



Nikki R. Haley
Governor

SOUTH CAROLINA
DEPARTMENT OF COMMERCE

Robert M. Hitt III
Secretary

**TO: Michael McInerney, Director of External Affairs
South Carolina Department of Commerce**

**FROM: Alan D. Young, Executive Director, Coordinating Council
South Carolina Department of Commerce**

DATE: March 15, 2013

**SUBJECT: Economic Development Set-Aside Fund,
Governors Closing Fund and
Rural Infrastructure Fund Activity for 2012**

On behalf of the Coordinating Council for Economic Development, I am pleased to submit the 2012 Coordinating Council for Economic Development Annual Report of Fund Activity. In accordance with Sections 12-10-85(D) and 12-28-2910(E), this report details activities of the Council regarding the Economic Development Set-Aside Fund, Governor's Closing Fund and Rural Infrastructure Fund. These funds are managed by the South Carolina Department of Commerce's Grants Administration Division. Please forward to the Governor's Office, the Budget & Control Board, the Senate Finance Committee, and the House Ways & Means Committee.

I am available at 803-737-0448 should you have questions or need additional information.

cc: The Honorable Robert M. Hitt III, Secretary of Commerce
Chairman, Coordinating Council for Economic Development
Bill Blume, Director, SC Department of Revenue
Chairman, Coordinating Council Enterprise Committee
The Honorable Hugh E. Weathers, Commissioner, SC Department of Agriculture
Ralph A. Odom, Jr., Chairman, State Board for Technical and Comprehensive
Education
Marco L.E. Cavazzoni, Chairman, SC Research Authority
Peter Brown, Chairman, Jobs Economic Development Authority
O. L. Thompson, Chairman, Santee Cooper
Duane N. Parrish, Director, SC Department of Parks, Recreation and Tourism
William H. Stern, Chairman, State Ports Authority
John Finan, Director, SC Department of Employment and Workforce
Robert St. Onge, Secretary, SC Department of Transportation

Enclosure

**South Carolina
Coordinating Council for
Economic Development**

**2012 Annual Report of
Economic Development Set-Aside Fund,
Governor's Closing Fund and
Rural Infrastructure Fund Activity**

March 2013

**SC Coordinating Council for Economic Development
2012 Report of Economic Development Set-Aside Fund,
Governor’s Closing Fund and Rural Infrastructure Fund Activity**

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OVERVIEW OF THE COORDINATING COUNCIL FOR ECONOMIC DEVELOPMENT

The Coordinating Council for Economic Development (“Council”) was formed in response to a general need for improved coordination of efforts in the area of economic development by those state agencies involved in the recruitment of new business and the expansion of current enterprises throughout the State. Formally established in 1986 by the General Assembly (SC Code § 13-1-1710), the purpose of the Council is to enhance economic growth and development in the State through strategic planning and coordination. As such, the Council is chaired by the Secretary of Commerce. Ten additional members are drawn from other state agencies involved in economic development, and the member agency heads are either board chairmen or cabinet officials.

The Council’s administrative staff is housed in the Grants Administration Division of the South Carolina Department of Commerce (“Department of Commerce”), which manages the Council’s state grant funds as well as the Enterprise Zone programs. Grants Administration also manages two federal grant programs, the Community Development Block Grant and Appalachian Regional Commission programs.

The Department of Commerce Division of Community and Rural Development Division assists with projects that are eligible for the Rural Infrastructure Fund (“RIF”) program. If the Council approves a RIF grant award, the Grants Administration Division administers the funds and the Community and Rural Development Division works with the county to ensure successful implementation of the project.

COUNCIL RESPONSIBILITIES AND MEMBERSHIP

By statute, the full body of the Council is required to meet at least quarterly. Its responsibilities include: establishing guidelines and procedures for all Council programs; implementing the state’s strategy for economic development; reviewing and approving all applications for grants from the Set-Aside, Rural Infrastructure, Closing and Tourism Infrastructure Funds; and reviewing and approving all applications for Enterprise Zone Job Development Credit and Retraining incentives and all applications for International Trade Incentives. The Council also certifies economic development projects as representing “significant economic impact” on areas surrounding them, for the purposes of qualifying for income tax apportionment and income tax moratoriums.

Following enactment of the Enterprise Zone legislation in 1995, the Council formed a specialized, six-member subcommittee (“Enterprise Committee”) to handle the substantial volume of new activity and related policy decisions. As of 2008, the Enterprise Committee is now made up of five members. This committee meets monthly to review and approve

applications for Enterprise Zone incentives and applications for International Trade incentives, and to respond to issues and recommend policies for adoption by the full Council at its quarterly meetings. Current membership of the Council is shown below.

AGENCY MEMBERS OF THE COORDINATING COUNCIL

SC Department of Commerce	*SC Department of Revenue
SC Department of Parks, Recreation and Tourism	*SC Department of Agriculture
SC Department of Transportation	* Santee Cooper
SC Research Authority	*State Ports Authority
State Board for Technical and Comprehensive Education	*Jobs Economic Development Authority
SC Department of Employment and Workforce	

**Denotes Enterprise Committee member*

2012 ADMINISTRATIVE CHANGES

Robert M. Hitt III, who was appointed Secretary of Commerce by Governor Haley in January 2011, acted as Chairperson of the Council throughout 2012. Jim Etter, Director of the SC Department of Revenue, chaired the Enterprise Committee throughout 2012. The heads of several member agencies changed during 2012.

Council membership after all changes in calendar year 2012 was as follows:

Robert M. Hitt III	Secretary of Commerce Chairman, Coordinating Council for Economic Development
Jim Etter	Director, SC Department of Revenue Chairman, Coordinating Council Enterprise Committee
Abraham J. Turner	Director, SC Department of Employment and Workforce
Hugh E. Weathers	Commissioner, SC Department of Agriculture
Ralph A. Odom, Jr.	Chairman, State Board for Technical and Comprehensive Education
Marco L.E. Cavazzoni	Chairman, SC Research Authority
Peter Brown	Chairman, Jobs and Economic Development Authority
O.L. Thompson	Chairman, Santee Cooper
William H. Stern	Chairman, State Ports Authority
Duane N. Parrish	Director, SC Department of Parks, Recreation and Tourism
Robert St. Onge	Secretary, SC Department of Transportation

Current Council staff:

Alan D. Young	Executive Director, Coordinating Council
Cynthia S. Turnipseed	Assistant to the Director and staff attorney
Dale Culbreth	Senior Program Manager, CCED Grant Programs
Marcella Forrest	Senior Program Manager, Enterprise Zone Program

COORDINATING COUNCIL FOR ECONOMIC DEVELOPMENT STATE GRANT FUNDS

OVERVIEW OF STATE GRANT FUNDS

SET-ASIDE

In 1987, the General Assembly passed a bill that provided for an additional 3 cents per gallon tax on the sale of gasoline in the State. The General Assembly charged the Council for Economic Development with administering this new initiative known as the Economic Development Set-Aside Program. The Set-Aside Fund is dedicated to improving the economic well-being of the State by providing funds to local government to develop the infrastructure necessary for new and expanding business. At inception, the fund was created from the first \$10 million received through State gas tax revenues. The annual \$10 million appropriation was later increased to \$18 million, and then in July 2006, to \$20 million. The funding source was also changed to be split between utility and gas tax revenues. By 2008, utility taxes were the sole funding source and Set-Aside revenue was capped at \$20 million.

During calendar year 2012, the Set-Aside fund received \$19.7 million in utility tax receipts toward both the FY 11-12 and FY 12-13 appropriations, plus \$100,000 in recaptured funds. Transfers out of the fund for program administration, GIS, Closing Fund, and required pass-throughs totaled \$3.4 million.

CLOSING FUND

The Governor's Closing Fund was created in 2006 when additional, more flexible funding was needed to assist with high impact economic development projects. Funding was originally dependent on annual appropriations from the General Assembly, which included an initial \$7 million for FY 06-07 and a second \$7 million for FY 07-08, but additional appropriations were limited. To meet the need for adequate funding for economic development projects, and "to provide maximum flexibility to encourage the creation of new jobs and capital investment," the General Assembly voted to give the Council the authority to "transfer economic development funds at its disposal to the Closing Fund." This provision was first included in the General Appropriations Bill for Fiscal Year 2009-2010 in Proviso 40.30. Transfers must be approved by a majority vote of the Council members in a public meeting.

During calendar year 2012, the Council voted to transfer \$4.5 million into the Closing Fund during FY 11-12 to offset the lack of any appropriated funds. For FY 12-13, Closing Fund appropriations were \$25 million.

RURAL INFRASTRUCTURE FUND

The South Carolina Rural Development Act was enacted by the legislature in 1996 (SC Code § 12-10-80). This act established the Rural Infrastructure Fund (RIF) with the purpose of providing financial assistance to local governments, primarily in rural counties, for infrastructure and other economic development activities. The goal of the RIF program is to promote and encourage economic growth and prosperity in the State's rural areas.

Enabling legislation gave the Council responsibility for funds generated by the provisions of the Rural Development Act, as well as for developing policies and procedures. Funding comes from companies participating in an Enterprise Zone Revitalization Agreement with the Council, which permits companies to claim a refund for a portion of the employee state payroll tax withholding sent to the Department of Revenue each quarter. This refund is designated as a Job Development Credit (JDC) and may be used by the company to offset certain eligible company expenses, such as real property expenses, associated with its new or expanded operation.

Participating companies located in Tier 4 counties, which are generally the least developed counties in the state, are eligible to claim a refund of 100% of the JDCs to which they are entitled under their Revitalization Agreement. Participating companies in Tier 3 and 2 counties may claim only 85% and 70% of the JDCs for which they are otherwise eligible, respectively; and in the most developed Tier 1 counties only 55%.

The JDC funds which participating companies cannot claim as a result of being located in a Tier 1, 2 or 3 county are the source of funding for the RIF grant program. The Department of Revenue collects and transfers these monies to the RIF each quarter. During calendar year 2012, deposits received from the Department of Revenue for the RIF fund totaled \$14.3 million. An additional \$229,000 was recaptured under the terms of Performance Agreements. Of the receipts in excess of \$10 million, \$657,547.06 was reserved for developed counties as required per (SC Code § 12-10-85). Other transfers out of the fund for program administration, Closing Fund, and required pass-throughs for both FY 11-12 and FY 12-13 totaled \$7.37 million.

TYPES OF PROJECTS FUNDED

The purpose of both the Set-Aside and Closing Funds is to assist companies in locating or expanding in South Carolina. Together, these programs provide funding necessary to encourage competitive projects to locate or expand in South Carolina. Generally, "but for" or without Council participation, projects would not locate in South Carolina. Set-Aside grants are used primarily to fund land acquisition, road improvements, water and sewer infrastructure and site preparation costs related to business location and expansion. Closing Fund grants are more flexible and can be used to meet a wider variety of economic development project needs.

For counties that are eligible for RIF funding, RIF can be used for economic development project assistance, as well as assistance needed to prepare the state's most rural areas to support economic development. Initially, RIF funds were used primarily for "product development," but in 2005 the Council adopted a formal investment strategy that broadened the use of RIF funds to other types of

activities necessary to improve economic competitiveness. As a result of the investment strategy, RIF funds are now targeted towards four areas:

- Tourism development
- Commercial revitalization
- Workforce development
- Business development

Accomplishments for RIF are described both in terms of grants used for business development assistance, which are tied to jobs and investment, and for product development, such as industrial parks and sites, and for community development purposes like community revitalization and workforce development.

APPLICANT ELIGIBILITY

The Council can approve Set-Aside and Closing Fund assistance for projects anywhere in the state, regardless of location or county status. RIF, on the other hand, is geographically targeted according to the program’s enabling legislation. Generally, only local governments located in counties designated as Tier 3 or Tier 4 for Jobs Tax Credit purposes are eligible for RIF funds, except that when annual deposits exceed \$10 million, up to 25% of the amount over \$10 million must be made available to counties qualified as Tiers 1 or 2 for projects that will benefit underdeveloped areas of those counties (SC Code of Laws §12-10-85).

The four-tier “development level” of counties for the “Jobs Tax Credit” is a ranking determined by the SC Department of Revenue and published at the beginning of each calendar year. The criteria for this determination was established by the legislature (SC Code of Laws §12-6-3360.) For 2012, the rankings as of the end of 2012 are shown below.

2012 JOBS TAX CREDIT DESIGNATIONS

TIER 4 100%	TIER 3 85%	TIER 2 70%	TIER 1 55%
Allendale Bamberg Barnwell Chesterfield Clarendon Dillon Lancaster Lee Marion Marlboro McCormick Williamsburg	Abbeville Cherokee Chester Colleton Darlington Fairfield Greenwood Hampton Laurens Orangeburg Sumter Union	Anderson Calhoun Edgefield Georgetown Horry Jasper Newberry Oconee Pickens Spartanburg York	Aiken Beaufort Berkeley Charleston Dorchester Florence Greenville Kershaw Lexington Richland Saluda

FUNDING PROCESS

FUNDING CONSIDERATIONS

For competitive economic development projects, the Council considers funding for projects on an individual basis and evaluates each of the following when determining whether funding is an appropriate and effective use of state grant funds:

- Competitiveness of the project;
- Number and type of jobs created;
- Type of industry (e.g., manufacturing, distribution, corporate headquarters, research and development);
- Unemployment rate in county where the project locates;
- Total invested dollars (land, building, machinery and equipment costs);
- Cost of the project;
- Cost-effectiveness of the project;
- Future tax revenues anticipated;
- Time frame for completion of construction of the facility;
- Infrastructure needs of the region;
- Funding sought from other sources;
- Financial viability of the company; and
- Company status as a good corporate citizen.

For RIF community development and product development grants, the Council considers a variety of factors, including:

- Economic viability of the project;
- Cost effectiveness of the project activities;
- Benefit to the state/region/county/municipality;
- Ability of local government(s) to carry out and maintain the project; and
- Ability to proceed to completion within a reasonable period of time.

The RIF project must also support the implementation of a county's strategic development plan, or be directly related to economic development in the area, and must demonstrate local political and public support. The Council also looks for significant community financial support and will typically not approve 100% of any request for RIF assistance. To ensure this, projects are considered for RIF funding only once all other available sources of funding have been committed. There generally must be a demonstrable shortfall that cannot be met without RIF assistance.

FUNDING GUIDELINES FOR BUSINESS DEVELOPMENT GRANTS

- Council business development funding approval is tied directly to specific economic development projects with new job creation and capital investment.
- As a general rule, Set-Aside and RIF funding is limited to \$10,000 per new job created, but Closing Fund assistance may be higher where substantial economic benefit is anticipated from high-impact, high profile projects.
- A Department of Commerce Business Development project manager must be actively involved in the recruitment of the economic development project for which funding is requested.
- Without Council funding, the project will not locate or expand in South Carolina.
- Performance Agreements are required for all Council grant funds used as economic development tools to help recruit new or expand existing employers in the state. If the company fails to meet either the job or the capital investment guarantee, the use of Performance Agreements provides the Council with the ability to recapture funding by requiring pro-rata repayment of grant funds.

FUNDING PROCESS

For business development grants awarded from any funding source, the process is integrated with the Business Development project activities and functions of the Department of Commerce.

1. The Department of Commerce Business Development Division works with local governments to identify specific funding needs for projects. In rural counties where RIF funding may be used for business development purposes, the Community and Rural Development Division may liaison with the county. Preliminary details such as cost estimates, project scope, company financials and number of jobs and level of investment expected are submitted to Business Development.
2. Preliminary information is reviewed by the Council, and if it is determined that the project is consistent with the economic development goals of the State and meets established evaluation criteria, the local government is invited to submit a formal application for funding.

The remainder of the process is similar for both business development and non-business development grants:

3. Applications are submitted to the Department of Commerce Grants Administration Division and processed by staff. The related requests for funding are presented to the Council at its quarterly meetings.
4. The Council has the discretion to approve or disapprove all funding requests and may negotiate funding terms and amounts as it sees fit.
5. If funding is approved, approval letters and grant award agreements are sent to the local government. The grant award agreements must be signed by representatives with the authority to enter into contracts on behalf of the local government. Once signed, the agreement becomes an executed contract between the Council and the local government, containing the specific and requirements and provisions associated with the grant award.

6. For business development projects, performance agreements are also required. These are contracts between the company, the local government applicant and the Council, and as such, they must also be signed by company representatives that have the legal authority to enter into contracts on behalf of their respective entity. Performance agreements contain specific requirements for job creation and new capital investment.
7. The Council reviews all signed agreements and maintains copies in its grant files.
8. Once all agreements have been signed, Council grants may be used to reimburse approved project costs. Cost estimates provided at application serve as the project budget, and only those approved budget items and amounts are eligible for reimbursement.
9. Grant recipients submit paid invoices to Grants Administration to request reimbursement of approved project costs. Council staff monitors compliance with grant terms and budgets and reserves the right to deny payment for ineligible project costs or for failure to comply with grant requirements.
10. Once projects are complete, grantees notify the Council in writing and staff initiates grant financial closeout.
11. For business development grants, final closeout does not occur until the company on whose behalf the project was undertaken submits documentation related to its performance under the grant. Jobs and investment are evaluated to determine whether they are sufficient to satisfy the terms of the agreement, and where appropriate, the Council reserves the right to require pro-rata repayment of grant funds.
12. In all cases, once all required closeout documentation has been submitted to the Council, and has been reviewed and determined to be in compliance with all terms and conditions of the grant award agreement, grants are officially closed.

ELIGIBLE AND INELIGIBLE ACTIVITIES

SET-ASIDE

Effective July 1, 2001, a proviso defining eligible uses of Set-Aside funds was passed by the legislature. Specifically, the proviso limited the use of Set-Aside funds to road construction/improvement projects, water and sewer projects and site preparation, and it further defined allowable site preparation activities. In July 2006, the legislature passed a second proviso expanding eligible activities to include fiber optic cable, rail spurs and the purchase of land. Next, in 2010, the Economic Development Competitiveness Act added additional eligible activities that went into effect on January 1, 2011. Finally, also effective January 1, 2011, the proviso terms defining eligible activities for Set-aside grants were moved to SC Code § 12-28-2910 (E).

Below is a list of eligible and ineligible activities.

Eligible Activities

- Public Improvements - Roads, Water and Wastewater Infrastructure
 - Planning
 - Engineering – *limited to 10%*
 - Right-of-way
 - Drainage
 - Curb and gutter – *only when necessary for drainage*
 - Construction

- Cantilevered flashing light signals and/or gates at railroad crossings *when necessary*
- Road re-surfacing or widening
- Turn lanes and acceleration and deceleration lanes
- Site preparation
 - Surveying
 - Environmental and geotechnical study and mitigation
 - Clearing, filling and grading
- Fiber optic cable
- Rail spurs
- Land acquisition
- Relocation expenses for employees paid at least 2 times the lower of the State or county per capita income
- Acquiring and improving real property
- Pollution control equipment

Activities Not Eligible for Set-Aside Funding

- Speculative projects
- Opening up access to undeveloped property
- State government funded projects
- Maintenance of industrial/research parks
- Shopping centers/strip malls
- Signage (*except project signs required as part of the grant award agreement or permanent construction signs required by the Department of Transportation*)
- Paving of parking lots or lighting
- Civic centers and/or auditoriums, except that road improvements for civic centers may be funded (up to \$1,000,000) if associated with substantial economic development projects
- Curb and guttering for aesthetic purposes
- Concrete loading docks or pads
- Equipment and moving expenses
- Residential developments

RURAL INFRASTRUCTURE FUND

Eligible activities generally include infrastructure and economic development activities. Examples are listed below:

- Engineering – *limited to 10%*
- Right-of-way acquisition
- Drainage
- Roads
- Rail spurs
- Economic development program enhancement
- Speculative building assistance
- Training costs and facilities
- Improvements to regionally planned public and private water and sewer systems
- Fixed transportation facilities including highway, rail, water and air
- Improvements to both public and private electricity, natural gas and telecommunications systems

- Environmental studies
- Feasibility studies
- Community revitalization
- Marketing for counties (studies, materials)
- Small business incubators
- Industrial park development and improvement
- Relocation expenses for employees paid at least 2 times the lower of the State or county per capita income
- Site preparation
- Acquiring or improving real property

2012 COORDINATING COUNCIL FUNDING ACTIVITY AND ACCOMPLISHMENTS

BUSINESS DEVELOPMENT

During calendar year 2012, the Council awarded seventy-one (71) new business development grants from Set-Aside, the Governors Closing Fund and the Rural Infrastructure Fund. A total of \$47.3 million was awarded to thirty-three (33) local governments in thirty-two (32) counties. Projected capital investment from the associated projects is \$3.5 billion, and projected new jobs total 10,420. Commitments were also made for an additional \$20 million for projects which are not yet decided. If won, these projects will represent an additional 5,711 jobs and \$2 billion in investment.

On the following pages are tables that outline the distribution of funds awarded between counties of different development status or tiers, project type (i.e., economic development projects associated with companies new to South Carolina or existing companies expanding in South Carolina) and funding source. Also included is a table that provides specifics on all projects approved during calendar year 2012. The totals shown on these charts only represent new grants awarded in 2012 and do not reflect amendments made to previously approved grants or funds committed by the Council.

Funding for business development projects was awarded out of Set-Aside, RIF and the Governors Closing Fund, with the majority awarded out of Set-Aside.

2012 BUSINESS DEVELOPMENT GRANT AWARDS - BY FUNDING SOURCE -		
FUNDING SOURCE	# GRANTS	TOTAL AWARDED
Set-Aside	28	\$29,908,345
Rural Infrastructure Fund	28	11,650,000
Governors Closing Fund	18	\$6,225,000
TOTAL	74	47,783,345

**2012 BUSINESS DEVELOPMENT GRANT AWARDS
- BY COUNTY CLASSIFICATION -**

COUNTY CLASSIFICATION	NUMBER OF PROJECTS	PROJECTED INVESTMENT	PROJECTED JOBS
Tier 1	26	\$1,674,530,692	5,277
Tier 2	15	\$827,397,020	1,832
Tier 3	18	\$625,066,680	1,604
Tier 4	12	\$343,127,907	1,707
TOTALS	71	\$3,470,122,299	10,420

**2012 BUSINESS DEVELOPMENT GRANT AWARDS
- BY PROJECT TYPE -**

PROJECT TYPE	FIRMS	PROJECTED INVESTMENT	PROJECTED JOBS
Existing/Expanding	40	\$2,395,027,727	5,674
New	31	\$1,075,094,572	4,746
TOTALS	71	\$3,470,122,299	10,420

**COORDINATING COUNCIL GRANT ACTIVITY & ACCOMPLISHMENTS
NEW BUSINESS DEVELOPMENT AWARDS
CALENDAR YEAR 2012**

Grant Number	Funding Source	Grant Recipient	County	Tier	Scope of Work	Grant Amount	Projected New Jobs	Projected Capital Investment
C-12-0339	Closing	Abbeville County	Abbeville	3	Relocation	200,000	50	2,500,000
RIF12010326	RIF	Abbeville County	Abbeville	3	Building	75,000	35	475,000
C-13-2137	Set-Aside	Anderson County	Anderson	2	Site Prep	1,500,000	100	175,000,000
C-13-2138	Set-Aside	Anderson County	Anderson	2	Water/Sewer	159,845	50	2,130,000
S1994	Set-Aside	Anderson County	Anderson	2	Site Prep	7,600,000	400	500,000,000
C-13-2180	RIF	Barnwell County	Barnwell	4	Building	100,000	80	2,500,000
C-12-1986	Set-Aside	Berkeley County	Berkeley	1	Site Prep	50,000	10	15,100,000
CL12112	Closing	Berkeley County	Berkeley	1	Site Prep	200,000	15	110,000,000
C-13-2140	Set-Aside	Charleston County	Charleston	1	Land Acquisition	3,750,000	87	42,278,472
S1998	Set-Aside	Charleston County	Charleston	1	Site Prep	150,000	76	19,284,991
S2002	Set-Aside	Charleston County	Charleston	1	Roads	200,000	98	50,000,000
C-12-0318	RIF	Cherokee County	Cherokee	3	Building	200,000	51	19,000,000
C-13-2152	RIF	Chester County	Chester	3	Site Prep	150,000	20	18,000,000
C-13-2163	RIF	Chester County	Chester	3	Infrastructure	500,000	100	3,116,680
RIF11120285	RIF	Chester County	Chester	3	Multiple site, infra, roads	100,000	24	3,700,000
RIF11130295	RIF	Chesterfield County	Chesterfield	4	Building	150,000	15	845,000
RIF12130312	RIF	Chesterfield County	Chesterfield	4	Building	100,000	10	20,841,807
C-13-2143	RIF	Clarendon County	Clarendon	4	Building	1,000,000	296	10,263,100
C-13-2172	RIF	Clarendon County	Clarendon	4	Building	225,000	60	3,500,000
C-12-0336	RIF	Colleton County	Colleton	3	Roads	500,000	150	42,000,000
C-12-2010	Set-Aside	Colleton County	Colleton	3	Building	1,000,000	60	30,000,000
RIF11160305	RIF	Darlington County	Darlington	3	Roads	100,000	10	100,000,000
RIF12160307	RIF	Darlington County	Darlington	3	Building	200,000	25	120,000,000
C-12-0325	RIF	Dillon County	Dillon	4	Roads	1,000,000	200	60,000,000
CL12117	Closing	Edgefield County	Edgefield	1	Building	100,000	48	5,400,000
S2005	Set-Aside	Edgefield County	Edgefield	2	Site Prep	100,000	13	5,400,000
C-13-2145	RIF	Fairfield County	Fairfield	3	Multiple site, infra, roads	800,000	68	12,660,000
C-12-2012	SA	Florence County	Florence	1	Multiple site, infra, roads	100,000	15	6,500,000
C-12-2125	Closing	Florence County	Florence	1	Roads	500,000	80	10,500,000
S1974	Set-Aside	Florence County	Florence	4	Building	263,500	25	5,748,000
C-13-2189	Set-Aside	Georgetown County	Georgetown	1	Building	500,000	49	195,472,229
C-11-1087	Closing	Greenville County	Greenville	1	Building	1,000,000	1,441	17,000,000
C-12-1999	Set-Aside	Greenville County	Greenville	1	Site Prep	200,000	100	120,000,000
C-12-2013	Set-Aside	Greenville County	Greenville	1	Roads	600,000	99	50,000,000
C-12-2127	Closing	Greenville County	Greenville	1	Building	50,000	35	2,350,000
C-12-2133	Closing	Greenville County	Greenville	1	Building	250,000	300	5,000,000
C-13-2144	Set-Aside	Greenville County	Greenville	1	Building	150,000	51	14,250,000
C-13-2150	Closing	Greenville County	Greenville	1	Building	825,000	119	12,000,000
CL12129	Closing	Greenville County	Greenville	1	Building	500,000	279	14,000,000
S1978	Set-Aside	Greenville County	Greenville	1	Roads	1,560,000	160	80,000,000
RIF11240294	RIF	Greenwood County	Greenwood	3	Building	700,000	250	26,115,000
C-12-0324	RIF	Hampton County	Hampton	3	Multiple site, infra, roads	200,000	27	10,500,000
C-12-1989	Set-Aside	Horry County	Horry	2	Building	25,000	79	2,175,000
C-12-2120	Closing	Horry County	Horry	2	Building	200,000	90	10,000,000
C-12-0303	RIF	Lancaster County	Lancaster	4	Building	500,000	125	2,500,000
RIF10290259	RIF	Lancaster County	Lancaster	1	Building	50,000	30	7,500,000

**COORDINATING COUNCIL GRANT ACTIVITY & ACCOMPLISHMENTS
NEW BUSINESS DEVELOPMENT AWARDS
CALENDAR YEAR 2012**

Grant Number	Funding Source	Grant Recipient	County	Tier	Scope of Work	Grant Amount	Projected New Jobs	Projected Capital Investment
RIF11290283	RIF	Lancaster County	Lancaster	4	Multiple site, infra, roads	400,000	84	2,500,000
C-12-0340	RIF	Laurens County	Laurens	3	Acquisition	2,200,000	450	175,000,000
C-12-2011	Set-Aside	Lexington County	Lexington	1	Site Prep	100,000	25	6,000,000
S1985	Set-Aside	Lexington County	Lexington	1	Site Prep	1,500,000	100	250,000,000
C-13-2175	RIF	Marion County	Marion	4	Building	1,000,000	215	54,430,000
C-12-0329	RIF	Marlboro County	Marlboro	4	Site Prep	100,000	0	30,000,000
CL12121	Closing	Newberry County	Newberry	2	Roads	550,000	53	17,547,020
C-12-2132	Closing	Oconee County	Oconee	2	Building	100,000	63	6,900,000
C-12-2018	Set-Aside	Richland County	Richland	1	Multiple site, infra, roads	7,000,000	800	395,000,000
C-12-2021	Set-Aside	Richland County	Richland	1	Water/Sewer	100,000	85	5,000,000
C-13-2141	Set-Aside	Richland County	Richland	1	Site Prep	750,000	175	130,000,000
CL12113	Closing	Richland County	Richland	1	Building	500,000	750	4,250,000
S1995	Set-Aside	Richland County	Richland	1	Roads	200,000	250	107,645,000
C-13-2167	Set-Aside	Spartanburg County	Spartanburg	2	Building	100,000	95	8,541,000
RIF11430288	RIF	Sumter County	Sumter	3	Site Prep	200,000	60	20,000,000
RIF12430320	RIF	Sumter County	Sumter	3	Building	600,000	60	2,500,000
RIF12440309	RIF	Union County	Union	3	Building	100,000	124	4,500,000
RIF12440311	RIF	Union County	Union	3	Rail	400,000	40	35,000,000
C-12-1983	Set-Aside	City of Rock Hill	York	2	Building	150,000	30	3,600,000
C-12-2119	Closing	York County	York	2	Building	200,000	60	4,504,000
C-12-2130	Closing	York County	York	2	Building	100,000	36	2,000,000
C-13-2147	Closing	York County	York	2	Building	700,000	383	60,100,000
C-13-2148	Closing	York County	York	2	Roads	250,000	364	24,000,000
S1926	Set-Aside	City of Rock Hill	York	4	Site Prep	2,000,000	597	150,000,000
S1990	Set-Aside	York County	York	2	Multiple site, infra, roads	100,000	16	5,500,000
Totals						\$47,783,345	4,041	\$3,470,122,299

Please note: this table only includes grants that have been formally approved and accepted by the company involved. Contingent commitments are not included.

COMMUNITY DEVELOPMENT

During 2012, the Council awarded eight (8) Rural Infrastructure Fund grants for community development projects, including two (2) grants out of the developed county reserve. These RIF grants will assist the local governments in seven (7) rural counties and two (2) local governments in underdeveloped areas of more developed counties with projects needed for economic development preparation. Of these, six (6) are for certified site engineering and registration. The other two (2) grants are for other community development activities, including infrastructure to assist small farms and downtown revitalization.

In addition to grants awarded, the Council also approved a \$1 million in RIF funds to be competitively distributed to Tier III and Tier IV counties for product development projects, including development of sites and industrial parks, spec buildings and infrastructure. The Division of Community and Rural Development will develop scoring criteria and evaluate applications. Fund will be divided into two rounds of \$500,000 each.

RIF grants awarded during the year are detailed below.

NEW COMMUNITY DEVELOPMENT ACTIVITY RURAL INFRASTRUCTURE FUND CALENDAR YEAR 2012					
Grant Number	Grant Recipient	County	County Tier	Scope of Work	Grant Amount
C-12-0314	Town of Blackville	Barnwell	4	Commercial Revitalization	58,325
RIF-SCP-23	Dillon County	Dillon	4	Certified Site Engineering and Registration	54,750
RIF-SCP-24	Dillon County	Dillon	4	Certified Site Engineering and Registration	56,220
RIF-SCP-21	Georgetown County	Georgetown	1	Certified Site Engineering and Registration	10,500
RIF-SCP-26	City of Mauldin	Greenville	1	Certified Site Engineering and Registration	22,925
RIF-SCP-22	Laurens County	Laurens	3	Certified Site Engineering and Registration	39,828
C-13-2154	Marion County	Marion	4	Small farm infrastructure development	25,000
RIF-SCP-25	Pickens County	Pickens	2	Certified Site Engineering and Registration	48,900
Total Grant Awards					\$316,448
Earmark for Product Development for Tier III and IV Counties					\$1,000,000
TOTAL					\$1,316,448

GRANT PROGRAM COMPLIANCE

Grants from any of the funds managed by the Council, including the Set-Aside Fund, Rural Infrastructure Fund, Governor's Closing Fund and Tourism Infrastructure Fund, are made under and in accordance with the laws of the State of South Carolina. The federal and state courts within South Carolina have exclusive jurisdiction to adjudicate any disputes arising out of or in connection with these grants.

Failure to comply with any of the terms and conditions of the grant can cause the Council to take, in addition to any relief that it is entitled to by law, any or all of the following actions:

- Require repayment of all or a portion of any grant funds provided; and/or cancel, terminate, or suspend the grant, in whole or in part.
- Refrain from extending any further assistance or grant funds until such time as the grantee is in full compliance with the terms and conditions of the grant agreement.

MONITORING

Projects must generally be completed by the grantee within eighteen (18) months of the date of award of the grant. Completion is defined as the final documentation by grantee to Council of grant funds expended and issuance by the Council of a notification in writing of the closure of the grant. The Council may grant extensions to the completion period requirement at its discretion.

All projects must generally begin within three (3) months of the date of award of the grant. If the grantee does not begin the project within three (3) months of the date of award of the grant, the Council reserves the right to rescind the grant, require the repayment of any grant funds provided to the grantee and terminate the agreement.

PROCUREMENT

Records for property purchased totally or partially with grant funds must be retained for a period of three (3) years after its final disposition. The grantee will maintain records relating to procurement matters for the period of time prescribed by applicable procurement laws, regulations and guidelines, but no less than three (3) years. All other pertinent grant and project records including financial records, supporting documents and statistical records will be retained for a minimum of three (3) years after notification in writing by the Council of the closure of the grant.

The grantee will certify, to the best of its knowledge, information and belief, that the work on the project for which reimbursement is requested has been completed in accordance with the terms and conditions of the grant agreement. The grantee will return surplus grant funds that result

from project cost underruns and commit and provide monies from its own resources for cost overruns that are required to complete the project.