



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,
South Carolina Coordinating Council for Economic
Development
South Carolina Department of Commerce**

DATE: March 13, 2015

**SUBJECT: Economic Development Set-Aside Fund,
Governors Closing Fund and
Rural Infrastructure Fund Activity for 2014**

On behalf of the South Carolina Coordinating Council for Economic Development, I am pleased to submit the 2014 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, the Governor's Closing Fund and the 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, SC Department of Commerce
Chairman, Coordinating Council for Economic Development
Rick Reames III, 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
William M. Blume, Jr., Chairman, SC Research Authority
Michael W. Nix, Chairman, Jobs Economic Development Authority
W. Leighton Lord III, Chairman, Santee Cooper
Duane N. Parrish, Director, SC Department of Parks, Recreation and Tourism
William H. Stern, Chairman, State Ports Authority
Cheryl M. Stanton, Director, SC Department of Employment and Workforce
Janet P. Oakley, Secretary, SC Department of Transportation

Enclosure

**South Carolina
Coordinating Council for
Economic Development**

**2014 Annual Report of
Economic Development Set-Aside Fund,
Governor's Closing Fund and
Rural Infrastructure Fund Activity**

March 2015

**SC Coordinating Council for Economic Development
2014 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 Small Business and Rural Development 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 Small Business 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 Economic Development Set-Aside, Rural Infrastructure, Governor’s 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
Santee Cooper	*SC Department of Agriculture
SC Department of Transportation	*SC Department of Parks, Recreation and Tourism
SC Research Authority	*State Ports Authority
Jobs Economic Development Authority	*State Board for Technical & Comprehensive Education
SC Department of Employment and Workforce	

**Denotes Enterprise Committee member*

2014 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 2014. William M. Blume, Jr., was formerly Director of the SC Department of Revenue and chaired the Enterprise Committee until July 2014. Rick Reames, III was appointed Director of the SC Department of Revenue by Governor Haley effective July 18, 2014, and chaired the Enterprise Committee through the remainder of 2014. The heads of several other member agencies also changed in 2014.

Council membership after all changes in calendar year 2014 was as follows:

Robert M. Hitt III	Secretary, SC Department of Commerce Chairman, Coordinating Council for Economic Development
Rick Reames III	Director, SC Department of Revenue Chairman, Coordinating Council Enterprise Committee
Cheryl M. Stanton	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
William M. Blume, Jr	Chairman, SC Research Authority
Donald R. Tomlin, Jr.	Chairman, Jobs and Economic Development Authority
W. Leighton Lord III	Chairman, Santee Cooper
William H. Stern	Chairman, State Ports Authority
Duane N. Parrish	Director, SC Department of Parks, Recreation and Tourism
Janet P. Oakley	Secretary, SC Department of Transportation

Current Council staff:

Alan D. Young	Executive Director, Coordinating Council
Cynthia S. Turnipseed	Legal Counsel, Coordinating Council
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

ECONOMIC DEVELOPMENT 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 with administering this new initiative known as the Economic Development Set-Aside Program (“Set-Aside”). 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 2014, the Set-Aside Fund received \$16.9 million in utility tax receipts toward both the FY 13-14 and FY 14-15 appropriations. Transfers out of the fund for program administration and GIS totaled \$460,000. In addition, the Council transferred \$8.99 million to the Closing Fund to assist with a major economic development project.

GOVERNOR’S CLOSING FUND

The Governor’s Closing Fund (“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 2014, the Council transferred \$12.5 million to the Closing Fund out of Set-Aside, Set-Aside Supplemental and the Rural Infrastructure Fund to assist with a major economic development project. In addition, FY 13-14 appropriations to the Closing Fund totaled \$45.4 million and an additional \$959,615 was recaptured or repaid, bringing total funding for the year to \$58.8 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 IV 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 III and II counties may claim only 85% and 70%, respectively, of the JDCs for which they are otherwise eligible, and in the most developed Tier I counties participating companies may claim only 55%.

The JDC funds which participating companies cannot claim as a result of being located in a Tier I, II or III 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 2014, deposits received from the Department of Revenue for the RIF fund totaled \$12.7 million, and an additional \$168,289 was received under Proviso 50.317. Of the Department of Revenue receipts in excess of \$10 million, \$1,873,130 was reserved for developed counties as required (per SC Code § 12-10-85). Other transfers out of the fund for program administration totaled \$618,853.

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, these projects would not locate or expand 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.

Accomplishments for RIF are described both in terms of grants used for business development assistance, which are tied to jobs and investment, and for more general community development, encompassing product development activities such as industrial parks and sites, as well as 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 III or Tier IV 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 I or II 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 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.) The rankings for 2014 are shown below.

2014 JOBS TAX CREDIT DESIGNATIONS

TIER IV 100%	TIER III 85%	TIER II 70%	TIER I 55%
Allendale Bamberg Barnwell Chesterfield Clarendon Dillon Lancaster Lee Marion Marlboro McCormick Union Williamsburg	Abbeville Cherokee Chester Colleton Darlington Fairfield Hampton Horry Jasper Laurens Orangeburg Sumter	Anderson Calhoun Edgefield Florence Georgetown Greenwood Kershaw Newberry Oconee Pickens Spartanburg York	Aiken Beaufort Berkeley Charleston Dorchester Greenville 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, funding is limited to \$10,000 per new job created, but assistance may be higher where more substantial economic benefit is anticipated.
- 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 Small Business 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 staff, 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 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 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 staff 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 the Council 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 and the performance agreement, if applicable, 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

2014 COORDINATING COUNCIL FUNDING ACTIVITY AND ACCOMPLISHMENTS

BUSINESS DEVELOPMENT

During calendar year 2014, the Council awarded sixty-five (65) new business development grants from the Set-Aside Fund, the Closing Fund and the Rural Infrastructure Fund. A total of \$97.3 million was awarded to twenty-nine (29) county governments. Projected capital investment from the associated projects is \$2.8 billion, and projected new jobs total 11,833. Commitments were also made for an additional \$46.1 million for 94 additional projects which are not yet decided. If won, these projects will represent over 13,000 additional jobs and almost \$6.5 billion in additional 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 2014. The totals shown on these charts only represent new grants awarded in 2014 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 Closing Fund, with the majority awarded out of Set-Aside.

2014 BUSINESS DEVELOPMENT GRANT AWARDS - BY FUNDING SOURCE -		
FUNDING SOURCE	# GRANTS	TOTAL AWARDED
Set-Aside Fund	38	\$15,270,000
Rural Infrastructure Fund	22	\$6,180,273
Governors Closing Fund	5	\$75,875,000
TOTAL	65	\$97,325,273

**2014 BUSINESS DEVELOPMENT GRANT AWARDS
- BY COUNTY CLASSIFICATION -**

COUNTY CLASSIFICATION	NUMBER OF PROJECTS	PROJECTED INVESTMENT	PROJECTED JOBS
Tier I	23	\$518,164,625	2,623
Tier II	17	\$1,324,961,996	5,136
Tier III	12	\$724,556,962	2,999
Tier IV	13	\$277,682,500	1,075
TOTALS	65	\$2,845,366,083	11,833

**2014 BUSINESS DEVELOPMENT GRANT AWARDS
- BY PROJECT TYPE -**

PROJECT TYPE	FIRMS	PROJECTED INVESTMENT	PROJECTED JOBS
Existing/Expanding	34	\$1,507,978,959	3,205
New	31	\$1,337,387,124	8,628
TOTALS	65	\$2,845,366,083	11,833

**COORDINATING COUNCIL GRANT ACTIVITY & ACCOMPLISHMENTS
NEW BUSINESS DEVELOPMENT
AWARDS CALENDAR YEAR 2014**

Grant Number	Funding Source	Grant Recipient	County	Tier	Scope of Work	Grant Amount	Projected New Jobs	Projected Capital Investment
C-13-2218	SA	Greenwood County	Greenwood	Tier II	Site Prep SA	150,000	70	89,509,000
C-14-2275	GOV	Spartanburg County	Spartanburg	Tier II	Infrastructure	17,500,000	1,250	907,000,000
C-14-2279	RIF	Clarendon County	Clarendon	Tier IV	Building Upfit/Improvements	700,000	175	6,950,000
C-14-2294	SA	Richland County	Richland	Tier I	Land Acquisition SA	1,000,000	65	100,000,000
C-14-2295	SA	Richland County	Richland	Tier I	Multiple site, infra, roads SA	500,000	60	100,000,000
C-14-2300	RIF	Dillon County	Dillon	Tier IV	Real Property Improvements (land/building/site/infra)	1,750,000	300	85,000,000
C-14-2300B	RIF	Dillon County	Dillon	Tier IV	Acquisition	250,000	-	-
C-14-2304	SA	Greenville County	Greenville	Tier I	Real Property Improvements (land/building/site/infra)	100,000	43	2,869,000
C-14-2306	SA	Spartanburg County	Spartanburg	Tier II	Real Property Improvements (land/building/site/infra)	500,000	203	72,000,000
C-14-2307	RIF	Darlington County	Darlington	Tier III	Roads	500,000	55	47,280,000
C-14-2308	SA	Lexington County	Lexington	Tier I	Real Property Improvements (land/building/site/infra)	200,000	300	4,200,000
C-14-2309	SA	Kershaw County	Kershaw	Tier I	Real Property Improvements (land/building/site/infra)	400,000	49	10,820,000
C-14-2310	SA	Charleston County	Charleston	Tier I	Real Property Improvements (land/building/site/infra)	250,000	27	15,600,000
C-14-2313	RIF	Greenwood County	Greenwood	Tier II	Real Property Improvements (land/building/site/infra)	85,000	12	500,000
C-14-2314	SA	Saluda County	Saluda	Tier I	Infrastructure	500,000	76	22,000,000
C-14-2315	SA	York County	York	Tier II	Site Prep SA	100,000	16	3,100,000
C-14-2317	SA	York County	York	Tier II	Building Construction	200,000	140	29,200,000
C-14-2318	SA	York County	York	Tier II	Real Property Improvements (land/building/site/infra)	100,000	29	2,515,000
C-14-2320	RIF	Colleton County	Colleton	Tier III	Water/Sewer	200,000	44	2,540,000
C-14-2322	SA	Greenville County	Greenville	Tier I	Real Property Improvements (land/building/site/infra)	400,000	450	5,792,420
C-14-2326	SA	Florence County	Florence	Tier II	Real Property Improvements (land/building/site/infra)	2,000,000	522	55,000,000
C-14-2329	SA	Florence County	Florence	Tier II	Real Property Improvements (land/building/site/infra)	200,000	40	2,500,000
C-14-2332	SA	Dorchester County	Dorchester	Tier I	Real Property Improvements (land/building/site/infra)	50,000	323	391,500
C-14-2333	SA	Dorchester County	Dorchester	Tier I	Real Property Improvements (land/building/site/infra)	250,000	51	21,671,000
C-14-2335	SA	Aiken County	Aiken	Tier I	Real Property Improvements (land/building/site/infra)	400,000	600	17,750,000

COORDINATING COUNCIL GRANT ACTIVITY & ACCOMPLISHMENTS
NEW BUSINESS DEVELOPMENT
AWARDS CALENDAR YEAR 2014

Grant Number	Funding Source	Grant Recipient	County	Tier	Scope of Work	Grant Amount	Projected New Jobs	Projected Capital Investment
C-14-2336	RIF	Bamberg County	Bamberg	Tier IV	Real Property Improvements (land/building/site/infra)	100,000	44	1,200,000
C-14-2340	SA	Anderson County	Anderson	Tier III	Land Acquisition SA	400,000	250	16,500,000
C-14-2345	SA	Spartanburg County	Spartanburg	Tier II	Real Property Improvements (land/building/site/infra)	250,000	145	49,678,000
C-14-2348	SA	Richland County	Richland	Tier I	Real Property Improvements (land/building/site/infra)	50,000	51	1,081,652
C-14-2349	SA	Oconee County	Oconee	Tier II	Real Property Improvements (land/building/site/infra)	100,000	28	8,400,000
C-14-2350	SA	Dorchester County	Dorchester	Tier I	Roads SA	65,000	60	1,841,246
C-14-2351	SA	Berkeley County	Berkeley	Tier I	Real Property Improvements (land/building/site/infra)	500,000	30	35,000,000
C-14-2353	SA	Greenville County	Greenville	Tier I	Roads	750,000	83	73,000,000
C-14-2355	RIF	Fairfield County	Fairfield	Tier III	Building Upfit/Improvements	320,273	151	4,010,000
C-14-2357	SA	Berkeley County	Berkeley	Tier I	Real Property Improvements (land/building/site/infra)	250,000	49	28,269,797
C-14-2358	SA	Charleston County	Charleston	Tier I	Acquisition	600,000	36	29,607,000
C-14-2359	RIF	Union County	Union	Tier IV	Real Property Improvements (land/building/site/infra)	200,000	20	47,000,000
C-14-2360	SA	York County	York	Tier II	Site Prep SA	2,000,000	2,400	94,974,996
C-14-2362	SA	Dorchester County	Dorchester	Tier I	Real Property Improvements (land/building/site/infra)	200,000	50	5,585,000
C-14-2363	RIF	Jasper County	Jasper	Tier III	Real Property Improvements (land/building/site/infra)	125,000	-	2,537,000
C-14-2365	RIF	Colleton County	Colleton	Tier III	Real Property Improvements (land/building/site/infra)	200,000	48	4,890,000
C-14-2366	SA	Dorchester County	Dorchester	Tier I	Real Property Improvements (land/building/site/infra)	200,000	150	3,500,000
C-14-2367	RIF	Marion County	Marion	Tier IV	Real Property Improvements (land/building/site/infra)	200,000	121	3,443,000
C-14-2368	RIF	Marion County	Marion	Tier IV	Real Property Improvements (land/building/site/infra)	75,000	27	1,949,500
C-14-2370	RIF	Darlington County	Darlington	Tier III	Real Property Improvements (land/building/site/infra)	100,000	29	6,219,962
C-14-2371	GOV	Chester County	Chester	Tier III	Real Property Improvements (land/building/site/infra)	36,325,000	1,700	560,000,000
C-14-2372	RIF	Hampton County	Hampton	Tier III	Building Upfit/Improvements	100,000	84	1,100,000
C-14-2377	SA	York County	York	Tier II	Real Property Improvements (land/building/site/infra)	150,000	11	1,600,000
C-14-2385	SA	Charleston County	Charleston	Tier I	Real Property Improvements (land/building/site/infra)	350,000	50	9,186,010
C-15-2398	SA	Dorchester County	Dorchester	Tier I	Real Property Improvements (land/building/site/infra)	150,000	20	30,000,000

**COORDINATING COUNCIL GRANT ACTIVITY & ACCOMPLISHMENTS
NEW BUSINESS DEVELOPMENT
AWARDS CALENDAR YEAR 2014**

Grant Number	Funding Source	Grant Recipient	County	Tier	Scope of Work	Grant Amount	Projected New Jobs	Projected Capital Investment
C-15-2399	SA	Florence County	Florence	Tier II	Real Property Improvements (land/building/site/infra)	450,000	45	3,500,000
C-15-2402	RIF	Union County	Union	Tier IV	Real Property Improvements (land/building/site/infra)	100,000	114	1,390,000
C-15-2410	SA	Florence County	Florence	Tier II	Real Property Improvements (land/building/site/infra)	50,000	47	1,300,000
C-15-2411	RIF	Sumter County	Sumter	Tier III	Real Property Improvements (land/building/site/infra)	500,000	150	21,450,000
C-15-2413	SA	Florence County	Florence	Tier II	Real Property Improvements (land/building/site/infra)	650,000	153	3,575,000
C-15-2415	GOV	Charleston County	Charleston	Tier I	Roads	20,000,000	-	-
C-15-2417	RIF	Clarendon County	Clarendon	Tier IV	Real Property Improvements (land/building/site/infra)	200,000	59	6,600,000
C-15-2418	SA	Florence County	Florence	Tier II	Acquisition	55,000	25	610,000
C-15-2425	SA	Spartanburg County	Spartanburg	Tier III	Real Property Improvements (land/building/site/infra)	750,000	240	57,000,000
C-15-2429	RIF	Cherokee County	Cherokee	Tier III	Real Property Improvements (land/building/site/infra)	100,000	248	1,030,000
C-15-2431	RIF	Union County	Union	Tier IV	Real Property Improvements (land/building/site/infra)	100,000		
C-15-2440	GOV	Barnwell County	Barnwell	Tier IV	Real Property Improvements (land/building/site/infra)	1,900,000	134	117,000,000
C-15-2442	RIF	Dillon County	Dillon	Tier IV	Real Property Improvements (land/building/site/infra)	75,000	25	2,600,000
C-15-2446	RIF	Marion County	Marion	Tier IV	Real Property Improvements (land/building/site/infra)	200,000	56	4,550,000
C-15-2454	GOV	Dorchester County	Dorchester	Tier I	Closing Fund Assistance	150,000	-	-
Totals						97,325,273	11,833	2,845,366,083

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

COMMUNITY DEVELOPMENT

During 2014, the Council awarded \$5.9 million to nineteen (19) local governments for twenty-four (24) projects involving certified site engineering and registration or product development, including spec building acquisition and/or construction and site development. The majority of these funds were awarded out of the Rural Infrastructure Fund but a small portion was also awarded out of the RIF developed county reserve and one additional grant out of the Economic Development Set-Aside Fund. Generally, only local governments located in counties designated as Tier III or Tier IV 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 I or II for projects that will benefit underdeveloped areas of those counties (SC Code of Laws §12-10-85). The Council refers to this amount as the RIF Reserve Fund.

Product development grants were awarded out of the \$3 million in RIF funds approved by Council during the last two calendar years for competitive distribution to recipients in Tier III and Tier IV counties. Eligible product development projects included development of sites and industrial parks, spec buildings and infrastructure. The Division of Small Business and Rural Development developed the scoring criteria and funding procedures.

RIF grants awarded for community development during 2014 are detailed below.

NEW COMMUNITY DEVELOPMENT ACTIVITY RURAL INFRASTRUCTURE FUND & RURAL INFRASTRUCTURE FUND DEVELOPED COUNTY RESERVE CALENDAR YEAR 2014					
Grant Number	Funding Source	Recipient	County Tier	Scope of Work	Grant Amount
C-14-2341	RIF	Chester County	3	Certified Site Engineering and Registration	100,000
C-14-2373	SA	York County	2	Miscellaneous	2,000,000
C-15-2432	RIF	Union County	4	Water/Sewer	250,000
RIF-PD-14-002	RIF	Bamberg County	4	Construction	350,000
RIF-PD-14-003	RIF	Barnwell County	4	Construction	350,000
RIF-PD-14-004	RIF	Clarendon County	4	Construction	350,000
RIF-PD-14-005	RIF	Jasper County	3	Construction	350,000
RIF-PD-14-006	RIF	Lancaster County	4	Construction	350,000
RIF-PD-14-007	RIF	Marion County	4	Site Prep/Building Pad	350,000
RIF-PD-14-008	RIF	Union County	4	Construction	350,000
RIF-PDP-01	RIF	Colleton County	3	Miscellaneous	450,000
RIF-SCP-19	RIF	Orangeburg County	3	Certified Site Engineering and Registration	94,791
RIF-SCP-27	RIF	Marlboro County	4	Certified Site Engineering and Registration	67,312
RIF-SCP-28	RIF	Oconee County	2	Certified Site Engineering and Registration	33,675

RIF-SCP-29	RIF	Newberry County	2	Certified Sites	42,500
RIF-SCP-30	RIF	Lancaster County	4	Certified Sites	80,247
RIF-SCP-31	RIF	Berkeley County	1	Certified Sites	43,450
RIF-SCP-32	RIF	Marion County	4	Certified Sites	62,625
RIF-SCP-34	RIF	Richland County	1	Certified Sites	10,500
RIF-SCP-35	RIF	Allendale County	4	Certified Sites	47,000
RIF-SCP-36	RIF	Chesterfield County	4	Certified Sites	54,750
RIF-SCP-37	RIF	Chesterfield County	4	Certified Sites	39,900
RIF-SCP-38	RIF	Jasper County	3	Certified Sites	59,512
RIF-SCP-39	RIF	Laurens County	3	Certified Sites	59,290
Grand Total					5,945,552

GRANT PROGRAM COMPLIANCE

Grants from any of the funds managed by the Council, including the Set-Aside Fund, Rural Infrastructure Fund and Governor's Closing 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

The portion of projects to be funded in whole or in part with grant funds 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 the grantee to the Council of grant funds expended and issuance by the Council of a notification in writing of the financial 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.

After financial closeout, final closeout of economic development grants does not occur until the terms of the performance agreement are satisfied.

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.