

STATE FISCAL ACCOUNTABILITY AUTHORITY

Meeting of Thursday, March 8, 2018 -- 9:30 A. M.

Room 252, Edgar A. Brown Building

AGENDA INDEX

<u>Item</u>	<u>Agency</u>	<u>Subject</u>
A.	MEETING OF STATE FISCAL ACCOUNTABILITY AUTHORITY	
B.	ADOPTION OF PROPOSED AGENDA	
C.	MINUTES OF PREVIOUS MEETING	
D.	BLUE AGENDA	
1.	State Treasurer's Office	Bond Counsel Selection
2.	Department of Administration, Facilities Management and Property Services	Easements
3.	Department of Administration, Facilities Management and Property Services	Real Property Conveyance
4.	State Fiscal Accountability Authority, Insurance Reserve Fund	Insurance Rates
5.	Office of the Executive Director	Executive Director (2018 Ceiling Allocations)
E.	REGULAR SESSION	
1.	Department of Administration, Facilities Management and Property Services	University of South Carolina Student Intramural Fields Lease
2.	Department of Administration, Capital Budget Office	Permanent Improvement Projects
3.	State Fiscal Accountability Authority	Future Meeting

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 for which Authority approval is requested:

CONDUIT ISSUES:

Description of Issue	Agency/Institution (Borrower)	Borrower's Counsel	Issuer's Counsel
\$10,500,000 Economic Development Revenue Bonds	Ridgeland Pellets, Inc. Conduit: JEDA	Parker Poe	Pope Flynn
\$8,400,000 Economic Development Revenue Bonds	Foothills Area YMCA Conduit: JEDA	Haynsworth Sinkler Boyd	Howell Linkous
\$11,000,000 Economic Development Revenue Bonds	Aiken Memory Care, NTE Conduit: JEDA	Parker Poe	McNair Law Firm
\$15,000,000 Economic Development Revenue Bonds	CR Senior Living-Lakeside Conduit: JEDA	Parker Poe	Nexsen Pruet

AUTHORITY ACTION REQUESTED:

Approve the referenced bond counsel assignment as recommended by the State Treasurer's Office.

ATTACHMENTS:

Bond Counsel Selection Approved by the State Treasurer's Office

Items for March 8, 2018 State Fiscal Accountability Authority
 Bond Counsel and Issuer Counsel Selections by the State Treasurer's Office are as follows:

CONDUIT ISSUES:

Description of Issue	Agency/Institution (Borrower)	Borrower's Counsel	Issuer's Counsel	Date STO Approved
\$10,500,000 Economic Development Revenue Bonds	Ridgeland Pellets, Inc. Conduit: JEDA	Parker Poe	Pope Flynn	1/18/2018
\$8,400,000 Economic Development Revenue Bonds	Foothills Area YMCA Conduit: JEDA	Haynsworth Sinkler Boyd	Howell Linkous	1/18/2018
\$11,000,000 Economic Development Revenue Bonds	Aiken Memory Care, NTE Conduit: JEDA	Parker Poe	McNair Law Firm	1/24/2018
\$15,000,000 Economic Development Revenue Bonds	CR Senior Living-Lakeside Conduit: JEDA	Parker Poe	Nexsen Pruet	2/6/2018

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

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Easements

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

- (a) County Location: Charleston
From: Department of Administration
To: Charleston Water System
Consideration: \$700
Description/Purpose: To grant a 0.08 acre easement for the installation, operation and maintenance of a potable water main beneath the marshes and an unnamed tributary of the Ashley River on Austin Avenue in the City of Charleston to improve system reliability and water delivery to customers. The term of the easement will be fifty (50) years. Consideration is \$500 plus \$200 per acre for easements across navigable waterways and submerged lands.

- (b) County Location: Charleston
From: Department of Administration
To: Charleston Water System
Consideration: \$700
Description/Purpose: To grant a 0.39 acre easement for the relocation, installation, operation and maintenance of a wastewater force main where Ashley Hall Plantation Road crosses Bulls Creek to accommodate Charleston County's replacement of a small bridge in the same location. The term of the easement will be fifty (50) years. Consideration is \$500 plus \$200 per acre for easements across navigable waterways and submerged lands.

- (c) County Location: Charleston
From: Department of Administration
To: Charleston Water System
Consideration: \$700
Description/Purpose: To grant an easement consisting of two (2) crossings measuring 0.006 acre and 0.151 acre for the relocation, installation, operation and maintenance of a potable water main where Ashley Hall Plantation Road crosses Bulls Creek to accommodate Charleston County's replacement of a small bridge in the same location. The term of the easement will be fifty (50) years. Consideration is \$500 plus \$200 per acre for easements across navigable waterways and submerged lands.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Easements

- (d) County Location: Fairfield
From: Department of Administration
To: Town of Winnsboro
Consideration: \$700
Description/Purpose: To grant a 0.04 acre easement and a 0.06 acre easement for the construction, installation, operation and maintenance of a raw water line intake structure and ramp in the Broad River to provide an additional source of drinking water for the Town of Winnsboro. The term of the easement will be fifty (50) years. Consideration is \$500 plus \$200 per acre for easements across navigable waterways and submerged lands.
- (e) County Location: Richland
From: Department of Administration
To: City of Columbia
Consideration: \$700
Description/Purpose: To grant a 0.024 acre easement for the construction, installation, operation and maintenance of a sanitary sewer line across Gills Creek at the intersection of Ft. Jackson Boulevard and Crowson Road to provide sewer improvements as part of the City of Columbia's sewer rehabilitation project. The term of the easement will be fifty (50) years. Consideration is \$500 plus \$200 per acre for easements across navigable waterways and submerged lands.

AUTHORITY ACTION REQUESTED:

Approve granting the referenced easements as recommended by the Department of Administration, Facilities Management and Property Services.

ATTACHMENTS:

Agenda item worksheet and attachments

STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: March 8, 2018

Blue Agenda

1. Submitted by:

(a) Agency: Department of Administration,
Division of Facilities Management
and Property Services

(b) Authorized Official Signature:



Ashlie Lancaster, Director

2. Subject: EASEMENTS

3. Summary Background Information:

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

- (a) County Location: Charleston
From: Department of Administration
To: Charleston Water System
Consideration: \$700
Description/Purpose: To grant a 0.08 acre easement for the installation, operation and maintenance of a potable water main beneath the marshes and an unnamed tributary of the Ashley River on Austin Avenue in the City of Charleston to improve system reliability and water delivery to customers. The term of the easement will be fifty (50) years. Consideration is \$500 plus \$200 per acre for easements across navigable waterways and submerged lands.
- (b) County Location: Charleston
From: Department of Administration
To: Charleston Water System
Consideration: \$700
Description/Purpose: To grant a 0.39 acre easement for the relocation, installation, operation and maintenance of a wastewater force main where Ashley Hall Plantation Road crosses Bulls Creek to accommodate Charleston County's replacement of a small bridge in the same location. The term of the easement will be fifty (50) years. Consideration is \$500 plus \$200 per acre for easements across navigable waterways and submerged lands.

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 To: Town of Winnsboro
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4. What is the Authority asked to do? Approve the referenced easements.

5. What is recommendation of the Department of Administration? Recommend approval of the referenced easements.

6. List of Supporting Documents:

1. SC Code of Laws Sections 1-11-80 and 1-11-100
2. Exhibits (maps, plats, etc.)
 - (a) Charleston Water System
 - (b) Charleston Water System
 - (c) Charleston Water System
 - (d) Town of Winnsboro
 - (e) City of Columbia

SOUTH CAROLINA CODE OF LAWS

SECTION 1-11-80. Department 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.

HISTORY: 1962 Code Section 1-357.1; 1963 (53) 177; 2014 Act No. 121 (S.22), Pt V, Section 7.C, eff July 1, 2015.

Effect of Amendment

2014 Act No. 121, Section 7.C, substituted "Department of Administration, upon approval of the State Fiscal Accountability Authority," for "State Budget and Control Board".

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.

HISTORY: 1962 Code Section 1-357.3; 1963 (53) 177; 2014 Act No. 121 (S.22), Pt V, Section 7.C, eff July 1, 2015.

Effect of Amendment

2014 Act No. 121, Section 7.C, substituted "authorized by the Department of Administration, upon approval of the State Fiscal Accountability Authority," for "authorized by resolution of the Budget and Control Board, duly recorded in the minutes and records of such Board" and substituted "written approval of the Director of the Department of Administration and the State Fiscal Accountability Authority" for "written approval of the majority of the members of the State Budget and Control Board".

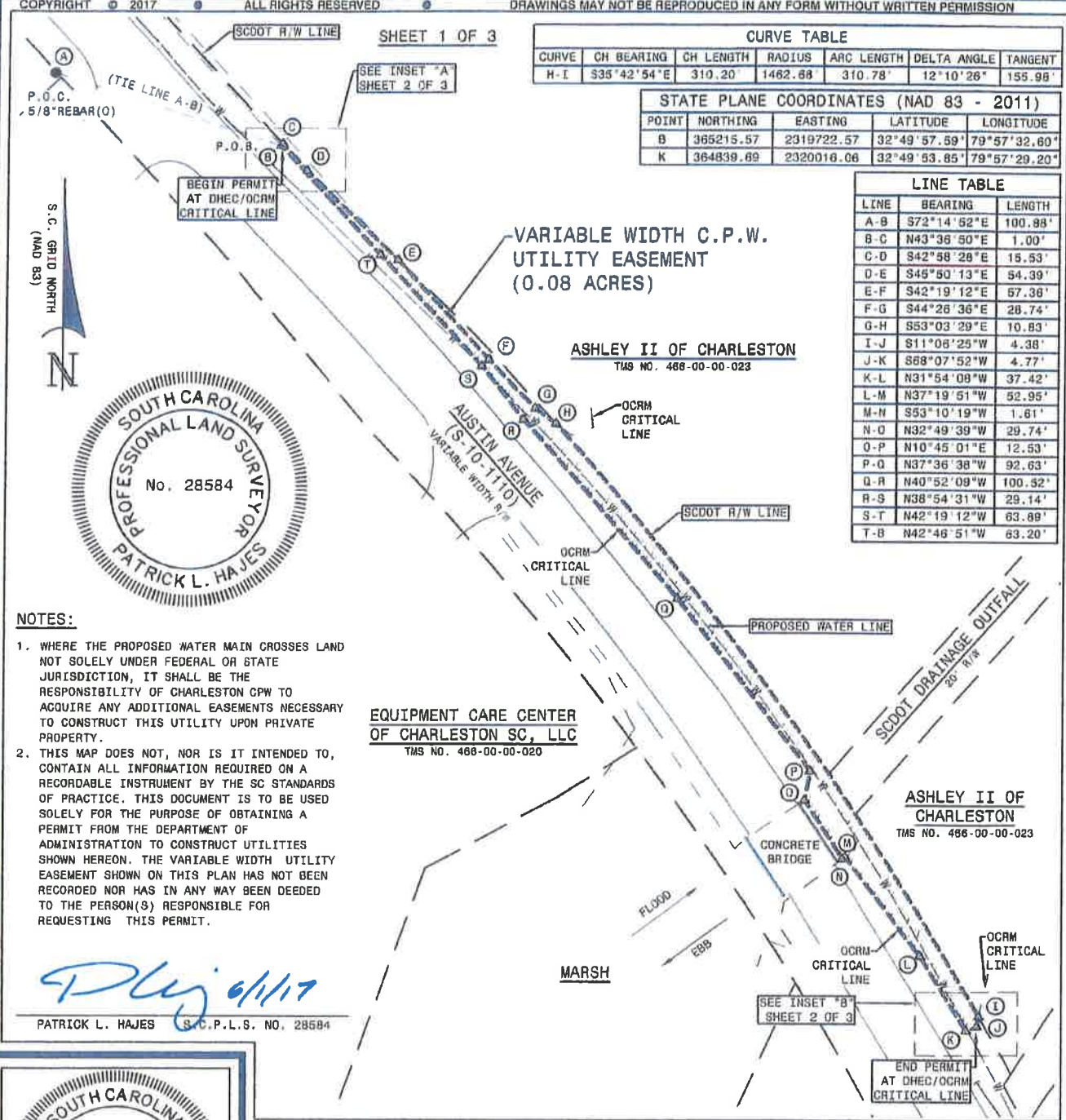
(a-1)

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CURVE TABLE						
CURVE	CH BEARING	CH LENGTH	RADIUS	ARC LENGTH	DELTA ANGLE	TANGENT
H-I	S35°42'54"E	310.20	1462.68	310.78'	12°10'28"	155.98'

STATE PLANE COORDINATES (NAD 83 - 2011)				
POINT	NORTHING	EASTING	LATITUDE	LONGITUDE
B	365215.57	2319722.57	32°49'57.59"	79°57'32.60"
K	364839.69	2320016.06	32°49'53.85"	79°57'29.20"

LINE TABLE		
LINE	BEARING	LENGTH
A-B	S72°14'52"E	100.88'
B-C	N43°36'50"E	1.00'
C-D	S42°58'28"E	15.53'
D-E	S45°50'13"E	54.39'
E-F	S42°19'12"E	57.38'
F-G	S44°26'36"E	28.74'
G-H	S53°03'29"E	10.83'
H-I	S11°08'25"W	4.38'
I-J	S68°07'52"W	4.77'
J-K	N31°54'08"W	37.42'
K-L	N37°19'51"W	52.95'
L-M	S53°10'19"W	1.61'
M-N	N32°49'39"W	29.74'
N-O	N10°45'01"E	12.53'
O-P	N37°36'38"W	92.63'
P-Q	N40°52'09"W	100.52'
Q-R	N38°54'31"W	29.14'
R-S	N42°19'12"W	63.89'
S-T	N42°46'51"W	63.20'



NOTES:

- WHERE THE PROPOSED WATER MAIN CROSSES LAND NOT SOLELY UNDER FEDERAL OR STATE JURISDICTION, IT SHALL BE THE RESPONSIBILITY OF CHARLESTON CPW TO ACQUIRE ANY ADDITIONAL EASEMENTS NECESSARY TO CONSTRUCT THIS UTILITY UPON PRIVATE PROPERTY.
- THIS MAP DOES NOT, NOR IS IT INTENDED TO, CONTAIN ALL INFORMATION REQUIRED ON A RECORDABLE INSTRUMENT BY THE SC STANDARDS OF PRACTICE. THIS DOCUMENT IS TO BE USED SOLELY FOR THE PURPOSE OF OBTAINING A PERMIT FROM THE DEPARTMENT OF ADMINISTRATION TO CONSTRUCT UTILITIES SHOWN HEREON. THE VARIABLE WIDTH UTILITY EASEMENT SHOWN ON THIS PLAN HAS NOT BEEN RECORDED NOR HAS IN ANY WAY BEEN DEEDED TO THE PERSON(S) RESPONSIBLE FOR REQUESTING THIS PERMIT.

Plj 6/1/17
 PATRICK L. HAJES S.C.P.L.S. NO. 28584



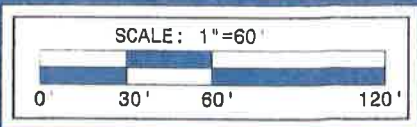
MAP SHOWING A VARIABLE WIDTH C.P.W. UTILITY EASEMENT CROSSING A WATERWAY AND ADJACENT MARSHLANDS CONTROLLED BY THE STATE OF SOUTH CAROLINA

CITY OF CHARLESTON, CHARLESTON COUNTY, SOUTH CAROLINA

DATE: MAY 31, 2017
 SCALE: 1" = 60'
 JOB NO. 816002297
 SVY NO. M-17060102-A1812

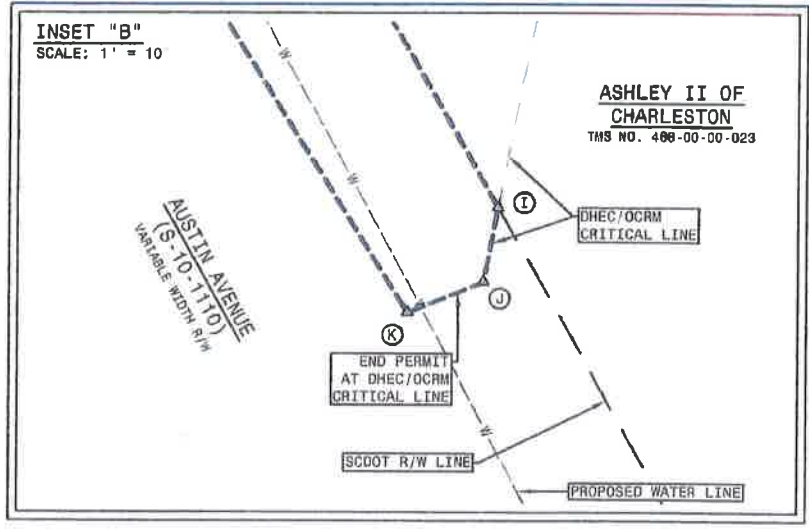
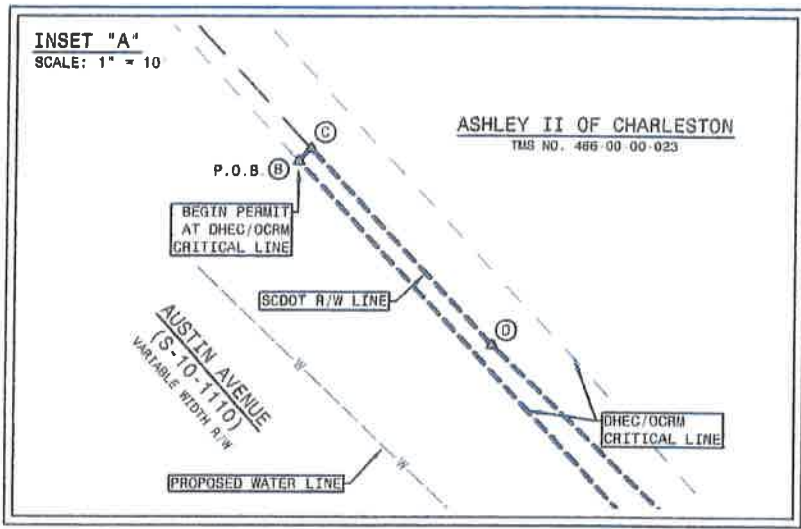
HUSSEY GAY BELL
 Established 1958
 474 WANDOPARKBLVD., SUITE 201, Mt. PLEASANT, SC 29464 / T: 843.849.7500

HGBD SURVEYORS, LLC
 474 Wanda Park Blvd, Suite 201
 Mt. Pleasant, SC 29464
 843.849.7500



(a-2)

SHEET 2 OF 3



Plus

PATRICK L. HAJES S.C.P.L.S. NO. 28584



MAP SHOWING A VARIABLE WIDTH C.P.W. UTILITY EASEMENT CROSSING A WATERWAY AND ADJACENT MARSHLANDS CONTROLLED BY THE STATE OF SOUTH CAROLINA

CITY OF CHARLESTON, CHARLESTON COUNTY, SOUTH CAROLINA

DATE: MAY 31, 2017

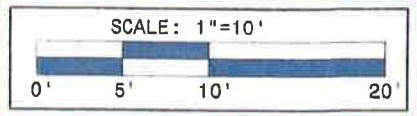
SCALE: 1" = 10'

JOB NO. 816002297

SVY NO. M-17060102-A1812

HUSSEY GAY BELL
Established 1958
474 WANDO PARK BLVD., SUITE 201, MT. PLEASANT, SC 29464 / T:843.849.7500

HGBD SURVEYORS, LLC
474 Wando Park Blvd, Suite 201
Mt. Pleasant, SC 29464
843.849.7500



SHEET 3 OF 3

EASEMENT DESCRIPTION

ALL THAT CERTAIN PIECE, PARCEL OR LOT OF LAND SITUATE, LYING AND BEING IN AND NEAR THE CITY OF CHARLESTON, CHARLESTON COUNTY, SOUTH CAROLINA, BEING DELINEATED AND SHOWN ON A MAP SHOWING A VARIABLE WIDTH C.P.W. UTILITY EASEMENT CROSSING A WATERWAY AND ADJACENT MARSHLANDS CONTROLLED BY THE STATE OF SOUTH CAROLINA, PREPARED BY HGBD SURVEYORS, LLC, DATED MAY 31, 2017, SAID PARCEL HAVING THE FOLLOWING METES AND BOUNDS TO WIT:

COMMENCING AT A 5/8" REBAR LOCATED NEAR THE NORTHERN MOST PROPERTY CORNER OF THE PROPERTY OF EQUIPMENT CARE CENTER OF CHARLESTON SC, LLC. THENCE PROCEEDING FROM SAID 5/8" REBAR IN A DIRECTION OF S72°14'52"E FOR A DISTANCE OF 100.88' TO A COMPUTED POINT ON THE DHEC/OCRM CRITICAL LINE, THIS BEING THE TRUE POINT OF BEGINNING; THENCE TURNING AND PROCEEDING ACROSS A DHEC/OCRM CRITICAL DITCH IN A DIRECTION OF N43°36'50"E FOR A DISTANCE OF 1.00' TO A COMPUTED POINT ON THE NORTHEASTERN RIGHT-OF-WAY OF AUSTIN AVENUE; THENCE TURNING AND PROCEEDING ALONG THE RIGHT-OF-WAY OF AUSTIN AVENUE FOR THE FOLLOWING COURSES AND DISTANCES: IN A DIRECTION OF S42°58'28"E FOR A DISTANCE OF 15.53' TO A COMPUTED POINT; THENCE IN A DIRECTION OF S45°50'13"E FOR A DISTANCE OF 54.39' TO A COMPUTED POINT ON THE DHEC/OCRM CRITICAL LINE; THENCE CONTINUING ALONG THE DHEC/OCRM CRITICAL LINE FOR THE FOLLOWING COURSES AND DISTANCES: IN A DIRECTION OF S42°19'12"E FOR A DISTANCE OF 57.38' TO A COMPUTED POINT; THENCE IN A DIRECTION OF S44°26'36"E FOR A DISTANCE OF 28.74' TO A COMPUTED POINT; THENCE IN A DIRECTION OF S53°03'29"E FOR A DISTANCE OF 10.83' TO A COMPUTED POINT ON THE NORTHEASTERN RIGHT-OF-WAY OF AUSTIN AVENUE; THENCE CONTINUING ALONG THE NORTHEASTERN RIGHT-OF-WAY OF AUSTIN AVENUE AND ACROSS A MARSH ALONG A CURVE TO THE LEFT IN A DIRECTION OF S35°42'54"E FOR A CHORD DISTANCE OF 310.20' (SAID CURVE HAVING A RADIUS OF 1462.68') TO A COMPUTED POINT ON THE RIGHT-OF-WAY OF AUSTIN AVENUE AT THE DHEC/OCRM CRITICAL LINE; THENCE TURNING AND PROCEEDING ALONG THE DHEC/OCRM CRITICAL LINE FOR THE FOLLOWING COURSES AND DISTANCES: IN A DIRECTION OF S11°06'25"W FOR A DISTANCE OF 4.38' TO A COMPUTED POINT; THENCE IN A DIRECTION OF S68°07'52"W FOR A DISTANCE OF 4.77' TO A COMPUTED POINT; THENCE IN A DIRECTION OF N31°54'08"W FOR A DISTANCE OF 37.42' TO A COMPUTED POINT; THENCE IN A DIRECTION OF N37°19'51"W FOR A DISTANCE OF 52.95'; THENCE IN A DIRECTION OF S53°10'19"W FOR A DISTANCE OF 1.61' TO A COMPUTED POINT; THENCE TURNING AND CROSSING A MARSH IN A DIRECTION OF N32°49'39"W FOR A DISTANCE OF 29.74' TO A COMPUTED POINT ON THE DHEC/OCRM CRITICAL LINE; THENCE CONTINUING ALONG THE DHEC/OCRM CRITICAL LINE FOR THE FOLLOWING COURSES AND DISTANCES: IN A DIRECTION OF N10°45'01"E FOR A DISTANCE OF 12.53' TO A COMPUTED POINT; THENCE IN A DIRECTION OF N37°36'38"W FOR A DISTANCE OF 92.63' TO A COMPUTED POINT; THENCE IN A DIRECTION OF N40°52'09"W FOR A DISTANCE OF 100.52' TO A COMPUTED POINT; THENCE IN A DIRECTION OF N38°54'31"W FOR A DISTANCE OF 29.14' TO A COMPUTED POINT; THENCE IN A DIRECTION OF N42°19'12"W FOR A DISTANCE OF 63.89' TO A COMPUTED POINT; THENCE IN A DIRECTION OF N42°46'51"W FOR A DISTANCE OF 63.20' TO A COMPUTED POINT, THIS BEING THE POINT OF BEGINNING.

THIS PARCEL CONTAINS 0.08 ACRES.



Handwritten signature: *Pluj 6/1/17*
PATRICK L. HAJES S.C.P.L.S. NO. 28584



MAP SHOWING A VARIABLE WIDTH C.P.W. UTILITY EASEMENT CROSSING A WATERWAY AND ADJACENT MARSHLANDS CONTROLLED BY THE STATE OF SOUTH CAROLINA

CITY OF CHARLESTON, CHARLESTON COUNTY, SOUTH CAROLINA

DATE: MAY 31, 2017
SCALE: N/A
JOB NO. 816002297
SVY NO. M-17060102-A1812

HUSSEY GAY BELL
Established 1958
474 WANDO PARK BLVD, SUITE 201, MT. PLEASANT, SC 29464 T:843.849.7500

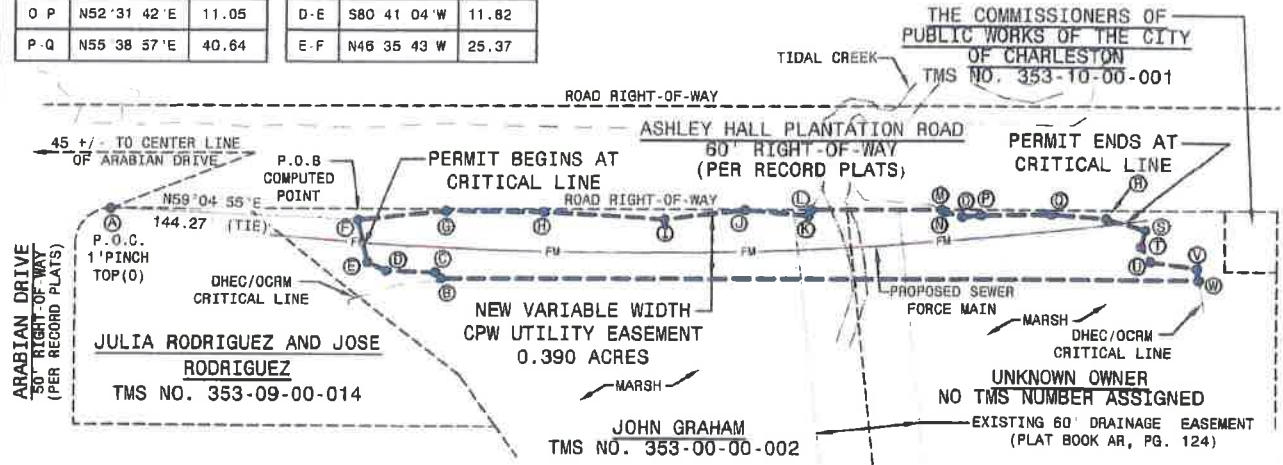
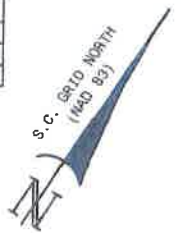
HGBD SURVEYORS, LLC
474 Wando Park Blvd, Suite 201
Mt. Pleasant, SC 29464
843.849.7500

(b-1)

LINE TABLE		
LINE	BEARING	LENGTH
F-G	N50 58 00'E	50.98
G-H	N57 08 11'E	57.21
H-I	N60 02 18'E	69.48
I-J	N49 58 04'E	47.05
J-K	N61 26 56'E	36.89
K-L	N07 34 32'W	3.55
L-M	N56 39 32'E	75.63
M-N	N81 59 53'E	2.35
N-O	N73 13 26'E	10.03
O-P	N52 31 42'E	11.05
P-Q	N55 38 57'E	40.64

LINE TABLE		
LINE	BEARING	LENGTH
Q-R	N61 11 18'E	31.48
R-S	N72 06 37'E	23.36
S-T	S18 25 58'E	9.89
T-U	S66 37 07'E	10.44
U-V	N65 19 28'E	25.94
V-W	S42 03 02'E	-6.82
W-B	S56 39 32'W	436.86
B-C	N78 04 12'W	4.88
C-D	S58 33 30'W	28.02
D-E	S80 41 04'W	11.82
E-F	N46 35 43'W	25.37

STATE PLANE COORDINATES (NAD 83 - 2011)				
POINT	NORTHING	EASTING	LATITUDE	LONGITUDE
F	360224.96	2298948.75	N32 49 10.22	W80 01 36.62
S	360470.92	2299331.63	N32 49 12.61	W80 01 32 10



NOTES:

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- THIS DRAWING DOES NOT REPRESENT RESULTS OF A LAND SURVEY.



J. Bruce King 1/24/18
 J. BRUCE KING, III S.C.P.L.S. NO. 22361

SHEET 1 OF 2

MAP SHOWING A VARIABLE WIDTH PERMANENT UTILITY EASEMENT TO BE CONVEYED TO THE COMMISSIONERS OF PUBLIC WORKS OF THE CITY OF CHARLESTON, SOUTH CAROLINA CROSSING A WATERWAY AND MARSHLANDS UNDER THE CONTROL OF THE STATE OF SOUTH CAROLINA

CITY OF CHARLESTON, CHARLESTON COUNTY, SOUTH CAROLINA

DATE: JANUARY 24, 2018
 SCALE: 1" = 100'
 JOB NO. 817002300
 SURVEY #18012401-A1854



HUSSEY GAY BELL
Established 1958
 474 WANDO PARK BLVD, SUITE 201, MT PLEASANT, SC 29464 / T:843.849.7500

HGBD SURVEYORS, LLC
 474 Wando Park Blvd, Suite 201
 Mt. Pleasant, SC 29464
 843.849.7500
 SCALE: 1"=100'

EASEMENT DESCRIPTION

ALL THAT CERTAIN PIECE, PARCEL OR LOT OF LAND SITUATE, LYING AND BEING IN THE CITY OF CHARLESTON, CHARLESTON COUNTY, SOUTH CAROLINA, BEING SHOWN AND DELINEATED ON A DRAWING ENTITLED: 'MAP SHOWING A VARIABLE WIDTH PERMANENT UTILITY EASEMENT TO BE CONVEYED TO THE COMMISSIONERS OF PUBLIC WORKS OF THE CITY OF CHARLESTON, SOUTH CAROLINA CROSSING A WATERWAY AND MARSHLANDS UNDER THE CONTROL OF THE STATE OF SOUTH CAROLINA', PREPARED BY HGBD SURVEYORS, LLC, DATED JANUARY 24, 2018, SAID PARCEL HAVING THE FOLLOWING METES AND BOUNDS TO WIT:

COMMENCING AT A 1' PINCH TOP LOCATED ON THE SOUTHERN RIGHT-OF-WAY OF ASHLEY HALL PLANTATION ROAD, SAID POINT LYING 45'+/- IN AN EASTERLY DIRECTION FROM THE CENTER LINE OF ARABIAN DRIVE; THENCE PROCEEDING IN A DIRECTION OF N59°04'55"E FOR A DISTANCE OF 144.27' TO A COMPUTED POINT ON THE DHEC/OCRM CRITICAL LINE, THIS BEING THE TRUE POINT OF BEGINNING; THENCE TURNING AND PROCEEDING ALONG THE DHEC/OCRM CRITICAL LINE FOR THE FOLLOWING COURSES AND DISTANCES: IN A DIRECTION OF N50°58'00"E FOR A DISTANCE OF 50.98' TO COMPUTED POINT, THENCE IN A DIRECTION OF N57°08'11"E FOR A DISTANCE OF 57.21' TO A COMPUTED POINT, THENCE IN A DIRECTION OF N60°02'16"E FOR A DISTANCE OF 69.48' TO A COMPUTED POINT, THENCE IN A DIRECTION OF N49°58'04"E FOR A DISTANCE OF 47.05' TO A COMPUTED POINT, THENCE IN A DIRECTION OF N61°26'56"E FOR A DISTANCE OF 36.69' TO A COMPUTED POINT AND THEN IN A DIRECTION OF N07°34'32"W FOR A DISTANCE OF 3.55' TO A COMPUTED POINT; THENCE TURNING AND PROCEEDING ALONG THE SOUTHERN RIGHT-OF-WAY OF ASHLEY HALL PLANTATION ROAD IN A DIRECTION OF N56°39'32"E FOR A DISTANCE OF 75.63' TO A COMPUTED POINT; THENCE TURNING AND PROCEEDING ALONG THE DHEC/OCRM CRITICAL LINE FOR THE FOLLOWING COURSES AND DISTANCES: N81°59'53"E FOR A DISTANCE OF 2.35' TO A COMPUTED POINT, THENCE IN DIRECTION OF N73°13'26"E FOR A DISTANCE OF 10.03' TO A COMPUTED POINT, THENCE IN A DIRECTION OF N52°31'42"E FOR A DISTANCE OF 11.05' TO A COMPUTED POINT, THENCE IN A DIRECTION OF N55°38'57"E FOR A DISTANCE OF 40.64' TO A COMPUTED POINT, THENCE IN A DIRECTION OF N61°11'18"E FOR A DISTANCE OF 31.48' TO A COMPUTED POINT, THENCE IN A DIRECTION OF N72°06'37"E FOR A DISTANCE OF 23.36' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S18°25'58"E FOR A DISTANCE OF 9.89' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S66°37'07"E FOR A DISTANCE OF 10.44' TO A COMPUTED POINT, THENCE IN A DIRECTION OF N65°19'28"E FOR A DISTANCE OF 25.94' TO A COMPUTED POINT AND THEN IN A DIRECTION OF S42°03'02"E FOR A DISTANCE OF 6.82' TO A COMPUTED POINT; THENCE TURNING AND PROCEEDING ACROSS MARSHLANDS IN A DIRECTION OF S56°39'32"W FOR A DISTANCE OF 436.86' TO A COMPUTED POINT; THENCE TURNING AND PROCEEDING ALONG THE DHEC/OCRM CRITICAL LINE FOR THE FOLLOWING COURSES AND DISTANCES: IN A DIRECTION OF N78°04'12"W FOR A DISTANCE OF 4.88' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S58°33'30"W FOR A DISTANCE OF 28.02' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S80°41'04"W FOR A DISTANCE OF 11.82' TO A COMPUTED POINT AND THEN IN A DIRECTION OF N46°35'43"W FOR A DISTANCE OF 25.37' TO A COMPUTED POINT, THIS BEING THE POINT OF BEGINNING.

THIS PARCEL CONTAINS 0.390 ACRES.

J. Bruce King 1/24/18
J. BRUCE KING, III S.C.P.L.S. NO. 22361



SHEET 2 OF 2

MAP SHOWING A VARIABLE WIDTH PERMANENT UTILITY EASEMENT TO BE CONVEYED TO THE COMMISSIONERS OF PUBLIC WORKS OF THE CITY OF CHARLESTON, SOUTH CAROLINA CROSSING A WATERWAY AND MARSHLANDS UNDER THE CONTROL OF THE STATE OF SOUTH CAROLINA

DATE: JANUARY 24, 2018

SCALE: 1" = 100'

JOB NO. 817002300
SURVEY #18012401-A1854



CITY OF CHARLESTON, CHARLESTON COUNTY, SOUTH CAROLINA

HUSSEY GAY BELL

Established 1958

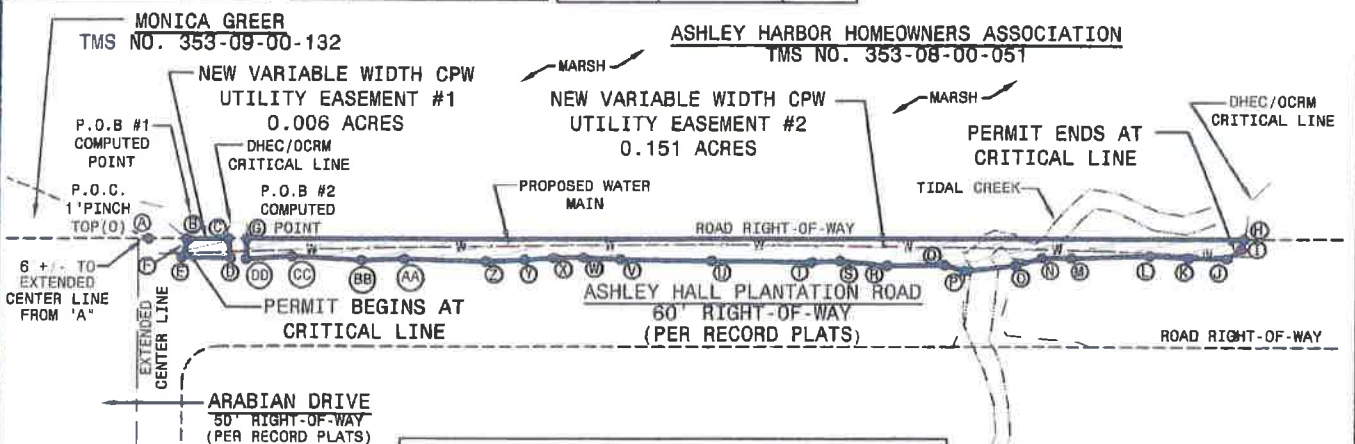
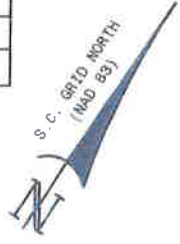
474 WANDO PARK BLVD., SUITE 201, MT. PLEASANT, SC 29464 / T:843.849.7500

HGBD SURVEYORS, LLC
474 Wando Park Blvd, Suite 201
Mt Pleasant, SC 29464
843.849.7500

SCALE: 1"=100'



LINE TABLE			LINE TABLE			LINE TABLE			LINE TABLE		
LINE	BEARING	LENGTH	LINE	BEARING	LENGTH	LINE	BEARING	LENGTH	LINE	BEARING	LENGTH
B-C	N56°36'57"E	23.22	L-M	S54°42'38"W	43.47	V-W	S80°02'09"W	20.37	C-G (TIE)	N56°38'57"E	10.00
C-D	S40°42'38"E	10.92	M-N	S57°30'32"W	16.36	W-X	S55°34'20"W	16.53			
D-E	S57°43'15"W	27.37	N-O	S40°29'26"W	15.01	X-Y	S53°18'35"W	16.04			
E-F	N13°53'06"W	10.32	O-P	S50°31'01"W	28.25	Y-Z	S53°41'49"W	21.53			
F-B	N83°39'45"W	0.90	P-Q	S72°48'07"W	11.46	Z-AA	S58°29'44"W	44.46			
G-H	N56°36'57"E	551.35	Q-R	S56°14'51"W	31.64	AA-BB	S54°29'45"W	24.03			
H-I	S20°43'54"E	5.46	R-S	S62°01'28"W	25.87	BB-CC	S59°46'47"W	38.74			
I-J	S21°50'37"W	9.86	S-T	S54°25'21"W	16.00	CC-DD	S53°24'28"W	25.59			
J-K	S57°48'54"W	21.05	T-U	S57°18'39"W	55.66	DD-G	N31°21'12"W	11.25			
K-L	S59°31'04"W	21.40	U-V	S57°39'28"W	50.63	B-A (TIE)	S56°36'57"W	21.01			



POINT	NORTHING	EASTING	LATITUDE	LONGITUDE
B	360190.77	2298777.46	N32°49'09.89"	W80°01'38.63"
H	360512.43	2299265.57	N32°49'13.03"	W80°01'32.87"

NOTES:

- WHERE THE PROPOSED WATER MAIN CROSSES LAND NOT SOLELY UNDER FEDERAL OR STATE JURISDICTION, IT SHALL BE THE RESPONSIBILITY OF CHARLESTON CPW TO ACQUIRE ANY ADDITIONAL EASEMENTS NECESSARY TO CONSTRUCT THIS UTILITY UPON PRIVATE PROPERTY.
- THIS MAP DOES NOT, NOR IS IT INTENDED TO, CONTAIN ALL INFORMATION REQUIRED ON A RECORDABLE INSTRUMENT BY THE SC STANDARDS OF PRACTICE. THIS DOCUMENT IS TO BE USED SOLELY FOR THE PURPOSE OF OBTAINING A PERMIT FROM THE DEPARTMENT OF ADMINISTRATION TO CONSTRUCT UTILITIES SHOWN HEREON. THE VARIABLE WIDTH UTILITY EASEMENT SHOWN ON THIS PLAN HAS NOT BEEN RECORDED NOR HAS IN ANY WAY BEEN DEEDED TO THE PERSON(S) RESPONSIBLE FOR REQUESTING THIS PERMIT.
- THIS DRAWING DOES NOT REPRESENT THE RESULTS OF A LAND SURVEY.

J. Bruce King, III
 J. BRUCE KING, III S.C.P.L.S. NO. 22361



SHEET 1 OF 3

MAP SHOWING TWO VARIABLE WIDTH PERMANENT UTILITY EASEMENTS TO BE CONVEYED TO THE COMMISSIONERS OF PUBLIC WORKS OF THE CITY OF CHARLESTON, SOUTH CAROLINA CROSSING A WATERWAY AND MARSHLANDS UNDER THE CONTROL OF THE STATE OF SOUTH CAROLINA

CITY OF CHARLESTON, CHARLESTON COUNTY, SOUTH CAROLINA

DATE: JANUARY 25, 2018
 SCALE: 1" = 100'
 JOB NO. 817002300
 SURVEY #18012501-A1856



HUSSEY GAY BELL
Established 1958
 474 WANDO PARK BLVD, SUITE 201, MT. PLEASANT, SC 29464 / T: 843.849.7500

HGBD SURVEYORS, LLC
 474 Wando Park Blvd, Suite 201
 Mt. Pleasant, SC 29464
 843.849.7500
 SCALE: 1"=100'

(C-2)

PERMANENT UTILITY EASEMENT #1 DESCRIPTION:

ALL THAT CERTAIN PIECE, PARCEL OR LOT OF LAND SITUATE, LYING AND BEING IN THE CITY OF CHARLESTON, CHARLESTON COUNTY, SOUTH CAROLINA, BEING SHOWN AND DELINEATED AS "NEW VARIABLE WIDTH CPW UTILITY EASEMENT #1" ON A DRAWING ENTITLED: "MAP SHOWING TWO VARIABLE WIDTH PERMANENT UTILITY EASEMENTS TO BE CONVEYED TO THE COMMISSIONERS OF PUBLIC WORKS OF THE CITY OF CHARLESTON, SOUTH CAROLINA CROSSING A WATERWAY AND MARSHLANDS UNDER THE CONTROL OF THE STATE OF SOUTH CAROLINA", PREPARED BY HGBD SURVEYORS, LLC, DATED JANUARY 25, 2018, SAID PARCEL HAVING THE FOLLOWING METES AND BOUNDS TO WIT:

COMMENCING AT A 1' PINCH TOP LOCATED ON THE NORTHERN RIGHT-OF-WAY OF ASHLEY HALL PLANTATION ROAD, SAID POINT LYING 6'+/- IN AN EASTERLY DIRECTION FROM THE EXTENDED CENTER LINE OF ARABIAN DRIVE; THENCE PROCEEDING IN A DIRECTION OF N56°36'37"E FOR A DISTANCE OF 21.01' TO A COMPUTED POINT ON THE DHEC/OCRM CRITICAL LINE, THIS BEING THE TRUE POINT OF BEGINNING; THENCE PROCEEDING ACROSS MARSHLANDS AND ALONG THE NORTHERN RIGHT-OF-WAY OF ASHLEY HALL PLANTATION ROAD IN A DIRECTION OF N56°36'57"E FOR A DISTANCE OF 23.22' TO COMPUTED POINT; THENCE TURNING AND PROCEEDING ALONG THE DHEC/OCRM CRITICAL LINE FOR THE FOLLOWING COURSES AND DISTANCES: IN A DIRECTION OF S40°42'38"E FOR A DISTANCE OF 10.92' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S57°43'15"W FOR A DISTANCE OF 27.37' TO A COMPUTED POINT, THENCE IN A DIRECTION OF N13°53'06"W FOR A DISTANCE OF 10.32' TO A COMPUTED POINT AND THEN IN A DIRECTION OF N83°39'45"W FOR A DISTANCE OF 0.90', THIS BEING THE POINT OF BEGINNING.

THIS PARCEL CONTAINS 0.006 ACRES.

J. Bruce King III 1/25/18
J. BRUCE KING, III S.C.P.L.S. NO. 22361



SHEET 2 OF 3

MAP SHOWING TWO VARIABLE WIDTH PERMANENT UTILITY EASEMENTS TO BE CONVEYED TO THE COMMISSIONERS OF PUBLIC WORKS OF THE CITY OF CHARLESTON, SOUTH CAROLINA CROSSING A WATERWAY AND MARSHLANDS UNDER THE CONTROL OF THE STATE OF SOUTH CAROLINA

DATE: JANUARY 25, 2018

SCALE: 1" = 100'

JOB NO. 817002300
SURVEY #18012501-A1856



CITY OF CHARLESTON, CHARLESTON COUNTY, SOUTH CAROLINA

HUSSEY GAY BELL

Established 1958

474 WANDO PARK BLVD., SUITE 201, MT. PLEASANT, SC 29464 / T: 843.849.7500

HGBD SURVEYORS, LLC
474 Wando Park Blvd, Suite 201
Mt. Pleasant, SC 29464
843.849.7500

SCALE: 1" = 100'



(C-3)

PERMANENT UTILITY EASEMENT #2 DESCRIPTION:

ALL THAT CERTAIN PIECE, PARCEL OR LOT OF LAND SITUATE, LYING AND BEING IN THE CITY OF CHARLESTON, CHARLESTON COUNTY, SOUTH CAROLINA, BEING SHOWN AND DELINEATED AS "NEW VARIABLE WIDTH CPW UTILITY EASEMENT #2" ON A DRAWING ENTITLED: "MAP SHOWING TWO VARIABLE WIDTH PERMANENT UTILITY EASEMENTS TO BE CONVEYED TO THE COMMISSIONERS OF PUBLIC WORKS OF THE CITY OF CHARLESTON, SOUTH CAROLINA CROSSING A WATERWAY AND MARSHLANDS UNDER THE CONTROL OF THE STATE OF SOUTH CAROLINA", PREPARED BY HGBD SURVEYORS, LLC, DATED JANUARY 25, 2018, SAID PARCEL HAVING THE FOLLOWING METES AND BOUNDS TO WIT:

COMMENCING AT A 1" PINCH TOP LOCATED ON THE NORTHERN RIGHT-OF-WAY OF ASHLEY HALL PLANTATION ROAD, SAID POINT LYING 6' +/- IN AN EASTERLY DIRECTION FROM THE EXTENDED CENTER LINE OF ARABIAN DRIVE; THENCE PROCEEDING IN A DIRECTION OF N56°36'37"E FOR A DISTANCE OF 54.23' TO A COMPUTED POINT ON THE DHEC/OCRM CRITICAL LINE, THIS BEING THE TRUE POINT OF BEGINNING; THENCE PROCEEDING ACROSS MARSHLANDS AND ALONG THE NORTHERN RIGHT-OF-WAY OF ASHLEY HALL PLANTATION ROAD IN A DIRECTION OF N56°36'57"E FOR A DISTANCE OF 551.35' TO COMPUTED POINT; THENCE TURNING AND PROCEEDING ALONG THE DHEC/OCRM CRITICAL LINE FOR THE FOLLOWING COURSES AND DISTANCES: IN A DIRECTION OF S20°43'54"E FOR A DISTANCE OF 5.46' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S21°50'37"W FOR A DISTANCE OF 9.86' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S57°48'54"W FOR A DISTANCE OF 21.05' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S59°31'04"W FOR A DISTANCE OF 21.40', THENCE IN A DIRECTION OF S54°42'38"W FOR A DISTANCE OF 43.47' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S57°30'32"W FOR A DISTANCE OF 16.36' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S40°29'26"W FOR A DISTANCE OF 15.01' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S50°31'01"W FOR A DISTANCE OF 28.25' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S72°48'07"W FOR A DISTANCE OF 11.46' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S56°14'51"W FOR A DISTANCE OF 31.64' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S62°01'28"W FOR A DISTANCE OF 25.87' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S54°25'21"W FOR A DISTANCE OF 16.00' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S57°16'39"W FOR A DISTANCE OF 55.66' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S57°39'28"W FOR A DISTANCE OF 50.63' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S60°02'09"W FOR A DISTANCE OF 20.37' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S55°34'20"W FOR A DISTANCE OF 16.53' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S53°18'35"W FOR A DISTANCE OF 16.04' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S53°41'49"W FOR A DISTANCE OF 21.53' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S58°29'44"W FOR A DISTANCE OF 44.46' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S54°29'45"W FOR A DISTANCE OF 24.03' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S59°46'47"W FOR A DISTANCE OF 38.74' TO A COMPUTED POINT, THENCE IN A DIRECTION OF S53°24'28"W FOR A DISTANCE OF 25.59' TO A COMPUTED POINT, THENCE IN A DIRECTION OF N31°21'12"W FOR A DISTANCE OF 11.25' TO A COMPUTED POINT, THIS BEING THE POINT OF BEGINNING.

THIS PARCEL CONTAINS 0.151 ACRES.



SHEET 3 OF 3

J. Bruce King, III
J. BRUCE KING, III S.C.P.L.S. NO. 22361



MAP SHOWING TWO VARIABLE WIDTH PERMANENT UTILITY EASEMENTS TO BE CONVEYED TO THE COMMISSIONERS OF PUBLIC WORKS OF THE CITY OF CHARLESTON, SOUTH CAROLINA CROSSING A WATERWAY AND MARSHLANDS UNDER THE CONTROL OF THE STATE OF SOUTH CAROLINA

DATE: JANUARY 25, 2018

SCALE: 1" = 100'

JOB NO. 817002300
SURVEY #18012501-A1856

CITY OF CHARLESTON, CHARLESTON COUNTY, SOUTH CAROLINA

HUSSEY GAY BELL

Established 1958

474 WANDO PARK BLVD, SUITE 201, MT. PLEASANT, SC 29464 / T: 843.849.7500

HGBD SURVEYORS, LLC
474 Wando Park Blvd, Suite 201
Mt. Pleasant, SC 29464
843.849.7500

SCALE: 1"=100'

(d-1)

TOWN OF WINNSBORO
TMS# 208-00-00-023-000

KAY C. THOMPSON &
CORNELIA C. WERTS
TMS# 208-00-00-014-000

(PROPERTY CORNER)

BROAD RIVER

24" RAW WATER LINE

3" AIR BURST
SUPPLY LINE

INTAKE SCREEN

MASS CONCRETE
SUPPORT BLOCK

0.04 ACRE

STATE GRID NORTH

ENCROACHMENT EASEMENT
0.04 ACRE

PT-PT	BEARING	DISTANCE
92-1276	S 88°01'12" W	15.00'
1276-1244	S 00°00'00" W	54.29'
1244-1249	N 90°00'00" W	30.00'
1249-1277	N 00°00'00" E	55.33'
1277-92	S 88°01'12" E	15.00'

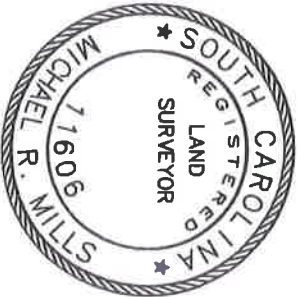
DR. CARROLL A. PINNER III
TMS# 208-00-00-021-000

BROAD RIVER



SURVEYOR'S SEAL

01-10-2018



SURVEYOR'S SEAL

GEODETIC AND
S.C. GRID COORDINATES
(1276)
NORTH: 875,308.94
EAST: 1,908,281.61
LATITUDE: N 34°14'19.48354"
LONGITUDE: W 081°18'12.60394"
(1277)
NORTH: 875,309.98
EAST: 1,908,251.62
LATITUDE: N 34°14'19.49293"
LONGITUDE: W 081°18'12.96129"

**PLAT OF ENCROACHMENT EASEMENT FOR
TOWN OF WINNSBORO
RAW WATER LINE INTAKE STRUCTURE AND RAMP**

LOCATED IN BROAD RIVER
FOR S.C. DEPARTMENT OF ADMINISTRATION PERMIT
FAIRFIELD COUNTY, SOUTH CAROLINA
JANUARY 10, 2018

SCALE: 1 INCH = 30 FEET



SURVEYED BY GLENN ASSOCIATES SURVEYING, INC.
P.O. BOX 12 JENKINSVILLE, S.C. 29065 telephone (803) 345-5297

MICHAEL R. MILLS, S.C.P.L.S. # 11606

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

(d-2)

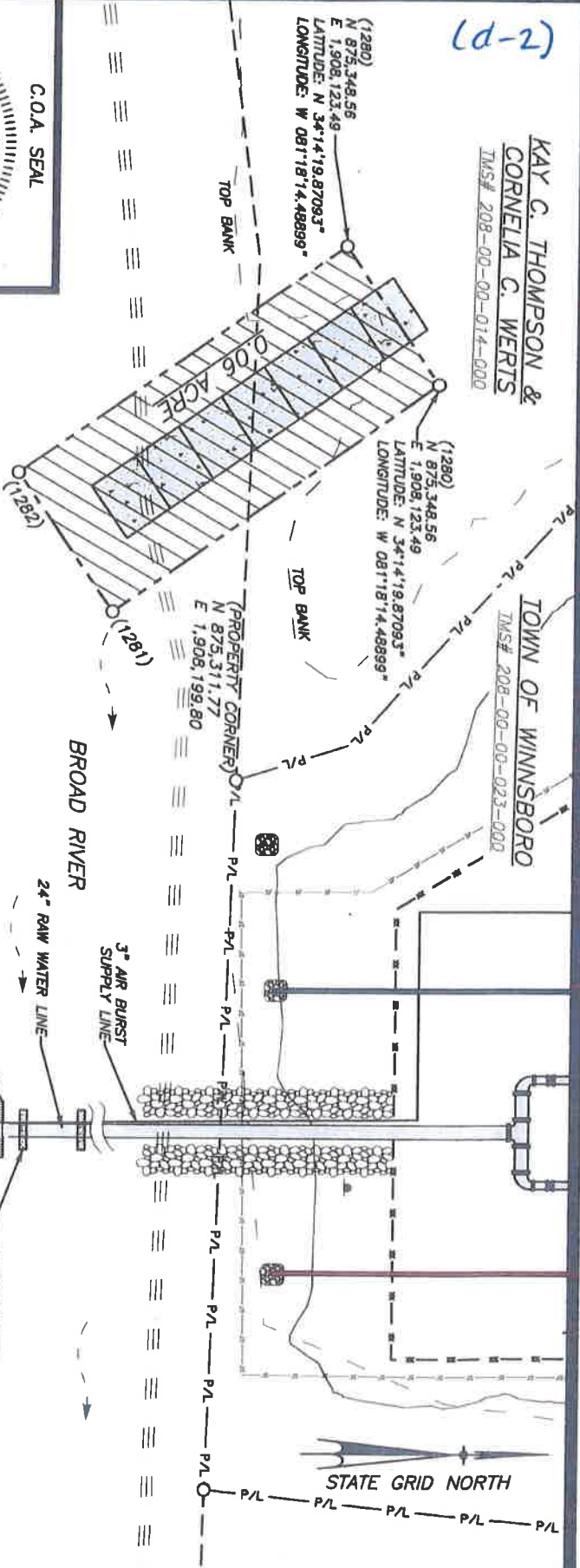
KAY C. THOMPSON &
CORNELIA C. WERTS
TMS# 208-00-00-014-000

TOWN OF WINNSBORO
TMS# 208-00-00-023-000

(1280)
N 875,348.56
E 1,908,123.49
LATITUDE: N 34°14'19.87093"
LONGITUDE: W 081°18'14.48899"

(1280)
N 875,348.56
E 1,908,123.49
LATITUDE: N 34°14'19.87093"
LONGITUDE: W 081°18'14.48899"

(PROPERTY CORNER)
N 875,311.77
E 1,908,199.80



C.O.A. SEAL



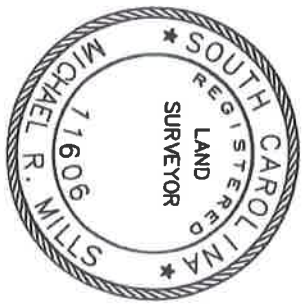
SURVEYOR'S SEAL

Michael R. Mills
01-10-2018

ENCROACHMENT EASEMENT
0.06 ACRE

PT-PT	BEARING	DISTANCE
1279-1280	N 55°17'28" E	32.00'
1280-1281	S 34°42'32" E	76.00'
1281-1282	S 55°17'28" W	32.00'
1282-1279	N 34°42'32" W	76.00'

SURVEYOR'S SEAL



PLAT OF ENCROACHMENT EASEMENT FOR
TOWN OF WINNSBORO
RAW WATER LINE INTAKE STRUCTURE AND RAMP

LOCATED IN BROAD RIVER
FOR S.C. DEPARTMENT OF ADMINISTRATION PERMIT
FAIRFIELD COUNTY, SOUTH CAROLINA
JANUARY 10, 2018

SCALE: 1 INCH = 30 FEET

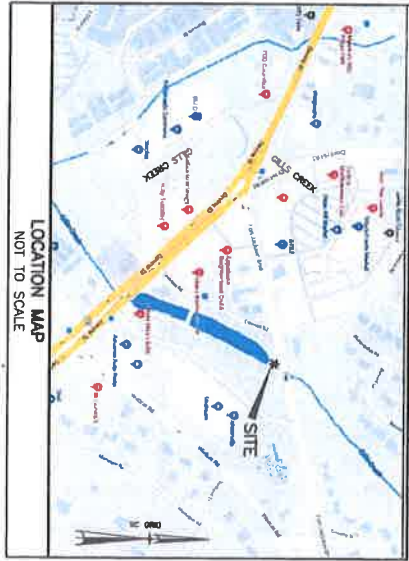


SURVEYED BY GLENN ASSOCIATES SURVEYING, INC.
P.O. BOX 12 JENKINSVILLE, S.C. 29065 telephone (803) 345-5297

Michael R. Mills
MICHAEL R. MILLS, S.C.P.L.S. # 11606

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

(e)

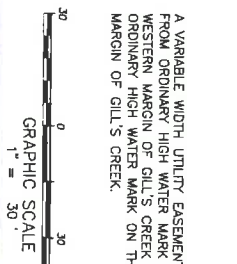


- NOTES:
- HORIZONTAL DATUM = SOUTH CAROLINA NORTH AMERICAN DATUM 1983, 2011 PROJECTION.
 - PROJECT VERTICAL DATUM = NAVD 1988.
 - PROPERTY LOCATION IS BASED UPON RICHLAND COUNTY RECORDS. SPECIFICALLY REFERRED TO RECORDS 44423350-01 AND 44423350-02. FIELD SURVEY FOR IMPROVEMENTS TO SANITARY SEWER SYSTEM FOR CITY OF COLUMBIA, SC ON LAKE KATHERINE SEWER LINE CAPACITY ENHANCEMENT PROJECT WAS PERFORMED BY URS AT THIS TIME.
 - UTILITY LINE EASEMENT LOCATION IS BASED ON PLANS PREPARED FOR CITY OF COLUMBIA, SC FOR IMPROVEMENTS TO SANITARY SEWER SYSTEM, BY URS.

LINE	BEARING	DISTANCE
L1	S86°28'20"E	48.15
L2	N88°03'07"W	90.12
L3	N76°28'42"E	50.76
L4	S32°39'43"W	11.95
L5	S36°37'34"W	5.85
L6	N28°03'45"E	4.39
L7	N1°35'23"W	2.16

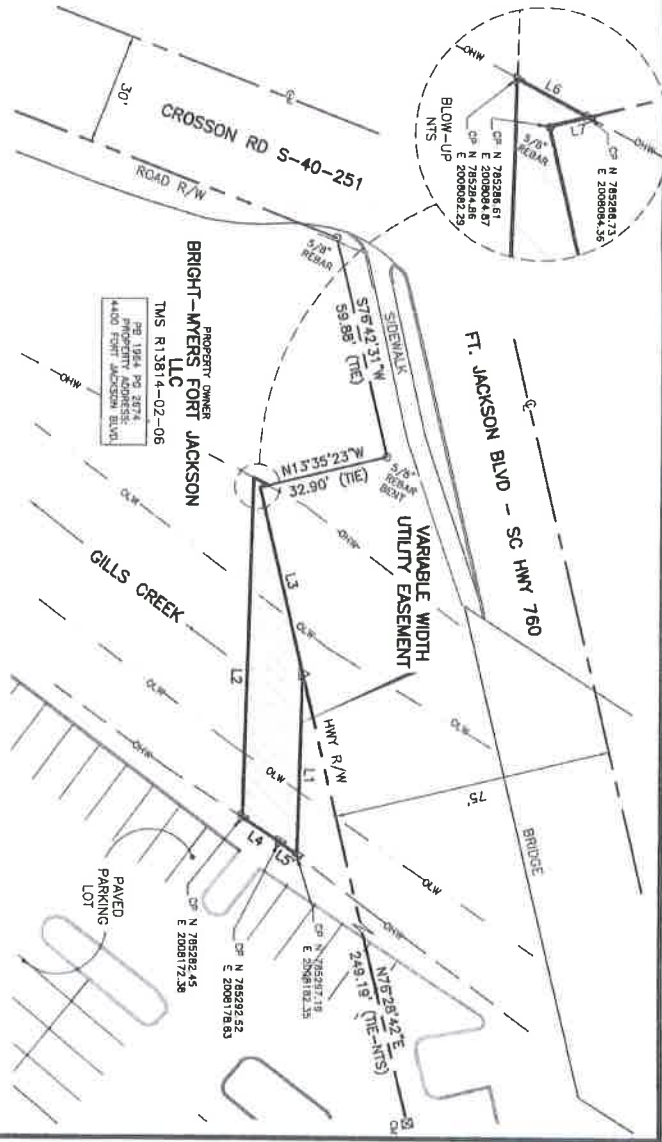
1. HEREBY STATE THAT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF, THE ENGINEER'S DESIGN AND CONSTRUCTION WAS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF THE MINIMUM STANDARDS FOR SANITARY SEWER SYSTEMS FOR A CLASS B SERVICE AS SPECIFIED IN THE CITY OF COLUMBIA, SOUTH CAROLINA SANITARY SEWER SYSTEM DESIGN SPECIFICATIONS AND THEREIN ARE NO VIOLATIONS OR PROJECTIONS OTHER THAN SHOWN.

DATE: 01/17/2018



A VARIABLE WIDTH UTILITY EASEMENT EXTENDING FROM ORDINARY HIGH WATER MARK ON THE WESTERN MARGIN OF GILLS CREEK TO THE ORDINARY HIGH WATER MARK ON THE EASTERN MARGIN OF GILLS CREEK.

UTILITY EASEMENT AREA = 1065 SQ. FT. OR 0.024 ACRE



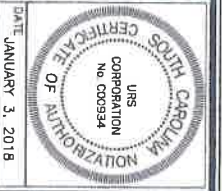
LEGEND

- △ CP CALCULATED POINT
- ORDINARY HIGH WATER
- ORDINARY LOW WATER
- EASEMENT
- CENTERLINE
- R/O-W
- CONCRETE MONUMENT
- UTILITY EASEMENT AREA (MARGINS OF THE STATE)

NO.	DESCRIPTION	DATE	BY

EASEMENT PLAT PREPARED FOR
CITY OF COLUMBIA, SC
SHOWING A UTILITY EASEMENT TO BE ACQUIRED FROM
S.C. DEPT OF ADMINISTRATION
RICHLAND COUNTY - COLUMBIA, SOUTH CAROLINA
PROJECT NAME : IMPROVEMENTS TO SANITARY SEWER SYSTEM FOR CITY OF COLUMBIA, SC
LAKE KATHERINE SEWER LINE CAPACITY ENHANCEMENT.

URS
101 Research Drive
Columbia, South Carolina 29202
Telephone (803) 234-6600 : Fax (803) 771-6676
www.urscorp.com



DISK	SHEET
REF	1
N.B. NO.	OF
PROJECT NO.	1
FILE NO.	37.202-G18

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: Real Property Conveyance

The Department of Administration, Facilities Management and Property Services recommends approval of the following real property conveyance:

Controlling Agency:	Department of Agriculture / Department of Administration
Acreage:	4.33 ± acres and improvements
Location:	237 Catawba Street, Columbia
County:	Richland
Purpose:	To dispose of surplus real property.
Price/Transferred To:	University of South Carolina Foundation/Not less than appraised value
Disposition of Proceeds:	To be retained and divided accordingly between the Department of Agriculture and the Department of Administration based on pro rata disposition of proceeds and pursuant to Proviso 93.20.
Additional Information:	The property is divided into two tracts, with Tract A consisting of 0.666 acres under the control of the Department of Administration and Tract B of 3.664 acres under the control of the Department of Agriculture. Tract B houses the SCDA Metrology Laboratory which includes a 5,424 square foot building, a 2,292 square foot pole building and a 1,224 square foot storage building. Tract A includes a 5,000 square foot warehouse building being used by Admin's Facilities Management Office.

SCDA is nearing completion of a new Metrology Laboratory at the SC State Farmers Market campus in West Columbia adjacent to its other laboratories. The agency intends to operate the Metrology Laboratory on Catawba Street and the new Metrology Laboratory concurrently for six to nine months for certification purposes. Further, Admin has indicated that it no longer needs Tract A and will pursue sale of the Tract in conjunction with SCDA's sale of Tract B as one sale with pro rata disposition of proceeds.

AUTHORITY ACTION REQUESTED:

Approve the real property conveyance as recommended by the Department of Administration, Facilities Management and Property Services.

ATTACHMENTS:

Agenda item worksheet and attachments

STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: March 8, 2018

Blue Agenda

1. Submitted by:

- (a) Agency: Department of Administration,
Division of Facilities Management
and Property Services
- (b) Authorized Official Signature:



Ashlie Lancaster, Director

2. Subject: REAL PROPERTY CONVEYANCES

3. Summary Background Information:

- (a) **Controlling Agency:** Department of Agriculture / Department of Administration
- Acreage:** 4.33 ± acres and improvements
- Location:** 237 Catawba Street, Columbia
- County:** Richland
- Purpose:** To dispose of surplus real property.
- Price/Transferred To:** University of South Carolina Foundation/Not less than appraised value
- Disposition of Proceeds:** To be retained and divided accordingly between the Department of Agriculture and the Department of Administration based on pro rata disposition of proceeds and pursuant to Proviso 93.20.
- Additional Information:** The property is divided into two tracts, with Tract A consisting of 0.666 acres under the control of the Department of Administration and Tract B of 3.664 acres under the control of the Department of Agriculture. Tract B houses the SCDA Metrology Laboratory which includes a 5,424 square foot building, a 2,292 square foot pole building and a 1,224 square foot storage building. Tract A includes a 5,000 square foot warehouse building being used by Admin's Facilities Management Office.

SCDA is nearing completion of a new Metrology Laboratory at the SC State Farmers Market campus in West Columbia adjacent to its other laboratories. The agency intends to operate the Metrology Laboratory on Catawba Street and the new Metrology Laboratory concurrently for six to nine months for certification purposes. Further, Admin has indicated that it no longer needs Tract A and will pursue sale of the Tract in conjunction with SCDA's sale of Tract B as one sale with pro rata disposition of proceeds.

4. What is Authority asked to do? Approve the property conveyances as requested.

5. What is recommendation of Department of Administration? Approve the property conveyances as requested.

6. List of Supporting Documents:

1. SC Code of Laws Section 1-11-65
2. 2017-2018 Appropriations Bill H3720, Part 1B, Proviso 93.20
3. (a) Department of Agriculture / Department of Administration – Richland County

SOUTH CAROLINA CODE OF LAWS

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

(A) All transactions involving real property, made for or by any governmental bodies, excluding political subdivisions of the State, must be approved by and recorded with the 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.

Editor's Note

Except for designation of the paragraphs, this section and former Section 1-11-57 were identical. For consistency, Section 1-11-57 is treated as an amendment to this section.

Effect of Amendment

2014 Act No. 121, Section 7.C, rewrote subsection (A).

South Carolina General Assembly
122nd Session, 2017-2018

H. 3720
General Appropriations Bill for fiscal year 2017-2018
As Ratified by the General Assembly

PART IB

OPERATION OF STATE GOVERNMENT

SECTION 93 – D50-DEPARTMENT OF ADMINISTRATION

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

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

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

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

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

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

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

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

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

(a) Department of Agriculture and Department of Administration
Richland County

List of Supporting Documents:

1. Letter from Department of Agriculture dated October 24, 2017
2. Plat/Map



Hugh E. Weathers, Commissioner

State of South Carolina
Department of Agriculture

Wade Hampton Office Building
PO Box 11280
Columbia, SC 29211
TL: (803) 734-2210
FX: (803) 734-2192

agriculture.sc.gov

24 October 2017

Ms. Linda Gordon
Real Property Services
South Carolina Department of Administration
Post Office Box 2825
Columbia, SC 29211

Dear Ms. Gordon:

The South Carolina Department of Agriculture (SCDA) requests the Department of Administration (Admin) and the State Fiscal Accountability Authority (SFAA) approve the sale of 237 Catawba Street in Columbia, Richland County, South Carolina (TMS #R08909-01-04).

The 4.33 acre parcel is divided into two tracts, with Tract A consisting of 0.666 acres under the control of Admin and Tract B of 3.664 acres under the control of the Department of Agriculture. Tract B includes a 5,424 square foot building that houses the SCDA Metrology Laboratory, which consists of a 5,424 square foot office building, a 2,292 square foot pole building, and a 1,224 square foot storage building; and Tract A includes a 5,000 square foot warehouse building being used by Admin. SCDA is nearing substantial completion of a new metrology laboratory at the Farmers Market campus adjacent to its other laboratories. The agency intends to operate the metrology laboratory on Catawba Street and the new metrology laboratory concurrently for six to nine months for certification purposes. Further, Admin has indicated that it no longer needs Tract A and will pursue sale of that Tract in conjunction with SCDA's sale of Tract B as one sale with pro rata disposition of proceeds.

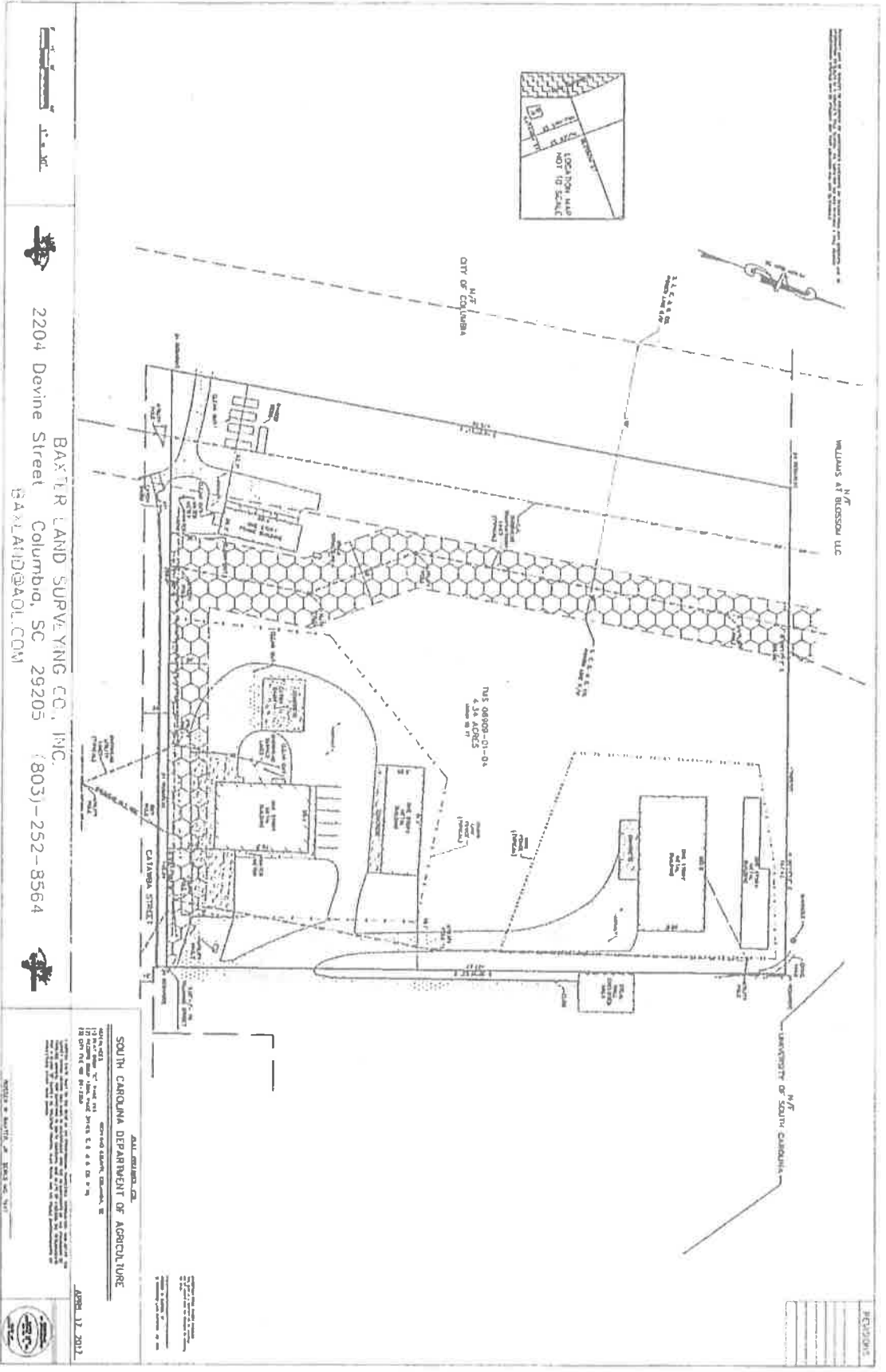
SCDA requests approval for the sale of this property to the University of South Carolina Foundation for an amount no less than the appraised value identified in the attached appraisal dated 20 February 2017. A property survey dated 17 April 2017, the existing deed, questionnaire, and other pertinent documents are enclosed.

Sincerely,

A handwritten signature in black ink that reads "A Wood".

Aaron Wood
Assistant Commissioner, Agency Operations

Enclosures



1" = 100'



BAXTER LAND SURVEYING CO., INC.
 2204 Devine Street
 Columbia, SC 29205
 (803)-252-8564
 BAXLATID@AOL.COM



SOUTH CAROLINA DEPARTMENT OF AGRICULTURE
 ALL RIGHTS RESERVED
 SOUTH CAROLINA DEPARTMENT OF AGRICULTURE
 1200 NORTH MARKET STREET, COLUMBIA, SC 29201
 (803) 733-2200
 APRIL 11, 2012



AGENCY: State Fiscal Accountability Authority, Insurance Reserve Fund

SUBJECT: Insurance Rates

The Insurance Reserve Fund (IRF) has as its mission the provision of property and liability insurance coverage at the lowest possible cost for its insureds. The IRF has worked diligently to avoid rate increases. Last March, IRF communicated to the Authority that the IRF's actuaries determined the need for a rate increase and recommended in the first phase to implement a property rate increase for the Seacoast and Beach areas beginning July 1, 2017. They also recommended taking rate increases in Property, Tort Liability and Medical Professional Liability in the future to be phased in over a 4 year period. The actuaries recommended, and IRF will implement, a multiple line rate increase statewide beginning July 1, 2018.

IRF staff will be available to brief the Authority on the rate increase status. No action is required by the Authority.

AUTHORITY ACTION REQUESTED:

Receive as information a briefing the by the Insurance Reserve Fund.

ATTACHMENTS:

Agenda item worksheet; Smith January 30, 2018, memos to insureds

STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: March 1, 2018

Blue Agenda

1. **Submitted By:**

(a) Agency: Insurance Reserve Fund

(b) Authorized Official Signature: _____

2. **Subject:** Insurance Rates

3. **Summary Background Information:**

The Insurance Reserve Fund (IRF) has as its mission the provision of property and liability insurance coverage at the lowest possible cost for its insureds. The IRF has worked diligently to avoid rate increases. Last March, IRF communicated to the Authority that the IRF's actuaries determined the need for a rate increase and recommended in the first phase to implement a property rate increase for the Seacoast and Beach areas beginning July 1, 2017. They also recommended taking rate increases in Property, Tort Liability and Medical Professional Liability in the future to be phased in over a 4 year period. The actuaries recommended, and IRF will implement, a multiple line rate increase statewide beginning July 1, 2018.

IRF staff will be available to brief the Authority on the rate increase status. No action is required by the Authority.

4. **What is Authority asked to do?**

Receive the briefing as information only.

5. **What is recommendation of the Agency involved?**

Receive the briefing as information only.

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

(a) Authorized Signature: _____

(b) Division/Agency Name: _____

7. **List of Supporting Documents:** Smith January 30, 2018 Memo to insureds

HENRY MCMASTER, CHAIR
GOVERNOR

CURTIS M. LOFTIS, JR.
STATE TREASURER

RICHARD ECKSTROM, CPA
COMPTROLLER GENERAL



INSURANCE RESERVE FUND

POST OFFICE BOX 11066
COLUMBIA, SOUTH CAROLINA 29211
(803) 737-0020
FAX: (803) 737-0042

HUGH K. LEATHERMAN, SR.
CHAIRMAN, SENATE FINANCE COMMITTEE

W. BRIAN WHITE
CHAIRMAN, HOUSE WAYS AND MEANS COMMITTEE

GRANT GILLESPIE
EXECUTIVE DIRECTOR

MEMORANDUM

TO: All Insureds

FROM: Anne Macon Smith, Director
Insurance Reserve Fund

SUBJECT: Insurance Rates

DATE: January 30, 2018

The mission of the Insurance Reserve Fund (IRF) is to provide property and liability insurance coverage at the lowest possible cost. In recognition of the budgetary challenges faced by our customers, the IRF has worked diligently to avoid rate increases, but needs to make the following rate changes.

Effective with policies that renew on or after July 1, 2018, IRF is increasing rates statewide as follows:

- Building and Personal Property, Builders' Risk, Business Income, and Data Processing rates will increase 12%.
- Inland Marine (all coverage forms) will increase 15%
- Automobile Physical Damage (Comprehensive and Collision) will increase 10%
- Tort rates will increase 15%

We regret the necessity of these rate increases. To reduce the financial impact the rate increases will have on your premium, please consider choosing a higher deductible, making coverage changes, or self insuring appropriate risks. We will discuss with you individually how these changes will impact your premium.

We appreciate the opportunity to work through these changes with you.

HENRY MCMASTER, CHAIR
GOVERNOR

CURTIS M. LOFTIS, JR.
STATE TREASURER

RICHARD ECKSTROM, CPA
COMPTROLLER GENERAL



INSURANCE RESERVE FUND

POST OFFICE BOX 11066
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CHAIRMAN, SENATE FINANCE COMMITTEE

W. BRIAN WHITE
CHAIRMAN, HOUSE WAYS AND MEANS COMMITTEE

GRANT GILLESPIE
EXECUTIVE DIRECTOR

MEMORANDUM

TO: State Agencies with Law Enforcement Personnel

FROM: Anne Macon Smith, Director
Insurance Reserve Fund

SUBJECT: Change in rate for State Law Enforcement classification

DATE: January 30, 2018

In recognition of the budgetary challenges faced by our customers, the IRF has worked diligently to avoid rate increases. In the rate study most recently completed, the actuaries determined that the current law enforcement rates for State entities are inadequate based on trends in both the numbers of claims and the costs of claims associated with State law enforcement. The result is that the rates for State entities with employees in a law enforcement classification must be increased.

Effective with policies that renew on or after July 1, 2018, the Tort rates for the law enforcement classification for State entities will increase by 40%.

IRF has communicated separately to all insureds that statewide Tort rates will increase by 15%. The 15% statewide Tort rate increase will apply after the State law enforcement rate adjustment has been implemented.

If you have questions, please call your IRF field agent. We appreciate the opportunity to work through these changes with you.

AGENCY: Executive Director

SUBJECT: Economic Development (2018 Ceiling Allocations)

The initial balance of the 2018 state ceiling allocation is \$527,558,745. In accord with Code Section 1-11-520, \$211,023,498 (40% of the total) was designated as the state pool and \$316,535,247 (60% of the total) was designated as the local pool. There is presently a state ceiling balance of \$527,558,745 remaining for 2018. Allocation requests for 2018 totaling \$35,500,000 have been received thus far.

Relating to requests for calendar year 2018 ceiling allocations, the Authority is asked to authorize shifts as necessary between the state pool and the local pool for the remainder of the calendar year.

The recommendation from the Department of Commerce for allocations for this cycle totals \$35,500,000. The Department of Commerce makes the following recommendation for allocation from the local pool:

JEDA Lakeside Place (Lexington County), \$15,000,000;
JEDA Aiken Memory Care (Aiken County), \$11,000,000; and
JEDA Ridgeland Pellets, LLC (Jasper County), \$9,500,000.

The SC Code of Laws Section 1-11-540 (B) provides that “requests for state ceiling allocations of more than ten million dollars for a single project are deferred until after July first unless the board... 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.” Bond counsel for the Lakeside Place and Aiken Memory Care projects has advised that the positive economic, job creation, and infrastructure impact to the State is of such significance that approval of the allocation request is warranted prior to July 1.

If the Authority approves the recommended requests, this will leave an unexpended state ceiling balance of \$492,058,745 (state pool - \$211,023,498; local pool - \$281,035,247) to be allocated later in the calendar year.

AUTHORITY ACTION REQUESTED:

1) In accord with Code Section 1-11-500 et seq. and upon the recommendation of the Department of Commerce, grant the following tentative ceiling allocation from the local pool:

JEDA Lakeside Place (Lexington County), \$15,000,000;
JEDA Aiken Memory Care (Aiken County), \$11,000,000; and
JEDA Ridgeland Pellets, LLC (Jasper County), \$9,500,000.

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

ATTACHMENTS:

2018 Ceiling Allocation Requests; Young 2/14/18 Memo; Code Section 1-11-500 et seq.;
Petitions for Ceiling Allocation

2018 Ceiling Allocation Requests

Recd.	Issuing Authority	Project	Request	Cumulative	Board Counsel	Request		Location	NOTES
						Alloc	St.Law		
1	01/31/18 JEDA	Lakeside Place	15,000,000	15,000,000	Emily Luther			Lexington	
2	01/31/18 JEDA	Aiken Memory Care	11,000,000	26,000,000	Emily Luther	x	x	Aiken	
3	01/31/18 JEDA	Ridgeland Pellets, LLC	9,500,000	35,500,000	Tyler Smith	x	x	Jasper	

2018 Ceiling Allocation Requests

Recd.	Issuing Authority	Project	Request	Cumulative	Bond Counsel	Request Alloc	SLAW	Location	NOTES
1	01/31/18 JEDA	Lakeside Place	15,000,000	15,000,000	Emily Luther			Lexington	
2	01/31/18 JEDA	Aiken Memory Care	11,000,000	26,000,000	Emily Luther	x		Aiken	
3	01/31/18 JEDA	Ridgeland Pellets, LLC	9,500,000	35,500,000	Tyler Smith	x		Jasper	

2018 South Carolina State Ceiling

Balance remaining as of March 8, 2018, if ceiling allocation granted

State Pool (40%) 211,023,498
 Total State Pool (40%) 211,023,498

Local Pool (60%) 316,535,247
 Total Local Pool (60%) 316,535,247

Certified State Ceiling 2018 527,558,745

Date	Governmental Unit	Name of Project	Pool Total	Amount Allocated	Balance Available	Certified for Issue	Issue Date	Attorney
01/02/18	STATE POOL		211,023,498					
TOTAL, STATE POOL			<u>211,023,498</u>	<u>0</u>	<u>211,023,498</u>	<u>0</u>		

Date	Governmental Unit	Name of Project	Pool Total	Amount Allocated	Balance Available	Certified for Issue	Issue Date	Attorney
01/02/18	LOCAL POOL		316,535,247					
03/08/18	JEDA	Lakeside Place		15,000,000				Luther
03/08/18	JEDA	Aiken Memory Care		11,000,000				Luther
03/08/18	JEDA	Ridgeland Pellets, LLC		9,500,000				Luther
TOTAL, LOCAL POOL			<u>316,535,247</u>	<u>35,500,000</u>	<u>281,035,247</u>	<u>0</u>		

GRAND TOTAL	<u>527,558,745</u>	<u>35,500,000</u>	<u>492,058,745</u>	<u>0</u>
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Summary, CY 2018

2018 South Carolina State Ceiling Allocations

Balance Available: 492,058,745

2018 State Ceiling **527,558,745**
 Initial Allocations 35,500,000
 Expired/Relinquished 0
 Actual Allocations **35,500,000**
 Certified for Issue 0
 Carried Forward 0

Issuer	Name of Project	Expiration	Allocation Amount	Expired/Relinquished	Certified for Issue	Issue Date	Attorney
Allocation: 3/8/18							
JEDA	Lakeside Place	6/6/18	15,000,000				Luther
JEDA	Aiken Memory Care		11,000,000				Luther
JEDA	Ridgeland Pellets, LLC		9,500,000				Smith

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.

SECTION 1-11-570. Budget and Control Board to adopt policies and procedures.

The Budget and Control Board, after review and comment by the committee, may adopt the policies and procedures it considers necessary for the equitable and effective administration of Sections 1-11-500 through 1-11-570.

SECTION 1-11-580. Budget and Control Board to make quarterly payments on certain insurance contracts.

The Budget and Control Board shall make quarterly payments on insurance contracts where the annual premium exceeds fifty thousand dollars. The board shall undertake necessary negotiations to implement this requirement. Where fees may be incurred for quarterly rather than annual payments, the Budget and Control Board shall determine whether the investment income opportunity is greater or less than proposed fees and shall make the decision which best benefits South Carolina.



Henry McMaster
Governor

SOUTH CAROLINA
DEPARTMENT OF COMMERCE

Robert M. Hitt III
Secretary

MEMORANDUM

To: Delbert Singleton

From: Daniel Young *ADY*

Date: February 14, 2018

Re: March 8, 2018 meeting

At the request of SC State Fiscal Accountability Authority, the South Carolina Department of Commerce evaluates allocation requests that pertain to economic development.

After reviewing information provided by the Parker Poe Adams Bernstein, LLP, regarding two senior housing projects and one manufacturing project the Department of Commerce recommends approval both at the March 8, 2018, meeting of the State Fiscal Accountability Authority. The companies are committing to create a combined 170 new jobs within 24 months.

Name	Requested Amount	Score	County
Ridgeland Pellets	\$9,500,000	8	Jasper
Aiken Memory Center	\$11,000,000	4	Aiken
Lakeside Place Project	\$15,000,000	4	Lexington

Please let me know if you have any questions.

Thank you.



Emily S. Luther
Partner
Telephone: 803.253.6841
Direct Fax: 803.255.8017
emilyluther@parkerpoe.com

Atlanta, GA
Charleston, SC
Charlotte, NC
Columbia, SC
Greenville, SC
Raleigh, NC
Spartanburg, SC

January 31, 2018

Via Email and Hand Delivery

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

**Re: Not Exceeding \$15,000,000
South Carolina Jobs-Economic Development Authority
Economic Development Revenue Bonds
(Lakeside Place Project) Series 2018**

Dear Delbert:

Please find enclosed for the State Fiscal Accountability Authority's ("SFAA") consideration at its March 8, 2018, meeting, the following documents relating to a petition from the South Carolina Jobs-Economic Development Authority ("JEDA") pursuant to Article 3, Chapter 11 of Title 1 of the South Carolina Code of Laws, 1976, as amended ("Act"), for a State ceiling allocation in the amount of \$15,000,000 for the above-referenced bonds ("Bonds"):

- A. a completed transmittal form and Attachment A;
- B. form of JEDA's Petition to the SFAA;
- C. form of JEDA's Inducement Resolution and Inducement Agreement;
- D. form of JEDA's Petition to the South Carolina Coordinating Council for Economic Development ("CCED"); and
- E. form of CCED's Resolution approving the Bonds.

The Bonds are anticipated to be issued by JEDA for the purpose of providing a loan to CR Senior Living, and one or more of its related or affiliated entities ("Borrower"), to finance a portion of the costs of designing, acquiring, constructing, and equipping a senior living community, consisting of assisted living and memory care facilities in Lexington County, South Carolina ("Project").

The Bonds are expected to be induced by JEDA at its February 14, 2018, meeting and presented to the CCED for approval at its March 8, 2018, meeting. Following the JEDA meeting, the executed versions of the Inducement Resolution, Inducement Agreement and Petitions to the CCED and SFAA will be provided as a supplement to this transmission. Additionally, following the CCED's meeting on March 8, 2018, the approving resolution adopted by the CCED will be forwarded to you for the SFAA's records.

PPAB 4088692v1

Delbert E. Singleton, Jr.
January 31, 2018
Page 2

Based on information presented by the Borrower, the Project is anticipated to result in a positive impact to the State and Lexington County of such significance that approval of the allocation request in the entire amount of \$15,000,000 is warranted to be given at the SFAA's March 8, 2018, meeting and not deferred until after July 1 as permitted by Section 1-11-540 of the Act. The Project's significant positive impact is demonstrated by the capital investment, job creation, and infrastructure needs met by the Project, all as more particularly detailed in Attachment A to the transmittal form.

Pursuant to Section 1-11-530 of the Act, the allocation amount as set forth in this letter and the enclosed documents constitutes all of the private activity bond financing contemplated at this time for the Project.

Please do not hesitate to contact me should you have any questions regarding the Bonds, or the information and requests included with this letter. Thank you in advance for your assistance.

Sincerely,



Emily S. Luther

Enclosures: stated

cc: Harry Huntley, Executive Director
South Carolina Jobs-Economic Development Authority
(via email: hhuntley@scjeda.com)

Claudia Miller, Administrative Manager
South Carolina Jobs-Economic Development Authority
(via email: cmiller@scjeda.com)

TRANSMITTAL FORM, REVENUE BONDS

TO: Delbert H. Singleton, Jr., Authority Secretary
State Fiscal Accountability Authority
600 Wade Hampton Building
Columbia, SC 29201
OR P. O. Box 12444, Columbia, SC 29211

DATE: January 31, 2018

Submitted for SFAA Meeting on:

March 8, 2018

FROM:

Parker Poe Adams & Bernstein LLP
Name of Law Firm

1221 Main Street, Suite 1100
Street Address/Box Number

Columbia, South Carolina 29201
City, State, Zip Code

(803) 255.8000
Area Code/Telephone Number

RE:

not exceeding \$15,000,000
Amount of Issue

SC Jobs-Economic Development Authority
Name of Issuing Authority

Economic Development Revenue Bonds
Type of Bonds or Notes

March 30, 2018
Projected Issue Date

Project Name: Lakeside Place

Project Description: Assisted Living and Memory Care Community. See Attachment A for additional details.

Employment as a result of the project: 55 (direct) within 24 months

Ceiling Allocation Required Refunding Involved Project Approved Previously
X Yes (\$15,000,000) No Yes (\$) No Yes (\$) No
Amount Amount Amount

Documents enclosed (executed original and two copies of each):
(ALL documents required for state law approval; A and C only for ceiling allocation only.)

- A. X Petition
B. N/A Resolution or Ordinance
C. X Inducement Resolution or comparable preliminary approval
D. N/A Department of Health and Environmental Control Certificate if required
E. N/A State Fiscal Accountability Authority Resolution (original)
Plus copies for certification and return to bond counsel
F. N/A Draft bond counsel opinion letter
G. N/A Processing Fee
Amount: \$ Check No:
Payor:

Bond Counsel: Parker Poe Adams & Bernstein LLP
Typed Name of Bond Counsel

By:
Signature

ATTACHMENT A TO TRANSMITTAL FORM

The not exceeding \$15,000,000 of the South Carolina Jobs-Economic Development Authority's ("JEDA") Economic Development Revenue Bonds ("Bonds") is to be loaned to CR Senior Living, LLC (or its affiliated and related entities) ("Borrower") for the construction of a 66-unit, 80 bed senior living facility consisting of assisted living and memory care facilities in Lexington County, South Carolina ("Project"). The Project and the Bonds are anticipated to be induced by JEDA at its February 14, 2018, meeting and the South Carolina Coordinating Council for Economic Development will consider the Project and the Bonds at its meeting on March 8, 2018. JEDA is submitting a petition to the State Fiscal Accountability Authority to request an allocation of the State's ceiling for the Bonds in the amount of \$15,000,000.

The Borrower is a North Carolina limited liability company. The Borrower is a special purpose entity, created through a partnership of CapRock, LLC and David Little, principal of Progressive Management - entities experienced in the development of assisted living communities - for the purpose of constructing, owning and operating assisted living facilities with memory care in South Carolina. The project team has completed financings for assisted living facilities in Boiling Springs, South Carolina and Little River, South Carolina.

The Project will result in an investment of approximately \$13,200,000 in Lexington County, and the direct employment of 55 people within 24 months, which employees will be from Lexington County and adjacent areas. In addition to the significant positive impact to the State and Lexington County flowing from the above-described capital investment and job creation resulting from the Project, the Project will also provide a significant positive impact by supplying much needed affordable, assisted living housing for the increasing senior population of Lexington County and the surrounding area. The senior population (defined as those aged 65 and above) in Lexington County is expected to increase by approximately 24% from 2017-2022. The current facilities offering assisted living options in Lexington County are at near -or full-capacity and already require wait-lists for new residents. According to the market study prepared by ValueTech Realty Services, Inc. for the Project, there are no facilities, other than the Project, that are planned and would be available to provide assisted living housing options for the increasing senior population. Without the Project, current senior housing facilities could become over-burdened or alternatively, seniors may be required to pursue more costly options, like private in-home care services.

Last, the Project will provide much needed support and safe-housing for the aging population suffering from cognitive degradation. The Project's memory care facilities are designed to provide a controlled living environment to keep residents suffering from cognitive diseases safe, while still allowing them a quality life and independence as long as possible. Such infrastructure, which provides a safe living environment, is critical to seniors suffering from cognitive degradation and their families.

The project team has completed the design phase for the Project and is ready for construction. Not only will the Project provide a significant positive impact to the State and Lexington County which warrants a volume cap allocation of greater than \$10 million prior to July, but a delay in the receipt of a volume cap allocation until after July would could impact the financing and commencement of construction. A delay in construction would impact the Project's ability to be complete and operational in time to meet the housing needs for the growing senior population that is projected in Lexington County and described above.

STATE OF SOUTH CAROLINA)	
)	
RICHLAND COUNTY)	
)	
<hr/>)	
)	
TO THE STATE FISCAL	)	PETITION OF THE
	)	SOUTH CAROLINA
ACCOUNTABILITY AUTHORITY	)	JOBS-ECONOMIC
	)	DEVELOPMENT AUTHORITY
OF SOUTH CAROLINA)	

This Petition of the South Carolina Jobs-Economic Development Authority ("*Authority*"), pursuant to Title 1, Chapter 11 of the Code of Laws of South Carolina 1976, as amended ("*Act*"), and specifically Section 1-11-530 thereof, respectfully shows:

1. The Act, among other things, authorizes the State Fiscal Accountability Authority ("*SFAA*") to allocate the State of South Carolina's ("*State*") ceiling on the issuance of private activity bonds in response to authorized requests from issuing authorities.
2. Each State ceiling allocation made by the SFAA, unless eligible and approved for carry-forward election is valid only for the calendar year in which the State ceiling allocation is made and expires automatically if the bonds for which the allocation is made are not issued within 90 consecutive calendar days from the date the allocation is approved.
3. The Authority has agreed to assist CR Senior Living, LLC and one or more of its related or affiliated entities by issuing one or more series of its Economic Development Revenue Bonds ("*Bonds*"), in an amount not to exceed \$15,000,000, to (i) finance a portion of the costs of designing, acquiring, constructing, and equipping an approximately 66-unit, 80 bed senior living community ("*Facility*") consisting of assisted living and memory care facilities in Lexington County, South Carolina, all of which constitutes property eligible to be financed with economic development revenue bonds, (ii) fund certain accounts and funds related to the Facility and the Bonds, (iii) finance capitalized interest during the construction period of the Facility, and (iv) provide for certain fees and expenses to be incurred in connection with the issuance of the Bonds (collectively, (i), (ii), (iii) and (iv) are the "*Project*"). The Authority has petitioned the South Carolina Coordinating Council for Economic Development for approval of the Bonds at its meeting on March 8, 2018, pursuant to Section 41-43-110 of the Code of Laws of South Carolina 1976, as amended.
4. The Facility is expected to be a qualified residential rental project as described under Section 142 of the Internal Revenue Code and, once complete, will provide a significant positive impact to the State as demonstrated in the materials submitted by the Authority with this Petition.
5. The Bonds to be issued for the Project would require an allocation of \$15,000,000 of the State ceiling. The Bonds constitute all of the private activity bond financing contemplated for the Project as of the date of this Petition.

Upon the basis of the foregoing, the Authority respectfully prays that the SFAA (i) accept the filing of this Petition and the documents submitted herewith, (ii) make such review as it deems advisable, (iii) determine that the Facility will provide a positive impact on the State of such significance that the allocation of more than \$10,000,000 of the State ceiling to the Bonds prior to July is warranted, and (iv) approve a State ceiling allocation for the Bonds of \$15,000,000.

February 14, 2018



Respectfully submitted,

**SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY**

By: _____

Harry A. Huntley
Harry A. Huntley, Executive Director

**THE SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY**

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AGREEMENT BY AND BETWEEN SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY AND CR SENIOR LIVING, LLC, WHEREBY UNDER CERTAIN CONDITIONS THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY WILL ISSUE NOT TO EXCEED \$15,000,000 OF ITS ECONOMIC DEVELOPMENT REVENUE BONDS IN ONE OR MORE SERIES, TAXABLE OR TAX-EXEMPT, PURSUANT TO THE PROVISIONS OF TITLE 41, CHAPTER 43 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, AND AUTHORIZING APPLICATION UPON CERTAIN CONDITIONS TO THE SOUTH CAROLINA COORDINATING COUNCIL FOR ECONOMIC DEVELOPMENT FOR APPROVAL OF THE ISSUANCE OF SUCH BONDS; AND OTHER RELATED MATTERS

WHEREAS, the South Carolina Jobs-Economic Development Authority ("*Authority*"), acting by and through its Board of Directors, is authorized and empowered under and pursuant to the provisions of Title 41, Chapter 43 of the Code of Laws of South Carolina 1976, as amended ("*Act*"), to utilize any of its program funds to establish loan programs to encourage and assist the location of new business enterprises in the State of South Carolina ("*State*") and for other purposes described in Section 41-43-160 of the Act in order to promote and develop the business and economic welfare of the State and thus provide maximum opportunities for the creation and retention of jobs and improvement of the standard of living of the citizens of the State and act in conjunction with other persons and organizations, public or private, in the promotion and advancement of industrial, commercial, agricultural, and recreational development in this State; and

WHEREAS, in order to provide funds for any program authorized by the Act, the Authority is further authorized by Section 41-43-110 of the Act to issue limited obligations, the principal and interest of which are payable by the Authority solely from a revenue producing source and secured by a pledge of said revenues; and

WHEREAS, CR Senior Living, LLC, and its related or affiliated entities (collectively, "*Borrower*"), has applied to the Authority to issue not to exceed \$15,000,000 of its Economic Development Revenue Bonds ("*Bonds*") in one or more series, taxable or tax-exempt, in order to (i) finance a portion of the costs of designing, acquiring, constructing, and equipping an approximately 66 room, 80 bed senior living community ("*Facility*") consisting of assisted living and memory care facilities in Lexington County, South Carolina ("*County*"), all of which constitutes property eligible to be financed with economic development revenue bonds, (ii) fund certain accounts and funds related to the Facility and the Bonds, (iii) finance capitalized interest during the construction period of the Facility, and (iv) provide for certain fees and expenses to be incurred in connection with the issuance of the Bonds (collectively, (i), (ii), (iii) and (iv) are the "*Project*"), and the Authority wishes to induce the Borrower to undertake the Project; and

WHEREAS, it is in the public interest, for public benefit and in furtherance of the public purposes of the Authority, that its Board of Directors provide preliminary approval of the issuance of revenue bonds for the aforesaid purposes; and

WHEREAS, it is deemed advisable by the Authority to file with the South Carolina Coordinating Council for Economic Development ("*Coordinating Council*"), in compliance with Section 41-43-110 of the Act, a petition (defined below) of the Authority requesting approval by the Coordinating Council for the issuance of the Bonds which are anticipated to be sold in a limited offering to qualified institutional buyers and accredited investors; and

WHEREAS, it is deemed advisable by the Authority to file with the State Fiscal Accountability Authority ("*SFAA*"), in compliance with Section 1-11-530 of the Code of Laws of South Carolina 1976, as amended, a petition of the Authority requesting \$15,000,000 of the State ceiling be allocated by the SFAA to the Bonds.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority ("*Board*") as follows:

Section 1. It is hereby found, determined, and declared as follows:

(a) The Borrower is a responsible party and the proposed Project is located in the County.

(b) The Borrower has demonstrated to the Authority that the assistance of the Authority by the issuance of its revenue bonds will result in (i) the creation of (A) indirect employment of approximately 60 people within 12 months, and (B) direct employment for 55 people within 24 months, which employees will be from the County and adjacent areas, and (ii) the promotion of other public benefits incident to the conduct of such activity not otherwise provided locally; and the number of jobs and other public benefit resulting from the assistance authorized herein bears a reasonable relationship to the principal amount of the Bonds.

(c) The principal amount of the Bonds bears a reasonable relationship to the amount of private funds committed to the Project.

(d) The size and scope of the Project is such that a definite benefit to the economy of the State, and the County in particular, is reasonably expected to result therefrom.

Section 2. Subject to such approval by the Coordinating Council and the governing board of the County, as required by law, the Board preliminarily approves the issuance and sale of the Bonds for the purpose of providing funds to be loaned to the Borrower to finance the Project and the related items as described in the recitals, above.

Section 3. The issuance and sale of the Bonds shall be upon such terms and conditions as may be mutually agreed upon by the Authority, the Borrower and the purchaser of the Bonds, and shall be subject to completion of proceedings for issuance, sale and delivery of the Bonds satisfactory to the Authority. The provisions, terms, and conditions of the agreements to be entered into in connection with the issuance of the Bonds by the Authority, and the form, details, rate or rates of interest, maturity, and redemption provisions, if any, of the Bonds, other details of any loan agreement relating to the Bonds, and findings required by the Act shall be prescribed by subsequent resolution of the Authority and shall be reasonable and proper (taking into account such factors as the type of program involved, the principal amount of the Bonds, and the number and type of jobs involved), and the public interest shall be adequately protected by the terms thereof.

Section 4. The Executive Director is hereby authorized and directed to execute the Inducement Agreement in the form attached hereto as Exhibit A (with such changes as shall have been approved by

counsel to the Authority), in the name and on behalf of the Authority and to affix the seal of the Authority and to attest the same, and the Executive Director of the Authority is hereby further authorized and directed to deliver said executed Inducement Agreement to the Borrower.

Section 5. It is the intention of the Authority that this resolution shall constitute an official action on the part of the Authority within the meaning of the applicable regulations of the Department of Treasury of the United States of America relating to the issuance of tax-exempt revenue bonds.

Section 6. The Bonds shall never constitute an indebtedness of the Authority or the State within the meaning of any state constitutional provision or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the Authority or the State or a charge against the general credit of the Authority or the State or the taxing powers of the State.

Section 7. There shall be and is hereby authorized and directed the submission on behalf of the Authority, of (i) a petition requesting approval by the Coordinating Council (pursuant to the provisions of Section 41-43-110 of the Act) of the issuance of the Bonds which are anticipated to be sold in a limited offering to qualified institutional buyers and accredited investors, and (ii) a petition requesting the SFAA allocate \$15,000,000 of the State ceiling to the Bonds.

Section 8. The Executive Director shall be and is hereby authorized and directed to execute the petitions in the name and on behalf of the Authority, and to affix the seal of the Authority to the petitions, upon the conditions set forth hereinabove, to submit an executed copy of this resolution to the Coordinating Council and the SFAA.

Section 9. All orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this resolution shall take effect and be in full force from and after its passage and approval.

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Passed and approved: February 14, 2018.



**SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY**



Harry A. Huntley, Executive Director

INDUCEMENT AGREEMENT

THIS INDUCEMENT AGREEMENT made and entered into by and between SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic and an agency and duly constituted authority of the State of South Carolina ("*Authority*"), and CR SENIOR LIVING, LLC, and its related entities (collectively, "*Borrower*").

WITNESSETH

ARTICLE I RECITATION OF FACTS

As a means of setting forth the matters of mutual inducement which have resulted in the making and entering into of this Agreement, the following statements of fact are herewith recited:

Section 1.01. The Authority, acting by and through its Board of Directors, is authorized and empowered under and pursuant to the provisions of Title 41, Chapter 43 of the Code of Laws of South Carolina 1976, as amended ("*Act*"), to utilize any of its program funds to establish loan programs to encourage and assist the location of new business enterprises in the State of South Carolina ("*State*") and for other purposes described in Section 41-43-160 of the Act in order to promote and develop the business and economic welfare of the State and thus provide maximum opportunities for the creation and retention of jobs and improvement of the standard of living of the citizens of the State and act in conjunction with other persons and organizations, public or private, in the promotion and advancement of industrial, commercial, agricultural, and recreational development in this State.

Section 1.02. In order to provide funds for any program authorized by the Act, the Authority is further authorized by Section 41-43-110 of the Act to issue limited obligations, the principal and interest of which are payable by the Authority solely from a revenue producing source and secured by a pledge of said revenues.

Section 1.03. The Borrower has applied to the Authority to issue not to exceed \$15,000,000 of its Economic Development Revenue Bonds ("*Bonds*") in one or more series, taxable or tax-exempt, in order to (i) finance a portion of the costs of designing, acquiring, constructing, and equipping an approximately 66 room, 80-bed senior living community ("*Facility*") consisting of assisted living and memory care facilities in Lexington County, South Carolina ("*County*"), all of which constitutes property eligible to be financed with economic development revenue bonds, (ii) fund certain accounts and funds related to the Facility and the Bonds, (iii) finance capitalized interest during the construction period of the Facility, and (iv) provide for certain fees and expenses to be incurred in connection with the issuance of the Bonds (collectively, (i), (ii), (iii) and (iv) are the "*Project*").

Section 1.04. (a) The Borrower is a responsible party and the Project is located in the County.

(b) The Borrower has demonstrated to the Authority that the assistance of the Authority by the issuance of its revenue bonds will result in (i) the creation of (A) indirect employment of approximately 60 people within 12 months, and (B) direct employment for 55 people within 24 months, which employees will be from the County and adjacent areas, and (ii) the promotion of other public benefits incident to the conduct of such activity not otherwise provided locally; and the number of jobs and other public benefit resulting from the assistance authorized herein bears a reasonable relationship to the principal amount of the Bonds.

(c) The principal amount of the Bonds bears a reasonable relationship to the amount of private funds committed to the Project.

(d) The size and scope of the Project is such that a definite benefit to the economy of the State, and the County in particular, is reasonably expected to result therefrom.

Section 1.05. The Authority has given due consideration to all the proposals and requests of the Borrower and has agreed to endeavor to effect the issuance of the Bonds at the time and on the terms and conditions hereafter set forth.

ARTICLE II UNDERTAKING ON THE PART OF THE AUTHORITY

The Authority agrees as follows:

Section 2.01. The Authority will, subject to such approval by the South Carolina Coordinating Council for Economic Development ("*Coordinating Council*") and the governing body of the County, as may be required by law, and subject to the limitations set forth herein, authorize the issuance of the Bonds, at such time as the Borrower may request the Authority to do so.

Section 2.02. The Authority will permit the Borrower to arrange for the sale of the Bonds to defray certain costs of the Project as aforesaid, and if successful marketing arrangements can be made, it will adopt such proceedings and enter into such agreements as are necessary for the issuance and securing of the Bonds.

Section 2.03. The proceeds of any sale of the Bonds may be applied to the payment of the costs of the Project as determined under the Act, including, without limitation, the expenses incurred in connection with the issuance and sale of the Bonds, the acquisition of the Project, including land, buildings, equipment, and other items permitted by the Act, the repayment of any funds, advances or loans incurred by the Borrower for such purposes, the creation of a debt service reserve fund, and the provision of funds for capitalized interest.

Section 2.04. Prior to issuing the Bonds, the Authority may enter into a loan agreement with the Borrower and a security agreement with the trustee (to be requested by the Borrower and approved by the Authority and the State Treasurer) or with the purchasers of the Bonds, pursuant to which the Bonds will be secured and issued. Such documents shall be substantially in the form used in connection with the issuance of other South Carolina revenue bonds and shall constitute a lien on the revenues derived from the Borrower with respect to the Project to secure the payment of the Bonds. Provisions, terms and conditions of the agreements to be entered into in connection with the issuance of the Bonds by the Authority, and the form, details, rate or rates of interest, maturity and redemption provisions, if any, of the Bonds, and other details of any loan agreement relating to the Bonds, shall be prescribed by subsequent resolution of the Authority and shall be reasonable and proper, taking into account such facts as type of program involved, the principal amount of the Bonds and the number and type of jobs involved, and the public interest shall be adequately protected by the terms thereof.

Section 2.05. The Authority will perform such other acts and adopt such further proceedings as may be required faithfully to implement its undertaking and to consummate the proposed financing.

Section 2.06. The undertakings of the Authority hereunder are contingent upon the Authority continuing to evaluate the Project as desirable and beneficial to the public interest after considering all additional circumstances of which the Authority may hereafter become aware and upon the Borrower

providing the Authority with such further evidence as may be satisfactory to the Authority as to compliance with all applicable laws, statutes and regulations.

ARTICLE III UNDERTAKINGS ON THE PART OF THE BORROWER

Section 3.01. The Borrower agrees that the Authority will have no obligation to find a purchaser of the Bonds and acknowledges that the Authority's approval of this Agreement is preliminary and is conditioned upon the Authority continuing to evaluate the Project as desirable and beneficial to the public interest after considering all additional circumstances of which the Authority may hereafter become aware.

Section 3.02. The Borrower further agrees, if the issuance of the Bonds proceeds as contemplated, as follows:

(a) to acquire the Project;

(b) to enter into a loan agreement with the Authority, under the terms of which the Borrower will obligate itself to pay to the Authority sums sufficient to pay the principal of and interest and premium, if any, on the Bonds, as and when the same become due and payable;

(c) to hold the Authority harmless from all pecuniary liability and to reimburse it for all expenses to which it might be put in the fulfillment of its obligations under this Agreement;

(d) to perform such further acts and adopt such further proceedings as may be required faithfully to implement its undertakings and to consummate the proposed financing; and

(e) to covenant and agree in the loan agreement referred to above to install in the buildings which are to become a part of the Project all necessary equipment and furnishings and initially to operate the Project in the manner described in Section 1.03 hereof.

ARTICLE IV GENERAL PROVISIONS

Section 4.01. All commitments of the Authority under Article II hereof are subject to all of the provisions of the Act and regulations of the Authority pursuant thereto and the condition that nothing contained in this Agreement shall constitute nor give rise to a pecuniary liability of the Authority or a charge against its general credit.

Section 4.02. The parties hereto agree that the Borrower may proceed with the Project, including the acquisition of membership interests, real property, or leasehold interests therein, the construction of a building or buildings and additions to a building or buildings, and the acquisition and installation of the equipment and furnishings, prior to the issuance of the Bonds.

Section 4.03. All commitments of the Authority and the Borrower hereunder are subject to the condition that the Authority and the Borrower do agree on mutually acceptable terms and conditions of all documents, the execution and delivery of which are contemplated by the provisions hereof.

Section 4.04. The parties understand that the Borrower or the Authority may choose not to finance the Project as herein provided, in which event this Agreement shall become void.

Section 4.05. It is the intention of the parties hereto that this Agreement shall constitute an official action on the part of the Authority within the meaning of the applicable regulations of the Department of Treasury of the United States of America relating to the issuance of tax-exempt revenue bonds.

IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Agreement on the respective dates indicated below.

[SIGNATURE PAGE FOLLOWS]
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**SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY**

By: *Harry A. Huntley*
Harry A. Huntley, Executive Director

CR SENIOR LIVING, LLC

By: _____
Name: _____
Title: Authorized Representative

Dated: February _____, 2018

INDUCEMENT AGREEMENT BY AND BETWEEN SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY AND CR SENIOR LIVING, LLC
[SIGNATURE PAGE]


**SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY**

(SEAL)

By: _____
Harry A. Huntley, Executive Director

Dated: February _____, 2018

CR SENIOR LIVING, LLC

By:  _____
Name: Ryan Lambert
Title: Authorized Representative

Dated: February 28, 2018

INDUCEMENT AGREEMENT BY AND BETWEEN SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY AND CR SENIOR LIVING, LLC
[SIGNATURE PAGE]

STATE OF SOUTH CAROLINA)	
)	
RICHLAND COUNTY)	
_____)	
)	
TO THE SOUTH CAROLINA	)	PETITION OF THE
	)	SOUTH CAROLINA
COORDINATING COUNCIL	)	JOBS-ECONOMIC
	)	DEVELOPMENT AUTHORITY
FOR ECONOMIC DEVELOPMENT)	

This Petition of the South Carolina Jobs-Economic Development Authority ("*Authority*"), pursuant to Title 41, Chapter 43 of the Code of Laws of South Carolina 1976, as amended ("*Act*"), and specifically Section 41-43-110 thereof, respectfully shows:

1. The Act, among other things, empowers the Authority: to (i) utilize any of its program funds to establish loan programs to encourage and assist the location of new business enterprises in the State of South Carolina ("*State*") and for other purposes described in the Act in order to promote and develop the business and economic welfare of the State and thus provide maximum opportunities for the creation and retention of jobs and improvement of the standard of living of the citizens of the State; (ii) act in conjunction with other persons and organizations, public or private, in the promotion and advancement of industrial, commercial, agricultural, and recreational development in the State; and (iii) subject to the approval of the Coordinating Council of the issuance of its bonds pursuant to Section 41-43-110 of the Act, to issue revenue bonds in order to provide funds for any program authorized by the Act, and to secure the payment of such bonds, all as provided in the Act.

2. The Authority has agreed to assist CR Senior Living, LLC ("*Borrower*") by issuing one or more series of its Economic Development Revenue Bonds ("*Bonds*") to (i) finance a portion of the costs of designing, acquiring, constructing, and equipping an approximately 66-unit, 80 bed senior living community ("*Facility*") consisting of assisted living and memory care facilities in Lexington County, South Carolina ("*County*"), all of which constitutes property eligible to be financed with economic development revenue bonds, (ii) fund certain accounts and funds related to the Facility and the Bonds, (iii) finance capitalized interest during the construction period of the Facility, and (iv) provide for certain fees and expenses to be incurred in connection with the issuance of the Bonds (collectively, (i), (ii), (iii) and (iv) are the "*Project*").

3. The Authority has been advised by the Borrower that the estimated cost of the Project will be approximately \$13,200,000 and the Borrower has requested the Authority to execute and deliver the Bonds in one or more series, taxable or tax-exempt, in the aggregate principal amount of not exceeding \$15,000,000 to defray such costs.

4. The Bonds are anticipated to be sold in a limited offering to qualified institutional buyers and accredited investors, which arrangement the Authority has determined to be most advantageous.

5. The Authority hereby finds that:

(a) The Borrower is a responsible party and the Project is located in the County.

(b) It is anticipated that the Project will benefit the general public welfare of the State, and the County in particular, by providing for (i) the creation of (A) indirect employment of approximately 60 people within 12 months, and (B) direct employment for 55 people within 12 months within 24 months, which employees will be from the County and adjacent areas, and (ii) the promotion of other public benefits incident to the conduct of such activity not otherwise provided locally; and the number of jobs

and other public benefit resulting from the assistance authorized herein bears a reasonable relationship to the principal amount of the Bonds.

(c) The size and scope of the Project is such that a definite benefit to the economy of the State, generally, and the County, in particular, is reasonably expected to result therefrom.

(d) The principal amount of the Bonds bears a reasonable relationship to the amount of funds of the Borrower committed to the Project.

6. Prior to issuance of the Bonds, the Authority will, as part of its proceedings:

(a) Require a resolution from the governing body of the County containing the following findings: (i) that the financing of the Project will serve the purposes of the Act; (ii) that the financing of the Project is anticipated to benefit the general public welfare of the County by providing services, employment, or other public benefits not otherwise provided locally; (iii) that the financing of the Project will give rise to no pecuniary liability of the Authority or the County or a charge against either of their general credit or taxing power; and (iv) the amount of Bonds required to finance the Project.

(b) Hold a public hearing in the County in connection with such resolution;

(c) Make findings that the terms of the agreements to be entered into in connection with the Project are reasonable and proper as to the adequacy of protection for the public interest provided by such terms;

(d) Negotiate the terms of such agreements to the extent necessary to conclude that neither the financing of the Project, the Bonds proposed to be issued by the Authority to defray the cost of the Project, nor any documents or agreements entered into by the Authority in connection therewith will constitute or give rise to a pecuniary liability of the Authority or the State or a charge against the general credit or taxing power of either, and only program funds (as defined in the Act) will be made available to finance the Project;

(e) Undertake such review as is necessary to conclude that the Borrower is an organization with established credit and is a responsible party; and

(f) Undertake such review as is necessary to conclude that the issuance of the Bonds by the Authority in the final principal amount requested by the Borrower will be required to defray the cost of financing the Project, and such principal amount bears a reasonable relationship to the amount of private funds also committed to the Project.

Upon the basis of the foregoing, the Authority respectfully prays that the Coordinating Council (i) accept the filing of this Petition and the documents submitted herewith, (ii) make such review as it deems advisable, and (iii) approve the issuance of the Bonds by the Authority through a limited offering pursuant to the Act to defray the costs of financing the Project (including changes in any details of said financing as finally consummated which do not materially affect the undertaking of the Authority).


February 14, 2018



Respectfully submitted,

SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY

By: 
Harry A. Huntley, Executive Director



A RESOLUTION OF THE SOUTH CAROLINA COORDINATING COUNCIL FOR ECONOMIC DEVELOPMENT APPROVING THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY OF NOT EXCEEDING \$15,000,000 AGGREGATE PRINCIPAL AMOUNT ECONOMIC DEVELOPMENT REVENUE BONDS IN ONE OR MORE SERIES, TAXABLE OR TAX-EXEMPT, 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 ("*Authority*") has heretofore under and pursuant to the provisions of Section 41-43-110 of South Carolina Code Annotated, Title 41, Chapter 43 (1976), as amended ("*Act*"), petitioned the South Carolina Coordinating Council for Economic Development ("*Coordinating Council*") for approval of the issuance by the Authority of its Economic Development Revenue Bonds in the aggregate principal amount of not exceeding \$15,000,000 ("*Bonds*") through a limited offering or as the Authority may determine to be most advantageous, in order to make a loan to CR Senior Living, and one or more of its related or affiliated entities (collectively "*Borrower*"), for the purposes described in the Authority's petition; and

WHEREAS, the Authority represents to the Coordinating Council that the Bonds will be sold in a manner acceptable to the Authority.

NOW, THEREFORE, BE IT RESOLVED, by the Coordinating Council as follows:

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

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

Section 3. This Resolution shall take effect immediately.



Emily S. Luther
Partner
Telephone: 803.253.6841
Direct Fax: 803.255.8017
emilyluther@parkerpoe.com

Atlanta, GA
Charleston, SC
Charlotte, NC
Columbia, SC
Greenville, SC
Raleigh, NC
Spartanburg, SC

January 31, 2018

Via Email and Hand Delivery

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

**Re: Not Exceeding \$11,000,000
South Carolina Jobs-Economic Development Authority
Economic Development Revenue Bonds
(Aiken Memory Care Project) Series 2018**

Dear Delbert:

Please find enclosed for the State Fiscal Accountability Authority's ("SFAA") consideration at its March 8, 2018, meeting, the following documents relating to a petition from the South Carolina Jobs-Economic Development Authority ("JEDA") pursuant to Article 3, Chapter 11 of Title 1 of the South Carolina Code of Laws, 1976, as amended ("Act"), for a State ceiling allocation in the amount of \$11,000,000 for the above-referenced bonds ("Bonds"):

- A. a completed transmittal form and Attachment A;
- B. JEDA's Petition to the SFAA;
- C. JEDA's Inducement Resolution and Inducement Agreement;
- D. JEDA's Petition to the South Carolina Coordinating Council for Economic Development ("CCED"); and
- E. form of CCED's Resolution approving the Bonds.

The Bonds are anticipated to be issued by JEDA for the purpose of providing a loan to Aiken Memory Care, LLC, and its related or affiliated entities, for the acquisition, design, construction and equipment of an assisted living and memory care facility in Aiken County, South Carolina ("Project").

The Bonds are expected to be considered by the CCED at its February 1, 2018 meeting. Following the CCED's meeting, a copy of the CCED's Resolution approving the Bonds will be provided as a supplement to this transmission.

The positive impact to the State and Aiken County resulting from the capital investment, job creation, and infrastructure needs met by the Project, all as more particularly detailed in Attachment A to the transmittal form, is of such significance that approval of the allocation request in the entire amount of \$11,000,000 is warranted to be given at the SFAA's March 8, 2018, meeting and not deferred until after July 1 as permitted by Section 1-11-540 of the Act.

PPAB 4088651v1

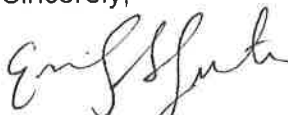
Delbert E. Singleton, Jr.
January 31, 2018
Page 2

Additionally, deferring approval of the allocation request until July 1 would significantly delay construction of the Project and considerably impair the Project's ability to meet the infrastructure needs as described in Attachment A.

Pursuant to Section 1-11-530 of the Act, the allocation amount as set forth in this letter and the enclosed documents constitutes all of the private activity bond financing contemplated at this time for the Project.

Please do not hesitate to contact me with any questions of if you should need additional information.

Sincerely,



Emily S. Luther

Enclosures: stated

cc: Harry Huntley, Executive Director
South Carolina Jobs-Economic Development Authority
(via email: hhuntley@scjeda.com)

Claudia Miller, Administrative Manager
South Carolina Jobs-Economic Development Authority
(via email: cmiller@scjeda.com)

TRANSMITTAL FORM, REVENUE BONDS

TO: Delbert H. Singleton, Jr., Authority Secretary
State Fiscal Accountability Authority
600 Wade Hampton Building
Columbia, SC 29201
OR P. O. Box 12444, Columbia, SC 29211

DATE: January 31, 2018

Submitted for SFAA Meeting on:

March 8, 2018

FROM:

Parker Poe Adams & Bernstein LLP
Name of Law Firm

1221 Main Street, Suite 1100
Street Address/Box Number

Columbia, South Carolina 29201
City, State, Zip Code

(803) 255.8000
Area Code/Telephone Number

RE:

not exceeding \$11,000,000
Amount of Issue

SC Jobs-Economic Development Authority
Name of Issuing Authority

Economic Development Revenue Bonds
Type of Bonds or Notes

April 30, 2018
Projected Issue Date

Project Name: Aiken Memory Care

Project Description: Assisted Living and Memory Care Community. See Attachment A for additional details.

Employment as a result of the project: 66 (direct) within 24 months

Ceiling Allocation Required
X Yes (\$11,000,000) No
Amount

Refunding Involved
Yes (\$) No
Amount

Project Approved Previously
Yes (\$) No
Amount

Documents enclosed (executed original and two copies of each):

(ALL documents required for state law approval; A and C only for ceiling allocation only.)

- A. X Petition
B. N/A Resolution or Ordinance
C. X Inducement Resolution or comparable preliminary approval
D. N/A Department of Health and Environmental Control Certificate if required
E. N/A State Fiscal Accountability Authority Resolution (original) Plus copies for certification and return to bond counsel
F. N/A Draft bond counsel opinion letter
G. N/A Processing Fee
Amount: \$ Check No:
Payor:

Bond Counsel: Parker Poe Adams & Bernstein LLP
Typed Name of Bond Counsel

By:
Signature

ATTACHMENT A TO TRANSMITTAL FORM

The not exceeding \$11,000,000 of the South Carolina Jobs-Economic Development Authority's ("JEDA") Economic Development Revenue Bonds ("Bonds") is to be loaned to Aiken Memory Care, LLC (or its affiliated and related entities) ("Borrower") for the construction of a 48-unit senior living facility consisting of assisted living and memory care facilities in Aiken County, South Carolina ("Project"). The Project and the Bonds were induced by JEDA at its January 17, 2018, meeting and the South Carolina Coordinating Council for Economic Development approved the Project and the Bonds at its meeting on February 1, 2018. JEDA is submitting a petition to the State Fiscal Accountability Authority to request an allocation of the State's ceiling for the Bonds in the amount of \$11,000,000.

The Project will meet the increasing demand for assisted living and memory care facilities in the Augusta-Richmond County, GA-SC MSA, the metropolitan statistical area in which Aiken County is located. The senior population is expected to increase by approximately 40% in the Augusta-Richmond County, GA-SC MSA over the next 5 years (compared to total population change in the area of just 5%). There are no other senior housing projects planned in Aiken County which could offer assisted living and memory care facilities to the growing senior population and many of the other facilities currently serving the area have little to no room available to accommodate the increased senior population and their housing needs. Therefore, the Project will meet a forecasted but unmet need for senior housing infrastructure in the area.

The Project will also provide particular care for seniors suffering from neurocognitive disorders. The Project will offer supportive care, services and amenities from trained employees to seniors that are unable to live independently and require assistance with the activities of daily living. As a memory care facility, the care, services and amenities provided at the Project will include more structured activities and greater security to ensure the safety and quality of life for seniors with cognitive disease.

The Borrower, a South Carolina limited liability company, is ready to move forward with construction on the Project. The Borrower has identified the site on which it will construct the Project, has conducted preliminary work towards the acquisition of the Project site and has engaged CBRE, Inc. to conduct a review of the feasibility of the site. Additionally, the project team has received construction bids for the Project, which the project team is currently reviewing with the lender. The Borrower expects to select a contractor and execute the construction contract within the next few days. Therefore, the Borrower and the lender would like to complete the financing for the Project and commence construction by late March or early April.

The Project will result in an investment of approximately \$12,100,000 in Aiken County, and the direct employment of 66 people (consisting of 46 full-time positions and 20 part-time positions) within 24 months, which employees will be from Aiken County and adjacent areas. In addition to the significant positive impact to the State and Aiken County flowing from the above-described capital investment and job creation resulting from the Project, the Project will also provide a significant positive impact by supplying much needed affordable, assisted living housing for the growing senior population of Aiken County and the surrounding area. Additionally, a delay in receiving the volume cap allocation could impact the timing of the closing of the financing and desired construction commencement. Therefore, both the positive impact of the Project on the State and Aiken County and the avoidance of potential negative impact to the construction timeline warrant the consideration and grant of the volume cap request in an amount greater than \$10,000,000 prior to July.

STATE OF SOUTH CAROLINA)	
)	
RICHLAND COUNTY)	
_____)	
)	
TO THE STATE FISCAL	)	PETITION OF THE
	)	SOUTH CAROLINA
ACCOUNTABILITY AUTHORITY	)	JOBS-ECONOMIC
	)	DEVELOPMENT AUTHORITY
OF SOUTH CAROLINA)	

This Petition of the South Carolina Jobs-Economic Development Authority ("*Authority*"), pursuant to Title 1, Chapter 11 of the Code of Laws of South Carolina 1976, as amended ("*Act*"), and specifically Section 1-11-530 thereof, respectfully shows:

1. The Act, among other things, authorizes the State Fiscal Accountability Authority ("*SFAA*") to allocate the State of South Carolina's ("*State*") ceiling on the issuance of private activity bonds in response to authorized requests from issuing authorities.

2. Each State ceiling allocation made by the SFAA, unless eligible and approved for carry-forward election, is valid only for the calendar year in which the State ceiling allocation is made and expires automatically if the bonds for which the allocation is made are not issued within 90 consecutive calendar days from the date the allocation is approved by the SFAA.

3. The Authority has agreed to assist Aiken Memory Care, LLC, and one or more of its related or affiliated entities by issuing one or more series of its Economic Development Revenue Bonds ("*Bonds*"), in an amount not to exceed \$11,000,000, to (i) finance a portion of the costs of designing, acquiring, constructing, and equipping a 48-unit senior living community ("*Facility*") consisting of assisted living and memory care facilities in Aiken County, South Carolina, all of which constitutes property eligible to be financed with economic development revenue bonds, (ii) fund certain accounts and funds related to the Facility and the Bonds, (iii) finance capitalized interest during the construction period of the Facility, and (iv) provide for certain fees and expenses to be incurred in connection with the issuance of the Bonds (collectively, (i), (ii), (iii) and (iv) are the "*Project*"). The Authority has petitioned the South Carolina Coordinating Council for Economic Development for approval of the Bonds at its meeting on February 1, 2018, pursuant to Section 41-43-110 of the Code of Laws of South Carolina 1976, as amended.

4. The Facility is expected to be a qualified residential rental project as described under Section 142 of the Internal Revenue Code and, once complete, will provide a significant positive impact to the State as demonstrated in the materials submitted by the Authority with this Petition.

5. The Bonds to be issued for the Project would require an allocation of \$11,000,000 of the State ceiling. The Bonds constitute all of the private activity bond financing contemplated for the Project as of the date of this Petition.

Upon the basis of the foregoing, the Authority respectfully prays that the SFAA (i) accept the filing of this Petition and the documents submitted herewith, (ii) make such review as it deems advisable, (iii) determine that the Facility will provide a positive impact on the State of such significance that the allocation of more than \$10,000,000 of the State ceiling to the Bonds prior to July is warranted, and (iv) approve a State ceiling allocation for the Bonds of \$11,000,000.

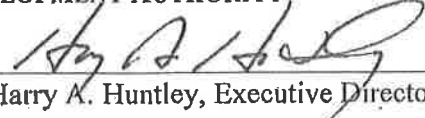
January 17, 2018



Respectfully submitted,

**SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY**

By: _____


Harry A. Huntley, Executive Director

**THE SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY**

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AGREEMENT BY AND BETWEEN SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY AND AIKEN MEMORY CARE, LLC, WHEREBY UNDER CERTAIN CONDITIONS THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY WILL ISSUE NOT TO EXCEED \$11,000,000 OF ITS ECONOMIC DEVELOPMENT REVENUE BONDS IN ONE OR MORE SERIES, TAXABLE OR TAX-EXEMPT, PURSUANT TO THE PROVISIONS OF TITLE 41, CHAPTER 43 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, AND AUTHORIZING APPLICATION UPON CERTAIN CONDITIONS TO THE SOUTH CAROLINA COORDINATING COUNCIL FOR ECONOMIC DEVELOPMENT FOR APPROVAL OF THE ISSUANCE OF SUCH BONDS; AND OTHER RELATED MATTERS

WHEREAS, the South Carolina Jobs-Economic Development Authority ("*Authority*"), acting by and through its Board of Directors, is authorized and empowered under and pursuant to the provisions of Title 41, Chapter 43 of the Code of Laws of South Carolina 1976, as amended ("*Act*"), to utilize any of its program funds to establish loan programs to encourage and assist the location of new business enterprises in the State of South Carolina ("*State*") and for other purposes described in Section 41-43-160 of the Act in order to promote and develop the business and economic welfare of the State and thus provide maximum opportunities for the creation and retention of jobs and improvement of the standard of living of the citizens of the State and to act in conjunction with other persons and organizations, public or private, in the promotion and advancement of industrial, commercial, agricultural, and recreational development in this State; and

WHEREAS, in order to provide funds for any program authorized by the Act, the Authority is further authorized by Section 41-43-110 of the Act to issue limited obligations, the principal and interest of which are payable by the Authority solely from a revenue producing source and secured by a pledge of said revenues; and

WHEREAS, Aiken Memory Care, LLC, and its related or affiliated entities (collectively, "*Borrower*"), has applied to the Authority to issue not to exceed \$11,000,000 of its Economic Development Revenue Bonds ("*Bonds*") in one or more series, taxable or tax-exempt, in order to (i) finance a portion of the costs of designing, acquiring, constructing, and equipping a 48-unit senior living community ("*Facility*") consisting of assisted living and memory care facilities in Aiken County, South Carolina ("*County*"), all of which constitutes property eligible to be financed with economic development revenue bonds, (ii) fund certain accounts and funds related to the Facility and the Bonds, (iii) finance capitalized interest during the construction period of the Facility, and (iv) provide for certain fees and expenses to be incurred in connection with the issuance of the Bonds (collectively, (i), (ii), (iii) and (iv) are the "*Project*"), and the Authority wishes to induce the Borrower to undertake the Project; and

WHEREAS, it is in the public interest, for public benefit and in furtherance of the public purposes of the Authority, that its Board of Directors provide preliminary approval of the issuance of revenue bonds for the aforesaid purposes; and

WHEREAS, it is deemed advisable by the Authority to file with the South Carolina Coordinating Council for Economic Development ("*Coordinating Council*"), in compliance with Section 41-43-110 of the Act, a petition (defined below) of the Authority requesting approval by the Coordinating Council for the issuance of the Bonds which are expected to be sold in a limited offering to qualified institutional buyers and accredited investors; and

WHEREAS, it is deemed advisable by the Authority to file with the State Fiscal Accountability Authority ("*SFAA*"), in compliance with Section 1-11-530 of the Code of Laws of South Carolina 1976, as amended, a petition of the Authority requesting \$11,000,000 of the State ceiling be allocated by the SFAA to the Bonds.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority ("*Board*") as follows:

Section 1. It is hereby found, determined, and declared as follows:

(a) The Borrower is a responsible party and the proposed Project is located in the County.

(b) The Borrower has demonstrated to the Authority that the assistance of the Authority by the issuance of its revenue bonds will result in (i) the creation of approximately 46 full-time jobs and 20 part-time jobs at the Facility within 24 months, which jobs will be filled by citizens of the County and adjacent areas, and (ii) the promotion of other public benefits incident to the conduct of such activity not otherwise provided locally; and the number of jobs and other public benefit resulting from the assistance authorized herein bears a reasonable relationship to the principal amount of the Bonds.

(c) The principal amount of the Bonds bears a reasonable relationship to the amount of private funds committed to the Project.

(d) The size and scope of the Project is such that a definite benefit to the economy of the State, and the County in particular, is reasonably expected to result therefrom.

Section 2. Subject to such approval by the Coordinating Council and the governing board of the County, as required by law, the Board preliminarily approves the issuance and sale of the Bonds for the purpose of providing funds to be loaned to the Borrower to finance the Project and the related items as described in the recitals, above.

Section 3. The issuance and sale of the Bonds shall be upon such terms and conditions as may be mutually agreed upon by the Authority, the Borrower and the purchaser of the Bonds, and shall be subject to completion of proceedings for issuance, sale and delivery of the Bonds satisfactory to the Authority. The provisions, terms, and conditions of the agreements to be entered into in connection with the issuance of the Bonds by the Authority, and the form, details, rate or rates of interest, maturity, and redemption provisions, if any, of the Bonds, other details of any loan agreement relating to the Bonds, and findings required by the Act shall be prescribed by subsequent resolution of the Authority and shall be reasonable and proper (taking into account such factors as the type of program involved, the principal amount of the Bonds, and the number and type of jobs involved), and the public interest shall be adequately protected by the terms thereof.

Section 4. The Executive Director is hereby authorized and directed to execute the Inducement Agreement in the form attached hereto as Exhibit A (with such changes as shall have been approved by counsel to the Authority), in the name and on behalf of the Authority and to affix the seal of the

Authority and to attest the same, and the Executive Director of the Authority is hereby further authorized and directed to deliver said executed Inducement Agreement to the Borrower.

Section 5. It is the intention of the Authority that this resolution shall constitute an official action on the part of the Authority within the meaning of the applicable regulations of the Department of Treasury of the United States of America relating to the issuance of tax-exempt revenue bonds.

Section 6. The Bonds shall never constitute an indebtedness of the Authority or the State within the meaning of any state constitutional provision or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the Authority or the State or a charge against the general credit of the Authority or the State or the taxing powers of the State.

Section 7. There shall be and is hereby authorized and directed the submission on behalf of the Authority, of (i) a petition requesting approval by the Coordinating Council (pursuant to the provisions of Section 41-43-110 of the Act) of the issuance of the Bonds which are expected to be sold in a limited offering to qualified institutional buyers and accredited investors, and (ii) a petition requesting the SFAA allocate \$11,000,000 of the State ceiling to the Bonds.

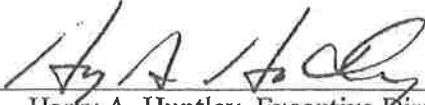
Section 8. The Executive Director shall be and is hereby authorized and directed to execute the petitions in the name and on behalf of the Authority, and to affix the seal of the Authority to the petitions, upon the conditions set forth hereinabove, to submit an executed copy of this resolution to the Coordinating Council and the SFAA.

Section 9. All orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this resolution shall take effect and be in full force from and after its passage and approval.

[SIGNATURE PAGE FOLLOWS]
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Passed and approved: January 17, 2018.

**SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY**



Harry A. Huntley, Executive Director

INDUCEMENT AGREEMENT

THIS INDUCEMENT AGREEMENT made and entered into by and between SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic and an agency and duly constituted authority of the State of South Carolina ("*Authority*"), and AIKEN MEMORY CARE, LLC, and its related entities (collectively, "*Borrower*").

WITNESSETH

ARTICLE I RECITATION OF FACTS

As a means of setting forth the matters of mutual inducement which have resulted in the making and entering into of this Agreement, the following statements of fact are herewith recited:

Section 1.01. The Authority, acting by and through its Board of Directors, is authorized and empowered under and pursuant to the provisions of Title 41, Chapter 43 of the Code of Laws of South Carolina 1976, as amended ("*Act*"), to utilize any of its program funds to establish loan programs to encourage and assist the location of new business enterprises in the State of South Carolina ("*State*") and for other purposes described in Section 41-43-160 of the Act in order to promote and develop the business and economic welfare of the State and thus provide maximum opportunities for the creation and retention of jobs and improvement of the standard of living of the citizens of the State and to act in conjunction with other persons and organizations, public or private, in the promotion and advancement of industrial, commercial, agricultural, and recreational development in this State.

Section 1.02. In order to provide funds for any program authorized by the Act, the Authority is further authorized by Section 41-43-110 of the Act to issue limited obligations, the principal and interest of which are payable by the Authority solely from a revenue producing source and secured by a pledge of said revenues.

Section 1.03. The Borrower has applied to the Authority to issue not to exceed \$11,000,000 of its Economic Development Revenue Bonds ("*Bonds*") in one or more series, taxable or tax-exempt, in order to (i) finance a portion of the costs of designing, acquiring, constructing, and equipping a 48-unit senior living community ("*Facility*") consisting of assisted living and memory care facilities in Aiken County, South Carolina ("*County*"), all of which constitutes property eligible to be financed with economic development revenue bonds, (ii) fund certain accounts and funds related to the Facility and the Bonds, (iii) finance capitalized interest during the construction period of the Facility, and (iv) provide for certain fees and expenses to be incurred in connection with the issuance of the Bonds (collectively, (i), (ii), (iii) and (iv) are the "*Project*"), and the Authority wishes to induce the Borrower to undertake the Project.

Section 1.04. (a) The Borrower is a responsible party and the Project is located in the County.

(b) The Borrower has demonstrated to the Authority that the assistance of the Authority by the issuance of its revenue bonds will result in (i) the creation of approximately 46 full-time jobs and 20 part-time jobs at the Facility within 24 months, which jobs will be filled by citizens of the County and adjacent areas, and (ii) the promotion of other public benefits incident to the conduct of such activity not otherwise provided locally; and the number of jobs and other public benefit resulting from the assistance authorized herein bears a reasonable relationship to the principal amount of the Bonds.

(c) The principal amount of the Bonds bears a reasonable relationship to the amount of private funds committed to the Project.

(d) The size and scope of the Project is such that a definite benefit to the economy of the State, and the County in particular, is reasonably expected to result therefrom.

Section 1.05. The Authority has given due consideration to all the proposals and requests of the Borrower and has agreed to endeavor to effect the issuance of the Bonds at the time and on the terms and conditions hereafter set forth.

ARTICLE II UNDERTAKING ON THE PART OF THE AUTHORITY

The Authority agrees as follows:

Section 2.01. The Authority will, subject to such approval by the South Carolina Coordinating Council for Economic Development ("*Coordinating Council*") and the governing body of the County, as may be required by law, and subject to the limitations set forth herein, authorize the issuance of the Bonds, at such time as the Borrower may request the Authority to do so.

Section 2.02. The Authority will permit the Borrower to arrange for the sale of the Bonds to defray certain costs of the Project as aforesaid, and if successful marketing arrangements can be made, it will adopt such proceedings and enter into such agreements as are necessary for the issuance and securing of the Bonds.

Section 2.03. The proceeds of any sale of the Bonds may be applied to the payment of the costs of the Project as determined under the Act, including, without limitation, the expenses incurred in connection with the issuance and sale of the Bonds, the acquisition of the Project, including land, buildings, equipment, and other items permitted by the Act, the repayment of any funds, advances or loans incurred by the Borrower for such purposes, the creation of a debt service reserve fund, and the provision of funds for capitalized interest.

Section 2.04. Prior to issuing the Bonds, the Authority may enter into a loan agreement with the Borrower and a security agreement with the trustee (to be requested by the Borrower and approved by the Authority and the State Treasurer) or with the purchasers of the Bonds, pursuant to which the Bonds will be secured and issued. Such documents shall be substantially in the form used in connection with the issuance of other South Carolina revenue bonds and shall constitute a lien on the revenues derived from the Borrower with respect to the Project to secure the payment of the Bonds. Provisions, terms and conditions of the agreements to be entered into in connection with the issuance of the Bonds by the Authority, and the form, details, rate or rates of interest, maturity and redemption provisions, if any, of the Bonds, and other details of any loan agreement relating to the Bonds, shall be prescribed by subsequent resolution of the Authority and shall be reasonable and proper, taking into account such facts as type of program involved, the principal amount of the Bonds and the number and type of jobs involved, and the public interest shall be adequately protected by the terms thereof.

Section 2.05. The Authority will perform such other acts and adopt such further proceedings as may be required faithfully to implement its undertaking and to consummate the proposed financing.

Section 2.06. The undertakings of the Authority hereunder are contingent upon the Authority continuing to evaluate the Project as desirable and beneficial to the public interest after considering all additional circumstances of which the Authority may hereafter become aware and upon the Borrower

providing the Authority with such further evidence as may be satisfactory to the Authority as to compliance with all applicable laws, statutes and regulations.

ARTICLE III UNDERTAKINGS ON THE PART OF THE BORROWER

Section 3.01. The Borrower agrees that the Authority will have no obligation to find a purchaser of the Bonds and acknowledges that the Authority's approval of this Agreement is preliminary and is conditioned upon the Authority continuing to evaluate the Project as desirable and beneficial to the public interest after considering all additional circumstances of which the Authority may hereafter become aware.

Section 3.02. The Borrower further agrees, if the issuance of the Bonds proceeds as contemplated, as follows:

(a) to acquire the Project;

(b) to enter into a loan agreement with the Authority, under the terms of which the Borrower will obligate itself to pay to the Authority sums sufficient to pay the principal of and interest and premium, if any, on the Bonds, as and when the same become due and payable;

(c) to hold the Authority harmless from all pecuniary liability and to reimburse it for all expenses to which it might be put in the fulfillment of its obligations under this Agreement;

(d) to perform such further acts and adopt such further proceedings as may be required faithfully to implement its undertakings and to consummate the proposed financing; and

(e) to covenant and agree in the loan agreement referred to above to install in the buildings which are to become a part of the Project all necessary equipment and furnishings and initially to operate the Project in the manner described in Section 1.03 hereof.

ARTICLE IV GENERAL PROVISIONS

Section 4.01. All commitments of the Authority under Article II hereof are subject to all of the provisions of the Act and regulations of the Authority pursuant thereto and the condition that nothing contained in this Agreement shall constitute nor give rise to a pecuniary liability of the Authority or a charge against its general credit.

Section 4.02. The parties hereto agree that the Borrower may proceed with the Project, including the acquisition of membership interests, real property, or leasehold interests therein, the construction of a building or buildings and additions to a building or buildings, and the acquisition and installation of the equipment and furnishings, prior to the issuance of the Bonds.

Section 4.03. All commitments of the Authority and the Borrower hereunder are subject to the condition that the Authority and the Borrower do agree on mutually acceptable terms and conditions of all documents, the execution and delivery of which are contemplated by the provisions hereof.

Section 4.04. The parties understand that the Borrower or the Authority may choose not to finance the Project as herein provided, in which event this Agreement shall become void.

**SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY**

(SEAL)

By: _____

Harry A. Huntley, Executive Director

Dated: January 17th, 2018

AIKEN MEMORY CARE, LLC

By: _____

Name: _____

Title: Authorized Representative

Dated: January _____, 2018

INDUCEMENT AGREEMENT BY AND BETWEEN SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY AND AIKEN MEMORY CARE, LLC
[SIGNATURE PAGE]

(SEAL)

Dated: January _____, 2018

**SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY**

By: _____
Harry A. Huntley, Executive Director

AIKEN MEMORY CARE, LLC

By: James L. Deupree MGR
Name: JAMES L. DEUPREE
Title: Authorized Representative

Dated: January 30, 2018

INDUCEMENT AGREEMENT BY AND BETWEEN SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY AND AIKEN MEMORY CARE, LLC
[SIGNATURE PAGE]

STATE OF SOUTH CAROLINA)	
)	
RICHLAND COUNTY)	
_____)	
)	
TO THE SOUTH CAROLINA	)	PETITION OF THE
	)	SOUTH CAROLINA
COORDINATING COUNCIL	)	JOBS-ECONOMIC
	)	DEVELOPMENT AUTHORITY
FOR ECONOMIC DEVELOPMENT)	

This Petition of the South Carolina Jobs-Economic Development Authority ("*Authority*"), pursuant to Title 41, Chapter 43 of the Code of Laws of South Carolina 1976, as amended ("*Act*"), and specifically Section 41-43-110 thereof, respectfully shows:

1. The Act, among other things, empowers the Authority: to (i) utilize any of its program funds to establish loan programs to encourage and assist the location of new business enterprises in the State of South Carolina ("*State*") and for other purposes described in the Act in order to promote and develop the business and economic welfare of the State and thus provide maximum opportunities for the creation and retention of jobs and improvement of the standard of living of the citizens of the State; (ii) act in conjunction with other persons and organizations, public or private, in the promotion and advancement of industrial, commercial, agricultural, and recreational development in the State; and (iii) subject to the approval of the Coordinating Council of the issuance of its bonds pursuant to Section 41-43-110 of the Act, to issue revenue bonds in order to provide funds for any program authorized by the Act, and to secure the payment of such bonds, all as provided in the Act.

2. The Authority has agreed to assist Aiken Memory Care, LLC, and one or more of its related or affiliated entities ("*Borrower*") by issuing one or more series of its Economic Development Revenue Bonds ("*Bonds*") to (i) finance a portion of the costs of designing, acquiring, constructing, and equipping a 48-unit senior living community ("*Facility*") consisting of assisted living and memory care facilities in Aiken County, South Carolina ("*County*"), all of which constitutes property eligible to be financed with economic development revenue bonds, (ii) fund certain accounts and funds related to the Facility and the Bonds, (iii) finance capitalized interest during the construction period of the Facility, and (iv) provide for certain fees and expenses to be incurred in connection with the issuance of the Bonds (collectively, (i), (ii), (iii) and (iv) are the "*Project*").

3. The Authority has been advised by the Borrower that the Project will result in an investment of approximately \$14,200,000 in the County and the Borrower has requested the Authority to execute and deliver the Bonds in one or more series, taxable or tax-exempt, in the aggregate principal amount of not exceeding \$11,000,000 to defray such costs.

4. The Bonds are anticipated to be sold in a limited offering to qualified institutional buyers and accredited investors, which arrangement the Authority has determined to be most advantageous.

5. The Authority hereby finds that:

(a) The Borrower is a responsible party and the Project is located in the County.

(b) It is anticipated that the Project will benefit the general public welfare of the State, and the County in particular, by providing for (i) the creation of approximately 46 full-time jobs and 20 part-time jobs at the Facility within 24 months, which jobs will be filled by citizens of the County and adjacent areas, and (ii) the promotion of other public benefits incident to the conduct of such activity not otherwise provided locally; and the number of jobs and other public benefit resulting from the assistance authorized herein bears a reasonable relationship to the principal amount of the Bonds.

(c) The size and scope of the Project is such that a definite benefit to the economy of the State, and the County in particular, is reasonably expected to result therefrom.

(d) The principal amount of the Bonds bears a reasonable relationship to the amount of funds of the Borrower committed to the Project.

6. Prior to issuance of the Bonds, the Authority will, as part of its proceedings:

(a) Require a resolution from the governing body of the County containing the following findings: (i) that the financing of the Project will serve the purposes of the Act; (ii) that the financing of the Project is anticipated to benefit the general public welfare of the County by providing services, employment, or other public benefits not otherwise provided locally; (iii) that the financing of the Project will give rise to no pecuniary liability of the Authority or the County or a charge against either of their general credit or taxing power; and (iv) the amount of Bonds required to finance the Project.

(b) Hold a public hearing in the County in connection with such resolution;

(c) Make findings that the terms of the agreements to be entered into in connection with the Project are reasonable and proper as to the adequacy of protection for the public interest provided by such terms;

(d) Negotiate the terms of such agreements to the extent necessary to conclude that neither the financing of the Project, the Bonds proposed to be issued by the Authority to defray the cost of the Project, nor any documents or agreements entered into by the Authority in connection therewith will constitute or give rise to a pecuniary liability of the Authority or the State or a charge against the general credit or taxing power of either, and only program funds (as defined in the Act) will be made available to finance the Project;

(e) Undertake such review as is necessary to conclude that the Borrower is an organization with established credit and is a responsible party; and

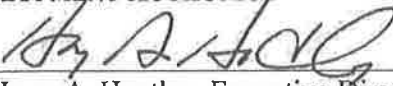
(f) Undertake such review as is necessary to conclude that the issuance of the Bonds by the Authority in the final principal amount requested by the Borrower will be required to defray the cost of financing the Project, and such principal amount bears a reasonable relationship to the amount of private funds also committed to the Project.

Upon the basis of the foregoing, the Authority respectfully prays that the Coordinating Council (i) accept the filing of this Petition and the documents submitted herewith, (ii) make such review as it deems advisable, and (iii) approve the issuance of the Bonds by the Authority through a limited offering pursuant to the Act to defray the costs of financing the Project (including changes in any details of said financing as finally consummated which do not materially affect the undertaking of the Authority).

January 17, 2018

Respectfully submitted,

SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY

By: 
Harry A. Huntley, Executive Director



A RESOLUTION OF THE SOUTH CAROLINA COORDINATING COUNCIL FOR ECONOMIC DEVELOPMENT APPROVING THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY OF NOT EXCEEDING \$11,000,000 AGGREGATE PRINCIPAL AMOUNT ECONOMIC DEVELOPMENT REVENUE BONDS IN ONE OR MORE SERIES, TAXABLE OR TAX-EXEMPT, 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 ("*Authority*") has heretofore under and pursuant to the provisions of Section 41-43-110 of South Carolina Code Annotated, Title 41, Chapter 43 (1976), as amended ("*Act*"), petitioned the South Carolina Coordinating Council for Economic Development ("*Coordinating Council*") for approval of the issuance by the Authority of its Economic Development Revenue Bonds in the aggregate principal amount of not exceeding \$11,000,000 ("*Bonds*") through a limited offering or as the Authority may determine to be most advantageous, in order to make a loan to Aiken Memory Care, LLC, and one or more of its related or affiliated entities (collectively "*Borrower*"), for the purposes described in the Authority's petition; and

WHEREAS, the Authority represents to the Coordinating Council that the Bonds will be sold in a manner acceptable to the Authority.

NOW, THEREFORE, BE IT RESOLVED, by the Coordinating Council as follows:

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

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

Section 3. This Resolution is approved as of the 1st day of February, 2018, and shall take effect immediately.



Emily S. Luther
Partner
Telephone: 803.253.6841
Direct Fax: 803.255.8017
emilyluther@parkerpoe.com

Atlanta, GA
Charleston, SC
Charlotte, NC
Columbia, SC
Greenville, SC
Raleigh, NC
Spartanburg, SC

March 1, 2018

Via Email and Hand Delivery

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

**Re: Not Exceeding \$11,000,000
South Carolina Jobs-Economic Development Authority
Economic Development Revenue Bonds
(Aiken Memory Care Project) Series 2018**

Dear Delbert:

Please find enclosed for the State Fiscal Accountability Authority's ("SFAA") records, the records from the South Carolina Coordinating Council for Economic Development's ("CCED") February 1, 2018, meeting at which the CCED gave approval to the above-referenced Bonds.

The enclosed is being provided to the SFAA as a supplement to the transmittal package relating to the \$11,000,000 volume cap allocation request for the Bonds which was prepared in anticipation of the CCED's consideration and approval of the Bonds.

Please do not hesitate to contact me with any questions or if you should need additional information relating to the Aiken Memory Care Project in anticipation of the SFAA's March 8, 2018 meeting.

Sincerely,

A handwritten signature in blue ink, appearing to read 'E. Luther'.

Emily S. Luther

Enclosures: stated

PPAB 4141055v1



Henry McMaster
Governor

SOUTH CAROLINA
DEPARTMENT OF COMMERCE

Robert M. Hitt III
Secretary

ENTERPRISE PROGRAM COMMITTEE MEETING

February 1, 2018 at 2:00 p.m.

AGENDA

CALL TO ORDER

Hartley Powell

Tab 1 APPROVAL OF PREVIOUS MINUTES

Hartley Powell

December 18, 2017

Tab 2 JEDA PROJECTS – “Non-Confidential”

Daniel Young

A Aiken Memory Care – Aiken County

B Ridgeland Pellets, LLC – Jasper County

Tab 3 PROJECTS FOR REVIEW – “Confidential”

Daniel Young

C EZ17433212 – Sumter County

J EZ17463224 – York County

D EZ17243222 – Greenwood County

K EZ17463227A&B – York County

E EZ17083199 – Berkeley County

L EZ17083221A-C – Berkeley County

F EZ17343189 – Marion County

M EZ17253203 – Hampton County

G EZ18463232A&B – York County

N EZ17383215 – Orangeburg County

H EZ17143218 – Clarendon County

O EZ18023231 – Aiken County

I EZ17083191 – Berkeley County

Tab 4 PORT CREDIT APPLICATIONS - UPDATE – “Confidential”

Daniel Young

P Port Credit Report

The South Carolina Coordinating Council for Economic Development has complied with the requirements of the Freedom of Information Act in notification of the media and posting of the agenda.

1201 Main Street, Suite 1600, Columbia, SC 29201
Tel: (803) 737-0400 • Fax: (803) 737-0418 • www.sccommerce.com

PROJECT NAME	COUNTY	ASSOCIATED JOB #	INDUCEMENT AMOUNT	JEDA INDUCEMENT DATE	COORDINATING COUNCIL/ ENTERPRISE COMMITTEE APPROVAL DATE
Aiken Memory Care, LLC	Aiken	66	\$11MM	1/17/2018	2/1/2018
Ridgeland Pellets, LLC	Jasper	10-12	\$10.5MM	1/17/2018	2/1/2018



E. Tyler Smith
Counsel
Telephone: 864.577.6364
Direct Fax: 864.242.9888
tylersmith@parkerpoe.com

Atlanta, GA
Charleston, SC
Charlotte, NC
Columbia, SC
Greenville, SC
Raleigh, NC
Spartanburg, SC

February 26, 2018

Via Email and Hand Delivery

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

Re: Not Exceeding \$10,500,000 South Carolina Jobs-Economic Development Authority Economic Development Revenue Bonds (Ridgeland Pellets, LLC) Series 2018 (not exceeding \$9,500,000 tax-exempt; not exceeding \$1,000,000 taxable)

Dear Delbert:

Please find enclosed for the State Fiscal Accountability Authority's ("SFAA") consideration at its March 8, 2018, meeting, the following documents relating to a petition from the South Carolina Jobs-Economic Development Authority ("JEDA") pursuant to Article 3, Chapter 11 of Title 1 of the South Carolina Code of Laws, 1976, as amended ("Act"), for a State ceiling allocation in the amount of **\$9,500,000** for the tax exempt portion of the referenced bonds ("Bonds"):

- A. a completed transmittal form and Attachment A;
- B. JEDA's Petition to the SFAA;
- C. JEDA's Inducement Resolution and Inducement Agreement;
- D. JEDA's Petition to the South Carolina Coordinating Council for Economic Development ("CCED"); and
- E. form of CCED's Resolution approving the Bonds.

Delbert H. Singleton, Jr.
February 26, 2018
Page 2

The Bonds will provide funds to finance a portion of the costs of designing, acquiring, constructing, and equipping a wood pellet manufacturing facility in Jasper County, South Carolina.

The Bonds were presented to the CCED for approval at its February 1, 2018.

Please do not hesitate to contact me should you have any questions regarding the Bonds, or the information and requests included with this letter. Thank you in advance for your assistance.

Sincerely,

Handwritten signature of Tyler in blue ink.

E. Tyler Smith

Handwritten initials 'ES' in a circle in blue ink.

TRANSMITTAL FORM, REVENUE BONDS

TO: Delbert H. Singleton, Jr., Authority Secretary
State Fiscal Accountability Authority
600 Wade Hampton Building
Columbia, SC 29201
OR P. O. Box 12444, Columbia, SC 29211

DATE: January 29, 2018

Submitted for SFAA Meeting on:

March 8, 2018

FROM:

Parker Poe Adams & Bernstein LLP
Name of Law Firm
110 East Court Street, Suite 200
Street Address/Box Number
Greenville, South Carolina 29601
City, State, Zip Code
(864) 577.6360
Area Code/Telephone Number

RE:

not exceeding \$10,500,000 (\$1MM of which taxable)
Amount of Issue
SC Jobs-Economic Development Authority
Name of Issuing Authority
Economic Development Revenue Bonds
Type of Bonds or Notes
April 30, 2018
Projected Issue Date

Project Name: Ridgeland Pellets, LLC

Project Description: Wood pellet manufacturing. See Attachment A for additional details.

Employment as a result of the project: 16-20 (direct); 50 (indirect) within 24 months

Ceiling Allocation Required Refunding Involved Project Approved Previously
X Yes (\$9,500,000) No Yes (\$) No X Yes (\$36,000,000) No
Amount Amount Amount

Documents enclosed (executed original and two copies of each):
(ALL documents required for state law approval; A and C only for ceiling allocation only.)

- A. X Petition
B. N/A Resolution or Ordinance
C. X Inducement Resolution or comparable preliminary approval
D. N/A Department of Health and Environmental Control Certificate if required
E. N/A State Fiscal Accountability Authority Resolution (original)
Plus copies for certification and return to bond counsel
F. N/A Draft bond counsel opinion letter
G. N/A Processing Fee
Amount: \$ Check No:
Payor:

Bond Counsel: Parker Poe Adams & Bernstein LLP
Typed Name of Bond Counsel

By: E Tyler Smith
Signature

ATTACHMENT A TO TRANSMITTAL FORM

Ridgeland Pellets, LLC ("Company") was formed for the purpose of acquiring, constructing and equipping an existing pellet manufacturing facility located in Ridgeland, South Carolina ("Ridgeland"). It is planned that the Company's acquisition and expansion of the Project will be funded from equity and the proceeds of a tax-exempt series of revenue bonds issued by JEDA.

The business is a biomass facility using green and dried wood residue as a source of feedstock for the manufacturing of wood pellets. The pellets will be sold pursuant to a 10-year contract between the Company and CMBiomass Partners A/S. Pursuant to the CMBiomass Partners contract, all pellets produced in Ridgeland will be transferred by truck thirty-two (32) miles to East Coast Terminal in Savannah, Georgia for storage prior to being loaded on a bulk ocean-going vessel for export to Europe. The Company is paid weekly for all pellet volumes delivered to the CMBiomass warehouse in Savannah.

The Wood Pellet Manufacturing Facility (the Mill or the Facility) located in Ridgeland, originated in late 2009 by Champion Wood Pellets and Carolina Pellet Mill, LLC, companies which are owned by Mr. Fred Nimmer and his two sons Tony and Bill Nimmer ("Nimmers"), who live in the greater Ridgeland area. The Nimmers are established and respected businessmen in the community and who, in addition to the wood pellet manufacturing facility, currently own and operate a large sod/turf farming business.

For the Nimmers, the genesis of the idea to develop a pellet manufacturing facility was rooted in three basic ideas. First, due to the manufacturing facilities close proximity to the ports of Charleston, Savannah and Brunswick and the growing demand for wood pellets as a renewal fuel source in overseas markets, the location of the business would provide a logistical advantage over other pellet mills located further away from the coast.

Second, the potential for the production of new types of grass fiber "energy crops" to meet the fiber requirements of the pellet manufacturing facility provided a great opportunity to expand the types of grass currently being grown by their existing turf farming business.

And third, the cyclical nature of their existing turf business which is spring and summer complemented the seasonal demand of the wood fuel pellet industry, wood pellets which are primarily used to generate heat and are seasonal in nature provided an easy transition between the summer turf business and the potential fall and winter wood fuel pellet industry.

In early 2011, after extensive and unsuccessful efforts to get the pellet manufacturing facility operating as planned and exhausting the company's resources, coupled with the continued downturn in the residential housing and commercial building sectors which had negatively impacted the family's turf business, the Nimmers decided to refocus their energy and attention back to the family's core business of farming and entered into discussions with predecessors of the company to sell the wood pellet manufacturing business. During that time, the Facility was constructed and was leased for a time to another company.

Currently, the Company and the Nimmers, through their companies which own the facility, have entered into a Purchase Agreement to acquire and expand the facility with the Nimmers retaining a membership interest in the acquiring company (which is the Applicant). The structure of the Purchase Agreement provides the Company the opportunity to finish and expand the work started by the Nimmers.

STATE OF SOUTH CAROLINA)	
)	
RICHLAND COUNTY)	
_____)	
)	
TO THE STATE FISCAL	)	PETITION OF THE
	)	SOUTH CAROLINA
ACCOUNTABILITY AUTHORITY	)	JOBS-ECONOMIC
	)	DEVELOPMENT AUTHORITY
OF SOUTH CAROLINA)	

This Petition of the South Carolina Jobs-Economic Development Authority (“*Authority*”), pursuant to Title 1, Chapter 11 of the Code of Laws of South Carolina 1976, as amended (“*Act*”), and specifically Section 1-11-530 thereof, respectfully shows:

1. The Act, among other things, authorizes the State Fiscal Accountability Authority (“*SFAA*”) to allocate the State of South Carolina’s (“*State*”) ceiling on the issuance of private activity bonds in response to authorized requests from issuing authorities.
2. Each State ceiling allocation made by the SFAA (unless eligible and approved for carry-forward election) is valid only for the calendar year in which the State ceiling allocation is made.
3. The Authority has agreed to assist Ridgeland Pellets, LLC and one or more of its related or affiliated entities by issuing one or more series of its Economic Development Revenue Bonds (“*Bonds*”), in an amount not to exceed \$10,500,000, taxable or tax exempt, to (i) finance a portion of the costs of acquisition, designing, acquiring, constructing, and equipping a wood pellet facility (“*Facility*”) in Jasper County, South Carolina, all of which constitutes property eligible to be financed with economic development revenue bonds, (ii) fund certain accounts and funds related to the Facility and the Bonds, (iii) finance capitalized interest during the construction period of the Facility, and (iv) provide for certain fees and expenses to be incurred in connection with the issuance of the Bonds (collectively, (i), (ii), (iii) and (iv) are the “*Project*”). The Authority has petitioned the South Carolina Coordinating Council for Economic Development for approval of the Bonds at its meeting on February 1, 2018, pursuant to Section 41-43-110 of the Code of Laws of South Carolina 1976, as amended.
4. The Facility is expected to be a solid waste disposal facility as described under Section 142 of the Internal Revenue Code (“*Code*”).
5. The Bonds to be issued for the Project would require an allocation of not exceeding \$9,500,000 of the State ceiling. The Bonds constitute all of the private activity bond financing contemplated for the Project as of the date of this Petition.

Upon the basis of the foregoing, the Authority respectfully prays that the SFAA (i) accept the filing of this Petition and the documents submitted herewith, (ii) make such review as it deems advisable and (iii) approve a State ceiling allocation for the Bonds of \$9,500,000.

February 20, 2018

Respectfully submitted,

**SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY**

(SEAL)

By: _____
Harry A. Huntley, Executive Director

**THE SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY**

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AGREEMENT BY AND BETWEEN SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY AND RIDGELAND PELLETS, LLC, WHEREBY UNDER CERTAIN CONDITIONS THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY WILL ISSUE NOT TO EXCEED \$10,500,000 OF ITS ECONOMIC DEVELOPMENT REVENUE BONDS IN ONE OR MORE SERIES, TAXABLE OR TAX-EXEMPT, PURSUANT TO THE PROVISIONS OF TITLE 41, CHAPTER 43 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, AND AUTHORIZING APPLICATION UPON CERTAIN CONDITIONS TO THE SOUTH CAROLINA COORDINATING COUNCIL FOR ECONOMIC DEVELOPMENT FOR APPROVAL OF THE ISSUANCE OF SUCH BONDS; AND OTHER RELATED MATTERS

WHEREAS, the South Carolina Jobs-Economic Development Authority ("*Authority*"), acting by and through its Board of Directors, is authorized and empowered under and pursuant to the provisions of Title 41, Chapter 43 of the Code of Laws of South Carolina 1976, as amended ("*Act*"), to utilize any of its program funds to establish loan programs to encourage and assist the location of new business enterprises in the State of South Carolina ("*State*") and for other purposes described in Section 41-43-160 of the Act in order to promote and develop the business and economic welfare of the State and thus provide maximum opportunities for the creation and retention of jobs and improvement of the standard of living of the citizens of the State and act in conjunction with other persons and organizations, public or private, in the promotion and advancement of industrial, commercial, agricultural, and recreational development in this State; and

WHEREAS, in order to provide funds for any program authorized by the Act, the Authority is further authorized by Section 41-43-110 of the Act to issue limited obligations, the principal and interest of which are payable by the Authority solely from a revenue producing source and secured by a pledge of said revenues; and

WHEREAS, Ridgeland Pellets, LLC, and its related or affiliated entities (collectively, "*Borrower*"), has applied to the Authority to issue not to exceed \$10,500,000 of its Economic Development Revenue Bonds ("*Bonds*") in one or more series, taxable or tax-exempt, in order to (i) finance a portion of the costs of acquisition, designing, acquiring, constructing, and equipping a wood pellet facility ("*Facility*") in Jasper County, South Carolina ("*County*"), all of which constitutes property eligible to be financed with economic development revenue bonds, (ii) fund certain accounts and funds related to the Facility and the Bonds, (iii) finance capitalized interest during the construction period of the Facility, and (iv) provide for certain fees and expenses to be incurred in connection with the issuance of the Bonds (collectively, (i), (ii), (iii) and (iv) are the "*Project*"), and the Authority wishes to induce the Borrower to undertake the Project; and

WHEREAS, it is in the public interest, for public benefit and in furtherance of the public purposes of the Authority, that its Board of Directors provide preliminary approval of the issuance of revenue bonds for the aforesaid purposes; and

WHEREAS, it is deemed advisable by the Authority to file with the South Carolina Coordinating Council for Economic Development ("*Coordinating Council*"), in compliance with Section 41-43-110 of the Act, a petition (defined below) of the Authority requesting approval by the Coordinating Council for the issuance of the Bonds which are anticipated to be placed by Stephens Inc. in a limited offering to qualified institutional buyers and/or accredited investors; and

WHEREAS, it is deemed advisable by the Authority to file with the State Fiscal Accountability Authority ("*SFAA*"), in compliance with Section 1-11-530 of the Code of Laws of South Carolina 1976, as amended, a petition of the Authority requesting not exceeding \$10,500,000 of the State ceiling be allocated by the SFAA to the Bonds and that such allocation be approved for a carry-forward election.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority ("*Board*") as follows:

Section 1. It is hereby found, determined, and declared as follows:

(a) The Borrower is a responsible party and the proposed Project is located in the County.

(b) The Borrower has demonstrated to the Authority that the assistance of the Authority by the issuance of its revenue bonds will result in (i) the creation of (A) indirect employment of approximately 50 people within 24 months, and (B) direct employment for 6-8 people within 12 months, and an additional 10-12 people within 24 months, for a total of 70 employees, which employees will be from the County and adjacent areas, and (ii) the promotion of other public benefits incident to the conduct of such activity not otherwise provided locally; and the number of jobs and other public benefit resulting from the assistance authorized herein bears a reasonable relationship to the principal amount of the Bonds.

(c) The principal amount of the Bonds bears a reasonable relationship to the amount of private funds committed to the Project.

(d) The size and scope of the Project is such that a definite benefit to the economy of the State, and the County in particular, is reasonably expected to result therefrom.

Section 2. Subject to such approval by the Coordinating Council and the governing board of the County or the City of Jasper, South Carolina, as required by law, the Board preliminarily approves the issuance and sale of the Bonds for the purpose of providing funds to be loaned to the Borrower to finance the Project and the related items as described in the recitals, above.

Section 3. The issuance and sale of the Bonds shall be upon such terms and conditions as may be mutually agreed upon by the Authority, the Borrower and the purchaser of the Bonds, and shall be subject to completion of proceedings for issuance, sale and delivery of the Bonds satisfactory to the Authority. The provisions, terms, and conditions of the agreements to be entered into in connection with the issuance of the Bonds by the Authority, and the form, details, rate or rates of interest, maturity, and redemption provisions, if any, of the Bonds, other details of any loan agreement relating to the Bonds, and findings required by the Act shall be prescribed by subsequent resolution of the Authority and shall be reasonable and proper (taking into account such factors as the type of program involved, the principal amount of the Bonds, and the number and type of jobs involved), and the public interest shall be adequately protected by the terms thereof.

Section 4. The Executive Director is hereby authorized and directed to execute the Inducement Agreement in the form attached hereto as Exhibit A (with such changes as shall have been approved by counsel to the Authority), in the name and on behalf of the Authority and to affix the seal of the Authority and to attest the same, and the Executive Director of the Authority is hereby further authorized and directed to deliver said executed Inducement Agreement to the Borrower.

Section 5. It is the intention of the Authority that this resolution shall constitute an official action on the part of the Authority within the meaning of the applicable regulations of the Department of Treasury of the United States of America relating to the issuance of tax-exempt revenue bonds.

Section 6. The Bonds shall never constitute an indebtedness of the Authority or the State within the meaning of any state constitutional provision or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the Authority or the State or a charge against the general credit of the Authority or the State or the taxing powers of the State.

Section 7. There shall be and is hereby authorized and directed the submission on behalf of the Authority, of (i) a petition requesting approval by the Coordinating Council (pursuant to the provisions of Section 41-43-110 of the Act) of the issuance of the Bonds which are anticipated to be placed by Stephens Inc. in a limited offering to qualified institutional buyers and/or accredited investors, and (ii) a petition requesting the SFAA allocate not exceeding \$10,500,000 of the State ceiling to the Bonds and that the SFAA make a carry-forward election with respect to such allocation.

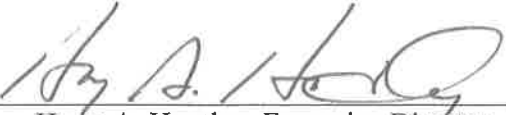
Section 8. The Executive Director shall be and is hereby authorized and directed to execute the petitions in the name and on behalf of the Authority, and to affix the seal of the Authority to the petitions, upon the conditions set forth hereinabove, to submit an executed copy of this resolution to the Coordinating Council and the SFAA.

Section 9. All orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this resolution shall take effect and be in full force from and after its passage and approval.

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Passed and approved: January 17, 2018.

**SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY**



Harry A. Huntley, Executive Director

INDUCEMENT AGREEMENT

THIS INDUCEMENT AGREEMENT made and entered into by and between SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY, a public body corporate and politic and an agency and duly constituted authority of the State of South Carolina ("Authority"), and RIDGELAND PELLETS, LLC, and its related entities (collectively, "Borrower").

WITNESSETH

ARTICLE I RECITATION OF FACTS

As a means of setting forth the matters of mutual inducement which have resulted in the making and entering into of this Agreement, the following statements of fact are herewith recited:

Section 1.01. The Authority, acting by and through its Board of Directors, is authorized and empowered under and pursuant to the provisions of Title 41, Chapter 43 of the Code of Laws of South Carolina 1976, as amended ("Act"), to utilize any of its program funds to establish loan programs to encourage and assist the location of new business enterprises in the State of South Carolina ("State") and for other purposes described in Section 41-43-160 of the Act in order to promote and develop the business and economic welfare of the State and thus provide maximum opportunities for the creation and retention of jobs and improvement of the standard of living of the citizens of the State and act in conjunction with other persons and organizations, public or private, in the promotion and advancement of industrial, commercial, agricultural, and recreational development in this State.

Section 1.02. In order to provide funds for any program authorized by the Act, the Authority is further authorized by Section 41-43-110 of the Act to issue limited obligations, the principal and interest of which are payable by the Authority solely from a revenue producing source and secured by a pledge of said revenues.

Section 1.03. The Borrower has applied to the Authority to issue not to exceed \$10,500,000 of its Economic Development Revenue Bonds ("Bonds") in one or more series, taxable or tax-exempt, in order to (i) finance a portion of the costs of acquisition, designing, acquiring, constructing, and equipping a wood pellet facility ("Facility") in Jasper County, South Carolina ("County"), all of which constitutes property eligible to be financed with economic development revenue bonds, (ii) fund certain accounts and funds related to the Facility and the Bonds, (iii) finance capitalized interest during the construction period of the Facility, and (iv) provide for certain fees and expenses to be incurred in connection with the issuance of the Bonds (collectively, (i), (ii), (iii) and (iv) are the "Project"), and the Authority wishes to induce the Borrower to undertake the Project.

Section 1.04. (a) The Borrower is a responsible party and the Project is located in the County.

(b) The Borrower has demonstrated to the Authority that the assistance of the Authority by the issuance of its revenue bonds will result in (i) the creation of (A) indirect employment of approximately 50 people within 24 months, and (B) direct employment for 6-8 people within 12 months, and an additional 10-12 people within 24 months, for a total of 70 employees, which employees will be from the County and adjacent areas, and (ii) the promotion of other public benefits incident to the conduct of such activity not otherwise provided locally; and the number of jobs and other public benefit resulting from the assistance authorized herein bears a reasonable relationship to the principal amount of the Bonds.

(c) The principal amount of the Bonds bears a reasonable relationship to the amount of private funds committed to the Project.

(d) The size and scope of the Project is such that a definite benefit to the economy of the State, and the County in particular, is reasonably expected to result therefrom.

Section 1.05. The Authority has given due consideration to all the proposals and requests of the Borrower and has agreed to endeavor to effect the issuance of the Bonds at the time and on the terms and conditions hereafter set forth.

ARTICLE II UNDERTAKING ON THE PART OF THE AUTHORITY

The Authority agrees as follows:

Section 2.01. The Authority will, subject to such approval by the South Carolina Coordinating Council for Economic Development (“*Coordinating Council*”) and the governing body of the County, or the City of Jasper, South Carolina, as may be required by law, and subject to the limitations set forth herein, authorize the issuance of the Bonds, at such time as the Borrower may request the Authority to do so.

Section 2.02. The Authority will permit the Borrower to arrange for the sale of the Bonds to defray certain costs of the Project as aforesaid, and if successful marketing arrangements can be made, it will adopt such proceedings and enter into such agreements as are necessary for the issuance and securing of the Bonds.

Section 2.03. The proceeds of any sale of the Bonds may be applied to the payment of the costs of the Project as determined under the Act, including, without limitation, the expenses incurred in connection with the issuance and sale of the Bonds, the acquisition of the Project, including land, buildings, equipment, and other items permitted by the Act, the repayment of any funds, advances or loans incurred by the Borrower for such purposes, the creation of a debt service reserve fund, and the provision of funds for capitalized interest.

Section 2.04. Prior to issuing the Bonds, the Authority may enter into a loan agreement with the Borrower and a security agreement with the trustee (to be requested by the Borrower and approved by the Authority and the State Treasurer) or with the purchasers of the Bonds, pursuant to which the Bonds will be secured and issued. Such documents shall be substantially in the form used in connection with the issuance of other South Carolina revenue bonds and shall constitute a lien on the revenues derived from the Borrower with respect to the Project to secure the payment of the Bonds. Provisions, terms and conditions of the agreements to be entered into in connection with the issuance of the Bonds by the Authority, and the form, details, rate or rates of interest, maturity and redemption provisions, if any, of the Bonds, and other details of any loan agreement relating to the Bonds, shall be prescribed by subsequent resolution of the Authority and shall be reasonable and proper, taking into account such facts as type of program involved, the principal amount of the Bonds and the number and type of jobs involved, and the public interest shall be adequately protected by the terms thereof.

Section 2.05. The Authority will perform such other acts and adopt such further proceedings as may be required faithfully to implement its undertaking and to consummate the proposed financing.

Section 2.06. The undertakings of the Authority hereunder are contingent upon the Authority continuing to evaluate the Project as desirable and beneficial to the public interest after considering all

additional circumstances of which the Authority may hereafter become aware and upon the Borrower providing the Authority with such further evidence as may be satisfactory to the Authority as to compliance with all applicable laws, statutes and regulations. ,

ARTICLE III UNDERTAKINGS ON THE PART OF THE BORROWER

Section 3.01. The Borrower agrees that the Authority will have no obligation to find a purchaser of the Bonds and acknowledges that the Authority's approval of this Agreement is preliminary and is conditioned upon the Authority continuing to evaluate the Project as desirable and beneficial to the public interest after considering all additional circumstances of which the Authority may hereafter become aware.

Section 3.02. The Borrower further agrees, if the issuance of the Bonds proceeds as contemplated, as follows:

(a) to acquire the Project;

(b) to enter into a loan agreement with the Authority, under the terms of which the Borrower will obligate itself to pay to the Authority sums sufficient to pay the principal of and interest and premium, if any, on the Bonds, as and when the same become due and payable;

(c) to hold the Authority harmless from all pecuniary liability and to reimburse it for all expenses to which it might be put in the fulfillment of its obligations under this Agreement;

(d) to perform such further acts and adopt such further proceedings as may be required faithfully to implement its undertakings and to consummate the proposed financing; and

(e) to covenant and agree in the loan agreement referred to above to install in the buildings which are to become a part of the Project all necessary equipment and furnishings and initially to operate the Project in the manner described in Section 1.03 hereof.

ARTICLE IV GENERAL PROVISIONS

Section 4.01. All commitments of the Authority under Article II hereof are subject to all of the provisions of the Act and regulations of the Authority pursuant thereto and the condition that nothing contained in this Agreement shall constitute nor give rise to a pecuniary liability of the Authority or a charge against its general credit.

Section 4.02. The parties hereto agree that the Borrower may proceed with the Project, including the acquisition of membership interests, real property, or leasehold interests therein, the construction of a building or buildings and additions to a building or buildings, and the acquisition and installation of the equipment and furnishings, prior to the issuance of the Bonds.

Section 4.03. All commitments of the Authority and the Borrower hereunder are subject to the condition that the Authority and the Borrower do agree on mutually acceptable terms and conditions of all documents, the execution and delivery of which are contemplated by the provisions hereof.

Section 4.04. The parties understand that the Borrower or the Authority may choose not to finance the Project as herein provided, in which event this Agreement shall become void.

Section 4.05. It is the intention of the parties hereto that this Agreement shall constitute an official action on the part of the Authority within the meaning of the applicable regulations of the Department of Treasury of the United States of America relating to the issuance of tax-exempt revenue bonds.

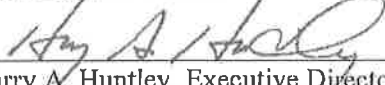
IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Agreement on the respective dates indicated below.

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(SEAL)

Dated: January 17, 2017

**SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY**

By: 
Harry A. Huntley, Executive Director

RIDGELAND PELLETS, LLC

By: 
Name: E.O. Arwelle Jr.
Title: Authorized Representative

Dated: January 17, 2017

**SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY**

(SEAL)

By: _____

Harry A. Huntley, Executive Director

Dated: January 17, 2017

RIDGELAND PELLETS, LLC

By: _____

Name: _____

Title: Authorized Representative

Dated: January 17, 2017

STATE OF SOUTH CAROLINA)	
)	
RICHLAND COUNTY)	
_____)	
)	
TO THE SOUTH CAROLINA	)	PETITION OF THE
	)	SOUTH CAROLINA
COORDINATING COUNCIL	)	JOBS-ECONOMIC
	)	DEVELOPMENT AUTHORITY
FOR ECONOMIC DEVELOPMENT)	

This Petition of the South Carolina Jobs-Economic Development Authority ("*Authority*"), pursuant to Title 41, Chapter 43 of the Code of Laws of South Carolina 1976, as amended ("*Act*"), and specifically Section 41-43-110 thereof, respectfully shows:

1. The Act, among other things, empowers the Authority: to utilize any of its program funds to establish loan programs to encourage and assist the location of new business enterprises in the State of South Carolina ("*State*") and for other purposes described in the Act in order to promote and develop the business and economic welfare of the State and thus provide maximum opportunities for the creation and retention of jobs and improvement of the standard of living of the citizens of the State; (ii) act in conjunction with other persons and organizations, public or private, in the promotion and advancement of industrial, commercial, agricultural, and recreational development in the State; and (iii) subject to the approval of the Coordinating Council of the issuance of its bonds pursuant to Section 41-43-110 of the Act, to issue revenue bonds in order to provide funds for any program authorized by the Act, and to secure the payment of such bonds, all as provided in the Act.

2. The Authority has agreed to assist Ridgeland Pellets, LLC ("*Borrower*") by issuing one or more series of its Economic Development Revenue Bonds ("*Bonds*") to (i) finance a portion of the costs of acquisition, designing, acquiring, constructing, and equipping a wood pellet facility ("*Facility*") in Jasper County, South Carolina ("*County*"), all of which constitutes property eligible to be financed with economic development revenue bonds, (ii) fund certain accounts and funds related to the Facility and the Bonds, (iii) finance capitalized interest during the construction period of the Facility, and (iv) provide for certain fees and expenses to be incurred in connection with the issuance of the Bonds (collectively, (i), (ii), (iii) and (iv) are the "*Project*").

3. The Authority has been advised by the Borrower that the estimated cost of the Project will be approximately \$11,900,000 and the Borrower has requested the Authority to execute and deliver the Bonds in one or more series, taxable or tax-exempt, in the aggregate principal amount of not exceeding \$10,500,000 to defray such costs.

4. The Bonds are anticipated to be placed by Stephens Inc. in a limited offering to qualified institutional buyers and/or accredited investors, which arrangement the Authority has determined to be most advantageous.

5. The Authority hereby finds that:

(a) The Borrower is a responsible party and the Project is located in the County.

(b) It is anticipated that the Project will benefit the general public welfare of the State, and the County in particular, by providing for (i) the creation of (A) indirect employment of approximately 50 people within 24 months, and (B) direct employment for 6-8 people within 12 months, and an additional 10-12 people within 24 months, for a total of 70 employees, which employees will be from the County and adjacent areas, and (ii) the promotion of other public benefits incident to the conduct of such activity not otherwise provided locally; and the number of jobs and other public benefit resulting

from the assistance authorized herein bears a reasonable relationship to the principal amount of the Bonds.

(c) The size and scope of the Project is such that a definite benefit to the economy of the State, and the County in particular, is reasonably expected to result therefrom.

(d) The principal amount of the Bonds bears a reasonable relationship to the amount of funds of the Borrower committed to the Project.

6. Prior to issuance of the Bonds, the Authority will, as part of its proceedings:

(a) Require a resolution from the governing body of the County containing the following findings: (i) that the financing of the Project will serve the purposes of the Act; (ii) that the financing of the Project is anticipated to benefit the general public welfare of the County by providing services, employment, or other public benefits not otherwise provided locally; (iii) that the financing of the Project will give rise to no pecuniary liability of the Authority or the County or a charge against either of their general credit or taxing power; and (iv) the amount of Bonds required to finance the Project.

(b) Hold a public hearing in the County, or the City of Jasper, South Carolina, in connection with such resolution;

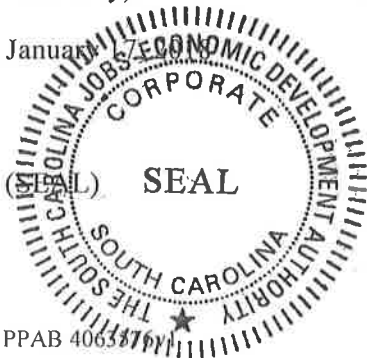
(c) Make findings that the terms of the agreements to be entered into in connection with the Project are reasonable and proper as to the adequacy of protection for the public interest provided by such terms;

(d) Negotiate the terms of such agreements to the extent necessary to conclude that neither the financing of the Project, the Bonds proposed to be issued by the Authority to defray the cost of the Project, nor any documents or agreements entered into by the Authority in connection therewith will constitute or give rise to a pecuniary liability of the Authority or the State or a charge against the general credit or taxing power of either, and only program funds (as defined in the Act) will be made available to finance the Project;

(e) Undertake such review as is necessary to conclude that the Borrower is an organization with established credit and is a responsible party; and

(f) Undertake such review as is necessary to conclude that the issuance of the Bonds by the Authority in the final principal amount requested by the Borrower will be required to defray the cost of financing the Project, and such principal amount bears a reasonable relationship to the amount of private funds also committed to the Project.

Upon the basis of the foregoing, the Authority respectfully prays that the Coordinating Council (i) accept the filing of this Petition and the documents submitted herewith, (ii) make such review as it deems advisable, and (iii) approve the issuance of the Bonds by the Authority through a limited offering pursuant to the Act to defray the costs of financing the Project (including changes in any details of said financing as finally consummated which do not materially affect the undertaking of the Authority).



Respectfully submitted,

**SOUTH CAROLINA JOBS-ECONOMIC
DEVELOPMENT AUTHORITY**

By: 
Harry A. Huntley, Executive Director

A RESOLUTION OF THE SOUTH CAROLINA COORDINATING COUNCIL FOR ECONOMIC DEVELOPMENT APPROVING THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY OF NOT EXCEEDING \$10,500,000 AGGREGATE PRINCIPAL AMOUNT ECONOMIC DEVELOPMENT REVENUE BONDS IN ONE OR MORE SERIES, TAXABLE OR TAX-EXEMPT, 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 ("*Authority*") has heretofore under and pursuant to the provisions of Section 41-43-110 of South Carolina Code Annotated, Title 41, Chapter 43 (1976), as amended ("*Act*"), petitioned the South Carolina Coordinating Council for Economic Development ("*Coordinating Council*") for approval of the issuance by the Authority of its Economic Development Revenue Bonds in the aggregate principal amount of not exceeding \$10,500,000 ("*Bonds*"), which are anticipated to be placed in a limited offering to qualified institutional buyers and/or accredited investors, as the Authority may determine to be most advantageous, in order to make a loan to Ridgeland Pellets, LLC, and one or more of its related or affiliated entities (collectively "*Borrower*"), for the purposes described in the Authority's petition; and

WHEREAS, the Authority represents to the Coordinating Council that the Bonds will be sold in a manner acceptable to the Authority.

NOW, THEREFORE, BE IT RESOLVED, by the Coordinating Council as follows:

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

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

Section 3. This Resolution shall take effect immediately.

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: University of South Carolina Student Intramural Fields Lease

Since 2011, the University of South Carolina (USC) has leased ±5.718 acres on the National Guard Complex located at 1101 Bluff Road in Columbia from the Department of the Army at a rate of \$156,000/year. The current lease expires on April 30, 2018, and USC is requesting approval to renew for an additional five years.

The site was originally leased as the football practice facility and is now used for intramural sports, all-purpose practice fields, and special athletics events. The space is consistently used by students, and the University notes there is a waiting list for field use.

A solicitation was conducted, and this was the only proposal received. The term of the lease will be for five (5) years beginning on May 1, 2018 at a rate of \$215,000 annually, for a total of \$1,075,000 over the term. This rate equates to \$37,600.56/acre. The rate was determined by an appraisal of the fee simple land value of the property (\$3,350,000) with a 6.5% capitalization rate resulting in an annual rate of \$217,750 which was negotiated down to \$215,000.

Comparables used in the appraisal to determine the value for the land lease are as follows:

Location	Acreage	Fee Simple Land Value	Fair Market Rent per acre based on 6.5% capitalization rate
620 Blossom Street/708 Pulaski Street	3.81 acres	\$2,575,000	\$43,930.45
1130 Bluff Road	1.10	\$715,000	\$42,250
520 Blossom Street	3.98	\$6,500,000	\$106,155.78
Huger Street at Senate Street	1.50	\$1,500,000	\$65,000
410 Gervais Street/411 Senate Street	2.30	\$2,727,139	\$77,071.32

Lease payments will be made from the Department of Student Services – Campus Recreation operating budget. The revenue source for the budget is Wellness Activity Fees. For the 2017-2018 academic year, the associated fee charged to each full-time undergraduate student, in-state and out-of-state, is \$210. The Athletics Department will continue to maintain the fields, and the budget for maintenance is Athletics Operating funds, which consist of ticket sales, conference

AGENCY: Department of Administration, Facilities Management and Property Services

SUBJECT: University of South Carolina Student Intramural Fields Lease

distributions, Gamecock club donations, premium seating, etc. The lease is revocable at will by the Secretary of the Army and may be terminated by the University with notice of thirty (30) days.

There are sufficient funds for the lease according to the Budget Approval form submitted. The lease was approved by the USC Board of Trustees on December 19, 2017, by the Commission on Higher Education on February 1, 2018, and by JBRC on February 28, 2018.

AUTHORITY ACTION REQUESTED:

As requested by the University of South Carolina, approve the proposed Student Intramural Fields lease.

ATTACHMENTS:

Agenda item worksheet; •SC Code of Laws Sections 1-11-55 and 1-11-56; USC Letter Dated January 23, 2018

STATE FISCAL ACCOUNTABILITY AUTHORITY AGENDA ITEM WORKSHEET

Meeting Scheduled for: March 8, 2018

Regular Agenda

1. Submitted by:

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


Ashlie Lancaster, Director
Facilities Management and Property Services

2. Subject: University of South Carolina Student Intramural Fields Lease

3. Summary Background Information:

Since 2011, the University of South Carolina (USC) has leased ± 5.718 acres on the National Guard Complex located at 1101 Bluff Road in Columbia from the Department of the Army at a rate of \$156,000/year. The current lease expires on April 30, 2018, and USC is requesting approval to renew for an additional five years.

The site was originally leased as the football practice facility and is now used for intramural sports, all-purpose practice fields, and special athletics events. The space is consistently used by students, and the University notes there is a waiting list for field use.

A solicitation was conducted, and this was the only proposal received. The term of the lease will be for five (5) years beginning on May 1, 2018 at a rate of \$215,000 annually, for a total of \$1,075,000 over the term. This rate equates to \$37,600.56/acre. The rate was determined by an appraisal of the fee simple land value of the property (\$3,350,000) with a 6.5% capitalization rate resulting in an annual rate of \$217,750 which was negotiated down to \$215,000.

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There are sufficient funds for the lease according to the Budget Approval form submitted. The lease was approved by the USC Board of Trustees on December 19, 2017, by the Commission on Higher Education on February 1, 2018, and by JBRC on February 28, 2018.

4. What is SFAA asked to do? As requested by USC, consider approval of the proposed Student Intramural Fields lease.

5. What is recommendation of the Department of Administration? As requested by USC, consider approval of the proposed Student Intramural Fields lease.

6. List of Supporting Documents:

- SC Code of Laws Sections 1-11-55 and 1-11-56
- USC Letter Dated January 23, 2018

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

(1) "Governmental body" means a state government department, commission, council, board, bureau, committee, institution, college, university, technical school, 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.

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

Code Commissioner's Note

The last sentence in subsection (2), which was added by 2011 Act No. 74, was inadvertently omitted from 2014 Act No. 121 due to a scrivener's error. At the direction of the Code Commissioner, this sentence has been retained in subsection (2).

Effect of Amendment

The 2011 amendment, in subsection (2), added the third sentence relating to technical colleges.

The 2013 amendment, in subsection (1), substituted "Legislative Services Agency" for "Office of Legislative Printing, Information and Technology Systems".

2014 Act No. 121, Section 7.A, in subsection (1), substituted "agency, government corporation, or other establishment or official of the executive branch" for "legislative body, agency, government corporation, or other establishment or official of the executive, judicial, or legislative branches"; in subsection (2), substituted "Division of General Services of the Department of Administration" for "Budget and Control Board"; in subsection (3) substituted "division" for "office" in three instances, and substituted "department" for "board"; in subsection (4), substituted "department" for "board"; and in subsection (5), substituted "Division of General Services of the Department of Administration" for "Office of General Services".

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

(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.

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

Effect of Amendment

2014 Act No. 121, Section 7.B, added subsection designator (A); in subsection (A), substituted "Division of General Services of the Department of Administration" for "State Budget and Control Board", substituted "a governmental body" for "state agencies", and added the second sentence relating to regulations; in subsection (A)(6), substituted "department" for "board's budget office", and deleted text relating to prior review by the Joint Bond Review Committee; rewrote subsection (A)(7); and added subsections (B) and (C) .



UNIVERSITY OF
SOUTH CAROLINA
Administration and Finance

January 23, 2018

Ashlie Lancaster
Director
Division of Facilities Management and Property Services
1200 Senate Street, Suite 408
Columbia, SC 29201

Re: University of South Carolina Lease Student Intramural Fields

Dear Ms. Lancaster,

The University of South Carolina requests approval to lease 5.72 acres of land from the Department of the Army, South Carolina Army National Guard located on National Guard Road, Columbia, SC. USC has leased the National Guard fields for many years and the current lease term expires on April 30, 2018. This lease renewal will help USC provide much needed intramural and club sports fields for our students. The shortage of intramural fields has been documented in our university master plan for many years.

During the Fall semester of 2017, over 7000 students on over 600 teams participated in intramural and club sports. Even with the use of the fields that are offered by this space, the waiting list for fields can exceed 20 requests.

The attached lease was solicited through the Real Property Services Office of the Department of Administration and it was approved by the University's Board of Trustees on December 19, 2017. The lease has an annual expense of \$215,000 and a potential term of 5 years.

We ask that the lease be placed on the agenda for the February JBRC meeting to allow review and approval by both JBRC and SFAA prior to the expiration of the current lease term.

Thank you for your assistance with this. Please let me know if additional information is needed.

Sincerely,

Derek Gruner
University Architect

CC: Helen Zeigler

AGENCY: Department of Administration, Capital 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:

Establish Project for A&E Design (Carry Over from January 30, 2018 Agenda)

- (a) Summary 5-2018: JBRC Item (N/A). (E24) Office of the Adjutant General
Project: 9810, Statewide Armory Standalone Kitchens
Included in Annual CPIP: Yes – CPIP Priority 9 of 21 in FY18 (estimated at \$912,000)
JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: N/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>
Appropriated State	0.00	0.00	0.00	43,780.00	43,780.00
Federal, National Guard Bureau	0.00	0.00	0.00	131,340.00	131,340.00
All Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>175,120.00</u>	<u>175,120.00</u>

Funding Source: \$43,780 Appropriated State. \$131,340 Federal, National Guard Bureau, which is funding identified as part of the Construction and Facilities Management Office’s Master Cooperative Agreement through the Office of the Adjutant General and from the National Guard Bureau.

Request: Establish project and budget for \$175,120 (Appropriated State and Federal, National Guard Bureau Funds) to construct a new 1,200 square foot kitchen addition at various readiness centers across the state. These readiness centers include facilities in Hemingway, Myrtle Beach, Batesburg, Edgefield, Saluda, Dillon, Conway and Walterboro. The existing kitchens at these readiness centers do not meet current building

AGENCY: Department of Administration, Capital Budget Office

SUBJECT: Permanent Improvement Projects

code requirements, are not in compliance with occupation, safety and health organizations and are not adequate to meet the needs of the assigned units. Adding the kitchen additions to the readiness centers will rectify these issues. The Phase I pre-design budget is requested at 10.9% of the estimated project cost and the additional amount will cover additional costs to be incurred while adapting utilities and grading requirements for each individual location. Each of these facilities are utilized by over 150 Army National Guard soldiers. The agency estimates that the completed project will cost approximately \$1,600,000. (See attachment 1 for additional annual operating costs.)

Establish Project for A&E Design

- (b) Summary 5-2018: JBRC Item 1. (H27) University of South Carolina - Columbia
 Project: 6123, Barnwell Exterior Renovation
 Included in Annual CPIP: Yes – CPIP Priority 6 of 9 in FY18 (estimated at \$1,500,000)
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: 2/1/18

<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, Institutional Capital Project	0.00	0.00	0.00	22,500.00	22,500.00
All Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>22,500.00</u>	<u>22,500.00</u>

Funding Source: \$22,500 Other, Institutional Capital Project Funds, which are generated from the portion of tuition and fees designated for Bond and Renovation Reserve. These funds pay debt service first and the remainder is used for capital improvements.

AGENCY: Department of Administration, Capital Budget Office

SUBJECT: Permanent Improvement Projects

Request: Establish project and budget for \$22,500 (Other, Institutional Capital Project Funds) to address the following exterior envelope maintenance needs at Barnwell College which were identified in a detailed building condition assessment completed April 2016: 1) Replace the deteriorated low-sloped metal roof, repair rotten wood sheathing. 2) Repair the perimeter slate roof with new underlayment. 3) Replace the internal gutter and all downspouts. 4) Repair the architectural metal entablature and wood framed substrate. 5) Repair molding and plaster column capitals. 6) Repair cementitious stucco, clean, re-seal/caulk joints and repaint the entire building. Barnwell College was constructed in 1910 and is 58,623 square feet. However, the building systems being addressed in this project are 39 years old. The existing roof is a combination of low-slope metal in the center and sloped slate at the perimeter which is predominant. The existing roof leaks on the flat roof, in some areas of the slate roof and the gutter. The project is needed to resolve these leaks before more significant damage occurs to the structure and finishes. Part of the new roof will replace the oxidized metal roof with copper or aluminum which will not oxidize and is anticipated to last 30 to 40 years. The remainder, and predominant part of the roof will include removal of the existing slate, application of a new waterproof membrane, and reinstallation of the existing slate. Slate roofs with modern membrane underlayments are considered to be 60-year-plus roofs. The new roof will come with a 20 year warranty. The facility houses the Psychology, Language and Literature, History, Anthropology and other departments within the College of Arts and Sciences. The building has classrooms, faculty offices and administration space and is utilized by approximately 7,000 students. The agency estimates that the completed project will cost approximately \$1,500,000.

- (c) Summary 5-2018: JBRC Item 2. (H51) Medical University of South Carolina Project: 9842, Clinical Sciences Building High Risk Infectious Disease (HRID) Unit Included in Annual CPIP: No – The agency states that funding for the project had not been identified at the time of CPIP submission.
JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: 2/1/18

AGENCY: Department of Administration, Capital Budget Office

SUBJECT: Permanent Improvement Projects

<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>
Federal, ASPR Grant	0.00	0.00	0.00	36,000.00	36,000.00
All Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>36,000.00</u>	<u>36,000.00</u>

Funding Source: \$36,000 Federal, Office of the Assistant Secretary for Preparedness and Response (ASPR) Grant Funding.

Request: Establish project and budget for \$36,000 (Federal, Office of the Assistant Secretary for Preparedness and Response Grant Funds) to begin Phase I schematic design to create a High Risk Infectious Disease (HRID) unit in the Clinical Sciences Building (CSB). This specialized medical unit will allow for isolation treatment for highly infectious diseases. This unit will be constructed in approximately 3,000 square feet of vacated space on the first floor of the 273,899 square foot CSB. Currently, the first floor of the CSB is occupied entirely by the Medical University Hospital Authority (MUHA). The existing space where this unit will be constructed is currently occupied by MUHA Neurophysiology. MUHA is working on a project to relocate that group to the 3rd floor of their main hospital. The HRID unit will be one of the few specialized units in the country, and the only one in South Carolina, equipped to address highly infectious diseases. When not in active use for patients, the space will be used for mock training to prepare providers to handle high risk cases. The building is 42 years old and the new unit will be occupied by up to 50 faculty and staff during an infectious disease event and numerous faculty and staff will utilize the space for training. The agency estimates that the completed project will cost approximately \$2,400,000.

AGENCY: Department of Administration, Capital Budget Office

SUBJECT: Permanent Improvement Projects

- (d) Summary 5-2018: JBRC Item 3. (H51) Medical University of South Carolina
 Project: 9843, Courtenay Drive Garage Upgrades
 Included in Annual CPIP: Yes – CPIP Priority 2 of 4 in FY18 (estimated at \$2,500,000)
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: Pending CHE Board Approval on 3/1/18

<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, Parking Revenue	0.00	0.00	0.00	37,500.00	37,500.00
All Sources	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>37,500.00</u>	<u>37,500.00</u>

Funding Source: \$37,500 Other, Parking Revenue, which is revenue generated from operation of the MUSC parking system.

Request: Establish project and budget for \$37,500 (Other, Parking Revenue Funds) to begin Phase I schematic design to make upgrades in MUSC's Courtenay Parking Garage. Upgrades will include new lighting, cleaning and painting of interior concrete, new signage and way finding, layout and circulation improvements, and ADA accessibility improvements. These improvements will upgrade the garage to support the New Children's and Women's Hospital currently under construction. The 559,288 square foot garage is 25 years old and includes approximately 1,500 parking spaces for faculty, staff and patients. Currently, 1,494 of those spaces are occupied. The agency estimates that the completed project will cost approximately \$2,500,000.

AGENCY: Department of Administration, Capital Budget Office

SUBJECT: Permanent Improvement Projects

Establish Construction Budget

- (e) Summary 5-2018: JBRC Item 6. (H15) College of Charleston
 Project: 9666, City Bistro Interior Renovation
 Included in Annual CPIP: Yes – CPIP Priority 3 of 7 in FY18 (estimated at \$2,172,100)
 JBRC/SFAA Phase I Approval: August 2017 (estimated at \$2,172,100)

CHE Recommended Approval: 2/1/18

<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, Auxiliary	32,581.00	0.00	32,581.00	2,138,779.00	2,171,360.00
All Sources	<u>32,581.00</u>	<u>0.00</u>	<u>32,581.00</u>	<u>2,138,779.00</u>	<u>2,171,360.00</u>

Funding Source: \$2,171,360 Other, Auxiliary Funds, which are generated by Food Service which is a self-supporting auxiliary enterprise.

Request: Increase budget to \$2,171,360 (add \$2,138,779 Other, Auxiliary Funds) for the renovation of the interior of the City Bistro dining facility. The City Bistro is an all-you-care-to-eat residential dining hall located within the 27 year old Joe E. Berry, Jr. Residence Hall in the north central area of campus. It is a popular dining option among students, which can be credited in part to its convenient location. It is located within a five-minute walk of ten residence halls that collectively house approximately 3,000 students. The dining hall is 7,380 square feet and consists of five food service stations, 135 interior seats, and 165 exterior seats. The Bistro currently serves an average of 2,400 meals per day and this number is expected to increase with the recent addition of a new covered outdoor seating area. The layout of the dining room, including the food service stations throughout, will be reconfigured to maximize food preparation space, counter top surface area, and storage capacity. The new dining room configuration will better facilitate the heavy traffic flow that the Bistro regularly experiences and will be fully ADA

AGENCY: Department of Administration, Capital Budget Office

SUBJECT: Permanent Improvement Projects

compliant. Back-of-the-house space will also be reconfigured to accommodate growing demand. A section of the residence hall lobby adjacent to the City Bistro will be converted for use as additional dry storage. The trash area will be reconfigured and a dedicated dish washing area will be created. The project will include new flooring, ceiling materials, wall finishes, and select new food service equipment. The restrooms will be renovated. The existing lighting will be replaced with new LED lighting throughout and new digital nutrition signage will be installed. This renovation project will increase the service capacity of the dining facility to meet current and anticipated demand and will help the College provide its students with timely food service and an enhanced campus experience. The agency estimates that the completed project will cost approximately \$2,171,360. The agency also reports the projects date for execution of the construction contract is May 2018 and for completion of construction is August 2018.

- (f) Summary 5-2018: JBRC Item 7. (H59) Greenville Technical College
 Project: 6131, Greenville – Bldg. 801 Roof Replacement & HVAC Upgrades
 Included in Annual CPIP: Yes – CPIP Priority 2 of 3 in FY17 (estimated at \$1,200,000)
 JBRC/SFAA Phase I Approval: May 2017 (estimated at \$1,424,500)

CHE Recommended Approval: 2/1/18

<u>Source of Funding Detail</u>	<u>Original Budget Amount</u>	<u>Cumulative Changes Since</u>		<u>Current Budget Adjustment Requested</u>	<u>Total Budget After Current Adjustment</u>
		<u>Original Budget</u>	<u>Current Budget</u>		
Other, Local Government Contribution to Plant Maintenance	21,367.50	0.00	21,367.50	1,449,221.50	1,470,589.00
All Sources	<u>21,367.50</u>	<u>0.00</u>	<u>21,367.50</u>	<u>1,449,221.50</u>	<u>1,470,589.00</u>

Funding Source: \$1,470,589 Other, Local Government Contributions to Plant Maintenance Fund, which is an accumulation of appropriated funds from

AGENCY: Department of Administration, Capital Budget Office

SUBJECT: Permanent Improvement Projects

Request:

Greenville County that are used to perform maintenance and renovations to physical facilities of Greenville Technical College.

Increase budget to \$1,470,589 (add \$1,449,221.50 Other, Local College's Plant Maintenance Fund) to begin Phase II full design and construction to replace the largest portion, Section C, on Bldg. 801, McKinney Automotive Center at Greenville Technical College as identified in a roof evaluation report prepared by ADC Engineering. In conjunction with the roof replacement, the roof mounted HVAC units are in need of replacement. Facilities maintenance personnel as well as contractors, have attempted to repair leaks in the roof but excessive deterioration, as identified in ADC Engineering's report, ponding of water and major leaks occurring with each rain event, are exposing equipment and materials inside the building to potential damage. Water saturated roof insulation may also be developing a potential health risk hazard for occupants. Consultation with Peritus Mechanical Engineers regarding the existing roof mounted HVAC units that will be affected by the roof replacement, revealed the need for replacing these units. As part of Phase I, a study of the HVAC system for the affected interior space was conducted to ensure the essential needs of heating, ventilation, and air conditioning are being met to current air quality standards. This project includes a total of 56,000 square feet (Section "C"), of the total 91,000 square foot building. The building, constructed in 1965, is 52 years old. The existing roof is estimated to be 20+ years old and the HVAC units are approximately 19+ years old. Roof replacement includes total removal of existing roofing systems down to the structural deck for approximately 560 square feet of roof, minor deck repairs, rough carpentry, roof insulation, including taper, and a mechanically fastened thermoplastic single-ply roof system. The new roof will come with two independent warranties. There will be a 3 year contractor warranty and a 20 year manufacturer's warranty. The facility is used to house the curriculum programs in automotive training in maintenance of motors, transmissions and body repair and it utilized by 302 students, 15 faculty and 1 staff. The agency estimates that the completed project will cost approximately \$1,470,589.00. (See attachment 2 for additional annual operating cost savings.) The agency also reports the projects date for execution of the construction contract is April 2018 and for completion of construction is September 2018.

AGENCY: Department of Administration, Capital Budget Office

SUBJECT: Permanent Improvement Projects

- (g) Summary 5-2018: JBRC Item 12. (U12) Department of Transportation
 Project: 9742, SCDOT Headquarters Building Guaranteed Energy Savings Contract
 Included in Annual CPIP: Yes – CPIP Priority 2 of 2 in FY18 (estimated at \$4,200,000)
 JBRC/SFAA Phase I Approval: March 2017 (estimate undetermined)

CHE Recommended Approval: N/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, State Highway	60,000.00	0.00	60,000.00	(60,000.00)	0.00
Other, Master Lease Program	0.00	0.00	0.00	4,534,760.00	4,534,760.00
All Sources	<u>60,000.00</u>	<u>0.00</u>	<u>60,000.00</u>	<u>4,474,760.00</u>	<u>4,534,760.00</u>

Funding Source: \$4,534,760 Other, Master Lease Program, which is a lease administered by the State Treasurer's Office. The lease, including interest, will be recompensed energy and operational savings that are to be guaranteed by the Energy Savings Company (ESCO).

Request: Increase budget to \$4,534,760.00 (add \$4,534,760 Master Lease Program Funds) to begin Phase II to provide for the engineering, construction and commissioning/verification of six energy conservation measures for the Guaranteed Energy Savings Contract (GESG) for the Headquarters Building located at 955 Park St. in Columbia. The SCDOT energy plant will save energy costs for SCDOT. The six energy measures are light fixture replacement with LED fixtures, water conservation measures, variable air volume retrofit and fan replacements, installation of a hot water boiler, installation of dynamic filters, and construction of a chilled water plant. All energy measures are easily verifiable energy savings projects. This project will realize a guaranteed energy savings of \$5,794,836 over the 14 year term of the contract. After the contract term, the savings will continue for the life of the equipment. The contracting

AGENCY: Department of Administration, Capital Budget Office

SUBJECT: Permanent Improvement Projects

method is in compliance with the state procurement process for energy performance contracting. The Department of Administration determined, via an engineering study, that SCDOT leaving the state energy plant should not have any negative impact to the Department of Administration or the other buildings on the Statehouse grounds. The 40 year old Headquarters Building is 228,000 square feet with an 802 space parking garage. All administrative functions of SCDOT are housed in the Headquarters Building which is utilized by 900 persons. The agency estimates that the completed project will cost approximately \$4,534,760. (See attachment 3 for additional annual operating cost savings.) The Lease will, in turn, be paid with funds realized through operating energy savings guaranteed by the Energy Service Company (ESCO). The agency also reports the projected date for execution of the construction contract is March 2018 and for completion of construction is November 2019.

Phase II Increase

- (h) Summary 5-2018: JBRC Item 13. (H59) Northeastern Technical College
Project: 6114, Industrial Training Center Renovations & Expansion (Bennettsville & Pageland)
Included in Annual CPIP: Yes – CPIP Priority 1 of 1 in FY17 (estimated at \$1,900,000)
JBRC/SFAA Phase II Approval: December 2015 (estimated at \$1,500,000)
JBRC/SFAA Phase II Increase Budget: June 2016 (estimated at \$1,900,000)

CHE Recommended Approval: Pending CHE Board Approval on 3/1/18

AGENCY: Department of Administration, Capital Budget Office

SUBJECT: Permanent Improvement Projects

<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>
FY16 Capital Reserve	1,500,000.00	0.00	1,500,000.00	0.00	1,500,000.00
Other, Local	0.00	400,000.00	400,000.00	0.00	400,000.00
Other, College (NETC Reserves)	0.00	0.00	0.00	461,000.00	461,000.00
All Sources	<u>1,500,000.00</u>	<u>400,000.00</u>	<u>1,900,000.00</u>	<u>461,000.00</u>	<u>2,361,000.00</u>

Funding Source: \$1,500,000 FY15-16 Capital Reserve Funds. \$861,000 Other, Local, which is a \$150,000 donation from the City of Bennettsville, a \$250,000 donation from the Town of Pageland and \$461,000 from College Funds, which are NETC Reserves, and represent an accumulation of funds remaining at year end. This would consist largely of tuition.

Request: Increase budget to \$2,361,000 (add \$461,000 Other, Local Funds) to add additional funding to proceed with the renovations to 15,030 square feet of the 46,353 square foot Winn-Dixie building which will house the Marlboro County Training Center. The bids were received on 1/22/18 and the lowest bid was \$1,561,000. The higher bids are believed to be due economic factors. One of the largest increases is for electrical, which resulted in a \$250,000 difference from the estimate. This project was established in December 2015 utilizing \$1,500,000 in FY16 Capital Reserve Funds to construct a new facility in Pageland (which is now complete), and complete renovations to an existing facility (former elementary school), in Bennettsville. In June 2016 a Phase II budget increase was processed to add \$400,000 in Other Funds (donations), to cover the renovations to the Bennettsville facility because the new

AGENCY: Department of Administration, Capital Budget Office

SUBJECT: Permanent Improvement Projects

estimate to complete the project increased to \$1,900,000. In October 2017, a scope revision was approved to move the funds allocated for the former elementary school to a more cost-effective alternative facility, which the college identified as the former Winn-Dixie building. The college states that Proviso 25.9, effective July 1, 2017, allows the college to move the funds allocated for the previous facility to a more cost-effective alternative facility. The alternative location was constructed in 1999 and will be owned by the Northeastern Technical College Foundation. The new site consists of 46,353 square feet of open space, loading dock, an existing sprinkler system through-out the building, newer zone roof-top A/C units, upgraded newer energy efficient roof and will require very little seismic up-fitting. The new building includes land with paved parking for students, lighted parking lot for student security, multiple access points for traffic flow, and a location in a highly visible location. NETC will offer on-going vocational educational programs, such as welding, and specialized, industry-specific classes needed by existing industries. This facility is located in a high-traffic area and will be appealing to businesses looking to locate in Marlboro County. Initially, an estimated 200 students will use the space. After the entire building is renovated in the future, there could be close to 600 students using this building. The agency reports the total projected cost of this project is \$2,361,000. (See attachment 4 for additional annual operating costs.) The agency also reports the projected date for execution of the construction contract is March 2018 and for completion of construction is August 2018.

AUTHORITY ACTION REQUESTED:

Approve permanent improvement project establishment requests and budget revisions as requested by the Department of Administration, Capital Budget Office. All items have been reviewed favorably by the Joint Bond Review Committee.

ATTACHMENTS:

Agenda item worksheet and attachments

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

1. AGENCY Code E24 Name Office of the Adjutant General

2. PROJECT Project # 9810 Name Statewide Armory Standalone Kitchens

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) 2017	\$ 3,500.00	\$ 3,500.00	\$ 0.00	\$ 7,000.00
2) 2018	\$ 3,500.00	\$ 3,500.00	\$ 0.00	\$ 7,000.00
3) 2019	\$ 3,500.00	\$ 3,500.00	\$ 0.00	\$ 7,000.00

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

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

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

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. <u>Utilities (per facility)</u>	<u>\$5,000.00</u>
2. <u>Maintenance & Repairs (per facility)</u>	<u>2,000.00</u>
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	<u>\$7,000.00</u>

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

9. Submitted By: Michael J. Young Mr. Michael J. Young, State Contracting
Signature of Authorized Official and Title 30 Nov 2017
Date

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

1. AGENCY Code H59 Name Greenville Technical College

2. PROJECT Project # 6131 Name Greenville - Bldg. 801 Roof Replacement and HVAC Upgrades

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) 17-18	\$ 3,000.00	\$	\$	\$ 3,000.00
2) 18-19	\$ 5,000.00	\$	\$	\$ 5,000.00
3) 19-20	\$ 5,000.00	\$	\$	\$ 5,000.00

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

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

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. Maintenance of roof, e.g. roof leak repairs.	\$1,000.00
2. Energy efficient HVAC units, properly engineered.	2,000.00
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	\$3,000.00

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

9. Submitted By: Bill Tripp Bill Tripp, Eng./Assoc. Eng. III 11/2017
Signature of Authorized Official and Title Date

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

1. AGENCY Code U12 Name South Carolina Department of Transportation

2. PROJECT Project # 9742 Name SCDOT Headquarters Building Guaranteed Energy Savings Contract

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) 2020	\$	\$	\$ (339,034.00)	\$ (339,034.00)
2) 2021	\$	\$	\$ (444,834.00)	\$ (444,834.00)
3) 2022	\$	\$	\$ (353,416.00)	\$ (353,416.00)


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

6. Will the additional costs be absorbed into your existing budget? YES NO
If no, how will additional funds be provided?
The energy and operational savings will pay the lease during the contract term.

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

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. <u>Energy Savings</u>	<u>(\$257,807.00)</u>
2. <u>Operational Savings</u>	<u>(81,227.00)</u>
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	<u>(\$339,034.00)</u>

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

9. Submitted By:  Christy A. Hall, Sec. of Transportation
Signature of Authorized Official and Title

1/19/18
Date

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

1. AGENCY
Code H59 Name Northeastern Technical College

2. PROJECT 6114
Project # 6114 Name Industrial Training Center Renovations & Expansion (Bennettsville)

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) 2018-2019	\$	\$	\$61,227	\$ 61,227
2) 2019-2020	\$	\$	\$61,227	\$ 61,227
3) 2020-2021	\$	\$	\$61,227	\$ 61,227

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

Tuition - see attached explanation.

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

Additional funds will be generated through tuition charges for the training classes. See attached explanation.

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>Facility Lease</u>	<u>\$40,000</u>
2. <u>Utilities</u>	<u>10,795</u>
3. <u>Operations & Maintenance</u>	<u>6,932</u>
4. <u>Supplies</u>	<u>3,500</u>
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	<u>\$61,227</u>

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

9. Submitted By: Rebbie Check, VP of Administration & Service 10/5/17
Signature of Authorized Official and Title Date

Permanent Improvement Project Information for March 8, 2018 SFAA Meeting

Agency/ Project No.	Agency/Project Name	Original		Date of		Phase I Amount	Date of Approval	Included in CPIP	Total Projected Project Cost
		Approved Budget		Original Approval	Phase I Approval				
E24-9810	Statewide Armory Standalone Kitchens	N/A	N/A	N/A	N/A	\$175,120.00	N/A	Yes	\$1,600,000.00
H27-6123	Barnwell Exterior Renovation	N/A	N/A	N/A	N/A	\$22,500.00	N/A	Yes	\$1,500,000.00
H51-9842	Clinical Sciences Building High Risk Infectious Disease (HRID) Unit	N/A	N/A	N/A	N/A	\$36,000.00	N/A	No	\$2,400,000.00
H51-9843	Courtenay Drive Garage Upgrades	N/A	N/A	N/A	N/A	\$37,500.00	N/A	Yes	\$2,500,000.00
H15-9666	City Bistro Interior Renovation	\$32,581.00	8/31/17	\$32,581.00	8/31/17	\$32,581.00	8/31/17	Yes	\$2,171,360.00
H59-6131	Greenville - Bldg. 801 Roof Replacement & HVAC Upgrades	\$21,367.50	5/2/17	\$21,367.50	5/2/17	\$21,367.50	5/2/17	Yes	\$147,089.00
U12-9742	SCDOT Headquarters Building Guaranteed Energy Savings Contract	\$60,000.00	3/9/17	\$60,000.00	3/9/17	\$60,000.00	3/9/17	Yes	\$4,534,760.00
H59-6114	Industrial Training Center Renovation & Expansion (Bennettsville & Pageland)	\$1,500,000.00	12/14/15	\$1,500,000.00	12/14/15	\$1,500,000.00	12/14/15	Yes	\$2,361,000.00

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

Item (b) – University of South Carolina-Columbia – Barnwell Exterior Renovation

The source of funds for pre-design is Other, Institutional Capital Project Funds, which are generated from the portion of tuition and fees designated for Bond and Renovation Reserve. These funds pay debt service first and the remainder is used for capital improvements.

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

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 High Risk Infectious Disease (HRID) Unit

The source of funds for pre-design is Federal, Office of the Assistant Secretary for Preparedness and Response (ASPR) Grant Funding.

The source of funds for construction is anticipated to be Federal, Office of the Assistant Secretary for Preparedness and Response (ASPR) Grant Funding.

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

Item (d) – Medical University of South Carolina – Courtney Drive Garage Upgrades

The source of funds for pre-design is Other, Parking Revenue Funds, which is revenue generated from operation of the MUSC parking system.

The source of funds for construction is anticipated to be Other, Parking Revenue Funds.

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

Item (e) – College of Charleston – City Bistro Interior Renovation

The source of funds for construction is Other, Auxiliary Funds, which are generated by Food Service which is a self-supporting auxiliary enterprise.

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

Item (f) – Greenville Technical College – Bldg. 801 Roof Replacement & HVAC Upgrades

The source of funds for construction is Other, Local Government Contributions to Plant Maintenance Fund, which is an accumulation of appropriated funds from Greenville County that are used to perform maintenance and renovations to physical facilities of Greenville Technical College.

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

Item (h) – Northeastern Technical College – Industrial Training Center Renovation & Expansion

The source of funds for construction is Capital Reserve Funds, Other, Local - Donations, which are from the City of Bennettsville and the Town of Pageland, and Other, College Funds, which are NETC Reserves, and represent an accumulation of funds remaining at year end. This would consist largely of tuition.

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

STATE FISCAL ACCOUNTABILITY AUTHORITY
MEETING OF March 8, 2018

REGULAR SESSION
ITEM NUMBER 3

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, May 1, 2018, in Room 252, Edgar A. Brown Building.

AUTHORITY ACTION REQUESTED:

Agree to meet at 9:30 a.m. on Tuesday, May 1, 2018, in Room 252, Edgar A. Brown Building.

ATTACHMENTS: