

# Capital Improvements Joint Bond Review Committee

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ADMINISTRATIVE ASSISTANT  
803-212-6677  
FAX: 803-212-6690

## JOINT BOND REVIEW COMMITTEE MEETING

**DATE:** Tuesday, June 4, 2019  
**TIME:** 10:30 a.m.  
**LOCATION:** Room 105, Gressette Building

### AGENDA

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**AGENCY:** SC Conservation Bank

**PROJECT/SUBJECT:** Proposed Grant Award for Conservation Easement  
Boone Hall Plantation, Charleston

The South Carolina Conservation Bank requests review of its proposed grant award to the Lowcountry Land Trust for a bargain sale conservation easement on the approximately 598-acre Boone Hall Plantation located in Mount Pleasant in Charleston County. By action on February 26, 2019, the South Carolina Conservation Bank Board reviewed and approved a grant in the amount of \$2,000,000 pursuant to an application submitted by the Trust on January 13, 2019. Approval of the grant was made subject to review by the Joint Bond Review Committee and expenditure authorization included in the Fiscal Year 2019-20 appropriations act.

Section 48-59-70(L) of the Code of Laws provides that the Conservation Bank Board may not authorize the purchase of a conservation easement for more than \$1 million unless the transaction is reviewed by the Joint Bond Review Committee and the committee provides its recommendation to the board.

Boone Hall Plantation is an antebellum era plantation located in the heart of Mount Pleasant and is listed on the National Register of Historic Places. The historic home and grounds are currently open to the public for a variety of tourism related events and activities. Boone Hall contains mixed forest, forested wetlands, ponds, and open areas, and is one of America's oldest working farms. It has been continuously growing and producing crops for over three centuries. The application submitted by the Trust states that preservation of the property represents a significant conservation opportunity within Charleston County where urban and residential development continues to be an imminent threat.

The proposed conservation easement has a preliminary appraised value of \$28,390,000. The Lowcountry Land Trust has indicated its intent to seek matching funds from the Charleston County Greenbelt Bank, and further indicates that the landowner will donate the unfunded portion of the conservation easement.

The Bank's commitment will be paid from the Conservation Bank Trust Fund, which has a current balance of \$2,564,400.

**COMMITTEE ACTION:**

Review and make recommendation regarding the transaction proposed by the SC Conservation Bank to award a grant in the amount of \$2,000,000 to the Lowcountry Land Trust for a bargain sale conservation easement on Boone Hall Plantation.

**ATTACHMENTS:**

- 1) Sections 48-59-50(E) and 48-59-70(L) of the South Carolina Code of Laws.
- 2) SC Conservation Bank Letter dated May 29, 2019.
- 3) Selected portions of Application for Funding - Boone Hall Plantation, Charleston County, South Carolina submitted by Lowcountry Land Trust dated January 31, 2019.

SECTION 48-59-50(E) The bank may not award a grant or make a loan unless the funds for the grant or loan are in the trust fund at the time of the award. However, the bank may make an award for an extraordinary conservation opportunity in excess of the funds in the trust fund. Such awards must be approved by a two-thirds vote of the board members and go before the Joint Bond Review Committee to review the application for an extraordinary conservation opportunity and make a recommendation for approval or denial before the funds may be used. These awards may cross fiscal years and, in certain situations, may rely on anticipated funds.

SECTION 48-59-70(L) The board may not authorize the purchase of a conservation easement for more than one million dollars unless the transaction is reviewed by the Joint Bond Review Committee and the committee provides its recommendation to the board.



**SOUTH CAROLINA CONSERVATION BANK**  
1201 Main Street, Suite 1820  
Columbia, South Carolina 29201

May 30, 2019

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Dr. Walt McPhail  
Duane N. Parrish

Rick Harmon  
Director of Research  
Joint Bond Review Committee  
312 Gressette Building  
Columbia SC 29201

RE: JBRC Request – Boone Hall Plantation – 598 acres – Charleston County

Dear Mr. Harmon,

On February 26, 2019 the South Carolina Conservation Bank Board reviewed and approved the grant application for Boone Hall Plantation submitted by Lowcountry Land Trust in the amount of \$2,000,000 upon approval from the Other Funds Committee and the Joint Bond Review Committee based on statutory requirement. Therefore, on behalf of the SC Conservation Bank Board, I request that the Joint Bond Review Committee include this item on the agenda for review at the June 4, 2019 meeting.

The original application (enclosed) requested \$3,000,000 from the Bank but conversations with the applicant indicated that the project could be done using \$2,000,000 of Bank funds. The approval was also contingent on approval from the Other Funds Committee to authorize the Bank to use \$2,000,000 of the \$2,564,400 currently in the Conservation Bank Trust Fund. Since the Bank was currently working with Senate Finance on their budget, Other Funds Committee staff recommended requesting the authority to spend the full \$2,564,400 in its budget request. The budget request amendment was made on March 14, 2019 and recently approved in H. 4000 (summary enclosed).

Please don't hesitate to contact me or the office if you have any additional questions.

Sincerely,

Michael G. McShane  
SC Conservation Bank Board Vice-Chairman

**SOUTH CAROLINA CONSERVATION BANK**  
**1201 Main Street, Suite 1820**  
**Columbia, South Carolina 29201**

March 6, 2019

Ashley Demosthenes  
Lowcountry Land Trust  
635 Rutledge Ave, Suite 107  
Charleston, SC 29403

RE: Boone Hall Plantation – Charleston County – 598 acres

Dear Ms. Demosthenes,

I am pleased to inform you that the South Carolina Conservation Bank Board reviewed and approved the above mentioned property in the amount of \$2,000,000 upon approval from the Other Funds Committee and the Joint Bond Review Committee.

As per the statutory requirements of the Conservation Bank Act before any grant funds can be obtained you need to provide the Conservation Bank the following items before closing:

- Formal appraisal.
- Phase One Environmental hazard assessment.
- A signed and executed contract.
- A statement of intent to insure title
- Management/Financial Resources Plan
- Any other data that the Board has requested, if any.

At the final closing please provide to the Bank a copy of the closing statement and a copy of the recorded easement or deed.

We appreciate your interest and hard work in improving the quality of life in South Carolina and are pleased that the Conservation Bank could play a role in accomplishing this project. Congratulations on your successful request and I look forward to working with you in the future.

If you have any questions, do not hesitate to contact this office.

Sincerely,



Amber J. Larck  
Business Manager

cc: Boone Hall Limited Partnership  
1235 Long Point Rd  
Mt. Pleasant, SC 29464-9020



South Carolina  
CONSERVATION  
BANK

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**Application for Funding  
South Carolina Conservation Bank**

**Boone Hall Plantation**

**Charleston County, South Carolina**



*Submitted by*



**LOWCOUNTRY  
LAND TRUST**

**January 31, 2019**

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**Boone Hall Plantation**

**I. Application**

- 1) Cover Page
- 2) Cover Letter
- 3) Application for Funding
  - i. Appendix A: Supplementary Explanations
  - ii. Appendix B: Affidavit of Notification to Adjoining Landowners
  - iii. Appendix C: Certification of Non-Profit Status for Lowcountry Land Trust
  - iv. Appendix D: The Lowcountry Land Trust Protected Lands List
  - v. Appendix E: Notice to Landowner of Permanent Conveyance and Right to Independent Assistance

**II. Maps**

- 1) Local Protected Properties Map
- 2) 2017 True Color and Parcel Identification Map
- 3) 2006 Infrared Map
- 4) Land Cover Map
- 5) USGS Topography Map
- 6) Property Survey

**III. Description**

- 1) Brief Description

**IV. Financials**

- 1) Conservation Easement Appraisal Estimate Letter

**V. Easement**

- 1) Summary of Easement Terms
- 2) General Summarized Land Management Statement



January 31, 2019

Ms. Amber Larck  
Business Manager  
South Carolina Conservation Bank  
1201 Main Street, Suite 1820  
Columbia, SC 29201

Dear Ms. Larck,

Please accept this funding application to the South Carolina Conservation Bank (SCCB) for a “bargain sale” conservation easement on the +/- 598 acre “Boone Hall Plantation” located in the CAWS Basin in Mount Pleasant in Charleston County, South Carolina. **Lowcountry Land Trust (LLT) seeks funding in the amount of \$3,000,000. Based on the preliminary appraisal contained herein, requested funding is ~11% of the appraised conservation easement (CE) value.** If accepted and approved, SCCB funds would serve to acquire a conservation easement on Boone Hall Plantation, which contains significant frontage along Long Point Road, US Highway 17, and Boone Hall Creek.

It is important to note that a similar amount of matching funds will be requested from the Charleston County Greenbelt Bank and that the landowner will donate the unfunded portion of the value of the conservation easement. The SCCB is only being asked to fund approximately 11% of the appraised conservation easement (CE) value. LLT presents this project at an outstanding value for the State of South Carolina, its citizens and the South Carolina Conservation Bank.

As the applicant, LLT again respectfully requests funding in the amount of \$3,000,000 prior to closing.

Thank you for your time and consideration in this matter.

Sincerely,

Bruce E. Binney  
Mid Coast Project Manager

**Application for Funding  
South Carolina Conservation Bank  
Revised 8/1/2012**

**I. General Information: Section One:**

Acquisition type: \_\_\_ Fee Simple **X Conservation Easement** \_\_\_ Loan \_\_\_\_\_ Other

Landowner's Name: **Boone Hall Limited Partnership**

Mailing Address: **1235 Long Point Road, Mt. Pleasant, SC 29464-9020**

Daytime Telephone: **(843) 729-2615**

**Eligible Trust Fund Recipient Seeking Funding**

Name of Organization: **Lowcountry Land Trust, Inc.**

Authorized Agent Name: **Ashley D. Demosthenes, President and CEO**

Mailing Address: **635 Rutledge Ave., Suite 107, Charleston, SC 29403**

Daytime Telephone: **(843) 577-6510**

**II. Property Information**

Legal Description: County: **Charleston**

Tax Map: **# 580-00-00-058**

**Please see Section III, 1) Brief Description of Boone Hall Plantation**

Assessor's Plat and Lot Numbers: **GL-195**

Deed Reference (Book and Page Number): **Book W236 Page 711**

Current local zoning status where property is located **580-00-00-058 (800 – Agricultural)**

Location on County Map (attach) **Please see Section II. Maps**

GPS Coordinates (if available) **32°50'49.86"N, 79°49'34.24"W**

Brief description of property including:

- a. Total acres **598 acres**
- b. Total forested **+/- 376 acres (includes forested wetland acreage)**
- c. Total cleared/open **+/- 99 acres**
- d. Total wetlands **+/- 126 acres**
- e. Creeks or rivers **~1.5 miles of frontage on Boone Hall Creek**
- f. Please include any surveys, USGS maps, directions, county locator map, or any other pertinent information.

**Please see Section II. Maps and Section III. Description**

**III. Miscellaneous Information:**

- a. Who is the party responsible for managing this land? (Code Sec. 48-59-70)

Name Mr. Willie McRae

Address 1235 Long Point Road, Mt. Pleasant, SC 29464-9020

Telephone Number (843) 729-2615

- b. Who is responsible for enforcing any conservation easements or other restrictions on this property? (Code Sec. 48-59-70)

Name Lowcountry Land Trust, Inc.

Address 635 Rutledge Avenue, Suite 107, Charleston, SC 29403

Telephone Number (843) 577-6510

**IV. Adjoining landowners.** Adjoining landowners must be notified of this grant request by statute. (Code Sec. 48-59-70). Please attach an affidavit that all adjoining landowners have been notified. **Please see Section I. Application, Appendix B.**

**V.** The undersigned eligible trust fund recipient acknowledges that any grant from the SCCB will be subject to the provisions, terms and conditions of this entire Application and to the provisions of the South Carolina Conservation Bank Act, Code §48-59-10 *et. seq.*

*Asley Demosthenes*  
Signature of Eligible Trust Fund Recipient (Applicant)

1/31/19  
Date

For Office Use Only

Received By: \_\_\_\_\_

Application Number: \_\_\_\_\_

Date: \_\_\_\_\_

**General Information: Section Two-To be filled out by the landowner.**

1. Does this land contain property or interest in property that has been down-zoned within three years of the date of this application? (Code Sec.48-59-70,O-1)

\_\_\_\_\_ yes     no    \_\_\_\_\_ not applicable

2. Has the qualified entity or applicant seeking funding notified you in writing: (S.C. Code Sec.48-59-70,B-1,B-2)

- a. That interests in land purchased with trust funds result in a permanent conveyance of such interests from the landowner to the eligible trust fund.

yes    \_\_\_\_\_ no

- b. That it may be in the landowner's best interests to retain independent legal counsel, appraisals, and other professional advice.

yes    \_\_\_\_\_ no

3. Are there any existing liens, mortgages, or encumbrances that currently exist on this property?

Yes \_\_\_\_\_ No  If so, please explain:

South Carolina Conservation Bank—Landowner Inspection Consent Agreement.

4. The undersigned, as the landowner or landowner's agent agrees to allow inspection, and appraisal if necessary, of the interests in land that is the subject of this Application. I agree to allow authorized or designated agents or staff to inspect this property as may be required. Reasonable notice of inspection will be given.

5. The undersigned as the landowner or landowner's agent acknowledges that any grant from the SCCB will be subject to the provisions, terms and conditions of this entire Application and to the provisions of the South Carolina Conservation Bank Act, Code §48-59-10 *et. seq.*

  
Signature of Landowner/Agent

11/30/2019  
Date

Boone Hall Limited Partnership

**General Information: Section Three – To be filled out by the eligible trust fund recipient seeking funding (Applicant)**

1. Organization Name/Contact **Lowcountry Land Trust**  
Contact Person: **Bruce E. Binney, Mid Coast Project Manager**  
Address: **635 Rutledge Avenue, Suite 107, Charleston, SC 29403**  
Telephone Number: **(843) 577- 6510**  
Organization FEI number: **57-0809313**

Please attach certification that this is a charitable not-for-profit corporation or trust authorized to do business in this state; whose principal activity is the acquisition and management of land for conservation or historic purposes and which has tax-exempt status as a public charity under the Internal Revenue Code of 1986 or Certification that the applicant is an otherwise qualified entity under the S.C. Conservation Bank Act. (Code Sec.48-59-30, 4-c)

**Please see Section I. Application, Appendix C: Certification of Non-Profit Status for Lowcountry Land Trust**

2. How will you be able to complete the project and acquire the interests in the proposed lands? (Code Sec.48-59-70,H-1)  
**The Lowcountry Land Trust (hereinafter LLT) will complete the project by acquiring a conservation easement that will ensure permanent protection of the property. Please see Section V. Easement for Summary of Easement Terms for Boone Hall Plantation.**
3. How many total acres of lands or projects have you preserved in this state? (Code Sec.48-59-70, H-2)  
**Lowcountry Land Trust has protected 324 Conservation Easements, 19 Fee Simple Properties, 6 Deed Restrictions, and 1 option for a Conservation Easement totaling 142,336 acres.**
4. Briefly describe the lands your organization has preserved in this state, including their size, location and method of preservation. Note: this section need not be complied with for specific preserved lands if the privacy or proprietary interests of the owners of such preserved lands would be violated.) (Code Sec.48-59-70,H-3 )  
**Please see Section I. Application, Appendix D: The Lowcountry Land Trust Protected Lands List**
5. Has the trust fund recipient notified the owner of the land that is the subject of the trust fund grant or loan of the following in writing? (Code Sec.48-59-70, B-1,B-2)
- a. That interests in land purchased with trust funds result in a permanent conveyance of such interests in land from the landowner to the eligible trust fund recipient or it assignees.  
  X  yes  no
- b. That it may be in the landowner’s interest to retain independent legal counsel, appraisals and other professional advice.  
  X  yes  no

Attach notarized copy. **Note:** Applications not having affirmation that the notice requirement of this section has been met will not be considered for funding requests.

**Please see Section I. Application, Appendix E: Notice to Landowner of Permanent Conveyance and Right to Independent Assistance.**

6. Does the eligible trust recipient or the landowner have a general summarized land management plan for this proposal? Please attach. (Code Sec. 48-59-70, G1-8). **Note:** A statement addressing these items is required prior to closing.

X yes **Please see Section V. Easement for General Summarized Land Management Statement for Boone Hall Plantation.**

no

7. Explain how the eligible trust fund recipient intends to enforce the easement restrictions on this proposal. (Code Sec. 48-59-70, G-6, 7 and H). Attach additional sheet if necessary. **LLT will prepare a baseline documentation report documenting conditions of the property at the time of the conservation easement execution. LLT is prepared to monitor, enforce, and defend all of its easements. A separate stewardship endowment fund is maintained for this purpose. LLT performs a site visit at least annually to ensure all provisions of the easements are being upheld. The general terms of enforcement for Boone Hall Plantation are found in the Summary of Easement Terms which is located within Section V. Easement.**

8. If the eligible trust fund recipient uses SCCB funding to acquire Fee Simple title to land, does it understand and agree that public access and use of the land must be permitted, subject to those rules and regulations that are consistent with the conservation purposes for which the land was acquired. (Code Sec. 48-59-80, K)

yes  no **N/A**

9. Does the eligible trust fund recipient understand and agree that trust funds provided by South Carolina Conservation Bank may only be used for the acquisition of the interests in land described in this application, including closing costs and not for management, planning, staffing, or any costs not associated with the purchase of interests in lands? (Code Sec. 48-59-110)

X yes  no

10. Does the eligible trust fund recipient have reasonable documentation to support this request? Please attach. The proposal will not be considered without adequate substantiation of estimated Fair Market Value **Note:** However, a qualified and competent appraisal establishing fair market value and/or the value of the proposed easement will subsequently be required prior to closing. (Code Sec. 48-59-70, M)

X yes  no

**Please see Section IV. Financials, Proposed Conservation Easement – Restricted Appraisal letter produced by Mike Robinson with Charleston Appraisal Service Inc.**

11. What is the amount of support sought for this proposal? **\$3,000,000, which is ~11% of the preliminarily appraised conservation easement value.**
12. What is the total transaction value? **The total value of the conservation easement is preliminarily appraised to be \$28,390,000 based on the Proposed Conservation Easement – Restricted Appraisal letter contained herein. Requested funding is**

**\$3,000,000. A similar amount of matching funds will be requested from the Charleston County Greenbelt Program and the landowner will donate the remaining balance.**

13. Explain how this proposal will satisfy the criteria listed in Sections Four, Five, and Six of the ensuing pages. (Code Sec. 48-59-70, G) (Please attach a narrative of what your intended plans are and how you plan to accomplish them.)

**Please see Section I. Application, Appendix A: Supplementary Explanations**

**For intended plans, please see Section V. Easement for Summary of Easement Terms for Boone Hall Plantation.**

14. Does the eligible trust fund recipient understand and agree to return to the SCCB any trust funds disbursed by the SCCB to the eligible trust fund recipient that are not spent, in accordance with this Application, within 60 days of the day SCCB disburses the trust funds to the Applicant?

yes  no

15. Does the eligible trust fund recipient understand and agree that incident to acquiring the interest in land proposed to be acquired pursuant to this application, the eligible trust fund recipient will also purchase a title insurance policy acceptance to SCCB insuring the interests in land acquired and naming the SCCB as an additional insured? (Code Section 48-59-80(D))

yes  no

16. Does the eligible trust fund recipient understand and agree to indemnify the SCCB against any loss suffered by the eligible trust fund recipient due to a defect in title to an interest in land acquired by the eligible trust fund recipient with SCCB trust funds, which indemnification obligation is or will be secured by the title insurance policy referenced to in paragraph 11 above? (Code Section 48-59-80(D)). (Note that if the SCCB funding is not the sole source of funding for the acquisition of interests in land by the eligible trust fund recipient, title insurance or indemnification proceeds will be shared in proportion to the cash SCCB trust funds provided for the acquisition of the interests in land and closing costs, as compared to the total cash funds provided from all sources for the acquisition of the interests in the land and closing costs.)

yes  no

17. Does the eligible trust fund recipient understand and agree that funding of all approved applications is subject to the availability of funds to the SCCB?

yes  no

18. Does the eligible trust fund recipient understand and agree that in the event of the sale of any interests in land purchased in whole or in part with trust funds provided by the SCCB, whether as the result of condemnation or other sale, the proceeds from the sale must be paid in whole or in part to the SCCB? The sale proceeds will be credited to the SCCB in proportion to the cash consideration paid from SCCB trusts fund for the acquisition of the interests in land sold as compared to the total cash consideration paid for the acquisition of the interests in land (Code Sec. 48-59-80(H) and (L)).

yes  no

19. Does the Applicant understand and agree that any other eligible trust fund recipient to which the interests in land that are the subject of the Application might be transferred will acknowledge that the transferee receives the interests in land subject to the terms and conditions of this Application?

yes  no

20. Does the Applicant understand and agree that amounts spent for acquisition of interests in land include only the actual purchase price of the interests in land, plus customary closing costs associated with a normal real estate transaction (e.g. title insurance, abstractor fees, recording fees and attorney's fees directly associated with the closing)?

yes  no

Aziley Demosthenis  
Signature of Authorized Agent for Eligible Trust Fund Recipient (Applicant)

Bruce E. Binney  
Notary Signature  
My commission expires: July 24, 2025



**Section Four– Conservation Criteria  
Code Section 48-59-70 Sec. C and D  
Information to be considered in filling out the application**

1. The extent to which the proposal conserves unique or important wildlife habitat.

Wildlife Habitat Values: The habitat potential of a parcel for all types of wildlife and fisheries species including those hunted and fished. For example, Boone Hall Plantation contains:

- excellent habitat or habitat potential for game species including black bear, white-tailed deer, wild turkey, waterfowl, bobwhite quail and others.
- excellent habitat or habitat potential for game fish including cold-water trout, black bass, sunfish and others.
- significant populations of resident species.
- good or excellent habitat or habitat potential for forest inhabiting birds.
- good or excellent habitat or habitat potential for significant populations of forest inhabiting mammals, reptiles, amphibians and invertebrates.
- areas for resting and feeding of migratory species.
- exhibits connective habitats, corridors, habitat linkages and areas that reduce biological isolation.
- other. **Please see Section I. Application, Appendix A.**

2. The extent that proposal conserves rare or endangered species.

Threatened and Endangered Species: The parcel contains populations or suitable habitats of rare, threatened or endangered species of fish, wildlife or plants. For example, Boone Hall Plantation contains:

- known occurrences of rare, threatened or endangered species of animals or plants.
- parcel is within close proximity to a site with known occurrences of species of concern.
- habitats that are suitable for reoccupation of such species.
- habitats that often harbor such species.
- other **Please see Section I. Application, Appendix A.**

3. The extent that the proposal conserves a relatively undisturbed or outstanding example of an ecosystem indigenous to South Carolina. For example, Boone Hall Plantation contains:

- Carolina Bay
- Spartina Marshlands
- other:

4. The extent the parcel conserves riparian habitats, wetlands, water quality, watersheds of significant ecological value, critical aquifer recharge areas, estuaries, bays or beaches.

Riparian and Hydrologic Values: The parcel contains wetlands that have ecological values including unique habitats, flood control, sediment filtration, and contaminant filtration. For example, Boone Hall Plantation contains:

- is situated on a river, stream or marine shore.
- has extensive river, stream or marine shoreline.
- includes the 100-year floodplain.

- includes a designated scenic river, stream or wetland.
- contains minimum 50-foot buffer of trees along shorelines as a sediment buffer.
- contains ecologically significant wetlands such as isolated bays, bogs, depression meadows and ponds.
- is adjacent to or near other protected wetlands – property is in close proximity to Oakland Plantation and the CAGE Property, both protected by East Cooper Land Trust.
- includes the surface watershed or the ground water aquifer of a public water supply.
- other **Please see Section I. Application, Appendix A.**

5. The extent the parcel has for conserving outstanding geologic features. For example, Boone Hall Plantation contains:

- contains mountains.
- contains significant rock formations/waterfalls.
- contains significant earth strata.
- contains limestone bluff
- other

6. The extent to which the parcel conserves a site of unique historical or archeological significance.

Cultural and Historic Resources: The parcel contains known or likely sites of significant historic or cultural value. For example, Boone Hall Plantation contains:

- contains cultural resources such as a historic forest, mill site, or tar kiln.
- contains other historic or archaeological resources such as Native American sites, historic structures or historic sites
- other

7. The extent the parcel conserves an area of critical forestlands, farmlands, or wetlands. For example, Boone Hall Plantation contains:

- the soil productivity and natural vegetative community to produce high quality timber, pulpwood and other forest products.
- growing timber stock in place.
- diverse timber age and type.
- prime soils
- is agriculturally unique
- contains unique wetlands
- other **Please see Section I. Application, Appendix A.**

8. The extent the parcel conserves an area of forestlands or farmlands which are located on prime soils, in microclimates or have strategic geographical significances.

The potential of a parcel to produce forest products including productivity, accessibility, vegetative community, standing timber, management history and location. For example, Boone Hall Plantation contains:

- has the soil productivity and natural vegetative community to produce high quality timber, pulpwood, forest and agricultural commodities.
- has growing timber stock in place.
- has diverse timber age and type.
- has growing crops in place.
- other **Please see Section I. Application, Appendix A.**

9. The extent that the parcel conserves an area for public recreation, greenways, or parkland.

Public Recreation Potential: The potential of a parcel to provide the public with outdoor recreational potential including hunting, fishing, hiking, birding, horseback riding, wildlife observation, and other types of recreation. For example, Boone Hall Plantation contains:

- externally accessible to the public by automobile and internally accessible by vehicle, foot, boat or bicycle. The public must be able to reach the tract by auto and transit the tract reasonably under most environmental conditions.
  - the potential for hiking, cycling and horseback riding trails.
  - potential water-based recreational value.
  - unique habitat, geological formation, wildlife population or other special recreational attraction.
  - potential for inclusion in the Wildlife Management Area Program.
  - other **Please see Section I. Application, Appendix A.**
10. The extent the parcel conserves a larger area or ecosystem already containing protected lands or as a connection between natural habitats or open space that are already protected. For example, Boone Hall Plantation contains:

- adjoins or is close to a state park.
- adjoins or is close to a state or federal forest or refuge.
- borders on other protected and managed lands.
- borders a scenic highway or river.
- other **Please see Section I. Application, Appendix A.**

11. The extent that the parcel conserves a significant acreage. For example, Boone Hall Plantation contains:

- 100-500 acres
- 501-1,000 acres
- 1,001-5,000 acres
- 5,001-10,000 acres
- over 10,000 acres
- other: approximately 48 acres

12. The extent the parcel presents a unique opportunity to accomplish one or more of the criteria in Items 1-11, where the same or a similar opportunity is unlikely to present itself in the future. For example, Boone Hall Plantation contains:

- is in danger of conversion to non-traditional use within 10 years.
- is currently for sale on the open market.
- may remain as is, but will become further subdivided within 10 years.
- is located where infrastructure extensions and improvements are imminent.
- may remain as is, but is in danger of non-sustainable management.
- other **Please see Section I. Application, Appendix A.**

**Section Five- Financial Criteria  
Code Section 48-59-70 Section E  
Information to be considered in filling out the application**

1. How does the proposal present a unique value opportunity in that it protects land at a reasonable cost? Parcel:

is available at a low cost per acre.  
 is available from a willing seller at a reasonable price.

2. How does the proposal leverage trust funds by including funding or in-kind assets or services from other governmental sources?

Have matching funds of any kind or services-in-kind been applied for; have any been received; in what amount or percentage of this proposal from any other governmental source?

Explain:

**Yes. A similar amount of matching funds will be requested from the Charleston County Greenbelt Program and the landowner will donate the remaining balance.**

3. How does the proposal leverage trust funds by including funding or in-kind assets or services from private or non-profit sources, or charitable donations of land or conservation easements?

Have matching funds of any kind been applied for; have any been received; in what amount or percent of its proposal from private or non-profit sources?

Explain:

**Yes. A similar amount of matching funds will be requested from the Charleston County Greenbelt Program and the landowner will donate the remaining balance.**

4. How does the proposal leverage trust funds by purchasing conservation easements that preserve land at a cost that is low, relative to the fair market value of the fee simple title of the land preserves?

Is the proposal a bargain sale?  
 Is the parcel available with match funding donated by the current owner?

If so, in what amount/percent? **The unfunded portion of the easement value after funding requests are considered, ~80-90%.**

Explain:

**Matching funds will be requested from the Charleston County Greenbelt Program and the landowner is donating the remaining balance of the easement value. The SCCB is only being asked to purchase ~11% - a highly leveraged use of grant funds. Please see Section I, Application, Appendix A.**

5. Has any other conservation incentives and means of conservation such as donated, conservation easements or participation in other governmental programs have been explored, applied for, secured, or exhausted?

Explain:

**Matching funds will be requested from the Charleston County Greenbelt Program and the landowner is donating 100% of the unfunded portion of the conservation easement.**

**Section Six– Public Access  
Code Section 48-59-70 Section F  
Information to be considered in filling out the application**

1. To what extent does the proposal provide public access for hunting, fishing, outdoor recreational activities, and other forms of public access.
  - A.  No public access is proposed.
  - B.  Limited public access is proposed such as:
    1. Minimal access: Small groups or specific individuals with few allowed activities on few days.
    2. Moderate access: Small or medium sized groups with access many times per year with several allowed activities.
    3. High access: General public access all year or many days with several activities allowed.
    4. **Very high access: General public access year round with many Activities allowed.**

## Appendix A

### Supplementary Explanations of Section Four – Conservation Criteria

#### 1. The extent to which the proposal conserves unique or important wildlife habitat.

Boone Hall Plantation contains a diversity of relatively natural habitats including mixed forest, forested wetlands, ponds, as well as agricultural and open areas, all of which can support a variety of floral and faunal species.

These natural habitats are significant to wildlife habitat functions including feeding, nesting and roosting areas for migratory songbirds, ground-nesting birds, waterfowl and other avian species, and also including feeding, breeding and resting areas for native small and large game and non-game mammals, as well as feeding and breeding areas for amphibians and reptiles.

Boone Hall Plantation contains forested wetlands, which function to improve water quality by providing for nutrient uptake and sediment deposition from runoff draining from upstream lands, and also provide many wildlife habitat components such as breeding grounds, nesting sites and other critical habitat for a variety of wildlife species as well as the unique habitat requirements of many threatened and endangered plants and animals.

#### 2. The extent that proposal conserves rare or endangered species.

Based on the habitat types indicated by the Land Cover Map and cross referenced in the Priority Conservation Species of South Carolina Table found in the Comprehensive Wildlife Conservation Strategy (2005-2010) and further referenced in the 2015 State Wildlife Action Plan, Boone Hall Plantation contains habitat with the potential to support threatened or endangered species and species of concern which have known or highly probable occurrences in Charleston County including but not limited to the Northern Cricket Frog (*Acris crepitans*), Bachman's Sparrow (*Aimophila aestivalis*), Flatwoods Salamander (*Ambystoma cingulatum*), Eastern Tiger Salamander (*Ambystoma tigrinum tigrinum*), Spotted Turtle (*Clemmys guttata*), Star-nosed Mole (*Condylura cristata*), Rafinesque's Big-eared Bat (*Corynorhinus rafinesquii*), Timber Rattlesnake (*Crotalus horridus*), American Swallow-tailed Kite (*Elanoides forficatus*), Bald Eagle (*Haliaeetus leucocephalus*), Southern Hognose Snake (*Heterodon simus*), Hoary Bat (*Lasiurus cinereus*), Swainson's Warbler (*Limnothlypis swainsonii*), Red-headed Woodpecker (*Melanerpes erythrocephalus*), Meadow Vole (*Microtus pennsylvanicus*), Wood Stork (*Mycteria americana*), Southeastern Bat (*Myotis austroriparius*), Eastern Woodrat (*Neotoma floridana*), Glossy Ibis (*Plegadis falcinells*), Gopher Frog (*Rana capito*),

Eastern Fox Squirrel (*Sciurus niger*), Black Swamp Snake (*Seminatrix pygaea*), Barn-owl (*Tyto alba*), and Black Bear (*Ursus americanus*).

**4. The extent the parcel conserves riparian habitats, wetlands, water quality, watersheds of significant ecological value, critical aquifer recharge areas, estuaries, bays or beaches.**

Boone Hall Plantation contains forested wetlands, which function to improve water quality by providing for nutrient uptake and sediment deposition from runoff draining from upstream lands, and also provide many wildlife habitat components such as breeding grounds, nesting sites and other critical habitat for a variety of wildlife species. Boone Hall Plantation in its existing relatively natural condition contributes very little nonpoint source pollution, if any, to downstream tributaries and waterways due to the amount and quality of vegetation and forested wetland that provides for nutrient uptake and sediment deposition, as well as the limited impervious surface, which reduces sources of pollution and nutrient loading.

**7. The extent the parcel conserves an area of critical forestlands, farmlands, or wetlands.**

Boone Hall Plantation is substantially comprised of mixed forest and forested wetlands. This forest system provides vital ecosystem services, namely rainwater capture, percolation and aquifer recharge, and filtration of stormwater runoff. Development of this parcel would not only negate these ecosystem services but would amplify the impact of both existing and new development on nearby waterways. Maintaining undeveloped forestland in close proximity to our sensitive tidal creeks and estuaries is the most effective way to maintain water quality.

Boone Hall Plantation also includes numerous agricultural areas. As one of America's oldest working farms, Boone Hall Plantation has been continuously growing and producing crops for over three centuries. A land cover map is included in Section II, Maps.

**8. The extent the parcel conserves an area of forestlands or farmlands which are located on prime soils, in microclimates or have strategic geographical significances.**

Boone Hall Plantation has ~110 acres of Prime Soils and ~314 acres of Soils of Statewide Importance per USDA National Resources Conservation Service data.

**9. The extent that the parcel conserves an area for public recreation, greenways, or parkland.**

Boone Hall Plantation is a working farm with high public access. Its opportunities for agritourism include seasonal fruit and vegetable harvesting at the onsite fields located in the heart of the rapidly developing Mount Pleasant. The property is an antebellum era plantation and is listed on the National Register of Historic Places. The historic home and grounds are currently open to the public for a variety of tourism related events and activities.

Boone Hall Plantation also includes numerous agricultural areas. As one of America's oldest working farms, Boone Hall Plantation has been continuously growing and producing crops for over three centuries. The farm provides food to a local market and also offers shares in a Community Supported Agriculture Program.

**10. The extent the parcel conserves a larger area or ecosystem already containing protected lands or as a connection between natural habitats or open space that are already protected.**

Boone Hall Plantation lies within the more than 800,000 acres of the Cooper, Ashley, Wando, and Sea Islands (CAWS) Basin Focus Area, featuring diverse ecosystems and a wealth of wildlife, all of which is the focus of a consortium of private landowners, conservation groups, and federal and state agencies, working to protect and enhance the region's natural resources and traditional agricultural and recreational uses.

Protection of Boone Hall Plantation is a critical conservation target for the Charleston community. Protection of this parcel will undoubtedly catalyze additional land protection projects throughout the lowcountry. Moreover, its protection will further enhance the progress made to date in protecting the Wando River Watershed. In doing so, water quality in these waterways will be forever maintained.

Boone Hall is just one in a series of blocks that contribute to core areas and greenspaces within the local landscape. Also nearby are Palmetto Island County Park, Pinckney National Historic Site, and Fort Palmetto Park.

**12. The extent the parcel presents a unique opportunity to accomplish one or more of the criteria in Items 1-11, where the same or a similar opportunity is unlikely to present itself in the future.**

Protection of Boone Hall Plantation represents a significant conservation opportunity within Charleston County. Conversion of land from rural timber and agricultural lands to urban/residential developments and non-sustainable management is occurring at a rate faster than the conservation community can respond to in various locations across the Lowcountry of South Carolina.

Development in Charleston County continues to be an imminent threat. As one of the few remaining large tracts of undeveloped land within the Mount Pleasant area, protection of this property would be a landmark accomplishment for conservation in the lowcountry.

By protecting this tract, its ability to provide ecosystem services like flood mitigation and water quality will be preserved for the benefit of surrounding communities.

## Supplementary Explanations of Section Five – Financial Criteria

- 4. How does the proposal leverage trust funds by purchasing conservation easements that preserve land at a cost that is low, relative to the fair market value of the fee simple title of the land preserves?**

Based on the land trust's experience in the project area and a supplemental appraisal letter the requested funding in the amount of \$3,000,000 of the appraised conservation easement value is to be used for a bargain sale purchase of the conservation easement. A similar amount of matching funds will be requested from the Charleston County Greenbelt Bank further leveraging grant funds in conjunction with the generous donation of the remaining balance of the value of the conservation easement by the landowner.

Please see Section IV, Financials: Conservation Easement Appraisal Estimate Letter

## Supplementary Explanations of Section Six – Public Access

- 1. To what extent does the proposal provide public access for hunting, fishing, outdoor recreational activities, and other forms of public access?**

Boone Hall Plantation is an antebellum era plantation and is listed on the National Register of Historic Places. The historic home and grounds are currently open to the public for a variety of tourism related events and activities.

Boone Hall Plantation also includes numerous agricultural areas. As one of America's oldest working farms, Boone Hall Plantation has been continuously growing and producing crops for over three centuries.



Internal Revenue Service  
P.O. Box 2508  
Cincinnati, OH 45201

Department of the Treasury

Date: December 15, 2015

LOWCOUNTRY LAND TRUST INC  
43 WENTWORTH ST  
CHARLESTON SC 29401

Person to Contact:

Ms. Herald  
ID #02-03115

Toll Free Telephone Number:

877-829-5500

Employer Identification Number:

57-0809313

Form 990 Required:

Yes

Dear Sir or Madam:

This is in response to your request dated December 3, 2015, regarding your tax-exempt status.

We issued you a determination letter in March 1986, recognizing you as tax-exempt under Internal Revenue Code (IRC) 501(c)(3).

Our records also indicate you're not a private foundation as defined under IRC Section 509(a) because you're described in IRC Sections 509(a)(1) and 170(b)(1)(A)(vi).

Donors can deduct contributions they make to you as provided in IRC Section 170. You're also qualified to receive tax deductible bequests, legacies, devises, transfers, or gifts under IRC Sections 2055, 2106, and 2522.

In the heading of this letter, we indicated whether you must file an annual information return. If a return is required, you must file Form 990, 990-EZ, 990-N, or 990-PF by the 15th day of the fifth month after the end of your annual accounting period. IRC Section 6033(j) provides that, if you don't file a required annual information return or notice for three consecutive years, your exempt status will be automatically revoked on the filing due date of the third required return or notice.

For tax forms, instructions, and publications, visit [www.irs.gov](http://www.irs.gov) or call 1-800-TAX-FORM (1-800-829-3676).

If you have questions, call 1-877-829-5500 between 8 a.m. and 5 p.m., local time, Monday through Friday (Alaska and Hawaii follow Pacific Time).

Sincerely yours,



Jeffrey I. Cooper  
Director, Exempt Organizations  
Rulings and Agreements

Internal Revenue Service  
District Director

Department of the Treasury

P.O. BOX 941, RM 1112  
ATLANTA, GA 30301

Date: **MAR 28 1988**

LOWCOUNTRY OPEN LAND TRUST INC  
PO BOX 1293  
CHARLESTON, SC 29402

Employer Identification Number:  
57-0809313  
Contact Person:  
CECIL WEEMS  
Contact Telephone Number:  
(404) 331-3816

Our Letter Dated:  
4-9-86  
Caveat Applies:  
No

Dear Applicant

This modifies our letter of the above date in which we stated that you would be treated as an organization which is not a private foundation until the expiration of your advance ruling period.

Based on the information you submitted, we have determined that you are not a private foundation within the meaning of section 509(a) of the Internal Revenue Code because you are an organization of the type described in section 509(a)(1) and 170(b)(1)(A)(vi). Your exempt status under Code section 501(c)(3) is still in effect.

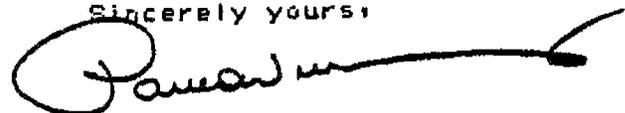
Grantors and contributors may rely on this determination until the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(1) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of such status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section 509(a)(1) organization.

If the heading of this letter indicates that a caveat applies, the caveat below or on the enclosure is an integral part of this letter.

Because this letter could help resolve any questions about your private foundation status, please keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,



Paul Williams-  
District Director



January 30, 2019

Boone Hall Limited Partnership  
Attention: Mr. Willie McRae  
1235 Long Point Road  
Mt. Pleasant, SC 29464-9020

Re: Notice of Permanent Conveyance and Right to Independent Assistance

Dear Willie,

I am writing to you regarding the Lowcountry Land Trust's funding application for a conservation easement on Boone Hall Plantation located in Charleston County, South Carolina (TMS # 580-00-00-058) to the South Carolina Conservation Bank.

Pursuant to the South Carolina Conservation Bank legislation, it is the Lowcountry Land Trust's statutory responsibility to place you, the landowner, on notice of the following:

- (1) Interests in land purchased with trust funds result in a permanent conveyance of such interests in land from the landowner to the eligible trust fund recipient or its assignees, and
- (2) It may be in the landowner's interest to retain independent legal counsel, appraisals and other professional advice.

Please accept this notarized letter as formal notice of the above conditions. Should you have any questions or concerns about the contents of this letter please feel free to call me.

Sincerely,

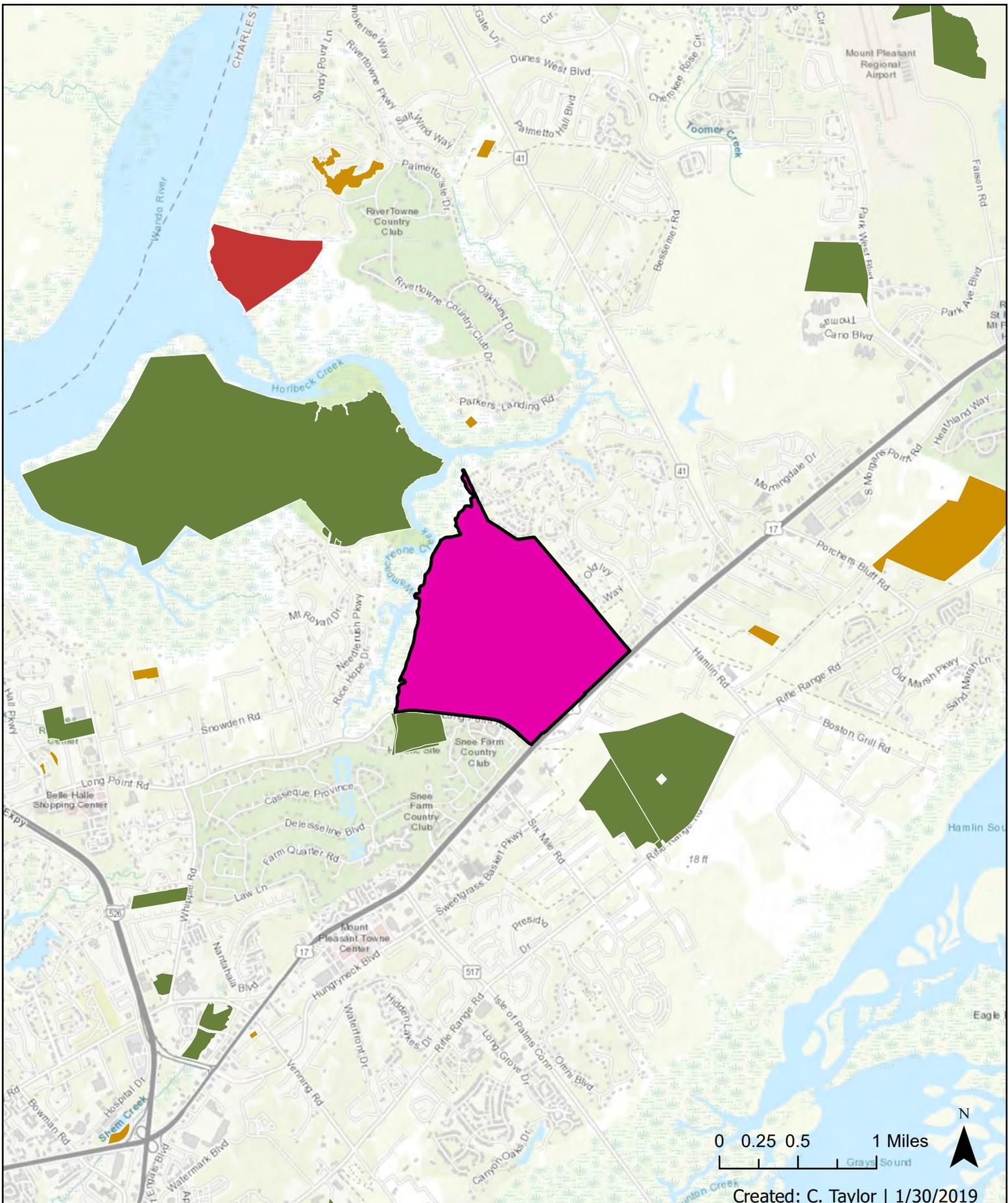
Bruce E. Binney  
Project Manager - Mid Coast

Notary Public for South Carolina

My commission expires 7-9-2020

Date Jan 30, 2019

Charleston, South Carolina



Created: C. Taylor | 1/30/2019



# Local Protected: Boone Hall Plantation

Map created by Lowcountry Land Trust for presentation purposes. Boundary from modified Charleston County parcels, SC Conserved Lands 2018, TNC Public Lands 2018, & Esri Topography imagery shown. Refer to plan(s) and legal description(s).

- Property Boundary
- LLT Protected
- Other Private Protected
- Public Lands



5800000058



## 2017 Aerial & Parcel Identification: Boone Hall Plantation

Map created by Lowcountry Land Trust for presentation purposes.  
Boundary from modified 2018 Charleston County parcels,  
2017 NAIP Imagery shown. Refer to plat(s) and legal description(s).

 Property Boundary



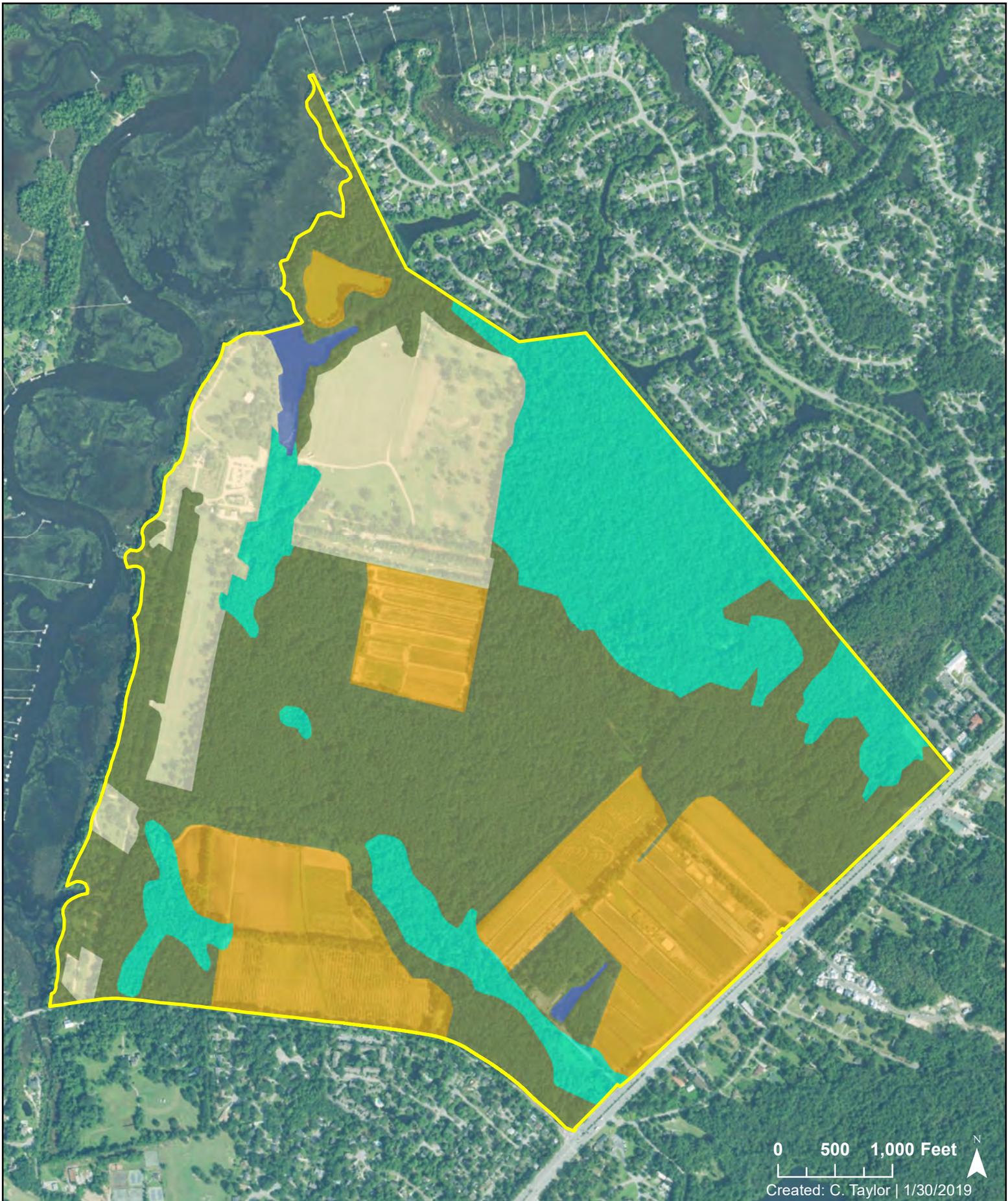
0 500 1,000 Feet  
Created: C. Taylor | 1/30/2019



## 2006 Infrared Aerial: Boone Hall Plantation

Map created by Lowcountry Land Trust for presentation purposes.  
Boundary from modified 2018 Charleston County parcels,  
2006 NAPP Imagery shown. Refer to plat(s) and legal description(s).

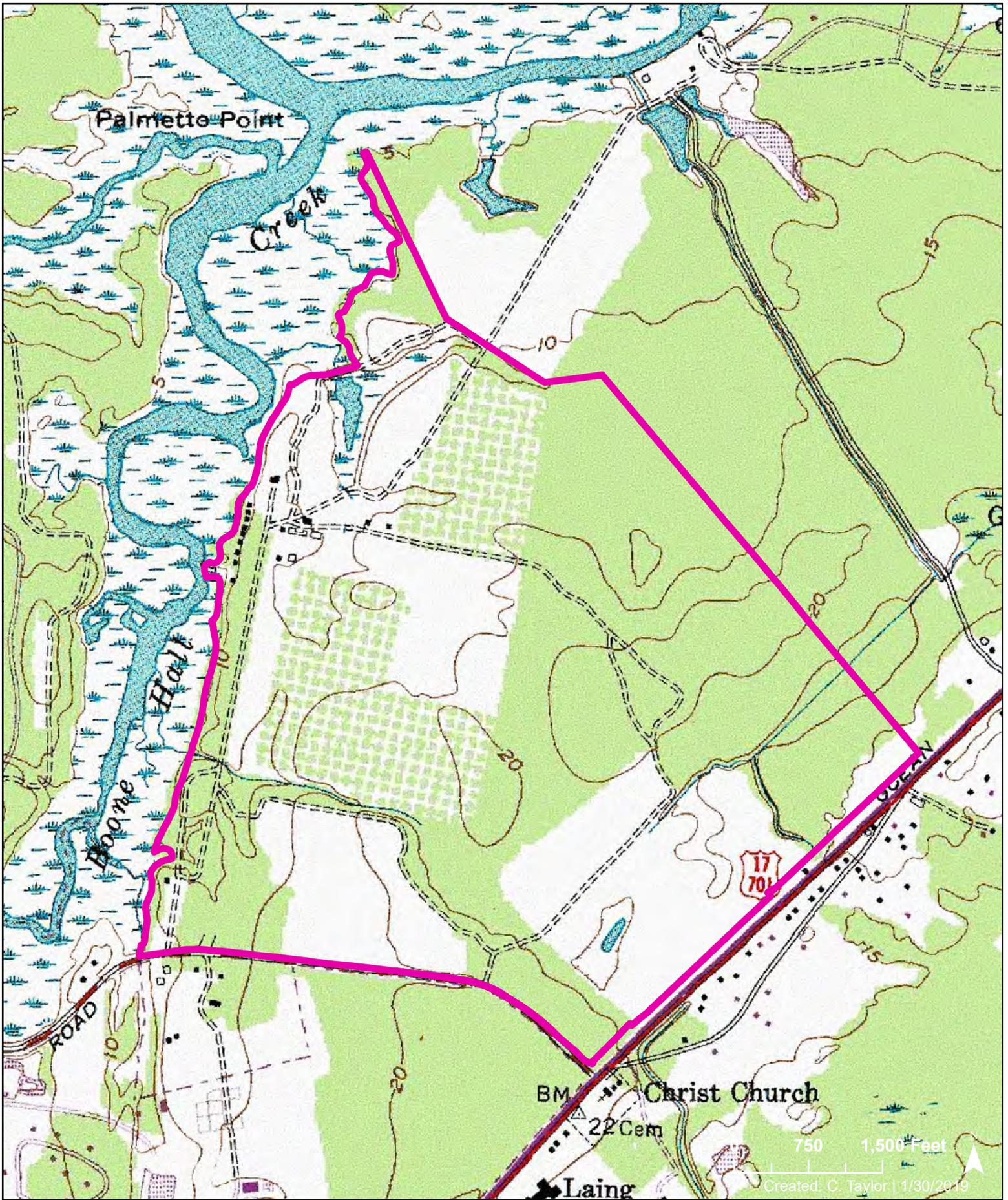
 Property Boundary



# Land Cover: Boone Hall Plantation

Map created by Lowcountry Land Trust for presentation purposes. Boundary from modified 2018 Charleston County parcels, NWI 2016, & NAIP 2017 imagery shown. Refer to plat(s) and legal description(s).

- |                   |              |
|-------------------|--------------|
| Property Boundary | Mixed Forest |
| <b>Landcover</b>  | Open         |
| Agricultural      | Pond         |
| Forested Wetland  |              |

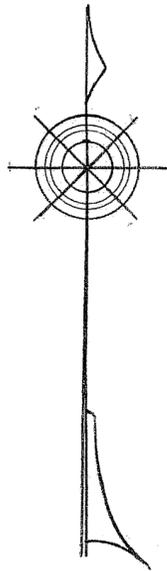


## USGS Topography: Boone Hall Plantation

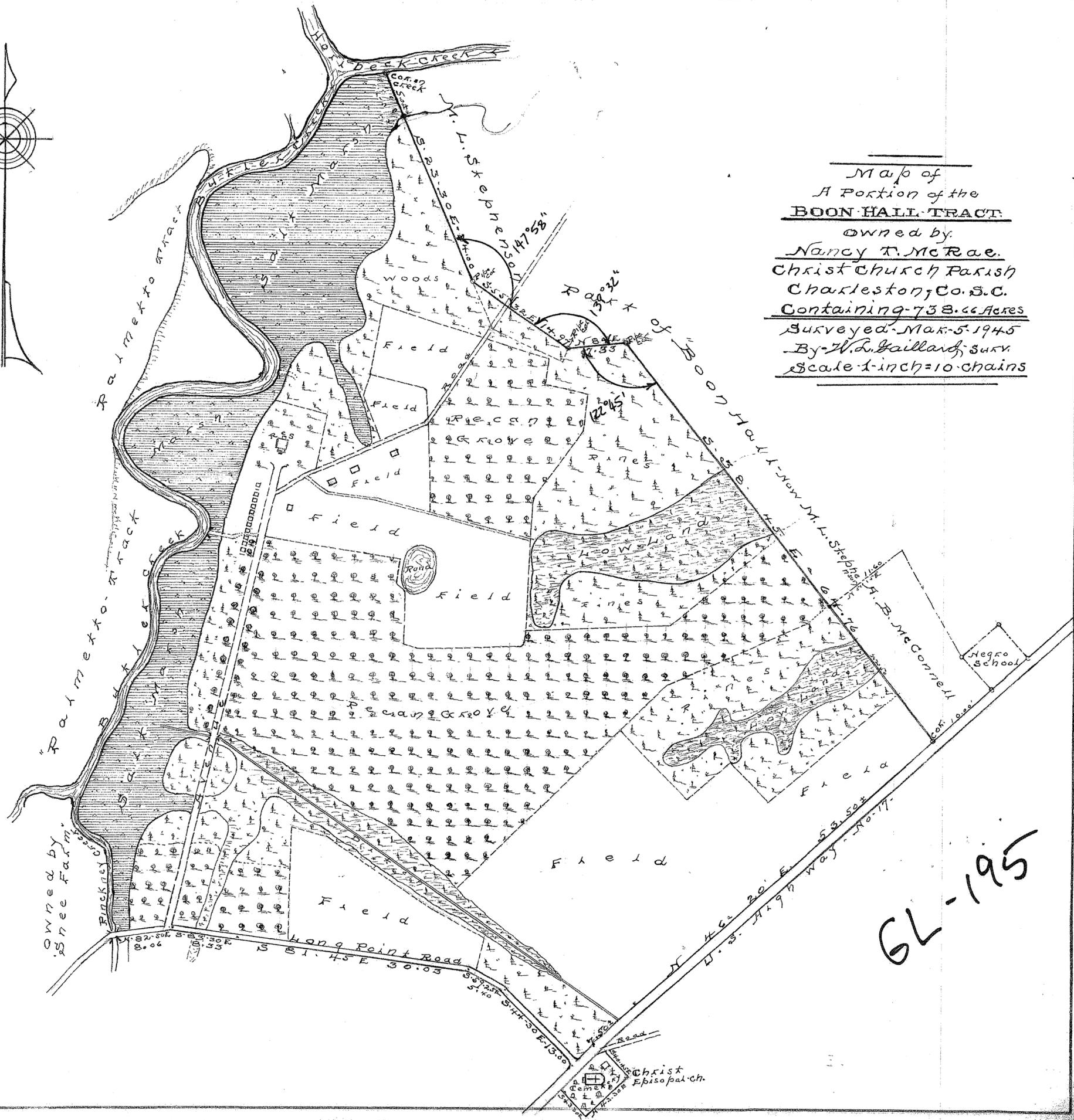
Map created by Lowcountry Land Trust for presentation purposes.  
Boundary from modified 2018 Charleston County parcels,  
USGS Topography shown. Refer to plat(s) and legal description(s).

 Property Boundary

#4



Map of  
 A Portion of the  
BOON HALL TRACT  
 Owned by  
Nancy T. McRae.  
 Christ Church Parish  
 Charleston, Co. S.C.  
Containing 733.66 Acres  
 Surveyed Mar. 5, 1945  
 By W. L. Gaillard, SURV.  
 Scale 1 inch = 10 chains



62-195

## Brief Description of Boone Hall Plantation



**TMS#: Charleston County # 580-00-00-058**

Deed Reference (Book and Page):      **Book W236 Page 711**

<b>Total acres</b>	<b>598 acres</b>
<b>Total forested</b>	<b>376 acres</b>
<b>Total cleared/open</b>	<b>99 acres</b>
<b>Total wetlands</b>	<b>126 acres</b>
<b>Creeks or rivers</b>	<b>~1.5 miles of frontage on Boone Hall Creek</b>

Boone Hall Plantation is located in the heart of Mount Pleasant in Charleston County. The property is an antebellum era plantation and is listed on the National Register of Historic Places. The historic home and grounds are currently open to the public for a variety of tourism related events and activities. It is prominently visible by the public from Long Point Road and US Highway 17 having approximately 1.5 miles of road frontage. The property also has approximately 1.5 miles of scenic frontage on Boone Hall Creek.

Boone Hall Plantation lies within the more than 800,000 acres of the Cooper, Ashley, Wando, and Sea Islands (CAWS) Basin Focus Area, featuring diverse ecosystems and a wealth of wildlife, all of which is the focus of a consortium of private landowners, conservation groups, and federal and state agencies, working to protect and enhance the region's natural resources and traditional agricultural and recreational uses.

The CAWS Basin Focus Area of South Carolina has suffered a noticeable loss in recent years of critical ecosystems, scenic property, island hummocks and small islands, wetlands, natural forests, wildlife habitat, prime farm land and timber land, and other natural resources from increasing industrial, commercial and residential development.

Boone Hall Plantation furthers the goals of the Charleston County Comprehensive Plan as stated in the Cultural Resources Element that cultural, historic and archaeological resources, unique settlement patterns of traditional Lowcountry communities (such as historically African-American communities and family settlements), and traditional activities (such as Sweetgrass Basket Making) should be preserved and protected from potential negative impacts of growth and development. Boone Hall Plantation provides significant public benefits including the protection of adjacent Lowcountry wetlands, as designated by the Charleston County Comprehensive Greenbelt Plan as an area of land targeted for conservation in order to enhance water quality for Charleston County, fish and wildlife productivity, and to prevent disturbance to areas that provide critical floodwater storage and filtration.

Boone Hall Plantation is an iconic historic site and its part in a greater network of protected lands across the coastal plain enhances its open space and habitat values, being an important link in the protective wildlife corridor created by these surrounding lands and contributing to the overall traditional landscape of the lowcountry.

Boone Hall Plantation contains a diversity of relatively natural habitats including mixed forest, forested wetlands, ponds, as well as agricultural and open areas, all of which can support a variety of floral and faunal species. These natural habitats are significant to wildlife habitat functions including feeding, nesting and roosting areas for migratory songbirds and ground-nesting birds, and also including feeding, breeding and resting areas for native small and large game and non-game mammals, as well as feeding and breeding areas for amphibians and reptiles.

Boone Hall Plantation in its existing relatively natural condition contributes very little, if any, nonpoint source pollution to nearby creeks and waterways due to the amount of vegetation and forested wetlands that provide for nutrient uptake and sediment deposition, as well as the limited impervious surface, which reduces sources of pollution and nutrient loading. The forested wetlands on Boone Hall Plantation function to improve water quality by providing for nutrient uptake and sediment deposition from runoff draining from upstream lands, and also provide many wildlife habitat components such as breeding grounds, nesting sites and other critical habitat for a variety of wildlife species. Protection of the Boone Hall Plantation presents an opportunity to contribute to the protection of the downstream water quality for the benefit of the public.

Boone Hall Plantation is adjacent to the Charleston Pinckney National Historic Site that is approximately 30 acres. Other properties in close proximity to Boone Hall Plantation include Rivertowne Island, approximately 2 acres, CAGE Property, approximately 6 acres, and Oakland Plantation, approximately 133 acres, all of which are protected by East Cooper Land Trust. Additionally, Snowden, approximately 5 acres protected by the Snowden Community Civic Association and Four Mile Park, approximately 1 acre protected by Four-Mile Community Association, are in close proximity to Boone Hall Plantation.

# CHARLESTON APPRAISAL SERVICE, INC.

REAL ESTATE APPRAISERS AND CONSULTANTS

304 Meeting Street, Ste. 201  
Charleston, SC 29401  
Phone: 843-723-6256  
Fax: 843-723-4676  
Fed. I.D. : 57-0769203

Michael C. Robinson, MAI, SRA  
President  
Joseph G. McInerney, III  
Harold E. Marshall  
James L. Rogers, Jr.

January 30, 2019

Boone Hall Limited Partnership  
c/o William H. McRae  
1235 Long Point Road  
Mt. Pleasant, SC 29466

Re: Restricted Appraisal Report - Proposed Conservation Easement  
Boone Hall Plantation (619.35 Acres Upland, 105.00 Acres Marsh)  
U.S. Highway 17, Charleston County, SC

Dear Mr. McRae:

I have completed an appraisal of a conservation easement proposed to be placed on the above referenced tract. A final Appraisal Report will not be published until the conservation easement document is signed. I have not been provided with a draft copy of the proposed conservation easement. My value estimates are based on the terms and conditions contained in a conservation easement draft term sheet given to me. A copy of that term sheet is attached to this correspondence. The major restriction to be imposed by the conservation easement is that the tract may never be subdivided. Should the information in the document change, my value estimates could be affected.

Please recognize that this is restricted communication. It is a Restricted Report due to the level of presentation contained herein. Those other than the clients are not allowed access to this report since they will not be able to understand my opinions and conclusions without benefit of supporting data contained in my office file. It is intended for the clients' use in advising funding sources of the potential value of the proposed conservation easement.

My opinion of the fee simple value of the Boone Hall Plantation tract is largely based on a wetlands analysis conducted by Newkirk Associates and on a potential land plan prepared by Thomas and Hutton Engineering of Mt. Pleasant. Boone Hall Plantation is located in Charleston County and is currently zoned Resource Management (RM), but it has connectivity on four sides with the Town of Mt. Pleasant. Intense residential development has occurred on three sides, and commercial development has occurred south and well north of the tract. The Thomas and Hutton plan itself is based on the tract having the potential to be annexed into the Town of Mt. Pleasant; receiving zoning from the town as depicted on the plan; and being provided with water and sewer services by Mt. Pleasant Waterworks. The Thomas and Hutton potential land plan was reviewed and found to be reasonable by the Town of Mt. Pleasant Planning and Zoning Department.

A portion of Boone Hall Plantation is a nationally recognized historic landmark. It is on the National Register for Historic Places. It has been represented to me that the area that is so designated extends along the west boundary of the tract bordering Boone Hall Creek. There is also a Civil War embattlement that extends from the creek easterly paralleling Long Point Road. These areas are depicted on the Thomas and Hutton map included in this correspondence.

The clients in this Restricted Appraisal are Boone Hall Limited Partnership, William H. McRae, Lowcountry Land Trust and their agents. These are the designated users of the report as well.

Based on a property inspection and a thorough analysis of pertinent sales and data, it is my opinion that the fee simple market value of the tract (land only) subject to assumptions previously presented and prior to consideration of the proposed conservation easement as of January 30, 2019 is:

**\$34,790,000**

**THIRTY FOUR MILLION SEVEN HUNDRED NINETY THOUSAND DOLLARS**

It is also my opinion that the value of the proposed conservation easement to be placed on the tract, based on restrictions cited in the attached term sheet, as of January 30, 2019 is:

**\$28,390,000**

**TWENTY EIGHT MILLION THREE HUNDRED NINETY THOUSAND DOLLARS**

I have retained all supporting information used in reaching my value estimates in my office file. Upon receiving an executed conservation easement document, I will publish a final report. Please be aware that if a substantial period of time elapses between the effective date of this estimate and the date of the published report, additional research and a reinspection of the property may be required. This is due to the fact that the appraisal must have an effective date within sixty (60) days of granting of the conservation easement.

I was not provided with an environmental audit on the subject property. I assume the tract and buildings have no hazardous materials, and the tract has no groundwater contamination. I also assume that drainage and water retention requirements for the tract can be met. I have been provided with an acreage breakdown on the subject tract. I also assume that the tract contains no wetlands other than those provided to me. Should any of the above assumptions be proven incorrect by subsequent studies, my value estimates could be affected.

This report is intended to comply with the requirements set forth under Standards Rule 2-2(b) of the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation, effective January 1, 2018 through December 31, 2019. It is also intended to comply with the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute.

I certify that to the best of my knowledge and belief, the statements and opinions contained in this report are full, true and correct. I certify that I have no interest in the subject tract, and that neither the employment to make this appraisal nor the compensation is contingent upon the value estimates.

I also certify that this is a qualified appraisal as defined in Treasury Regulation Section 1.170-13(c)(3), the Pension Protection Act of 2006 and IRS Notice 2006-96. I also certify that I am a qualified appraiser as defined in these guidelines.

I have been continuously engaged in the practice of real estate appraisal since 1969. For the past 35 years, a substantial percentage of my business has been devoted to the appraisal of plantation properties located within the Lowcountry of South Carolina. Many of these appraisals involved the valuation of conservation easements placed on the properties. I have conducted seminars on appraisals of conservation easements sponsored by Clemson University, Lowcountry Land Trust, the Appraisal Institute, South Carolina Bar Association, South Carolina Department of Natural Resources and the Land Trust Alliance. This information is presented to affirm fulfillment of the Competence Rule of the Uniform Standards of Professional Appraisal Practice of the Appraisal Foundation. It is also understood that a substantial or gross valuation misstatement resulting from an appraisal of the value of the tract that the appraiser knows, or reasonably should have known, would be used in connection with a return or claim for refund, may subject the appraiser to civil penalty under Section 6695A of the United States Treasury regulation.

This appraisal is intended to meet the requirements of Title XI of the Financial Institution Reform, Recovery and Enforcement Act (FIRREA) of 1989, Public Law. This appraisal assignment was not made nor was the appraisal rendered on the basis of a requested minimum valuation, specific valuation or an amount which would result in approval of a loan.

This appraisal was prepared for the exclusive use of the client. The information and opinions contained in this appraisal set forth the appraiser's best judgment in light of the information available at the time of the preparation of this report. Any use of this appraisal by any other person or entity, or any reliance or decisions based on this appraisal are the sole responsibility and at the sole risk of the third party. Charleston Appraisal Service, Inc. accepts no responsibility for damages suffered by any third party as a result of reliance on or decisions made or actions taken based on this report.

Sincerely,

**Charleston Appraisal Service, Inc.**



Michael C. Robinson, MAI, SRA  
President  
State Certified General Real  
Estate Appraiser SC# CG 76

MCR/tew  
18-157



<b>SUMMARY OF IMPORTANT DATA AND CONCLUSIONS</b>	
PROPERTY LOCATION	U.S. Highway 17 - Charleston County, SC
OWNER	Boone Hall Limited Partnership
TAX MAP NUMBER	580-00-00-058
CLIENTS	Boone Hall Limited Partnership William H. McRae Lowcountry Land Trust, and their agents
IMPROVEMENTS	Not Included (no impact due to the conservation easement)
TRACT SIZE	459.48 Acres Highland 159.87 Acres Wetland 105.00 Acres Marsh
HIGHEST & BEST USE	Prior to Conservation Easement: Market Driven Subdivision/Construction Conservation Special Events per Special Exemption  After Conservation Easement: Seven New Residences Allowed Special Events Recreation Conservation (No Subdivision)
ESTIMATE OF FEE SIMPLE MARKET VALUE PRIOR TO PROPOSED CONSERVATION EASEMENT (Land Only)	<b>\$ 34,790,000</b>
ESTIMATE OF MARKET VALUE SUBJECT TO PROPOSED CONSERVATION EASEMENT (Land Only)	<b>\$6,400,000</b>
VALUE ESTIMATE OF PROPOSED CONSERVATION EASEMENT	<b>\$28,390,000</b>
DATE OF ESTIMATE	January 30, 2019
DATE OF INSPECTION	November 28, 2018
DATE OF REPORT	January 30, 2019

## General Summarized Land Management Plan Boone Hall Plantation (+/-598 Acres)



Boone Hall Plantation contains mixed forest, forested wetlands, ponds, as well as agricultural and open areas. The property is an antebellum era plantation and is listed on the National Register of Historic Places. The historic home and grounds are currently open to the public for a variety of tourism related events and activities.

Boone Hall Plantation also includes numerous agricultural areas. As one of America's oldest working farms, Boone Hall Plantation has been continuously growing and producing crops for over three centuries. The farm provides food to a local market and also offers shares in a Community Supported Agriculture Program.

The Boone Hall Creek Buffer restricts activity within 50 feet of the creek. The Long Point Road Buffer restricts activity within 100 feet of the road. The US Highway 17 Road Buffer restricts activity within 200 feet of the road. Proposed Conservation Easement terms set forth that no further subdivision is permitted and allow for a limited number of residential structures. Forest Management is permitted subject to Best Management Practices and a Forest Management Plan.

**AGENCY:** Department of Administration  
Facilities Management and Property Services

**PROJECT/SUBJECT:** Proposed Disposition of Surplus Real Property  
Greenville Technical College  
216 South Pleasantburg Drive, Greenville

Greenville Technical College requests review of its proposal to dispose of 4.767 acres improved with a 92,614 square foot building at 216 South Pleasantburg Drive in Greenville. The property was gifted to the College in 1993 by Mr. T. Walter Brashier and served as the Buck Mickel Center, which housed the College's continuing education programs. The College ceased using the Buck Mickel Center in December 2018, and relocated the programs to other campus facilities. The College has no future plans for its use and has declared it to be surplus property.

The appraised value of the property is \$9,350,000, and the College seeks authorization to dispose of the property for not less than appraised value. The College will retain proceeds from the sale in accordance with Proviso 93.19 of the 2018 General Appropriations Act and Section 59-53-53 of the Code of Laws.

**COMMITTEE ACTION:**

Review and make recommendation regarding Greenville Technical College's proposed disposition of 4.767 acres with improvements located at 216 South Pleasantburg Drive in Greenville, for not less than the appraised value, with proceeds to be retained by the College.

**ATTACHMENTS:**

- 1) Department of Administration, Facilities Management and Property Services Summary.
- 2) Greenville Technical College Letter dated March 4, 2019.
- 3) Sections 1-11-65 and 59-53-53 of the South Carolina Code of Laws.
- 4) Proviso 93.19 of the 2018-2019 Appropriations Bill, H.4950, Part 1B.

**JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET**

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Meeting Scheduled for: June 4, 2019

Regular Agenda

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**1. Submitted by:**

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



Ashlie Lancaster, Director

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**2. Subject:** Greenville Technical College Disposal of Surplus Real Property

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**3. Summary Background Information:**

Greenville Technical College ("College") owns approximately 4.767 acres improved with a 92,614 square foot building at 216 South Pleasantburg Drive in Greenville. The property was gifted to the College in 1993 and served as the Buck Mickel Center which housed the College's continuing education programs. In December 2018, the College ceased using the Buck Mickel Center and relocated the programs to other campus facilities. The College has no future plans to use the property and has declared it to be surplus property.

The appraised value of the property is \$9,350,000. Greenville Technical College requests approval to dispose of the property for not less than the appraised value. Greenville Technical College will retain the proceeds from the sale in accordance with Proviso 93.19 of the 2018 General Appropriations Act and SC Code of Laws §59-53-53.

The disposal was approved by the Greenville Technical College Area Commission on February 20, 2019 and the State Board for Technical and Comprehensive Education on March 26, 2019.

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**4. What is the Joint Bond Review Committee asked to do?**

Approve Greenville Technical College's request to dispose of approximately 4.767 acres with improvements located at 216 South Pleasantburg Drive in Greenville for not less than the appraised value with proceeds to be retained by the College.

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**5. What is the recommendation of Department of Administration?**

Approval of the property disposal as requested.

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**6. List of Supporting Documents:**

- (a) Letter from Greenville Technical College dated March 4, 2019
- (b) SC Code of Laws Sections 1-11-65 and 59-53-53
- (c) 2018-2019 Appropriations Bill H.4950, Part 1B, Proviso 93.19



P.O. Box 5616 • Greenville, SC 29606-5616  
(864) 250-8000 • www.gvltec.edu

Barton Campus • Benson Campus • Brashier Campus • Northwest Campus

March 4, 2019

Ms. Ashlie Lancaster  
Division Director  
Facilities Management and Property Services  
Department of Administration  
1200 Senate Street  
6th Floor  
Columbia, SC 29201

Ref: Sale of Excess Surplus Property – § 59-53-53  
216 S. Pleasantburg Dr. Greenville, SC 29607 – Greenville Technical College

Dear Ms. Lancaster,

The area commission of Greenville Technical College, at its February 20, 2019 meeting, deemed property located at 216 S. Pleasantburg Drive, Greenville, SC 29607 as excess property for its ongoing needs. The property is declared surplus and the college request permission from Real Property Services to transact the sale of the property.

The property was gifted to the college on November 30, 1993 by Mr. T Walter Brashier.

The proceeds will be retained by the college to meets on-going needs.

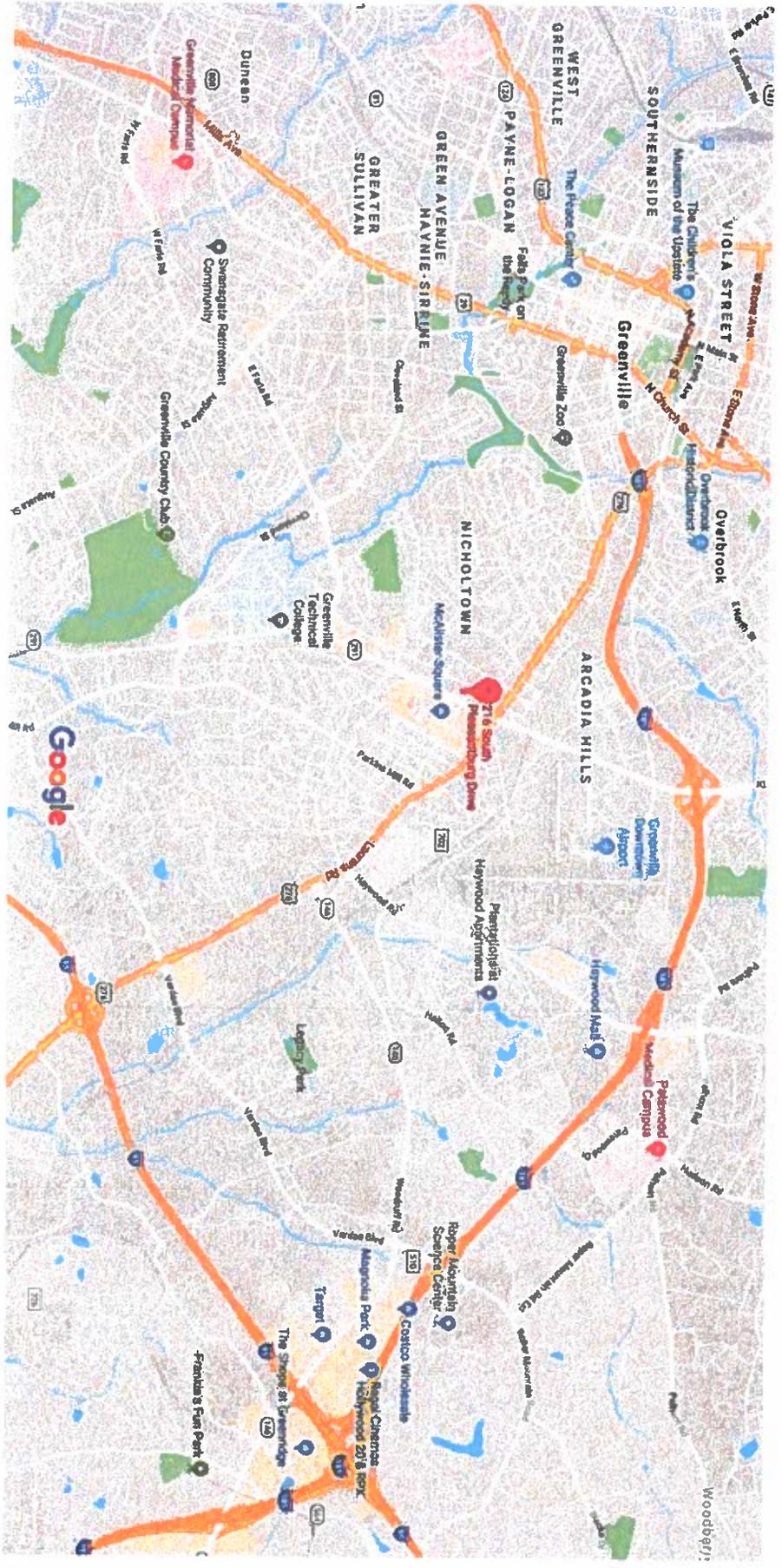
Attached are associated documentation related to this request.

Kindest regards,

A handwritten signature in black ink that reads 'Jacqueline DiMaggio'.

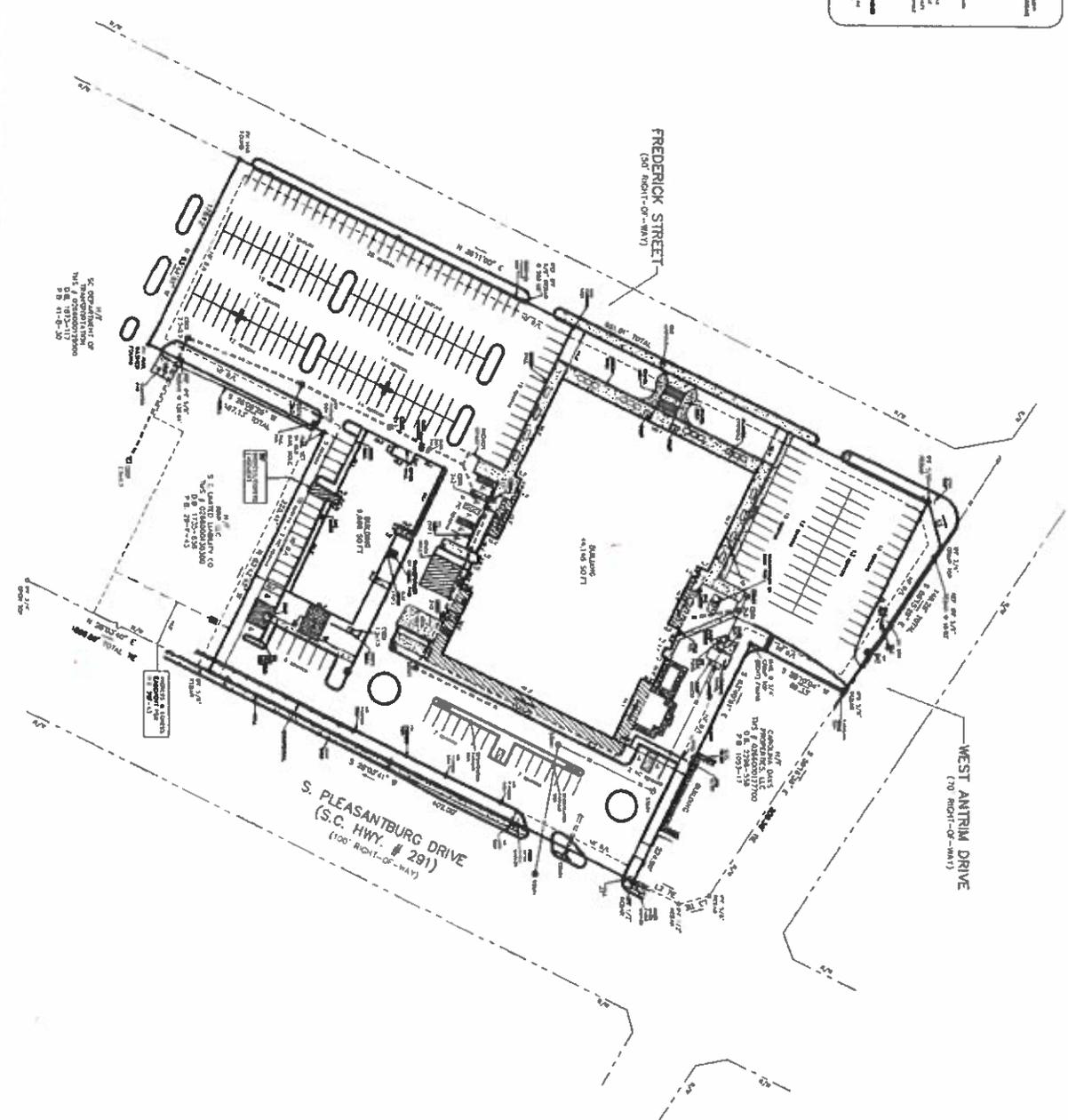
Jacqueline DiMaggio  
VP for Finance.

# Google Maps 216 S Pleasantburg Dr



**LEGEND**

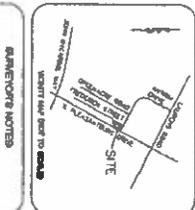
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**PAYMENT INFORMATION**  
 100% PAYMENT REQUIRED AT TIME OF PERMITTING  
 20% PAYMENT REQUIRED AT TIME OF CONSTRUCTION

**ZONING INFORMATION**  
 ZONING: C-2  
 DISTRICT: 100' R.O.W.  
 DISTRICT: 100' R.O.W.



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4. THE INFORMATION CONTAINED HEREIN IS NOT TO BE USED FOR ANY PURPOSE OTHER THAN THAT FOR WHICH IT WAS PREPARED. THE USER ASSUMES ALL LIABILITY FOR ANY USE OF THIS INFORMATION.

**LAND AREA**  
 207,239 SQ.FT.  
 4.757 ACRES

**POSSIBLE PROJECTIONS**  
 NONE IDENTIFIED

**FREELAND & ASSOCIATES, INC.**  
 100% PAYMENT REQUIRED AT TIME OF PERMITTING  
 20% PAYMENT REQUIRED AT TIME OF CONSTRUCTION

**STATE OF SOUTH CAROLINA**  
 GREENVILLE COUNTY  
 CITY OF GREENVILLE

**AS-BUILT**  
 SUPPLY FOR  
**GREENVILLE TECHNICAL COLLEGE**  
 211 & 218 S. PLEASANTBURG DRIVE  
 GREENVILLE, SC 29601

## 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 CODE OF LAWS**

### **SECTION 59-53-53. Borrowing by area commissions; special fees; disposing of excess real property.**

(A) The area commission of any technical education institution under the jurisdiction of the South Carolina technical education system may borrow for capital improvements from a federal or other lending agency an amount not to exceed its ability to repay the loan through the imposition of a special fee. The terms of the loan may not exceed forty years. An area commission may issue covenants, enter into mortgages, and grant liens limiting the sale or use of certain parcels of real or personal property in its possession when required as a condition of accepting a grant, loan, or donation for specified capital improvement projects.

To amortize the loan, a special fee must be imposed within the limits established by the state board, the proceeds of which must be deposited in a special account to be used for payment of the loan in accordance with the terms negotiated by the commission and the lender. No funds other than the revenue from the special fee may be pledged for payment of the loan.

(B) The governing body for each technical college shall review the real property titled in the name of its institution to determine if such property is in excess of the institution's anticipated needs and is available for disposal. All real properties determined to be in excess may be disposed of with the approval of the State Board for Technical and Comprehensive Education, the State Fiscal Accountability Authority or the Department of Administration, as appropriate, and the Joint Bond Review Committee. The proceeds of such sales are to be disposed of as follows:

(1) if the property was acquired by gift, or through tuition, student fees, county funds, or earned income, the proceeds may be retained by the selling institution for use in accord with established needs;

(2) if the property was acquired through state appropriations, state capital improvement bonds, or formula funds, the proceeds shall revert to the state general fund.

The responsibility for providing any necessary documentation including, but not limited to, documenting the fund source of any real property proposed for sale rests with each respective institution.

**HISTORY:** 1978 Act No. 646 Section 6; 1988 Act No. 676, Section 2; 1998 Act No. 419, Part II, Section 10A.

#### **Code Commissioner's Note**

At the direction of the Code Commissioner, references in this section to the offices of the former State Budget and Control Board, Office of the Governor, or other agencies, were changed to reflect the transfer of them to the Department of Administration or other entities, pursuant to the directive of the South Carolina Restructuring Act, 2014 Act No. 121, Section 5(D)(1), effective July 1, 2015.

**South Carolina General Assembly**  
122nd Session, 2017-2018

**H. 4950**

General Appropriations Bill for fiscal year 2018-2019  
As Ratified by the General Assembly

**PART IB**

**OPERATION OF STATE GOVERNMENT**

**SECTION 93 – D500-DEPARTMENT OF ADMINISTRATION**

**93.19.** (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 Commissions 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 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.

**AGENCY:** Department of Administration  
Executive Budget Office

**PROJECT/SUBJECT:** Permanent Improvement Project with Financing Component  
University of South Carolina - Columbia  
Williams Brice Stadium Renovations

The University of South Carolina requests Phase II review to establish full design and construction for improvements at the south, east and west zones of Williams Brice Stadium. The project will be funded with Athletic Facilities Revenue Bonds and Private Funds.

Permanent Improvement Project. The project was established in December 2018 with a Phase I budget of \$420 thousand funded by Athletic Operating Funds. This request will increase the project budget to \$22.5 million, funded by \$21 million in proceeds from the issuance of Athletic Facilities Revenue Bonds and \$1.5 million in private funds.

Work in the south end zone includes renovation and adaptation of the vacated Crews Building to host recruitment meetings and dining for approximately 300 people, a full service kitchen, and adaptation of the remainder as an interior conditioned concessions area for 500 fans. The second floor of the building will be renovated as event space. The exterior under the south stands will be renovated for new accessible toilet rooms and concessions. A new space for 350 fans will be created at the field level. New accessible toilet rooms and concessions will be added at the base of the southeast ramp. Work in the west side 100 level includes renovation and expansion of an existing scholarship lounge, construction of new concession areas, and minor toilet room improvements. Work in the east side 400 level will include full enclosure and conditioning of the existing concourse to provide space for approximately 3,300 fans, along with addition of new concession areas and toilet rooms. Renovated areas are expected to be used by 10,000 fans.

The project does not meet criteria for energy conservation; however conservation measures will include LED lighting and low water-use plumbing. Operating costs are estimated to increase by \$86.3 thousand per year.

Execution of the construction contract is expected to occur in phases beginning in September 2019, with the primary contract expected to be executed in November 2019, and completion of construction in August 2020.

Athletic Facilities Revenue Bonds. The University proposes funding a portion of the permanent improvements with not exceeding \$22 million in Athletic Facilities Revenue Bonds, including expenses associated with issuance of the bonds.

The University is authorized pursuant to Act 518 of 1980, as amended from time to time, and as last amended by Act 17 of 2007, to issue from time to time not exceeding \$200 million of bonds for the purpose of acquiring, constructing, reconstructing, renovating, or equipping athletic facilities and for the purpose of refunding any previous series of bonds issued pursuant to this

authorization. The University projects that, following issuance of these Athletic Facilities Revenue Bonds, the outstanding principal amount of all Athletic Facilities Revenue Bonds will not exceed \$195.6 million. The University expects a gradual decline in outstanding Athletic Facilities Revenue Bonds to a projected \$167 million by fiscal year 2024.

The bonds are special obligations of the University and are payable solely from the net revenues of the Athletic Department and gross receipts from an Admissions Fee and a Special Student Fee. The Admissions Fee imposed at Williams Brice Stadium is \$8 per ticket sold and at Colonial Life Arena is \$4 and \$1 per ticket sold for all basketball games of the men's and women's teams, respectively. The Special Student Fee is \$34.50 per semester<sup>1</sup> or \$69 per year for each full-time student at the Columbia campus. No special student fee increase is contemplated connection with the bonds. The sum of net revenues and gross receipts from imposition of the admissions and special student fees for the fiscal year ended June 30, 2018 totaled \$21.027 million.

The term of the proposed revenue bonds will be 30 years. Exhibit A included in the supporting documentation reflects the debt service requirements for all of the University's existing and proposed Athletic Facilities Revenue Bonds, with maximum composite debt service projected at \$14,435,144. Exhibit B included in the supporting documentation reflects that, holding FY2017-18 revenues constant throughout the term, revenue coverage of debt service coverage following issuance of the bonds is projected to range from 1.46 to 1.90 times through FY2039-40, with coverage increasing in the final 11 years of the term.

Supporting documentation indicates that if pledged revenues are insufficient to meet debt service requirements, the Athletic Department has \$8.2 million in fund balances that could be applied to debt service at the discretion of the University.

Neither the full faith and credit of the University nor the State will be pledged to the payment of the proposed bonds. Furthermore, no mortgage or lien will be given on any real property of the University.

#### **COMMITTEE ACTION:**

- 1) Review and make recommendation regarding the University of South Carolina's request to establish Phase II full design and construction for improvements at the south, east and west zones of Williams Brice Stadium, to be funded by \$21 million in proceeds from the issuance of Athletic Facilities Revenue Bonds and \$1.5 million in private funds.
- 2) Pursuant to Act 518 of 1980, as amended, review and make recommendation regarding the University of South Carolina's request for issuance of not exceeding \$22 million in Athletic Facilities Revenue Bonds.

#### **ATTACHMENTS:**

- 1) Department of Administration Agenda Item Worksheet.
- 2) A-1, A-49, Questionnaire, Project Budget, and other supporting documents.

<sup>1</sup> Except summer sessions.

- 3) Letter from Burr Forman McNair, dated May 14, 2019 (including Bond Information Report and Exhibits).

**AVAILABLE UPON REQUEST:**

- 1) Act 518 of 1980, as amended.
- 2) Bond Resolution adopted by the University of South Carolina Board of Trustees on October 19, 2001, authorizing the issuance, from time to time, of Athletic Facilities Revenue Bonds.
- 3) Series Resolution adopted by The University of South Carolina Board of Trustees on May 9, 2019, providing for the issuance and sale of not exceeding \$22,000,000 Athletic Facilities Revenue Bonds and Athletic Facilities Revenue Bond Anticipation Notes.

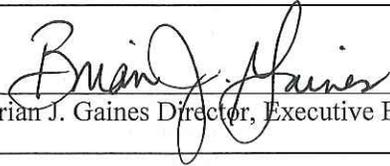
**JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET**

Meeting Scheduled for: **June 4, 2019**

**Regular Agenda**

**1. Submitted By:**

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

  
 Brian J. Gaines Director, Executive Budget Office

**2. Subject:**

University of South Carolina – Columbia Williams Brice Stadium Renovations

**3. Summary Background Information:**

**Establish Construction Budget & Change Source of Funds**

(H27) University of South Carolina – Columbia

Project: 6129, Williams Brice Stadium Renovations

Included in Annual CPIP: Yes – 2018 CPIP Priority 1 of 11 in FY19 (estimated at \$21,000,000)

JBRC/SFAA Phase I Approval: December 2018 (estimated at \$21,000,000)

CHE Recommended Approval: Pending CHE Board Approval on 6/6/19

<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>
Athletic Revenue Bonds	-	-	-	21,000,000	21,000,000
Athletic, Operating	420,000	-	420,000	(420,000)	-
Other, Private	-	-	-	1,500,000	1,500,000
All Sources	<u>420,000</u>	=	<u>420,000</u>	<u>22,080,000</u>	<u>22,500,000</u>

Funding Source: \$21,000,000 Athletic Revenue Bonds. \$1,500,000 Other, Private Funds, which are funds received from a private source. These funds are expended based on a contractual agreement.

Request: Increase budget to \$22,500,000 (add \$22,080,000 Athletic Revenue bonds and Other, Private Funds) to make improvements to areas at the south, east and west zones of the stadium. In the South End Zone area, the scope of work will renovate and adapt the vacated Crews Building following the opening of the Football Operations Center. A significant portion of the first floor of the Crews Building will be adapted for hosting recruitment meetings and dining for approximately 300 persons. A new full-service kitchen will be provided to support concession stands and premium areas. The remaining portion will be adapted to become an interior conditioned concessions area capable of accommodating approximately 500 fans. The exterior area under the south stands will be renovated to provide new accessible toilet rooms and concessions. Also, at the field level, a new space for approximately 350 fans will be created below new lounge seating near the southwest corner of the stadium. The second floor of the Crews Building will be renovated as an event space. New accessible toilet rooms and concessions will be added at the base of the southeast ramp for fans seated in the southeast corner of the stadium. In the West-Side 100 level, the scope of work will renovate and expand an existing scholarship lounge at the north end to become a space for fans

seated in sections 101 through 109 and an additional 300 pass-holders. New concession areas will be constructed, and minor toilet room improvements will occur within the space. In the East-side 400-level, the existing concourse that currently has scholarship lounges will be fully enclosed and conditioned to provide a space for approximately 3,300 fans. New concession areas and toilet rooms will occur within the space. The project takes advantage of team spaces made available with the completion of the Football Operations Center. The university reports that the project also improves older spaces that have lagged other improvements at Williams Brice Stadium and are the most frequent source of complaints by fans. The total conditioned square footage of Williams Brice Stadium and the Crews Building is approximately 116,000 square feet. The total square footage of the portion to be renovated is approximately 82,992 square foot which includes enclosing and conditioning square footage not included in the original 116,000 square feet. The project will renovate 46,096 of unconditioned concourse and seating areas. No new space is being added to the facility. An estimated 10,000 fans will utilize the renovated spaces. The Phase II estimated cost to complete the project has increased from the Phase I amount estimated for three reasons. First, the Phase I design process discovered that initial thoughts about fan egress at the east side, 400-level, would be impractical which caused them to consider a structural change to the stadium seating adjacent to the 400-level. Renovations to the seating for fans who would have access to the new club space were originally contemplated, but details of what the scope of work should be was not possible to adequately understand and estimate before Phase I design was authorized. Ultimately, it was decided to seize an opportunity to renovate this seating area by flattening it to create a concourse and provide more ADA-compliant seating that will address a significant shortfall of seating for disabled fans in the stadium. In addition to providing ADA-compliant seating, the concourse will also create premium lounge seating that will increase revenue from the project. Secondly, the project always proposed a field-level club space in the south end zone area below the loge seating. The Phase I design process recognized an opportunity to incorporate a mezzanine within the volume of space beneath the lounge seating which would provide more interior space and will increase the number of fans that can use the space thereby increasing revenue. Lastly, it was decided that a second new elevator was necessary to move the expected volume of fans who cannot traverse stairs between the first and second levels of the Crews Building. The agency estimates total project costs at \$22,500,000 with additional annual operating costs of \$71,940 in year 1, and \$86,362 in years 2 and 3. The agency anticipates execution of the construction contract in September 2019 and completion of construction in August 2020.

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

Consider approval of the Permanent Improvement Project Phase II.

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**5. What is the recommendation of the Department of Administration?**

The item is complete and ready for JBRC review.

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**6. List of Supporting Documents:**

1. Permanent Improvement Project Phase II approval
2. Bond Documents

FOR DEPARTMENT USE ONLY	
CHE	_____
JBRC	_____
SFAA	_____
JBRC Staff	_____
ADMIN Staff	_____
A-1 Form Mailed	_____
SPIRS Date	_____
Summary	_____

RECEIVED APR 30 2019

KS

(For Department Use Only)
1-2020(A)
SUMMARY NUMBER
FORM NUMBER

50003349

**PERMANENT IMPROVEMENT PROJECT REQUEST**

1. AGENCY Code H27 Name USC Columbia  
 Contact Person Derek S Gruner Phone (803)777-1184

2. PROJECT Project # 6129 Name Williams Brice Stadium Renovations  
 Facility # 210 Facility Name Williams Brice Stadium

County Code	40 - Richland
New/Revised Budget	\$22,500,000.00

Project Type	3 - Repair/Renovate Existing Facilities/Systems
Facility Type	6 - Athletic/Recreational

3. CPIP PROJECT APPROVAL FOR CURRENT FISCAL YEAR  
 CPIP priority number 1 of 11 for FY 2018

4. PROJECT ACTION PROPOSED (Indicate all requested actions by checking the appropriate boxes.)

Establish Project	<input type="checkbox"/>	Decrease Budget	<input type="checkbox"/>	Close Project	<input type="checkbox"/>
Establish Project - CPIP	<input type="checkbox"/>	Change Source of Funds	<input checked="" type="checkbox"/>	Change Project Name	<input type="checkbox"/>
Increase Budget	<input checked="" type="checkbox"/>	Revise Scope	<input type="checkbox"/>	Cancel Project	<input type="checkbox"/>

5. PROJECT DESCRIPTION AND JUSTIFICATION  
 (Explain and justify the project or revision, including what it is, why it is needed, and any alternatives considered.  
 Attach supporting documentation/maps to fully convey the need for the request.)

ACTION: Increase Budget for Construction

DESCRIPTION: See attachment

JUSTIFICATION: See attachment

6. OPERATING COSTS IMPLICATIONS  
 Attach Form A-49 if any additional operating costs or savings will result from this request. This includes costs to be absorbed with current funding.

7. ESTIMATED PROJECT SCHEDULE AND EXPENDITURES  
 Estimated Start Date: December 2018 Estimated Completion Date: September 2020  
 Estimated Expenditures: Thru Current FY: \$420,000.00 After Current FY: \$22,080,000.00

8. ESTIMATES OF NEW/REVISED PROJECT COSTS

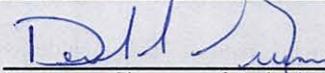
<b>PROJECT #</b>	6129
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1. _____	Land Purchase ---->	Land: _____	Acres
2. _____	Building Purchase ---->	Floor Space: _____	Gross Square Feet
3. <u>2,105,469.00</u>	Professional Services Fees		
4. <u>700,000.00</u>	Equipment and/or Materials ---->	Information Technology	<u>\$300,000.00</u>
5. _____	Site Development		
6. _____	New Construction ---->	Floor Space: _____	Gross Square Feet
7. <u>17,482,847.00</u>	Renovations - Building Interior ---->	Floor Space: <u>129,088</u>	Gross Square Feet 82,992 GSF Heated and 46,096 GSF Unheated
8. _____	Renovations - Utilities		
9. _____	Roofing - _____ Roof Age		
10. _____	Renovations - Building Exterior		
11. _____	Other Permanent Improvements		
12. _____	Landscaping		
13. _____	Builders Risk Insurance		
14. _____	Other Capital Outlay		
15. _____	Labor Costs		
16. _____	Bond Issue Costs		
17. <u>300,000.00</u>	Other: <u>Graphics and Signage</u>		
18. <u>1,911,684.00</u>	Contingency		
<u>\$22,500,000.00</u>		<b>TOTAL PROJECT BUDGET</b>	

ENVIRONMENTAL HAZARDS	
Identify all types of significant environmental hazards (including asbestos, PCB's, etc.) present in the project and the financial impact they will have on the project.	
Type:	_____
<u>Cost Breakdown</u>	
Design Services	\$ _____
Monitoring	\$ _____
Abate/Remed	\$ _____
Total Costs	\$ _____ 0.00

9. PROPOSED SOURCE OF FUNDING

Source	Previously Approved Amount	Increase/Decrease	Original/Revised Budget	Transfer to/from Proj. #	Rev Object Code	Treasurer's ID Number	Rev Sub Fund	Exp Sub Fund
(0) CIB, Group			0.00 0.00		8115		3043	3043
(1) Dept. CIB, Group			0.00 0.00		8115		3143	3143
(2) Institution Bonds			0.00 0.00					3235
(3) Revenue Bonds Athletic Revenue Bonds		21,000,000.00	0.00 21,000,000.00		8212		3393	3393
(4) Excess Debt Service			0.00 0.00					3497
(5) Capital Reserve Fund			0.00 0.00		8895		3603	3603
(6) Appropriated State			0.00 0.00		8895	68800100	1001	3600
(7) Federal			0.00 0.00			78800100		5787
(8) Athletic Operating Funds	420,000.00	(420,000.00)	0.00 0.00		7201	88800100	3807	3807
(9) Other (Specify) Private Funds		1,500,000.00	0.00 1,500,000.00 0.00		7606	98800100	3907	3907
<b>TOTAL BUDGET</b>	<b>\$420,000.00</b>	<b>\$22,080,000.00</b>	<b>\$22,500,000.00</b>					

10. SUBMITTED BY:  University Architect 4/26/19  
 Signature of Authorized Official and Title Date

11. APPROVED BY: \_\_\_\_\_ Authorized Signature and Title \_\_\_\_\_ Date  
 (For Department Use Only)

**Project Description:** The project proposes improvements to areas at the south, east and west zones of the stadium. The work contemplated for each area is as described below:

1. **South End Zone Clubs.** The scope of work will renovate and adapt the vacated Crews Building following the opening of the Football Operations Center. A significant portion of the first floor of the Crews Building will be adapted for hosting recruitment meetings and dining for approximately 300 persons. A new full-service kitchen will be provided to support concession stands and premium areas. The remaining portion will be adapted to become an interior conditioned concessions area capable of accommodating approximately 500 fans. The exterior area under the south stands will be renovated to provide new accessible toilet rooms and concessions. Also at the field level, a new space for approximately 350 fans will be created below new loge seat near the southwest corner of the stadium. The second floor of the Crews Building will be renovated as an event space. New accessible toilet rooms and concessions will be added at the base of the southeast ramp for fans seated in the southeast corner of the stadium.
2. **West-Side 100-level Club.** An existing scholarship lounge at the north end of the west side 100-level will be renovated and expanded to become a space for fans seated in sections 101 through 109 and an additional 300 pass-holders. New concessions areas will be constructed and minor toilet room improvements will occur within the space.
3. **East-Side 400-level Club.** The existing concourse that currently has scholarship lounges will be fully enclosed and conditioned to provide a club space for approximately 3300 fans. New concessions areas and toilet rooms will occur within the space.

**Project Justification:** The project takes advantage of team spaces made available with the completion of the Football Operations Center. The project also improves older spaces that have lagged behind other improvements at WBS and the most frequent source of complaints by fans.

**Project Budget:** The project is presently estimated to cost \$22,500,000 and would be funded with \$21,000,000 of Athletic Revenue Bonds and \$1,500,000 of Private Funds.

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

1. AGENCY  
Code H27 Name University of South Carolina

2. PROJECT  
Project # 6129 Name Williams Brice Stadium Renovations

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

COSTS                       SAVINGS                       NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS/SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) 2020-21	\$71,940	\$	\$	\$ 71,940
2) 2021-22	\$86,362	\$	\$	\$ 86,362
3) 2022-23	\$86,362	\$	\$	\$ 86,362

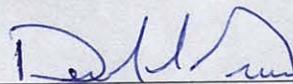
5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).

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

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

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. <u>Utilities</u>	<u>39,797</u>
2. <u>Custodial</u>	<u>7,653</u>
3. <u>Maintenance</u>	<u>24,490</u>
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	<u>71,940</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:  University Architect                      4/26/19  
Signature of Authorized Official and Title                      Date

1. Provide the total projected cost of the project. Attach a summary of the costs prepared during the A&E pre-design phase to support the total cost.

The total internal projected cost for this project is \$22,500,000.

2. Identify the source(s) of funds for construction. If any private or federal funds are included, attach a letter guaranteeing the availability of the funds.

The source of funds for construction are Athletic Facilities Revenue Bonds and Private Funds.

3. Describe and define each fund source to be used for construction. Cite any statutory authority, including the code section other provision of law for use of the funds for permanent improvement projects. If the source includes any fee, provide the name of the fee, the fee amount, the frequency of collection and when the fee was first implemented.

Athletic Facilities Revenue Bonds are issued by the University of South Carolina pursuant to Part II, Section 9 of Act No. 518 passed by the General Assembly of the State of South Carolina in 1980, as amended by Act No 545 of 1986, No. 302 of 1996, No. 6 of 1997, No. 182 of 2005, and No. 17 of 2007. The purpose of these bonds is to raise money to provide permanent financing for the costs of the construction, enlargement of, and improvements to Williams-Brice Stadium and other athletic facilities. There is a \$200M cap on bonds outstanding. Refer to the response to question number 22 below for data related to fees.

Private Funds are funds received from a private source. Funds are expended based on contractual arrangement.

4. Provide the current uncommitted balance of funds for each source described above.

**Athletic Facilities Revenue Bonds:**

June 30, 2019 Uncommitted Balance of Debt Capacity	\$ 26,400,000
Commitment for WBS project	\$ 21,000,000*
FY2020 Principal Reduction	\$ 4,810,000

Uncommitted Balance of Debt Capacity After 2020 Project Completion	\$ 10,210,000
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\* Issuance costs are not included in this number

All private funds donated specially for this project are committed so there is no uncommitted balance.

5. If institution or revenue bonds are included as a source, provide when the bonds were issued. If not issued yet, provide when the bond resolution is expected to be brought for State Fiscal Accountability Authority approval.

The bond resolution is expected to be brought for SFAA Approval on August 13, 2019.

6. If a student fee is used to fund debt service, provide the current amount of the fee collected annually or by semester. Specify which.

A student fee of \$81 per semester is collected from non-resident students generating \$1,920,182 annually.

7. Indicate whether or not the use of any funds for construction will require an increase in any student fee or tuition. Describe any increase in student fees effected in prior years that has contributed to the availability of these funds.

No funds for construction includes student fees.

8. If the project qualifies for the JBRC policy requirement to meet the LEED certification/Green Globes certification as the conservation measure, please attach the findings of a cost-benefit analysis showing the anticipated energy savings over the life of the project. Additionally, attach the checklist of items to be included to achieve LEED points or a description of the energy measures to achieve LEED.

The project does not qualify for the JBRC policy requirement to meet certification. The limited use of the spaces and uninsulated envelope typical of a stadium make certification impractical. This determination has been coordinated with the Office of the State Engineer.

9. If the project does not qualify for the JBRC policy requirement to meet the LEED certification/Green Globes certification as the construction measure, provide what savings/conservation measures will be implemented within the project. Explain the energy savings measures to be implemented as part of this project. If there are no energy savings measures included, state that and explain why.

Conservation and energy savings measures will include LED lighting and low water-use plumbing fixtures.

10. Provide the projected date (month and year) for execution of the construction contract.

The execution of the construction contract is anticipated to occur in phases beginning in September of 2019. The primary contract is anticipated to occur in November of 2019.

11. Provide the projected date (month and year) for completion of construction.

Completion of construction is projected for August 2020.

12. Describe the programs that will use the constructed or renovated space.

Athletics Department, The Football Program and Game Day fans

13. Provide the total square footage of the building to be renovated or constructed.

The total conditioned gross square footage of Williams Brice Stadium and the Crews Building is approximately 116,000. This total does not include unconditioned areas.

14. If a portion of the building is to be renovated, provide the square footage of the portion that will be included in the renovation.

Upon completion of the project, 82,992 gross square feet of conditioned space will be renovated or enclosed. A portion of this square footage includes enclosing and conditioning square footage not included in the data cited in Question 13. The project will renovate 46,096 of unconditioned concourse and seating areas.

15. Provide the current age of the building and building systems to be renovated or replaced.

Portions of Williams Brice Stadium were originally constructed in 1935. Many other portions are more recently constructed. The Crews Building was constructed in 2005.

16. If any new space is being added to the facility, provide demand and usage data to support the need.

No new space is being added to the facility. Existing unconditioned stadium space is being enclosed and will be conditioned.

17. Provide an estimate of the numbers of students, faculty, staff and clients that are expected to utilize the space associated with the project or building.

An estimated 10,000 fans will utilize the renovated spaces.

18. If the construction cost increased significantly from the internal estimate and/or from the total estimated cost provided on the CPIP (30% or more), provide what factors caused the cost to increase.

The cost did not increase by 30%.

19. If the contingency is more than 10%, explain why.

The contingency is not more than 10%.

20. If funds are being transferred from another project, provide the current status of the project from which funds are being transferred.

The question is not applicable to this project.

21. Indicate whether or not the project has been included in a previous year's CPIP. If so, provide the last year the project was included and year for which it was proposed.

The project was included in Year 3 of the 2017 CPIP as the "Crews Building Renovation". It was listed as priority number 3 of 6. The "Williams Brice Stadium Renovations" project expands upon, and renames, the "Crews Building Renovation." The project is included in Year 1 of the revised 2018 CPIP. It is listed as priority number 1 of 11.

22. Provide the economic impact of the project or project request, including job creation and retention. If there is no economic impact, provide an explanation.

This project will provide economic activity through the construction project itself. Construction creates and/or retains jobs in three ways: 1) it creates direct jobs that are involved in the construction project; 2) it creates indirect jobs through the manufacturing of building materials and systems and the provision of key services in areas like design professions, legal, and accounting services; and 3) it creates induced jobs in other service areas whereby income from the first two categories is spent on goods and services in other areas of the economy. It is estimated that this project will generate 450 jobs.

23. Discuss how maintenance of this facility construction/renovation will be addressed and funded.

Athletic facilities are maintained with athletic operating funds designated for maintenance and deposited into the Athletics Maintenance Reserve Fund. Athletic operating funds are auxiliary funds of the University and are self-supporting.

24. Provide the name of any account from which costs of deferred maintenance are addressed and its current uncommitted balance. Indicate the sources used to fund the account.

Athletics has an Athletics Maintenance Reserve Fund that is funded annually. At this time, there is no uncommitted balance.

25. If funding for maintenance of this facility construction/renovation has not yet been determined, discuss the steps that have been taken to address and fund maintenance of this and other facilities owned or managed by the agency or institution.

The funding of maintenance is described in the answers to questions 23 and 24.

TO BE PROVIDED FOR HIGHER EDUCATION PROPOSALS

1. Indicate whether or not the use of any funds for construction will require an increase in any student fee or tuition. Describe any increase in student fees effected in prior years that has contributed to the availability of these funds.

The construction will not require an increase in student fees or tuition. Athletic funds are auxiliary and are self-supporting.

2. If the use of any funds for construction includes any student fee, provide the name of the fee, the fee amount, the frequency of collection and when the fee was first implemented.

No funds for construction includes student fees.

3. Provide a five-year history of each component within the institution's tuition and fee structure designated or utilized for permanent improvements. Identify the tuition or fee component per student, per semester; the total revenue collected during the academic year; and the fund balance at fiscal year end, all delineated by academic year. Include a projection for the ensuing academic year, and any future academic years in which the fee is projected to increase. Use the following format in responding to this question and provide as many tables as are necessary to promote a clear understanding of the relationship of tuition and fee revenue designated by the institution for permanent improvements, maintenance and other facility-related expense, including debt service.

Academic Year	Amount per student per semester	Total Revenue Collected During Academic Year	Amount Expended for Permanent Improvements	Fund Balance at Year End
2014-15	\$34.50/\$34.50**	\$1,724,044	\$1,724,044	\$0
2015-16	\$34.50/\$34.50**	\$1,764,679	\$1,764,679	\$0
2016-17	\$34.50/\$34.50**	\$1,778,416	\$1,778,416	\$0
2017-18	\$0/\$81.00**	\$1,862,156	\$1,862,156	\$0
2018-19	\$0/\$81.00**	\$1,920,182	\$1,865,000	\$0
2019-20*	\$0/\$81.00**	\$1,920,182*	\$1,865,000	\$0

\*Projection

\*\*Resident/Non-resident amount per student per semester

Notes:

1. Data for both years 2018-19 and 2019-20 are projections.
2. Statutory authority for assessing any fee at the University comes from the Code of Laws Title 59, Chapter 117 Section 40 – item 9 “(9) To fix tuition fees and other charges for students attending the University, but these shall not be inconsistent with statutes where the legislature undertakes to fix such fees and charges”. Annually, the University Board of Trustees adopts the tuition and fee schedule for University of South Carolina students as part of the annual budget development process.

4. Identify any other funds not specifically designated that may be utilized or redirected for permanent improvements, maintenance and other facility-related expense, including debt service. Provide a five-year history of total collections, by fund; amounts applied to or for permanent improvements, maintenance and other facility-related expense, including debt service; and the fund balance at fiscal year end, delineated by academic year. Include a projection for the ensuing academic year, and any future academic years in which the revenue is projected to increase. Describe any portion of the source that originates from any tuition or fee component. Include all permanent improvements without regard to Joint Bond Review Committee or State Fiscal Accountability approval requirements. Use the following format in responding to this question and provide as many tables as are necessary to provide a complete and comprehensive response for each fund.

**Fund Source or Name:**

**Description:**

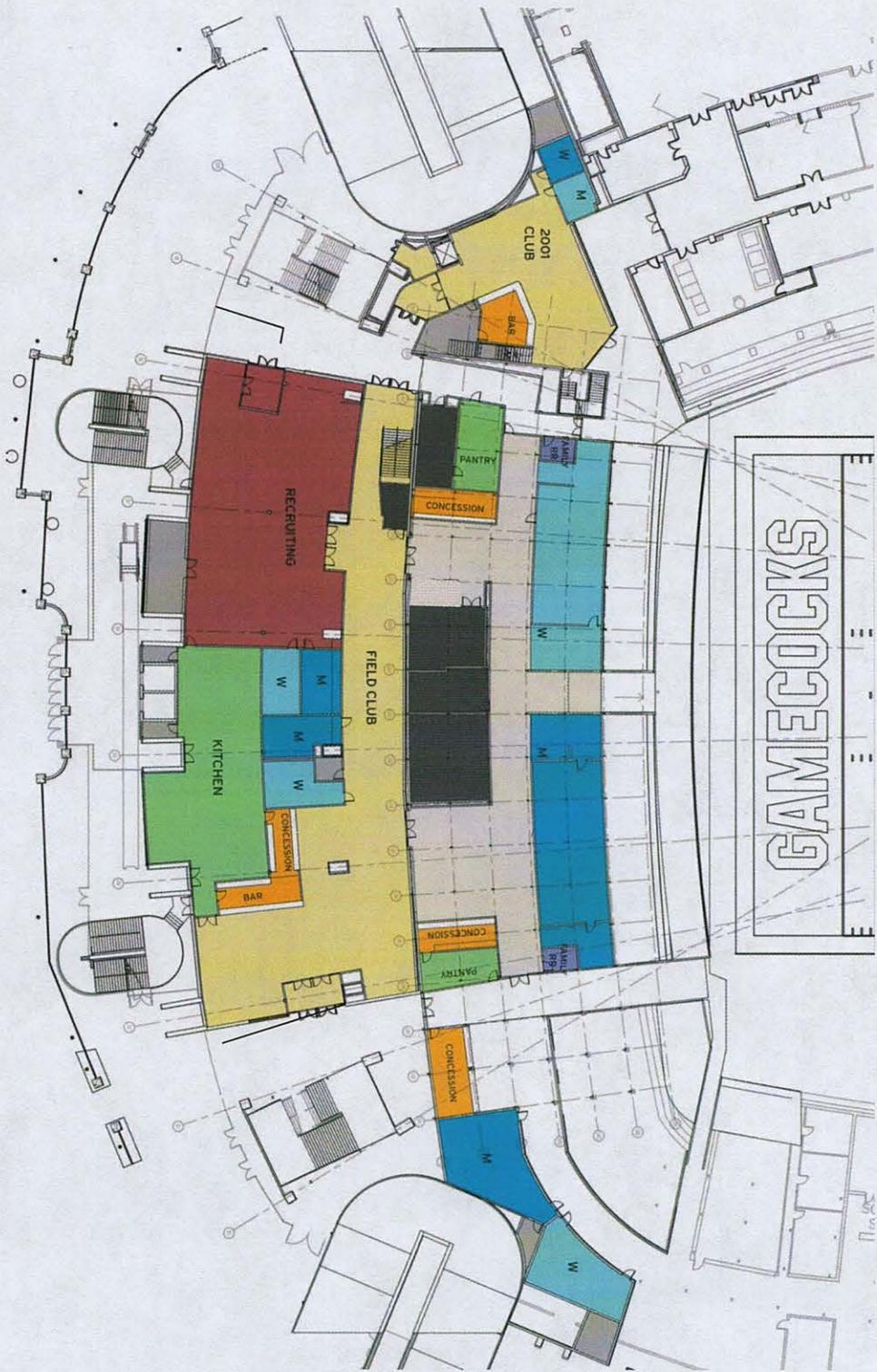
Academic Year	Total Revenue Collected During Academic Year	Portion Collected From Tuition or Fee Revenues	Amount Expended for Permanent Improvements	Fund Balance at Year End
2014-15	\$110,243,343	\$0	\$7,701,051	\$13,226,766
2015-16	\$120,085,652	\$0	\$8,379,371	\$14,235,383
2016-17	\$132,420,422	\$0	\$6,737,052	\$14,788,608
2017-18	\$134,073,382	\$0	\$7,759,370	\$15,293,927
2018-19	\$120,478,612	\$0	\$4,182,906	\$15,293,927
2019-20*	\$123,930,075	\$0	\$4,187,906	\$15,293,927

\*Projection

5. Describe the fund sources reflected above that will be utilized to support the project that is the subject of this Phase I proposal.

The source of funds for Phase II of this project are fully detailed in the responses above. Phase II will be funded with Athletic Revenue Bonds and Private Funds.

**SOUTHENDZONE – UPDATED FIELD LEVEL PLAN**





**SOUTH END ZONE – 2001 CLUB**



**2001 CLUB**

**CLUB POPULATION**

- 1,907 SF / 7 SF = 272 People
- Mezzanine 2,493 SF / 15 SF = 166 People
- 2001 Club Total = 438 People

**RESTROOMS**

**CODE MINIMUM**

- 3 Fixtures x 50 SF each

Men: 150 SF

Women: 150 SF

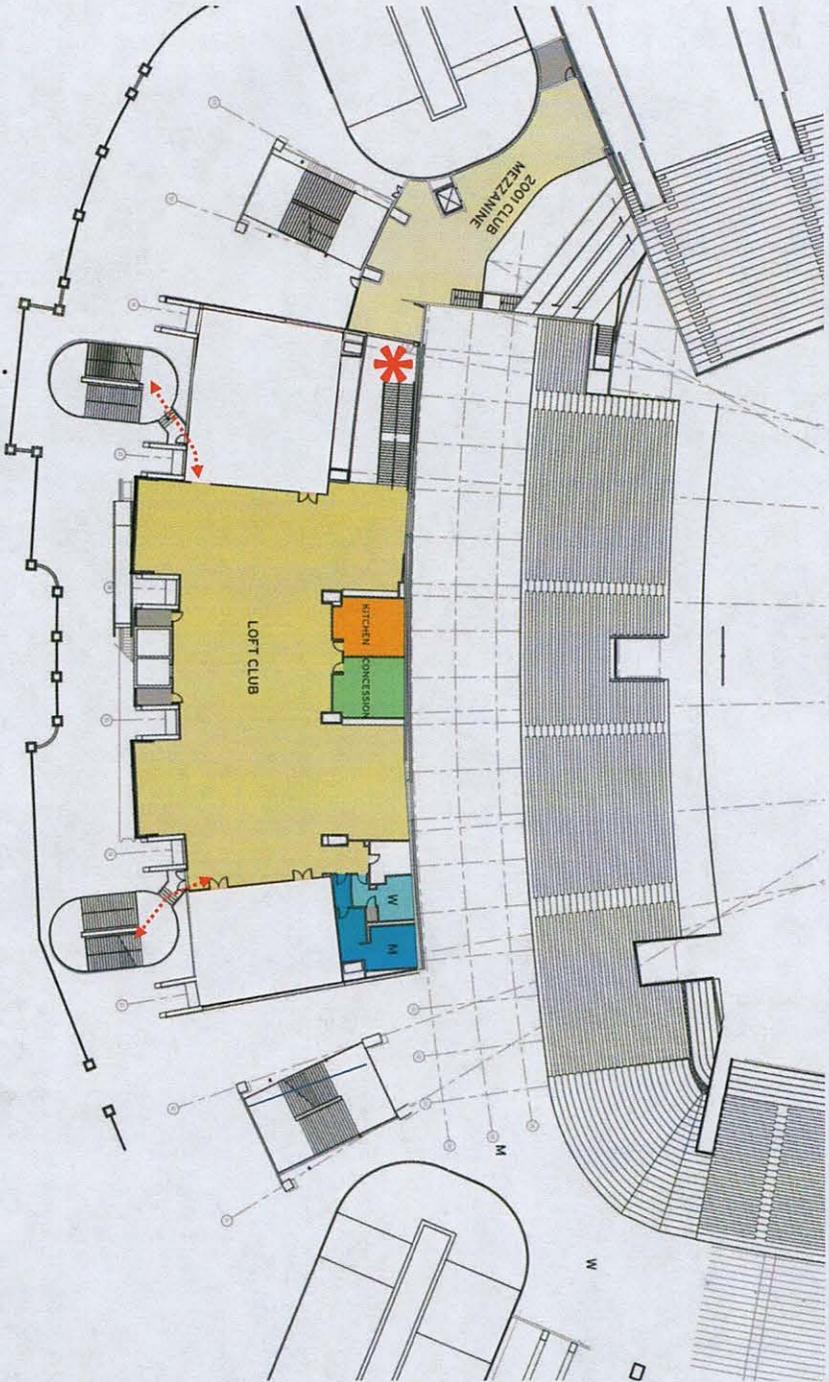
**ACTUAL**

Men: 200 SF

Women: 306 SF



**SOUTH ENDZONE – LOFT LEVEL**



**LOFT LEVEL CLUB**

**CLUB POPULATION**

8,546 SF / 7 SF = 1,220 People

West Meeting Room: 145

Seats

East Meeting Room 84 seats

**Total 1,449 Patrons**

**RESTROOMS**

72

**Total Fixtures**

Men:

6 Urinals

4 Water Closets

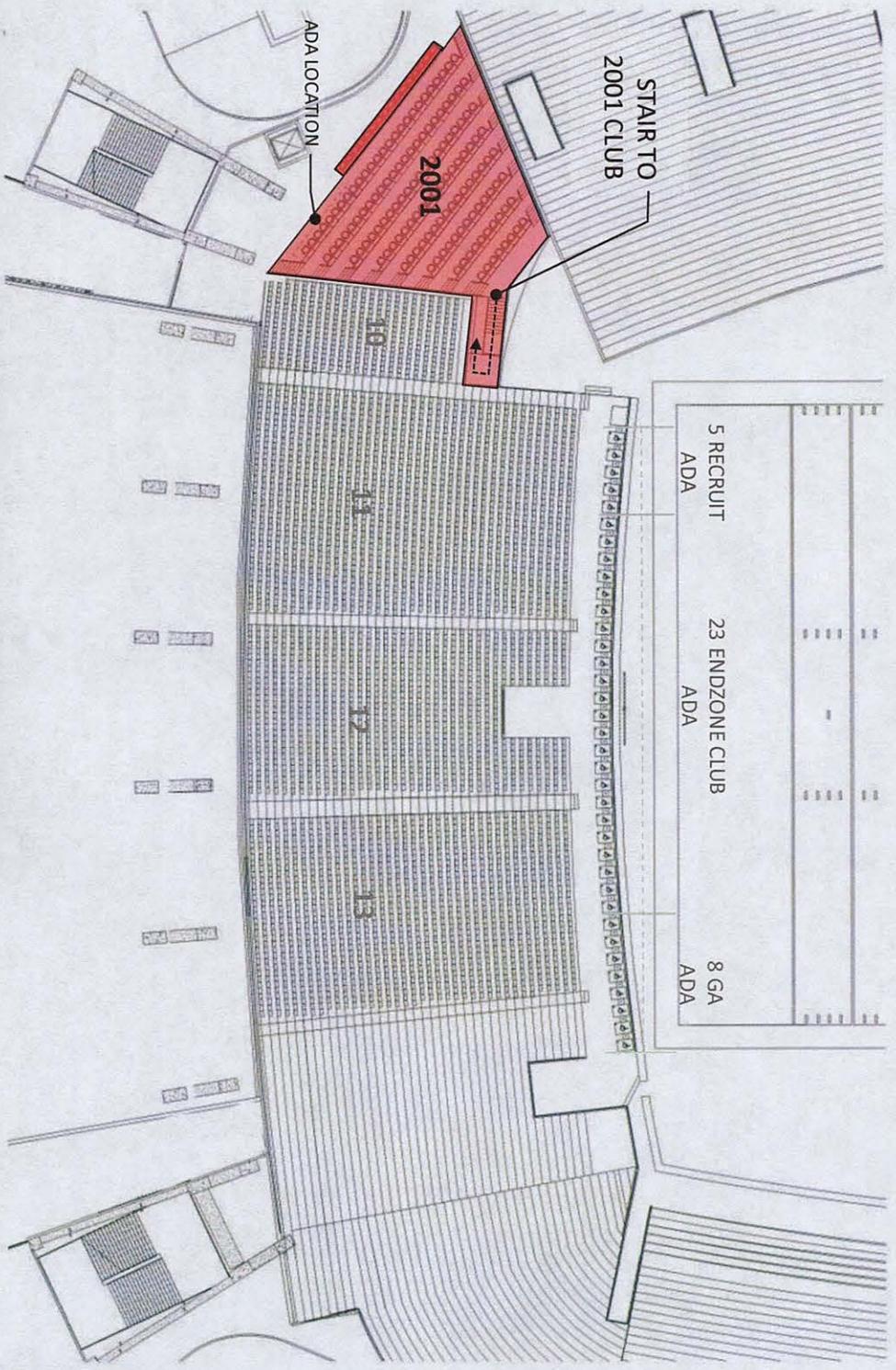
5 Lavatories

Women:

3 Water Closets

3 Lavatories

**SOUTH ENDZONE -- 2001 CLUB LOGE**

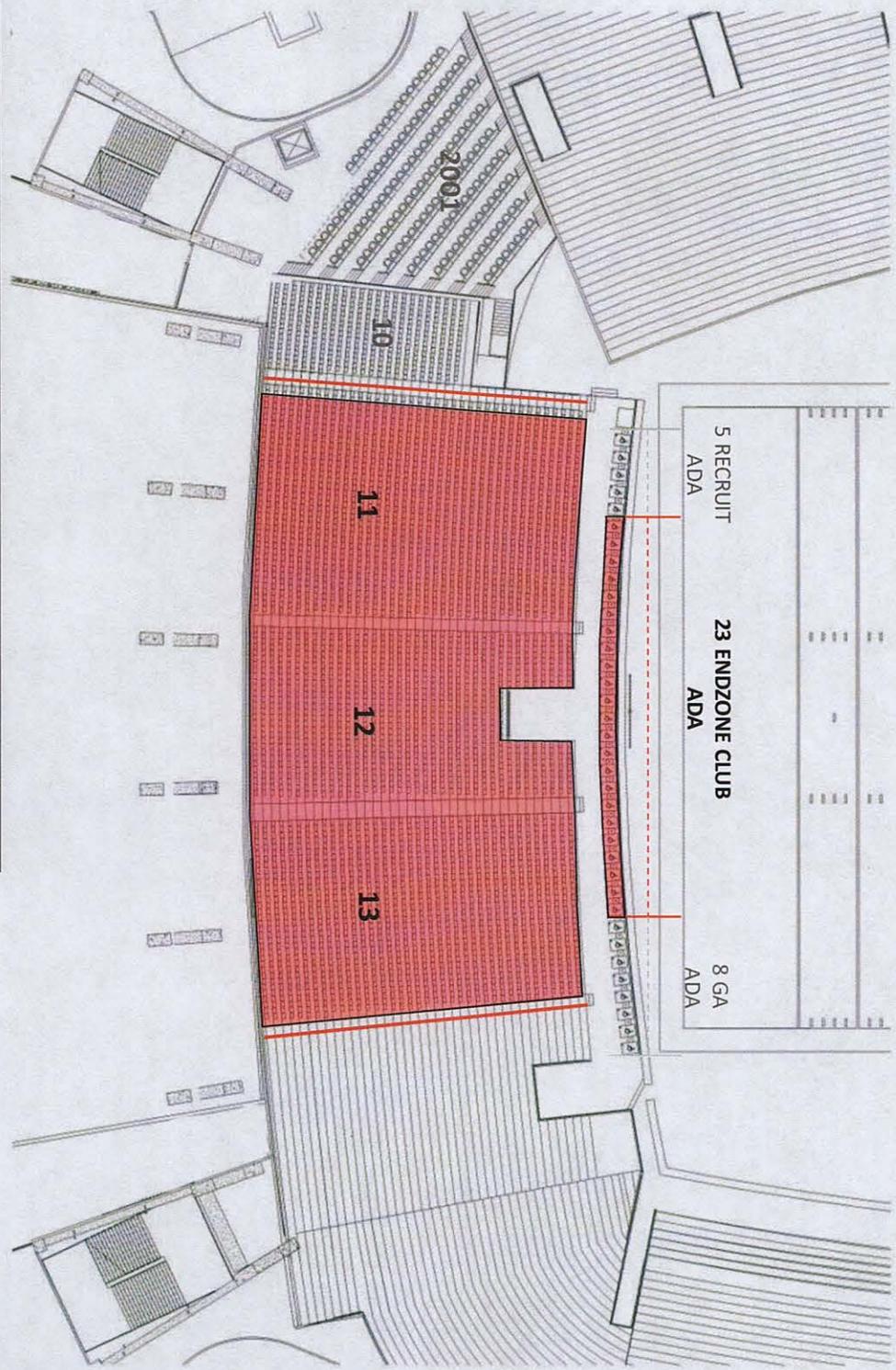


**PROPOSED SEAT COUNT**

SECTION	ROW	SEATS
SEATS (30")	1-8	132
BAR STOOL SEATING	9	16
<b>TOTAL</b>		<b>148</b>

SECTION	ROW	SEATS
SEATS (28")	1-8	144
BAR STOOL SEATING	9	18
<b>TOTAL</b>		<b>162</b>

**SOUTH ENDZONE – ENDZONE CLUB**

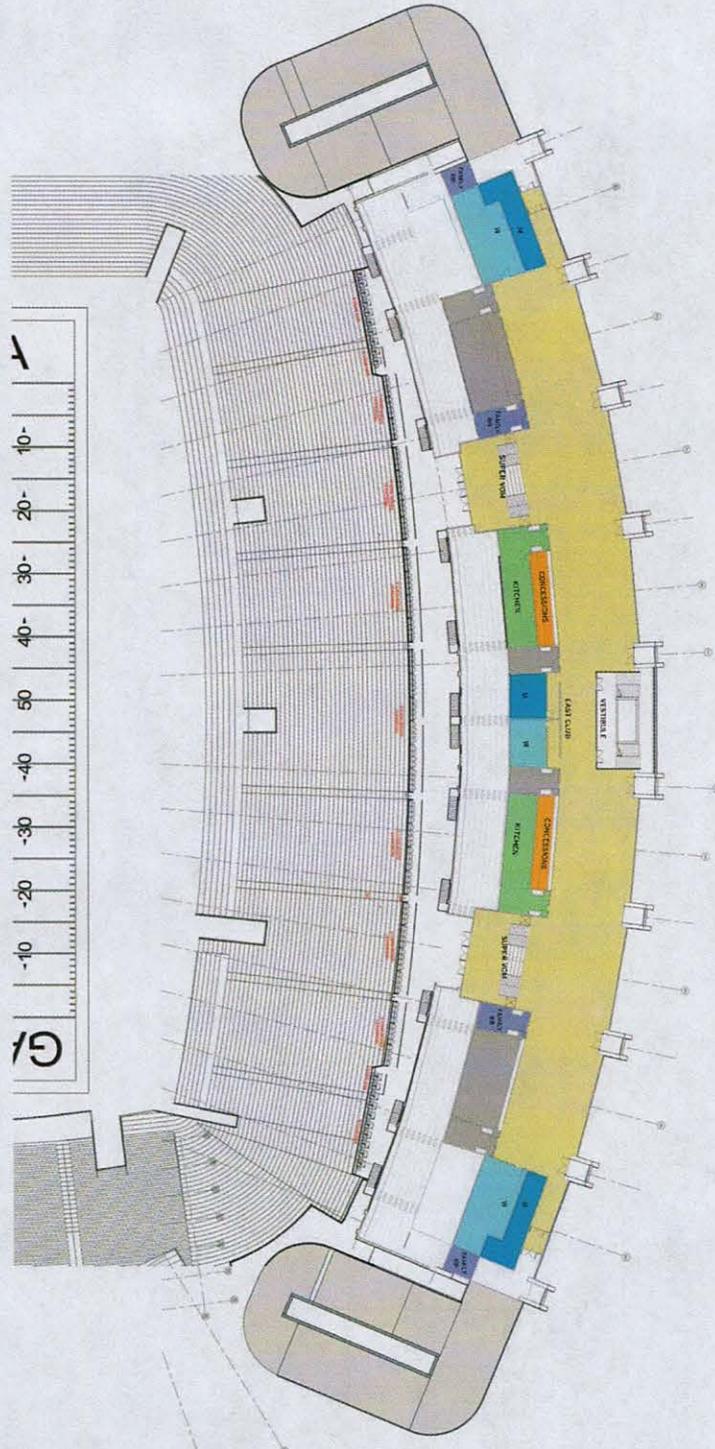


**PROPOSED SEAT COUNT**

SECTION	ROWS	SEATS
SEATS	1-38	3,569
ADA (+COMP)	HEDGE	23 (46)
<b>TOTAL</b>		<b>3,615</b>



**EAST SIDELINE – CLUB FLOOR PLAN**



**EAST CLUB**

**CLUB POPULATION**

19,025 SF / 7 SF = 2,717 People

**RESTROOMS**

**CODE MINIMUM**

33 Fixtures x 50 SF each

Men: 1,650 SF

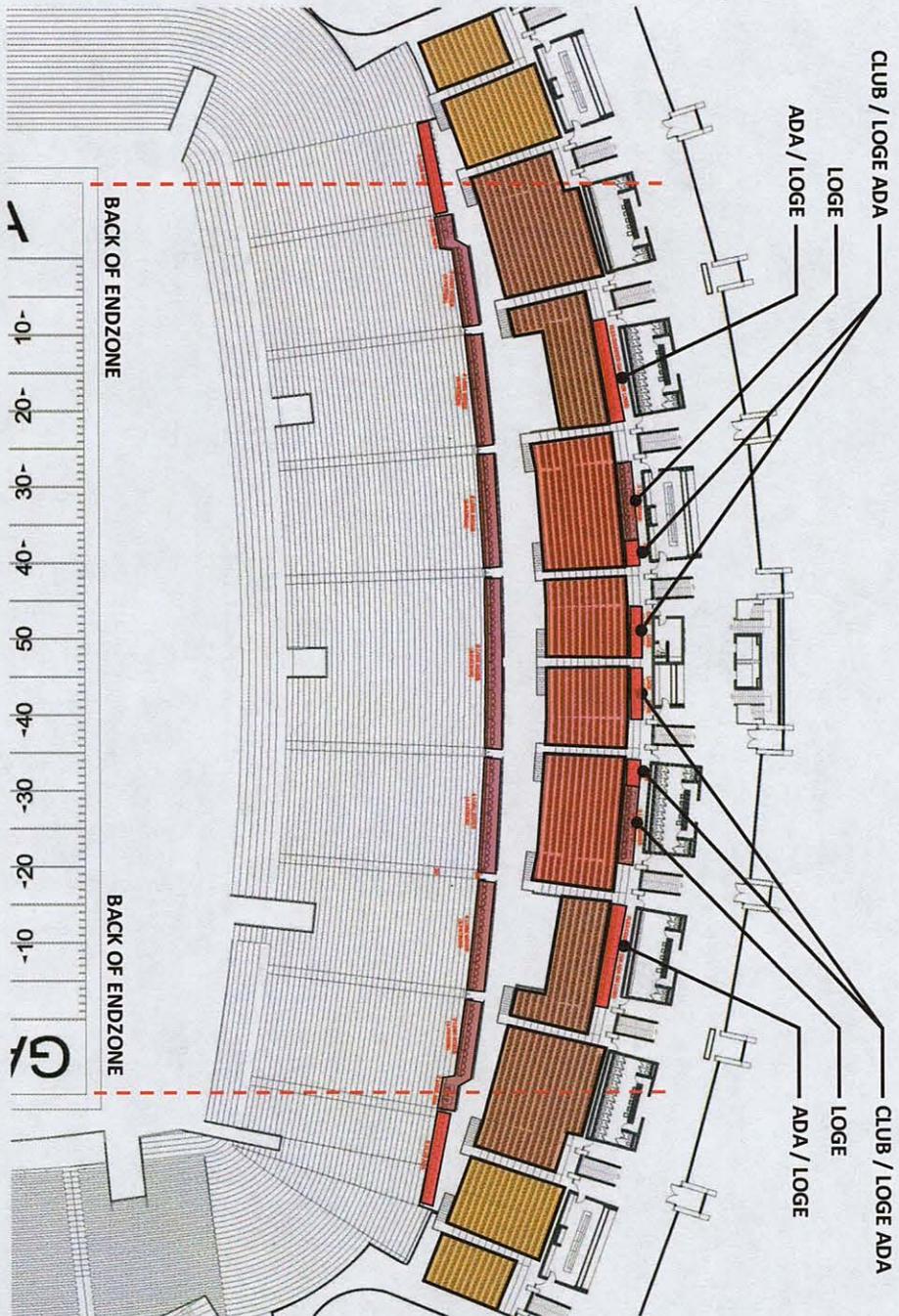
Women: 1,650 SF

**ACTUAL**

Men: 2,100 SF

Women: 2,171 SF

**EAST SIDELINE – PLAN UPDATE**



**SEATING COUNT (20")**

SECTION	SEATS
401	132
402	235
403	398
404	236
405 (20")	336
406 (20")	198
407 (20")	198
408 (20")	336
409	236
410	398
411	235
412	132
<b>TOTAL</b>	<b>3,302</b>

LOW RAIL LOGE 112 (28 x 4)  
 HIGH RAIL LOGE 24 (6 x 4)

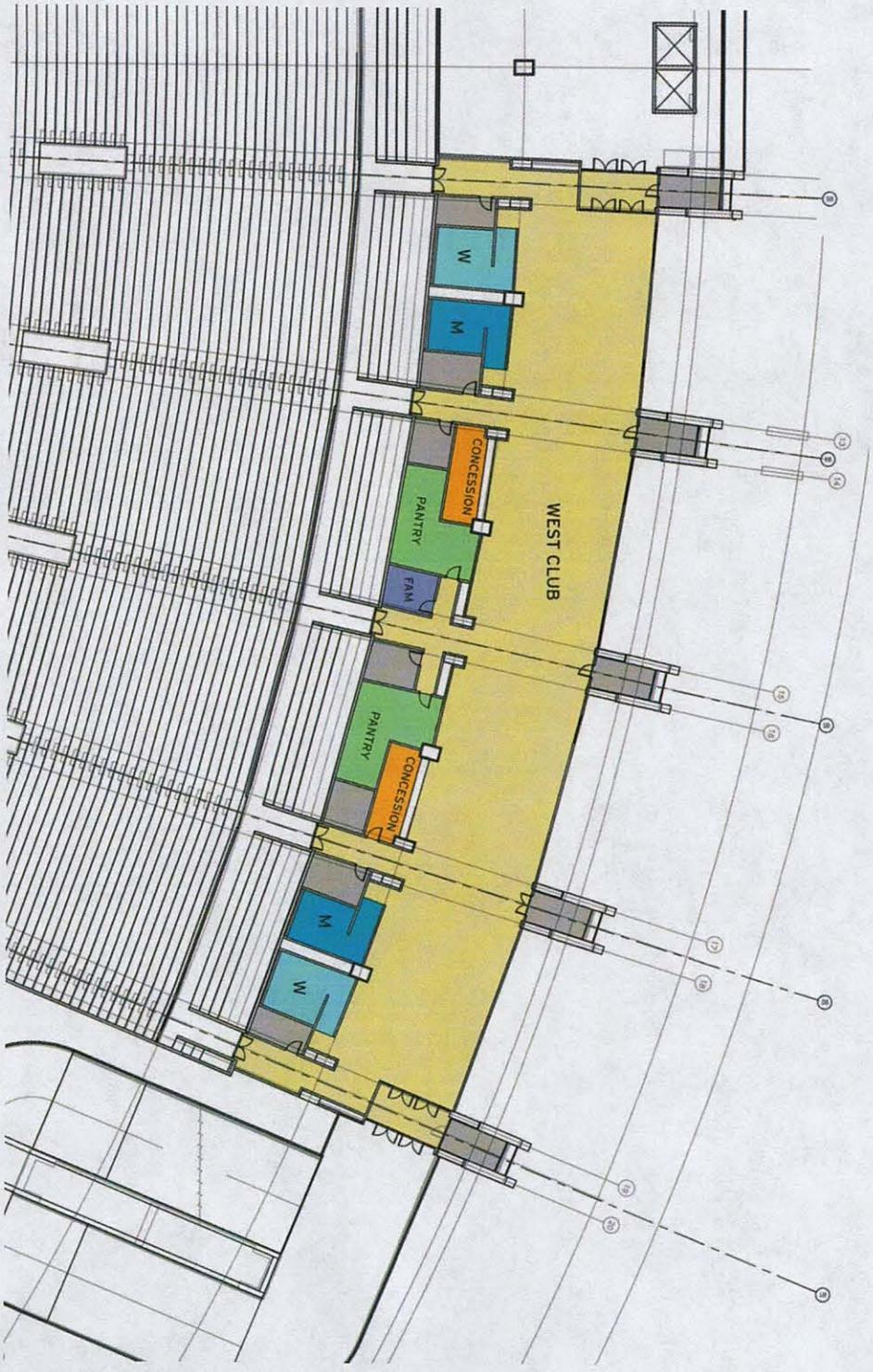
CLUB ADA (+COMP) 24 (48)  
 LOGE ADA (+COMP) 8 (16)  
 GA ADA (+COMP) 16 (32)

**TOTAL (CLUB) 3,302**

**EXISTING 3,363 -61**



**WEST SIDELINE – CLUB FLOOR PLAN**



**WEST CLUB**

**CLUB POPULATION**

9,196 SF / 7 SF = 1,313 People  
 Non-game Day  
 9,196 SF / 15 SF = 613 People

**RESTROOMS**

**CODE MINIMUM**

13 Fixtures x 50 SF each  
 Men: 650 SF  
 Women: 650 SF

**ACTUAL**

Men: 534 SF  
 Women: 574 SF

**NON-GAME DAY CODE MIN.**

Men: 350 SF  
 Women: 350 SF



ID	Task Name	Start	Finish	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
1	Schematic Design Completion and Pricing	Mon 2/25/19	Fri 4/12/19	[Gantt bar from 2/25/19 to 4/12/19]																									
2	Pre-Construction Site Surveying and Planning	Mon 3/4/19	Fri 6/14/19	[Gantt bar from 3/4/19 to 6/14/19]																									
3	Phase 2 approval	Mon 4/15/19	Fri 6/14/19	[Gantt bar from 4/15/19 to 6/14/19]																									
4	Structural Steel package ready for bidding	Wed 4/24/19	Tue 8/6/19	[Gantt bar from 4/24/19 to 8/6/19]																									
5	Design Development Documents and Pricing	Mon 6/17/19	Fri 8/9/19	[Gantt bar from 6/17/19 to 8/9/19]																									
6	South interior demolition	Mon 6/17/19	Fri 7/12/19	[Gantt bar from 6/17/19 to 7/12/19]																									
7	Seating Shop Drawings	Mon 6/17/19	Fri 8/9/19	[Gantt bar from 6/17/19 to 8/9/19]																									
8	Structural Steel Fab all / Erect East	Wed 8/7/19	Mon 11/25/19	[Gantt bar from 8/7/19 to 11/25/19]																									
9	Core Drilling / Pre-Installation coordination	Mon 8/12/19	Thu 9/12/19	[Gantt bar from 8/12/19 to 9/12/19]																									
10	Construction Document Development and Pricing	Mon 8/12/19	Thu 10/17/19	[Gantt bar from 8/12/19 to 10/17/19]																									
11	Finalize seat count/Layout, Fab, and Install	Mon 8/12/19	Wed 3/25/20	[Gantt bar from 8/12/19 to 3/25/20]																									
12	USC versus Charleston Southern	Sat 9/7/19	Sat 9/7/19	[Gantt bar from 9/7/19 to 9/7/19]																									
13	Construction Documents Ready for Pricing	Fri 9/20/19	Fri 9/20/19	[Gantt bar from 9/20/19 to 9/20/19]																									
14	GMP Approval and Submittal Procurement	Fri 10/18/19	Thu 11/14/19	[Gantt bar from 10/18/19 to 11/14/19]																									
15	Procure, submit, fab and erect glass	Fri 10/18/19	Wed 3/4/20	[Gantt bar from 10/18/19 to 3/4/20]																									
16	USC versus Clemson	Sat 11/30/19	Sat 11/30/19	[Gantt bar from 11/30/19 to 11/30/19]																									
17	Mobilization (working around HS Championships)	Mon 12/2/19	Fri 12/6/19	[Gantt bar from 12/2/19 to 12/6/19]																									
18	Demolition E, W, and remainder of South	Mon 12/9/19	Fri 1/10/20	[Gantt bar from 12/9/19 to 1/10/20]																									
19	Loge Seating / 2001 Club Construction	Mon 12/9/19	Fri 3/6/20	[Gantt bar from 12/9/19 to 3/6/20]																									
20	Structural Modifications (South)	Mon 1/13/20	Fri 2/21/20	[Gantt bar from 1/13/20 to 2/21/20]																									
21	Interior Finishes following glass	Thu 3/5/20	Wed 7/22/20	[Gantt bar from 3/5/20 to 7/22/20]																									
22	Life Safety Inspections / Completion Items	Thu 7/23/20	Wed 8/19/20	[Gantt bar from 7/23/20 to 8/19/20]																									
23	Furniture, Fixtures and Equipment	Thu 7/23/20	Wed 8/19/20	[Gantt bar from 7/23/20 to 8/19/20]																									

Print Date: Mon 4/22/19  
 Completion Date: Wed 8/19/20  
 Williams Brice Stadium Renovations



**Estimate Totals**

Description	Amount	Net Amount	Totals	Rate			
Labor	638,463	638,463					
Material	221,377	221,377					
Subcontract	6,474,172	6,474,172					
Equipment	55,117	55,117					
Other	56,332	56,332					
	<u>7,445,461</u>		<u>7,445,461</u>				
Sales Tax on Mat'l and Eqpt	22,120			8.000 %			
Taxes & Ins On Labor	255,385			40.000 %			
	<u>277,505</u>		<u>7,722,966</u>			<u>2.97</u>	<u>82.63%</u>
Bond	51,464				B	0.55%	
	<u>51,464</u>		<u>7,774,430</u>				
Bus License - City of Columbia	14,168				B	0.15%	
Builder's Risk	21,000				L	0.22%	
	<u>35,168</u>		<u>7,809,598</u>				
Design Contingency	585,720			7.500 %	T	6.27%	
Construction Contingency	390,480			5.000 %	T	4.18%	
	<u>976,200</u>		<u>8,785,798</u>			<u>10.44</u>	<u>94.00%</u>
OH & P	560,796			6.000 %			
	<u>560,796</u>		<u>9,346,594</u>			<u>6.00</u>	<u>100.00%</u>
<b>Total</b>			<b>9,346,594</b>				



**Estimate Totals**

Description	Amount	Net Amount	Totals	Rate		
Labor	430,198	430,198				
Material	144,652	144,652				
Subcontract	6,006,465	6,006,465				
Equipment	36,235	36,235				
Other	(287,085)	(287,085)				
	<b>6,330,465</b>		<b>6,330,465</b>			
Sales Tax on Mat'l and Eqpt	14,471			8.000 %		
Taxes & Ins On Labor	172,079			40.000 %		
	<b>186,550</b>		<b>6,517,015</b>			<b>2.40</b>
						<b>83.83%</b>
Bond	43,915				B	0.56%
	<b>43,915</b>		<b>6,560,930</b>			
Bus License - City of Columbia	12,045				B	0.15%
Builder's Risk	10,440				L	0.13%
	<b>22,485</b>		<b>6,583,415</b>			
Design Contingency	395,005			6.000 %	T	5.08%
Construction Contingency	329,171			5.000 %	T	4.23%
	<b>724,176</b>		<b>7,307,591</b>			<b>9.32</b>
						<b>94.00%</b>
OH & P	466,442			6.000 %		
	<b>466,442</b>		<b>7,774,033</b>			<b>6.00</b>
<b>Total</b>			<b>7,774,033</b>			<b>100.00%</b>

Phase	Description	Takeoff Quantity	Labor Price	Labor Amount	Material Price	Material Amount	Sub Price	Sub Amount	Notes	Equip Price	Equip Amount	Other Price	Other Amount	Total Cost/Unit	Total Amount
220050.00	Sub Quotes														
	Major Plumbing Fixtures	34,000 ea	-	-	-	3,500.00 /ea	119,000			-	-	-	-	3,500.00 /ea	119,000
	Minor Plumbing Fixtures	6,000 ea	-	-	-	1,500.00 /ea	9,000			-	-	-	-	1,500.00 /ea	9,000
	Roof Drainage Modification Allowance	1,000 lb	-	-	-	2,500.00 /lb	2,500			-	-	-	-	2,500.00 /lb	2,500
	Water Heater	1,000 lb	-	-	-	5,000.00 /lb	5,000			-	-	-	-	5,000.00 /lb	5,000
230050.00	HVAC Sub														
	HVAC Sub	13,712.00 sf	-	-	-	20.00 /sf	274,240		Dumb down system	-	-	-	-	20.00 /sf	274,240
	HVAC Testrig, Adjusting, and Balancing	1,000 lb	-	-	-	1.00 /lb	1,000			-	-	-	-	1.00 /lb	1,000
	ELECTRICAL														
	Sub Quotes														
250050.00	Sub Quotes														
	West Gear	1,000 lb	-	-	-	10,000.00 /lb	10,000			-	-	-	-	10,000.00 /lb	10,000
	West Feeders	1,000 lb	-	-	-	40,000.00 /lb	40,000			-	-	-	-	40,000.00 /lb	40,000
	West Mechanical Electrical	1,000 lb	-	-	-	30,000.00 /lb	30,000			-	-	-	-	30,000.00 /lb	30,000
	West General Purpose	1,000 lb	-	-	-	25,000.00 /lb	25,000			-	-	-	-	25,000.00 /lb	25,000
	West Lighting	0.75 lb	-	-	-	200,000.00 /lb	150,000		Cut by 25%	-	-	-	-	200,000.00 /lb	150,000
	West Lighting Controls	1,000 lb	-	-	-	10,000.00 /lb	10,000			-	-	-	-	10,000.00 /lb	10,000
	West Fire Alarm	1,000 lb	-	-	-	25,000.00 /lb	25,000			-	-	-	-	25,000.00 /lb	25,000
	West AVJ Rough	1,000 lb	-	-	-	10,000.00 /lb	10,000			-	-	-	-	10,000.00 /lb	10,000
	West Phone/Data/Access/Cameras	1,000 lb	-	-	-	10,000.00 /lb	10,000			-	-	-	-	10,000.00 /lb	10,000
	Contingency	1,000 lb	-	-	-	15,000.00 /lb	15,000			-	-	-	-	15,000.00 /lb	15,000

Estimate Totals

Description	Amount	Net Amount	Totals	Rate
Labor	208,055	208,055		
Material	59,908	59,908		
Subcontract	1,518,455	1,518,455		
Equipment	12,373	12,373		
Other	14,083	14,083		
	1,812,884	1,812,884		
Sales Tax on Matl and Eqpt	5,782			8,000 %
Taxes & Ins On Labor	83,226			40,000 %
	89,008		1,901,892	
Bond	15,672			
	13,678		1,917,568	
Bus License - City of Columbia	3,914			
Builder's Risk	8,594		1,925,162	
Design Contingency	115,000			5,970 %
Construction Contingency	96,308			5,000 %
	211,308		2,137,470	
OH & P	136,434			8,000 %
	136,434		2,273,904	
<b>Total</b>			<b>2,273,904</b>	

BURR · FORMAN MCNAIR

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BURR.COM

May 14, 2019

Mr. F. Richard Harmon, Jr.  
Senate Finance  
111 Gressette Building  
Columbia, South Carolina 29202

Re: Not exceeding \$22,000,000 principal amount of Athletic Facilities Revenue Bonds,  
Series 2019A (the "Bonds") of the University of South Carolina

Dear Rick:

On behalf of the University of South Carolina (the "University"), we respectfully request that the Joint Bond Review Committee review the proposed issuance of the Bonds pursuant to Section 59-119-940 of the Code of Laws of South Carolina 1976, as amended, at its June 2019 meeting, currently scheduled for June 4, 2019. In furtherance of such review, please find enclosed each of the following items:

1. Information detailing the proposed financing in accordance with the policy adopted by the Joint Bond Review Committee on October 7, 2014, and amended on September 13, 2016;

2. A copy of a bond resolution adopted by the Board of Trustees of the University (the "Board of Trustees") on October 19, 2001 entitled: "A RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF ATHLETIC FACILITIES REVENUE BONDS OF THE UNIVERSITY OF SOUTH CAROLINA, AND OTHER MATTERS RELATING THERETO" authorizing the issuance, from time to time, of Athletic Facilities Revenue Bonds, upon the adoption of a series resolution.

3. A copy of a series resolution adopted by the Board of Trustees on May 9, 2019 entitled: "A SERIES RESOLUTION PROVIDING FOR THE ISSUANCE AND SALE OF ATHLETIC FACILITIES REVENUE BONDS OF THE UNIVERSITY OF SOUTH CAROLINA, IN ONE OR MORE SERIES, TO BE DESIGNATED SERIES 2019A, IN AN AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$22,000,000; AUTHORIZING THE

Mr. Rick Harmon

May 14, 2019

Page 2

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ISSUANCE AND SALE OF ATHLETIC FACILITIES REVENUE BOND ANTICIPATION NOTES IN ANTICIPATION OF THE ISSUANCE OF SUCH BONDS; AND OTHER MATTERS RELATING THERETO”, authorizing the issuance of the Bonds, subject to review by the Joint Bond Revenue Committee and approval by the State Fiscal Accountability Authority.

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

Sincerely,

BURR FORMAN McNAIR

A handwritten signature in black ink, appearing to read "Michael J. Seezen", with a long horizontal flourish extending to the right.

Michael J. Seezen

cc: Mr. Ed Walton, Chief Financial Officer, University of South Carolina  
Mr. Kevin Kibler, Senior Assistant State Treasurer, Office of State Treasurer

## University of South Carolina Bond Information Report

Prepared in Connection with the Proposed Authorization of  
Not Exceeding \$22,000,000 Principal Amount of University of South Carolina  
Athletic Facilities Revenue Bonds, Series 2019A

May 14, 2019

*Amount and Type of Bonds.* The University of South Carolina (the “University”) is making application to the South Carolina State Fiscal Accountability Authority for the issuance of not exceeding \$22,000,000 principal amount of University of South Carolina Athletic Facilities Revenue Bonds, Series 2019A (the “Bonds”), in order to provide funds, together with other available amounts, to renovate and equip portions of the Williams-Brice Football Stadium, and to reimburse the University for capital expenditures previously made in connection therewith (collectively, the “Project”), including capitalized interest, if any, to fund related debt service reserve funds, if any, and to pay related financing costs and expenses related to the issuance of the Bonds.

The Bonds would be issued pursuant to the authorization of the Constitution and Statutes of the State of South Carolina (the “State”), and in particular Act No. 518 of the 1980 Session of the General Assembly of the State of South Carolina, as amended by Act No. 545 of 1986, Act No. 302 of 1996, Act No. 6 of 1997, Act No. 182 of 2005 and Act No. 17 of 2007, as the same may be further amended from time to time (the “Enabling Act”), a resolution adopted by the Board of Trustees of the University (the “Board of Trustees”) on October 19, 2001, entitled: “A Resolution Providing For The Issuance And Sale Of Athletic Facilities Revenue Bonds Of The University Of South Carolina, And Other Matters Relating Thereto”, as amended and supplemented (as so amended and supplemented, the “Bond Resolution”) and a series resolution adopted by the Board of Trustees on May 9, 2019 (the “Series Resolution” and, together with the Bond Resolution, the “Resolution”). Capitalized terms not otherwise defined herein shall have the meanings set forth in the Resolution.

*Revenues Pledged to Pay the Bonds.* The Bonds are special obligations of the University and are payable solely from, and secured by a pledge of, the Net Revenues of the University’s Athletic Department (the “Athletic Department”) and the gross receipts from the imposition by the University of the Admissions Fee and the Special Student Fee (as such terms are defined below). Upon the issuance of the Bonds, such pledge shall be on a parity in all respects with the pledges previously given by the University securing the payment of the outstanding Athletic Facilities Revenue Bonds and the pledges to be given by the University in the future to secure the payment of any additional parity Athletic Facilities Revenue Bonds issued pursuant to the Bond Resolution.

The table below sets forth Outstanding Athletic Facilities Revenue Bonds of the University under the Bond Resolution as of the date hereof.

<u>Series</u>	<u>Date of Issue</u>	<u>Original Principal Amount</u>	<u>Outstanding Principal Amount</u>
2010A	September 1, 2010	65,855,000	\$ 10,470,000
Refunding 2010B	September 1, 2010	12,840,000	1,980,000
2012A	June 14, 2012	13,580,000	11,530,000
Refunding 2012B	June 14, 2012	6,350,000	6,350,000
2015	June 1, 2015	38,270,000	35,610,000
2016A	July 21, 2016	22,400,000	21,705,000
2017A	March 1, 2017	40,325,000	38,965,000
2017B	September 14, 2017	46,990,000	<u>46,990,000</u>
Total			<u>\$173,600,000</u> <u>\$173,600,000.00</u>

The term “Net Revenues” means all Revenues (as defined below) remaining after payment of the operating and maintenance expenses of the Athletic Department and the Athletic Facilities but before provision is made for depreciation, amortization, nonmandatory transfers, and interest expenses of the Athletic Department for a given fiscal year.

The term “Revenues” means (i) all revenues or other income received by the Athletic Department from the operation of the Athletic Department and the Athletic Facilities, including without limitation amounts received from the sale of tickets for and guarantees with respect to intercollegiate athletic events, from any athletic conference (collectively, the “Conference”) with respect to the University’s share of proceeds from Conference members’ television and bowl appearances, from the University’s participation in Conference and National Collegiate Athletic Association tournaments, from rentals of executive boxes at Athletic Facilities, from sales of game programs and concessions, or commissions therefrom, from the University’s sports radio and television rights, from corporate sponsorships, and from license fees, (ii) all gifts, bequests, contributions, and donations received by the Board of Trustees or the University from any persons, including from any University-sanctioned athletic booster organization, for use in connection with the operations of the Athletic Department, (iii) any other unrestricted revenues of the Athletic Department not otherwise pledged that may be made applicable by the Board of Trustees to the payment of the principal of and interest on Bonds including such revenues which may fall into the category of non-mandatory transfers as such term is used in generally accepted accounting principles, and (iv) all income from the investment of the above; but excluding:

- (a) gifts, bequests, contributions and donations restricted to a particular purpose inconsistent with their use for the payment of the principal, premium or interest on Bonds;

- (b) the proceeds of any borrowings;
- (c) State appropriations of any sort; and
- (d) investment income restricted to a purpose inconsistent with the payment of operating expenses of the Athletic Department or debt service on Bonds including (whether or not so restricted) interest earned on any construction fund or construction account created with the proceeds of borrowing by the University.

The term “Athletic Facilities” means all of the facilities of the University designated from time to time by the Board of Trustees as intercollegiate athletic facilities, including any facilities providing support for facilities where intercollegiate events are held, including without limitation any related infrastructure and any administration, maintenance, practice, training, physical therapy, and related facilities of the Athletic Department, whether now owned or hereafter acquired by the University, and are deemed to include only those facilities associated with the University’s Columbia Campus.

Primary Athletic Facilities on the University’s Columbia Campus include: Williams-Brice Stadium (football), Colonial Life Arena (basketball), Founder’s Park (baseball), Weems-Baskin Track, Eugene E. Stone III Stadium (soccer), Carolina Natatorium (swimming and diving), Carolina Tennis Complex at the Village at the Roost, Volleyball Competition and Basketball Practice Facility, the Wardle Golf House and Teaching Center at The University Club (golf), The Coop (golf practice facility), Beckham Field (softball), Onewood Farm (equestrian), the Rice Athletic Center (coaches offices and athletic administration), the Kay and Eddie Floyd Football Building (football coaches offices), an indoor practice facility for football and an additional indoor facility for tennis, track & field, soccer, baseball, and softball, the Terry Spring Sports Center (offices, locker rooms, and training rooms for Olympic sports), a ticket office, the Charles F. Crews Football Facility, and The Dodie Academic Enrichment Center (education support facility for student athletes).

The term “Admissions Fee” means a specially designated fee or charge authorized by the Enabling Act (which is in addition to other charges) (i) imposed upon each person in attendance at a football game in Williams-Brice Stadium from whom an admission charge is required, excluding students admitted as a result of student fees paid to the University for a regular academic session, and (ii) imposed, at the discretion of the Board of Trustees, upon each person admitted to any event held at any other of the Athletic Facilities so designated by the University, excluding students permitted to use such Athletic Facilities as a result of student fees paid to the University for a regular session for the purpose of providing funds to assist in the repayment of the Bonds. Admissions Fee receipts are not considered Revenues of the Athletic Department.

The Admissions Fee imposed at Williams-Brice Stadium is \$8 per ticket sold (for 2012 and prior, the fee was \$3). The Admissions Fee imposed at the Colonial Life Arena (the “Arena”) is \$4 and \$1 per ticket sold for all basketball games of the men’s and women’s teams, respectively, to be played in the Arena.

The term “Special Student Fee” means the fee authorized by the Enabling Act to be established by the Board of Trustees and imposed upon each person in attendance at any regular academic session (excluding Summer sessions) of the University who is enrolled in a sufficient

number of classes or courses for which credit is given toward any degree offered by the University to be classified as a regular full-time student in order to provide funds to assist in the repayment of Bonds. Special Student Fee receipts are not considered Revenues of the Athletic Department. For the current academic year, the Special Student Fee is \$34.50 per semester (except Summer sessions) or \$69 per year for each full-time student at the Columbia Campus. The current fee amounts have been in effect since the middle of the 2006-07 academic year.

The sum of the Net Revenues and the gross receipts from the imposition of the Admissions Fee and the Special Student Fee, plus interest earnings (collectively, the “Pledged Funds”) for the fiscal year ended June 30, 2018, totaled \$21,017,002. The debt service requirements on all existing, and the projected debt service requirement for the proposed, Athletic Facilities Revenue Bonds are attached as Exhibit A. Exhibit B reflects maximum annual debt service of \$14,435,144 in the fiscal year ending June 30, 2027, and debt service coverage ranging from 148% to 1,505% when compared to fiscal year ended June 30, 2018 Pledged Funds/Pro Forma Pledged Funds.

Pursuant to the Bond Resolution, the University has covenanted and agreed that it will at all times prescribe and maintain rates and thereafter collect charges in accordance with such rates and charges for attendance at events held at any Athletic Facilities or the use thereof which are reasonably expected to yield, along with all other Revenues, annual Net Revenues which when added to all gross receipts from the imposition of the Admissions Fee and the Special Student Fee, in the current fiscal year equal to at least one hundred ten percent (110%) of the debt service requirements for all Athletic Facilities Revenue Bonds Outstanding in such fiscal year; and, promptly upon any material change in the circumstances which were contemplated at the time such rates and charges were most recently reviewed, but not less frequently than once in each fiscal year, shall review the rates and charges for such use and shall promptly revise such rates and charges as necessary to comply with the foregoing requirement.

*New Revenue Generation.* The Project will not generate additional Pledged Funds.

*Other Funds Available to Pay Bonds.* Should the Pledged Funds prove insufficient to provide for debt service on the Bonds or other Athletic Facilities Revenue Bonds, the University at June 30, 2018, had \$8,204,534 of athletics fund balances (e.g., net assets) that could be applied to pay debt service at the discretion of the University.

The University anticipates that the Bonds will be issued on or before the spring of 2020. The University projects that, after issuance of the maximum authorized amount of Bonds (e.g., \$22,000,000), the outstanding principal amount of Athletics Facilities Revenue Bonds will not exceed \$195,600,000, which is below the statutory limitation of \$200,000,000.

*Special Student Fees, Credit of the State and Mortgages.* No special student fee (other than the Special Student Fee described above) is contemplated to be imposed, and no increase in existing student fees is planned, in connection with the Bonds. Neither the full faith and credit of the University nor the State has been pledged or will be pledged to the payment of any University revenue bonds. Further, no mortgage or lien has been or will be given on any real property of the University.

Exhibit A

University of South Carolina –Athletic Facilities Revenue Bonds – Composite Debt Service

Fiscal Year	Existing Debt Service	Proposed Issue - Projected		Composite Debt Service
		Principal	Interest	
2019/20	\$12,762,556	\$350,000	\$1,100,000	\$14,212,556
2020/21	12,560,406	370,000	1,082,500	14,012,906
2021/22	12,565,806	390,000	1,064,000	14,019,806
2022/23	12,559,806	400,000	1,044,500	14,004,306
2023/24	12,559,831	390,000	1,024,500	13,974,331
2024/25	12,561,444	440,000	1,005,000	14,006,444
2025/26	12,628,844	460,000	983,000	14,071,844
2026/27	12,995,144	480,000	960,000	14,435,144
2027/28	12,715,769	500,000	936,000	14,151,769
2028/29	12,725,619	525,000	911,000	14,161,619
2029/30	12,725,544	550,000	884,750	14,160,294
2030/31	12,729,619	580,000	857,250	14,166,869
2031/32	12,724,244	605,000	828,250	14,157,494
2032/33	11,345,531	630,000	798,000	12,773,531
2033/34	11,346,888	660,000	766,500	12,773,388
2034/35	11,346,700	695,000	733,500	12,775,200
2035/36	11,347,950	725,000	698,750	12,771,700
2036/37	11,351,300	760,000	662,500	12,773,800
2037/38	11,350,750	795,000	624,500	12,770,250
2038/39	9,652,200	835,000	584,750	11,071,950
2039/40	9,652,500	875,000	543,000	11,070,500
2040/41	5,610,500	915,000	499,250	7,024,750
2041/42	5,612,500	955,000	453,500	1,021,000
2042/43	4,850,550	995,000	405,750	6,251,300
2043/44	4,844,800	1,055,000	356,000	6,255,800
2044/45	4,847,800	1,100,000	303,250	6,251,050
2045/46	2,568,800	1,155,000	248,250	3,972,050
2046/47	2,568,800	1,210,000	190,500	3,969,300
2047/48	-	1,270,000	130,000	1,400,000
2048/49	-	1,330,000	66,500	1,396,500
Totals	\$283,112,201	\$22,000,000	\$20,745,250	\$325,857,451

Exhibit B

University of South Carolina –Athletic Facilities Revenue Bonds – Coverage

Fiscal Year	Composite Debt Service	FY 2018 Pledged Funds	Pro Forma Pledged Funds	Pro Forma Coverage Percentage
2019/20	\$14,212,556	\$21,017,002	\$21,017,002	148%
2020/21	14,012,906	21,017,002	21,017,002	150%
2021/22	14,019,806	21,017,002	21,017,002	150%
2022/23	14,004,306	21,017,002	21,017,002	150%
2023/24	13,974,331	21,017,002	21,017,002	150%
2024/25	14,006,444	21,017,002	21,017,002	150%
2025/26	14,071,844	21,017,002	21,017,002	149%
2026/27	14,435,144	21,017,002	21,017,002	146%
2027/28	14,151,769	21,017,002	21,017,002	149%
2028/29	14,161,619	21,017,002	21,017,002	148%
2029/30	14,160,294	21,017,002	21,017,002	148%
2030/31	14,166,869	21,017,002	21,017,002	148%
2031/32	14,157,494	21,017,002	21,017,002	148%
2032/33	12,773,531	21,017,002	21,017,002	165%
2033/34	12,773,388	21,017,002	21,017,002	165%
2034/35	12,775,200	21,017,002	21,017,002	165%
2035/36	12,771,700	21,017,002	21,017,002	165%
2036/37	12,773,800	21,017,002	21,017,002	165%
2037/38	12,770,250	21,017,002	21,017,002	165%
2038/39	11,071,950	21,017,002	21,017,002	190%
2039/40	11,070,500	21,017,002	21,017,002	190%
2040/41	7,024,750	21,017,002	21,017,002	299%
2041/42	1,021,000	21,017,002	21,017,002	299%
2042/43	6,251,300	21,017,002	21,017,002	336%
2043/44	6,255,800	21,017,002	21,017,002	336%
2044/45	6,251,050	21,017,002	21,017,002	336%
2045/46	3,972,050	21,017,002	21,017,002	529%
2046/47	3,969,300	21,017,002	21,017,002	529%
2047/48	1,400,000	21,017,002	21,017,002	1,501%
2048/49	1,396,500	21,017,002	21,017,002	1,505%
Total	\$325,857,451			

**AGENCY:** Department of Administration  
Executive Budget Office

**PROJECT/SUBJECT:** Permanent Improvement Project with Financing Component  
Technical College of the Lowcountry  
Culinary Arts Institute and Interpretive Center

Technical College of the Lowcountry requests Phase II review to establish full design and construction for a culinary arts institute and interpretive center in Bluffton.

Permanent Improvement Project. The project was established in June 2018 with a Phase I budget of \$145 thousand funded by Beaufort County Hospitality Taxes. This request will increase the project budget to \$11.053 million, funded by \$8 million in proceeds from the issuance of JEDA bonds (Technical College of the Lowcountry Project), \$553 thousand in Beaufort County Hospitality Taxes and \$2.5 million in College Capital Reserve funds.

Work includes construction of a 29,268 square foot facility featuring a baking lab, teaching restaurant, a culinary auditorium, general education classrooms, and faculty and staff offices. The institute will support expansion of the college's Culinary Arts program to 300 students and provide trained culinary workers to the resort and tourism industry and the healthcare industry. The college's current culinary program is limited in academic scope and enrollment due to available academic space and equipment, and cannot meet current and projected workforce demand.

The facility will be designed to meet LEED Silver certification standards with anticipated energy savings of \$300 thousand over a 30-year period. Annual operating costs are estimated at \$392 thousand in year 2 and \$495 thousand in year 3.

Execution of the construction contract is expected in November 2019, and completion of construction in November 2020.

Financing Component. Beaufort County, for itself and as fiscal agent for the Town of Bluffton and Beaufort County School District, has committed to annually provide \$800,000 in available revenues over a 10-year period, subject to annual appropriation. Given that these payments will be made over time, the Technical College of the Lowcountry Commission proposes funding a portion of the permanent improvements with proceeds of an issuance by the SC Jobs-Economic Development Authority of \$8,000,000 Economic Development Revenue Bonds, issued under a Bond Purchase and Loan Agreement among JEDA, the Foundation, an initial purchaser, and a financial institution serving as custodian. The Commission will neither borrow the proceeds of the bonds, nor will it be obligated to repay the bonds.

The Commission and the Foundation will execute a Base Lease pursuant to which the Commission will lease the land on which the project will be constructed and convey any existing improvements to the Foundation, among other things. The Base Lease will provide for the

acquisition, design, construction, and equipment of the project for the benefit and use of the Commission. The term of the Base Lease extends through maturity of the bonds.

Additionally, the parties will execute a Project Lease Agreement pursuant to which the Foundation will lease the project to the Commission and agree to facilitate the bond transaction on behalf of the Commission. The Commission will agree to pay base rent, the source of which will be the \$800,000 in available revenues from the County to the Foundation annually, subject to appropriation; and to undertake the construction, operation, maintenance and insurance obligations of the project. The term of the Project Lease extends through maturity of the bonds. The Foundation will use the base rent to repay the bond. The term of the JEDA bond will be approximately 10 years. Neither the full faith and credit of the College, the Commission, nor the State will be pledged to the payment of the JEDA bonds. Furthermore, no mortgage or lien will be given on any real property of the College.

The Commission considered two alternative means of financing the project but determined one was not feasible, and the other was not economical.

**COMMITTEE ACTION:**

- 1) Review and make recommendation regarding the request of Technical College of the Lowcountry to establish Phase II full design and construction for a culinary arts institute and interpretive center in Bluffton, to be funded by \$8 million in proceeds from the issuance of JEDA bonds by the Technical College of the Lowcountry Foundation, \$553 thousand in Beaufort County Hospitality Taxes and \$2.5 million in College Capital Reserve funds.
- 2) Review and make recommendation regarding the financing components of the proposal, including the Base Lease from the Commission to the Foundation and related easements, and the Project Lease from the Foundation to the Commission.

**ATTACHMENTS:**

- 1) Department of Administration, Executive Budget Office Agenda Item Worksheet.
- 2) A-1, A-49, Questionnaire, Project Budget, and other supporting documents.
- 3) Department of Administration, Division of Facilities Management and Property Services Agenda Item Worksheet
- 4) Sections 1-11-55 and 1-11-56 of the South Carolina Code of Laws
- 5) Letter from Burr Forman McNair, dated May 23, 2019.

**AVAILABLE UPON REQUEST:**

- 1) Base Lease and Conveyance Agreement between Technical College of the Lowcountry Area Commission, as lessor, and Technical College of the Lowcountry Foundation, Incorporated, as lessee.
- 2) Bond Purchase and Loan Agreement among South Carolina Jobs-Economic Development Authority and Technical College of the Lowcountry Foundation, Incorporated and \_\_\_\_ as Purchaser and \_\_\_\_ as Custodian.

**JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET**

Meeting Scheduled for: **June 4, 2019**

**Regular Agenda**

**1. Submitted By:**

(a) Agency: Department of Administration

(b) Authorized Official Signature: Brian J. Gaines Director, Executive Budget Office

**2. Subject:**

Technical College of the Lowcountry Construction of the Lowcountry Culinary Arts Institute and Interpretive Center

**3. Summary Background Information:**

**Establish Construction Budget**

(H59) Technical College of the Lowcountry

Project: 6141, Construction of the Lowcountry Culinary Arts Institute and Interpretive Center

Included in Annual CPIP: Yes – 2018 CPIP Priority 1 of 1 in FY19 (estimated at \$11,243,000)

JBRC/SFAA Phase I Approval: June 2018 (estimated at \$10,460,000)

CHE Recommended Approval: 5/2/19

Ref: Supporting document pages 52-82

<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, Foundation/JEDA Revenue Bonds	-	-	-	8,000,000	8,000,000
Other, Beaufort County Hospitality Taxes	145,000	-	145,000	408,000	553,000
Other, College Capital Reserve	-	-	-	2,500,000	2,500,000
All Sources	<u>145,000</u>	=	<u>145,000</u>	<u>10,908,000</u>	<u>11,053,000</u>

Funding Source: \$8,000,000 Other, Foundation/JEDA Revenue Bonds. \$553,000 Other, Beaufort County Hospitality Tax Funds, which is a contribution that has been committed by Beaufort County from their Accommodation Tax funding, to ensure the construction of a Culinary Arts Institute and Interpretive Center. \$2,500,000 Other, College Capital Reserve Fund, which are funds received from a \$4.00 per credit hour fee collected each semester from tuition and fee payment schedules. This fee was implemented in 2013.

Request: Increase budget to \$11,053,000 (add \$8,000,000 Foundation/JEDA Revenue Bonds, \$408,000 Beaufort County Hospitality Taxes, and \$2,500,000 College Capital Reserve Funds) to establish Phase II to complete the design and construction documents to build a 29,268 square foot culinary arts institute and interpretive center in Bluffton, Beaufort County, SC. The institute will be constructed of steel, as well as brick and mortar, and will feature two (2) state-

of-the-art teaching kitchens; one (1) baking lab, one (1) teaching restaurant that is integrated with a customer service point-of-sale system (POS), and back-of-the-house operations (ordering/receiving/storage); one (1) culinary auditorium with demonstration kitchen and interpretive center to educate and showcase foods and Lowcountry/regional food culture; general education classrooms with modern instruction technology; and faculty/staff offices. The institute will allow expansion of the college's Culinary Arts Program to 300 students and provide trained culinary workers to bolster the region's top economic drivers, the Resort and Tourism industry and the Healthcare industry. Construction will enable the college to offer Associates degrees, certificates and continuing education programs in culinary. Per the college, graduates are expected to have starting salaries in advance of local averages and marketable throughout the state in a variety of food service employment. Students will have the benefit of an articulation agreement with USCB to pursue a four-year degree in Hospitality Management. The college's current culinary program remains limited in academic scope and enrollment due to availability of academic space and equipment, and thus cannot meet current and projected workforce demand. This construction project is affiliated with H59-6139-LP (land purchase) included in the agenda, and is for the acquisition of 1.0 acre of property in the Buckwalter Place Commerce Park in Bluffton SC. The facility will be designed to meet LEED Silver certification standards with anticipated energy savings of \$300,000 over a 30-year period. The agency estimates that the completed project will cost approximately \$11,053,000, with additional annual operating costs of \$108,000 in year 1, \$391,560 in year 2, and \$495,126 in year 3. The agency anticipates execution of the construction contract in November 2019 and completion of construction in November 2020.

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

Consider approval of the Permanent Improvement Project Phase II.

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**5. What is the recommendation of the Department of Administration?**

The item is complete and ready for JBRC review.

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**6. List of Supporting Documents:**

1. Permanent Improvement Project Phase II approval
2. Bond Documents

FOR DEPARTMENT USE ONLY	
CHE	_____
JBRC	_____
SFAA	_____
JBRC Staff	_____
ADMIN Staff	_____
A-1 Form Mailed	_____
SPIRS Date	_____
Summary	_____

**RECEIVED**  
By Kim at 12:08 pm, May 21, 2019

(For Department Use Only)
7-2019 (A)
SUMMARY NUMBER
FORM NUMBER

**PERMANENT IMPROVEMENT PROJECT REQUEST**

1. AGENCY Code H59 Name Technical College of the Lowcountry  
 Contact Person Andrew H. Smith, VP for Administrative Services Phone (843) 525-8251

2. PROJECT Project # 6141 Name Construction of the Lowcountry Culinary Arts Institute and Interpretive Center  
 Facility # \_\_\_\_\_ Facility Name Lowcountry Culinary Arts Institute and Interpretive Center

County Code	07 - Beaufort
New/Revised Budget	\$11,053,000.00

Project Type	2 - Construct Additional Facilities
Facility Type	2 - Program/Academic

3. CPIP PROJECT APPROVAL FOR CURRENT FISCAL YEAR  
 CPIP priority number 1 of 1 for FY 2019.

4. PROJECT ACTION PROPOSED (Indicate all requested actions by checking the appropriate boxes.)

Establish Project	<input type="checkbox"/>	Decrease Budget	<input type="checkbox"/>	Close Project	<input type="checkbox"/>
Establish Project - CPIP	<input type="checkbox"/>	Change Source of Funds	<input type="checkbox"/>	Change Project Name	<input type="checkbox"/>
Increase Budget	<input checked="" type="checkbox"/>	Revise Scope	<input type="checkbox"/>	Cancel Project	<input type="checkbox"/>

5. PROJECT DESCRIPTION AND JUSTIFICATION

(Explain and justify the project or revision, including what it is, why it is needed, and any alternatives considered. Attach supporting documentation/maps to fully convey the need for the request.)

This request is for Phase II approval to complete design and construction documents to build a 29,268 sq/ft culinary arts institute and interpretive center in Bluffton, Beaufort County, South Carolina. The institute will be constructed of steel, as well as brick and mortar, and will feature: two (2) state-of-the-art teaching kitchens; one (1) baking lab, one (1) teaching restaurant that is integrated with a customer service point-of-sale system (POS), and back-of-the-house operations (ordering/receiving/storage); one (1) culinary auditorium with demonstration kitchen; an interpretive center to educate and showcase foods and Lowcountry/regional food culture; general education classrooms with modern instructional technology, and faculty/staff offices. The institute will allow expansion of the College's Culinary Arts Program to 300 students and provide trained culinary workers to bolster the regions top economic drivers, the Resort and Tourism industry and the Healthcare industry. Construction will enable the college to offer Associates degrees, certificates and continuing education programs in culinary. Graduates are expected to have starting salaries in advance of local averages and marketable throughout the state in a variety of food service employment. Students will have the benefit of an articulation agreement with USCB to pursue a four-year degree in Hospitality Management. The College's current culinary program remains limited in academic scope and enrollment due to availability of academic space and equipment, and thus cannot meet current and projected workforce demand. Construction project is affiliated with H59-6139-LP (land purchase) included in the agenda. Financing for the project will be through a combination of sources, including (1) a South Carolina Jobs Economic Development Authority Economic Development Revenue Bond, pursuant to which the Technical College of the Lowcountry Foundation, Incorporated, an affiliate of the College, will be the borrower and obligated for the repayment of such bond, and neither the college nor any of its funds will be obligated for such repayment, (2) a portion of the College's capital reserve fund and (3) certain hospitality taxes provided by Beaufort County.

6. OPERATING COSTS IMPLICATIONS

Attach Form A-49 if any additional operating costs or savings will result from this request. This includes costs to be absorbed with current funding.

7. ESTIMATED PROJECT SCHEDULE AND EXPENDITURES

Estimated Start Date: June 2018 Estimated Completion Date: Nov 2020  
 Estimated Expenditures: Thru Current FY: \$145,000.00 After Current FY: \$10,908,000.00

8. ESTIMATES OF NEW/REVISED PROJECT COSTS

<b>PROJECT #</b>	6141
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- 1. \_\_\_\_\_ Land Purchase ---->
  - 2. \_\_\_\_\_ Building Purchase ---->
  - 3. 581,033.00 Professional Services Fees
  - 4. 1,100,000.00 Equipment and/or Materials ---->
  - 5. \_\_\_\_\_ Site Development
  - 6. 8,463,967.00 New Construction ---->
  - 7. \_\_\_\_\_ Renovations - Building Interior ---->
  - 8. \_\_\_\_\_ Renovations - Utilities
  - 9. \_\_\_\_\_ Roofing - \_\_\_\_\_ Roof Age
  - 10. \_\_\_\_\_ Renovations - Building Exterior
  - 11. \_\_\_\_\_ Other Permanent Improvements
  - 12. \_\_\_\_\_ Landscaping
  - 13. \_\_\_\_\_ Builders Risk Insurance
  - 14. \_\_\_\_\_ Other Capital Outlay
  - 15. \_\_\_\_\_ Labor Costs
  - 16. 108,000.00 Bond Issue Costs
  - 17. \_\_\_\_\_ Other: \_\_\_\_\_
  - 18. 800,000.00 Contingency
- \$11,053,000.00 TOTAL PROJECT BUDGET

Land: \_\_\_\_\_ Acres  
 Floor Space: \_\_\_\_\_ Gross Square Feet  
 Information Technology \_\_\_\_\_  
 Floor Space: 29,268 Gross Square Feet  
 Floor Space: \_\_\_\_\_ Gross Square Feet

ENVIRONMENTAL HAZARDS	
Identify all types of significant environmental hazards (including asbestos, PCB's, etc..) present in the project and the financial impact they will have on the project.	
Type: _____	_____
<u>Cost Breakdown</u>	
Design Services	\$ _____
Monitoring	\$ _____
Abate/Remed	\$ _____
Total Costs	<u>\$ 0.00</u>

9. PROPOSED SOURCE OF FUNDING

Source	Previously Approved Amount	Increase/Decrease	Original/Revised Budget	Transfer to/from Proj. #	Rev Object Code	Treasurer's ID Number	Rev Sub Fund	Exp Sub Fund
(0) CIB, Group			0.00 0.00		8115		3043	3043
(1) Dept. CIB, Group			0.00 0.00		8115		3143	3143
(2) Institution Bonds			0.00 0.00					3235
(3) Revenue Bonds Foundation /JEDA Bond			0.00 0.00					3393
(4) Excess Debt Service			0.00 0.00					3497
(5) Capital Reserve Fund			0.00 0.00		8895		3603	3603
(6) Appropriated State			0.00 0.00		8895	68800100	1001	3600
(7) Federal			0.00 0.00			78800100		5787
(8) Athletic			0.00 0.00			88800100		3807
(9) Other (Specify) Beaufort Co. Hospitality Taxes College Capital Reserve Fund Foundation/JEDA Revenue Bond	145,000.00	408,000.00	553,000.00		7606	98800100		3907
<b>TOTAL BUDGET</b>	<b>\$145,000.00</b>	<b>\$10,908,000.00</b>	<b>\$11,053,000.00</b>					

10. SUBMITTED BY: *L.H. Smith* VP for Administrative Services May 21, 2019  
 Signature of Authorized Official and Title Date

11. APPROVED BY: \_\_\_\_\_ Authorized Signature and Title Date  
 (For Department Use Only)

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

1. AGENCY Code H59 Name Technical College of the Lowcountry

2. PROJECT Project # 6141 Name Lowcountry Culinary Arts Institute and Interpretive Center Construction

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 partial	\$ 108,000.00	\$	\$	\$ 108,000.00
2) 2021	\$ 391,560.00	\$	\$	\$ 391,560.00
3) 2022	\$ 495,126.00	\$	\$	\$ 495,126.00

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

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

Additional costs will be absorbed into the College's existing budget. Annual increase in operating costs as reflected in Section 4 account for increases in student enrollment.

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>Chef/Dean salary and benefits</u>	<u>\$40,000.00</u>
2. <u>Chef salary and benefits</u>	<u>16,250.00</u>
3. <u>Administrative Assistant salary and benefits</u>	<u>10,000.00</u>
4. <u>Custodial salary and benefits</u>	<u>8,250.00</u>
5. <u>General repair and maintenance</u>	<u>3,500.00</u>
6. <u>Utilities</u>	<u>15,000.00</u>
7. <u>Educational Supplies (food)</u>	<u>10,500.00</u>
8. <u>Office supplies, other supplies, uniforms</u>	<u>4,500.00</u>
<b>TOTAL</b>	<b><u>\$108,000.00</u></b>

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved. 4

9. Submitted By: *M. H. Swartz* Vice President for Administrative Services                      9 April 2019  
 Signature of Authorized Official and Title                      Date

1. Provide the total projected cost of the project. Attach a summary of the costs prepared during the A&E pre-design phase to support the total cost.

Total projected cost of the project is \$11,053,000.

2. Identify the source(s) of funds for construction. If any private or federal funds are included, attach a letter guaranteeing the availability of the funds.

Beaufort County General Fund, the College's capital reserve fund and a SC Jobs-Economic Development Revenue Bond issued for the Technical College of the Lowcountry Foundation (see question #5 describing the Bond). Please see attached letter and ordinance from County Council of Beaufort County, dated March 27, 2019, which memorializes financial commitments by Beaufort County.

3. Describe and define each fund source to be used for construction. Cite any statutory authority, including the code section other provision of law for use of the funds for permanent improvement projects. If the source includes any fee, provide the name of the fee, the fee amount, the frequency of collection and when the fee was first implemented.

Beaufort County Ordinance No. 2018/56 enacted by the Beaufort County Council. The governmental entities (Beaufort Co, Town of Bluffton, and Beaufort County School District) have committed to provide an upfront payment of Hospitality Taxes equal to \$3,243,000 and ten annual payments of \$800,000 (equal to \$8,000,000 total). The annual payments are anticipated to be paid to the Foundation to pay a portion of the debt service on the Bond, and a portion of the Hospitality Taxes will be set aside to repay the Bond. In addition, \$2,500,000 from the College's capital reserve fund, together with a portion of the Hospitality Taxes and the proceeds of the Bond, will be used for the project. The fee associated with the College's capital reserve fund is defined in question #2, in the Higher Education section of this questionnaire.

4. Provide the current uncommitted balance of funds for each source described above.

Of the Beaufort County Hospitality Taxes, \$3,227,000 remains uncommitted. The \$8,000,000 Bond will to be issued for the Foundation is to be issued with Phase II approval. The current balance of the College's capital reserve fund is \$4,477,323, of which \$2,500,000 would be committed toward the project.

5. If institution or revenue bonds are included as a source, provide when the bonds were issued. If not issued yet, provide when the bond resolution is expected to be brought for State Fiscal Accountability Authority approval.

The Bond will be issued for the Foundation (not the college) to finance a portion of the costs of the project and only the Foundation will be responsible for its repayment. The Bond is expected to be issued following Phase II construction budget approval. All state and local approvals in connection with the Bond have been obtained.

6. If a student fee is used to fund debt service, provide the current amount of the fee collected annually or by semester. Specify which.

The College charges a capital fee by semester of \$4.00 per credit hour that is deposited in its capital reserve fund. Currently, approximately \$80,000 is deposited annually in the capital reserve fund.

7. Indicate whether or not the use of any funds for construction will require an increase in any student fee or tuition. Describe any increase in student fees effected in prior years that has contributed to the availability of these funds.

No student tuition or fee increase is required for construction of this facility.

8. If the project qualifies for the JBRC policy requirement to meet the LEED certification/Green Globes certification as the conservation measure, please attach the findings of a cost-benefit analysis showing the anticipated energy savings over the life of the project. Additionally, attach the checklist of items to be included to achieve LEED points or a description of the energy measures to achieve LEED.

Preliminary findings are provided. The project would be designed to meet the requirements of LEED Silver certification. Preliminary estimates are energy reductions of 10% to 25% in comparison with a baseline facility. Analysis shows that over 30-year period estimate on energy savings is between \$300,000 and \$750,000 with initial increase in cost of \$750,000.

9. If the project does not qualify for the JBRC policy requirement to meet the LEED certification/Green Globes certification as the construction measure, provide what savings/conservation measures will be implemented within the project. Explain the energy savings measures to be implemented as part of this project. If there are no energy savings measures included, state that and explain why.

Design tasks, check lists, and construction tasks are to be measured against the LEED certification check lists. These requirements will be uploaded and reviewed concurrent with construction and at the end of construction. The full cost benefit analysis will be provided once derived from running the energy model analysis.

10. Provide the projected date (month and year) for execution of the construction contract.

November 2019

11. Provide the projected date (month and year) for completion of construction.

November 2020

12. Describe the programs that will use the constructed or renovated space.

The Culinary Arts Institute will offer degrees in Culinary Arts AAS, Health Nutrition AAS, Baking and Pastry AAS, Hospitality AAS, and certifications in Hospitality, such as Artisan Foods, Fish and Seafood, Culinary Manager, Food and Beverage Management, and Event Management. In addition, the institute will offer Continuing Education courses and personal enrichment programs.

13. Provide the total square footage of the building to be renovated or constructed.

New construction of an approximately 29,268 sq/ft facility.

14. If a portion of the building is to be renovated, provide the square footage of the portion that will be included in the renovation.

N/A

15. Provide the current age of the building and building systems to be renovated or replaced.

N/A

16. If any new space is being added to the facility, provide demand and usage data to support the need.

N/A

17. Provide an estimate of the numbers of students, faculty, staff and clients that are expected to utilize the space associated with the project or building.

300 Students; 6 faculty; 4 staff. Facility also will support general education classes in support of culinary degrees. Facility is expected to attract visitors to its Culinary Arts Interpretive Center, and diners to the teaching restaurant. Facility will afford opportunity for use beyond the number of participating students; e.g. school field trips, patrons and employees of local businesses and agencies, tourists/visitors to the Bluffton/Hilton Head area, organizations approved for renting facility meeting space.

18. If the construction cost increased significantly from the internal estimate and/or from the total estimated cost provided on the CPIP (30% or more), provide what factors caused the cost to increase.

N/A

19. If the contingency is more than 10%, explain why.

Contingency is less than 10%.

20. If funds are being transferred from another project, provide the current status of the project from which funds are being transferred.

N/A.

21. Indicate whether or not the project has been included in a previous year's CPIP. If so, provide the last year the project was included and year for which it was proposed.

2018 CPIP. Project 1 of Year 1.

22. Provide the economic impact of the project or project request, including job creation and retention. If there is no economic impact, provide an explanation.

Analysis of regional job growth in Beaufort County, with emphasis on two leading industries for the region--the resort hospitality and tourism industry and the health care industry--predicts 500 new food service jobs annually. Estimated 1/3 of new jobs, or approximately 170 jobs annually will require culinary training of an associate's degree and/or post-secondary certificate in culinary arts. Project will create 4 new jobs in its first year with a projected increase of 2 jobs in the second year. While difficult to measure with precision the project's impact relative to creating jobs or enhancing existing culinary jobs, a conservative estimate of the number of jobs that will be created is 40 jobs within 12 months of Culinary Institute operations: 120 jobs within 24 months of Culinary Institute operations. Design and construction will of course have the expected favorable impact on architects, engineers, builders and tradesman.

23. Discuss how maintenance of this facility construction/renovation will be addressed and funded.

The annual maintenance needs of the facility will be identified and funded through the College's annual maintenance and budgeting process. Known and scheduled maintenance needs along with equipment service-life estimates are incorporated into the college's maintenance plan. The process will address priority of maintenance and ability to address unexpected maintenance contingencies. Funding for maintenance will be informed by the annual maintenance plan, with requirements met through resources from the College's Physical Plant account. Given this is new construction, significant renovation is not

anticipated for several years into the life of the facility. Funding for significant maintenance contingencies will be met through the college's capital reserve.

24. Provide the name of any account from which costs of deferred maintenance are addressed and its current uncommitted balance. Indicate the sources used to fund the account.

The College does not employ a deferred maintenance account. The College does employ a maintenance plan setting aside funds to address known/planned maintenance needs and potential maintenance contingencies. The estimated annual maintenance costs of the culinary facility are included in the annual budgeting process. Funds are allocated through this process to accomplish required maintenance.

25. If funding for maintenance of this facility construction/renovation has not yet been determined, discuss the steps that have been taken to address and fund maintenance of this and other facilities owned or managed by the agency or institution.

N/A

**TO BE PROVIDED FOR HIGHER EDUCATION PROPOSALS**

1. Indicate whether or not the use of any funds for construction will require an increase in any student fee or tuition. Describe any increase in student fees effected in prior years that has contributed to the availability of these funds.

No funds for this project will require an increase in student tuition or fees.

2. If the use of any funds for construction includes any student fee, provide the name of the fee, the fee amount, the frequency of collection and when the fee was first implemented.

The College's capital fee is \$4.00 per credit hour and is collected by semester per established tuition and fee payment schedules. The fee was first implemented in 2013. The current balance of the capital fund is \$4,777,323 from which the College is committing \$2,500,000 to its culinary project. No further commitment of the balance has been planned.

Provide a five-year history of each component within the institution's tuition and fee structure designated or utilized for permanent improvements. Identify the tuition or fee component per student, per semester; the total revenue collected during the academic year; and the fund balance at fiscal year end, all delineated by academic year. Include a projection for the ensuing academic year, and any future academic years in which the fee is projected to increase. Use the following format in responding to this question and provide as many tables as are necessary to promote a clear understanding of the relationship of tuition and fee revenue designated by the institution for permanent improvements, maintenance and other facility-related expense, including debt service.

Academic Year	Amount per student per semester	Total Revenue Collected During Academic Year	Amount Expended for Permanent Improvements	Fund Balance at Year End
2014-15	\$27.00	\$21,500,000.00	See next chart	See next chart
2015-16	\$27.00	\$22,400,000.00		
2016-17	\$26.00	\$21,100,000.00		
2017-18	\$26.00	\$22,300,000.00		
2018-19	\$26.00	\$22,900,000.00		
2019-20*	\$26.00	\$22,900,00.00		

\*Projection

Total Tuition and Fees*						
Academic Year/FY	Tuition and Required Fees	Total Tuition and Fee Revenue	Operations and Maint. of Physical Plant	Expended for Permanent Improvements	Fund Balance	Fund Balance after GASB 68 & 75
2013-14	\$3,940	\$8,840,274.00	\$1,878,199	\$0.00	(\$4,608,365)	(\$2,835,679)
2014-15	\$4,060	\$9,340,199.00	\$1,748,556	\$458,323	(\$6,898,364)	(\$9,668,248)
2015-16	\$4,180	\$9,180,555.00	\$1,786,291	\$142,099	(\$6,221,792)	(\$11,960,594)
2016-17	\$4,276	\$8,820,643.00	\$1,321,340	\$753,884	(\$6,047,604)	(\$13,566,699)
2017-18	\$4,420	\$9,459,715.00	\$1,505,704	\$980,989	(\$5,545,948)	(\$29,189,152)
2018-19	\$4,684	\$9,813,768.00	\$1,590,472	\$902,718	(\$4,777,323)	(\$29,189,152)

\*From audited statements where available

- Identify any other funds not specifically designated that may be utilized or redirected for permanent improvements, maintenance and other facility-related expense, including debt service. Provide a five-year history of total collections, by fund; amounts applied to or for permanent improvements, maintenance and other facility-related expense, including debt service; and the fund balance at fiscal year end, delineated by academic year. Include a projection for the ensuing academic year, and any future academic years in which the revenue is projected to increase. Describe any portion of the source that originates from any tuition or fee component. Include all permanent improvements without regard to Joint Bond Review Committee or State Fiscal Accountability approval requirements. Use the following format in responding to this question

and provide as many tables as are necessary to provide a complete and comprehensive response for each fund.

**Fund Source or Name:**  
**Description:**

<b>Academic Year</b>	<b>Total Revenue Collected During Academic Year</b>	<b>Portion Collected From Tuition or Fee Revenues</b>	<b>Amount Expended for Permanent Improvements</b>	<b>Fund Balance at Year End</b>
2014-15				
2015-16				
2016-17				
2017-18				
2018-19				
2019-20*				

\*Projection

- Describe the fund sources reflected above that will be utilized to support the project that is the subject of this Phase I proposal.

Technical College of the Lowcountry \_ Lowcountry Culinary Arts Institute and Interpretive Center  
**Outline of Funding**

**Project H59-6139-LP** Phase I \$ 15,000.00

Phase II \$ 675,000.00

SubTotal: \$ 690,000.00

Land Services  
 Land Purchase Price

Beaufort County commitment: \$11,243,000  
 TCL commitment \$2,500,000  
 \$13,743,000

**Project H59-6141-ML** Phase II \$ 145,000.00

Phase II \$ 230,000.00

\$ 8,463,967.00

\$ 108,000.00

\$ 1,106,033.00

\$ 1,000,000.00

SubTotal: \$ 1,053,000.00

Professional Services Schematic Design  
 Professional Services  
 Construction  
 Bond Issue Costs  
 Furniture, Fixtures & Equipment (FF&E)  
 Contingency (of which \$500K derived from next below)

**College commitment (\$2.5M)** Sub Total \$2,000,000

college capital reserve account (capital reserve) for "debt service" on bond  
 H59-6141-ML construction

\$13,743,000 Construction + Land Purchase

The \$13,053,00 listed in Section #2 of the A-1  
 for Construction is comprised of project costs  
 listed here (\$11,053,000) "plus" the college's  
 commitment to bond debt service

Supporting Notes

- The project is totally "locally" funded.
- Beaufort County has committed a total of \$11,243,000 in the aggregate from its general funds.
- Of the \$11,243,000, Beaufort County has committed to provide \$3,243,000 of local hospitality taxes - cash available
- The Technical College of the Lowcountry Area Commission has approved \$2.5M to be committed from the college's capital fund (this fund is also referred to as the 'capital reserve').

COUNTY COUNCIL OF BEAUFORT COUNTY  
ADMINISTRATION BUILDING  
BEAUFORT COUNTY GOVERNMENT ROBERT SMALLS COMPLEX  
100 RIBAUT ROAD  
POST OFFICE DRAWER 1228  
BEAUFORT, SOUTH CAROLINA 29901-1228  
TELEPHONE: (843) 255-2180

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INTERIM CLERK TO COUNCIL

[www.beaufortcountysc.gov](http://www.beaufortcountysc.gov)

May 1, 2019

**Subj: County of Beaufort's support for the Culinary Arts Institute and Interpretive Center and the funding source requirements.**

To Whom It May Concern:

This letter serves to explain that the Buckwalter Place Commerce Park MCIP is the primary funding source for the Culinary Arts Institute and the requirements that the MCIP funds be re-invested into the MCIP area.

An intergovernmental agreement between Beaufort County and Town of Bluffton established the Buckwalter Place Commerce Park as a MCIP. Under the terms of the Buckwalter MCIP, each party agrees that 100% of its MCIP tax revenue shall be used for purposes associated with economic development. Additionally, the Intergovernmental Agreements between Beaufort County and the Town of Bluffton require that revenues generated from the MCIP must be re-invested in the area of the MCIP.

Both Beaufort County and Town of Bluffton committed available Buckwalter MCIP tax revenues to the Culinary Arts Institute. The County desires to support the Culinary Arts Institute and Interpretive Center and concluded that revenues from the MCIP would be an appropriate funding source should TCL decide to locate the facility in the MCIP. The County and the Town of Bluffton agree that the project meets the Buckwalter MCIP economic development criteria. In addition, Beaufort County School District voted to provide funds derived from Buckwalter MCIP tax revenue for the construction of the Culinary Arts Institute and Interpretive Center at the Technical College of the Lowcountry.

Sincerely,

Stewart H. Rodman  
Chairman, Beaufort County Council

cc: The Honorable Paul D. Sommerville, Vice-Chairman Beaufort County Council  
Ashley Jacobs, County Administrator

COUNTY COUNCIL OF BEAUFORT COUNTY  
OFFICE OF THE INTERIM COUNTY ADMINISTRATOR  
ADMINISTRATION BUILDING  
BEAUFORT COUNTY GOVERNMENT ROBERT SMALLS COMPLEX  
100 RIBAUT ROAD

JOSHUA GRUBER  
INTERIM COUNTY ADMINISTRATOR

CHERYL HARRIS  
EXECUTIVE ASSISTANT

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www.bcgov.net

THOMAS J. KEAVENY, II  
COUNTY ATTORNEY

March 21, 2018

Subj: Outline of Financial Contributions for the Culinary Arts Institute and Interpretive Center at the Technical College of the Lowcountry

To Whom It May Concern:

This letter serves as an outline of the financial contributions that have been committed by various governmental entities within Beaufort County to ensure the construction of a Culinary Arts Institute and Interpretive Center at the Technical College of the Lowcountry.

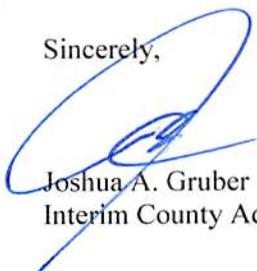
On January 8, 2018, Beaufort County Council adopted Ordinance 2018-2. This Ordinance pledges funding in an amount of \$5,000,000 to be derived from revenues generated within a Multi-County Industrial Park (MCIP) for the purposes of constructing a Culinary Institute. Additionally, Beaufort County Council adopted Ordinance 2018-3, which allocated Local Hospitality Tax funding in the amount of \$3,243,000 for this same project. The Local Hospitality Tax funds are currently on deposit with the County and are available for immediate draw down against project expenses.

On August 22, 2017, the Town Council for the Town of Bluffton held a special meeting and unanimously voted to authorize \$500,000 in revenues generated from the MCIP that it jointly manages with the County for the purposes of constructing a Culinary Institute.

On August 15, 2017, the Beaufort County School Board voted to provide funding for the construction of a Culinary Institute in the amount of \$125,000 per year for a period of twenty years, thereby representing a total financial commitment in the amount of \$2,500,000. These funds are to be derived from revenue generated within the MCIP.

Based on the foregoing information, there has been a total financial commitment made to the creation of the Culinary Institute at the Technical College of the Lowcountry in the amount of \$11,243,000. Of this amount, \$3,243,000 is immediately available for use on this project and the remaining amounts can be provided as they are collected from within the existing MCIP. Currently, the existing developments within the MCIP generate well in excess of \$300,000 per year and are projected to substantially increase over the next couple of years as existing development projects within that area and currently under construction are brought online.

Sincerely,



Joshua A. Gruber  
Interim County Administrator



## BEAUFORT, SC

REGIONAL CHAMBER OF COMMERCE

May 3, 2017

The Honorable Paul Sommerville, Chairman  
Beaufort County Council  
PO Drawer 1228  
Beaufort, SC 29906

Dear Chairman Sommerville:

The Beaufort Regional Chamber of Commerce Board of Directors encourages Beaufort County Council to fund the Lowcountry Culinary Arts Institute at the Technical College of the Lowcountry.

The Beaufort Regional Chamber of Commerce believes that the Lowcountry Culinary Arts Institute at TCL will add to the tourist experience, and its students will keep the local dining scene vibrant. A trained culinary workforce will support the \$1.2 Billion dollar economic impact that our travel & tourism industry drives in Beaufort County.

Thank you for your consideration and support of the Lowcountry Culinary Arts Institute at TCL. We believe your investment will yield fruit for the Beaufort economy for generations to come.

Sincerely,

A handwritten signature in black ink, appearing to read 'Blakely T. Williams'.

Blakely T. Williams  
President & CEO

**Blakely Williams, President/CEO**  
*Beaufort Regional Chamber of Commerce*

**Leigh Copeland, Chair**  
*Technical College of the Lowcountry*

**Jim Wegmann, Past Chairman**  
*Weidner, Wegmann & Harper*

**Whitney McDaniel, Treasurer**  
*Wells Fargo Advisors*

**Cliff Mrkvicka, Chair Elect**  
*Lockheed Martin*

**Kevin Dukes, Director at Large**  
*Harvey & Battey, PA*

**John Dickerson**  
*Sleep In History!*

**Chip Dinkins**  
*Plums/Saltus Restaurants*

**Edward Dukes**  
*Lowcountry Real Estate*

**Ben Duncan**  
*Hargray*

**Pamela Flasch**  
*Beaufort Jasper Water Sewer Authority*

**Tina Gentry**  
*United Way of the Lowcountry*

**Karen Gilbert**  
*Beaufort County School District*

**Malcolm Goodridge**

**Terrance Green**  
*Coldwell Banker Realty*

**David Homyk**  
*Beaufort Memorial Hospital*

**Christian Kata**  
*Ameris Bank*

**Frank Lesesne**  
*Anchorage 1770*

**Susan Sauer**  
*Discover Tours*

**Jay Taylor**  
*Kinghorn Insurance Agency of Beaufort*

**Mary Ann Thomas**  
*The Cuthbert House Inn*

**Charlie Williams**  
*Investor*



COPY

HILTON HEAD ISLAND • BLUFFTON  
CHAMBER OF COMMERCE

---

April 18, 2017

The Honorable Paul Sommerville, Chairman  
Beaufort County Council  
PO Drawer 1228  
Beaufort, SC 29906

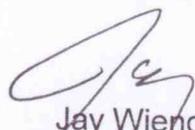
Dear Chairman Sommerville:

The Hilton Head Island-Bluffton Chamber of Commerce Board of Directors enthusiastically supports your recent decision to fund the Lowcountry Culinary Institute at TCL. As the leading pro-business & education organization in our area, we understand the major positive impact this program will have in support of our expanding hospitality industry. One of the points of the chamber's 2017 legislative agenda is to encourage funding of the Technical College of the Lowcountry for certificate programs related to job skills training in specialized areas.

Through your leadership, a critical step has been taken in the right direction and we encourage your partnership with the Town of Bluffton as well as the school districts in making this program a reality. The Culinary Institute will not only be an infusion to our local economy but will attract the much-needed workforce to sustain our tourism market and exponentially grow our healthcare industry. Competition is fierce among counties and regions for growing a viable workforce and this is a positive step to ensure we remain ahead of the others.

We commend your decision to fund the Lowcountry Culinary Institute at TCL and will support this initiative through advocacy and in any other possible.

Sincerely yours,



Jay Wiendl  
Chairman of the Board



William G. Miles, IOM, CCE  
President & CEO



## BEAUFORT COUNTY BOARD OF EDUCATION

April 3, 2019

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Interim Superintendent

**ROBYN CUSHINGBERRY**

Executive Assistant to the Board

Joint Bond Review Committee  
c/o Andrew H. Smith  
Vice President for Administrative Services  
Technical College of the Lowcountry  
921 Ribaut Road/PO Box 1288  
Beaufort, SC 29901-1288

To the Members of the Joint Bond Review Committee:

The Beaufort County School District supports the Technical College of the Lowcountry's request to purchase 1.0 acres of land for the college's new construction project H59-6141-ML, The Culinary Institute of the South. An August 15, 2017 motion to forego \$125,000 per year of MCIP funds for 20 years memorializes the School District's financial commitments to the construction costs of the project.

The parcel of land located at 1 Venture Drive, Bluffton, Beaufort County, South Carolina (Beaufort County GIS: R610 022 000 1112 0000), and identified as Project H59-6139-LP, resides in the Beaufort County School District. The Beaufort County School District acknowledges that the land transaction in support of the construction project will result in the property being removed from the county's tax rolls.

The Beaufort County School District looks forward to the construction of The Culinary Institute of the South, its offerings of associates degrees and certificates in the culinary arts and its continued partnership with the Beaufort County School District.

Sincerely,

Christina Gwozdz, M.D.  
Chair  
Beaufort County Board of Education

**ORDINANCE NO. 2018 / 56**

**A SUPPLEMENTAL ORDINANCE ESTABLISHING A TIMELINE FOR FUNDS TO BE PROVIDED FROM BEAUFORT COUNTY TO THE TECHNICAL COLLEGE OF THE LOWCOUNTRY FOR THE FINANCING AND CONSTRUCTION OF THE LOWCOUNTRY CULINARY INSTITUTE AND TOURISM CENTER**

**WHEREAS**, Beaufort County Council previously adopted Ordinance 2018/3 committing \$3,243,000 in Hospitality Tax funds for the construction of a culinary art institute and tourism center (CAI) by the Technical College of the Lowcountry (TCL); and

**WHEREAS**, Beaufort County Council previously adopted Ordinance 2018/2 committing \$5,000,000 from revenues generated from the Buckwalter MCIP and from other lawfully available revenues generated from ad valorem taxes collected from properties within the Buckwalter MCIP after the expiration of the Intergovernmental Agreement dated April 28, 2008 (MCIP Agreement), among Beaufort County, the Town of Bluffton (Town), and Beaufort County School District (School District); and

**WHEREAS**, the MCIP Agreement (authorized by Ordinance 2008/15 and 2008/22) is presently scheduled to expire in April 2028; and

**WHEREAS**, Beaufort County, the Town, and the School District entered into a Memorandum of Understanding dated February 15, 2018 whereby each entity provides a financial commitment to TCL for the construction of the CAI, as follows:

- the Town has committed \$500,000 from the Buckwalter MCIP funds from now until the expiration of the MCIP Agreement; and
- the School District has committed \$125,000 per year for 20 years from revenues generated from properties within the Buckwalter MCIP for a total of \$2.5 million; and
- Beaufort County has committed \$5,000,000 from revenues generated by the properties in the Buckwalter MCIP through the expiration of the MCIP and, if necessary, from ad valorem taxes generated from properties within the Buckwalter MCIP after the expiration of the MCIP Agreement, and \$3,243,000 from immediately available Hospitality Tax funds; and

**WHEREAS**, TCL is in the process of arranging for the issuance by the South Carolina Jobs-Economic Development Authority of approximately \$8,000,000 of Revenue Bonds by or on its behalf to finance the construction of the CAI; and

**WHEREAS**, TCL has represented that securing the above-described commitments from Beaufort County, the Town and the School District have induced TCL to arrange for the issuance of the Revenue Bonds; and

**WHEREAS**, in order to issue the Revenue Bonds, it is evident that establishing the timeline for the County's \$5,000,000 commitment from the Buckwalter MCIP and ad valorem taxes from properties within the Buckwalter MCIP after the expiration of the MCIP Agreement is necessary; and

**WHEREAS**, because the School District's commitment is over a period of 20 years, it is necessary to confirm that Beaufort County will provide funds for years 11-20 on behalf of the School District and thereafter receive reimbursement from the School District from ad valorem taxes generated by properties within the Buckwalter MCIP after the expiration of the MCIP Agreement; and

**WHEREAS**, it is possible that the Buckwalter MCIP revenues will not be sufficient to enable Beaufort County, the Town and the School District to fully satisfy their respective commitments before the MCIP Agreement expires in 2028 thereby necessitating supplemental funds from the General Fund or an extended financing period; and

**WHEREAS**, TCL desires a ten year commitment from Beaufort County in an effort to keep the cost of the Revenue Bonds at a minimum and not extend the financing period and has committed approximately \$1.7 million of its capital reserve funds to help pay debt service for the Revenue Bonds, if necessary, in the event receipts from Beaufort County, the Town or the School District are insufficient to pay the debt service on the Revenue Bonds; and

**WHEREAS**, there have been discussions outlying a ten year period for Beaufort County's \$5,000,000 commitment wherein the School District revenues would be collected to reimburse Beaufort County in years 11-20 of the School District's commitment; and

**WHEREAS**, Beaufort County acts as the fiscal agent for collection of Buckwalter MCIP revenues and ad valorem taxes for both the School District and the Town.

**NOW, THEREFORE, BE IT ORDAINED** as follows:

1. Beaufort County Council commits Beaufort County's portion of revenues generated from the Buckwalter MCIP and other general fund revenues (County Sources), up to a total of \$5,000,000, subject to annual appropriation as provided in Section 4 herein, to TCL for financing and construction of the CAI, including the payment of debt service on the Revenue Bonds issued therefor; provided, the Revenue Bonds may have periodic interest and principal payments as long as the aggregate annual payments are substantially equal and the County Sources shall be made available as and when debt service payments are due thereon. It is further ordained, that Beaufort County Council will meet its \$5,000,000 financial commitment within 10 years of the issuance of the Revenue Bonds or the end of calendar year 2028, whichever comes first.

2. Beaufort County Council hereby finds that TCL's construction of the CAI, and Beaufort County's commitment described above serves a corporate and public purpose. As

authorized by Ordinance 2018/3 committing \$3,243,000 in Hospitality Tax funds, Beaufort County Council confirms such funds shall be immediately available to TCL upon commencement of construction of the CAI.

3. Beaufort County, acting as fiscal agent, will ensure the financial commitments of the Town and the School District are met as provided for in the February 15, 2018 Memorandum of Understanding. As such, the County will provide the funds to satisfy the Town's and the School District's commitment during the term of the MCIP Agreement, to the extent MCIP revenues are insufficient therefor, and to satisfy the School District's commitment during the ten years following the expiration of the MCIP Agreement (e.g., years 11-20 during the period 2018-2028), by advancing such funds during the term of the MCIP Agreement at the same time and in the same amounts as Beaufort County's commitment described above (e.g. within 10 years of the issuance of the Revenue Bonds or the end of calendar year 2028, whichever comes first). Thereafter, to the extent the Town's or the School District's commitment was advanced or satisfied by Beaufort County during the term of the MCIP Agreement, the Town's or the School District's portion of ad valorem taxes generated from properties within the Buckwalter MCIP after the expiration of the MCIP Agreement, as applicable, will be applied to reimburse Beaufort County for any such payments made in advance or to satisfy the Town's and the School District's commitment on mutually agreeable terms.

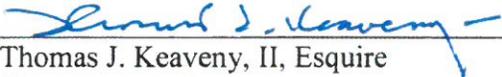
4. It is the intent of Beaufort County that it will make \$800,000 payments annually in the aggregate, to or upon order of TCL, for a period of ten years (e.g. within 10 years of the issuance of the Revenue Bonds or the end of calendar year 2028, whichever comes first), on behalf of itself and as fiscal agent for the Town and the School District, to satisfy their respective commitments, in addition to the Hospitality Tax funds provided by separate ordinance.

DONE this 10<sup>th</sup> day of December 2018.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY:   
D. Paul Sommerville, Chairman

APPROVED AS TO FORM:

  
Thomas J. Keaveny, II, Esquire  
County Attorney

ATTEST:

  
Connie L. Schroyer, Clerk to Council

First Reading: September 24, 2018, By Title Only

Second Reading: November 5, 2018

Public Hearing: December 10, 2018

Third and Final Reading: December 10, 2018

**Chronology**

- Third and final reading approved on December 10, 2018 / Vote 10:0
- Second reading approved on November 5, 2018 / Vote 11:0
- First reading, by title only, occurred on September 24, 2018 / Vote 11:0
- Finance Committee discussed and recommended on September 24, 2018 / Vote 7:0

Technical College of the Lowcountry  
 Campaign for Culinary  
 Gift Range Plan

Gift Range	No. of Gifts	No. of Prospects	Subtotal	Cum. %	Cum. %
\$ 200,000	1	4	\$ 200,000	\$ 200,000	10%
\$ 150,000	1	4	\$ 150,000	\$ 350,000	18%
\$ 100,000	2	8	\$ 200,000	\$ 550,000	28%
\$ 75,000	3	12	\$ 225,000	\$ 775,000	39%
\$ 50,000	5	20	\$ 250,000	\$ 1,025,000	51%
\$ 38,000	8	32	\$ 304,000	\$ 1,329,000	66%
\$ 25,000	10	40	\$ 250,000	\$ 1,579,000	79%
\$ 13,000	12	48	\$ 156,000	\$ 1,735,000	87%
\$ 5,000	12	48	\$ 60,000	\$ 1,795,000	90%
Under 5,000.00	82	328	\$ 205,000	\$ 2,000,000	100%
Totals	136	544	\$ 2,000,000	\$ 2,000,000	

Current commitments \$ 400,000

Balance of Goal \$ 1,600,000

Outstanding 'ask/s' \$ 750,000

May 14, 2019

Mr. Michael Kronimus  
KRA architecture + design  
Two Verdier Plantation Road  
Bluffton, SC 29910

Re: TCL Culinary School – LEED Initial Cost-Benefit Letter  
Bluffton, SC  
MME #: JAX18142

Dear Mr. Kronimus:

As requested, we have been asked to provide a letter addressing our estimate for a cost-benefit analysis showing the anticipated savings over the life of the project.

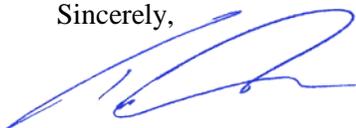
Since we are in the initial design stages, the design and construction team has not progressed enough to provide a cost of construction analysis based on the LEED scorecard, however, the design team has provided an initial LEED scorecard for the above-mentioned facility proposing 53 points which is within the LEED Silver range. Based on our initial scorecard and our understanding of the original programming, our preliminary estimate, based on historical data, is that the soft and hard costs to achieve these points will increase the project costs by roughly 5% to 7.5%, or approximately \$750,000 to \$1,000,000.

Also, the design team has not yet performed the energy models due to the project being in the initial design stage and the design team not receiving an estimate towards the quantity and schedule of classes or full operation of the facility, but, estimate, based on historical data, that this project will see energy reductions in comparison to a baseline facility between 10% to 25%. From our preliminary analysis, we have assumed that the utility bill will be approximately \$100,000/yr. Therefore, a 10% reduction would be a savings of approximately \$10,000/yr while a 25% reduction would be a savings of \$25,000/year

Based on the information above, and excluding inflation and equipment maintenance and repairs, over a 30-year time-line, the energy savings is estimated to be between \$300,000 and \$750,000 while the initial increase in costs is estimated to be between \$750,000 and \$1,000,000.

Please review and let me know if you have any questions or require any further clarifications.

Sincerely,



**Tim Owen, P.E., LEED AP**  
*Managing Director Jacksonville Office*  
*Vice President / Senior Structural Engineer*

## TCL Culinary School Buckwalter Place – Bluffton, SC

RE: Project Qualifications and Clarifications

### **Documents**

This proposal is based on:

- The following drawings prepared by KRA Architects + Design:
- SP1.0 Site Plan, A1.0 First Floor Plan, A1.1 Second Floor Plan, A2.0 Building Elevations, A1.0 First Floor Plan (Foundations/Columns), A1.1 Second Floor Plan (Steel), A1.2 Third Floor Plan (Roof steel).
- The gross square footage of 29,268 for conditioned space of the building.

### **Demolition**

- No remediation for hazardous materials is included.
- No demolition of concrete or pavement for underground utilities is included as this site appears not to have any at this time.
- Removal or rework of existing underground utilities.

### **Concrete**

- The foundations are conventionally reinforced concrete.
- There is no underpinning or support of adjacent structures included.
- The Outdoor Amphitheatre and Open Terrace are broom finished concrete.

### **Structural & Misc. Steel**

- The structural & misc. steel is primed with a standard shop primer after SSPS-SP2 cleaning.

### **Fireproofing**

- There is no fireproofing included for the structure.

### **Drywall**

- Drywall is bid as level 4 finish
- No EIFS, stucco or plaster is included.

### **Flooring**

- Includes a standard VCT from manufacturers standard color range in the Offices, Classrooms, Teaching & Demo Kitchens and the Cafe. LVT in the Main Lobby, Bistro and Interpretive Center. Hard tile is included in the Baking and Kitchen areas.

### **Painting**

- The interior walls are painted to the ceiling and no finish is included above it.
- No painting of piping, roof and floor deck is included.

### **Food Service Equipment**

- Food Service Equipment by Others.

### **Casework**

- An allowance of \$60,000.00 is included for cabinets and casework.

### **Fire Protection**

- Based on adequate water supply being available in volume and pressure.
- There are no seismic supports included.

### **HVAC**

- Test & Balance is included.

### **Sitework**

- The site location is Buckwalter Place.
- There is minimal sitework involved since it appears this is in an existing developed location.
- The underground utilities are considered to be within the construction limits of the building. Utility tie-ins are limited to short distances.
- No dewatering is included for the site.

### **Permits**

- Main building permit will be by the Owner.
- Trade required permits will be by specific trades.

It is our understanding that FF&E will be supplied and installed direct by the Owner there no costs for them are included this this bid proposal.

The following are not included in this proposal:

- Seismic considerations.
- Temporary water for the site.
- Consultant fees for building envelope or waterproofing.
- Projection screens and projectors.
- Special conditions for geo piers, piling, deep foundations or otherwise.
- Site dewatering.
- Fencing and gates.
- Vinyl ceiling tiles.
- Costs for independent commissioning agent for plumbing, HVAC or electrical systems.
- FF&E.

	pckge	Description	Total Amount
1	03A	CAST IN PLACE CONCRETE	411,750
2	04A	MASONRY	337,500
3	05A	STRUCTURAL STEEL	364,500
4	05D	ORNAMENTAL METAL FABRICATIONS	31,500
5	06A	ROUGH CARPENTRY	27,000
6	06E	FINISH CARPENTRY	40,500
7	07A	DAMPPROOFING, WATERPROOFING	35,100
8	07B	ROOFING SYSTEM, HORIZONTAL	135,000
9	07E	FIRE STOPPING	8,100
10	07G	MISCELLANEOUS INSULATION	9,450
11	08A	DOORS, FRAMES, FINISH HARDWARE	76,950
12	08B	STOREFRONT, CURTAINWALL, GLASS	354,020
13	08C	OVERHEAD DOORS, GRILLES	4,050
14	09A	DRYWALL, FRAMING	405,000
15	09C	ACOUSTICAL CEILINGS, TREATMENTS	81,000
16	09D	PAINTING, COATINGS, WALLCOVERINGS	94,500
17	09E	CARPET, RESILIENT FLOORING	431,842
18	10A	TOILET ACCESSORIES	33,750
19	10B	FIRE EXTINGUISHERS, CABINETS	2,025
20	10C	SIGNAGE	14,850
21	10D	OPERABLE PARTITIONS	81,000
22	10E	WALKWAY CANOPIES	60,750
23	10G	LOCKERS	1,350
24	10L	ARCHITECTURAL LOUVERS	6,750
25	10M	VISUAL DISPLAY BOARDS	20,250
26	10N	MISCELLANEOUS SPECIALTIES	20,000
27	11A	FOOD SERVICE EQUIPMENT	
28	11F	LOADING DOCK EQUIPMENT	10,000
29	12A	CASEWORK	100,000
30	12D	FIXED SEATING	27,000
31	14A	ELEVATORS, LIFTS	240,000
32	21A	FIRE PROTECTION	81,000
33	22A	PLUMBING	363,355
34	23A	HVAC	808,026
35	26A	ELECTRICAL	1,422,284
36	26B	COMMUNICATIONS	305,329
37	26E	FIRE ALARM	102,632
38	31A	EARTHWORK, SITE IMPROVEMENTS	225,000
39	31C	SOIL TREATMENT	2,142
40	32B	LANDSCAPING, IRRIGATION	50,000
41	44A	GENERAL CONDITIONS	995,000

## Estimate Totals

Description	Amount	Totals	Rate
<b>subtotal cost of work</b>		<b>7,820,255</b>	
builder's risk inland	32,163		0.380 \$ / 100
contract bond (max 24 mo)	56,209		
general liability 03.09.2016	46,721		5.520 \$ / 1,000
sdi insurance	105,573		1.350 %
<b>subtotal ins, bonding</b>	<b>240,666</b>	<b>8,060,921</b>	
cm preconstruction services			
a/e design fees (turnkey)			
<b>subtotal consultants</b>		<b>8,060,921</b>	
construction contingency			
design / escalation contingency			
owner's contingency			
<b>subtotal contingencies</b>		<b>8,060,921</b>	
profit/overhead	403,046		5.000 %
<b>subtotal fee</b>	<b>403,046</b>	<b>8,463,967</b>	
<b>Total</b>		<b>8,463,967</b>	



TECHNICAL COLLEGE  
OF THE LOWCOUNTRY

Business Case

Lowcountry Culinary Institute

REVISION 08: January 9, 2018

“This isn’t a money issue, everyone is doing well. Staff can make \$30,000-50,000 a year. But there is not enough staff in kitchens across Hilton Head. There is a big skill gap, especially in our area. We have no culinary school.”

Clayton Rollison, Owner, Lucky Rooster Kitchen and Bar, Hilton Head Island

“...we all agree that there is an ever growing (CRITICAL) need for trained entry and middle level culinarians in the Bluffton-HHI area...Sea Pines Resort will be bringing in approximately 50 [international] cooks for the 2016 season. All these positions could be filled by locally trained culinary staff, but they are just not here to hire.”

Jeff Kruse, Vice President for Food and Beverage, The Sea Pines Resort.

### [Executive Summary](#)

The Technical College of the Lowcountry aims to build a 26,000-square foot culinary arts institute in the Buckwalter Place Commerce Park in Bluffton South Carolina. The school will have capacity for up to 300 students and will provide a pipeline of trained, professional culinary workers to bolster the region’s top two economic drivers – the Resort and Tourism industry and the Healthcare industry. Total estimated cost of construction, facilities and equipment is \$11,459,800. The college is seeking \$11.5 million dollars in public funds and \$2 million dollars in private and in-kind contributions.

The college’s current culinary program’s limited academic scope and enrollment cap cannot meet current or future workforce demand for the area’s two leading industries. The new culinary school will enable the college to offer associates degrees and additional certificates. The school’s location, a community college demographic hotspot, provides best opportunity for optimum enrollment and revenue generation.

TCL’s new culinary school will enhance the college’s relevance to the community, elevate the college and positively impact enrollment in all programs.

April 8, 2019

RE: Programming Statement  
Lowcountry Culinary Arts Institution & Interpretive Center  
Buckwalter Place, Bluffton, Beaufort County, South Carolina

Technical College of the Lowcountry has initiated the design for a new Lowcountry Culinary Arts Institution & Interpretive Center. The project will be approximately 30,000sf of conditioned space and will be located on Buckwalter Parkway in Bluffton, SC. Below is a program list of the individual spaces incorporated into the building program and design.

### **First Floor**

- Demonstration Kitchen  
60 Seats in a stadium seating layout with the ability to broadcast events or perform as a student classroom. Outside events and performances can also be displayed.
- Warming Kitchen  
This area will house prep for the Demo Kitchen, but mostly act as a warming and staging area for a second party catering company to hold off hours events on property.
- Teaching Kitchens  
These two kitchens will focus on the main culinary skills of food development. Back to back spaces that share common wash and cooler areas. Large windows let the public view the students as they prep their meals.
- Central Food Storage  
This location will house all deliveries for the school. Freezer, cooler and dry storage areas where students will also learn about food storage and inventory.
- Bake Lab  
The Baking Lab will be the center for all baked goods on premises. A dual location where students will learn the fine art of pastries and breads. Large windows to the public and connection to the Café.
- Café  
This will be the sole locations for students to retail their baked goods to the public. A wonderful lighted space on the courtyard with its own entrance.
- Building Core  
This group of spaces in the central part of the building will house two passenger elevators and one freight elevator. It will also be the location for all restrooms, janitor closets and administration reception.
- Production Kitchen / Show Kitchen  
This will be the location of where the students prep and cook all meals for the Bistro Restaurant on property. Visitors can view the students in their teaching environment while preparing their meals.
- Bistro Restaurant  
This will be the main restaurant on campus where the public is invited to dine on the creations from the students. This wonderful space is tall and airy and will post large expansive windows on three sides to the courtyard and green spaces.
- Interpretive Center  
This promenade location is an interactive space where students and the public will come to understand not only the history of culinary arts, but what new programs will be developed in the future. A true hands on experience as you travel towards the Bistro Restaurant.
- Lobby  
This will be the entry point of the school where students can congregate before classes. A large space that can also be used as a demonstration hall. The main staircase is adjacent to this space as is admin services and the demonstration kitchen.

## **Second Floor**

- Building Core

This group of spaces in the central part of the building will house two passenger elevators and one freight elevator. It will also be the location for all restrooms, janitor closets and vending area.

- Office Area

This will house the faculty area for private offices, an office for the Dean, private break area and connection to the Resources Center.

- Resources

This area will act as a dual facility room to help with overflow from the Office Area, and also act as another classroom location.

- Classrooms

There will be six classrooms on the property that are flexible to interchange with schools curriculum. These classrooms will house between 24-30 students each and one of the them will have flexible partition walls that can be opened to hold more. This location will also be used for conference and performance area as well as connecting to the open exterior terrace.

- Warming Kitchen

This kitchen will be used when the three classrooms are open together and act as a conference and performing hall. This becomes a multipurpose room for the college to hold paid events.

- Student Lounge

This will be a location off the courtyard with a lot of exposure and glass, a place students can catch up on work or just relax before the next class.

- Bake Lab

The Baking Lab will be the center for all baked goods on premises. A dual location where students will learn the fine art of pastries and breads. Large windows to the public and connection to the Café.

Along with the spaces defined above, the culinary school will have state of the art communications and technology packages. This will allow the broadcast of classes and information publically around the world. The building will be LEED Silver minimum with emphasis on conservation and minimal food waste. As we progress to the next steps of the design documents, it will be our goal to make this the future leading institution of culinary education.

JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET

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Meeting Scheduled for: June 4, 2019

REGULAR AGENDA

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**1. Submitted by:**

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

(b) Authorized Official Signature:

  
Ashlie Lancaster, Director

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**2. Subject:** Technical College of the Lowcountry Base Lease and Project Lease associated with the Technical College of the Lowcountry Culinary Arts Institute and Interpretive Center

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**3. Summary Background Information:**

The Technical College of the Lowcountry Area Commission (the "Commission") is requesting approval of two lease transactions related to the acquisition, construction and equipment of an approximately 28,950 square foot culinary arts institute and interpretive center, including land acquisition costs (collectively, the "Project") to be used by the Technical College of the Lowcountry, acting by and through the Commission.

Overall, the Commission proposes to fund the costs of the Project through a combination of sources, including but not limited to (1) approximately \$11,243,000 in the aggregate from Beaufort County, South Carolina (the "County"), the Town of Bluffton, South Carolina (the "Town") and Beaufort County School District (the "School District" and, together with the County and the Town, the "Governmental Entities"), of which amounts the County has provided or will provide \$3,243,000 of local hospitality taxes (the "Hospitality Taxes") in an upfront payment, and the County, for itself and as fiscal agent for the Town and the School District, has committed to annually provide \$800,000 in available revenues over a ten-year period (for a total of \$8,000,000), subject to annual appropriation (the "Local Government Contribution") and (2) \$2,500,000 of the Commission's capital reserves (the "Commission Contribution").

However, given the source and timing of the funding commitments by the Governmental Entities (e.g. \$8,000,000 over a ten-year period), the Commission proposes to fund a portion of the construction costs of the Project through the issuance by the South Carolina Jobs-Economic Development Authority (the "Authority") of \$8,000,000 principal amount of its Economic Development Revenue Bond (Technical College of the Lowcountry Project), Series 2019 (the "Bond"). The Bond would be issued under a Bond Purchase and Loan Agreement (the "BPLA"), among the Authority, the Foundation (as defined herein), the initial purchaser thereof (the "Purchaser"), and a bank or financial institution serving as custodian (the "Custodian"). The conduit borrower for the Bond would be the Technical College of the Lowcountry Foundation, Incorporated (the "Foundation"), a South Carolina nonprofit corporation and 501(c)(3) organization. The Bond is expected to mature approximately ten years from the date of issuance, which is estimated to be July 1, 2029 (the "Maturity Date"), with interest paid either annually on each July 1, or semiannually on each January 1 and July 1, assuming a July 1 maturity date.

Pursuant to the BPLA, the Custodian would establish multiple funds or accounts on the date of issuance of the Bond (the “Closing Date”), including:

- a Project Fund into which the proceeds of the Bond, approximately \$1,243,000 of the Hospitality Taxes (less amounts previously expended) and the Commission Contribution would be deposited on the Closing Date,
- a Bond Reserve Fund into which approximately \$2,000,000 of the Hospitality Taxes would be deposited on the Closing Date and
- a Local Government Account into which the Local Government Contribution would be deposited from time to time after the Closing Date.

To facilitate the financing and construction of the Project, the Commission and the Foundation are seeking approval to two leases relating to the Project.

1. A Base Lease and Conveyance Agreement (the “Base Lease”), pursuant to which the Commission will (1) lease certain land (0.93 acres) upon which the Project will be constructed, to be located at 1 Venture Drive, Buckwalter Place Commerce Park, Bluffton, SC 29910 (the “Land”), and convey any existing improvements on the Land, to the Foundation and (2) deposit the Hospitality Taxes and the Commission Contribution on the Closing Date as described above. The Base Lease will allow the acquisition, design, construction and equipment of the Project for the benefit and use of the Commission. The term of the Base Lease extends through the maturity of the Bond (estimated to be July 1, 2029).
2. A Project Lease Agreement (the “Project Lease”), pursuant to which the Foundation will lease the Project to the Commission and agree to facilitate the Bond transaction on behalf of the Commission, and the Commission will agree (1) to pay Base Rent to the Foundation annually subject to appropriation (which Base Rent is defined as an amount equal to the Local Government Contribution, as and when received from the Governmental Entities and deposited into the Local Government Account), and (2) to undertake the construction, operation, maintenance and insurance obligations of the Project. The term of the Project Lease extends through the maturity of the Bond. The Foundation will use the Base Rent to repay the Bond in annual installments of \$800,000. The Project is anticipated to be completed by January 1, 2020.

#### Rent and Direct Cost Assessment.

The Commission will pay the Foundation, subject to annual appropriation, Base Rent in an amount equal to \$800,000 annually in advance on or before December 1 of each calendar year beginning on December 1, 2019 and ending on December 1, 2028, based on a Bond maturity date of July 1, 2029 (the “Term”).

The Commission will also reimburse the Foundation, subject to annual appropriation, for any direct costs, if any, incurred by Foundation in the administration of the Project Lease (“Direct Cost Assessment”). The Direct Cost Assessment will be itemized and delivered to the Commission at least 30 days prior to the end of each year during the Term and will be reflective of actual costs incurred in said year. In no event will the Direct Cost Assessment exceed \$20,000 in any year, plus

the cost for any insurance the Landlord obtains related to the Project. The Landlord is not expected to obtain any insurance related to the Project during the Term.

The Project Lease includes an option which allows the Commission to purchase the Project prior to the last payment of Base Rent at a price equal to the outstanding Base Rent, plus any Direct Cost Assessment due through the date of purchase plus any other outstanding fees or expenses of any nature owed by the Foundation with respect to the Land and the Project at the time of the Commission's purchase of the Project. In essence, if the Commission provided the Foundation with funds sufficient to retire the Bond prior to the Maturity Date, then the Commission could terminate both leases prior to their expiration, retake possession of the Land, and acquire title to all improvements (including the Project).

Additionally, the Project Lease includes an option which allows the Commission to purchase the Project following the payment of all Base Rent at a price equal to any Direct Cost Assessment due through the date of purchase plus any other outstanding indebtedness, fees or expenses of any nature, owed by the Foundation with respect to the Land and the Project at the time of the Commission's purchase of the Project. In essence, upon payment of all Base Rent (which totals repayment of the Bond), the Foundation shall at the Commission's election: (i) surrender to the Commission the Land and sell the Project, including all buildings, other structures and improvements constructed on and/or located on the Land (the Project and all buildings, structures and improvements will be in the same condition as when construction of the Project was completed, with only natural and normal wear and tear excepted) for the purchase price described in the foregoing sentence; (ii) continue to lease the Land and the Project to the Commission with rental not to exceed \$1 per year; or (iii) terminate the Project Lease and the Base Lease and return the Land to the Commission in the same condition as it was on the date the lease term began, with only natural and normal wear and tear excepted. The Commission expects that, upon payment of all Base Rent, it will purchase the Project at the purchase price described above.

The Base Lease and the Project Lease were approved by the governing body of the Technical College of the Lowcountry (e.g., the Commission) on May 29, 2019. The Commission on Higher Education approved the Project on May 2, 2019.

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**4. What is JBRC asked to do?** Consider approval of the Base Lease from the Commission to the Foundation and the Project Lease from the Foundation to the Commission, including the future acquisition of the Project.

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**5. What is recommendation of the Division of Facilities Management and Property Services?** Consider approval of the Base Lease from the Commission to the Foundation and related easements and the Project Lease from the Foundation to the Commission, including the future acquisition of the Project.

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**6. List of Supporting Documents:**

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

**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) .

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BURR.COM

May 23, 2019

Ms. Jennifer LoPresti  
Department of Administration  
Executive Budget Office  
1205 Pendleton Street, Suite 529  
Columbia, SC 29201

Re: Phase II Project Approval Request for Technical College of the Lowcountry Project

Dear Ms. LoPresti:

On behalf of the Technical College of the Lowcountry Area Commission (the "Commission"), the Commission has heretofore submitted materials in connection with the above-referenced request. In accordance with the policy adopted by the Joint Bond Review Committee following its September 13, 2016 meeting regarding any agency/institution request for a permanent improvement project financed through arrangements with third parties, please find enclosed the following documentation detailing the proposed financing (the "Bond"):

1) all leases, contracts, trust indentures, resolutions and agreements to be executed among the parties to the transaction, regardless of cost or value – included herewith are forms of the following documents:

- Bond Purchase and Lease Agreement, among South Carolina Jobs-Economic Development Authority, Technical College of the Lowcountry Foundation, Incorporated (the "Borrower"), the initial purchaser of the Bond and a custodian, authorizing the issuance, purchase and sale of the Bond,
- Base Lease and Conveyance Agreement, between the Commission and the Borrower, and
- Project Lease Agreement, between the Borrower, as landlord, and the Commission, as tenant; and

Ms. Jennifer LoPresti  
May 23, 2019  
Page 2

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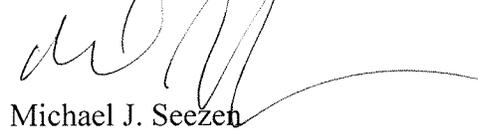
2) an executive summary – included herewith.

We respectfully request that the Joint Bond Review Committee consider the request for approval of the project financed through arrangements with third parties at its June 2019 meeting.

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

Sincerely,

BURR FORMAN McNAIR



Michael J. Seezen

cc: Mr. F. Richard Harmon, Jr., Senate Finance  
Ms. Mary Lee Carns, Vice President for Advancement, Technical College of the  
Lowcountry

## EXECUTIVE SUMMARY

The Technical College of the Lowcountry Area Commission (the “Commission”) is making application to the South Carolina State Fiscal Accountability Authority for Phase II Approval of its Permanent Improvement Project, consisting of the acquisition, construction and equipment of an approximately 28,950 square foot culinary arts institute and interpretive center, including land acquisition costs (collectively, the “Project”) to be used by the Technical College of the Lowcountry, acting by and through the Commission. This Executive Summary is being submitted to the Joint Bond Review Committee (“JBRC”) in connection with its policy adopted on September 13, 2016, related to the approval of permanent improvement Project financed through arrangements with third parties.

### Overview of the Transaction.

The Commission proposes to fund the costs of the Project through a combination of sources, including but not limited to (1) approximately \$11,243,000 in the aggregate from Beaufort County, South Carolina (the “County”), the Town of Bluffton, South Carolina (the “Town”) and Beaufort County School District (the “School District” and, together with the County and the Town, the “Governmental Entities”), of which amounts the County has provided or will provide \$3,243,000 of local hospitality taxes (the “Hospitality Taxes”) in an upfront payment, and the County, for itself and as fiscal agent for the Town and the School District, has committed to annually provide \$800,000 in available revenues over a ten-year period (for a total of \$8,000,000), subject to annual appropriation (the “Local Government Contribution”) and (2) \$2,500,000 of the Commission’s capital reserves (the “Commission Contribution”).

Given the source and timing of the funding commitments by the Governmental Entities (e.g. \$8,000,000 over a ten-year period), the Commission proposes to fund a portion of the construction costs of the Project through the issuance by the South Carolina Jobs-Economic Development Authority (the “Authority”) of \$8,000,000 principal amount of its Economic Development Revenue Bond (Technical College of the Lowcountry Project), Series 2019 (the “Bond”). The Bond would be issued under a Bond Purchase and Loan Agreement (the “BPLA”), among the Authority, the Foundation (as defined herein), the initial purchaser thereof (the “Purchaser”), and a bank or financial institution serving as custodian (the “Custodian”).

The conduit borrower for the Bond would be the Technical College of the Lowcountry Foundation, Incorporated (the “Foundation”), a South Carolina nonprofit corporation and 501(c)(3) organization that operates for the “encouragement, support and furtherance of the educational and professional goals and traditions of the Commission” (Foundation Bylaws). The Commission would neither borrow the proceeds of the Bond, nor would it be obligated to repay the Bond.

Pursuant to the BPLA, the Custodian would establish multiple funds or accounts on the date of issuance of the Bond (the “Closing Date”), including:

- a Project Fund into which the proceeds of the Bond, approximately [\$1,243,000] of the Hospitality Taxes (less amounts previously expended) and the Commission Contribution would be deposited on the Closing Date,
- a Bond Reserve Fund into which approximately [\$2,000,000] of the Hospitality Taxes would be deposited on the Closing Date and
- a Local Government Account into which the Local Government Contribution would be deposited after the Closing Date.

To facilitate the financing and construction of the Project, the Commission and the Foundation propose to execute certain leases relating to the Project. First, the parties would execute a Base Lease and Conveyance Agreement (the “Base Lease”), pursuant to which the Commission would (1) lease certain land upon which the Project will be located (the “Land”) and convey any existing improvements on the Land, to the Foundation and (2) deposit the Hospitality Taxes and the Commission Contribution on the Closing Date as described above. The Base Lease will allow the acquisition, design, construction and equipment of the Project for the benefit and use of the Commission. The term of the Base Lease extends through the maturity of the Bonds.

Second, the parties would execute a Project Lease Agreement (the “Project Lease”), pursuant to which the Foundation would lease the Project to the Commission and agree to facilitate the Bond transaction on behalf of the Commission, and the Commission would agree (1) to pay Base Rent to the Foundation annually subject to appropriation (which Base Rent is defined as an amount equal to the Local Government Contribution, as and when received from the Governmental Entities and deposited into the Local Government Account), and (2) to undertake the construction, operation, maintenance and insurance obligations of the Project. The term of the Project Lease extends through the maturity of the Bonds. The Foundation will use the Base Rent to repay the Bond.

The Base Lease and the Project Lease are an integral part of the plan of finance to be undertaken between the Commission and the Foundation for the purpose of, together with the other sources described herein, defraying the costs of constructing the Project for the benefit of and use by the Commission.

Branch Banking and Trust Company (“BB&T”) has provided a term sheet to the Foundation, offering to purchase the Bond; the term sheet permits the proposed date of issuance of the Bond (the “Closing Date”) to occur on or prior to June 30, 2019. The Board of Directors of the Foundation has reviewed the term sheet submitted by BB&T with its financial advisor and legal counsel and the Commission’s executive management and board leadership, and determined it is a fair and advantageous proposal. Although the Foundation reserves the right to negotiate or solicit interest from other purchasers of the Bond, the Foundation would be inclined as of the date hereof to accept BB&T’s proposal.

The Board of Directors of the Authority, the South Carolina Coordinating Council for Economic Development and the Beaufort County Council have each adopted their respective

resolutions authorizing or supporting the issuance of the Bond, as required under South Carolina law.

1) *Identification of each principal to the transaction and their role therein.*

- Technical College of the Lowcountry Area Commission – the owner of the Land and operator and user of the Project
- Technical College of the Lowcountry Foundation, Incorporated – the conduit borrower of the Bond (as a 501(c)(3) organization)
- South Carolina Jobs-Economic Development Authority – the issuer of the Bond
- Governmental Entities - Beaufort County, South Carolina (the “County”), the Town of Bluffton, South Carolina (the “Town”) and Beaufort County School District (the “School District”) – have made funding commitments (both upfront and over time) for the Project
- Branch Banking and Trust Company (proposed) – the initial purchaser of the Bond; also, the custodian of the funds and accounts established under the BPLA

2) *All consultants and advisors, their roles therein, and the process by which their services were procured and engaged.*

- Burr Forman McNair – bond counsel and Foundation’s counsel – services procured from prior relationship and subject to engagement letter
- Compass Municipal Advisors – financial advisor to Foundation – services procured based on recommendation and subject to municipal advisor engagement letter
- Haynsworth Sinkler Boyd, P.A. – counsel to Purchaser – services procured by Purchaser and subject to engagement letter
- Parker Poe Adams & Bernstein LLP – counsel to Authority – services procured by Authority and subject to engagement letter

3) *The purpose of each lease, contract, trust indenture, resolution and agreement, and a summary of its provisions.*

Bond Purchase and Loan Agreement

The BPLA is the principal document pursuant to which the Bond is issued by the Authority and sold to the Purchaser, the proceeds of the Bond are loaned to the Foundation and the Foundation agrees to repay the Bond (the Foundation’s repayment obligation is evidenced by a Promissory Note executed in favor of the Authority), and the Custodian establishes certain funds and accounts into which there will be deposited and invested the Bond proceeds, amounts currently

held or to be received by the Commission on or prior to the Closing Date (e.g., the Commission Contribution and the Hospitality Taxes) or future amounts to be received from the Governmental Entities which are anticipated sources of repayment for the Bond (e.g., the Local Government Contributions).

The terms of the Bond will be set forth in the BPLA, including the maturity date (e.g., July 1, 2029 or approximately ten years from Closing Date), the interest rate and the payment schedule (approximately level payments). Each of the Authority and the Foundation make standard representations and warranties in the BPLA; the Purchaser makes standard “big boy” representations as to its sophistication and accredited investor status, its due diligence and opportunity to ask questions, and its intent to hold the Bond for its own account.

Pursuant to the BPLA, the Custodian would establish multiple funds or accounts on the Closing Date, including:

- a Project Fund into which the proceeds of the Bond, approximately [\$1,243,000] (less previously expended amounts) of Hospitality Taxes and the Commission Contribution would be deposited on the Closing Date and used to defray the costs of constructing the Project,
- a Bond Reserve Fund into which approximately [\$2,000,000] of Hospitality Taxes would be deposited on the Closing Date, and
- a Local Government Account into which the Local Government Contribution (approximately \$800,000 annually) would be deposited, as and when received from the Governmental Entities, after the Closing Date.

It is expected that the amounts in the Local Government Account and the Bond Reserve Fund will be used to pay the debt service on the Bond.

The BPLA contains several standard provisions regarding the construction of the Project, including the requisitioning of funds (and investment thereof) from the Project Fund, and covenants by the Foundation to operate and maintain the Project in an appropriate manner, to pay all taxes, assessments and similar charges for the Project, to maintain adequate insurance for the Project and to provide financial and other information to the Purchaser.

The BPLA contains standard events of default and remedies, including the nonpayment by the Foundation of the Bond, the failure to comply with covenants (following notice and an opportunity to cure), bankruptcy events by the Foundation and events of default under the Project Lease. The Purchaser can exercise multiple remedies following an event of default, including acceleration of the Bond or specific performance against the Foundation or the Commission to enforce their obligations. However, there is no mortgage on the Project.

#### Base Lease

Pursuant to the Base Lease, the Commission will (1) lease the Land (which it will acquire and own on or about the Closing Date) and convey any existing improvements on the Land, to the

Foundation and (2) deposit the Hospitality Taxes (less previously expended amounts) and the Commission Contribution with the Custodian on the Closing Date. The Base Lease will allow the construction and equipment of the Project for the benefit and use of the Commission. The term of the Base Lease extends through the maturity of the Bonds.

### Project Lease

The Project Lease is the principal document that sets forth the arrangements and respective duties and obligations between the Foundation and the Commission with respect to the Project, and the payment of Base Rent and other amounts, subject to annual appropriation.

Pursuant to the Project Lease, the Foundation will lease the Project to the Commission and agree to facilitate the Bond transaction on behalf of the Commission, and the Commission will agree to (1) pay Base Rent to the Foundation annually, subject to appropriation (which Base Rent is defined as an amount equal to the Local Government Contribution, as and when received from the Governmental Entities and deposited into the Local Government Account), and (2) undertake the construction, operation, maintenance and insurance obligations of the Project. The term of the Project Lease extends through the maturity of the Bonds. The Foundation will use the Base Rent to repay the Bond.

The Commission is entitled to operate and use the Project for so long as it performs or otherwise complies with its obligations under the Project Lease. The Foundation agrees not to interfere with the quiet use and enjoyment of the Project by the Commission during the term of the Project Lease.

The events of default under the Project Lease include the failure by the parties to perform their obligations thereunder, following notice and an opportunity to cure, or certain bankruptcy events by the Commission. Upon such an event of default, the Foundation may, and as directed by the Purchaser shall, terminate the Project Lease and evict the Commission from the Project.

#### 4) *The financial obligations of the parties under each of the documents.*

Under the Base Lease, the Commission agrees to deposit the Hospitality Taxes (less previously expended amounts) and the Commission Contribution with the Custodian on the Closing Date and the Foundation and to pre-pay nominal rent thereunder for the term of the Base Lease.

Under the Project Lease, the Commission agrees to pay Base Rent to the Foundation annually and other direct costs of the Foundation related to the Project, in each case subject to appropriation. It is intended that the Base Rent will be fully satisfied through the annual Local Government Contributions (e.g., the \$800,000 annual payments by the County, for itself and as fiscal agent for the Town and the School District (“Annual Payments”)), to the Foundation, and that such Annual Payments, when paid by the Commission to Foundation as Base Rent, will be deposited in the Local Government Account established under the BPLA.

The Foundation is obligated to repay the Bond under the BPLA. The Bond will be repaid from amounts on deposit in the Local Government Account and the Bond Reserve Fund. The

Commission is not obligated to repay the Bond. Neither the Foundation nor the Commission are required to replenish the Bond Reserve Fund.

5) *A summary of all covenants, responsibilities or undertakings, financial and otherwise, and their provisions for enforcement, recourse and remedy in the event of non-performance or non-compliance.*

See #3 for a summary of the provisions of the BPLA, the Base Lease and the Project Lease, including the remedies in the event of non-performance or non-compliance.

6) *A summary and comparison of each alternative considered by the agency or institution, and the rationale and justification for selection of the alternative presented for JBRC review, including without limitation: i. financial and non-financial considerations; and ii. transactional costs including comparative interest costs and professional fees.*

The Commission considered two alternative means to finance the Project through a borrowing by or on behalf of the Commission (e.g., a State Institution Bond issued pursuant to Section 59-107-10 *et. seq.* of the South Carolina Code, and a bond issued by the Commission pursuant to Section 59-53-53 of the South Carolina Code). For the reasons described below, the Commission has selected the above-described financing method.

State Institution Bonds are payable solely from “tuition fees”, which are defined in Section 59-107-30 of the South Carolina Code to “include those fees charged by any State institution for tuition, matriculation and registration . . . [but] shall not include sums charged for enrolling in courses or classes offered at any summer school term or in any special seminar, nor shall the term relate to or include fees levied or charged for purposes other than for the purposes of [the applicable bonding statute].”

Bonds issued by an area commission of a technical college pursuant to Section 59-53-53 of the South Carolina Code must be repaid through the imposition of a “special fee” imposed within the limits established by the State Board of Technical Colleges, the proceeds of which must be deposited in a special account to be used for payment of the bonds. Section 59-53-53 further provides that such bonds may only be issued “in an amount not to exceed the ability to repay the [bonds] through the imposition of a special fee” and that no funds other than the revenue from the special fee may be pledged for payment of such bonds.

As described above, the Governmental Entities committed to provide the Local Government Contribution over a ten-year period, which the Commission desired to utilize in addition to the Hospitality Taxes and the Commission Contribution for construction of the Project. The Commission does not presently impose any “tuition fees” or sufficient “special fees” for purposes of the above-referenced statutes. Based on advice from its legal counsel, the Commission does not believe that the Local Government Contribution could be legally pledged or available for payment of either State Institution Bonds or bonds issued by an area commission pursuant to Section 59-53-53 of the South Carolina Code, and the Commission did not desire or intend to impose any additional “tuition fees” or “special fees” upon its students to finance the Project.

The Commission also considered the issuance of a general obligation bond to finance the costs of the Project, which bond could be issued by Beaufort County and be payable from the sources available to repay the Bond (e.g., the Local Government Contribution and the Hospitality Taxes). However, such a bond would count against Beaufort County's constitutional debt limit (8% of assessed value of taxable property within its jurisdiction), and unduly limit the County's ability to issue other general obligation bonds to fund other projects. As such, the County was not willing to issuance a general obligation bond for the Project.

Additionally, based on information obtained from the State Treasurer's office regarding a recent state institution bond of similar size (\$10,000,000) to the Bond and its financial advisor, the Commission believes the transactional and interest costs of a state institution bond or a general obligation bond would be equivalent or not materially different to those costs as related to the Bond, and the transactional and interest costs of a special fee revenue bond issued by the Commission would be higher than the Bond.

In sum, based on the timing and source of the Local Government Contribution and other considerations described above, the Commission believes the Bond issued by the Authority represents the best, legally available and cost-effective option to finance the Project.

**AGENCY:** Department of Administration  
Capital Budget Office

**PROJECT/SUBJECT:** Permanent Improvement Project Proposals

The Department of Administration has submitted 13 Permanent Improvement Project Proposals on behalf of agencies, as follows:

- 5 Establish Phase I, Pre-Design Budget
- 2 Establish Phase II, Construction Budget
- 3 Increase Phase II, Construction Budget
- 1 Preliminary Land Acquisition
- 2 Final Land Acquisitions

**COMMITTEE ACTION:**

Review and make recommendation of permanent improvement projects for transmittal to the State Fiscal Accountability Authority or Department of Administration, as applicable.

**ATTACHMENTS:**

Project Requests Worksheet - Summary 7-2019

**JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET**

Capital Budget Office

SUMMARY 7-2019

Summary of Permanent Improvement  
Project Actions Proposed by Agencies  
March 26, 2019 through April 26, 2019

Forwarded to JBRC 05/24/2019

**Permanent Improvement Projects**

**Summary Background Information:**

**Establish Project for A&E Design**

- (a) Summary 7-2019: JBRC Item 1. (H47) Winthrop University  
Project: 9580, Byrnes Roof Fire Restoration  
Included in Annual CPIP: No – The fire damage that required this renovation and repair was unexpected and therefore not included in the 2018 CPIP.  
JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: Pending CHE Board Approval on 6/6/19

Ref: Supporting document pages 1-8

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Insurance Proceeds	-	-	-	59,744	59,744
All Sources	=	=	=	<u>59,744</u>	<u>59,744</u>

Funding Source: \$3,982,969 Other, Insurance Proceeds, which will be a combination of funds from the Insurance Reserve Fund and from the third party contractor's insurance company.

Request: Establish project and budget for \$59,744 (Other, Insurance Proceed Funds) to make repairs to the Byrnes Auditorium that are needed due to a fire that occurred on August 21, 2018 caused by the contractor working on installing a new roofing system on the building for project H47-9579, Music Conservatory/Byrnes Auditorium. It is important that the university get the building usable again for their students as soon as possible. The building has been closed and unusable since the fire's occurrence. The building will need repairs from the fire damage and the extinguishing agent that affected the entire building due to its involvement with the mechanical air handling system. The repair and cleanup of the facility will also require abatement of the asbestos insulation found throughout the affected space and is necessary before the Music Conservatory/Byrnes Auditorium interior renovations (project H47-9579), can begin. The 80-year-old 68,422 gross square foot building is utilized annually by more than 25,000 students, faculty, staff and community members for instruction, academic support and some public service events. The agency estimates total project costs at \$3,982,968 with no additional annual operating costs.

- (b) Summary 7-2019: JBRC Item 2. (H59) Aiken Technical College  
 Project: 6149, Aiken - CEAM Expansion and Renovation for Welding Area  
 Included in Annual CIP: No – The college thought that the project would be below the PIP threshold. After reviewing with an engineering firm under an IDC, it was determined that the project would qualify as a PIP.  
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: 5/2/19

Ref: Supporting document pages 9-22

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u> <u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Local College	-	-	-	15,000	15,000
All Sources	=	=	=	<u>15,000</u>	<u>15,000</u>

Funding Source: \$15,000 Other, Local College Funds, which are the remaining amounts from all prior years, not otherwise restricted or previously invested in capital assets.

Request: Establish project and budget for \$15,000 (Other, Local College Funds) to expand and renovate the welding area contained in the Center for Energy & Advanced Manufacturing. During initial construction in 2015, the budget allowed for the necessary floor space to expand the program and for a small amount of additional infrastructure for the future (mainly electrical). Unfortunately, the demand for welding in the area has out distanced their current capacity. The welding area has the floor space (5,661 square feet), needed for the college to bring the capacity from around 36 welding booths to a capacity of 60. The project will almost double the size of the welding program. The expansion and renovation will require the college to upgrade the existing duct and dust collection system, possibly add more electrical, controls, plumbing, piping to each booth and peripheral equipment in the welding and conceivably the grinding and machine tool areas. 120 students per semester are expected to utilize the space. The agency estimates total project costs at \$1,000,000 with additional annual operating costs of \$6,340 in years 1 thru 3.

- (c) Summary 7-2019: JBRC Item 3. (H59) Tri-County Technical College  
 Project: 6150, Pendleton Campus Fulp Hall Renovation  
 Included in Annual CPIP: Yes – CPIP Priority 2 of 3 in FY19 (estimated at \$1,000,000)  
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: Pending CHE Board Approval on 6/6/19

Ref: Supporting document pages 23-38

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Accumulated Maintenance Reserve	-	-	-	20,000	20,000
All Sources	=	=	=	<u>20,000</u>	<u>20,000</u>

Funding Source: \$20,000 Other, Accumulated Maintenance Reserve Fund, which is accumulated fund balance transfer to the Plant fund (i.e. Annual YE Capital Transfer).

Request: Establish project and budget for \$20,000 (Other, Accumulated Maintenance Reserve Fund) to begin design work to renovate current academic and faculty office space into two science labs in the existing Health Sciences building, Fulp Hall. Currently there is not enough science lab space to accommodate the anticipated growth in the Bridge to Clemson (BTC) program. Fulp was constructed in 1998 with limited additional investment in this facility since it was built. The academic space to be renovated is approximately 3,600 square feet of the 82,250 square foot building. The addition of these science labs can most effectively and efficiently be done by converting academic space and faculty offices in Fulp Hall to labs and relocating the faculty offices. The only alternative would be to find space to add these labs on the Pendleton Campus outside of Fulp, but that option would not reduce the overall cost of the project and would separate these labs from the remainder of the science programs. The Fall 2017 and 2018 enrollment were 800 and 850, respectively, and Fall 2019 enrollment is project to be 900, with continued enrollment growth year over year up to 1,200 over the next 5 years. The total estimated cost to complete the project has increased from the 2018 CPIP due to the increase in construction costs, as well as renovation of lab space is more costly than other facility renovations due to lab infrastructure costs. The agency estimates total project costs at \$1,400,000 with no additional annual operating costs.

- (d) Summary 7-2019: JBRC Item 4. (N04) Department of Corrections  
 Project: 9760, Security Upgrades to Headquarters Buildings  
 Included in Annual CPIP: No – The agency was not aware of the necessity for this building security at the time the 2018 CPIP was submitted.  
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: N/A

Ref: Supporting document pages 39-46

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Appropriated State, FY18 Carryforward	-	-	-	4,500	4,500
All Sources	=	=	=	<u>4,500</u>	<u>4,500</u>

Funding Source: \$4,500 Appropriated State, FY18 Carryforward Funds.

Request: Establish project and budget for \$4,500 (Appropriated State, FY18 Carryforward Funds) to begin Phase I pre-design to construct a secure officer station in the Headquarters Building, replace the existing glass store fronts on SCDC's Headquarters Building and Recruiting and Retention Building, and replace the windows and doors at the Gatehouses. The store fronts, windows, and doors will be replaced with ballistic glass that will withstand projectiles and blasts. These buildings face a major roadway and do not have adequate physical security measures. Construction of a secure officer station and the replacement of doors and windows will protect the occupants and secure the buildings from unauthorized entry. The Headquarters 300 building was constructed in 1970 and is 48 years old. The Headquarters 100 and 200 building was constructed in 1975 and is 44 years old. The Recruiting and Retention building was constructed in 1998 and is 21 years old. Approximately 200 personnel occupy the Headquarters buildings, approximately 17 personnel occupy the Recruiting and Retention building and approximately 70-100 clients utilize the building daily. There are approximately 10 officers who occupy the Gatehouse. The agency estimates total project costs at \$300,000 with no additional annual operating costs.

- (e) Summary 7-2019: JBRC Item 5. (N04) Department of Corrections  
 Project: 9761, Wateree River CI – Replacement of Electrical Service Line  
 Included in Annual CPIP: No – The agency was not aware of the need for this project until after the 2018 CPIP was submitted.  
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: N/A

Ref: Supporting document pages 47-54

<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, FY18 Carryforward	-	-	-	18,000	18,000
All Sources	=	=	=	<u>18,000</u>	<u>18,000</u>

Funding Source: \$18,000 Appropriated State, FY18 Carryforward Funds.

Request: Establish project and budget for \$18,000 (Appropriated State, FY18 Carryforward Funds) to begin Phase I pre-design to replace the existing 30+ year old electrical service line and upgrade the associated electrical transformers and switches that provide power to the Wateree River Correctional Institution. The electrical service line is past its recommended service lifespan of 20 years and is in critical condition. Three (3) individual repairs have been required since January 2019 and additional repairs may not be possible due to the condition of the service line. The institution houses approximately 750 inmates and is staffed by an average of 190 personnel members. The agency estimates total project costs at \$1,200,000 with no additional annual operating costs.

**Establish Construction Budget**

- (f) Summary 7-2019: JBRC Item 6. (N04) Department of Corrections  
 Project: 9739, Campbell PRC - Demolition  
 Included in Annual CPIP: No – This project should have been included on the 2018 CPIP, however, based on the other projects that were critically needed for safety, it was removed by Facilities’ A&E.  
 JBRC/SFAA Phase I Approval: April 2017 (estimated at \$250,000)  
 CHE Recommended Approval: N/A  
 Ref: Supporting document pages 55-62

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Insurance	3,750	-	3,750	-	3,750
Other, Canteen	-	-	-	396,250	396,250
All Sources	<u>3,750</u>	=	<u>3,750</u>	<u>396,250</u>	<u>400,000</u>

Funding Source: \$3,750 Other, Insurance Funds, which is associated with insurance claim #98344. \$396,250 Other, Canteen Revenue Funds, which is revenue derived from the canteen operations within the Department of Corrections on behalf of the inmate population and may be retained and expended by the department for the continuation of the operation of said canteens and the welfare of the inmate population, or at the discretion of the director, used to supplement costs of operations.

Request: Increase budget to \$400,000 (add \$396,250 Other, Canteen Funds) to begin Phase II design and construction to demolish and remove the Campbell Pre-Release Center (the main central building). The 44-year-old Campbell Pre-Release Center was constructed in 1975 and is no longer in use due to a roof-truss failure that occurred in 2013 in one of the housing units. Upon inspection by a structural engineer, it was reported that the entire facility is experiencing significant truss web member deficiencies including numerous truss plates connections that are tearing from the members. The cost to repair the deficiencies and renovate the institution into a functional and practical facility was estimated at \$2,935,000. SCDC determined that it is not cost efficient to repair/renovate the facility. Due to safety concerns, the 14,054 square foot facility will be demolished, and the site will be re-purposed at a later date. The SCDC maintenance program will monitor and maintain the vacant property once the buildings have been demolished and removed. The total estimated cost to complete the project has increased by \$150,000 from the Phase I estimate due to the cost of asbestos abatement. The agency estimates total project costs at \$400,000 with no additional annual operating costs. The agency anticipates execution of the construction contract in September 2019 and completion of construction in November 2019.

- (g) Summary 7-2019: JBRC Item 7. (D50) Department of Administration  
 Project: 6008, Supreme Court – Security Electronics Improvements  
 Included in Annual CPIP: No – This project was requested and will be funded by the Judicial Department. The Judicial Department requested the project after the 2018 CPIP submission.  
 JBRC/SFAA Phase I Approval: October 2018 (estimated at \$467,852)

CHE Recommended Approval: N/A

Ref: Supporting document pages 63-82

<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, Judicial Department FY18 Carryforward	6,500	-	6,500	-	6,500
Other, Judicial Department FY19 Capital Reserve	-	-	-	515,286	515,286
All Sources	<u>6,500</u>	=	<u>6,500</u>	<u>515,286</u>	<u>521,786</u>

Funding Source: \$6,500 Other, Judicial Department FY18 Carryforward Funds. \$515,286 Other, Judicial Department FY 19 Capital Reserve Funds.

Request: Increase budget to \$521,786 (add \$515,286 Other, Judicial Department FY19 Capital Reserve Funds) to establish Phase II professional services and construction related costs for increasing the Supreme Court building electronic security including an expanded security video system and additional access control doors. These needs were identified in the 2/12/18 Buford Goff & Associates study that was commissioned by the Judicial Department. The primary objectives of this project are to improve control of access to the building and staff areas and to provide video assessment and recording of public access areas. The building's existing video and access control systems are very limited in scope and do not connect to other Bureau of Protective Services (BPS) monitoring locations at the Calhoun Building and the State House on the Capital Complex. In addition to the new video system, the project will add new door locking hardware at select locations, new elevator controls and a new door at the intermediate floor level. The 63,896 square foot Supreme Court building houses approximately 50 Judicial Department staff and was constructed in 1921, making it 98 years old. It was renovated in 1971 and 1991 and the building systems being renovated are 25+ years old. The total estimated cost to complete the project has increased by \$53,934 from the Phase I estimate due to increasing the construction contingency from 10% to 20% based on the particular challenges of working in the Supreme Court building: historic, occupied, special finishes, hidden conditions, etc. The higher contingency accounts for \$38,965 of the increase. The agency estimates total project costs at \$521,786 with no additional annual operating costs. The agency anticipates execution of the construction contract in October 2019 and completion of construction in August 2020.

**Phase II Budget Increase**

- (h) Summary 7-2019: JBRC Item 8. (H24) South Carolina State University  
 Project: 9651, Charleston 1890 Extension Center Construction  
 Included in Annual CPIP: No  
 JBRC/B&CB Phase I Approval: October 2013 (estimated at \$2,506,000)  
 JBRC/SFAA Phase II Approval: October 2015 (estimated at \$3,600,274)  
 JBRC/SFAA Phase II Increase Approval: January 2018 (estimated at \$4,200,274)

CHE Recommended Approval: This is a PSA project and does not require CHE approval.

Ref: Supporting document pages 83-98

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Federal, USDA Facilities Grant	37,590	4,162,684	4,200,274	1,894,510	6,094,784
All Sources	<u>37,590</u>	<u>4,162,684</u>	<u>4,200,274</u>	<u>1,894,510</u>	<u>6,094,784</u>

Funding Source: \$6,094,784 Federal, USDA/NIFA 1890 Facility Grant Funds.

Request: Increase budget to \$6,094,784 (add \$1,894,510 Federal, USDA Facilities Grant Funds) to cover additional construction cost increases. This project is to construct a 12,500 square foot Public Service Activity Center in the City of Charleston on donated property for SC State’s 1890 Research and Extension Program that would include classroomschnology labs, food and nutrition labs, offices, and multi-purpose rooms. The project was previously delayed as a result of the transfer of title to the land from the City of Charleston to the University. The transfer was done by the approval of the Quit Claim Deed by the City of Charleston on March 29, 2017 and recorded with the County of Charleston on May 4, 2017. During 2018, the design team worked closely with the City of Charleston to satisfy both technical and design related issues required for regulatory approval. The additional delay resulted in anticipated construction cost increases as follows: 1) Inflation of the past year. 2) Further geo-technical exploration of the site which revealed that the subsurface debris is more extensive than anticipated and a change to the foundation design was warranted. 3) Extensive on-site storm water detention system has been included in the design to satisfy the City of Charleston’s interpretation of the pre-development condition. 4) Exterior design revisions required by the City of Charleston Mayor’s Design Review Committee including additional design elements such as exterior stairs and ramps, railings, materials and landscaping. This new facility will be constructed to meet Green Globes certification standards with an anticipated cost savings of \$83,279 over a 30-year period. The facility will house approximately 8 program staff who will deliver programs in the areas of Small Farm, Agricultural and Natural Resources, Adult and Community Leadership, Family Life & Nutrition, 4-H and Youth Development and Community Education. The facility expects to receive approximately 5,000 visitors each year. The agency estimates total project costs at \$6,094,784 with additional annual operating costs of \$73,321 in years 1 thru 3. The agency anticipates execution of the construction contract in July 2019 and completion of construction in August 2020.

- (i) Summary 7-2019: JBRC Item 9. (D50) Department of Administration  
 Project: 9956, Brown Bldg-1<sup>st</sup> Floor Upfit for SCJD  
 Included in Annual CPIP: Yes – 2017 CPIP Priority 6 of 7 in FY18 (estimated at \$239,855)  
 JBRC/SFAA Phase I Approval: October 2015 (estimated at \$237,150)  
 JBRC/SFAA Phase I Incr. Budget/Revise Scope Approval: October 2017 (estimated at \$448,910)  
 JBRC/SFAA Phase II Approval: February 2018 (estimated at \$356,341)

CHE Recommended Approval: N/A

Ref: Supporting document pages 99-106

<u>Source of Funding</u> <u>Detail</u>	<u>Original</u> <u>Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Depreciation Reserve	3,500	233,650	237,150	89,375	326,525
Other, SC Judicial Department	-	119,191	119,191	-	119,191
All Sources	<u>3,500</u>	<u>352,841</u>	<u>356,341</u>	<u>89,375</u>	<u>445,716</u>

Funding Source: \$326,525 Other, Depreciation Reserve Funds, which is derived from the rent account which receives rent charged to agencies. \$119,191 Other, SC Judicial Department Funds, which is derived from magistrate court fees.

Request: Increase budget to \$445,716 (add \$89,375 Other, Depreciation Reserve Funds) to cover higher than expected bid results due to the strengthening construction market and corresponding increased labor rates. This project is to renovate approximately 5,350 square feet on the 1st floor of the Brown Building in order to accommodate Judicial Department's Information Technology (IT) group that is currently located in the Calhoun Building. The space will house 22 to 30 Judicial Department staff. The work will include demolition of select existing walls, new paint, new carpet, new vinyl floor and base, new ceiling grid, and new ceiling tile. The scope will also include new cabinets for the break room, a dedicated AC unit for the new IT closet, as well as new electrical wiring for cubicles. Door modifications and wiring pathways will be provided as needed to accommodate a new SCJD security system which is planned under a separate project. An alternate to restore and improve the existing lighting of the space is also included in this budget. Asbestos abatement will be required for the wall demolition work due to the presence of the material in the existing drywall joint compound and also at the floor due to the presence of the material in the existing floor tile and associated mastic. The Brown building is 156,182 gross square feet and is 45 years old. The agency estimates total project costs at \$445,716 with no additional annual operating costs. The agency anticipates completion of construction in November 2019

- (j) Summary 7-2019: JBRC Item 10. (D50) Department of Administration  
 Project: 9999, Calhoun Building – Room Alterations and Ceiling Repair  
 Included in Annual CPIP: No - This project was not included in the Department of Administration 2017 CPIP because it was initiated by the SC Judicial Department, and at that time tenant projects were not included in the department’s CPIP.  
 JBRC Staff Phase I Approval: January 2018 (estimated at \$133,760)  
 Admin. (Legislatively Authorized) Revise Scope & Change Project Name Approval: February 2018 (estimated at \$185,960)  
 JBRC Staff Phase II Approval: June 2018 (estimated at \$244,507)

CHE Recommended Approval: N/A

Ref: Supporting document pages 107-124

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Depreciation Reserve	750	27,250	28,000	-	28,000
Other, SC Judicial Department	2,284	214,223	216,507	-	216,507
Other, SC Judicial Department FY19 Capital Reserve	-	-	-	86,820	86,820
All Sources	<u>3,034</u>	<u>241,473</u>	<u>244,507</u>	<u>86,820</u>	<u>331,327</u>

Funding Source: \$28,000 Other, Depreciation Reserve Funds, which is derived from the rent account which receives rent charged to agencies. \$216,507 Other, SC Judicial Department Funds, which are revenues received from Magistrate Court Fees. \$86,820 Other, SC Judicial Department FY19 Capital Reserve Funds.

Request: Increase budget to \$331,327 (add \$86,820 Other, SC Judicial Department FY19 Capital Reserve Funds) to cover higher than expected bid results as a result of the strengthening market with commensurate higher labor costs. The purpose of this project is to make several minor renovations at the request of the SC Judicial Department and repairs in select areas totaling approximately 4,089 gross square feet of the Calhoun Building. The work includes reconfiguring walls and doors to create more usable office space, reworking existing cabinets in the mail room, and replacing an existing damaged and deteriorating ceiling system. The 85,762 square foot Calhoun Building was constructed in 1926 and is 93 years old. The Calhoun Building houses approximately 189 Judicial staff and receives about 7,500 visitors annually. The space affected by this project will serve approximately 40 staff. The agency estimates total project costs at \$331,327 with no additional annual operating costs. The agency anticipates completion of construction in February 2020.

**Preliminary Land Acquisition**

- (k) Summary 7-2019: JBRC Item 11. (P24) Department of Natural Resources  
 Project: 9994, Laurens-Lake Rabon Acquisition  
 Included in Annual CPIP: Yes – 2018 CPIP Priority 17 of 17 in FY19 (amount unknown)  
 JBRC/SFAA Phase I Approval: N/A

CHE Recommended Approval: N/A

Ref: Supporting document pages 125-134

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u> <u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Operating Revenue – Conservation Bank	-	-	-	20,000	20,000
All Sources	=	=	=	<u>20,000</u>	<u>20,000</u>

Funding Source: \$20,000 Other, Operating Revenue – Conservation Bank, which are funds provided for the conservation of significant natural resource lands, wetlands, historical properties, and archaeological sites.

Request: Establish project and budget for \$20,000 (Other, Operating Revenue – Conservation Bank Funds) to procure investigative studies required to adequately evaluate property prior to purchase. The agency is considering the acquisition of approximately 1,023 acres of land in Laurens County. The property is being offered by the Laurens County Water and Sewer Commission. The property, which contains Lake Rabon, is located five miles west of Laurens. The lake comprises most of the tract, with some adjoining uplands. A subdivision borders two sides of the lake and a park adjoins the south side. Amenities include an administration building, a large meeting shelter, 3 picnic shelters, restrooms, playground equipment, paved trails, parking lots and a boat ramp. After it is acquired, the property will be managed to enhance fish habitat and added to the State Lakes program. The property will also provide outdoor recreational and educational opportunities to the public. The agency estimates the land acquisition cost at \$5,000,000 with no additional annual operating costs.

**Final Land Acquisition**

- (l) Summary 7-2019: JBRC Item 12. (H59) Technical College of the Low Country  
 Project: 6139, Lowcountry Culinary Arts Institute and Interpretive Center  
 Included in Annual CPIP: Yes – 2018 CPIP Priority 1 of 1 in FY19 (estimated at \$783,000)  
 JBRC/SFAA Phase I Approval: June 2018 (estimated at \$783,000)

CHE Recommended Approval: 5/2/19

Ref: Supporting document pages 135-174

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u> <u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Other, Beaufort County	15,000	-	15,000	675,000	690,000
All Sources	<u>15,000</u>	=	<u>15,000</u>	<u>675,000</u>	<u>690,000</u>

Funding Source: \$690,000 Other, Beaufort County Funds, which are a contribution that has been committed by Beaufort County from their Accommodation Tax funding, to ensure the construction of a Culinary Arts Institute and Interpretive Center.

Request: Increase budget to \$690,000 (add \$675,000 Other, Beaufort County Funds) to complete the acquisition of 1.0 acres in the Buckwalter Place Commerce Park, Bluffton, in Beaufort County, SC. This property will support the new construction of an approximately 29,000 square foot culinary arts institute and interpretive center also being requested in this agenda in project H59-6141. The property is being offered for sale by Southeastern Development Corporation for \$675,000. An appraisal completed by Marshland Appraisals, LLC on March 20, 2019 valued the property at \$1,000,000. A Phase I Environmental Site Assessment was completed by Terracon on November 20, 2018 and revealed no evidence of environmental concerns. The agency estimates the land acquisition at \$690,000 with no additional annual operating costs. The agency anticipates completing the land acquisition in July or August 2019.

- (m) Summary 7-2019: JBRC Item 13. (P24) Department of Natural Resources  
 Project: 9984, Richland – Wateree River WMA Land Acquisition (TCF)  
 Included in Annual CPIP: Yes – 2018 CPIP Priority 2 of 16 in FY20 (estimated at \$3,000,000)  
 JBRC/SFAA Phase I Approval: December 2018 (estimated at \$2,820,000)

CHE Recommended Approval: N/A

Ref: Supporting document pages 175-266

<u>Source of Funding</u> <u>Detail</u>	<u>Original Budget</u> <u>Amount</u>	<u>Cumulative</u> <u>Changes Since</u> <u>Original Budget</u>	<u>Current Budget</u>	<u>Current Budget</u> <u>Adjustment</u> <u>Requested</u>	<u>Total Budget</u> <u>After Current</u> <u>Adjustment</u>
Federal, Hunter Education Range Grant	20,000	-	20,000	2,100,000	2,120,000
Other, Fish & Wildlife Timber	-	-	-	244,032	244,032
Other, REPI Grant	-	-	-	600,000	600,000
All Sources	<u>20,000</u>	=	<u>20,000</u>	<u>2,944,032</u>	<u>2,964,032</u>

**Funding Source:** \$2,120,000 Federal, Hunter Education Range Grant Funds, which is income provided to the states and insular areas fish and wildlife agencies for projects to provide instruction in firearm operation and safety, wildlife management, nature conservation, ethics, game laws, outdoor survival, and wilderness first aid. Funds may also be used for the development and operations of archery and shooting range facilities. The Hunter Education Program is part of the Wildlife Restoration Program, which is administered by the US Fish and Wildlife Service and obtains funds from excise taxes on firearms, ammunition, archery equipment and arrow components. \$244,032 Other, Fish & Wildlife Timber Funds, which is revenue derived from timber harvests on DNR lands. \$600,000 Other, Readiness and Environmental Protection Integration (REPI) Funds, which is administered by the US Department of Defense and is a key tool for combating encroachment that can limit or restrict military training, testing and operations. The REPI program protects military installations by helping remove or avoid land-use conflicts near installations and addressing regulatory restrictions that inhibit military activities.

**Request:** Increase budget to \$2,964,032 (add \$2,944,032 Federal, Hunter Education Range Grant, Other, Fish & Wildlife Timber, and Other, REPI Grant Funds) to complete the acquisition of approximately 780.80 acres of land located in eastern Richland County. The land, which adjoins the DNR's Wateree River Wildlife Management Area (WMA), is being offered by The Conservation Fund of Arlington, VA for \$2,944,032. An appraisal completed by the Meridian Group on March 14, 2018 and recertified on April 13, 2019, valued the property at \$3,030,000. A Phase I Environmental Site Assessment was completed by Emerald on February 28, 2019 and did reveal evidence of Recognized Environmental Conditions in connection with the property. The assessment identified a heating oil underground storage tank on the south side of the Guest House. Emerald personnel recommended that the empty tank should be permanently closed by removal and testing of the soil around the tank. The tank was removed on March 5, 2019 and Emerald personnel collected two soil samples from beneath the bottom of the excavation on March 6, 2019. The soil samples were submitted to an independent laboratory and no results were found above the laboratory detection limits. There are no additional recommendations for the site regarding the former heating oil tank. A Building Condition

Assessment was completed by Emerald, Inc. for five of the structures located on the property and none of them contained recommendations for remedies or deficiencies. The property is currently owned by an entity exempt from real property tax assessments so letters of support from the local government and school district are not required. The property is located approximately 15 miles east of Columbia on US Hwy 378 in eastern Richland County and borders the west side of the Wateree River WMA. It contains upland and wetland areas, ponds, controlled impoundments, and open fields. Ten structures are on the site, including two residences, a log cabin and garage, a guest cabin, skinning shed, storage building, paddock and two pole sheds, which would be incorporated into the operation of the property. The main residence and the guest residence are approximately 78 years old. The log cabin and remaining buildings are approximately 38 years old. The existing buildings would not be renovated. The property would be used to develop a regional skeet and trap event facility for youth and adult shooting events and as a Take One/Make One youth hunting area. Dove fields, waterfowl impoundments, and other hunting and fishing areas would also be established for use by the public. Further, the site would be utilized as a training site by DNR law enforcement staff in the future. The agency estimates the land acquisition cost at \$2,964,032 with additional annual operating costs of \$67,625 in year 1, and \$27,051 in years 2 and 3. The agency anticipates completing the land acquisition in June 2019.

**AGENCY:** Patriots Point Development Authority

**PROJECT/SUBJECT:** Annual Report Regarding Lease to Patriots Annex, LLC

At its meetings on June 6, 2017, and August 15, 2017, the Joint Bond Review Committee approved a request by Patriots Point Development Authority to lease-out 61.75 acres to Patriots Annex, LLC, and directed Patriot's Point to submit a report prior to March 31 each year regarding the status of the proposed lease. Patriot's Point submitted the 2019 report on March 29, 2019.

Patriot's Point reports that the lease is still in the Inspection Period, during which period Patriots Annex is seeking zoning approvals, negotiating a fee-in-lieu of property taxes agreement with the Town of Mt. Pleasant and Charleston County, negotiating a development agreement with the Town of Mt. Pleasant, developing conceptual plans, and conducting other due diligence; accordingly, there has been no construction or receipt of rental revenues in connection with the lease.

Patriot's Point further reported that Patriots Annex will submit a request for zoning to the Town of Mt. Pleasant for Preliminary Staff Review in April 2019, which is expected to be heard by the Town's Planning Commission in May or June 2019, with a hearing before Town Council in June or July 2019. Since the report was submitted, the zoning submission has shifted to May, 2019. Patriots Annex has held meetings with Town staff and the Mayor.

The Inspection Period will end on the date three requirements are met: zoning is obtained; a fee-in-lieu of taxes agreement is executed; and a development agreement is executed. If these three requirements have not been met or waived by Patriots Annex by October 5, 2019, either party may cancel the lease. Patriots Annex is required to begin construction within three years of the end of the Inspection Period. Minimum Rent begins the earlier of (i) one year after the end of the Inspection Period, or (ii) October 5, 2020 (three years after the Lease Commencement Date) if the Inspection Period has ended on or before October 5, 2020. If the Inspection Period ends after October 5, 2020, Minimum Rent will begin as of the date the Inspection Period ends. Patriot's Point expects to begin collecting rent before the end of calendar 2020.

On March 15, 2019, the Patriot's Point board unanimously approved Patriots Annex's Conceptual Master plan, which includes 3 hotels, a convention and conference facility, 3 office buildings, 3 parking garages, an amphitheater, retail buildings with residential apartments above the retail spaces, and a public boardwalk. The development is expected to be undertaken in 5 phases over a period of about 10 years. A graphic of the conceptual plan is attached.

**COMMITTEE ACTION:**

Receive as information the Annual Report of Patriot's Point Development Authority regarding its lease with Patriots Annex, LLC.

**ATTACHMENTS:**

- 1) Annual Report of Patriot's Point Development Authority dated March 29, 2019
- 2) Letter from Patriot's Point Development Authority dated April 24, 2019

# PATRIOTS POINT

★ HOME OF THE USS YORKTOWN★

March 26, 2019

Mr. Ric Harmon  
Director of Research; SFAA Liaison  
Joint Bond Review Committee  
Gressette Building; Room 109  
Columbia, SC 29201

Dear Mr. Harmon,

The Joint Bond Review Committee approved a lease agreement between Patriots Point Development Authority and Patriots Annex LLC contingent on Patriots Point providing an annual report, prior to March 31<sup>st</sup> each year, on the status of the development. The attached document is the annual report due by March 31, 2019. The report is in the format previously provided by JBRC staff with our updates annotated after each item.

Please let me know if any additional information is needed. Thank you for your help!

Sincerely,



R. "Mac" Burdette  
Executive Director

cc:

Mr. Ray Chandler, Esq., Chairman, PPDA Board of Directors (via E-mail)  
Mr. Wayne Adams, Chairman, Development Committee, PPDA Board of Directors (via E-mail)  
Ms. Ashlie Lancaster, South Carolina Dept of Administration (via E-mail)  
Mr. William Craver, Esq., PPDA Legal Counsel (via E-mail)  
Mr. Phil Wagoner, Esq., PPDA Legal Counsel (via E-mail)  
Mr. Bob Howard, PPDA Property Manager, (via E-mail)

**Annual Report to JBRC and SFAA**  
**Lease Between Patriots Point Development Authority and Patriots Annex, LLC**  
**(as of March 2019)**

- I. Financial Information
- A. A report concerning the amount of Rent generated by the Lease in the prior 12 months, including:
- (1) The amount of Minimum Rent received; and
  - (2) The amount of Percentage Rent received, broken down into the various categories of Percentage Rent. The Percentage Rent will be further broken down to show how much Percentage Rent is being generated by each improvement on the property.
  - (3) PPDA's use/expenditure of the revenue received in the prior 12 months, including carry-forward balances.
- PPDA Response: No rent has been received. The due diligence period allowed by the lease is expected to end in a few months when the Tenant receives zoning approval from the Town of Mount Pleasant. In accordance with the lease, rent payments will begin one year after the due diligence period ends. No construction has begun.
- B. A projection of the Rent PPDA expects the Lease to generate in the next 12 months.
- PPDA response: No rent is expected in the next 12 months as the tenant continues its due diligence and seeks zoning approvals from the Town of Mount Pleasant. We expect to begin receiving rent payments before the end of 2020.
- C. An estimate of the local and state tax revenue generated by the activity on the Premises during the prior 12 months.
- PPDA Response: None. No revenue-producing improvements have been made.
- D. An estimate of the number of people employed by the businesses operating on the Premises.
- PPDA Response: None. No businesses have been constructed.
- II. Development
- A. An overview of the current Master Plan (or Conceptual Master Plan if no Master Plan is in place yet), including any subdivision of the Premises approved by PPDA in the prior 12 months.
- PPDA Response: Tenant has developed a Conceptual Master Plan per the terms of the lease approved by JBRC/SFAA. This Conceptual Master Plan was unanimously approved by the PPDA Board on March 15, 2019. The plan includes three hotels, a convention/conference facility, three office buildings, three parking garages, an amphitheater, retail buildings with residential apartments above the retail spaces, and a public boardwalk. The

development will be constructed over a period of 10 – 15 years in multiple phases.

- B. The status of each project shown on the Master Plan (or Conceptual Master Plan), including:
- (1) The status of Mt. Pleasant and/or Charleston County approvals required to commence construction.  
PPDA Response: The tenant will submit a request for zoning to the Town of Mount Pleasant Planning Department for Preliminary Staff Review in April 2019. Tenant has held meetings with the Mayor of Mount Pleasant and the Town staff. Concurrent with the zoning application, the tenant is also negotiating a Development Agreement with the Town. The tenant’s zoning application is expected to be heard by the Town of Mount Pleasant Planning Commission in May or June 2019, with a hearing before Town Council in June or July.
  - (2) The status of any improvements currently under construction.  
PPDA Response: None under construction at this time.
  - (3) The status of any improvements completed and operational within the prior 12 months.  
PPDA Response: None.
  - (4) Any change in the status of operating improvements.  
PPDA Response: None.
  - (5) The status of any major repairs or renovations to improvements that required PPDA’s approval in the prior 12 months.  
PPDA Response: None.
- B. An update concerning the Lease’s various development-related deadlines.  
PPDA Response: The “Lease Commencement Date” is October 5, 2017, when SFAA approved and signed the agreement. Tenant now has an inspection period during which Tenant will apply for zoning, negotiate fee-in-lieu of property tax with the Town of Mount Pleasant, and otherwise perform its due diligence. This inspection period ends when the Tenant obtains its zoning from the Town. The lease allows for up to two years to accomplish this. After this two year period (October 4, 2019), if zoning has not been obtained, either party may cancel the lease. The Minimum Rent Commencement Date is the earlier of (1) one year after the Inspection Period ends, or (2) the beginning of the fourth year of the lease, if zoning has been obtained by then. PPDA expects to begin collecting rent before the end of 2020.
- C. Milestones expected in the upcoming 12 months.  
PPDA Response: Within the next few months, we expect the tenant will complete the process to obtain zoning. The Inspection Period will end on the date zoning is approved. One year after the Inspection Period ends, rent will begin to accrue.
- D. An update concerning the PPDA improvements affected by the Lease, including:
- (1) Any improvements vacated by PPDA in the prior 12 months.

- PPDA Response: None.
- (2) The status of any improvements currently being relocated or constructed.  
PPDA Response: None.
- (3) The status of any improvements, the relocation or construction of which was completed in the prior 12 months.  
PPDA Response: None.
- (4) An update concerning the various deadlines for PPDA to vacate or relocate its improvements affected by the Lease.  
PPDA Response: The tenant is required to begin construction within three years of the end of the Inspection Period. We expect the tenant will begin construction within two years of obtaining zoning. The schedule will be more clear after the tenant has obtained zoning – expected within the next few months.

III. Legal/Miscellaneous

- A. An overview of any Sublease or Subparcel Sublease transfers that have occurred in the prior 12 months.  
PPDA Response: None
- B. An overview of any tenant equity interest transfers that have occurred in the prior 12 months.  
PPDA Response: None.
- C. Any changes in the status of the Conservation Easement or the Federal Land Water Conservation Fund restrictions.  
PPDA Response: None.
- D. An update concerning all loans secured by the leasehold estate.  
PPDA Response: None.

# PATRIOTS POINT

★HOME OF THE USS YORKTOWN★

April 24, 2019

Mr. Rick Harmon  
Director of Research; SFAA Liaison  
Joint Bond Review Committee  
Gressette Building; Room 109  
Columbia, SC 29201

Dear Mr. Harmon,

This letter responds to the questions in your email dated April 24, 2019, concerning the approved Conceptual Master Plan for the Patriots Annex development.

The Conceptual Master Plan for Patriots Annex was unanimously approved by our Board of Directors on March 15, 2019. A graphic of the plan is enclosed. The approved plan includes three hotels, a conference facility, over 400,000 sq ft of office space, retail and restaurant buildings, an amphitheater, and structured parking for 2,800 vehicles. The one notable addition is the conference facility. The tenant was approached by the Charleston Convention and Visitors Bureau and asked to consider including a conference facility in the development. After a study was completed for the tenant by a consulting firm, the tenant opted to include the conference facility in place of an office building that was originally proposed. The revenues for Patriots Point from this development are projected to exceed those approved in the original lease by approximately \$240,000 per year at full buildout and operation.

The approved lease allows the tenant fifteen years to complete the buildout of the development depicted in the Conceptual Master Plan. The tenant anticipates building the development in five phases over a period of about ten years. The first phase of the construction will be the hotel labeled as "Hotel 1" on the graphic, along with the adjacent retail and amphitheater. In addition, the tenant anticipates constructing all of the infrastructure needed to support the entire development as part of the phase one construction. We do expect the phased construction to require subdivision of the premises, however, the tenant has not yet requested any subdivision.

Please let me know if any additional information is needed. Thank you for your help!

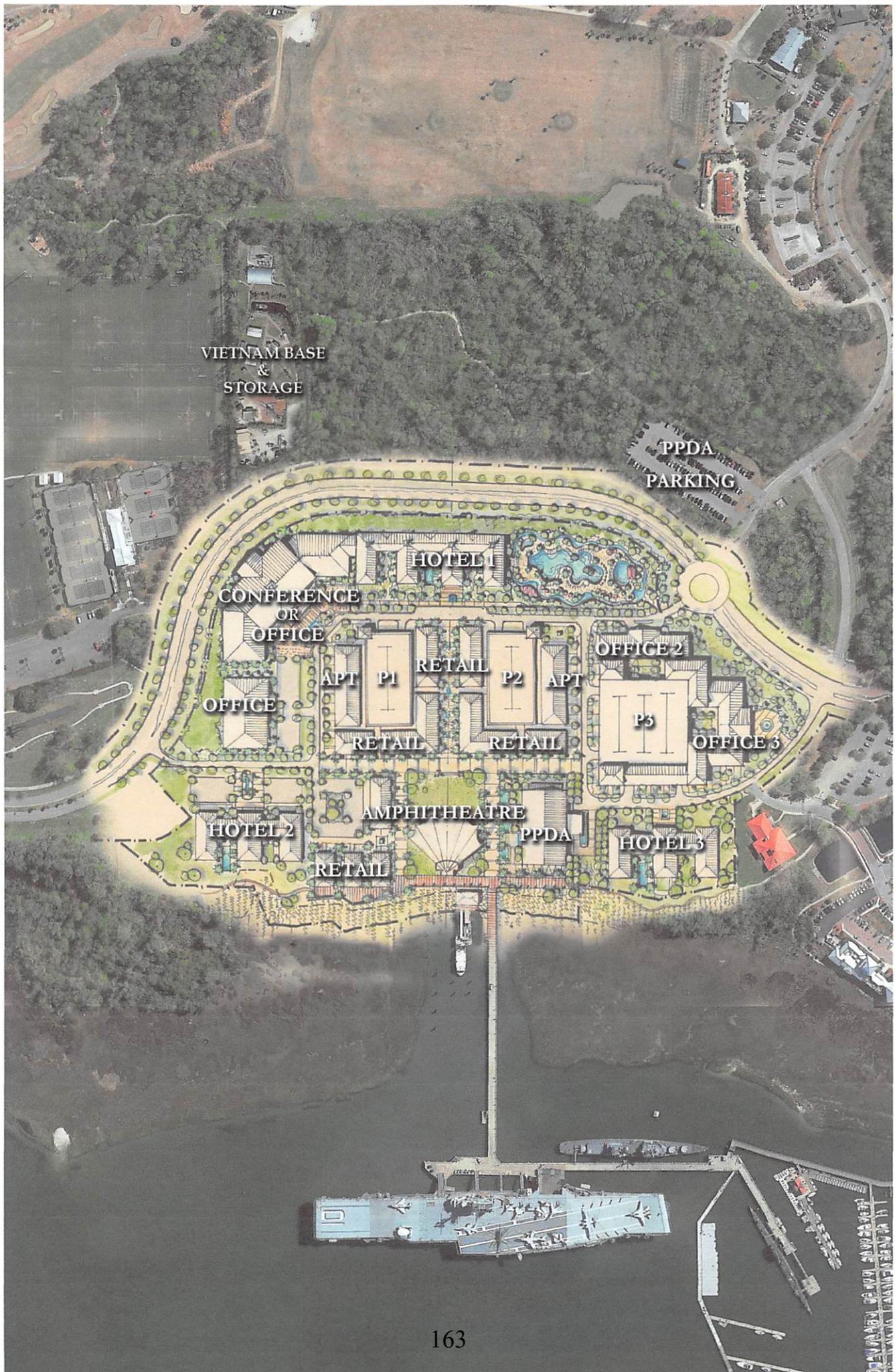
Sincerely,



R. "Mac" Burdette  
Executive Director

cc:

Mr. Ray Chandler, Esq., Chairman, PPDA Board of Directors (via E-mail)  
Mr. Wayne Adams, Chairman, Development Committee, PPDA Board of Directors (via E-mail)  
Ms. Ashlie Lancaster, South Carolina Dept of Administration (via E-mail)  
Mr. William Craver, Esq., PPDA Legal Counsel (via E-mail)  
Mr. Phil Wagoner, Esq., PPDA Legal Counsel (via E-mail)  
Mr. Bob Howard, PPDA Property Manager, (via E-mail)



VIETNAM BASE  
&  
STORAGE

PPDA  
PARKING

HOTEL 1

CONFERENCE  
OR  
OFFICE

OFFICE 2

OFFICE

APT

P1

RETAIL

P2

APT

P3

OFFICE 3

RETAIL

RETAIL

HOTEL 2

AMPHITHEATRE

PPDA

HOTEL 3

RETAIL

**AGENCY:** Various

**PROJECT/SUBJECT:** Pending Matters and Updates from Prior Meetings

The following matters arose in connection with items considered in prior meetings, and were referred to staff for study and resolution. Summaries of the current status of these matters follow.

- a. SC Department of Mental Health  
SC Veterans Nursing Homes Final Approval (January 16, 2019, Item 6)
- b. SC Department of Administration  
Roof Condition Assessments and Process (January 16, 2019, Item 3(b))
- c. SC Department of Administration  
Veteran's Cemeteries (February 20, 2019, Item 3(f))
- d. SC Office of Adjutant General  
Federal Funding for Capital Projects (February 20, 2019, Item 3(h))
- e. SC Department of Mental Health  
Babcock Building Roof Repair/Replacement (February 20, 2019, Item 3(i))
- f. SC Criminal Justice Academy  
Village Dormitory Restroom Renovations (February 20, 2019, Item 3(k))

**COMMITTEE ACTION:**

Receive these updates as information.

**ATTACHMENTS:**

Various; details are attached to each subitem.

**AGENCY:** South Carolina Department of Mental Health

**PROJECT/SUBJECT:** South Carolina Veterans Nursing Homes - Final Approval

By action on June 13, 2018, the committee authorized staff to review and make recommendations regarding any requests of the Department of Mental Health to advance the projects to become eligible for federal funding, with any requests and staff recommendations reported to the committee at its next meeting. By action on January 16, 2019, the committee gave the project final approval, conditioned on a firm limit of \$37,065,450 as the state's commitment to funding the estimated shortfall.

On March 5, 2019, the Department advised that bids had been opened and notices of award had been issued, and further advised that the lowest bids received exceeded the aggregate, then-currently approved construction budget of \$166.2 million by \$18.2 million. Despite efforts to mitigate the deficiency by shifting certain expenditures and value engineering the projects to the extent possible, the deficiency could not be entirely eliminated. The Department evaluated alternatives and concluded deferring pursuant of one of the projects would free sufficient funds to address the deficiency in the other two projects. The deferred project would be resubmitted to the U.S. Department of Veteran's Affairs in 2020, for consideration of construction grant funding in 2021.

The Department canvassed executive and legislative leadership and received indications of support to move forward with construction of the Northeast and Northwest region projects and defer pursuit of the Central region project. In reliance on representations made by the Department as to funding status and executive and legislative support for the Department's alternative plan, Committee staff reviewed and recommended approval of the revised construction budgets and commitment of financial resources to the Northeast and Northwest region projects; deferral of the Central region project; and revision of project authorizations reflective of these changes.

The State Fiscal Accountability Authority approved the permanent improvement project requests and budget revisions as requested by the Department on March 21, 2019. The Department executed Memorandums of Agreement for grant funding on March 25, 2019, prior to the April 3, 2019, deadline. Official grant approval will be evidenced by execution of the Memorandums of Agreement by the Under Secretary of Health, which has not yet been received; however, the Department has advised that the Memorandums are being vetted at the Department of Veteran's Affairs. Department of Veteran's Affairs staff has approved the budgets, given permission to execute contracts, and recommended approval of the grants.

**COMMITTEE ACTION:**

Receive this update as information.

**ATTACHMENTS:**

Harmon Letter regarding State Veteran's Nursing Home Construction Projects dated March 19, 2019

# Capital Improvements Joint Bond Review Committee

**HUGH K. LEATHERMAN, SR.**  
SENATE  
CHAIRMAN

## SENATE MEMBERS

HUGH K. LEATHERMAN, SR.  
HARVEY S. PEELER, JR.  
THOMAS C. ALEXANDER  
PAUL G. CAMPBELL, JR.  
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## HOUSE MEMBERS

G. MURRELL SMITH, JR.  
GILDA COBB-HUNTER  
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J. GARY SIMRILL



**G. MURRELL SMITH, JR.**  
HOUSE OF REPRESENTATIVES  
VICE CHAIRMAN

**F. RICHARD HARMON, JR.**  
DIRECTOR OF RESEARCH  
SFAA LIAISON  
803-212-6682

**JESSA WIGINGTON**  
ADMINISTRATIVE ASSISTANT  
803-212-6677  
FAX: 803-212-6690

March 19, 2019

Mr. Mark W. Binkley, J.D.  
Interim State Director  
South Carolina Department of Mental Health  
2414 Bull Street, Suite 316  
Columbia, SC 29201

Ms. Jennifer LoPresti  
Capital Budgeting Manager  
South Carolina Department of Administration  
Capital Budget Office  
Suite 529, Edgar A. Brown Building  
Columbia, SC 29201

Re: State Veteran's Nursing Home Construction Projects

Dear Mr. Binkley and Ms. LoPresti:

The South Carolina Department of Mental Health has advised the Joint Bond Review Committee and others that bids have been received for three South Carolina Veteran's Homes proposed for construction in the Central, Northeast, and Northwest regions of the state. The Department has further advised that lowest bids received exceeded the aggregate, currently approved construction budget of \$166.2 million by \$18.2 million.

Financial resources of the state supporting the aggregate construction budget include approximately \$42.5 million in funds set aside in 2015 and \$37 million in additional state appropriations requested by the Department and included in both the Governor's Executive and House of Representatives proposed budgets for the fiscal year ending June 30, 2020. The Department has been informed that additional state funding will not exceed \$37,065,450.

The Department has proposed shifting expenditures for certain equipment and furniture from the construction budgets to future operations contracts and value engineering other project expenditures which, in the aggregate, would mitigate the deficiency in state funding available to support all three projects; however, even with those measures, the Department projects a deficiency in state funding of at least \$5.4 million.

Mr. Mark W. Binkley, J.D.  
Ms. Jennifer LoPresti  
March 19, 2019  
Page 2

Given this unresolved deficiency in state funding necessary to support the full construction budget, the Department has evaluated alternatives and concluded that deferring pursuit of one of the projects will free at least \$25.3 million in state funding to address the deficiency in the other two projects, leaving approximately \$20 million available for the state match portion of a future third State Veterans Home. The Department would expect to re-apply for the deferred project by April 15, 2020, with state match funding required to be in place not later than August 1, 2020, for consideration of construction grant funding by the U.S. Department of Veteran's Affairs in 2021.

The Department has canvassed executive and legislative leadership and received indications of support to move forward with construction of the Northeast region and Northwest region projects and defer pursuit of the Central region project under this alternative plan, and has submitted revised Forms A-1 and other supporting documentation reflecting these changes to the Capital Budget Office of the Department of Administration.

By action on June 13, 2018, the Joint Bond Review Committee authorized Committee staff to review and make recommendations regarding any requests of the Department to advance the projects to become eligible for federal funding, with any requests and staff recommendations reported to the Committee at its next meeting.

Inasmuch as the Committee is not scheduled to reconvene until May 8, 2019, after the impending deadline for federal funding in connection with these projects, and in reliance on the representations made by the Department with respect to funding status and executive and legislative support for the alternative plan summarized herein, Committee staff has reviewed and recommends approval of the revised construction budgets and commitment of financial resources to the Northeast region and Northwest region projects; deferral of the Central region project; and revision of project authorization in accordance with the Forms A-1 and other supporting documentation reflecting these changes as submitted by the Department to the Capital Budget Office. Submission of revised plans for the Central region project should be made by the Department to the Committee at an appropriate future date.

In accordance with the Committee action described above, the Department's request and this recommendation will be reported to the Committee at its next meeting.

Please advise us if you need any further information.

Very truly yours,



F. Richard Harmon, Jr.  
Director of Research

Attachments: Forms A-1

FOR DEPARTMENT USE ONLY	
CHE	_____
JBRC	_____
SFAA	_____
JBRC Staff	_____
ADMIN Staff	_____
A-I Form Mailed	_____
SPIRS Date	_____
Summary	_____

**RECEIVED**  
By Kim at 4:07 pm, Mar 15, 2019

(For Department Use Only)
<b>SUMMARY NUMBER</b>
<b>FORM NUMBER</b>

**PERMANENT IMPROVEMENT PROJECT REQUEST**

1. AGENCY Code   J12   Name   South Carolina Department of Mental Health    
 Contact Person   Pete Creighton   Phone   803-530-3667  

2. PROJECT Project #   9739   Name   State Veterans' Nursing Home Construction Northeast Region    
 Facility #            Facility Name   State Veterans Home  

<b>County Code</b>	21 - Florence
<b>New/Revised Budget</b>	\$57,134,013.00

<b>Project Type</b>	2 - Construct Additional Facilities
<b>Facility Type</b>	3 - Health Care/Medical

3. CPIP PROJECT APPROVAL FOR CURRENT FISCAL YEAR  
 CPIP priority number   8   of   12   for FY   2020  .

4. PROJECT ACTION PROPOSED (Indicate all requested actions by checking the appropriate boxes.)

<b>Establish Project</b>	<input type="checkbox"/>	<b>Decrease Budget</b>	<input type="checkbox"/>	<b>Close Project</b>	<input type="checkbox"/>
<b>Establish Project - CPIP</b>	<input type="checkbox"/>	<b>Change Source of Funds</b>	<input type="checkbox"/>	<b>Change Project Name</b>	<input type="checkbox"/>
<b>Increase Budget</b>	<input checked="" type="checkbox"/>	<b>Revise Scope</b>	<input type="checkbox"/>	<b>Cancel Project</b>	<input type="checkbox"/>

5. PROJECT DESCRIPTION AND JUSTIFICATION  
 (Explain and justify the project or revision, including what it is, why it is needed, and any alternatives considered. Attach supporting documentation/maps to fully convey the need for the request.)

The FY18 Veterans Affairs Appropriations Bill provided federal grant funding for the construction of a Home in Florence, based on the community living center design. The Department received a conditional funding letter in October 2018 from VA, which required that the State submit construction bids for approval with the associated State funding match no later than April 2, 2019. Bids have been received and in order to award the contract and receive federal funding, an additional \$1,834,013 in budget authority will be required.

Request approve increase in phase II design and construction funding in order to complete all requirements necessary to receive a federal funding grant from VA in April 2019.

6. OPERATING COSTS IMPLICATIONS  
 Attach Form A-49 if any additional operating costs or savings will result from this request. This includes costs to be absorbed with current funding.

7. ESTIMATED PROJECT SCHEDULE AND EXPENDITURES  
 Estimated Start Date:   March 2015   Estimated Completion Date:   December 2021    
 Estimated Expenditures: Thru Current FY:   \$10,000,000.00   After Current FY:   \$47,134,013.00

8. ESTIMATES OF NEW/REVISED PROJECT COSTS

<b>PROJECT #</b>	9739
------------------	------

- 1. \_\_\_\_\_ Land Purchase ---->
  - 2. \_\_\_\_\_ Building Purchase ---->
  - 3. 2,782,163.00 Professional Services Fees
  - 4. 2,500,000.00 Equipment and/or Materials ---->
  - 5. \_\_\_\_\_ Site Development
  - 6. 49,097,000.00 New Construction ---->
  - 7. \_\_\_\_\_ Renovations - Building Interior ---->
  - 8. \_\_\_\_\_ Renovations - Utilities
  - 9. \_\_\_\_\_ Roofing - \_\_\_\_\_ Roof Age
  - 10. \_\_\_\_\_ Renovations - Building Exterior
  - 11. \_\_\_\_\_ Other Permanent Improvements
  - 12. \_\_\_\_\_ Landscaping
  - 13. \_\_\_\_\_ Builders Risk Insurance
  - 14. \_\_\_\_\_ Other Capital Outlay
  - 15. \_\_\_\_\_ Labor Costs
  - 16. \_\_\_\_\_ Bond Issue Costs
  - 17. 300,000.00 Other: 3rd Party and Cx
  - 18. 2,454,850.00 Contingency
- \$57,134,013.00 TOTAL PROJECT BUDGET

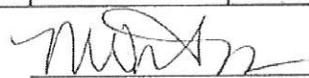
Land: \_\_\_\_\_ Acres  
 Floor Space: \_\_\_\_\_ Gross Square Feet  
 Information Technology \$500,000.00  
 Floor Space: 148,000 Gross Square Feet  
 Floor Space: \_\_\_\_\_ Gross Square Feet

ENVIRONMENTAL HAZARDS	
Identify all types of significant environmental hazards (including asbestos, PCB's, etc..) present in the project and the financial impact they will have on the project.	
Type:	_____
<u>Cost Breakdown</u>	
Design Services	\$ _____
Monitoring	\$ _____
Abate/Remed	\$ _____
Total Costs	<u>\$ 0.00</u>

9. PROPOSED SOURCE OF FUNDING

Source	Previously Approved Amount	Increase/Decrease	Original/Revised Budget	Transfer to/from Proj. #	Rev Object Code	Treasurer's ID Number	Rev Sub Fund	Exp Sub Fund
(0) CIB, Group			0.00 0.00		8115		3043	3043
(1) Dept. CIB, Group			0.00 0.00		8115		3143	3143
(2) Institution Bonds			0.00 0.00					3235
(3) Revenue Bonds			0.00 0.00					3393
(4) Excess Debt Service			0.00 0.00					3497
(5) Capital Reserve Fund			0.00 0.00		8895		3603	3603
(6) Appropriated State		14,624,629.00	14,624,629.00 0.00		8895	68800100	1001	3600
(7) Federal	28,539,164.00		28,539,164.00 0.00		2800	78800100	5787	5787
(8) Athletic			0.00 0.00			88800100		3807
(9) Other (Specify) Cap Imp & Maint Fund	26,760,836.00	(12,790,616.00)	13,970,220.00 0.00 0.00		7201	98800100	4040	3907
<b>TOTAL BUDGET</b>	<b>\$55,300,000.00</b>	<b>\$1,834,013.00</b>	<b>\$57,134,013.00</b>					

10. SUBMITTED BY:

  
 Budget Director, Financial Services  
 Deputy Director, Administrative Services  
 \_\_\_\_\_  
 Signature of Authorized Official and Title

3/15/19  
 Date

11. APPROVED BY:

(For Department Use Only) \_\_\_\_\_  
 Authorized Signature and Title

\_\_\_\_\_ Date

FOR DEPARTMENT USE ONLY	
CHIE	_____
JBRC	_____
SFAA	_____
JBRC Staff	_____
ADMIN Staff	_____
A-1 Form Mailed	_____
SPIRS Date	_____
Summary	_____

**RECEIVED**  
By Kim at 4:09 pm, Mar 15, 2019

(For Department Use Only)
SUMMARY NUMBER
FORM NUMBER

**PERMANENT IMPROVEMENT PROJECT REQUEST**

1. AGENCY Code J12 Name South Carolina Department of Mental Health  
 Contact Person Pete Creighton Phone 803-530-3667

2. PROJECT Project # 9740 Name State Veterans' Nursing Home Construction Northwest Region  
 Facility # \_\_\_\_\_ Facility Name State Veterans Home

County Code	11 - Cherokee
New/Revised Budget	\$60,122,267.00

Project Type	2 - Construct Additional Facilities
Facility Type	3 - Health Care/Medical

3. CPIP PROJECT APPROVAL FOR CURRENT FISCAL YEAR  
 CPIP priority number 9 of 12 for FY 2020

4. PROJECT ACTION PROPOSED (Indicate all requested actions by checking the appropriate boxes.)

Establish Project	<input type="checkbox"/>	Decrease Budget	<input type="checkbox"/>	Close Project	<input type="checkbox"/>
Establish Project - CPIP	<input type="checkbox"/>	Change Source of Funds	<input type="checkbox"/>	Change Project Name	<input type="checkbox"/>
Increase Budget	<input checked="" type="checkbox"/>	Revise Scope	<input type="checkbox"/>	Cancel Project	<input type="checkbox"/>

5. PROJECT DESCRIPTION AND JUSTIFICATION  
 (Explain and justify the project or revision, including what it is, why it is needed, and any alternatives considered. Attach supporting documentation/maps to fully convey the need for the request.)

The FY18 Veterans Affairs Appropriations Bill provided federal grant funding for the construction of a Home in Cherokee County, based on the community living center design. The Department received a conditional funding letter in October 2018 from VA, which required that the State submit construction bids for approval with the associated State funding match no later than April 2, 2019. Bids have been received and in order to award the contract and receive federal funding, an additional \$3,322,267 in budget authority will be required.

Request approve increase in phase II design and construction funding in order to complete all requirements necessary to receive a federal funding grant from VA in April 2019.

6. OPERATING COSTS IMPLICATIONS  
 Attach Form A-49 if any additional operating costs or savings will result from this request. This includes costs to be absorbed with current funding.

7. ESTIMATED PROJECT SCHEDULE AND EXPENDITURES  
 Estimated Start Date: March 2015 Estimated Completion Date: December 2021  
 Estimated Expenditures: Thru Current FY: \$10,000,000.00 After Current FY: \$50,122,267.00

8. ESTIMATES OF NEW/REVISED PROJECT COSTS

<b>PROJECT #</b>	9740
------------------	------

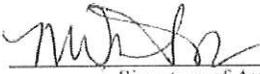
- 1. \_\_\_\_\_ Land Purchase ---->
  - 2. \_\_\_\_\_ Building Purchase ---->
  - 3. 2,774,767.00 Professional Services Fees
  - 4. 2,500,000.00 Equipment and/or Materials ---->
  - 5. \_\_\_\_\_ Site Development
  - 6. 51,950,000.00 New Construction ---->
  - 7. \_\_\_\_\_ Renovations - Building Interior ---->
  - 8. \_\_\_\_\_ Renovations - Utilities
  - 9. \_\_\_\_\_ Roofing - \_\_\_\_\_ Roof Age
  - 10. \_\_\_\_\_ Renovations - Building Exterior
  - 11. \_\_\_\_\_ Other Permanent Improvements
  - 12. \_\_\_\_\_ Landscaping
  - 13. \_\_\_\_\_ Builders Risk Insurance
  - 14. \_\_\_\_\_ Other Capital Outlay
  - 15. \_\_\_\_\_ Labor Costs
  - 16. \_\_\_\_\_ Bond Issue Costs
  - 17. 300,000.00 Other: 3rd Party and Cx
  - 18. 2,597,500.00 Contingency
- \$60,122,267.00 TOTAL PROJECT BUDGET

Land: \_\_\_\_\_ Acres  
 Floor Space: \_\_\_\_\_ Gross Square Feet  
 Information Technology \$500,000.00  
 Floor Space: 148,000 Gross Square Feet  
 Floor Space: \_\_\_\_\_ Gross Square Feet

ENVIRONMENTAL HAZARDS	
Identify all types of significant environmental hazards (including asbestos, PCB's, etc.) present in the project and the financial impact they will have on the project. Type: _____	
<u>Cost Breakdown</u>	
Design Services	\$ _____
Monitoring	\$ _____
Abate/Remed	\$ _____
Total Costs	<u>\$ 0.00</u>

9. PROPOSED SOURCE OF FUNDING

Source	Previously Approved Amount	Increase/Decrease	Original/Revised Budget	Transfer to/from Proj. #	Rev Object Code	Treasurer's ID Number	Rev Sub Fund	Exp Sub Fund
(0) CIB, Group			0.00 0.00		8115		3043	3043
(1) Dept. CIB, Group			0.00 0.00		8115		3143	3143
(2) Institution Bonds			0.00 0.00					3235
(3) Revenue Bonds			0.00 0.00					3393
(4) Excess Debt Service			0.00 0.00					3497
(5) Capital Reserve Fund			0.00 0.00		8895		3603	3603
(6) Appropriated State		16,312,518.00	16,312,518.00 0.00		8895	68800100	1001	3600
(7) Federal	29,412,179.00		29,412,179.00 0.00		2800	78800100	5787	5787
(8) Athletic			0.00 0.00			88800100		3807
(9) Other (Specifv) Cap Imp & Maint Fund	27,387,821.00	(12,990,251.00)	14,397,570.00 0.00 0.00		7201	98800100	4040	3907
<b>TOTAL BUDGET</b>	<b>\$56,800,000.00</b>	<b>\$3,322,267.00</b>	<b>\$60,122,267.00</b>					

10. SUBMITTED BY:  Budget Director, Financial Services  
 Deputy Director, Administrative Services  
 Date: 3/15/19

11. APPROVED BY: \_\_\_\_\_  
 (For Department Use Only) Authorized Signature and Title Date

**AGENCY:** South Carolina Department of Administration

**PROJECT/SUBJECT:** Roof Condition Assessments and Process

Following observations by the committee that roofs are an issue for the state, and in recognition of the committee's sensitivity to warranty periods and agencies' efforts to extend useful lives of existing roofs, the Department of Administration provided an assessment for the 49 facilities it operates and maintains.

Since 2015, roof evaluations have been conducted on 31 buildings:

- 8 facility roofs are in various stages of elastomeric recoating to extend their useful life;
- 15 facility roofs are not suitable for recoating due to their architectural type (4) or poor condition (11); and
- 8 facility roofs have active warranties with coatings that will be evaluated 3-5 years before warranty expiration, which expirations occur at various times between 2029 and 2038.

Determinations for the remaining facility roofs are being evaluated this year.

**COMMITTEE ACTION:**

Receive this update as information.

**ATTACHMENTS:**

SC Department of Administration: State Facility Roofs - February 20, 2019

**State Facility Roofs  
February 20, 2019**

The Department of Administration (Admin) operates and maintains 49 facilities with roofs. Admin staff conduct monthly inspections on all building roofs. Inspections are required to maintain roof warranties but are also conducted on roofs without a warranty or an expired warranty to check for ponding water, potential leaks and to remove debris that could potentially cause damage.

Since agency's creation in 2015, roof evaluations have been conducted on 31 buildings. The following represents the findings from those evaluations:

- 8 facility roofs were identified by an Architecture and Engineering (A&E) firm as eligible for an elastomeric coating system to extend the roof life.
  - 2 have been completed.
  - 3 are in progress/underway.
  - 3 are planned for future coating.
- 15 facility roofs were identified as ineligible by the A&E firm for an elastomeric coating system.
  - 4 roofs were not recommended due to architectural type.
  - 11 roofs were not recommended due to the poor condition of the roof.
- 8 facility roofs have active warranties and per A&E, roof coating should be evaluated 3-5 years prior to the warranty expiration.
  - 3 facility roof warranties expire in 2029
  - 2 facility roof warranties expire in 2034
  - 1 facility roof warranty expires in 2036
  - 2 facility roof warranties expire in 2038

In addition to the roof evaluations conducted above, this year another roof evaluation is underway, including core samples, to determine the eligibility of the remaining facility roofs with expired/expiring warranties for a roof coating system.

There are also 10 facilities that have been identified for sale as part of the Statewide Real Estate Strategic Plan and one facility is scheduled for demolition. These facilities are not being considered for elastomeric coating or replacement.

Of the 31 facility roofs which have been evaluated for the elastomeric coating system, 25.8% have been coated or are scheduled for coating to extend their useful life.

**AGENCY:** South Carolina Department of Administration

**PROJECT/SUBJECT:** South Carolina Veteran's Cemeteries

In connection with the Joint Bond Review Committee's favorable review of the M. J. "Dolly" Cooper Veterans Cemetery Columbaria Grant to construct 1,200 additional burial niches, the Committee requested further information on the number of columbaria in the State.

The Department of Administration subsequently responded that the M. J. "Dolly" Cooper Cemetery is the only State Veterans Cemetery in South Carolina. There are currently 4 columbarium walls with 200 niches per wall at this cemetery, with 86 remaining empty niches before capacity.

The Department advised that it did not have information for the national veterans cemeteries, as they are not maintained by the state.

The National Cemetery Administration web page of the U.S. Department of Veterans Affairs lists 3 national cemeteries in South Carolina: Beaufort National Cemetery, Florence National Cemetery, and Fort Jackson National Cemetery, each of which accommodate casketed and cremated remains, with space currently available to accommodate both types of interments.

**COMMITTEE ACTION:**

Receive this update as information.

**ATTACHMENTS:**

None.

**AGENCY:** South Carolina Office of Adjutant General

**PROJECT/SUBJECT:** Federal Funding for Capital Projects

In connection with the Joint Bond Review Committee's favorable review of the permanent improvement project to demolish existing WWII era barracks and construct Transient Training Enlisted Barracks at the McCrady Training Center in Columbia and Clarks Hill Training Center in McCormick County, the Committee requested amounts received and expenditure details for the National Guard Bureau funds over the last 5 fiscal years; a list of deferred maintenance for facilities managed by the Office of Adjutant General; and guidelines and restrictions for expenditures of National Guard Bureau funds along with their state match requirements.

The Office of Adjutant General provided several reports and the following narrative responsive to these requests:

The first document entitled "Federal Budget Summary" is responsive to the Committee's request for guidelines and restrictions for these funds, including their state match requirements. This document addresses the frequency of distributions, designations and restrictions for operational and capital expenses, with further restrictions applicable to sub-designations for capital expenses. The second page of this document reflects the federal and state cost shares determined by type of unit or facility and ownership of the property. The Office provides periodic updates to the National Guard Bureau to account for the funding and compliance with applicable restrictions.

The following document entitled "Federal Income Statement" reflects a 5 year history of federal facility maintenance and construction funds budgeted for receipt and expense under the Annual Funding Program, and is responsive to the Committee's request for receipts and expenditures over the last 5 fiscal years. The funds reflected on this document are based on the federal fiscal year in which they were budgeted, not the year in which they were expended. Funds obligated during a federal fiscal year (primarily purchases, renovation projects, and construction projects) can be executed in later fiscal years but are charged against the year the funds were budgeted. Capital expenditures include not only construction costs, but also facility maintenance, demolitions, energy programs, and renovations, among others. Moreover, these funds are sub-designated by the National Guard Bureau to subaccounts for specific uses and cannot be transferred between those accounts.

The document entitled "Renovations vs. State Budgeted Funding" reflects only renovation projects (not capital construction, facility maintenance, or other types of facility costs) on Readiness Centers. The information is based on the actual budget as reflected in the Annual Appropriations Act. Proviso 100.20 (for the fiscal year 2018-19) provides that funds appropriated for Armory Revitalizations may be carried forward from the prior fiscal year and expended for the same purpose in the current fiscal year. Renovation costs are based on the date of execution, and not the federal fiscal year in which they were budgeted. Renovations generally take 2-4 years to complete. Renovation costs reflected on the document for the state fiscal years

2012-2018 are actual costs; renovation costs thereafter are estimates based on the planned design and renovations of specified Readiness Centers.

The final document entitled “Estimated Deferred Maintenance Costs” is responsive to the request for that information. This information was developed utilizing “Army Builder”, an estimating software package from the National Guard Bureau and is the standard utilized by all Army National Guards in the nation. In developing the estimate, Army Builder takes into account factors such as age of facility, age of the facility’s components (such as HVAC, electrical and plumbing) and the expected life cycle replacement time and costs. The estimate includes the estimated maintenance costs for all of the SC Army National Guard facilities including those that are funded 100% federal, 75% federal/25% state, and 50% federal/50% state.

Total deferred maintenance is estimated at \$159 million, including costs of installing and upgrading fire systems, of which amount the federal share is approximately \$116 million and the state share is \$43 million. Estimated deferred maintenance for the Readiness Centers only is approximately \$86 million, of which amount \$43 million is the federal share, and \$43 million is the state share.

Construction was completed on the Greenville Joint Readiness Center this past year. Renovations are currently on-going on the Greenwood, Greenville (Donaldson Center) and Lancaster Readiness Centers.

**COMMITTEE ACTION:**

Receive this update as information.

**ATTACHMENTS:**

- 1) South Carolina Army National Guard - Federal Budget Summary
- 2) South Carolina Army National Guard - Federal Income - Cash Flow Statement
- 3) Office of the Adjutant General - Renovations vs. State Budgeted Funding
- 4) Office of the Adjutant General - South Carolina Army National Guard Readiness Center/Armory Estimated Deferred Maintenance



# South Carolina Army National Guard Federal Budget Summary



- Federal Funds are received quarterly through funding distributions from National Guard Bureau and are designated for either Operational or Capital costs
  - Operational (e.g., utilities, salaries, municipal services, etc.)
  - Capital (e.g., facility maintenance, demolitions, energy programs, renovations, construction, etc.)
- Funds cannot be transferred between Operational and Capital
- Funds designated for Capital are further sub-designated by NGB to subaccounts for specific types of use and cannot be transferred between those accounts



# South Carolina Army National Guard Federal Budget Summary



- Federal and State Cost Share for facility maintenance is determined by the type of unit/facility and ownership of the facility/property (State or Federal)
  - 50% Federal/50% State cost share – State Owned Readiness Centers
  - 75% Federal/25% State cost share – Federally Owned Readiness Centers
  - 100% Federal – Federally Owned Maintenance Facilities & Federally owned Training Facilities/Sites



# South Carolina Army National Guard Federal Income Statement



## OFFICE OF THE ADJUTANT GENERAL

Construction & Facilities Management Office [CFMO]

## Cash Flow Statement

For the Federal Fiscal Years 2014 - 2018

Annual Funding Program (AFP)	2014	2015	2016	2017	2018
CFMO Federal Funds from National Guard Bureau	19,189,000	15,742,900	13,712,396	18,066,200	20,325,000
<b>Total AFP</b>	<b>19,189,000</b>	<b>15,742,900</b>	<b>13,712,396</b>	<b>18,066,200</b>	<b>20,325,000</b>
<b>Expenditures</b>					
Personal Service & Fringe	4,048,868	4,473,150	4,441,148	4,893,631	5,218,845
Operating Expenses	12,541,566	9,897,626	8,640,669	8,119,610	7,902,372
<b>Total Operating Expenditures</b>	<b>16,590,434</b>	<b>14,370,776</b>	<b>13,081,817</b>	<b>13,013,241</b>	<b>13,121,217</b>
100% Federal	1,187,264	265,917	312,888	1,403,047	204,866
75% Federal	6,885	-	-	1,515,797	-
50% Federal	1,362,868	912,531	244,156	1,309,154	3,433,639
<b>Total Capital Expenditures</b>	<b>2,557,017</b>	<b>1,178,448</b>	<b>557,044</b>	<b>4,227,998</b>	<b>3,638,505</b>
<b>Pending Encumbrances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>795,198</b>	<b>3,354,768</b>
<b>Projected Balance</b>	<b>41,549</b>	<b>193,676</b>	<b>73,535</b>	<b>29,763</b>	<b>210,510</b>

\*Note: Expenditures are still accruing for FFY17- FFY18

**Note – these funds are tracked based on Budget Years, not on actual year of execution**

	State Budgeted Dollars				Renovation Projects		
	Recurring	Non-Recurring	Capital Reserve	Total	State Share	Federal Share	Total
SFY12	\$0.00	\$250,000.00	\$0.00	\$250,000.00	\$78,750.00	\$166,250.00	\$245,000.00
SFY13	\$0.00	\$500,000.00	\$0.00	\$500,000.00	\$112,606.50	\$112,606.50	\$225,213.00
SFY14	\$0.00	\$650,000.00	\$0.00	\$650,000.00	\$641,076.84	\$840,183.84	\$1,481,260.68
SFY15	\$0.00	\$1,000,000.00	\$1,332,500.00	\$2,332,500.00	\$1,685,956.14	\$1,995,323.38	\$3,681,279.52
SFY16	\$0.00	\$1,500,000.00	\$0.00	\$1,500,000.00	\$122,167.00	\$122,167.00	\$244,334.00
SFY17	\$0.00	\$0.00	\$5,000,000.00	\$5,000,000.00	\$884,000.00	\$0.00	\$884,000.00
SFY18	\$0.00	\$0.00	\$0.00	\$0.00	\$1,571,000.00	\$1,571,000.00	\$3,142,000.00
SFY19	\$1,550,000.00	\$0.00	\$3,000,000.00	\$4,550,000.00	\$3,650,500.00	\$3,650,500.00	\$7,301,000.00
Projected SFY20					\$3,975,000.00	\$3,975,000.00	\$7,950,000.00
Projected SFY21					\$5,775,000.00	\$5,775,000.00	\$11,550,000.00
Projected SFY22					\$5,775,000.00	\$5,775,000.00	\$11,550,000.00
Projected SFY23					\$5,775,000.00	\$5,775,000.00	\$11,550,000.00
Projected SFY24					\$5,775,000.00	\$5,775,000.00	\$11,550,000.00
Projected SFY25					\$5,775,000.00	\$5,775,000.00	\$11,550,000.00
<b>Totals</b>	<b>\$1,550,000.00</b>	<b>\$3,900,000.00</b>	<b>\$9,332,500.00</b>	<b>\$14,782,500.00</b>	<b>\$41,596,056.48</b>	<b>\$41,308,030.72</b>	<b>\$82,904,087.20</b>

<i>Facility</i>	<i>Cost Share % Federal/State</i>	<i>Estimated Deferred Maintenance</i>	<i>Estimated Fire Alarm System Installation/Upgrade</i>	<i>Cost Share Federal</i>	<i>Cost Share State</i>	<i>Total Cost</i>
Abbeville Readiness Center	50 / 50 %	\$ 652,380.00	\$ 129,174.00	\$ 390,777.00	\$ 390,777.00	\$ 781,554.00
Allendale Readiness Center	50 / 50 %	\$ 827,070.00	\$ 92,772.00	\$ 459,921.00	\$ 459,921.00	\$ 919,842.00
Andrews Readiness Center	50 / 50 %	\$ 827,070.00	\$ 109,578.00	\$ 468,324.00	\$ 468,324.00	\$ 936,648.00
Barnwell Readiness Center	50 / 50 %	\$ 651,230.00	\$ 89,844.00	\$ 370,537.00	\$ 370,537.00	\$ 741,074.00
Batesburg Readiness Center	50 / 50 %	\$ 930,190.00	\$ 92,694.00	\$ 511,442.00	\$ 511,442.00	\$ 1,022,884.00
Bennettsville Readiness Center	50 / 50 %	\$ 486,380.00	\$ 99,690.00	\$ 293,035.00	\$ 293,035.00	\$ 586,070.00
Camden Readiness Center	50 / 50 %	\$ 1,904,190.00	\$ 138,276.00	\$ 1,021,233.00	\$ 1,021,233.00	\$ 2,042,466.00
Charleston Readiness Center	50 / 50 %	\$ 1,904,190.00	\$ 486,396.00	\$ 1,195,293.00	\$ 1,195,293.00	\$ 2,390,586.00
Chester Readiness Center	50 / 50 %	\$ 873,540.00	\$ 104,124.00	\$ 488,832.00	\$ 488,832.00	\$ 977,664.00
Clinton Readiness Center	50 / 50 %	\$ 847,530.00	\$ 111,228.00	\$ 479,379.00	\$ 479,379.00	\$ 958,758.00
Columbia Readiness Center	50 / 50 %	\$ 1,269,400.00	\$ 382,434.00	\$ 825,917.00	\$ 825,917.00	\$ 1,651,834.00
Conway Readiness Center	50 / 50 %	\$ 1,269,400.00	\$ 91,200.00	\$ 680,300.00	\$ 680,300.00	\$ 1,360,600.00
Darlington Readiness Center	50 / 50 %	\$ 1,269,400.00	\$ 129,816.00	\$ 699,608.00	\$ 699,608.00	\$ 1,399,216.00
Dillon Readiness Center	50 / 50 %	\$ 1,269,400.00	\$ 95,580.00	\$ 682,490.00	\$ 682,490.00	\$ 1,364,980.00
Easley Readiness Center	50 / 50 %	\$ 1,255,290.00	\$ 103,308.00	\$ 679,299.00	\$ 679,299.00	\$ 1,358,598.00
Eastover Readiness Center	50 / 50 %	\$ 1,489,180.00	\$ 123,126.00	\$ 806,153.00	\$ 806,153.00	\$ 1,612,306.00
Edgefield Readiness Center	50 / 50 %	\$ 1,506,640.00	\$ 97,164.00	\$ 801,902.00	\$ 801,902.00	\$ 1,603,804.00
Florence Readiness Center	50 / 50 %	\$ 1,506,640.00	\$ 97,164.00	\$ 801,902.00	\$ 801,902.00	\$ 1,603,804.00
Fort Mill Readiness Center	50 / 50 %	\$ 1,231,790.00	\$ 109,224.00	\$ 670,507.00	\$ 670,507.00	\$ 1,341,014.00
Fountain Inn Readiness Center	50 / 50 %	\$ 1,231,790.00	\$ 145,284.00	\$ 688,537.00	\$ 688,537.00	\$ 1,377,074.00
Gaffney Readiness Center	50 / 50 %	\$ 1,406,570.00	\$ 142,794.00	\$ 774,682.00	\$ 774,682.00	\$ 1,549,364.00
Georgetown Readiness Center	50 / 50 %	\$ 1,406,570.00	\$ 143,544.00	\$ 775,057.00	\$ 775,057.00	\$ 1,550,114.00
Graniteville Readiness Center	50 / 50 %	\$ 1,857,980.00	\$ 122,286.00	\$ 990,133.00	\$ 990,133.00	\$ 1,980,266.00
Greenville Joint Readiness Center	50 / 50 %	\$ -	\$ -	\$ -	\$ -	\$ -
Greenville Readiness Center (Donaldson Center)	50 / 50 %	Currently undergoing Renovation				
Greenwood Readiness Center	50 / 50 %	Currently undergoing Renovation				
Greer Readiness Center	50 / 50 %	\$ 2,850,990.00	\$ 148,302.00	\$ 1,499,646.00	\$ 1,499,646.00	\$ 2,999,292.00
Hartsville Readiness Center	50 / 50 %	\$ 1,246,670.00	\$ 111,696.00	\$ 679,183.00	\$ 679,183.00	\$ 1,358,366.00
Hemingway Readiness Center	50 / 50 %	\$ 754,360.00	\$ 83,916.00	\$ 419,138.00	\$ 419,138.00	\$ 838,276.00
Hodges Readiness Center	50 / 50 %	\$ 1,964,820.00	\$ 148,566.00	\$ 1,056,693.00	\$ 1,056,693.00	\$ 2,113,386.00
Kingstree Readiness Center	50 / 50 %	\$ 988,360.00	\$ 99,042.00	\$ 543,701.00	\$ 543,701.00	\$ 1,087,402.00

<i>Facility</i>	<i>Cost Share % Federal/State</i>	<i>Estimated Deferred Maintenance</i>	<i>Estimated Fire Alarm System Installation/Upgrade</i>	<i>Cost Share Federal</i>	<i>Cost Share State</i>	<i>Total Cost</i>
Lancaster Readiness Center	50 / 50 %	Currently undergoing Renovation				
Laurens Readiness Center	50 / 50 %	\$ 2,132,680.00	\$ 109,926.00	\$ 1,121,303.00	\$ 1,121,303.00	\$ 2,242,606.00
Manning Readiness Center	50 / 50 %	\$ 1,560,950.00	\$ 155,760.00	\$ 858,355.00	\$ 858,355.00	\$ 1,716,710.00
Marion Readiness Center	50 / 50 %	\$ 844,590.00	\$ 103,626.00	\$ 474,108.00	\$ 474,108.00	\$ 948,216.00
Moncks Corner Readiness Center	50 / 50 %	\$ 2,085,730.00	\$ 106,158.00	\$ 1,095,944.00	\$ 1,095,944.00	\$ 2,191,888.00
Mt. Pleasant Readiness Center	50 / 50 %	\$ 2,085,730.00	\$ 147,372.00	\$ 1,116,551.00	\$ 1,116,551.00	\$ 2,233,102.00
Mullins Readiness Center	50 / 50 %	\$ 2,085,730.00	\$ 177,120.00	\$ 1,131,425.00	\$ 1,131,425.00	\$ 2,262,850.00
Myrtle Beach Readiness Center	50 / 50 %	\$ 946,600.00	\$ 77,820.00	\$ 512,210.00	\$ 512,210.00	\$ 1,024,420.00
Newberry Readiness Center	50 / 50 %	\$ 1,554,020.00	\$ 201,024.00	\$ 877,522.00	\$ 877,522.00	\$ 1,755,044.00
North Charleston Readiness Center	50 / 50 %	\$ 1,904,190.00	\$ 225,768.00	\$ 1,064,979.00	\$ 1,064,979.00	\$ 2,129,958.00
Orangeburg Readiness Center	50 / 50 %	\$ 2,291,670.00	\$ 157,608.00	\$ 1,224,639.00	\$ 1,224,639.00	\$ 2,449,278.00
Pine Ridge Readiness Center	50 / 50 %	\$ 1,563,920.00	\$ 243,774.00	\$ 903,847.00	\$ 903,847.00	\$ 1,807,694.00
Rock Hill Readiness Center	50 / 50 %	\$ 1,563,920.00	\$ 147,240.00	\$ 855,580.00	\$ 855,580.00	\$ 1,711,160.00
Saluda Readiness Center	50 / 50 %	\$ 1,289,130.00	\$ 108,060.00	\$ 698,595.00	\$ 698,595.00	\$ 1,397,190.00
Seneca Readiness Center	50 / 50 %	\$ 1,289,130.00	\$ 94,758.00	\$ 691,944.00	\$ 691,944.00	\$ 1,383,888.00
Spartanburg Readiness Center	50 / 50 %	\$ 1,289,130.00	\$ 302,622.00	\$ 795,876.00	\$ 795,876.00	\$ 1,591,752.00
Sumter Readiness Center	50 / 50 %	\$ 1,682,120.00	\$ 117,648.00	\$ 899,884.00	\$ 899,884.00	\$ 1,799,768.00
Timmonsville Readiness Center	50 / 50 %	\$ 1,030,640.00	\$ 123,342.00	\$ 576,991.00	\$ 576,991.00	\$ 1,153,982.00
Union Readiness Center	50 / 50 %	\$ 1,643,730.00	\$ 126,984.00	\$ 885,357.00	\$ 885,357.00	\$ 1,770,714.00
Varnville Readiness Center	50 / 50 %	\$ 1,802,230.00	\$ 140,496.00	\$ 971,363.00	\$ 971,363.00	\$ 1,942,726.00
Walterboro Readiness Center	50 / 50 %	\$ 887,280.00	\$ 96,126.00	\$ 491,703.00	\$ 491,703.00	\$ 983,406.00
Wellford Readiness Center	50 / 50 %	\$ 1,091,330.00	\$ 113,208.00	\$ 602,269.00	\$ 602,269.00	\$ 1,204,538.00
West Columbia Readiness Center	50 / 50 %	\$ 2,040,700.00	\$ 143,178.00	\$ 1,091,939.00	\$ 1,091,939.00	\$ 2,183,878.00
Columbia – TAG Building	53 / 47%	\$ 1,269,400.00	\$ 95,580.00	\$ 723,439.40	\$ 641,540.60	\$ 1,364,980.00
Beaufort Readiness Center	75 / 25%	\$ 930,190.00	\$ 180,864.00	\$ 833,290.50	\$ 277,763.50	\$ 1,111,054.00
Clemson Readiness Center	75 / 25%	\$ 2,394,810.00	\$ 166,764.00	\$ 1,921,180.50	\$ 640,393.50	\$ 2,561,574.00
McEntire Site (Federal/State - 4 Buildings)	75 / 25%	\$ 12,066,075.00	\$ -	\$ 9,049,556.25	\$ 3,016,518.75	\$ 12,066,075.00
Anderson Readiness Center (AAMDC)	100%	\$ 1,500,000.00	\$ -	\$ 1,500,000.00	\$ -	\$ 1,500,000.00
Clarks Hill Training Center Site	100%	\$ 6,477,700.00	\$ -	\$ 6,477,700.00	\$ -	\$ 6,477,700.00
Darlington/Florence Field Maintenance Shop 12	100%	\$ 65,000.00	\$ -	\$ 65,000.00	\$ -	\$ 65,000.00
Donaldson AASF 2	100%	\$ 300,000.00	\$ -	\$ 300,000.00	\$ -	\$ 300,000.00

<i>Facility</i>	<i>Cost Share % Federal/State</i>	<i>Estimated Deferred Maintenance</i>	<i>Estimated Fire Alarm System Installation/Upgrade</i>	<i>Cost Share Federal</i>	<i>Cost Share State</i>	<i>Total Cost</i>
Edgefield Field Maintenance Shop 6	100%	\$ 65,000.00	\$ -	\$ 65,000.00	\$ -	\$ 65,000.00
Hampton Field Maintenance Shop 14	100%	\$ 65,000.00	\$ -	\$ 65,000.00	\$ -	\$ 65,000.00
Hartsville Field Maintenance Shop 11	100%	\$ 65,000.00	\$ -	\$ 65,000.00	\$ -	\$ 65,000.00
Hemingway Field Maintenance Shop 3	100%	\$ 65,000.00	\$ -	\$ 65,000.00	\$ -	\$ 65,000.00
McCrary Training Center (MTC)	100%	\$ 19,433,100.00	\$ -	\$ 19,433,100.00	\$ -	\$ 19,433,100.00
McEntire Site (Federal - CSMS & AASF)	100%	\$ 36,198,225.00	\$ -	\$ 36,198,225.00	\$ -	\$ 36,198,225.00
Pine Ridge 43rd CST	100%	\$ 253,600.00	\$ -	\$ 253,600.00	\$ -	\$ 253,600.00
Rock Hill Field Maintenance Shop 5	100%	\$ 65,000.00	\$ -	\$ 65,000.00	\$ -	\$ 65,000.00
Saluda Field Maintenance Shop 6	100%	\$ 65,000.00	\$ -	\$ 65,000.00	\$ -	\$ 65,000.00
Summerville Field Maintenance Shop 13	100%	\$ 65,000.00	\$ -	\$ 65,000.00	\$ -	\$ 65,000.00
Union Field Maintenance Shop 8	100%	\$ 65,000.00	\$ -	\$ 65,000.00	\$ -	\$ 65,000.00
		\$ 151,752,270.00	\$ 7,491,048.00	\$ 115,971,096.65	\$ 43,272,221.35	\$ 159,243,318.00

<i>Total Estimated Deferred Maintenance</i>	\$ 151,752,270.00
<i>Total Estimated Cost to Install/Upgrade Fire Systems</i>	\$ 7,491,048.00
<i>Total Federal Share</i>	\$ 115,971,096.65
<i>Total State Share</i>	\$ 43,272,221.35
<b><i>Total Estimated Deferred Maintenance Costs</i></b>	<b>\$ 159,243,318.00</b>

**AGENCY:** South Carolina Department of Mental Health

**PROJECT/SUBJECT:** Babcock Building Roof Repair/Replacement

In connection with the Joint Bond Review Committee's favorable review of the Babcock Building Roof Repair/Replacement project, the Committee authorized the Department of Mental Health to expend up to \$390 thousand toward the cost of the project, with the commitment from the Department that once reimbursement was received by the Insurance Reserve Fund, the Department would immediately replenish the account so that no services are affected. Moreover, Committee staff was directed to contact the Insurance Reserve Fund to communicate the Committee's expectation that a decision as to the amount of reimbursement was reached not later than Friday, February 22, 2019.

On Friday, February 22, the Director of the Insurance Reserve Fund communicated to Committee staff the IRF's determination to pay \$455,395.98, net of deductible, supported by an estimate prepared by JS Held.

The Insurance Reserve Fund received the claim from the Department on December 14, 2018 following the fire that occurred on December 13, 2018. The building is insured by the IRF for an agreed value of \$1,609,637, and is insured at salvage value due to its age and condition. The IRF's payment is for tarping of the building to shed water, preparing a scope for the new roof structure, and removing burn debris. IRF communicated this amount to the Department on Thursday, February 21, 2019, and issued its proof of loss on Friday, February 22, 2019, with funds made available to the Department that same day.

Committee staff recommended and the Department committed to reserve the \$65,395.98 in insurance proceeds exceeding the permanent improvement project authorization until a determination is made to proceed in a later phase to restore the historic features of the building, or until such time as the Department requests and receives favorable review by the Committee for its use otherwise.

**COMMITTEE ACTION:**

Receive this update as information.

**ATTACHMENTS:**

JS Held Estimate provided by the Insurance Reserve Fund.



**2019-02-20-1514**

**Temporary Repairs**

DESCRIPTION	QTY	UNIT PRICE	TOTAL
1. Blusky Bid for temp tarping	1.00 EA @	135,000.00 =	135,000.00
2. Fire damage debris removal per Blusky	1.00 EA @	20,000.00 =	20,000.00
3. General Demolition - per hour	160.00 HR @	35.22 =	5,635.20
Cost to remove fall hazards, piping, plaster etc..			

**Roof**

DESCRIPTION	QTY	UNIT PRICE	TOTAL
4. 2" x 10" x 20' #2 & better Fir / Larch (material only)	10.00 EA @	19.12 =	191.20
5. 2" x 10" x 8' #2 & better Fir / Larch (material only)	2.00 EA @	7.65 =	15.30
6. 2" x 10" x 16' #2 & better Fir / Larch (material only)	4.00 EA @	15.18 =	60.72
7. 2" x 10" x 12' #2 & better Fir / Larch (material only)	2.00 EA @	11.52 =	23.04
8. 2" x 8" x 20' #2 & better Fir / Larch (material only)	127.00 EA @	13.70 =	1,739.90
9. 2" x 8" x 8' #2 & better Fir / Larch (material only)	114.00 EA @	5.48 =	624.72
10. 2" x 8" x 18' #2 & better Fir / Larch (material only)	13.00 EA @	12.46 =	161.98
11. 2" x 8" x 16' #2 & better Fir / Larch (material only)	19.00 EA @	10.87 =	206.53
12. 2" x 8" x 14' #2 & better Fir / Larch (material only)	17.00 EA @	9.65 =	164.05
13. 2" x 8" x 12' #2 & better Fir / Larch (material only)	13.00 EA @	8.25 =	107.25
14. 2" x 8" x 10' #2 & better Fir / Larch (material only)	23.00 EA @	6.85 =	157.55
15. 2" x 6" x 20' #2 & better Fir / Larch (material only)	13.00 EA @	15.79 =	205.27
16. 2" x 6" x 8' #2 & better Fir / Larch (material only)	3.00 EA @	4.60 =	13.80
17. 2" x 6" x 12' #2 & better Fir / Larch (material only)	4.00 EA @	6.93 =	27.72
18. R&R Rafters - 2x8 - Labor only - (using rafter length)	4,370.44 LF @	3.33 =	14,553.56
19. R&R Rafters - 2x10 - Labor only - (using rafter length)	89.26 LF @	3.70 =	330.26
20. R&R Rafters - hip - 10" - Labor only (use hip length)	200.33 LF @	26.58 =	5,324.77
21. R&R Rafters - 2x6 - Labor only - (using rafter length)	323.10 LF @	2.81 =	907.92
22. R&R Sheathing - spaced 1" x 6"	5,856.00 SF @	3.66 =	21,432.96
23. General Demolition - per hour	160.00 HR @	35.22 =	5,635.20
Labor to cut remaining connections for removal			

**Roof1**

DESCRIPTION	QTY	UNIT PRICE	TOTAL
24. R&R Standing seam metal roofing	5,193.52 SF @	5.64 =	29,291.46

**CONTINUED - Roof1**

DESCRIPTION	QTY	UNIT PRICE	TOTAL
25. Additional charge for high roof (2 stories or greater)	51.94 SQ @	3.72 =	193.22
26. Additional charge for high roof (2 stories or greater)	51.94 SQ @	13.09 =	679.89
27. R&R Roof mount power attic vent	2.00 EA @	434.27 =	868.54
28. R&R Saddle or cricket - up to 25 SF	1.00 EA @	143.29 =	143.29
29. R&R Soffit - box framing - 2' overhang	270.20 LF @	5.58 =	1,507.71
30. R&R Soffit - wood	540.40 SF @	3.86 =	2,085.94
31. Prime & paint exterior soffit - wood	540.40 SF @	1.62 =	875.45
32. R&R Gable cornice return 2 stories or greater	2.00 EA @	73.87 =	147.74
33. cornice - at roof	44.00 LF @	45.16 =	1,987.04
34. Finish Carpenter - per hour	40.00 HR @	60.42 =	2,416.80
Remove cornice work for reinstall			

**Roof2**

DESCRIPTION	QTY	UNIT PRICE	TOTAL
35. R&R Standing seam metal roofing	661.45 SF @	5.64 =	3,730.58
36. R&R Saddle or cricket - 26 to 50 SF	1.00 EA @	245.41 =	245.41
37. R&R Saddle or cricket - up to 25 SF	1.00 EA @	143.29 =	143.29
38. Additional charge for high roof (2 stories or greater)	6.61 SQ @	3.72 =	24.59
39. Additional charge for high roof (2 stories or greater)	6.61 SQ @	13.09 =	86.52

**Interior Repairs**

DESCRIPTION	QTY	UNIT PRICE	TOTAL
40. Acoustic plaster over metal lath	5,350.00 SF @	7.65 =	40,927.50
41. Scaffold - per section (per month)	270.00 MO @	111.00 =	29,970.00

**General Conditions**

DESCRIPTION	QTY	UNIT PRICE	TOTAL
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**CONTINUED - General Conditions**

<b>DESCRIPTION</b>	<b>QTY</b>	<b>UNIT PRICE</b>	<b>TOTAL</b>
42. Commercial Supervision / Project Management - per hour	80.00 HR @	56.37 =	4,509.60
43. Dumpster load - Approx. 40 yards, 7-8 tons of debris	1.00 EA @	670.27 =	670.27
44. Crane and operator - 115 ton capacity	80.00 HR @	355.00 =	28,400.00
45. Generator - 6,000 watt - portable (per day)	14.00 DA @	70.89 =	992.46
46. Boom lift - 50'-60' reach	20.00 DA @	480.00 =	9,600.00
47. Fall protection harness and lanyard - per week	20.00 WK @	22.00 =	440.00
48. General clean - up	40.00 HR @	36.24 =	1,449.60
49. Temporary toilet (per month)	2.00 MO @	92.47 =	184.94

**Asbestos**

<b>DESCRIPTION</b>	<b>QTY</b>	<b>UNIT PRICE</b>	<b>TOTAL</b>
50. Asbestos removal cost	1.00 EA @	30,000.00 =	30,000.00

**Grand Total Areas:**

0.00 SF Walls	0.00 SF Ceiling	0.00 SF Walls and Ceiling
0.00 SF Floor	0.00 SY Flooring	0.00 LF Floor Perimeter
0.00 SF Long Wall	0.00 SF Short Wall	0.00 LF Ceil. Perimeter
0.00 Floor Area	0.00 Total Area	0.00 Interior Wall Area
150.45 Exterior Wall Area	0.00 Exterior Perimeter of Walls	
5,854.97 Surface Area	58.55 Number of Squares	270.20 Total Perimeter Length
89.26 Total Ridge Length	136.40 Total Hip Length	

5601 77 Center Drive Suite 230  
Charlotte, NC 28217

**Summary for Dwelling**

Line Item Total	404,090.74
Material Sales Tax	3,739.18
Subtotal	407,829.92
Overhead	25,283.03
Profit	25,283.03
<b>Replacement Cost Value</b>	<b>\$458,395.98</b>
<b>Net Claim</b>	<b>\$458,395.98</b>

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John Schneider

**Recap of Taxes, Overhead and Profit**

	<b>Overhead (10%)</b>	<b>Profit (10%)</b>	<b>Material Sales Tax (8%)</b>	<b>Laundry &amp; D/C Tax (8%)</b>	<b>Manuf. Home Tax (2%)</b>	<b>Storage Rental Tax (8%)</b>	<b>Local Food Tax (2%)</b>
<b>Line Items</b>	25,283.03	25,283.03	3,739.18	0.00	0.00	0.00	0.00
<b>Total</b>	<b>25,283.03</b>	<b>25,283.03</b>	<b>3,739.18</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Recap by Room**

**Estimate: 2019-02-20-1514**

<b>Temporary Repairs</b>	<b>160,635.20</b>	<b>39.75%</b>
<b>Area: Roof</b>	<b>51,883.70</b>	<b>12.84%</b>
<b>Roof1</b>	<b>40,197.08</b>	<b>9.95%</b>
<b>Roof2</b>	<b>4,230.39</b>	<b>1.05%</b>
<hr/>		
<b>Area Subtotal: Roof</b>	<b>96,311.17</b>	<b>23.83%</b>
<b>Interior Repairs</b>	<b>70,897.50</b>	<b>17.54%</b>
<b>General Conditions</b>	<b>46,246.87</b>	<b>11.44%</b>
<b>Asbestos</b>	<b>30,000.00</b>	<b>7.42%</b>
<hr/>		
<b>Subtotal of Areas</b>	<b>404,090.74</b>	<b>100.00%</b>
<hr/>		
<b>Total</b>	<b>404,090.74</b>	<b>100.00%</b>

**Recap by Category**

<b>O&amp;P Items</b>	<b>Total</b>	<b>%</b>
CLEANING	1,449.60	0.32%
GENERAL DEMOLITION	21,789.33	4.75%
HEAVY EQUIPMENT	38,000.00	8.29%
FINISH CARPENTRY / TRIMWORK	2,416.80	0.53%
FRAMING & ROUGH CARPENTRY	20,867.15	4.55%
HAZARDOUS MATERIAL REMEDIATION	30,000.00	6.54%
HEAT, VENT & AIR CONDITIONING	833.30	0.18%
LABOR ONLY	4,509.60	0.98%
MASONRY	1,987.04	0.43%
METAL STRUCTURES & COMPONENTS	30,914.25	6.74%
INTERIOR LATH & PLASTER	40,927.50	8.93%
PAINTING	875.45	0.19%
ROOFING	19,809.81	4.32%
SCAFFOLDING	30,410.00	6.63%
SOFFIT, FASCIA, & GUTTER	3,123.51	0.68%
TEMPORARY REPAIRS	1,177.40	0.26%
<b>O&amp;P Items Subtotal</b>	<b>249,090.74</b>	<b>54.34%</b>
<b>Non-O&amp;P Items</b>	<b>Total</b>	<b>%</b>
WATER EXTRACTION & REMEDIATION	155,000.00	33.81%
<b>Non-O&amp;P Items Subtotal</b>	<b>155,000.00</b>	<b>33.81%</b>
<b>O&amp;P Items Subtotal</b>	<b>249,090.74</b>	<b>54.34%</b>
Material Sales Tax	3,739.18	0.82%
Overhead	25,283.03	5.52%
Profit	25,283.03	5.52%
<b>Total</b>	<b>458,395.98</b>	<b>100.00%</b>



**AGENCY:** South Carolina Criminal Justice Academy

**PROJECT/SUBJECT:** Village Dormitory Restroom Renovations

In connection with the Joint Bond Review Committee's favorable review of the Village Dormitory Restroom Renovations project to address deterioration in flooring and wall tile in the restrooms of all 4 floors of the dormitory building constructed in 2012, the Committee directed staff to work with the agency for more information about the construction warranty.

Committee staff met with representatives of the agency, the Office of State Engineer, and Capital Budget Office on March 5, 2019. Thereafter, on March 14, 2019, the agency, its architect, and a civil engineer with 28 years' experience in the waterproofing industry met and from that meeting, the civil engineer made observations and preliminary suggestions. He noted that there were no indications of the building settling. The agency intends to engage him for the project and schedule a return to the facility for invasive testing and a determination whether or not additional issues need to be considered for the repairs. He suggested undertaking the project in the Fall of 2019.

The agency is to address the possibility of design or construction defects and determine the possibility of recovery from any third party. Based on preliminary analysis, the agency suspects that a solid waterproofing membrane was substituted with a liquid waterproofing agent during construction with the approval of the agency, likely in an effort to promote cost savings. The likelihood of potential recovery from any third party remains uncertain.

The agency has committed to keeping Committee staff apprised of progress and developments.

**COMMITTEE ACTION:**

Receive this update as information.

**ATTACHMENTS:**

None.

**JOINT BOND REVIEW COMMITTEE**  
Meeting of June 4, 2019

**Item Number 7**

**AGENCY:** Joint Bond Review Committee

**PROJECT/SUBJECT:** Future Meeting

The next meeting of the State Fiscal Accountability Authority is tentatively scheduled for Tuesday, August 13, 2019.

**2019**

January	April	July	October
Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30	Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31
February	May	August	November
Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28	Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30
March	June	September	December
Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31	Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30	Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30	Su Mo Tu We Th Fr Sa 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

**COMMITTEE ACTION:**

Schedule next meeting.

**ATTACHMENTS:**

None