Mental Health	Pope Flynn	11/17/2015
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\$ 69,000,000 Economic Development Bonds-Refunding	STO	Haynsworth Sinkler Boyd	11/17/2015
\$ 81,000,000 Research University Refunding bonds	University of South Carolina	McNair	11/17/2015

STATE FISCAL ACCOUNTABILITY AUTHORITY
MEETING OF December 15, 2015

BLUE AGENDA
ITEM NUMBER 2

AGENCY: Secretary of State

SUBJECT: Notice of Expenditure of Funds

Pursuant to S.C. Code Ann. Section 1-11-470, Secretary of State Mark Hammond has advised the Authority that he will be expending funds to purchase radio public service announcements time. The radio time will be used for a public awareness campaign on charity and telemarketing fraud. Secretary Hammond expects to expend no more than \$30,000 toward the cost of the radio public service announcements. The funds are from administrative fines issued by the Secretary of State pursuant to the Solicitation of Charitable Funds Act, Code Section 33-56-160. Approval of the request must be by unanimous vote of the Authority.

AUTHORITY ACTION REQUESTED:

Receive and approve a request from Secretary of State Mark Hammond concerning the expenditure of funds to purchase radio public service announcements not to exceed \$30,000 for a public awareness campaign on charity and telemarketing fraud. The Authority must approve the request to use the funds for such purposes by unanimous vote.

ATTACHMENTS:

Dunlap 11/10/15 letter; Code Sections 1-11-470

State of South Carolina
Office of the Secretary of State
The Honorable Mark Hammond

1205 PENDLETON STREET, SUITE 525
COLUMBIA, SC 29201

803-734-2170
www.sos.sc.gov



November 10, 2015

Delbert Singleton, Authority Secretary
State Fiscal Accountability Authority
1201 Main Street, Suite 600
Columbia, SC 29201

Re: Secretary of State Charity and Telemarketing Fraud Public Service Announcements

Dear Mr. Singleton:

Pursuant to S. C. Code §1-11-470, Secretary Hammond is requesting to appear before the State Fiscal Accountability Authority for approval to use funds for radio public service announcements concerning charity and telemarketing fraud. I would appreciate it if you would please place this item on the December 15, 2015 meeting agenda.

These funds are collected by the agency from fees and fines imposed on charities and telemarketers who violate the Solicitation of Charitable Funds Act. South Carolinians give generously throughout the year, but especially during the holiday season. As the regulator of public charities, it is the Secretary of State's statutory responsibility to enforce the Solicitation of Charitable Funds Act. Educating the public is the most effective way to prevent fraud. The public needs to be informed on how to find information on charitable organizations to ensure that their donations are made wisely.

This year, Secretary Hammond would like approval to expend no more than \$30,000 toward the cost of radio public service announcements. The sole purpose of the campaign is to protect charitable donors in South Carolina. Previous ads in past years were successful in creating awareness among consumers and exposing fraudulent telemarketing activities. Please contact me at 734-2157 if you have any questions about this request. Secretary Hammond looks forward to seeing you on December 15, 2015.

Sincerely,

Melissa Dunlap
Deputy Secretary of State & Chief Legal Counsel

SECTION 1-11-470. Limitations on use of funds appropriated by General Assembly.

(A) No funds appropriated by the General Assembly may be used by a constitutional officer to purchase space including, but not limited to, notices or advertisements, in a print medium or time from a radio or television medium without unanimous prior written approval of the Budget and Control Board.

(B) No funds appropriated by the General Assembly may be used by a constitutional officer to print on, or distribute with, official documents extraneous promotional material or to purchase plaques, awards, citations, or other recognitions without unanimous prior written approval of the Budget and Control Board.

(C) If nonpublic funds are used for the purposes enumerated in subsection (A), the constitutional officer expending the funds must submit the source of the funds showing all contributors to the Budget and Control Board before the funds are expended.

(D) The provisions of this section do not apply to the Governor or to the General Assembly.

HISTORY: 1997 Act No. 155, Part II, Section 42A.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Bank Account Transparency and Accountability

Proviso 117.84 of the Fiscal Year 2015-16 Appropriations Act requires agencies with composite reservoir bank accounts or other accounts which are not included in the South Carolina Enterprise Information System (SCEIS) to prepare a report disclosing transaction information from the prior fiscal year. State institutions of higher learning are exempted from this requirement. The proviso also provides for an agency to petition the State Fiscal Accountability Authority for an exemption from the detailed reporting requirements if release of the information would be detrimental to the state or agency. Agencies exempted from the detailed transaction reporting by action of the former Budget and Control Board must provide the following information for each account: 1) Name of the account; 2) Names and titles of each person responsible for making withdrawals and deposits in the account; 3) Names and titles of each person responsible for reconciling each account; 4) the beginning balance, total deposits, total expenditures and year-end balance of the account.

The Executive Budget Office requested state agencies to provide the required reports by October 1, 2015. The reports received from the various state agencies have been submitted to the Comptroller General's Office to be posted on its website. Attached is a list which submitted a report in accordance with Proviso 117.84 of the FY 2015-16 Appropriations Act.

AUTHORITY ACTION REQUESTED:

Receive as information the list of agencies which have submitted reports in accordance with Proviso 117.84.

ATTACHMENTS:

Agenda item worksheet; Proviso 117.84; Summary of agency responses

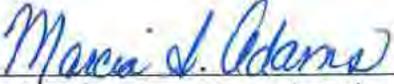
STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: December 15, 2015

Blue Agenda

1. Submitted by:

- (a) Agency: Department of Administration:
- (b) Authorized Official Signature:


Marcia Adams, Executive Director

2. Subject: Bank Account Transparency and Accountability

3. Summary Background Information: Proviso 117.84 of the Fiscal Year 2015-16 Appropriations Act requires agencies with composite reservoir bank accounts or other accounts which are not included in the South Carolina Enterprise Information System (SCEIS) to prepare a report disclosing transaction information from the prior fiscal year. State institutions of higher learning are exempted from this requirement. The proviso also provides for an agency to petition the State Fiscal Accountability Authority for an exemption from the detailed reporting requirements if release of the information would be detrimental to the state or agency. Agencies exempted from the detailed transaction reporting by action of the former Budget and Control Board must provide the following information for each account: 1) Name of the account; 2) Names and titles of each person responsible for making withdrawals and deposits in the account; 3) Names and titles of each person responsible for reconciling each account; 4) the beginning balance, total deposits, total expenditures and year-end balance of the account.

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4. What is Authority asked to do? Receive as information the list of agencies which have submitted reports in accordance with Proviso 117.84.

5. What is recommendation of Department of Administration? Receive as information the list of agencies which have submitted reports in accordance with Proviso 117.84.

6. List of Supporting Documents:

- (a) Proviso 117.84
- (b) Summary of agency responses

**AGENCY COMPOSITE BANK ACCOUNTS
REPORTS RECEIVED**

Agency Number	Agency Name	Exemption Requested
D100	SC Law Enforcement Division	Yes
D500	Department of Administration	Yes
E200	Office of Attorney General	Yes
H710	Wil Lou Gray Opportunity School	Yes
H730	Vocational Rehabilitation Department	Yes
J160	Department of Disabilities and Special Needs	Yes
L040	Department of Social Services	Yes
L120	John de la Howe School	Yes
N120	Department of Juvenile Justice	Yes
P240	Department of Natural Resources	Yes
R120	State Accident Fund	Yes
R280	Department of Consumer Affairs	Yes
R400	Department of Motor Vehicles	Yes
R440	Department of Revenue	Yes
B040	Judicial Department	No
D200	Governor's Mansion and Grounds	No
E080	Secretary of State	No
E240	Adjutant General's Office	No
H750	School for the Deaf and Blind	No
H950	State Museum	No
J020	Department of Health and Human Services	No
J040	Department of Health and Environmental Control	No
K050	Department of Public Safety	No
P120	Forestry Commission	No
P280	Department of Parks, Recreation and Tourism	No
P320	Department of Commerce	No
R360	Department of Labor, Licensing and Regulation	No
R600	Department of Employment and Workforce	No
U120	Department of Transportation	No

**Proviso 117.84 Bank Account Transparency and Accountability
FY 2015-16 Appropriation Act**

117.84. (GP: Bank Account Transparency and Accountability) Each state agency, except state institutions of higher learning, which has composite reservoir bank accounts or any other accounts containing public funds which are not included in the Comptroller General's South Carolina Enterprise Information System shall prepare a report for each account disclosing every transaction of the account in the prior fiscal year. The report shall be submitted to the State Fiscal Accountability Authority by October first of each fiscal year. The report shall include the name(s) and title(s) of each person authorized to sign checks or make withdrawals from each account, the name and title of each person responsible for reconciling each account, the beginning and year-end balance of funds in each account, and data related to both deposits and expenditures of each account. The report shall include, but not be limited to, the date, amount, and source of each deposit transaction and the date, name of the payee, the transaction amount, and a description of the goods or services purchased for each expenditure transaction. To facilitate review, the State Fiscal Accountability Authority shall prescribe a common format for the report which agencies must use. In order to promote accountability and transparency, a link to the report shall be posted on the Comptroller General's website as well as the agency's homepage.

When the State Auditor conducts or contracts for an audit of a state agency, accounts of the agency subject to this proviso must be included as part of the review.

If an agency determines that the release of the information required in this provision would be detrimental to the state or the agency, the agency may petition the State Fiscal Accountability Authority to grant the agency an exemption from the reporting requirements for the detrimental portion. The meeting to determine whether an exemption should be granted shall be closed. However, the exemption may only be granted upon a majority vote of the State Fiscal Accountability Authority in a public meeting.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Report of FTE Positions Recommended for Deletion in Accordance with Proviso 104.2 of the Fiscal Year 2015-16 Appropriations Act

Proviso 104.2 of the FY 2015-16 Appropriations Act authorizes the State Fiscal Accountability Authority to delete FTE positions that have been vacant for more than twelve months. As of September 30, 2015, state agencies had 6,167.93 vacant positions. Based on the criteria allowing agencies a 5% vacancy rate or 10-position minimum before any positions would be deleted and adjusting for positions that have been filled or are being actively recruited, there are 574 positions that could be considered for deletion. The criteria used are the same as used by the former Budget and Control Board for the last eight years.

The following is a summary of FTE information as of September 30, 2015:

	<u>TOTAL</u>
FTE Positions Authorized	49,087.74
FTE Positions Currently Vacant	6,167.93
FTE Positions Vacant Over 1 Year	1,160.93
FTE Exemptions Allowing Agencies 5%/10 Minimum	101.93
FTE Exemptions for Positions being Filled/Recruited	508.00
Total Positions Recommended for Deletion	551.00

AUTHORITY ACTION REQUESTED:

In accordance with Proviso 104.2, consider the approval of the deletion of positions vacant for more than twelve months as outlined in Schedule A – FTE Vacant Positions More than 12 Months Old Recommended for Deletion.

ATTACHMENTS:

Agenda item worksheet; Proviso 104.2; Schedule A

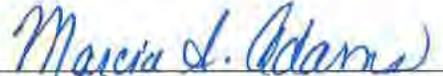
STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: December 15, 2015

Blue Agenda

1. Submitted by:

- (a) Agency: Department of Administration:
(b) Authorized Official Signature:


Marcia Adams, Executive Director

2. Subject: Report of FTE Positions Recommended for Deletion in Accordance with Proviso 104.2 of the Fiscal Year 2015-16 Appropriations Act.

3. Summary Background Information: Proviso 104.2 of the FY 2015-16 Appropriations Act authorizes the State Fiscal Accountability Authority to delete FTE positions that have been vacant for more than twelve months. As of September 30, 2015, state agencies had 6,167.93 vacant positions. Based on the criteria allowing agencies a 5% vacancy rate or 10-position minimum before any positions would be deleted and adjusting for positions that have been filled or are being actively recruited, there are 574 positions that could be considered for deletion. The criteria used are the same as used by the former Budget and Control Board for the last eight years.

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FTE Exemptions for Positions being Filled/Recruited	508.00
Total Positions Recommended for Deletion	551.00

4. What is Authority asked to do? Consider approval of the deletion.

5. What is recommendation of Department of Administration involved? In accordance with Proviso 104.2, the Authority is asked to consider the approval of the deletion of positions vacant for more than twelve months as outlined in Schedule A.

6. List of Supporting Documents:

- (a) Proviso 104.2
(b) Schedule A

**Proviso 104.2 Vacant Positions
FY 2015-16 Appropriation Act**

104.2. (SFAA: Vacant Positions) In the event that any permanent position in an agency remains vacant for more than twelve months the position may be deleted by the State Fiscal Accountability Authority.

NOTE: This spreadsheet calculates the number of vacant positions to be deleted. Each agency would be allowed to keep at least a 5% rate (based on the total number of authorized position and the number of vacant positions more than one year old. If deleting all vacant positions over one year old would bring the total number below the 5% vacancy rate or 10 position minimum, then only enough positions will be deleted to meet the 5%/10 minimum. Otherwise, vacant positions over one year old will be deleted unless actively recruited.

FTE Vacant Positions More Than 12 Months Old
 Recommended for Deletion with a 5% Vacancy Factor and 10 Positions Minimum
 Date as of September 30, 2015
 (Schedule A)

Agency	Agency Name	Total Authorized Positions	Total Vacant Positions	Vacant FTEs More Than One Year Old					Vacancy Rate at 5% Equals	Vacancy Rate	# of Vacant Positions to be Deleted after 10 minimum	Total # Special Exemptions	Total Deleted FTEs
				Total	State	Federal	Other						
A010	The Senate	188.00	21.13	6.00	6.00	-	-	-	9.40	11%	6.00	6.00	-
B040	Judicial Department	631.47	48.47	14.00	13.00	-	1.00	31.57	8%	14.00	14.00	-	
D100	Sled	605.00	36.00	9.00	6.00	-	3.00	30.25	6%	5.00	5.00	-	
D500	Department Of Administration	798.62	151.74	17.00	2.30	-	14.70	39.93	19%	17.00	17.00	-	
E160	Office Of The State Treasurer	70.00	12.25	4.25	1.25	-	3.00	3.50	18%	2.00	2.00	-	
E550	State Fiscal Accountability Authority	138.00	22.50	8.00	1.00	-	7.00	6.90	16%	8.00	8.00	-	
H030	Commission On Higher Education	41.00	15.00	9.00	5.50	0.93	2.57	2.05	37%	5.00	4.00	1.00	
H050	Department Of Education	1,152.47	139.27	24.74	15.52	1.00	8.22	57.62	12%	24.00	21.00	3.00	
H750	School For The Deaf And Blind	294.49	24.23	3.50	2.05	-	1.45	14.72	8%	3.00	1.00	2.00	
J020	Dept Of Health And Human Services	1,039.00	187.00	11.00	4.21	6.72	0.07	52.95	18%	11.00	11.00	-	
J040	Dept Of Health And Environmental Control	3,486.44	474.95	113.19	31.42	37.43	44.34	174.32	14%	113.00	91.00	22.00	
J160	Dept Of Disabilities & Special Needs	2,122.90	290.00	68.00	43.00	-	25.00	106.15	14%	68.00	68.00	-	
K050	Department Of Public Safety	1,571.00	272.00	38.00	10.30	0.02	27.68	76.05	18%	38.00	38.00	-	
L040	Department Of Social Services	3,785.99	463.84	6.00	2.65	3.16	0.19	189.30	12%	6.00	6.00	-	
L120	John De La Howe School	107.41	25.23	1.00	1.00	-	-	5.37	23%	1.00	-	1.00	
L240	Commission For The Blind	106.85	15.83	7.83	5.24	2.59	-	5.34	15%	5.00	5.00	-	
L320	Housing Finance And Development Authority	133.00	18.00	4.00	-	1.65	2.35	6.65	14%	4.00	1.00	3.00	
L360	Human Affairs Commission	45.00	11.00	2.00	1.00	-	1.00	2.25	24%	1.00	1.00	-	
N040	Department Of Corrections	6,218.99	1,173.00	150.00	81.91	1.00	67.09	310.95	19%	150.00	24.00	126.00	
N080	Dept Of Probation, Parole & Pardon	745.00	100.00	1.00	-	-	1.00	37.25	13%	1.00	-	1.00	
N120	Sc Dept Of Juvenile Justice	1,491.93	218.93	1.00	-	-	1.00	74.60	15%	1.00	-	1.00	
P120	Forestry Commission	357.55	22.00	1.00	1.00	-	-	17.88	6%	1.00	1.00	-	
P240	Department Of Natural Resources	765.20	82.00	8.00	2.00	1.00	5.00	38.26	11%	8.00	8.00	-	
R060	Office Of Regulatory Staff	92.00	20.25	14.25	-	-	14.25	4.60	22%	10.00	10.00	-	
R120	State Accident Fund	92.00	26.00	9.00	-	-	9.00	4.60	28%	9.00	9.00	-	
R360	Dept Of Labor License & Regulation	403.97	46.00	11.00	0.86	2.14	8.00	20.20	11%	11.00	11.00	-	
R440	Department Of Revenue	785.00	126.50	15.00	9.00	-	6.00	39.25	16%	15.00	10.00	5.00	
R600	Dept Of Employment & Workforce	1,034.27	379.00	278.00	-	278.00	-	51.71	37%	278.00	23.00	255.00	
H090	The Citadel	662.75	51.63	8.16	3.50	-	4.66	33.14	8%	8.00	8.00	-	
H120	Clemson University	3,088.20	261.26	73.95	22.50	5.50	46.13	154.41	8%	73.00	64.00	9.00	
H150	University Of Charleston	1,414.18	130.13	2.90	2.32	-	0.58	70.71	9%	2.00	2.00	-	
H240	Sc State University	541.23	192.08	133.23	20.75	9.00	103.48	27.06	35%	133.00	24.00	109.00	
H270	University Of South Carolina	4,925.45	484.54	2.00	-	-	2.00	246.27	10%	2.00	2.00	-	
H470	Winthrop University	807.78	45.44	1.00	0.80	-	0.20	40.39	6%	1.00	1.00	-	
H6*	Technical Colleges	4,552.01	305.25	22.00	6.25	13.25	2.50	227.60	7%	22.00	9.00	13.00	
	Statewide Totals	49,087.74	6,167.93	1,160.93	342.99	372.11	445.83	2,454.39	10.51	1,059.00	508.00	551.00	

AGENCY: Department of Administration, Division of General Services

SUBJECT: Easements

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

- (a) County Location: Beaufort
From: Department of Administration
To: Hilton Head Public Service District
Consideration: \$700
Description/Purpose: To grant a 0.38 acre easement for the relocation, installation, operation and maintenance of a 12" water line beneath Jarvis Creek at the Spanish Wells Road crossing to accommodate SCDOT's Jarvis Creek Bridge Replacement Project. Consideration is \$500 plus \$200 per acre for easements across navigable waterways and submerged lands.

- (b) County Location: Charleston
From: Department of Administration
To: Kiawah Island Utility, Inc.
Consideration: \$1,130
Description/Purpose: To grant a 3.15 acre easement for the installation, operation and maintenance of a 16" redundant water main beneath the Kiawah River between Bryans Dairy Road, Johns Island, and Marsh Island Drive, Kiawah Island, to provide an alternate feed line to Kiawah Island for domestic service and fire protection. Consideration is \$500 plus \$200 per acre for easements across navigable waterways and submerged lands.

- (c) County Location: Kershaw
From: Department of Mental Health
To: Camden Community Properties, LLC
Consideration: \$16,600

AGENCY: Department of Administration, Division of General Services

SUBJECT: Easements

Description/Purpose: To grant a 0.40 acre easement for the purpose of vehicular and pedestrian ingress, egress and access through, across and over property under the control of the Department of Mental Health. Camden Community Properties will construct and maintain a 30-foot road right-of-way within the easement area and buffers across the rear property of the Santee/Wateree Mental Health Center. The easement is needed to provide an access road and entrance driveway to the planned retirement village to be known as Beechwood Plantation. Consideration is \$500 plus the appraised value.

AUTHORITY ACTION REQUESTED:

Approve granting the referenced easements as recommended by the Department of Administration, Division of General Services.

ATTACHMENTS:

Agenda item worksheet and attachments

STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: December 15, 2015

Blue Agenda

1. Submitted by:

- (a) Agency: Department of Administration,
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: Beaufort
From: Department of Administration
To: Hilton Head Public Service District
Consideration: \$700
Description/Purpose: To grant a 0.38 acre easement for the relocation, installation, operation and maintenance of a 12" water line beneath Jarvis Creek at the Spanish Wells Road crossing to accommodate SCDOT's Jarvis Creek Bridge Replacement Project. Consideration is \$500 plus \$200 per acre for easements across navigable waterways and submerged lands.
- (b) County Location: Charleston
From: Department of Administration
To: Kiawah Island Utility, Inc.
Consideration: \$1,130
Description/Purpose: To grant a 3.15 acre easement for the installation, operation and maintenance of a 16" redundant water main beneath the Kiawah River between Bryans Dairy Road, Johns Island, and Marsh Island Drive, Kiawah Island, to provide an alternate feed line to Kiawah Island for domestic service and fire protection. Consideration is \$500 plus \$200 per acre for easements across navigable waterways and submerged lands.

- (c) County Location: Kershaw
From: Department of Mental Health
To: Camden Community Properties, LLC
Consideration: \$16,600
Description/Purpose: To grant a 0.40 acre easement for the purpose of vehicular and pedestrian ingress, egress and access through, across and over property under the control of the Department of Mental Health. Camden Community Properties will construct and maintain a 30-foot road right-of-way within the easement area and buffers across the rear property of the Santee/Wateree Mental Health Center. The easement is needed to provide an access road and entrance driveway to the planned retirement village to be known as Beechwood Plantation. Consideration is \$500 plus the appraised value.
-

4. What is the Authority 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, 1-11-100 and 10-1-130
2. Exhibits (maps, plats, etc.)
 - (a) Hilton Head Public Service District
 - (b) Kiawah Island Utility, Inc.
 - (c) Camden Community Properties, LLC

SOUTH CAROLINA CODE OF LAWS

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

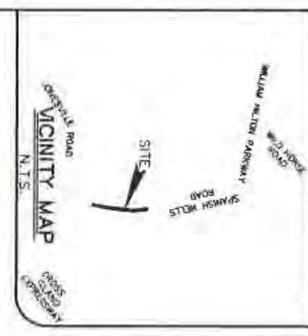
The Department of Administration, upon approval of the State Fiscal Accountability Authority, is authorized to grant easements and rights of way to any person for construction and maintenance of power lines, pipe lines, water and sewer lines and railroad facilities over, on or under such vacant lands 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 the Department of Administration, upon approval of the State Fiscal Accountability Authority, 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 Director of the Department of Administration and the State Fiscal Accountability Authority.

SECTION 10-1-130. Grant of easements and rights of way.

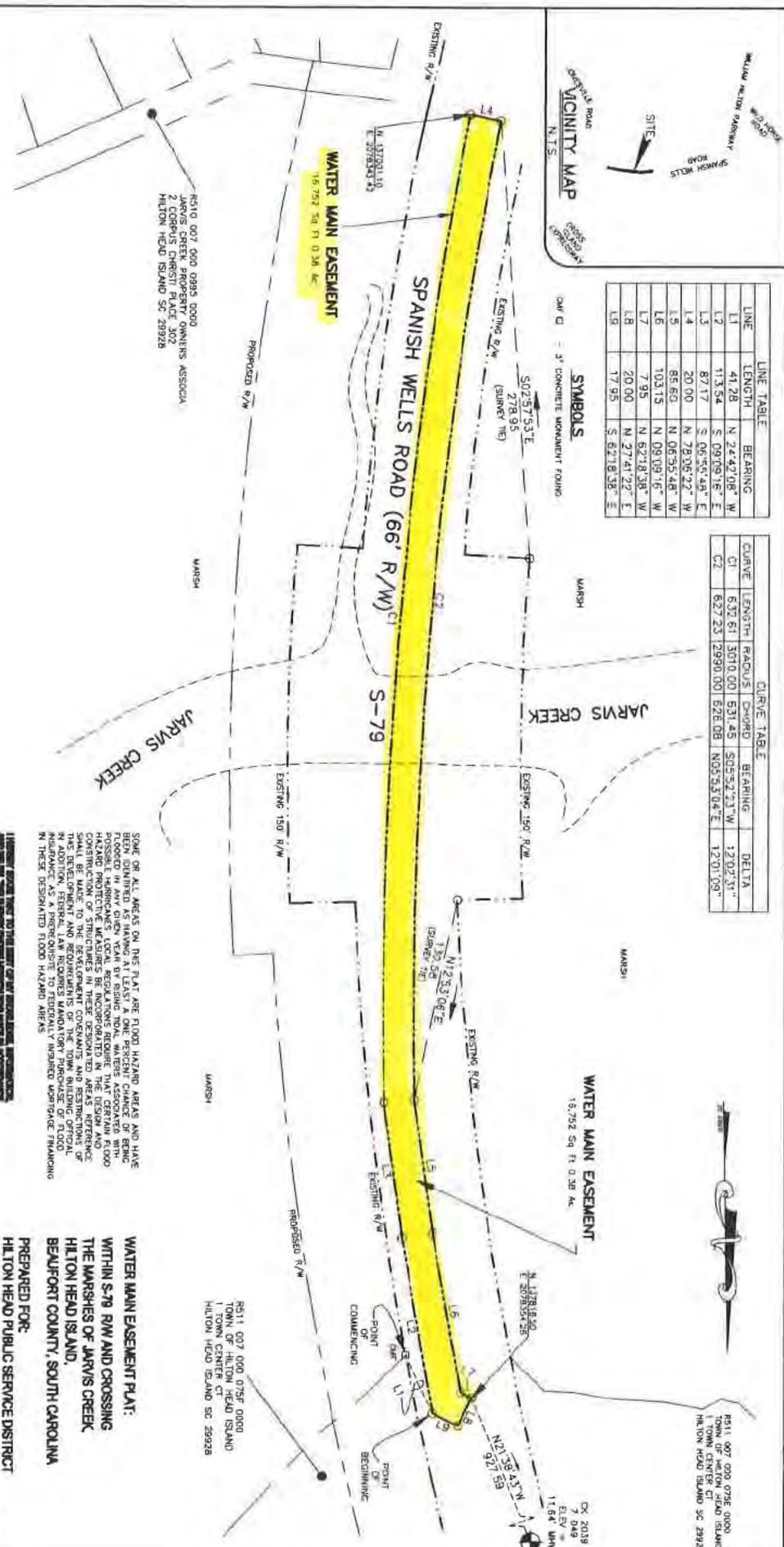
The trustees or governing bodies of state institutions and agencies may grant easements and rights of way over any property under their control, upon the recommendation of the Department of Administration and approval of the State Fiscal Accountability Authority, whenever it appears that such easements do not materially impair the utility of the property or damage it and, when a consideration is paid therefor, any amounts must be placed in the State Treasury to the credit of the institution or agency having control of the property involved.



LINE	LENGTH	BEARING
L1	41.28	N 2°42'08" W
L2	113.54	S 09°00'16" E
L3	87.17	S 06°55'48" E
L4	20.00	N 28°05'22" W
L5	85.60	N 06°35'48" W
L6	103.15	N 09°09'16" W
L7	7.95	N 62°18'38" W
L8	20.00	N 27°41'22" E
L9	17.95	S 62°18'38" E

CURVE	LENGTH	RADIUS	CHORD	BEARING	DELTA
C1	630.61	10710.00	631.45	S05°52'21" W	12°02'31"
C2	627.23	2990.00	628.08	N05°53'04" E	12°01'00"

SYMBOLS
 DWF □ - 3" CONCRETE WORKMENT FOUND



REVENUE, S.A.I.
 1) SOUTH CAROLINA DEPARTMENT OF HIGHWAYS AND TRANSPORTATION COLUMN, PLAN AND COVER SHEET OF PROPOSED STATE HIGHWAY, BEHAVIOR FILE: 1729
 ROAD NO. S-79
 ADDRESS: RW - SPANISH WELLS ROAD (S-79) AT JARVIS CREEK BRIDGE DISTRICT(S): S10 S11, MAP-7
 THIS PROPERTY LIES IN FLOOD ZONE AT BASE FLOOD ELEVATION = 147
 COMMUNITY NO. 48000, POWER: 0000, DATE: 8/20/09

NOTES:
 1) THIS PLAN HAS BEEN PREPARED WITHOUT BENEFIT OF A COMPLETE TITLE SEARCH BY SEA ISLAND LAND SURVEY, LLC.

SEA ISLAND LAND SURVEY, LLC
 254 S11
 MARIE B. BEAN
 LICENSED LAND SURVEYOR

SOUTH CAROLINA
 DEPARTMENT OF REVENUE
 002180

GRAPHIC SCALE
 0 60 120 180

PREPARED FOR:
 HILTON HEAD PUBLIC SERVICE DISTRICT
 DATE: 10/27/15
 SCALE: 1" = 80'

WATER MAIN EASEMENT PLAT:
 WITHIN S-79 R/W AND CROSSING THE MARSHES OF JARVIS CREEK HILTON HEAD ISLAND, BEAUFORT COUNTY, SOUTH CAROLINA

SEA ISLAND LAND SURVEY, LLC
 40 Middleburg Court
 Hilton Head Island, SC 29928
 Tel: (843) 681-9295
 Fax: (843) 681-9271
 Email: info@silandsurvey.com
 DWS No.: S-1687

STATE OR ALL AREAS ON THE PLAT ARE FLOOD HAZARD AREAS AND HAVE BEEN IDENTIFIED AS HAVING AT LEAST A ONE PERCENT CHANCE OF BEING FLOODED IN ANY GIVEN YEAR BY RISING TIDE, WAVES ASSOCIATED WITH PROGRESSIVE HURRICANES, LOCAL REGULATIONS REQUIRE THAT CERTAIN FLOOD CONSTRUCTION OF STRUCTURES IN THESE DESIGNATED AREAS REFERENCE SHALL BE MADE TO THE DEVELOPMENT COVENANTS AND RESTRICTIONS OF THE ADJACENT FEDERAL AND STATE FLOOD INSURANCE PROGRAMS. IN ADDITION, FEDERAL AND STATE REGULATIONS OR RESTRICTIONS OF FLOOD INSURANCE AS A PREREQUISITE TO FEDERALLY INSURED MORTGAGE FINANCING IN THESE DESIGNATED FLOOD HAZARD AREAS

RS11 007 000 0795 0000
 TOWN OF HILTON HEAD ISLAND
 HILTON HEAD ISLAND SC 29928

RS11 007 000 0795 0000
 TOWN OF HILTON HEAD ISLAND
 HILTON HEAD ISLAND SC 29928

RS11 007 000 0795 0000
 TOWN OF HILTON HEAD ISLAND
 HILTON HEAD ISLAND SC 29928

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 TOWN OF HILTON HEAD ISLAND
 HILTON HEAD ISLAND SC 29928

RS11 007 000 0795 0000
 TOWN OF HILTON HEAD ISLAND
 HILTON HEAD ISLAND SC 29928

(6)

- NOTES**
- COORDINATES AND DIRECTIONS SHOWN ON THIS SURVEY ARE BASED ON SOUTH CAROLINA STATE PLANE COORDINATE SYSTEM (NAD83). DISTANCES SHOWN ARE GROUND DISTANCES, NOT GRID DISTANCES.
 - THIS SURVEY IS VALID ONLY IF THE PRINT OF SAME HAS THE ORIGINAL SIGNATURE AND EMBOSSED SEAL OF THE LAND SURVEYOR.
 - A TITLE SEARCH WAS NOT PERFORMED BY THOMAS & HUTTON ENGINEERING CO. AT THE TIME OF THIS SURVEY.
 - THE PROPERTY PLATTED HEREON IS SUBJECT TO ALL EASEMENTS AND RESTRICTIONS OF RECORD.
 - THIS PLAT INTENDED TO ONLY SHOW THE LOCATION AND DIMENSIONS OF THE NEW EASEMENT(S). THIS IS NOT A BOUNDARY SURVEY OF THIS PARCEL.
 - MEAN HIGH WATER REFERENCED TO NATIONAL OCEAN SERVICE STATION 566 7062 AND TIDAL 2 PDCCK2765.

CURVE TABLE

CURVE	RADIUS	LENGTH	CH BEARING	CH LENGTH	DELTA
C1	1590.00'	481.49'	S 41°38'36" E	450.45'	39°17'41"
C2	2010.00'	456.13'	N 41°38'36" W	455.09'	129°17'41"

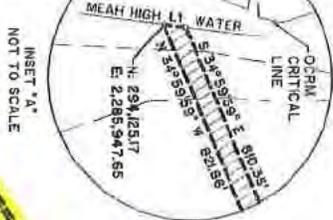
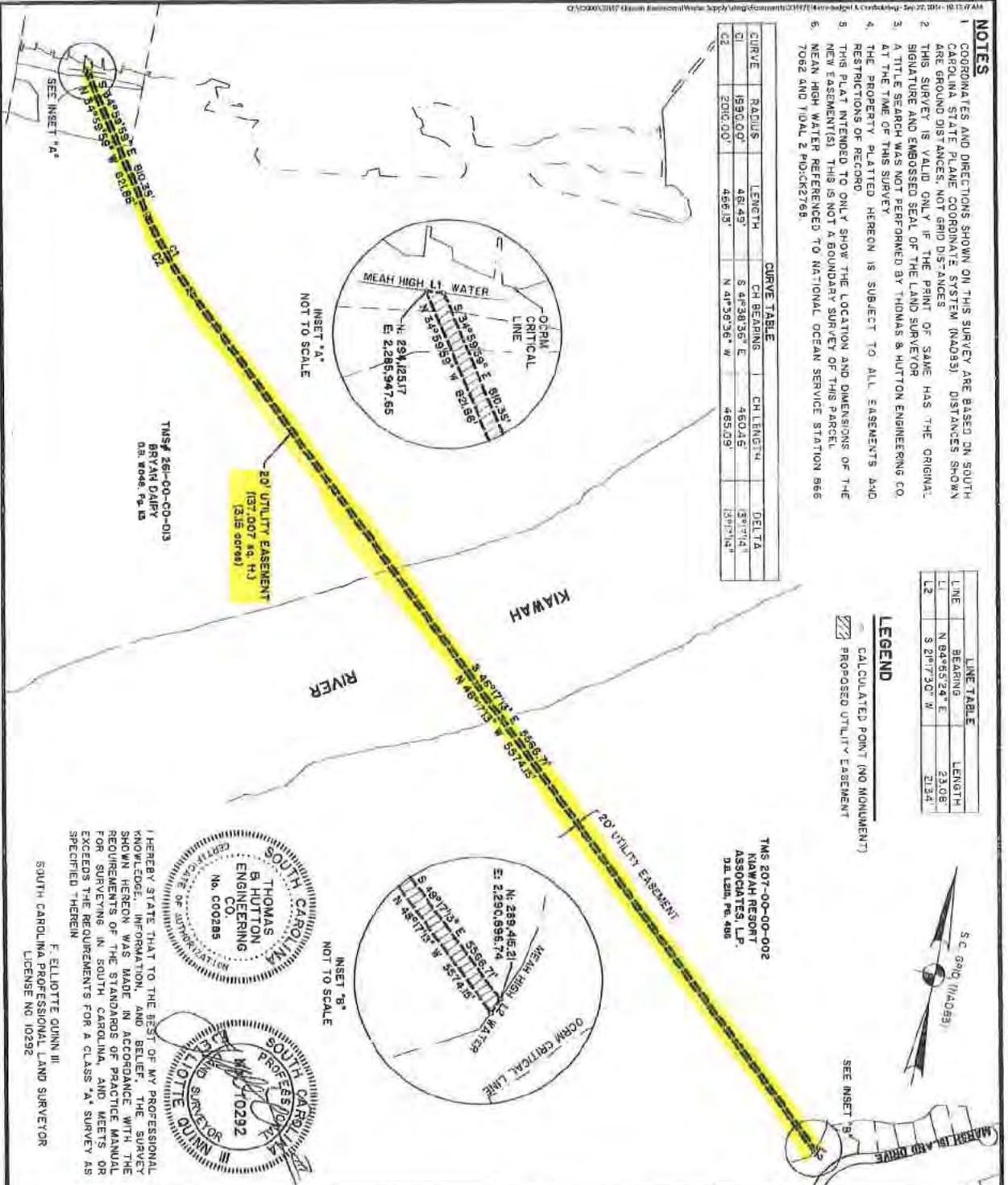
LINE TABLE

LINE	BEARING	LENGTH
L1	N 84°45'24" E	23.08'
L2	S 21°17'30" W	21.34'

LEGEND

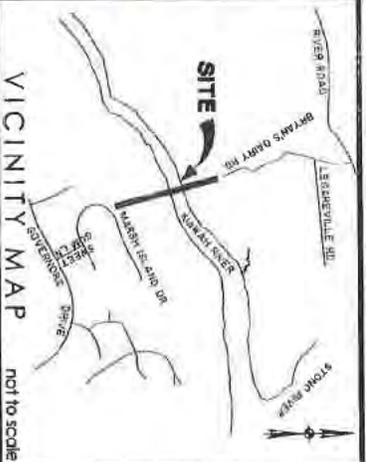
CALCULATED POINT (NO MONUMENT)

PROPOSED UTILITY EASEMENT



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 HEREIN.

F. ELLOTTE QUINN III
SOUTH CAROLINA PROFESSIONAL LAND SURVEYOR
LICENSE NO. 10292



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PLAT OF
A PROPOSED
20' UTILITY EASEMENT
S.C. BUDGET & CONTROL BOARD
ACROSS THE
KIAWAH RIVER

JOHNS AND KIAWAH ISLANDS
CHARLESTON COUNTY, SOUTH CAROLINA
prepared for
KIAWAH ISLAND UTILITY, INC.

THOMAS & HUTTON
Engineering | Surveying | Planning | GIS | Consulting
682 Johnnie Dodds Blvd., Suite 100
PO Box 1522
Mt. Pleasant, SC 29465-1522
p 843.849.0200 f 843.849.0203
www.thomasonhutton.com

EASEMENT INDEX #17 1 INCH = 500 FEET

plot down reviewed my field crew
08/13/14 sjc TR
job# 2319701
DEC. 2013
SHEET 1 OF 1

(C)

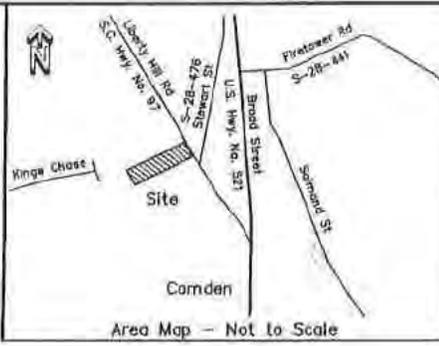
NOTES:

- 1) THIS DOCUMENT DOES NOT REPRESENT A TITLE EXAMINATION.
- 2) MASONRY/WOOD FENCE TO BE CONSTRUCTED 5' FROM EDGE OF ROAD R/W EACH SIDE ON PARCEL B2A.

LEGEND

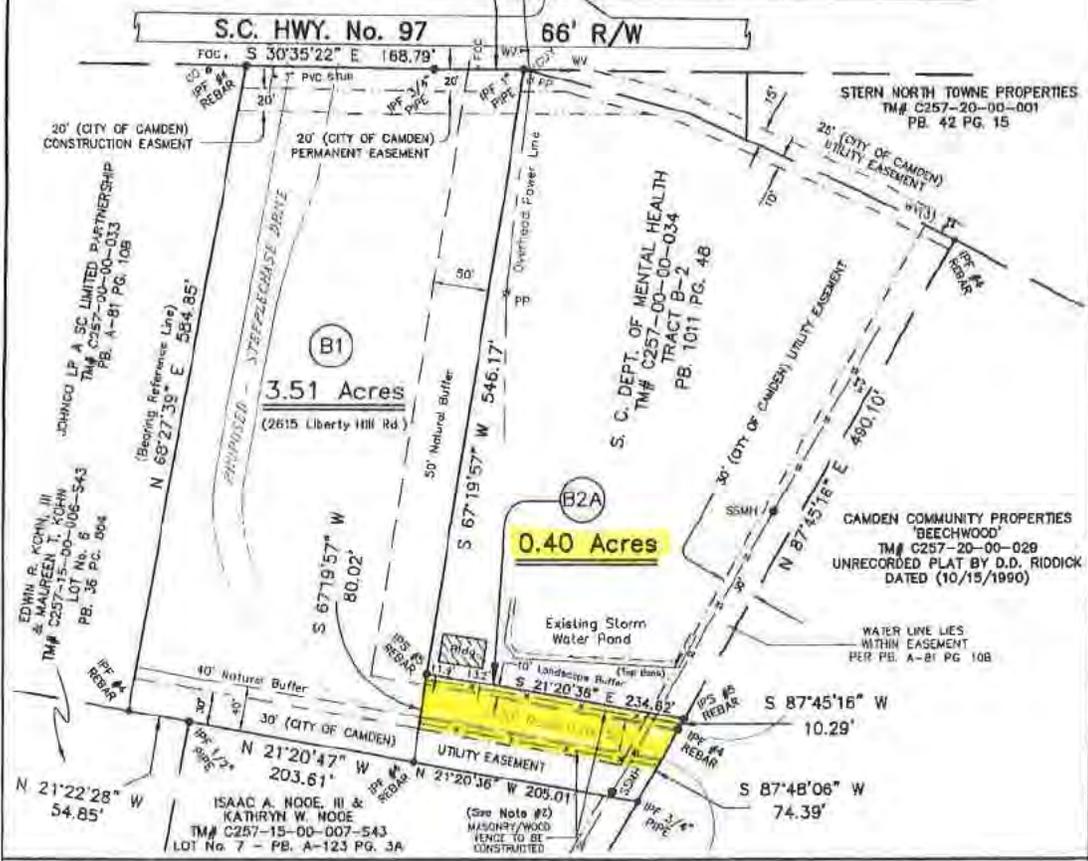
- WV - WATER VALVE
- IPF - IRON PIN FOUND
- IPS - IRON PIN SET
- CNS - CORNER NOT SET
- FOC - FIBER OPTIC CABLE MARKER
- PP - POWER POLE
- SSMH - SANITARY SEWER MANHOLE
- CD - CLEANOUT

'Boundary Survey'



REFERENCE : S.C.D.O.T. PLANS FOR
S.C. HWY. No. 97 - N.R.S PROJECT
No. 372 - SHEET No. 29

S 31°24'40" E
80.64'

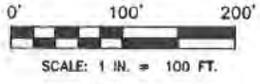


SOUTH CAROLINA ; KERSHAW COUNTY ; CITY OF CAMDEN
PLAT OF TRACT "B-1" AND PART OF TRACT "B-2" SHOWN ON PLAT BY JAMES D. WILLSON DATED (1/4/2001)
RECORDED IN PB. 1011 PG. 48.

TO BE CONVEYED TO:

CAMDEN COMMUNITY PROPERTIES

DECEMBER 23, 2014



I HEREBY STATE THAT TO THE BEST OF MY KNOWLEDGE INFORMATION AND BELIEF THE SURVEY SHOWN HEREON WAS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF THE MINIMUM STANDARDS MANUAL FOR THE PRACTICE OF LAND SURVEYING IN SOUTH CAROLINA, AND MEETS OR EXCEEDS THE REQUIREMENTS FOR A CLASS "B" SURVEY AS SPECIFIED THEREIN ; ALSO THERE ARE NO VISIBLE ENCROACHMENTS OR PROJECTIONS OTHER THAN SHOWN.

IS THIS PROPERTY IN AN F. I. A. DESIGNATED FLOOD HAZARD AREA? NO
FIRM MAP NUMBER : 4500500338E - DATED: DECEMBER 19, 2006



LINDLER SURVEYING, INC.
1990 BOYKIN ROAD
REMBERT, SOUTH CAROLINA 29128
(803) 499-7711
(803) 425-0703
lindlersurveying@aol.com



TM# C257-00-00-028 & -033 (part)

NB DC by JS

NOT A VALID DOCUMENT WITHOUT AN ORIGINAL SIGNATURE & IMPRESSION SEAL

FILE: 14152A

AGENCY: SC Jobs-Economic Development Authority

SUBJECT: \$3,420,000 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

South Carolina SAVES, Inc. ("SCS") requests a re-allocation of \$3.42 million in Qualified Energy Conservation Bonds ("QECCBs") for use by the South Carolina SAVES Green Community Program for funding the Energy Savings Performance Contract being performed by Trane at nine buildings that belong to Sumter County (the "Sumter County ESPC Project"). SCS originally received an initial re-allocation of \$10 million in QECCBs (the "Original Re-Allocation") out of which it has funded to date three projects for a total of \$8.158 million leaving a balance of \$1.842 million available for use in the Sumter County ESPC Project. The total cost of the Sumter County ESPC Project is \$5.262 million. Thus, the request for the additional re-allocation of \$3.42 million is being made to provide the funding that the Sumter County ESPC Project is seeking. Trane and Sumter County are desirous of closing on the funding for this project by the end of 2015.

SC SAVES also requests the rescission of the former the SC Budget and Control Board's earlier re-allocation of \$3 million in QECCBs for the Ascend Performance Materials ("Ascend") granted at the Board's March 18, 2015, meeting. The request is due to the decision by Ascend not to proceed with its project. This allocation which was good through December 31, 2015 is being returned to the State's pool of QECCB allocations available for future re-allocations, including the request that is the subject of this reallocation request.

On November 17, 2015, the SC ARRA Volume CAP Advisory Committee unanimously recommended approval of the request of South Carolina SAVES, c/o Abundant Power Group to increase its original request of \$10 million in Qualified Energy Conservation Bond (QECCB) volume cap allocation authority to \$13.42 million for the Sumter County Energy Performance contract with the stipulation that if the allocation is not used by June 30, 2016, it will revert back to the State pool.

AUTHORITY ACTION REQUESTED:

Rescind the SC Budget and Control Board's March 18, 2015, re-allocation of \$3,000,000 in Qualified Energy Conservation Bonds ("QECCBs") for the Ascend Performance Materials and approve the proposed additional \$3,420,000 QECCBs volume cap allocation authority to Abundant Power Group, LLC/SC SAVES with JEDA as conduit issuer, with the stipulation that if the bonds are not issued by June 30, 2016, this allocation expires and reverts to the pool.

ATTACHMENTS:

Montgomery 11/13/15 letter with attachments



November 13, 2015

Via Electronic Mail and Overnight Delivery

Mr. Delbert Singleton, Secretary
State Fiscal Accountability Authority
1200 Senate Street,
6th Floor, Wade Hampton Bldg
Columbia, SC 29201

Re: Submission of Application for \$3,420,000 in QECB Re-Allocation for the South Carolina State Fiscal Accountability Authority Meeting of December 15, 2015

Dear Mr Singleton:

Enclosed please find an Application for a re-allocation of \$3.42 million in Qualified Energy Conservation Bonds ("QECBs") to South Carolina SAVES, Inc. ("SCS") for use by the South Carolina SAVES Green Community Program for in funding the Energy Savings Performance Contract being performed by Trane at 9 of the buildings belong to Sumter County (the "Sumter County ESPC Project"). SCS originally received an initial re-allocation of \$10 million in QECBs (the "Original Re-Allocation") out of which it has funded to date 3 projects for a total of \$8.158 million leaving a balance of \$1.842 million available for use in the Sumter County ESPC Project. The total cost of the Sumter County ESPC Project is \$5.262 million, and thus the request for the additional re-allocation of \$3.42 million to be able to provide the funding that the Sumter County ESPC Project is seeking. Trane and Sumter County are desirous of closing on the funding for this project by the end of 2015.

I would ask that this application submission be put on the agenda for the next ARRA Volume Cap Committee meeting preceding the State Fiscal Accountability Authority ("SFAA") meeting taking place December 15, 2015. This Allocation Application is separate from the transmittal that will be made by the SC SAVES bond counsel, McGuire Woods, to the SFAA by November 19 to be included on the agenda at the SFAA meeting in December.

In addition to the requested re-allocation in the attached Application, please be advised that SC SAVES in its SFAA Submittal will also be requesting the rescission of the SFFA's earlier re-allocation of \$3M in QECBs for the Ascend Performance Materials ("Ascend") granted at its March 18, 2015 meeting due to the decision by Ascend not to proceed with its project. This allocation which was good through December 31, 2015 is being returned to the State's pool of QECB allocations available for future re-allocations, including the request that is the subject of the enclosed Application. Also, please be advised that the application for the additional \$2.3M in QECBs that was filed for the June 2015 meeting of the Budget Control Board and tabled to the August meeting of the SFAA and then to the October SFAA meeting is being withdrawn from further consideration by the SFAA.

I would be grateful for your acknowledgement of receipt of the enclosed Application and advisement as to its inclusion on the agenda for the upcoming ARRA Volume Cap Committee meeting as well as the need you may have of any additional information as you consider this request.

222 S. Church Street, Suite 401, Charlotte, NC 28202



Thanking you and your staff for your consideration of this matter, I remain,

Sincerely,

A handwritten signature in cursive script that reads "W. Gregory Montgomery".

W. Gregory Montgomery, Managing Director

cc: Mr. David Avant, SFAA
Mr. Harry Huntley, SC JEDA
Ms. Nanette Edwards, Office of Regulatory Staff
Ms. Kathy McKinney, Haynsworth Sinkler Boyd
Mr. Doug Lamb, McGuire Woods

STATE OF SOUTH CAROLINA
STATE FISCAL ACCOUNTABILITY AUTHORITY

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:

\$3,420,000, 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 and D.

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 Fiscal Accountability Authority 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.

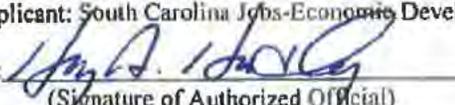
Please see attached Appendix C.

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

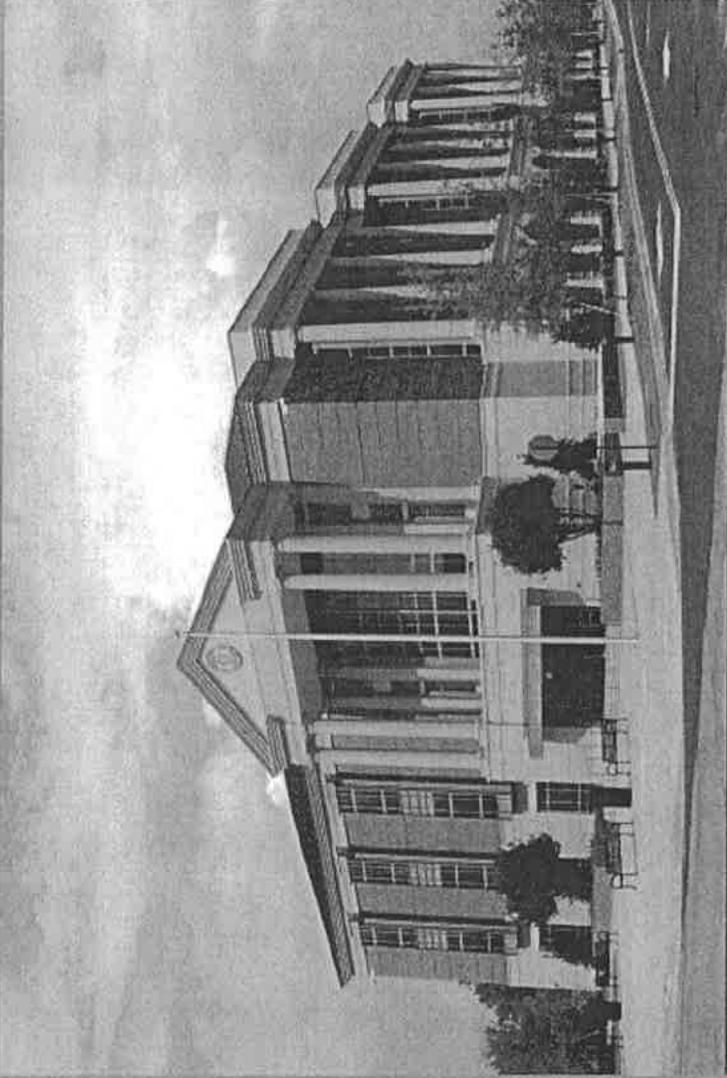
Title: Executive Director

Address: 1201 Main Street, Columbia, SC 29201

Phone Number of Authorized Official:

(803) 737-0627

Date Nov. 13, 2015



Sumter County Guaranteed Energy Savings Performance Contract

August 13, 2015

Presentation to Sumter County Government





IMPROVEMENT

- Replacing aging infrastructure within nine (9) Sumter County Buildings
- Trane enabled energy-based facility upgrades are funded through savings within your current utility budget
- Included is Trane's web-based Building Automation Systems Control for all upgraded facilities



SAVINGS

- Trane-enabled energy conservation measures (ECMs) will reduce operations costs by \$281,887* annually for the contract term
- Solutions are self-funded through energy savings and/or operational cost avoidance
- Program leverages future stream of cost savings to fund immediate facility needs as they arise

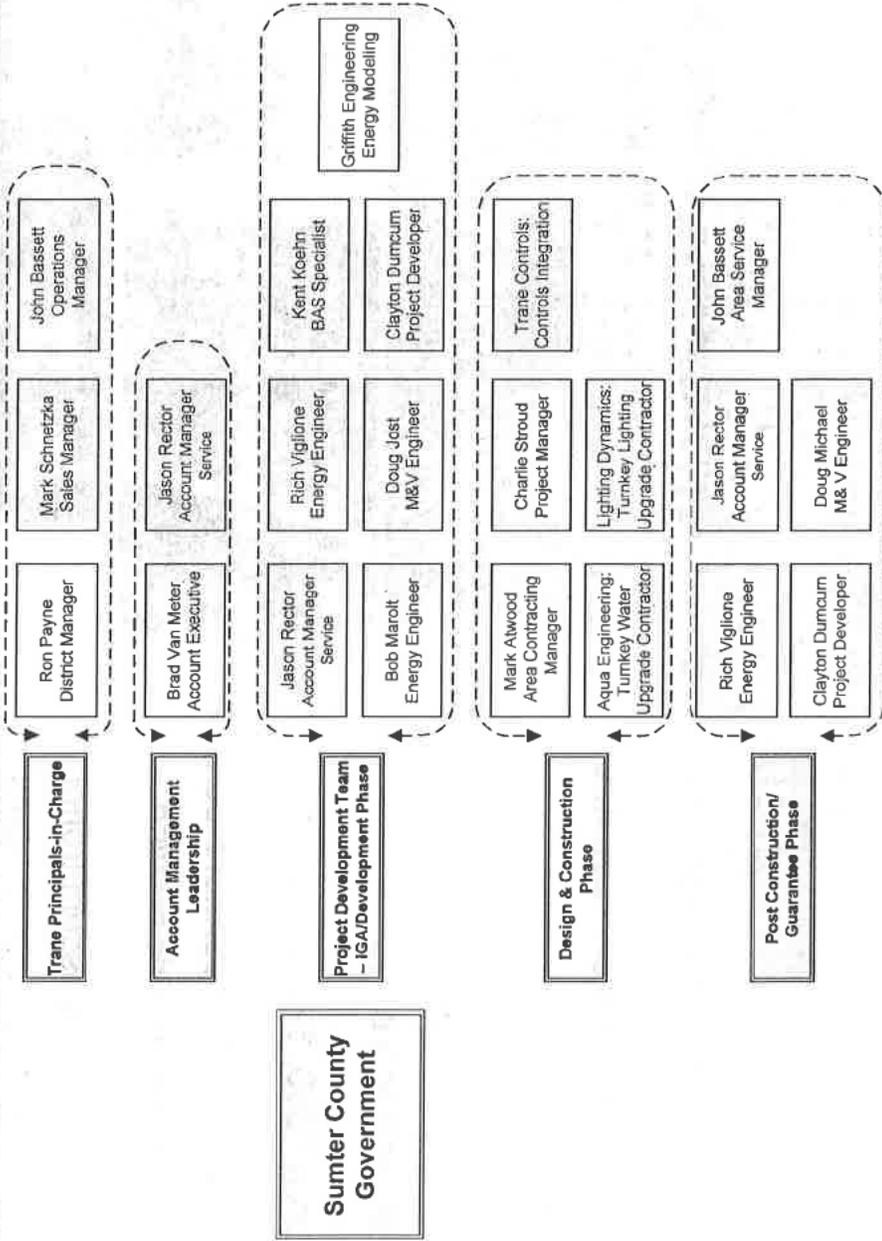


IMPACT

- Sumter County facilities will be modernized with a \$3.36M renovation project paid for through energy savings, with no out-of-pocket funding, or tax increase required
- Sumter County's P4P 1¢ Penny Tax is preserved for planned capital projects.
- Sumter County will receive a \$100,520 rebate from Duke Energy

*\$303,487 annual savings with the County Courthouse - Option B

Trane Organization

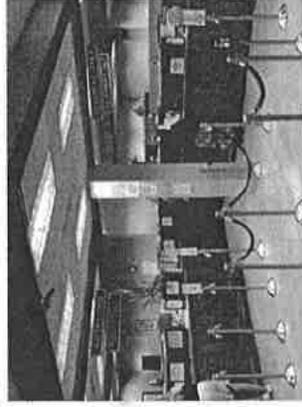
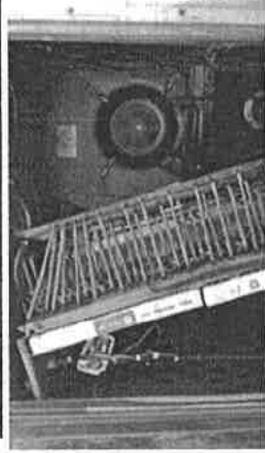
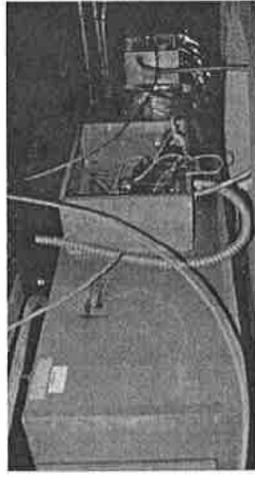
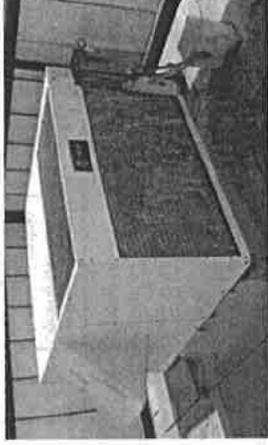


Audit Findings – Administration Building



› Annual Energy Consumption - \$35,470

- › \$1.70 per square foot
- HVAC - Rooftop units are at the end of useful life, or approaching end of life
 - 2 units circa 1988, 3 other units circa 2002
- HVAC - Lack of Zone Temperature Control, inefficient system with electric heating
- Lighting – existing T8 fluorescent troffer fixtures, incandescent lamp can fixtures
Occupancy/daylight harvesting sensor opportunity to control lighting when unoccupied

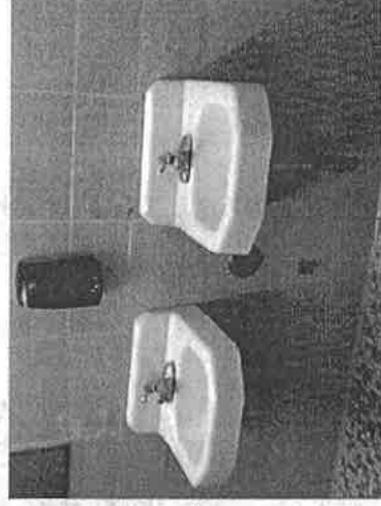
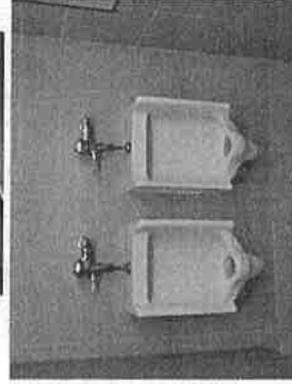
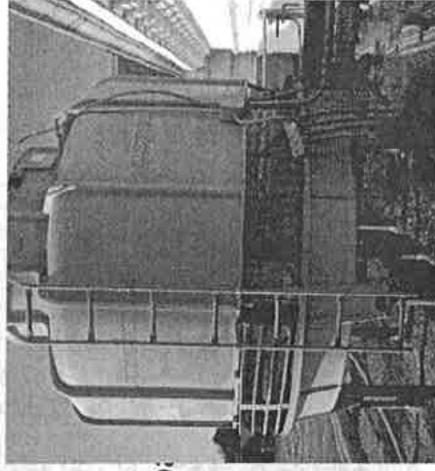


Audit Findings – Courthouse Building

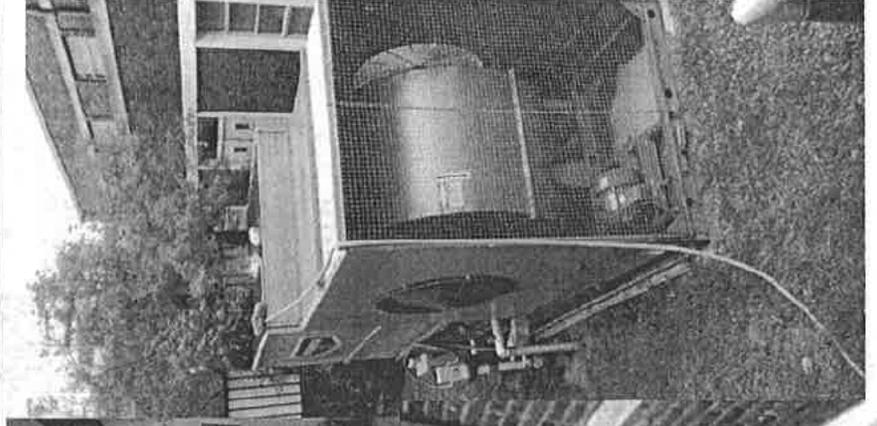
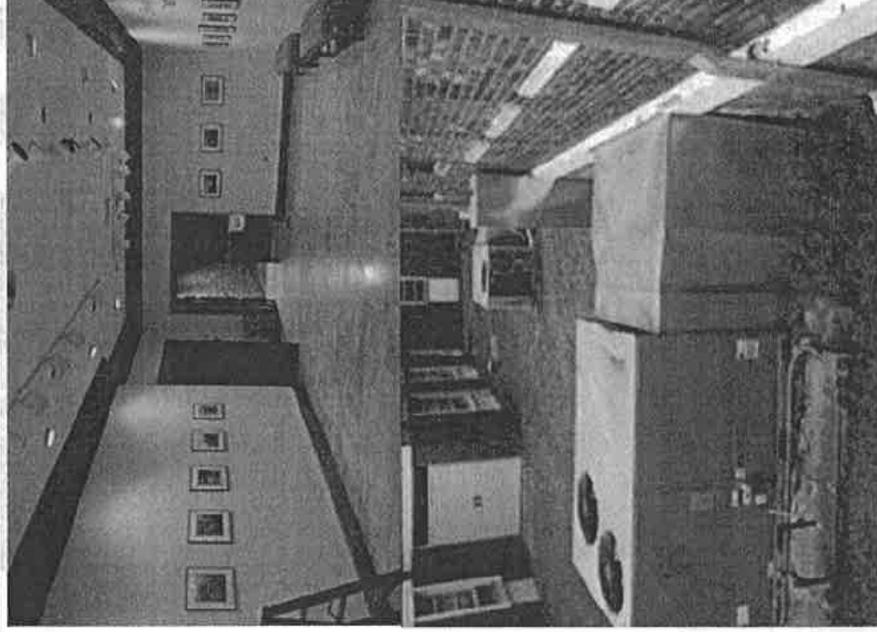


Annual Energy Consumption - \$73,952

- \$1.53 per square foot
- HVAC - Fan Coil units, and AHU 30+ years old
- Fan Coils – two-pipe system with dedicated heating or cooling only by season
- HVAC - Chiller and Cooling Tower at end of useful life
- No existing lavatory water conservation (sinks, urinals, toilets)
- Roof – End of expected useful life
- Lighting – existing mixture of T8 & T12 fluorescent fixtures at end of expected useful life



Audit Findings – Patriot Hall Campus



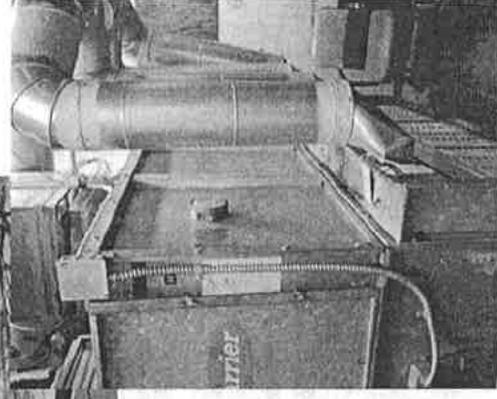
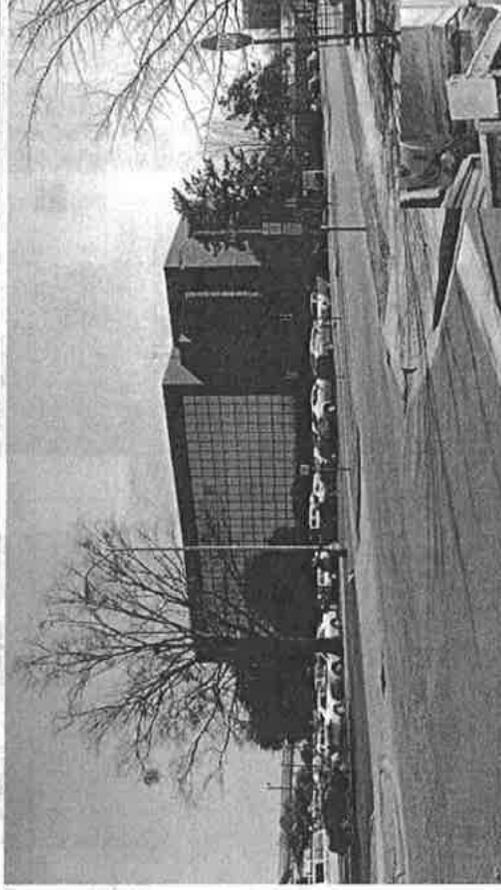
- › **Annual Energy Consumption - \$68,756**
 - › \$1.12 per square foot
- HVAC – Lack of centralized building controls for 20+ pieces of equipment
- HVAC – Cooling tower near end of useful life
- Lighting – existing T8 fluorescent and high wattage incandescent fixtures for Art Gallery
- Occupancy/daylight harvesting sensor opportunity to control lighting when unoccupied

Audit Findings – Heise Health Services Building



Annual Energy Consumption - \$111,525

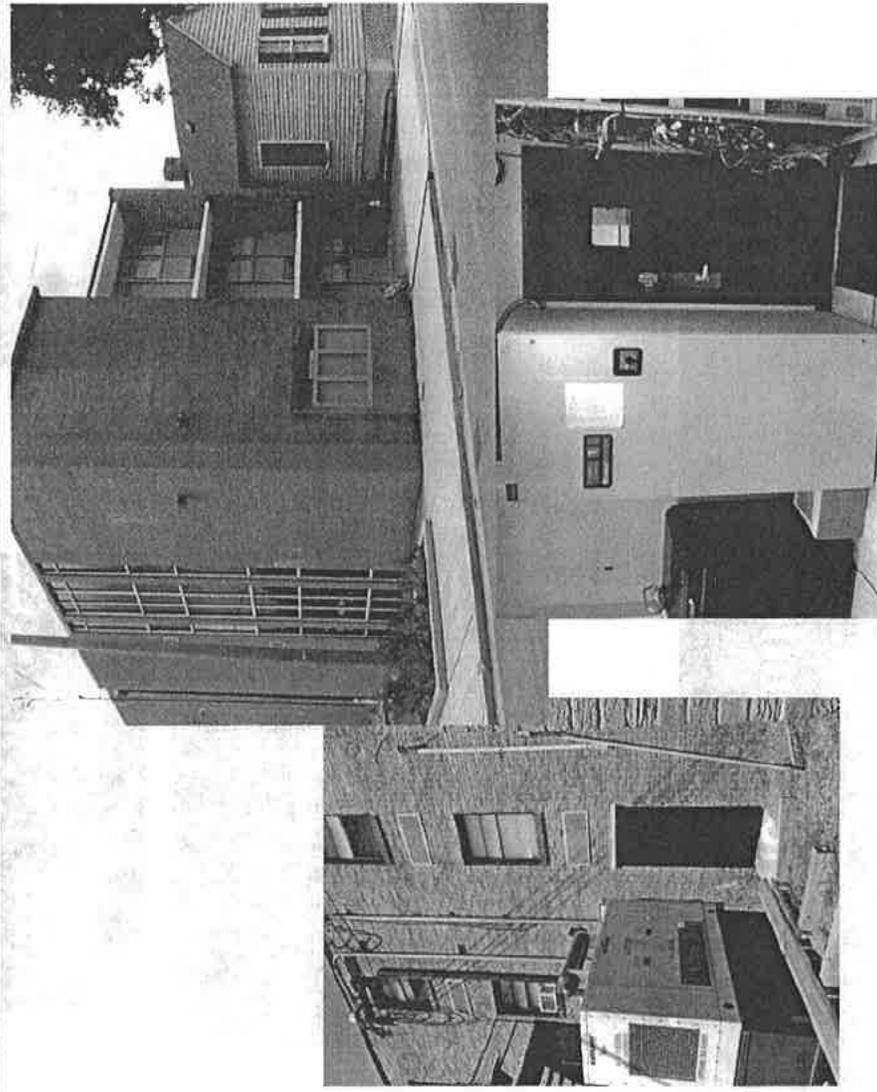
- ▶ \$1.86 per square foot
- HVAC – Outside Air dampers closed on units resulting in reduced building ventilation
- Envelope – Large Area of South Facing Glass façade - excellent candidate for Window Film
- HVAC – Air cooled chillers approaching end of life expectancy
- Lighting – existing T8 fluorescent lighting – Occupancy/daylight harvesting sensor opportunity to control lighting when unoccupied



Audit Findings – Computer Center/IT Building

Annual Energy Consumption - \$34,064

- › \$7.52 per square foot
- HVAC – Liebert 5-Ton Computer Systems are at end of useful life (12-14 years old)
- HVAC – existing water cooled units result in high “single-pass through” water consumption
- HVAC – PTAC “through-the-wall” units are at end of life
- Lighting – existing T8 fluorescent fixtures are at end of life. Occupancy/daylight harvesting sensor opportunity to control lighting when unoccupied



Audit Findings – Detention Center Campus



▶ Annual Energy Consumption - \$281,878

- ▶ \$3.47 per square foot
- HVAC – Units have standard thermostat only, No central control resulting in over cooling or over heating
- Lighting – Pod lighting LED retrofits will repurpose existing fixtures
- Water – Potable water consumption will reduce with flush valve upgrades
- HVAC – Units being replaced and relocated, will improve overall equipment efficiency

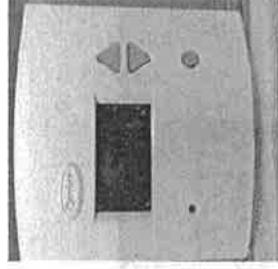
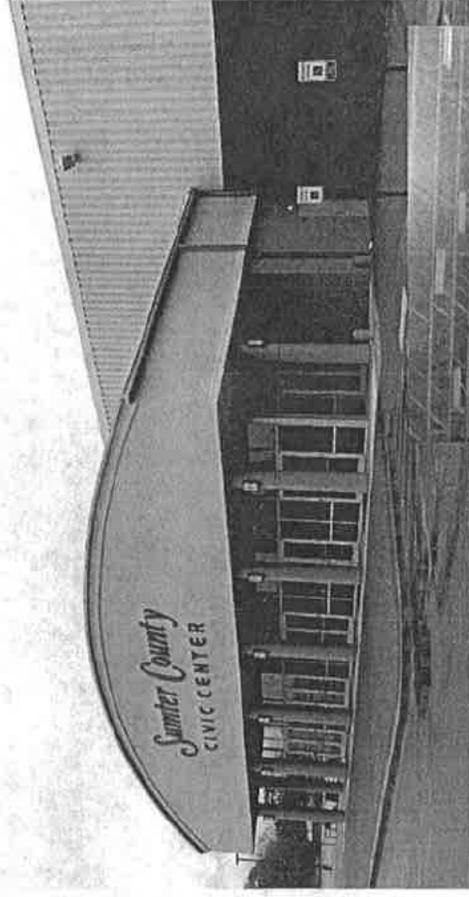


Audit Findings – Civic Center



Annual Energy Consumption - \$61,350

- \$1.13 per square foot
- HVAC – Building automation system can be enhanced for optimized unoccupied set points
- HVAC – Outside manual air dampers do not have ability to be controlled based upon occupancy levels
- Lighting – Current high bay fixtures do not have dimming capacity having a negative impact for events at the Civic Center

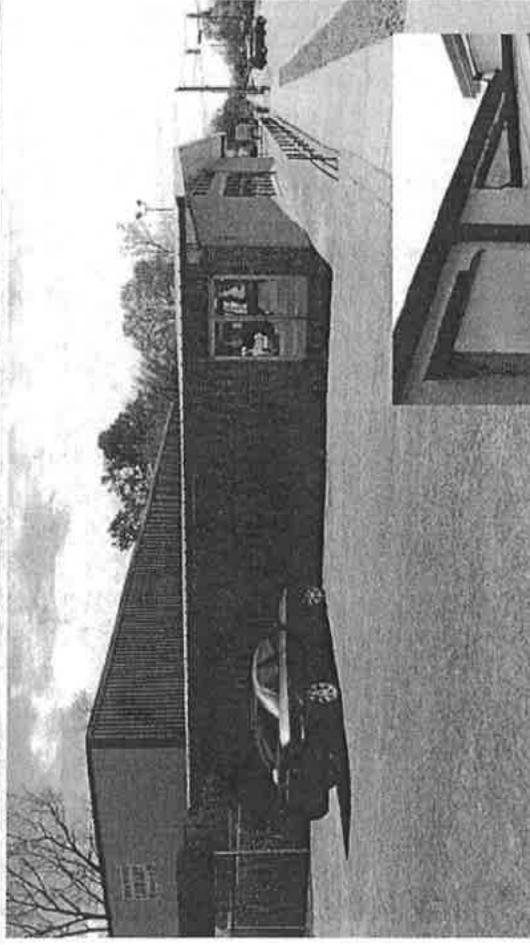


Audit Findings – South Sumter Resource Center



Annual Energy Consumption - \$19,941

- ▶ \$1.62 per square foot
- HVAC – Building automation system exists only in part of building - opportunity to enhance system savings
- HVAC – Thru-the-wall units at the end of useful life
- Lighting –existing T8 fluorescent lighting – Occupancy/daylight harvesting sensor opportunity to control lighting when unoccupied

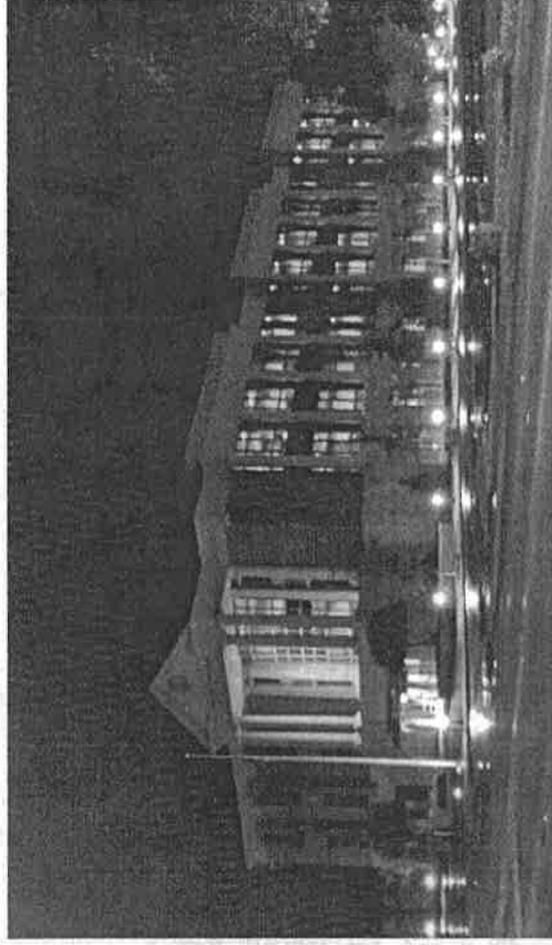


Audit Findings – Judicial Center Building

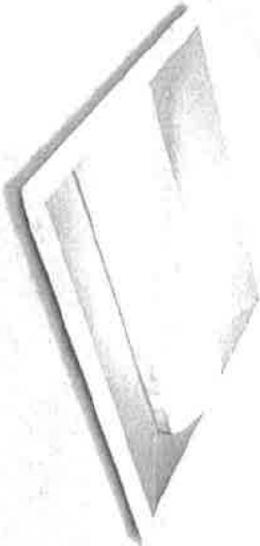
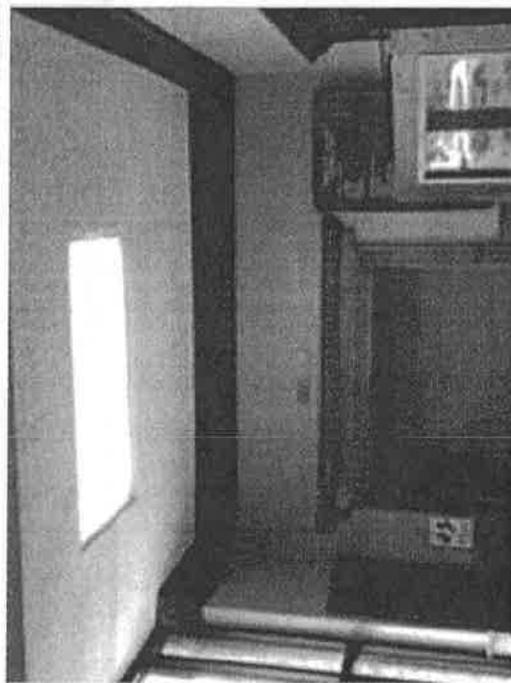


› Annual Energy Consumption - \$101,286

- › \$1.32 per square foot
- HVAC – Newer facility - equipment is in good shape
- HVAC Controls – Opportunity to Recommission and enhance building operation sequences
- Lighting – existing T8 and compact fluorescent (CFL) fixtures experiencing high lamp failures represent opportunity for LED retrofit. Occupancy/daylight harvesting sensor opportunity to control lighting when unoccupied



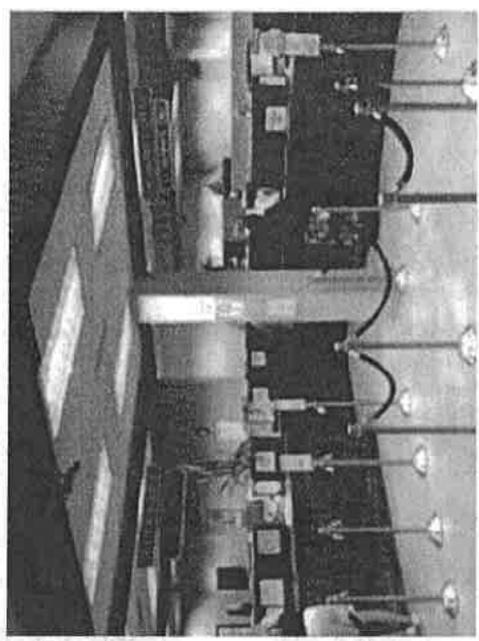
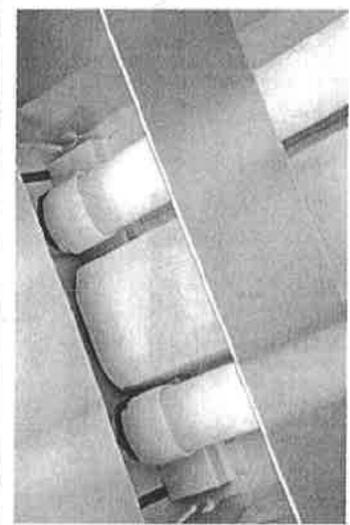
Energy Conservation Measures – Lighting Administration Building Example



LED Replacement Fixtures



Lighting
Occupancy Sensors



Energy Conservation Measures – HVAC Administration Building Example

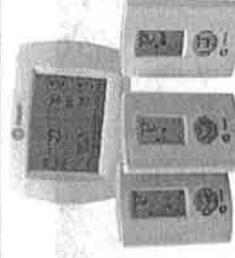
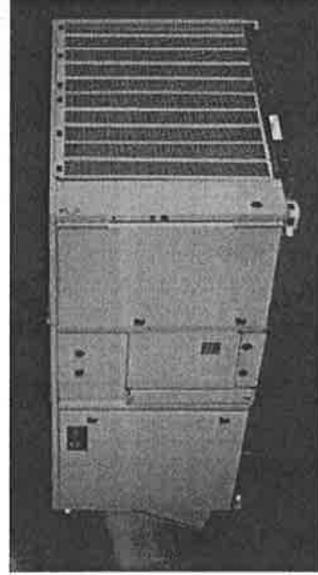
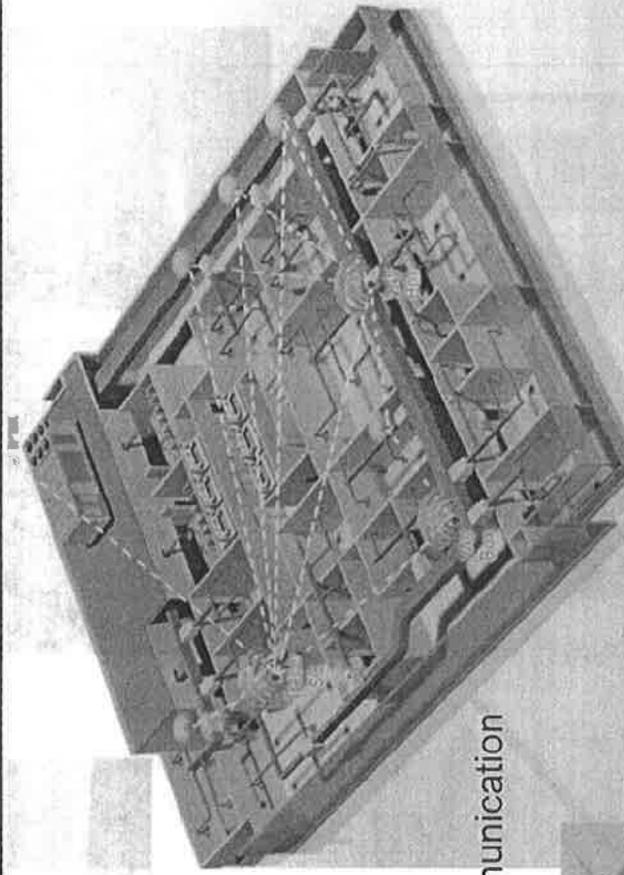


› Replace five (5) new Rooftop Units

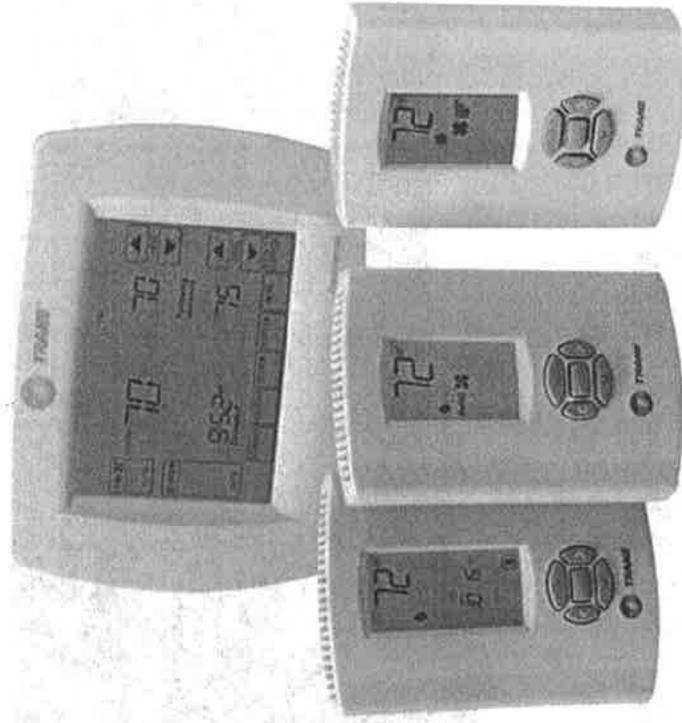
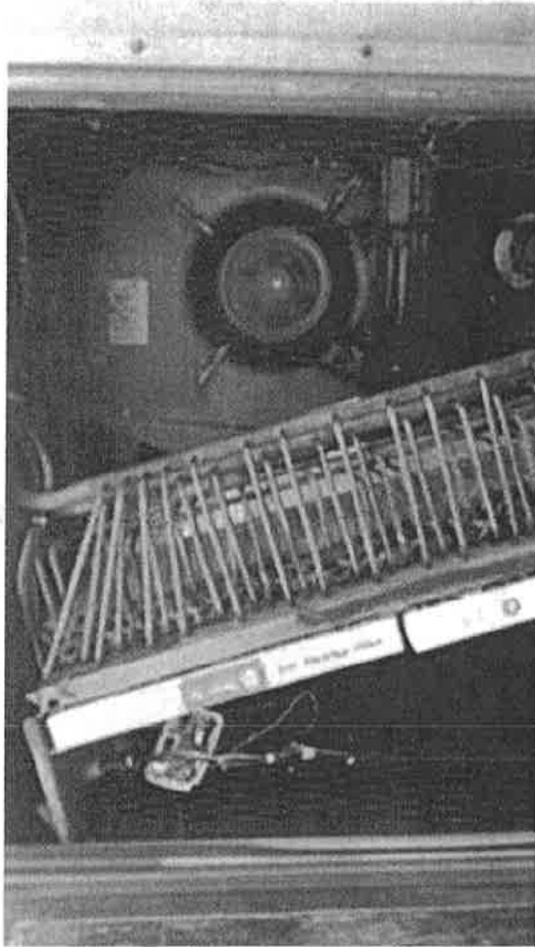
- High efficiency
- Variable speed fan drives

› Replace 21 ea. - Variable Air Volume (VAV) boxes

- Enhanced Zone Control
- Wireless Building Automation System (BAS) Communication



Energy Conservation Measures – Controls Administration Building Example

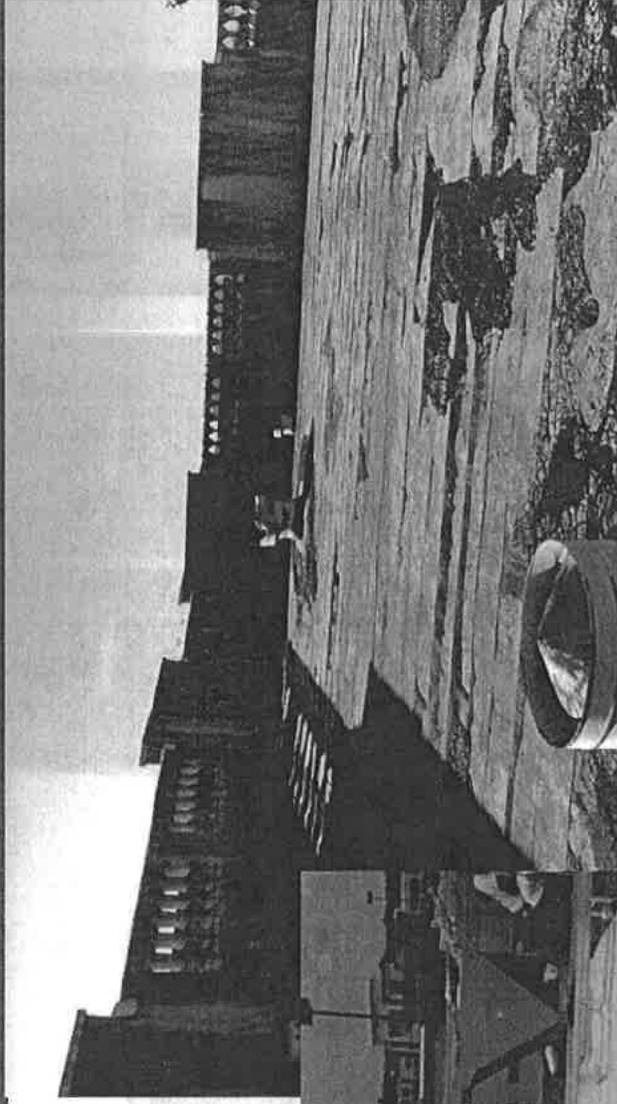
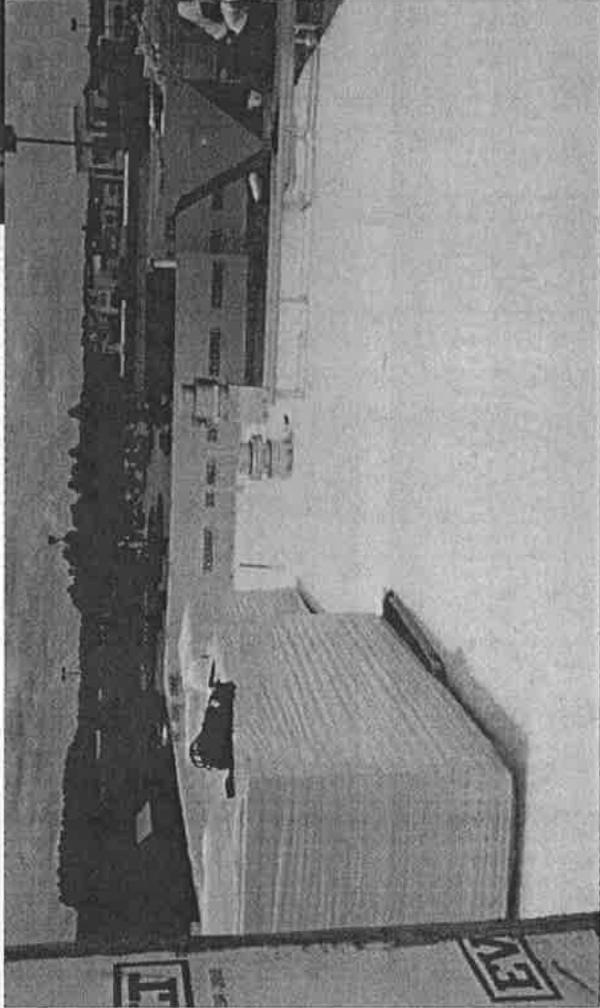


Trane Wireless Zone Controls

Energy Conservation Measures – Roof Replacement Sumter County Courthouse



New Single-Ply Membrane White Reflective Roof System

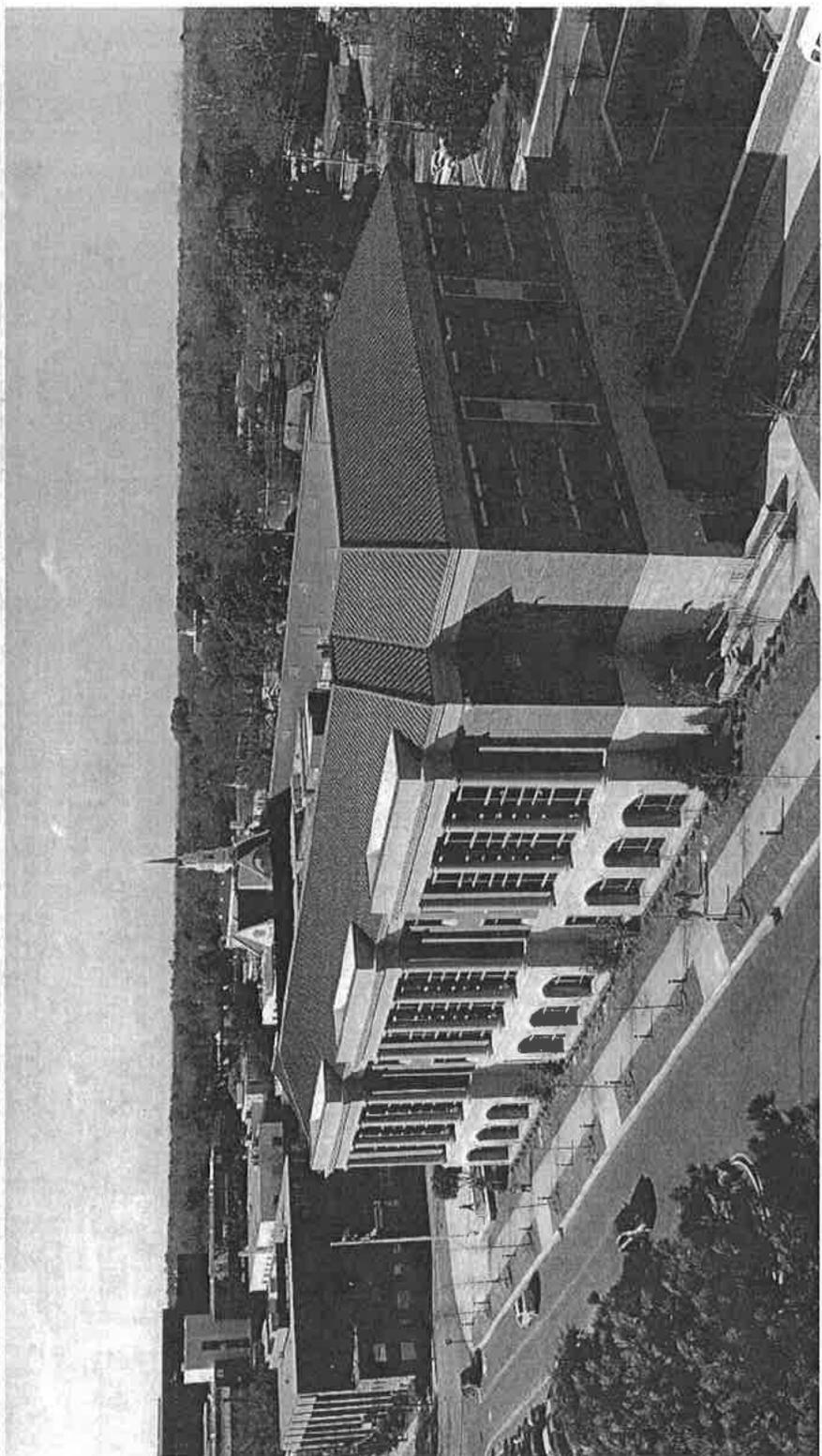


Sumter County Customized Graphical Building Automation Systems Controls Navigation

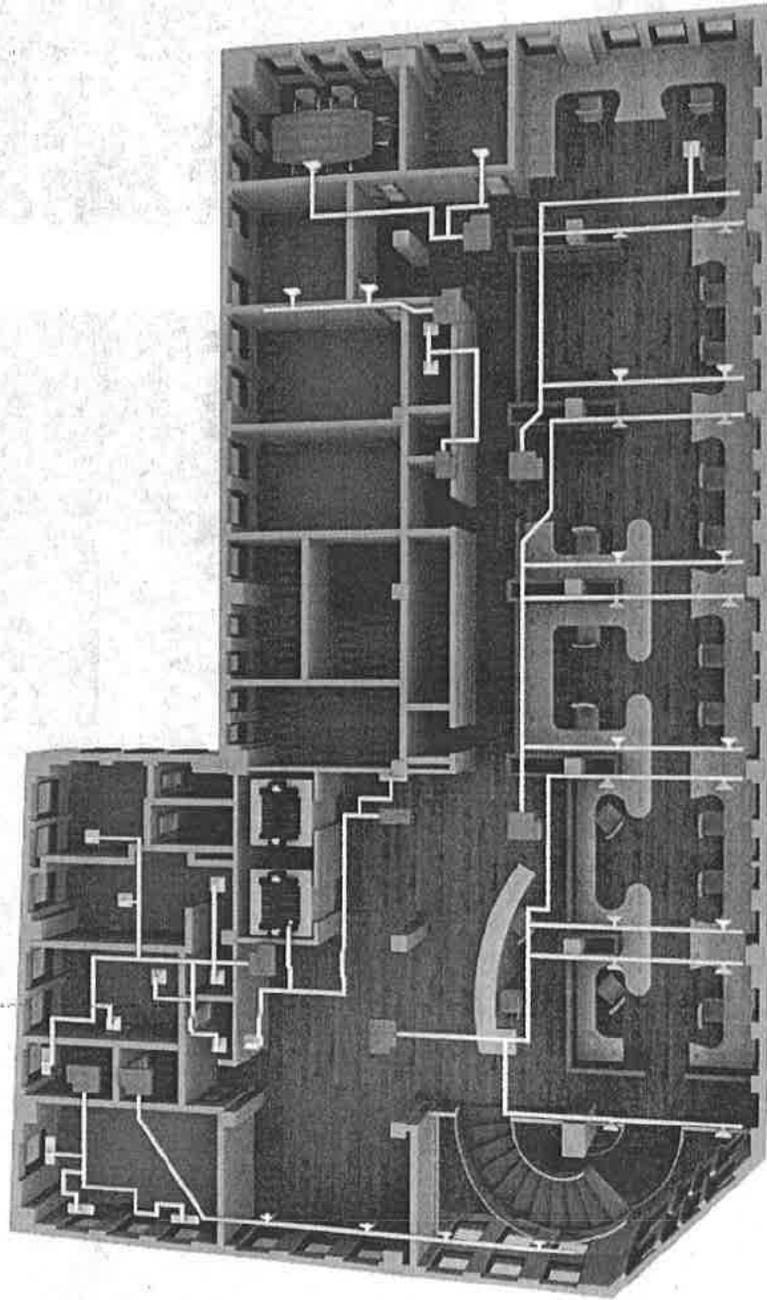


Sumter County
Judicial Center Building

Graphical Navigation Navigate from Site to Building



Graphical Navigation Navigate from Building to Floor Plan



Graphical Navigation Navigate from Floor Plan to Equipment



Enterprise High School

Trane® ES Home All Alarms Reports

Navigation Tree • RTU - 1

- Summary
- Alarms
- Spaces
- Equipment
- Systems
- Schedules
- Data Logs
- Advanced

Building Status

Occupied Heat 1.20 in W.C. | 1.15 in W.C.
 Dampair 100.0% | 50 °F | 76 °F
 Exhaust 14.0%
 Cool 0.0%
 Heat 0.0%
 Fan 30.0%

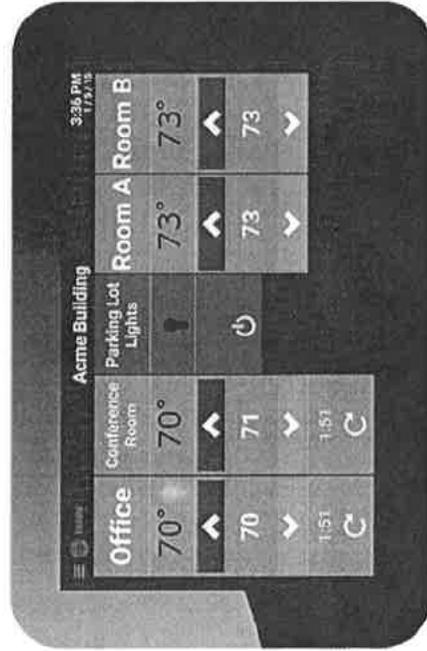
RTU - 1 Status

Chilled Water Chiller 1 status Chiller 2 status Chiller 3 status Chiller 4 status
 Cooling Towers CT1 status CT2 status CT3 status CT4 status CT5 status CT6 status CT7 status CT8 status

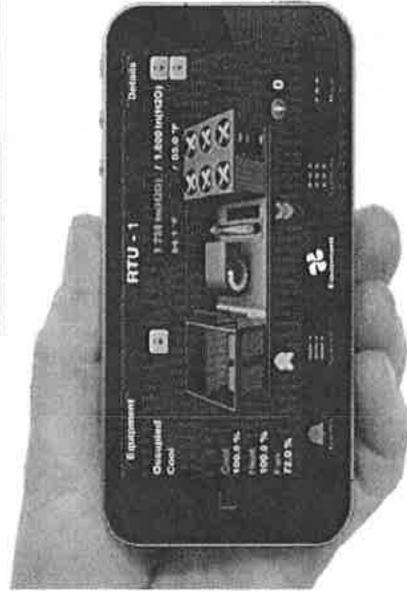
Chilled Water Chiller 1 Unit Chilled Water Chiller 2 Unit Chilled Water Chiller 3 Unit Chilled Water Chiller 4 Unit
 Cooling Towers CT1 Unit Cooling Towers CT2 Unit Cooling Towers CT3 Unit Cooling Towers CT4 Unit Cooling Towers CT5 Unit Cooling Towers CT6 Unit Cooling Towers CT7 Unit Cooling Towers CT8 Unit

Enterprise High School

Sumter County Building Automation System Accessible from Tablet and Smartphone



- Trane Tracer ES System
- WEB based multi-user access anywhere from internet
- Tablet and Smartphone capability
- Advanced system optimization



Energy Conservation Measures



Project Energy Conservation Measures

Sumter County Facilities	HVAC Controls	HVAC Systems Upgrades	LED Lighting Upgrades	Water Conservation Upgrades	Roof Replacement
Sumter County Health Services Building	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Sumter County Detention Center Campus	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Computer Center / IT Building	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Sumter County Courthouse	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Sumter County Administration Building	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Patriot Hall Campus	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
South Sumter Resource Center	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Sumter County Civic Center	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Sumter County Judicial Center	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Possible with favorable interest rate from the lender

Energy Conservation Measures Heise Health Services Building



▶ 1032 - LED Lighting Fixtures

- ▶ 2'x4' T8 replacement with 13w and 18w LED Lamps
- ▶ 4' Cree strip fixtures
- ▶ LED Flood



▶ 85 - Water Conservation Fixtures



▶ Controls Integration into Trane Tracer ES

- ▶ 1- Provide one Jene Panel with Siemens Driver.



Jene Panel Integrator

- ▶ Integrate to the sixteen (16) existing air handling units, sixty (60) VAV terminals and two (2) air-cooled chillers

Energy Conservation Measures Detention Center Campus



- ▶ **1091** - LED Lighting Fixtures
 - ▶ 2'x4' T8 replacement with 13w and 18w LED Lamps
 - ▶ 400w MH replacement with new 151w 2'x2' LED
- ▶ **293** - Water Conservation Fixtures
- ▶ Trane Building Automation System Installation
 - ▶ **1** - Provide one Tracer SC Controller w/15 licenses
 - ▶ **15** - UC 400 Controller
 - ▶ WCI wireless interface
 - ▶ Fan Status, Discharge air sensor
 - ▶ Wireless Zone Sensors

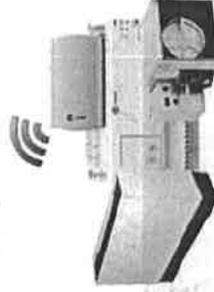
SC with WCI



UC600/AHU with WCI



BCI/RTU with WCI



Terminal Equipment with WCI



Wireless Zone Sensors

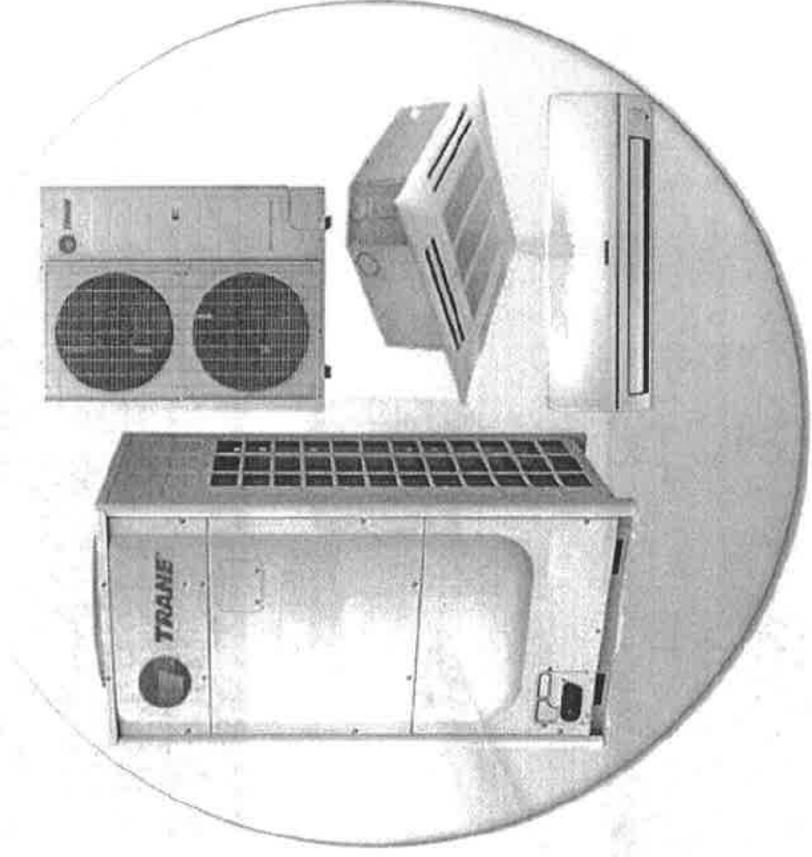


Tracer TU with TU Adapter

Energy Conservation Measures Computer / IT Building



- ▶ **81** - LED Lighting Fixtures
 - ▶ 2'x4' 36w architectural LED kits
- ▶ **12** - Water Conservation Fixtures
- ▶ HVAC Replacement of PTAC and Computer Units
 - ▶ **2** - Data Aire 5-Ton downflow units – DTAD-0534-AO
 - ▶ Trane Variable Refrigerant Flow System
 - ▶ **1** - New Outdoor unit – 4TVR0192B300NB
 - ▶ **16** New Indoor unit - 4TVW0012B100NC, with D-Series Phenomenal Aire Ionization unit
- ▶ Trane Building Automation System Installation
 - ▶ **1** - Provide one Tracer SC Controller w/16 licenses

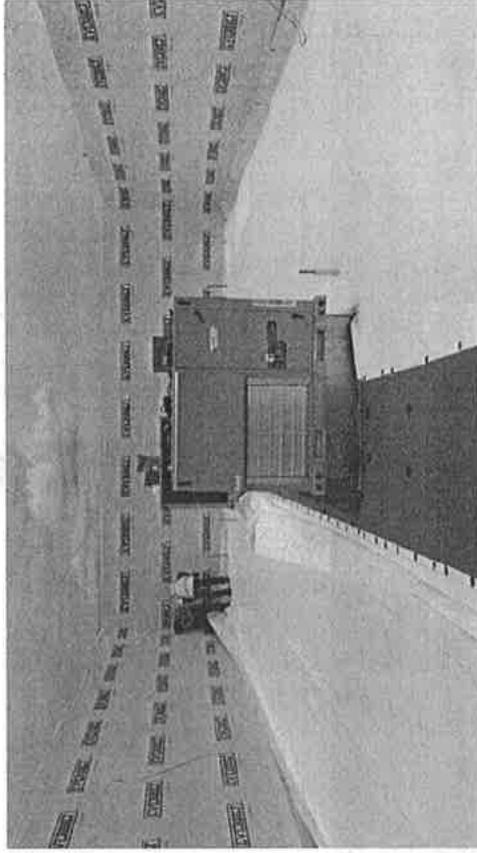


Energy Conservation Measures - Courthouse



TRANE BUILDING
ADVANTAGE

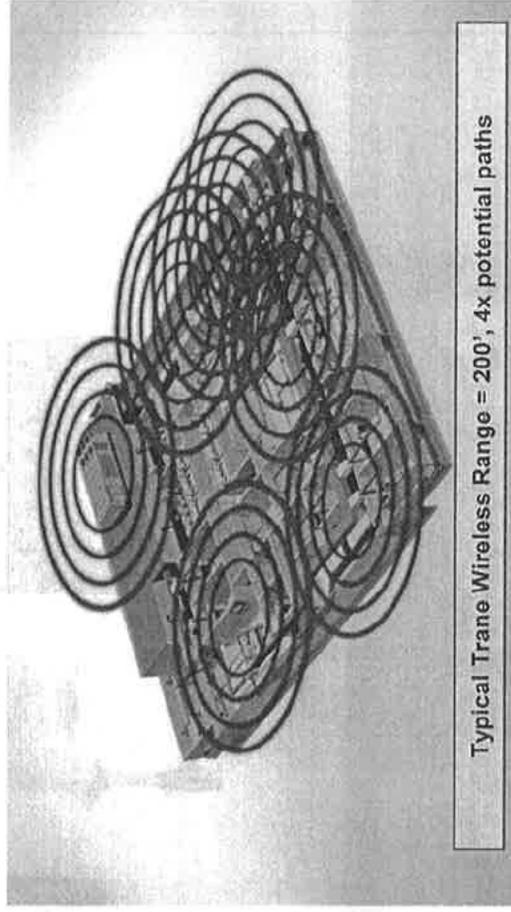
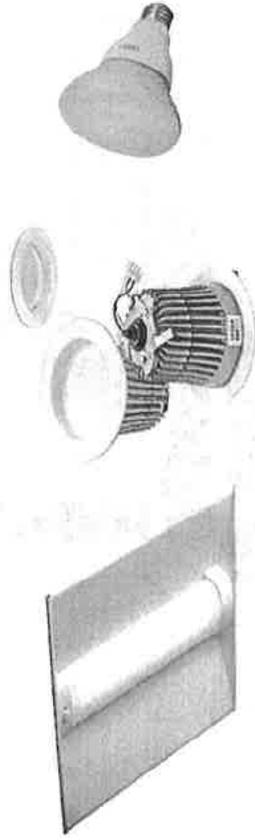
- ▶ **764** - LED Lighting Fixtures
 - ▶ 2'x4' 36w architectural LED kits
- ▶ **41** - Water Conservation Fixtures
- ▶ **20,000** sq. ft. Roof Replacement – New white reflective single-ply membrane roof – and curb materials
- ▶ Trane Building Automation System Installation
 - ▶ **2** - Tracer SC Controller w/105 licenses
 - ▶ **1** - UC 600 Controller for Chilled Water, Hot Water Plant
 - ▶ **100** - unit level controllers
 - ▶ WCI wireless interface
 - ▶ Wireless zone sensor



Energy Conservation Measures Patriot Hall Campus



- ▶ **1169** - LED Lighting Fixtures
 - ▶ 2'x4' T8 replacement with Cree 2x4 ZR fixture
 - ▶ Par 38 LED screw in, BR30 LED flood fixtures
- ▶ **112** - Water Conservation Fixtures
- ▶ Trane Building Automation System Installation
 - ▶ 1 - Tracer SC Controller w/50 licenses
 - ▶ 1 - UC 600 Controller
 - ▶ **34** - UC 400 Controllers
 - ▶ WCI wireless interface
 - ▶ Fan Status, Discharge sensors
 - ▶ Wireless Zone Sensors



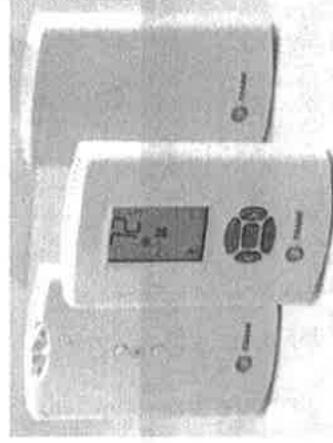
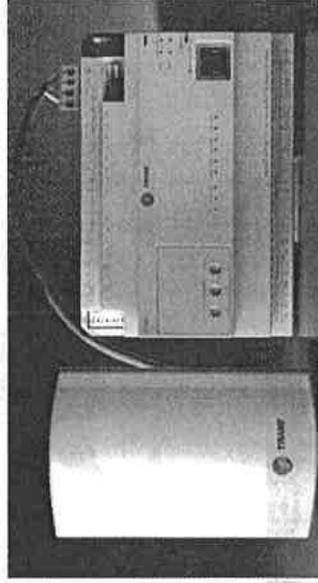
Typical Trane Wireless Range = 200', 4x potential paths

Energy Conservation Measures South Sumter Resource Center



TRANE BUILDING
ADVANTAGE

- ▶ **174** - LED Lighting Fixtures
 - ▶ 2'x4' T8 replacement with 22w LED Lamps
- ▶ **10** - Water Conservation Fixtures
 - ▶ Trane Building Automation System Installation
 - ▶ **1** - Tracer SC Controller 15 licenses
 - ▶ **6** - UC 400 Controller
 - ▶ WCI wireless interface
 - ▶ Wireless Zone Sensors
 - ▶ Integration of zone damper controls



Energy Conservation Measures Sumter County Civic Center



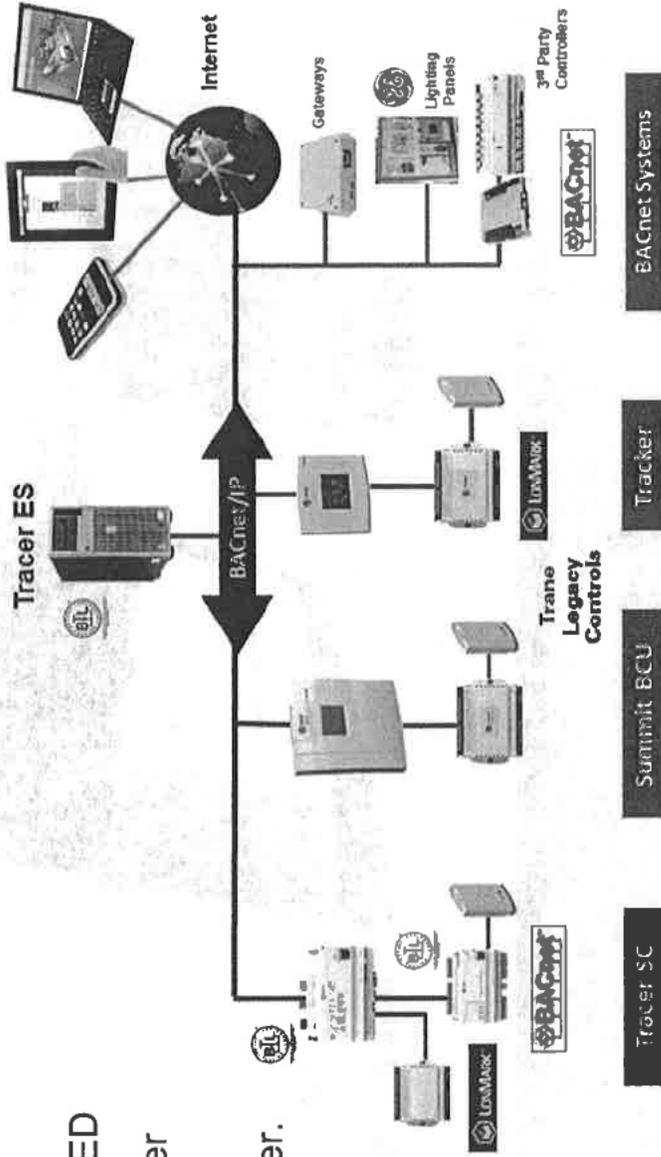
- ▶ **97** - Water Conservation Fixtures
- ▶ Trane Building Automation System Installation
 - ▶ **1** - Tracer SC Controller w/15 licenses
 - ▶ **26** - UC 400 Controller
 - ▶ WCI wireless interface
 - ▶ Wireless Zone Sensors



Energy Conservation Measures Judicial Center



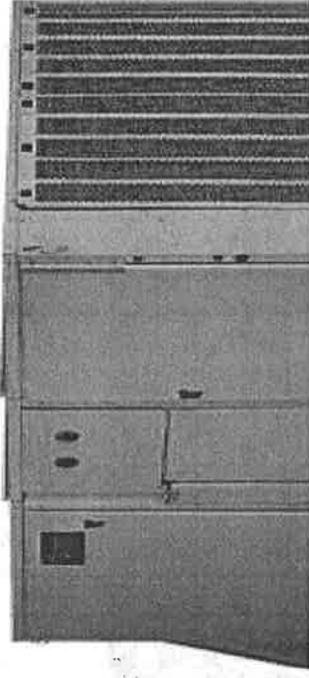
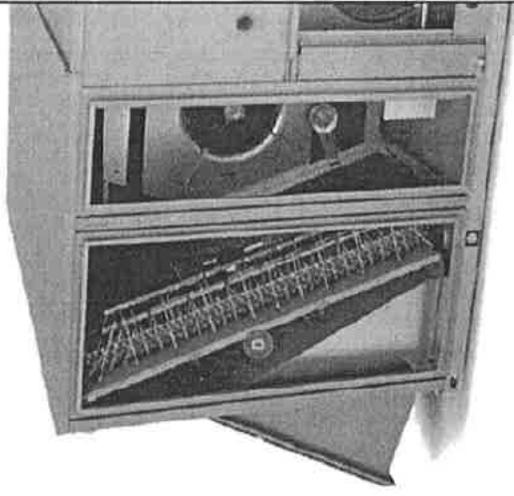
- ▶ 1339 - LED Lighting Fixtures
 - ▶ 2'x4' T8 replacement with 13w and 18w LED Lamps
 - ▶ 42w CFL replacement with 21w LED
- ▶ Controls Integration into Trane Tracer ES
 - ▶ 1 - Jene Panel with Siemens Driver.
 - ▶ Full Retro commissioning of the system, point verification of all devices, air handling units and variable air volume boxes



Energy Conservation Measures Administration Building



- › **81** - LED Lighting Fixtures
 - › 2'x4' T8 replacement with 13w and 18w LED Lamps
- › **21** - Water Conservation Fixtures
- › HVAC Replacement of Roof Top Units and Variable Air Volume Boxes
 - › **2** - 15-Ton packaged units with VFD - THD180G4RKA—HE
 - › **1** - 12.5 - Ton packaged unit - THD150G4RGA—H3
 - › **2** - 4-Ton packaged heat pump - WSC048E4REA
 - › **21** - Variable Air Volume Box - VPEF (0600 - 1200)
- › Trane Building Automation System Installation
 - › **1** - Tracer SC Controller w/30 licenses, new zone sensor, wireless interface





Project Financial Summary

Major Reduction in Cost Delivered by Key ECM's

Total Annual Savings: \$281,631

- ▶ Annual Energy Savings: \$207,214
- ▶ Operational Cost Savings: \$74,417
 - ▶ Existing Controls Contracts \$50,280
 - ▶ Lighting Lamps and Ballasts \$12,018
 - ▶ HVAC maintenance \$10,598

Project Financial Summary



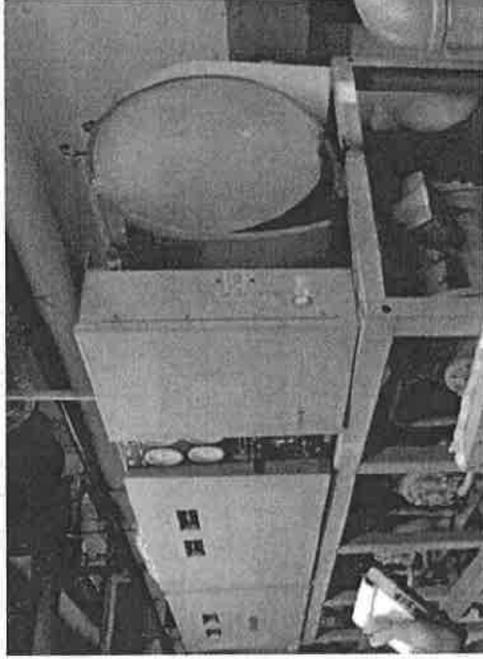
Avoided Capital Cost \$2,850,000+

- › Administration Building HVAC Replacement: \$250,000 (end of life, 1988 and 2000 equipment)
- › Computer/IT HVAC Replacement : \$300,000 (end of life failures, 2000 and older)
- › Courthouse Roof Replacement: \$250,000 (past end of life, 35+ years)
- › Courthouse and Administration Lighting: \$350,000 (T8, T12 no longer manufactured)
- › Courthouse HVAC Replacement: \$1,700,000 Past end of life (30+ years, equipment failures)

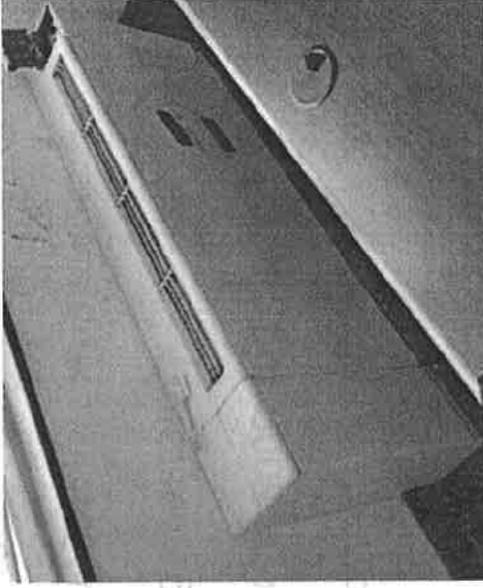
Courthouse HVAC Upgrade Project - Option B



Existing Boiler



Existing Chiller



Existing Fan Coil Units

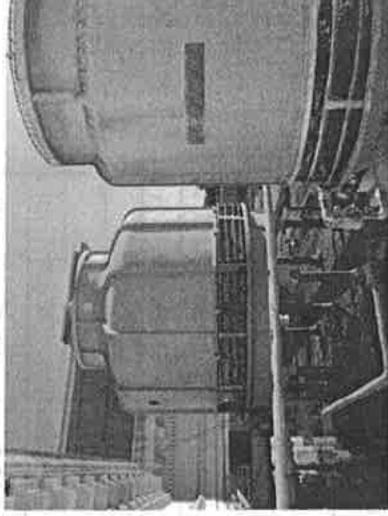
Courthouse HVAC Upgrade Project - Option B



Comprehensive Replacement of Courthouse HVAC Equipment

- ▶ **89** – New Fan Coil Units
 - ▶ Chilled Water with Electric Heat for Individual Zone Control
 - ▶ Model: UniTrane Fan Coil Model: FCBB, FCHB
- ▶ **9** – New Air Handling Units
 - ▶ Hot Water and Chilled Water, Variable Speed
 - ▶ Model: Performance Climate Changer UCCA, Blower Coil BCXD
- ▶ **2** – New Water Cooled Chillers
 - ▶ Model: RTWD 80 tons
- ▶ **1** – New Cooling Tower
- ▶ **1** – New High Efficiency Gas Boiler

Existing Cooling Towers



Existing Air Handler

Project Financial Summary – Option A

› Cash Flow Handout

Yr.	Energy Savings (a)	Operational Dollar Savings (b)	Total Savings (c=a+b)	Annual Service Fees (d)	Financing Payment (e)	Annual Cost (= c-d-e)
1	\$ 207,214	\$ 174,938	\$ 382,152	\$ 50,000	\$ 332,152	\$0.00
2	\$ 213,430	\$ 75,905	\$ 289,336	\$ 51,500	\$ 237,836	\$0.00
3	\$ 219,833	\$ 77,423	\$ 297,257	\$ 53,045	\$ 244,212	\$0.00
4	\$ 226,428	\$ 78,972	\$ 305,400	\$ 54,636	\$ 250,764	\$0.00
5	\$ 233,221	\$ 80,551	\$ 313,772	\$ 56,275	\$ 257,497	\$0.00
6	\$ 240,218	\$ 82,162	\$ 322,380	\$ 57,964	\$ 264,416	\$0.00
7	\$ 247,424	\$ 83,805	\$ 331,230	\$ 59,703	\$ 271,527	\$0.00
8	\$ 254,847	\$ 85,481	\$ 340,329	\$ 61,494	\$ 278,835	\$0.00
9	\$ 262,492	\$ 87,191	\$ 349,684	\$ 63,339	\$ 286,345	\$0.00
10	\$ 270,367	\$ 88,935	\$ 359,302	\$ 65,239	\$ 294,064	\$0.00
11	\$ 278,478	\$ 90,714	\$ 369,192	\$ 67,196	\$ 301,996	\$0.00
12	\$ 286,833	\$ 92,528	\$ 379,361	\$ 69,212	\$ 310,149	\$0.00
13	\$ 295,438	\$ 94,378	\$ 389,816	\$ 71,288	\$ 318,528	\$0.00
Total	\$ 3,236,225	\$ 1,192,984	\$ 4,429,208	\$ 780,890	\$ 3,648,319	\$0.00

Item B - Operational Savings includes Utility Rebate in year 1

Item D - Includes fees for Measurement and Verification and Controls Service

Item E - Based on Saves pro forma and Debt Sculpted payment schedule

Courthouse HVAC Upgrade Project Option – Option B



Comprehensive Replacement of Courthouse Roof & HVAC Equipment

Project Cost: \$1,746,253 Annual Cost Savings: \$ 21,856

Cash Flow Impact:

Yr.	Energy Savings (a)	Operational Dollar Savings (b)	Total Savings (c=a+b)	Annual Service Fees (d)	Financing Payment (e)	Annual Cost (= c-d-e)
1	\$ 208,070	\$ 195,938	\$ 404,008	\$ 50,000	\$ 446,442	\$ (92,434)
2	\$ 214,312	\$ 97,325	\$ 311,637	\$ 51,500	\$ 442,468	\$ (182,331)
3	\$ 220,741	\$ 99,272	\$ 320,013	\$ 53,045	\$ 438,494	\$ (171,526)
4	\$ 227,364	\$ 101,257	\$ 328,621	\$ 54,636	\$ 434,519	\$ (160,535)
5	\$ 234,185	\$ 103,282	\$ 337,467	\$ 56,275	\$ 430,545	\$ (149,354)
6	\$ 241,210	\$ 105,348	\$ 346,558	\$ 57,964	\$ 426,571	\$ (137,977)
7	\$ 248,446	\$ 107,455	\$ 355,901	\$ 59,703	\$ 422,597	\$ (126,398)
8	\$ 255,900	\$ 109,604	\$ 365,504	\$ 61,494	\$ 418,622	\$ (114,612)
9	\$ 263,577	\$ 111,796	\$ 375,373	\$ 63,339	\$ 414,648	\$ (102,614)
10	\$ 271,484	\$ 114,032	\$ 385,516	\$ 65,239	\$ 410,674	\$ (90,397)
11	\$ 279,629	\$ 116,312	\$ 395,941	\$ 67,196	\$ 406,700	\$ (77,954)
12	\$ 288,018	\$ 118,639	\$ 406,656	\$ 69,212	\$ 402,725	\$ (65,281)
13	\$ 296,658	\$ 121,012	\$ 417,670	\$ 71,288	\$ 398,751	\$ (52,370)
Total	\$3,249,594	\$ 1,501,271	\$ 4,750,864	\$ 780,890	\$ 5,493,756	\$ (1,523,782)

Item B - Operational Savings includes Utility Rebate in year 1

Item D - Includes fees for Measurement and Verification and Controls Service

Item E - Based on Saves pro forma

Project Schedule



Timeline

Start Thu 4/23/15

Today

3rd Quarter

4th Quarter

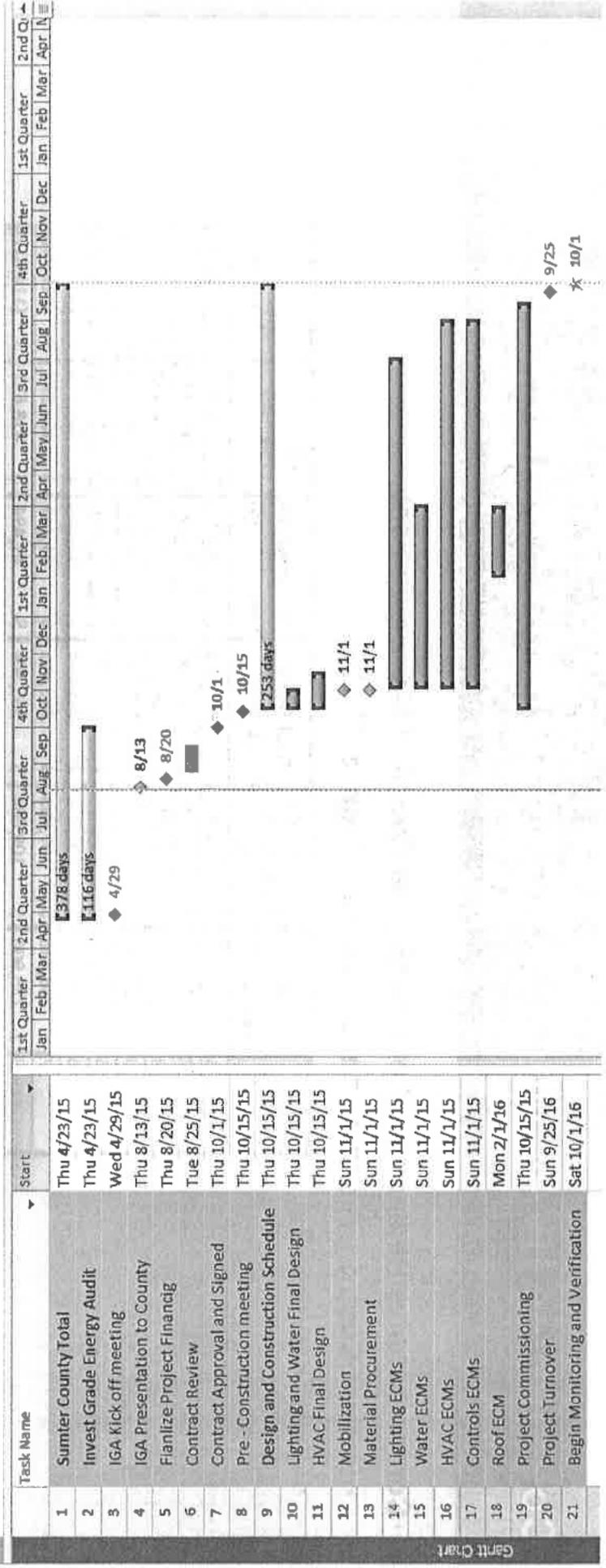
1st Quarter

2nd Quarter

3rd Quarter

4th Quarter

Finish Sat 10/1/16



Gantt Chart

Timeline



- ▶ Presentation Aug 13
- ▶ Finalize Contract Financing Aug 20
- ▶ Sumter County Council Meeting Aug 25
 - ▶ Board Reading Requirements?
- ▶ Contract Review Completed Sept 15
- ▶ Signed Contract Oct 1
- ▶ Start Date Oct 15



TRANE BUILDING
ADVANTAGE[™]

THINK BEYOND

Trane Building Advantage Sumter County Government

August 13, 2015



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. Volume cap allocation will be considered separately.

- a. Issuing Authority: Jobs-Economic Development Authority
Amount of Issue: Not Exceeding \$13,420,000 Qualified Energy Conservation Bonds (previously approved \$10M on 5/2/11)
Allocation Needed: \$3,420,000 Qualified Energy Conservation Bond Reallocation
Name of Project: South Carolina SAVES, Inc. and Abundant Power Group, LLC and the South Carolina SAVES Green Community Program
Employment Impact: estimated 10-20 direct jobs during construction
Project Description: 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
Note: *negotiated private sale*
Bond Counsel: Douglas Lamb, McGuireWoods LLP
- b. Issuing Authority: State Housing Finance and Development Authority
Amount of Issue: Not Exceeding \$70,000,000 Mortgage Revenue Bonds
Allocation Needed: -0-
Name of Project: Mortgage Revenue Bonds, Series 2016A
Employment Impact: n/a
Project Description: Mortgage Revenue Bonds, Series 2016A
Bond Counsel: Rion D. Foley, McNair Law Firm, P. A.

AUTHORITY ACTION REQUESTED:

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

ATTACHMENTS:

Resolutions

A RESOLUTION AMENDING AND SUPPLEMENTING A PRIOR RESOLUTION OF THE STATE BUDGET AND CONTROL BOARD (AS PREDECESSOR TO THE STATE FISCAL ACCOUNTABILITY AUTHORITY) DATED DECEMBER 10, 2013 AND APPROVING THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY THROUGH A NEGOTIATED PRIVATE SALE OF NOT EXCEEDING \$13,420,000 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 ("SC-JEDA") previously 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 ("SBCB"), as predecessor to the State Fiscal Accountability Authority ("SFAA"), of the issuance by SC-JEDA pursuant to the Act of its Qualified Energy Conservation Bonds, in the aggregate principal amount of not exceeding \$10,000,000 through a negotiated private sale, which SC-JEDA determined to be most advantageous; and

WHEREAS, the SBCB adopted a resolution, dated December 10, 2013 (the "Original Resolution"), as amended and supplemented on June 16, 2015 (the "Amended Resolution" and, together with the Original Resolution, the "SFAA Resolution"), approving the issuance by SC-JEDA pursuant to the Act of its Qualified Energy Conservation Bonds, in the aggregate principal amount of not exceeding \$12,300,000 through a negotiated private sale, including changes in the details of said financing which did not materially affect the undertaking of SC-JEDA; and

WHEREAS, SC-JEDA has been advised by the Borrower (as defined herein) that the estimated cost of the project to be undertaken with the proceeds of its Qualified Energy Conservation Bonds has increased by up to \$1,120,000, and to defray a portion of the costs of such project and certain other related costs, the Borrower has requested SC-JEDA to increase its issuing authority of \$12,300,000 as originally and subsequently approved by up to \$1,120,000 for an aggregate total not to exceed \$13,420,000 of its Qualified Energy Conservation Bonds (the "Bonds"); and

WHEREAS, SC-JEDA represents to the SFAA that the Bonds will be limited obligations of SC-JEDA payable solely from loan repayments received by SC-JEDA 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 SC-JEDA 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 SC-JEDA 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 Fiscal Accountability Authority of the State of South Carolina, as follows:

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

a.

Section 2. In consequence of the foregoing, the proposal of SC-JEDA 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 SC-JEDA.

Section 3. Except as amended and supplemented hereby, the SFAA Resolution shall continue in force and effect.

Section 4. This Resolution shall take effect immediately.

Summary of Financing Proposal for
South Carolina Housing Finance and Development Authority
Mortgage Revenue Bonds, Series 2016 A

PRELIMINARY – SUBJECT TO CHANGE

November 10, 2015

Bonds proposed to be financed	New Money Tax Exempt Bonds
Total Bond Issuance Size	\$30,000,000
Projected average interest rate of bonds	3.39%
True interest cost of bonds ⁽¹⁾	3.13%
True interest cost of bonds ⁽²⁾	2.29%
Estimated costs (costs as a percentage of bonds)	
Underwriting	\$231,835
Legal fees – bond, disclosure and general counsel	\$67,500
Rating agency fees	\$30,000
Advisory fees	\$56,000
Bond trustee/registrar	\$11,700
Accounting and verification	\$0
Credit enhancement/bond insurance	\$0
Publication, printing, contingencies and all other expenses	\$17,965
Total	415,000

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: Patrick Johnson & Tim Rittenhouse
CSG Advisors Incorporated

Date: November 10, 2015

Summary Bond Financing Analysis Form 1/15

b.

THE STATE FISCAL ACCOUNTABILITY AUTHORITY 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 2016 A (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 now known as the State Fiscal Accountability Authority of South Carolina (the "SFAA"), 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 2016 A Bonds") or such other numbering convention as may be necessary, in an aggregate amount not to exceed \$70,000,000, 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 2016 A 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 2016 A 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 SFAA has given due consideration to the proposed undertaking of the Authority and wishes to give approval to the issuance and sale of the Series 2016 A Bonds, subject to the conditions set forth herein.

NOW, THEREFORE BE IT RESOLVED BY THE STATE FISCAL ACCOUNTABILITY AUTHORITY OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

Section 1. Subject to the conditions set forth herein, approval is hereby granted by the SFAA to the issuance and sale by the Authority of not exceeding \$70,000,000 South Carolina State

Housing Finance and Development Authority Mortgage Revenue Bonds, Series 2016 A or such other numbering convention as may be necessary.

The Series 2016 A 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 SFAA 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 2016 A Bonds to be issued;
- (b) the maturity schedule of the Series 2016 A 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 2016 A Bonds

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

- (a) The Authority shall submit to the SFAA 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 2016 A 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 2016 A 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 2016 A 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 2016 A 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 2016 A Bonds and/or to refund any such bonds of the Authority.

AGENCY: Executive Director

SUBJECT: Economic Development - 2015 Ceiling Allocations (2015 Volume Cap Carryforward)

The initial balance of the 2015 state ceiling allocation was \$483,248,200. In accord with Code Section 1-11-520, \$193,299,280 (40% of the total) was designated as the state pool and \$289,948,920 (60% of the total) was designated as the local pool. There is presently a state ceiling balance of \$476,248,200 remaining for 2015. Allocation requests for 2015 totaling \$17,500,000 have been received thus far.

In accord with S.C. Code of Laws Section 1-11-500, et seq., the South Carolina State Housing Finance and Development Authority has requested that any unallocated state ceiling balance remaining at the end of the calendar year be designated to the Authority as carryforward for use in subsequent years. The Authority is asked to allocate any remaining 2015 state ceiling balance at year-end to the South Carolina State Housing Finance and Development Authority for use in the issuance of bonds to provide housing to the members of State Housing's "beneficiary classes" (i.e., mortgage revenue bonds/mortgage credit certificates, and qualified residential rental bonds) for carryforward for the next three calendar years.

AUTHORITY ACTION REQUESTED:

Authorize the allocation of any remaining 2015 state ceiling balance at year-end to the South Carolina State Housing Finance and Development Authority for use in the issuance of bonds to provide housing to the members of State Housing's "beneficiary classes" (i.e., mortgage revenue bonds/mortgage credit certificates, and qualified residential rental bonds) for carryforward for the next three calendar years and authorize the filing of a carryforward election with the Internal Revenue Service.

ATTACHMENTS:

2015 Ceiling Allocations; Easton 11/17/15 letter; State Housing Petition; Section 1-11-500 et seq.

2015 South Carolina State Ceiling
Balance remaining as of October 27, 2015, if ceiling allocation granted

State Pool (40%) 193,299,280
 Total State Pool (40%) 193,299,280
 Local Pool (60%) 289,948,920
 Total Local Pool (60%) 289,948,920
Certified State Ceiling 2015 483,248,200

Date Allocated	Governmental Unit	Name of Project	Pool Total	Amount Allocated	Balance Available	Certified for Issue	Issue Date	Attorney
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01/02/15 STATE POOL 193,299,280

TOTAL, STATE POOL

193,299,280 0 193,299,280 0

TOTAL, LOCAL POOL

01/02/15 LOCAL POOL 289,948,920
 04/28/15 JEDA 0
 10/27/15 JEDA Watson Engineering, Inc. 7,000,000
 Watson Engineering, Inc. 7,000,000
 expired

TOTAL, LOCAL POOL

289,948,920 7,000,000 282,948,920 7,000,000

GRAND TOTAL

483,248,200 7,000,000 476,248,200 7,000,000

2015 South Carolina State Ceiling Allocations

Summary, CY 2015

2015 State Ceiling	483,248,200
Initial Allocations	17,500,000
Expired/Relinquished	10,500,000
Actual Allocations	7,000,000
Certified for Issue	0
Carried Forward	0

Balance Available: 476,248,200

Issuer	Name of Project	Allocation Amount	Expired/ Relinquished	Certified for Issue	Issue Date	Attorney
Allocation: 04/28/15 Expiration: 07/27/15						
JEDA	Watson Engineering, Inc.	8,750,000	8,750,000	7,000,000		Lipsitz
Allocation: 10/27/15 Expiration: 12/31/15						
JEDA	Watson Engineering, Inc.	8,750,000	1,750,000			



South Carolina State Housing Finance and Development Authority

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Donald R. Tomlin, Jr.
Chairman

Valarie M. Williams
Executive Director

Writer's Direct Numbers

(803) 896-8771

Facsimile (803) 551-4878

E-mail: Tracey.Easton@schousing.com

November 17, 2015

Delbert H. Singleton, Jr., Esquire
Secretary
State Fiscal Accountability Authority
1200 Senate Street
Wade Hampton Building, Suite 600
Columbia, South Carolina 29201

Re: Request for Carryforward Allocation of 2015 Private Activity Bond Ceiling

Dear Delbert:

I enclose four originals of a petition requesting an allocation of the remaining 2015 Private Activity Bond Ceiling for the State of South Carolina and four originals of the South Carolina State Housing Finance and Development Authority's Board of Commissioner's Resolution approving such petition that was adopted by the Authority's Board on October 14, 2015. Also enclosed is a memorandum explaining the Authority's need for bond ceiling.

I would greatly appreciate if this matter could be placed on the agenda for the State Fiscal Accountability Authority's meeting in December.

Thank you for your assistance.

Very truly yours,

A handwritten signature in blue ink that reads "Tracey C. Easton".

Tracey C. Easton
General Counsel

STATE OF SOUTH CAROLINA

COUNTY OF LEXINGTON

TO THE SOUTH CAROLINA STATE

FISCAL ACCOUNTABILITY AUTHORITY

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)

PETITION

This Petition of the South Carolina State Housing Finance and Development Authority (the "Authority") respectfully shows:

1. The Authority is an "issuing authority," as such term is used in Act No. 117 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina of 1987 (the "Allocation Act") establishing a plan for the allocation of the State of South Carolina's volume limitation with respect to private activity bonds (as defined in Section 141 of the Internal Revenue Code of 1986) imposed by the Tax Reform Act of 1986.

2. The Allocation Act authorizes the Authority to submit its request to the State Fiscal Accountability Authority of South Carolina (the "SFAA") that a portion of the State Ceiling established by the Tax Reform Act (the "State Ceiling") be allocated to bonds proposed to be issued by the Authority.

3. The Authority is informed and believes that a portion of the 2015 State Ceiling has not yet been allocated and will, unless allocated on a carryforward basis, be lost to the State at the end of the current calendar year.

4. Based upon the need which it has found to exist, the Authority has determined it may issue one or more series of its revenue bonds or mortgage credit certificates pursuant to the authorizations granted to it under Title 31, Chapter 13, Code of Laws of South Carolina, 1976, as amended, which will be new issues and which will require allocations of the State Ceiling.

5. In order to preserve the unallocated portion of the State's 2015 Private Activity Bond Ceiling, and in order further to lessen the demand for the State's 2016 Private Activity Bond Ceiling, the Authority respectfully requests that it be allocated on a carryforward basis, such of the State's 2015 Private Activity Bond Ceiling as shall remain unallocated at the end of 2015, such ceiling to be apportioned between the issuance of Mortgage Revenue Bonds/Mortgage Credit Certificates and Qualified Residential Rental Bonds in such amounts as shall be requested by the Authority prior to the filing by the SFAA of its IRS Form 8328, "Carryforward Election of Unused Private Activity Bond Volume Cap".

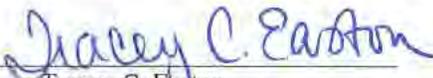
6. This Petition constitutes an "authorized request," within the meaning of Section 4 of the Allocation Act.

Upon the basis of the foregoing, the Authority respectfully prays:

That the SFAA accept the filing of the Petition presented herewith, that it allocate to the Authority on a carryforward basis, such of the State's 2015 Private Activity Bond Ceiling as shall remain unallocated at the end of 2015, such ceiling to be apportioned between the issuance of Mortgage Revenue Bonds/Mortgage Credit Certificates and Qualified Residential Rental Bonds in such amounts as shall be requested by the Authority prior to such allocation.

November 17, 2015.

Respectfully submitted,
SOUTH CAROLINA STATE HOUSING
FINANCE AND DEVELOPMENT
AUTHORITY

By: 
Tracey C. Easton
General Counsel

A RESOLUTION

AUTHORIZING A PETITION TO THE STATE FISCAL ACCOUNTABILITY AUTHORITY OF SOUTH CAROLINA REQUESTING CARRYFORWARD ALLOCATION OF THE REMAINING PORTION OF THE STATE CEILING ESTABLISHED BY THE TAX REFORM ACT OF 1986.

WHEREAS, the South Carolina State Housing Finance and Development Authority (the "**Authority**") is authorized and empowered by Title 31, Chapter 13, Code of Laws of South Carolina 1976, as amended (the "**Act**") to issue bonds, the principal proceeds of which will be used to provide sanitary and safe residential housing for persons and families of low income and of moderate to low income (collectively, the "**beneficiary classes**") at prices which such persons can afford; and

WHEREAS, the Authority is an "issuing authority," as such term is used in Act No. 117 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina 1987 establishing a plan for the allocation of the State of South Carolina's volume limitation with respect to private activity bonds (as defined in Section 141 of the Internal Revenue Code of 1986) imposed by the Tax Reform Act of 1986; and

WHEREAS, the Authority has, pursuant to the Act, previously issued multiple series of its revenue bonds and mortgage credit certificates and has used the proceeds thereof to provide money for the financing of housing to be occupied by members of the beneficiary classes; and

WHEREAS, in light of additional demand for housing that is affordable to members of the beneficiary classes, the Authority has formulated a plan for the issuance of its bonds or mortgage credit certificates in one or more series pursuant to the Act, such plan being conditioned, *inter alia*, upon the granting by the State Fiscal Accountability Authority of South Carolina (the "**State Board**") of an allocation of the State Ceiling established by the Tax Reform Act of 1986 (the "**State Ceiling**") relating to the issuance of private activity bonds; and

WHEREAS, the Authority proposes to make provision for one or more additional series of bonds or mortgage credit certificates which will be new issues (collectively, the "**New Issues**") and may require an allocation of the State Ceiling; and

NOW, THEREFORE, BE IT RESOLVED BY THE SOUTH CAROLINA STATE HOUSING FINANCE AND DEVELOPMENT AUTHORITY IN MEETING DULY ASSEMBLED: that the Executive Director, General Counsel, or either of them, is authorized to submit to the State Fiscal Accountability Authority a Petition requesting that the unused portion of the 2015 State Ceiling be allocated on a carryforward basis to the New Issues proposed to be issued by the Authority.

**STATE OF SOUTH CAROLINA
COUNTY OF LEXINGTON**

I, the undersigned Assistant Secretary of the South Carolina State Housing Finance and Development Authority (the "**Authority**"), **DO HEREBY CERTIFY** that the foregoing is a true, correct, and verbatim copy of a Resolution duly adopted by the Authority at a duly called meeting held on October 14, 2015.

WITNESS MY HAND this 14th day of October, 2015.



Secretary, South Carolina State Housing Finance and
Development Authority



South Carolina State Housing Finance and Development Authority

300-C Outlet Pointe Blvd., Columbia, South Carolina 29210

Telephone: 803.896.9001 TTY: 803.896.8831

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MEMORANDUM

To: Delbert E. Singleton, Jr.
Secretary, State Fiscal Accountability Authority

From: Tracey C. Easton 
General Counsel, State Housing Finance & Development Authority

Re: Request for Carryforward Allocation of 2015 Private Activity Bond Ceiling

Date: November 17, 2015

The purpose of this Memorandum is to provide support for the Authority's request that the State Fiscal Accountability Authority grant it a carryforward allocation of that portion of the State's 2015 Private Activity Bond Ceiling ("Bond Ceiling") that remains unallocated at the end of the calendar year. Bond Ceiling must either be allocated to private activity bonds issued during the calendar year for which it was received from the federal government or allocated at the end of such year on a carryforward basis to support the issuance of bonds within the next three years. At the end of a calendar year, unused Bond Ceiling that is not the subject of a carryforward allocation is lost to the State and cannot thereafter be retrieved. In the past the Authority has utilized Bond Ceiling that would otherwise have been lost.

The program through which the Authority provides financing for the development of affordable low-income housing by private-sector developers and the program through which it provides home ownership opportunities to low-to-moderate income families are financed by the issuance of private activity bonds that require the allocation of Bond Ceiling. The Authority has also begun issuing mortgage credit certificates which can help make home ownership more affordable for qualified borrowers. By requesting a carryforward allocation of unused 2015 Bond Ceiling, it is the intent of the Authority to assist the State of South Carolina by preserving the ability to use the unused 2015 Bond Ceiling for an additional three years. The Authority normally intends that by requesting a carryforward allocation of unused Bond Ceiling that it would lessen the demand for the following year's Bond Ceiling, however, the current climate is not showing a large demand for Bond Ceiling.

Of the 2012 Carryforward Bond Ceiling, the Authority dedicated \$250,000,000 for multifamily use and \$148,826,850 for single family use. The Authority has expended \$11,000,000 of the multifamily amount to date, however the Authority anticipates expending approximately \$60,000,000 before calendar end. Of the 2012 Carryforward Bond Ceiling for single family, the entire amount has been expended. Of the 2013 Carryforward Bond Ceiling, the Authority dedicated \$108,753,000 for multifamily use and \$300,000,000 for single family use. The entire 2013 Carryforward Bond Ceiling remains unexpended. Of the 2014 Carryforward Bond Ceiling, the Authority dedicated \$150,000,000 for multifamily use and \$215,483,900 for single family use. The entire 2014 Carryforward Bond Ceiling remains unexpended.

The Authority is seeing a slight uptick in multifamily inquiries and currently has eight deals in process. The Authority is researching other manners of utilizing bond authority and is always exploring the next bond financing for the single family home ownership program. Unless a carryforward allocation is made, the remaining 2015 allocation will expire as of December 31, 2015 and be lost to the State of South Carolina. Due to the current economic climate, the Authority's bond issuances have slowed, however, an allocation to the Authority would at least preserve the remaining 2015 allocation for the State for another three years.

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.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

State Fiscal Accountability Authority 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 3-2016: JBRC Item 4. College of Charleston
 Project: 9655, 176 Lockwood Drive Renovation

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Capital Institutional Project Funds	79,500.00	0.00	79,500.00	5,320,500.00	5,400,000.00
All Sources	79,500.00	0.00	79,500.00	5,320,500.00	5,400,000.00

Funding Source: \$5,400,000 Other, Capital Institutional Project Funds, which are those revenues generated by the Capital Improvement Fee that are in excess of the current annual debt service related to bonds issued under Section 59-130-410 through 59-130-510 of the S.C. Code of Laws. This fee is that portion of the student bill earmarked for debt service and renewal of the physical infrastructure. The College has had this fee in place since it became a public institution in 1970. The Academic Year 2014-15 per semester fee is \$781.

Request: Increase budget to \$5,400,000 (add \$5,320,500 Other, Capital Institutional Project Funds) to perform renovations on the building at 176 Lockwood Drive at the College of Charleston. This project was established for design work in October 2014, which is now complete. The building, which is 25 years old, requires renovation to meet college security, safety, and technological infrastructure standards as well as current building and ADA codes. Building systems will be repaired and/or replaced to improve the health and efficiency of the facility. The space will be reconfigured to house three of the College's administrative functions, thus freeing space up in the core campus that can be repurposed as instructional space. The agency reports total projected cost of this project is \$5.4 million, and additional operating costs between \$6,988 and \$7,519 are anticipated in association with this project. The agency also reports the projected date for execution of the construction contract is March 2016, and the projected date for completion of construction is October 2016.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

- (b) Summary 3-2016: JBRC Item 5. Coastal Carolina University
 Project: 9606, University Place Dining Hall Construction

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Gift – Student Housing Foundation	<u>70,500.00</u>	<u>0.00</u>	<u>70,500.00</u>	<u>4,629,500.00</u>	<u>4,700,000.00</u>
All Sources	<u>70,500.00</u>	<u>0.00</u>	<u>70,500.00</u>	<u>4,629,500.00</u>	<u>4,700,000.00</u>

Funding Source: \$4,700,000 Other, Gift – Student Housing Foundation, which are gift funds from the foundation.

Request: Increase budget to \$4,700,000 (add \$4,629,500 Other, Gift – Student Housing Foundation Funds) to demolish and build a University Place Dining Hall at Coastal Carolina University. This project was established for design work in December 2014, which is now complete. After consulting with architects, the University has decided to demolish the aged building that currently sits on this parcel since renovating this facility would not fulfill all the needs for dine-in food service. At this location, the University will construct a new 9,418-square-foot dining hall that will accommodate seating for 200 students. This new facility will provide students the option to dine-in as well as increased food selections. Currently, there is only a small take-out food service available for students which causes food limitation. This building will not be LEED certified. The agency reports total projected cost of this project is \$4.7 million, and no additional operating costs are anticipated in association with this project. The agency also reports the projected date for execution of the construction contract is May 2016, and the projected date for completion of construction is March 2017.

- (c) Summary 3-2016: JBRC Item 6. Medical University of South Carolina
 Project: 9829, Clinical Sciences Building Roof Replacement

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Indirect Cost Recovery	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1,400,000.00</u>	<u>1,400,000.00</u>
All Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1,400,000.00</u>	<u>1,400,000.00</u>

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

Funding Source: \$1,400,000 Other, Indirect Cost Recovery, which are indirect cost recovery from extramural grants and contracts.

Request: Establish project and budget for \$1,400,000 (add \$1,400,000 Other, Indirect Cost Recovery Funds) to replace the roof on the Clinical Sciences Building at the Medical University of South Carolina. This project was not established for design work because the project was initiated in fiscal year 2015 as a non-PIP based on a cost estimate from the University's waterproofing consultant. This project was designed and has now been bid twice. It is now clear that this project is over the non-PIP threshold. This request is for approval to proceed with construction. This roof is over twenty years old, beyond its useful life, and in poor condition. The University's waterproofing consultant has recommended immediate replacement. The agency reports total projected cost of this project is \$1.4 million, and no additional operating costs are anticipated in association with this project. The agency also reports the projected date for execution of the construction contract is December 2015, and the projected date for completion of construction is June 2016.

- (d) Summary 3-2016: JBRC Item 7. Department of Administration
 Project: 9950, North Towers/DSS Building Window and Roof Replacement

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Depreciation Reserve	<u>22,275.00</u>	<u>0.00</u>	<u>22,275.00</u>	<u>1,538,761.00</u>	<u>1,561,036.00</u>
All Sources	<u>22,275.00</u>	<u>0.00</u>	<u>22,275.00</u>	<u>1,538,761.00</u>	<u>1,561,036.00</u>

Funding Source: \$1,561,036 Other, Depreciation Reserve, which are funds derived from the rent account, which receives rent charged to agencies statutorily authorized from SC Code of Laws 1-11-67 and 1-11-180.

Request: Increase budget to \$1,561,036 (add \$1,538,761 Other, Depreciation Reserve) to replace the windows and roof for the North Towers / DSS Building in Columbia. The project was established for design work in April 2015, which is now complete. The Division of General Services is requesting Phase II approval to replace the existing roof built in the 1970s that has had continuous leaks for many years. The windows would also be replaced per recommendation of the Building Envelope Consultant. The original windows were installed in the 1970s and frequently have reoccurring leaks on various

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

levels and sides of the building. The 139,139-square-foot building has 567 employees and approximately 20 visitors daily. The agency reports that the total projected cost of this project is \$1,561,036, and no additional operating costs are anticipated in association with this project. The agency also reports the projected date for execution of the construction contract is April 2016, and the projected date for completion of construction is December 2016.

Increase Budget

- (e) Summary 3-2016: JBRC Item 9. The Citadel
Project: 9613, FY 2014-15 Maintenance Needs

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, FY 2014-15 Lottery Funds	112,541.00	0.00	112,541.00	0.00	112,541.00
Other, Institutional Capital Projects Fund	<u>687,459.00</u>	<u>0.00</u>	<u>687,459.00</u>	<u>500,000.00</u>	<u>1,187,459.00</u>
All Sources	800,000.00	0.00	800,000.00	500,000.00	1,300,000.00

Funding Source: \$1,187,459 Other, Institutional Capital Project Fund, which is accumulated tuition collected in excess of required debt service on outstanding state institution bonds, and \$112,541 Other, FY 2014-15 Lottery Fund, which are funds appropriated by the General Assembly for maintenance needs.

Request: Increase budget to \$1,300,000 (add \$500,000 Other, Institutional Capital Projects Fund) to increase the construction budget to perform renovations on Jenkins Hall at The Citadel. This project was established for design work in October 2014, which is now complete. With an estimated construction cost of \$700,000 provided by the University's consultants, this project was bid on May 19, 2015. Seven bids were received and the low bid was \$958,878. The average bid was \$1,168,265. The increase is due to higher than expected exterior waterproofing costs and a significant increase in construction costs over the past year. Jenkins Hall will undergo exterior envelope repair work. This project includes selective demolition, exterior cleaning, exterior stucco, waterproofing and coatings, cast stone repair, complete sealant replacement, insulated windows, aluminum storefront entrances, exterior doors, glazing,

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

hardware, and ancillary work to complete this project. The agency reports total projected cost of this project is \$1.3 million, and additional operating costs of between \$3,920 and \$4,275 are anticipated in association with this project. The agency also reports the projected date for execution of the construction contract is January 2016, and the projected date for completion of construction is May 2016.

- (f) Summary 3-2016: JBRC Item 10. State Board for Technical and Comprehensive Education
Project: 6083, Greenville – Enterprise Campus Development

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Capital Reserve Fund, 2012-13	435,750.00	(20,000.00)	415,750.00	0.00	415,750.00
Appropriated State, 2015-16 - Proviso 118.14	0.00	0.00	0.00	500,000.00	500,000.00
Other, Greenville County GO Bonds	0.00	22,548,929.00	22,548,929.00	0.00	22,548,929.00
Other, Local – Private Donation	0.00	0.00	0.00	1,000,000.00	1,000,000.00
Other, Plant Fund	0.00	0.00	0.00	106,000.00	106,000.00
All Sources	435,750.00	22,528,929.00	22,964,679.00	1,606,000.00	24,570,679.00

Funding Source: \$415,750 Capital Reserve Fund, which were appropriated for this purpose; \$22,548,929 Other, Greenville County Bond, which are funds from General Obligation Bonds issued by Greenville County in support of this project; \$1,000,000 Other, Local Private Donation, which is a donation from individuals for the purpose of this project; \$106,000 Other, Plant Fund, which are funds provided to the College by Greenville County from property taxes for the maintenance of the plant, and \$500,000 Appropriated State Funds, which are funds appropriated by the General Assembly for this project.

Request: Increase budget to \$24,570,679 (add \$500,000 Appropriated State, \$1,000,000 Other, Local – Private Donation, and \$106,000 Other, Plant Fund) to increase the construction budget to construct an alternative entrance/exit for the

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

Enterprise Campus at the Greenville Technical College. This project was established for design work in October 2013, which is now complete. The new entrance/exit will consist of a small pond restoration to its natural waterway and associated site development. An earth bridge component will span the wetlands and connect into the driveway adjacent to the service entrance of the building from Millennium Blvd. A single entrance/exit was initially planned for this campus from Illumination Way. There is a steep grade of approximately 6%. Further evaluation, considering potential inclement weather conditions, e.g., likelihood of icing in winter, and the possibility of a campus emergency, a need for a second entrance/exit has evolved. Emergency vehicles entering the campus could impede students exiting the campus in their vehicles. Expansion of the campus with additional buildings will also result in the need for the second entrance/exit to handle the anticipated traffic load. No other alternatives were considered. The agency reports that the total projected cost of this project is \$24.5 million, and no additional operating costs are anticipated in association with this project. The agency also reports that the date for execution of the construction contract was October 2014, and the projected date for completion of construction is August 2016.

- (g) Summary 3-2016: JBRC Item 11. Department of Administration
 Project: 9807, SLED HQ Perimeter Security Fence Installation/Water Drainage
 Resolution

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Criminal Record Check Funds	1,491,675.00	0.00	1,491,675.00	0.00	1,491,675.00
Other, Reimbursement of Closed Projects	0.00	0.00	0.00	2,277,104.00	2,277,104.00
All Sources	1,491,675.00	0.00	1,491,675.00	2,277,104.00	3,768,779.00

Funding Source: \$2,277,104 Other, Reimbursement, which are reimbursements of closed projects that does not include any appropriated funds, and \$1,491,675 Other, Criminal Record Check Fund, which is the twenty-five dollar fee the State Law Enforcement Division charges and collects for each criminal record search conducted pursuant to Reg. 73-20 through 73-28.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

Request: Increase budget to \$3,768,779 (add \$2,277,104 Other, Reimbursement) to increase the construction budget for a project to design and install a perimeter security fence around SLED's headquarters complex and to address a series of other site issues. The project was originally established for pre-design and construction in April 2006 for \$1,491,675. The project includes the resolution of water drainage issues, repaving parking lots, removal of tree obstructions, and increasing parking by 20%. Additional improvements of the site will include operable dual vehicular access gates, replacing sidewalks, providing code compliant handicap ramps, enhanced site lighting, installation of additional fiber cabling, additional cameras, associated security upgrades and rerouting of utility service. The SLED Headquarters campus houses the Forensics Laboratory, administrative, aviation, tactical, regulatory, Criminal Justice Information System and IT operations for SLED. The site houses millions of dollars in aviation, tactical and other specialized equipment within a site that cannot be secured from public access. SLED would not be able to meet its required site increased security status in the event of increased national threat levels. The project is for site-work so maintenance will be minimal and addressed through the current operating budget. The agency reports that the total projected cost of this project is \$3,768,779, and no additional operating costs are anticipated in association with this project. The agency also reports the projected date for execution of the construction contract is February 2016, and the projected date for completion of construction is December 2016.

Establish Project for Preliminary Land Studies

- (h) Summary 3-2016: JBRC Item 12. College of Charleston
Project: 9661, The Inn at 32 George Street Acquisition

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Capital Project Institutional Funds	0.00	0.00	0.00	20,000.00	20,000.00
All Sources	0.00	0.00	0.00	20,000.00	20,000.00

Funding Source: \$20,000 Other, Capital Institutional Project Fund, which are those revenues generated by the Capital Improvement Fee that are in excess of the

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Permanent Improvement Projects

current annual debt service related to bonds issued under Section 59-130-410 through 59-130-510 of the S.C. Code of Laws. This fee is that portion of the student bill earmarked for debt service and renewal of the physical infrastructure. The College has had this fee in place since it became a public institution in 1970. The Academic Year 2014-15 per semester fee is \$781.

Request: Establish project and budget for \$20,000 (Other, Capital Institutional Project Fund) to procure the investigative studies required to adequately evaluate property prior to purchase. College of Charleston is considering the acquisition of the property at 32 George Street in Charleston, SC, which is currently operating as the King George IV Inn. The Inn would be used to consolidate the College's guest services, which would allow several facilities in the core of campus to be repurposed and more efficiently used. The College's guest services program consists of several historic buildings in the core of campus and serves the institution's guest lecturers, speakers, and researchers as well as the Board of Trustees and other distinguished guests. The acquisition of the Inn would allow guest services to be consolidated in a single facility already designed, furnished and equipped to serve as guest housing. Consolidating guest services into one facility would be a much more efficient and cost-effective use of space, which is particularly valuable on the College's land locked urban campus. The Inn is located along the eastern perimeter of the campus, contiguous to several College facilities, zoned for use, and was approved by the Commission on Higher Education as part of the 2012 Master Land Acquisition. The College's current guest housing facilities would be repurposed as faculty and administrative offices. This would be a more appropriate and effective use of these facilities, given their location in the core of campus.

AUTHORITY ACTION REQUESTED:

Approve permanent improvement project establishment requests and budget revisions as requested by the Department of Administration, Executive Budget Office. 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 H09 Name The Citadel

2. PROJECT Project # 9613 Name FY 2014-15 Maintenance Needs

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) 2016-17	\$ 3,920.00	\$	\$	\$ 3,920.00
2) 2017-18	\$ 4,095.00	\$	\$	\$ 4,095.00
3) 2018-19	\$ 4,275.00	\$	\$	\$ 4,275.00

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?

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.	Heating cost savings	\$1,270.00
2.	Cooling cost savings	2,650.00
3.		
4.		
5.		
6.		
7.		
8.		
	TOTAL	\$3,920.00

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

9. Submitted By: Joseph L. Garcia Col. Joseph L. Garcia, VP for Finance 6/24/15
Signature of Authorized Official and Title Date

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

1. AGENCY
Code H15 Name College of Charleston

2. PROJECT
Project # _____ Name The Inn at 32 George Street 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) Fiscal Year	(2) General Funds	(3) Federal	(4) Other	(5) Total
1)	\$	\$	\$	\$
2)	\$	\$	\$	\$
3)	\$	\$	\$	\$

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).
Investigatory studies are needed in order to predict costs associated with operating and maintaining this facility.

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

TBD

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>TBD</u>	<u>TBD</u>
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	_____

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. DeLeonie 11/16/15
Signature of Authorized Official and Title Date

Permanent Improvement Project Information for December 15, 2015 SFAA Meeting

Agency/ Project No.	Agency/Project Name	Original		Date of		Phase I Amount	Included in CPIP	Total Projected Project Cost
		Approved Budget	Approved	Original Approval	Phase I Approval			
H15-9655	College of Charleston - 176 Lockwood Drive Renovation	\$79,500	\$79,500	10/14/14	10/14/14	\$79,500	Yes	\$5,400,000
H17-9606	Coastal Carolina University - University Place Dining Hall Construction	\$70,500	\$70,500	12/8/14	12/8/14	\$70,500	Yes	\$4,700,000
H51-9829	Medical University of South Carolina - Clinical Sciences Building Roof Replacement	N/A	N/A	N/A	N/A	N/A	No	\$1,400,000
D50-9950	Department of Administration - North Towers/DSS Building Window and Roof Replacement	\$22,750	\$22,750	4/28/15	4/28/15	\$22,750	Yes	\$1,561,036
H09-9613	The Citadel - FY 2014-15 Maintenance Needs	\$800,000	\$800,000	10/30/14	N/A	N/A	Yes	\$1,300,000
H59-6083	State Board for Technical and Comprehensive Education - Greenville Technical College - Enterprise Campus Development	\$435,750	\$435,750	10/7/13	10/7/13	\$435,750	Yes	\$24,570,679
D50-9807	Department of Administration - SLED HQ Perimeter Security Fence Installation/Water Drainage Resolution	\$1,491,675	\$1,491,675	4/11/06	N/A	N/A	No	\$3,768,779
H15-9661	College of Charleston - The Inn at 32 George Street Acquisition	N/A	N/A	N/A	N/A	N/A	Yes	\$3,420,000

**Additional Information on Funding Sources for
Higher Education Permanent Improvement Projects**

Item (a) – College of Charleston – 176 Lockwood Drive Renovation

The source of funds for pre-design and construction is Other, Capital Institutional Project Funds, which are those revenues generated by the Capital Improvement Fee that are in excess of the current annual debt service related to bonds issues under S.C. Code of Laws Section 59-130 Article 5. This fee is that portion of the student bill earmarked for debt service and renewal of the physical infrastructure. The College has had this fee in place since it became a public institution in 1970. The Academic Year 2014-15 per semester fee is \$781.

The University reports that no increase in any student fee or tuition will be required for this project.

Item (b) – Coastal Carolina University – University Place Dining Hall Construction

The source of funds for pre-design and construction is Other, Gift – Student Housing Foundation, which are gift funds from the foundation.

The University reports that no increase in any student fee or tuition will be required for this project.

Item (c) – Medical University of South Carolina – Clinical Sciences Building Roof Replacement

The source of funds for pre-design and construction is Other, Indirect Cost Recovery, which are indirect cost recovery from extramural grants and contracts.

The University reports that no increase in any student fee or tuition will be required for this project.

Item (e) – The Citadel – FY 2014-15 Maintenance Needs

The approved sources of funds for construction include:

\$112,541 Other, FY 2014-15 Lottery Funds, which are funds appropriated by the General Assembly for maintenance needs

\$687,459 Other, Institutional Capital Projects Fund, which is accumulated tuition collected in excess of required debt service on outstanding state institution bonds

The institution is adding \$500,000 Other, Institutional Capital Projects Fund, which is accumulated tuition collected in excess of required debt service on outstanding state institution bonds

The University reports that no increase in any student fee or tuition will be required for this project.

Item (f) – Greenville Technical College – Enterprise Campus Development

The source of funds for pre-design was \$415,750 Capital Reserve Fund, which were appropriated for this purpose.

The approved sources of funds for construction was \$22,548,929 Other, Greenville County Bonds, which are funds from General Obligation Bonds issued by Greenville County in support of this project.

The institution is requesting to add the following sources of funds to the existing construction budget:

\$500,000 Appropriated State, which are funds appropriated from the General Assembly for this project;

\$1,000,000 Other, Local – Private Donation, which is a donation from individuals for the purpose of this project; and

\$106,000 Other, Plant Fund, which are which are funds provided to the College by Greenville County from property taxes for the maintenance of the plant.

The College reports that no increase in any student fee or tuition will be required for this project.

Item (h) – College of Charleston – The Inn at 32 George Street Acquisition

The source of funds for pre-design is Other, Capital Project Institutional Funds, which are those revenues generated by the Capital Improvement Fee that are in excess of the current annual debt service related to bonds issued under S.C. Code of Laws Section 59-130 Article 5. This fee is that portion of the student bill earmarked for debt service and renewal of the physical infrastructure. The College has had this fee in place since it became a public institution in 1970. The Academic Year 2014-15 per semester fee is \$781.

The source of funds for acquisition is anticipated to be Other, Capital Project Institutional Funds.

The College reports that no increase in any student fee or tuition will be required for this project.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Real Property Acquisition

The Department of Administration recommends approval of the following real property acquisition:

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Self-Generated Revenues	<u>25,000.00</u>	<u>0.00</u>	<u>25,000.00</u>	<u>1,675,000.00</u>	<u>1,700,000.00</u>
All Sources	<u>25,000.00</u>	<u>0.00</u>	<u>25,000.00</u>	<u>1,675,000.00</u>	<u>1,700,000.00</u>

Agency: H12 – Clemson University
 Acreage: ±6.94 acres
 Location: 103 Clemson Research Boulevard in Anderson, Anderson County, South Carolina
 County: Anderson
 Purpose: Off-campus storage
 Appraised Value: \$2,170,000
 Price/Seller: \$1,658,194 Clemson University Research Foundation
 Source of Funds: Other, Self-Generated Revenues
 Project Number: H12-9927
 Environmental Study: Approved
 Building Condition: Approved
 Assessment:
 Additional Annual Op Cost/SOF: Lease Savings of \$90,000 annually for the entire property
 Current Year Property Tax: N/A
 Approved By: JBRC on 12/8/2015

Clemson University entered into a lease for this property with the Clemson University Research Foundation on November 2013, with a beginning lease date of December 1, 2013, at an annual aggregate lease amount of \$90,000. Subsequently, the lease was renewed for a twelve month term beginning December 1, 2014, and again on December 1, 2015 with a term ending date of November 30, 2016.

AGENCY: Department of Administration, Executive Budget Office

SUBJECT: Real Property Acquisition

Historical Ownership Information		
<u>Owner/Purchaser</u>	<u>Date</u>	<u>Price</u>
Clemson University Research Foundation	8/21/2009	1,985,000.00
Sycamore Holdings LLC	11/8/2004	2,550,000.00
Mikron Corp Anderson	11/4/2004	1.00
Anderson County	12/13/2000	1.00
Mikron Corp	6/9/1995	Not Listed
South Carolina Research Authority	11/26/1984	Not Listed
Clemson University	Not Listed	Not Listed

AUTHORITY ACTION REQUESTED:

Approve the real property acquisition as requested by the Department of Administration, Executive Budget Office.

ATTACHMENTS:

Agenda item worksheet and attachments

STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: December 15, 2015

Regular Agenda

1. Submitted By:

(a) Agency: Department of Administration Brenda Hart
 (b) Authorized Official Signature: Brenda Hart, Director, Executive Budget Office

2. Subject: Real Property Acquisitions

3. Summary Background Information:

(a)

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since Original Budget</u>	<u>Current Budget</u>	<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
Other, Self-Generated Revenues	25,000.00	0.00	25,000.00	1,675,000.00	1,700,000.00
All Sources	25,000.00	0.00	25,000.00	1,675,000.00	1,700,000.00

Agency: H12 – Clemson University
 Acreage: ±6.94 acres
 Location: 103 Clemson Research Boulevard in Anderson, Anderson County, South Carolina
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 Source of Funds: Other, Self-Generated Revenues
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Historical Ownership Information		
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Mikron Corp Anderson	11/4/2004	1.00
Anderson County	12/13/2000	1.00
Mikron Corp	6/9/1995	Not Listed
South Carolina Research Authority	11/26/1984	Not Listed
Clemson University	Not Listed	Not Listed

4. What is the Authority asked to do?

Consider approval of the property acquisition as requested.

5. What is recommendation of the Executive Budget Office?

Consider approval of the property acquisition requested.

6. Recommendation of other Division/Agency (as required)?

- (a) Authorized Signature: _____
- (b) Division/Agency Name: _____
-

7. List of Supporting Documents:

Attached:

1. Code Section 1-11-65
2. Map of Site Location
3. Appraisal Letter
4. Environmental Results Summary
5. Building Condition Assessment Findings and Conclusions
6. Letter from Institution Requesting Approval of Acquisition
7. Property Acquisition Information Format

Title 1 - Administration of the Government

CHAPTER 11

State Budget and Control Board

ARTICLE 1

General Provisions

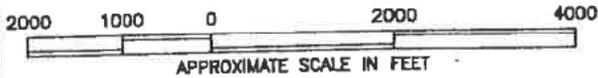
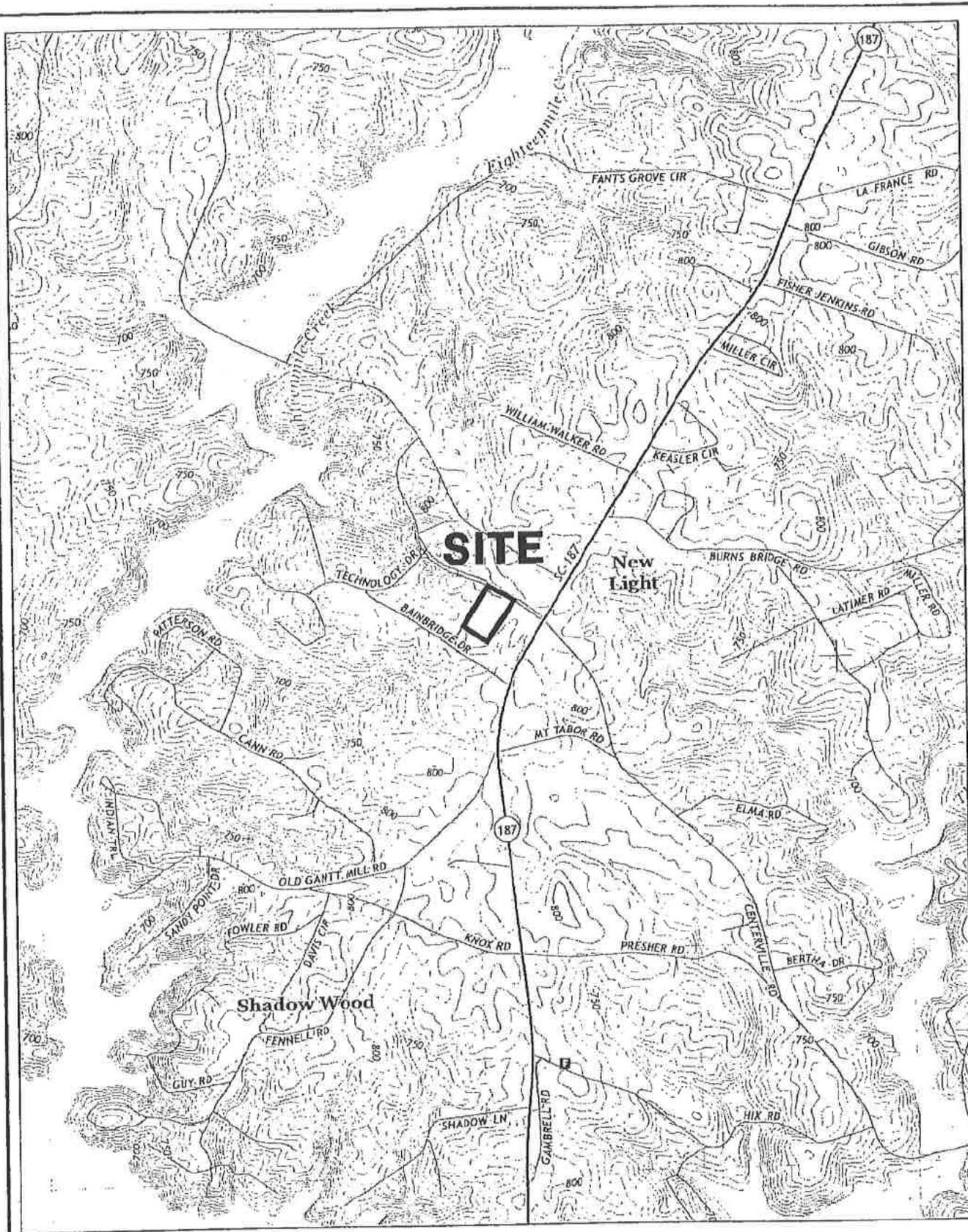
SECTION 1-11-65. Approval and recordation of real property transactions involving governmental bodies.

Section effective July 1, 2015. See, also, section effective until July 1, 2015.

(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 Department of Administration for transactions of one million dollars or less. For transactions of more than one million dollars, approval of the State Fiscal Accountability Authority is required in lieu of the department, although the recording will be with the department. Upon approval of the transaction, there must be recorded simultaneously with the deed, a certificate of acceptance, which acknowledges the department's and authority's approval of the transaction as required. The county recording authority cannot accept for recording any deed not accompanied by a certificate of acceptance. The department and authority 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.

HISTORY: 1985 Act No. 201, Part II, Section 5; 1989 Act No. 26, Section 1; 1997 Act No. 153, Section 2; 2014 Act No. 121 (S.22), Pt V, Section 7.C, eff July 1, 2015.



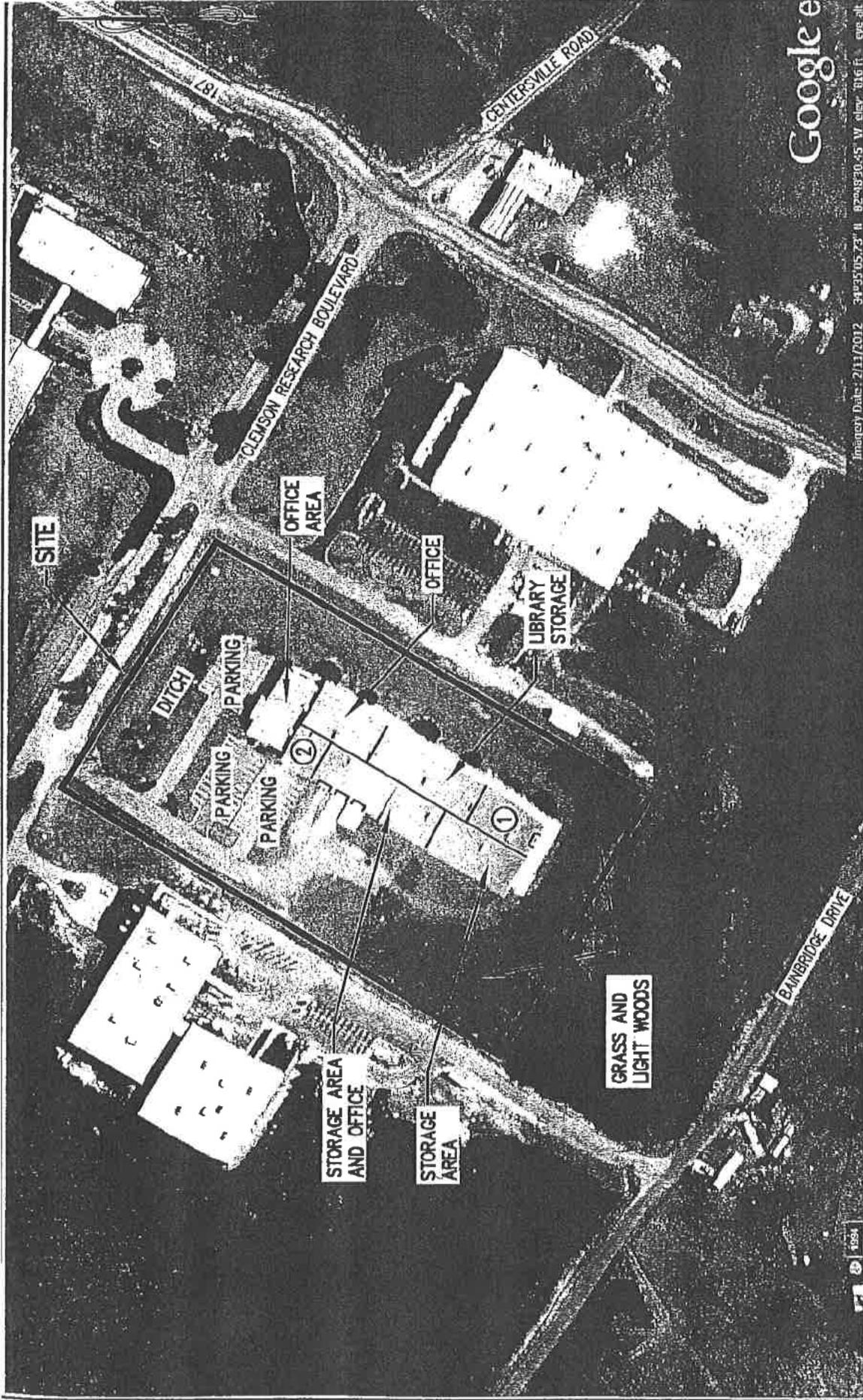
REFERENCE:
USGS TOPOGRAPHIC MAP, 7.5 MINUTE SERIES,
LA FRANCE, S.C. QUADRANGLE, 2014.

DRAWN: ACE	DATE: 09-15-15
CHECKED: DRM	CAD: ETC103-SLM
APPROVED: TLL	JOB NO: J15-9791-01

IBLE
BUNNELL-LANNONS ENGINEERING, INC.
 5004 PONDERS COURT
 GREENVILLE, SOUTH CAROLINA 29615
 PHONE: (864)288-1265 FAX: (864)288-4430

SITE LOCATION MAP
 ETC 103
 103 CLEMSON RESEARCH ROAD
 ANDERSON, SOUTH CAROLINA

FIGURE
1



Google
 Imagery Date: 2/11/2012 34°35'05.73" N 82°04'30.45" W elev. 916 ft. eye alt.

SITE FEATURES
 1. FURNITURE STORAGE
 2. DIGITIZING LAB

REFERENCE:
 GOOGLE EARTH IMAGE DATED 2-11-11

IBLE INC.
BUNNELL-LAMBSONS ENGINEERING, INC.
 8004 PONDERS COURT
 GREENVILLE SOUTH CAROLINA 29815
 PHONE: (864)288-1285 FAX: (864)288-4430

AERIAL PHOTOGRAPH OF SUBJECT SITE
 ETC 103
 103 CLEMSON RESEARCH ROAD
 ANDERSON, SOUTH CAROLINA

SCALE IN FEET
 0 100 200 400

DRAWN: ACE
 CHECKED: DRM
 APPROVED: TLL

DATE: 08-15-15
 CAD: ETC103-APSS
 JOB NO: J15-9791-01

1254



Valbridge
PROPERTY ADVISORS

610 N. Main Street
Greenville, South Carolina 29601
864-233-6277 phone
864-233-8577 fax
valbridge.com

September 30, 2015

Ms. Laura Haselden
Associate Director of Real Estate
Clemson University Office of Land & Capital Asset Stewardship
5 Research Drive
Greenville, South Carolina 29607

RE: Appraisal Report
Industrial
103 Clemson Research Park Boulevard
Anderson, Anderson County, South Carolina 29625

Dear Ms. Haselden:

In accordance with your request, we have prepared a real property appraisal of the above-referenced property, presented in an Appraisal Report format. This appraisal report sets forth the pertinent data gathered, the techniques employed, and the reasoning leading to our value opinions.

The subject property is located at 103 Clemson Research Park Boulevard in Anderson, Anderson County, South Carolina 29625. The subject is further identified as Assessor's Parcel Number (APN) 025-00-02-034. The site measures approximately 6.94 acres or 302,306 square feet. The site is improved with a 49,380-square-foot office warehouse building, which was 100% occupied at the time of our inspection.

We developed our analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Financial Guidelines; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; and the requirements of our client as we understand them.

Clemson University Office of Land & Capital Asset Stewardship is the client in this assignment and is the sole intended user of the appraisal and report. The intended use is for internal decision making purposes. The value opinions reported herein are subject to the definitions, assumptions and limiting conditions, and certification contained in this report.

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:

In this appraisal there are no extraordinary assumptions.

Hypothetical Conditions:

In this appraisal, there are no hypothetical conditions.

Based on the analysis contained in the following report, our value conclusions involving the subject property are summarized as follows:

Value Conclusions	
Component	As Is
Value Type	Market Value
Property Rights Appraised	Fee Simple
Effective Date of Value	September 25, 2015
Value Conclusion	\$2,170,000
	\$43.94 psf

We are educated members of the Appraisal Institute and hold the highest level of certification from the State of South Carolina. We have appraised numerous similar property types in the past within the subject market area and, therefore, have the knowledge and experience to competently complete the assignment.

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 | Robinson Company


Mark T. Selby, MAI
Certified General Appraiser
South Carolina, License #4755
License Expires 06-30-2016


H. Corbin Haskell, MAI
Certified General Appraiser
South Carolina, License #296
License Expires 06-30-2016

1.0 SUMMARY

As authorized by Clemson University's Small Contract form SE-230 dated September 15, 2015, Bunnell-Lammons Engineering, Inc. (BLE) performed a Phase I Environmental Site Assessment (ESA) of the subject site located at 103 Clemson Research Boulevard in Anderson, Anderson County, South Carolina (herein referred to as the site/subject site). The site location is indicated on the attached Figures 1 through 3 (**Appendix B**).

On-Site Findings & Opinions

The subject site consists of one parcel of land (Tax Map Number 025-00-02-034-000) totaling approximately 6.94-acres. The site is developed with an approximate 48,830 square foot building which is currently occupied by the Clemson Emerging Technology Center. The building is primarily utilized for off-site library storage. In addition, the Clemson Computing and Information Technology, Clemson University Human Resource Department, and Materials Science and Engineering utilize the building as storage space. A small portion of the building is also utilized for furniture storage by an outside party.

BLE performed the Phase I ESA site reconnaissance on September 16, 2015. During the site reconnaissance, BLE was accompanied by Ms. Robin Chambers, the current building manager with the Clemson University Library. The following provides BLE's findings and opinions:

- Typical household cleaning and maintenance supplies, such as paint, bleach, window cleaner, and bathroom cleaner, are utilized and stored on site. There was no evidence of mis-use or significant spills associated with the storage of these products. Ms. Chambers did not report spills or releases. It is BLE's opinion the use and storage of household cleaning and maintenance products is not a *REC*.
- BLE did not observe the presence of aboveground storage tanks. BLE did not observe underground storage tanks. BLE did not identify storage tanks through review of the public record for the subject site.
- Trash and debris generated during site operations is temporary stored in trash cans and a dumpster for off-site disposal. BLE did not observe areas of waste dumping on site. It is BLE's opinion the generation and temporary storage of trash and debris is not a *REC*.
- The building is connected to the municipal water and sewer system.
- It is BLE's opinion vapor migration of volatile chemicals is not a *REC* as spills or releases of these products were not reported to BLE or identified in the public record.

Historical On-Site Findings and Opinions

Based upon review of aerial photography, the site consisted of agricultural land from the 1930s to the 1980s. Clemson Research Boulevard was developed north of the site in the late 1980s. The site was developed with the current on-site building in the late 1990s. Site operations began under Mikron, a plastic injection molding facility. Mikron transferred operations to Bruce Plastics around 2004. Bruce Plastics ended operations on-site around 2009, when the site was purchased by the Clemson University Research Foundation. Since 2009, the building has been utilized as a storage area and office space for Clemson.

BLE

Phase I Environmental Site Assessment
ETC 103 Building – 103 Clemson Research Blvd.
Anderson, Anderson County, South Carolina

Bruce Plastics was identified as a generator of hazardous waste, mainly ignitable waste, metals, methyl ethyl ketone, and spent nonhalogenated solvents. A state lead compliance inspection occurred in 2007, and at the time of the inspection violations were not reported. BLE reviewed information as maintained by the Environmental Protection Agency (EPA) and indications of assessment and/or remediation activities were not identified by BLE. BLE understands the fire department has not responded to HazMat spills at the site. Refer to **Appendix B** for information reviewed by BLE.

It is BLE's opinion the historical site use as agricultural land and a plastic injection molding facility has not created a *REC*.

Off-Site Findings and Opinions

The adjacent northern property is developed as the Tile Council of American and the Clemson Ceramic Research Center. The adjacent eastern property is developed as Proper Polymers, a plastic injection molding facility. The adjacent western property is developed as Alfmeier Friedrichs & Rath, a plastic injection molding facility.

BLE performed an off-site reconnaissance and environmental database review pursuant to ASTM 1527-13. The following surrounding properties were identified through review of the environmental database.

- The Clemson University Ceramic Center, located adjacent and north, is listed on the RCRA-Conditionally Exempt Small Quantity Generator (CESQG) database. The facility is listed as handling ignitable waste and metals. A state lead compliance inspection occurred in 1999, and at the time of the inspection violations were not reported. BLE reviewed information as maintained by the EPA and indications of assessment and/or remediation activities were not identified by BLE. Refer to **Appendix B** for information reviewed by BLE. It is BLE's opinion the Ceramic Center has not created a *REC*.

Off-Site Historical Information

Historically, surrounding properties consisted of agricultural land, woodlands, and rural residences. Surrounding properties were developed into their current condition in the late 1990s. Surrounding properties have operated as the Tile Council of America and plastic injection molding facilities since original development.

Conclusions

We have performed a Phase I ESA in conformance with the scope and limitations of ASTM E1527-13 of the site located at 103 Clemson Research Boulevard in Anderson, Anderson County, South Carolina, the property. Any exceptions to, or deletions from, this practice are described in Section 6.4 and/or Section 7.1 of this report. This assessment has revealed no evidence of recognized environmental conditions in connection with the property.

On-Site Conclusions

The Phase I ESA did not identify on-site *RECs*.

The Phase I ESA did not identify on-site *conditional RECs*.

DIVISION 7 - FINDINGS AND CONCLUSIONS

7.1 STRUCTURAL FINDINGS AND CONCLUSIONS

- A. Summary: The structure was found to be in good condition, with a few significant deficiencies.
- B. Phase II Assessment: No structural item was noted that requires a Phase II Assessment (an evaluation of the existing structure in accordance with the requirements of IBC 2012). However, as noted in the discussion under Division 4, there are circumstances which could require such an assessment. In addition, the building owner may select to perform such an assessment for other reasons. Presuming that the metal building drawings become available, ADC would estimate the cost of such an assessment as between \$8,000 and \$18,000. If these drawings are not available, then the cost would likely range between \$15,000 and \$25,000.
- C. Recommended Structural Repairs or Monitoring: While repairs are not required by the building code, some structural repairs and/or monitoring are recommended:
1. ADC recommends replacing and repointing of damaged brick at the stair wall and retaining wall at the loading dock.
 2. Foundation and ground floor slab:
 - a. Re-fill holes at wash-out areas below drain spout, and re-grade as required to allow proper drainage. No damage to the foundation is evident in these areas, but these actions will prevent removal of sub-grade at exterior column foundations.
 3. Building Superstructure
 - a. Front Office Area: No recommended repairs noted. However, where roofing is to be removed and replaced, due to leaks, ADC recommends a visual survey of the structure below
 - b. Middle high bay area:
 - 1) Water seepage near column A/14 (north of expansion joint)
- D. ADC recommends removing anchor bolt nuts, and a small amount of the base of the CMU wall to inspect anchor bolts in this area, to see whether any significant corrosion has been hidden by the CMU or bolt nuts.
- a. Rear high bay area:
 - 1) Holes in exterior CMU walls
- E. A few holes in the exterior veneer, extending into the CMU walls are evident, probably

where conduit or piping at one time exited the building, and has since been removed. No structural distress was noted at these locations.

1. Other nonstructural components:
 - a. Corrosion of gutters, etc., is discussed within the roofing/building envelope section of this report. Interior non-structural components (e.g., piping, partitions, lights, ceilings) do not require direct seismic bracing due to the fact that the building is categorized within Seismic Design Category B.

7.2 ADC ENGINEERING, INC. ROOF/EXTERIOR WALLS

- A. The overall condition of the building envelope for this facility is very good. Only one leak was reported as noted previously and shown on Existing Roof Plan.
- B. The primary focus specific to the building envelope is:
 1. Roof
 - a. Gutter replacement with modifications noted within for the main roof and ongoing maintenance for the built-in gutter condition. At some point, lining the gutter with a thermoplastic single ply will be advisable.
 2. Exterior Walls
 - a. Sealant replacement and wet sealing windows, and repairs to minor holes/penetrations thru wall in random locations.
 3. Drainage
 - a. Storm drainage is provided on West side of building but is not provided on the East side of the building. Installation of storm drainage system or French drain systems is advisable on the East side of the building to improve site drainage to get water away from building and eliminate or reduce erosion at downspout locations.
 4. Corrosion:
 - a. Minor corrosion of some support elements, wall/roof panels, interior wall panels, etc. Justify wire brushing, application of rust inhibitor primer, and painting to eliminate further corrosion and staining.

CLEMSON

UNIVERSITY

October 26, 2015

Mr. Morgan O'Donnell
Executive Budget Office
1205 Pendleton Street, Suite 529
Columbia, SC 29201

Dear Mr. O'Donnell:

Clemson University requests approval to acquire property from the Joint Bond Review Committee and State Fiscal Accountability Authority at their December meetings. The property to be acquired is a 49,380 square foot facility on 6.94 acres of land at the Clemson Research Park in Anderson. The property is owned by the Clemson University Research Foundation (CURF) and will be acquired for continued use as an off-campus storage site for the Clemson libraries, for other Clemson units needing permanent storage space for records and materials, and for offices for staff associated with the monitoring and access of the space.

Clemson currently leases this facility from the CURF for the University's Library Depot, which houses the University Records Center, libraries' off-site shelving, technical services, collection management unit, and digital imaging labs. CURF is focusing more on its research initiatives and is eliminating its real estate activities. As a result, CURF wants to sell the facility. By acquiring the facility, Clemson will save on the lease payments it currently pays to CURF and will still meet its library storage and related needs.

We appreciate your help in forwarding this request through the state's approval process. Please let us know if you have any questions.

Sincerely,



Brett A. Dalton
Vice President for Finance and Operations

Cc: Laura Haselden
Carol Routh

Finance and Operations

Clemson University
G06 Sikes Hall
Box 345302
Clemson, SC
29634-5302

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

PROPERTY ACQUISITION INFORMATION FORMAT
PART I

1. Project Number: H12-9927, Emerging Technology Center (ETC 103) Building Acquisition
2. County: Anderson
3. Description of Property: 6.94 acres of land with a 49,380 square foot facility located in the Clemson Research Park in Anderson
4. Grantor(s) Name and Address: Clemson University Research Foundation
391 College Avenue, Suite 401
Clemson, SC 29631
5. Grantee(s) Name and Address: Clemson University
Clemson, SC 29634
6. County Location: 103 Clemson Research Park Boulevard in Anderson
7. Acreage: 6.94 acres with a 49,380 square foot building
8. Purpose for Acquisition: To acquire property from the Clemson University Research Foundation (CURF). The property is currently leased by Clemson University from the foundation and will be acquired for continued use as an off-campus storage site for Clemson's libraries, for other Clemson units needing permanent storage space for records and materials, and for offices for staff associated with the monitoring and access of the space.
9. Demonstrate the need to acquire the property: The facility is used for the University's Library Depot, which houses the University Records Center, libraries off-site shelving, technical services, collection management unit, and digital imaging labs. CURF is focusing more on its research initiatives and is eliminating its real estate activities. As a result, CURF wants to sell the facility. By acquiring the facility, Clemson will save on the lease payments it currently pays to CURF and still meet its library storage and related needs.
10. Purchase Price: Not to Exceed \$1,658,194 - Clemson will pay the remaining balance of CURF's loan amortization schedule at the time of closing, which will not exceed \$1,658,194.
11. Current Year Property Tax Amount: N/A - Exempt

PART II

1. How many sites were evaluated? N/A - The property is leased by Clemson University for its Library Depot and owned by the Clemson University Research Foundation (CURF) which wishes to sell the property. As Clemson currently houses its Library Depot and other programs in the facility and those needs must still be met, Clemson chose to purchase this property from its foundation to meet its needs and did not evaluate other sites.
2. Please list selection criteria used to evaluate sites. N/A - see above
3. How was the final selection of the site made? N/A - see above
4. Why was this specific site selected? N/A - see above

5. What are the estimated costs of any construction or renovations to be done on the property and the anticipated source of funds for such work? None - no construction or renovations are anticipated.
6. What are the estimated additional annual operating costs which will result from acquisition of the property and the anticipated source of funds? Explain the factors that determine the cost. If no costs, explain why not. - No additional annual operating costs will result from the acquisition as Clemson currently pays all operating and maintenance costs as part of its lease with the CURF for the facility. Annual lease savings of \$90,000 will result from acquisition of the property.
7. What are the estimated additional annual operating costs which will result from construction/renovation on the property and the anticipated source of funds? Explain the factors that determine the costs. If no costs, explain why not. - None - no construction or renovations are anticipated.

B&CB Form

AGENCY: Department of Administration, Division of General Services

SUBJECT: Clemson University Lease for Space at 701 Easy Bay Street, Suite 200, Charleston

Clemson University ("Clemson") requests approval to lease 29,528 rentable square feet (RSF) at 701 East Bay Street, Suite 200, Charleston, SC from ROI-TAN Enterprises, LLC located at 1 Cool Blow Street, Suite 200, Charleston, SC 29403. The lease will allow Clemson to consolidate the Clemson Design Center's office, lab, classroom and shop space. The Design Center is currently housed in four separate locations in Charleston (one owned space and three commercial spaces) which have become inadequate in size and functionality. Combining the programs in one location will also allow for collaboration, synergy and student engagement between programs not currently possible due to the separation of the programs at different locations.

A solicitation was conducted and two (2) responses were received, of which the selected location represents the least costly bid over the term. The term of the Lease will be five (5) years beginning on July 1, 2016. Rent for the first year will be charged at a rate of \$34.59 per rentable square foot for a total of \$1,021,373.50 in year one with an annual escalation. Below is a chart of the rental costs of the lease over the full term.

TERM	PERIOD: FROM-TO	ANNUAL RENT	MONTHLY RENT	RENT/RSF
YEAR 1	7/01/2016-6/30/2017	\$1,021,373.50	\$85,114.46	\$34.59
YEAR 2	7/01/2017-6/30/2018	\$1,047,653.40	\$87,304.45	\$35.48
YEAR 3	7/01/2018-6/30/2019	\$1,074,523.90	\$89,543.66	\$36.39
YEAR 4	7/01/2019-6/30/2020	\$1,102,280.20	\$91,856.68	\$37.33
YEAR 5	7/01/2020-6/30/2021	\$1,130,627.10	\$94,218.93	\$38.29

This is a modified gross lease. Clemson will pay as additional rent its pro rata share of increases in building operating costs with the first increase calculated at the conclusion of calendar year 2017, however, Clemson shall not be liable for or obligated to pay any portion of the building operating cost increases which exceed 103% of their pro rata share of building operating cost in the immediately preceding year. The Landlord will make renovations to the premises in accordance with construction drawings as agreed to by Clemson. The renovations will include certain furniture, fixtures and equipment necessary for Clemson's use of the premises not to exceed \$700,000.00. There are no expected moving costs.

Lease payments will be funded with revenue generated from architecture, design and related programs and associated activities. Clemson has indicated that no fee increase will be associated with this Lease. Below are tables representing rates paid by some state agencies in the Charleston area as well as a table representing comparable lease rates of similar business space in the Charleston area. Additionally, the Colliers International 2015 Third Quarter Market Report indicates an average commercial lease rate per square foot of \$31.75 in the downtown Charleston market area.

AGENCY: Department of Administration, Division of General Services

SUBJECT: Clemson University Lease for Space at 701 Easy Bay Street, Suite 200, Charleston

Agency	Address	Lease Term	Blended Rate/SF
Medical University of SC	125 Doughty St.	6/25/08 - 6/24/16	\$28.17
College of Charleston	360 Concord St.	7/1/13- 6/30/18	31.50
Medical University of SC	55 Bee St.	4/1/09 - 3/31/39	\$35.39

Location	Rental Rate/SF	Available SF
22 WestEdge	\$37	152,926
550 King St.	\$35-36	19,606
205 King St.	35	1,123

There are adequate funds for the lease according to a Budget Approval Form and multi-year plan submitted by Clemson.

This lease was approved by the Clemson University Board of Trustees on July 17, 2015; by the Commission on Higher Education (CHE) on December 3, 2015; and by JBRC on December 8, 2015.

AUTHORITY ACTION REQUESTED:

Consider approval of the proposed 5 year lease at 701 East Bay Street, Suite 200, Charleston, SC to Clemson University as requested by the Department of Administration, Division of General Services.

ATTACHMENTS:

Agenda item worksheet; Request Letter from Clemson University; SC Code of Laws Section 1-11-55 and 1-11-56

SFAA AGENDA ITEM
WORKSHEET

Meeting Scheduled for: December 15, 2015

REGULAR AGENDA

1. Submitted by:

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



Nolan L. Wiggins, Jr., Director

2. Subject: Clemson University Lease for Space at 701 East Bay Street, Suite 200, Charleston, SC

3. Summary Background Information:

Clemson University ("Clemson") requests approval to lease 29,528 rentable square feet (RSF) at 701 East Bay Street, Suite 200, Charleston, SC from ROI-TAN Enterprises, LLC located at 1 Cool Blow Street, Suite 200, Charleston, SC 29403. The lease will allow Clemson to consolidate the Clemson Design Center's office, lab, classroom and shop space. The Design Center is currently housed in four separate locations in Charleston (one owned space and three commercial spaces) which have become inadequate in size and functionality. Combining the programs in one location will also allow for collaboration, synergy and student engagement between programs not currently possible due to the separation of the programs at different locations.

A solicitation was conducted and two (2) responses were received, of which the selected location represents the least costly bid over the term. The term of the Lease will be five (5) years beginning on July 1, 2016. Rent for the first year will be charged at a rate of \$34.59 per rentable square foot for a total of \$1,021,373.50 in year one with an annual escalation. Below is a chart of the rental costs of the lease over the full term.

TERM	PERIOD: FROM-TO	ANNUAL RENT	MONTHLY RENT	RENT/RSF
YEAR 1	7/01/2016-6/30/2017	\$1,021,373.50	\$85,114.46	\$34.59
YEAR 2	7/01/2017-6/30/2018	\$1,047,653.40	\$87,304.45	\$35.48
YEAR 3	7/01/2018-6/30/2019	\$1,074,523.90	\$89,543.66	\$36.39
YEAR 4	7/01/2019-6/30/2020	\$1,102,280.20	\$91,856.68	\$37.33
YEAR 5	7/01/2020-6/30/2021	\$1,130,627.10	\$94,218.93	\$38.29

This is a modified gross lease. Clemson will pay as additional rent its pro rata share of increases in building operating costs with the first increase calculated at the conclusion of calendar year 2017, however, Clemson shall not be liable for or obligated to pay any portion of the building operating cost increases which exceed 103% of their pro rata share of building operating cost in the immediately preceding year. The Landlord will make renovations to the

premises in accordance with construction drawings as agreed to by Clemson. The renovations will include certain furniture, fixtures and equipment necessary for Clemson’s use of the premises not to exceed \$700,000.00. There are no expected moving costs.

Lease payments will be funded with revenue generated from architecture, design and related programs and associated activities. Clemson has indicated that no fee increase will be associated with this Lease. Below are tables representing rates paid by some state agencies in the Charleston area as well as a table representing comparable lease rates of similar business space in the the Charleston area. Additionally, the Colliers International 2015 Third Quarter Market Report indicates an average commercial lease rate per square foot of \$31.75 in the downtown Charleston market area.

Agency	Address	Lease Term	Blended Rate/SF
Medical University of SC	125 Doughty St.	6/25/08 - 6/24/16	\$28.17
Collge of Charleston	360 Concord St.	7/1/13- 6/30/18	31.50
Medical University of SC	55 Bee St.	4/1/09 - 3/31/39	\$35.39

Location	Rental Rate/SF	Available SF
22 WestEdge	\$37	152,926
550 King St.	\$35-36	19,606
205 King St.	35	1,123

There are adequate funds for the lease according to a Budget Approval Form and multi-year plan submitted by Clemson.

This lease was approved by the Clemson University Board of Trustees on July 17, 2015; by the Commission on Higher Education (CHE) on December 3, 2015; and by JBRC on December 8, 2015.

4. What is SFAA asked to do? Approve the proposed 5 year lease at 701 East Bay Street, Suite 200, Charleston, SC to Clemson University

5. What is recommendation of the Division of General Services? Consider approval of the proposed 5 year lease at 701 East Bay Street, Suite 200, Charleston, SC to Clemson University

6. List of Supporting Documents:

- Request Letter from Clemson University

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

November 10, 2015

Shawn Lavery DeJames
Assistant Director
Division of General Services
Department of Administration
1200 Senate Street, Suite 408
Columbia, SC 29201

**OFFICE OF LAND & CAPITAL
ASSET STEWARDSHIP**

Clemson University
5 Research Drive
Greenville, SC
29607

P 864-283-7130
F 864-283-7125

SUBJECT: Clemson University Lease for Space in Charleston
701 East Bay Street, Suite 200

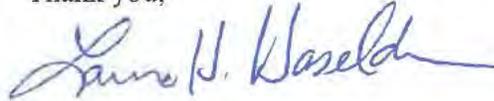
Dear Ms. DeJames:

Clemson University requests approval by the State Fiscal Accountability Authority (SFAA) at its meeting on December 15, 2015, for the attached lease between ROI-TAN Enterprises, LLC and Clemson University for space located at 701 East Bay Street, Suite 200 in Charleston, South Carolina. The enclosed lease was approved by the Clemson University Board of Trustees on July 17, 2015.

The University is requesting approval to lease 29,528 square feet of space in Charleston for the Clemson Design Center, a part of the College of Architecture, Arts and Humanities. The lease will allow the college to consolidate the Clemson Design Center's office, lab, classroom, and shop space in downtown Charleston. The Clemson Design Center, comprised of the Clemson Architecture Center and the Master in Historic Preservation program, is currently housed in three separate locations in Charleston, which have become inadequate in size and functionality. In order to meet the center's existing needs and planned growth, a single facility housing both programs and shop space is needed. Combining the programs in one location will allow for collaboration, synergy and student engagement between the programs which has not been possible due to the separation of the programs in different locations. The lease was procured through a lease solicitation conducted by the General Services Division of the Department of Administration which returned two possible options. The space selected provided the right square footage, least amount of risk and was less costly over the term.

Once approved, please send two of the originals back to my office for distribution. If you should have any questions or need any further documentation, please do not hesitate to contact me at (864) 656-5660.

Thank you,



Laura H. Haselden
Associate Director of Real Estate

Enclosure

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

(2) The Division of General Services of the Department of Administration 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 Division of General Services of its requirement on rental request forms prepared by the division. 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 division agree meets necessary requirements and standards for state leasing as prescribed in procedures of the department 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 department 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 Division of General Services of the Department of Administration or his designee.

Credits

HISTORY: 1997 Act No. 153, § 2; 2002 Act No. 333, § 1; 2002 Act No. 356, § 1, Pt VI.P(1); 2011 Act No. 74, Pt VI, § 13, eff August 1, 2011; 2013 Act No. 31, § 1, eff May 21, 2013; 2014 Act No. 121 (S.22), Pt V, § 7.A, eff July 1, 2015.

SC Code of Laws Section 1-11-56, effective July 1, 2015.

(A) The Division of General Services of the Department of Administration, 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 a governmental body.

The department must submit regulations for the implementation of this section to the General Assembly as provided in the Administrative Procedures Act, Chapter 23, Title 1. The department'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 multiyear financial plan for review by the department with copies sent to Ways and Means Committee and Senate Finance Committee, before any new lease for space is entered into; and

(7) requiring prior review by the Joint Bond Review Committee and the requirement of State Fiscal Accountability Authority approval before the adoption of any new or renewal lease that commits more than two hundred thousand dollars annually in rental or lease payments or more than one million dollars in such payments in a five-year period.

(B) Leases or rental agreements involving amounts below the thresholds provided in subsection (A)(7) may be executed by the Department of Administration without this prior review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority.

(C) The threshold requirements requiring review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority as contained in subsection (A)(7) also apply to leases or rental agreements with nonstate entities whether or not the state or its agencies or departments is the lessee or lessor.

Credits

HISTORY: 1997 Act No. 153, § 2; 2014 Act No. 121 (S.22), Pt V, § 7.B, eff July 1, 2015.

AGENCY: Department of Administration, Division of General Services

SUBJECT: Clemson University Lease for Space at 1 Research Drive, Greenville

Clemson University ("Clemson") requests approval to lease 24,000 rentable square feet (RSF) at 1 Research Drive, Greenville, SC from LICAR, LLC (whose sole member is Clemson University Land Stewardship Foundation, Inc., a South Carolina nonprofit corporation formed to support Clemson) located at 5 Research Drive, Greenville, SC 29607. The lease will allow Clemson Computing and Information Technology ("CCIT") staff to accommodate growth of its Medicaid IT Services staff by providing office cubicle, meeting and training space in Greenville. This staff provides support for applications programming for university systems and for contracts with the SC Department of Health and Human Services relating to Medicaid. The Medicaid IT Services staff is currently housed in 3 Research Drive, Greenville, SC which has become inadequate in size and functionality.

A solicitation was conducted and one response was received. The term of the Lease will be three (3) years beginning on the date that the Landlord completes construction of the Demised Premises (estimated to be not later than July 1, 2016). Rent for the first year will be charged at a rate of \$16.50 per rentable square foot for a total of \$396,000.00 in year one with an annual escalation of 2%. Below is a chart of the rental costs of the lease over the full term.

TERM	PERIOD: FROM-TO	ANNUAL RENT	MONTHLY RENT	RENT/RSF
YEAR 1	7/01/2016-6/30/2017	\$396,000.00	\$33,000.00	\$16.50
YEAR 2	7/01/2017-6/30/2018	\$403,920.00	\$33,660.00	\$16.83
YEAR 3	7/01/2018-6/30/2019	\$412,080.00	\$34,340.00	\$17.17

This is a modified gross lease. Clemson will pay as additional rent the estimated Operating Costs for the first year at \$6.50 per rentable square foot for a total of \$156,000.00 in year one. At the conclusion of year 2, (and each year thereafter) the Landlord shall compute the increase or decrease, if any, in the Operating Cost over the first year Operating Cost and if there is an increase, Clemson shall pay its prorata share within thirty days of request for payment.

The Landlord will deliver the Premises to Clemson with the Building completed pursuant to Clemson's plans and specifications for the Building and with the Tenant Improvements completed. The Landlord will pay a tenant improvement allowance at a rate of \$30.00 per rentable square foot for a maximum of \$720,000.00. There are no expected moving costs.

Lease payments will be funded with revenue generated from Clemson's contract with the SC Department of Health and Human Services. Clemson has indicated that no fee increase will be associated with this Lease. Below are tables representing rates paid by some state agencies in the Greenville area as well as a table representing comparable lease rates of similar business space in the Greenville area. Additionally, the Colliers International 2015 Third Quarter Market Report indicates an average commercial lease rate per square foot of \$20.75 in the Central Business district and \$17.32 in the suburban market area and the average rental rates for new construction are \$28.00 per square foot full service with a \$40.00 tenant improvement allowance.

AGENCY: Department of Administration, Division of General Services

SUBJECT: Clemson University Lease for Space at 1 Research Drive, Greenville

Agency	Address	Lease Term	Rate/SF
SC Vocational Rehabilitation Department	301 North Main Street	1/1/2014 – 12/31/2018	\$15.45
Department of Motor Vehicles	300 University Ridge	7/1/13 - 6/30/18	\$15.20
Department of Administration	37 Villa Road, Suite 300	9/1/11- 8/31/16	\$15.75

Location	Rental Rate/SF	Available SF
1 N. Main St.	\$31	20,000
110 East Court St.	\$28	55,000
201 Riverplace, Suite 500	\$26.95	17,985
935 South Main St.	\$23.50	15,000

There are adequate funds for the lease according to a Budget Approval Form and multi-year plan submitted by Clemson.

This lease was approved by the Clemson University Board of Trustees on August 26, 2015; by the Commission on Higher Education (CHE) on December 3, 2015; and by JBRC December 8, 2015.

AUTHORITY ACTION REQUESTED:

Consider approval of the proposed 3 year lease at 1 Research Drive, Greenville, to Clemson University as requested by the Department of Administration, Division of General Services.

ATTACHMENTS:

Agenda item worksheet; Request Letter from Clemson University; SC Code of Laws Section 1-11-55 and 1-11-56

SFAA AGENDA ITEM
WORKSHEET

Meeting Scheduled for: December 15, 2015

REGULAR AGENDA

1. Submitted by:

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



Nolan L. Wiggins, Jr., Director

2. Subject: Clemson University Lease for Space at 1 Research Drive, Greenville, SC

3. Summary Background Information:

Clemson University ("Clemson") requests approval to lease 24,000 rentable square feet (RSF) at 1 Research Drive, Greenville, SC from LICAR, LLC (whose sole member is Clemson University Land Stewardship Foundation, Inc., a South Carolina nonprofit corporation formed to support Clemson) located at 5 Research Drive, Greenville, SC 29607. The lease will allow Clemson Computing and Information Technology ("CCIT") staff to accommodate growth of its Medicaid IT Services staff by providing office cubicle, meeting and training space in Greenville. This staff provides support for applications programming for university systems and for contracts with the SC Department of Health and Human Services relating to Medicaid. The Medicaid IT Services staff is currently housed in 3 Research Drive, Greenville, SC which has become inadequate in size and functionality.

A solicitation was conducted and one response was received. The term of the Lease will be three (3) years beginning on the date that the Landlord completes construction of the Demised Premises (estimated to be not later than July 1, 2016). Rent for the first year will be charged at a rate of \$16.50 per rentable square foot for a total of \$396,000.00 in year one with an annual escalation of 2%. Below is a chart of the rental costs of the lease over the full term.

TERM	PERIOD: FROM-TO	ANNUAL RENT	MONTHLY RENT	RENT/RSF
YEAR 1	7/01/2016-6/30/2017	\$396,000.00	\$33,000.00	\$16.50
YEAR 2	7/01/2017-6/30/2018	\$403,920.00	\$33,660.00	\$16.83
YEAR 3	7/01/2018-6/30/2019	\$412,080.00	\$34,340.00	\$17.17

This is a modified gross lease. Clemson will pay as additional rent the estimated Operating Costs for the first year at \$6.50 per rentable square foot for a total of \$156,000.00 in year one. At the conclusion of year 2, (and each year thereafter) the Landlord shall compute the increase or decrease, if any, in the Operating Cost over the first year Operating Cost and if there is an increase, Clemson shall pay its prorata share within thirty days of request for payment.

The Landlord will deliver the Premises to Clemson with the Building completed pursuant to Clemson's plans and specifications for the Building and with the Tenant Improvements completed. The Landlord will pay a tenant improvement allowance at a rate of \$30.00 per rentable square foot for a maximum of \$720,000.00. There are no expected moving costs.

Lease payments will be funded with revenue generated from Clemson's contract with the SC Department of Health and Human Services. Clemson has indicated that no fee increase will be associated with this Lease. Below are tables representing rates paid by some state agencies in the Greenville area as well as a table representing comparable lease rates of similar business space in the Greenville area. Additionally, the Colliers International 2015 Third Quarter Market Report indicates an average commercial lease rate per square foot of \$20.75 in the Central Business district and \$17.32 in the suburban market area and the average rental rates for new construction are \$28.00 per square foot full service with a \$40.00 tenant improvement allowance.

Agency	Address	Lease Term	Rate/SF
SC Vocational Rehabilitation Department	301 North Main Street	1/1/2014 – 12/31/2018	\$15.45
Department of Motor Vehicles	300 University Ridge	7/1/13 - 6/30/18	\$15.20
Department of Administration	37 Villa Road, Suite 300	9/1/11- 8/31/16	\$15.75

Location	Rental Rate/SF	Available SF
1 N. Main St.	\$31	20,000
110 East Court St.	\$28	55,000
201 Riverplace, Suite 500	\$26.95	17,985
935 South Main St.	\$23.50	15,000

There are adequate funds for the lease according to a Budget Approval Form and multi-year plan submitted by Clemson.

This lease was approved by the Clemson University Board of Trustees on August 26, 2015; by the Commission on Higher Education (CHE) on December 3, 2015; and by JBRC December 8, 2015.

4. What is SFAA asked to do? Approve the proposed 3 year lease at 1 Research Drive, Greenville, SC to Clemson University

5. What is recommendation of the Division of General Services? Consider approval of the proposed 3 year lease at 1 Research Drive, Greenville, SC to Clemson University

6. List of Supporting Documents:

- Request Letter from Clemson University
- SC Code of Laws Section 1-11-55 and 1-11-56

November 9, 2015

Shawn Lavery DeJames
Assistant Director
Division of General Services
Department of Administration
1200 Senate Street, Suite 408
Columbia, SC 29201

SUBJECT: Clemson University Lease for CCIT space in Greenville
1 Research Drive

**OFFICE OF LAND & CAPITAL
ASSET STEWARDSHIP**

Clemson University
5 Research Drive
Greenville, SC
29607

P 864-283-7150
F 864-283-7125

Dear Ms. DeJames:

Clemson University requests approval by the State Fiscal Accountability Authority (SFAA) at its meeting on December 15, for the attached lease between LICAR, LLC and Clemson University for space located at 1 Research Drive in Greenville, South Carolina. The enclosed lease was approved by the Clemson University Board of Trustees on August 26, 2015.

The University is requesting approval to lease 24,000 square feet of space in Greenville for the Clemson Computing and Information Technology (CCIT) staff. The lease will allow CCIT to accommodate growth of its Medicaid IT Services staff by providing office cubicle, meeting and training space in Greenville. This staff provides support for applications programming for university systems and for contracts with the SC Department of Health and Human Services relating to Medicaid. The lease was procured through a lease solicitation conducted by the General Services Division of the Department of Administration which returned only one viable space to meet the needs of Clemson's CCIT group.

Once approved, please send two of the originals back to my office for distribution. If you should have any questions or need any further documentation, please do not hesitate to contact me at (864) 656-5660.

Kindest regards,



Laura H. Haselden
Associate Director of Real Estate

Enclosure

SC Code of Laws Section 1-11-55, effective July 1, 2015.

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

(2) The Division of General Services of the Department of Administration 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 Division of General Services of its requirement on rental request forms prepared by the division. 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 division agree meets necessary requirements and standards for state leasing as prescribed in procedures of the department 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 department 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 Division of General Services of the Department of Administration or his designee.

Credits

HISTORY: 1997 Act No. 153, § 2; 2002 Act No. 333, § 1; 2002 Act No. 356, § 1, Pt VI.P(1); 2011 Act No. 74, Pt VI, § 13, eff August 1, 2011; 2013 Act No. 31, § 1, eff May 21, 2013; 2014 Act No. 121 (S.22), Pt V, § 7.A, eff July 1, 2015.

SC Code of Laws Section 1-11-56, effective July 1, 2015.

(A) The Division of General Services of the Department of Administration, 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 a governmental body. The department must submit regulations for the implementation of this section to the General Assembly as provided in the Administrative Procedures Act, Chapter 23, Title 1. The department'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 multiyear financial plan for review by the department with copies sent to Ways and Means Committee and Senate Finance Committee, before any new lease for space is entered into; and
- (7) requiring prior review by the Joint Bond Review Committee and the requirement of State Fiscal Accountability Authority approval before the adoption of any new or renewal lease that commits more than two hundred thousand dollars annually in rental or lease payments or more than one million dollars in such payments in a five-year period.

(B) Leases or rental agreements involving amounts below the thresholds provided in subsection (A)(7) may be executed by the Department of Administration without this prior review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority.

(C) The threshold requirements requiring review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority as contained in subsection (A)(7) also apply to leases or rental agreements with nonstate entities whether or not the state or its agencies or departments is the lessee or lessor.

Credits

HISTORY: 1997 Act No. 153, § 2; 2014 Act No. 121 (S.22), Pt V, § 7.B, eff July 1, 2015.

AGENCY: Department of Administration, Division of General Services

SUBJECT: State Housing Finance and Development Authority Market Pointe Centre Lease at 300 Outlet Pointe Boulevard

The State Housing Finance and Development Authority (“Agency”) requests approval to continue leasing 28,000 rentable square feet (RSF) at 300 C Outlet Pointe from Market Place Development, LLC, located at PO Box 5764, Columbia, SC. This space is currently leased by the Agency thus eliminating any downtime or relocation costs.

A solicitation was conducted and two (2) responses were received, of which the selected location represents the lowest bid. The term of the Lease will be seven (7) years beginning on November 1, 2016. Rent for each year will be charged at a rate of \$11.75 per rentable square foot for a total of \$329,000 in year one with an escalation of 2.5% annually. This represents a savings from the previous lease which currently has a rental rate of \$12.60 per rentable square foot. Below is a chart of the rental costs of the lease over the full term.

TERM	PERIOD: FROM-TO	ANNUAL RENT	MONTHLY RENT	RENT/RSF
YEAR 1	11/01/2016-10/31/2017	\$329,000.00	\$27,416.67	\$11.75
YEAR 2	11/01/2017-10/31/2018	\$337,225.00	\$28,102.08	\$12.04
YEAR 3	11/01/2018-10/31/2019	\$345,655.63	\$28,804.64	\$12.34
YEAR 4	11/01/2019-10/31/2020	\$354,297.02	\$29,524.75	\$12.65
YEAR 5	11/01/2020-10/31/2021	\$363,154.44	\$30,262.87	\$12.97
YEAR 6	11/01/2021-10/31/2022	\$372,233.30	\$31,019.44	\$13.29
YEAR 7	11/01/2022-10/31/2023	\$381,539.13	\$31,794.93	\$13.63

This is a modified gross lease. The Agency will be responsible for its own electricity and its pro rata share of increases in property taxes above the base year 2016. The pro rata share of property tax increases will be capped at 5% increase per year over the previous year. The Agency will not be responsible for any other operating expenses and the lease includes free surface lot parking sufficient for staff and customers. The Landlord is providing new carpet and paint throughout the suite and renovating the restrooms as specified in construction drawings as agreed to by Tenant.

The following table represents comparable lease rates of similar business space in the Columbia area. Additionally, the Colliers International 2015 Second Quarter Market Report indicates an average commercial lease rate per square foot of \$15.04 in the St. Andrews market area and \$14.76 in the suburban market area.

AGENCY: Department of Administration, Division of General Services

SUBJECT: State Housing Finance and Development Authority Market Pointe Centre Lease at 300 Outlet Pointe Boulevard

Agency	Address	Lease Term	Initial Rate/SF	Final Rate/SF	Max Potential Excess Operating Costs	Other
University of South Carolina	220 Stoneridge Drive	7/11/11-6/30/16	\$14.50	\$16.10	\$13,264 Over 5 years	
Office of the Inspector General	111 Executive Center Drive	10/1/13-9/30/18	\$13.75	\$13.75	\$0.00	
Department of Revenue	300 Outlet Pointe Blvd.	11/1/13-12/31/22	\$11.82	\$13.86	0.00	\$282,136.61*

*DOR pays annual utilities annually adding approximately \$1.77/SF to the rate each year. Dollar amount here represents 2014 utility cost.

There are adequate funds for the lease according to a Budget Approval Form and multi-year plan submitted by the Agency.

This lease was approved by JBRC on December 8, 2015.

AUTHORITY ACTION REQUESTED:

Approve the proposed 7 year lease at Market Pointe Centre at 300 Outlet Pointe Blvd., Columbia, SC to the State Housing Finance and Development Authority as requested by the Department of Administration, Department of General Services.

ATTACHMENTS:

Agenda item worksheet; Request Letter SC State Housing Finance and Development Authority; SC Code of Laws Section 1-11-55 and 1-11-56

SFAA AGENDA ITEM
WORKSHEET

Meeting Scheduled for: December 15, 2015

REGULAR AGENDA

1. Submitted by:

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


Nolan L. Wiggins, Jr., Director

2. Subject: State Housing Finance and Development Authority Market Point Centre Lease at 300 Outlet Pointe Blvd, Columbia, SC

3. Summary Background Information:

The State Housing Finance and Development Authority ("Agency") requests approval to continue leasing 28,000 rentable square feet (RSF) at 300 C Outlet Pointe from Market Place Development, LLC, located at PO Box 5764, Columbia, SC. This space is currently leased by the Agency thus eliminating any downtime or relocation costs.

A solicitation was conducted and two (2) responses were received, of which the selected location represents the lowest bid. The term of the Lease will be seven (7) years beginning on November 1, 2016. Rent for each year will be charged at a rate of \$11.75 per rentable square foot for a total of \$329,000 in year one with an escalation of 2.5% annually. This represents a savings from the previous lease which currently has a rental rate of \$12.60 per rentable square foot. Below is a chart of the rental costs of the lease over the full term.

TERM	PERIOD: FROM-TO	ANNUAL RENT	MONTHLY RENT	RENT/RSF
YEAR 1	11/01/2016-10/31/2017	\$329,000.00	\$27,416.67	\$11.75
YEAR 2	11/01/2017-10/31/2018	\$337,225.00	\$28,102.08	\$12.04
YEAR 3	11/01/2018-10/31/2019	\$345,655.63	\$28,804.64	\$12.34
YEAR 4	11/01/2019-10/31/2020	\$354,297.02	\$29,524.75	\$12.65
YEAR 5	11/01/2020-10/31/2021	\$363,154.44	\$30,262.87	\$12.97
YEAR 6	11/01/2021-10/31/2022	\$372,233.30	\$31,019.44	\$13.29
YEAR 7	11/01/2022-10/31/2023	\$381,539.13	\$31,794.93	\$13.63

This is a modified gross lease. The Agency will be responsible for its own electricity and its pro rata share of increases in property taxes above the base year 2016. The pro rata share of property tax increases will be capped at 5% increase per year over the previous year. The Agency will not be responsible for any other operating expenses and the lease includes free surface lot parking sufficient for staff and customers. The Landlord is providing new carpet

and paint throughout the suite and renovating the restrooms as specified in construction drawings as agreed to by Tenant.

The following table represents comparable lease rates of similar business space in the Columbia area. Additionally, the Colliers International 2015 Second Quarter Market Report indicates an average commercial lease rate per square foot of \$15.04 in the St. Andrews market area and \$14.76 in the suburban market area.

Agency	Address	Lease Term	Initial Rate/SF	Final Rate/SF	Max Potential Excess Operating Costs	Other
University of South Carolina	220 Stoneridge Drive	7/11/11-6/30/16	\$14.50	\$16.10	\$13,264 Over 5 years	
Office of the Inspector General	111 Executive Center Drive	10/1/13-9/30/18	\$13.75	\$13.75	\$0.00	
Department of Revenue	300 Outlet Pointe Blvd.	11/1/13-12/31/22	\$11.82	\$13.86	0.00	\$282,136.61*

*DOR pays annual utilities annually adding approximately \$1.77/SF to the rate each year. Dollar amount here represents 2014 utility cost.

There are adequate funds for the lease according to a Budget Approval Form and multi-year plan submitted by the Agency.

This lease was approved by JBRC on December 8, 2015.

4. What is SFAA asked to do? Approve the proposed 7 year lease at Market Pointe Centre at 300 Outlet Pointe Blvd., Columbia, SC to the State Housing Finance and Development Authority

5. What is recommendation of the Division of General Services? Recommend approval of the proposed 7 year lease at Market Pointe Centre at 300 Outlet Pointe Blvd., Columbia, SC to the State Housing Finance and Development Authority

6. List of Supporting Documents:

- Request Letter SC State Housing Finance and Development Authority
- SC Code of Laws Section 1-11-55 and 1-11-56



South Carolina State Housing Finance and Development Authority

300-C Outlet Pointe Blvd., Columbia, South Carolina 29210

Telephone: 803.896.9001 TTY: 803.896.8831

SCHousing.com

Donald R. Tomlin, Jr.
Chairman

Valarie M. Williams
Executive Director

November 10, 2015

Ms. Shawn L. DeJames
State Fiscal Accountability Authority
Assistant Director, Division of General Services

Dear Ms. DeJames:

As you are aware, General Services solicited lease proposals for 28,000 square feet of office space for the SC State Housing Finance and Development Authority (Authority).

After a thorough review of the proposals submitted, the Authority concluded that the proposal presented by the present landlord is the most cost beneficial lease option. The seven year lease offers first year pricing of \$11.75 per square foot for 28,000 square feet of useable space. The lease provides for an annual rent escalation of 2.5%. The Authority is responsible for electricity at an estimated annual cost of \$55,000. The landlord is responsible for all other maintenance and operating costs.

This request is based on the following factors:

- Our current landlord submitted a proposal that provides the required 28,000 square feet of useable space whereas the second proposal is for 21,700 square feet of useable square feet. The Authority's current useable space needs exceed 21,700 square feet.
- The Authority's cost for moving and up fitting the new office would be nearly one million dollars which the Authority has neither anticipated nor budgeted for this Fiscal Year. This does not take into account staff productivity loss, potential data loss associated with a relocation of the agency's data center and customer inconvenience associated with moving.
- The present location is easily accessible to both Interstate 26 and 20 and our customer base along with our clients, partners and other associates are highly satisfied with the ease with which they can reach us, particularly access to public transportation via the Central Midlands Transit Authority bus stop that is located approximately 0.4 miles from our current office location in contrast to 6 miles to the nearest public transportation from the second proposal.

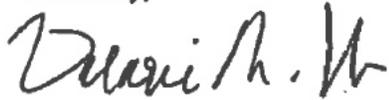
Therefore, given the aforementioned reasons, we are requesting that the Authority be granted permission to remain at its present location, 300-C Outlet Pointe Boulevard, Columbia, SC and

SC Housing Facility Lease
November 10, 2015
Page Two

enter into a seven year lease for the office space. We believe it will be more beneficial to our agency and the State of South Carolina.

Thank you for your assistance in this process.

Sincerely,

A handwritten signature in cursive script, appearing to read "Valarie M. Williams".

Valarie M. Williams
Executive Director

SC Code of Laws Section 1-11-55, effective July 1, 2015.

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

(2) The Division of General Services of the Department of Administration 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 Division of General Services of its requirement on rental request forms prepared by the division. 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 division agree meets necessary requirements and standards for state leasing as prescribed in procedures of the department 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 department 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 Division of General Services of the Department of Administration or his designee.

Credits

HISTORY: 1997 Act No. 153, § 2; 2002 Act No. 333, § 1; 2002 Act No. 356, § 1, Pt VI.P(1); 2011 Act No. 74, Pt VI, § 13, eff August 1, 2011; 2013 Act No. 31, § 1, eff May 21, 2013; 2014 Act No. 121 (S.22), Pt V, § 7.A, eff July 1, 2015.

SC Code of Laws Section 1-11-56, effective July 1, 2015.

(A) The Division of General Services of the Department of Administration, 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 a governmental body. The department must submit regulations for the implementation of this section to the General Assembly as provided in the Administrative Procedures Act, Chapter 23, Title 1. The department'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 multiyear financial plan for review by the department with copies sent to Ways and Means Committee and Senate Finance Committee, before any new lease for space is entered into; and
- (7) requiring prior review by the Joint Bond Review Committee and the requirement of State Fiscal Accountability Authority approval before the adoption of any new or renewal lease that commits more than two hundred thousand dollars annually in rental or lease payments or more than one million dollars in such payments in a five-year period.

(B) Leases or rental agreements involving amounts below the thresholds provided in subsection (A)(7) may be executed by the Department of Administration without this prior review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority.

(C) The threshold requirements requiring review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority as contained in subsection (A)(7) also apply to leases or rental agreements with nonstate entities whether or not the state or its agencies or departments is the lessee or lessor.

Credits

HISTORY: 1997 Act No. 153, § 2; 2014 Act No. 121 (S.22), Pt V, § 7.B, eff July 1, 2015.

AGENCY: Department of Administration, Division of General Services

SUBJECT: Workers Compensation Commission Lease for Space at 1333 Main Street, Columbia

The Workers Compensation Commission (“WCC”) requests approval to continue to lease space at 1333 Main Street, Columbia, SC from Vista Investments, LLC located at 1333 Main Street and represented by CB Richard Ellis. The WCC will lease 22,719 rentable square feet (RSF), which is a reduction of 6,244 RSF from their previous lease. Continuing to lease this space will eliminate any downtime or relocation costs.

A solicitation was conducted and two (2) responses were received, of which the selected location represents the least costly bid over the term. The term of the lease will be slightly more than six (6) years beginning on the date approved by the State Fiscal Accountability Authority, which allows the WCC to begin receiving the benefit of the savings from reducing its square footage prior to the end of the term of the current lease. This reduction in square footage for this partial year represents a savings of approximately \$43,180.63 for the remainder of the previous lease term and over the entire term of the new lease represents a savings of \$689,430.63 compared to the previous lease. Rent for the partial year will be charged at a rate of \$15.75 per rentable square foot with an annual escalation of base rent of approximately \$.40 per RSF. This is a gross lease. The WCC will pay as additional rent its pro rata share of increases in building operating cost above the base year ending March 31, 2018. The pro rata share of building operating cost increases will be capped at 3% per year over the previous year, a savings compared to the previous lease, which was capped at 4% per year. Assuming operating expense increases at three percent per year, the maximum rent over the term of the lease is as follows:

TERM	PERIOD: FROM-TO	RENT/RSF	ANNUAL RENT	MONTHLY RENT	MAXIMUM OPERATING COST
Partial Year	12/15/2015 - 3/31/2016	\$15.75	\$104,365.42	\$29,818.69	0
YEAR 1	4/1/2016 - 3/31/2017	\$16.25	\$369,183.72	\$30,765.31	0
YEAR 2	4/1/2017 – 3/31/2018	\$16.65	\$378,271.32	\$31,522.61	0
YEAR 3	4/1/2018 – 3/31/2019	\$17.05	\$387,358.92	\$32,279.91	\$4,600.60
YEAR 4	4/1/2019 – 3/31/2020	\$17.45	\$396,446.52	\$33,037.21	\$4,738.62
YEAR 5	4/1/2020 – 3/31/2021	\$17.85	\$405,534.12	\$33,794.51	\$4,880.78
YEAR 6	4/1/2021 – 3/31/2022	\$18.25	\$414,621.72	\$34,551.81	\$5,027.20

AGENCY: Department of Administration, Division of General Services

SUBJECT: Workers Compensation Commission Lease for Space at 1333 Main Street, Columbia

Below are tables representing rates paid by some state agencies in the Columbia area. Additionally, the Colliers International 2015 Third Quarter Market Report indicates an average commercial lease rate per square foot of \$19.58 in the Columbia central business district and \$14.82 in the suburban market area.

Agency	Address	Lease Term	Rate/SF
Education Lottery	1333 Main St. Suite 400	8/1/2014 – 7/31/2021	\$15.95
Lieutenant Governor's Office	1301 Gervais St. Suite 350	7/1/2015 – 6/30/2020	\$14.95
Department of Insurance	1201 Main Street, Suite 1000	3/1/2014 – 2/28/2021	\$15.50

Landlord is offering 55 requested parking spaces (46 garage and 9 surface) at a cost to the WCC of \$25 per parking space per month. The normal rate for the offered parking spaces is between \$45-65 for garage parking spaces and \$105 per for surface parking spaces. Lease payments will be made from revenue primarily from fines and hearing fees. At Landlord's cost, Landlord will make renovations to the premises in accordance with construction drawings as agreed to by WCC. There are adequate funds for the lease according to a Budget Approval Form and multi-year plan submitted by WCC.

The lease was approved by Gary M. Cannon, Executive Director of WCC. This lease was approved by JBRC on December 8, 2015.

AUTHORITY ACTION REQUESTED:

Approve the proposed multi year lease at 1333 Main Street Columbia, to Workers Compensation Commission as requested by the Department of Administration, Division of General Services.

ATTACHMENTS:

Agenda item worksheet; Request Letter from WCC; SC Code of Laws Section 1-11-55 and 1-11-56

SFAA AGENDA ITEM
WORKSHEET

Meeting Scheduled for: December 15, 2015

REGULAR AGENDA

1. Submitted by:

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



Nolan L. Wiggins, Jr., Director

2. Subject: The Workers Compensation Commission Lease for Space at 1333 Main Street Columbia, SC

3. Summary Background Information:

The Workers Compensation Commission (“WCC”) requests approval to continue to lease space at 1333 Main Street, Columbia, SC from Vista Investments, LLC located at 1333 Main Street and represented by CB Richard Ellis. The WCC will lease 22,719 rentable square feet (RSF), which is a reduction of 6,244 RSF from their previous lease. Continuing to lease this space will eliminate any downtime or relocation costs.

A solicitation was conducted and two (2) responses were received, of which the selected location represents the least costly bid over the term. The term of the lease will be slightly more than six (6) years beginning on the date approved by the State Fiscal Accountability Authority, which allows the WCC to begin receiving the benefit of the savings from reducing its square footage prior to the end of the term of the current lease. This reduction in square footage for this partial year represents a savings of approximately \$43,180.63 for the remainder of the previous lease term and over the entire term of the new lease represents a savings of \$689,430.63 compared to the previous lease. Rent for the partial year will be charged at a rate of \$15.75 per rentable square foot with an annual escalation of base rent of approximately \$.40 per RSF. This is a gross lease. The WCC will pay as additional rent its pro rata share of increases in building operating cost above the base year ending March 31, 2018. The pro rata share of building operating cost increases will be capped at 3% per year over the previous year, a savings compared to the previous lease, which was capped at 4% per year. Assuming operating expense increases at three percent per year, the maximum rent over the term of the lease is as follows:

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	3/31/2020				
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The lease was approved by Gary M. Cannon, Executive Director of WCC. This lease was approved by JBRC on December 8, 2015.

4. What is SFAA asked to do? Approve the proposed multi year lease at 1333 Main Street Columbia, SC to Workers Compensation Commission

5. What is recommendation of the Division of General Services? Recommend approval of the proposed multi year lease at 1333 Main Street Columbia, SC to Workers Compensation Commission

6. List of Supporting Documents:

- Request Letter from WCC
- SC Code of Laws Section 1-11-55 and 1-11-56

State of South Carolina

1333 Main Street, 5th Floor
P.O. Box 1715
Columbia, S.C. 29202-1715



TEL: (803) 737-5700
www.wcc.sc.gov

Workers' Compensation Commission

November 17, 2015

Ms. Shawn L. DeJames
Assistant Director, Division of General Services
Department of Administration
1200 Senate Street, Suite 408
Columbia, SC 29201

Dear Ms. DeJames:

The Office of General Services solicited lease proposals for lease of office space of 18,000 to 22,500 square feet for the SC Workers' Compensation Commission (Commission). The two proposals received on October 9, 2015 were from CB Richard Ellis (CBRE) for reduced space at the current location, 1333 Main Street, Columbia, SC, and M. Burgess Mills and Associates for property located at 1777 Saint Julian Place, Columbia SC.

After a thorough review of the proposals, the Commission requests to lease the space offered by our current landlord, CBRE, 22,719 square feet for a seven year period.

This request is based on the following factors:

- CBRE submitted a proposal for the amount of space needed by the Commission, 19,660 sq. ft. This is less than the current 28,000 sq. ft. of space we currently lease. The need for the reduced space is a result of the Commission's improvements in business operations.
- Remaining at the current location will allow us to continue serving our stakeholders. Relocating will require closing the office during the move. Staff productivity will be impacted.
- The one-time cost for moving and purchasing office furniture is estimated at \$250,000. This was not anticipated nor budgeted for this Fiscal Year. The present location is easily accessible to I-26 and I-20 and other major highways entering and leaving Columbia. Our stakeholders are satisfied with the ease and accessibility to our offices for Commissioner Hearings, Appellate Hearings and other public meetings conducted by the Commission.
- The current location provides 24/7 security for the building. The annual cost for providing the same level of security at the new location will exceed \$150,000 annually.
- The existing location is within three (3) blocks of the Statehouse. The proposed new

Ms. Shawn L. DeJames

November 17, 2017

Page 2

location is several miles from the Statehouse complex. This location is preferable due to the proximity of the General Assembly and other State agencies with which the Commission has regular interaction.

Therefore, given the aforementioned reasons, we are requesting that the Commission be granted permission to remain at its present location, 1333 Main Street, Columbia, SC, and enter into a six year and three and 1/2 months lease for the reduced office space and that Division of General Services present this request to JBRC and the SFAA.

Thank you for your assistance in this process and consideration of our request.

Sincerely,

A handwritten signature in black ink that reads "Gary M. Cannon". The signature is written in a cursive style with a large initial "G".

Gary M. Cannon
Executive Director

SC Code of Laws Section 1-11-55, effective July 1, 2015.

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

(2) The Division of General Services of the Department of Administration 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 Division of General Services of its requirement on rental request forms prepared by the division. 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 division agree meets necessary requirements and standards for state leasing as prescribed in procedures of the department 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 department 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 Division of General Services of the Department of Administration or his designee.

Credits

HISTORY: 1997 Act No. 153, § 2; 2002 Act No. 333, § 1; 2002 Act No. 356, § 1, Pt VI.P(1); 2011 Act No. 74, Pt VI, § 13, eff August 1, 2011; 2013 Act No. 31, § 1, eff May 21, 2013; 2014 Act No. 121 (S.22), Pt V, § 7.A, eff July 1, 2015.

SC Code of Laws Section 1-11-56, effective July 1, 2015.

(A) The Division of General Services of the Department of Administration, 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 a governmental body. The department must submit regulations for the implementation of this section to the General Assembly as provided in the Administrative Procedures Act, Chapter 23, Title 1. The department'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 multiyear financial plan for review by the department with copies sent to Ways and Means Committee and Senate Finance Committee, before any new lease for space is entered into; and
- (7) requiring prior review by the Joint Bond Review Committee and the requirement of State Fiscal Accountability Authority approval before the adoption of any new or renewal lease that commits more than two hundred thousand dollars annually in rental or lease payments or more than one million dollars in such payments in a five-year period.

(B) Leases or rental agreements involving amounts below the thresholds provided in subsection (A)(7) may be executed by the Department of Administration without this prior review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority.

(C) The threshold requirements requiring review by the Joint Bond Review Committee and approval by the State Fiscal Accountability Authority as contained in subsection (A)(7) also apply to leases or rental agreements with nonstate entities whether or not the state or its agencies or departments is the lessee or lessor.

Credits

HISTORY: 1997 Act No. 153, § 2; 2014 Act No. 121 (S.22), Pt V, § 7.B, eff July 1, 2015.

AGENCY: Department of Administration, Division of General Services

SUBJECT: State Ports Authority Conveyance of up to 317.51± Acres in Port Royal to Palmetto Alliance Property Group, LLC

In 2014, the South Carolina General Assembly enacted Act No. 230, codified in the South Carolina Code of Laws Section 54-3-700, in which it directed the State Ports Authority to sell its property in Port Royal in a manner that is financially responsible and advantageous to the State Ports Authority and provided that the Authority may accept a sales price at or above eighty (80) percent of the property's appraised value and that sale at such amount shall satisfy the Authority's fiduciary duties to the Authority and the Authority's bondholders. Act No. 230 further specified that the Authority has until December 31, 2015 to close on the sale of a bona fide offer received within ninety days prior to June 30, 2015 and if such sale is not closed by midnight on December 31, 2015, the parcel or the property as a whole, shall be transferred to the Division of General Services for sale at public auction.

The Authority first issued a public solicitation for sale of the property in 2007, which has continued into calendar year 2015. Since that time, four contracts have been approved by the Budget and Control Board, all of which ultimately failed to close. The present contract for which the Authority is requesting approval is with the Palmetto Alliance Property Group, LLC ("Buyer"). Pursuant to the contract, the Buyer may elect one of three options to purchase all or a portion of the real property. The Buyer may elect to purchase: (i) all real property in Port Village, Marina Village, and Bluff Neighborhood/Ribaut Village at a price of \$14,825,360.00; (ii) the real property in Port Village (25.64 acres) and Marina Village (6.65 acres) at a price of \$8,972,000.00; or (iii) the real property in Port Village and Marina Village and up to 8 of the 18.2 developable high land acres in Bluff Neighborhood/Ribaut Village contiguous to the Marina Village, as selected by Buyer at a price of \$8,972,000.00 for the real property in Port Village and Marina Village plus \$465,362.63 for each developable high land acre in Bluff Neighborhood/Ribaut Village (as pro-rated for any partial acre). The Authority's Board has deemed the sale acceptable and reasonable and within the statutory allowance of eighty (80) percent of the appraised value based on appraisals obtained by the Authority in September and October of 2014.

The contract with Buyer is for the sale of up to approximately 51.6 acres of highland and approximately 265.9 acres of marshlands. An attorney opinion has been provided as to the legality of the sale of the associated marshlands. The contract requires that earnest money, in the amount of \$200,000 will be nonrefundable, (subject to approval of this transaction by the State) and will be applied towards the total purchase price.

AGENCY: Department of Administration, Division of General Services

SUBJECT: State Ports Authority Conveyance of up to 317.51± Acres in Port Royal to Palmetto Alliance Property Group, LLC

A commission of 2.0% of the sales price (up to \$296,507) will be paid by the SPA to NAI Avant at closing. The closing of the sale shall occur no later than December 31, 2015, at which time the SPA will provide Buyer with a quitclaim deed conveying the land. The State Ports Authority Board approved the contract for sale at its June 17, 2015 meeting and requests the approval of the State Fiscal Accountability Authority.

AUTHORITY ACTION REQUESTED:

Consider the request of the State Ports Authority to approve the contract for sale between the State Ports Authority and the Palmetto Alliance Property Group, LLC for the sale of up to 317.51± acres in Port Royal for up to \$14,825,360.

ATTACHMENTS:

Agenda item worksheet; Letter of request from SC Ports Authority dated November 24, 2015; Resolution Authorizing Sale of Real Property from South Carolina State Ports Authority Board dated June 17, 2015; Letters from Nexsen Pruet dated July 28, 2011, August 5, 2011 and November 23, 2015; SC Code of Laws Sections 54-3-155 and 54-3-700

STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

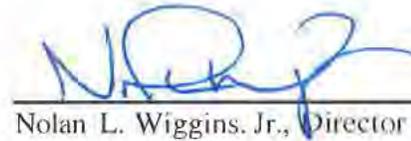
Meeting Scheduled for: December 15, 2015

Regular Agenda

1. Submitted by:

(a) Agency: Department of Administration,
Division of General Services

(b) Authorized Official Signature:



Nolan L. Wiggins, Jr., Director

2. Subject: State Ports Authority Conveyance of up to 317.51± Acres in Port Royal to Palmetto Alliance Property Group, LLC

3. Summary Background Information:

In 2014, the South Carolina General Assembly enacted Act No. 230, codified in the South Carolina Code of Laws Section 54-3-700, in which it directed the State Ports Authority to sell its property in Port Royal in a manner that is financially responsible and advantageous to the State Ports Authority and provided that the Authority may accept a sales price at or above eighty (80) percent of the property's appraised value and that sale at such amount shall satisfy the Authority's fiduciary duties to the Authority and the Authority's bondholders. Act No. 230 further specified that the Authority has until December 31, 2015 to close on the sale of a bona fide offer received within ninety days prior to June 30, 2015 and if such sale is not closed by midnight on December 31, 2015, the parcel or the property as a whole, shall be transferred to the Division of General Services for sale at public auction.

The Authority first issued a public solicitation for sale of the property in 2007, which has continued into calendar year 2015. Since that time, four contracts have been approved by the Budget and Control Board, all of which ultimately failed to close. The present contract for which the Authority is requesting approval is with the Palmetto Alliance Property Group, LLC ("Buyer"). Pursuant to the contract, the Buyer may elect one of three options to purchase all or a portion of the real property. The Buyer may elect to purchase: (i) all real property in Port Village, Marina Village, and Bluff Neighborhood/Ribaut Village at a price of \$14,825,360.00; (ii) the real property in Port Village (25.64 acres) and Marina Village (6.65 acres) at a price of \$8,972,000.00; or (iii) the real property in Port Village and Marina Village and up to 8 of the 18.2 developable high land acres in Bluff Neighborhood/Ribaut Village contiguous to the Marina Village, as selected by Buyer at a price of \$8,972,000.00 for the real property in Port Village and Marina Village plus \$465,362.63 for each developable high land acre in Bluff Neighborhood/Ribaut Village (as pro-rated for any partial acre). The Authority's Board has deemed the sale acceptable and reasonable and within the statutory allowance of eighty (80) percent of the appraised value based on appraisals obtained by the Authority in September and October of 2014.

The contract with Buyer is for the sale of up to approximately 51.6 acres of highland and approximately 265.9 acres of marshlands. An attorney opinion has been provided as to the legality of the sale of the associated marshlands. The contract requires that earnest money, in the amount of \$200,000 will be nonrefundable, (subject to approval of this transaction by the State) and will be applied towards the total purchase price.

A commission of 2.0% of the sales price (up to \$296,507) will be paid by the SPA to NAI Avant at closing. The closing of the sale shall occur no later than December 31, 2015, at which time the SPA

will provide Buyer with a quitclaim deed conveying the land. The State Ports Authority Board approved the contract for sale at its June 17, 2015 meeting and requests the approval of the State Fiscal Accountability Authority.

4. What is SFAA asked to do? Approve the contract for sale between the State Ports Authority and the Palmetto Alliance Property Group, LLC for the sale of up to 317.51± acres in Port Royal for up to \$14,825,360.

5. What is recommendation of the Division of General Services? Consider the request of the State Ports Authority to approve the contract for sale between the State Ports Authority and the Palmetto Alliance Property Group, LLC for the sale of up to 317.51± acres in Port Royal for up to \$14,825,360.

6. Supporting Documents:

- (a) Letter of request from SC Ports Authority dated November 24, 2015
- (b) Resolution Authorizing Sale of Real Property from South Carolina State Ports Authority Board dated June 17, 2015
- (c) Letters from Nexsen Pruet dated July 28, 2011, August 5, 2011 and November 23, 2015
- (d) SC Code of Laws Sections 54-3-155 and 54-3-700

Philip L. Lawrence, Esquire
General Counsel



November 24, 2015

176 Concord Street
P.O.Box 22287
Charleston, SC 29413 USA
(843)577-8777
(843)577-8138 fax
plawrence@scspa.com

VIA FIRST CLASS MAIL

Shawn L. DeJames
Assistant Director, Division of General Services
The South Carolina Department of Administration
1200 Senate Street, Suite 408
Columbia, SC 29201

port-of-charleston.com

Re: South Carolina State Ports Authority Property Sale, Port Royal
SCSPA File No.: L040-0006

Dear Ms. DeJames:

The South Carolina Ports Authority Board has authorized the sale of the Authority's Port Royal property to Palmetto Alliance Property Group, LLC, as evidenced by the Authority's Resolution dated June 17, 2015, a copy of which is attached.

Pursuant to South Carolina Code of Laws, Section 54-3-155 (1976, as amended), we hereby request that the Department of Administration approve the sale of the Authority property in Port Royal, South Carolina, as described in the Revised and Restated Purchase and Sale Agreement of June 18, 2015, submitted to the Department.

Sincerely,

A handwritten signature in blue ink that reads "Philip L. Lawrence".

Philip L. Lawrence

PLL/hrg

Enclosure: SCSPA Resolution

RESOLUTION AUTHORIZING SALE OF REAL PROPERTY
(PORT ROYAL PROPERTY)

WHEREAS, the South Carolina State Ports Authority is created by 1942 Act No. 626 of the South Carolina General Assembly as an instrumentality of the State for the accomplishment of its purposes, as set forth in South Carolina Code of Laws, Section 54-3-130, which include development and improvement of the harbors and seaports of the State for the handling of water-borne commerce from and to any part of this State and other states and foreign countries, to acquire, equip, maintain, develop and improve such harbors and their facilities, and to foster and stimulate the shipment of freight and commerce through such ports; and

WHEREAS, among its powers, the Authority may rent, lease, buy, own, acquire, mortgage and dispose of such property, real or personal, as the Authority may deem proper to carry out its purposes and provisions of 1942 Act 626 of the General Assembly, all or any of them; and

WHEREAS, the Authority is the owner of certain real property in the Town of Port Royal, South Carolina, known generally as the Port Royal Property, and further described as approximately 51.6 Acres of highland and approximately 265 Acres of marsh at or near the South Carolina State Ports Authority Terminal, South of Ribaut Road, in the Town of Port Royal, and as generally shown on a certain Plat prepared by Thomas and Hutton Engineering Co., dated December 20, 2006; and

WHEREAS, in 2004, the South Carolina General Assembly enacted 2004 Act No. 313, and as amended in 2009 Act No. 73, and further amended in 2014 Act. No. 230, codified in South Carolina Code of Laws Section 54-3-700, in which it was determined that operation of the

marine terminal in Port Royal should cease, and which directed the Authority to sell its property in Port Royal in a manner that is financially responsible and advantageous to the State Ports Authority, and provides in the law, as amended, that the Authority may accept a sales price equal to or greater than eighty percent of the appraised value of the property, and that sale at such amount shall satisfy the Authority's board's fiduciary duties to the Authority and the Authority's bondholders; and

WHEREAS, in June 2007, the Authority issued a public solicitation for offers to purchase the said property, as is and where is, which solicitation has continued into calendar year 2015; and

WHEREAS, the said property is no longer required for operation of the Authority port facilities; and

WHEREAS, the market value of the said property was recently determined by an appraisal obtained by the Authority in September 2014 for several parcels and in October 2014 for the property as a whole, and which was prepared by a competent appraiser appointed by the Authority, who is further qualified as a State Certified General Real Estate Appraiser, and a Member of the Appraisal Institute (MAI), and who is knowledgeable in appraisal and in appraising closed industrial sites; and

WHEREAS, in response to the Authority's solicitation for offers, a proposed Buyer has offered and agreed to pay to the Authority the sum of Fifteen Million Four Hundred Twenty Thousand and no/100 Dollars (\$15,420,000.00) (including in that sum a real estate fee to be paid Buyer's broker at closing in the amount of \$594,000.00) [hereinafter the Purchase Price] for purchase of all right, title and interest of the Authority in said real property, as is and where is,

and has submitted and offered a written contract for the purchase and sale of said property for the stated Purchase Price; and

WHEREAS, pursuant to South Carolina Code of Laws, 1976, as amended, Section 54-3-155, the sale of property that may be used for Authority purposes provided in Section 54-3-130 must be duly approved by the South Carolina State Department of Administration, the successor to the State Budget and Control Board; and

WHEREAS, on November 13, 1991, the South Carolina State Ports Authority (the "SPA") adopted a resolution entitled "A RESOLUTION PROVIDING FOR THE ISSUANCE, SALE AND SECURING OF SOUTH CAROLINA STATE PORTS AUTHORITY REVENUE BONDS, AND OTHER MATTERS RELATING THERETO (the "Bond Resolution"), and which resolution was amended October 19, 2010; and

WHEREAS, Article XI of the 2010 Bond Resolution imposes certain limitations upon the sale or disposal of the Port Facilities (as defined in the Bond Resolution); and

WHEREAS, the Authority issued certain Revenue Bonds which are still outstanding, none of which have any Event of Default, and whereby under the 2010 Revenue Bond Resolution the Authority may sell or dispose of real property or rights in property upon the adoption of this resolution; and

WHEREAS, the Board has determined that the Purchase Price is reasonable and acceptable, that the Purchase Price less the stated real estate fee is within the statutory allowance of eighty percent of the appraised value, and the sale of the property is desirable in the conduct of the Authority's business and does not materially impair the Authority's ability to comply with the provision of its Master Bond Resolution;

NOW, THEREFORE, BE IT RESOLVED by the South Carolina State Ports Authority in meeting duly assembled, that:

1. The Buyer's offer to purchase the property is accepted, and sale of the property pursuant to the proposed contract to purchase the property for the above-stated Purchase Price, is hereby approved, subject to review and approval of sale by the State Department of Administration in accordance with law; and

2. The President and Chief Executive Officer and the Chief Financial Officer of the Authority are authorized to negotiate, execute and deliver a contract for sale and purchase to the Buyer, and take all actions and to prepare and execute all contracts and documents necessary to sell the property for the Purchase Price, and upon approval of sale by the State Department of Administration, the President and Chief Executive Officer and Chief Financial Officer are further authorized to sign and deliver a deed or deeds to consummate the sale of the above described property in consideration of payment of the Purchase Price, pursuant to the terms of said proposed contract to purchase the property, and, upon receipt of the funds, to pay the Buyer's broker from those funds the real estate broker's fee set forth hereinabove.

Adopted at the regular meeting of the South Carolina State Ports Authority held June 17, 2015.

WITNESS the hand and seal of the Secretary of the South Carolina State Ports Authority.

SOUTH CAROLINA STATE PORTS AUTHORITY

By: 
Willie Jeffries
Secretary

Neil C. Robinson, Jr.
Member
Admitted in SC

November 23, 2015

South Carolina Department of Administration Board
Wade Hampton Building
Columbia, SC 29201

Re: Authority of the South Carolina State Ports Authority ("Authority")
to Sell Marshland Adjacent to the Former Port Royal Terminal to
Palmetto Alliance Property Group, LLC ("Buyer")

Members of the Board:

You have asked for our limited opinion with respect to the above referenced proposed transaction. Specifically, this opinion is limited to whether the Authority may transfer title of marshland to the Buyer.

Charleston

Charlotte

Columbia

Greensboro

Greenville

Hilton Head

Myrtle Beach

Raleigh

The Contract before the Department of Administration Board for approval provides for the sale of 51.6 acres of highland and approximately 265.9 acres of marshlands to the Buyer. All of the property is to be conveyed by quit-claim deed.

The marsh being conveyed to the purchaser is owned by the Authority, having been conveyed to it from a chain of title traced back to the original Land Grant by the State of South Carolina to D.F. Appleton in 1870 (recorded on January 18, 1870 in The Beaufort County RMC Office in Deed Book 4, page 150). By virtue of its enabling Act, the Authority may purchase, own and dispose of real property. It may even condemn property from another public body. (See S.C. Code Ann. 54-3-140, 150). The Authority not only has the legal authority to sell the marsh that it owns at Port Royal, the sale has been mandated by the Legislature [See S.C. Code Ann. Section 54-3-700(b)].

In this case, the Contract provides for the Authority to convey by quit-claim deed. This simply means that the Authority is conveying whatever legal title it has, and nothing more. This avoids any controversy regarding the quality of the title and does not convey any rights to the marsh that the Authority does not now legally hold. It further will not allow the Buyer to conduct any activity within or upon the marsh without first obtaining appropriate permits from the state and federal agencies with jurisdiction.

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www.nexsenpruet.com

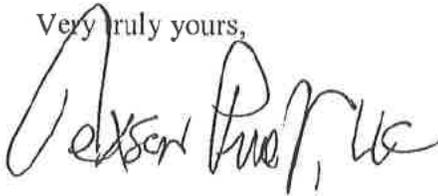
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F 843.414.8216
E NRobinson@nexsenpruet.com
Nexsen Pruet, LLC
Attorneys and Counselors at Law

South Carolina Department of Administration Board
November 23, 2015
Page 2

With respect to the issue described above, it is our opinion that the title to the marshland described in the Contract may be conveyed to the Buyer pursuant to the terms of the Contract, and it is further our opinion that the Department of Administration Board would be acting within its authority to approve the Contract.

This opinion is solely for the use of the Department of Administration Board in its review of the subject Contract at its December 15, 2015 meeting, and may not be relied upon by any other party, or for any other purpose. No opinion is offered with respect to any matter not specifically addressed in this letter.

Very truly yours,

A handwritten signature in black ink that reads "Nexsen Pruet, LLC". The signature is written in a cursive, flowing style.

NEXSEN PRUET, LLC

NCR/pdp

NEXSEN | PRUET

Neil C. Robinson, Jr.
Member
Admitted In SC

August 5, 2011

South Carolina Budget & Control Board
Wade Hampton Building
Columbia, SC 29201

Re: South Carolina State Ports Authority Conveyance by Limited
Warranty Deed

Members of the Board:

The contract for sale of the Port Royal properties owned by SCSPA to Port Royal Redevelopment Group, LLC is before the Board for approval, having been approved by the Board of SCSPA. I have been asked to reconcile the provision of the Contract calling for title to the high ground property to be conveyed via limited warranty deed to the position of the Attorney General that state agencies do not have the authority to enter into indemnification agreements.

Charleston

Charlotte

Columbia

Greensboro

Greenville

Hilton Head

Myrtle Beach

Raleigh

A limited warranty deed to real property is a conveyance wherein the grantor (seller) represents to the grantee (buyer) that the grantor, alone, did not create any encumbrance on the title that has not been disclosed. Any claim of a title defect by the grantee would simply be a claim that the grantor failed to convey what was agreed to be conveyed because of an encumbrance that the grantor caused and did not disclose. This is the quality of deed that is typically used by a bank to convey foreclosed property.

A general warranty deed is a conveyance whereby the grantor represents to the grantee that it will defend the title against claims by any person or entity whatsoever, regardless of when the encumbrance giving rise to the claim occurred. The Ports Authority took title to the Port Royal high ground by general warranty deed. That means that if any claim were to ever be brought against the Ports Authority because of something that occurred before they took title, their grantors would have to defend such claims. The Buyer in this case was told that SCSPA would not convey by general warranty deed, and that all it could warrant was that it did not encumber the property while it owned it.

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Nexsen Pruet, LLC
Attorneys and Counselors at Law

NPCHAR1:880060.1-LT-(NCR) 024000-00223

The contract with the Buyer allows 90 days for due diligence. During that time the Buyer's counsel will examine the title to the Property and obtain a Title Commitment from a nationally recognized title insurance company licensed to do business in South Carolina. Prior to expiration of the Inspection Period, if Buyer's title research reveals any title defects, the Buyer must notify SCSPA, which has 20 days to either cure the defects or refuse to cure, in which case the Buyer can terminate the contract or elect to accept the Property "as-is" and go forward to closing. At Closing, the Buyer will purchase the Title Insurance Policy, which will insure that any title defect claim made against the property and the Buyer will be defended by the Title Company and any loss resulting from such covered claim would be the responsibility of the insurance company.

An indemnity agreement, on the other hand, typically is an open ended agreement executed by two parties, wherein one party agrees to stand in the shoes of the other party in the event of a claim for injury, liability, loss or damage; i.e. a claim for money as the result of a tort (such as an automobile accident) or breach of an executed agreement. It is contractual and usually not covered by insurance.

Here, the deed represents the land. It is the Title to the land - not an indemnity agreement. It is a mere representation of the quality of the title being conveyed. It is executed only by the grantor, and it will be recorded by the grantee to show the world that title now belongs to it. SCSPA obtained title by general warranty deed, but will convey by limited warranty deed. It is the opinion of the undersigned that the limited warranty of title given pursuant to the contract before the Board for approval, in exchange for a purchase price that exceeds the appraised fair market value of the property, is not the same as the indemnity agreements that have been the subject of various opinions of the Attorney General over many years. Such opinions provide guidance, but do not have the force and effect of legislative act or case law. Even if the SC Supreme Court were to rule that a limited warranty deed is the equivalent of an indemnification agreement, in this case where title insurance will be purchased at closing by the Buyer to cover any future claims, there is nothing to indemnify the Buyer against, as the Buyer has purchased protection against such a claim.

Very truly yours,

A handwritten signature in black ink that reads "Nexsen Pruet, LLC". The signature is written in a cursive, flowing style.

NEXSEN PRUET, LLC

NCR/pdp

Noll G. Robinson, Jr.
Member
Admitted in SC

July 28, 2011

South Carolina Budget & Control Board
Wade Hampton Building
Columbia, SC 29201

Re: Authority of the South Carolina State Ports Authority ("Authority")
to Sell Marshland Adjacent to the Former Port Royal Terminal to
Port Royal Redevelopment Group, LLC ("Buyer")

Members of the Board:

You have asked for our limited opinion with respect to the above referenced proposed transaction. Specifically, this opinion is limited to whether the Authority may transfer title of marshland to the Buyer.

Charleston

Charlotte

Columbia

Greensboro

Greenville

Hilton Head

Myrtle Beach

Raleigh

The Contract before the Budget and Control Board for approval provides for the sale of 51.44 acres of highland and approximately 265.9 acres of marshlands to the Buyer. The highland is to be conveyed by limited warranty deed, and the marshland is to be conveyed by quit-claim deed.

The marsh being conveyed to the purchaser is owned by the Authority, having been conveyed to it from a chain of title traced back to the original Land Grant by the State of South Carolina to D.F. Appleton in 1870 (recorded on January 18, 1870 in The Berkeley County RMC Office in Deed Book 4, page 150). By virtue of its enabling Act, the Authority may purchase, own and dispose of real property. It may even condemn property from another public body. (See S.C. Code Ann. 54-3-140, 150). The Authority not only has the legal authority to sell the marsh that it owns at Port Royal, the sale has been mandated by the Legislature [See S.C. Code Ann. Section 54-3-700(b)].

In this case, the Contract provides for the Authority to convey by quit-claim deed. This simply means that the Authority is conveying whatever legal title it has, and nothing more. This avoids any controversy regarding the quality of the title and does not convey any rights to the marsh that the Authority does not now legally hold. It further will not allow the Buyer to conduct any activity within or upon the marsh

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Nexsen Pruet, LLC
Attorneys and Counselors at Law

South Carolina Budget & Control Board
July 28, 2011
Page 2

without first obtaining appropriate permits from the state and federal agencies with jurisdiction.

With respect to the issue described above, it is our opinion that the title to the marshland described in the Contract may be conveyed to the Buyer pursuant to the terms of the Contract, and it is further our opinion that the Budget & Control Board would be acting within its authority to approve the Contract.

This opinion is solely for the use of the Budget & Control Board in its review of the subject Contract at its August 9, 2011 meeting, and may not be relied upon by any other party, or for any other purpose. No opinion is offered with respect to any matter not specifically addressed in this letter.

Very truly yours,

A handwritten signature in black ink that reads "Nexsen Pruet, LLC". The signature is written in a cursive style with a large initial "N".

NEXSEN PRUET, LLC

NCR/pdp

Code of Laws of South Carolina 1976 Annotated
Title 54. Ports and Maritime Matters
Chapter 3. South Carolina State Ports Authority
Article 3. Purposes and Powers Generally

Code 1976 § **54-3-155**

§ **54-3-155**. Sale of real property, building, terminals, or other permanent structures.
Effective: **June 16, 2009**

Without prior approval from the State Fiscal Accountability Authority or the Department of Administration, as applicable, the authority may not sell any real property or any buildings, terminals, or other permanent structures, excluding equipment, appurtenant to real property that are or may be used to carry out the purposes of the authority as provided in [Section 54-3-130](#).

Credits

HISTORY: [2009 Act No. 73, § 8, eff June 16, 2009](#).

Code of Laws of South Carolina 1976 Annotated
Title 54. Ports and Maritime Matters
Chapter 3. South Carolina State Ports Authority
Article 8. Cessation of Marine Terminal Operations at Port Royal (Refs & Annos)

Code 1976 § 54-3-700

§ 54-3-700. Sale of property; conditions and requirements of sale.
Effective: June 2, 2014

(A) The State Ports Authority has not had statutory responsibility to operate a marine terminal at Port Royal since September 21, 2004, and has ceased all marine operations at Port Royal.

(B) The State Ports Authority is hereby directed to sell all its real and personal property at Port Royal as soon as practicable. The property must be marketed for sale in whole, or in parcels, at the discretion of the State Ports Authority.

(C)(1)(a) The State Ports Authority, in its discretion, shall determine the manner of the sale. In no event shall terms of the sale extend beyond June 30, 2015, except as provided in subitems (b) and (c). The sale of the property in an amount permitted by item (3) shall satisfy the board's fiduciary duties to the authority and the authority's bondholders.

(b) If the State Ports Authority has accepted a bona fide offer to purchase a parcel of the property, or an offer to purchase the property in whole, but the sale has not closed as of June 30, 2015, then the parcel that is the subject of the pending sale, or the property as a whole, shall not be transferred pursuant to item (2) on July 1, 2015. The State Ports Authority shall have until midnight on December 31, 2015, to close the sale. If the sale is not closed by midnight on December 31, 2015, then the parcel, or the property as a whole, shall be transferred pursuant to item (2).

(c) If the State Ports Authority has received a bona fide offer for a parcel of the property, or for the property as a whole, within ninety days prior to June 30, 2015, the transfer of the parcel that is the subject of the offer, or the property as a whole, shall not be transferred pursuant to item (2) on July 1, 2015. The State Ports Authority shall have until midnight on December 31, 2015, to close the sale. If the sale is not closed by midnight on December 31, 2015, then the parcel, or the property as a whole, shall be transferred pursuant to item (2).

(2)(a) Except as provided in subsection(C)(1)(b) and (c), on July 1, 2015, the property must be irrevocably transferred to the Division of General Services in the Department of Administration, as established by Act 121 of 2014, for sale at public auction. Upon the transfer of the property to General Services, the Department of Administration is vested with all of the board's fiduciary duties to the authority and the authority's bondholders.

(b) Sale of the property pursuant to this section, and in an amount permitted by item (3), shall satisfy the board's fiduciary duties to the authority and the authority's bondholders.

(3) The State Ports Authority and General Services may accept a sales price on any parcel of the property, or the property as a whole, that is equal to, or greater than, eighty percent of the appraised value of the property to be sold. General Services may deduct from the proceeds of the sale an amount equal to the actual costs incurred in conjunction with the sale of the property. The balance of the proceeds must be transmitted to the authority. The Town of Port Royal or Beaufort County, or a combination of the two, may purchase the property at a price within the parameters established in this item.

(D) Any real or personal property at Port Royal which is to be sold must be appraised prior to the sale. The real property appraiser must be a State Certified General Real Estate Appraiser, a member of the Appraisal Institute (MAI), and must be knowledgeable in appraisal and in appraising closed industrial sites. The appraisal of the real property should include its future development opportunities and those of the surrounding properties, and give due

consideration to the possible existence of adverse environmental conditions and structurally unsound improvements. The sale of the real property shall comply with all state laws and procedures. All proceeds from the sale of real and personal property at Port Royal must be retained by the State Ports Authority, except as provided in subsection (C)(3), and except that the Town of Port Royal may petition the State Fiscal Accountability Authority, or its successor entity, for a portion of the net proceeds from a sale and may be allocated a portion of these net proceeds in an amount not to exceed five percent of the net proceeds upon showing the allocation is necessary to pay for infrastructure needs directly associated with and necessitated by the closing of the port as Port Royal. These funds must be expended at the direction of the Town Council of Port Royal with the approval of the State Fiscal Accountability Authority, or its successor entity, solely for infrastructure, and shall have priority over all other expenditures except usual and necessary closing costs attributable to a sales contract.

Credits

HISTORY: 2004 Act No. 313, § 1, eff September 21, 2004; 2009 Act No. 73, § 17, eff June 16, 2009; 2014 Act No. 230 (S.1089), § 2, eff June 2, 2014.

AGENCY: Midlands Technical College

SUBJECT: Not Exceeding \$10,975,000 General Obligation State Institution Refunding Bonds (Issued on Behalf of Midlands Technical College), Series 2016, of the State of South Carolina

The Authority is asked to adopt a resolution making provision for the issuance and sale Not Exceeding \$10,975,000 General Obligation State Institution Refunding Bonds (Issued on Behalf of Midlands Technical College), Series 2016 of the State of South Carolina.

The proceeds of the bonds will be used to: (i) effect a refunding of the maturities of (1) the originally issued \$5,000,000 General Obligation State Institution Bonds (Issued on Behalf of Midlands Technical College), Series 1998A maturing in the years 2017 through 2018, currently outstanding in the principal amount of \$765,000 (the "1998 Refunded Bonds"), (2) the originally issued \$5,250,000 General Obligation State Institution Bonds (Issued on Behalf of Midlands Technical College), Series 2002C maturing in the years 2016 through 2021, currently outstanding in the principal amount of \$2,230,000 (the "2002 Refunded Bonds"), and (3) the originally issued \$10,000,000 General Obligation State Institution Bonds (Issued on Behalf of Midlands Technical College), Series 2007A maturing in the years 2018 through 2027, currently outstanding in the principal amount of \$8,630,000 (the "2007 Refunded Bonds," and collectively with the 1998 Refunded Bonds and the 2007 Refunded Bonds, the "Refunded Bonds"); and (ii) pay for expenses related to the issuance of such State Institution Bonds.

AUTHORITY ACTION REQUESTED:

Adopt a resolution making provision for the issuance and sale of not exceeding \$10,975,000 General Obligation State Institution Refunding Bonds (Issued on Behalf of Midlands Technical College), Series 2016, of the State of South Carolina.

ATTACHMENTS:

Pope 11/19/1515 letter; Summary of Financing; Resolution



POPE FLYNN
GROUP

COLUMBIA | CHARLOTTE | SPARTANBURG

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gpoppe@popeflynn.com Post Office Box 11509 (29211)
DIRECT 803 354.4917 Columbia, SC 29201
FAX 803 354.4899 www.popeflynn.com

November 19, 2015

Mr. Delbert H. Singleton, Jr.
Assistant Executive Director and Authority Secretary
State Fiscal Accountability Authority
1200 Senate Street, Suite 600
Columbia, South Carolina 29201

Re: Not exceeding \$10,975,000 General Obligation State Institution Refunding Bonds
(Issued on Behalf of Midlands Technical College), Series 2016 of the State of South
Carolina (the "Bonds")

Dear Delbert:

On behalf of Midlands Technical College, in connection with the authorization for the Bonds, and in anticipation of the State Fiscal Accountability Authority (the "Authority") meeting scheduled for December 15, 2015, we respectfully enclose the following for consideration by the Authority:

1. A copy of a resolution adopted by the Midlands Technical College Commission on November 18, 2015 requesting the issuance of the Bonds (we expect to have an executed copy shortly, which we will provide to you upon receipt);
2. A Summary of Refinancing Proposal;
3. A proposed form of opinion of Bond Counsel; and
4. A proposed form of bond resolution of the Authority (an electronic copy is being provided contemporaneously with this transmittal letter).

Please let us know should you require anything further or if you have any questions regarding the enclosed.

Best regards,

Gary T. Pope, Jr.

c: Kevin Kibler, Senior Assistant State Treasurer, Office of State Treasurer
Debbie Walker, Vice President for Business Affairs, Midlands Technical College
Enclosures

Summary of Refinancing Proposal for
 State of South Carolina
 General Obligation State Institution Refunding Bonds
 (On Behalf of Midlands Technical College)
 Series 2016

PRELIMINARY – SUBJECT TO CHANGE

11/19/2015

Outstanding bonds proposed to be refinanced	Series 1998A 2017-2018 \$0.77 MM Series 2002C 2016-2021 \$2.23 MM Series 2007A 2018-2027 \$8.63 MM Total: \$11.63 MM		
Average interest rate of bonds refinanced		4.32%	
Projected average interest rate of refinancing bonds		4.85%	
True interest cost of refinancing bonds		1.92%	
Projected net present value savings (net of costs)		\$1.10 MM	
Projected net present value savings as a percentage of the bonds refinanced		9.43%	
Estimated costs (costs as a percentage of refinancing bonds, costs as a percentage of refinancing savings)			
Underwriting	\$46,225	0.50%	4.22%
Legal fees – bond, disclosure and general counsel	43,750	0.47%	3.99%
Rating agency fees	60,000	0.65%	5.47%
Advisory fees	25,000	0.27%	2.28%
Bond trustee/registrar	5,000	0.05%	0.46%
Accounting and verification	7,000	0.08%	0.64%
Credit enhancement/bond insurance	0	0.00%	0.00%
Publication, printing, contingencies and all other expenses	9,250	0.10%	0.84%
Total	\$196,225	2.12%	17.89%

Prepared by: Daniel Forman, Public Resources Advisory Group
 Date 11/19/2015

AGENCY: Medical University of South Carolina

SUBJECT: Not Exceeding \$34,000,000 General Obligation State Institution Refunding Bonds (Issued on Behalf of The Medical University of South Carolina), Series 2016

The Authority is asked to adopt a resolution making provision for the issuance and sale Not Exceeding \$34,000,000 General Obligation State Institution Refunding Bonds (Issued on Behalf of The Medical University of South Carolina), Series 2016.

The proceeds of the bonds will be to (1) refund State Institution Bonds and notes issued in anticipation of the issuance of State Institution Bonds heretofore issued for the University and outstanding, and (2) pay, including reimbursement to the University, for expenses related to the issuance of such State Institution Refunding bonds.

AUTHORITY ACTION REQUESTED:

Adopt a resolution making provision for the issuance and sale of not exceeding \$34,000,000 General Obligation State Institution Refunding Bonds (Issued on Behalf of The Medical University of South Carolina), Series 2016.

ATTACHMENTS:

Gould 11/18/15 letter; Summary of Financing; Resolution

November 18, 2015

William M. Musser

VIA HAND DELIVERY

bmusser@mcnair.net
T (803) 799-9800
F (803) 753-3278

Mr. Delbert Singleton
State Fiscal Accountability Authority
1200 Senate Street
Wade Hampton Building
Columbia, SC 29201

Re: Not Exceeding \$34,000,000 General Obligation State Institution Refunding Bonds (Issued on Behalf of The Medical University of South Carolina), Series 2016

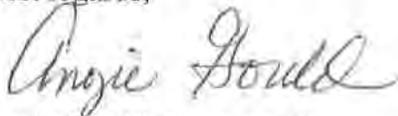
Dear Mr. Singleton:

Enclosed please find a proposed Resolution authorizing the issuance of the above-referenced Bonds for inclusion on the December 15, 2015 meeting agenda of the State Fiscal Accountability Authority (the "Authority").

In support of this Resolution, I have also included (i) a Resolution to be presented to the Board of Trustees of The Medical University of South Carolina on December 10, 2015 authorizing the application to the Authority, (ii) a Summary of Refinancing Proposal prepared by the State's financial advisor, and (iii) a draft bond counsel opinion.

As always, thank you for your assistance and please let me know should you require anything further.

Best regards,



Angie Gould, Assistant to
William M. Musser

WMM/alg

Enclosures

McNair Law Firm, P. A.
1221 Main Street
Suite 1700
Columbia, SC 29201

Mailing Address
Post Office Box 11390
Columbia, SC 29211

mcnair.net

Summary of Refinancing Proposal for
 Not Exceeding \$34,000,000
 General Obligation State Institution Refunding Bonds
 (Issued on Behalf of The Medical University of South Carolina), Series 2016

PRELIMINARY – SUBJECT TO CHANGE

11/17/2015

Outstanding bonds proposed to be refinanced	State of South Carolina \$19,045,000 General Obligation State Institution Refunding Bonds (Issued on Behalf of The Medical University of South Carolina), Series 2005A (maturities 2017- 2020 totaling \$7.82 MM)		
Average interest rate of bonds refinanced	3.59%		
Projected average interest rate of refinancing bonds	3.69%		
True interest cost of refinancing bonds	1.10%		
Projected net present value savings (net of costs)	\$0.43 MM		
Projected net present value savings as a percentage of the bonds refinanced	5.45%		
Estimated costs (costs as a percentage of refinancing bonds, costs as a percentage of refinancing savings):			
Underwriting	\$37,550	0.50%	8.80%
Legal fees – bond, disclosure and general counsel	14,809	0.20%	3.47%
Rating agency fees	15,453	0.21%	3.62%
Advisory fees	6,439	0.09%	1.51%
Bond trustee/registrar	2,575	0.03%	0.60%
Accounting and verification	2,575	0.03%	0.60%
Credit enhancement/bond insurance	0	0.00%	0.00%
Publication, printing, contingencies and all other expenses	2,575	0.03%	0.60%
Total	\$81,976	1.09%	19.22%

Prepared by: Daniel Forman, Public Resources Advisory Group
 Date 11/17/2015

STATE FISCAL ACCOUNTABILITY AUTHORITY
MEETING OF December 15, 2015

REGULAR SESSION
ITEM NUMBER 10

AGENCY: State of South Carolina

SUBJECT: Not Exceeding \$69,000,000 General Obligation State Economic Development Refunding Bonds

The Authority is asked to adopt a resolution making provision for the issuance and sale Not Exceeding \$69,000,000 General Obligation State Economic Development Refunding Bonds, in one or more series.

AUTHORITY ACTION REQUESTED:

Adopt a resolution making provision for the issuance and sale of not exceeding \$69,000,000 General Obligation State Economic Development Refunding Bonds of the State of South Carolina, in one or more series.

ATTACHMENTS:

DuBose 11/23/15 letter; Summary of Financing; Resolution

Haynsworth
Sinkler Boyd, P.A.

ATTORNEYS AND COUNSELORS AT LAW

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THEODORE B. DuBOISE
PUBLIC FINANCE
DIRECT DIAL NUMBER 803 640 7830
tdubose@hsblawfirm.com

November 23, 2015

Via Hand Delivery

Mr. Delbert Singleton
State Budget & Control Board
1200 Senate Street
Columbia, SC 29201

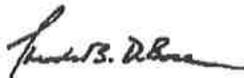
Re: Approval of Issuance of General Obligation State Economic Development Refunding Bonds

Dear Mr. Singleton:

On behalf of the Office of the State Treasurer, I am forwarding ten (10) copies of a Resolution by which the State Fiscal Accountability Authority may approve the issuance of not exceeding \$69,000,000 of State Economic Development Refunding Bonds. It is presently contemplated that the refunding bonds would be issued in two series, one tax-exempt and one taxable. Accordingly, also enclosed are ten (10) copies of an analysis prepared by Public Resources Advisory Group, the State's Financial Advisor regarding the details of the proposed tax-exempt refunding and ten (10) copies of an analysis prepared by Public Resources Advisory Group regarding the details of the proposed taxable refunding. Please let me know if you require anything further.

Thank-you very much.

Very truly yours,



Theodore B. DuBose

Enclosures

Summary of Refinancing Proposal for
State of South Carolina
General Obligation State Economic Development Refunding Bonds, Series 2016B

PRELIMINARY – SUBJECT TO CHANGE

11/17/2015

Outstanding bonds proposed to be refinanced	Series 2005C (BMW) 2023-2030 \$22.24 MM
	Series 2005G (BMW) 2016-2017 \$5.28 MM
	Series 2005F (Vought) 2016-2020 \$2.04 MM
	Series 2006A (Conv. Ctr) 2017-2021 \$8.39 MM
	Total: \$37.94 MM

Average interest rate of bonds refinanced	3.82%
Projected average interest rate of refinancing bonds	4.03%
True interest cost of refinancing bonds	2.51%
Projected net present value savings (net of costs)	\$3.04 MM
Projected net present value savings as a percentage of the bonds refinanced	8.03%

Estimated costs (costs as a percentage of refinancing bonds, costs as a percentage of refinancing savings)

Underwriting	\$174,650	0.50%	5.74%
Legal fees – bond, disclosure and general counsel	46,549	0.13%	1.53%
Rating agency fees	60,000	0.17%	1.97%
Advisory fees	25,000	0.07%	0.82%
Bond trustee/registrar	5,000	0.01%	0.16%
Accounting and verification	7,000	0.02%	0.23%
Credit enhancement/bond insurance	0	0.00%	0.00%
Publication, printing, contingencies and all other expenses	6,451	0.02%	0.21%
Total	\$324,650	0.93%	10.66%

Prepared by: Daniel Forman, Public Resources Advisory Group
Date 11/17/2015

Summary of Refinancing Proposal for
 State of South Carolina
 General Obligation State Economic Development Refunding Bonds, Series 2016A (Taxable)
 PRELIMINARY – SUBJECT TO CHANGE

11/17/2015

Outstanding bonds proposed to be refinanced	Series 2005A (Vought) 2017-2020 \$14.96MM Series 2005D (Vought) 2016-2020 \$4.35MM Series 2005E (Vought) 2016-2020 \$10.11 MM Total: \$29.42 MM
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Average interest rate of bonds refinanced	4.61%
Projected average interest rate of refinancing bonds	1.63%
True interest cost of refinancing bonds	1.83%
Projected net present value savings (net of costs)	\$1.86 MM
Projected net present value savings as a percentage of the bonds refinanced	6.35%

Estimated costs (costs as a percentage of refinancing bonds, costs as a percentage of refinancing savings)

Underwriting	\$151,475	0.50%	8.11%
Legal fees – bond, disclosure and general counsel	45,680	0.15%	2.45%
Rating agency fees	60,000	0.20%	3.21%
Advisory fees	25,000	0.08%	1.34%
Bond trustee/registrar	5,000	0.02%	0.27%
Accounting and verification	7,000	0.02%	0.37%
Credit enhancement/bond insurance	0	0.00%	0.00%
Publication, printing, contingencies and all other expenses	7,320	0.02%	0.39%
Total	\$301,475	1.00%	16.15%

Prepared by: Daniel Forman, Public Resources Advisory Group
 Date 11/17/2015

STATE FISCAL ACCOUNTABILITY AUTHORITY
MEETING OF December 15, 2015

REGULAR SESSION
ITEM NUMBER 11

AGENCY: State of South Carolina

SUBJECT: Not Exceeding \$81,000,000 State General Obligation Research University
Infrastructure Refunding Bonds, Series 2016A

The Authority is asked to adopt a resolution making provision for the issuance and sale Not Exceeding \$81,000,000 State General Obligation Research University Infrastructure Refunding Bonds, Series 2016A.

The proceeds of the bonds will be used to (a) refund a portion of the outstanding Series 2005A, 2005B, and 2009A Research University Infrastructure Bonds, and (b) pay the costs of issuance of such Research University Infrastructure Refunding Bonds, Series 2016A.

AUTHORITY ACTION REQUESTED:

Adopt a resolution making provision for the issuance and sale not exceeding \$81,000,000 State General Obligation Research University Infrastructure Refunding Bonds, Series 2016A.

ATTACHMENTS:

Corley 11/24/15 letter; Summary of Financing; Resolution

November 24, 2015

O. Wayne Corley

VIA HAND DELIVERY

wcorley@mcnair.net
T 803.799.9800
F 803.753.3278

Mr. Delbert H. Singleton, Jr.
State Fiscal Accountability Authority
600 Wade Hampton Building
Columbia, SC 29201

Re: N/E \$81,000,000 State General Obligation Research University
Infrastructure Refunding Bonds, Series 2016A

Dear Delbert:

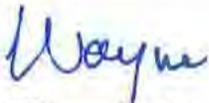
Attached is a resolution to be considered by the State Fiscal Accountability Authority at its December 15 meeting.

The resolution is complete except for information needed for Section 1.03 and Exhibits A through F, which require information contained in the audit of the State for the Fiscal Year Ended June 30, 2015 which has not yet been released by the Comptroller General, but is expected to be released in the next few days. Upon release of that information, I will prepare the final resolution and deliver several copies to you.

Thank you for your assistance.

Sincerely,

McNAIR LAW FIRM, P.A.



O. Wayne Corley

OWC/alg

Enclosure

McNAIR LAW FIRM, P.A.
1221 Main Street
Suite 1800
Columbia, SC 29201

Mailing Address
Post Office Box 11390
Columbia, SC 29211

mcnair.net

Summary of Refinancing Proposal for
\$81,000,000 State General Obligation Research University Infrastructure Refunding Bonds, Series 2016A

PRELIMINARY – SUBJECT TO CHANGE

11/17/2015

Outstanding bonds proposed to be refinanced	Series 2005A (Re. Univ.) 2016-2020 \$44.24 MM Series 2005B (State Univ.) 2016-2020 \$12.07 MM Series 2009A (Re. Univ) 2020-2024 \$20.19 MM Total: \$76.49 MM
Average interest rate of bonds refinanced	3.52%
Projected average interest rate of refinancing bonds	5.00%
True interest cost of refinancing bonds	1.64%
Projected net present value savings (net of costs)	\$3.26 MM
Projected net present value savings as a percentage of the bonds refinanced	4.26%
Estimated costs (costs as a percentage of refinancing bonds, costs as a percentage of refinancing savings)	
Underwriting	\$352,875 0.50% 10.82%
Legal fees – bond, disclosure and general counsel	60,948 0.09% 1.87%
Rating agency fees	75,000 0.11% 2.30%
Advisory fees	35,000 0.05% 1.07%
Bond trustee/registrar	10,000 0.01% 0.31%
Accounting and verification	10,000 0.01% 0.31%
Credit enhancement/bond insurance	0 0.00% 0.00%
Publication, printing, contingencies and all other expenses	9,052 0.01% 0.28%
Total	\$552,875 0.78% 16.95%

Prepared by: Daniel Forman, Public Resources Advisory Group
Date 11/17/2015

STATE FISCAL ACCOUNTABILITY AUTHORITY
MEETING OF August 25, 2015

REGULAR SESSION
ITEM NUMBER 12

AGENCY: Winthrop University

SUBJECT: Not Exceeding \$26,000,000 General Obligation State Institution Refunding Bonds, Issued on behalf of Winthrop University

The Authority is asked to adopt a resolution making provision for the issuance and sale of Not Exceeding \$26,000,000 General Obligation State Institution Refunding Bonds, Issued on behalf of Winthrop University.

The proceeds of the bonds will be used to (1) refund State Institution Bonds heretofore issued for the University and outstanding, and (2) pay for expenses related to the issuance of such State Institution Refunding Bonds.

AUTHORITY ACTION REQUESTED:

Adopt a resolution making provision for the issuance and sale of Not Exceeding \$26,000,000 General Obligation State Institution Refunding Bonds, Issued on behalf of Winthrop University.

ATTACHMENTS:

DuBose 11/23/15 letter; Summary of Financing; Resolution

Haynsworth
Sinkler Boyd, P.A.

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tdubose@hsblawfirm.com

November 23, 2015

Via Hand Delivery

Mr. Delbert Singleton
State Budget & Control Board
1200 Senate Street
Columbia, SC 29201

Re: Approval of Issuance of General Obligation State Institution Refunding Bonds (Issued on Behalf of Winthrop University)

Dear Mr. Singleton:

On behalf of the Office of the State Treasurer and Winthrop University, I am forwarding ten (10) copies of each of the following:

(a) a resolution adopted by Board of Trustees of Winthrop University requesting the issuance of refunding bonds;

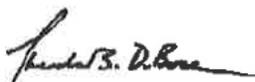
(b) an analysis prepared by Public Resources Advisory Group, the State's Financial Advisor, regarding the details of the proposed refunding; and

(c) a resolution by which the State Fiscal Accountability Authority may at its meeting of December 15, 2015, approve the issuance of not exceeding \$26,000,000 of State Institution Refunding Bonds (Issued on Behalf of Winthrop University).

Also enclosed is an original of item (c). Please let me know if you require anything further.

Thank-you very much.

Very truly yours,



Theodore B. DuBose

Enclosures

Summary of Refinancing Proposal for
State Institution Refunding Bonds (Issued on Behalf of Winthrop University), Series 2016

PRELIMINARY – SUBJECT TO CHANGE

11/17/2015

Outstanding bonds proposed to be refinanced	Series 2005B 2023-2025 \$3.50 MM Series 2006A 2017-2026 \$3.89 MM Series 2008B 2019-2028 \$8.32 MM Series 2009A 2020-2029 \$8.00 MM Total: \$23.70 MM		
Average interest rate of bonds refinanced		4.18%	
Projected average interest rate of refinancing bonds		4.88%	
True interest cost of refinancing bonds		2.20%	
Projected net present value savings (net of costs)		\$1.82 MM	
Projected net present value savings as a percentage of the bonds refinanced		7.69%	
Estimated costs (costs as a percentage of refinancing bonds, costs as a percentage of refinancing savings)			
Underwriting	\$107,200	0.50%	5.88%
Legal fees – bond, disclosure and general counsel	44,020	0.21%	2.42%
Rating agency fees	60,000	0.28%	3.29%
Advisory fees	25,000	0.12%	1.37%
Bond trustee/registrar	5,000	0.02%	0.27%
Accounting and verification	7,000	0.03%	0.38%
Credit enhancement/bond insurance	0	0.00%	0.00%
Publication, printing, contingencies and all other expenses	8,980	0.04%	0.49%
Total	\$257,200	1.20%	14.11%

Prepared by: Daniel Forman, Public Resources Advisory Group
Date 11/17/2015

STATE FISCAL ACCOUNTABILITY AUTHORITY
MEETING OF December 15, 2015

REGULAR SESSION
ITEM NUMBER 13

AGENCY: State Fiscal Accountability Authority

SUBJECT: Future Meeting

The next regular meeting of the State Fiscal Accountability Authority will be held at 9:30 a.m. on Tuesday, January 26, 2016, in Room 252, Edgar A. Brown Building.

State Fiscal Accountability Authority Meetings Remaining in 2016

Tuesday, March 1
Tuesday, June 7
Tuesday, August 9
Tuesday, September 20
Tuesday, November 1
Tuesday, December 13

AUTHORITY ACTION REQUESTED:

Agree to meet at 9:30 a.m. on Tuesday, January 26, 2016, in Room 252, Edgar A. Brown Building.

ATTACHMENTS: