

# **RICHLAND COUNTY**

## **REGULAR SESSION**

### **AGENDA**



**TUESDAY OCTOBER 3, 2023**

**6:00 PM**

**COUNCIL CHAMBERS**

# Richland County Council 2023



Deirek Pugh  
District 2



Jason Branham  
District 1



Gretchen Barron  
District 7



Yvonne McBride  
District 3



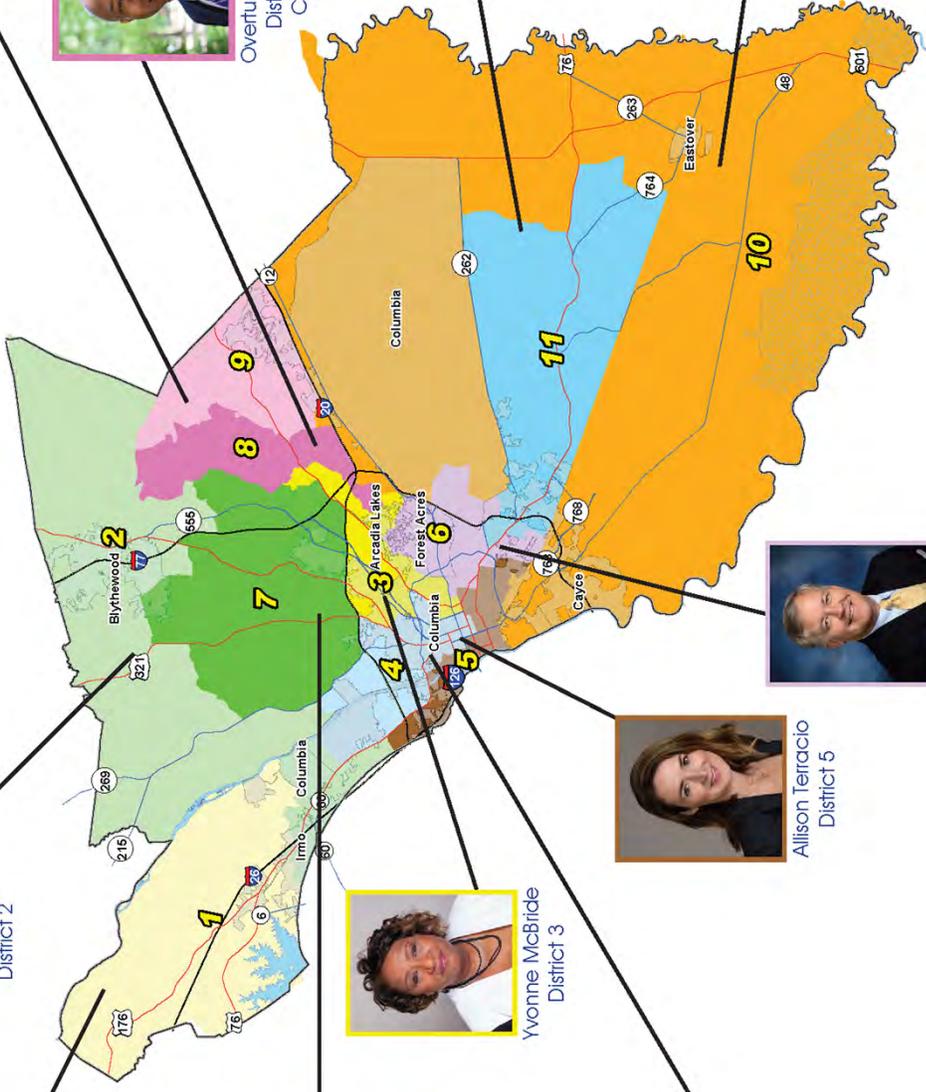
Paul Livingston  
District 4



Allison Terracio  
District 5



Don Weaver  
District 6



Overture Walker  
District 8  
Chair



Chakisse Newton  
District 11



Cheryl English  
District 10



**Richland County  
Regular Session**

**AGENDA**

October 3, 2023 - 6:00 PM  
Council Chambers  
2020 Hampton Street, Columbia, SC 29204

1. **CALL TO ORDER**

The Honorable Overture Walker,  
Chair Richland County Council

  - a. ROLL CALL
2. **INVOCATION**

The Honorable Derrek Pugh
3. **PLEDGE OF ALLEGIANCE**

The Honorable Derrek Pugh
4. **PRESENTATION OF PROCLAMATIONS**
  - a. A Proclamation recognizing Reconciliation Ministries and declaring October as National Substance Abuse Prevention Month

The Honorable Don Weaver  
The Honorable Jason Branham  
The Honorable Derrek Pugh  
The Honorable Yvonne McBride  
The Honorable Cheryl English
5. **APPROVAL OF MINUTES**

The Honorable Overture Walker

  - a. Regular Session: September 19, 2023 **[PAGES 10-16]**
  - b. Zoning Public Hearing: September 26, 2023 **[PAGES 17-19]**

The Honorable Overture Walker
6. **ADOPTION OF AGENDA**
7. **REPORT OF THE ATTORNEY FOR EXECUTIVE SESSION ITEMS**

Patrick Wright,  
County Attorney

*After Council returns to open session, council may take action on any item, including any subsection of any section, listed on an executive session agenda or discussed in an executive session during a properly noticed meeting.*

  - a. Legal options regarding funding for capital projects and transportation projects [Pursuant to S.C. Code Sect. 30-4-70(a)(2) and (5)]
  - b. County Attorney Contract [Pursuant to S.C. Code Sect. 30-4-70(a)(2) and (5)]

- c. Scout Motors Legal Update [Pursuant to S.C. Code Sect. 30-4-70(a)(2) and (5)]
- d. Property Inquiry - 1430 Colonial Life Blvd., also known as the old Harvety's property. [Pursuant to S.C. Code Sect. 30-4-70(a)(2) and (5)]
- e. Property Inquiry - 1221 Gregg Street, Columbia, SC 29201, TMS # R11406-16-16, TMS # R11406-16-17 [Pursuant to S.C. Code Sect. 30-4-70(a)(2) and (5)]

**8. CITIZEN'S INPUT**

The Honorable Overture Walker

- a. For Items on the Agenda Not Requiring a Public Hearing

**9. CITIZEN'S INPUT**

The Honorable Overture Walker

- a. Must Pertain to Richland County Matters Not on the Agenda (Items for which a public hearing is required or a public hearing has been scheduled cannot be addressed at this time.)

**10. REPORT OF THE COUNTY ADMINISTRATOR**

Leonardo Brown,  
County Administrator

- a. Updates for consideration:
  - 1. Soil & Water Conservation District Annual Report  
[PAGES 21-36]
- b. Administrator's Nomination
  - 1. Community Planning & Development - Conservation Division - Blossom Street Bridge Replacement Mitigation Credit Sales  
[PAGES 37-48]
  - 2. Office of the County Administrator - Ordinance authorizing the issuance of General Obligation Bonds [PAGES 49-83]

**11. REPORT OF THE CLERK OF COUNCIL**

Anette Kirylo,  
Clerk of Council

**12. REPORT OF THE CHAIR**

The Honorable Overture Walker

**13. OPEN / CLOSE PUBLIC HEARINGS**

The Honorable Overture Walker

- a. An Ordinance affirming the provisions of Ordinance No. 58-16HR, related to the Office of Small Business Opportunity

**14. APPROVAL OF CONSENT ITEMS**

The Honorable Overture Walker

- a. Case # 23-023MA  
Kevin Steelman  
M-1 to RS-LD (21.98)  
111 Pine Wedge Drive  
TMS # R17700-01-94 & R17700-01-14 [SECOND  
READING] [PAGES 84-85]
- b. Department of Public Works - Solid Waste & Recycling -  
Landfill Capital Expansion [PAGES 86-96]
- c. County Administration: Convention Center - Tourism  
Development Fee [PAGES 97-314]

**15. THIRD READING ITEMS**

The Honorable Overture Walker

- a. An Ordinance authorizing the levying of ad valorem  
property taxes which, together with the prior year's  
carryover and other State levies and any additional  
amount appropriated by the Richland County Council  
prior to July 1, 2023, will provide sufficient revenues for  
the operation of Richland County Government during the  
period from July 1, 2023, through June 30, 2024  
[PAGES 315-317]
- b. An Ordinance of the County Council of Richland County,  
South Carolina, revising the zoning map of  
unincorporated Richland County, South Carolina, to  
change the zoning designation for all real property  
located in the unincorporated areas of Richland County,  
as described herein; and providing for severability and an  
effective date [PAGES 318-323]
- c. An Ordinance affirming the provisions of Ordinance No.  
58-16HR, related to the Office of Small Business  
Opportunity [PAGES 324-326]

**16. FIRST READING ITEMS**

The Honorable Overture Walker

- a. An Ordinance to adopt the text amendment  
recommendations of the Richland County Planning  
Commission to the 2021 Land Development Code, which  
will regulate development in the unincorporated areas of  
Richland County [BY TITLE ONLY] [PAGES 327-334]

**17. REPORT OF ADMINISTRATION & FINANCE  
COMMITTEE**

The Honorable Jesica Mackey

- a. Approval of EdVenture Children’s Museum Hospitality Tax request for facility improvements and enhancements to improve safety and attract new visitors. [Motion by MACKEY - August 29, 2023] [\[PAGES 335-344\]](#)
- b. Approval of Paid Parental Leave Policy [Motion by MACKEY - April 18, 2023] [\[PAGES 345-351\]](#)
- c. Property Inquiry - 1430 Colonial Life Blvd., also known as the old Harvety's property
- d. Property Inquiry - 1221 Gregg Street, Columbia, SC 29201, TMS # R11406-16-16, TMS # R11406-16-17

**18. REPORT OF ECONOMIC DEVELOPMENT COMMITTEE**

The Honorable Paul Livingston

- a. Authorizing the execution and delivery of a fee-in-lieu of ad valorem taxes and incentive agreement by and between Richland County, South Carolina and Project Truck to provide for payment of a fee-in-lieu of taxes; authorizing certain infrastructure credits; and other related matters [FIRST READING] [\[PAGES 352-385\]](#)
- b. Committing to negotiate a fee-in-lieu of ad valorem taxes agreement between Richland County and Project Truck; identifying the project; and other matters related thereto [\[PAGES 386-387\]](#)

**19. REPORT OF RULES & APPOINTMENTS COMMITTEE**

The Honorable Gretchen Barron

**a. NOTIFICATION OF APPOINTMENTS**

- 1. Board of Zoning Appeals - One (1) Vacancy [\[PAGE 388\]](#)
  - a. Dallas Massey
  - b. DeAnta Reese
- 2. Planning Commission - Two (2) Vacancies [\[PAGE 389\]](#)
  - a. Bill Malinowski
  - b. Christopher Yonke (\*Incumbent)
  - c. LaShawnte McCray-Sarvis

d. Alexandria Brown

e. Alegron Williams

f. Mark Duffy

**20. REPORT OF THE CORONAVIRUS AD HOC COMMITTEE** The Honorable Gretchen Barron

- a. Small Business Category Recommendations  
[\[PAGES 390-393\]](#)

**21. REPORT OF THE TRANSPORTATION AD HOC COMMITTEE**

The Honorable Overture Walker

- a. Excess Mitigation Bank Credit Sales Process  
[\[PAGES 394-397\]](#)
- b. Transportation Facilities Plan [\[PAGES 398-404\]](#)
- c. Award of Construction - Alpine Road Resurfacing and Sidewalk  
[\[PAGES 405-410\]](#)

**22. OTHER ITEMS**

The Honorable Overture Walker

- a. FY24 - District 4 Hospitality Tax Allocations  
[\[PAGES 411-412\]](#)
  - 1. Columbia Music Fest Association - \$5,000
  - 2. Communities in Schools of SC - \$5,000
- b. FY24 - District 6 Hospitality Tax Allocations  
[\[PAGES 413-414\]](#)
  - 1. Communities in Schools of SC - \$5,000
- c. FY24 - District 2 Hospitality Tax Allocation  
[\[PAGES 415-416\]](#)
  - 1. Blythewood Historical Society - \$20,000
  - 2. Big Red Barn Retreat- Fall Jam - \$8,000
  - 3. Range Fore Hope Foundation \$10,000
- d. Authorizing County staff to prepare for a Capital Project Sales Tax Referendum expected to be held at the 2024 General Election pursuant to South Carolina Code Annotated Section 4-10-300, et seq.; to provide for the appointment, composition, powers and obligations of the commission; and to provide for other related matters [\[PAGES 417-419\]](#)
- e. Authorizing County staff to prepare for a Transportation Sales Tax Referendum expected to be held at the 2024 General

Election pursuant to Title 4, Chapter 37 of the Code of Laws of South Carolina, 1976, as amended; to provide for the establishment of an ad hoc committee; and to provide for other related matters [PAGES 420-422]

**23. EXECUTIVE SESSION**

Patrick Wright,  
County Attorney

*After Council returns to open session, council may take action on any item, including any subsection of any section, listed on an executive session agenda or discussed in an executive session during a properly noticed meeting.*

**24. MOTION PERIOD**

**25. ADJOURNMENT**

The Honorable Overture Walker



Special Accommodations and Interpreter Services Citizens may be present during any of the County's meetings. If requested, the agenda and backup materials will be made available in alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), as amended and the federal rules and regulations adopted in implementation thereof. Any person who requires a disability-related modification or accommodation, including auxiliary aids or services, in order to participate in the public meeting may request such modification, accommodation, aid or service by contacting the Clerk of Council's office either in person at 2020 Hampton Street, Columbia, SC, by telephone at (803) 576-2061, or TDD at 803-576-2045 no later than 24 hours prior to the scheduled meeting.



Richland County Council  
Regular Session  
**MINUTES**  
September 19, 2023 – 6:00 PM  
Council Chambers  
2020 Hampton Street, Columbia, SC 29204

COUNCIL MEMBERS PRESENT: Overture Walker, Chair; Jesica Mackey, Vice-Chair; Jason Branham, Derrek Pugh, Yvonne McBride, Paul Livingston, Allison Terracio, Don Weaver, Gretchen Barron, Cheryl English, and Chakisse Newton.

OTHERS PRESENT: Michelle Onley, Aric Jensen, Patrick Wright, Leonardo Brown, Anette Kirylo, Chelsea Bennett, Lori Thomas, Stacey Hamm, Thomas Gilbert, Sarah Harris, Geo Price, Dan Cole, Susan O’Cain, Judy Carter, Dale Welch, Sandra Haynes, Dante Roberts, Abhijit Deshpande, Ashiya Myers, Cheryl Johnson, Erica Wade, Tina Davis-Gooden

1. **CALL TO ORDER** – Chairman Overture Walker called the meeting to order at approximately 6:00 PM.
2. **INVOCATION** – The Invocation was led by Dr. Marcia Bailey of Right Direction Church Internal on behalf of the Honorable Gretchen Barron.
3. **PLEDGE OF ALLEGIANCE** – The Pledge of Allegiance was led by the Honorable Gretchen Barron.
4. **PRESENTATION OF RESOLUTIONS**

Mr. Walker noted Items 5(a), (b), and (d) had become resolutions since the agenda was published.

Ms. Mackey moved to move Items 5(a), (b), and (d) on the agenda and make them Items 4(b), (c), and (d), seconded by Ms. English.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton.

The vote in favor was unanimous.

- a. **Resolution Recognizing the Richland County Ombudsman’s Office** – Mr. Walker presented a resolution recognizing the Richland County Ombudsman’s Office on receiving their 1,000,000 service call in September 2023.
- b. **Resolution Honoring Councilman Jim Manning** – Mr. Pugh moved to adopt a resolution honoring former Councilman Jim Manning, seconded by Ms. Barron.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton

The vote in favor was unanimous.

Councilmembers expressed their gratitude to formal Councilman Manning for his continued service to the county.

Mr. Walker presented a resolution honoring former Councilman Jim Manning.

- c. **Community Planning Month Resolution** – Mr. Livingston moved to adopt a resolution recognizing September as Community Planning Month, seconded by Mr. Pugh.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton

The vote in favor was unanimous.

Ms. Mackey presented a resolution recognizing September as Community Planning Month.

**POINT OF PERSONAL PRIVILEGE:** Ms. Mackey, Ms. Barron, Mr. Pugh, and Ms. Newton thanked and recognized the Planning Department staff for their work.

- d. A Resolution declaring September 15<sup>th</sup> to October 15<sup>th</sup> Hispanic Heritage Month – Mr. Livingston moved to adopt a resolution declaring September 15<sup>th</sup> to October 15<sup>th</sup> as Hispanic Heritage Month, seconded by Ms. Mackey.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton

The vote in favor was unanimous.

Ms. English presented a resolution declaring September 15<sup>th</sup> to October 15<sup>th</sup> as Historic Heritage Month.

5. **PRESENTATION OF PROCLAMATIONS**

- a. National Diaper Need Awareness Week [MACKEY] – Ms. Mackey presented a proclamation recognizing September 18-24, 2023, as National Diaper Need Awareness Week.

**POINT OF PERSONAL PRIVILEGE** – Mr. Walker recognized that former Councilmember Damon Jeter and Chief Magistrate Valerie Stroman were in the audience.

6. **APPROVAL OF MINUTES**

- a. Special Called Meeting: September 12, 2023 – Ms. Mackey moved to approve the minutes as distributed, seconded by Ms. Barron.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton

The vote in favor was unanimous.

7. **ADOPTION OF AGENDA** – Mr. Pugh moved to adopt the agenda as updated, seconded by Ms. Terracio.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton

The vote in favor was unanimous.

8. **REPORT OF THE ATTORNEY FOR EXECUTIVE SESSION (Pursuant to SC Code 30-4-70)** – Mr. Patrick Wright, County Attorney, indicated the following item qualifies for Executive Session under South Carolina Code section 30-4-70:

- a. Property Inquiry – 1221 Gregg Street, Columbia, SC 29201, TMS # R11406-16-16 and TMS # R11406-16-17
- b. Legal options regarding funding for capital projects and transportation projects [Pursuant to S. C. Code Sect. 30-4-70(a)(2) and (5)]
- c. County Administrator, County Attorney, and Clerk of Council Performance Evaluation
- d. The Honorable Joseph M. Strickland v. Richland County Legislative Delegation, Richland County, et al. [Pursuant to S. C. Code Sect. 30-4-70(a)(2)]
- e. Libel and the Media [Pursuant to S. C. Code Sec. 30-4-70(a)(2)]

Ms. Barron moved to go into Executive Session, seconded by Ms. Mackey.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton

The vote in favor was unanimous.

***Council went into Executive Session at approximately 6:52 PM  
and came out at approximately 7:07 PM***

Ms. Barron moved to come out of Executive Session, seconded by Ms. Terracio.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton

The vote in favor was unanimous.

Legal options regarding funding for capital projects and transportation projects – Ms. Mackey moved to authorize the County Attorney to draft resolutions regarding funding for capital projects and transportation projects, seconded by Ms. Barron.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton  
The vote in favor was unanimous.

9. **CITIZENS' INPUT**

a. For Items on the Agenda Not Requiring a Public Hearing

1. Craig Currey, 506 Fetterbush Road, Elgin, SC 29045 – Transitions

10. **CITIZENS' INPUT**

a. Must Pertain to Richland County Matters Not on the Agenda (Items for which a public hearing is required or a public hearing has been scheduled cannot be addressed at this time.) – No one signed up to speak.

11. **REPORT OF THE COUNTY ADMINISTRATOR**

a. Updates for Consideration:

1. *Property Inquiry – 1221 Gregg Street, Columbia, SC 29201, TMS # R11406-16-16 and TMS #R11406-16-17* – This item was taken up in Executive Session.
2. *SCAC Fall Advocacy, November 19<sup>th</sup>* – Mr. Leonardo Brown, County Administrator, noted Frank Rainwater, SC Revenue and Fiscal Affairs Office, will provide an Economic Forecast at this meeting. In addition, the policy steering committees meet to address the Legislative Priorities SCAC may be looking at going forward.
3. *Transportation Alternative Set-Aside Program (TAP)* – The program will accept applications for potential funding for non-motorized pathways (i.e., sidewalks).

Ms. McBride inquired if the TAP funds were solely for the county's unincorporated areas.

Mr. Brown responded he would have to review the details and provide a response.

4. *Land Development Code Schedule* – Mr. Aric Jensen, Assistant County Administrator, indicated to allow 30 days between 1<sup>st</sup> Reading and 2<sup>nd</sup> Reading of the text amendments. The schedule will need to be modified as follows:
  - 2<sup>nd</sup> Reading and Public Hearing – November 7<sup>th</sup>
  - 3<sup>rd</sup> Reading – November 14<sup>th</sup>

Ms. Newton requested to have the updated schedule emailed to Council members.

Ms. Barron also requested to have a press release sent out to inform the residents.

b. Administrator's Nomination: Items in this section require action that may prejudice the County's interest in a discernable way (i.e., time-sensitive, exigent, or of immediate importance)

1. *Resolution Approving the 2023 Assessment Roll for the Village at Sandhill Improvement District* – Mr. Brown stated this is an annual item whereby an assessment is made on the current parcels within the Village at Sandhill Improvement District. The resolution is necessary to collect the funding.

Ms. McBride moved to approve this item, seconded by Mr. Livingston.

Mr. Weaver inquired if this was a tax credit or tax incentive.

Mr. Brown responded it is an improvement district whereby the Auditor assesses the parcels. The assessment is provided to the parcels, and ultimately, the funds have to be collected. They are paying down a bond for the infrastructure.

Mr. Weaver inquired if there was an end date on the bond.

Administration will provide a definitive response to Mr. Weaver's inquiry.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton

The vote in favor was unanimous.

Ms. English moved to reconsider this item, seconded by Ms. Barron.

Opposed: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton

The motion for reconsideration failed.

12. **REPORT OF THE CLERK OF COUNCIL** – No report was given.

13. **REPORT OF THE CHAIR** – No report was given.

14. **OPEN/CLOSE PUBLIC HEARING**

- a. An Ordinance Amending the Richland County Code of Ordinances, Chapter 15, Libraries, by amending Section 15-2 so as to authorize the County Library Board to recommend one employee of the library system to the County Council to

serve as a member of the County's First Steps Partnership, and Chapter 2, Administration, by amending Section 2-332 so as to recognize the Richland County First Steps Partnership Board – No one signed up to speak.

15. **THIRD READING ITEM**

- a. An Ordinance Amending the Richland County Code of Ordinances, Chapter 15, Libraries, by amending Section 15-2 so as to authorize the County Library Board to recommend one employee of the library system to the County Council to serve as a member of the County's First Steps Partnership, and Chapter 2, Administration, by amending Section 2-332 so as to recognize the Richland County First Steps Partnership Board – Ms. Mackey moved to approve this item, seconded by Ms. Terracio.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton

The vote in favor was unanimous.

Ms. English moved to reconsider this item, seconded by Ms. Barron.

Opposed: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton

The motion for reconsideration failed.

16. **SECOND READING ITEMS**

- a. An Ordinance of the County Council of Richland County, South Carolina, revising the zoning map of unincorporated Richland County, South Carolina, to change the zoning designation for all real property located in the unincorporated areas of Richland County, as described herein; and providing for severability and an effective date – Mr. Walker moved to approve this item, seconded by Ms. Terracio.

In Favor: Branham, Livingston, Terracio, Walker, Mackey, English, and Newton

Opposed: Pugh, McBride, Weaver, and Barron

The vote was in favor.

- b. An Ordinance affirming the provisions of Ordinance No. 58-16HR, related to the Office of Small Business Opportunity – Mr. Pugh moved to approve this item, seconded by Ms. Barron.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton

The vote in favor was unanimous.

17. **REPORT OF THE COMMUNITY IMPACT GRANT COMMITTEE**

- a. General Community Impact Grant Recommendations – Ms. Mackey stated the committee made the following funding recommendations:

- Alston Wilkes Society -\$15,000
- Able South Carolina – 49,665
- Brookland Center for Community Economic Change (d/b/a Brookland-Lakeview Empowerment Center) - \$20,166
- Career Development Center at St. John (a division of Community Development Center) - \$50,000
- Christian Assistance Bridge - \$25,000
- Communities in Schools of South Carolina - \$50,000

- Epworth Children’s Home - \$25,000
- Girl Scouts of South Carolina Mountains to Midlands - \$16,000
- Goodwill Industries of Upstate/Midlands South - \$25,000
- Harvest Hope Food Bank - \$10,000
- Healthy Learners - \$15,000
- Home Works of America - \$50,000
- Homeless No More - \$50,000
- Indian Waters Council, Boy Scouts of America - \$16,000
- Midlands Area Food Bank - \$50,000
- Midlands Education and Business Alliance - \$10,000
- Midlands Technical College Foundation - \$50,000
- Northeast Columbia Empowerment Coalition - \$50,000
- Olympia Community Educational Foundation - \$25,000
- Our Place of Hope - \$25,000
- Palmetto Place Children & Youth Services - \$50,000
- Sistercare, Inc. - \$25,000
- Southeastern Chapter National Safety Council - \$8,500
- The Cooperative Ministry - \$25,814
- The Ram Foundation - \$20,000
- Turn90 -- \$50,000
- WJK Cluster STEAM Booster Club/NoMa STEAM - \$14,855

Ms. Terracio and Mr. Walker thanked the committee for their hard work.

Ms. McBride commended the staff and the committee for their efforts to improve the process. As stated before, she does not feel the process provided equity among districts; therefore, she will be voting no.

In Favor: Branham, Pugh, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton

Oppose: McBride

The vote was in favor.

Ms. Mackey noted the committee has completed this year’s allocation of funds, and staff will begin the notification process for the grantees. In addition, the committee is committed to approving the application process for next year.

Ms. English moved to reconsider this item, seconded by Ms. Mackey.

In Favor: McBride

Opposed: Branham, Pugh, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton

The motion for reconsideration failed.

**18. REPORT OF THE RULES AND APPOINTMENTS COMMITTEE**

**a. NOTIFICATION OF APPOINTMENTS**

- I. Midlands Workforce Development Board – One (1) Vacancy (Applicant must be from the Private Sector) – Ms. Barron noted while conducting the interviews for the Midlands Workforce Development Board, it was discovered that we only needed to make one (1) appointment, and not two (2), given that the board is structured to have twelve (12) members. Some additional information was presented to the committee; however, in consultation with our attorney, the committee decided to stay with the current twelve (12) member board. Additional information from the Midlands Workforce is forthcoming, and the committee may revisit the additional appointment.

Ms. Barron stated the committee recommended appointing Mr. Kevin McNerney to fill the private sector vacancy.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton

The vote in favor was unanimous.

- II. Richland Library Board of Trustees – Four (4) Vacancies – Ms. Barron stated the committee recommended appointing Ms. Valerie Byrd Fort, Mr. David Campbell, and Mr. Tyson Brown and reappointing Ms. Brenda Branic.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton

The vote in favor was unanimous.

Ms. Barron moved to reconsider Items 18(a)(I) and (a)(II), seconded by Ms. English.

Opposed: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton

The motion for reconsideration failed.

b. NOTIFICATION OF VACANCIES

1. Accommodations Tax Committee – Four (4) Vacancies (ONE applicant must have a background in the lodging industry, TWO applicants must have a background in the hospitality industry, and ONE applicant must have a cultural background
2. Airport Commission – One (1) Vacancy
3. Board of Zoning Appeals – One (1) Vacancy
4. Building Codes Board of Appeals – Eight (8) Vacancies (ONE applicant must be from the Architecture Industry, ONE applicant must be from the Gas Industry, ONE applicant must be from the Building Industry, ONE applicant must be from the Contracting Industry, ONE applicant must be from the Plumbing Industry, ONE applicant must be from the Electrical Industry, and TWO applicants must be from the Fire Industry as alternates)
5. Business Service Center Appeals Board—Three (3) Vacancies (ONE applicant must be from the Business Industry and TWO applicants must be CPAs)
6. Central Midlands Council of Governments – Two (2) Vacancies
7. Central Midlands Regional Transit Authority – One (1) Vacancy
8. East Richland Public Service District – One (1) Vacancy
9. Hospitality Tax Committee – Three (3) Vacancies (TWO applicants must be from the Restaurant Industry)
10. Planning Commission – Two (2) Vacancies
11. Richland Memorial Hospital Board – Five (5) Vacancies
12. Transportation Penny Advisory Committee (TPAC) – Four (4) Vacancies

Ms. Barron stated the committee recommended advertising the vacancies for the listed Boards, Commissions, and Committees.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton

The vote in favor was unanimous.

Ms. Kirylo noted applications will be accepted until October 20<sup>th</sup>.

Ms. Newton inquired if the vacancies would be updated on the County's website.

Ms. Kirylo responded in the affirmative.

Ms. McBride, thanked the Rules and Appointments Committee for doing an outstanding job.

19. OTHER ITEMS

- a. FY23 – District 8 Hospitality Tax Allocations: (Richland County Recreation Foundation - \$10,000)

Ms. Newton moved to approve this item, seconded by Mr. Pugh.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton

The vote in favor was unanimous.

Ms. Newton moved to reconsider Item 19(a), seconded by Ms. Barron.

Opposed: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton

The motion for reconsideration failed.

20. **EXECUTIVE SESSION**

Ms. Mackey moved to go into Executive Session, seconded by Ms. Terracio.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton

The vote in favor was unanimous.

*Council went into Executive Session at approximately 7:41 PM  
and came out at approximately 8:12 PM*

- a. Property Inquiry – 1221 Gregg Street, Columbia, SC 29201, TMS # R11406-16-16 and TMS # R11406-16-17
- b. County Administrator, County Attorney, and Clerk of Council Performance Evaluation
- c. The Honorable Joseph M. Strickland v. Richland County Legislative Delegation, Richland County, et al. [Pursuant to S. C. Code Sect. 30-4-70(a)(2)]
- d. Libel and the Media [Pursuant to S. C. Code Sec. 30-4-70(a)(2)]

Ms. Mackey moved to come out of Executive Session, seconded by Ms. Weaver.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton

The vote in favor was unanimous.

- a. Property Inquiry – 1221 Gregg Street, Columbia, SC 29201, TMS # R11406-16-16 and TMS # R11406-16-17 – Mr. Livingston moved to forward this item to the next Administration and Finance Committee meeting.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton

The vote in favor was unanimous.

21. **MOTION PERIOD** – No motions were submitted.

22. **ADJOURNMENT** – Ms. Barron moved to adjourn the meeting, seconded by Ms. Terracio.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Barron, Walker, Mackey, English, and Newton

The vote in favor was unanimous.

The meeting adjourned at approximately 8:14 PM.



Richland County Council  
Zoning Public Hearing  
**MINUTES**  
September 26, 2023 – 7:00 PM  
Council Chambers  
2020 Hampton Street, Columbia, SC 29204

COUNCIL MEMBERS PRESENT: Jason Branham (via Zoom), Derrek Pugh, Yvonne McBride, Paul Livingston, Allison Terracio, Don Weaver, Overture Walker, Jesica Mackey, and Cheryl English

NOT PRESENT: Gretchen Barron and Chakisse Newton

OTHERS PRESENT: Geo Price, Angela Weathersby, Kyle Holsclaw, Anette Kirylo, Michelle Onley, Patrick Wright, Tina Davis-Gooden, Chelsea Bennett, Susan O’Cain, Jeff Ruble and Dale Welch

1. **CALL TO ORDER** – Chairman Overture Walker called the meeting to order at approximately 7:00 PM.  
Mr. Walker noted Councilmembers Barron and Newton were not in attendance, as they were attending community meetings in their districts.
2. **ADDITIONS/DELETIONS TO THE AGENDA** – Mr. Geo Price, Division Manager/Zoning Administrator, indicated the applicants for Case # 23-017MA and Case # 23-024MA have requested withdrawals.
3. **ADOPTION OF AGENDA** – Mr. Branham moved to accept the applicants’ withdrawals and adopt the agenda as amended, seconded by Ms. Terracio.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Walker, Mackey, and English

Not Present: Barron and Newton

The vote in favor was unanimous.

In Favor:

The vote in favor was unanimous.

4. **OPEN PUBLIC HEARING**

a. **MAP AMENDMENTS [ACTION]**

1. **Case # 23-015MA**  
Shailesh Thakkar  
RM-HD to GC (0.399 Acres)  
7008 Joye Circle  
TMS # R16906-02-06 [FIRST READING]

Mr. Walker opened the floor to the public hearing.

The following citizens spoke in opposition to the re-zoning request:

1. David Soto, 11 Arcadia Cove, Columbia, SC 29206
2. Betty Grassnickle, 10 Arcadia Cove, Columbia, SC 29206
3. Lowell Shawzey, Point Arcadia, Unit P118, Columbia, SC 29206
4. Rodney Christian, 29 Arcadia Cove, Columbia, SC 29206
5. Lily Herrera, 24 Arcadia Cove, Columbia, SC 29206
6. Nicole Rosen, Point Arcadia, Unit M165, Columbia, SC 29206

The floor to the public hearing was closed

Ms. McBride moved to deny the re-zoning request, seconded by Ms. English.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Walker, Mackey, and English

Not Present: Barron and Newton

The vote in favor was unanimous.

**2. Case # 23-023MA**

Kevin Steelman

M-1 to RS-LD

111 Pine Wedge Drive (21.98 Acres)

TMS # R17700-01-94 & R17700-01-14 [FIRST READING]

Mr. Walker opened the floor to the public hearing.

The following citizens spoke in favor of the re-zoning request:

1. Kevin Steelman, 120 Harborside Circle, Columbia, SC 29229
2. Joe Henry, 86 Sunset Maple Court, Blythewood, SC 29016
3. Jeff Benson, 100 Whiteoak Ridge Lane, Blythewood, SC 29016
4. Debbie Benson, 100 Whiteoak Ridge Lane, Blythewood, SC 29016
5. Bennett Koenig, 214 Pine Loop Drive, Blythewood, SC 29016

The floor to the public hearing was closed.

Mr. Pugh moved to approve the re-zoning request, seconded by Mr. Weaver.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Walker, Mackey, and English

Not Present: Barron and Newton

The vote in favor was unanimous.

**3. Case # 23-030MA**

Fan Disharoon

OI to RS-LD (.37 Acres)

1528 Legrand Road

TMS # R17113-08-04 [FIRST READING]

Mr. Walker moved to defer this item until the October Zoning Public Hearing, seconded by Ms. McBride.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Walker, Mackey, and English

Not Present: Barron and Newton

The vote in favor was unanimous.

**4. Case # 23-036MA**

Carl Gibson

RU to LI (2.5 Acres)

E/S Montgomery Lane

TMS # R18800-02-39 [FIRST READING]

Mr. Walker opened the floor to the public hearing.

The following citizens spoke in favor of the re-zoning request:

1. James Wyatt, 3332A Leesburg Road, Columbia, SC 29209
2. Linda Welsford, 1325 Montgomery Lane, Columbia, SC 29209
3. Landon Chandler, 3332A Leesburg Road, Columbia, SC 29209
4. Marcus Green, 3332A Leesburg Road, Columbia, SC 29209
5. Micah Caskey, 146 State Street, West Columbia, SC 29169
6. Robbie Hagood, 200 Carolina Street, Columbia, SC 29201
7. Clint Gaun, 200 Carolina Street, Columbia, SC 29201
8. Logan Hunt, 3332A Leesburg Road, Columbia, SC 29209
9. Nick Morris, 1311 Montgomery Lane, Columbia, SC 29209
10. Travis Hopkins, 3332A Leesburg Road, Columbia, SC 29209
11. Collier Taylor, 3127 Pine Belt Road, Columbia, SC 29204
12. Carl Gibson, 1014 Montgomery Lane, Columbia, SC 29209
13. Evans Kahn, 1417 Pineview Drive, Columbia, SC 29209
14. Brandon Hartley, 1311 Montgomery Lane, Columbia, SC 29209
15. Adam Johnston, 3332A Leesburg Road, Columbia, SC 29209

16. Taylor Welsford, 1319 Montgomery Lane, Columbia, SC 29209
17. David Welsford, 1319 Montgomery Lane, Columbia, SC 29209
18. Christian Stroman, 3332A Leesburg Road, Columbia, SC 29209

The following citizens spoke in opposition to the re-zoning request:

1. Susan Collins, 1209 Montgomery Lane, Columbia, SC 29209
2. James Davis, 1116 Montgomery Lane, Columbia, SC 29209
3. Mary Richburg, 1120 Montgomery Lane, Columbia, SC 29209
4. Bruce Holleman, 1101 Montgomery Lane, Columbia, SC 29209
5. Kelli Grant, 1128 Montgomery Lane, Columbia, SC 29209.
6. Ulysses Byrd, 1018 Montgomery Lane, Columbia, SC 29209.
7. Jerry Huger, 1205 Montgomery Lane, Columbia, SC 29209

The floor to the public hearing was closed.

Ms. English moved to deny the re-zoning request, seconded by Mr. Weaver.

In Favor: Branham, Pugh, Terracio, Weaver, Walker, and English

Opposed: McBride, Livingston, and Mackey

Not Present: Barron and Newton

The vote was in favor.

6. **ADJOURNMENT** – Ms. Terracio moved to adjourn the meeting, seconded by Mr. Pugh.

In Favor: Branham, Pugh, McBride, Livingston, Terracio, Weaver, Walker, Mackey and English

Not Present: Barron and Newton

The vote in favor was unanimous.

The meeting adjourned at approximately 8:16 PM.



## Report of the County Administrator

Regular Session - October 03, 2023

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### UPDATES FOR CONSIDERATION:

1. SOIL & WATER CONSERVATION DISTRICT ANNUAL REPORT

### ADMINISTRATOR'S NOMINATION:

*Items in this section require action that may prejudice the County's interest in a discernable way (i.e. time sensitive, exigent, or of immediate importance)*

1. *Community Planning & Development - Conservation Division - Blossom Street Bridge Replacement Mitigation Credit Sales:* Staff recommends approval of the South Carolina Department of Transportation (SCDOT) request to purchase 1.0 wetland credit for the construction of the Blossom Street Bridge Replacement in Richland County at a rate of \$20,000 per credit.
2. *Office of the County Administrator - Ordinance authorizing the issuance of General Obligation Bonds:* Staff recommends the approval of an ordinance authorizing the issuance of general obligation bonds to fund the acquisition, construction, equipping, rehabilitation and improvement of certain capital projects and to refund all or a portion of certain of the County's outstanding general obligation bonds.

### ATTACHMENTS:

1. Richland Soil & Water Conservation District Annual Report
2. Agenda Briefing: Community Planning & Development - Conservation Division - Blossom Street Bridge Replacement Mitigation Credit Sales
3. Agenda Briefing: Office of the County Administrator - Ordinance authorizing the issuance of General Obligation Bonds



# Richland Soil and Water Conservation District: *Annual Report to Council*

J. Kenneth Mullis, Chairman

October 3, 2023



**Richland Soil and Water  
Conservation District**

S. Dakota, 1936



Texas, 1935



# Origin Story: The Dust Bowl



# What is a SWCD?



# Richland Soil and Water Conservation District



Farmers & Natural  
Resource Professionals



Teachers & Educators



PreK-12 Students



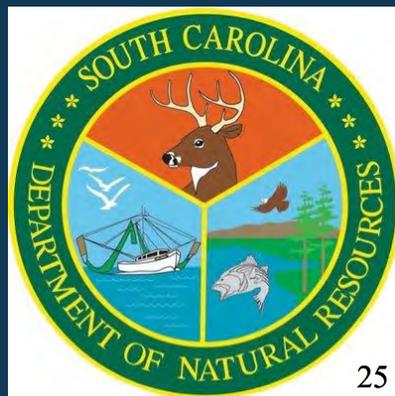
Community

**Mission: The RSWCD promotes the wise use and care of natural resources--with a focus on soil and water--for long-term sustainability in a changing environment.**

# How is RSWCD Funded?

## Cash Operating Budget

- \$15K/year federal (USDA-NRCS)
- \$25K/year state (SC DNR)
- \$36K/year private donations/grants
- TOTAL: \$76K/year



## In-Kind Support

- 2.5 FTE staff (Richland County Conservation Division)
- Overhead costs (Richland County Conservation Division)





# Educational Workshops & Farm Bill Program Support

# Equipment Rental



Crop Roller



No-Till Drill

# Conservation Education Mini-Grants





# Professional Development for Teachers & Educators

# K-12 Classroom Presentations

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**Watershed  
Explorer**



**Supersoil**



**Wonderful Worms**

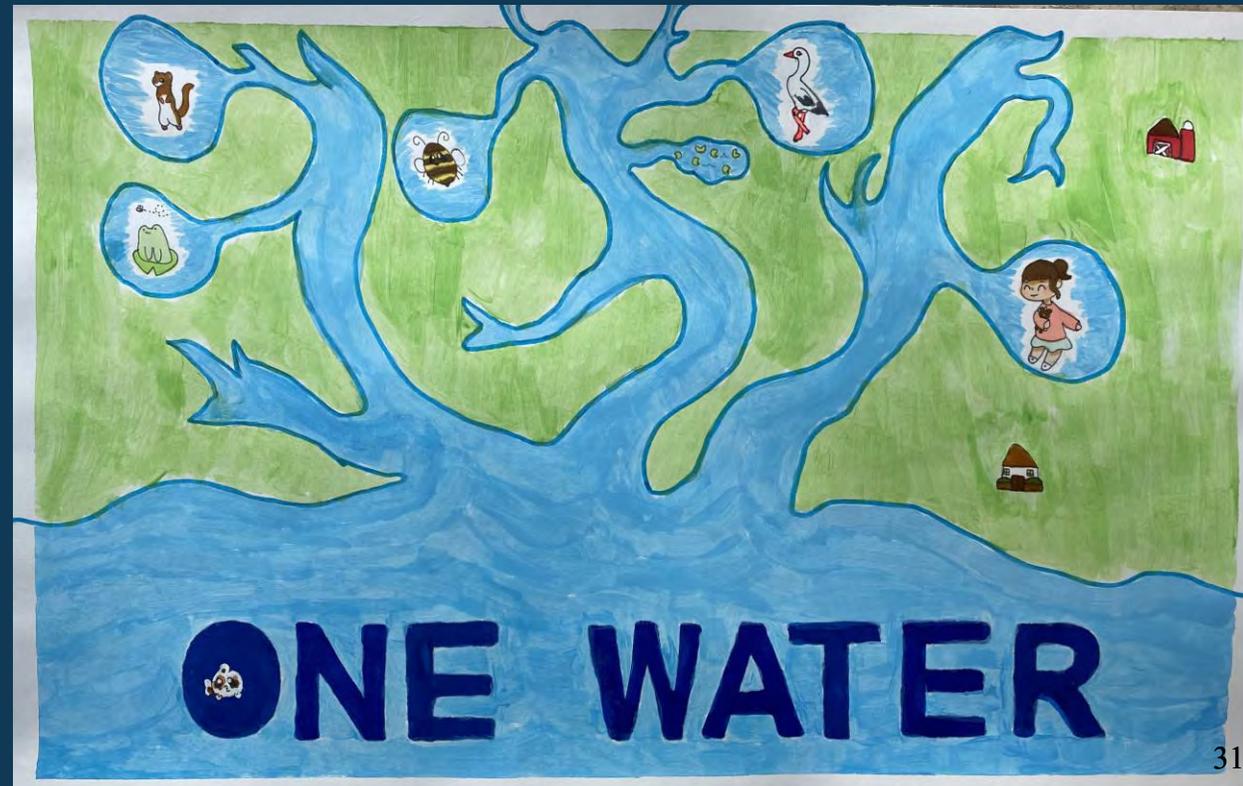


**Where Would We  
BEE Without  
Pollinators?**

# Conservation Poster Contest

2023: One Water

2024: May the Forest Be With You Always



31 of 422



Kendyl Bovain, 2<sup>nd</sup> Grade  
Arden Elementary School  
First Place, 2<sup>nd</sup>-3<sup>rd</sup> Grades

Maya Marina Rekleitis, 6<sup>th</sup> Grade  
Crayton Middle School  
Third Place, 4<sup>th</sup>-6<sup>th</sup> Grades





# SC Envirothon





# ADOPT a STREAM

 CENTER for  
WATERSHED  
EXCELLENCE  
Clemson Public Service and Agriculture

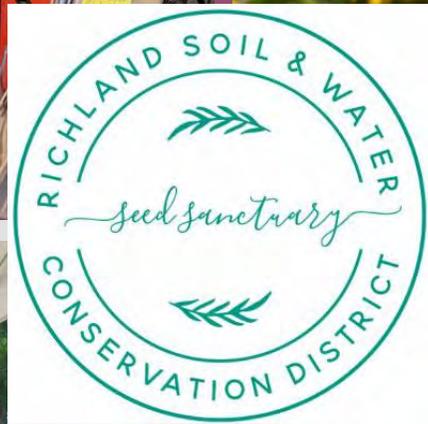
 **dhec**  
Healthy People. Healthy Communities.

## Stream Monitoring Hub



 **AG+ART TOUR**  
RICHLAND COUNTY 





# Seed Sanctuary



Thank you for your support!



**Richland Soil and Water  
Conservation District**



**Agenda Briefing**

<b>Prepared by:</b>	Quinton Epps	<b>Title:</b>	Division Manager
<b>Department:</b>	Community Planning & Development	<b>Division:</b>	Conservation
<b>Date Prepared:</b>	September 8, 2023	<b>Meeting Date:</b>	October 3, 2023
<b>Legal Review</b>	Patrick Wright via email	<b>Date:</b>	September 20, 2023
<b>Budget Review</b>	Abhijit Deshpande via email	<b>Date:</b>	September 19, 2023
<b>Finance Review</b>	Stacey Hamm via email	<b>Date:</b>	September 19, 2023
<b>Approved for consideration:</b>	Assistant County Administrator	Aric A Jensen, AICP	
<b>Meeting/Committee</b>	Regular Session		
<b>Subject</b>	Mitigation Bank Credit Sales - Blossom Street Bridge Replacement		

**RECOMMENDED/REQUESTED ACTION:**

Staff recommends approval of the request to purchase mitigation credits as listed below:

1. The South Carolina Department of Transportation (SCDOT) requests to purchase 1.0 wetland credit for the construction of the Blossom Street Bridge Replacement in Richland County at a rate of \$20,000 per credit.

Request for Council Reconsideration:  Yes

**FIDUCIARY:**

Are funds allocated in the department’s current fiscal year budget?	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No
If not, is a budget amendment necessary?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No

**ADDITIONAL FISCAL/BUDGETARY MATTERS TO CONSIDER:**

These mitigation credit sales will generate \$20,000.00 which will be credited to the Transportation Penny Program.

*Applicable department/grant key and object codes:* 1233100000-461000

**OFFICE OF PROCUREMENT & CONTRACTING FEEDBACK:**

Not applicable.

**COUNTY ATTORNEY’S OFFICE FEEDBACK/POSSIBLE AREA(S) OF LEGAL EXPOSURE:**

There are no legal concerns regarding this matter.

**REGULATORY COMPLIANCE:**

None applicable.

**MOTION OF ORIGIN:**

There is no associated Council motion of origin.

**STRATEGIC & GENERATIVE DISCUSSION:**

Staff requests approval for the sale of mitigation bank credits from the Mill Creek Mitigation Bank to the recommended entity and amounts to fulfill their permitting requirements.

The total combined transaction value is \$20,000.00 which will be returned to the Penny Program. The County's current credit ledger balance is as follows:

Credit Type	Released County Credits	County Credits Used or Sold	County Reserved Credits	Available County Credits
Wetland	800.000	257.365	100.00	442.635
Stream	30,000.000	26,600.00	3,400.00	0.00

Interim Transportation Director Maloney estimates as currently constituted, the remaining projects in the Transportation Penny program will require 100 wetland credits and 3,400 stream credits. Those numbers would increase if the Penny tax is extended and more projects are added. Based on these estimates, the request for 1.0 wetland credit and 0.0 stream credits will not impact the County's ability to implement the Penny Program. As such, staff recommends approval for the sale of 1.0 wetland credits from the County Credits. This will bring the County's current credit ledger balance to the following which will meet the projected need for the Penny Program:

Credit Type	Released County Credits	County Credits Used or Sold	County Reserved Credits	Available County Credits
Wetland	800.000	258.365	100.00	441.635
Stream	30,000.000	26,600.00	3,400.00	0.00

**ASSOCIATED STRATEGIC GOAL, OBJECTIVE, AND INTIATIVE:**

The Mill Creek Mitigation Bank (MCMB) has met and continues to meet portions of all six (6) of the Strategic Goals in the Strategic Planning Report for Richland County dated June 29, 2022 as outlined below:

1. Foster Good Governance – Objective 1.1: The MCMB began with realistic and achievable goals, a shared vision and agreement with county leadership, using metrics for accountability, in collaboration with other governments, and has been re-evaluated during our annual plans each year.
2. Invest in Economic Development – Objective 2.1: The MCMB helps to create high paying jobs through planned growth and strategic development projects by providing mitigation where needed to offset environmental impacts to water resources and restore, preserve and enhance our natural resources.
3. Commit to Fiscal Responsibility – Objective 3.1: The MCMB has been aligned with budget priorities by providing mitigation opportunities at a reduced cost to Richland County, bringing in funds from other sources, and promoting sustainable economic development in Richland County.
4. Plan for Growth through Inclusive and Equitable Infrastructure – Objective 5.1: The MCMB has been a model for interdepartmental coordination and plans to enable smart growth. It has provided positive outcomes for development along with the preservation of sensitive lands.

5. Achieve Positive Public Engagement – Objective 6.4: The MCMB has provided and continues to provide wetland and stream credits to many development projects in Richland County and other areas of the state achieving success stories for Richland County.
6. Establish Operational Excellence – Objective 7.5: The MCMB has met the original goals to provide mitigation credits for the Transportation Penny Program as well as other development projects and to preserve, restore and enhance sensitive lands in Richland County.

**ATTACHMENTS:**

1. Mill Creek Credit Sales Checklist Blossom St Bridge Replacement SCDOT
2. Richland County Credit Sales Agreement Blossom St Bridge 10 Aug 23

MITIGATION SURPLUS CREDIT SALES AGREEMENT SUMMARY

<u>Project:</u>	Blossom St Bridge Replacement
<u>Location:</u>	Richland/Lexington County, SC
<u>8-Digit HUC Watershed Code</u>	03050109 (Saluda River Basin)
<u>Buyer:</u>	SCDOT
<u>Permittee:</u>	SCDOT
<u>Permittee's USACE 404 Permit #:</u>	SAC-2021-01181
<u>Price Per Wetland Credit:</u>	\$20,000.00
<u>Price Per Stream Credit:</u>	N/A
<u>Wetland Credits:</u>	1 credit (0.5 restoration/enhancement & 0.5 preservation)
<u>Stream Credits:</u>	0.00 credits
<u>Credit Proceeds:</u>	\$20,000.00
<u>Fee for Out of Primary Service Area Sale:</u>	\$0.0
<u>Gross Proceeds (Inclusive of Fee for Out of Primary Service Area Sale:</u>	\$20,000.00
<u>Penny Program Proceeds Share:</u>	\$20,000.00

AGREEMENT FOR PURCHASE AND SALE OF WETLAND MITIGATION CREDITS

THIS AGREEMENT FOR PURCHASE AND SALE OF WETLAND CREDITS (this "Agreement") is dated this \_\_\_\_ day of \_\_\_\_, 2023 by and between RICHLAND COUNTY and the owner and operator of a stream and wetland mitigation bank commonly known as the Mill Creek Mitigation Bank ("Seller"), and South Carolina Department of Transportation ("Purchaser").

RECITALS

A. The Mill Creek Mitigation Bank (the "Bank") was approved and is being operated pursuant to that certain Final Mitigation Banking Instrument: Mill Creek Mitigation Bank, dated December 22, 2015, United States Army Corps of Engineers - Charleston District (the "Corps") permit number SAC-2014-00222 (the "MBI");

B. Pursuant to the MBI, the Bank may offer wetland and stream credits for sale as compensation for unavoidable adverse impacts to, or for the loss of, among other things, jurisdictional waters of the United States, including wetlands and streams, and other natural habitats and ecosystems, located within that certain geographical service area more particularly depicted on the attached **Exhibit A** (the "Service Area");

C. Purchaser desires to procure compensatory mitigation in connection with the project known as the "Blossom Street Bridge Replacement" (the "Purchaser's Project") pursuant to USACE Charleston District file number SAC-2021-01181; and,

D. Purchaser desires to purchase from Seller, and Seller desires to sell to Purchaser, wetland mitigation credits pursuant to the terms and conditions set forth herein.

AGREEMENT

In consideration of the foregoing and the mutual promises, covenants, agreements and obligations of the parties contained in this Agreement, the adequacy and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, Seller and Purchaser agree as follows:

**1. Recitals.** The recitals to this Agreement are herein incorporated by reference and made an integral part hereof.

**2. Sale of Credits.** Seller hereby sells to Purchaser, and Purchaser hereby purchases from Seller (a) FIFTY HUNDREDTHS (.50) wetland restoration/non-buffer enhancement credits and FIFTY HUNDREDTHS (.50) wetland preservation credits (together, the “Wetland Credits”) from the Bank based on the terms and conditions contained herein.

Upon execution of this Agreement, Seller shall provide Purchaser with an invoice for the Purchase Price (as defined in Section 3 below) and Purchaser shall remit payment within 14 days of receipt of such invoice. Upon receipt of such payment, Seller will hold Wetland Credits on its ledger for the benefit of Purchaser until such time as Purchaser provides written notice to Seller to deliver the Wetland Credits as provided in Section 4 below (the “Written Notice to Deliver the Wetland Credits”). For avoidance of doubt, upon receipt by Seller of the Purchase Price, the sale of the Wetland Credits to Purchaser shall be final, and shall not be contingent upon receipt by Purchaser of the approval of the Purchaser Project by the applicable regulatory authorities, or upon any other matter.

**3. Purchase Price.** The purchase price for the Wetland Credits shall be TWENTY THOUSAND and 00/100 Dollars (\$20,000.00) for each Wetland Credit, for a total purchase price for the Wetland Credits of TWENTY THOUSAND DOLLARS (\$20,000.00) (the “Purchase Price”). Upon payment of the Purchase Price in full, neither Purchaser, nor its successors, assignees or designees shall be liable for the payment to Seller of any other consideration or fee in connection with the sale of the Wetland Credits.

**4. Delivery of Wetland Credits.** Upon receipt of the Written Notice to Deliver the Wetland Credits, Seller shall:

(a) notify the Corps of the completion of the sale using such documentation as required by the Corps necessary to transfer the Wetland Credits to Purchaser in accordance with Corps policies and procedures and the terms of this Agreement, with a copy delivered to Purchaser; and

(b) deliver to Purchaser a bill of sale for the Wetland Credits in substantially the same form as Exhibit B attached hereto.

**5. Representations, Warranties and Covenants.** Seller hereby warrants and represents to, and covenants with, Purchaser as follows:

(a) Seller expressly represents, warrants, and covenants the matters set forth as Recitals A and B.

(b) Seller has a sufficient number of credits in the Bank to consummate the

transactions contemplated herein.

(c) Seller has full power and authority to convey the Wetland Credits to Purchaser and to consummate the transactions contemplated herein.

(d) Seller shall deliver the Wetland Credits to Purchaser free and clear of any liens, security interests or other encumbrances.

(e) There is no pending or threatened action or proceeding affecting Seller before any court, governmental agency, or arbitrator that would adversely affect Seller's ability to comply with its obligations hereunder.

(f) Seller hereby covenants and agrees with Purchaser that Seller shall not sell any number of credits in the Bank that would prevent the consummation of the transactions contemplated herein.

(g) Seller shall be solely responsible, at its sole cost and expense, for compliance with the requirements of this Agreement and with all statutes, regulations, and other requirements applicable to the operation, management, and maintenance of the Bank.

(h) That the execution and delivery of this Agreement on behalf of Seller has been duly authorized and such execution and delivery shall constitute the valid and binding agreement of Seller and is enforceable in accordance with its terms.

(i) All of Seller's representations, warranties, and covenants herein shall survive the termination of this Agreement and the delivery of the bill or bills of sale pursuant to this Agreement.

**6. Miscellaneous**

(a) Notices. Any notice, demand or request which is required or permitted hereunder shall be deemed effective when hand delivered, sent by a receipted overnight delivery service, or mailed, via certified mail, to the following addresses:

Seller:           Richland County  
                  Attn: Quinton Epps  
                  2020 Hampton St, 3<sup>rd</sup> Floor Rm 3063A  
                  Columbia, SC 29205

**With a copy to:**

Parker Poe Adams & Bernstein LLP  
Attn: Ray Jones  
1221 Main St., Suite 1100  
Columbia, SC 29201

Purchaser:       South Carolina Department of Transportation  
                  P.O. Box 191  
                  Columbia, South Carolina 29202

**With a copy to:**

\_\_\_\_\_  
\_\_\_\_\_

The parties may change the address for notices by delivery of a change of address to the other party in accordance with the requirements set forth above.

(b) Brokerage Commission. Seller and Purchaser each warrant to the other that no broker, agent, salesman or similar person is entitled to a commission or other fee in connection with this transaction.

(c) Entire Agreement; Modification. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and neither Party shall be bound by representations except as set forth in this Agreement. There are no other agreements or understandings, written or oral, between the parties with regard to the subject matter of this Agreement. This Agreement shall not be modified or amended except by a written document

executed by both parties.

(d) **Governing Law.** The validity, interpretation, and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina, with the proper venue being Richland County, except to the extent that any applicable federal law or regulation shall supersede South Carolina law in relation to the matters set forth in this Agreement.

(e) **Compliance with Applicable Laws.** Both parties shall comply with all applicable federal, state, and local laws, rules, regulations, and orders in the conduct of their obligations hereunder.

(f) **Severability.** The provisions of this Agreement shall be deemed severable and, if any term herein shall be held invalid, illegal, or unenforceable, the remainder of this Agreement shall continue to be effective and binding on the parties.

(g) **Additional Assurances.** Both of the parties agree to execute and deliver any other document or documents that may be requested from time to time by the other party necessary to perform such party's obligations under this Agreement.

(h) **Attorney's Fees.** If legal action is commenced by either party to enforce its rights under this Agreement, the substantially prevailing party in such action shall be entitled to recover reasonable costs incurred by it, including, but not limited to, reasonable attorneys' fees and costs, in addition to any other relief granted.

(i) **Nature of Wetland Credits.** The sale and conveyance of the Wetland Credits pursuant to this Agreement shall not constitute the conveyance or transfer of any right, interest, or ownership of real property or the Bank, nor shall such conveyance impose upon Purchaser any obligation, duty, or liability arising from or incident to ownership of an interest in real property.

(j) **Assignability.** Except as provided below, neither party hereto may assign its rights and obligations hereunder to any third-party entity without the prior written consent of the other, which may be withheld in the other party's sole discretion. Notwithstanding the foregoing sentence, Seller may assign this Agreement to a third-party entity which (i) purchases the Bank from Seller and assumes the rights, duties, and obligations of "bank sponsor" thereunder, and (ii) assumes in writing the obligations of Seller under this Agreement. Purchaser shall not have the right to consent to an assignment of the type described in the preceding sentence, but Seller shall provide Purchaser written notice of such

assignment within 10 days following such assignment. Purchaser may assign its rights and obligations hereunder to any successor in interest of Purchaser or any entity that purchases all or part of the Purchaser's Project provided that party assumes the duties and obligation connected to the Credits, any requirements tied to USACE Charleston District file number SAC-2021-01181, and any state and federal permits related to the Purchaser's Project including, but not limited to, the ACE 404 permit applicable to the Purchaser's Project.

(k) Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original, and all of which shall together constitute one and the same Agreement. Signed signature pages may be transmitted by facsimile or email and any such signature or electronic signature shall have the same legal effect as an original.

WITNESS the following authorized signatures:

SELLER: RICHLAND COUNTY

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

Printed:

Its:

PURCHASER: South Carolina Department of Transportation

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

Printed:

Its:

EXHIBIT A

[Attach map of Service Area]

EXHIBIT B

BILL OF SALE

THIS BILL OF SALE is made as of the \_\_\_\_ day of \_\_\_\_, 2023, by MILL CREEK MITIGATION BANK ("Seller"), and SOUTH CAROLINA DEPARTMENT OF TRANSPORTATION ("Purchaser").

Seller and Purchaser have entered into that certain Agreement for Purchase and Sale of Wetland Mitigation Credits dated \_\_\_\_\_, 2023 (the "Agreement"), the terms of which are incorporated herein by reference and made a part hereof, with respect to the sale by Seller and the purchase by Purchaser of Wetland Credits (as defined in the Agreement) held in Seller's Mill Creek Mitigation Bank, Richland County, South Carolina.

In consideration of the Purchase Price (as defined in the Agreement) and other good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, Seller hereby sells, transfers, assigns, conveys, delivers, and sets over to Purchaser, its successors, or assigns, FIFTY HUNDREDTHS (.50) wetland restoration/non-buffer enhancement credits and FIFTY HUNDREDTHS (.50) wetland preservation credits, to have and hold all such Wetland Credits, forever. Witness the following authorized signature:

Richland County

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

Printed:

Its:



**Agenda Briefing**

<b>Prepared by:</b>	Lori Thomas	<b>Title:</b>	Assistant County Administrator
<b>Department:</b>	Administration	<b>Division:</b>	
<b>Date Prepared:</b>	September 19, 2023	<b>Meeting Date:</b>	October 3, 2023
<b>Legal Review</b>	Patrick Wright via email	<b>Date:</b>	September 21, 2023
<b>Budget Review</b>	Abhijit Deshpande via email	<b>Date:</b>	September 22, 2023
<b>Finance Review</b>	Stacey Hamm via email	<b>Date:</b>	September 21, 2023
<b>Approved for consideration:</b>	County Administrator	Leonardo Brown, MBA, CPM	
<b>Meeting/Committee</b>	Regular Session		
<b>Subject</b>	Ordinance authorizing the issuance of General Obligation Bonds		

**RECOMMENDED/REQUESTED ACTION:**

Staff recommends the approval of an ordinance authorizing the issuance of general obligation bonds to fund the acquisition, construction, equipping, rehabilitation and improvement of certain capital projects and to refund all or a portion of certain of the County's outstanding general obligation bonds.

Request for Council Reconsideration:  Yes

**FIDUCIARY:**

Are funds allocated in the department's current fiscal year budget?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
If not, is a budget amendment necessary?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No

**ADDITIONAL FISCAL/BUDGETARY MATTERS TO CONSIDER:**

Approval of this ordinance allows the funding of capital projects as approved by Council on September 19, 2023.

*Applicable department/grant key and object codes:*

**OFFICE OF PROCUREMENT & CONTRACTING FEEDBACK:**

Not applicable.

**COUNTY ATTORNEY'S OFFICE FEEDBACK/POSSIBLE AREA(S) OF LEGAL EXPOSURE:**

There are no legal concerns regarding this matter.

**REGULATORY COMPLIANCE:**

Not applicable.

**MOTION OF ORIGIN:**

“I’d to make a motion to authorize the County Attorney to draft resolutions regarding capital projects and transportation projects.”

<b>Council Member</b>	The Honorable Jesica Mackey, District 9
<b>Meeting</b>	Regular Session
<b>Date</b>	September 19, 2023

**STRATEGIC & GENERATIVE DISCUSSION:**

The purpose of this ordinance is to authorize the issuance of general obligation bonds for new funds to provide funding for capital projects as outlined below for Uses and Sources of Funds and approved by Council on September 12, 2023.

<b>Uses of Funds</b>	<b>Cost</b>
Family Services Center	\$49,173,881
Alvin S Glenn Detention Center	\$25,000,000
Voter Reg & Elections/SCDJJ	\$13,512,841
<b>Total</b>	<b>\$87,686,722</b>

<b>Sources of Funds</b>	
ARPA Allocation for DSS	\$17,480,389
General Obligation Bond Series 2023	\$71,000,000
<b>Total</b>	<b>\$88,480,389</b>

The ordinance is structured such that any modifications or changes in projects that may allow for additional funds availability will allow for funds to be redirected to other capital projects by Council approval.

**ASSOCIATED STRATEGIC GOAL, OBJECTIVE, AND INTIATIVE:**

GOAL 4 – Plan for Growth through Inclusive and Equitable Infrastructure -

\* Prioritize improvements to County infrastructure based on County priorities as established in strategic plan, budget and capital improvement plan and community priorities.

**ATTACHMENTS:**

1. Richland County, SC Ordinance Authorizing the Issuance of General Obligation Bonds in One Or More Series, Tax-Exempt or Taxable, In an Amount Not to Exceed Ninety-Two Million Dollars (\$93,000,000)
2. Considerations for Capital Building Plan Financing

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**RICHLAND COUNTY, SOUTH CAROLINA**

**ORDINANCE NO. \_\_\_\_\_ - 23HR**

**AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS IN ONE OR MORE SERIES, TAX-EXEMPT OR TAXABLE, IN AN AMOUNT NOT TO EXCEED NINETY THREE MILLION DOLLARS (\$93,000,000), TO FUND THE ACQUISITION, CONSTRUCTION, EQUIPPING, REHABILITATION AND IMPROVEMENT OF CERTAIN CAPITAL PROJECTS AND TO REFUND ALL OR A PORTION OF CERTAIN OF THE COUNTY'S OUTSTANDING GENERAL OBLIGATION BONDS; AUTHORIZING THE COUNTY ADMINISTRATOR TO PRESCRIBE THE DETAILS OF THE ISSUANCE AND SALE OF THE BONDS AND THE FORM AND DETAILS OF THE BONDS; PROVIDING FOR THE DISPOSITION OF THE PROCEEDS OF THE BONDS AND THE PAYMENT OF THE BONDS; AND OTHER RELATED MATTERS.**

**ADOPTED: NOVEMBER 7, 2023**

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ORDINANCE NO. \_\_\_\_\_ - 23HR

**AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS IN ONE OR MORE SERIES, TAX-EXEMPT OR TAXABLE, IN AN AMOUNT NOT TO EXCEED NINETY THREE MILLION DOLLARS (\$93,000,000), TO FUND THE ACQUISITION, CONSTRUCTION, EQUIPPING, REHABILITATION AND IMPROVEMENT OF CERTAIN CAPITAL PROJECTS AND TO REFUND ALL OR A PORTION OF CERTAIN OF THE COUNTY'S OUTSTANDING GENERAL OBLIGATION BONDS; AUTHORIZING THE COUNTY ADMINISTRATOR TO PRESCRIBE THE DETAILS OF THE ISSUANCE AND SALE OF THE BONDS AND THE FORM AND DETAILS OF THE BONDS; PROVIDING FOR THE DISPOSITION OF THE PROCEEDS OF THE BONDS AND THE PAYMENT OF THE BONDS; AND OTHER RELATED MATTERS.**

**THE RICHLAND COUNTY, SOUTH CAROLINA, COUNTY COUNCIL ORDAINS:**

**SECTION 1. Findings.** The County Council ("Council") of Richland County, South Carolina ("County"), finds and determines:

(a) Article X, Section 14 of the Constitution of the State of South Carolina, 1895, as amended, ("Constitution") and Title 4, Chapter 15, and Title 11, Chapter 27, Code of Laws of South Carolina 1976, as amended (collectively, the foregoing is the "County Bond Act"), provides that each county may incur general obligation bonded indebtedness upon such terms and conditions as the General Assembly may prescribe by general law subject to the following limitations: (i) such debt must be incurred only for a purpose which is a public purpose and a corporate purpose for a county, and (ii) unless excepted therefrom, such debt may be issued in an amount not exceeding eight percent of the assessed value of all taxable property of such county ("Bonded Debt Limit").

(b) The County Bond Act further provides that if general obligation debt is authorized by a majority vote of the qualified electors of a county voting in a referendum, then there are no conditions or restrictions with respect to the amount of general obligation debt incurred except those restrictions and limitations imposed in the authorization to incur such indebtedness;

(c) Pursuant to Title 11, Chapters 15 and 21, Code of Laws of South Carolina 1976, as amended (collectively, "Refunding Act" and together with the County Bond Act, the "Act"), the county council of any county of the State may issue refunding bonds to such extent as such that county shall be indebted by way of principal, interest and redemption premium upon any outstanding bonds, maturing or called for redemption, less all sinking funds and other moneys on hand applicable thereto at any time to effect the refunding of any of its outstanding bonds, but not sooner than one year from the date the outstanding bonds fall due or have been called for redemption, unless the county council finds that a savings can be effected through advanced refunding of the outstanding bonds.

(d) County Council has determined that it is in the best interest of the County to (i) acquire, construct, equip, rehabilitate and improve certain capital projects and assets in the County, as more

particularly described on Schedule I, or to undertake such other projects as are approved by Council in the County's capital improvement program (collectively, "Capital Projects"); and (ii) achieve debt service savings through a current refunding of all or a portion of the outstanding maturities of the County's General Obligation Bonds (Richland Library Projects) Series 2014A ("Refunded Bonds") issued in the original aggregate principal amount of \$35,590,000;

(e) The assessed valuation of all property in the County as of August 25, 2023 (unaudited), for purposes of determining the Bonded Debt Limit of the County is not less than \$1,899,041,015. Eight percent of this assessed value is \$151,923,281 ("County's Bonded Debt Limit"). As of the date of this Ordinance, the County has outstanding no more than \$63,610,000 of general obligation indebtedness which counts against the County's Bonded Debt Limit ("Outstanding Eight Percent Debt"). As of the date of this Ordinance, the difference between the County's Bonded Debt Limit and its Outstanding Eight Percent Debt is \$88,313,281, which amount is the not exceeding amount of general obligation indebtedness that the County may incur without a referendum;

(f) The Refunded Bonds were authorized by a majority vote of the qualified electors of the County in a referendum held on November 5, 2013, and the portion of general obligation debt authorized by this Ordinance and issued to refund the Refunded Bonds will not count against the County's Bonded Debt Limit;

(g) The Council has found it is in the best interest of the County for the Council to provide for the issuance of one or more series of general obligation bonds and general obligation refunding bonds of the County, taxable or tax-exempt, pursuant to the provisions of the Constitution and laws of the State of South Carolina, in an amount not to exceed Ninety Three Million Dollars (\$93,000,000) for the purposes of: (i) funding the Capital Projects; (ii) refunding the Refunded Bonds; and (iii) paying the costs of issuance related to the Bonds (defined below).

**SECTION 2. Authorization and Details of the Bonds.** Pursuant to the Act, the County is authorized to issue not exceeding Ninety Three Million Dollars (\$93,000,000) in general obligation bonds and general obligation refunding bonds of the County to be designated as "General Obligation Bonds" or "General Obligation Refunding Bonds," as applicable (the "Bonds"), for the purposes set forth in Section 1(g) above. The Bonds also may be issued in one or more series, taxable or tax-exempt, from time to time as may be determined in the manner provided below with such further designation of each series to identify the year in which such bonds are issued.

The Bonds may be issued as fully registered bonds; dated the date of their delivery or such other date as may be selected by the County Administrator or his lawful designee (collectively, "County Administrator"); may be in any whole dollar denomination or denominations of \$5,000 or any whole multiple thereof not exceeding the principal amount of the Bonds maturing in each year; shall be numbered from R-1 upward; shall bear interest from their date of issuance as may be determined by the County Administrator; and shall mature in such amounts and at such times as determined by the County Administrator.

**SECTION 3. Delegation of Certain Details of the Bonds to the County Administrator.** The Council delegates to the County Administrator all determinations regarding the sale and issuance of the Bonds and the form and details of the Bonds. The County Administrator is directed to consult with the County's bond counsel and financial advisor in making any such determinations. The County Administrator shall keep Council advised of the status of the sale and issuance of the Bonds.

**SECTION 4. Registrar/Paying Agent.** Both the principal installments of and interest on the Bonds shall be payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts. As determined by the County Administrator, the County Treasurer or a qualified financial institution shall serve as the registrar/paying agent for the Bonds (“Registrar/Paying Agent”) and shall fulfill all functions of the Registrar/Paying Agent enumerated herein.

**SECTION 5. Registration and Transfer.** The County shall cause books (herein referred to as the “registry books”) to be kept at the offices of the Registrar/Paying Agent, for the registration and transfer of the Bonds. Upon presentation at its office for such purpose, the Registrar/Paying Agent shall register or transfer, or cause to be registered or transferred, on such registry books, the Bonds under such reasonable regulations as the Registrar/Paying Agent may prescribe.

The Bonds shall be transferable only upon the registry books of the County, which shall be kept for such purpose at the principal office of the Registrar/Paying Agent, by the registered owner thereof in person or by his duly authorized attorney upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar/Paying Agent, duly executed by the registered owner or his duly authorized attorney. Upon the transfer of the Bonds, the Registrar/Paying Agent on behalf of the County shall issue in the name of the transferee new fully registered Bonds, of the same aggregate principal amount, interest rate and maturity as the surrendered Bonds. Any Bond surrendered in exchange for a new registered Bond pursuant to this Section shall be canceled by the Registrar/Paying Agent.

The County and the Registrar/Paying Agent may deem or treat the person in whose name the Bonds shall be registered upon the registry books as the absolute owner of such Bonds, whether such Bonds shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such Bonds and for all other purposes, and all such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bonds to the extent of the sum or sums so paid, and neither the County nor the Registrar/Paying Agent shall be affected by any notice to the contrary. In all cases in which the privilege of transferring the Bonds is exercised, the County shall execute and the Registrar/Paying Agent shall authenticate and deliver the Bonds in accordance with the provisions of this Ordinance. Neither the County nor the Registrar/Paying Agent shall be obliged to make any such transfer of the Bonds during the period beginning on the Record Date (as defined in Section 6 hereof) and ending on an interest payment date.

**SECTION 6. Record Date.** The County establishes a record date (“Record Date”) for the payment of interest or for the giving of notice of any proposed redemption of the Bonds, and such Record Date shall be the 15th day of the calendar month next preceding an interest payment date on the Bonds or, in the case of any proposed redemption of the Bonds, such Record Date shall not be more than 15 days prior to the mailing of notice of redemption of the Bonds.

**SECTION 7. Lost, Stolen, Destroyed or Defaced Bonds.** In case any Bond, at any time, is mutilated in whole or in part, or lost, stolen or destroyed, or defaced as to impair the value thereof to the owner, the County shall execute and the Registrar/Paying Agent shall authenticate and deliver at the principal office of the Registrar/Paying Agent, or send by registered mail to the owner thereof at his request, risk and expense, a new bond of the same interest rate and maturity and of like tenor and effect in exchange or substitution for and upon the surrender for cancellation of such defaced, mutilated or partly destroyed Bond, or in lieu of or in substitution for such lost, stolen or destroyed Bond. In any such event the applicant for the issuance of a substitute bond shall furnish the County and the Registrar/Paying Agent evidence or proof satisfactory to the County and the Registrar/Paying Agent of the loss, destruction, mutilation, defacement or theft of the original Bond, and of the ownership thereof, and also such security and indemnity

in such amount as may be required by the laws of the State of South Carolina or such greater amount as may be required by the County and the Registrar/Paying Agent. Any bond issued under the provisions of this Section in exchange and substitution for any defaced, mutilated or partly destroyed Bond or in substitution for any allegedly lost, stolen or wholly destroyed Bond shall be entitled to the identical benefits under this Ordinance as was the original Bond in lieu of which such substitute bond is issued.

All expenses necessary for the providing of any substitute bond shall be borne by the applicant therefor.

#### **SECTION 8. Book-Entry System.**

(a) Notwithstanding anything to the contrary herein, so long as the Bonds are being held under a book-entry system of a securities depository, transfers of beneficial ownership of the Bonds will be affected pursuant to rules and procedures established by such securities depository. The initial securities depository for the Bonds will be The Depository Trust Company (“DTC”), New York, New York. DTC and any successor securities depositories are hereinafter referred to as the “Securities Depository.” The Bonds shall be registered in the name of Cede & Co., as the initial Securities Depository nominee for the Bond. Cede & Co. and successor Securities Depository nominees are hereinafter referred to as the “Securities Depository Nominee.”

(b) As long as the Bonds are being held under a book-entry system, the Securities Depository Nominee will be recognized as the holder of the Bonds for the purposes of (i) paying the principal, interest and premium, if any, on such Bonds, (ii) selecting the portions of the Bonds to be redeemed if the Bonds are to be redeemed in part, (iii) giving any notice permitted or required to be given to bondholders under this Ordinance, (iv) registering the transfer of the Bonds, and (v) requesting any consent or other action to be taken by the holder of such Bonds, and for all other purposes whatsoever, and the County shall not be affected by any notice to the contrary.

(c) The County shall not have any responsibility or obligation to any participant, beneficial owner or other person claiming a beneficial ownership in the Bonds which is registered to a Securities Depository Nominee under or through the Securities Depository with respect to any action taken by the Securities Depository as holder of the Bonds.

(d) The County shall pay all principal, interest and premium, if any, on the Bonds issued under a book-entry system only to the Securities Depository or the Securities Depository Nominee, as the case may be, for such Bonds, and all such payments shall be valid and effectual to fully satisfy and discharge the obligations with respect to the principal, interest and premium, if any, on such Bonds.

(e) In the event that the County determines that it is in the best interest of the County to discontinue the book-entry system of transfer for the Bonds, or that the interests of the beneficial owners of the Bonds may be adversely affected if the book-entry system is continued, then the County shall notify the Securities Depository of such determination. In such event, the County shall execute and the Registrar/Paying Agent shall authenticate, register and deliver physical certificates for the Bonds in exchange for the Bonds registered in the name of the Securities Depository Nominee.

(f) In the event that the Securities Depository for the Bonds discontinues providing its services, the County shall either engage the services of another Securities Depository or arrange with the Registrar/Paying Agent for the authentication, registration and delivery of physical certificates in the manner described in (e) above.

(g) In connection with any notice or other communication to be provided to the holder of the Bonds by the County or by the Registrar/Paying Agent with respect to any consent or other action to be taken by the holder of the Bonds, the County or the Registrar/Paying Agent, as the case may be, shall establish a record date for such consent or other action and give the Securities Depository Nominee notice of such record date not less than 15 days in advance of such record date to the extent possible.

**SECTION 9. Execution of Bonds.** The Bonds shall be executed in the name of the County with the manual, facsimile, or electronic signature of the Chairman of Council (“Chair”) and attested by the manual, facsimile, or electronic signature of the Clerk to Council under the seal of the County which shall be impressed, imprinted or reproduced thereon. The Bonds shall not be valid or become obligatory for any purpose unless there shall have been endorsed thereon a certificate of authentication. The Bonds shall bear a certificate of authentication in substantially the form set forth in Exhibit A executed by the manual, facsimile or electronic signature of an authorized representative of the Registrar/Paying Agent.

**SECTION 10. Form of Bonds.** The Bonds shall be in substantially the form set forth in Exhibit A, with such variations as may be determined by the County Administrator under Section 3.

**SECTION 11. Security for Bonds.** The full faith, credit and taxing power of the County are irrevocably pledged for the payment of the principal and interest of the Bonds as they mature and to create a sinking fund to aid in the retirement and payment thereof. There shall be levied and collected annually upon all taxable property in the County an *ad valorem* tax, without limitation as to rate or amount, sufficient for such purposes.

**SECTION 12. Exemption from State Taxation.** Both the principal of and interest on the Bonds shall be exempt, in accordance with the provisions of Section 12-2-50 of the Code of Laws of South Carolina, 1976, as amended, from all South Carolina, county, municipal, school district and all other taxes or assessments, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate and transfer taxes, but the interest thereon may be includable in certain franchise fees or taxes.

**SECTION 13. Sale of Bonds, Form of Notice of Sale.** The Bonds may be sold at a public or private sale, as authorized by Section 11-27-40(4) of the Code of Laws of South Carolina, 1976, as amended, as the County Administrator may determine, using a notice of sale or other similar method to solicit offers for the purchase of the Bonds, as the County Administrator may determine.

**SECTION 14. Deposit and Application of Bond Proceeds.** The proceeds derived from the sale of the Bonds are to be used for the purposes set forth herein and shall be applied by the County solely to the purposes for which the Bonds have been issued.

**SECTION 15. Preliminary and Final Official Statement.** If required to sell the Bonds, the County authorizes and directs the County Administrator to prepare, or cause to be prepared, and use, or cause to be used, a preliminary Official Statement and a final Official Statement according to Rule 15c2-12 promulgated by the Securities Exchange Commission (“Rule 15c2-12”), and further authorizes and directs such other appropriate County staff to prepare and provide such information as may be necessary for the County Administrator to so prepare and use such preliminary Official Statement and final Official Statement in connection with the sale of the Bonds. The County Administrator is further authorized to “deem final” the preliminary Official Statement on behalf of the County in accordance with Rule 15c-12.

**SECTION 16. Defeasance.**

(a) If any Bonds issued pursuant to this Ordinance shall have been paid and discharged, then the obligations of the Ordinance hereunder, and all other rights granted thereby shall cease and determine with respect to such Bonds. A Bond shall be deemed to have been paid and discharged within the meaning of this Section under any of the following circumstances:

(i) If a bank or other institution serving in a fiduciary capacity, which may be the Registrar/Paying Agent (“Escrow Agent”), shall hold, at the stated maturities of the Bond, in trust and irrevocably appropriated thereto, moneys for the full payment thereof; or

(ii) If default in the payment of the principal of such Bond or the interest thereon shall have occurred, and thereafter tender of payment shall have been made, and the Escrow Agent shall hold, in trust and irrevocably appropriated thereto, sufficient moneys for the payment thereof to the date of the tender of payment; or

(iii) If the County shall have deposited with the Escrow Agent, in an irrevocable trust, either moneys in an amount which shall be sufficient, or direct general obligations of the United States of America, which are not subject to redemption by the issuer prior to the date of maturity thereof, as the case may be, the principal of and interest on which, when due, and without reinvestment thereof, will provide moneys, which, together with the moneys, if any, deposited with the Escrow Agent at the same time, shall be sufficient to pay, when due, the principal, interest, and redemption premium, if any, due and to become due on such Bonds and prior to the maturity date or dates of such Bonds, or, if the County shall elect to redeem such series Bond prior to its stated maturity, and shall have irrevocably bound and obligated itself to give notice of redemption thereof in the manner provided in the Bond, on and prior to the redemption date of such Bonds, as the case may be; or

(iv) If there shall have been deposited with the Escrow Agent either moneys in an amount which shall be sufficient, or direct general obligations of the United States of America the principal of and interest on which, when due, will provide moneys which, together with the moneys, if any, deposited with the Escrow Agent at the same time, shall be sufficient to pay, when due, the principal and interest due and to become due on such Bond on the maturity thereof.

(b) In addition to the above requirements of paragraph (a), in order for this Ordinance to be discharged with respect to any Bond, all other fees, expenses and charges of the Escrow Agent have been paid in full at that time.

(c) Notwithstanding the satisfaction and discharge of this Ordinance with respect to a Bond, the Escrow Agent shall continue to be obligated to hold in trust any moneys or investments then held by the Escrow Agent for the payment of the principal of, premium, if any, and interest on, such Bond, to pay to the owners of such Bond the funds so held by the Escrow Agent as and when payment becomes due.

(d) Any release under this Section shall be without prejudice to the rights of the Escrow Agent to be paid reasonable compensation for all services rendered under this Ordinance and all reasonable expenses, charges, and other disbursements and those of their respective attorneys, agents, and employees, incurred on and about the performance of the powers and duties under this Ordinance.

(e) Any moneys which at any time shall be deposited with the Escrow Agent by or on behalf of the County for the purpose of paying and discharging any Bonds shall be and are assigned, transferred, and set over to the Escrow Agent in trust for the respective holders of such Bonds, and the moneys shall be and are irrevocably appropriated to the payment and discharge thereof. If, through lapse of time or otherwise, the

holders of such Bonds shall no longer be entitled to enforce payment of their obligations, then, in that event, it shall be the duty of the Escrow Agent to transfer the funds to the County.

(f) In the event any Bonds are not to be redeemed within the 60 days next succeeding the date the deposit required by Section 16(a)(iii) or (iv) is made, the County shall give the Escrow Agent irrevocable instructions to mail, as soon as practicable by registered or certified mail, a notice to the owners of the Bonds at the addresses shown on the registry books that (i) the deposit required by subparagraph (a)(iii) or (a)(iv) of this Section 16 has been made with the Escrow Agent, (ii) the Bonds are deemed to have been paid in accordance with this Section and stating the maturity or redemption dates upon which moneys are to be available for the payment of the principal of, premium, if any, and interest on, the Bonds, and (iii) stating whether the County has irrevocably waived any rights to redeem the Bonds, or any of them, prior to the maturity or redemption dates set forth in the preceding clause (ii).

(g) The County covenants and agrees that any moneys which it shall deposit with the Escrow Agent shall be deemed to be deposited in accordance with, and subject to, the applicable provisions of this Section, and whenever it shall have elected to redeem Bonds, it will irrevocably bind and obligate itself to give notice of redemption thereof, and will further authorize and empower the Escrow Agent to cause notice of redemption to be given in its name and on its behalf.

**SECTION 17. Authority to Issue Bond Anticipation Notes.** If the County Administrator or Chair, after consultation with the County's financial advisor or bond counsel, should determine that issuance of bond anticipation notes ("BANs") pursuant to Chapter 17 of Title 11 of the Code of Laws of South Carolina, 1976, as amended (the "BAN Act") rather than Bonds would result in a substantial savings in interest under prevailing market conditions or for other reasons would be in the best interest of the County, the County Administrator or Chair is hereby further requested and authorized to effect the issuance of BANs pursuant to the BAN Act. If BANs are issued and if, upon the maturity thereof the County Administrator and Chair should determine that further issuance of BANs rather than Bonds would result in a substantial savings in interest under then prevailing market conditions or for other reasons would be in the best interest of the County, the County Administrator and Chair are requested to continue the issuance of BANs until the County Administrator and Chair determine to issue the Bonds on the basis as aforesaid, and the Bonds are issued.

**SECTION 18. Details of Bond Anticipation Notes.** Subject to changes in terms required for any particular issue of BANs, the BANs shall be subject to the following particulars:

(a) The BANs shall be dated and bear interest either from the date of delivery thereof or, if the BAN is issued on a draw-down basis, from the date of each such advance, payable upon the stated maturity thereof, at the rate determined or accepted by the County Administrator and shall mature on such date, not to exceed one year from the issue date thereof, as shall be determined by the County Administrator.

(b) The BANs shall be numbered from one upwards for each issue and shall be in any whole dollar denomination or in the denomination of \$5,000 or any integral multiple thereof requested by the purchaser thereof. The BANs shall be payable, both as to principal and interest, in legal tender upon maturity, at the principal office of the Registrar/Paying Agent or, at the option of the County, by the purchaser thereof.

(c) The County Administrator and Chair are authorized to carry out the sale of the BANs and to fix the rate of interest to be borne thereby.

(d) The BANs shall be in substantially the form attached hereto as Exhibit B.

(e) The BANs shall be issued in fully registered or bearer form or a book-entry-eligible form as specified by the County, or at the option of the County, by the purchaser thereof; provided that once issued, the BANs of any particular issue shall not be reissued in any other form and no exchange shall be made from one form to the other.

(f) In the event any BAN is mutilated, lost, stolen or destroyed, the County may execute a new note of like date and denomination as that mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated BAN, such mutilated BAN shall first be surrendered to the County, and in the case of any lost, stolen or destroyed BAN, there shall be first furnished to the County evidence of such loss, theft or destruction satisfactory to the County, together with indemnity satisfactory to it; provided that, in the case of a holder which is a bank or insurance company, the agreement of such bank or insurance company to indemnify shall be sufficient. In the event any such BAN shall have matured, instead of issuing a substitute note, the County may pay the same without surrender thereof. The County may charge the holder of such BAN with its reasonable fees and expenses in this connection.

(g) Any BAN issued in fully-registered form shall be transferable only upon the books of registry of the County, which shall be kept for that purpose at the office of the County as note registrar (or its duly authorized designee), by the registered owner thereof or by his attorney, duly authorized in writing, upon surrender thereof, together with a written instrument of transfer satisfactory to the County as note registrar, duly executed by the registered owner or his duly authorized attorney. Upon the transfer of any BAN, the County shall issue, subject to the provisions of paragraph (h) below, in the name of the transferee, a new note or notes of the same aggregate principal amount as the unpaid principal amount of the surrendered BAN. Any holder of a BAN in fully registered form requesting any transfer shall pay any tax or other governmental charge required to be paid with respect thereto. As to any BAN in fully-registered form, the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal and interest of any BAN in fully-registered form shall be made only to or upon the order of the registered holder thereof, or his duly authorized attorney, and the County shall not be affected by any notice to the contrary, but such registration may be changed as herein provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such BAN to the extent of the sum or sums so paid.

(h) BANs issued in fully registered form, upon surrender thereof at the office of the County (or at such office as may be designated by its designee) as note registrar, with a written instrument of transfer satisfactory to the County, duly executed by the holder of the BAN or his duly authorized attorney, may, at the option of the holder of the BAN, and upon payment by such holder of any charges which the County may make as provided in paragraph (i), be exchanged for a principal amount of notes in fully registered form of any other authorized denomination equal to the unpaid principal amount of surrendered BANs.

(i) In all cases in which the privilege of exchanging or transferring BANs in fully registered form is exercised, the County shall execute and deliver notes in accordance with the provisions of this Ordinance. All BANs in fully registered form surrendered in any such exchanges or transfers shall forthwith be canceled by the County. There shall be no charge to the holder of such BAN for such exchange or transfer of BANs in fully-registered form except that the County may make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or transfer.

**SECTION 19. Security for Bond Anticipation Notes.** For the payment of the principal of and interest on the BANs as the same shall fall due, the full faith, credit and taxing power of the County shall be pledged. In addition thereto, so much of the principal proceeds of the Bonds when issued shall and is hereby directed to be applied, to the extent necessary, to the payment of the BANs; and, further, the County covenants and agrees to effect the issuance of sufficient BANs or Bonds in order that the proceeds thereof will be sufficient to provide for the retirement of any BANs issued pursuant hereto.

**SECTION 20. Tax and Securities Laws Covenants.**

(a) The following covenants shall be applicable to any series of Bonds or BANs that are sold on a tax-exempt basis:

(i) The County covenants that no use of the proceeds of the sale of the Bonds or BANs authorized hereunder shall be made which, if such use had been reasonably expected on the date of issue of such Bonds or BANs would have caused the Bonds or BANs to be “arbitrage bonds,” as defined in the Internal Revenue Code of 1986, as amended (“Code”), and to that end the County shall comply with all applicable regulations of the Treasury Department previously promulgated under the Code so long as the Bond is outstanding.

(ii) The County further covenants to take all action necessary, including the payment of any rebate amount, to comply with Section 148(f) of the Code and any regulations promulgated thereunder.

(iii) The County covenants to file IRS form 8038, if the Code so requires, at the time and in the place required therefore under the Code.

(b) The County covenants and agrees that it will comply with and carry out all of the provisions of a continuing disclosure agreement, dated the date of delivery of the Bonds, which will meet the requirements of (i) Rule 15c2-12 and (ii) Section 11-1-85, Code of Laws of South Carolina, 1976, as amended.

**SECTION 21. Authorization for County Officials to Execute Documents; Ratification of Prior Acts.** The Council authorizes the Chair, County Administrator, Clerk to Council and other county officials or their designees (collectively, “Authorized Representatives”) to execute and consent to such documents and instruments as may be necessary to effect the intent of this Ordinance. Except as otherwise specifically stated in this Ordinance, any actions taken by any Authorized Representatives prior to the date of this Ordinance in furtherance of the issuance and sale of the Bonds, the financing of the Capital Projects, or undertaking the Refunding, including the expenditure of funds and the execution of documents, are hereby approved, ratified and confirmed in all respects.

**SECTION 22. Publication of Notice of Adoption of Ordinance.** Pursuant to the provisions of Section 11-27-40 of the Code, the County Administrator, at his option, is authorized to arrange to publish a notice of adoption of this Ordinance.

**SECTION 23. Retention of Bond Counsel and Other Professionals.** The Council authorizes the County Administrator to retain the law firm of Parker Poe Adams & Bernstein LLP as its bond counsel, and the firm of First Tryon Advisors, as its financial advisor, in connection with the issuance of the Bonds.

The Council further authorizes the County Administrator to enter into such other contractual arrangements and hire such other professionals as may be necessary to effect the issuance, sale, execution and delivery of the Bonds, and the other transactions contemplated by this Ordinance.

**SECTION 24. Reimbursement from Bond Proceeds.**

(a) This Ordinance is the County’s official declaration of intent pursuant to Treasury Regulation §1.150-2 to reimburse the County for expenditures incurred and paid in connection with the Capital Projects listed on Schedule I on or after the date occurring 60 days prior to the date of adoption of this Ordinance from the proceeds of the Bonds or an authorized BAN (“Expenditures”).

(b) The County acknowledges that Expenditures which may be reimbursed are limited to Expenditures which are (i) properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of “placed in service” under Treasury Regulation §1.150-2) under general federal income tax principles, or (ii) certain *de minimis* or preliminary expenditures satisfying the requirements of Treasury Regulation §1.150-2(f).

(c) The source of funds for the Expenditures with respect to the Capital Projects listed on Schedule I will be the County’s general fund or capital projects fund.

(d) The County acknowledges that to be eligible for reimbursement of the Expenditures, the reimbursement allocation must be made not later than 18 months after the later of (i) the date on which the Expenditures were paid, or (ii) the date the Public Safety Complex is placed in service, but in no event more than three years after the County made the original Expenditures.

**SECTION 25. General Repealer.** All ordinances, rules, regulations, resolutions and parts thereof, procedural or otherwise, in conflict herewith or the proceedings authorizing the issuance of the Bonds are, to the extent of such conflict, repealed and this Ordinance shall take effect and be in full force from and after its adoption.

**SECTION 26. No Personal Liability.** No recourse shall be had for the enforcement of any obligation, covenant, promise or agreement of the County contained herein or in the Bonds or BANs, and any other incorporated or referenced documents against any elected official of the County or any officer or employee of the County, as such, in his or her individual or personal capacity, past, present or future, either directly or through the County, whether by virtue of any constitutional provision, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, it being expressly agreed and understood that this Ordinance, the Bonds and BANs are solely governmental obligations, and that no personal liability whatsoever shall attach to, or be incurred by, any director, officer or employee, as such, past, present or future, of the County, either directly or by reason of any of the obligations, covenants, promises, or agreements entered into between the County and the owners of the Bonds or BANs or to be implied therefrom as being supplemental hereto or thereto, and that all personal liability of that character against every such elected official, officer and employee is, by the enactment of this Ordinance and the execution of the Bonds and BANs, and as a condition of, and as a part of the consideration for, the enactment of this Ordinance and the execution of the Bonds and BANs, expressly waived and released. The immunity of elected officials, officers and employees of the County and waiver and release of personal liability under the provisions contained in this Section shall survive the termination of this Ordinance and maturity of the Bonds or BANs issued hereunder.

[Signature Page Follows]

RICHLAND COUNTY, SOUTH CAROLINA

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Chair, County Council  
Richland County, South Carolina

[SEAL]

ATTEST:

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Clerk to County Council  
Richland County, South Carolina

RICHLAND COUNTY ATTORNEY'S OFFICE

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Approved As To LEGAL Form Only  
No Opinion Rendered As To Content

READINGS:

First Reading:      October 3, 2023  
Second Reading:    October 17, 2023  
Public Hearing:      November 7, 2023  
Third Reading:      November 7, 2023

## **SCHEDULE I**

### **CAPITAL PROJECTS**

Acquiring, constructing, equipping, rehabilitating and improving the Alvin S. Glenn Detention Center, a Family Services Center, a Voter Registration and Elections Commission and the South Carolina Department of Juvenile Justice facility.

**EXHIBIT A**  
**FORM OF BOND**

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, NEW YORK, NEW YORK (“SECURITIES DEPOSITORY”), TO RICHLAND COUNTY, SOUTH CAROLINA, OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE SECURITIES DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

UNITED STATES OF AMERICA  
STATE OF SOUTH CAROLINA  
RICHLAND COUNTY  
GENERAL OBLIGATION [REFUNDING] BONDS  
[TAXABLE] SERIES 2023

No. R-[]

Interest Rate [ ]%	Maturity Date [ ]	Issue Date [Closing Date]	Original CUSIP [ ]
-----------------------	----------------------	------------------------------	-----------------------

REGISTERED OWNER:        []

PRINCIPAL AMOUNT:        [] DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that Richland County, South Carolina (the “County”), is justly indebted and, for value received, hereby promises to pay to the Registered Owner named above, its successors or registered assigns, the principal amount shown above on the maturity date shown above, and to pay interest on such principal sum from the date hereof at the interest rate per annum shown above until the County’s obligation with respect to the payment of such principal sum shall be discharged.

[Principal and interest on this bond are payable at maturity on [ ], and will be payable by check or draft mailed to the person in whose name this bond is registered on the registration books of the County maintained by the [ ], as registrar/paying agent (the “Registrar/Paying Agent”). The principal of and interest on this bond is payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and private debts, provided, however, that the interest on this fully registered bond will be paid by check or draft as set forth above.]

[Interest on this bond is payable semiannually on \_\_\_\_\_ 1 and \_\_\_\_\_ 1 of each year commencing \_\_\_\_\_ 1, 20[], until this bond matures, and shall be payable by check or draft mailed to the person in whose name this bond is registered on the registration books of the County maintained by the Registrar/Paying Agent, at the close of business on the 15th day of the calendar month next preceding each semiannual interest payment date. The principal and interest on this bond are payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for public and

private debts, provided, however, that interest on this fully registered bond shall be paid by check or draft as set forth above.]

This bond is [one of an issue of bonds (the “Bonds”) of like date, of original issue, tenor and effect, except as to number, date of maturity, denomination and rate of interest, issued in an original aggregate principal amount of \$ \_\_\_\_\_,] issued pursuant to and in accordance with the Constitution and laws of the State of South Carolina, including Article X, Section 14 of the Constitution of the State of South Carolina, 1895, as amended; Title 4, Chapter 15 and Title 11, Chapter[s 15, 21 and] 27 Code of Laws of South Carolina, 1976, as amended; and an Ordinance duly adopted by the Richland County Council on [November 7], 2023 (the “Ordinance”). All capitalized terms used but not defined in this bond will have the meanings given in the Ordinance.

This bond shall not be valid or obligatory for any purpose, until the Certificate of Authentication hereon shall have been duly executed by the Registrar/Paying Agent.

For the payment of the principal of and interest on this bond as it matures and for the creation of such sinking fund as may be necessary therefor, the full faith, credit, resources and taxing power of the County are hereby irrevocably pledged, and there shall be levied annually by the County Auditor and collected by the County Treasurer in the same manner as other county taxes are levied and collected, a tax, without limit, on all taxable property in the County sufficient to pay the principal of and interest on this bond as it matures and to create such sinking fund as may be necessary therefor.

[The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Ordinance. One bond certificate with respect to each date on which the Bonds are stated to mature, registered in the name of the Securities Depository Nominee, is being issued and required to be deposited with the Securities Depository and immobilized in its custody. The book-entry system will evidence positions held in the Bonds by participants in the Securities Depository (“Participants”), with beneficial ownership of the Bonds in the principal amount of \$5,000 or any multiple thereof being evidenced in the records of such Participants. Transfers of ownership shall be effected on the records of the Securities Depository and its Participants pursuant to rules and procedures established by the Securities Depository and its Participants. The County and the Registrar/Paying Agent will recognize the Securities Depository Nominee, while the registered owner of this bond, as the owner of this bond for all purposes, including payments of principal of and redemption premium, if any, and interest on this bond, notices and voting. Transfer of principal and interest payments to Participants of the Securities Depository will be the responsibility of the Securities Depository, and transfer of principal, redemption premium, if any, and interest payments to beneficial owners of the Bonds by Participants will be the responsibility of such Participants and other nominees of such beneficial owners. The County will not be responsible or liable for such transfers of payments or for maintaining, supervision or reviewing the records maintained by the Securities Depository, the Securities Depository Nominee, its Participants or persons acting through such Participants. While the Securities Depository Nominee is the owner of this bond, notwithstanding the provision hereinabove contained, payments of principal of, redemption premium, if any, and interest on this bond shall be made in accordance with existing arrangements between the Registrar/Paying Agent or its successors under the Ordinance and the Securities Depository.

The Bonds maturing on or prior to \_\_\_\_\_ 1, \_\_\_\_\_, shall not be subject to redemption prior to their stated maturities. The Bonds maturing on or after \_\_\_\_\_ 1, \_\_\_\_\_, shall be subject to redemption at the option of the County on or after \_\_\_\_\_ 1, \_\_\_\_\_, as a whole or in part at any time, and if in part in such order of maturities as shall be determined by the County, at the redemption prices with respect to each

Bond, expressed as a percentage of the principal amount of the Bonds to be redeemed, set forth below, together with the interest accrued thereon to the date fixed for redemption:

Period During Which Redeemed ( <u>both dates inclusive</u> )	<u>Redemption Price</u>
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If less than all the Bonds of any maturity are called for redemption, the Bonds of such maturity to be redeemed shall be selected by lot by the Registrar/Paying Agent or by the Securities Depository in accordance with its procedures. In the event this bond is redeemable as aforesaid, and shall be called for redemption, notice of the redemption hereof, describing this bond and specifying the redemption date and the redemption price payable upon such redemption, shall be mailed by the Registrar/Paying Agent by first-class mail, postage prepaid, to the registered owner hereof not less than 30 days and not more than 60 days prior to the redemption date at such owner's address as it appears upon the registration books of the County. If this bond is redeemable and shall have been duly called for redemption and notice of the redemption hereof mailed as aforesaid, and if on or before the date fixed for such redemption, payment hereof shall be duly made or provided for, interest hereon shall cease to accrue from and after the redemption date hereof.]

This bond is transferable only upon the books of the County kept for that purpose at the principal office of the Registrar/Paying Agent by the Registered Owner hereof in person or by his duly authorized attorney upon surrender of this bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Owner or his duly authorized attorney. Thereupon a new fully registered bond or bonds of the same series, aggregate principal amount, interest rate, and maturity shall be issued to the transferee in exchange herefor as provided in the Ordinance. The County and the Registrar/Paying Agent may deem and treat the person in whose name the bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal hereof and interest due hereon and for all other purposes.

Under the laws of the State of South Carolina, this bond and the interest hereon are exempt from all State, county, municipal, school district and other taxes or assessments, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate and transfer taxes, but the interest hereon may be included for certain franchise fees or taxes.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and laws of the State of South Carolina to exist, to happen and to be performed precedent to or in the issuance of this bond exist, have happened and have been performed in regular and due time, form and manner as required by law; that the amount of this bond, together with all other general obligation and bonded indebtedness of the County, does not exceed the applicable limitation of indebtedness under the laws of the State of South Carolina; and that provision has been made for the levy and collection of a tax, without limit, on all taxable property in the County sufficient to pay the principal and interest of this bond as they respectively become due and to create such sinking fund as may be necessary therefor.

IN WITNESS WHEREOF, RICHLAND COUNTY, SOUTH CAROLINA, has caused this bond to be signed with the manual, facsimile or electronic signature of the Chair, attested by the manual, facsimile

or electronic signature of the Clerk to County Council and the seal of the County impressed, imprinted or reproduced hereon.

RICHLAND COUNTY, SOUTH CAROLINA

[SEAL]

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Chair, County Council

ATTEST:

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Clerk to County Council

**FORM OF CERTIFICATE OF AUTHENTICATION**

Date of Authentication: \_\_\_\_\_, 2023

This bond is one of the Bonds described in the within-defined Ordinance of Richland County, South Carolina.

\_\_\_\_\_  
as Registrar/Paying Agent

By: \_\_\_\_\_  
Authorized Officer

The following abbreviations, when used in the inscription on the face of this bond, shall be construed as though they were written out in full according to applicable laws or regulations:

- TEN COM - as tenants in common
- TEN ENT - as tenants in entireties
- JT TEN - as joint tenants with right of survivorship  
and not as tenants in common

UNIF GIFT MIN ACT - \_\_\_\_\_  
(Cust)

Custodian \_\_\_\_\_  
(Minor)

under Uniform Gifts to Minors Act \_\_\_\_\_  
(State)

Additional abbreviations may also be used, though not in the above list.

**FORM OF ASSIGNMENT**

**FOR VALUE RECEIVED** the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ (Social Security No. or other Identifying Number of Assignee \_\_\_\_\_) the within Bond of Richland County, South Carolina, and does hereby irrevocably constitute and appoint \_\_\_\_\_ to transfer the within Bond on the books kept for registration thereof with full power of substitution in the premises.

DATED: \_\_\_\_\_

Signature Guaranteed: \_\_\_\_\_

NOTICE: Signature must be guaranteed by an institution who is a participant in the Securities Transfer Agents Medallion Program (STAMP) or similar program.

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

**EXHIBIT B**  
**FORM OF BAN**

No. \_\_\_\_\_

\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF SOUTH CAROLINA  
RICHLAND COUNTY  
GENERAL OBLIGATION BOND ANTICIPATION NOTE  
[TAXABLE] SERIES 2023

KNOW ALL MEN BY THESE PRESENTS that Richland County, South Carolina (the “County“) hereby acknowledges itself indebted, and for value received promises to pay to the [bearer] [registered owner] hereof, the principal sum of

\_\_\_\_\_

at the principal office of \_\_\_\_\_, in the City [ ], State of [ ], on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, and to pay interest (calculated on the basis of a 360-day year consisting of twelve 30-day months) on said principal sum from the date hereof [from the date of each advance], at the rate of \_\_%, payable upon the maturity of this note. This note is [is not] subject to prepayment prior to its maturity.

Both the principal of and interest on this note are payable in any coin or currency of the United States of America which is, at the time of payment, legal tender for the payment of public and private debts.

This note is one of an issue of Bond Anticipation Notes, of like date, tenor and effect, except as to numbering and denomination, aggregating \$ \_\_\_\_\_ (the “Notes”), issued by the County, pursuant to the authorization of Title 11, Chapter 17, Code of Laws of South Carolina, 1976, as amended, in anticipation of the receipt of the proceeds to be derived from the general obligation bonds of the County (“Bonds”) to be issued pursuant to and in accordance with the provisions of the Constitution and Laws of the State of South Carolina including Article X, Section 14 of the Constitution of the State of South Carolina, 1895, as amended and Title 4, Chapter 15, and Title 11, Chapter 27 of the Code of Laws of South Carolina, 1976, as amended, and Ordinance No. [ ] duly adopted by the County Council of the County on [ ], 2023. The full faith, credit and taxing power of the County and the proceeds to be derived from the sale of the Bonds are pledged for the payment of the principal of and interest on the Notes.

This note and the interest hereon are exempt from all State, county, municipal, school district, and all other taxes or assessments of the State of South Carolina, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate and transfer taxes, but the interest hereon may be included in certain franchise fees or taxes.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required by the Constitution and Laws of the State of South Carolina to exist, to happen, or to be performed precedent to or in the issuance of this note, do exist, have happened, and have been performed in regular and due time,

form and manner, and the amount of this note, and the issue of which this note is one, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, RICHLAND COUNTY, SOUTH CAROLINA, has caused this note to be signed by the manual, facsimile or electronic signature of the Chair of the County, attested by the manual, facsimile or electronic signature of the Clerk to County Council, the seal of the County impressed, imprinted or reproduced thereon and this note to be dated the \_\_\_\_ day of \_\_\_\_\_, 2023.

RICHLAND COUNTY, SOUTH CAROLINA

\_\_\_\_\_  
Chair, County Council

[SEAL]

ATTEST:

\_\_\_\_\_  
Clerk to County Council

# CONSIDERATIONS FOR CAPITAL BUILDING PLAN FINANCING

September 19, 2023



# CURRENT PROJECTS

Currently under construction

Public Safety Complex for the  
E-911 Center

Bond issued in 2022 for \$40,000,000

Cost will be approximately \$47,829,623

Balance will be from SCEMD reimbursements  
and previously allocated funds.



# FINANCING PROPOSAL

Uses of Funds	Cost
Family Services Center	\$49,173,881
Alvin S Glenn Detention Center	\$25,000,000
Voter Reg & Elections/SCDJJ	\$13,512,841
<b>Total</b>	<b>\$87,686,722</b>

Sources of Funds	
ARPA Allocation for DSS	\$17,480,389
General Obligation Bond Series 2023	\$71,000,000
<b>Total</b>	<b>\$88,480,389</b>

## ASGDC Known Priorities

Plumbing Repair and Replacement Estimate \$8 million  
 Upgrade remaining 16 housing units \$4 million  
 Security Upgrades and Camera System Upgrades \$5 million  
 Jail Management System Replacement \$600,000  
 Attorney Visitation Area Upgrades \$6 million



# GENERAL OBLIGATION BOND ISSUE

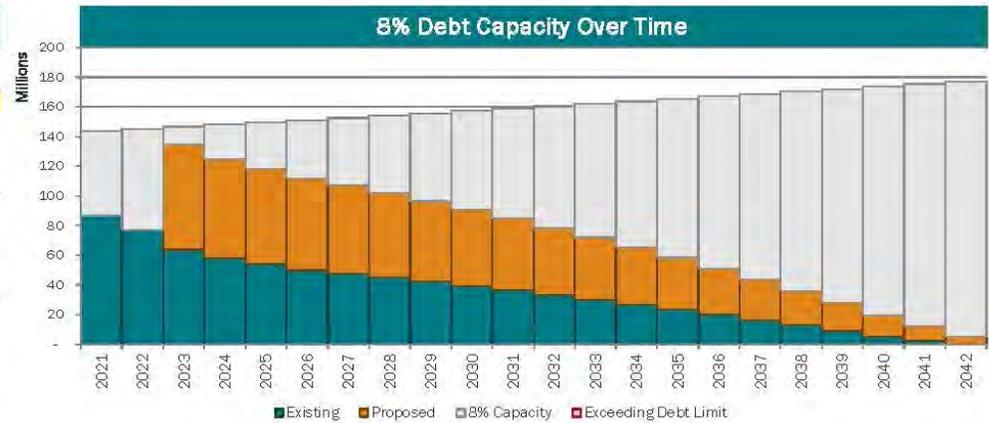
## Richland County, South Carolina

Debt Service Millage Model  
Scenario 1

As of 8/25/2023

Assessed Value	1,795,111,528
Debt Limit	143,608,922

Calendar Year	Debt Limit	Growth Rate	Existing		Proposed		8% Capacity
			8% Debt Amortization	8% Debt Outstanding	8% Debt Amortization	8% Debt Outstanding	
2021	143,608,922	3.19%	16,050,000	86,615,000	-	-	56,993,922
2022	145,222,506	1.12%	9,550,000	77,065,000	-	-	68,157,506
2023	146,674,731	1.00%	13,455,000	63,610,000	-	71,000,000	12,064,731
2024	148,141,478	1.00%	5,515,000	58,095,000	4,500,000	66,500,000	23,546,478
2025	149,622,893	1.00%	4,030,000	54,065,000	2,210,000	64,290,000	31,267,893
2026	151,119,122	1.00%	4,220,000	49,845,000	2,325,000	61,965,000	39,309,122
2027	152,630,313	1.00%	2,460,000	47,385,000	2,445,000	59,520,000	46,725,313
2028	154,156,616	1.00%	2,575,000	44,810,000	2,570,000	56,950,000	52,396,616
2029	155,698,182	1.00%	2,700,000	42,110,000	2,700,000	54,250,000	59,338,182
2030	157,255,164	1.00%	2,825,000	39,285,000	2,840,000	51,410,000	66,560,164
2031	158,827,716	1.00%	2,940,000	36,345,000	2,985,000	48,425,000	74,057,716
2032	160,415,993	1.00%	3,045,000	33,300,000	3,135,000	45,290,000	81,825,993
2033	162,020,153	1.00%	3,160,000	30,140,000	3,300,000	41,990,000	89,890,153
2034	163,640,354	1.00%	3,265,000	26,875,000	3,470,000	38,520,000	98,245,354
2035	165,276,758	1.00%	3,375,000	23,500,000	3,625,000	34,895,000	106,881,758
2036	166,929,525	1.00%	3,470,000	20,030,000	3,775,000	31,120,000	115,779,525
2037	168,598,821	1.00%	3,565,000	16,465,000	3,930,000	27,190,000	124,943,821
2038	170,284,809	1.00%	3,660,000	12,805,000	4,090,000	23,100,000	134,379,809
2039	171,987,657	1.00%	3,760,000	9,045,000	4,255,000	18,845,000	144,097,657
2040	173,707,534	1.00%	3,860,000	5,185,000	4,430,000	14,415,000	154,107,534
2041	175,444,609	1.00%	2,550,000	2,635,000	4,610,000	9,805,000	163,004,609
2042	177,199,055	1.00%	2,635,000	-	4,800,000	5,005,000	172,194,055
<b>Total</b>			<b>123,790,000</b>		<b>71,000,000</b>		



FIRST TRYON  
ADVISORS



Richland County  
Government

# GENERAL OBLIGATION BOND DEBT PAYMENTS

Richland County, South Carolina  
Debt Service Millage Model  
Scenario 1

9/1/2021

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
	Millage									Debt Service			Fund Balance				
Calendar Year	Value of a Mill	Assumed Growth Rate	Collection Percentage	Collected Value	Millage Rate	Collections	SW Revenues	Total Revenues	Existing DS Millage	Proposed DS Millage	Total	Surplus / (Deficit)	Use of Fund Balance	Fund Balance	Additional Mills Required	Fund Balance Target	
2021	1,725,000	3.92%	98.0%	1,690,500	10.00	16,905,000	52,662	16,957,662	20,346,152	-	20,346,152	(3,388,490)	(3,388,490)	3,259,497	-	1,500,000	
2022	1,780,000	3.19%	98.0%	1,744,400	10.00	17,444,000	52,757	17,496,757	15,031,678	-	15,031,678	2,465,079	-	5,724,576	-	1,500,000	
2023	1,800,000	1.12%	98.0%	1,764,000	10.00	17,640,000	52,592	17,692,592	17,659,323	-	17,659,323	33,269	-	5,757,845	-	1,500,000	
2024	1,818,000	1.00%	98.0%	1,781,640	10.00	17,816,400	52,565	17,868,965	11,615,551	4,604,054	16,219,606	1,649,360	-	7,407,205	-	1,500,000	
2025	1,836,180	1.00%	98.0%	1,799,456	10.00	17,994,560	52,670	18,047,230	9,909,071	5,106,806	15,015,878	3,031,353	-	10,438,558	-	1,500,000	
2026	1,854,542	1.00%	98.0%	1,817,450	10.00	18,174,500	52,715	18,227,215	9,902,281	5,108,431	15,010,713	3,216,503	-	13,655,060	-	1,500,000	
2027	1,873,087	1.00%	98.0%	1,835,625	10.00	18,356,250	52,700	18,408,950	7,985,481	5,109,181	13,094,663	5,314,288	-	18,969,348	-	1,500,000	
2028	1,891,818	1.00%	98.0%	1,853,981	10.00	18,539,810	52,625	18,592,435	7,985,206	5,108,806	13,094,013	5,498,423	-	24,467,771	-	1,500,000	
2029	1,910,736	1.00%	98.0%	1,872,521	10.00	18,725,210	52,674	18,777,884	7,988,344	5,107,056	13,095,400	5,682,484	-	30,150,255	-	1,500,000	
2030	1,929,844	1.00%	98.0%	1,891,246	10.00	18,912,460	52,655	18,965,115	7,988,800	5,108,556	13,096,956	5,868,159	-	36,018,414	-	1,500,000	
2031	1,949,142	1.00%	98.0%	1,910,159	10.00	19,101,590	52,631	19,154,221	7,988,850	5,107,931	13,096,781	6,057,440	-	42,076,854	-	1,500,000	
2032	1,968,633	1.00%	98.0%	1,929,260	10.00	19,292,600	52,576	19,345,176	7,985,138	5,104,931	13,090,069	6,255,107	-	48,330,962	-	1,500,000	
2033	1,988,320	1.00%	98.0%	1,948,553	10.00	19,485,530	52,614	19,538,144	7,989,366	5,109,056	13,098,422	6,439,722	-	54,770,684	-	1,500,000	
2034	2,008,203	1.00%	98.0%	1,968,038	10.00	19,680,380	52,611	19,732,991	7,983,791	5,109,806	13,093,597	6,639,395	-	61,410,078	-	1,500,000	
2035	2,028,285	1.00%	98.0%	1,987,719	10.00	19,877,190	52,753	19,929,943	4,085,806	5,105,556	9,191,363	10,738,580	-	72,148,659	-	1,500,000	
2036	2,048,568	1.00%	98.0%	2,007,596	10.00	20,075,960	52,663	20,128,623	4,083,606	5,107,556	9,191,163	10,937,460	-	83,086,119	-	1,500,000	
2037	2,069,054	1.00%	98.0%	2,027,672	10.00	20,276,720	52,715	20,329,435	4,087,134	5,108,456	9,195,591	11,133,844	-	94,219,963	-	1,500,000	
2038	2,089,744	1.00%	98.0%	2,047,949	10.00	20,479,490	52,719	20,532,209	4,085,838	5,108,056	9,193,894	11,338,315	-	105,558,278	-	1,500,000	
2039	2,110,642	1.00%	98.0%	2,068,428	10.00	20,684,280	52,705	20,736,985	4,086,806	5,106,156	9,192,963	11,544,023	-	117,102,301	-	1,500,000	
2040	2,131,748	1.00%	98.0%	2,089,113	10.00	20,891,130	52,642	20,943,772	4,082,550	5,107,456	9,190,006	11,753,765	-	128,856,067	-	1,500,000	
2041	2,153,065	1.00%	98.0%	2,110,004	10.00	21,100,040	-	21,100,040	2,677,075	5,106,656	7,783,731	13,316,309	-	142,172,375	-	1,500,000	
2042	2,174,596	1.00%	98.0%	2,131,104	10.00	21,311,040	-	21,311,040	2,677,819	5,105,456	7,783,275	13,527,765	-	155,700,140	-	1,500,000	
2043	2,196,342	1.00%	98.0%	2,152,415	10.00	21,524,150	-	21,524,150	-	5,108,228	5,108,228	16,415,922	-	172,116,062	-	1,500,000	
2044	2,218,305	1.00%	98.0%	2,173,939	10.00	21,739,390	-	21,739,390	-	-	-	21,739,390	-	193,855,452	-	1,500,000	
2045	2,240,489	1.00%	98.0%	2,195,678	10.00	21,956,780	-	21,956,780	-	-	-	21,956,780	-	215,812,232	-	1,500,000	
Total									211,281,754	101,648,195	312,929,949		(3,388,490)				



# GENERAL OBLIGATION BOND ISSUE

- The issue would be \$71,000,00 in new money.
- If refunding any current debt to a more advantageous rate is possible, this may be proposed as well but would only lower debt payments, not increase them.
- Allows for unforeseen issues that may arise during projects.
- Leaves a comfortable \$12.4 million in borrowing capacity.
- Debt capacity continues to grow quickly by \$8 to 10 million after the issue as other debt is retired.
- Will be repaid from the County 10 mills allocated for capital.
- **DOES NOT INCREASE TAX MILLAGE**



# TIMELINE

- September 12 - Council Work session with LS3P and MB Kahn
- September 19 – Request Council approval for Administrators nomination to proceed as recommended in work session
- October 3 – First reading of Bond Ordinance
- October 17 – Second reading of Bond Ordinance and public hearing
- November 7 – Third reading of Bond Ordinance
- Bond closing – TBD estimated to be by December 15, 2023



# CONSTRUCTION TIMELINE

- If approved as proposed, an RFP for design/build would be issued as soon as possible following for the Family Services Center.
- Formal architectural and building plans for Voters Registration & Elections would begin immediately – estimated construction following design is 18-24 months.
- Construction at the Public Safety Complex will begin in coming weeks and is estimated to be complete December, 2024 with occupancy estimated at June 30, 2025
- Voters Registration and Elections is estimated for occupancy on or about January 1, 2026
- Family Services Center completion date would be better estimated following RFP award.



# CURRENT PROJECTS

Currently under construction

Public Safety Complex for the  
E-911 Center

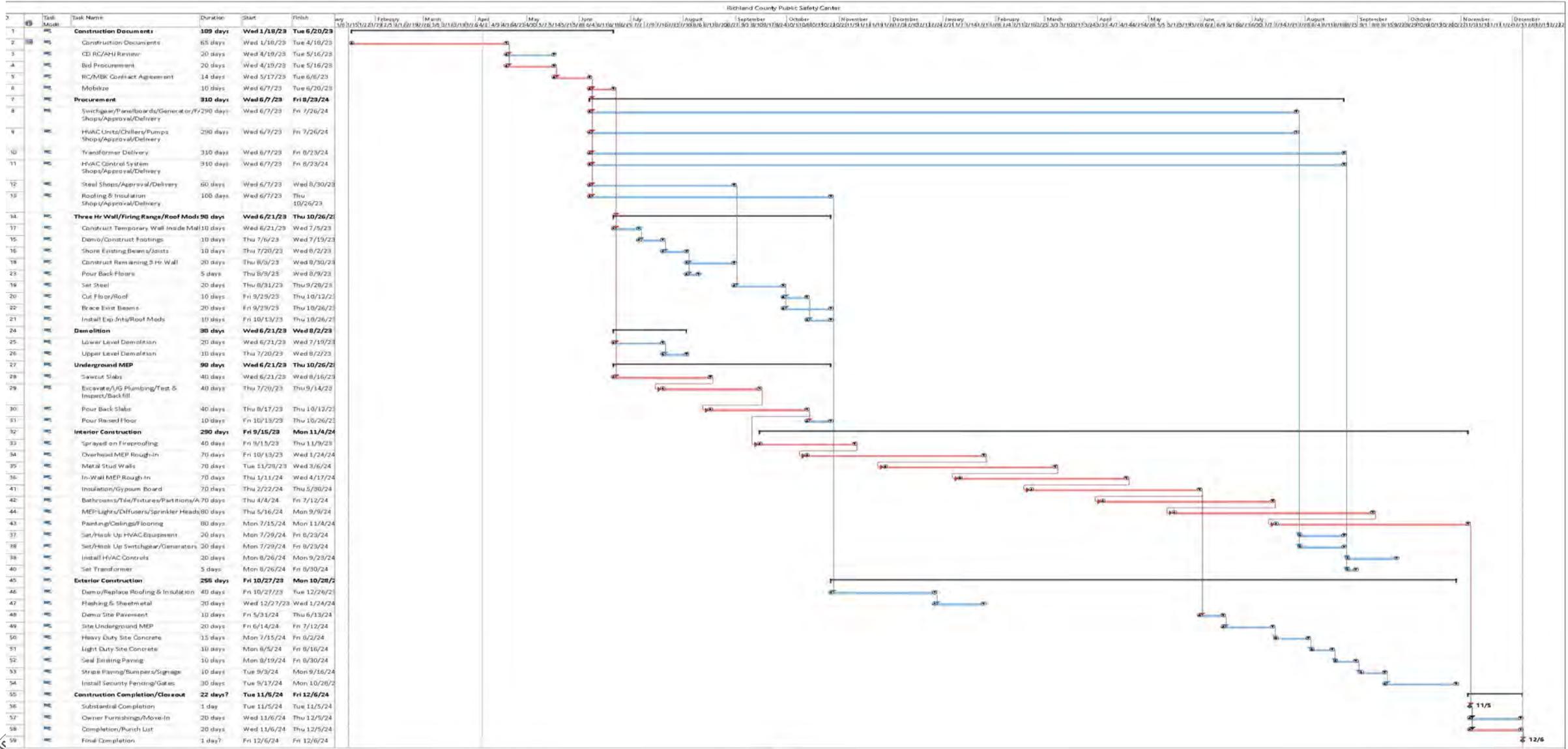
Bond issued in 2022 for \$40,000,000

Cost will be approximately \$47,829,623

Balance will be from SCEMD reimbursements  
and previously allocated funds.



# CURRENT PROJECTS



# Questions?



## Richland County Council Request for Action

**Subject:**

Case # 23-023MA  
Kevin Steelman  
M-1 to RS-LD (21.98)  
111 Pine Wedge Drive  
TMS # R17700-01-94 & R17700-01-14

**Notes:**

First Reading: September 26, 2023  
Second Reading:  
Third Reading:  
Public Hearing; September 26, 2023

STATE OF SOUTH CAROLINA  
COUNTY COUNCIL OF RICHLAND COUNTY  
ORDINANCE NO. \_\_\_\_-23HR

AN ORDINANCE OF THE COUNTY COUNCIL OF RICHLAND COUNTY, SOUTH CAROLINA, AMENDING THE ZONING MAP OF UNINCORPORATED RICHLAND COUNTY, SOUTH CAROLINA, TO CHANGE THE ZONING DESIGNATION FOR THE REAL PROPERTY DESCRIBED AS TMS # R17700-01-94 AND R17700-01-14 FROM LIGHT INDUSTRIAL DISTRICT (M-1) TO RESIDENTIAL SINGLE-FAMILY LOW DENSITY DISTRICT (RS-LD); AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

Pursuant to the authority granted by the Constitution of the State of South Carolina and the General Assembly of the State of South Carolina, BE IT ENACTED BY RICHLAND COUNTY COUNCIL:

Section I. The Zoning Map of unincorporated Richland County is hereby amended to change the real property described as TMS # R17700-01-94 and R17700-01-14 from Light Industrial District (M-1) to Residential Single-Family Low Density District (RS-LD).

Section II. Severability. If any section, subsection, or clause of this Ordinance shall be deemed to be unconstitutional, or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

Section III. Conflicting Ordinances Repealed. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section IV. Effective Date. This ordinance shall be effective from and after \_\_\_\_\_, 2023.

RICHLAND COUNTY COUNCIL

By: \_\_\_\_\_  
Overture Walker, Chair

Attest this \_\_\_\_\_ day of  
\_\_\_\_\_, 2023

\_\_\_\_\_  
Anette A. Kirylo  
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

\_\_\_\_\_  
Approved As To LEGAL Form Only.  
No Opinion Rendered As To Content.

Public Hearing:       September 26, 2023  
First Reading:       September 26, 2023  
Second Reading:     October 3, 2023  
Third Reading:       October 17, 2023

## Richland County Council Request for Action

**Subject:**

Department of Public Works - Solid Waste & Recycling - Landfill Capital Expansion

**Notes:**

September 26, 2023 – The Administration and Finance Committee recommended Council approve Task Order 9 to Civil & Environmental Consultants, Inc., in the amount of \$225,000, specifically for capital expansion at the Richland County landfill.

**RICHLAND COUNTY  
ADMINISTRATION**

2020 Hampton Street, Suite 4069  
Columbia, SC 29204  
803-576-2050



**Agenda Briefing**

<b>Prepared by:</b>	John Ansell	<b>Title:</b>	General Manager
<b>Department:</b>	Public Works	<b>Division:</b>	Solid Waste & Recycling
<b>Date Prepared:</b>	August 11, 2023	<b>Meeting Date:</b>	September 26, 2023
<b>Legal Review</b>	Elizabeth McLean via email	<b>Date:</b>	September 14, 2023
<b>Budget Review</b>	Abhijit Deshpande via email	<b>Date:</b>	September 8, 2023
<b>Finance Review</b>	Stacey Hamm via email	<b>Date:</b>	September 8, 2023
<b>Approved for consideration:</b>	Assistant County Administrator	John M. Thompson, Ph.D., MBA, CPM, SCEM	
<b>Meeting/Committee</b>	Administration & Finance		
<b>Subject</b>	Landfill Capital Expansion		

**RECOMMENDED/REQUESTED ACTION:**

Solid Waste & Recycling requests approval for Task Order 9 to Civil & Environmental Consultants, Inc. in the amount of \$225,000.00 specifically for capital expansion at the Richland County Landfill.

Request for Council Reconsideration:  Yes

**FIDUCIARY:**

Are funds allocated in the department’s current fiscal year budget?	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No
If not, is a budget amendment necessary?	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No

**ADDITIONAL FISCAL/BUDGETARY MATTERS TO CONSIDER:**

Capital expansion has been allocated in the FY24 budget. Funds are encumbered on requisition R2400125.

*Applicable department/grant key and object codes:* 2101365005.530700

**OFFICE OF PROCUREMENT & CONTRACTING FEEDBACK:**

Request for Proposals RC-356-P-2021 was issued in September of 2020. Eleven submittals were received and scored by an evaluation team. Civil & Environmental Consultants, Inc. was the most responsive & responsible offerer who was most advantageous to the County. Thus far, award to this vendor has not exceeded the threshold requiring Council approval. The work under Task Order 9 is \$225,000, and staff recommends awarding to the landfill engineer.

**COUNTY ATTORNEY’S OFFICE FEEDBACK/POSSIBLE AREA(S) OF LEGAL EXPOSURE:**

There are no legal concerns regarding this matter.

**REGULATORY COMPLIANCE:**

Capital Expansion and this request is consistent and compliant with SC DHEC Regulation 61-107.19 Solid Waste Landfills and Structural Fill.

#### **MOTION OF ORIGIN:**

There is no associated Council motion of origin.

#### **STRATEGIC & GENERATIVE DISCUSSION:**

Solid Waste & Recycling is requesting the approval of Task Order 9 for capital expansion at the Richland County Landfill. The existing landfill cell (phase IV) is reaching the end of its useful life and expansion is necessary to maintain daily landfill operations.

Following approval, the landfill can begin the administrative process of expanding operations to maintain the consistency thereof. Step one is to determine the need, consistency, and buffer requirements. Step two is submit the permit application through the South Carolina Department of Health and Environmental Control. Step three involves project meetings, public meetings, as well as public hearings.

Future landfill space is critical to Richland County residents and our commercial community. Under our current permit to operate, we are obligated to provide Class 2 solid waste management. Landfill space is the largest generator of revenue at the landfill. If the request is denied, the Richland County Landfill will have filled its remaining space and be forced to cease all landfilling operations. The proposed plan is the most cost effective and economical means to ensure future operations.

#### **ASSOCIATED STRATEGIC GOAL, OBJECTIVE, AND INITIATIVE:**

It is our goal to continue to provide fiscally responsible and environmentally conscious solid waste management here in Richland County. This approval meets objective 4.2 with anticipating future growth and anticipating greater needs for solid waste disposal. Objective 4.3 will be maintained by providing the best facility possible with future space as the County continues to grow.

#### **ADDITIONAL COMMENTS FOR CONSIDERATION:**

Solid waste management in any community is imperative. Without sufficient space and proper management, Richland County will suffer the effects in a variety of ways. As with any landfill, space eventually dries up and expansion becomes necessary. This approval will allow uninterrupted operation for many years to come.

#### **ATTACHMENTS:**

1. Task Order 9- Capital Expansion activities



## CEC TASK ORDER 0009

July 24, 2023

As requested by Richland County Solid Waste & Recycling (Richland County), Civil & Environmental Consultants, Inc. (CEC) proposes to perform the services outlined herein in accordance with the Agreement by and between Richland County and CEC dated April 28, 2021. This Task Order shall supplement the Agreement.

**CEC PROJECT NUMBER: 311-755**

**TASK ORDER NUMBER: 0009**

**TASK DESCRIPTION:** The purpose of this task order is to obtain a permit from South Carolina Department of Health and Environmental Control (SCDHEC) Bureau of Land & Waste Management for the construction and operation of an overlay expansion of the Class Two Landfill in accordance with SCDHEC Regulation R61-107.19. Part IV. Class Two Landfills.

The permit application process is described in “Part H. Permit Application Requirements”. This section outlines the steps required to obtain a permit, including submittals to SCDHEC by the applicant, public notices required of the applicant, and determination/notices made by SCDHEC. There are three primary steps of the permit application process:

1. Determination of Need/Consistency Determination/Buffer Requirements (DON/LOC);
2. Permit Application Submittal; and
3. Public Hearings.

### 1.0 PROJECT BACKGROUND

Richland County owns and operates a solid waste landfill and recycling facility in Columbia, South Carolina. The solid waste facility contains: 1) a closed C&D landfill (Phase I and IA); 2) two closed unlined municipal solid waste (MSW) landfills (Phase II and III); and 3) an active Class Two landfill in the northeast portion of the site operated as Phase IV.

To continue to properly service the disposal needs of Richland County, the existing Class Two landfill will require an expansion.

### 2.0 SCOPE OF SERVICES TO BE PERFORMED BY CEC

CEC shall complete the proposed task as follows:

#### 2.1 Task 1 – DON/LOC Determination

This section outlines the steps required, including submittals to SCDHEC by the applicant, public notices required of the applicant, and determination/notices made by SCDHEC. There are two primary steps of the Landfill Determination Process:

1. Administrative Review; and
2. Technical Review.

#### Subtask 1 – Administrative Review

As part of this determination process, CEC will prepare the following exhibits and documents for the Administrative Review:

- Letter of Request to SCDHEC to make a determination on Demonstration of Need, Solid Waste Management Plans, Zoning (if applicable), and Buffers;
- Documentation showing that the proposed C&D Overlay Expansion is in compliance with zoning and/or land use designations and restrictions;
- Documentation for Proof of Ownership;
- Narrative to demonstrate the need for the proposed C&D Overlay Expansion;
- Narrative to document that the proposed C&D Overlay Expansion is consistent with the County's Solid Waste Management Plan and the State Plan; and
- Map showing that the proposed C&D Overlay Expansion meets the buffer requirements. A detailed analysis will be necessary to determine that all residences, churches, hospitals, public parks, and day cares are accurately portrayed on the map. The map will include a visual verification of each and will require obtaining all names, TMS#, mailing addresses and location addresses. Preliminary design layout will be necessary to determine the potential waste placement limits.

#### Subtask 2 – Technical Review

As part of the Technical Review, CEC anticipates the following scope of service:

CEC will prepare the Notice of Intent to File a Permit Application (Notice) and submit the Notice to the County. Within 15 days of receipt of notification from SCDHEC that all requests for need and consistency determinations have been submitted, County will submit the Notice to the newspaper of general circulation in the area of the proposed landfill project to be carried in the legal section for 3 consecutive days. No later than the first date of publication in the newspaper, CEC will mail a copy of the Notice via Certified Mail, to all adjacent landowners.

After the notice is published, County should obtain an affidavit of publication from the newspaper and forward it to CEC. After receiving the affidavit and all "certified" mail receipts, CEC will submit the affidavit and "certified" mail receipts to SCDHEC.

Upon receipt of these documents, SCDHEC will review the exhibits and documents, which can take several months to complete. Following review, SCDHEC will publish a notice that the draft determinations are ready for review in the local newspaper. The public will have a 30-day period to review the draft determinations and submit comments to SCDHEC. If sufficient requests are received within the 30-day period, SCDHEC will conduct a public hearing of the draft determinations.

The Department will conduct a public hearing upon receipt of requests in writing by ten persons or by a governmental subdivision or agency or by an association having not less than ten members.

A request for a public hearing must be mailed (postmarked) to the Department during the 30-day comment period and shall be based on technical reasons relating to siting, design, or operation of the landfill. The Department will send a notice acknowledging receipt of a request for a public hearing to the applicant and to the person(s) requesting a hearing within 15 days following receipt of the request. The Department will publish a notice of the time, date, and location of the hearing. It is anticipated that Nathan Bivins will attend a public hearing, prepare poster size documents for the meeting, and address reasonable questions/concerns that may come out of the hearing, if held.

## **2.2 Task 2 – Permit Application**

Following completion of Step 1 and approval by DHEC, in accordance with Part H., a complete permit application report and drawings will be prepared for submission to SCDHEC.

### **Subtask 1 – Permit Administration**

The applicant must provide SCDHEC certain submittals during the permit application process. The following are listed for reference and are to be completed by the Owner with CEC's assistance.

- Subpart H.2.a – Completed Permit Application;
- Subpart H.2.c – Disclosure Statement; and
- Subpart H.3 – Publish Notice of Administratively Complete Application.

CEC will provide a draft public notice for review and submission by Owner.

### **Subtask 2 – Engineering Drawings**

CEC will prepare the vicinity plan described in H.4.a.(1) and a site map/drawing showing the site property boundary, general site features, wetlands delineation, and the landfill footprint for incorporation in the permit application according to Subpart H.4.a.(2) – Site Plan.

CEC will provide detailed Engineering drawings and plans for incorporation into the permit application.

The detailed Engineering drawings and plans will include the following:

1. Landfill base grades and final cover system drawings. Landfill waste filling and final cover grades will be no steeper than 3:1;
2. Cross sections of the site topography, groundwater, and based grades;
3. A sequence of construction to show a phased approach to developing the landfill in approximately 5 year phases; and
4. Detailed plans of the sedimentation basins and other stormwater features.

### Subtask 3 – Engineering Design

CEC will perform the engineering analysis and calculations that demonstrate the landfill is designed in accordance with the rules.

#### *Foundation/Settlement*

CEC will prepare calculations regarding the landfill settlement, post settlement grades, and foundation (geotechnical) stability. CEC will prepare 3-D analysis to demonstrate post-settlement separation of the bottom of the base grades from the top of groundwater/bedrock. The Scope of Services do not include the engineering of any ground improvement techniques to address any excessive settlement issues.

#### *Landfill Stability Analysis*

CEC will prepare calculations for the landfill final cover system stability. The Scope of Services do not include the evaluation or design of alternate final cover systems.

#### *Stormwater Design*

CEC will prepare stormwater management calculations for stormwater runoff and erosion control during operations of the landfill. Additional engineering and permitting may be necessary for stormwater and erosion control specific to a construction phase.

### Subtask 4 – Engineering Report

CEC will develop an Engineering Report that will include the following:

- A discussion of the Class Two Landfill tonnage to be managed at the proposed facility based on historic rates to be provided by Owner according to Subpart H.2.f.(1) and Subpart H.2.f.(2) – Tonnage Limit;
- Tabulation of adjacent landowners according to Subpart H.2.e;
- A discussion of primary transportation routes as shown on the Vicinity Map completed in Subpart H.4.a.(1);
- A discussion of existing topography, surface water, and subsurface geological conditions;
- A discussion of cover material, stockpile volume and location for excess excavated soils during construction, and cover frequency according to Subpart H.4.b.(2,3);
- A discussion of the depth of waste and final elevation design, according to Subpart H.4.b.(4,5);
- A discussion of the stabilization plan, according to Subpart H.4.b.(6);
- An Operations Plan, including a Contingency Plan, according to Subpart H.4.b.(7);
- A Groundwater Monitoring and Corrective Action Plan, according to Subpart H.4.b.(8). The groundwater monitoring plan will describe the activities to be performed to satisfy the compliance requirements of 258.51 (Groundwater Monitoring), 258.53 (Groundwater Sampling and Analysis Requirements), and 258.54 (Detection Monitoring). CEC will provide a general discussion of the Post-Closure Water Quality Monitoring Program for

inclusion in the Engineering Report. CEC will address comments from SCDHEC in order to obtain plan approval;

- A Closure Plan, according to Subpart H.4.b. (10). CEC will prepare a Closure Plan meeting all the requirements described in Part V, Subpart F.258.60 to include:
  - A description of the final cover and the methods and procedures to be used to install the cover;
  - An estimate of the largest area of the landfill unit requiring a final cover at any time during the active life;
  - An estimate of the maximum inventory of wastes on-site over the active life of the landfill facility;
  - A schedule for completing all activities necessary to satisfy the closure criteria;
  - Included in the Closure Plan will be a summary of notification requirements to ensure Owner's Landfill Operators will be aware of the required notification/submittals and remain in compliance with regulatory requirements during closure of the facility; and
  - CEC will prepare a Closure cost estimate to the requirements of Part I, Subpart E.1.a.
- A Post-closure Plan and discussion of the future use of the site in the Engineering Report according to Subpart H.4.b. (10). This assumes the site will be maintained as a closed landfill with no other future use. CEC will prepare a Post-Closure Plan to satisfy the requirements described in Part V, Subpart F.258.61. The Plan will include:
  - A description of the monitoring and maintenance activities and the frequency at which these activities will be performed;
  - Name, address, and telephone number of the person or office to contact about the facility during the post-closure period;
  - A description of the planned uses of the property during the post-closure period; and
  - CEC will also prepare a Post-closure cost estimate to the requirements of Part I, Subpart E.1.a.

#### Subtask 5 – Geologic / Hydrogeologic Review

CEC assumes a full hydrogeologic investigation will not be required by SCDHEC due to the proposed expansion being an overlay design. As such, it is anticipated that field investigation(s) will be limited in scope and will not require the installation of new groundwater monitoring points.

This task includes a review of collected groundwater elevation data to determine the seasonal high groundwater elevation for the landfill expansion area, as well as a summary of this data to be included with the Engineering Report. In addition, this task includes the preparation of an updated Water Quality Monitoring Plan (WQMP) and updated Methane Monitoring Plan (MMP).

### **2.3 Task 3 – Project Meetings, Public Presentations, Public Hearings, and Contingency**

Tasks 1-5 described above represent known services and deliverables, for which the services can be reasonably estimated based on our experience. Tasks 6-8 below present scope of service and budgets, which can be used as desired by the Owner, for project meetings during design, public

presentations as needed, and for public hearings, if requested by SCDHEC.

#### Subtask 1 – Project Meetings

CEC assumes meetings will be necessary to maintain the progress of the work. This task includes a budget to be used on an as needed basis when meetings are requested by the Owner.

#### Subtask 2 – Public Presentations

CEC assumes public presentations will be necessary to communicate the landfill expansion concepts to the public (county administrators and citizens). This task includes a budget to be used on an as needed basis when presentations are requested by the Owner.

#### Subtask 3 – Public Hearings

CEC assumes public hearings will be necessary following SCDHEC's issuance of the Draft Permit. This task includes a budget to be used on an as needed basis for CEC to prepare supporting documents and for attendance at public hearings.

#### **2.4 Task 4 – Contingency**

CEC assumes a budget for this task to be used as requested by the Owner as a contingency for services to be performed that are not included in the scope these services.

### **3.0 LIMITATIONS AND EXCLUSIONS**

This task order describes the services to be provided to assist Richland County in preparing the materials and permit application for a SCDHEC Solid Waste Permit. Additional services (either that which is not considered to be necessary at this time or that which cannot be estimated at this time) may be required to obtain the landfill permit. This scope of services does not include the following: wetland delineation and/or permitting; cultural resources consulting; land surveying; engineering of ground improvement techniques (such as for extraordinary settlement, seismic liquefaction, and foundation stability); design of alternative final cover systems; alternative or specialized groundwater monitoring systems; mitigation of existing groundwater impacts; NPDES permitting or wastewater treatment; wastewater permit to construct; local/state grading, stormwater and erosion control permitting; electrical engineering; structural engineering.

### **4.0 PERIOD OF SERVICE**

Based on the above scope of services and experience with similar projects, we estimate approximately 12 months will be required from notice to proceed to submission of the application.

### **5.0 TASK ORDER COSTS**

Services outlined in Part 2.0 will be performed by CEC for an estimated cost of \$225,000 as specified in the Itemized Cost Breakdown table below. No additional payment shall be made without written amendment to this Task Order. The attached billing rates are applicable to CEC's

staff and services and will be applied to this Task Order and to any additional service that are not included in this Task Order that are authorized in writing by Richland County. Reimbursable expenses, including subcontracted services, will be invoiced at cost, plus a 10% administrative fee.

**Table 1 – Itemized Cost Breakdown**

<b>TASK</b>	<b>DESCRIPTION</b>	<b>TOTAL COST</b>
Task 1	Determination of Need, Consistency Determination, Buffer Requirements	\$37,500
Task 2	Permit Application	\$144,000
Task 3	Project Meetings, Public Presentations, and Public Hearings	\$18,500
Task 4	Contingency	\$25,000
<b>TASK ORDER TOTAL</b>		<b>\$225,000</b>

**6.0 EXECUTIONS**

This Task Order is executed this \_\_\_ day of \_\_\_\_\_.

Richland County, South Carolina

Civil & Environmental Consultants, Inc. (CEC)

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

By: W. Todd Whittle

Name: \_\_\_\_\_

Name: Todd Whittle

Title: \_\_\_\_\_

Title: Principal

Address: \_\_\_\_\_  
\_\_\_\_\_

Address: 3701 Arco Corporate Drive, Suite 400  
Charlotte, NC 28273

## Richland County Council Request for Action

**Subject:**

County Administration: Convention Center - Tourism Development Fee

**Notes:**

September 26, 2023 – The Administration and Finance Committee recommended Council approve the Columbia Metropolitan Convention Center’s request for fifty percent (50%) of the collected tourism development fee. The funds will be utilized for operational expenses and marketing.

**RICHLAND COUNTY  
ADMINISTRATION**

2020 Hampton Street, Suite 4069  
Columbia, SC 29204  
803-576-2050



**Agenda Briefing**

<b>Prepared by:</b>	Ashiya Myers	<b>Title:</b>	Assistant to the County Administrator
<b>Department:</b>	Administration	<b>Division:</b>	
<b>Date Prepared:</b>	September 5, 2023	<b>Meeting Date:</b>	September 26, 2023
<b>Legal Review</b>	Patrick Wright via email	<b>Date:</b>	September 20, 2023
<b>Budget Review</b>	Abhijit Deshpande via email	<b>Date:</b>	September 20, 2023
<b>Finance Review</b>	Stacey Hamm via email	<b>Date:</b>	September 19, 2023
<b>Approved for consideration:</b>	County Administrator	Leonardo Brown, MBA, CPM	
<b>Meeting/Committee</b>	Administration & Finance		
<b>Subject</b>	Columbia Metropolitan Convention Center – Tourism Development Fee		

**RECOMMENDED/REQUESTED ACTION:**

The Columbia Metropolitan Convention Center (CMCC) requests fifty percent (50%) of the collected tourism development fee to be used for operational expenses and marketing to fill a portion of their budget deficit.

Request for Council Reconsideration:  Yes

**FIDUCIARY:**

Are funds allocated in the department’s current fiscal year budget?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No
If not, is a budget amendment necessary?	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No

**ADDITIONAL FISCAL/BUDGETARY MATTERS TO CONSIDER:**

Attached for consideration is the CMCC FY 2023-2024 budget as provided and dated September 12, 2023. Included below as provided by the Director of Finance is the Tourism Development Fee as collected for the past two fiscal years:

	<b>FY22</b>	<b>FY23</b>
<b>Fee Collected</b>	\$1,336,727.63	\$1,453,501.3
<b>Half of fee</b>	\$668,363.82	\$726,750.66

*Applicable department/grant key and object codes:* Click or tap here to enter text.

**OFFICE OF PROCUREMENT & CONTRACTING FEEDBACK:**

Not applicable.

**COUNTY ATTORNEY’S OFFICE FEEDBACK/POSSIBLE AREA(S) OF LEGAL EXPOSURE:**

There are no legal concerns regarding this matter.

**REGULATORY COMPLIANCE:**

Ordinance No. 96-096HR, which established a three percent (3%) tourism fee on all business providing transient accommodations in the unincorporated area of Richland County.

**MOTION OF ORIGIN:**

“Mr. Livingston moved, seconded by Ms. Scott, to approve the execution of the Governmental Entities Funding Agreement, and the Township Agreement, and agreed that Council’s proposed amendments will be addressed in the Convention Center Authority By-Laws.”

Council Member	The Honorable Paul Livingston, District 4
Meeting	Regular Session
Date	March 7, 2001

**STRATEGIC & GENERATIVE DISCUSSION:**

In 2001, Richland County entered into a “Governmental Entities Funding Agreement” with Lexington County and the City of Columbia to collect a three percent (3%) tourism development fee of all lodging charges within their respective jurisdictions to fund the construction, operations, and debt service of the Columbia Metropolitan Convention Center (CMCC) for a period of 20 years. The debt service was satisfied on June 30, 2022, and the fee has totally funded the expenses of the CMCC for the past 20 years.

Per the President and Chief Executive Officer of the Convention Center, Mr. Bill Ellen, guests of area hotels/motels have totally funded the center, and no citizen tax funds have been necessary. However, funds are still needed for the operation and marketing of the CMCC. As such, CMCC is requesting fifty percent (50%) of the collection of the tourism development fee to be used to fill a portion of their budget deficit.

**ASSOCIATED STRATEGIC GOAL, OBJECTIVE, AND INTIATIVE:**

- Goal 1: Foster Good Governance
  - Objective 1.5: Collaborate with other governments
    - Build relationships with non-profit governmental organizations, municipalities, state, and federal organizations across all departments to determine points of parity
- Goal 4: Plan for Growth through Inclusive and Equitable Infrastructure
  - Objective 4.3: Create excellent facilities
    - Evaluate how Richland County may support other community partners to provide services to enhance the quality of life for Richland County residents.

**ATTACHMENTS:**

1. Communication from Mr. Bill Ellen, President & CEO, Experience Columbia SC
2. Columbia Metropolitan Convention Center FY 2023-2024 Budget
3. Amended Ordinance No. 96-096HR
4. Richland County Administration & Finance Committee Minutes - February 20, 2001
5. Richland County Council Minutes – March 07, 2001
6. Governmental Entities Funding Agreement

**Topic:**

Tourism Development Fee (TDF) collected by hotels from their guests and funded to CMCC for operation and marketing.

**Background:**

In 2002 Richland County along with City of Columbia and Lexington County established a tourism development fee of 3% added to every hotel guest bill. This fee was established to fund the construction, operations, and debt service of CMCC. The debt service was for 20 years and was paid off June 30, 2022. This fee totally funded all the expenses for the last 20 years. There has never been an additional request for funding for any of these expenses. The visitors staying in our area hotels have totally funded the CMCC and no local citizen's tax money has been needed.

**Current status:**

The Tourism Development Fee (TDF) continues to be collected by our area hotels. The hotel owners have been okay charging their customers this fee because their hotel receives business as a result of the CMCC.

The amount of the fee used to pay debt service is no longer used due to debt service being paid in full. However, funds are still needed for operations and marketing of the CMCC. The success of CMCC is vital to the continued generation of the TDF. The success of the CMCC generates business to the hotels that attract the guests that pay the TDF.

**Success of CMCC and benefit to Richland County:**

1. Increase in hotel business increases these fees collected by hotels.
2. Part of the fees collected are no longer needed for debt service and are available for other uses.
3. Success of CMCC results in demand of hotels needed. Every hotel pays a significant amount of property tax to Richland County. The more hotels, the more property tax generated. The evidence of the positive impact of the Convention Center and its marketing of our area can be seen by the number of new hotels in recent years. This demand continues and is helping to drive the need for new hotels that will pay property tax.
4. CMCC helps bring visitors to our area, increasing exposure and awareness of our County and City. It can play a part in economic development and to this awareness.

**Request:**

The CMCC requests that Richland County continues to fund a portion of this TDF collected to the operation/management of the CMCC so that we can continue to support the growth of the Tourism Development Fee.

Now that debt service has been satisfied, the money that went towards debt service can be used for other projects as Council desires.

We ask that 50% of the fees continue to fund CMCC. This funding is critical to our ability to continue the things that have made the CMCC successful for the last 20 years.

Thank you for your consideration of this request.

**Midlands Authority for Conventions, Sports & Tourism**

**Fiscal Year Budget**

**904 - Columbia Metropolitan Convention Center**

From 7/1/2023 Through 6/30/2024

		<b>Fiscal Year 2023-2024 Budget</b>
		<hr/>
Revenue		
<b>Grant Revenue</b>		
4045	City of Columbia Tourism Development Fees	<u>2,750,000.00</u>
	<b>Total Grant Revenue</b>	<u>2,750,000.00</u>
<b>Investment Income</b>		
4207	Interest Earned	<u>13,200.00</u>
	<b>Total Investment Income</b>	<u>13,200.00</u>
<b>Event Revenue</b>		
4300	Rental	850,000.00
4305	Food Service	1,500,000.00
4306	Equipment Rental	225,000.00
4307	Utilities Revenue	220,000.00
4308	Labor Revenue	40,000.00
4309	Audio Visual Revenue	<u>100,000.00</u>
	<b>Total Event Revenue</b>	<u>2,935,000.00</u>
	<b>Total Revenue</b>	<u>5,698,200.00</u>
	<b>Total Revenue &amp; Transfers</b>	<u>5,698,200.00</u>
Expenditures		
<b>Personnel Expenses</b>		
5001	Salaries - FT Administration	193,461.00
5002	Salaries - FT Sales & Marketing	177,916.00
5003	Salaries - FT Operations	821,417.00
5004	Salaries - FT Engineering	207,062.00
5020	Salaries - PT Administration	62,265.00
5022	Salaries - PT Operations	126,959.00
5040	Personnel Contingency	26,257.00
5050	Payroll Tax Expense	127,126.00
5055	Retirement - 401k	63,563.00
5060	Health Insurance	311,368.00
5061	Dental Insurance	14,712.00
5062	Life & Disability Insurance	22,391.00
5070	Workers Compensation	31,915.00
5071	Unemployment Insurance	4,536.00
5075	Incentives	122,000.00
5076	Auto Allowance	<u>4,800.00</u>
	<b>Total Personnel Expenses</b>	<u>2,317,748.00</u>
<b>Contract Labor</b>		
5080	Contract Labor	<u>207,500.00</u>
	<b>Total Contract Labor</b>	<u>207,500.00</u>
<b>Professional Fees</b>		
5085	Professional Legal Fees	75,000.00
5086	Professional Service Fees	53,500.00
5088	Expansion Services	<u>75,000.00</u>
	<b>Total Professional Fees</b>	<u>203,500.00</u>
<b>Event Expense</b>		
5118	Decorating	6,500.00
5120	Equipment Rental	7,000.00
5130	Event Expense	<u>5,000.00</u>
	<b>Total Event Expense</b>	<u>18,500.00</u>
<b>Program Expenses</b>		
5100	Client Recruitment & Entertainment	13,350.00

**Midlands Authority for Conventions, Sports & Tourism**

**Fiscal Year Budget**

**904 - Columbia Metropolitan Convention Center**

From 7/1/2023 Through 6/30/2024

		<b>Fiscal Year 2023-2024 Budget</b>
		<hr/>
5111	Convention Recruitment Fund	10,000.00
5112	Partner & Community Relations	6,200.00
	Total Program Expenses	<hr/> 29,550.00
	Marketing, Advertising & Publications	
5200	Marketing & Advertising	623,688.00
	Total Marketing, Advertising & Publications	<hr/> 623,688.00
	Occupancy Expense	
5305	Warehouse/Additional Storage	25,202.00
	Total Occupancy Expense	<hr/> 25,202.00
	Operating Expenses	
5310	Utilities	502,211.00
5313	Telephone	7,794.00
5315	General Insurance	150,000.00
5320	Repairs & Maintenance	92,450.00
5321	Maintenance Supplies	175,500.00
5322	Office Equipment Lease	14,225.00
5325	Computer Expense & Maintenance	311,817.00
5326	Technology	336,142.00
5327	Website Enhancements	25,884.00
5334	Tradeshows	55,300.00
5335	Tradeshow/Event Sponsorship	10,150.00
5340	Postage	121.00
5341	Printing	12,445.00
5342	Office Supplies	6,000.00
5343	Maintenance Supplies	3,000.00
	Total Operating Expenses	<hr/> 1,703,039.00
	Other Operating Expenses	
5400	Contract Building Service	294,213.00
5405	Depreciation	425,000.00
5412	Furniture Fixtures & Equipment	347,000.00
5413	Major Capital	1,320,000.00
5415	Parking	1,000.00
5416	Membership Dues & Subscriptions	8,329.00
5420	Sales & Use Tax	5,000.00
5425	Promotional Materials	13,000.00
5427	Employee Travel, Meals & Accomodations	34,441.00
5429	Uniforms	9,150.00
5430	Employee Training & Development	20,648.00
5436	Banking & Merchant Fees	10,000.00
5438	Vehicle Maintenance	20,000.00
	Total Other Operating Expenses	<hr/> 2,507,781.00
	Total Expenditures	<hr/> 7,636,508.00
	Net Revenue Over Expenditures	<hr/> (1,938,308.00)
	Transfers Out	
5700	Transferred out to Authority	632,096.00
	Total Transfers Out	<hr/> 632,096.00
	Total Expenditures & Transfers	<hr/> 8,268,604.00
	Net Revenue Over Expenditures (After Transfers)	<hr/> (2,570,404.00)

**STATE OF SOUTH CAROLINA  
COUNTY COUNCIL FOR RICHLAND COUNTY  
ORDINANCE NO. \_\_\_\_-08HR**

**AN ORDINANCE AMENDING ORDINANCE NO. 96-096HR, WHICH ESTABLISHED A THREE PERCENT (3%) TOURISM FEE ON ALL BUSINESSES PROVIDING TRANSIENT ACCOMMODATIONS IN THE UNINCORPORATED AREA OF RICHLAND COUNTY. AND WHICH ESTABLISHED A SPECIAL REVENUE FUND TO ACCOUNT FOR THESE COLLECTIONS.**

**WHEREAS**, Richland County Council enacted Ordinance No.96-096HR on December 3, 1996, effective on January 1, 1997; and

**WHEREAS**, Richland County Council has now determined that further revisions to Ordinance No. 96-096HR are needed; and

**WHEREAS**, the intention of these revisions is to, 1) designate the County Administrator or other authorized agent to enforce the ordinance; 2) designate that revenue and expenditures will be with the Richland County Tourism Development Fee Special Revenue Fund; 3) remove the cap on penalties (consistent with the County's business license ordinance and the handling of hospitality taxes); 4) clearly state that penalties will not be waived (consistent with the County's business license ordinance and the handling of hospitality taxes); and 5) make the violation section consistent with the County's business license ordinance and the handling of hospitality taxes;

**NOW, THEREFORE**, pursuant to the authority by the Constitution of the State of South Carolina and the General Assembly of the State of South Carolina, BE IT ENACTED BY RICHLAND COUNTY COUNCIL, that the Sections of Ordinance No. 96-096 shall be amended to read as follows:

**SECTION I. DEFINITION:** Accommodation is defined as any room (excluding meeting and conference rooms), campground spaces, recreational vehicles spaces, lodgings or sleeping accommodations furnished to transients by any hotel, motel, inn, condominium, "bed and breakfast", residence, or any other place in which rooms, lodgings, or sleeping accommodations are furnished for consideration within the unincorporated area of Richland County, South Carolina. The gross proceeds received from the lease or rental of sleeping accommodations supplied to the same person or persons for a period of thirty (30) continuous days are not considered proceeds from transients.

**SECTION II. TOURISM DEVELOPMENT FEE.** A uniform fee equal to three percent (3%) is hereby imposed on the gross proceeds derived from the rental of any accommodations within the unincorporated area of Richland County.

**SECTION III. PAYMENT OF TOURISM DEVELOPMENT FEE.** Payment of the tourism development fee established herein shall be the liability of the consumer of the services. The fee

shall be paid at the time of delivery of the services to which the fee applies, and shall be collected by the provider of the services. The County shall promulgate a form of return which shall be utilized by the provider of the services to calculate the amount of tourism development fees collected and due. This form shall contain a sworn declaration as to the correctness thereof by the provider of the services.

The provider of the services shall remit the form, a copy of the State of South Carolina sales tax computation form, and the tourism development fees due not later than the 20<sup>th</sup> of each month to the ~~Richland County Finance Department, 2020 Hampton Street, Columbia, South Carolina 29204~~ Business Service Center.

**SECTION IV. TOURISM DEVELOPMENT FEE SPECIAL REVENUE FUND.** An interest bearing, segregated and restricted account to be known as the “Richland County Tourism Development Fee Special Revenue Fund” is hereby established. All revenues received from the tourism development fee shall be deposited into this fund. The principal and any accrued interest in this fund shall be expended only as permitted by this Ordinance.

**SECTION V. DISTRIBUTION OF FUNDS.**

- (a) All fund placed in the Richland County Tourism Development Fee Special Revenue Fund including accrued interest shall be expended only for the purpose of investigating the feasibility of the construction of public meeting facilities, the construction of public meeting facilities and for other enhancements to services used by tourists and convention delegates in Richland County. Any such expenditure shall be authorized by a subsequent ordinance indicating a specific amount and purpose by the Richland County Council.
- (b)
  - (1) No funds shall be expended until the impact of any such expenditure on the operation of the Township Auditorium has been determined;
  - (2) The county shall not be held liable for any operating deficit of any facilities beyond the amount generated by this fee;
  - (3) An agreement be reached that the City of Columbia sewer and water rates shall not be increased for County residents to offset any operating deficits incurred by any facility constructed and operated with these funds.
- (c.) In the event an ordinance has not been enacted by this Council to expend these funds in compliance with paragraph A, the funds would then revert to the general Accommodations Tax Fund and this act be repealed.

**SECTION VI. INSPECTIONS, AUDITS, AND ADMINISTRATION.** For the purpose of enforcing the provisions of this Ordinance, the ~~Director of Finance~~ County Administrator or other authorized agent of the County is empowered to enter upon the premises of any person subject to this Ordinance and to make inspections, examine and audit books and records. It shall be unlawful for any person to fail or refuse to make available the necessary books and records during normal business hours upon twenty-four (24) hours written notice. In the event an audit reveals that false information has been filed by the remitter, the cost of the audit shall be added to

to the correct amount of fees determined to be due.

All operational and administrative costs associated with the billing and collection of this tourism development fee will may be charged to the ~~Richland County Finance Department~~ and will be paid for from the ~~earned interest to the County~~ “Richland County Tourism Development Fee Special Revenue Fund.” The ~~Finance Director~~ County Administrator or other authorized agent of the County may make systematic inspections of all accommodations within the County to ensure compliance with this Ordinance. Records of inspections shall not be deemed public records.

**SECTION VII. ASSESSMENTS OF TOURISM DEVELOPMENT FEE.** When a person fails to pay their Tourism Development Fees or to furnish the information required by this Ordinance or by the Business Service Center, a license official of the Business Service Center shall proceed to examine such records of the business or any other available records as may be appropriate and to conduct such investigations and statistical surveys as the license official may deem appropriate to assess a Tourism Development Fee and penalties, as provided herein.

A notice of such assessment shall be served by certified mail. Within five (5) business days after the notice is mailed, any person who desires to have the assessment adjusted must make application to the Business Service Center for a reassessment. The license official shall establish a procedure for hearing an application for a reassessment, and for issuing a notice of final assessment. A final assessment may be appealed to the Business Service Center Appeals Board, provided that an application for reassessment was submitted within the allotted time period of five (5) business days. However, if no application for reassessment is submitted within the allotted time period, the assessment shall become final.

#### **SECTION VIII. VIOLATIONS AND PENALTIES.**

(1) It shall be a violation to:

- a. Fail to collect the tourism development fee in connection with the rental of any accommodations to transients,
- b. Fail to remit to the County of Richland the tourism development fee collected, pursuant to this Ordinance on a monthly basis,
- c. Knowingly provide false information on the form of return submitted to the County of Richland, and/or
- d. Fail to provide books and records to the ~~Richland County Finance Department~~ County’s authorized agent for the purpose of an audit upon twenty-four (24) hours written notice.

(2) Penalties. The penalty for violation of this ordinance shall be five percent (5%) per month, charged on the original amount of the tourism development fee due, ~~up to a maximum of 100%.~~ Penalties shall not be waived. Additionally, violators may be deemed guilty of a misdemeanor, subject to a \$500 fine and/or imprisonment for up to thirty (3) days for violation of this Ordinance.

(3) Violations. Any persons violating the provision of this article shall be deemed guilty of a misdemeanor and upon conviction shall be subject to punishment under the general penalty provisions of Section 1-8 of this Code of Ordinances: that is, shall be subject to a fine of up to \$500.00 or imprisonment for not more than thirty (30) days or both. Each day of violation shall be considered a separate offense. Punishment for violation shall not relieve the of offender of liability for delinquent fees, penalties, and costs provided for herein.

**SECTION IX. Separability.** If any section, subsection, or clause of this ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

**SECTION X. Conflicting Ordinances Repealed.** All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

**SECTION XI. Effective Date.** This ordinance shall be enforced from and after \_\_\_\_\_, 2008

RICHLAND COUNTY COUNCIL.

BY: \_\_\_\_\_  
Joseph McEachern, Chair

ATTEST THIS THE \_\_\_\_ DAY  
OF \_\_\_\_\_, 2008

\_\_\_\_\_  
Michielle R. Cannon-Finch  
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

\_\_\_\_\_  
Approved As To LEGAL Form Only  
No Opinion Rendered As To Content

First Reading: February 5, 2008

Second Reading: February 19, 2008 (tentative)  
Public Hearing:  
Third Reading:

**RICHLAND COUNTY COUNCIL  
ADMINISTRATION AND FINANCE COMMITTEE  
SPECIAL CALLED MEETING  
TUESDAY, FEBRUARY 20, 2001  
5:00 P.M.**

**MEMBERS PRESENT:** Joseph McEachern, Chair; Paul Livingston; Joan Brady; James Tuten

**ABSENT:** Tony Mizzell (At the May 22<sup>nd</sup> Committee, Mr. Mizzell stated he was present at this time meeting).

**OTHERS PRESENT:** Bernice G. Scott, Thelma Tillis, Susan Brill, L. Gregory Pearce, Jr., J.D. "Buddy" Meetze, Kit Smith, Michielle Cannon-Finch, Tony McDonald, Marsheika Martin, Pam Davis Ash Miller, T. Cary McSwain, Monique Walters, Mullen Taylor, Darren Gore, Milton Pope, Randy Jorgenson

**1. CALL TO ORDER**

Mr. McEachern called the meeting to order at approximately 5:20 p.m.

**2. ADOPTION OF AGENDA**

Mr. Tuten moved, seconded by Mr. Livingston, to adopt the agenda as submitted. The vote in favor was unanimous.

**3. ITEMS FOR ACTION**

- a. **Convention Center Agreement (Approval to be contingent upon the City of Columbia's approval of Township Agreement)**
- b. **Township Agreement with City of Columbia (Agreement to be provided to the Committee/Council on Tuesday, February 20, 2001)**

Mr. McSwain reported on the Convention Center Agreement. He stated the City of Columbia and the County of Lexington have adopted the Governmental Entities Funding Agreement that is the basis for appropriating the money that has been collected since January 1, 1997. Mr. McSwain further stated that it provides for the 7-1/2 million dollars that has been committed to the University of South Carolina for co-locating the arena with the Conference Center and the second part is to appropriate the remaining portions of the Tourism Development Fee that has been collected since January 1, 1997 to an escrow fund to be utilized by an authority to be appointed by the governmental entities that would provide for the capital cost of building the conference center.

Mr. McSwain stated one of the most critical points of the agreement to the County states "No Further Obligation of Lexington or Richland. In no event whatsoever shall Lexington or Richland be called upon to provide any funding for the Center except for their respective Tourism Development Fees." Mr. McSwain stated that limits Richland County's liability with regard to the cost of operating the center. He stated the funding agreement is for 20 years, and at the request of the University of South Carolina, it provides for Richland County to pay part of the

**Administration and Finance Committee  
Special Called Meeting  
February 20, 2001  
Page Two**

7-1/2 million dollars which is 2.5 million which has already been appropriated in the process from the Tourism Development Fee money. He informed the Committee that he has talked with the attorneys of the University of South Carolina and has asked them to give the County at least 30 days notice in order for arrangements to be made for investments to come due so the 2.5 million dollars can be paid at an appropriate time without doing damage to the investments.

A discussion took place.

Mr. Livingston moved, seconded by Ms. Brady, to approve the agreement in conjunction with the Township Agreement but not contingent upon. The vote in favor was unanimous.

**4. ADJOURNMENT**

Mr. McEachern adjourned the meeting at approximately 5:45 p.m.

Submitted by,

Joseph McEachern  
Chair

The minutes were transcribed by Marsheika G. Martin

**Richland County Council  
Regular Session  
March 7, 2001  
Page Four**

Mr. McEachern moved, seconded by Ms. Brill, to approve this item for First Reading. The vote in favor was unanimous.

**b. Billboard Moratorium**

Ms. Brady moved, seconded by Ms. Scott, to give first reading by title only to extend the moratorium until further action is taken.

A discussion took place.

Ms. Scott made an amendment, seconded by Ms. Brady, to extend the moratorium until July 31<sup>st</sup>. The vote in favor was unanimous.

**4. REPORT OF RULES AND APPOINTMENTS COMMITTEE**

**a. Appointments to Building Board of Adjustment and Appeal-4**

Mr. Livingston stated there are four appointments to be made to this board with one application received by Mr. George R. Little.

Ms. Brill moved, seconded by Ms. Brady, to appoint Mr. George R. Little to the board. The vote in favor was unanimous.

Mr. Livingston informed Council that the Rules Committee would meet on March 20<sup>th</sup> at 5:00 in the County Administrator's Conference Room to discuss revisions to the Council Rules.

**5. Report of Administration and Finance Committee (Special Called Meeting) (Forwarded from Council Meeting held February 20, 2001)**

**a. Convention Center**

Ms. Smith informed Council of a meeting she had regarding the Convention Center. She stated she did not speak on behalf of Council. She stated a number of amendments to the agreement were discussed and other concerns. Ms. Smith stated an explanation was faxed to each Council member regarding this meeting.

A discussion took place.

Mr. Livingston moved, seconded by Ms. Scott, to approve the execution of the Governmental Entities Funding Agreement, and the Township Agreement, and agreed that Council's proposed amendments will be addressed in the Convention Center Authority By-Laws. The vote was in favor. Mr. Meetze opposed.

**6. REPORT OF DEVELOPMENT AND SERVICES COMMITTEE**

**a. Ordinance Amendment: Increase in County Code Violation Penalty**

Mr. McEachern moved, seconded by Ms. Brill, to give First Reading approval to an ordinance amendment that increases the maximum penalty for code violations from \$200.00 to \$500.00. The vote in favor was unanimous.

**NEXSEN PRUET JACOBS & POLLARD, LLP  
ATTORNEYS AND COUNSELORS AT LAW**

**CHARLESTON OFFICE**  
200 Meeting Street  
Suite 301  
Post Office Box 486  
Charleston, SC 29402  
803-577-9440  
FAX: 803-720-1777

**COLUMBIA OFFICE**  
1441 Main Street  
Suite 1500  
Post Office Drawer 2426  
Columbia, SC 29202  
803-771-8900  
FAX: 803-253-5277

**GREENVILLE OFFICE**  
201 West McBee Avenue  
Suite 400  
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Greenville, SC 29603  
864-370-2211  
FAX: 864-282-1177

**CHARLOTTE OFFICE**  
212 S. Tryon Street  
Suite 1700  
Charlotte, NC 28281  
(704) 339-0304  
TOLL FREE: 800-250-6757  
FAX: (704) 338-5377

SEND TO:	COMPANY	FAX NUMBER
Larry Smith, Esquire	Richland County Attorney	[119] 929-6186
Jeffrey M. Anderson, Esquire	Lexington County Attorney	[119] 359-7478
James S. Meggs, Esquire	City Attorney	[119] 733-8464

TOTAL NUMBER OF PAGES INCLUDING COVER SHEET: 11

FROM: Edward G. Menzie

DATE: August 31, 2000 TIME: 11:00am

CLIENT/MATTER NO.: 17611-10

Original Copy Via:  U.S. Mail  Overnight  Hand Delivered  Fax Only

IF YOU SHOULD HAVE ANY PROBLEMS RECEIVING THIS  
TELECOPY, PLEASE CONTACT TRUDY J. SHEALY AT (803) 771-8900 (ext. 3010).

MESSAGE:

**CONFIDENTIALITY NOTE:**

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**NEXSEN PRUET JACOBS & POLLARD, LLP**  
ATTORNEYS AND COUNSELORS AT LAW

Edward G. Menzie  
PARTNER

DIRECT DIAL  
803-253-8215  
EMENZIE@NPJP.COM

August 31, 2000

**RECEIVED**  
AUG 31, 2000

Larry Smith, Esquire  
Post Office Box 192  
Columbia, South Carolina 29202

*dm*

Re: Governmental Entities Funding Agreement

Dear Larry:

Enclosed is a discussion draft of the Government Entities Funding Agreement which Mike Bierman requested so that the Governmental Entities could agree on all financial matters outside the Project Agreement. I have not heard anything since I forwarded this to Mike in early June. I have done nothing with the Project Agreement since the last draft provided to you.

Very truly yours,



Edward G. Menzie

EGM/tjs

Enclosure

cc: Jeffrey M. Anderson, Esquire  
James S. Meggs, Esquire

NPJCOL1:455425.1-LT:(EGM) 017811-00010

1441 MAIN STREET, SUITE 1500, COLUMBIA, SC (29201) ■ POST OFFICE DRAWER 2428, COLUMBIA, SC (29202)  
803-771-6900 ■ FAX 803-253-8277  
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CHARLESTON, SC

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OFFICES ALSO IN:  
GREENVILLE SC

HILTON HEAD, SC

MYRTLE BEACH, SC

## GOVERNMENTAL ENTITIES FUNDING AGREEMENT

THIS GOVERNMENTAL ENTITIES FUNDING AGREEMENT (this "Funding Agreement"), made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2000, by, between and among LEXINGTON COUNTY, SOUTH CAROLINA ("Lexington"), RICHLAND COUNTY, SOUTH CAROLINA ("Richland") and the CITY OF COLUMBIA, SOUTH CAROLINA (the "City") ( Lexington, Richland and the City collectively, the "Governmental Entities").

### BACKGROUND

As set forth on Exhibit A attached hereto, the Governmental Entities have adopted ordinances related to the collection of tourism development fees (the "Tourism Development Fees") equal to three percent (3%) of all lodging charges collected within their respective jurisdictions. The Governmental Entities deem it appropriate at this time to enter into an agreement as to the specific use of the Tourism Development Fees and other related matters.

NOW, THEREFORE, in consideration of the mutual covenants hereafter contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Governmental Entities, intending to be legally bound, do hereby agree as follows:

### ARTICLE 1 Definitions

1.1 Definitions. All capitalized terms, unless otherwise defined herein, shall have the respective meanings set forth in Exhibit B attached hereto.

### ARTICLE 2 Purpose

2.1 Use of Tourism Development Fees. The primary purpose of this Funding Agreement is to set forth the obligations of the Governmental Entities with respect to the application of all Tourism Development Fees.

2.2 Proceeding with the Project. This Funding Agreement shall also evidence the general agreement of the Governmental Entities to proceed with the development of the Project, including the providing of the Assistance Payment to the University and authorizing the City to proceed with development of the Center subject to the limitations set forth herein and to be set forth in the Project Documents.

ARTICLE 3  
Use of Tourism Development Fees

3.1 Current Escrow Arrangements. Each of the Governmental Entities has separately escrowed all Tourism Development Fees collected since collection of the Tourism Development Fees began in [1997]. As of the date of this Funding Agreement, each of the Governmental Entities has on hand Tourism Development Fees in approximately the amount set forth in Exhibit C attached hereto. Until the Closing, each of the Governmental Entities shall continue to collect and reserve Tourism Development Fees in the same manner.

3.2 Closing Procedures. In conjunction with the Closing, a separate escrow account (the "Escrow Account") shall be established pursuant to the Project Documents and all Governmental Entities shall deposit into this Escrow Account all of the Tourism Development Fees collected and reserved in accordance with Section 3.1 above. Upon receipt of these funds, in accordance with the Project Documents the Assistance Payment shall be released to the University and the balance on hand in the Escrow Account shall be retained for application to the Center Project Costs in accordance with the Approved Center Project Budget.

3.3 Additional Collections. Until the closing of the issuance of the Special Revenue Bonds, all Governmental Entities shall continue to collect Tourism Development Fees and at the end of each calendar quarter, deposit the same in the Escrow Account. In conjunction with the closing of the Special Revenue Bonds, each of the Governmental Entities shall execute such documents and instruments as may be reasonably required to pledge and assign all future collections of Tourism Development Fees to the trustee of the Special Revenue Bonds to assure the availability of such funds for payment of the Special Revenue Bonds. Anything to the contrary contained herein notwithstanding, the Special Revenue Bonds shall have a maturity of no longer than 20 years so long as the Special Revenue Bonds have been paid in full, whereupon the obligations of Lexington and Richland to apply their respective Tourism Development Fees to the payment of Debt Service shall terminate.

3.4 Obligations of Governmental Entities. The obligations of the Governmental Entities to pledge and assign their respective Tourism Development Fees for payment of the Special Revenue Bonds shall be subject to the City's performance of its obligations as set forth in this Funding Agreement to provide Credit Enhancement for the Special Revenue Bonds and achieve the most favorable interest rate on the Special Revenue Bonds generally available based upon the credit rating of the Project and Credit Enhancement, as well as provide such other assistance as may be required to properly issue the Special Revenue Bonds in a manner which will promote the orderly financing and development of the Center.

ARTICLE 4  
Limitations

4.1 Limitations on Application of Tourism Development Fees of Lexington and Richland. Anything to the contrary contained in this Funding Agreement, the Project documents or the Special

Revenue Bond documents notwithstanding, Lexington and Richland shall have no financial obligation or liability with respect to the Special Revenue Bonds, the Center or the Project whatsoever except to cause all Tourism Development Fees collected to be applied to the Assistance Payment, the costs set forth in the Approved Center Project Budget and Debt Service on the Special Revenue Bonds. No portion of the Tourism Development Fees of Lexington or Richland shall be utilized for Operating Deficits or the repayment of any Advances made by the City.

4.2 Acknowledgment of the City. The City acknowledges the limitations contained in Section 4.1 above and agrees that the City shall not seek any variance in such limitations from Lexington or Richland.

## ARTICLE 5 Sources of Funds

5.1 Application of Tourism Development Fees. All Tourism Development Fees from and after the closing of the Special Revenue Bonds shall be applied as follows:

- (i) first, all Tourism Development Fees received from Lexington and Richland shall be applied to Debt Service on each Debt Service Payment Date;
- (ii) next, all Tourism Development Fees received from the City shall be applied to Debt Service on each Debt Service Payment Date to the extent Debt Service obligations remain after the application of the Tourism Development Fees received under subsection (i) above;
- (iii) next, to the extent any Tourism Development Fees of the City remain after (ii) above, such funds shall be applied to Operating Deficits;
- (iv) next, to the extent any Tourism Development Fees of the City remain after (iii) above, such funds shall be utilized to fund any sinking fund or operating reserve fund required by the Special Revenue Bonds documents or otherwise reasonably established by the Governmental Entities to assure payment of Debt Service and Operating Deficits;
- (v) next, to the extent any Tourism Development Fees of the City remain after (iv) above, such funds shall be applied to a capital reserve fund reasonably established by the Governmental Entities for future capital expenditures (excluding amounts covered by the FF&E Reserve); and
- (vi) finally, to the extent any Tourism Development Fees remain after (v) above, such funds shall be utilized to reimburse the City for Advances without interest.

5.2 Credit Enhancement. The City shall be obligated to pledge its sewer and water revenues or pledge other funds to provide the Credit Enhancement which is anticipated to be required to obtain the most favorable rate possible for the Special Revenue Bonds. To the extent the City is called upon to make payments with respect to the Credit Enhancement, such payment shall constitute Advances.

5.3 Issuance of Special Revenue Bonds. The City shall issue the Special Revenue Bonds solely in its name. Other than the pledges and assignments of Tourism Development Fees called for by this Funding Agreement, neither Lexington nor Richland shall have any responsibility or obligation with respect to the Special Revenue Bonds, nor shall either of such entities be otherwise named as or deemed to be issuers of such Special Revenue Bonds.

5.4 Advances. To the extent that additional funds are ever required to make payments with respect to Debt Service and/or fund Operating Deficits, the City acknowledges that neither Lexington nor Richland shall have any further responsibility or obligation and the City shall be solely responsible to locate sources of funds to supplement revenues from the Center and make required payments. All amounts so advanced by the City shall constitute Advances under the terms of this Funding Agreement.

## ARTICLE 6

### Development of the Project and the Center

6.1 Authorization to Proceed. Based upon the commitments of the Governmental Entities set forth above and the limitations placed upon any further obligations of the Governmental Entities, the City may proceed with development of the Center based upon the recommendations of the Commission subject to the approval by Lexington and Richland of all Project Documents, which approval shall not unreasonably be withheld.

6.2 Approval of Project Documents. It is contemplated that the Governmental Entities and the University will enter into a Project Agreement and various other Project Documents more fully described therein, and that the City will cause the Special Revenue Bond Documents to be prepared to finance the development and construction of the Center. The City shall proceed to cause all such documents to be generated in an appropriate manner and submitted to Lexington and Richland for their approval, with such approval not to be unreasonably withheld. Upon the execution of the Project Documents necessary to proceed to permit the University to proceed with the Arena, the Closing with the University shall be held and the Assistance Payment made to the University in accordance with the terms of the Project Documents. Thereafter, the City shall proceed with the issuance of the Special Revenue Bonds and undertake all matters related to the development of the Center in accordance with the Project Documents.

6.3 FF&E Reserve. The City acknowledges and agrees that in order to insure that the Center will at all times be maintained in a first class commercial condition, a fixtures, furnishings and equipment reserve (the "FF&E Reserve") shall be established in accordance with the Center Operating Agreement and funds representing three percent (3%) of the gross revenues generated from operation of the Center placed in the FF&E Reserve. Funds on deposit in the FF&E Reserve may be utilized only upon the recommendation of the Operator with the approval of the Governmental Entities, with such approval not to unreasonably be withheld.

## ARTICLE 7 Conduct

7.1 General Standard. The Governmental Entities agree to act reasonably, diligently and in good faith to approval all matters required to promote the development of the Project and the Center in accordance with good real estate development practices.

7.2 Guidance from Commission. The Governmental Entities shall generally be guided by the recommendations of the Commission and such other additional consultants as may be retained collectively by the Governmental Entities.

7.3 Facility Size. The Governmental Entities acknowledge that based upon the pledges made by Lexington and Richland, substantial expenses could be incurred by the City in connection with the payment of Debt Service and Operating Expenses. However, to the extent that the City is inclined to promote a larger Center to service the needs of the Midlands for a greater period of time, neither Lexington nor Richland shall object to such larger facility so long as reasonably market feasibility studies exist to indicate that the Center will accomplish its goal of enhancing tourism and economic development for the benefit of all the Governmental Entities and their constituents.

7.4 Hotel Development. While the Governmental Entities recognize that hotel development may become part of the Center, no portion of the Tourism Development Fees of Lexington or Richland shall be used directly or indirectly to fund such development and the Debt Service which will be paid in part with the Tourism Development Fees of Lexington and Richland shall be solely Debt Service related to development of the Center as presently contemplated without a hotel component. Any expenses associated with the hotel component shall be funded solely through resources not involving the Tourism Development Fees of Lexington or Richland.

## ARTICLE 8 Township Auditorium

8.1 Administrative Services. Richland County may transfer authority for operation of the Township Auditorium to the Commission and the Operator in order to insure that an integrated and coordinated focus is provided for the operation and utilization of the Center and the Township Auditorium.

8.2 Funding. No additional charge shall be made for oversight functions provided by the Commission and the Operator, but any day to day activities undertaken by the Operator related to the operation of the Township Auditorium, including direct management, ticket sales, marketing, program development, or other activities, will be charged to the operation of the Township Auditorium at rates not to exceed prevailing rates for similar services otherwise found in the State of South Carolina.

ARTICLE 9  
Miscellaneous

9.1 Compliance with Laws. All Parties shall undertake all activities required under the terms of this Funding Agreement in compliance with all applicable governmental requirements.

9.2 No Third Party Beneficiaries. Only the Governmental Entities shall be entitled to enforce the provisions of this Agreement and no other party shall be deemed a third-party beneficiary or have any standing to enforce any provision or have any standing to enforce any provision of this Agreement.

9.3 No Increase. The City agrees that there will be no increase in sewer or water rates for unincorporated areas of Richland County to fund Operating Deficits of the Center.

9.4 Assignment. This Funding Agreement is not assignable by any party.

9.5 Notices. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile) and shall be given

If to Lexington:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

With a copy to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If to Richland:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

With a copy to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If to the City:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

With a copy to :

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

or such other address or facsimile number as such party may hereafter specify for such purpose by notice to the other party to this Funding Agreement. Each such notice, request or other communication shall be effective (i) if given by facsimile transmission, when such facsimile is transmitted to the facsimile number specified in this Section 9.5 and the appropriate confirmation is received, or (ii) if given by any other means, when delivered at the address specified in this Section 9.5.

9.6 Severability. If any term or provision of this Funding Agreement or the application thereof is invalid, illegal or incapable of being enforced by any rule of law, or public policy, all other provisions of this Funding Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the agreements contained herein is not affected in any manner adverse to any party. Upon such determination that any provision or the application thereof is invalid, illegal or unenforceable, the Governmental Entities hereto shall negotiate in good faith to modify this Funding Agreement so as to effect the original intent of the Governmental Entities as closely as possible in a mutually acceptable manner in order that the agreements contained herein may be performed as originally contemplated to the fullest extent possible.

9.7 Litigation Costs. In the event of any litigation between the Governmental Entities to construe or enforce the provisions of this Funding Agreement, the prevailing party in such litigation shall be entitled to recover from the non-prevailing party(ies) its reasonable attorney's fees and expenses.

9.8 Governing Law. This Funding Agreement shall be construed under and governed by the law of the State of South Carolina.

9.9 Headings. The headings in this Funding Agreement are for the convenience of reference only and shall not affect the meaning or interpretation of this Funding Agreement.

9.10 Amendments. This Funding Agreement may only be amended by a writing executed by all the parties hereto.

9.11 Entire Agreement. This Funding Agreement, including the Schedules and Exhibits to this Funding Agreement constitute the entire agreement of the Governmental Entities with respect to the subject matter hereof and thereof and supersede all prior agreements and undertakings, both written and oral, with respect to the subject matter hereof and thereof.

**IN WITNESS WHEREOF**, the Governmental Entities hereto have executed this Funding Agreement as of the date first set forth above.

THE COUNTY OF LEXINGTON, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

THE COUNTY OF RICHLAND, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

THE CITY OF COLUMBIA, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**GOVERNMENTAL ENTITIES FUNDING AGREEMENT**

THIS GOVERNMENTAL ENTITIES FUNDING AGREEMENT (this "Funding Agreement"), made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_ January, 2001, by, between and among LEXINGTON COUNTY, SOUTH CAROLINA ("Lexington"), RICHLAND COUNTY, SOUTH CAROLINA ("Richland") and the CITY OF COLUMBIA, SOUTH CAROLINA (the "City") ( Lexington, Richland and the City collectively, the "Governmental Entities").

**BACKGROUND**

The Governmental Entities have adopted ordinances related to the collection of tourism development fees (the "Tourism Development Fees") equal to three percent (3%) of all lodging charges collected within their respective jurisdictions. The Governmental Entities deem it appropriate at this time to enter into an agreement to utilize all use of the Tourism Development Fees for the development of a multipurpose conference/convention facility which is described in Exhibit A attached hereto (the "Center") having a present estimated total cost of approximately \$36,000,000.

NOW, THEREFORE, in consideration of the mutual covenants hereafter contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Governmental Entities, intending to be legally bound, do hereby agree as follows:

**ARTICLE 1**  
**Definitions**

1.1 Definitions. All capitalized terms, unless otherwise defined herein, shall have the respective meanings set forth in Exhibit B attached hereto.

**ARTICLE 2**  
**Purposes**

2.1 Primary Purposes. The primary purposes of this Funding Agreement are:

- (i) to organize the [Midlands Regional Convention Center] Authority (the "Authority") ~~as a non-profit corporation~~ (in which the sole members shall be the Governmental Entities) to oversee development of the Center and operate the Center;

- (ii) to commit the initial Tourism Development Fees collected by the Governmental Entities to make the Assistance Payments to the University as an inducement for the University to construct the Arena adjacent to the Center; and
- (iii) to pledge all remaining Tourism Development Fees collected by the Governmental Entities for use in development and operation of the Center until the Bonds are paid in full.

2.2 Proceeding with the Project. This Funding Agreement shall also evidence the authorization of Authority to proceed with develop the Project, subject to the limitations set forth herein and to be set forth in the Project Documents.

### ARTICLE 3 The Authority

3.1 Responsibility. The Authority shall be responsible for developing an overall development plan for the Center, including site location, facilities, design, budgets, financing, construction, management, operation, marketing, debt service, reserves, and capital improvements.

3.1.1 Construction Fund. The Authority shall work directly with the City to devise a financing plan for the Center which will create a Construction Fund funded with up to \$36,000,000 (or such higher amount as described in Section 6.2) in proceeds from the sale of Bonds plus Tourism Development Fees in excess of the Assistance Payments, with all such funds to be utilized for the development, construction, fixtures, furnishings and equipment, pre-opening expenses of the Center, any payment owing due on the Bonds and working capital to commence operations.

3.1.2 Construction. The Authority will cooperate with the City to establish specified procedures for construction of the Center utilizing the Construction Fund to pay for all costs associated therewith, with the construction phase of the development will be governed by a separate agreement regarding the same entered into between the Authority and the City.

3.1.3 Operations. Once the Center is open, the Authority will be responsible to market, operate, and maintain the Center for the benefit of the Governmental Entities.

3.1.4 Lease of Site. Subject to the terms of the Bonds and the TIF, the Authority will lease the sSite for the Center for a term of ninety-nine (99) years for \$1 per year.

3.1.5 Ownership of the Center. The Authority shall have the option to purchase the Site for \$100.00 upon retirement of the Bonds. Upon such purchase, the Center shall be deemed owned by the Authority for the benefit of the Governmental Entities ~~upon the retirement of the Bonds.~~

3.2 Limitations. The Authority shall have no ability to directly or indirectly obligate any Governmental Entity to provide any funds or incur any financial obligation except for the remittance of Tourism Development Fees as collected by each Governmental Entity.

3.2.1 Obligations of the City. The City recognizes that financial obligations may be incurred by the City related to providing credit enhancement for the Bonds and/or funding of Operating Costs, but specifies that all such obligations shall be incurred separately by the City through express written instruments as determined in the sole and absolute discretion of the City.

3.2.2 No Further Obligation of Lexington or Richland. In no event whatsoever shall Lexington or Richland be called upon to provide any funding for the Center except for their respective Tourism Development Fees.

3.3 Organization. The Authority shall be initially organized as a South Carolina non-profit corporation under the laws of the State of South Carolina in accordance with the Articles of Incorporation attached hereto as Exhibit C, subject to Section 3.12 below.

3.4 Sole Members. The sole Members of the Authority shall be the Governmental Entities. The Members shall each have one vote on all matters requiring the vote of the Members.

3.5 Board of Directors. The Board of Directors of the Authority shall consist of nine (9) Directors. Each Member shall be entitled to appoint two (2) directors from time to time, with the City entitled to appoint an additional three (3) Directors as a result of the City's additional financial exposure with respect to the Bonds.

3.5.1 Qualifications. At least one Director appointed by each Governmental Entity shall be employed in the ~~hospitality~~ lodging industry so there will be at least three Directors of the Authority to provide input on issues related to the lodging industry. At least one additional Director appointed by the City shall be employed in the hospitality industry (meaning not only the lodging industry but as a broader category, the food and beverage industry and other related industries which benefit from tourism). All Directors shall have substantive business experience and subject to removal by the Board for failure to attend a specified number of meetings annually as specified in the Bylaws.

3.6 Advisory Directors. The Chief Administrator or Manager of each Governmental Entity shall be deemed an Advisory Director of the Authority, entitled to attend and participate in all meetings of the Board of Directors as advisors to the Board. Until the Center is complete and open for operations, the chief attorney for each Governmental Entity shall also be deemed an Advisory Director entitled to attend and participate in all meetings of the Board of Directors if and to the extent requested by their respective Governmental Entity.

3.7 Bylaws. The Board of Directors shall develop Bylaws to govern the operation of the Authority and its affairs.

3.8 Executive Director. The Authority shall employ an Executive Director who shall be responsible for the day-to-day activities of the Authority, including marketing an operation of the Center.

3.9 Integrated Marketing. The Authority shall coordinate marketing efforts for the Center with the marketing activities of the Columbia Metropolitan Convention and Visitors Bureau (the "Bureau") to promote an integrated marketing program that not only benefits the Center but that benefits all of the Governmental Entities so long as the marketing budget of the Bureau is maintained at no less than current levels.

3.10 Management Activities. The Authority shall have the power to enter into a management agreement with Richland County and serve in a management capacity for the Township Auditorium on such terms and conditions as mutually agreed between the Authority and Richland County from time to time. However, so long as the Bonds are outstanding, the Authority shall not be permitted to utilize any funds available to the Authority for the marketing, operation, repair, renovation or other expenses of the Township Auditorium except as specified in Section 9.1 below.

3.11 Annual Report/Annual Meeting. Within ninety (90) days after the close of each fiscal year of the Authority, a detailed financial and operational report shall be provided to each Governmental Entity by the Authority. The annual report shall review the performance of the Authority for the prior year and describe the anticipated activities to be undertaken during the upcoming year. In addition, within one hundred twenty (120) days after the end of the fiscal year, the Board of the Authority shall hold a meeting for the benefit of all the elected officials of the Governmental Entities who desire to attend. At this annual meeting, the Executive Director of the Authority, the Chair of the Board and the accountants for the Authority shall be available to review the annual report, answer questions from elected officials, and generally provide information regarding the ongoing operation of the Center.

3.12 Conversion to State-Authorized Authority. As soon as practicable, the Authority with the assistance of the Governmental Entities shall seek adoption of appropriate legislation by the State of South Carolina reorganizing the Authority as a governmental entity with the power to continue its activities as set forth in this Article 3. This legislation shall enable the Authority to receive the protection and benefits otherwise afforded to governmental entities.

#### ARTICLE 4

##### Use of Tourism Development Fees

4.1 Current Escrow Arrangements. Each of the Governmental Entities has separately escrowed all Tourism Development Fees collected since collection of the Tourism Development Fees began. As of the date of this Funding Agreement, each of the Governmental Entities has on hand Tourism Development Fees in excess of \$2,500,000. Until the Closing, each of the Governmental Entities shall continue to collect and reserve Tourism Development Fees in the same manner.

4.2 Assistance Payments. Each Governmental Entity agrees that in conjunction with commencement of construction by the University, such Governmental Entity shall transfer \$2,500,000 of its respective Tourism Development Fees to the University to fund the aggregate \$7,500,000 in Assistance Payments.

4.2.1 Refund. As a prerequisite to the funding of the Assistance Payments, the University shall commit to the Governmental Entities to refund all Assistance Payments

in the event the University discontinues its efforts to construct the Arena. This provision shall not apply to temporary delays caused by matters beyond the reasonable control of the University so long as reasonable commercial efforts are being made to proceed with construction.

4.3 Escrow Account. In conjunction with the Closing, a separate escrow account (the "Escrow Account") shall be established pursuant to the Project Documents and all Governmental Entities shall deposit into this Escrow Account all of the Tourism Development Fees collected and reserved in accordance with Section 4.1 above, excluding Assistance Payments made in accordance with Section 4.2 above. Upon receipt, all funds in the Escrow Account shall be applied in accordance with the Project Documents.

4.4 Pledge of Future Tourism Development Fees. In conjunction with the Closing, each of the Governmental Entities shall execute such documents and instruments as may be reasonably required to pledge and assign all future collections of Tourism Development Fees to the trustee of the Bonds to assure the availability of such funds for payment of the Bonds.

4.5 Limitation on Pledge of Tourism Development Fees. Anything to the contrary contained herein notwithstanding, the Bonds shall have a maturity of no longer than twenty (20) years and upon payment in full, the obligations of Lexington and Richland to apply their respective Tourism Development Fees to the Center shall terminate.

#### ARTICLE 5 Limitations

5.1 Sole Obligation of Lexington and Richland. Anything to the contrary contained in this Funding Agreement, notwithstanding, Lexington and Richland shall have no financial obligation or liability with respect to the Bonds, the Center or the Project whatsoever except to cause all Tourism Development Fees collected to be applied first to the Assistance Payments and then as provided in the Project Documents, and Lexington and Richland shall have no financial obligations whatsoever for the Center except to the extent of Tourism Development Fees collected in their respective jurisdictions.

#### ARTICLE 6 Financial Matters

6.1 Application of Tourism Development Fees. The use of all Tourism Development Fees shall be specified in the Project Documents. However, until the Center commences operations, all Tourism Development Fees will be deposited in the Construction Fund. Once the Center opens, Tourism Development Fees shall generally be applied as follows:

- (i) first, Tourism Development Fees received shall be applied to amounts due and owing with respect to the Bonds;

(ii) next, Tourism Development Fees shall fund payments to Replacement Reserves requirement by the Bond Documents and/or the Project Documents;

(iii) next, Tourism Development Fees shall be applied to fund Marketing Costs until the annual amount shown in the then current Operating Budget has been funded;

(iv) next, Tourism Development Fees which remain shall fund ~~Operating Costs~~ in excess of operating revenues; and

(v) ~~next~~ finally, Tourism Development Fees shall be deposited in reserve accounts reasonably established by the Authority for future ~~Operating Costs~~ and capital expenditures not funded by the Replacement Reserves; and

(vi) ~~finally, to the extent any.~~

6.2 Surplus. To the extent the Board determines that a surplus exists in funds of the Authority after making allowances for all obligations of the Authority and the needs of the Authority for the future operation, maintenance, repair, replacement and expansion of the Center, the surplus shall be distributed to the three Governmental Entities in proportion to the Tourism Development Fees ~~remain, such funds shall be utilized to reimburse the City for Advances without interest.~~

~~6.2~~ contributed by the three Governmental Entities as of the date of each distribution.

6.3 Limitation on Bonds. The Bonds to be issued to finance development, construction and start up of the Center shall not exceed \$36,000,000 (or such higher amount as may reasonably be amortized by Tourism Development Fees) unless the prior written consent of each Governmental Entity is obtained.

6.34 Issuer of the Bonds. The City shall issue the Bonds solely in its name. Other than the pledges and assignments of Tourism Development Fees called for by this Funding Agreement, neither Lexington nor Richland shall have any responsibility or obligation with respect to the Bonds, nor shall either of such entities be otherwise named as or deemed to be issuers of such Bonds.

6.45 Bond Insurance. The City shall be the only Governmental Entity which may incur any liability or obligation for Bond Insurance should the same be required for the issuance of the Bonds.

6.56 Advances Additional Funding. To the extent that additional funds are ever required to make payments with respect to Bonds and/or fund ~~Operating Costs~~, the City acknowledges that neither Lexington nor Richland shall have any further responsibility or obligation and the City shall be solely responsible to locate sources of funds to supplement revenues from the Center and make required payments. ~~All amounts so advanced by the City shall constitute Advances under the terms of this Funding Agreement.~~

ARTICLE 7  
Development of the Project and the Center

7.1 Authorization to Proceed. Based upon the commitments of the Governmental Entities set forth above and the limitations placed upon any further obligations of the Governmental Entities, the City may proceed with development of the Center.

7.2 Approval of Project Documents. It is contemplated that the Governmental Entities and the University will enter into various Project Documents including various documents with the University related to the development of the Arena and Bond Documents to be prepared to finance the development and construction of the Center. The City shall proceed to cause all Project Documents to be generated in an appropriate manner and submitted to Lexington and Richland for their approval, with such approval not to be unreasonably withheld. Thereafter, the City shall proceed with the issuance of the Bonds and the City and the Authority shall undertake all matters required for the development of the Center in accordance with the Project Documents.

ARTICLE 8  
Conduct

8.1 General Standard. The Governmental Entities and the Authority agree to act reasonably, diligently and in good faith to approval all matters required to promote the development of the Center in accordance with good real estate development practices.

8.2 Facility Size. The Governmental Entities acknowledge that the general size of the Center shall be as set forth in Exhibit A. No material increase in the size of the Center shall be undertaken unless the prior written consent of the Governmental Entities is obtained.

8.3 Hotel Development. While the Governmental Entities recognize that hotel development may become part of the Center, no portion of the Tourism Development Fees shall be used directly or indirectly to fund such development. Any expenses associated with the hotel component shall be funded solely through resources not involving the Tourism Development Fees. Irrespective of the foregoing, this Section shall not apply to site design costs, parking design costs or designs for connectors so that the hotel may be properly placed adjacent to the Center when developed.

ARTICLE 9  
Marketing of Township Auditorium

9.1 Marketing Services. The Authority will actively market the Township Auditorium as part of the sales efforts for the Center.

9.2 Charges. No additional charge shall be made for such marketing provided by the Authority except for all actual expenses associated with the preparation of advertising materials, which expenses shall be borne by the Township Auditorium.

**ARTICLE 10**  
**Miscellaneous**

10.1 Compliance with Laws. All Parties shall undertake all activities required under the terms of this Funding Agreement in compliance with all applicable governmental requirements.

10.2 No Third Party Beneficiaries. Only the Governmental Entities and the Authority shall be entitled to enforce the provisions of this Agreement and no other party shall be deemed a third-party beneficiary or have any standing to enforce any provision or have any standing to enforce any provision of this Agreement.

10.3 Assignment. This Funding Agreement is not assignable by any party.

10.4 Notices. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile) and shall be given

If to Lexington:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

With a copy to:

\_\_\_\_\_  
\_\_\_\_\_

If to Richland:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

With a copy to:

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If to the City:

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With a copy to:

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or such other address or facsimile number as such party may hereafter specify for such purpose by notice to the other party to this Funding Agreement. Each such notice, request or other communication shall be effective (i) if given by facsimile transmission, when such facsimile is transmitted to the facsimile number specified in this Section 10.5 and the appropriate confirmation is received, or (ii) if given by any other means, when delivered at the address specified in this Section 10.4.

10.5 Severability. If any term or provision of this Funding Agreement or the application thereof is invalid, illegal or incapable of being enforced by any rule of law, or public policy, all other provisions of this Funding Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the agreements contained herein is not affected in any manner adverse to any party. Upon such determination that any provision or the application thereof is invalid, illegal or unenforceable, the Governmental Entities hereto shall negotiate in good faith to modify this Funding Agreement so as to effect the original intent of the Governmental Entities as closely as possible in a mutually acceptable manner in order that the agreements contained herein may be performed as originally contemplated to the fullest extent possible.

10.6 Litigation Costs. In the event of any litigation related to the construction or enforcement of the provisions of this Funding Agreement, the prevailing party in such litigation shall be entitled to recover from the non-prevailing party(ies) its reasonable attorney's fees and expenses.

10.7 Governing Law. This Funding Agreement shall be construed under and governed by the law of the State of South Carolina.

10.8 Headings. The headings in this Funding Agreement are for the convenience of reference only and shall not affect the meaning or interpretation of this Funding Agreement.

10.9 Amendments. This Funding Agreement may only be amended by a writing executed by all the Parties hereto.

10.10 Entire Agreement. This Funding Agreement, including the Schedules and Exhibits to this Funding Agreement constitute the entire agreement of the Governmental Entities with respect to the subject matter hereof and thereof and supersede all prior agreements and undertakings, both written and oral, with respect to the subject matter hereof and thereof.

**IN WITNESS WHEREOF**, the Governmental Entities hereto have executed this Funding Agreement as of the date first set forth above.

**THE COUNTY OF LEXINGTON, SOUTH CAROLINA**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**THE COUNTY OF RICHLAND, SOUTH CAROLINA**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**THE CITY OF COLUMBIA, SOUTH CAROLINA**

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A**

**Description of Conference/Convention Center**

NPCOL1:442152.5-CA-(EGM) 017811-00010

## EXHIBIT B

### Definitions

"Arena" means the proposed arena to be owned and operated by the University of South Carolina.

"Bonds" means the special revenue bonds or certificates of participation related to a lease/purchase transaction issued by the City of Columbia to finance the construction of the Center, which bonds or certificates of participation shall be retired utilizing the Tourism Development Fees.

"Center" means the multipurpose convention/conference center generally described in Exhibit A attached hereto.

"City" means the City of Columbia, South Carolina.

"Closing" means the date upon which the Bonds are issued by the City.

"Escrow Account" means the escrow account created to retain Tourism Development Fees in accordance with this Funding Agreement.

"Governmental Entities" means Lexington, Richland, and the City.

"Lexington" means Lexington County, South Carolina.

"Marketing Costs" means the marketing costs shown in the applicable Operating Budget.

"Operating Budget" means the annual operating budget adopted by the Board of the Authority for each fiscal year.

"Project" means the Arena, the Center and the adjacent parking areas.

"Project Agreement" means the Project Agreement to be entered into between the University and the Governmental Entities regarding the Project.

"Project Documents" means the overall documents which will be prepared which will be to govern the relations of all the parties involved in the Project.

"Replacement Reserve" means the replacement reserve shown in the applicable Operating Budget.

"Richland" means Richland County, South Carolina.

"Site" means the entire acreage required for the Center.

"TIF Financing" means the tax increment financing anticipated to be made available for the financing of the acquisition of the Site.

"Tourism Development Fees" means the special tourism development fees collected since January 1, 1997 by the Governmental Entities.

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"University" means the University of South Carolina.

NPCOL1:442152.5-CA-(EGM) 017611-00010

**EXHIBIT C**

Articles of Incorporation

[To be Included]

**GOVERNMENTAL ENTITIES FUNDING AGREEMENT**

THIS GOVERNMENTAL ENTITIES FUNDING AGREEMENT (this "Funding Agreement"), made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 200\_, by, between and among LEXINGTON COUNTY, SOUTH CAROLINA ("Lexington"), RICHLAND COUNTY, SOUTH CAROLINA ("Richland") and the CITY OF COLUMBIA, SOUTH CAROLINA (the "City") ( Lexington, Richland and the City collectively, the "Governmental Entities").

**BACKGROUND**

The Governmental Entities have adopted ordinances related to the collection of tourism development fees (the "Tourism Development Fees") equal to three percent (3%) of all lodging charges collected within their respective jurisdictions. The Governmental Entities deem it appropriate at this time to enter into an agreement to utilize all use of the Tourism Development Fees for the development of a multipurpose conference/convention facility which is described in Exhibit A attached hereto (the "Center") having a present estimated total cost of approximately \$36,000,000.

NOW, THEREFORE, in consideration of the mutual covenants hereafter contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Governmental Entities, intending to be legally bound, do hereby agree as follows:

**ARTICLE 1**  
**Definitions**

1.1 Definitions. All capitalized terms, unless otherwise defined herein, shall have the respective meanings set forth in Exhibit B attached hereto.

**ARTICLE 2**  
**Purposes**

2.1 Primary Purposes. The primary purposes of this Funding Agreement are:

- (i) to organize the [Midlands Regional Convention Center] Authority (the "Authority") as a non-profit corporation (in which the sole members shall be the Governmental Entities) to oversee development of the Center and operate the Center;
- (ii) to commit the initial Tourism Development Fees collected by the Governmental Entities to make the Assistance Payments to the University as an inducement for the University to construct the Arena adjacent to the Center; and

(iii) to pledge all remaining Tourism Development Fees collected by the Governmental Entities for use in development and operation of the Center until the Bonds are paid in full.

2.2 Proceeding with the Project. This Funding Agreement shall also evidence the authorization of Authority to proceed with develop<sup>ment of</sup> the Project, subject to the limitations set forth herein and to be set forth in the Project Documents.

### ARTICLE 3 The Authority

3.1 Responsibility. The Authority shall be responsible for developing an overall development plan for the Center, including site location, facilities, design, budgets, financing, construction, management, operation, marketing, debt service, reserves, and capital improvements.

3.1.1 Construction Fund. The Authority shall work directly with the City to devise a financing plan for the Center which will create a Construction Fund funded with up to \$36,000,000 (or such higher amount as described in Section 6.2) in proceeds from the sale of Bonds plus Tourism Development Fees in excess of the Assistance Payments, with all such funds to be utilized for the development, construction, fixtures, furnishings and equipment, pre-opening expenses of the Center, any payment owing due on the Bonds and working capital to commence operations.

*sub-board meeting*  
3.1.2 Construction. The Authority will cooperate with the City to establish specified procedures for construction of the Center utilizing the Construction Fund to pay for all costs associated therewith, with the construction phase of the development ~~will be~~ governed by a separate agreement regarding the same entered into between the Authority and the City.

3.1.3 Operations. Once the Center is open, the Authority will be responsible to market, operate, and maintain the Center for the benefit of the Governmental Entities.

3.1.4 Lease of Site. Subject to the terms of the Bonds and the TIF, the Authority will lease the site for the Center for a term of 99 years for \$1 per year. *conflict*

3.1.5 Ownership of the Center. The Center shall be deemed owned by the Authority for the benefit of the Governmental Entities upon the retirement of the Bonds.

3.2 Limitations. The Authority shall have no ability to directly or indirectly obligate any Governmental Entity to provide any funds or incur any financial obligation except for the remittance of Tourism Development Fees as collected by each Governmental Entity.

3.2.1 Obligations of the City. The City recognizes that financial obligations may be incurred by the City related to providing credit enhancement for the Bonds and/or funding of Operating Costs, but specifies that all such obligations shall be incurred separately by the City through express written instruments as determined in the sole and absolute discretion of the City.

3.2.2 No Further Obligation of Lexington or Richland. In no event whatsoever shall Lexington or Richland be called upon to provide any funding for the Center except for their respective Tourism Development Fees.

3.3 Organization. The Authority shall be organized as a South Carolina non-profit corporation under the laws of the State of South Carolina in accordance with the Articles of Incorporation attached hereto as Exhibit C.

3.4 Sole Members. The sole Members of the Authority shall be the Governmental Entities. The Members shall each have one vote on all matters requiring the vote of the Members.

3.5 Board of Directors. The Board of Directors of the Authority shall consist of nine (9) Directors. Each Member shall be entitled to appoint two (2) directors from time to time, with the City entitled to appoint an additional three (3) Directors as a result of the City's additional financial exposure with respect to the Bonds *and to any operating deficit (costs)*

3.5.1 Qualifications. At least one Director appointed by each Governmental Entity shall be employed in the hospitality industry so there will be at least three Directors of the Authority to provide input on issues related to the hospitality industry. All Directors shall have substantive business experience and subject to removal by the Board for failure to attend a specified number of meetings annually.

3.6 Advisory Directors. The Chief Administrator or Manager of each Governmental Entity shall be deemed an Advisory Director of the Authority, entitled to attend and participate in all meetings of the Board of Directors as advisors to the Board. Until the Center is complete and open for operations, the chief attorney for each Governmental Entity shall also be deemed an Advisory Director entitled to attend and participate in all meetings of the Board of Directors if and to the extent requested by their respective Governmental Entity.

3.7 Bylaws. The Board of Directors shall develop Bylaws to govern the operation of the Authority and its affairs.

3.8 Executive Director. The Authority shall employ an Executive Director who shall be responsible for the day-to-day activities of the Authority, including marketing an operation of the Center.

3.9 Integrated Marketing. The Authority shall coordinate marketing efforts for the Center with the marketing activities of the Columbia Metropolitan Convention and Visitors Bureau (the "Bureau") to promote an integrated marketing program that not only benefits the Center but that benefits all of the Governmental Entities so long as the marketing budget of the Bureau is maintained at no less than current levels.

*Define*

ARTICLE 4  
Use of Tourism Development Fees

4.1 Current Escrow Arrangements. Each of the Governmental Entities has separately escrowed all Tourism Development Fees collected since collection of the Tourism Development Fees began. As of the date of this Funding Agreement, each of the Governmental Entities has on hand Tourism Development Fees in excess of \$2,500,000. Until the Closing, each of the Governmental Entities shall continue to collect and reserve Tourism Development Fees in the same manner.

4.2 Assistance Payments. Each Governmental Entity agrees that in conjunction with commencement of construction by the University, such Governmental Entity shall transfer \$2,500,000 of its respective Tourism Development Fees to the University to fund the aggregate \$7,500,000 in Assistance Payments.

*the total*

4.2.1 Refund. As a prerequisite to the funding of the Assistance Payments, the University shall commit to the Governmental Entities to refund all Assistance Payments in the event the University discontinues its efforts to construct the Arena. This provision shall not apply to temporary delays caused by matters beyond the reasonable control of the University so long as reasonable commercial efforts are being made to proceed with construction.

4.3 Escrow Account. In conjunction with the Closing, a separate escrow account (the "Escrow Account") shall be established pursuant to the Project Documents and all Governmental Entities shall deposit into this Escrow Account all of the Tourism Development Fees collected and reserved in accordance with Section 4.1 above, excluding Assistance Payments made in accordance with Section 4.2 above. Upon receipt, all funds in the Escrow Account shall be applied in accordance with the Project Documents. *work accountability*

4.4 Pledge of Future Tourism Development Fees. In conjunction with the Closing, each of the Governmental Entities shall execute such documents and instruments as may be reasonably required to pledge and assign all future collections of Tourism Development Fees to the trustee of the Bonds to assure the availability of such funds for payment of the Bonds.

4.5 Limitation on Pledge of Tourism Development Fees. Anything to the contrary contained herein notwithstanding, the Bonds shall have a maturity of no longer than 20 years and upon payment in full, the obligations of Lexington and Richland to apply their respective Tourism Development Fees to the Center shall terminate. *(Consider growth in Fees over years)*

ARTICLE 5  
Limitations

5.1 Sole Obligation of Lexington and Richland. Anything to the contrary contained in this Funding Agreement, notwithstanding, Lexington and Richland shall have no financial obligation or liability with respect to the Bonds, the Center or the Project whatsoever except to cause all Tourism Development Fees collected to be applied first to the Assistance Payments and then as provided in

the Project Documents, and Lexington and Richland shall have no financial obligations whatsoever for the Center except to the extent of Tourism Development Fees collected in their respective jurisdictions.

ARTICLE 6  
Financial Matters

6.1 Application of Tourism Development Fees. The use of all Tourism Development Fees shall be specified in the Project Documents. However, until the Center commences operations, all Tourism Development Fees will be deposited in the Construction Fund. Once the Center opens, Tourism Development Fees shall generally be applied as follows:

- (i) first, Tourism Development Fees received shall be applied to amounts due and owing with respect to the Bonds;
- (ii) next, Tourism Development Fees shall fund payments to Replacement Reserves requirement by the Bond Documents and/or the Project Documents;
- (iii) next, Tourism Development Fees shall be applied to fund Marketing Costs until the annual amount shown in the then current Operating Budget has been funded;
- (iv) next, Tourism Development Fees which remain shall fund Operating Costs;
- (v) next, Tourism Development Fees shall be deposited in reserve accounts reasonably established by the Authority for future Operating Costs and capital expenditures not funded by the Replacement Reserves; and
- (vi) finally, to the extent any Tourism Development Fees remain, such funds shall be utilized to reimburse the City for Advances without interest.

6.2 Limitation on Bonds. The Bonds to be issued to finance development, construction and start up of the Center shall not exceed \$36,000,000 (or such higher amount as may reasonably be amortized by Tourism Development Fees) unless the prior written consent of each Governmental Entity is obtained.

6.3 Issuer of the Bonds. The City shall issue the Bonds solely in its name. Other than the pledges and assignments of Tourism Development Fees called for by this Funding Agreement, neither Lexington nor Richland shall have any responsibility or obligation with respect to the Bonds, nor shall either of such entities be otherwise named as or deemed to be issuers of such Bonds.

6.4 Bond Insurance. The City shall be the only Governmental Entity which may incur any liability or obligation for Bond Insurance should the same be required for the issuance of the Bonds.

6.5 Advances. To the extent that additional funds are ever required to make payments with respect to Bonds and/or fund Operating Costs, the City acknowledges that neither Lexington nor

Richland shall have any further responsibility or obligation and the City shall be solely responsible to locate sources of funds to supplement revenues from the Center and make required payments. All amounts so advanced by the City shall constitute Advances under the terms of this Funding Agreement.

#### ARTICLE 7

##### Development of the Project and the Center

7.1 Authorization to Proceed. Based upon the commitments of the Governmental Entities set forth above and the limitations placed upon any further obligations of the Governmental Entities, the City may proceed with development of the Center.

7.2 Approval of Project Documents. It is contemplated that the Governmental Entities and the University will enter into various Project Documents including various documents with the University related to the development of the Arena and Bond Documents to be prepared to finance the development and construction of the Center. The City shall proceed to cause all Project Documents to be generated in an appropriate manner and submitted to Lexington and Richland for their approval, with such approval not to be unreasonably withheld. Thereafter, the City shall proceed with the issuance of the Bonds and the City and the Authority shall undertake all matters required for the development of the Center in accordance with the Project Documents.

#### ARTICLE 8

##### Conduct

8.1 General Standard. The Governmental Entities and the Authority agree to act reasonably, diligently and in good faith to <sup>of</sup>approval all matters required to promote the development of the Center in accordance with good real estate development practices.

8.2 Facility Size. The Governmental Entities acknowledge that the general size of the Center shall be as set forth in Exhibit A. No material increase in the size of the Center shall be undertaken unless the prior written consent of the Governmental Entities is obtained.

8.3 Hotel Development. While the Governmental Entities recognize that hotel development may become part of the Center, no portion of the Tourism Development Fees shall be used directly or indirectly to fund such development. Any expenses associated with the hotel component shall be funded solely through resources not involving the Tourism Development Fees. Irrespective of the foregoing, this Section shall not apply to site design costs, parking design costs or designs for connectors so that the hotel may be properly placed adjacent to the Center when developed.

#### ARTICLE 9

##### Marketing of Township Auditorium

9.1 Marketing Services. The Authority will actively market the Township Auditorium as part of the sales efforts for the Center.

9.2 Charges. No additional charge shall be made for such marketing provided by the Authority except for all actual expenses associated with the preparation of advertising materials, which expenses shall be borne by the Township Auditorium.

ARTICLE 10  
Miscellaneous

10.1 Compliance with Laws. All Parties shall undertake all activities required under the terms of this Funding Agreement in compliance with all applicable governmental requirements.

10.2 No Third Party Beneficiaries. Only the Governmental Entities and the Authority shall be entitled to enforce the provisions of this Agreement and no other party shall be deemed a third-party beneficiary or have any standing to enforce any provision or have any standing to enforce any provision of this Agreement.

10.3 Assignment. This Funding Agreement is not assignable by any party.

10.4 Notices. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile) and shall be given

If to Lexington:

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With a copy to:

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If to Richland:

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With a copy to:

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If to the City:

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With a copy to :

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or such other address or facsimile number as such party may hereafter specify for such purpose by notice to the other party to this Funding Agreement. Each such notice, request or other communication shall be effective (i) if given by facsimile transmission, when such facsimile is transmitted to the facsimile number specified in this Section 10.5 and the appropriate confirmation is received, or (ii) if given by any other means, when delivered at the address specified in this Section 10.4.

10.5 Severability. If any term or provision of this Funding Agreement or the application thereof is invalid, illegal or incapable of being enforced by any rule of law, or public policy, all other provisions of this Funding Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the agreements contained herein is not affected in any manner adverse to any party. Upon such determination that any provision or the application thereof is invalid, illegal or unenforceable, the Governmental Entities hereto shall negotiate in good faith to modify this Funding Agreement so as to effect the original intent of the Governmental Entities as closely as possible in a mutually acceptable manner in order that the agreements contained herein may be performed as originally contemplated to the fullest extent possible.

10.6 Litigation Costs. In the event of any litigation related to the construction or enforcement of the provisions of this Funding Agreement, the prevailing party in such litigation shall be entitled to recover from the non-prevailing party(ies) its reasonable attorney's fees and expenses.

10.7 Governing Law. This Funding Agreement shall be construed under and governed by the law of the State of South Carolina.

10.8 Headings. The headings in this Funding Agreement are for the convenience of reference only and shall not affect the meaning or interpretation of this Funding Agreement.

10.9 Amendments. This Funding Agreement may only be amended by a writing executed by all the Parties hereto.

10.10 Entire Agreement. This Funding Agreement, including the Schedules and Exhibits to this Funding Agreement constitute the entire agreement of the Governmental Entities with respect to the subject matter hereof and thereof and supersede all prior agreements and undertakings, both written and oral, with respect to the subject matter hereof and thereof.

**IN WITNESS WHEREOF**, the Governmental Entities hereto have executed this Funding Agreement as of the date first set forth above.

THE COUNTY OF LEXINGTON, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

THE COUNTY OF RICHLAND, SOUTH CAROLINA

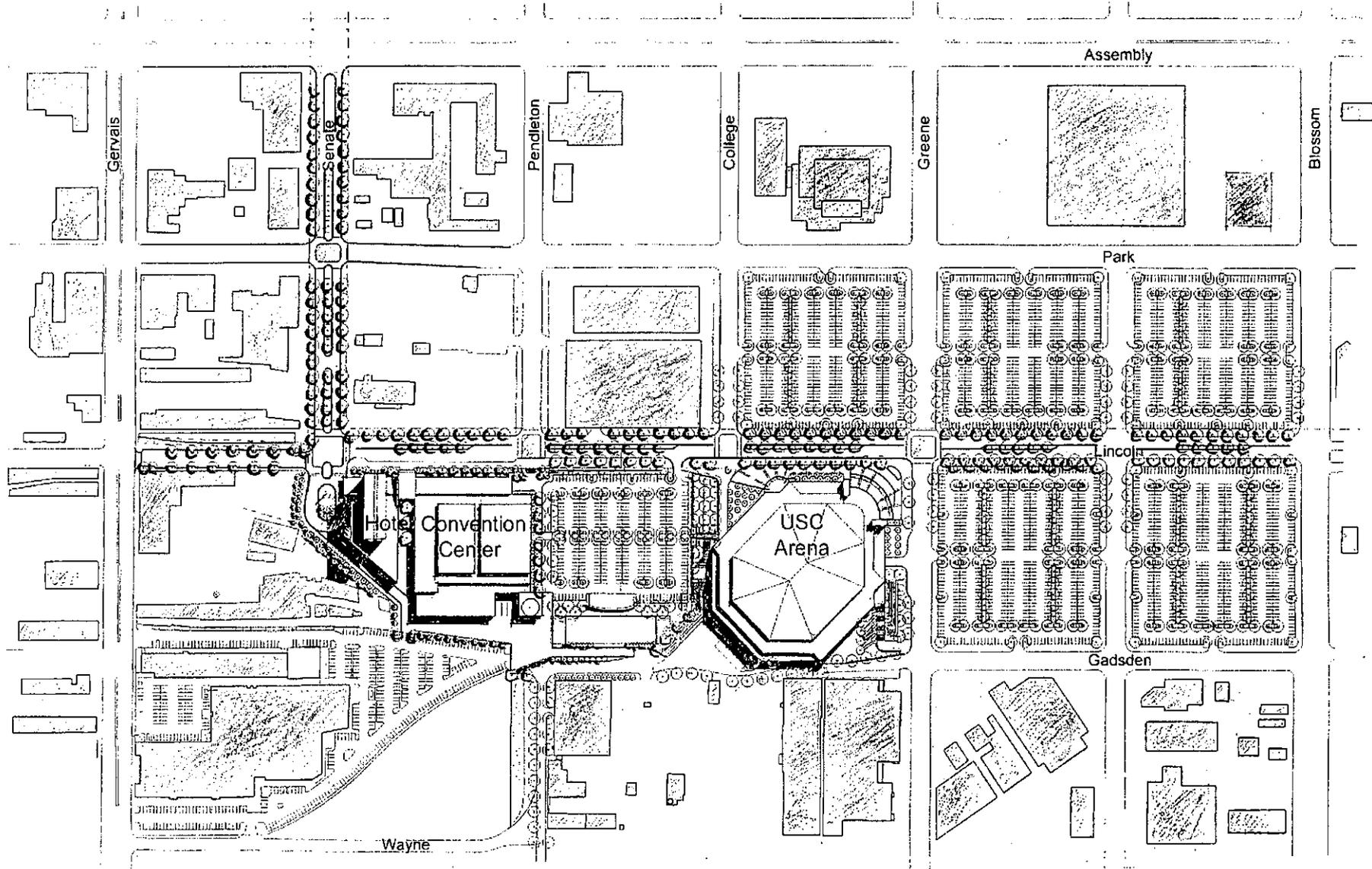
By: \_\_\_\_\_  
Title: \_\_\_\_\_

THE CITY OF COLUMBIA, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A**

Description of Conference/Convention Center



MIDLANDS REGIONAL CONVENTION CENTER and HOTEL

MASTERPLAN



October 31, 2000

# CONVENTION CENTER BUDGET ESTIMATE

ASSUME DESIGN BEGINS NOVEMBER 2000 and CONSTRUCTION BEGINS MARCH 2002

A. BUILDING HARD CONSTRUCTION COST: 130,500 SF @ \$171.50/SF (Year 2000 Dollars)	\$22,400,000
B. SITEWORK ALLOWANCE (Arrival plaza, truck apron, on-site surface parking, etc.)	\$1,600,000
C. ESCALATION (To Midpoint of Construction)(5% of A and B per year to 2002)	\$2,400,000
D. ESTIMATE OF CONSTRUCTION COST (A + B + C)(2002 Dollars)	\$26,400,000
E. CONSTRUCTION CONTINGENCY (5% of D)	\$1,300,000
F. ESTIMATE OF PROJECT SOFT COST (in 2002 Dollars)	
Land Acquisition Cost, Demolition, Remediation	\$0
Public Art Fund	\$0
Furniture, Fixtures, and Equipment Budget and Fee (6% of D)	\$1,600,000
Telecommunications and Computer System Allowance (2% of D)	\$525,000
Smallwares, Banquetwares, and Loose Food Service Equipment (1.5% of D)	\$400,000
Surveys, Testing and Permits (1% of D)	\$250,000
Professional and Special Consultant fees (8.5% of D)	\$2,250,000
Reimbursable Expenses Allowance (1% of D)	\$250,000
Construction Management Fee	\$1,000,000
Owner Project Administration Expenses	\$0
<b>SUB-TOTAL PROJECT SOFT COSTS</b>	<b>\$6,275,000</b>
G. OWNER'S PROJECT CONTINGENCY (7.5% of D)	\$2,000,000
H. TOTAL ESTIMATED PROJECT COSTS (D+E+F+G)(2002 DOLLARS)	\$35,975,000

**Note:** The project costs shown do not include legal fees, taxes, financing or marketing costs. This estimate does not include cost for street and utility improvements, the hotel project or hotel parking. This Estimate of Probable Construction cost is based only on historical data.

Midlands Regional Convention Center

# OWNER'S BUILDING PROGRAM

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**NET to GROSS RATIO: 58,000 SF Net = 130,500 GSF**

<b>Exhibit Hall</b> Typical exhibit space. May not be divisible. Link to Ballroom.	25,000 SF
<b>Ballroom</b> Divisible into several rooms; highest quality space. Seats 1200.	18,000 SF
<b>Meeting Rooms</b> Possibly three permanent rooms and up to ten divisions.	15,000 SF
<b>Public Circulation</b> Lobbies, Registration Area, Prefunction and Circulation space.	25,000 SF
<b>Service / Support</b> Restrooms, Show Manager Offices, Dressing Rooms, Exit Stairs, Truck Dock, Storage, Housekeeping / Maintenance areas, Mechanical and Electrical Rooms, as well as Back-of-House Circulation.	38,000 SF
<b>Food Service</b> Full Banquet Kitchen, Dock, Storage, and Trash Rooms.	7,500 SF
<b>Administration Offices</b>	2,000 SF
<b>Total Square Footage (Enclosed Building Space)</b>	<b>130,500 GSF</b>

**Additional Exterior Space Requirements**

Truck Service Apron and Truck Ramp  
Outdoor Terrace / Prefunction  
Drop-off / Arrival Plaza  
Surface Parking for 300 Cars

**Midlands Regional Convention Center**

# MIDLANDS REGIONAL CONVENTION CENTER

October 26, 2000

## DEFINITIONS

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The following definitions have been developed to help clarify the meaning of terms used relative to Program and Budget information for the new center.

1. **LEASABLE SPACE** – Those rooms or spaces in the Center that are leased for conventions, shows, or events, typically including exhibit halls, meeting rooms, and ballroom(s).
2. **SUPPORT SPACE** – In a general sense, all space in the Center that is not typically leased. This includes public circulation areas (lobbies, registration, prefunction, and concourses) and all of the many back-of-house spaces, such as storage, docks, kitchens, offices, toilets, box office, first aid, mechanical, and electrical spaces, etc. *(In a specific sense, support space is a sub-category of space that is not a leasable space or public circulation or pure back-of-house space, but may be accessed by the public – such as, toilets, box office, first aid, etc. This is clearly explained in our Building Program Document)*
3. **SUPPORT SPACE RATIO** – The ratio of square feet for leasable space to support space. A typical ratio for an efficient center is 1 : 1.25 – or for every one square foot of leasable space, 1.25 square feet of support space is needed. Thus, if we desire 58,000 SF of leasable area, we need 72,500 SF of support space.
4. **BUILDING HARD CONSTRUCTION COST** – That portion of a project's cost directly related to the construction of the building itself – for example, it does not include land, sitework, fees, furniture, portable equipment, infrastructure improvements, or contingencies. During the design phases, the dollar value is calculated in today's dollars and then may be escalated to the time of construction (see Escalation to Mid Point of Construction).
5. **SITWORK ALLOWANCE** – Costs associated with on-site improvements around the building, such as plazas, terraces, driveways, truck service yards, surface parking, landscaping, etc.

6. **ESCALATION TO MID POINT OF CONSTRUCTION** – The best prediction of the cost estimator to anticipate the escalating cost of materials and labor from today (when prices and costs are known) to the mid point of construction (when the contractor will complete the “buy out” of the project). Escalation rates are tied to the construction industry and often exceed the rate of economic inflation.
7. **CONSTRUCTION COST PER SQUARE FOOT** – In general, this is the average cost of construction per square foot of enclosed space. This is a useful method of developing a budget prior to the start of design. It is based on many factors including the anticipated level of quality (design, construction systems, technical systems, exterior and interior finishes, etc.) *Caution: There can be many variations to this number depending on what is included in the “construction cost” – just the building or sitework, contingencies, FF&E, escalation, etc. also.*
8. **CONSTRUCTION CONTINGENCY** – An Owner controlled contingency to cover changes in the project during construction. *The changes may be for Owner enhancements, rulings by code official after bid, unforeseeable existing conditions, design clarifications with unavoidable costs, design clarifications with costs that might have been avoided. This contingency is based, in part, on the principle that the drawings and specifications are not perfect. TVS recommends a construction contingency of 5% of the construction cost. This is not the contingency held by the contractor or construction manager.*
9. **PROJECT SOFT COST** – Soft costs are all costs not directly associated with permanent construction (i.e., the building and sitework), but that are essential for the completion of a project. These costs vary from project to project and may include such costs as land, fees, furniture, public art funds, surveys, testing, permits and administrative expenses.
10. **OWNER'S PROJECT CONTINGENCY** – This is a special contingency held by the Owner to help avoid the project being derailed by an unforeseen problem or to allow the Owner to take advantage of a surprise opportunity. It is not a required contingency, but we recommend it be set aside to protect the viability of the project.
11. **CONSTRUCTION MANAGEMENT FEE** – Fees to engage the services of a firm to assist the Owner in managing the construction process, typically used for a large, complex, fast-track project with multiple bid packages.

Government Entities Funding Agmt.  
(Convention Center Project File)

## EXHIBIT B

### Definitions

"Arena" means the proposed arena to be owned and operated by the University of South Carolina.

"Bonds" means the special revenue bonds or certificates of participation related to a lease/purchase transaction issued by the City of Columbia to finance the construction of the Center, which bonds or certificates of participation shall be retired utilizing the Tourism Development Fees.

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"TIF Financing" means the tax increment financing anticipated to be made available for the financing of the acquisition of the Site.

"Tourism Development Fees" means the special tourism development fees collected since January 1, 1997 by the Governmental Entities.

"University" means the University of South Carolina.

**EXHIBIT C**

Articles of Incorporation

[To be Included]

06/15/00

**MEMORANDUM**

**TO:** Persons on the Attached List

**FROM:** Edward G. Menzie

**RE:** Convention Center

**DATE:** January 9, 2001

At Bill Dukes' request, we enclose for your review a copy of the revised Governmental Funding Agreement, which incorporates suggestions made by each of the Governmental Entities. Also enclosed is a blacklined copy showing the changes made from the prior draft. Copies of the enclosures have already been provided to the administrators and attorneys for all the entities.

Mr. Dukes and I have tried very hard to handle all the issues raised in an appropriate manner and hope that the agreement is now in a form which may be approved by each entity.

/tjs

Mayor Bob Coble  
Frannie Heizer  
Johnnie Jeffcoat  
Bill Banning, Sr.  
Bruce Rucker  
John Carrigg  
Kit Smith  
~~Greg Pierce~~

**GOVERNMENTAL ENTITIES FUNDING AGREEMENT**

THIS GOVERNMENTAL ENTITIES FUNDING AGREEMENT (this "Funding Agreement"), made and entered into as of the \_\_\_\_ day of January, 2001, by, between and among LEXINGTON COUNTY, SOUTH CAROLINA ("Lexington"), RICHLAND COUNTY, SOUTH CAROLINA ("Richland") and the CITY OF COLUMBIA, SOUTH CAROLINA (the "City") (Lexington, Richland and the City collectively, the "Governmental Entities").

**BACKGROUND**

The Governmental Entities have adopted ordinances related to the collection of tourism development fees (the "Tourism Development Fees") equal to three percent (3%) of all lodging charges collected within their respective jurisdictions. The Governmental Entities deem it appropriate at this time to enter into an agreement to utilize all use of the Tourism Development Fees for the development of a multipurpose conference/convention facility which is described in Exhibit A attached hereto (the "Center") having a present estimated total cost of approximately \$36,000,000.

NOW, THEREFORE, in consideration of the mutual covenants hereafter contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Governmental Entities, intending to be legally bound, do hereby agree as follows:

**ARTICLE 1**

**Definitions**

1.1 Definitions. All capitalized terms, unless otherwise defined herein, shall have the respective meanings set forth in Exhibit B attached hereto.

**ARTICLE 2**

**Purposes**

2.1 Primary Purposes. The primary purposes of this Funding Agreement are:

- (i) to organize the [Midlands Regional Convention Center] Authority (the "Authority") (in which the sole members shall be the Governmental Entities) to oversee development of the Center and operate the Center;
- (ii) to commit the initial Tourism Development Fees collected by the Governmental Entities to make the Assistance Payments to the University as an inducement for the University to construct the Arena adjacent to the Center; and

- (iii) to pledge all remaining Tourism Development Fees collected by the Governmental Entities for use in development and operation of the Center until the Bonds are paid in full.

2.2 Proceeding with the Project. This Funding Agreement shall also evidence the authorization of Authority to proceed with develop the Project, subject to the limitations set forth herein and to be set forth in the Project Documents.

### ARTICLE 3 The Authority

3.1 Responsibility. The Authority shall be responsible for developing an overall development plan for the Center, including site location, facilities, design, budgets, financing, construction, management, operation, marketing, debt service, reserves, and capital improvements.

3.1.1 Construction Fund. The Authority shall work directly with the City to devise a financing plan for the Center which will create a Construction Fund funded with up to \$36,000,000 (or such higher amount as described in Section 6.2) in proceeds from the sale of Bonds plus Tourism Development Fees in excess of the Assistance Payments, with all such funds to be utilized for the development, construction, fixtures, furnishings and equipment, pre-opening expenses of the Center, any payment owing due on the Bonds and working capital to commence operations.

3.1.2 Construction. The Authority will cooperate with the City to establish specified procedures for construction of the Center utilizing the Construction Fund to pay for all costs associated therewith, with the construction phase of the development will be governed by a separate agreement regarding the same entered into between the Authority and the City.

3.1.3 Operations. Once the Center is open, the Authority will be responsible to market, operate, and maintain the Center for the benefit of the Governmental Entities.

3.1.4 Lease of Site. Subject to the terms of the Bonds and the TIF, the Authority will lease the Site for the Center for a term of ninety-nine (99) years for \$1 per year.

3.1.5 Ownership of the Center. The Authority shall have the option to purchase the Site for \$100.00 upon retirement of the Bonds. Upon such purchase, the Center shall be deemed owned by the Authority for the benefit of the Governmental Entities.

3.2 Limitations. The Authority shall have no ability to directly or indirectly obligate any Governmental Entity to provide any funds or incur any financial obligation except for the remittance of Tourism Development Fees as collected by each Governmental Entity.

3.2.1 Obligations of the City. The City recognizes that financial obligations may be incurred by the City related to providing credit enhancement for the Bonds and/or funding of operating costs, but specifies that all such obligations shall be incurred separately by the

City through express written instruments as determined in the sole and absolute discretion of the City.

3.2.2 No Further Obligation of Lexington or Richland. In no event whatsoever shall Lexington or Richland be called upon to provide any funding for the Center except for their respective Tourism Development Fees.

3.3 Organization. The Authority shall be initially organized as a South Carolina non-profit corporation under the laws of the State of South Carolina in accordance with the Articles of Incorporation attached hereto as Exhibit C, subject to Section 3.12 below.

3.4 Sole Members. The sole Members of the Authority shall be the Governmental Entities. The Members shall each have one vote on all matters requiring the vote of the Members.

3.5 Board of Directors. The Board of Directors of the Authority shall consist of nine (9) Directors. Each Member shall be entitled to appoint two (2) directors from time to time, with the City entitled to appoint an additional three (3) Directors as a result of the City's additional financial exposure with respect to the Bonds.

3.5.1 Qualifications. At least one Director appointed by each Governmental Entity shall be employed in the lodging industry so there will be at least three Directors of the Authority to provide input on issues related to the lodging industry. At least one additional Director appointed by the City shall be employed in the hospitality industry (meaning not only the lodging industry but as a broader category, the food and beverage industry and other related industries which benefit from tourism). All Directors shall have substantive business experience and subject to removal by the Board for failure to attend a specified number of meetings annually as specified in the Bylaws.

3.6 Advisory Directors. The Chief Administrator or Manager of each Governmental Entity shall be deemed an Advisory Director of the Authority, entitled to attend and participate in all meetings of the Board of Directors as advisors to the Board. Until the Center is complete and open for operations, the chief attorney for each Governmental Entity shall also be deemed an Advisory Director entitled to attend and participate in all meetings of the Board of Directors if and to the extent requested by their respective Governmental Entity.

3.7 Bylaws. The Board of Directors shall develop Bylaws to govern the operation of the Authority and its affairs.

3.8 Executive Director. The Authority shall employ an Executive Director who shall be responsible for the day-to-day activities of the Authority, including marketing an operation of the Center.

3.9 Integrated Marketing. The Authority shall coordinate marketing efforts for the Center with the marketing activities of the Columbia Metropolitan Convention and Visitors Bureau (the "Bureau") to promote an integrated marketing program that not only benefits the Center but that

benefits all of the Governmental Entities so long as the marketing budget of the Bureau is maintained at no less than current levels.

3.10 Management Activities. The Authority shall have the power to enter into a management agreement with Richland County and serve in a management capacity for the Township Auditorium on such terms and conditions as mutually agreed between the Authority and Richland County from time to time. However, so long as the Bonds are outstanding, the Authority shall not be permitted to utilize any funds available to the Authority for the marketing, operation, repair, renovation or other expenses of the Township Auditorium except as specified in Section 9.1 below.

3.11 Annual Report/Annual Meeting. Within ninety (90) days after the close of each fiscal year of the Authority, a detailed financial and operational report shall be provided to each Governmental Entity by the Authority. The annual report shall review the performance of the Authority for the prior year and describe the anticipated activities to be undertaken during the upcoming year. In addition, within one hundred twenty (120) days after the end of the fiscal year, the Board of the Authority shall hold a meeting for the benefit of all the elected officials of the Governmental Entities who desire to attend. At this annual meeting, the Executive Director of the Authority, the Chair of the Board and the accountants for the Authority shall be available to review the annual report, answer questions from elected officials, and generally provide information regarding the ongoing operation of the Center.

3.12 Conversion to State-Authorized Authority. As soon as practicable, the Authority with the assistance of the Governmental Entities shall seek adoption of appropriate legislation by the State of South Carolina reorganizing the Authority as a governmental entity with the power to continue its activities as set forth in this Article 3. This legislation shall enable the Authority to receive the protection and benefits otherwise afforded to governmental entities.

#### ARTICLE 4

##### Use of Tourism Development Fees

4.1 Current Escrow Arrangements. Each of the Governmental Entities has separately escrowed all Tourism Development Fees collected since collection of the Tourism Development Fees began. As of the date of this Funding Agreement, each of the Governmental Entities has on hand Tourism Development Fees in excess of \$2,500,000. Until the Closing, each of the Governmental Entities shall continue to collect and reserve Tourism Development Fees in the same manner.

4.2 Assistance Payments. Each Governmental Entity agrees that in conjunction with commencement of construction by the University, such Governmental Entity shall transfer \$2,500,000 of its respective Tourism Development Fees to the University to fund the aggregate \$7,500,000 in Assistance Payments.

4.2.1 Refund. As a prerequisite to the funding of the Assistance Payments, the University shall commit to the Governmental Entities to refund all Assistance Payments in the event the University discontinues its efforts to construct the Arena. This provision shall not apply to

temporary delays caused by matters beyond the reasonable control of the University so long as reasonable commercial efforts are being made to proceed with construction.

4.3 Escrow Account. In conjunction with the Closing, a separate escrow account (the "Escrow Account") shall be established pursuant to the Project Documents and all Governmental Entities shall deposit into this Escrow Account all of the Tourism Development Fees collected and reserved in accordance with Section 4.1 above, excluding Assistance Payments made in accordance with Section 4.2 above. Upon receipt, all funds in the Escrow Account shall be applied in accordance with the Project Documents.

4.4 Pledge of Future Tourism Development Fees. In conjunction with the Closing, each of the Governmental Entities shall execute such documents and instruments as may be reasonably required to pledge and assign all future collections of Tourism Development Fees to the trustee of the Bonds to assure the availability of such funds for payment of the Bonds.

4.5 Limitation on Pledge of Tourism Development Fees. Anything to the contrary contained herein notwithstanding, the Bonds shall have a maturity of no longer than twenty (20) years and upon payment in full, the obligations of Lexington and Richland to apply their respective Tourism Development Fees to the Center shall terminate.

#### ARTICLE 5 Limitations

5.1 Sole Obligation of Lexington and Richland. Anything to the contrary contained in this Funding Agreement, notwithstanding, Lexington and Richland shall have no financial obligation or liability with respect to the Bonds, the Center or the Project whatsoever except to cause all Tourism Development Fees collected to be applied first to the Assistance Payments and then as provided in the Project Documents, and Lexington and Richland shall have no financial obligations whatsoever for the Center except to the extent of Tourism Development Fees collected in their respective jurisdictions.

#### ARTICLE 6 Financial Matters

6.1 Application of Tourism Development Fees. The use of all Tourism Development Fees shall be specified in the Project Documents. However, until the Center commences operations, all Tourism Development Fees will be deposited in the Construction Fund. Once the Center opens, Tourism Development Fees shall generally be applied as follows:

- (i) first, Tourism Development Fees received shall be applied to amounts due and owing with respect to the Bonds;
- (ii) next, Tourism Development Fees shall fund payments to Replacement Reserves requirement by the Bond Documents and/or the Project Documents;

- (iii) next, Tourism Development Fees shall be applied to fund Marketing Costs until the annual amount shown in the then current Operating Budget has been funded;
- (iv) next, Tourism Development Fees which remain shall fund operating costs in excess of operating revenues; and
- (v) finally, Tourism Development Fees shall be deposited in reserve accounts reasonably established by the Authority for future operating costs and capital expenditures not funded by the Replacement Reserves.

6.2 Surplus. To the extent the Board determines that a surplus exists in funds of the Authority after making allowances for all obligations of the Authority and the needs of the Authority for the future operation, maintenance, repair, replacement and expansion of the Center, the surplus shall be distributed to the three Governmental Entities in proportion to the Tourism Development Fees contributed by the three Governmental Entities as of the date of each distribution.

6.3 Limitation on Bonds. The Bonds to be issued to finance development, construction and start up of the Center shall not exceed \$36,000,000 (or such higher amount as may reasonably be amortized by Tourism Development Fees) unless the prior written consent of each Governmental Entity is obtained.

6.4 Issuer of the Bonds. The City shall issue the Bonds solely in its name. Other than the pledges and assignments of Tourism Development Fees called for by this Funding Agreement, neither Lexington nor Richland shall have any responsibility or obligation with respect to the Bonds, nor shall either of such entities be otherwise named as or deemed to be issuers of such Bonds.

6.5 Bond Insurance. The City shall be the only Governmental Entity which may incur any liability or obligation for Bond Insurance should the same be required for the issuance of the Bonds.

6.6 Additional Funding. To the extent that additional funds are ever required to make payments with respect to Bonds and/or fund operating costs, the City acknowledges that neither Lexington nor Richland shall have any further responsibility or obligation and the City shall be solely responsible to locate sources of funds to supplement revenues from the Center and make required payments.

## ARTICLE 7

### Development of the Project and the Center

7.1 Authorization to Proceed. Based upon the commitments of the Governmental Entities set forth above and the limitations placed upon any further obligations of the Governmental Entities, the City may proceed with development of the Center.

7.2 Approval of Project Documents. It is contemplated that the Governmental Entities and the University will enter into various Project Documents including various documents with the University related to the development of the Arena and Bond Documents to be prepared to finance

the development and construction of the Center. The City shall proceed to cause all Project Documents to be generated in an appropriate manner and submitted to Lexington and Richland for their approval, with such approval not to be unreasonably withheld. Thereafter, the City shall proceed with the issuance of the Bonds and the City and the Authority shall undertake all matters required for the development of the Center in accordance with the Project Documents.

## ARTICLE 8 Conduct

8.1 General Standard. The Governmental Entities and the Authority agree to act reasonably, diligently and in good faith to approval all matters required to promote the development of the Center in accordance with good real estate development practices.

8.2 Facility Size. The Governmental Entities acknowledge that the general size of the Center shall be as set forth in Exhibit A. No material increase in the size of the Center shall be undertaken unless the prior written consent of the Governmental Entities is obtained.

8.3 Hotel Development. While the Governmental Entities recognize that hotel development may become part of the Center, no portion of the Tourism Development Fees shall be used directly or indirectly to fund such development. Any expenses associated with the hotel component shall be funded solely through resources not involving the Tourism Development Fees. Irrespective of the foregoing, this Section shall not apply to site design costs, parking design costs or designs for connectors so that the hotel may be properly placed adjacent to the Center when developed.

## ARTICLE 9 Marketing of Township Auditorium

9.1 Marketing Services. The Authority will actively market the Township Auditorium as part of the sales efforts for the Center.

9.2 Charges. No additional charge shall be made for such marketing provided by the Authority except for all actual expenses associated with the preparation of advertising materials, which expenses shall be borne by the Township Auditorium.

## ARTICLE 10 Miscellaneous

10.1 Compliance with Laws. All Parties shall undertake all activities required under the terms of this Funding Agreement in compliance with all applicable governmental requirements.

10.2 No Third Party Beneficiaries. Only the Governmental Entities and the Authority shall be entitled to enforce the provisions of this Agreement and no other party shall be deemed a third-party beneficiary or have any standing to enforce any provision or have any standing to enforce any provision of this Agreement.

10.3 Assignment. This Funding Agreement is not assignable by any party.

10.4 Notices. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile) and shall be given

If to Lexington:

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With a copy to:

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If to Richland:

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With a copy to:

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If to the City:

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With a copy to:

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or such other address or facsimile number as such party may hereafter specify for such purpose by notice to the other party to this Funding Agreement. Each such notice, request or other communication shall be effective (i) if given by facsimile transmission, when such facsimile is transmitted to the facsimile number specified in this Section 10.5 and the appropriate confirmation is received, or (ii) if given by any other means, when delivered at the address specified in this Section 10.4.

10.5 Severability. If any term or provision of this Funding Agreement or the application thereof is invalid, illegal or incapable of being enforced by any rule of law, or public policy, all other provisions of this Funding Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the agreements contained herein is not affected in any manner adverse to any party. Upon such determination that any provision or the application thereof is invalid, illegal or unenforceable, the Governmental Entities hereto shall negotiate in good faith to modify this Funding Agreement so as to effect the original intent of the Governmental Entities as closely as possible in a mutually acceptable manner in order that the agreements contained herein may be performed as originally contemplated to the fullest extent possible.

10.6 Litigation Costs. In the event of any litigation related to the construction or enforcement of the provisions of this Funding Agreement, the prevailing party in such litigation shall be entitled to recover from the non-prevailing party(ies) its reasonable attorney's fees and expenses.

10.7 Governing Law. This Funding Agreement shall be construed under and governed by the law of the State of South Carolina.

10.8 Headings. The headings in this Funding Agreement are for the convenience of reference only and shall not affect the meaning or interpretation of this Funding Agreement.

10.9 Amendments. This Funding Agreement may only be amended by a writing executed by all the Parties hereto.

10.10 Entire Agreement. This Funding Agreement, including the Schedules and Exhibits to this Funding Agreement constitute the entire agreement of the Governmental Entities with respect to the subject matter hereof and thereof and supersede all prior agreements and undertakings, both written and oral, with respect to the subject matter hereof and thereof.

**IN WITNESS WHEREOF**, the Governmental Entities hereto have executed this Funding Agreement as of the date first set forth above.

THE COUNTY OF LEXINGTON, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

THE COUNTY OF RICHLAND, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

THE CITY OF COLUMBIA, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A**

Description of Conference/Convention Center

## EXHIBIT B

### Definitions

"Arena" means the proposed arena to be owned and operated by the University of South Carolina.

"Bonds" means the special revenue bonds or certificates of participation related to a lease/purchase transaction issued by the City of Columbia to finance the construction of the Center, which bonds or certificates of participation shall be retired utilizing the Tourism Development Fees.

"Center" means the multipurpose convention/conference center generally described in Exhibit A attached hereto.

"City" means the City of Columbia, South Carolina.

"Closing" means the date upon which the Bonds are issued by the City.

"Escrow Account" means the escrow account created to retain Tourism Development Fees in accordance with this Funding Agreement.

"Governmental Entities" means Lexington, Richland, and the City.

"Lexington" means Lexington County, South Carolina.

"Marketing Costs" means the marketing costs shown in the applicable Operating Budget.

"Operating Budget" means the annual operating budget adopted by the Board of the Authority for each fiscal year.

"Project" means the Arena, the Center and the adjacent parking areas.

"Project Agreement" means the Project Agreement to be entered into between the University and the Governmental Entities regarding the Project.

"Project Documents" means the overall documents which will be prepared which will be to govern the relations of all the parties involved in the Project.

"Replacement Reserve" means the replacement reserve shown in the applicable Operating Budget.

"Richland" means Richland County, South Carolina.

"Site" means the entire acreage required for the Center.

"TIF Financing" means the tax increment financing anticipated to be made available for the financing of the acquisition of the Site.

"Tourism Development Fees" means the special tourism development fees collected since January 1, 1997 by the Governmental Entities.

"University" means the University of South Carolina.

**EXHIBIT C**

Articles of Incorporation

[To be Included]

**GOVERNMENTAL ENTITIES FUNDING AGREEMENT**

THIS GOVERNMENTAL ENTITIES FUNDING AGREEMENT (this Funding Agreement ), made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_ January, 2001, by, between and among LEXINGTON COUNTY, SOUTH CAROLINA ( Lexington ), RICHLAND COUNTY, SOUTH CAROLINA ( Richland ) and the CITY OF COLUMBIA, SOUTH CAROLINA (the City ) ( Lexington, Richland and the City collectively, the Governmental Entities ).

**BACKGROUND**

The Governmental Entities have adopted ordinances related to the collection of tourism development fees (the Tourism Development Fees ) equal to three percent (3%) of all lodging charges collected within their respective jurisdictions. The Governmental Entities deem it appropriate at this time to enter into an agreement to utilize all use of the Tourism Development Fees for the development of a multipurpose conference/convention facility which is described in Exhibit A attached hereto (the Center ) having a present estimated total cost of approximately \$36,000,000.

NOW, THEREFORE, in consideration of the mutual covenants hereafter contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Governmental Entities, intending to be legally bound, do hereby agree as follows:

**ARTICLE 1**  
**Definitions**

1.1 Definitions. All capitalized terms, unless otherwise defined herein, shall have the respective meanings set forth in Exhibit B attached hereto.

**ARTICLE 2**  
**Purposes**

2.1 Primary Purposes. The primary purposes of this Funding Agreement are:

- (i) to organize the [Midlands Regional Convention Center] Authority (the Authority ) ~~as a non-profit corporation~~ (in which the sole members shall be the Governmental Entities) to oversee development of the Center and operate the Center;

- (ii) to commit the initial Tourism Development Fees collected by the Governmental Entities to make the Assistance Payments to the University as an inducement for the University to construct the Arena adjacent to the Center; and
- (iii) to pledge all remaining Tourism Development Fees collected by the Governmental Entities for use in development and operation of the Center until the Bonds are paid in full.

2.2 Proceeding with the Project. This Funding Agreement shall also evidence the authorization of Authority to proceed with develop the Project, subject to the limitations set forth herein and to be set forth in the Project Documents.

ARTICLE 3  
The Authority

3.1 Responsibility. The Authority shall be responsible for developing an overall development plan for the Center, including site location, facilities, design, budgets, financing, construction, management, operation, marketing, debt service, reserves, and capital improvements.

3.1.1 Construction Fund. The Authority shall work directly with the City to devise a financing plan for the Center which will create a Construction Fund funded with up to \$36,000,000 (or such higher amount as described in Section 6.2) in proceeds from the sale of Bonds plus Tourism Development Fees in excess of the Assistance Payments, with all such funds to be utilized for the development, construction, fixtures, furnishings and equipment, pre-opening expenses of the Center, any payment owing due on the Bonds and working capital to commence operations.

3.1.2 Construction. The Authority will cooperate with the City to establish specified procedures for construction of the Center utilizing the Construction Fund to pay for all costs associated therewith, with the construction phase of the development will be governed by a separate agreement regarding the same entered into between the Authority and the City.

3.1.3 Operations. Once the Center is open, the Authority will be responsible to market, operate, and maintain the Center for the benefit of the Governmental Entities.

3.1.4 Lease of Site. Subject to the terms of the Bonds and the TIF, the Authority will lease the sSite for the Center for a term of ninety-nine (99) years for \$1 per year.

3.1.5 Ownership of the Center. The Authority shall have the option to purchase the Site for \$100.00 upon retirement of the Bonds. Upon such purchase, the Center shall be deemed owned by the Authority for the benefit of the Governmental Entities upon the retirement of the Bonds.

3.2 Limitations. The Authority shall have no ability to directly or indirectly obligate any Governmental Entity to provide any funds or incur any financial obligation except for the remittance of Tourism Development Fees as collected by each Governmental Entity.

3.2.1 Obligations of the City. The City recognizes that financial obligations may be incurred by the City related to providing credit enhancement for the Bonds and/or funding of Operating Costs, but specifies that all such obligations shall be incurred separately by the City through express written instruments as determined in the sole and absolute discretion of the City.

3.2.2 No Further Obligation of Lexington or Richland. In no event whatsoever shall Lexington or Richland be called upon to provide any funding for the Center except for their respective Tourism Development Fees.

3.3 Organization. The Authority shall be initially organized as a South Carolina non-profit corporation under the laws of the State of South Carolina in accordance with the Articles of Incorporation attached hereto as Exhibit C, subject to Section 3.12 below.

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3.5 Board of Directors. The Board of Directors of the Authority shall consist of nine (9) Directors. Each Member shall be entitled to appoint two (2) directors from time to time, with the City entitled to appoint an additional three (3) Directors as a result of the City's additional financial exposure with respect to the Bonds.

3.5.1 Qualifications. At least one Director appointed by each Governmental Entity shall be employed in the hospitality/lodging industry so there will be at least three Directors of the Authority to provide input on issues related to the lodging industry. At least one additional Director appointed by the City shall be employed in the hospitality industry (meaning not only the lodging industry but as a broader category, the food and beverage industry and other related industries which benefit from tourism). All Directors shall have substantive business experience and subject to removal by the Board for failure to attend a specified number of meetings annually as specified in the Bylaws.

3.6 Advisory Directors. The Chief Administrator or Manager of each Governmental Entity shall be deemed an Advisory Director of the Authority, entitled to attend and participate in all meetings of the Board of Directors as advisors to the Board. Until the Center is complete and open for operations, the chief attorney for each Governmental Entity shall also be deemed an Advisory Director entitled to attend and participate in all meetings of the Board of Directors if and to the extent requested by their respective Governmental Entity.

3.7 Bylaws. The Board of Directors shall develop Bylaws to govern the operation of the Authority and its affairs.

3.8 Executive Director. The Authority shall employ an Executive Director who shall be responsible for the day-to-day activities of the Authority, including marketing an operation of the Center.

3.9 Integrated Marketing. The Authority shall coordinate marketing efforts for the Center with the marketing activities of the Columbia Metropolitan Convention and Visitors Bureau (the Bureau ) to promote an integrated marketing program that not only benefits the Center but that benefits all of the Governmental Entities so long as the marketing budget of the Bureau is maintained at no less than current levels.

3.10 Management Activities. The Authority shall have the power to enter into a management agreement with Richland County and serve in a management capacity for the Township Auditorium on such terms and conditions as mutually agreed between the Authority and Richland County from time to time. However, so long as the Bonds are outstanding, the Authority shall not be permitted to utilize any funds available to the Authority for the marketing, operation, repair, renovation or other expenses of the Township Auditorium except as specified in Section 9.1 below.

3.11 Annual Report/Annual Meeting. Within ninety (90) days after the close of each fiscal year of the Authority, a detailed financial and operational report shall be provided to each Governmental Entity by the Authority. The annual report shall review the performance of the Authority for the prior year and describe the anticipated activities to be undertaken during the upcoming year. In addition, within one hundred twenty (120) days after the end of the fiscal year, the Board of the Authority shall hold a meeting for the benefit of all the elected officials of the Governmental Entities who desire to attend. At this annual meeting, the Executive Director of the Authority, the Chair of the Board and the accountants for the Authority shall be available to review the annual report, answer questions from elected officials, and generally provide information regarding the ongoing operation of the Center.

3.12 Conversion to State-Authorized Authority. As soon as practicable, the Authority with the assistance of the Governmental Entities shall seek adoption of appropriate legislation by the State of South Carolina reorganizing the Authority as a governmental entity with the power to continue its activities as set forth in this Article 3. This legislation shall enable the Authority to receive the protection and benefits otherwise afforded to governmental entities.

#### ARTICLE 4

#### Use of Tourism Development Fees

4.1 Current Escrow Arrangements. Each of the Governmental Entities has separately escrowed all Tourism Development Fees collected since collection of the Tourism Development Fees began. As of the date of this Funding Agreement, each of the Governmental Entities has on hand Tourism Development Fees in excess of \$2,500,000. Until the Closing, each of the Governmental Entities shall continue to collect and reserve Tourism Development Fees in the same manner.

4.2 Assistance Payments. Each Governmental Entity agrees that in conjunction with commencement of construction by the University, such Governmental Entity shall transfer \$2,500,000 of its respective Tourism Development Fees to the University to fund the aggregate \$7,500,000 in Assistance Payments.

4.2.1 Refund. As a prerequisite to the funding of the Assistance Payments, the University shall commit to the Governmental Entities to refund all Assistance Payments

in the event the University discontinues its efforts to construct the Arena. This provision shall not apply to temporary delays caused by matters beyond the reasonable control of the University so long as reasonable commercial efforts are being made to proceed with construction.

4.3 Escrow Account. In conjunction with the Closing, a separate escrow account (the Escrow Account ) shall be established pursuant to the Project Documents and all Governmental Entities shall deposit into this Escrow Account all of the Tourism Development Fees collected and reserved in accordance with Section 4.1 above, excluding Assistance Payments made in accordance with Section 4.2 above. Upon receipt, all funds in the Escrow Account shall be applied in accordance with the Project Documents.

4.4 Pledge of Future Tourism Development Fees. In conjunction with the Closing, each of the Governmental Entities shall execute such documents and instruments as may be reasonably required to pledge and assign all future collections of Tourism Development Fees to the trustee of the Bonds to assure the availability of such funds for payment of the Bonds.

4.5 Limitation on Pledge of Tourism Development Fees. Anything to the contrary contained herein notwithstanding, the Bonds shall have a maturity of no longer than twenty (20) years and upon payment in full, the obligations of Lexington and Richland to apply their respective Tourism Development Fees to the Center shall terminate.

#### ARTICLE 5 Limitations

5.1 Sole Obligation of Lexington and Richland. Anything to the contrary contained in this Funding Agreement, notwithstanding, Lexington and Richland shall have no financial obligation or liability with respect to the Bonds, the Center or the Project whatsoever except to cause all Tourism Development Fees collected to be applied first to the Assistance Payments and then as provided in the Project Documents, and Lexington and Richland shall have no financial obligations whatsoever for the Center except to the extent of Tourism Development Fees collected in their respective jurisdictions.

#### ARTICLE 6 Financial Matters

6.1 Application of Tourism Development Fees. The use of all Tourism Development Fees shall be specified in the Project Documents. However, until the Center commences operations, all Tourism Development Fees will be deposited in the Construction Fund. Once the Center opens, Tourism Development Fees shall generally be applied as follows:

- (i) first, Tourism Development Fees received shall be applied to amounts due and owing with respect to the Bonds;

- (ii) next, Tourism Development Fees shall fund payments to Replacement Reserves requirement by the Bond Documents and/or the Project Documents;
- (iii) next, Tourism Development Fees shall be applied to fund Marketing Costs until the annual amount shown in the then current Operating Budget has been funded;
- (iv) next, Tourism Development Fees which remain shall fund Operating Costs in excess of operating revenues; and
- (v) ~~next~~finally, Tourism Development Fees shall be deposited in reserve accounts reasonably established by the Authority for future Operating Costs and capital expenditures not funded by the Replacement Reserves; and
- (vi) ~~finally~~, to the extent any.

6.2 Surplus. To the extent the Board determines that a surplus exists in funds of the Authority after making allowances for all obligations of the Authority and the needs of the Authority for the future operation, maintenance, repair, replacement and expansion of the Center, the surplus shall be distributed to the three Governmental Entities in proportion to the Tourism Development Fees remain, such funds shall be utilized to reimburse the City for Advances without interest.

~~6.2~~ contributed by the three Governmental Entities as of the date of each distribution.

6.3 Limitation on Bonds. The Bonds to be issued to finance development, construction and start up of the Center shall not exceed \$36,000,000 (or such higher amount as may reasonably be amortized by Tourism Development Fees) unless the prior written consent of each Governmental Entity is obtained.

6.34 Issuer of the Bonds. The City shall issue the Bonds solely in its name. Other than the pledges and assignments of Tourism Development Fees called for by this Funding Agreement, neither Lexington nor Richland shall have any responsibility or obligation with respect to the Bonds, nor shall either of such entities be otherwise named as or deemed to be issuers of such Bonds.

6.45 Bond Insurance. The City shall be the only Governmental Entity which may incur any liability or obligation for Bond Insurance should the same be required for the issuance of the Bonds.

6.56 Advances Additional Funding. To the extent that additional funds are ever required to make payments with respect to Bonds and/or fund Operating Costs, the City acknowledges that neither Lexington nor Richland shall have any further responsibility or obligation and the City shall be solely responsible to locate sources of funds to supplement revenues from the

Center and make required payments. ~~All amounts so advanced by the City shall constitute Advances under the terms of this Funding Agreement.~~

#### ARTICLE 7

##### Development of the Project and the Center

7.1 Authorization to Proceed. Based upon the commitments of the Governmental Entities set forth above and the limitations placed upon any further obligations of the Governmental Entities, the City may proceed with development of the Center.

7.2 Approval of Project Documents. It is contemplated that the Governmental Entities and the University will enter into various Project Documents including various documents with the University related to the development of the Arena and Bond Documents to be prepared to finance the development and construction of the Center. The City shall proceed to cause all Project Documents to be generated in an appropriate manner and submitted to Lexington and Richland for their approval, with such approval not to be unreasonably withheld. Thereafter, the City shall proceed with the issuance of the Bonds and the City and the Authority shall undertake all matters required for the development of the Center in accordance with the Project Documents.

#### ARTICLE 8

##### Conduct

8.1 General Standard. The Governmental Entities and the Authority agree to act reasonably, diligently and in good faith to approval all matters required to promote the development of the Center in accordance with good real estate development practices.

8.2 Facility Size. The Governmental Entities acknowledge that the general size of the Center shall be as set forth in Exhibit A. No material increase in the size of the Center shall be undertaken unless the prior written consent of the Governmental Entities is obtained.

8.3 Hotel Development. While the Governmental Entities recognize that hotel development may become part of the Center, no portion of the Tourism Development Fees shall be used directly or indirectly to fund such development. Any expenses associated with the hotel component shall be funded solely through resources not involving the Tourism Development Fees. Irrespective of the foregoing, this Section shall not apply to site design costs, parking design costs or designs for connectors so that the hotel may be properly placed adjacent to the Center when developed.

#### ARTICLE 9

##### Marketing of Township Auditorium

9.1 Marketing Services. The Authority will actively market the Township Auditorium as part of the sales efforts for the Center.

9.2 Charges. No additional charge shall be made for such marketing provided by the Authority except for all actual expenses associated with the preparation of advertising materials, which expenses shall be borne by the Township Auditorium.

ARTICLE 10  
Miscellaneous

10.1 Compliance with Laws. All Parties shall undertake all activities required under the terms of this Funding Agreement in compliance with all applicable governmental requirements.

10.2 No Third Party Beneficiaries. Only the Governmental Entities and the Authority shall be entitled to enforce the provisions of this Agreement and no other party shall be deemed a third-party beneficiary or have any standing to enforce any provision or have any standing to enforce any provision of this Agreement.

10.3 Assignment. This Funding Agreement is not assignable by any party.

10.4 Notices. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile) and shall be given

—  
If to Lexington:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

With a copy to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If to Richland:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

With a copy to:

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If to the City:

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With a copy to:

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or such other address or facsimile number as such party may hereafter specify for such purpose by notice to the other party to this Funding Agreement. Each such notice, request or other communication shall be effective (i) if given by facsimile transmission, when such facsimile is transmitted to the facsimile number specified in this Section 10.5 and the appropriate confirmation is received, or (ii) if given by any other means, when delivered at the address specified in this Section 10.4.

10.5 Severability. If any term or provision of this Funding Agreement or the application thereof is invalid, illegal or incapable of being enforced by any rule of law, or public policy, all other provisions of this Funding Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the agreements contained herein is not affected in any manner adverse to any party. Upon such determination that any provision or the application thereof is invalid, illegal or unenforceable, the Governmental Entities hereto shall negotiate in good faith to modify this Funding Agreement so as to effect the original intent of the Governmental Entities as closely as possible in a mutually acceptable manner in order that the agreements contained herein may be performed as originally contemplated to the fullest extent possible.

10.6 Litigation Costs. In the event of any litigation related to the construction or enforcement of the provisions of this Funding Agreement, the prevailing party in such litigation shall be entitled to recover from the non-prevailing party(ies) its reasonable attorney s fees and expenses.

10.7 Governing Law. This Funding Agreement shall be construed under and governed by the law of the State of South Carolina.

10.8 Headings. The headings in this Funding Agreement are for the convenience of reference only and shall not affect the meaning or interpretation of this Funding Agreement.

10.9 Amendments. This Funding Agreement may only be amended by a writing executed by all the Parties hereto.

10.10 Entire Agreement. This Funding Agreement, including the Schedules and Exhibits to this Funding Agreement constitute the entire agreement of the Governmental Entities with respect to the subject mater hereof and thereof and supersede all prior agreements and undertakings, both written and oral, with respect to the subject matter hereof and thereof.

IN WITNESS WHEREOF, the Governmental Entities hereto have executed this Funding Agreement as of the date first set forth above.

THE COUNTY OF LEXINGTON, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

THE COUNTY OF RICHLAND, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

THE CITY OF COLUMBIA, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A**

Description of Conference/Convention Center

## EXHIBIT B

### Definitions

"Arena" means the proposed arena to be owned and operated by the University of South Carolina.

"Bonds" means the special revenue bonds or certificates of participation related to a lease/purchase transaction issued by the City of Columbia to finance the construction of the Center, which bonds or certificates of participation shall be retired utilizing the Tourism Development Fees.

Center means the multipurpose convention/conference center generally described in Exhibit A attached hereto.

"City" means the City of Columbia, South Carolina.

"Closing" means the date upon which the Bonds are issued by the City.

"Escrow Account" means the escrow account created to retain Tourism Development Fees in accordance with this Funding Agreement.

"Governmental Entities" means Lexington, Richland, and the City.

"Lexington" means Lexington County, South Carolina.

Marketing Costs means the marketing costs shown in the applicable Operating Budget.

Operating Budget means the annual operating budget adopted by the Board of the Authority for each fiscal year.

"Project" means the Arena, the Center and the adjacent parking areas.

"Project Agreement" means the Project Agreement to be entered into between the University and the Governmental Entities regarding the Project.

Project Documents means the overall documents which will be prepared which will be to govern the relations of all the parties involved in the Project.

Replacement Reserve means the replacement reserve shown in the applicable Operating Budget.

"Richland" means Richland County, South Carolina.

"Site" means the entire acreage required for the Center.

"TIF Financing" means the tax increment financing anticipated to be made available for the financing of the acquisition of the Site.

"Tourism Development Fees" means the special tourism development fees collected since January 1, 1997 by the Governmental Entities.

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"University" means the University of South Carolina.



**EXHIBIT C**

Articles of Incorporation

[To be Included]

**NEXSEN PRUET JACOBS & POLLARD, LLC**  
**ATTORNEYS AND COUNSELORS AT LAW**

**CHARLESTON OFFICE**  
 200 Meeting Street  
 Suite 301  
 Post Office Box 486  
 Charleston, SC 29402  
 803-577-9440  
 FAX: 803-720-1777

**COLUMBIA OFFICE**  
 1441 Main Street  
 Suite 1500  
 Post Office Drawer 2426  
 Columbia, SC 29202  
 803-771-8900  
 FAX: 803-253-8277

**GREENVILLE OFFICE**  
 201 West McBee Avenue  
 Suite 400  
 Post Office Drawer 10648  
 Greenville, SC 29603  
 864-370-2211  
 FAX: 864-282-1177

**CHARLOTTE OFFICE**  
 212 S. Tryon Street  
 Suite 1700  
 Charlotte, NC 28281  
 (704) 339-0904  
 TOLL FREE: 800-850-6757  
 FAX: (704) 338-5377

SEND TO:	COMPANY	FAX NUMBER
		[119] 359-8101
Art Brooks	County of Lexington	[119] 359-8101
Jeffrey M. Anderson, Esquire	Lexington County Attorney	[119] 359-7478
T. Carey McSwain	Richland Count Administrator	[119] 748-4644
Larry Smith, Esquire	Richland County Attorney	[119] 929-6186 748-4644
Michael A. Bierman	City Manager	[119] 733-8317
James S. Meggs, Esquire	City Attorney	[119] 733-8464
Bill Dukes		[119] 345-8980

TOTAL NUMBER OF PAGES INCLUDING COVER SHEET: 33

FROM: Edward G. Menzie

DATE: January 23, 2001 TIME: 12:10pm

CLIENT/MATTER NO.: 17611-10

Original Copy Via:  U.S. Mail  Overnight  Hand Delivered  Fax Only

IF YOU SHOULD HAVE ANY PROBLEMS RECEIVING THIS  
 TELECOPY, PLEASE CONTACT TRUDY J. SHEALY AT (803) 771-8900 (ext. 3010).

**MESSAGE:**

**CONFIDENTIALITY NOTE:**

The information contained in this facsimile message is legally privileged and confidential information intended only for the use of the individual or entity named above. If the reader of this message is not the intended recipient, you are hereby notified

NPCOL1:250528.1-IS-(B2) 900000-00119

## DISCUSSION DRAFT - 1/23/01

## GOVERNMENTAL ENTITIES FUNDING AGREEMENT

THIS GOVERNMENTAL ENTITIES FUNDING AGREEMENT (this "Funding Agreement"), made and entered into as of the \_\_\_\_\_ day of January, 2001, by, between and among LEXINGTON COUNTY, SOUTH CAROLINA ("Lexington"), RICHLAND COUNTY, SOUTH CAROLINA ("Richland") and the CITY OF COLUMBIA, SOUTH CAROLINA (the "City") (Lexington, Richland and the City collectively, the "Governmental Entities").

## BACKGROUND

The Governmental Entities have adopted ordinances related to the collection of tourism development fees (the "Tourism Development Fees") equal to three percent (3%) of all lodging charges collected within their respective jurisdictions. The Governmental Entities deem it appropriate at this time to enter into an agreement to utilize all of the Tourism Development Fees for the development of a multipurpose conference/convention facility as generally described in Exhibit A attached hereto (the "Center") having a present estimated total cost of approximately \$36,000,000.

The Governmental Entities also desire to utilize South Carolina Constitution Article VIII, Section 13 and South Carolina Code of Laws (1976), as amended, Section 4-9-41 (collectively the "Enabling Law") by the creation of a joint administrative body known as the Midlands Regional Convention Center Authority (the "Authority") to operate and maintain the Center subject to the limitations set forth herein. The Authority will be organized as permitted under South Carolina law and shall act for the Governmental Entities in carrying out the duties described herein.

NOW, THEREFORE, in consideration of the mutual covenants hereafter contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Governmental Entities, intending to be legally bound, do hereby agree as follows:

ARTICLE 1  
Definitions

1.1 Definitions. All capitalized terms, unless otherwise defined herein, shall have the respective meanings set forth in Exhibit B attached hereto.

ARTICLE 2  
Purposes

2.1 Primary Purposes. The primary purposes of this Funding Agreement are:

- (i) to organize the Authority to oversee development of the Center and operate the Center;

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- (ii) to commit the initial Tourism Development Fees collected by the Governmental Entities to make the Assistance Payments to the University as an inducement for the University to construct the Arena adjacent to the Center; and
- (iii) to pledge irrevocably all remaining Tourism Development Fees collected by the Governmental Entities for use in development and operation of the Center until the Bonds are paid in full.

2.2 Proceeding with the Project. This Funding Agreement shall also evidence authorization of the Authority to proceed with development of the Center, subject to the limitations set forth herein and to be set forth in the Project Documents.

### ARTICLE 3 The Authority

3.1 Responsibility. The Authority shall be responsible for developing an overall development plan for the Center, including site location, facilities, design, budgets, financing, construction, management, operation, marketing, debt service, reserves, and capital improvements.

3.1.1 Construction Fund. The Authority shall work directly with the City to devise a financing plan for the Center which will create a Construction Fund funded with up to \$36,000,000 (or such higher amount as described in Section 6.2) in proceeds from the sale of Bonds plus all Tourism Development Fees in excess of the Assistance Payments. All such funds shall be utilized for the development, construction, fixtures, furnishings and equipment, pre-opening expenses of the Center, any payment due and owing on the Bonds and working capital to commence operations. The City shall have sole responsibility for arranging for the financing of the Center through the issuance of the Bonds.

3.1.2 Construction. The Authority will cooperate with the City to establish specified procedures for construction of the Center by the City utilizing the Construction Fund to pay for all costs associated therewith, with the construction phase of the development to be governed by a separate agreement regarding the same entered into between the Authority and the City.

3.1.3 Operations. Once the Center is open, the Authority will be responsible to market, operate, and maintain the Center for the benefit of the Governmental Entities.

3.1.4 Lease of Site. Subject to the terms of the Bonds and the TIF, the Authority will lease the Site for the Center for a term of ninety-nine (99) years for \$1 per year.

3.1.5 Ownership of the Center. The Authority shall have the option to purchase the Site for \$100.00 upon retirement of the Bonds. Upon such purchase, the Center shall be deemed owned by the Authority as a fiduciary for the benefit of the Governmental Entities.

3.2 Limitations. The Authority shall have no ability to directly or indirectly obligate any Governmental Entity to provide any funds or incur any financial obligation except for the remittance of Tourism Development Fees as collected by each Governmental Entity.

3.2.1 Obligations of the City. The City recognizes that financial obligations may be incurred by the City related to providing credit enhancement for the Bonds and/or funding of operating costs, but specifies that all such obligations shall be incurred separately by the City through express written instruments as determined in the sole and absolute discretion of the City.

3.2.2 No Further Obligation of Lexington or Richland. In no event whatsoever shall Lexington or Richland be called upon to provide any funding for the Center except for their respective Tourism Development Fees.

3.3 Organization. The Authority shall be organized as permitted under the laws of the State of South Carolina pursuant to the Enabling Law to undertake all activities related to the development and operation of the Center, as well as discharge other duties referenced herein. The Authority shall be deemed created only to facilitate the joint administration of all matters related directly or indirectly to the Center and the Governmental Entities shall be the actual owners of all assets related to the Center.

3.3.1 To the extent deemed appropriate by the Board of Directors, the Authority may be organized as a South Carolina non-profit corporation or any other form of entity recommended by legal counsel for the Governmental Entities.

3.3.2 All documentation as to the legal status of the Authority shall be included in the Project Documents.

3.4 Governance. Subject to the limitations set forth herein and in the Project Documents, the Authority shall be governed exclusively by its Board of Directors who shall be appointed by the Governmental Entities in the manner hereafter set forth.

3.5 Board of Directors. The Board of Directors of the Authority shall consist of nine (9) Directors. Each Member shall be entitled to appoint two (2) directors from time to time, with the City entitled to appoint an additional three (3) Directors as a result of the City's additional financial exposure with respect to the Bonds.

3.5.1 Qualifications. At least one Director appointed by each Governmental Entity shall be employed in the lodging industry so there will be at least three Directors of the Authority to provide input on issues related to the lodging industry. At least one additional Director appointed by the City shall be employed in the hospitality industry (meaning not only the lodging industry but as a broader category, the food and beverage industry and other related industries which benefit from tourism). All Directors shall have substantive business experience and subject to removal by the Board for failure to attend a specified number of meetings annually as specified in the Bylaws.

3.5.2 Actions. Unless otherwise specified in the Bylaws, action taken at any duly called meeting of the Board by a majority of the directors shall be deemed the action of the Board so long as a quorum is present at the meeting.

3.6 Advisory Directors. The Administrator or Manager (or his or her designee) of each Governmental Entity shall be deemed an Advisory Director of the Authority, entitled to attend and participate in all meetings of the Board of Directors as advisors to the Board. Until the Center is complete and open for operations, the chief attorney for each Governmental Entity shall also be deemed an Advisory Director entitled to attend and participate in all meetings of the Board of Directors if and to the extent requested by their respective Governmental Entity.

3.7 Bylaws. The Board of Directors shall develop Bylaws to govern the operation of the Authority and its affairs.

3.8 Executive Director. The Authority shall employ an Executive Director who shall be responsible for the day-to-day activities of the Authority, including marketing an operation of the Center.

3.9 Integrated Marketing. The Authority shall coordinate marketing efforts for the Center with the marketing activities of the Columbia Metropolitan Convention and Visitors Bureau (the "Bureau") to promote an integrated marketing program that not only benefits the Center but that benefits all of the Governmental Entities so long as the marketing budget of the Bureau is maintained at no less than current levels.

3.10 Management Activities. The Authority shall have the power to enter into a management agreement with Richland County and serve in a management capacity for the Township Auditorium on such terms and conditions as mutually agreed between the Authority and Richland County from time to time. However, so long as the Bonds are outstanding, the Authority shall not be permitted to utilize any funds available to the Authority for the marketing, operation, repair, renovation or other expenses of the Township Auditorium except as specified in Section 9.1 below.

3.11 Annual Report/Annual Meeting. Within one hundred eighty (180) days after the close of each fiscal year of the Authority, a detailed financial and operational report shall be provided to each Governmental Entity by the Authority. The annual report shall review the performance of the Authority for the prior year and describe the anticipated activities to be undertaken during the upcoming year. In addition, within two hundred ten (210) days after the end of the fiscal year, the Board of the Authority shall hold a meeting for the benefit of all the elected officials of the Governmental Entities who desire to attend. At this annual meeting, the Executive Director of the Authority, the Chair of the Board and the accountants for the Authority shall be available to review the annual report, answer questions from elected officials, and generally provide information regarding the ongoing operation of the Center.

ARTICLE 4  
Use of Tourism Development Fees

4.1 Current Escrow Arrangements. Each of the Governmental Entities has separately escrowed all Tourism Development Fees collected since collection of the Tourism Development Fees began. As of the date of this Funding Agreement, each of the Governmental Entities has on hand Tourism Development Fees in excess of \$2,500,000. Until the Closing, each of the Governmental Entities shall continue to collect and reserve Tourism Development Fees in the same manner. Irrespective of the foregoing, the Governmental Entities acknowledge that the City has utilized a small portion of its Tourism Development Fees for computer equipment for the Columbia Convention and Visitors Bureau. Such equipment shall be deemed a part of the Center and utilized to assist in tourism development, including activities benefitting the Center.

4.2 Assistance Payments. Each Governmental Entity agrees that in conjunction with commencement of construction by the University, such Governmental Entity shall transfer \$2,500,000 of its respective Tourism Development Fees to the University to fund the aggregate \$7,500,000 in Assistance Payments.

4.2.1 Refund. As a prerequisite to the funding of the Assistance Payments, the University shall commit to the Governmental Entities to refund all Assistance Payments in the event the University discontinues its efforts to construct the Arena. This provision shall not apply to temporary delays caused by matters beyond the reasonable control of the University so long as reasonable commercial efforts are being made to proceed with construction.

4.3 Escrow Account. In conjunction with the Closing, a separate escrow account (the "Escrow Account") shall be established pursuant to the Project Documents and all Governmental Entities shall deposit into this Escrow Account all of the Tourism Development Fees collected and reserved in accordance with Section 4.1 above, excluding Assistance Payments made in accordance with Section 4.2 above. Upon receipt, all funds in the Escrow Account shall be applied in accordance with the Project Documents, including payment of the hard and soft costs associated with development of the Center. To the extent the City incurs expenses prior to the Closing which constitute "Project Costs" within the meaning of the Project Documents, the City shall be reimbursed for such expenditures out of the Escrow Account at the Closing.

4.4 Pledge of Future Tourism Development Fees. In conjunction with the Closing, each of the Governmental Entities shall execute such documents and instruments as may be reasonably required to irrevocably pledge and assign all future collections of Tourism Development Fees to the trustee of the Bonds to assure the availability of such funds for payment of the Bonds.

4.5 Limitation on Pledge of Tourism Development Fees. Anything to the contrary contained herein notwithstanding, the Bonds shall have a maturity of no longer than twenty (20) years from the date of issuance of the Bonds and upon payment in full, the obligations of Lexington and Richland to apply their respective Tourism Development Fees to the Center shall terminate.

ARTICLE 5  
Limitations

5.1 Sole Obligation of Lexington and Richland. Anything to the contrary contained in this Funding Agreement, notwithstanding, Lexington and Richland shall have no financial obligation or liability with respect to the Bonds, the Center or the Project whatsoever except to cause all Tourism Development Fees collected to be applied first to the Assistance Payments and then as provided in the Project Documents, and Lexington and Richland shall have no financial obligations whatsoever for the Center except to the extent of Tourism Development Fees collected in their respective jurisdictions.

ARTICLE 6  
Financial Matters

6.1 Application of Tourism Development Fees. The use of all Tourism Development Fees shall be specified in the Project Documents. However, after the Closing, until the Center commences operations, all Tourism Development Fees will be deposited in the Construction Fund and utilized as specified in Section 3.1.1. Once the Center opens, Tourism Development Fees shall generally be applied as follows:

- (i) first, Tourism Development Fees received shall be applied to amounts due and owing with respect to the Bonds;
- (ii) next, Tourism Development Fees shall fund payments to Replacement Reserves requirement by the Bond Documents and/or the Project Documents;
- (iii) next, Tourism Development Fees shall be applied to fund Marketing Costs until the annual amount shown in the then current Operating Budget has been funded;
- (iv) next, Tourism Development Fees which remain shall fund operating costs in excess of operating revenues; and
- (v) finally, Tourism Development Fees shall be deposited in reserve accounts reasonably established by the Authority for future operating costs and capital expenditures not funded by the Replacement Reserves.

6.2 Surplus. To the extent the Board determines that a surplus exists in funds of the Authority after making allowances for all obligations of the Authority and the needs of the Authority for the future operation, maintenance, repair, replacement and expansion of the Center, the surplus shall be distributed to the three Governmental Entities in proportion to the Tourism Development Fees contributed by the three Governmental Entities as of the date of each distribution.

6.3 Limitation on Bonds. The Bonds to be issued to finance development, construction and start up of the Center shall not exceed \$36,000,000 (or such higher amount as may reasonably be

amortized by Tourism Development Fees) unless the prior written consent of each Governmental Entity is obtained.

6.4 Issuer of the Bonds. The City shall issue the Bonds solely in its name or an entity created by the City. Other than the pledges and assignments of Tourism Development Fees called for by this Funding Agreement, neither Lexington nor Richland shall have any responsibility or obligation with respect to the Bonds, nor shall either of such entities be otherwise named as or deemed to be issuers of such Bonds.

6.5 Bond Insurance. The City shall be the only Governmental Entity which may incur any liability or obligation for Bond Insurance should the same be required for the issuance of the Bonds.

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#### ARTICLE 7

##### Development of the Project and the Center

7.1 Authorization to Proceed. Based upon the commitments of the Governmental Entities set forth above and the limitations placed upon any further obligations of the Governmental Entities, the City may proceed with development of the Center.

7.2 Approval of Project Documents. It is contemplated that the Governmental Entities and the University will enter into various Project Documents including various documents with the University related to the development of the Arena and Bond Documents to be prepared to finance the development and construction of the Center. The City shall proceed to cause all Project Documents to be generated in an appropriate manner and submitted to Lexington and Richland for their approval, with such approval not to be unreasonably withheld or delayed. If specific written objections are not received by the Authority as to any Project Documents within thirty (30) days after the same are provided to the Governmental Entities for approval, such approval shall be deemed given by any Governmental Entity who does not otherwise object as specified above. Thereafter, the City shall proceed with the issuance of the Bonds and the City and the Authority shall undertake all matters required for the development of the Center in accordance with the Project Documents.

#### ARTICLE 8

##### Conduct

8.1 General Standard. The Governmental Entities and the Authority agree to act reasonably, diligently and in good faith to approval all matters required to promote the development of the Center in accordance with good real estate development practices.

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ARTICLE 9  
Marketing of Township Auditorium

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9.2 Charges. No additional charge shall be made for such marketing provided by the Authority except for all actual expenses associated with the preparation of advertising materials, which expenses shall be borne by the Township Auditorium.

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Miscellaneous

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10.2 No Third Party Beneficiaries. Only the Governmental Entities and the Authority shall be entitled to enforce the provisions of this Agreement and no other party shall be deemed a third-party beneficiary or have any standing to enforce any provision or have any standing to enforce any provision of this Agreement.

10.3 Assignment. This Funding Agreement is not assignable by any party.

10.4 Notices. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile) and shall be given

If to Lexington:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

With a copy to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If to Richland:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

With a copy to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If to the City:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

With a copy to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

or such other address or facsimile number as such party may hereafter specify for such purpose by notice to the other party to this Funding Agreement. Each such notice, request or other

communication shall be effective (i) if given by facsimile transmission, when such facsimile is transmitted to the facsimile number specified in this Section 10.5 and the appropriate confirmation is received, or (ii) if given by any other means, when delivered at the address specified in this Section 10.4.

10.5 Severability. If any term or provision of this Funding Agreement or the application thereof is invalid, illegal or incapable of being enforced by any rule of law, or public policy, all other provisions of this Funding Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the agreements contained herein is not affected in any manner adverse to any party. Upon such determination that any provision or the application thereof is invalid, illegal or unenforceable, the Governmental Entities hereto shall negotiate in good faith to modify this Funding Agreement so as to effect the original intent of the Governmental Entities as closely as possible in a mutually acceptable manner in order that the agreements contained herein may be performed as originally contemplated to the fullest extent possible.

10.6 Governing Law. This Funding Agreement shall be construed under and governed by the law of the State of South Carolina.

10.7 Headings. The headings in this Funding Agreement are for the convenience of reference only and shall not affect the meaning or interpretation of this Funding Agreement.

10.8 Amendments. This Funding Agreement may only be amended by a writing executed by all the Parties hereto.

10.9 Entire Agreement. This Funding Agreement, including the Schedules and Exhibits to this Funding Agreement constitute the entire agreement of the Governmental Entities with respect to the subject matter hereof and thereof and supersede all prior agreements and undertakings, both written and oral, with respect to the subject matter hereof and thereof.

**IN WITNESS WHEREOF**, the Governmental Entities hereto have executed this Funding Agreement as of the date first set forth above.

THE COUNTY OF LEXINGTON, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

THE COUNTY OF RICHLAND, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

THE CITY OF COLUMBIA, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A**

Description of Conference/Convention Center

NPCOL1:442152.7-CA-(EGM) 017611-00010

**EXHIBIT B****Definitions**

"Arena" means the proposed arena to be owned and operated by the University of South Carolina.

"Bonds" means the special revenue bonds or certificates of participation related to a lease/purchase transaction issued by the City of Columbia to finance the construction of the Center, which bonds or certificates of participation shall be retired utilizing the Tourism Development Fees.

"Center" means the multipurpose convention/conference center generally described in Exhibit A attached hereto.

"City" means the City of Columbia, South Carolina.

"Closing" means the date upon which the Bonds are issued by the City.

"Escrow Account" means the escrow account created to retain Tourism Development Fees in accordance with this Funding Agreement.

"Governmental Entities" means Lexington, Richland, and the City.

"Lexington" means Lexington County, South Carolina.

"Marketing Costs" means the marketing costs shown in the applicable Operating Budget.

"Operating Budget" means the annual operating budget adopted by the Board of the Authority for each fiscal year.

"Project" means the Arena, the Center and the adjacent parking areas.

"Project Agreement" means the Project Agreement to be entered into between the University and the Governmental Entities regarding the Project.

"Project Documents" means the overall documents which will be prepared which will be to govern the relations of all the parties involved in the Project.

"Replacement Reserve" means the replacement reserve shown in the applicable Operating Budget.

"Richland" means Richland County, South Carolina.

"Site" means the entire acreage required for the Center.

"TIF Financing" means the tax increment financing anticipated to be made available for the financing of the acquisition of the Site.

"Tourism Development Fees" means the special tourism development fees collected since January 1, 1997 by the Governmental Entities.

"University" means the University of South Carolina.

NPCOL1:442152.7-CA-(EGM) 017611-00010

**EXHIBIT C**

Articles of Incorporation

[To be Included]

DISCUSSION DRAFT - 12/6/001/23/01

## GOVERNMENTAL ENTITIES FUNDING AGREEMENT

THIS GOVERNMENTAL ENTITIES FUNDING AGREEMENT (this "Funding Agreement"), made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_ January, 2001, by, between and among LEXINGTON COUNTY, SOUTH CAROLINA ("Lexington"), RICHLAND COUNTY, SOUTH CAROLINA ("Richland") and the CITY OF COLUMBIA, SOUTH CAROLINA (the "City") (Lexington, Richland and the City collectively, the "Governmental Entities").

### BACKGROUND

The Governmental Entities have adopted ordinances related to the collection of tourism development fees (the "Tourism Development Fees") equal to three percent (3%) of all lodging charges collected within their respective jurisdictions. The Governmental Entities deem it appropriate at this time to enter into an agreement to utilize all use of the Tourism Development Fees for the development of a multipurpose conference/convention facility which is generally described in Exhibit A attached hereto (the "Center") having a present estimated total cost of approximately \$36,000,000.

The Governmental Entities also desire to utilize South Carolina Constitution Article VIII, Section 13 and South Carolina Code of Laws (1976), as amended, Section 4-9-41 (collectively the "Enabling Law") by the creation of a joint administrative body known as the Midlands Regional Convention Center Authority (the "Authority") to operate and maintain the Center subject to the limitations set forth herein. The Authority will be organized as permitted under South Carolina law and shall act for the Governmental Entities in carrying out the duties described herein.

NOW, THEREFORE, in consideration of the mutual covenants hereafter contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Governmental Entities, intending to be legally bound, do hereby agree as follows:

#### ARTICLE 1 Definitions

1.1 Definitions. All capitalized terms, unless otherwise defined herein, shall have the respective meanings set forth in Exhibit B attached hereto.

#### ARTICLE 2 Purposes

2.1 Primary Purposes. The primary purposes of this Funding Agreement are:

NPCOL1:442152.5-CA-(EGM) 017611-00010

- (i) to organize the ~~[Midlands Regional Convention Center]~~ Authority (the "Authority") ~~as a non-profit corporation (in which the sole members shall be the Governmental Entities)~~ to oversee development of the Center and operate the Center;
- (ii) to commit the initial Tourism Development Fees collected by the Governmental Entities to make the Assistance Payments to the University as an inducement for the University to construct the Arena adjacent to the Center; and
- (iii) to pledge irrevocably all remaining Tourism Development Fees collected by the Governmental Entities for use in development and operation of the Center until the Bonds are paid in full.

2.2 Proceeding with the Project. This Funding Agreement shall also evidence ~~the~~ authorization of ~~the~~ Authority to proceed with development of the Project Center, subject to the limitations set forth herein and to be set forth in the Project Documents.

### ARTICLE 3 The Authority

3.1 Responsibility. The Authority shall be responsible for developing an overall development plan for the Center, including site location, facilities, design, budgets, financing, construction, management, operation, marketing, debt service, reserves, and capital improvements.

3.1.1 Construction Fund. The Authority shall work directly with the City to devise a financing plan for the Center which will create a Construction Fund funded with up to \$36,000,000 (or such higher amount as described in Section 6.2) in proceeds from the sale of Bonds plus all Tourism Development Fees in excess of the Assistance Payments, ~~with a~~. All such funds to shall be utilized for the development, construction, fixtures, furnishings and equipment, pre-opening expenses of the Center, any payment due and owing due on the Bonds and working capital to commence operations. The City shall have sole responsibility for arranging for the financing of the Center through the issuance of the Bonds.

3.1.2 Construction. The Authority will cooperate with the City to establish specified procedures for construction of the Center by the City utilizing the Construction Fund to pay for all costs associated therewith, with the construction phase of the development ~~will to~~ be governed by a separate agreement regarding the same entered into between the Authority and the City.

3.1.3 Operations. Once the Center is open, the Authority will be responsible to market, operate, and maintain the Center for the benefit of the Governmental Entities.

3.1.4 Lease of Site. Subject to the terms of the Bonds and the TIF, the Authority will lease the ~~s~~Site for the Center for a term of ninety-nine (99) years for \$1 per year.

3.1.5 Ownership of the Center. The Authority shall have the option to purchase the Site for \$100.00 upon retirement of the Bonds. Upon such purchase, the Center shall be deemed owned by the Authority as a fiduciary for the benefit of the Governmental Entities upon the retirement of the Bonds.

3.2 Limitations. The Authority shall have no ability to directly or indirectly obligate any Governmental Entity to provide any funds or incur any financial obligation except for the remittance of Tourism Development Fees as collected by each Governmental Entity.

3.2.1 Obligations of the City. The City recognizes that financial obligations may be incurred by the City related to providing credit enhancement for the Bonds and/or funding of Operating Costs, but specifies that all such obligations shall be incurred separately by the City through express written instruments as determined in the sole and absolute discretion of the City.

3.2.2 No Further Obligation of Lexington or Richland. In no event whatsoever shall Lexington or Richland be called upon to provide any funding for the Center except for their respective Tourism Development Fees.

3.3 Organization. The Authority shall be organized as a ~~South Carolina non-profit corporation permitted~~ under the laws of the State of South Carolina in accordance with the Articles of Incorporation attached hereto as Exhibit C.

3.4 Sole Members. The sole Members pursuant to the Enabling Law to undertake all activities related to the development and operation of the Center, as well as discharge other duties referenced herein. The Authority shall be deemed created only to facilitate the joint administration of all matters related directly or indirectly to the Center and the Governmental Entities shall be the actual owners of all assets related to the Center.

3.3.1 To the extent deemed appropriate by the Board of Directors, the Authority may be organized as a South Carolina non-profit corporation or any other form of entity recommended by legal counsel for the Governmental Entities.

3.3.2 All documentation as to the legal status of the Authority shall be included in the Project Documents.

3.4 Governance. Subject to the limitations set forth herein and in the Project Documents, the Authority shall be governed exclusively by its Board of Directors who shall be appointed by the Governmental Entities. The Members shall each have one vote on all matters requiring the vote of the Members, in the manner hereafter set forth.

3.5 Board of Directors. The Board of Directors of the Authority shall consist of nine (9) Directors. Each Member shall be entitled to appoint two (2) directors from time to time, with the City entitled to appoint an additional three (3) Directors as a result of the City's additional financial exposure with respect to the Bonds.

3.5.1 Qualifications. At least one Director appointed by each Governmental Entity shall be employed in the hospitality/lodging industry so there will be at least three Directors of the Authority to provide input on issues related to the lodging industry. At least one additional Director appointed by the City shall be employed in the hospitality industry (meaning not only the lodging industry but as a broader category, the food and beverage industry and other related industries which benefit from tourism). All Directors shall have substantive business experience and subject to removal by the Board for failure to attend a specified number of meetings annually as specified in the Bylaws.

3.5.2 Actions. Unless otherwise specified in the Bylaws, action taken at any duly called meeting of the Board by a majority of the directors shall be deemed the action of the Board so long as a quorum is present at the meeting.

3.6 Advisory Directors. The Chief Administrator or Manager (or his or her designee) of each Governmental Entity shall be deemed an Advisory Director of the Authority, entitled to attend and participate in all meetings of the Board of Directors as advisors to the Board. Until the Center is complete and open for operations, the chief attorney for each Governmental Entity shall also be deemed an Advisory Director, entitled to attend and participate in all meetings of the Board of Directors if and to the extent requested by their respective Governmental Entity.

3.7 Bylaws. The Board of Directors shall develop Bylaws to govern the operation of the Authority and its affairs.

3.8 Executive Director. The Authority shall employ an Executive Director who shall be responsible for the day-to-day activities of the Authority, including marketing an operation of the Center.

3.9 Integrated Marketing. The Authority shall coordinate marketing efforts for the Center with the marketing activities of the Columbia Metropolitan Convention and Visitors Bureau (the "Bureau") to promote an integrated marketing program that not only benefits the Center but that benefits all of the Governmental Entities so long as the marketing budget of the Bureau is maintained at no less than current levels.

3.10 Management Activities. The Authority shall have the power to enter into a management agreement with Richland County and serve in a management capacity for the Township Auditorium on such terms and conditions as mutually agreed between the Authority and Richland County from time to time. However, so long as the Bonds are outstanding, the Authority shall not be permitted to utilize any funds available to the Authority for the marketing, operation, repair, renovation or other expenses of the Township Auditorium except as specified in Section 9.1 below.

3.11 Annual Report/Annual Meeting. Within one hundred eighty (180) days after the close of each fiscal year of the Authority, a detailed financial and operational report shall be provided to each Governmental Entity by the Authority. The annual report shall review the performance of the Authority for the prior year and describe the anticipated activities to be undertaken during the upcoming year. In addition, within two hundred ten (210) days after the end of the fiscal year, the Board of the Authority shall hold a meeting for the benefit of all the elected officials of the Governmental Entities who desire to attend. At this annual meeting, the Executive Director of the Authority, the Chair of the Board and the accountants for the Authority shall be available to review the annual report, answer questions from elected officials, and generally provide information regarding the ongoing operation of the Center.

#### ARTICLE 4

##### Use of Tourism Development Fees

4.1 Current Escrow Arrangements. Each of the Governmental Entities has separately escrowed all Tourism Development Fees collected since collection of the Tourism Development Fees began. As of the date of this Funding Agreement, each of the Governmental Entities has on hand Tourism Development Fees in excess of \$2,500,000. Until the Closing, each of the Governmental Entities shall continue to collect and reserve Tourism Development Fees in the same manner. Irrespective of the foregoing, the Governmental Entities acknowledge that the City has utilized a small portion of its Tourism Development Fees for computer equipment for the Columbia Convention and Visitors Bureau. Such equipment shall be deemed a part of the Center and utilized to assist in tourism development, including activities benefitting the Center.

4.2 Assistance Payments. Each Governmental Entity agrees that in conjunction with commencement of construction by the University, such Governmental Entity shall transfer \$2,500,000 of its respective Tourism Development Fees to the University to fund the aggregate \$7,500,000 in Assistance Payments.

4.2.1 Refund. As a prerequisite to the funding of the Assistance Payments, the University shall commit to the Governmental Entities to refund all Assistance Payments in the event the University discontinues its efforts to construct the Arena. This provision shall not apply to temporary delays caused by matters beyond the reasonable control of the University so long as reasonable commercial efforts are being made to proceed with construction.

4.3 Escrow Account. In conjunction with the Closing, a separate escrow account (the "Escrow Account") shall be established pursuant to the Project Documents and all Governmental Entities

shall deposit into this Escrow Account all of the Tourism Development Fees collected and reserved in accordance with Section 4.1 above, excluding Assistance Payments made in accordance with Section 4.2 above. Upon receipt, all funds in the Escrow Account shall be applied in accordance with the Project Documents, including payment of the hard and soft costs associated with development of the Center. To the extent the City incurs expenses prior to the Closing which constitute "Project Costs" within the meaning of the Project Documents, the City shall be reimbursed for such expenditures out of the Escrow Account at the Closing.

4.4 Pledge of Future Tourism Development Fees. In conjunction with the Closing, each of the Governmental Entities shall execute such documents and instruments as may be reasonably required to irrevocably pledge and assign all future collections of Tourism Development Fees to the trustee of the Bonds to assure the availability of such funds for payment of the Bonds.

4.5 Limitation on Pledge of Tourism Development Fees. Anything to the contrary contained herein notwithstanding, the Bonds shall have a maturity of no longer than twenty (20) years from the date of issuance of the Bonds and upon payment in full, the obligations of Lexington and Richland to apply their respective Tourism Development Fees to the Center shall terminate.

#### ARTICLE 5 Limitations

5.1 Sole Obligation of Lexington and Richland. Anything to the contrary contained in this Funding Agreement, notwithstanding, Lexington and Richland shall have no financial obligation or liability with respect to the Bonds, the Center or the Project whatsoever except to cause all Tourism Development Fees collected to be applied first to the Assistance Payments and then as provided in the Project Documents, and Lexington and Richland shall have no financial obligations whatsoever for the Center except to the extent of Tourism Development Fees collected in their respective jurisdictions.

#### ARTICLE 6 Financial Matters

6.1 Application of Tourism Development Fees. The use of all Tourism Development Fees shall be specified in the Project Documents. However, after the Closing, until the Center commences operations, all Tourism Development Fees will be deposited in the Construction Fund and utilized as specified in Section 3.1.1. Once the Center opens, Tourism Development Fees shall generally be applied as follows:

- (i) first, Tourism Development Fees received shall be applied to amounts due and owing with respect to the Bonds;
- (ii) next, Tourism Development Fees shall fund payments to Replacement Reserves requirement by the Bond Documents and/or the Project Documents;

(iii) ~~next~~, Tourism Development Fees shall be applied to fund Marketing Costs until the annual amount shown in the then current Operating Budget has been funded;

(iv) ~~next~~, Tourism Development Fees which remain shall fund Operating Costs in excess of operating revenues; and

(v) ~~next~~finally, Tourism Development Fees shall be deposited in reserve accounts reasonably established by the Authority for future Operating Costs and capital expenditures not funded by the Replacement Reserves; ~~and~~

~~(vi) finally, to the extent any.~~

6.2 Surplus. To the extent the Board determines that a surplus exists in funds of the Authority after making allowances for all obligations of the Authority and the needs of the Authority for the future operation, maintenance, repair, replacement and expansion of the Center, the surplus shall be distributed to the three Governmental Entities in proportion to the Tourism Development Fees remain, such funds shall be utilized to reimburse the City for Advances without interest.

6.2 contributed by the three Governmental Entities as of the date of each distribution.

6.3 Limitation on Bonds. The Bonds to be issued to finance development, construction and start up of the Center shall not exceed \$36,000,000 (or such higher amount as may reasonably be amortized by Tourism Development Fees) unless the prior written consent of each Governmental Entity is obtained.

6.34 Issuer of the Bonds. The City shall issue the Bonds solely in its name or an entity created by the City. Other than the pledges and assignments of Tourism Development Fees called for by this Funding Agreement, neither Lexington nor Richland shall have any responsibility or obligation with respect to the Bonds, nor shall either of such entities be otherwise named as or deemed to be issuers of such Bonds.

6.45 Bond Insurance. The City shall be the only Governmental Entity which may incur any liability or obligation for Bond Insurance should the same be required for the issuance of the Bonds.

6.56 Advances/Additional Funding. To the extent that additional funds are ever required to make payments with respect to Bonds and/or fund Operating Costs, the City acknowledges that neither Lexington nor Richland shall have any further responsibility or obligation and the City shall be solely responsible to locate sources of funds to supplement revenues from the Center and make required payments. All amounts so advanced by the City shall constitute Advances under the terms of this Funding Agreement.

## ARTICLE 7

### Development of the Project and the Center

7.1 Authorization to Proceed. Based upon the commitments of the Governmental Entities set forth above and the limitations placed upon any further obligations of the Governmental Entities, the City may proceed with development of the Center.

7.2 Approval of Project Documents. It is contemplated that the Governmental Entities and the University will enter into various Project Documents including various documents with the University related to the development of the Arena and Bond Documents to be prepared to finance the development and construction of the Center. The City shall proceed to cause all Project Documents to be generated in an appropriate manner and submitted to Lexington and Richland for their approval, with such approval not to be unreasonably withheld or delayed. If specific written objections are not received by the Authority as to any Project Documents within thirty (30) days after the same are provided to the Governmental Entities for approval, such approval shall be deemed given by any Governmental Entity who does not otherwise object as specified above. Thereafter, the City shall proceed with the issuance of the Bonds and the City and the Authority shall undertake all matters required for the development of the Center in accordance with the Project Documents.

## ARTICLE 8 Conduct

8.1 General Standard. The Governmental Entities and the Authority agree to act reasonably, diligently and in good faith to approval all matters required to promote the development of the Center in accordance with good real estate development practices.

8.2 Facility Size. The Governmental Entities acknowledge that the general size of the Center shall be as set forth in Exhibit A. No material increase in the size of the Center shall be undertaken unless the prior written consent of the Governmental Entities is obtained.

8.3 Hotel Development. While the Governmental Entities recognize that hotel development may become part of the Center, no portion of the Tourism Development Fees shall be used directly or indirectly to fund such development. Any expenses associated with the hotel component shall be funded solely through resources not involving the Tourism Development Fees. Irrespective of the foregoing, this Section shall not apply to site design costs, parking design costs or designs for connectors so that the hotel may be properly placed adjacent to the Center when developed.

## ARTICLE 9 Marketing of Township Auditorium

9.1 Marketing Services: The Authority will actively market the Township Auditorium as part of the sales efforts for the Center.

9.2 Charges. No additional charge shall be made for such marketing provided by the Authority except for all actual expenses associated with the preparation of advertising materials, which expenses shall be borne by the Township Auditorium.

ARTICLE 10  
Miscellaneous

10.1 Compliance with Laws. All Parties shall undertake all activities required under the terms of this Funding Agreement in compliance with all applicable governmental requirements.

10.2 No Third Party Beneficiaries. Only the Governmental Entities and the Authority shall be entitled to enforce the provisions of this Agreement and no other party shall be deemed a third-party beneficiary or have any standing to enforce any provision or have any standing to enforce any provision of this Agreement.

10.3 Assignment. This Funding Agreement is not assignable by any party.

10.4 Notices. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile) and shall be given

If to Lexington:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

With a copy to:

\_\_\_\_\_  
\_\_\_\_\_

If to Richland:

\_\_\_\_\_  
\_\_\_\_\_

With a copy to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If to the City:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

With a copy to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

or such other address or facsimile number as such party may hereafter specify for such purpose by notice to the other party to this Funding Agreement. Each such notice, request or other communication shall be effective (i) if given by facsimile transmission, when such facsimile is transmitted to the facsimile number specified in this Section 10.5 and the appropriate confirmation is received, or (ii) if given by any other means, when delivered at the address specified in this Section 10.4.

10.5 Severability. If any term or provision of this Funding Agreement or the application thereof is invalid, illegal or incapable of being enforced by any rule of law, or public policy, all other provisions of this Funding Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the agreements contained herein is not affected in any manner adverse to any party. Upon such determination that any provision of the application thereof is invalid, illegal or unenforceable, the Governmental Entities hereto shall negotiate in good faith to modify this Funding Agreement so as to effect the original intent of the Governmental Entities as closely as possible in a mutually acceptable manner in order that the agreements contained herein may be performed as originally contemplated to the fullest extent possible.

~~10.6~~ Litigation Costs. In the event of any litigation related to the construction or enforcement of the provisions of this Funding Agreement, the prevailing party in such litigation shall be entitled to recover from the non-prevailing party(ies) its reasonable attorney's fees and expenses.

~~10.76~~ Governing Law. This Funding Agreement shall be construed under and governed by the law of the State of South Carolina.

~~10.87~~ Headings. The headings in this Funding Agreement are for the convenience of reference only and shall not affect the meaning or interpretation of this Funding Agreement.

~~10.98~~ Amendments. This Funding Agreement may only be amended by a writing executed by all the Parties hereto.

~~10.109~~ Entire Agreement. This Funding Agreement, including the Schedules and Exhibits to this Funding Agreement constitute the entire agreement of the Governmental Entities with respect to the subject matter hereof and thereof and supersede all prior agreements and undertakings, both written and oral, with respect to the subject matter hereof and thereof.

IN WITNESS WHEREOF, the Governmental Entities hereto have executed this Funding Agreement as of the date first set forth above.

THE COUNTY OF LEXINGTON, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

THE COUNTY OF RICHLAND, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

THE CITY OF COLUMBIA, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A**

**Description of Conference/Convention Center**

NPCOL:442:52.5-CA-(EGM) 017811-00010

**EXHIBIT B**

## Definitions

"Arena" means the proposed arena to be owned and operated by the University of South Carolina.

"Bonds" means the special revenue bonds or certificates of participation related to a lease/purchase transaction issued by the City of Columbia to finance the construction of the Center, which bonds or certificates of participation shall be retired utilizing the Tourism Development Fees.

"Center" means the multipurpose convention/conference center generally described in eExhibit A attached hereto.

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"Closing" means the date upon which the Bonds are issued by the City.

"Escrow Account" means the escrow account created to retain Tourism Development Fees in accordance with this Funding Agreement.

"Governmental Entities" means Lexington, Richland, and the City.

"Lexington" means Lexington County, South Carolina.

"Marketing Costs" means the marketing costs shown in the applicable Operating Budget.

"Operating Budget" means the annual operating budget adopted by the Board of the Authority for each fiscal year.

"Project" means the Arena, the Center and the adjacent parking areas.

"Project Agreement" means the Project Agreement to be entered into between the University and the Governmental Entities regarding the Project.

"Project Documents" means the overall documents which will be prepared which will be to govern the relations of all the parties involved in the Project.

"Replacement Reserve" means the replacement reserve shown in the applicable Operating Budget.

"Richland" means Richland County, South Carolina.

"Site" means the entire acreage required for the Center.

"TIF Financing" means the tax increment financing anticipated to be made available for the financing of the acquisition of the Site.

"Tourism Development Fees" means the special tourism development fees collected since January 1, 1997 by the Governmental Entities.

"University" means the University of South Carolina.



**EXHIBIT C**

Articles of Incorporation

[To be Included]

**THIS IS A BLACKLINE  
OF THE FINAL VERSION  
JANUARY 25, 2001**

GOVERNMENTAL ENTITIES FUNDING AGREEMENT

THIS GOVERNMENTAL ENTITIES FUNDING AGREEMENT (this "Funding Agreement"), made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_ January, 2001, by, between and among LEXINGTON COUNTY, SOUTH CAROLINA ("Lexington"), RICHLAND COUNTY, SOUTH CAROLINA ("Richland") and the CITY OF COLUMBIA, SOUTH CAROLINA (the "City") (—Lexington, Richland and the City collectively, the "Governmental Entities").

BACKGROUND

The Governmental Entities have adopted ordinances related to the collection of tourism development fees (the "Tourism Development Fees") equal to three percent (3%) of all lodging charges collected within their respective jurisdictions. The Governmental Entities deem it appropriate at this time to enter into an agreement to utilize ~~all use of~~ the Tourism Development Fees for the development of a multipurpose conference/convention facility which is generally described in Exhibit A attached hereto (the "Center") having a present estimated total cost of approximately \$36,000,000.

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The Governmental Entities also desire to utilize South Carolina Constitution Article VIII, Section 13 and South Carolina Code of Laws (1976), as amended, Section 4-9-41 (collectively the "Enabling Law") by the creation of a joint administrative body known as the Midlands Regional Convention Center Authority (the "Authority") to operate and maintain the Center subject to the limitations set forth herein. The Authority will be organized as permitted under South Carolina law and shall act for the Governmental Entities in carrying out the duties described herein.

NOW, THEREFORE, in consideration of the mutual covenants hereafter contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Governmental Entities, intending to be legally bound, do hereby agree as follows:

ARTICLE 1  
Definitions

1.1 Definitions. All capitalized terms, unless otherwise defined herein, shall have the respective meanings set forth in Exhibit B attached hereto.

ARTICLE 2  
Purposes

2.1 Primary Purposes. The primary purposes of this Funding Agreement are:

- (i) to organize the [~~Midlands Regional Convention Center~~] Authority (the "Authority") as a non-profit corporation (in which the sole members shall be the Governmental Entities) to oversee development of the Center and operate the Center;
- (ii) to commit the <sup>SPECIFY AMOUNT</sup> initial Tourism Development Fees collected by the Governmental Entities to make the Assistance Payments to the University as an inducement for the University to construct the Arena adjacent to the Center; and
- (iii) to pledge irrevocably all remaining Tourism Development Fees collected by the Governmental Entities for use in development and operation of the Center until the Bonds are paid in full.

2.2 Proceeding with the Project. This Funding Agreement shall also evidence the authorization of the Authority to proceed with development of the Project Center, subject to the limitations set forth herein and to be set forth in the Project Documents.

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The Authority

3.1 Responsibility. The Authority shall be responsible for developing an overall development plan for the Center, including site location, facilities, design, budgets, financing, construction, management, operation, marketing, debt service, reserves, and capital improvements.

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6.2  
6.1?

3.1.2 Construction. The Authority will cooperate with the City to establish specified procedures for construction of the Center by the City utilizing the Construction Fund to pay for all costs associated therewith, with the construction phase of the development with to be governed by a separate agreement regarding the same entered into between the Authority and the City.

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3.1.4 Lease of Site. Subject to the terms of the Bonds and the ~~MP~~ the Authority will lease the sSite for the Center for a term of ninety-nine (99) years for \$1 per year.

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~~3.1.5 Ownership of the Center. The Authority shall have the option to purchase the Site for \$100,000 upon retirement of the Bonds. Upon such purchase, the Center shall be deemed owned by the Authority as a fiduciary for the benefit of the Governmental Entities upon the retirement of the Bonds.~~

3.2 Limitations. The Authority shall have no ability to directly or indirectly obligate any Governmental Entity to provide any funds or incur any financial obligation except for the remittance of Tourism Development Fees as collected by each Governmental Entity.

*to the  
owner  
of  
trustee*

3.2.1 Obligations of the City. The City recognizes that financial obligations may be incurred by the City related to providing credit enhancement for the Bonds and/or funding of Operating Costs, but specifies that all such obligations shall be incurred separately by the City through express written instruments as determined in the sole and absolute discretion of the City.

3.2.2 No Further Obligation of Lexington or Richland. In no event whatsoever shall Lexington or Richland be called upon to provide any funding for the Center except for their respective Tourism Development Fees.

3.3 Organization. The Authority shall be organized as a ~~South Carolina non-profit corporation permitted~~ under the laws of the State of South Carolina in accordance with the Articles of Incorporation attached hereto as Exhibit C.

~~3.4 Sole Members.~~ The sole Members pursuant to the Enabling Law to undertake all activities related to the development and operation of the Center, as well as discharge other duties referenced herein. The Authority shall be deemed created only to facilitate the joint administration of all matters related directly or indirectly to the Center and the Governmental Entities shall be the actual owners of all assets related to the Center.

3.3.1 To the extent deemed appropriate by the Board of Directors, the Authority may be organized as a South Carolina non-profit corporation or any other form of entity recommended by legal counsel for the Governmental Entities.

3.3.2 All documentation as to the legal status of the Authority shall be included in the Project Documents.

3.4 Governance. Subject to the limitations set forth herein and in the Project Documents, the Authority shall be governed exclusively by its Board of Directors who shall be appointed by the Governmental Entities. The Members shall each have one vote on all matters requiring the vote of the Members in the manner hereafter set forth.

3.5 Board of Directors. The Board of Directors of the Authority shall consist of nine (9) Directors. Each Member shall be entitled to appoint two (2) directors from time to time, with the City entitled to appoint an additional three (3) Directors as a result of the City's additional financial exposure with respect to the Bonds.

3.5.1 Qualifications. At least one Director appointed by each Governmental Entity shall be employed in the hospitality lodging industry so there will be at least three Directors of the Authority to provide input on issues related to the lodging industry. At least one additional Director appointed by the City shall be employed in the hospitality industry (meaning not only the lodging industry but as a broader category, the food and beverage industry and other related industries which benefit from tourism). All Directors shall have substantive business experience and subject to removal by the Board for failure to attend a specified number of meetings annually as specified in the Bylaws.

3.5.2 Actions. Unless otherwise specified in the Bylaws, action taken at any duly called meeting of the Board by a majority of the directors shall be deemed the action of the Board so long as a quorum is present at the meeting.

*including  
each  
session*  
3.6 Advisory Directors. The Chief Administrator or Manager (or his or her designee) of each Governmental Entity shall be deemed an Advisory Director of the Authority, entitled to attend and participate in all meetings of the Board of Directors as advisors to the Board. Until the Center is complete and open for operations, the chief attorney for each Governmental Entity shall also be deemed an Advisory Director entitled to attend and participate in all meetings of the Board of Directors if and to the extent requested by their respective Governmental Entity.

3.7 Bylaws. The Board of Directors shall develop Bylaws to govern the operation of the Authority and its affairs.

3.8 Executive Director. The Authority shall employ an Executive Director who shall be responsible for the day-to-day activities of the Authority, including marketing an operation of the Center.

3.9 Integrated Marketing. The Authority shall coordinate marketing efforts for the Center with the marketing activities of the Columbia Metropolitan Convention and Visitors Bureau (the "Bureau") to promote an integrated marketing program that not only benefits the Center but that benefits all of the Governmental Entities so long as the marketing budget of the Bureau is maintained at no less than current levels.

3.10 Management Activities. The Authority shall have the power to enter into a management agreement with Richland County and serve in a management capacity for the Township Auditorium on such terms and conditions as mutually agreed between the Authority and Richland County from time to time. However, so long as the Bonds are outstanding, the Authority shall not be permitted to utilize any funds available to the Authority for the marketing, operation, repair, renovation or other expenses of the Township Auditorium except as specified in Section 9.1 below.

3.11 Annual Report/Annual Meeting. Within one hundred eighty (180) days after the close of each fiscal year of the Authority, a detailed financial and operational report shall be provided to each Governmental Entity by the Authority. The annual report shall review the performance of the Authority for the prior year and describe the anticipated activities to be undertaken during the upcoming year. In addition, within two hundred ten (210) days after the end of the fiscal year, the Board of the Authority shall hold a meeting for the benefit of all the elected officials of the Governmental Entities who desire to attend. At this annual meeting, the Executive Director of the Authority, the Chair of the Board and the accountants for the Authority shall be available to review the annual report, answer questions from elected officials, and generally provide information regarding the ongoing operation of the Center.

#### ARTICLE 4

#### Use of Tourism Development Fees

4.1 Current Escrow Arrangements. Each of the Governmental Entities has separately escrowed all Tourism Development Fees collected since collection of the Tourism Development Fees began. As of the date of this Funding Agreement, each of the Governmental Entities has on hand Tourism Development Fees in excess of \$2,500,000. Until the Closing, each of the Governmental Entities shall continue to collect and reserve Tourism Development Fees in the same manner. Irrespective of the foregoing, the Governmental Entities acknowledge that the City has utilized a small portion of its Tourism Development Fees for computer equipment for the Columbia Convention and Visitors Bureau. Such equipment shall be deemed a part of the Center and utilized to assist in tourism development, including activities benefitting the Center.

4.2 Assistance Payments. Each Governmental Entity agrees that in conjunction with commencement of construction by the University, such Governmental Entity shall transfer \$2,500,000 of its respective Tourism Development Fees to the University to fund the aggregate \$7,500,000 in Assistance Payments.

4.2.1 Refund. As a prerequisite to the funding of the Assistance Payments, the University shall commit to the Governmental Entities to refund all Assistance Payments in the event the University discontinues its efforts to construct the Arena. This provision shall not apply to temporary delays caused by matters beyond the reasonable control of the University so long as reasonable commercial efforts are being made to proceed with construction.

4.3 Escrow Account. In conjunction with the Closing, a separate escrow account (the "Escrow Account") shall be established pursuant to the Project Documents and all Governmental Entities

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shall deposit into this Escrow Account all of the Tourism Development Fees collected and reserved in accordance with Section 4.1 above, excluding Assistance Payments made in accordance with Section 4.2 above. Upon receipt, all funds in the Escrow Account shall be applied in accordance with the Project Documents, including payment of the hard and soft costs associated with development of the Center. To the extent the City incurs expenses prior to the Closing which constitute "Project Costs" within the meaning of the Project Documents, the City shall be reimbursed for such expenditures out of the Escrow Account at the Closing.

4.4 Pledge of Future Tourism Development Fees. In conjunction with the Closing, each of the Governmental Entities shall execute such documents and instruments as may be reasonably required to irrevocably pledge and assign <sup>as necessary</sup> all future collections of Tourism Development Fees to the trustee of the Bonds to assure the availability of such funds for payment of the Bonds.

4.5 Limitation on Pledge of Tourism Development Fees. Anything to the contrary contained herein notwithstanding, the Bonds shall have a maturity of no longer than twenty (20) years from the date of issuance of the Bonds and upon payment in full, the obligations of Lexington and Richland to apply their respective Tourism Development Fees to the Center shall terminate.

ARTICLE 5  
Limitations

5.1 Sole Obligation of Lexington and Richland. Anything to the contrary contained in this Funding Agreement, notwithstanding, Lexington and Richland shall have no financial obligation or liability with respect to the Bonds, the Center or the Project whatsoever except to cause all Tourism Development Fees collected to be applied first to the Assistance Payments and then as provided in the Project Documents, and Lexington and Richland shall have no financial obligations whatsoever for the Center except to the extent of Tourism Development Fees collected in their respective jurisdictions.

ARTICLE 6  
Financial Matters

6.1 Application of Tourism Development Fees. The use of all Tourism Development Fees shall be specified in the Project Documents. However, after the Closing, until the Center commences operations, all Tourism Development Fees will be deposited in the Construction Fund and utilized as specified in Section 3.1.1. Once the Center opens, Tourism Development Fees shall generally be applied as follows:

- ✓ (i) first, Tourism Development Fees received shall be applied to amounts due and owing with respect to the Bonds;
- ✓ (ii) next, Tourism Development Fees shall fund payments to Replacement Reserves requirement by the Bond Documents and/or the Project Documents;

✓ (iii) next, Tourism Development Fees shall be applied to fund Marketing Costs until the annual amount shown in the then current Operating Budget has been funded;

(iv) next, Tourism Development Fees which remain shall fund Operating Costs in excess of operating revenues; and

(v) ~~next~~finally, Tourism Development Fees shall be deposited in reserve accounts reasonably established by the Authority for future Operating Costs and capital expenditures not funded by the Replacement Reserves; ~~and~~

~~(vi) finally, to the extent any.~~

6.2 Surplus. To the extent ~~the Board determines that a surplus exists in funds of the Authority after making allowances for all obligations of the Authority and the needs of the Authority for the future operation, maintenance, repair, replacement and expansion of the Center, the surplus shall be distributed to the three Governmental Entities in proportion to the Tourism Development Fees remain, such funds shall be utilized to reimburse the City for Advances without interest.~~

~~6.2 contributed by the three Governmental Entities as of the date of each distribution.~~

6.3 Limitation on Bonds. The Bonds to be issued to finance development, construction and start up of the Center shall not exceed \$36,000,000 (or such higher amount as may reasonably be amortized by Tourism Development Fees) unless the prior written consent of each Governmental Entity is obtained.

6.34 Issuer of the Bonds. The City shall issue the Bonds solely in its name or an entity created by the City. Other than the pledges and assignments of Tourism Development Fees called for by this Funding Agreement, neither Lexington nor Richland shall have any responsibility or obligation with respect to the Bonds, nor shall either of such entities be otherwise named as or deemed to be issuers of such Bonds.

6.45 Bond Insurance. The City shall be the only Governmental Entity which may incur any liability or obligation for Bond Insurance should the same be required for the issuance of the Bonds.

6.56 Advances Additional Funding. To the extent that additional funds are ever required to make payments with respect to Bonds and/or fund Operating Costs, the City acknowledges that neither Lexington nor Richland shall have any further responsibility or obligation and the City shall be solely responsible to locate sources of funds to supplement revenues from the Center and make required payments. ~~All amounts so advanced by the City shall constitute Advances under the terms of this Funding Agreement.~~

## ARTICLE 7

### Development of the Project and the Center

7.1 Authorization to Proceed. Based upon the commitments of the Governmental Entities set forth above and the limitations placed upon any further obligations of the Governmental Entities, the City may proceed with development of the Center.

7.2 Approval of Project Documents. It is contemplated that the Governmental Entities and the University will enter into various Project Documents including various documents with the University related to the development of the Arena and Bond Documents to be prepared to finance the development and construction of the Center. The City shall proceed to cause all Project Documents to be generated in an appropriate manner and submitted to Lexington and Richland for their approval, with such approval not to be unreasonably withheld or delayed. If specific written objections are not received by the Authority as to any Project Documents within thirty (30) days after the same are provided to the Governmental Entities for approval, such approval shall be deemed given by any Governmental Entity who does not otherwise object as specified above. Thereafter, the City shall proceed with the issuance of the Bonds and the City and the Authority shall undertake all matters required for the development of the Center in accordance with the Project Documents.

## ARTICLE 8 Conduct

8.1 General Standard. The Governmental Entities and the Authority agree to act reasonably, diligently and in good faith to approval all matters required to promote the development of the Center in accordance with good real estate development practices.

8.2 Facility Size. The Governmental Entities acknowledge that the general size of the Center shall be as set forth in Exhibit A. No material increase in the size of the Center shall be undertaken unless the prior written consent of the Governmental Entities is obtained.

8.3 Hotel Development. While the Governmental Entities recognize that hotel development may become part of the Center, no portion of the Tourism Development Fees shall be used directly or indirectly to fund such development. Any expenses associated with the hotel component shall be funded solely through resources not involving the Tourism Development Fees. Irrespective of the foregoing, this Section shall not apply to site design costs, parking design costs or designs for connectors so that the hotel may be properly placed adjacent to the Center when developed.

## ARTICLE 9 Marketing of Township Auditorium

9.1 Marketing Services. The Authority will actively market the Township Auditorium as part of the sales efforts for the Center.

9.2 Charges. No additional charge shall be made for such marketing provided by the Authority except for all actual expenses associated with the preparation of advertising materials, which expenses shall be borne by the Township Auditorium.



ARTICLE 10  
Miscellaneous

10.1 Compliance with Laws. All Parties shall undertake all activities required under the terms of this Funding Agreement in compliance with all applicable governmental requirements.

10.2 No Third Party Beneficiaries. Only the Governmental Entities and the Authority shall be entitled to enforce the provisions of this Agreement and no other party shall be deemed a third-party beneficiary or have any standing to enforce any provision or have any standing to enforce any provision of this Agreement.

10.3 Assignment. This Funding Agreement is not assignable by any party.

10.4 Notices. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile) and shall be given

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If to Lexington:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

With a copy to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If to Richland:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

With a copy to:

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If to the City:

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With a copy to:-

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or such other address or facsimile number as such party may hereafter specify for such purpose by notice to the other party to this Funding Agreement. Each such notice, request or other communication shall be effective (i) if given by facsimile transmission, when such facsimile is transmitted to the facsimile number specified in this Section 10.5 and the appropriate confirmation is received, or (ii) if given by any other means, when delivered at the address specified in this Section 10.4.

10.5 Severability. If any term or provision of this Funding Agreement or the application thereof is invalid, illegal or incapable of being enforced by any rule of law, or public policy, all other provisions of this Funding Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the agreements contained herein is not affected in any manner adverse to any party. Upon such determination that any provision or the application thereof is invalid, illegal or unenforceable, the Governmental Entities hereto shall negotiate in good faith to modify this Funding Agreement so as to effect the original intent of the Governmental Entities as closely as possible in a mutually acceptable manner in order that the agreements contained herein may be performed as originally contemplated to the fullest extent possible.

~~10.6~~ Litigation Costs. In the event of any litigation related to the construction or enforcement of the provisions of this Funding Agreement, the prevailing party in such litigation shall be entitled to recover from the non-prevailing party(ies) its reasonable attorney's fees and expenses.

~~10.76~~ Governing Law. This Funding Agreement shall be construed under and governed by the law of the State of South Carolina.

~~10.87~~ Headings. The headings in this Funding Agreement are for the convenience of reference only and shall not affect the meaning or interpretation of this Funding Agreement.

~~10.98~~ Amendments. This Funding Agreement may only be amended by a writing executed by all the Parties hereto.

~~10.109~~ Entire Agreement. This Funding Agreement, including the Schedules and Exhibits to this Funding Agreement constitute the entire agreement of the Governmental Entities with respect to the subject matter hereof and thereof and supersede all prior agreements and undertakings, both written and oral, with respect to the subject matter hereof and thereof.

**IN WITNESS WHEREOF**, the Governmental Entities hereto have executed this Funding Agreement as of the date first set forth above.

THE COUNTY OF LEXINGTON, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

THE COUNTY OF RICHLAND, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

THE CITY OF COLUMBIA, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A**

Description of Conference/Convention Center

## EXHIBIT B

### Definitions

"Arena" means the proposed arena to be owned and operated by the University of South Carolina.

"Bonds" means the special revenue bonds or certificates of participation related to a lease/purchase transaction issued by the City of Columbia to finance the construction of the Center, which bonds or certificates of participation shall be retired utilizing the Tourism Development Fees.

"Center" means the multipurpose convention/conference center generally described in eExhibit A attached hereto.

"City" means the City of Columbia, South Carolina.

"Closing" means the date upon which the Bonds are issued by the City.

"Escrow Account" means the escrow account created to retain Tourism Development Fees in accordance with this Funding Agreement.

"Governmental Entities" means Lexington, Richland, and the City.

"Lexington" means Lexington County, South Carolina.

"Marketing Costs" means the marketing costs shown in the applicable Operating Budget.

"Operating Budget" means the annual operating budget adopted by the Board of the Authority for each fiscal year.

"Project" means the Arena, the Center and the adjacent parking areas.

"Project Agreement" means the Project Agreement to be entered into between the University and the Governmental Entities regarding the Project.

"Project Documents" means the overall documents which will be prepared which will be to govern the relations of all the parties involved in the Project.

"Replacement Reserve" means the replacement reserve shown in the applicable Operating Budget.

"Richland" means Richland County, South Carolina.

"Site" means the entire acreage required for the Center.

"TIF Financing" means the tax increment financing anticipated to be made available for the financing of the acquisition of the Site.

"Tourism Development Fees" means the special tourism development fees collected since January 1, 1997 by the Governmental Entities.

"University" means the University of South Carolina.



**EXHIBIT C**

Articles of Incorporation

[To be Included]

## GOVERNMENTAL ENTITIES FUNDING AGREEMENT

THIS GOVERNMENTAL ENTITIES FUNDING AGREEMENT (this "Funding Agreement"), made and entered into as of the \_\_\_\_\_ day of January, 2001, by, between and among LEXINGTON COUNTY, SOUTH CAROLINA ("Lexington"), RICHLAND COUNTY, SOUTH CAROLINA ("Richland") and the CITY OF COLUMBIA, SOUTH CAROLINA (the "City") (Lexington, Richland and the City collectively, the "Governmental Entities").

### BACKGROUND

The Governmental Entities have adopted ordinances related to the collection of tourism development fees (the "Tourism Development Fees") equal to three percent (3%) of all lodging charges collected within their respective jurisdictions. The Governmental Entities deem it appropriate at this time to enter into an agreement to utilize all of the Tourism Development Fees for the development of a multipurpose conference/convention facility as generally described in Exhibit A attached hereto (the "Center") having a present estimated total cost of approximately \$36,000,000.

The Governmental Entities also desire to utilize South Carolina Constitution Article VIII, Section 13 and South Carolina Code of Laws (1976), as amended, Section 4-9-41 (collectively the "Enabling Law") by the creation of a joint administrative body known as the Midlands Regional Convention Center Authority (the "Authority") to operate and maintain the Center subject to the limitations set forth herein. The Authority will be organized as permitted under South Carolina law and shall act for the Governmental Entities in carrying out the duties described herein.

NOW, THEREFORE, in consideration of the mutual covenants hereafter contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Governmental Entities, intending to be legally bound, do hereby agree as follows:

#### ARTICLE 1

##### Definitions

1.1 Definitions. All capitalized terms, unless otherwise defined herein, shall have the respective meanings set forth in Exhibit B attached hereto.

#### ARTICLE 2

##### Purposes

2.1 Primary Purposes. The primary purposes of this Funding Agreement are:

- (i) to organize the Authority to oversee development of the Center and operate the Center;

- (ii) to commit the initial Tourism Development Fees collected by the Governmental Entities to make the Assistance Payments (as described in Section 4.2 hereof) to the University as an inducement for the University to construct the Arena adjacent to the Center; and
- (iii) to pledge irrevocably all remaining Tourism Development Fees collected by the Governmental Entities for use in development and operation of the Center until the Bonds are paid in full.

2.2 Proceeding with the Project. This Funding Agreement shall also evidence authorization of the Authority to proceed with development of the Center, subject to the limitations set forth herein and to be set forth in the Project Documents.

### ARTICLE 3 The Authority

3.1 Responsibility. The Authority shall be responsible for developing an overall development plan for the Center, including site location, facilities, design, budgets, financing, construction, management, operation, marketing, debt service, reserves, and capital improvements.

3.1.1 Construction Fund. The Authority shall work directly with the City to devise a financing plan for the Center which will create a Construction Fund funded with up to \$36,000,000 (or such higher amount as described in Section 6.2) in proceeds from the sale of Bonds plus all Tourism Development Fees in excess of the Assistance Payments. All such funds shall be utilized for the development, construction, fixtures, furnishings and equipment, pre-opening expenses of the Center, any payment due and owing on the Bonds and working capital to commence operations. The City shall have sole responsibility for arranging for the financing of the Center through the issuance of the Bonds.

3.1.2 Construction. The Authority will cooperate with the City to establish specified procedures for construction of the Center by the City utilizing the Construction Fund to pay for all costs associated therewith, with the construction phase of the development to be governed by a separate agreement regarding the same entered into between the Authority and the City.

3.1.3 Operations. Once the Center is open, the Authority will be responsible to market, operate, and maintain the Center for the benefit of the Governmental Entities.

3.1.4 Lease of Site. Subject to the terms of the Bonds and the TIF, the Authority will lease the Site for the Center for a term of ninety-nine (99) years for \$1 per year.

3.1.5 Ownership of the Center. The Authority shall have the option to purchase the Site for \$100.00 upon retirement of the Bonds. Upon such purchase, the Center shall be deemed owned by the Authority as a fiduciary for the benefit of the Governmental Entities.

3.2 Limitations. The Authority shall have no ability to directly or indirectly obligate any Governmental Entity to provide any funds or incur any financial obligation except for the remittance of Tourism Development Fees as collected by each Governmental Entity.

3.2.1 Obligations of the City. The City recognizes that financial obligations may be incurred by the City related to providing credit enhancement for the Bonds and/or funding of operating costs, but specifies that all such obligations shall be incurred separately by the City through express written instruments as determined in the sole and absolute discretion of the City.

3.2.2 No Further Obligation of Lexington or Richland. In no event whatsoever shall Lexington or Richland be called upon to provide any funding for the Center except for their respective Tourism Development Fees.

3.3 Organization. The Authority shall be organized as permitted under the laws of the State of South Carolina pursuant to the Enabling Law to undertake all activities related to the development and operation of the Center, as well as discharge other duties referenced herein. The Authority shall be deemed created only to facilitate the joint administration of all matters related directly or indirectly to the Center and the Governmental Entities shall be the actual owners of all assets related to the Center.

3.3.1 To the extent deemed appropriate by the Board of Directors, the Authority may be organized as a South Carolina non-profit corporation or any other form of entity recommended by legal counsel for the Governmental Entities.

3.3.2 All documentation as to the legal status of the Authority shall be included in the Project Documents.

3.4 Governance. Subject to the limitations set forth herein and in the Project Documents, the Authority shall be governed exclusively by its Board of Directors who shall be appointed by the Governmental Entities in the manner hereafter set forth.

3.5 Board of Directors. The Board of Directors of the Authority shall consist of nine (9) Directors. Each Member shall be entitled to appoint two (2) directors from time to time, with the City entitled to appoint an additional three (3) Directors as a result of the City's additional financial exposure with respect to the Bonds.

3.5.1 Qualifications. At least one Director appointed by each Governmental Entity shall be employed in the lodging industry so there will be at least three Directors of the Authority to provide input on issues related to the lodging industry. At least one additional Director appointed by the City shall be employed in the hospitality industry (meaning not only the lodging industry but as a broader category, the food and beverage industry and other related industries which benefit from tourism). All Directors shall have substantive business experience and subject to removal by the Board for failure to attend a specified number of meetings annually as specified in the Bylaws.

3.5.2 Actions. Unless otherwise specified in the Bylaws, action taken at any duly called meeting of the Board by a majority of the directors shall be deemed the action of the Board so long as a quorum is present at the meeting.

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ARTICLE 4  
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4.2 Assistance Payments. Each Governmental Entity agrees that in conjunction with commencement of construction by the University, such Governmental Entity shall transfer \$2,500,000 of its respective Tourism Development Fees to the University to fund the aggregate \$7,500,000 in Assistance Payments.

4.2.1 Refund. As a prerequisite to the funding of the Assistance Payments, the University shall commit to the Governmental Entities to refund all Assistance Payments in the event the University discontinues its efforts to construct the Arena. This provision shall not apply to temporary delays caused by matters beyond the reasonable control of the University so long as reasonable commercial efforts are being made to proceed with construction.

4.3 Escrow Account. In conjunction with the Closing, a separate escrow account (the "Escrow Account") shall be established pursuant to the Project Documents and all Governmental Entities shall deposit into this Escrow Account all of the Tourism Development Fees collected and reserved in accordance with Section 4.1 above, excluding Assistance Payments made in accordance with Section 4.2 above. Upon receipt, all funds in the Escrow Account shall be applied in accordance with the Project Documents, including payment of the hard and soft costs associated with development of the Center. To the extent the City incurs expenses prior to the Closing which constitute "Project Costs" within the meaning of the Project Documents, the City shall be reimbursed for such expenditures out of the Escrow Account at the Closing.

4.4 Pledge of Future Tourism Development Fees. In conjunction with the Closing, each of the Governmental Entities shall execute such documents and instruments as may be reasonably required to irrevocably pledge and assign all future collections of Tourism Development Fees to the trustee of the Bonds to assure the availability of such funds for payment of the Bonds.

4.5 Limitation on Pledge of Tourism Development Fees. Anything to the contrary contained herein notwithstanding, the Bonds shall have a maturity of no longer than twenty (20) years from the date of issuance of the Bonds and upon payment in full, the obligations of Lexington and Richland to apply their respective Tourism Development Fees to the Center shall terminate.

4.6 Intergovernmental Agreement Regarding Tourism Development Fees. Upon or prior to the issuance of the Bonds, the Governmental Entities shall enter into an Intergovernmental Agreement in substantially the form attached hereto as Exhibit . Such Intergovernmental Agreement shall constitute the full and complete authority of the Governmental Entities to transfer all of the Tourism Development Fees to the Escrow Agent as set forth therein. The Intergovernmental Agreement shall be in substantially the form attached hereto with such changes therein as shall be approved by the Chair of the Lexington County Council or the Chair of the Richland County Council or the Mayor of the City, such Chairs' and Mayor's execution thereof to constitute conclusive evidence of the approval of any and all changes or revisions therein from the form of Intergovernmental Agreement attached hereto as Exhibit .

#### ARTICLE 5 Limitations

5.1 Sole Obligation of Lexington and Richland. Anything to the contrary contained in this Funding Agreement, notwithstanding, Lexington and Richland shall have no financial obligation or liability with respect to the Bonds, the Center or the Project whatsoever except to cause all Tourism Development Fees collected to be applied first to the Assistance Payments and then as provided in the Project Documents, and Lexington and Richland shall have no financial obligations whatsoever for the Center except to the extent of Tourism Development Fees collected in their respective jurisdictions.

#### ARTICLE 6 Financial Matters

6.1 Application of Tourism Development Fees. The use of all Tourism Development Fees shall be specified in the Project Documents. However, after the Closing, until the Center commences operations, all Tourism Development Fees will be deposited in the Construction Fund and utilized as specified in Section 3.1.1. Once the Center opens, Tourism Development Fees shall generally be applied as follows:

- (i) first, Tourism Development Fees received shall be applied to amounts due and owing with respect to the Bonds;
- (ii) next, Tourism Development Fees shall fund payments to Replacement Reserves requirement by the Bond Documents and/or the Project Documents;
- (iii) next, Tourism Development Fees shall be applied to fund Marketing Costs until the annual amount shown in the then current Operating Budget has been funded;
- (iv) next, Tourism Development Fees which remain shall fund operating costs in excess of operating revenues; and

(v) finally, Tourism Development Fees shall be deposited in reserve accounts reasonably established by the Authority for future operating costs and capital expenditures not funded by the Replacement Reserves.

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6.5 Bond Insurance. The City shall be the only Governmental Entity which may incur any liability or obligation for Bond Insurance should the same be required for the issuance of the Bonds.

6.6 Additional Funding. To the extent that additional funds are ever required to make payments with respect to Bonds and/or fund operating costs, the City acknowledges that neither Lexington nor Richland shall have any further responsibility or obligation and the City shall be solely responsible to locate sources of funds to supplement revenues from the Center and make required payments.

## ARTICLE 7

### Development of the Project and the Center

7.1 Authorization to Proceed. Based upon the commitments of the Governmental Entities set forth above and the limitations placed upon any further obligations of the Governmental Entities, the City may proceed with development of the Center.

7.2 Approval of Project Documents. It is contemplated that the Governmental Entities and the University will enter into various Project Documents including various documents with the University related to the development of the Arena and Bond Documents to be prepared to finance the development and construction of the Center. The City shall proceed to cause all Project Documents to be generated in an appropriate manner and submitted to Lexington and Richland for their approval, with such approval not to be unreasonably withheld or delayed. If specific written objections are not received by the Authority as to any Project Documents within thirty (30) days after the same are provided to the Governmental Entities for approval, such approval shall be deemed given by any Governmental Entity who does not otherwise object as specified above. Thereafter,

the City shall proceed with the issuance of the Bonds and the City and the Authority shall undertake all matters required for the development of the Center in accordance with the Project Documents.

## ARTICLE 8 Conduct

8.1 General Standard. The Governmental Entities and the Authority agree to act reasonably, diligently and in good faith to approval all matters required to promote the development of the Center in accordance with good real estate development practices.

8.2 Facility Size. The Governmental Entities acknowledge that the general size of the Center shall be as set forth in Exhibit A. No material increase in the size of the Center shall be undertaken unless the prior written consent of the Governmental Entities is obtained.

8.3 Hotel Development. While the Governmental Entities recognize that hotel development may become part of the Center, no portion of the Tourism Development Fees shall be used directly or indirectly to fund such development. Any expenses associated with the hotel component shall be funded solely through resources not involving the Tourism Development Fees. Irrespective of the foregoing, this Section shall not apply to site design costs, parking design costs or designs for connectors so that the hotel may be properly placed adjacent to the Center when developed.

## ARTICLE 9 Marketing of Township Auditorium

9.1 Marketing Services. The Authority will actively market the Township Auditorium as part of the sales efforts for the Center.

9.2 Charges. No additional charge shall be made for such marketing provided by the Authority except for all actual expenses associated with the preparation of advertising materials, which expenses shall be borne by the Township Auditorium.

## ARTICLE 10 Miscellaneous

10.1 Compliance with Laws. All Parties shall undertake all activities required under the terms of this Funding Agreement in compliance with all applicable governmental requirements.

10.2 No Third Party Beneficiaries. Only the Governmental Entities and the Authority shall be entitled to enforce the provisions of this Agreement and no other party shall be deemed a third-party beneficiary or have any standing to enforce any provision or have any standing to enforce any provision of this Agreement.

10.3 Assignment. This Funding Agreement is not assignable by any party.

10.4 Notices. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile) and shall be given

If to Lexington:

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With a copy to:

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If to Richland:

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With a copy to:

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If to the City:

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10.5 Severability. If any term or provision of this Funding Agreement or the application thereof is invalid, illegal or incapable of being enforced by any rule of law, or public policy, all other provisions of this Funding Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the agreements contained herein is not affected in any manner adverse to any party. Upon such determination that any provision or the application thereof is invalid, illegal or unenforceable, the Governmental Entities hereto shall negotiate in good faith to modify this Funding Agreement so as to effect the original intent of the Governmental Entities as closely as possible in a mutually acceptable manner in order that the agreements contained herein may be performed as originally contemplated to the fullest extent possible.

10.6 Governing Law. This Funding Agreement shall be construed under and governed by the law of the State of South Carolina.

10.7 Headings. The headings in this Funding Agreement are for the convenience of reference only and shall not affect the meaning or interpretation of this Funding Agreement.

10.8 Amendments. This Funding Agreement may only be amended by a writing executed by all the Parties hereto.

10.9 Entire Agreement. This Funding Agreement, including the Schedules and Exhibits to this Funding Agreement constitute the entire agreement of the Governmental Entities with respect to the subject matter hereof and thereof and supersede all prior agreements and undertakings, both written and oral, with respect to the subject matter hereof and thereof.

IN WITNESS WHEREOF, the Governmental Entities hereto have executed this Funding Agreement as of the date first set forth above.

THE COUNTY OF LEXINGTON, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

THE COUNTY OF RICHLAND, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

THE CITY OF COLUMBIA, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A**

Description of Conference/Convention Center

## EXHIBIT B

### Definitions

"Arena" means the proposed arena to be owned and operated by the University of South Carolina.

"Bonds" means the special revenue bonds or certificates of participation related to a lease/purchase transaction issued by the City of Columbia to finance the construction of the Center, which bonds or certificates of participation shall be retired utilizing the Tourism Development Fees.

"Center" means the multipurpose convention/conference center generally described in Exhibit A attached hereto.

"City" means the City of Columbia, South Carolina.

"Closing" means the date upon which the Bonds are issued by the City.

"Escrow Account" means the escrow account created to retain Tourism Development Fees in accordance with this Funding Agreement.

"Governmental Entities" means Lexington, Richland, and the City.

"Lexington" means Lexington County, South Carolina.

"Marketing Costs" means the marketing costs shown in the applicable Operating Budget.

"Operating Budget" means the annual operating budget adopted by the Board of the Authority for each fiscal year.

"Project" means the Arena, the Center and the adjacent parking areas.

"Project Agreement" means the Project Agreement to be entered into between the University and the Governmental Entities regarding the Project.

"Project Documents" means the overall documents which will be prepared which will be to govern the relations of all the parties involved in the Project.

"Replacement Reserve" means the replacement reserve shown in the applicable Operating Budget.

"Richland" means Richland County, South Carolina.

"Site" means the entire acreage required for the Center.

"TIF Financing" means the tax increment financing anticipated to be made available for the financing of the acquisition of the Site.

"Tourism Development Fees" means the special tourism development fees collected since January 1, 1997 by the Governmental Entities.

"University" means the University of South Carolina.

**EXHIBIT C**

Articles of Incorporation

[To be Included]

**THIS IS THE  
FINAL VERSIO**

Mr. McSwain:  
This came in  
today's mail  
from Nesser Ruet  
Jacobs & Pollard  
Law Firm.  
Jm

**JANUARY 25, 2001**

**GOVERNMENTAL ENTITIES FUNDING AGREEMENT**

THIS GOVERNMENTAL ENTITIES FUNDING AGREEMENT (this "Funding Agreement"), made and entered into as of the \_\_\_\_\_ day of January, 2001, by, between and among LEXINGTON COUNTY, SOUTH CAROLINA ("Lexington"), RICHLAND COUNTY, SOUTH CAROLINA ("Richland") and the CITY OF COLUMBIA, SOUTH CAROLINA (the "City") (Lexington, Richland and the City collectively, the "Governmental Entities").

**BACKGROUND**

The Governmental Entities have adopted ordinances related to the collection of tourism development fees (the "Tourism Development Fees") equal to three percent (3%) of all lodging charges collected within their respective jurisdictions. The Governmental Entities deem it appropriate at this time to enter into an agreement to utilize all of the Tourism Development Fees for the development of a multipurpose conference/convention facility as generally described in Exhibit A attached hereto (the "Center") having a present estimated total cost of approximately \$36,000,000.

The Governmental Entities also desire to utilize South Carolina Constitution Article VIII, Section 13 and South Carolina Code of Laws (1976), as amended, Section 4-9-41 (collectively the "Enabling Law") by the creation of a joint administrative body known as the Midlands Regional Convention Center Authority (the "Authority") to operate and maintain the Center subject to the limitations set forth herein. The Authority will be organized as permitted under South Carolina law and shall act for the Governmental Entities in carrying out the duties described herein.

NOW, THEREFORE, in consideration of the mutual covenants hereafter contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Governmental Entities, intending to be legally bound, do hereby agree as follows:

**ARTICLE 1**  
**Definitions**

1.1 Definitions. All capitalized terms, unless otherwise defined herein, shall have the respective meanings set forth in Exhibit B attached hereto.

**ARTICLE 2**  
**Purposes**

2.1 Primary Purposes. The primary purposes of this Funding Agreement are:

- (i) to organize the Authority to oversee development of the Center and operate the Center;

- (ii) to commit the initial Tourism Development Fees collected by the Governmental Entities to make the Assistance Payments to the University as an inducement for the University to construct the Arena adjacent to the Center; and
- (iii) to pledge irrevocably all remaining Tourism Development Fees collected by the Governmental Entities for use in development and operation of the Center until the Bonds are paid in full.

2.2 Proceeding with the Project. This Funding Agreement shall also evidence authorization of the Authority to proceed with development of the Center, subject to the limitations set forth herein and to be set forth in the Project Documents.

### ARTICLE 3 The Authority

3.1 Responsibility. The Authority shall be responsible for developing an overall development plan for the Center, including site location, facilities, design, budgets, financing, construction, management, operation, marketing, debt service, reserves, and capital improvements.

3.1.1 Construction Fund. The Authority shall work directly with the City to devise a financing plan for the Center which will create a Construction Fund funded with up to \$36,000,000 (or such higher amount as described in Section 6.2) in proceeds from the sale of Bonds plus all Tourism Development Fees in excess of the Assistance Payments. All such funds shall be utilized for the development, construction, fixtures, furnishings and equipment, pre-opening expenses of the Center, any payment due and owing on the Bonds and working capital to commence operations. The City shall have sole responsibility for arranging for the financing of the Center through the issuance of the Bonds.

3.1.2 Construction. The Authority will cooperate with the City to establish specified procedures for construction of the Center by the City utilizing the Construction Fund to pay for all costs associated therewith, with the construction phase of the development to be governed by a separate agreement regarding the same entered into between the Authority and the City.

3.1.3 Operations. Once the Center is open, the Authority will be responsible to market, operate, and maintain the Center for the benefit of the Governmental Entities.

3.1.4 Lease of Site. Subject to the terms of the Bonds and the TIF, the Authority will lease the Site for the Center for a term of ninety-nine (99) years for \$1 per year.

3.1.5 Ownership of the Center. The Authority shall have the option to purchase the Site for \$100.00 upon retirement of the Bonds. Upon such purchase, the Center shall be deemed owned by the Authority as a fiduciary for the benefit of the Governmental Entities.

3.2 Limitations. The Authority shall have no ability to directly or indirectly obligate any Governmental Entity to provide any funds or incur any financial obligation except for the remittance of Tourism Development Fees as collected by each Governmental Entity.

3.2.1 Obligations of the City. The City recognizes that financial obligations may be incurred by the City related to providing credit enhancement for the Bonds and/or funding of operating costs, but specifies that all such obligations shall be incurred separately by the City through express written instruments as determined in the sole and absolute discretion of the City.

3.2.2 No Further Obligation of Lexington or Richland. In no event whatsoever shall Lexington or Richland be called upon to provide any funding for the Center except for their respective Tourism Development Fees.

3.3 Organization. The Authority shall be organized as permitted under the laws of the State of South Carolina pursuant to the Enabling Law to undertake all activities related to the development and operation of the Center, as well as discharge other duties referenced herein. The Authority shall be deemed created only to facilitate the joint administration of all matters related directly or indirectly to the Center and the Governmental Entities shall be the actual owners of all assets related to the Center.

3.3.1 To the extent deemed appropriate by the Board of Directors, the Authority may be organized as a South Carolina non-profit corporation or any other form of entity recommended by legal counsel for the Governmental Entities.

3.3.2 All documentation as to the legal status of the Authority shall be included in the Project Documents.

3.4 Governance. Subject to the limitations set forth herein and in the Project Documents, the Authority shall be governed exclusively by its Board of Directors who shall be appointed by the Governmental Entities in the manner hereafter set forth.

3.5 Board of Directors. The Board of Directors of the Authority shall consist of nine (9) Directors. Each Member shall be entitled to appoint two (2) directors from time to time, with the City entitled to appoint an additional three (3) Directors as a result of the City's additional financial exposure with respect to the Bonds.

3.5.1 Qualifications. At least one Director appointed by each Governmental Entity shall be employed in the lodging industry so there will be at least three Directors of the Authority to provide input on issues related to the lodging industry. At least one additional Director appointed by the City shall be employed in the hospitality industry (meaning not only the lodging industry but as a broader category, the food and beverage industry and other related industries which benefit from tourism). All Directors shall have substantive business experience and subject to removal by the Board for failure to attend a specified number of meetings annually as specified in the Bylaws.

3.5.2 Actions. Unless otherwise specified in the Bylaws, action taken at any duly called meeting of the Board by a majority of the directors shall be deemed the action of the Board so long as a quorum is present at the meeting.

3.6 Advisory Directors. The Administrator or Manager (or his or her designee) of each Governmental Entity shall be deemed an Advisory Director of the Authority, entitled to attend and participate in all meetings of the Board of Directors as advisors to the Board. Until the Center is complete and open for operations, the chief attorney for each Governmental Entity shall also be deemed an Advisory Director entitled to attend and participate in all meetings of the Board of Directors if and to the extent requested by their respective Governmental Entity.

3.7 Bylaws. The Board of Directors shall develop Bylaws to govern the operation of the Authority and its affairs.

3.8 Executive Director. The Authority shall employ an Executive Director who shall be responsible for the day-to-day activities of the Authority, including marketing an operation of the Center.

3.9 Integrated Marketing. The Authority shall coordinate marketing efforts for the Center with the marketing activities of the Columbia Metropolitan Convention and Visitors Bureau (the "Bureau") to promote an integrated marketing program that not only benefits the Center but that benefits all of the Governmental Entities so long as the marketing budget of the Bureau is maintained at no less than current levels.

3.10 Management Activities. The Authority shall have the power to enter into a management agreement with Richland County and serve in a management capacity for the Township Auditorium on such terms and conditions as mutually agreed between the Authority and Richland County from time to time. However, so long as the Bonds are outstanding, the Authority shall not be permitted to utilize any funds available to the Authority for the marketing, operation, repair, renovation or other expenses of the Township Auditorium except as specified in Section 9.1 below.

3.11 Annual Report/Annual Meeting. Within one hundred eighty (180) days after the close of each fiscal year of the Authority, a detailed financial and operational report shall be provided to each Governmental Entity by the Authority. The annual report shall review the performance of the Authority for the prior year and describe the anticipated activities to be undertaken during the upcoming year. In addition, within two hundred ten (210) days after the end of the fiscal year, the Board of the Authority shall hold a meeting for the benefit of all the elected officials of the Governmental Entities who desire to attend. At this annual meeting, the Executive Director of the Authority, the Chair of the Board and the accountants for the Authority shall be available to review the annual report, answer questions from elected officials, and generally provide information regarding the ongoing operation of the Center.

ARTICLE 4  
Use of Tourism Development Fees

4.1 Current Escrow Arrangements. Each of the Governmental Entities has separately escrowed all Tourism Development Fees collected since collection of the Tourism Development Fees began. As of the date of this Funding Agreement, each of the Governmental Entities has on hand Tourism Development Fees in excess of \$2,500,000. Until the Closing, each of the Governmental Entities shall continue to collect and reserve Tourism Development Fees in the same manner. Irrespective of the foregoing, the Governmental Entities acknowledge that the City has utilized a small portion of its Tourism Development Fees for computer equipment for the Columbia Convention and Visitors Bureau. Such equipment shall be deemed a part of the Center and utilized to assist in tourism development, including activities benefitting the Center.

4.2 Assistance Payments. Each Governmental Entity agrees that in conjunction with commencement of construction by the University, such Governmental Entity shall transfer \$2,500,000 of its respective Tourism Development Fees to the University to fund the aggregate \$7,500,000 in Assistance Payments.

4.2.1 Refund. As a prerequisite to the funding of the Assistance Payments, the University shall commit to the Governmental Entities to refund all Assistance Payments in the event the University discontinues its efforts to construct the Arena. This provision shall not apply to temporary delays caused by matters beyond the reasonable control of the University so long as reasonable commercial efforts are being made to proceed with construction.

4.3 Escrow Account. In conjunction with the Closing, a separate escrow account (the "Escrow Account") shall be established pursuant to the Project Documents and all Governmental Entities shall deposit into this Escrow Account all of the Tourism Development Fees collected and reserved in accordance with Section 4.1 above, excluding Assistance Payments made in accordance with Section 4.2 above. Upon receipt, all funds in the Escrow Account shall be applied in accordance with the Project Documents, including payment of the hard and soft costs associated with development of the Center. To the extent the City incurs expenses prior to the Closing which constitute "Project Costs" within the meaning of the Project Documents, the City shall be reimbursed for such expenditures out of the Escrow Account at the Closing.

4.4 Pledge of Future Tourism Development Fees. In conjunction with the Closing, each of the Governmental Entities shall execute such documents and instruments as may be reasonably required to irrevocably pledge and assign all future collections of Tourism Development Fees to the trustee of the Bonds to assure the availability of such funds for payment of the Bonds.

4.5 Limitation on Pledge of Tourism Development Fees. Anything to the contrary contained herein notwithstanding, the Bonds shall have a maturity of no longer than twenty (20) years from the date of issuance of the Bonds and upon payment in full, the obligations of Lexington and Richland to apply their respective Tourism Development Fees to the Center shall terminate.

ARTICLE 5  
Limitations

5.1 Sole Obligation of Lexington and Richland. Anything to the contrary contained in this Funding Agreement, notwithstanding, Lexington and Richland shall have no financial obligation or liability with respect to the Bonds, the Center or the Project whatsoever except to cause all Tourism Development Fees collected to be applied first to the Assistance Payments and then as provided in the Project Documents, and Lexington and Richland shall have no financial obligations whatsoever for the Center except to the extent of Tourism Development Fees collected in their respective jurisdictions.

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With a copy to:

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If to Richland:

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**IN WITNESS WHEREOF**, the Governmental Entities hereto have executed this Funding Agreement as of the date first set forth above.

THE COUNTY OF LEXINGTON, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

THE COUNTY OF RICHLAND, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

THE CITY OF COLUMBIA, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A**

Description of Conference/Convention Center

## EXHIBIT B

### Definitions

"Arena" means the proposed arena to be owned and operated by the University of South Carolina.

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"Project Documents" means the overall documents which will be prepared which will be to govern the relations of all the parties involved in the Project.

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"Richland" means Richland County, South Carolina.

"Site" means the entire acreage required for the Center.

"TIF Financing" means the tax increment financing anticipated to be made available for the financing of the acquisition of the Site.

"Tourism Development Fees" means the special tourism development fees collected since January 1, 1997 by the Governmental Entities.

"University" means the University of South Carolina.

**EXHIBIT C**

Articles of Incorporation

[To be Included]

**GOVERNMENTAL ENTITIES FUNDING AGREEMENT**

THIS GOVERNMENTAL ENTITIES FUNDING AGREEMENT (this "Funding Agreement"); made and entered into as of the Effective Date by, between and among LEXINGTON COUNTY, SOUTH CAROLINA ("Lexington"), RICHLAND COUNTY, SOUTH CAROLINA ("Richland") and the CITY OF COLUMBIA, SOUTH CAROLINA (the "City") (Lexington, Richland and the City collectively, the "Governmental Entities").

**BACKGROUND**

The Governmental Entities have adopted ordinances related to the collection of tourism development fees (the "Tourism Development Fees") equal to three percent (3%) of all lodging charges collected within their respective jurisdictions. The Governmental Entities deem it appropriate to enter into an agreement to utilize ~~the~~ the Tourism Development Fees for the development of a multipurpose conference/convention facility as generally described in Exhibit A attached hereto (the "Center"), having a present estimated total cost of approximately \$36,000,000.

NOW, THEREFORE, in consideration of the mutual covenants hereafter contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Governmental Entities, intending to be legally bound, do hereby agree as follows:

**ARTICLE 1**  
Definitions

1.1 Definitions. All capitalized terms, unless otherwise defined herein, shall have the respective meanings set forth in Exhibit B attached hereto.

**ARTICLE 2**  
Purposes

2.1 Primary Purposes. The primary purposes of this Funding Agreement are to:

- (i) organize a nonprofit corporation to be known as the Midlands Regional Convention Center Authority (the "Authority") to oversee development of the Center and operate the Center under a long term management arrangement for the benefit of the Governmental Entities;
- (ii) reserve \$7,500,000 in initial Tourism Development Fees already collected by the Governmental Entities to make the Assistance Payments (as described in Section 4.2 hereof) to the University, which Assistance Payments shall serve as an inducement for the University to construct the Arena adjacent to the Center; and

- (iii) to the fullest extent permitted by law, irrevocably pledge all remaining Tourism Development Fees collected by the Governmental Entities for use in development and operation of the Center for a period of twenty (20) years from the date of issuance of the Bonds.

2.2 Proceeding with the Project. This Funding Agreement shall also evidence authorization of the City and the Authority to proceed with development of the Center as hereafter described, subject to the limitations set forth herein and to be set forth in the Project Documents.

### ARTICLE 3 The Authority

3.1 Responsibility. The Authority shall be responsible for developing an overall development plan for the Center, including site location, facilities, design, budgets, financing, construction, management, operation, marketing, debt service, reserves, and capital improvements.

3.1.1 Construction Fund. The Authority shall work directly with the City to devise a financing plan for the Center which will create a Construction Fund at the Closing funded with up to \$36,000,000 (or such higher amount as described in Section 6.3) in proceeds from the sale of Bonds plus all Tourism Development Fees (including all interest and other income earned thereon) collected by the Governmental Entities in excess of the Assistance Payments and Interim Expenses. All such funds shall be utilized for the development, construction, fixtures, furnishings and equipment, pre-opening expenses of the Center, any payment due and owing on the Bonds and working capital to commence operations. The City shall have sole responsibility for arranging for the financing of the Center through the issuance of the Bonds.

3.1.2 Construction. The Authority will cooperate with the City to establish specified procedures for construction of the Center by the City utilizing the Construction Fund to pay for all costs associated therewith. The construction phase of the development shall be governed by a separate agreement regarding the same entered into between the Authority and the City.

3.1.3 Operations. Once the Center is open, the Authority will be responsible to market, operate, and maintain the Center for the benefit of the Governmental Entities in accordance with the Management Agreement.

3.1.4 Management Agreement. The Authority will enter into a Management Agreement with the City for the Center for a term of ninety-nine (99) years, whereby all net revenues realized from operation of the Center shall be retained by the Authority and utilized for the ongoing operation of the Center or distributed as a Surplus to the Governmental Entities.

3.1.5 Ownership of the Center. The Center shall be deemed owned by the City, but at times such ownership shall be subject to the Management Agreement and all the benefits conferred upon the Authority and the Governmental Entities pursuant thereto.

3.1.6 Insurance. The Authority shall maintain or cause to be maintained reasonable levels of hazard and liability insurance on the Center as determined by the Board from time to time, but in any event with limits and coverages generally consistent with limits and coverages maintained by third party management companies engaged in operating similar facilities located in North and South Carolina. All liability insurance shall name all Governmental Entities as additional insureds.

3.2 Limitations. The Authority shall have no ability to directly or indirectly obligate any Governmental Entity to provide any funds or incur any financial obligation except for the remittance of Tourism Development Fees (and all interest and other income earned thereon) as collected by each Governmental Entity for a period of twenty (20) years from the date of the issuance of the Bonds as specified herein and in the Project Documents.

3.2.1 Obligations of the City. The City recognizes that financial obligations may be incurred by the City related to providing credit enhancement for the Bonds and/or funding of operating costs, but all such obligations shall be incurred separately by the City through express written instruments as determined in the sole and absolute discretion of the City.

3.2.2 No Further Obligation of Lexington or Richland. In no event whatsoever shall Lexington or Richland be called upon to provide any funding for the Center except for their respective Tourism Development Fees.

3.3 Organization. Subject to Section 3.3.1 below, the Authority shall be organized as a nonprofit corporation under the laws of the State of South Carolina and authorized to undertake all activities related to the development and operation of the Center, as well as discharge all other duties referenced herein. Articles of Incorporation by the Authority in substantially the form of Exhibit C attached hereto shall be utilized to incorporate the Authority.

3.3.1 Alternate Organizational Structure. In the event the use of a nonprofit corporation creates material adverse income tax, ad valorem tax or other similar consequences, the Authority may be structured in an alternate manner with the approval of the Governmental Entities, which approval shall not be withheld unreasonably by any Governmental Entity so long as the alternate structure does not create any material exposure to liability, whether grounded in contract or tort, to such Governmental Entity.

3.4 Members. The sole members of the Authority shall be the Governmental Entities.

3.5 Governance. Subject to the limitations set forth herein and in the Project Documents, the Authority shall be governed exclusively by its Board of Directors who shall be appointed by the Governmental Entities in the manner hereafter set forth.

3.6 Board of Directors. The Board of Directors of the Authority shall consist of nine (9) Directors. Each Member shall be entitled to appoint two (2) directors, with the City entitled to appoint an additional three (3) Directors as a result of the City's additional financial exposure with respect to the Bonds.

3.6.1 Qualifications. At least one Director appointed by each Governmental Entity shall be employed in the lodging industry so there will be at least three Directors of the Authority to provide input on issues related to the lodging industry. At least one additional Director appointed by the City shall be employed in the hospitality industry (meaning not only the lodging industry but as a broader category, the food and beverage industry and other related industries which benefit from tourism). All Directors shall have substantive business experience and subject to removal by the Board for failure to attend a specified number of meetings annually as specified in the Bylaws.

3.6.2 Actions. Unless otherwise specified in the Bylaws, action taken at any duly called meeting of the Board by a majority of the directors shall be deemed the action of the Board so long as a quorum is present at the meeting.

3.6.3 Removal. Each Governmental Entity shall have the right to remove any or all of its respective appointees as Directors at any time with or without cause and appoint a replacement Director for the remainder of each removed Director's then current term.

3.7 Advisory Directors. The Administrator or Manager (or his or her designee) of each Governmental Entity shall be deemed an Advisory Director of the Authority, entitled to attend and participate in all meetings of the Board of Directors (and all committees of the Board) as advisors to the Board. Until the Center is complete and open for operations, the chief attorney for each Governmental Entity shall also be deemed an Advisory Director entitled to attend and participate in all meetings of the Board of Directors (and all committees of the Board) if and to the extent requested by the Governmental Entity such attorney represents.

3.8 Bylaws. The Board of Directors shall develop Bylaws for governance of the Authority and discharge by the Authority of all obligations under the Funding Agreement and the Project Documents.

3.9 Executive Director. The Authority shall employ an Executive Director who shall be responsible for the day-to-day activities of the Authority, including marketing and operation of the Center.

3.10 Integrated Marketing. The Authority shall coordinate marketing efforts for the Center with the marketing activities of the Columbia Metropolitan Convention and Visitors Bureau (the "Bureau") to promote an integrated marketing program that not only benefits the Center but that benefits all of the Governmental Entities so long as the marketing budget of the Bureau is maintained at no less than current levels.

3.11 Management Activities. The Authority shall have the power to enter into a management agreement with Richland County and serve in a management capacity for the Township Auditorium on such terms and conditions as mutually agreed between the Authority and Richland County from time to time. However, so long as the Bonds are outstanding, the Authority shall not be permitted to utilize any funds available to the Authority for the operation, repair, renovation or other expenses of the Township Auditorium except the limited marketing activities specified in Article 9 below (which Article 9 does not contemplate any material expenditures of funds in excess of amounts which would be expended in any event).

3.11 Annual Report/Annual Meeting. Within one hundred eighty (180) days after the close of each fiscal year of the Authority, a detailed financial and operational report shall be provided to each Governmental Entity by the Authority. The annual report shall review the performance of the Authority for the prior year and describe the anticipated activities to be undertaken during the upcoming year. In addition, within two hundred ten (210) days after the end of the fiscal year, the Board of the Authority shall hold a meeting for the benefit of all the elected officials of the Governmental Entities who desire to attend. At this annual meeting, the Executive Director of the Authority, the Chair of the Board and the accountants for the Authority shall be available to review the annual report, answer questions from elected officials, and generally provide information regarding the ongoing operation of the Center.

#### ARTICLE 4

##### Use of Tourism Development Fees

4.1 Current Escrow Arrangements. Each of the Governmental Entities has separately escrowed all Tourism Development Fees collected since collection of the Tourism Development Fees began. As of the Effective Date, each of the Governmental Entities shall retain Tourism Development Fees in the amount of \$2,500,000 to be utilized for the Assistance Payments and remit the balance of the Tourism Development Fees on hand, ~~which includes all interest earned thereon,~~ to the Interim Trustee as provided in Section 4.3 below. After the Effective Date, the Governmental Entities shall continue to collect and remit Tourism Development Fees to the Interim Trustee as provided in Section 4.3 below on or about the first day of each month until the Bonds are issued, whereupon all Tourism Development Fees shall be remitted monthly to the Bond Trustee pursuant to the Project Documents. After the Effective Date, all interest earned on Tourism Development Fees while in the hands of each Governmental Entity (the period from the date of collection until the monthly remittance to the Interim Trustee or the Bond Trustee) may be retained by such Governmental Entity to cover its administrative costs of collecting Tourism Development Fees.

4.1.1 Computer Purchase. Lexington and Richland acknowledge the City has utilized a small portion of its Tourism Development Fees for computer equipment for the Columbia Convention and Visitors Bureau. Such equipment shall be deemed a part of the Center and utilized to assist in tourism development, including activities benefitting the Center.

4.2 Assistance Payments. Each Governmental Entity agrees that in conjunction with commencement of construction by the University, such Governmental Entity shall transfer

\$2,500,000 of its respective Tourism Development Fees as retained pursuant to Section 4.1 above to the University to fund the aggregate \$7,500,000 in Assistance Payments.

4.2.1 Refund. As a prerequisite to the funding of the Assistance Payments, the University shall commit to the Governmental Entities to refund all Assistance Payments in the event the University discontinues its efforts to construct the Arena. This provision shall not apply to temporary delays caused by matters beyond the reasonable control of the University so long as reasonable commercial efforts are being made to proceed with construction.

4.3 Escrow Account. The Authority shall establish a separate account (the "Escrow Account") with a corporate fiduciary (the "Interim Trustee") who is in a position to invest all funds in the Escrow Account in the same manner as the City makes short term investments of its funds. The Interim Trustee shall receive all amounts remitted by the Governmental Entities in accordance with Section 4.1 and retain the same in the Escrow Account. All funds in the Escrow Account shall be invested by the Interim Trustee in the same manner that the City generally invests its funds on a short term basis and all earnings shall become part of the funds on deposit in the Escrow Account.

4.4 Withdrawals from the Escrow Account. The City shall submit to the Authority and the Interim Trustee a statement of all direct out-of-pocket expenditures made in connection with the development of the Center through the Effective Date, and upon approval by the Authority, with such approval not be withheld unreasonably, the Authority shall cause the Interim Trustee to disburse funds from the Escrow Account to the City to reimburse the City for all approved expenditures. Thereafter, on a monthly basis the Authority and the City shall be entitled to make monthly requests for payment of direct expenses reasonably incurred in connection with the development of the Center, including architectural fees, engineering fees, fees of outside legal counsel, incidental operating expenses of the Authority, and other similar expenses required for the issuance of the Bonds, commencement of construction and operation of the Authority prior to the Closing. In addition, Lexington County and Richland County shall be entitled to make requests from time to time for direct out-of-pocket expenses reasonably incurred in obtaining legal advise with respect to the matters which are the subject of this Funding Agreement through the date of Closing. All such requests for payments or reimbursement shall be subject to approval by the Authority, which approval shall not be withheld unreasonably. Upon approval, the Authority shall cause the Interim Trustee to disburse appropriate funds from the Escrow Account to the party entitled thereto. Once the Closing occurs, payment of additional expenditures shall be governed by the Project Documents and the Bond Documents.

4.4.1 Prior Notice of Payments. Copies of all requests for disbursements shall be provided to all Governmental Entities at least five (5) days prior to any disbursement from the Escrow Account to permit all parties to monitor disbursements fro the Escrow Account.

4.4.2 Limitations. No withdrawals shall be made from the Escrow Account except as specified above without the approval of all Governmental Entities and the Authority.

4.5 Limitation on Pledge of Tourism Development Fees. Anything to the contrary contained herein notwithstanding, the Bonds shall have a maturity of no longer than twenty (20) years from

the date of issuance of the Bonds. All obligations of Lexington and Richland to remit their respective Tourism Development Fees to the Bond Trustee shall terminate twenty (20) years from the date of issuance of the Bonds unless expressly agreed otherwise in the sole discretion of each such Governmental Entity.

4.6 Intergovernmental Agreement Regarding Tourism Development Fees. Upon or prior to the issuance of the Bonds, the Governmental Entities shall enter into an Intergovernmental Agreement in substantially the form attached hereto as Exhibit D. Such Intergovernmental Agreement shall constitute the full and complete authority of the Governmental Entities to transfer all of the Tourism Development Fees to the Escrow Agent as set forth therein. The Intergovernmental Agreement shall be in substantially the form attached hereto with such changes therein as shall be approved by the Chair of the Lexington County Council or the Chair of the Richland County Council or the Mayor of the City, such Chairs' and Mayor's execution thereof to constitute conclusive evidence of the approval of any and all changes or revisions therein from the form of Intergovernmental Agreement attached hereto as Exhibit D. The Intergovernmental Agreement shall bind each Governmental Entity to the fullest extent permitted by law and may contain non-appropriation language if necessary to comply with applicable law.

#### ARTICLE 5 Limitations

5.1 Sole Obligation of Lexington and Richland. Anything to the contrary contained in this Funding Agreement, notwithstanding, Lexington and Richland shall have no financial obligation or liability with respect to the Bonds, the Center or the Project whatsoever except to cause all Tourism Development Fees collected to be applied first to the Assistance Payments and then as provided in the Project Documents, and Lexington and Richland for a period of terminate twenty (20) years from the date of issuance of the Bonds unless expressly agreed otherwise in the sole discretion of each such Governmental Entity.

#### ARTICLE 6 Financial Matters

6.1 Application of Tourism Development Fees. The use of all Tourism Development Fees shall be specified in the Project Documents. However, after the Closing, until the Center commences operations, all Tourism Development Fees will be deposited in the Construction Fund and utilized as specified in Section 3.1.1. Once the Center opens, Tourism Development Fees shall generally be applied on a priority basis in the manner hereafter set forth, before being utilized for any other purposes:

- (i) first, Tourism Development Fees received shall be applied to amounts due and owing with respect to the Bonds;
- (ii) second, Tourism Development Fees shall fund payments to Replacement Reserves requirement by the Bond Documents and/or the Project Documents;

Handwritten mathematical calculations:

$$\begin{array}{r} 9000000 \\ \hline 90 \end{array}$$
$$\begin{array}{r} 900 \\ \hline 90 \end{array}$$
$$\begin{array}{r} 9000000 \\ \hline 9000000 \end{array}$$

(iii) third, Tourism Development Fees shall be applied to fund Marketing Costs until the annual amount shown in the then current Operating Budget has been funded.

6.2 Surplus. To the extent the Board determines that a Surplus exists in funds of the Authority from any source after establishing reasonable reserves for future operating expenses, debt service, maintenance, repair, replacement and expansion of the Center, the Surplus shall be distributed to the three Governmental Entities in proportion to their respective Contribution Balances until all Tourism Development Fees have been returned, with any excess to be distributed on a one-third (1/3) basis to each Governmental Entity.

6.2.1 Unforeseen Events. If any unforeseen circumstance arises which makes development of the Center unfeasible, with the consent of all Governmental Entities, this Funding Agreement may be terminated. In such event, after use of funds in the Escrow Account to pay all expenses incurred by the Authority and repay all Interim Expenses, the balance in the Escrow Account shall be distributed to the Governmental Entities in proportion to their respective Contribution Balances.

6.2.2 Sale or Liquidation. Upon any sale of the Center or the liquidation of the Authority, all funds generated from the applicable disposition of assets shall be distributed in the same manner as any Surplus.

6.3 Limitation on Bonds. The Bonds to be issued to finance development, construction and start up of the Center shall not exceed \$36,000,000 (or such higher amount as may reasonably be amortized by Tourism Development Fees) unless the prior written consent of each Governmental Entity is obtained. The Bonds shall be issued pursuant to the Bond Documents.

6.4 Issuer of the Bonds. The City shall issue the Bonds solely in its name or an entity created by the City. Other than the pledges and assignments of Tourism Development Fees called for by this Funding Agreement, neither Lexington nor Richland shall have any responsibility or obligation with respect to the Bonds, nor shall either of such entities be otherwise named as or deemed to be issuers of such Bonds.

6.5 Bond Insurance. The City shall be the only Governmental Entity which may incur any liability or obligation for Bond Insurance should the same be required for the issuance of the Bonds.

6.6 Additional Funding. To the extent that additional funds are ever required to make payments with respect to Bonds and/or fund operating costs, the City acknowledges that neither Lexington nor Richland shall have any further responsibility or obligation and the City shall be solely responsible to locate sources of funds to supplement revenues from the Center and make required payments.

ARTICLE 7  
Development of the Project and the Center

7.1 Authorization to Proceed. Based upon the commitments of the Governmental Entities set forth above and the limitations placed upon any further obligations of the Governmental Entities, the City may proceed with development of the Center.

7.2 Approval of Project Documents. It is contemplated that the Governmental Entities and the University will enter into various Project Documents including various documents with the University related to the development of the Arena and Bond Documents to be prepared to finance the development and construction of the Center. The City shall proceed to cause all Project Documents and Bond Documents to be generated in an appropriate manner and submitted to Lexington and Richland for their approval, with such approval not to be unreasonably withheld or delayed. If specific written objections are not received by the Authority as to any Project Documents or Bond Documents within thirty (30) days after the same are provided to the Governmental Entities for approval, such approval shall be deemed given by any Governmental Entity who does not otherwise object as specified above. Thereafter, the City shall proceed with the issuance of the Bonds and the City and the Authority shall undertake all matters required for the development of the Center in accordance with the Project Documents and Bond Documents.

ARTICLE 8  
Conduct/ Other Matters

8.1 General Standard. The Governmental Entities and the Authority agree to act reasonably, diligently and in good faith to approval all matters required to promote the development of the Center in accordance with good real estate development practices.

8.2 Facility Size. The Governmental Entities acknowledge that the general size of the Center shall be as set forth in Exhibit A. No material increase in the size of the Center shall be undertaken unless the prior written consent of the Governmental Entities is obtained.

8.3 Hotel Development. While the Governmental Entities recognize that hotel development may become part of the Center, no portion of the Tourism Development Fees shall be used directly or indirectly to fund such development. Any expenses associated with the hotel component shall be funded solely through resources not involving the Tourism Development Fees. Irrespective of the foregoing, this Section shall not apply to site design costs, parking design costs or designs for connectors so that the hotel may be properly placed adjacent to the Center when developed.

ARTICLE 9  
Marketing of Township Auditorium

9.1 Marketing Services. The Authority will actively market the Township Auditorium as part of the sales efforts for the Center.

9.2 Charges. No additional charge shall be made for such marketing provided by the Authority except for all actual expenses associated with the preparation of advertising materials, which expenses shall be borne by the Township Auditorium.

ARTICLE 10  
Miscellaneous

10.1 Compliance with Laws. Each Governmental Entity shall use its good faith effort to adopt all further ordinances and undertake all additional actions reasonably requested to consummate the transactions which are the subject of this Funding Agreement in accordance with applicable law.

10.2 No Third Party Beneficiaries. Only the Governmental Entities and the Authority shall be entitled to enforce the provisions of this Agreement and no other party shall be deemed a third-party beneficiary or have any standing to enforce any provision or have any standing to enforce any provision of this Agreement.

10.3 Assignment. This Funding Agreement is not assignable by any party.

10.4 Notices. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile) and shall be given

If to Lexington:

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With a copy to:

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If to Richland:

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With a copy to:

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If to the City:

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With a copy to:

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or such other address or facsimile number as such party may hereafter specify for such purpose by notice to the other party to this Funding Agreement. Each such notice, request or other communication shall be effective (i) if given by facsimile transmission, when such facsimile is transmitted to the facsimile number specified in this Section 10.5 and the appropriate confirmation is received, or (ii) if given by any other means, when delivered at the address specified in this Section 10.4.

10.5 Severability. If any term or provision of this Funding Agreement or the application thereof is invalid, illegal or incapable of being enforced by any rule of law, or public policy, all other provisions of this Funding Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the agreements contained herein is not affected in any manner adverse to any party. Upon such determination that any provision or the application thereof is invalid, illegal or unenforceable, the Governmental Entities hereto shall negotiate in good faith to modify this Funding Agreement so as to effect the original intent of the Governmental Entities as closely as possible in a mutually acceptable manner in order that the agreements contained herein may be performed as originally contemplated to the fullest extent possible.

10.6 Governing Law. This Funding Agreement shall be construed under and governed by the law of the State of South Carolina.

10.7 Headings. The headings in this Funding Agreement are for the convenience of reference only and shall not affect the meaning or interpretation of this Funding Agreement.

10.8 Amendments. This Funding Agreement may only be amended by a writing executed by all the Parties hereto.

10.9 Entire Agreement. This Funding Agreement, including the Schedules and Exhibits to this Funding Agreement constitute the entire agreement of the Governmental Entities with respect to the subject matter hereof and thereof and supersede all prior agreements and undertakings, both written and oral, with respect to the subject matter hereof and thereof.

10.10 Subsequent Legislation. In the event legislation is enacted after the Effective Date hereof by the General Assembly of the State empowering the Governmental Entities to jointly exercise governmental functions and powers as permitted by Article VIII, Section 13 of the State Constitution, the Governmental Entities may agree to undertake the powers, duties and responsibilities contemplated herein pursuant to such legislation; provided, however, that Lexington County and Richland County shall in no event be exposed to any material liability, either as to matters of contract or tort, through the use of any joint powers provision.

**IN WITNESS WHEREOF**, the Governmental Entities hereto have executed this Funding Agreement as of the date first set forth above.

THE COUNTY OF LEXINGTON, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

THE COUNTY OF RICHLAND, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

THE CITY OF COLUMBIA, SOUTH CAROLINA

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A**

Description of Conference/Convention Center

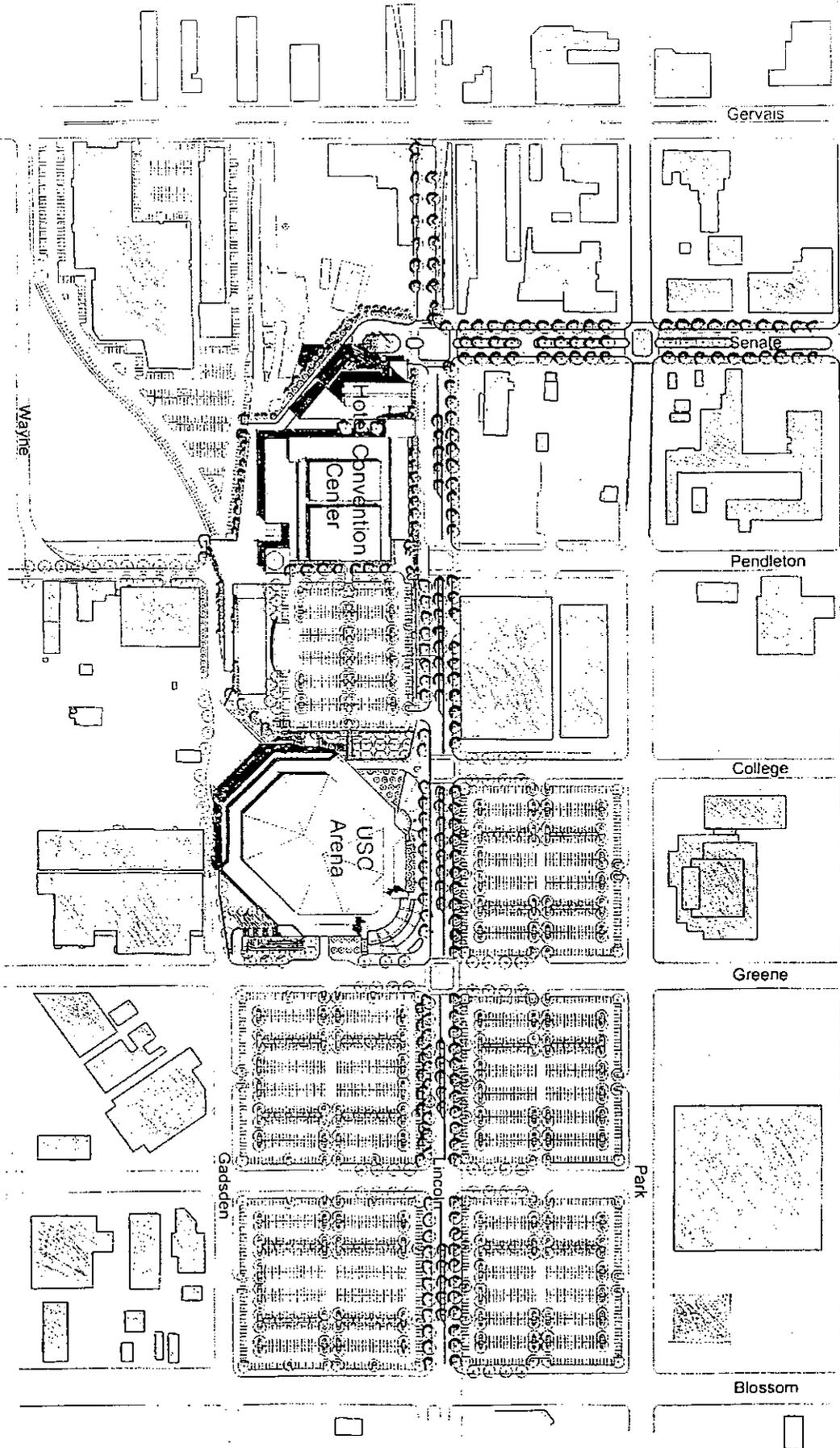


**LDR**  
International

MIDLANDS REGIONAL CONVENTION CENTER and HOTEL

MASTERPLAN

October 31, 2000



# CONVENTION CENTER BUDGET ESTIMATE

ASSUME DESIGN BEGINS NOVEMBER 2000 and CONSTRUCTION BEGINS MARCH 2002

A. BUILDING HARD CONSTRUCTION COST: 130,500 SF @ \$171.50/SF (Year 2000 Dollars)	\$22,400,000
B. SITEWORK ALLOWANCE (Arrival plaza, truck apron, on-site surface parking, etc.)	\$1,600,000
C. ESCALATION (To Midpoint of Construction)(5% of A and B per year to 2002)	\$2,400,000
D. ESTIMATE OF CONSTRUCTION COST (A + B + C)(2002 Dollars)	\$26,400,000
E. CONSTRUCTION CONTINGENCY (5% of D)	\$1,300,000
F. ESTIMATE OF PROJECT SOFT COST (in 2002 Dollars)	
Land Acquisition Cost, Demolition, Remediation	\$0
Public Art Fund	\$0
Furniture, Fixtures, and Equipment Budget and Fee (6% of D)	\$1,600,000
Telecommunications and Computer System Allowance (2% of D)	\$525,000
Smallwares, Banquetwares, and Loose Food Service Equipment (1.5% of D)	\$400,000
Surveys, Testing and Permits (1% of D)	\$250,000
Professional and Special Consultant fees (8.5% of D)	\$2,250,000
Reimbursable Expenses Allowance (1% of D)	\$250,000
Construction Management Fee	\$1,000,000
Owner Project Administration Expenses	\$0
SUB-TOTAL PROJECT SOFT COSTS	\$6,275,000
G. OWNER'S PROJECT CONTINGENCY (7.5% of D)	\$2,000,000
H. TOTAL ESTIMATED PROJECT COSTS (D+E+F+G)(2002 DOLLARS)	\$35,975,000

**Note:** The project costs shown do not include legal fees, taxes, financing or marketing costs. This estimate does not include cost for street and utility improvements, the hotel project or hotel parking. This Estimate of Probable Construction cost is based only on historical data.

Midlands Regional Convention Center

# OWNER'S BUILDING PROGRAM

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**NET to GROSS RATIO: 58,000 SF Net = 130,500 GSF**

<b>Exhibit Hall</b> Typical exhibit space. May not be divisible. Link to Ballroom.	25,000 SF
<b>Ballroom</b> Divisible into several rooms; highest quality space. Seats 1200.	18,000 SF
<b>Meeting Rooms</b> Possibly three permanent rooms and up to ten divisions.	15,000 SF
<b>Public Circulation</b> Lobbies, Registration Area, Prefunction and Circulation space.	25,000 SF
<b>Service / Support</b> Restrooms, Show Manager Offices, Dressing Rooms, Exit Stairs, Truck Dock, Storage, Housekeeping / Maintenance areas, Mechanical and Electrical Rooms, as well as Back-of-House Circulation.	38,000 SF
<b>Food Service</b> Full Banquet Kitchen, Dock, Storage, and Trash Rooms.	7,500 SF
<b>Administration Offices</b>	2,000 SF
<b>Total Square Footage (Enclosed Building Space)</b>	<b>130,500 GSF</b>

## Additional Exterior Space Requirements

Truck Service Apron and Truck Ramp  
Outdoor Terrace / Prefunction  
Drop-off / Arrival Plaza  
Surface Parking for 300 Cars

**Midlands Regional Convention Center**

10.03.00

289 of 422

# MIDLANDS REGIONAL CONVENTION CENTER

October 26, 2000

## DEFINITIONS

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The following definitions have been developed to help clarify the meaning of terms used relative to Program and Budget information for the new center.

1. **LEASABLE SPACE** – Those rooms or spaces in the Center that are leased for conventions, shows, or events, typically including exhibit halls, meeting rooms, and ballroom(s).
2. **SUPPORT SPACE** – In a general sense, all space in the Center that is not typically leased. This includes public circulation areas (lobbies, registration, prefunction, and concourses) and all of the many back-of-house spaces, such as storage, docks, kitchens, offices, toilets, box office, first aid, mechanical, and electrical spaces, etc. *(In a specific sense, support space is a sub-category of space that is not a leasable space or public circulation or pure back-of-house space, but may be accessed by the public – such as, toilets, box office, first aid, etc. This is clearly explained in our Building Program Document)*
3. **SUPPORT SPACE RATIO** – The ratio of square feet for leasable space to support space. A typical ratio for an efficient center is 1 : 1.25 – or for every one square foot of leasable space, 1.25 square feet of support space is needed. Thus, if we desire 58,000 SF of leasable area, we need 72,500 SF of support space.
4. **BUILDING HARD CONSTRUCTION COST** – That portion of a project's cost directly related to the construction of the building itself – for example, it does not include land, sitework, fees, furniture, portable equipment, infrastructure improvements, or contingencies. During the design phases, the dollar value is calculated in today's dollars and then may be escalated to the time of construction (see Escalation to Mid Point of Construction).
5. **SITWORK ALLOWANCE** – Costs associated with on-site improvements around the building, such as plazas, terraces, driveways, truck service yards, surface parking, landscaping, etc.

6. **ESCALATION TO MID POINT OF CONSTRUCTION** – The best prediction of the cost estimator to anticipate the escalating cost of materials and labor from today (when prices and costs are known) to the mid point of construction (when the contractor will complete the “buy out” of the project). Escalation rates are tied to the construction industry and often exceed the rate of economic inflation.
7. **CONSTRUCTION COST PER SQUARE FOOT** – In general, this is the average cost of construction per square foot of enclosed space. This is a useful method of developing a budget prior to the start of design. It is based on many factors including the anticipated level of quality (design, construction systems, technical systems, exterior and interior finishes, etc.) *Caution: There can be many variations to this number depending on what is included in the “construction cost” – just the building or sitework, contingencies, FF&E, escalation, etc. also.*
8. **CONSTRUCTION CONTINGENCY** – An Owner controlled contingency to cover changes in the project during construction. *The changes may be for Owner enhancements, rulings by code official after bid, unforeseeable existing conditions, design clarifications with unavoidable costs, design clarifications with costs that might have been avoided. This contingency is based, in part, on the principle that the drawings and specifications are not perfect. TVS recommends a construction contingency of 5% of the construction cost. This is not the contingency held by the contractor or construction manager.*
9. **PROJECT SOFT COST** – Soft costs are all costs not directly associated with permanent construction (i.e., the building and sitework), but that are essential for the completion of a project. These costs vary from project to project and may include such costs as land, fees, furniture, public art funds, surveys, testing, permits and administrative expenses.
10. **OWNER'S PROJECT CONTINGENCY** – This is a special contingency held by the Owner to help avoid the project being derailed by an unforeseen problem or to allow the Owner to take advantage of a surprise opportunity. It is not a required contingency, but we recommend it be set aside to protect the viability of the project.
11. **CONSTRUCTION MANAGEMENT FEE** – Fees to engage the services of a firm to assist the Owner in managing the construction process, typically used for a large, complex, fast-track project with multiple bid packages.

## EXHIBIT B

### Definitions

"Arena" means the proposed arena to be owned and operated by the University of South Carolina.

"Bond Documents" means any documents or agreements to be entered into by the City in order to effectuate the financing structure necessary for the issuance of the Bonds.

"Bond Trustee" means the corporate fiduciary who serves as the trustee under the terms of the governing documents related to the issuance of the Bonds.

"Bonds" means the special revenue bonds or certificates of participation related to a lease/purchase transaction issued by the City of Columbia to finance the construction of the Center, which bonds or certificates of participation shall be retired utilizing the Tourism Development Fees.

"Center" means the multipurpose convention/conference center generally described in Exhibit A attached hereto.

"City" means the City of Columbia, South Carolina.

"Closing" means the date upon which the Bonds are issued by the City.

"Contribution Balances" means the total Tourism Development Fees contributed by each Governmental Entity to the Center, including all sums remitted to the Interim Trustee and the Bond Trustee, less all distribution of a Surplus or liquidation proceeds to such Governmental Entity. The Contribution Balances shall not take into consideration any Assistance Payments.

"Effective Date" means the date this Funding Agreement is last signed by all the Governmental Entities.

"Escrow Account" means the escrow account created to retain Tourism Development Fees in accordance with Section 4.4 hereof.

"Governmental Entities" means Lexington, Richland, and the City.

"Interim Expenses" means all expenses paid from the Escrow Account in accordance with Section 4.4 hereof.

"Interim Trustee" means the corporate fiduciary selected by the Authority to maintain the Escrow Account in accordance with Section 4.4 hereof.

"Lexington" means Lexington County, South Carolina.

"Management Agreement" means the management agreement to be entered into between the City and the Authority for the long term management of the Center on a basis whereby the Authority shall be entitled to retain all net operating revenues.

"Marketing Costs" means the marketing costs shown in the applicable Operating Budget.

"Operating Budget" means the annual operating budget adopted by the Board of the Authority for each fiscal year.

"Project" means the Arena, the Center and the adjacent parking areas.

"Project Agreement" means the Project Agreement to be entered into between the University and the Governmental Entities regarding the Project.

"Project Documents" means the overall documents which will be prepared which will be to govern the relations of all the parties involved in the Project.

"Replacement Reserve" means the replacement reserve shown in the applicable Operating Budget.

"Richland" means Richland County, South Carolina.

"Site" means the entire acreage required for the Center.

"Surplus" means funds in the possession of the Authority which the Board of Directors reasonably determines are not required for the prudent operation of the Center and are available for distribution to the Governmental Entities after establishing reasonable reserves as described in Section 6.2 hereof.

"Tourism Development Fees" means the special tourism development fees collected since January 1, 1997 by the Governmental Entities.

"University" means the University of South Carolina.

**EXHIBIT C**

Articles of Incorporation

[To be Included]

**EXHIBIT D**

Intergovernmental Agreement

Draft

INTERGOVERNMENTAL AGREEMENT

This INTERGOVERNMENTAL AGREEMENT, dated as of \_\_\_\_\_, 2001, by and among Lexington County ("Lexington County") and Richland County ("Richland County") or (collectively, the "Counties"), each a body corporate and politic and a political subdivision of the State of South Carolina, and the City of Columbia, a body politic and corporate and a municipal corporation organized under the laws of the State of South Carolina (the "City").

WITNESSETH:

WHEREAS, the County Council of Lexington County (the "Lexington County Council"), the governing body of Lexington County, has previously enacted Ordinance No. 96-21 on December 26, 1996, (the "Lexington County Ordinance") which provides for the imposition of a uniform tourism development fee equal to 3% of gross proceeds derived from the rental of any accommodations within the County of Lexington (the "Lexington Tourism Development Fee"); and

WHEREAS, the County Council of Richland County (the "Richland County Council"), the governing body of Richland County, has previously enacted Ordinance No. 96-096HR effective on January 1, 1997, (the "Richland County Ordinance") which provides for the imposition of a uniform tourism development fee equal to 3% of gross proceeds derived from the rental of any accommodations within the unincorporated area of Richland County (the "Richland Tourism Development Fee"); and

WHEREAS, the City Council of the City of Columbia (the "Columbia City Council"), the governing body of the City of Columbia, has previously enacted Ordinance No. 96-003 on March 20, 1996, (the "Columbia Ordinance") which provides for the imposition of a uniform tourism development fee equal to 3% of gross proceeds derived from the rental of any accommodations within the boundaries of the City of Columbia (the "Columbia Tourism Development Fee"); and

WHEREAS, the Lexington County Council, Richland County Council and the City Council of the City have determined and found that the acquisition, construction, and operation of the Project (as defined below) constitutes a proper expenditure of the respective Tourism Development Fees; and

WHEREAS, South Carolina Constitution Article VIII, Section 13 and Section 4-9-41(A) of the Code of Laws of South Carolina 1976, as amended, provide that any county, incorporated municipality, special purpose district, or other political subdivision may provide for the joint administration of any function and exercise of powers and the sharing of the costs thereof;

WHEREAS, pursuant to the Ordinances imposing the Tourism Development

Fees by the Lexington County Council, Richland County Council, and Columbia City Council, respectively, permit the use of such Tourism Development Fees to be applied to defray a portion of the costs of financing the acquisition and construction of a new multipurpose convention/conference center and related ancillary facilities to be located in the City of Columbia (the "Project") and to be used for a public purpose, including use in support and enhancement of tourism and tourist services within Lexington County, Richland County and the City of Columbia; and

WHEREAS, the Lexington County Council, Richland County Council and Columbia City Council, respectively, have determined that it is necessary and advantageous that their respective Tourism Development Fees shall be made available to pay a portion of the cost of acquiring the Project, including debt service payments on the Series 2001 Certificates (as described below), during the entire term of the financing of the Project.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter contained, the parties hereto hereby formally covenant, agree, and bind themselves as follows, to-wit:

**Section 1. Definitions.** The following words, terms, or phrases, when used in this Intergovernmental Agreement, have the following meanings respectively, unless the context clearly indicates a different meaning.

"Tourism Development Fees" means the respective Tourism Development Fees imposed and collected by the Counties and the City pursuant to the County Ordinances and the City Ordinance.

"Agreement" means this Intergovernmental Agreement and any amendments or supplements hereto.

"Certificate Insurance Policy" means the certificate insurance policy issued by the Certificate Insurer insuring the payment when due of the principal of and interest on the Series 2001 Certificates as provided therein.

"Certificate Insurer" means company providing the Certificate Insurance Policy.

"City" means the City of Columbia, South Carolina.

"City Council" means the governing body of the City.

"Columbia Ordinance" means Ordinance No. 96-003 enacted on March 20, 1996, by the City Council of the City of Columbia.

"Collateral Assignment" means the Collateral Assignment dated as of the date hereof, by the City to the Trustee.

"Corporation" means Columbia Public Facilities Corporation, a nonprofit corporation organized and existing under the laws of the State of South Carolina, its successors and assigns.

"Escrow Agent" means \_\_\_\_\_, as escrow agent pursuant to the terms of the Escrow Agreement, and its successors as escrow agent thereunder.

"Escrow Agreement" means the Escrow Agreement, dated of even date herewith, between Lexington County, Richland County, the City and the Escrow Agent, as amended from time to time.

"Escrow Fund" means the fund by that name created in the Escrow Agreement.

"Event of Default" means one or more events of default as defined in Section 4 of this Agreement.

"Facilities Lease Agreement" means the Facilities Lease Agreement, dated of even date herewith, between the Corporation and the City.

"Force Majeure" means, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States of America or of the State or any of their departments, agencies, or officials or any civil or military authority; insurrection, riots; landslides; earthquakes; flood; fire; storms; droughts; explosion; breakage or accidents to machinery, transmission pipes, or canals; or any other cause or event not within the control of the party seeking the benefit of force majeure and not due to its own negligence.

"Lease Rentals" means rental payments payable by the City pursuant to the Facilities Lease Agreement.

"Lexington County" means Lexington County, South Carolina.

"Lexington County Council" means the governing body of Lexington County.

"Lexington County Ordinance" means Ordinance No. 96-21 enacted on December 26, 1996, by Lexington County.

"Project" means the multipurpose convention/conference center and related ancillary facilities.

"Richland County" means Richland County, South Carolina.

"Richland County Council" means the governing body of Richland County, South Carolina.

"Richland County Ordinance" means Ordinance No. 960096HR enacted on January 1, 1997, by Richland County.

"Series 2001 Certificates" means the Certificates of Participation (Convention/Conference Center Project") Series 2001, evidencing proportionate undivided interests in the right to receive Lease Rentals, issued under the Trust Agreement.

"Term" means the term of this Agreement.

"Trust Agreement" means the Trust Agreement, dated of even date herewith, between the Corporation and the Trustee, pursuant to which the Series 2001 Certificates are being issued, as amended or supplemented from time to time.

"Trustee" means \_\_\_\_\_, a banking association with its principal corporate trust office located in \_\_\_\_\_, South Carolina, acting in the capacity of trustee for the Registered Owners pursuant to the Trust Agreement, and any successor thereto appointed under the Trust Agreement.

## **Section 2. Representations, Warranties, and Covenants.**

(a) Lexington County represents and warrants that:

(i) it has full legal right, power, and authority to impose and collect the Lexington Tourism Development Fee pursuant to the terms of the Lexington County Ordinance and apply such Lexington Tourism Development Fee for the purpose of financing a portion of the cost of the Project, including debt service payments on the Series 2001 Certificates, and related ancillary facilities; and has full legal right, power, and authority to enter into this Agreement and carry out and consummate all other transactions contemplated by this Agreement.

(ii) it has duly authorized the execution, delivery, and performance of its obligations under this Agreement and the taking of any and all actions as may be required on the part of Lexington County to carry out, give effect to, and consummate the transactions contemplated by this Agreement.

(iii) this Agreement constitutes a legal, valid, and binding obligation of Lexington County, enforceable in accordance with its terms.

(iv) there is no action, suit, proceeding, inquiry, or investigation at law or in equity before or by any court, public board, or body, pending or, to the best of the knowledge of Lexington County, threatened against Lexington County, nor to the best of the knowledge of Lexington County is there any basis therefor, which in any manner questions the validity of the Lexington County Ordinance, the powers of Lexington County referred to in paragraph (a) (i) above, or the validity of any proceedings taken by Lexington County Council in connection with this Agreement or wherein any

unfavorable decision, ruling, or finding could materially adversely affect the transactions contemplated by this Agreement or which, in any way, would adversely affect the validity or enforceability of the Lexington County Ordinance or this Agreement (or of any other instrument required or contemplated for use in consummating the transactions contemplated thereby and hereby).

(b) Richland County represents and warrants that:

(i) it has full legal right, power, and authority to impose and collect the Richland Tourism Development Fee pursuant to the terms of the Richland County Ordinance and apply a portion of such Richland Tourism Development Fee for the purpose of financing a portion of the cost of the Project, including debt service payments on the Series 2001 Certificates, and related ancillary facilities; and has full legal right, power, and authority to enter into this Agreement and carry out and consummate all other transactions contemplated by this Agreement.

(ii) it has duly authorized the execution, delivery, and performance of its obligations under this Agreement and the taking of any and all actions as may be required on the part of Richland County to carry out, give effect to, and consummate the transactions contemplated by this Agreement.

(iii) this Agreement constitutes a legal, valid, and binding obligation of Richland County, enforceable in accordance with its terms.

(iv) there is no action, suit, proceeding, inquiry, or investigation at law or in equity before or by any court, public board, or body, pending or, to the best of the knowledge of Richland County, threatened against Richland County, nor to the best of the knowledge of Richland County is there any basis therefor, which in any manner questions the validity of the Richland County Ordinance, the powers of Richland County referred to in paragraph (b) (i) above, or the validity of any proceedings taken by Richland County Council in connection with this Agreement or wherein any unfavorable decision, ruling, or finding could materially adversely affect the transactions contemplated by this Agreement or which, in any way, would adversely affect the validity or enforceability of the Richland County Ordinance or this Agreement (or of any other instrument required or contemplated for use in consummating the transactions contemplated thereby and hereby).

(c) The City represents and warrants that:

(i) it has full legal right, power, and authority to apply the Columbia Tourism Development Fee received from the Counties and itself pursuant to the terms of this Agreement for the purpose of financing a portion of the cost of the Project, including debt service payments on the Series 2001 Certificates, and related ancillary facilities; and has full legal right, power, and authority to enter into this Agreement and carry out and consummate all other transactions contemplated by this Agreement.

(ii) the Project will be used during the entire term of the Trust Agreement for a public purpose, which purpose includes use in support and enhancement of the tourism industry and economic development within Lexington County, Richland County and the City.

(iii) it has duly authorized the execution, delivery, and performance of its obligations under this Agreement and the taking of any and all actions as may be required on the part of the City to carry out, give effect to, and consummate the transactions contemplated by this Agreement.

(iv) this Agreement constitutes a legal obligation of the City, enforceable in accordance with its terms.

(v) there is no action, suit, proceeding, inquiry, or investigation at law or in equity before or by any court, public board, or body, pending or, to the best of the knowledge of the City, threatened against the City, nor to the best of the knowledge of the City is there any basis therefor, which in any manner questions the powers of the City referred to in paragraph (c)(i) above, or the validity of any proceedings taken by the City Council in connection with this Agreement or wherein any unfavorable decision, ruling, or finding could materially adversely affect the transactions contemplated by this Agreement or which, in any way, would adversely affect the validity or enforceability of this Agreement (or of any other instrument required or contemplated for use in consummating the transactions contemplated thereby and hereby).

### **Section 3. Tourism Development Fees.**

(a) Upon the terms and conditions of this Agreement, the Collateral Assignment, and the Escrow Agreement, the Counties and the City each agree to pay, or cause to be paid, to the Escrow Agent on or before the \_\_\_ day of each month during the entire Term hereof (commencing \_\_\_\_\_, 2001) all of the respective Tourism Development Fees imposed and collected pursuant to the respective County Ordinances and the City Ordinance. All Tourism Development Fees paid to the Escrow Agent in accordance with the terms of this Agreement shall be used solely to defray the costs of a portion of acquisition and construction of the Project, including debt service payments on the Series 2001 Certificates, to be used for a public purpose, including use in support and enhancement of tourism and tourist services, and shall be held and applied in accordance with the provisions of the Escrow Agreement.

(b) Subject to the provisions of Section 3(e) below, the obligations of the Counties to make payments of the respective Tourism Development Fees in each fiscal year ending June 30 under this Section 3 shall be absolute and unconditional and are not subject to, nor shall they be paid from, annual appropriation by the respective County Councils, and the Counties shall make the payments without abatement, diminution, or deduction regardless of any cause or circumstances whatsoever, including, without limitation, any defense, setoff, recoupment, or counterclaim which

either of the Counties may have or assert against the City, the Trustee, the Escrow Agent, or any other person; provided, however, the respective Counties' obligations are subject to the ability to collect Tourism Development Fees and are limited to the collection of Tourism Development Fees in each fiscal year less any amount used by the respective Counties in collecting such Tourism Development Fees.

(c) The City hereby expressly acknowledges that, upon payment by the respective Counties of Tourism Development Fees to the Escrow Agent and the deposit thereof into the Escrow Fund, the City will have no interest in such Tourism Development Fees and that such Tourism Development Fees shall be subject to the trust established under the Escrow Agreement with respect to the Escrow Fund, for the benefit of the owners of the Series 2001 Certificates.

(d) The obligation of the Counties to pay the respective Tourism Development Fees pursuant to this Agreement is separate and independent of the City's obligations under the Facilities Lease Agreement and shall terminate only upon the earlier of the following:

(i) Satisfaction and discharge, pursuant to the terms thereof, of the Trust Agreement.

(ii) Termination of this Agreement pursuant to Section 5(a) hereof.

(e) No provision of this Agreement shall be construed to restrict in any way the respective County's right, in its sole discretion, to satisfy its obligation to make payments in any fiscal year as required under this Section 3 from any other moneys legally available to the respective County for such purpose, pursuant to authorization by the respective County Council in any such fiscal year.

#### **Section 4. Events of Default.**

(a) Each of the following shall be an Event of Default:

(i) Either of the Counties or the City shall fail to observe and perform any agreement, term, or condition contained in this Agreement, and the continuation of the failure for a period of thirty (30) days after written notice thereof shall have been given to such party by any other party hereto; provided, that if the failure is other than the payment of money and is of such nature that it can be corrected, but not within the applicable, that failure shall not constitute an Event of Default so long as such party institutes curative action within the applicable period and diligently pursues that action to completion.

(ii) Either of the Counties or the City shall (a) admit in writing its inability to pay its debts generally as they become due; (b) have an order for relief entered in any case commenced by or against it under the federal bankruptcy laws, as now or hereafter in effect; (c) commence a proceeding under any other federal or state

bankruptcy, insolvency, reorganization, or similar law, or have such a proceeding commenced against it and, in the case of an involuntary proceeding, either have an order of insolvency or reorganization entered against it or have the proceeding remain undismissed and unstayed for ninety (90) days; (d) make an assignment for the benefit of creditors; or (e) have a receiver or trustee appointed for it or for the whole or any substantial part of its property.

(iii) There shall occur an "Event of Default" pursuant to the terms of the Trust Agreement or the Facilities Lease Agreement.

(iv) There shall occur an "Event of Nonappropriation" pursuant to the terms of the Facilities Lease Agreement.

(v) Any other event shall occur which results in the termination of the Facilities Lease Agreement.

(b) Notwithstanding the foregoing, if, by reason of Force Majeure, the defaulting party is unable to perform or observe any agreement, term, or condition hereof which would give rise to an Event of Default under paragraph (a) hereof, provided the inability to perform is other than the payment of money, that party shall not be deemed in default during the continuance of that inability. That party, however, shall promptly give notice to the other parties hereto of the existence of an event of Force Majeure and shall use its best efforts to remove the effects thereof; provided, that the settlement of strikes or other industrial disturbances shall be entirely within that party's discretion.

**Section 5. Remedies on Default.** Whenever an Event of Default shall have happened and be continuing, any one or more of the following remedial steps may be taken:

(a) If the Event of Default is one described in Section 4(a)(iv) above, the respective Counties may immediately terminate this Agreement. In no other circumstance, except as provided in Section 3(d)(i) hereof, may the Counties or the City terminate all or part of this Agreement.

(b) Any of the parties hereto may have access to, inspect, examine, and make copies of the books, records, accounts, and financial data of the defaulting party pertaining to the Project.

(c) The non-defaulting parties hereto may seek injunction or order of specific performance to collect all amounts and to enforce all obligations then due and thereafter to become due under this Agreement; provided, however, that no remedy against the City may affect the financial obligations, revenues, expenses, liabilities, or prospects of the Project; and provided further that any remedies against the City or the respective Counties shall be limited to Tourism Development Fees received by or for the account of the City.

**Section 6. Miscellaneous.**

(a) All notices, certificates, requests, or other communications hereunder shall be in writing and shall be deemed to be sufficiently given when either hand delivered or deposited in the United States mail, certified mail, return receipt requested, with postage pre-paid, and addressed to the party or parties for whom intended as follows:

If to Lexington County:

If to Richland County:

If to the City:

City of Columbia  
1737 Main Street  
Post Office Box 147  
Columbia, South Carolina 29217  
Attn: City Manager

A duplicate copy of each notice, certificate, request, or other communication given hereunder to the Counties, the City, the Trustee, or the Escrow Agent, shall also be given to the others. The Counties, the City, the Trustee, and the Escrow Agent, by notice given hereunder, may designate any further or different address as to which subsequent notices, certificates, requests, or other communication shall be sent.

(b) No covenant, obligation, or agreement contained herein shall be deemed to be a covenant, obligation, or agreement of any present or future member, officer, agent or employee, of the Counties or the City, in any other than his official capacity, and neither the members of the respective County Council or the City Council, nor any official executing this Agreement shall be personally liable thereon or be subject to any personal liability or accountability by reason of the covenants, obligations, or agreements of the respective County or the City contained in this Agreement.

(c) This Agreement shall inure to the benefit of and shall be binding in accordance with its terms upon the respective County, the City, and their respective successors and assigns. The parties expressly acknowledge that the City has

simultaneously herewith collaterally assigned its rights to receive the respective Tourism Development Fees pursuant to this Agreement to the Trustee pursuant to the terms of the Collateral Assignment.

(d) This Agreement may not be effectively amended, changed, modified, altered or terminated, except in accordance with the express provisions of this Agreement or with the written consent of all parties hereto and with the written consent of the Trustee or the Escrow Agent. Unless the Certificate Insurer is in payment default under the Certificate Insurance Policy or is insolvent, this Agreement may not be amended, changed, modified, or altered within the written consent of the Certificate Insurer.

(e) This Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

(f) If any other provision of this Agreement, or any covenant, obligation, or agreement contained herein, is determined by a court of competent jurisdiction to be invalid or unenforceable, that determination shall not affect any other provision, covenant, obligation or agreement, each of which shall be construed and enforced as if the invalid or unenforceable portion were not contained herein. That invalidity or unenforceability shall not affect any valid and enforceable application thereof, and each such provision, covenant, obligation, or agreement shall be deemed to be effective, operative, made, entered into, or taken in the manner and to the full extent permitted by law.

(g) This Agreement shall be deemed to be a contract made under the laws of the State of South Carolina and for all purposes shall be governed by and construed in accordance with the laws of the State of South Carolina.

IN WITNESS WHEREOF, the Counties and the City have caused this Agreement to be duly executed in their respective names, all as of the date first above written.

LEXINGTON COUNTY, SOUTH CAROLINA

By:

Its: Chairman, County Council

RICHLAND COUNTY, SOUTH CAROLINA

By:

Its: Chairman, County Council

CITY OF COLUMBIA, SOUTH CAROLINA

By:

Its: Mayor

of awards issued after  
normal printing

time of printing

ISSUES: print cost to be

Deliver direct orders

Deliver in-house orders

Deliver in future

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2-26-01

**Executive Summary of  
Governmental Entities Funding Agreement**

- The sole obligation of Richland County is to pledge all its Tourism Development Fees to the Center for 20 years from the date the Bonds are issued. (See Section 5.1; see also Section 3.2.2, 6.4 and 6.6.)
  - Richland County will have no other obligation or liability.
  - The City will be solely responsible for all other funds of any nature needed for the Center.
- The City has already agreed to all the principles regarding the Township established at the County's Retreat in January.
  - A definitive agreement is being prepared to confirm all items regarding the Township.
- Lexington County and the City of Columbia have already approved the identical agreement.
  - Once approved by Richland County, development of the Center can proceed.
- A non-profit Authority will be created to oversee development and operation of the Center.
  - There will be a nine-member board which will control the Authority, with at least four (4) total members to be business people from the lodging or hospitality industry.
  - Richland County will appoint two (2) members, with one required to be from the lodging industry (which is the identical status for Lexington County).
  - All directors are to have substantive business experience and subject to removal by the Board for failure to attend meetings.
  - The Administrator or Manager of each Governmental Entity will be an advisory member, and the chief attorneys for each Entity will also be advisory members during the construction period.
- The Authority Board will approve all Tourism Development Fee expenditures, including reimbursement of initial expenditures made by the City.
  - Expenditures will only be for direct out of pocket expenses reasonably incurred. (Section 4.4)

2-26-01  
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- There will be no reimbursement for any overhead or personnel costs of the City unless a specific employee is assigned to the Project and is substituted for an outside party which the Authority would otherwise be required to employ (i.e., the Project Manager.)
- Because the Center may be constructed pursuant to a Lease Purchase Transaction with Certificates of Participation (as opposed to a Special Revenue Bond), the City's direct participation during the construction period will be required. (Section 3.1.2; see also Section 7.2 which contemplates the development of detail Project Documents.)
- The Center will be operated by the Authority pursuant to a 99 year Management Agreement wherein all the net revenues realized will be retained by the Authority and utilized for ongoing operations or distribution as a Surplus. See Section 3.1.4.
  - In this manner, no ad valorem taxes will be due and neither Richland County nor Lexington County will be exposed to any potential liability for operations.
  - In any event, the Authority will maintain reasonable levels of hazard and liability insurance on the Center which will name all the Governmental Entities as additional insureds.
- Initial handling of funds will involve remittance by each Entity of all Tourism Development Fees which have been collected except for the \$2.5 million payment each Entity will make to the University.
  - The City will be reimbursed for all direct expenses reasonably incurred in connection with the development of the Center. A list of the principal expenditures is attached hereto.
  - Until the Bond Closing occurs, additional expenditures will principally involve architectural fees and other professional fees related to the creation of the Project Documents and the issuance of the Bonds.
- Once the Bonds are issued, all Tourism Development Fees will be turned over to the Construction Fund and used for actual construction of the Center.
  - Ongoing Authority expenses will also be paid out of the Construction Fund.
- Once the Center is opened, Tourism Development Fees will be utilized on a first priority basis for payment of debt service on the Bonds, funding of the Replacement Reserve required by the Bond Documents, and funding of the Marketing Budget specified in the Annual Budget adopted by the Authorities Board.
  - After these amounts have been funded, Tourism Development Fees will be utilized for operation of the Center. See Section 6.1.

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- If there are any deficits, the same will be funded solely through the City. See Section 6.6.
- In the event the Board determines that a Surplus exists, funds will be distributed to the Governmental Entities in proportion to their respective contributions of Tourism Development Fees until all such Tourism Development Fees have been returned, with any excess to be distributed on a one-third basis to each Governmental Entity.
  - No Surpluses are anticipated for the foreseeable future and it is likely that Surpluses will only be created once the Bonds have been retired unless there is an extraordinary and unforeseen increase in the collection of Tourism Development Fees.
  - The Board of the Authority will determine when any Surplus funds are to be distributed after establishing reasonable reserves. (See Section 6.2)
  - The key to any disbursement of Surplus is that only reasonable reserves may be established by the Authority, which means that the Authority should not be able to hoard money when there is no legitimate purposes for the same.
- All the Governmental Entities will be entitled to approve all the Project Documents, with such approval not to be unreasonably withheld.
  - The Project Documents will be developed by the Authority working with the City to establish clear procedures with respect to construction and operation of the Center under the supervision of the Authority.
- The basic size and features of the Center are described in an attachment to the Funding Agreement.
  - The primary responsibility for the design of the Center will be delegated to TVS \* Associates of Atlanta, Georgia, the most experienced and highly regarded architectural firm in the United States for Convention/Conference Facilities.
  - The Authority will oversee development of the Plans and Specifications, as well as the Project Documents, as the design phase of the Center proceeds.
  - The City will proceed to arrange for financing of the Center based on the projected \$36 million Bond issue.
- On an annual basis, the Authority will make a detailed financial and operational report to each Governmental Entity. In addition, an annual meeting will be held for all elected officials of each Governmental Entity, the Executive Director of the Authority, the Chair of the Board and the accountants for the Authority will be available to answer all pertinent questions. (See Section 3.11)

CITY OF COLUMBIA, SOUTH CAROLINA  
TOURISM AND DEVELOPMENT FEES EXPENDITURES  
THROUGH 02/20/01

PAGE 1 OF 3

DATE	VENDOR NAME	PO #	CHECK #	FNTD6368	FNTD6586	FNTD689
FY 98/97	PEAT MARWICK STUDY	67206	161305	48,808.95	0.00	0.00
FY 97/98						
12/02/97	STEVENS AND WILKINSON, INC	81816	184303	3,418.22		
12/02/97	LDR INTERNATL, INC	81814	184288	10,376.85		
12/17/97	THOMPSON, VENTULETT, STANBACK & ASSOC., INC	82514	185581	17,012.20		
12/17/97	SUNBEE ENTERPRISE OF COLA., INC.	82513	185588	5,000.00		
12/17/97	STEVENS & WILKINSON, INC.	82512	185582	3,290.00		
12/17/97	LDR INTERNATL, INC	82511	185529	10,433.17		
12/17/97	ROSSER FABRAP/ ROSSER INTERNATL, INC.	82510	185581	22,300.78		
12/17/97	SMITH WILBUR & ASSOC., CORP	82509	185578	11,980.80		
12/17/97	COSTING SERVICES GROUP, INC	82508	185484	8,313.00		
12/17/97	ROSEN APPRAISAL ASSOC.	82507	185460	6,800.00		
12/17/97	ATLANTA TESTING & ENGINEER	82504	185452	12,800.00		
01/08/98	ROSSER FABRAP/ROSSER INTERNATL, INC.	82223	188766	8,916.57		
01/08/98	LDR INTERNATL, INC	82224	188735	8,420.45		
01/27/98	THOMPSON, VENTULETT, STANBACK & ASSOC., INC	82917	187442	8,789.78		
02/18/98	SUNBEE ENTERPRISE OF COLA., INC	84440	190896	5,000.00		
02/18/98	STEVENS & WILKINSON, INC.	84439	189128	2,354.15		
03/29/98	SUNBEE ENTERPRISE OF COLA., INC.	88111	180898	15,000.00		
08/08/98	LDR INTERNATL, INC.	89283	198309	6,836.88		
08/08/98	SUNBEE ENTERPRISE OF COLA., INC.	89287	198461	15,000.00		
08/20/98	LDR INTERNATL, INC.	J8512154	JE028054	885.12		
TOTAL '97-'98				181,207.21	0.00	0.00
FY 98/99						
01/22/99	PARADEO & ASSOCIATES	88487	211246		4,827.50	
03/18/99	MEPULAM TECHNOLOGY	88486	214718		102,536.20	
03/18/99	MEPULAM TECHNOLOGY	88485	214719		75,718.24	
03/28/99	MEPULAM TECHNOLOGY	88488	218250		6,448.00	
03/26/99	PARADEO & ASSOCIATES	88487	218363		2,989.00	
04/08/99	PARADEO & ASSOCIATES	88487	215998		258.83	
04/06/99	PARADEO & ASSOCIATES	88487	215998		1,333.00	
01/08/99	SUNBEE ENTERPRISES	87487	210528	3,000.00		
01/14/99	ROSSER INTERNATIONAL	87734	210788	2,826.43		
02/02/99	SUNBEE ENTERPRISES	88488	211816	3,000.00		
02/16/99	SUNBEE ENTERPRISES	88457	212680	3,000.00		
03/01/99	C-SERVOFF/SILVER	88538	213588	31,581.15		
03/12/99	SUNBEE ENTERPRISES	88884	214414	3,000.00		
03/18/99	THOMPSON, VENTULETT, STANBACK & ASSOC	100580	214758	11,274.44		
04/08/99	SUNBEE ENTERPRISES	101607	218128	3,000.00		
05/13/99	SUNBEE ENTERPRISES	102818	218814	3,000.00		
06/07/99	SUNBEE ENTERPRISES	103841	220128	3,000.00		
TOTAL FY 98/99				68,682.02	187,107.77	0.00



CITY OF COLUMBIA, SOUTH CAROLINA  
 TOURISM AND DEVELOPMENT FEES EXPENDITURES  
 THROUGH 02/29/01

PAGE 3 OF 3

DATE	VENDOR NAME	PO #	CHECK #	FNTD6368	FNTD6588	FNTD6889
07/18/00	SUNSHINE ENTERPRISES	120758	247177	3,000.00		
08/14/00	SUNSHINE ENTERPRISES	125018	249510	3,000.00		
08/14/00	SUNSHINE ENTERPRISES	122198	251643	3,000.00		
08/27/00	STRATEGIC ADVISORY GROUP	123001	252478	5,812.00		
08/27/00	STRATEGIC ADVISORY GROUP	122400	252478	5,000.00		
09/28/00	STEVENS AND WILKERSON	122387	252583	7,015.01		
10/13/00	SUNSHINE ENTERPRISES	122032	253629	3,000.00		
10/18/00	THOMPSON, VENTULETT, STAMBECK	123060	253958	10,382.17		
10/24/00	GOTTLIEB & SMITH	123088	254425	4,150.09		
10/24/00	STEVENS AND WILKERSON	123088	254468	2,760.00		
10/24/00	THOMPSON, VENTULETT, STAMBECK	124118	254468	10,888.40		
11/09/00	THOMPSON, VENTULETT, STAMBECK	124189	255854	29,280.44		
11/14/00	SUNSHINE ENTERPRISES	125657	255858	3,000.00		
11/16/00	EMCO HOTELS	125882	258014	974.80		
11/29/00	STEVENS AND WILKERSON	126124	258862	8,181.05		
12/13/00	SUNSHINE ENTERPRISES	126771	257853	3,000.00		
12/18/00	STRATEGIC ADVISORY GROUP	128734	258079	5,468.82		
12/15/00	THOMPSON, VENTULETT, STAMBECK	126735	258084	1,647.58		
01/08/01	STEVENS AND WILKERSON	127411	259283	1,824.24		
01/11/01	THOMPSON, VENTULETT, STAMBECK	127410	258628	18,504.69		
01/28/01	SUNSHINE ENTERPRISES	128159	260831	3,000.00		
02/01/01	NECKER PRUIT, JACOBS AND POLLARD	127847	261289	9,078.63		
02/08/01	STEVENS AND WILKERSON	128590	261859	4,081.70		
02/08/01	SOUTH CAROLINA ELECTRIC AND GAS	128541	262000	15,000.00		
02/13/01	CHARLOTTE CONVENTIONS CENTER	128543	262202	1,581.30		
02/13/01	NECKER PRUIT, JACOBS AND POLLARD	128458	262248	6,625.00		
02/15/01	SUNSHINE ENTERPRISES	128305	262680	3,000.00		
02/18/01	THOMPSON, VENTULETT, STAMBECK	128304	262467	2,735.28		
FY 00/01 THRU 02/19/01				<u>172,891.82</u>		
TOTAL ALL YEARS				<u>618,978.84</u>	<u>187,107.77</u>	<u>28,436.00</u>
					<u>842,520.61</u>	

# FAST FAX

from

**Kit Smith, 120 Edisto Avenue, Columbia, SC 29205**

Phone (803) 254-0542 or (864) 836-0422

Fax (803) 254-4241 or (864) 836-0422

E-mail [kitsalley@aol.com](mailto:kitsalley@aol.com)

**TO: Bob Coble, Mayor**

CARY MCKSWAIN - COPY

**FROM: Kit Smith**

Richland County Council discussed the Conference Center/Township at its retreat Saturday morning. We suggest that City Council adopt a resolution to pursue an agreement with the County to operate the Township according to these principles:

- Appointments to the governing Board will be shared with County retaining majority control.
- 50/50 split of capital and advertising needs; county to be responsible for operating losses.
- Ownership remains with the county.
- Management and promotions contract with conference center authority will be pursued.
- Agreement to run concurrently with Tourism Fee agreement, i.e., 20 years.

If the City will adopt a resolution along these lines, basically an agreement to agree, I believe the County will be comfortable enough to initiate approval of the Conference Center agreement. We're getting our Finance Department to examine it now.

Call me if you have any questions. 254-0542 or Cell 414-1958.

*This transmission consists of 1 pages, including the cover sheet. If you do not receive all of the pages, please call Kit Smith, (803) 254-0542.*

## Richland County Council Request for Action

**Subject:**

An Ordinance authorizing the levying of ad valorem property taxes which, together with the prior year's carryover and other State levies and any additional amount appropriated by the Richland County Council prior to July 1, 2023, will provide sufficient revenues for the operation of Richland County Government during the period from July 1, 2023, through June 30, 2024

**Notes:**

First Reading: May 2, 2023  
Second Reading: May 25, 2023  
Third Reading:  
Public Hearing: May 11, 2023

**STATE OF SOUTH CAROLINA  
COUNTY COUNCIL FOR RICHLAND COUNTY  
ORDINANCE NO. \_\_\_-23HR**

**AN ORDINANCE AUTHORIZING THE LEVYING OF AD VALOREM PROPERTY TAXES, WHICH, TOGETHER WITH THE PRIOR YEAR’S CARRYOVER AND OTHER STATE LEVIES AND ANY ADDITIONAL AMOUNT APPROPRIATED BY THE RICHLAND COUNTY COUNCIL PRIOR TO JULY 1, 2023, WILL PROVIDE SUFFICIENT REVENUES FOR THE OPERATIONS OF RICHLAND COUNTY GOVERNMENT DURING THE PERIOD FROM JULY 1, 2023, THROUGH JUNE 30, 2024.**

**Pursuant to the authority granted by the Constitution of the State of South Carolina and the general Assembly of the State of South Carolina, BE IT ENACTED BY THE COUNTY COUNCIL FOR RICHLAND COUNTY:**

**SECTION 1.** That a tax for the General Fund to cover the period from July 1, 2023 to June 30, 2024, both inclusive, is hereby levied upon all taxable property in Richland County, in a sufficient number of mills not to exceed fifty-nine and nine tenths (59.9) to be determined from the assessment of the property herein.

**SECTION 2.** That the additional taxes, besides that noted above in Section 1, to cover the period of July 1, 2023 to June 30, 2024, both inclusive, are hereby levied upon all taxable property in Richland County for the funds:

<u>NAME</u>	<u>MILLS</u>
General Fund Debt Service	10.0
Solid Waste – Landfill	3.9
Capital Replacement	3.5
Library	16.7
Mental Health	1.4
Riverbanks Zoo	1.4
Conservation Commission	0.5
Neighborhood Redevelopment	0.5

**SECTION 3.** That the additional taxes, besides that noted in Section 1 and 2, to cover the period from July 1, 2023 to June 30, 2024, both inclusive, are hereby levied upon all taxable property located within each of the following respective Special Tax Districts in Richland County for the following Funds:

<u>NAME</u>	<u>MILLS</u>
Fire Service – Operations	22.7
Fire Service – Debt Service	0.5
School District One – Operations	266.5
School District One – Debt Service	64.0
School District Two – Operations	331.7
School District Two – Debt Service	104
Recreation Commission – Operations	12.5
Recreation Commission – Debt Service	2.5

Midlands Technical College – Operations	3.9
Midlands Technical College – Capital	1.0
Midlands Technical College – Debt Service	1.0
Riverbanks Zoo – Debt Service	0.8
Stormwater Management	3.4
East Richland Public Service District – Debt Service	5.0

**SECTION 4. Conflicting Ordinances Repealed.** All Ordinances or parts of Ordinances in conflict with the provisions of this Ordinance are hereby repealed.

**SECTION 5. Separability.** If any section, subsection, or clause of this Ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

**SECTION 6. Effective Date.** This Ordinance shall become effective \_\_\_\_\_ .

RICHLAND COUNTY COUNCIL

BY: Overture Walker, Chair

FIRST READING:	May 2, 2023
PUBLIC HEARING:	May 11, 2023
SECOND READING:	May 25, 2023
THIRD READING:	October 3, 2023

# Richland County Council Request for Action

**Subject:**

An Ordinance of the County Council of Richland County, South Carolina, revising the zoning map of unincorporated Richland County, South Carolina, to change the zoning designation for all real property located in the unincorporated areas of Richland County, as described herein; and providing for severability and an effective date

**Notes:**

June 27, 2023 – The Development and Services Committee recommended Council approve the revision of the zoning map of unincorporated Richland County, South Carolina, to change the zoning designation for all real property located in the unincorporated areas of Richland County.

First Reading: September 12, 2023

Second Reading: September 19, 2023

Third Reading:

Public Hearing: September 12, 2023

STATE OF SOUTH CAROLINA  
COUNTY COUNCIL OF RICHLAND COUNTY  
ORDINANCE NO. \_\_\_\_-23HR

AN ORDINANCE OF THE COUNTY COUNCIL OF RICHLAND COUNTY, SOUTH CAROLINA, REVISING THE ZONING MAP OF UNINCORPORATED RICHLAND COUNTY, SOUTH CAROLINA, TO CHANGE THE ZONING DESIGNATION FOR ALL REAL PROPERTY LOCATED IN THE UNINCORPORATED AREAS OF RICHLAND COUNTY, AS DESCRIBED HEREIN; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, Article VIII of the South Carolina Constitution and Section 4-9-30 of the Code of Laws of South Carolina (the Home Rule Act) gives Richland County broad authority to provide a variety of services and functions within its jurisdiction, including, but not limited to, land use planning and land development regulation and similar activities and services; and

WHEREAS, Title 6, Chapter 29, of the Code of Laws of South Carolina provides the statutory enabling authority for Richland County to engage in planning and regulation of development within its jurisdiction; and

WHEREAS, Section 6-29-720 of the Code of Laws of South Carolina requires the County to adopt the Land Use Element of its Comprehensive Plan in conformance with the requirements therein as a prerequisite to continuing implementation of its zoning authority; and

WHEREAS, the County Council adopted a Comprehensive Plan on March 17, 2015, in conformance with the requirements of Title 6, Chapter 29, of the Code of Laws of South Carolina; and

WHEREAS, pursuant to Section 6-29-760 of the Code of Laws of South Carolina, the County Council amended the Richland County Code of Ordinances so as to adopt a new Land Development Code, which will regulate development and the types of uses permitted in the unincorporated areas of Richland County by the adoption of Ordinance No. 53.5-21HR on November 16, 2021; and

WHEREAS, it is the desire of County Council to revise the existing Zoning Map of unincorporated Richland County to be consistent and compatible with the recently adopted Land Development Code (Ordinance No. 53.5-21HR);

NOW, THEREFORE, pursuant to the authority granted by the Constitution and the General Assembly of the State of South Carolina, BE IT ENACTED BY THE RICHLAND COUNTY COUNCIL:

SECTION I. The Zoning Map of unincorporated Richland County is hereby revised to change all property from their current zoning district classifications to new zoning district classifications as described in the new Land Development Code (Ordinance No. 53.5-21HR). The following changes are hereby made:

1. All property with the zoning district classification of Parks and Recreation (PR) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Open Space (OS) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.
2. All property with the zoning district classification of Traditional Recreation Open Space (TROS) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Open Space (OS) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.

3. All property with the zoning district classification of Rural (RU) and individually comprised of thirty-five (35) acres or more prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Agricultural District (AG) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.
4. All property with the zoning district classification of Rural (RU) and individually comprised of at least three (3) acres and less than thirty-five (35) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Homestead District (HD) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.
5. All property with the zoning district classification of Rural (RU) and individually comprised of less than three (3) acres prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Residential Transition District (RT) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.
6. All property with the zoning district classification of Residential Single-Family Estate (RS-E) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Residential 1 District (R1) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.
7. All property with the zoning district classification of Residential Single-Family Low Density (RS-LD) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Residential 2 District (R2) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.
8. All property with the zoning district classification of Residential Single-Family Medium Density (RS-MD) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Residential 3 District (R3) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.
9. All property with the zoning district classification of Residential Single-Family Low High (RS-HD) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Residential 4 District (R4) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.
10. All property with the zoning district classification of Manufactured Housing (MH) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Residential 3 District (R3) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.
11. All property with the zoning district classification of Residential Multi-Family Medium Density (RM-MD) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have

the zoning district classification of Residential 5 District (R5) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.

12. All property with the zoning district classification of Residential Multi-Family High Density (RM-HD) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Residential 6 District (R6) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.
13. All property with the zoning district classification of Office and Institutional (OI) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Institutional District (INS) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.
14. All property with the zoning district classification of Neighborhood Commercial (NC) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Neighborhood Mixed-Use District (MU1) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.
15. All property with the zoning district classification of General Commercial (GC) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of General Commercial District (GC) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.
16. All property with the zoning district classification of Light Industrial (M-1) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Light Industrial District (M-1) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.
17. All property with the zoning district classification of Light Industrial (LI) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Light Industrial District (LI) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.
18. All property with the zoning district classification of Heavy Industrial (HI) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Heavy Industrial District (HI) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.
19. All property with the zoning district classification of Crane Creek Residential (CC-1) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Crane Creek Residential (CC-1) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.
20. All property with the zoning district classification of Crane Creek Neighborhood Mixed Use (CC-2) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the

zoning district classification of Crane Creek Neighborhood Mixed Use (CC-2) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.

21. All property with the zoning district classification of Crane Creek Activity Center Mixed Use (CC-3) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Crane Creek Activity Center Mixed Use (CC-3) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.
22. All property with the zoning district classification of Crane Creek Industrial (CC-4) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Crane Creek Industrial (CC-4) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.
23. All property with the zoning district classification of Planned Development District (PDD) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Planned Development (PD) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.
24. All property with the zoning district classification of Airport Height Restrictive Overlay (AP) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Airport Height Restrictive Overlay (AHR-O) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.
25. All property with the zoning district classification of Conservation (C) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Water Resources Overlay (WR-O) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.
26. All property with the zoning district classification of Environmental Protection Overlay (EP) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Water Resources Overlay (WR-O) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.
27. All property with the zoning district classification of Floodplain Overlay (FP) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Floodplain Overlay (FP-O) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.
28. All property with the zoning district classification of Corridor Redevelopment Overlay (CRD) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Neighborhood Character Overlay (NC-O) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.

29. All property with the zoning district classification of Decker Boulevard/Woodfield Park Neighborhood Redevelopment Overlay (DBWP) prior to the effective date of this ordinance, shall on the effective date of this ordinance and thereafter, until further amended, have the zoning district classification of Neighborhood Character Overlay (NC-O) as described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), with all the uses permitted therein.

SECTION II. A moratorium on requests for map amendments to any zoning district classification other than a district classification described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR), is hereby enacted, so that from and after the effective date of this ordinance, no person shall be permitted to apply for any zoning district classification other than a district classification described and regulated in the Land Development Code adopted on November 16, 2021 (Ordinance No. 53.5-21HR).

SECTION III. Severability. If any section, subsection, or clause of this ordinance shall be deemed unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

SECTION IV. Conflicting Ordinances. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION V. Effective Date. The provisions of Section II, above, shall be effective from and after the date of this Ordinance. All other provisions of this ordinance shall be effective from and after \_\_\_\_\_.

RICHLAND COUNTY COUNCIL

By: \_\_\_\_\_  
Overture Walker, Chair

Attest this \_\_\_\_\_ day of  
\_\_\_\_\_, 2023

\_\_\_\_\_  
Anette A. Kirylo  
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

\_\_\_\_\_  
Approved As To LEGAL Form Only.  
No Opinion Rendered As To Content.

First Reading: September 12, 2023  
Public Hearing: September 12, 2023  
Second Reading: September 19, 2023  
Third Reading: October 03, 2023

# Richland County Council Request for Action

**Subject:**

An Ordinance affirming the provisions of Ordinance No. 058-16HR, related to the Office of Small Business Opportunity

**Notes:**

First Reading: September 12, 2023  
Second Reading: September 19, 2023  
Third Reading:  
Public Hearing:

STATE OF SOUTH CAROLINA  
COUNTY COUNCIL FOR RICHLAND COUNTY  
ORDINANCE NO. \_\_\_\_-23HR

AN ORDINANCE AFFIRMING THE PROVISIONS OF ORDINANCE NO. 058-16HR,  
RELATED TO THE OFFICE OF SMALL BUSINESS OPPORTUNITY.

Pursuant to the authority granted by the Constitution of the State of South Carolina and the  
General Assembly of the State of South Carolina, BE IT ENACTED BY RICHLAND COUNTY  
COUNCIL:

SECTION I. Ordinance No. 058-16HR. County Council affirms the provisions of Ordinance  
No. 058-16HR as passed on December 6<sup>th</sup>, 2016. This ordinance moved the Office of Small  
Business Opportunity from Procurement and into Administration and under the direct  
supervision of the County Administrator.

SECTION II. Effective Date. This ordinance shall be enforced from and after \_\_\_\_\_  
\_\_\_\_\_.

RICHLAND COUNTY COUNCIL

By: \_\_\_\_\_  
Overture Walker, Chair

Attest this \_\_\_\_\_ day of  
\_\_\_\_\_, 2023.

\_\_\_\_\_  
Anette Kirylo  
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

\_\_\_\_\_  
Approved As To LEGAL Form Only.  
No Opinion Rendered As To Content.

First Reading:  
Second Reading:  
Public Hearing:  
Third Reading:

STATE OF SOUTH CAROLINA  
COUNTY COUNCIL FOR RICHLAND COUNTY  
ORDINANCE NO. 058-16HR

AN ORDINANCE AMENDING THE RICHLAND COUNTY CODE OF ORDINANCES, CHAPTER 2, ADMINISTRATION; SO AS TO MOVE THE DIVISION KNOWN AS THE OFFICE OF SMALL BUSINESS OPPORTUNITY FROM PROCUREMENT SO THAT THIS DIVISION DIRECTLY REPORTS TO THE COUNTY ADMINISTRATOR

Pursuant to the authority granted by the Constitution and the General Assembly of the State of South Carolina, BE IT ENACTED BY THE COUNTY COUNCIL FOR RICHLAND COUNTY:

SECTION I. The Richland County Code of Ordinances, Chapter 2, Administration; Article III, Administrative Offices and Officers; Division 9, Office of Procurement; Section 2-153.5; is hereby deleted.

SECTION II. The Richland County Code of Ordinances, Chapter 2, Administration; Article X, Purchasing; Division 7, Small Business Enterprise Procurement Requirements; Section 2-639; General Provisions; sub-paragraph (c); is hereby amended by the addition of the following definition, which shall be placed in appropriate alphabetical order:

*Office of Small Business Opportunity.* The office which shall manage and administer the SLBE Program (see Section 2-639 et. seq.) and shall undertake other functions and duties as assigned by the county administrator or county council.

SECTION III. The Richland County Code of Ordinances, Chapter 2, Administration; Article X, Purchasing; Division 7, Small Business Enterprise Procurement Requirements; shall be amended by replacing each reference of the "director of procurement" to the "director of the Office of Small Business Opportunity."

SECTION IV. Severability. If any section, subsection, or clause of this ordinance shall be deemed to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections, and clauses shall not be affected thereby.

SECTION V. Conflicting Ordinances Repealed. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION VI. Effective Date. This ordinance shall be effective from and after December 6, 2016.

RICHLAND COUNTY COUNCIL

BY: Torrey Rush  
Torrey Rush, Chair

Attest this 14 day of

December, 2016.

Michelle Onley  
Michelle Onley  
Deputy Clerk of Council

First Reading: November 1, 2016  
Second Reading: November 15, 2016  
Third Reading: December 6, 2016  
Public Hearing: December 6, 2016

RICHLAND COUNTY  
FILED  
2017 FEB 24 PM 1:52  
JEANETTE W. MORRIS  
C.C.P. & G.S.

Richland County Attorney's Office  
Elizabeth J. Mc...  
Approved As To LEGAL Form Only.  
No Opinion Rendered As To Content.

# Richland County Council Request for Action

**Subject:**

An Ordinance to adopt the text amendment recommendations of the Richland County Planning Commission to the 2021 Land Development Code, which will regulate development in the unincorporated areas of Richland County

**Notes:**

First Reading:

Second Reading:

Third Reading:

Public Hearing:

**RICHLAND COUNTY  
ADMINISTRATION**

2020 Hampton Street, Suite 4069  
Columbia, SC 29204  
803-576-2050



**Agenda Briefing**

<b>Prepared by:</b>	Aric Jensen	<b>Title:</b>	Assistant County Administrator
<b>Department:</b>	Administration	<b>Division:</b>	Planning & Development Services
<b>Date Prepared:</b>	September 19, 2023	<b>Meeting Date:</b>	October 3, 2023
<b>Legal Review</b>	Patrick Wright via email	<b>Date:</b>	September 20, 2023
<b>Budget Review</b>	Abhijit Deshpande via email	<b>Date:</b>	September 19, 2023
<b>Finance Review</b>	Stacey Hamm via email	<b>Date:</b>	September 19, 2023
<b>Approved for consideration:</b>	County Administrator	Leonardo Brown, MBA, CPM	
<b>Meeting/Committee</b>	Regular Session		
<b>Subject</b>	First Reading – ORDINANCE NO. ___-23HR AN ORDINANCE BY TITLE ONLY TO ADOPT THE TEXT AMEMDMENT RECOMMENDATIONS OF THE RICHLAND COUNTY PLANNING COMMISSION TO THE 2021 LAND DEVELOPMENT CODE WHICH WILL REGULATE DEVELOPMENT IN THE UNINCORPORATED AREAS OF RICHLAND.		

**RECOMMENDED/REQUESTED ACTION:**

The Planning Commission recommends that County Council approve first reading for the proposed text amendments to the 2021 Land Development Code for the unincorporated areas of Richland County, in accordance with Title 6, Chapter 29 of the SC Code of Laws South Carolina Code.

Request for Council Reconsideration:  Yes

**FIDUCIARY:**

Are funds allocated in the department’s current fiscal year budget?	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No
If not, is a budget amendment necessary?	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No

**ADDITIONAL FISCAL/BUDGETARY MATTERS TO CONSIDER:**

Clarion and Associates, who drafted the 2021 Land Development Code on behalf of Richland County, prepared the amendments recommended by the Planning Commission through an extension of the existing contract. It is anticipated that this service will not exceed 12 months and \$25,000; sufficient funds are available in the FY24 budget.

*Applicable department/grant key and object codes:* 1100230000-526500

**OFFICE OF PROCUREMENT & CONTRACTING FEEDBACK:**

Not applicable.

**COUNTY ATTORNEY’S OFFICE FEEDBACK/POSSIBLE AREA(S) OF LEGAL EXPOSURE:**

There are no legal concerns regarding this matter.

**REGULATORY COMPLIANCE:**

Richland County is obligated to follow all of the provisions of Title 6, Chapter 29 of the SC Code of Laws in consideration of any zoning map amendment or land development code text amendment.

**MOTION OF ORIGIN:**

“I move that County Council adopt the 2021 Land Development Code text amendments and the zoning map recommended by the planning commission by unanimous vote on November 7, 2022, to take effect on the effective date of the full 2021 Land Development Code text and associated maps.”

Council Member	The Honorable Jason Branham, District 1
Meeting	Regular Session
Date	April 4, 2023

**STRATEGIC & GENERATIVE DISCUSSION:**

Below is a summary of the Planning Commission’s Zoning Map recommendation to the County Council, and attached to this briefing is a copy of the translation table used by the Planning Commission to formulate the proposed Zoning Map. A summary of the process to date, including an updated schedule, is found in the Additional Comments for Consideration section. As a reminder, the County Attorney has rendered an opinion that the Council must adopt a revised Zoning Map so as to complete the 2021 Land Development Code adoption process before deliberation can commence on any proposed text amendments.

*M-1 Zone*

- The single largest recommendation is to add the M-1 Zone back into the 2021 LDC text instead of following the adopted translation table. To accomplish this, it was necessary for the consultant to make minor, non-substantive changes the M-1 text and related sections to make it functional within the 2021 LDC format and structure. Part of this process included creating a new Zoning District category called “Legacy Districts”, with related rules and procedures limiting their application and preventing new “rezones” to the M-1 Legacy Zone (or any future Legacy District that a Council might create).

*RT, HM, and AG Zone Densities, Minimum Lot Sizes, and Uses*

- First, the Planning Commission recommends increasing the density in all three of the rural zoning designations.
  - The AG Zone currently requires a density equal to 6.7 acres per lot, and the Planning Commission recommends a density equal to 3 acres per lot
  - The HM Zone currently has a density equal to 3 acres per lot, and the Planning Commission recommends a density equal to 1.5 acres per lot
  - The RT Zone currently has a density equal to 1.3 acres per lot, and the Planning Commission recommends a density equal to 1.0 acre per lot.
- Second, the Planning Commission recommends adding a minimum lot size and a gross average lot size calculation for each zone to ensure that the density-based zoning calculations don’t result in new lots that are incompatible with existing properties in the same zone.

- As proposed, the minimum lot sizes are:
  - AG = 98,000 sq. ft
  - RT = 32,670 sq. ft
  - HM = 50,000 sq. ft
- And the gross average lot sizes are:
  - AG = 130,680 sq. ft
  - HM = 66,211 sq. ft
  - RT = 32,670 sq. ft.
- Lastly, the Planning Commission recommends allowing:
  - Animal Shelter uses with special requirements in AG and HM zones
  - Veterinary Hospital or Clinic uses with special requirements in AG, HM, and RT zones

#### *Multi-unit Residential Dwellings and Manufactured Homes in R-2, R-3, and R-4 Zones*

- The Planning Commission recommends removing:
  - 2-, 3-, and 4-dwelling unit residential uses from the R-2, R-3, and R-4 zones
  - Manufactured home uses from the R-2, R-3, and R-4 zones
  - Townhouse uses from the R-4 zone.

#### *Clustering and Related Subdivision Compatibility Standards*

- First, both the previous 2005 LDC and the current 2021 LDC as adopted allow a property owner to subdivide property into residential building lots that are smaller than was possible prior to 2005 as long as certain “clustering” criteria are met. The Planning Commission recommends removing the existing Cluster Development provisions that allow residential lots to be smaller than the minimum dimensional and/or width requirements of the zone in which they are located. This is part of the Commission’s effort to ensure that new development is not incompatible with existing development in the same zone.
- Second, the Planning Commission recommends modifying or removing various residential subdivision density bonuses to bring them current with industry practices and/or to ensure that new development is not incompatible with existing development in the same zone.
- Lastly, the Planning Commission recommends removing the Zero Lot Line Development provisions for single unit detached dwellings, so that every single-family dwelling unit must have a side yard setback on both sides of the structure on its own lot.

#### *Lot Size Ranges in R1, R2, R3 Zones*

- The Planning Commission recommends adding a gross average lot size and a minimum and maximum lot size range for all new subdivisions in the R1, R2, and R3 zones in order to prevent incompatibility with existing development.
  - The gross average lot sizes are:
    - R1 = 32,750 sq. ft
    - R2 = 14,500 sq. ft
    - R3 = 7,260 sq. ft.
  - The minimum/maximum lot size ranges are:
    - R1 = 24,500/40,000 sq. ft
    - R2 = 11,000/18,000 sq. ft

- R3 = 5,500/9,000 sq. ft.

#### *Scrivener's Errors, Formatting, and Related Revisions*

It is anticipated that the proposed text amendments will also include non-substantive corrections in formatting, typography, and structure necessary for the operation of the Land Development Code as a body of work.

#### **ASSOCIATED STRATEGIC GOAL, OBJECTIVE, AND INITIATIVE:**

Objective 4.1: Establish plans and success metrics that allow for smart growth

#### **ADDITIONAL COMMENTS FOR CONSIDERATION:**

##### *Process Schedule*

In 2016, the Richland County Council directed the County Administrator and his staff to prepare an update to the 2005 Richland County Land Development Code as recommended in the Comprehensive Plan. This process was substantially completed when the Coronavirus pandemic occurred in early 2020, but the disruption thereof affected the timing and public input process. In November 2021, the County Council approved the written portion of the new Land Development Code, but not the Zoning Map. Concurrently, a group of citizens approached the Council concerned that - due to the pandemic and the length of time elapsed since the process started - additional public participation was needed.

In March 2022, the County Council directed the County Administrator and his staff to “restart” the zoning map design process. In addition, the Council recommended that the Planning Commission (PC) consider and recommend amendments to the previously adopted 2021 Land Development Code (LDC) text.

In November 2022, the Planning Commission completed its portion of the “restart” process, and recommended a new Zoning Map and several Land Development Code text amendments to the Council.

From February 2023 through April 2023, Community Planning & Development staff held public information meetings throughout Richland County to inform the community of the proposed zoning map amendments.

On April 04, 2023, the County Council received a presentation from Planning Commission Chair Christopher Yonke on the proposed Zoning Map and LDC text amendments. At the same meeting, Council Chair Overture Walker assigned the proposed zoning map and LDC text amendments to the Development & Services (D&S) Committee for consideration and a recommendation to the full Council.

On May 23, 2023, the D&S Committee discussed the proposed zoning map, text, and approval process at length. There were no successful motions, and so the items carried forward to the next agenda. However, the Committee requested that the Planning Commission confirm the accuracy of the LDC text amendment ledger and correct any errors, and then resubmit it to the Committee.

On June 05, 2023, the Planning Commission Chair entered into the record a final version of the LDC text amendment ledger as requested by the Committee.

On June 27, 2023, the Development and Services Committee recommended to full Council the adoption of the Zoning Map, as recommended by the Planning Commission, with an effective date of May 7, 2024.

On July 11, 2023, the County Council held a work session, during which the Council Chair expressed a desire to have the Zoning Map and any subsequent text amendments approved by December 2023. Subsequently, Council considered and deferred First Reading for the Zoning Map to the special called meeting of September 12, 2023.

On September 12, 2023, the County Council approved First Reading and held a Public Hearing on the Zoning Map. Approximately 5 persons spoke in favor of Council approving the Zoning Map, and then as soon as possible thereafter approving the Planning Commission recommended text amendments. No individuals spoke in opposition.

On September 19, 2023, the County Council approved Second Reading for the Zoning Map.

The following is a Land Development Code Zoning Map and Text Amendments adoption schedule. *Italicized* actions are already completed.

<i>12 September</i>	<i>First Reading Zoning Map</i>
<i>12 September</i>	<i>Public Hearing Zoning Map</i>
<i>19 September</i>	<i>Second Reading Zoning Map</i>
03 October	Third Reading Zoning Map
03 October	First Reading Text Amendments
17 October	Work Session Text Amendments
17 October	Public Hearing Text Amendments
17 October	Second Reading Text Amendments
07 November	Third Reading Text Amendments

**ATTACHMENTS:**

1. Planning Commission ledger of text amendment recommendations

## 2021 LDC Zone Map Restart

Ledger of Recommended Text Amendments as Approved on November 07, 2022

Final Draft

Discussion Date	Topic	Recommendation
06-Jun-2022	Residential Uses	Remove duplex, 3-plex, and 4-plex uses from R2, R3, R4 zone designations; and to remove townhouse use from R4 zone.
08-Sep-2022	Residential Uses	Remove manufactured homes from R2 zoning district.
08-Sep-2022	Rural Lots	Increase the maximum lot density of the new AG zoning district from 0.15 dwelling units per acre to 0.33 dwelling units per acre.
08-Sep-2022	Rural Lots	Increase the maximum lot density of the new HM zoning district from 0.33 dwelling units per acre to 0.66 dwelling units per acre.
08-Sep-2022	Rural Lots	Increase the maximum lot density of the new RT zoning district from 0.67 dwelling units per acre to 1.0 dwelling units per acre.
08-Sep-2022	Subdivision Design	Delete subsection 26-3.1(f)(5) which provides for the complete elimination or massive reductions on minimum lot width requirements in instances involving cluster development and any other provisions for cluster development of single-family dwellings.
03-Oct-2022	Rural Uses	Add "Animal shelter" permitted by right, subject to special requirements in the AG and HM zoning districts.
03-Oct-2022	Rural Uses	Add "Animal services; Veterinary hospital or clinic" permitted by right subject to special requirements in the AG, HM, RT zoning districts.
03-Oct-2022	Subdivision Design	Amend subsection 26-3.1(f)(4) which provides for zero lot line development and any other provisions for zero lot line development of detached single-family dwellings; and continue to allow zero lot line development where attached single-family dwelling units (e.g. townhomes) are allowed.
07-Nov-2022	Other	Add a M-1 zoning district to the text of the 2021 Land Development Code to have all the same standards currently provided for in the existing Richland County Land Development Code originally adopted in 2005 and to have all parcels zoned M-1 at the time of adoption by county council of the final official zoning map continue to be labeled as M-1.
07-Nov-2022	Rural Lots	Amend AG Zone standards: gross average lot size 130,680 square feet (3 acres); min lot size 98,000 square feet.
07-Nov-2022	Rural Lots	Amend HM Zone standards: gross average lot size 66,211.2 square feet (1.51 acres); min lot size 50,000 square feet.
07-Nov-2022	Rural Lots	Amend RT Zone standards: gross average lot size 43,560 square feet (1.0 acres); min lot size 32,670 square feet.
07-Nov-2022	Subdivision Design	Delete Sec 26-5.13 (c) (1) a. 1. For residential structures, an additional one story or 15 feet.
07-Nov-2022	Subdivision Design	Amend Sec 26-5.13 (c) (1) b. maximum allowable residential density by from 25 percent to 10 percent in the R2, R3, R4, R5, R6, MU1, MU2, MU3 and GC.
07-Nov-2022	Subdivision Design	Amend Sec 26-5.13 (c) (1) b. residential density in AG, HM, RT, and R1 from 30 percent to 15%.
07-Nov-2022	Subdivision Design	Amend Table 26-5.13(e) Energy Conservation Schedule A "Use Central air conditioners that are SEER 17 or above.
07-Nov-2022	Subdivision Design	Amend Table 26-5.13(e) Schedule B "Use vegetation or vegetated structures to shade HVAC Units for non-residential structures."
07-Nov-2022	Subdivision Design	Delete Table 26-5.13(e) Alternative Energy Schedule A "Pre-wire a minimum of 75 percent of residential dwelling units in the development for solar panels".
07-Nov-2022	Subdivision Design	Delete Table 26-5.13(e) Alternative Energy Schedule B "Pre-wire a minimum of 50 percent of residential dwelling units in the development for solar panels".

07-Nov-2022	Subdivision Design	Amend Table 26-5.13(e) Transportation Schedule A "Provide minimum of four electric vehicle (EV) level 3 charging stations that are made available in a parking structure or off-street parking lot to those using the building."
07-Nov-2022	Subdivision Design	Amend Table 26-5.13(e) Transportation Schedule A "Provide minimum of four electric vehicle (EV) level 2 charging stations that are made available in a parking structure or off-street parking lot to those using the building."
07-Nov-2022	Subdivision Design	Amend R1: gross average lot size 32,750 square feet (.752 acre); min/max lot size range 24,500 – 40,000 square feet.
07-Nov-2022	Subdivision Design	Amend R2: gross average lot size 14,500 square feet (.33 acre); min/max lot size range 11,000 – 18,000 square feet.
07-Nov-2022	Subdivision Design	Amend R3: gross average lot size 7,260 square feet (.167 acre); min/max lot size range 5,500 – 9,000 square feet.

## Richland County Council Request for Action

**Subject:**

I move County Council fund EdVenture Children's Museum Hospitality Tax request for facility improvements and enhancements to improve safety and attract new visitors  
[MACKEY – August 29, 2023]

**Notes:**

September 26, 2023 – The Administration and Finance Committee forwarded this item to Council without a recommendation.



August 1<sup>st</sup>, 2023

Dear Chairman Walker,

On behalf of our staff and board of trustees, we are excited to propose a funding opportunity that will allow EdVenture to dramatically upgrade both visitor safety and the experiences we provide.

Since 2003 EdVenture has been a staple in our community and a place where countless memories have been made. We provide a safe, unique educational experience for children and their families while fostering a lifelong love of learning. Many of our exhibits are the original pieces that were here when we first opened! They have withstood the test of time, but as we begin to look at our 20<sup>th</sup> anniversary, we feel now is the time to invest in new 21<sup>st</sup> century experiences for our local community and visitors. Further, our building was designed in a different day and time—when safety was thought about differently. Our goal is to address experiences and safety efficiently and in a cost-effective manner.

As we begin to look forward to the next twenty years, we want to bring a new and dynamic permanent exhibit with profound underlying content. This exhibit will encompass 4,500 square feet within the museum and will use dinosaurs to convey educational messages around recycling, the environment, sustainability, circular economies, and environmental justice. This exhibit will be built at the price of \$300 a square foot and will be installed in available exhibit space inside the museum, requiring no additional bricks and mortar or building modifications. We project a 15% increase in annual attendance after the exhibit installation, which equates to an additional 27,000 visitors.

We are also in the process of evaluating and investing in our visitor and staff safety. Recently, we installed a new security system that includes the very latest in safety technology as well as a new surveillance camera system that covers 100% of our public spaces. We continue to invest in staff training to ensure that we are prepared for any emergency event with the latest protocols. An aspect that still needs to be addressed is our front visitor entry into the museum. Due to the original construction of our facility, there is a significant line of sight and visitor flow issue that we can address by enclosing one of our front open spaces. This will address the sightline issue for visitors and staff, improve visitor movement in and out of our exhibit spaces, and create a new programming area for our educational objectives. Both aspects of this project will propel EdVenture into the 21<sup>st</sup> century in regard to exhibit content and visitor safety.

We hereby humbly request \$1,750,000 from the Richland County H-Tax fund to support these projects to completion.

Respectfully,

A handwritten signature in black ink, appearing to read "AM", is written over a light blue horizontal line.

Andy Marquart  
CEO

CC: Vice Chair Jesica Mackey

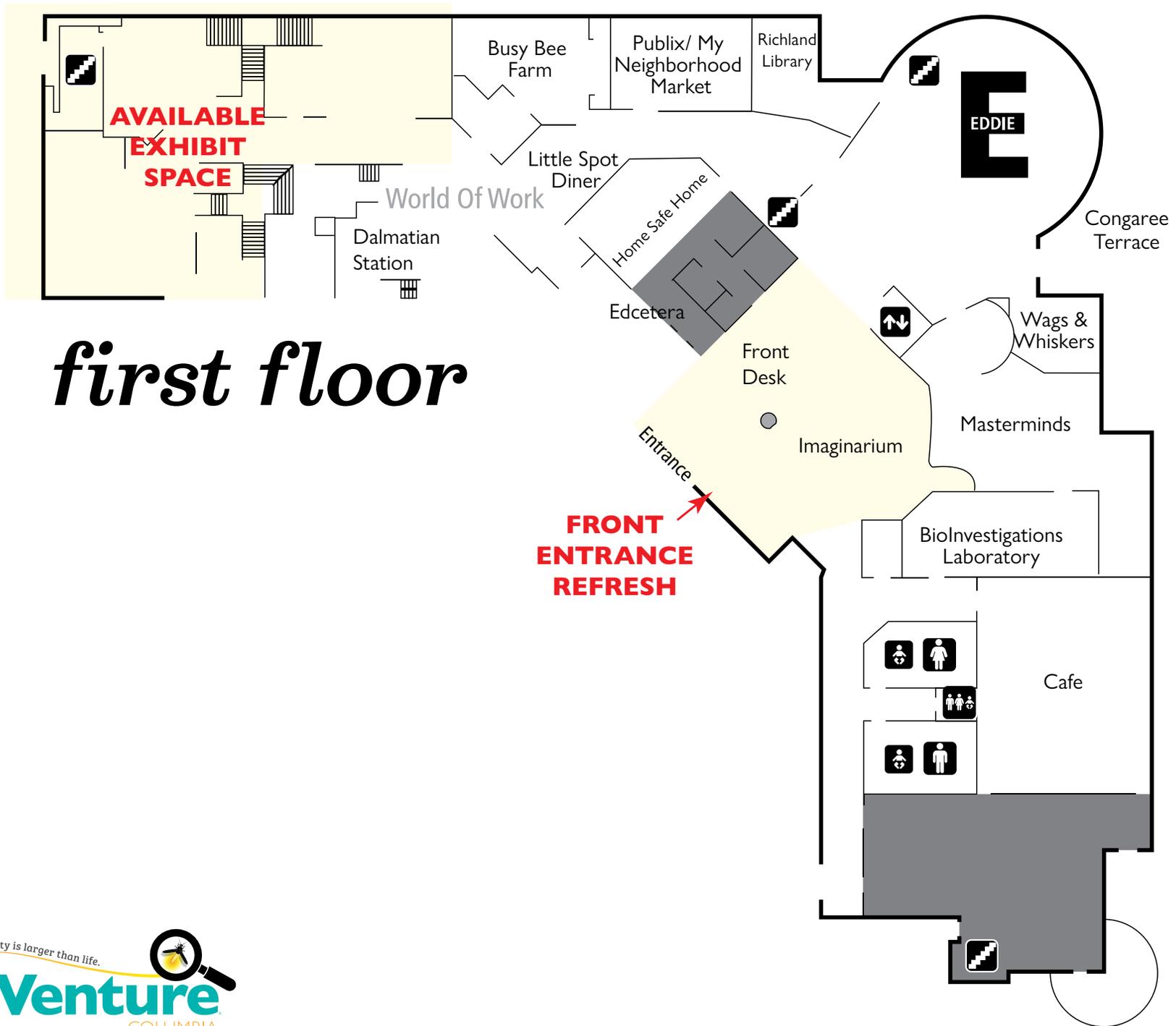
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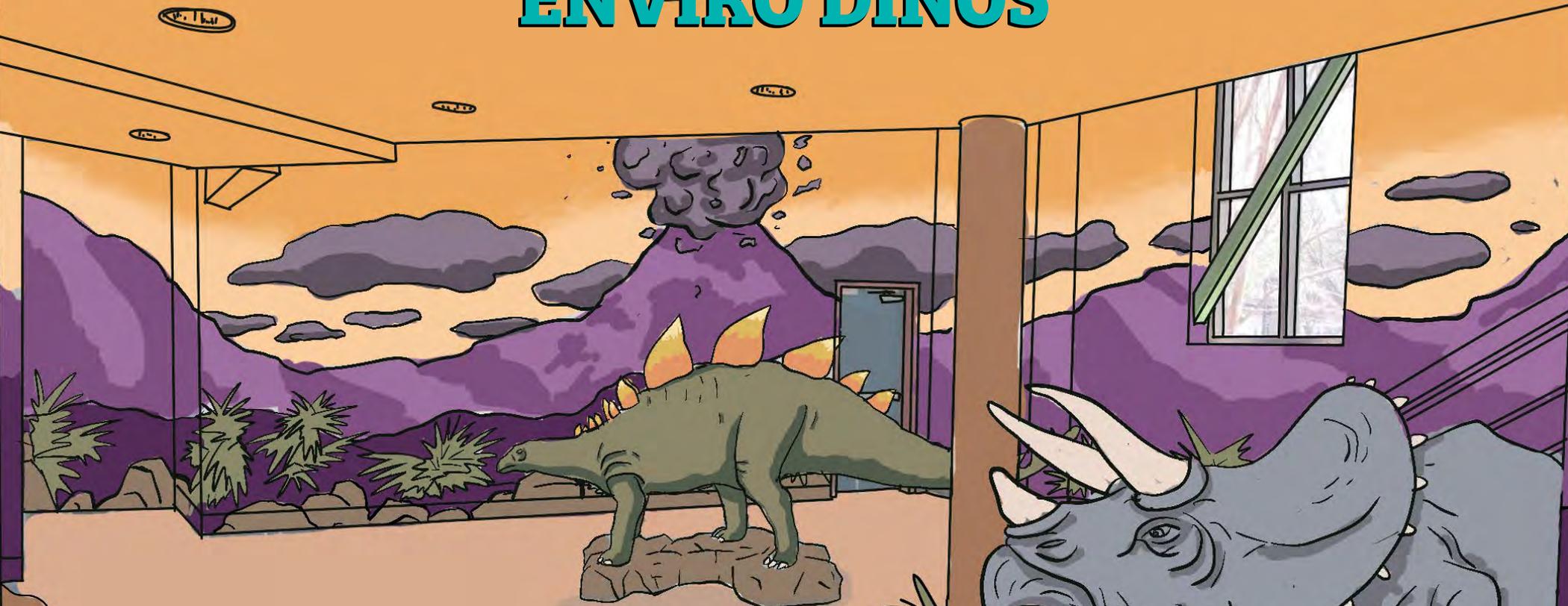
# Enviro Dinos

## Exhibit Space





# Introducing... ENVIRO DINOS



**EdVenture's new dinosaur exhibit will be a one-of-a-kind experience for EdVenture guests. This state-of-the-art exhibit will educate guests on:**

- Recycling and circular economy
- Environmental justice and civil rights at the local level
- Reducing waste and preventing environment contamination
- Climate change and its impact on all animal species
- South Carolina's prehistoric history

# Enviro Dinos

## ECONOMIC IMPACT

EdVenture's total funding need: **\$1.75 million**

### Use of Funds:

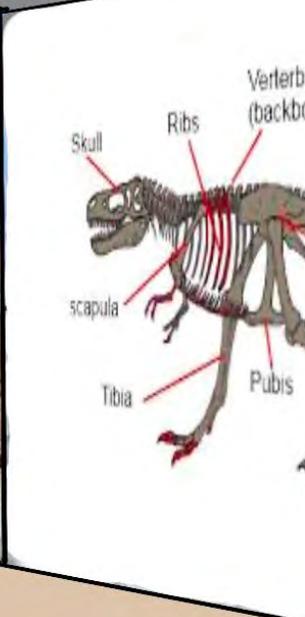
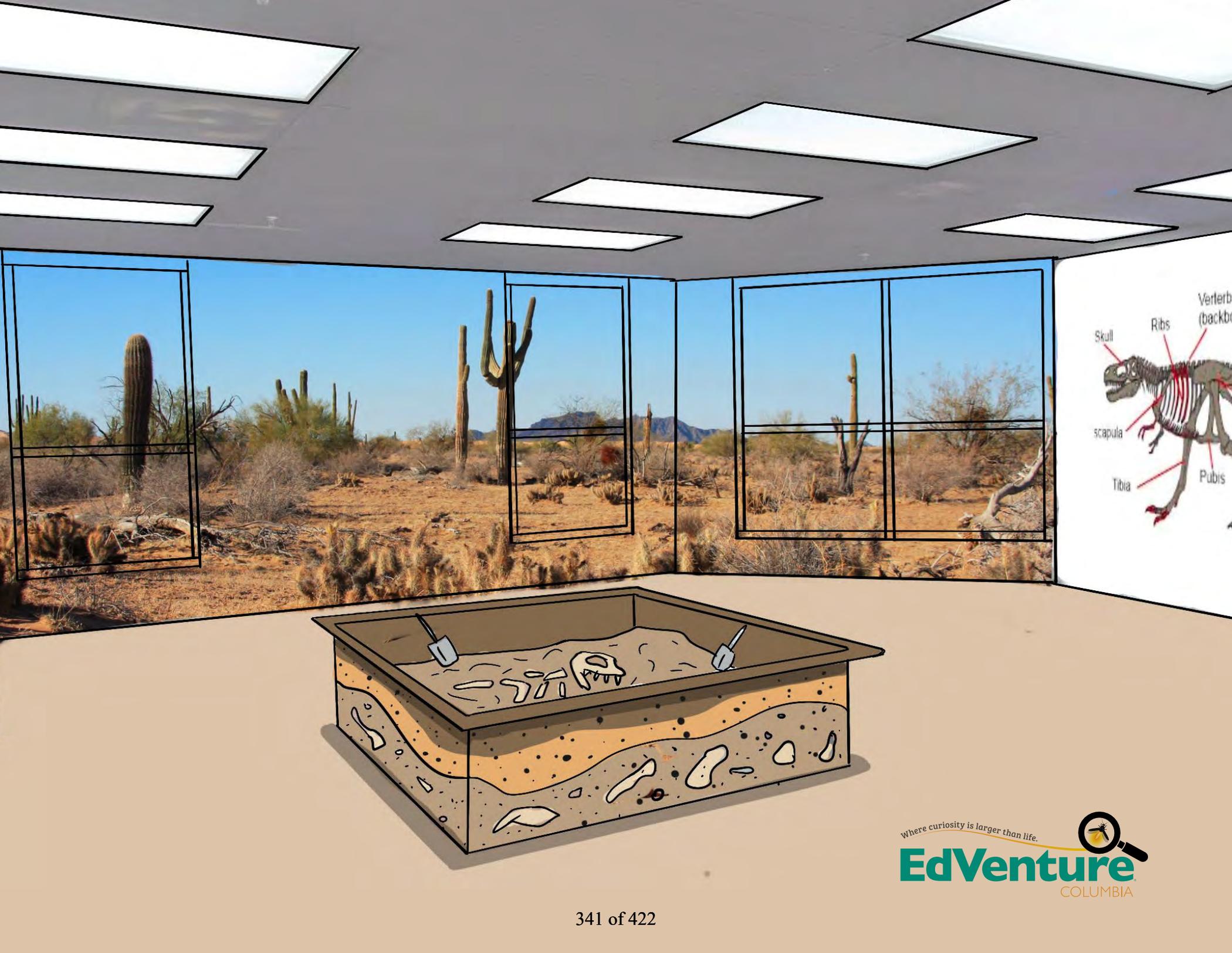
- **\$375,000** would be used to outfit the front entry for increased security and safety of our guests
- **\$1.4 million** would be used to outfit the new ENVIRO DINOs exhibit

### Economic Impact:

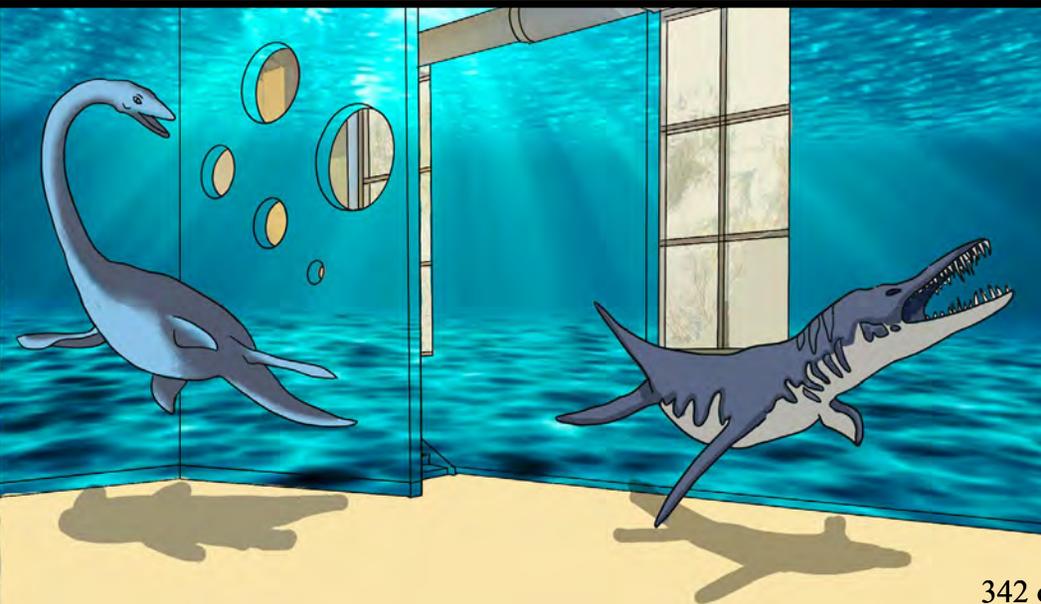
- Increase tourism revenue to the region
- Extended length-of-stay at EdVenture = increased distance a guest is willing to travel.
  - A longer length-of-stay means more money spent around town at local restaurants and hotels, benefiting our local economy as a whole.
- **15%** increase in overall attendance = **\$1.1 million** in local economic impact\*
- This addition will continue to promote EdVenture as one of the most exciting attractions of its kind in the Southeast.
- Adds 4,000 sq. ft. of exhibit space to the museum *without laying a single new brick.*
  - Increases usable museum space by more than **10%**
  - Equivalent to **\$1.2 million** in savings by using the facility's existing infrastructure
- **30%** of visitors use EdVenture's reduced admission programs, **Yes Every Child** and **Yes, Every Family**. The increased revenue from this exhibit offsets this cost and ensures the museum is accessible for all, especially our underserved populations.

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\*According to Americans for the Arts.



# Enviro Dinos VISITOR EXPERIENCE



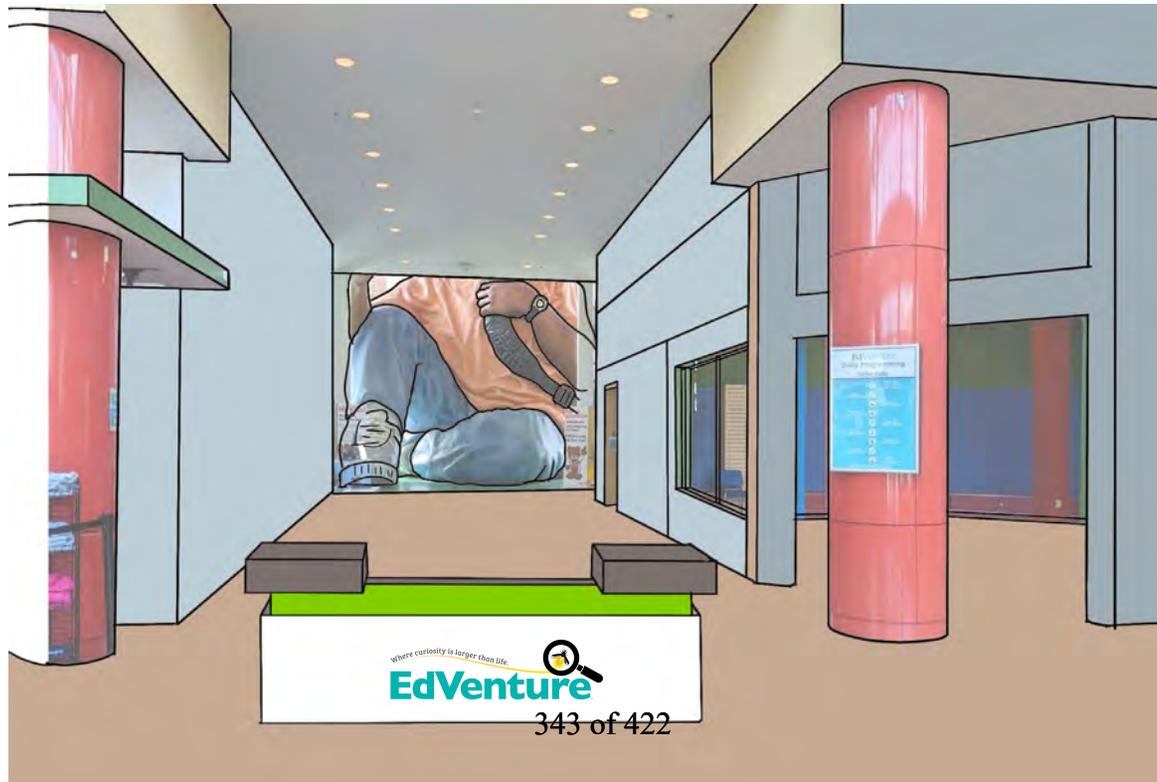
**The ENVIRO DINOS exhibit will add an exciting, one-of-a-kind experience, unique only to Edventure, and will increase our tourism impact.**

- Additional square footage will bring added capacity that is needed for better visitor experiences on busy days.
- New content entices guests for multiple return visits.
- New content extends the length of stay.
- Immersive experience engages guests while simultaneously educating them on important topics that impact our communities.
- Challenging topics are met with more acceptance when framed in harmless, exciting, and engaging exhibit experiences.

# Front Entry REFRESH

**EdVenture's front entrance is in critical need of security improvements and safety upgrades. This refresh will accomplish:**

- Improved visitor safety by pivoting the front desk to face towards the front doors and create better eyesight for staff for visitors entering and leaving the facility.
- Expedited visitor access with a dedicated lane for members to fast-track into the museum.
- New exhibit space and a theater/presentation area by walling off the Imaginarium.



# EdVenture 2022-23 BY THE NUMBERS



**180,670**

Total Attendance



**44,350**

Yes, Every Child  
Attendance



**400**

Sensory Night  
Attendance



**2,664**

Member Families



**11,000**

Students via  
Field Trips

*Where curiosity is larger than life.*



## EdVenture

211 Gervais St. | Columbia, SC. 29201

[EdVenture.org](http://EdVenture.org)

**Robin Harriford**

Director of Development  
[rharriford@edventure.org](mailto:rharriford@edventure.org)  
803.430.1138

**Andy Marquart**

CEO  
[amarquart@edventure.org](mailto:amarquart@edventure.org)  
803.400.1141  
344 of 422

**Marc Drews**

Director of Experience and Education  
[mdrews@edventure.org](mailto:mdrews@edventure.org)  
803.400.1150

## Richland County Council Request for Action

**Subject:**

Approval of Paid Parental Leave Policy

**Notes:**

September 26, 2023 – The Administration and Finance Committee recommended Council approve the proposed Paid Parental Leave Policy for regular part-time and full-time County employees. The committee proposed to amend the policy to include language to address paid leave for an employee experiencing a stillbirth and to amend the language regarding placement of a foster child as follows: *“Eligible employees will receive a maximum of six weeks of paid parental leave for the placement of a foster child twelve months of age or younger.”* This policy will go into effect on January 1, 2024.



**Agenda Briefing**

<b>Prepared by:</b>	Venyke Harley	<b>Title:</b>	Director
<b>Department:</b>	Human Resources	<b>Division:</b>	
<b>Date Prepared:</b>	September 7, 2023	<b>Meeting Date:</b>	September 26, 2023
<b>Legal Review</b>	Lauren Hogan via email	<b>Date:</b>	September 20, 2023
<b>Budget Review</b>	Abhijit Deshpande via email	<b>Date:</b>	September 19, 2023
<b>Finance Review</b>	Stacey Hamm via email	<b>Date:</b>	September 20, 2023
<b>Approved for consideration:</b>	Assistant County Administrator	Lori J. Thomas, MBA, CGFO	
<b>Meeting/Committee</b>	Administration & Finance		
<b>Subject</b>	Approval of Paid Parental Leave Policy		

**RECOMMENDED/REQUESTED ACTION:**

Staff recommends approval of the proposed Paid Parental Leave Policy for regular part-time and full-time County employees. The policy should be effective by January 1, 2024.

Request for Council Reconsideration:  Yes

**FIDUCIARY:**

Are funds allocated in the department’s current fiscal year budget?	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No
If not, is a budget amendment necessary?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No

**ADDITIONAL FISCAL/BUDGETARY MATTERS TO CONSIDER:**

Over the last three years, the County has seen on average 57 employees per year utilize the Family Medical Leave Act to take time away from work due to childbirth. The average annual salary for Richland County employees is currently \$50,616. The salaries for 11 individuals making over 140K were removed from this calculation. The county should anticipate an annual indirect cost of \$332,897 annually.

Average Paternity Leaves (2020-2022)	Average County Salary	Total Salary Value	Six Weeks Salary Value
57	\$50,616	\$2,885,112	\$332,897

*Applicable department/grant key and object codes:*

**OFFICE OF PROCUREMENT & CONTRACTING FEEDBACK:**

Not applicable.

**COUNTY ATTORNEY’S OFFICE FEEDBACK/POSSIBLE AREA(S) OF LEGAL EXPOSURE:**

The County Attorney’s Office has identified areas within the policy which require attention. Staff continues to work with the County Attorney’s Office to address those areas and will modify the policy as advised.

**REGULATORY COMPLIANCE:**

Not applicable.

**MOTION OF ORIGIN:**

“I move to direct the County Administrator to add Paid Parental Leave as a benefit available to all full-time Richland County employees and to update the Employee Handbook with a policy that reflects a minimum of six weeks of available paid Parental Leave. The goal for implementation date of this new benefit is January 1, 2024.”

Council Member	The Honorable Jesica Mackey, District 9
Meeting	Regular Session
Date	April 18, 2023

**STRATEGIC & GENERATIVE DISCUSSION:**

On April 18, 2023, Richland County Council approve motion to implement paid parental leave for County employees effective January 1, 2024. The attached paid parental leave policy is designed to provide County leadership with details regarding the administration thereof.

The implementation of this policy aligns with the County’s strategic plan to “continue to maintain a highly inclusive work culture with an equity-based experience for all.” Paid parental leave will allow County employees the opportunity to balance their work and family responsibilities by reducing stress and enhancing overall well-being. When employees feel supported during significant life events like childbirth or adoption, they tend to be more satisfied with their jobs and are more likely to stay with an organization. They are also more likely to return to work with a clearer focus and higher productivity. Providing paid parental leave can help retain valuable employees, saving the costs associated with recruiting, hiring, and training new talent. Offering a generous parental leave policy will help the County attract top talent seeking family-friendly workplaces. Paid parental leave can contribute to healthier pregnancies, better postpartum recovery, and improved mental health for parents. Offering this benefit will demonstrate to County staff and residents that the County prioritizes employee well-being, diversity, and inclusivity and will enhance the County’s public image. While offering paid parental leave incurs some initial costs, it can be cost-effective in the long run by reducing turnover and recruitment expenses.

Over the last three years, the County has seen on average 57 employees per year utilize the Family Medical Leave Act to take time away from work due to childbirth. While the Family Medical Leave Act provides job protection for time away from work, it does not provide a paid alternative for staff. Human Resource Services does anticipate the number of employees who benefit from this leave will increase slightly; however, the financial impacts will be minimal as this number represents three percent of the County’s workforce. Currently, the State of South Carolina provides paid parental leave for all staff. South Carolina counties and cities across the state are starting to follow suit and provide this benefit. Offering a generous plan will allow the County to compete with its peers and become an employer of choice in the state.

**ASSOCIATED STRATEGIC GOAL, OBJECTIVE, AND INITIATIVE:**

Goal 6: Establish Operational Excellence

**ADDITIONAL COMMENTS FOR CONSIDERATION:**

Currently Florence County is the only county in South Carolina with an approved paid parental leave policy. The counties listed below are working to establish a paid parental leave policy for staff:

- Charleston County

**ATTACHMENTS:**

1. Paid Parental Leave Policy

## Richland County Government Paid Parental Leave Policy (PPL)

**Location:** Richland County Handbook

### **Purpose/Objective**

Effective January 1, 2024, all full-time and part-time (30 hours/week or more) employees are eligible for up to six (6) continuous weeks of Paid Parental Leave. Paid Parental Leave should be used immediately following the birth or adoption of a child for purposes of bonding with or caring for a newly-born or newly-adopted child for the birthing parent or non-birthing parent (or, in the case of adoption, the adoptive parent) of the child.

### **Eligibility**

Eligible employees must meet the following criteria:

- Be a regular full-time or regular part-time employee (Leave for regular part-time, eligible employees will be on a prorated basis corresponding to the percentage of hours they are normally scheduled to work.)
- Be in an active employment status.
- No child can have more than two parents eligible for paid parental leave at the same time.

In addition, employees must meet one of the following criteria:

- Have given birth to a child.
- Be the co-parent listed as the legal parent with applicable required documentation (birth certificate, certified DNA results, etc.).
- Have adopted a child under the age of 18. The adoption of a new spouse's or partner's child is excluded from this policy.
- Have had a foster child under the age of 18 placed with the employee.

### **Amount, Time Frame, and Duration of Paid Parental Leave**

- Eligible employees will receive a maximum of six weeks of paid parental leave per birth or adoption of a child/children. The fact that a multiple birth or adoption (e.g., the birth of twins or adoption of siblings) does not increase the six (6) week total amount of paid parental leave granted for that event. In addition, in no case will an employee receive more than six (6) weeks of paid parental leave in a rolling 12-month period, regardless of whether more than one birth, adoption, or foster care placement event occurs within that 12-month time frame.
- Eligible employees will receive a maximum of six weeks of paid parental leave for the placement of a foster child six months of age or younger.
- Eligible employees will receive a maximum of two weeks of paid parental leave for the placement of a foster child over the age of six months.
- Each week of paid parental leave is compensated at 100 percent of the employee's regular, straight-time weekly pay minus all regular deductions. Paid parental leave does not include any additional pay, such as overtime, supplements, interim pay, bonuses, longevity pay, temporary salary adjustments, shift differential pay, on-call pay, or call back pay, some of which may be

included in the calculation of other forms of paid leave. Paid parental leave will be paid on a biweekly basis on regularly scheduled pay dates.

- Approved paid parental leave must be taken immediately following the birth, adoption, or placement of a child and shall not be used before the qualifying event. Paid parental leave must be taken consecutively; partial days will not be permitted.
- Upon termination of the individual's employment with the County, he or she will not be paid for any unused paid parental leave for which he or she was eligible.

### **Coordination with Other Policies**

- Paid parental leave taken under this policy will run concurrently with leave under the FMLA in cases where an employee is eligible for leave under both; thus, any leave taken under this policy that also qualifies for leave due to the birth or placement of a child due to adoption or foster care will be counted toward the 12 weeks of available FMLA leave. All other requirements and provisions under the FMLA will apply. In no case will the total amount of leave—whether paid or unpaid— be granted to the employee under the FMLA exceed 12 weeks. Please refer to the Disability and Personal Leave policy for further guidance on the FMLA.
- After paid parental leave under this policy is exhausted, the balance of FMLA leave (if applicable) and any use of other forms of paid leave during FMLA will be governed by the Disability and Personal Leave Policy.
- Continuance of benefits during paid parental leave will be in accordance with the terms of any plan documents governing benefits plans, if applicable, or County policy and practice on the accrual and use of such benefits during periods of paid leave.
- Eligible employees shall accrue annual and sick leave at the normal rate and receive holiday pay while on paid parental leave, if applicable. If a County holiday occurs while the employee is on paid parental leave, such day will be shown on the employee's pay stub as holiday pay, but will be charged against paid parental leave and will not extend the total paid parental leave entitlement.
- If the employee is on paid parental leave when the County offers administrative leave (i.e., for inclement weather or other unforeseen circumstances known as an "admin day"), that time will be recorded as paid parental leave. Administrative leave will not extend the paid parental leave entitlement.
- Paid parental leave must be used prior to an employee using his/her other accrued leave, subject to the limitation that paid parental leave must be taken immediately following the birth, adoption, or foster care placement of a child. The order of leave shall be paid parental leave, sick leave, annual leave, then leave without pay.
- Paid parental leave may not be donated.

- If both parents are eligible county employees, paid parental leave may be taken concurrently, consecutively, or at a different time than the other eligible county employee. The leave for both parents must be taken within 12 weeks of the date of the qualifying event.

**Requests for Paid Parental Leave**

- The employee will submit a notice of the request for leave to their director or elected official at least 30 days prior to the proposed date of the leave (or if the leave was not foreseeable, as soon as possible). The employee must complete the necessary leave request forms and provide all documentation as set out below to substantiate the request. The completed form shall then be submitted to the Human Resource Services Department for final approval.
- The employee will indicate on the leave request form the date they intend to return to work for the County on a regular full-time or regular part-time basis.

**Required Documentation**

Qualifying Event	Required Documentation (Employee Selects One)
Adoption	<ul style="list-style-type: none"> <li>• Adoption order and/or agreement confirming the initial date of placement.</li> </ul>
Birth	<ul style="list-style-type: none"> <li>• Birth Certificate or Proof of Birth</li> <li>• Certified DNA Results</li> <li>• Custody Order</li> </ul>
Foster Placement	<ul style="list-style-type: none"> <li>• Foster Care Placement Agreement</li> <li>• Custody Order</li> </ul>

- Employees may be permitted by the Human Resource Services Department to begin paid parental leave following the qualifying event and pending receipt of this documentation.
- However, if the required documentation is available and is not provided within 30 days of the start of paid parental leave the employee will be required to substitute all other paid leave available and if sufficient leave is not available, the employee will be placed on leave without pay status for the period they were absent from work. If documentation for the paid parental leave is not submitted within 30 calendar days, the county will recover the paid parental leave funds via payroll.
- If the required documentation is not available within 30 days of the start of paid parental leave the Human Resource Services Department has the discretion to decide if the employee will be required to substitute all other paid leave available and if sufficient leave is not available, the employee will be placed on leave without pay status for the period they were absent from work. If documentation for the paid parental leave is not submitted as directed by the county, the Human Resource Services Department has the discretion to decide if the county will recover the paid parental leave funds via payroll.

**The Human Resource Services Department has the discretion to evaluate and interpret all paid parental leave policies.**

# Richland County Council Request for Action

**Subject:**

Authorizing the execution and delivery of a fee-in-lieu of ad valorem taxes and incentive agreement by and between Richland County, South Carolina and Project Truck to provide for payment of a fee-in-lieu of taxes; authorizing certain infrastructure credits; and other related matters

**Notes:**

First Reading:  
Second Reading:  
Third Reading:  
Public Hearing:

STATE OF SOUTH CAROLINA  
COUNTY COUNCIL FOR RICHLAND COUNTY  
ORDINANCE NO. \_\_\_\_\_

**AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE-IN-LIEU  
OF AD VALOREM TAXES AND INCENTIVE AGREEMENT BY AND  
BETWEEN RICHLAND COUNTY, SOUTH CAROLINA AND PROJECT  
TRUCK TO PROVIDE FOR PAYMENT OF A FEE-IN-LIEU OF TAXES;  
AUTHORIZING CERTAIN INFRASTRUCTURE CREDITS; AND  
OTHER RELATED MATTERS.**

WHEREAS, Richland County, South Carolina (“County”), acting by and through its County Council (“County Council”) is authorized pursuant to the provisions of Title 12, Chapter 44, Code of Laws of South Carolina, 1976, as amended (“FILOT Act”), to encourage manufacturing and commercial enterprises to locate in the State of South Carolina (“South Carolina” or “State”) or to encourage manufacturing and commercial enterprises now located in the State to expand their investments and thus make use of and employ the manpower, products, and other resources of the State by entering into an agreement with a sponsor, as defined in the FILOT Act, that provides for the payment of a fee-in-lieu of *ad valorem* tax (“FILOT Payments”), with respect to economic development property, as defined in the FILOT Act;

WHEREAS, pursuant to Article VIII, Section 13 of the South Carolina Constitution and Title 4, Section 1, Code of Laws of South Carolina, 1976, as amended (collectively, “MCIP Act”), the County is authorized to jointly develop multicounty parks with counties having contiguous borders with the County and, in the County’s discretion, include property within the boundaries of such multicounty parks. Under the authority provided in the MCIP Act, the County has created a multicounty park with Fairfield County, South Carolina more particularly known as I-77 Corridor Regional Industrial Park (“Park”);

WHEREAS, pursuant to the FILOT and MCIP Acts, the County is authorized to provide credits (“Infrastructure Credits”) against FILOT Payments derived from economic development property to pay costs of designing, acquiring, constructing, improving or expanding (i) infrastructure serving a project or the County and (ii) improved and unimproved real estate and personal property used in the operation of a commercial enterprise or manufacturing facility (“Infrastructure”);

WHEREAS, Project Truck (“Sponsor”), desires to establish an operations, logistics, and training center in the County (“Project”) consisting of taxable investment in real and personal property of not less \$38 million, and the creation of 185, new, full-time jobs; and

WHEREAS, at the request of the Sponsor and as an inducement to locate the Project in the County the County, a public body corporate and politic under the laws of the State of South Carolina has, by an Inducement Resolution adopted on September 19, 2023 (“Resolution”), taken official action to identify the Project for the purposes of the FILOT Act and otherwise, and the County desires to enter into a Fee-in-Lieu of *Ad Valorem* Taxes and Incentive Agreement with the Sponsor, as sponsor, the final form of which is attached as Exhibit A (“Fee Agreement”), pursuant to which the County will provide certain incentives to the Sponsor with respect to the Project, including (i) providing for FILOT Payments, to be calculated as set forth in the Fee Agreement, with respect to the portion of the Project which constitutes economic development property; and (ii) locating the Project in the Park; and (iii) providing Infrastructure Credits and other incentives, as described in the Fee Agreement, to assist in paying the costs of certain Infrastructure.

NOW THEREFORE, BE IT ORDAINED, by the County Council as follows:

**Section 1. *Statutory Findings.*** Based on information supplied to the County by the Sponsor, County Council evaluated the Project based on relevant criteria including, the purposes the Project is to accomplish, the anticipated dollar amount and nature of the investment, employment to be created, and the anticipated costs and benefits to the County, and hereby finds:

(a) The Project is anticipated to benefit the general public welfare of the County by providing services, employment, recreation, or other public benefits not otherwise adequately provided locally;

(b) The Project gives rise to no pecuniary liability of the County or incorporated municipality or a charge against its general credit or taxing power;

(c) The purposes to be accomplished by the Project are proper governmental and public purposes and the benefits of the Project are greater than the costs.

**Section 2. *Approval of Incentives; Authorization to Execute and Deliver Fee Agreement.*** The incentives as described in this Ordinance (“Ordinance”), and as more particularly set forth in the Fee Agreement, with respect to the Project are hereby approved. The form, terms and provisions of the Fee Agreement that is before this meeting are approved and all of the Fee Agreement’s terms and conditions are incorporated in this Ordinance by reference. The Chair of County Council (“Chair”) is authorized and directed to execute the Fee Agreement in the name of and on behalf of the County, subject to the approval of any revisions or changes as are not materially adverse to the County by the County Administrator and counsel to the County, and the Clerk to County Council is hereby authorized and directed to attest the Fee Agreement and to deliver the Fee Agreement to the Sponsor.

**Section 3. *Inclusion within the Park.*** The expansion of the Park boundaries to include the Project is authorized and approved. The Chair, the County Administrator and the Clerk to County Council are each authorized to execute such documents and take such further actions as may be necessary to complete the expansion of the Park boundaries. Pursuant to the terms of the agreement governing the Park (“Park Agreement”), the expansion of the Park’s boundaries and the amendment to the Park Agreement is complete on adoption of this Ordinance by County Council and delivery of written notice to Fairfield County of the inclusion of the Project in the Park.

**Section 4. *Further Assurances.*** The County Council confirms the authority of the Chair, the County Administrator, the Director of Economic Development, the Clerk to County Council, and various other County officials and staff, acting at the direction of the Chair, the County Administrator, or the Director of Economic Development, as appropriate, to take whatever further action and for the Chair, the County Administrator, and the Director of Economic Development to negotiate, execute and deliver whatever further documents, and for the Clerk to County Council to attest the same, as may be appropriate to effect this Ordinance and the incentives offered to the Sponsor under this Ordinance and the Fee Agreement.

**Section 5. *Savings Clause.*** The provisions of this Ordinance are separable. If any part of this Ordinance is, for any reason, unenforceable then the validity of the remainder of this Ordinance is unaffected.

**Section 6. *General Repealer.*** Any prior ordinance, resolution, or order, the terms of which are in conflict with this Ordinance, is, only to the extent of that conflict, repealed.

**Section 7. *Effectiveness.*** This Ordinance is effective after its third reading and public hearing.

RICHLAND COUNTY, SOUTH CAROLINA

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Chair, Richland County Council

(SEAL)  
ATTEST:

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Clerk of Council, Richland County Council

RICHLAND COUNTY ATTORNEY'S OFFICE

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Approved As To LEGAL Form Only  
No Opinion Rendered As To Content

First Reading: October 3, 2023  
Second Reading:  
Public Hearing:  
Third Reading:

**EXHIBIT A**  
**FORM OF FEE AGREEMENT**

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**FEE-IN-LIEU OF *AD VALOREM* TAXES AND INCENTIVE AGREEMENT**

**BETWEEN**

**PROJECT TRUCK**

**AND**

**RICHLAND COUNTY, SOUTH CAROLINA**

**EFFECTIVE AS OF JANUARY 1, 2024**

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**SUMMARY OF CONTENTS OF  
FEE AGREEMENT**

The parties have agreed to waive the requirement to recapitulate the contents of this Fee Agreement pursuant to Section 12-44-55 of the Code (as defined herein). However, the parties have agreed to include a summary of the key provisions of this Fee Agreement for the convenience of the parties. This summary is included for convenience only and is not to be construed as a part of the terms and conditions of this Fee Agreement.

<b>PROVISION</b>	<b>BRIEF DESCRIPTION</b>	<b>SECTION REFERENCE</b>
<b>Sponsor Name</b>		
<b>Project Location</b>		
<b>Tax Map No.</b>		
<b>FILOT</b>		
<ul style="list-style-type: none"> <li>• Phase Exemption Period</li> </ul>		
<ul style="list-style-type: none"> <li>• Contract Minimum Investment Requirement</li> </ul>	\$38,000,000	
<ul style="list-style-type: none"> <li>• Contract Minimum Jobs Requirement</li> </ul>	185	
<ul style="list-style-type: none"> <li>• Investment Period</li> </ul>	5 years	
<ul style="list-style-type: none"> <li>• Assessment Ratio</li> </ul>	6%	
<ul style="list-style-type: none"> <li>• Millage Rate</li> </ul>		
<ul style="list-style-type: none"> <li>• Fixed or Five-Year Adjustable Millage</li> </ul>	Fixed	
<ul style="list-style-type: none"> <li>• Claw Back Information</li> </ul>	N/A	
<b>Multicounty Park</b>		
<b>Infrastructure Credit</b>		
<ul style="list-style-type: none"> <li>• Brief Description</li> </ul>	40%	
<ul style="list-style-type: none"> <li>• Credit Term</li> </ul>	10 years	
<ul style="list-style-type: none"> <li>• Claw Back Information</li> </ul>	Percentage clawback of SSRC based on actual investment and job creation, compared with contract minimum investment and jobs, within 5-year investment period	
<b>Other Information</b>		

**FEE-IN-LIEU OF AD VALOREM TAXES AGREEMENT**

THIS FEE-IN-LIEU OF *AD VALOREM* TAXES AGREEMENT (“*Fee Agreement*”) is entered into as of [ ], but effective, as of January 1, 2024, between Richland County, South Carolina (“*County*”), a body politic and corporate and a political subdivision of the State of South Carolina (“*State*”), acting through the Richland County Council (“*County Council*”) as the governing body of the County, and Project Truck, an S corporation organized and existing under the laws of the State of Iowa (“*Sponsor*”).

WITNESSETH:

(a) Title 12, Chapter 44, (“*Act*”) of the Code of Laws of South Carolina, 1976, as amended (“*Code*”), authorizes the County to induce manufacturing and commercial enterprises to locate in the State or to encourage manufacturing and commercial enterprises currently located in the State to expand their investments and thus make use of and employ the manpower, products, and other resources of the State by entering into an agreement with a sponsor, as defined in the Act, that provides for the payment of a fee-in-lieu of *ad valorem* tax (“*FILOT*”) with respect to Economic Development Property, as defined below;

(b) Sections 4-1-175 and 12-44-70 of the Code authorize the County to provide credits (“*Infrastructure Credit*”) against payments in lieu of taxes for the purpose of defraying of the cost of designing, acquiring, constructing, improving, or expanding (i) the infrastructure serving the County or a project and (ii) for improved and unimproved real estate, and personal property, including machinery and equipment, used in the operation of a manufacturing facility or commercial enterprise (collectively, “*Infrastructure*”);

(c) The Sponsor has committed to establish a commercial enterprise (“*Facility*”) in the County, consisting of taxable investment in real and personal property of not less than \$38 million and the creation of not less than 185 new, full-time jobs;

(d) By an ordinance enacted on [ ], County Council authorized the County to enter into this Fee Agreement with the Sponsor to provide for a FILOT and the other incentives as more particularly described in this Fee Agreement to induce the Sponsor to locate its Facility in the County.

NOW, THEREFORE, AND IN CONSIDERATION of the respective representations and agreements hereinafter contained, the parties agree as follows:

**ARTICLE I  
DEFINITIONS**

**Section 1.1. Terms.** The defined terms used in this Fee Agreement have the meaning given below, unless the context clearly requires otherwise.

“*Act*” means Title 12, Chapter 44 of the Code, and all future acts successor or supplemental thereto or amendatory of this Fee Agreement.

“*Act Minimum Investment Requirement*” means an investment of at least \$2,500,000 in the Project within five years of the Commencement Date.

“*Administration Expenses*” means the reasonable expenses incurred by the County in the negotiation, approval and implementation of the terms and provisions of this Fee Agreement, including reasonable attorney’s and consultant’s fees as outlined in Section 8.8 of this Fee Agreement. Administration Expenses does not include any costs, expenses, including attorney’s fees, incurred by the County (i) in defending challenges to the FILOT Payments, Infrastructure Credits, or other incentives provided by this

Fee Agreement brought by third parties or the Sponsor or its affiliates and related entities, or (ii) in connection with matters arising at the request of the Sponsor outside of the immediate scope of this Fee Agreement, including amendments to the terms of this Fee Agreement.

“**Code**” means the Code of Laws of South Carolina, 1976, as amended.

“**Commencement Date**” means the last day of the property tax year during which the initial Economic Development Property is placed in service. The Commencement Date shall not be later than the last day of the property tax year which is three years from the year in which the County and the Sponsor enter into this Fee Agreement. For purposes of this Fee Agreement, the Commencement Date is expected to be December 31, 2024.

“**Contract Minimum Investment Requirement**” means a taxable investment in real and personal property at the Project of not less than \$38 million.

“**Contract Minimum Jobs Requirement**” means not less than 185 full-time, jobs created by the Sponsor in the County in connection with the Project.

“**County**” means Richland County, South Carolina, a body politic and corporate and a political subdivision of the State, its successors and assigns, acting by and through the County Council as the governing body of the County.

“**County Council**” means the Richland County Council, the governing body of the County.

“**Credit Term**” means the years during the Fee Term in which the Infrastructure Credit is applicable, as described in Exhibit C.

“**Department**” means the South Carolina Department of Revenue.

“**Diminution in Value**” means a reduction in the fair market value of Economic Development Property, as determined in Section 4.1(a)(i) of this Fee Agreement, which may be caused by (i) the removal or disposal of components of the Project pursuant to Section 4.3 of this Fee Agreement; (ii) a casualty as described in Section 4.4 of this Fee Agreement; or (iii) a condemnation as described in Section 4.5 of this Fee Agreement.

“**Economic Development Property**” means those items of real and tangible personal property of the Project placed in service not later than the end of the Investment Period that (i) satisfy the conditions of classification as economic development property under the Act, and (ii) are identified by the Sponsor in its annual filing of a PT-300S or comparable form with the Department (as such filing may be amended from time to time).

“**Equipment**” means all of the machinery, equipment, furniture, office equipment, and fixtures, together with any and all additions, accessions, replacements, and substitutions.

“**Event of Default**” means any event of default specified in Section 7.1 of this Fee Agreement.

“**Fee Agreement**” means this Fee-In-Lieu Of *Ad Valorem* Taxes and Incentive Agreement, as may be supplemented or amended.

“**Fee Term**” means the period from the effective date of this Fee Agreement until the Final Termination Date.

“**FILOT Payments**” means the amount paid or to be paid in lieu of *ad valorem* property taxes as provided in Section 4.1 of this Fee Agreement.

“**Final Phase**” means the Economic Development Property placed in service during the last year of the Investment Period.

“**Final Termination Date**” means the date on which the last FILOT Payment with respect to the Final Phase is made, or such earlier date as the Fee Agreement is terminated in accordance with the terms of this Fee Agreement. Assuming the Phase Termination Date for the Final Phase is December 31, 2057, the Final Termination Date is expected to be January 15, 2059, which is the due date of the last FILOT Payment with respect to the Final Phase.

“**Improvements**” means all improvements to the Real Property, including buildings, building additions, roads, sewer lines, and infrastructure, together with all additions, fixtures, accessions, replacements, and substitutions.

“**Infrastructure**” means (i) the infrastructure serving the County or the Project, (ii) improved and unimproved real estate, and personal property, including machinery and equipment, used in the operation of a manufacturing or commercial enterprise, or (iii) such other items as may be described in or permitted under Section 4-29-68 of the Code.

“**Infrastructure Credit**” means the credit provided to the Sponsor pursuant to Section 12-44-70 of the Act or Section 4-1-175 of the MCIP Act and Section 5.1 of this Fee Agreement, with respect to the Infrastructure. Infrastructure Credits are to be used for the payment of Infrastructure constituting real property, improvements and infrastructure before any use for the payment of Infrastructure constituting personal property, notwithstanding any presumptions to the contrary in the MCIP Act or otherwise.

“**Investment Period**” means the period beginning with the first day of any purchase or acquisition of Economic Development Property and ending five years after the Commencement Date, as may be extended pursuant to Section 12-44-30(13) of the Act. For purposes of this Fee Agreement, the Investment Period, unless so extended, is expected to end on December 31, 2028.

“**MCIP Act**” means Article VIII, Section 13(D) of the Constitution of the State of South Carolina, and Sections 4-1-170, 4-1-172, 4-1-175, and 4-29-68 of the Code.

“**Multicounty Park**” means the multicounty industrial or business park governed by the Amended and Restated Master Agreement Governing the I-77 Corridor Regional Industrial Park, dated as of September 1, 2018, as amended, supplemented, or modified through the date hereof, between the County and Fairfield County, South Carolina, as may be amended.

“**Net FILOT Payment**” means the FILOT Payment net of the Infrastructure Credit.

“**Phase**” means the Economic Development Property placed in service during a particular year of the Investment Period.

“**Phase Exemption Period**” means, with respect to each Phase, the period beginning with the property tax year the Phase is placed in service during the Investment Period and ending on the Phase Termination Date.

“**Phase Termination Date**” means, with respect to each Phase, the last day of the property tax year which is the 29<sup>th</sup> year following the first property tax year in which the Phase is placed in service.

“**Project**” means all the Equipment, Improvements, and Real Property in the County that the Sponsor determines to be necessary, suitable, or useful by the Sponsor in connection with its investment in the County.

“**Real Property**” means real property that the Sponsor uses or will use in the County for the purposes that Section 2.2(b) describes, and initially consists of the land identified on Exhibit A of this Fee Agreement.

“**Removed Components**” means Economic Development Property which the Sponsor, in its sole discretion, (a) determines to be inadequate, obsolete, worn-out, uneconomic, damaged, unsuitable, undesirable, or unnecessary pursuant to Section 4.3 of this Fee Agreement or otherwise; or (b) elects to be treated as removed pursuant to Section 4.4(c) or Section 4.5(b)(iii) of this Fee Agreement.

“**Replacement Property**” means any property which is placed in service as a replacement for any Removed Component regardless of whether the Replacement Property serves the same functions as the Removed Component it is replacing and regardless of whether more than one piece of Replacement Property replaces a single Removed Component.

“**Sponsor**” means [Project Truck] and any surviving, resulting, or transferee entity in any merger, consolidation, or transfer of assets; or any other person or entity which may succeed to the rights and duties of the Sponsor under this Fee Agreement.

“**Sponsor Affiliate**” means an entity that participates in the investment or job creation at the Project and, following receipt of the County’s approval pursuant to Section 9.1 of this Fee Agreement, joins this Fee Agreement by delivering a Joinder Agreement, the form of which is attached as Exhibit B to this Fee Agreement.

“**State**” means the State of South Carolina.

Any reference to any agreement or document in this Article I or otherwise in this Fee Agreement shall include any and all amendments, supplements, addenda, and modifications to such agreement or document.

The term “investment” or “invest” as used in this Fee Agreement includes not only investments made by the Sponsor, but also to the fullest extent permitted by law, those investments made by or for the benefit of the Sponsor in connection with the Project through federal, state, or local grants, to the extent such investments are or, but for the terms of this Fee Agreement, would be subject to *ad valorem* taxes to be paid by the Sponsor.

## **ARTICLE II REPRESENTATIONS AND WARRANTIES**

**Section 2.1. Representations and Warranties of the County.** The County represents and warrants as follows:

(a) The County is a body politic and corporate and a political subdivision of the State and acts through the County Council as its governing body. The Act authorizes and empowers the County to enter into the transactions that this Fee Agreement contemplates and to carry out its obligations under this Fee Agreement. The County has duly authorized the execution and delivery of this Fee Agreement and all other documents, certificates or other agreements contemplated in this Fee Agreement and has obtained all consents from third parties and taken all actions necessary or that the law requires to fulfill its obligations under this Fee Agreement.

(b) Based on representations by the Sponsor, County Council evaluated the Project based on all relevant criteria including the purposes the Project is to accomplish, the anticipated dollar amount and nature of the investment resulting from the Project, and the anticipated costs and benefits to the County and following the evaluation, the County determined that (i) the Project is anticipated to benefit the general public welfare of the County by providing services, employment, recreation, or other public benefits not otherwise adequately provided locally; (ii) the Project gives rise to no pecuniary liability of the County or any incorporated municipality and to no charge against the County's general credit or taxing power; (iii) the purposes to be accomplished by the Project are proper governmental and public purposes; and (iv) the benefits of the Project are greater than the costs.

(c) The County identified the Project, as a "project" on June 6, 2023 and adopted an Inducement Resolution, as defined in the Act on [October 3, 2023].

(d) The County is not in default of any of its obligations (contractual or otherwise) as a result of entering into and performing its obligations under this Fee Agreement.

(e) The County has located or will take all reasonable action to locate the Project in the Multicounty Park.

**Section 2.2. Representations and Warranties of the Sponsor.** The Sponsor represents and warrants as follows:

(a) The Sponsor is in good standing under the laws of the state of its organization, is duly authorized to transact business in the State (or will obtain such authority prior to commencing business in the State), has power to enter into this Fee Agreement, and has duly authorized the execution and delivery of this Fee Agreement.

(b) The Sponsor intends to operate the Project as an operations, logistics, and training facility and for such other purposes that the Act permits as the Sponsor may deem appropriate.

(c) The Sponsor's execution and delivery of this Fee Agreement and its compliance with the provisions of this Fee Agreement do not result in a default under any agreement or instrument to which the Sponsor is now a party or by which it is bound.

(d) The Sponsor will use commercially reasonable efforts to achieve the Contract Minimum Investment Requirement and the Contract Minimum Jobs Requirement.

(e) The execution and delivery of this Fee Agreement by the County and the availability of the FILOT and other incentives provided by this Fee Agreement has been instrumental in inducing the Sponsor to locate the Project in the County.

(f) The Sponsor has retained legal counsel to confirm, or has had a reasonable opportunity to consult legal counsel to confirm, its eligibility for the FILOT and other incentives granted by this Fee Agreement and has not relied on the County, its officials, employees or legal representatives with respect to any question of eligibility or applicability of the FILOT and other incentives granted by this Fee Agreement.

### **ARTICLE III THE PROJECT**

**Section 3.1. *The Project.*** The Sponsor intends and expects to (i) construct or acquire the Project and (ii) meet the Contract Minimum Investment Requirement and the Contract Minimum Jobs Requirement within the Investment Period. The Sponsor anticipates that the first Phase of the Project will be placed in service during the calendar year ending December 31, 2024. Notwithstanding anything contained in this Fee Agreement to the contrary, the Sponsor is not obligated to complete the acquisition of the Project. However, if the Contract Minimum Investment Requirement is not met, the benefits provided to the Sponsor, or Sponsor Affiliate, if any, pursuant to this Fee Agreement may be reduced, modified or terminated as provided in this Fee Agreement.

**Section 3.2 *Leased Property.*** To the extent that State law allows or is revised or construed to permit leased assets including a building, or personal property to be installed in a building, to constitute Economic Development Property, then any property leased by the Sponsor is, at the election of the Sponsor, deemed to be Economic Development Property for purposes of this Fee Agreement, subject, at all times, to the requirements of State law and this Fee Agreement with respect to property comprising Economic Development Property.

**Section 3.3. *Filings and Reports.***

(a) On or before January 31 of each year during the term of this Fee Agreement, commencing in January 31, 2025, the Sponsor shall deliver to the Economic Development Director of the County with respect to the Sponsor and all Sponsor Affiliates, if any, the information required by the terms of the County's Resolution dated December 12, 2017, which is attached hereto as Exhibit C, as may be amended by subsequent resolution.

(b) The Sponsor shall file a copy of this Fee Agreement and a completed PT-443 with the Economic Development Director and the Department and the Auditor, Treasurer and Assessor of the County and partner county to the Multicounty Park.

(c) On request by the County Administrator or the Economic Development Director, the Sponsor shall remit to the Economic Development Director records accounting for the acquisition, financing, construction, and operation of the Project which records (i) permit ready identification of all Economic Development Property; (ii) confirm the dates that the Economic Development Property or Phase was placed in service; and (iii) include copies of all filings made in accordance with this Section.

**ARTICLE IV  
FILOT PAYMENTS**

**Section 4.1. *FILOT Payments.***

(a) The FILOT Payment due with respect to each Phase through the Phase Termination Date is calculated as follows:

- (i) The fair market value of the Phase calculated as set forth in the Act (for the Real Property and Improvements portion of the Phase, the County and the Sponsor have elected to use the fair market value established in the first year of the Phase Exemption Period), multiplied by
- (ii) An assessment ratio of six percent (6%), multiplied by

- (iii) A fixed millage rate equal to 550.2, which is the cumulative millage rate levied by or on behalf of all the taxing entities within which the Project is located as of June 30, 2023.

The calculation of the FILOT Payment must allow all applicable property tax exemptions except those excluded pursuant to Section 12-44-50(A)(2) of the Act. The Sponsor acknowledges that (i) the calculation of the annual FILOT Payment is a function of the Department and is wholly dependent on the Sponsor timely submitting the correct annual property tax returns to the Department, (ii) the County has no responsibility for the submission of returns or the calculation of the annual FILOT Payment, and (iii) failure by the Sponsor to submit the correct annual property tax return could lead to a loss of all or a portion of the FILOT and other incentives provided by this Fee Agreement.

(b) If a final order of a court of competent jurisdiction from which no further appeal is allowable declares the FILOT Payments invalid or unenforceable, in whole or in part, for any reason, the parties shall negotiate the reformation of the calculation of the FILOT Payments to most closely afford the Sponsor with the intended benefits of this Fee Agreement. If such order has the effect of subjecting the Economic Development Property to *ad valorem* taxation, this Fee Agreement shall terminate, and the Sponsor shall owe the County regular *ad valorem* taxes from the date of termination, in accordance with Section 4.7 of this Fee Agreement.

**Section 4.2. FILOT Payments on Replacement Property.** If the Sponsor elects to place Replacement Property in service, then, pursuant and subject to the provisions of Section 12-44-60 of the Act, the Sponsor shall make the following payments to the County with respect to the Replacement Property for the remainder of the Phase Exemption Period applicable to the Removed Component of the Replacement Property:

(a) FILOT Payments, calculated in accordance with Section 4.1 of this Fee Agreement, on the Replacement Property to the extent of the original income tax basis of the Removed Component the Replacement Property is deemed to replace.

(b) Regular *ad valorem* tax payments to the extent the income tax basis of the Replacement Property exceeds the original income tax basis of the Removed Component the Replacement Property is deemed to replace.

**Section 4.3. Removal of Components of the Project.** Subject to the other terms and provisions of this Fee Agreement, the Sponsor is entitled to remove and dispose of components of the Project in its sole discretion. Components of the Project are deemed removed when scrapped, sold or otherwise removed from the Project. If the components removed from the Project are Economic Development Property, then the Economic Development Property is a Removed Component, no longer subject to this Fee Agreement and is subject to *ad valorem* property taxes to the extent the Removed Component remains in the State and is otherwise subject to *ad valorem* property taxes.

**Section 4.4. Damage or Destruction of Economic Development Property.**

(a) *Election to Terminate.* If Economic Development Property is damaged by fire, explosion, or any other casualty, then the Sponsor may terminate this Fee Agreement. For the property tax year corresponding to the year in which the damage or casualty occurs, the Sponsor is obligated to make FILOT Payments with respect to the damaged Economic Development Property only to the extent property subject to *ad valorem* taxes would have been subject to *ad valorem* taxes under the same circumstances for the period in question.

(b) *Election to Restore and Replace.* If Economic Development Property is damaged by fire, explosion, or any other casualty, and the Sponsor does not elect to terminate this Fee Agreement, then the Sponsor may restore and replace the Economic Development Property. All restorations and replacements made pursuant to this subsection (b) are deemed, to the fullest extent permitted by law and this Fee Agreement, to be Replacement Property.

(c) *Election to Remove.* If Economic Development Property is damaged by fire, explosion, or any other casualty, and the Sponsor elects not to terminate this Fee Agreement pursuant to subsection (a) and elects not to restore or replace pursuant to subsection (b), then the damaged portions of the Economic Development Property are deemed Removed Components.

#### **Section 4.5. Condemnation.**

(a) *Complete Taking.* If at any time during the Fee Term title to or temporary use of the Economic Development Property is vested in a public or quasi-public authority by virtue of the exercise of a taking by condemnation, inverse condemnation, or the right of eminent domain; by voluntary transfer under threat of such taking; or by a taking of title to a portion of the Economic Development Property which renders continued use or occupancy of the Economic Development Property commercially unfeasible in the judgment of the Sponsor, the Sponsor shall have the option to terminate this Fee Agreement by sending written notice to the County within a reasonable period of time following such vesting.

(b) *Partial Taking.* In the event of a partial taking of the Economic Development Property or a transfer in lieu, the Sponsor may elect: (i) to terminate this Fee Agreement; (ii) to restore and replace the Economic Development Property, with such restorations and replacements deemed, to the fullest extent permitted by law and this Fee Agreement, to be Replacement Property; or (iii) to treat the portions of the Economic Development Property so taken as Removed Components.

(c) In the year in which the taking occurs, the Sponsor is obligated to make FILOT Payments with respect to the Economic Development Property so taken only to the extent property subject to *ad valorem* taxes would have been subject to taxes under the same circumstances for the period in question.

**Section 4.6. Calculating FILOT Payments on Diminution in Value.** If there is a Diminution in Value, the FILOT Payments due with respect to the Economic Development Property or Phase so diminished shall be calculated by substituting the diminished value of the Economic Development Property or Phase for the original fair market value in Section 4.1(a)(i) of this Fee Agreement.

**Section 4.7. Payment of Ad Valorem Taxes.** If Economic Development Property becomes subject to *ad valorem* taxes as imposed by law pursuant to the terms of this Fee Agreement or the Act, then the calculation of the *ad valorem* taxes due with respect to the Economic Development Property in a particular property tax year shall: (i) include the property tax reductions that would have applied to the Economic Development Property if it were not Economic Development Property; and (ii) include a credit for FILOT Payments the Sponsor has made with respect to the Economic Development Property.

**Section 4.8. Place of FILOT Payments.** All FILOT Payments shall be made directly to the County in accordance with applicable law.

**ARTICLE V  
ADDITIONAL INCENTIVES**

**Section 5.1. Infrastructure Credits.** To assist in paying for costs of Infrastructure, the Sponsor is entitled to claim an Infrastructure Credit to reduce certain FILOT Payments due and owing from the Sponsor to the County under this Fee Agreement. The term, amount and calculation of the Infrastructure Credit is described in Exhibit D. In no event may the Sponsor's aggregate Infrastructure Credit claimed pursuant to this Section exceed the aggregate expenditures by the Sponsor on Infrastructure.

For each property tax year in which the Infrastructure Credit is applicable ("**Credit Term**"), the County shall prepare and issue the annual bills with respect to the Project showing the Net FILOT Payment, calculated in accordance with Exhibit D. Following receipt of the bill, the Sponsor shall timely remit the Net FILOT Payment to the County in accordance with applicable law.

[**Section 5.2. Other Incentives.** The County shall use its best efforts to assist the Sponsor in its negotiations with the South Carolina Department of Transportation for the installment of a new traffic light at the Real Property before the Project commences.]

**ARTICLE VI  
CLAW BACK**

**Section 6.1. Claw Back.** If the Sponsor fails to perform its obligations under this Fee Agreement as described in Exhibit E, then the Sponsor is subject to the claw backs as described in Exhibit E. Any amount that may be due from the Sponsor to the County as calculated in accordance with or described in Exhibit E is due within 30 days of receipt of a written statement from the County. If not timely paid, the amount due from the Sponsor to the County is subject to the minimum amount of interest that the law may permit with respect to delinquent *ad valorem* tax payments. The repayment obligation arising under this Section and Exhibit E survives termination of this Fee Agreement.

**ARTICLE VII  
DEFAULT**

**Section 7.1. Events of Default.** The following are "Events of Default" under this Fee Agreement:

(a) Failure to make FILOT Payments, which failure has not been cured within 30 days following receipt of written notice from the County specifying the delinquency in FILOT Payments and requesting that it be remedied;

(b) Failure to timely pay any amount, except FILOT Payments, due under this Fee Agreement;

(c) A Cessation of Operations. For purposes of this Fee Agreement, a "**Cessation of Operations**" means a publicly announced closure of the Facility, a layoff of a majority of the employees working at the Facility, or a substantial reduction in production that continues for a period of twelve (12) months;

(d) A representation or warranty made by the Sponsor which is deemed materially incorrect when deemed made;

(e) Failure by the Sponsor to perform any of the terms, conditions, obligations, or covenants under this Fee Agreement (other than those under (a), above), which failure has not been cured within 30 days after written notice from the County to the Sponsor specifying such failure and requesting that it be remedied, unless the Sponsor has instituted corrective action within the 30-day period and is diligently

pursuing corrective action until the default is corrected, in which case the 30-day period is extended to include the period during which the Sponsor is diligently pursuing corrective action;

(f) A representation or warranty made by the County which is deemed materially incorrect when deemed made; or

(g) Failure by the County to perform any of the terms, conditions, obligations, or covenants hereunder, which failure has not been cured within 30 days after written notice from the Sponsor to the County specifying such failure and requesting that it be remedied, unless the County has instituted corrective action within the 30-day period and is diligently pursuing corrective action until the default is corrected, in which case the 30-day period is extended to include the period during which the County is diligently pursuing corrective action.

### **Section 7.2. Remedies on Default.**

(a) If an Event of Default by the Sponsor has occurred and is continuing, then the County may take any one or more of the following remedial actions:

(i) terminate this Fee Agreement; or

(ii) take whatever action at law or in equity may appear necessary or desirable to collect amounts due or otherwise remedy the Event of Default or recover its damages.

(b) If an Event of Default by the County has occurred and is continuing, the Sponsor may take any one or more of the following actions:

(i) bring an action for specific enforcement;

(ii) terminate this Fee Agreement; or

(iii) in case of a materially incorrect representation or warranty, take such action as is appropriate, including legal action, to recover its damages, to the extent allowed by law.

**Section 7.3. Reimbursement of Legal Fees and Other Expenses.** On the occurrence of an Event of Default, if a party is required to employ attorneys or incur other reasonable expenses for the collection of payments due under this Fee Agreement or for the enforcement of performance or observance of any obligation or agreement, the prevailing party is entitled to seek reimbursement of the reasonable fees of such attorneys and such other reasonable expenses so incurred.

**Section 7.4. Remedies Not Exclusive.** No remedy described in this Fee Agreement is intended to be exclusive of any other remedy or remedies, and each and every such remedy is cumulative and in addition to every other remedy given under this Fee Agreement or existing at law or in equity or by statute.

## **ARTICLE VIII PARTICULAR RIGHTS AND COVENANTS**

**Section 8.1. Right to Inspect.** The County and its authorized agents, at any reasonable time on prior written notice (which may be given by email), may enter and examine and inspect the Project for the purposes of permitting the County to carry out its duties and obligations in its sovereign capacity (such as, without limitation, for such routine health and safety purposes as would be applied to any other manufacturing or commercial facility in the County).

**Section 8.2. Confidentiality.** The County acknowledges that the Sponsor may utilize confidential and proprietary processes and materials, services, equipment, trade secrets, and techniques (“**Confidential Information**”) and that disclosure of the Confidential Information could result in substantial economic harm to the Sponsor. The Sponsor may clearly label any Confidential Information delivered to the County pursuant to this Fee Agreement as “**Confidential Information.**” Except as required by law, the County, or any employee, agent, or contractor of the County, shall not disclose or otherwise divulge any labeled Confidential Information to any other person, firm, governmental body or agency. The Sponsor acknowledges that the County is subject to the South Carolina Freedom of Information Act, and, as a result, must disclose certain documents and information on request, absent an exemption. If the County is required to disclose any Confidential Information to a third party, the County will use its best efforts to provide the Sponsor with as much advance notice as is reasonably possible of such disclosure requirement prior to making such disclosure, and to cooperate reasonably with any attempts by the Sponsor to obtain judicial or other relief from such disclosure requirement.

**Section 8.3. Indemnification Covenants.**

(a) Except as provided in paragraph (d) below, the Sponsor shall indemnify and save the County, its employees, elected officials, officers and agents (each, an “**Indemnified Party**”) harmless against and from all liability or claims arising from the County’s execution of this Fee Agreement, performance of the County’s obligations under this Fee Agreement or the administration of its duties pursuant to this Fee Agreement, or otherwise by virtue of the County having entered into this Fee Agreement.

(b) The County is entitled to use counsel of its choice and the Sponsor shall reimburse the County for all of its costs, including attorneys’ fees, incurred in connection with the response to or defense against such liability or claims as described in paragraph (a), above. The County shall provide a statement of the costs incurred in the response or defense, and the Sponsor shall pay the County within 30 days of receipt of the statement. The Sponsor may request reasonable documentation evidencing the costs shown on the statement. However, the County is not required to provide any such documentation which may be privileged or confidential to evidence the costs.

(c) The County may request the Sponsor to resist or defend against any claim on behalf of an Indemnified Party. On such request, the Sponsor shall resist or defend against such claim on behalf of the Indemnified Party, at the Sponsor’s expense. The Sponsor is entitled to use counsel of its choice, manage and control the defense of or response to such claim for the Indemnified Party; provided the Sponsor is not entitled to settle any such claim without the consent of that Indemnified Party.

(d) Notwithstanding anything in this Section or this Fee Agreement to the contrary, the Sponsor is not required to indemnify any Indemnified Party against or reimburse any Indemnified Party for costs arising from any claim or liability (i) occasioned by the acts of that Indemnified Party, which are unrelated to the execution of this Fee Agreement, performance of the County’s obligations under this Fee Agreement, or the administration of its duties under this Fee Agreement, or otherwise by virtue of the County having entered into this Fee Agreement; or (ii) resulting from that Indemnified Party’s own negligence, bad faith, fraud, deceit, or willful misconduct.

(e) An Indemnified Party may not avail itself of the indemnification or reimbursement of costs provided in this Section unless it provides the Sponsor with prompt notice, reasonable under the circumstances, of the existence or threat of any claim or liability, including, without limitation, copies of any citations, orders, fines, charges, remediation requests, or other claims or threats of claims, in order to afford the Sponsor notice, reasonable under the circumstances, within which to defend or otherwise respond to a claim.

(f) The obligations under this Section 8.3 shall survive termination of this Fee Agreement.

**Section 8.4. *No Liability of County Personnel.*** All covenants, stipulations, promises, agreements and obligations of the County contained in this Fee Agreement are binding on members of the County Council or any elected official, officer, agent, servant or employee of the County only in his or her official capacity and not in his or her individual capacity, and no recourse for the payment of any moneys under this Fee Agreement may be had against any member of County Council or any elected or appointed official, officer, agent, servant or employee of the County and no recourse for the payment of any moneys or performance of any of the covenants and agreements under this Fee Agreement or for any claims based on this Fee Agreement may be had against any member of County Council or any elected or appointed official, officer, agent, servant or employee of the County except solely in their official capacity.

**Section 8.5. *Limitation of Liability.*** The County is not liable to the Sponsor for any costs, expenses, losses, damages, claims or actions in connection with this Fee Agreement, except from amounts received by the County from the Sponsor under this Fee Agreement. Notwithstanding anything in this Fee Agreement to the contrary, any financial obligation the County may incur under this Fee Agreement is deemed not to constitute a pecuniary liability or a debt or general obligation of the County.

**Section 8.6. *Assignment.*** The Sponsor may assign this Fee Agreement in whole or in part with the prior written consent of the County or a subsequent written ratification by the County, which may be done by resolution, and which consent or ratification the County will not unreasonably withhold. The Sponsor agrees to notify the County and the Department of the identity of the proposed transferee within 60 days of the transfer. In case of a transfer, the transferee assumes the transferor's basis in the Economic Development Property for purposes of calculating the FILOT Payments.

**Section 8.7. *No Double Payment; Future Changes in Legislation.*** Notwithstanding anything contained in this Fee Agreement to the contrary, and except as expressly required by law, the Sponsor is not required to make a FILOT Payment in addition to a regular *ad valorem* property tax payment in the same year with respect to the same piece of Economic Development Property. The Sponsor is not required to make a FILOT Payment on Economic Development Property in cases where, absent this Fee Agreement, *ad valorem* property taxes would otherwise not be due on such property.

**Section 8.8. *Administration Expenses.*** The Sponsor will reimburse, or cause reimbursement to, the County for Administration Expenses in the amount of \$5,000. The Sponsor will reimburse the County for its Administration Expenses on receipt of a written request from the County or at the County's direction, which request shall include a statement of the amount and nature of the Administration Expense. The Sponsor shall pay the Administration Expense as set forth in the written request no later than 60 days following receipt of the written request from the County. The County does not impose a charge in the nature of impact fees or recurring fees in connection with the incentives authorized by this Fee Agreement. The payment by the Sponsor of the County's Administration Expenses shall not be construed as prohibiting the County from engaging, at its discretion, the counsel of the County's choice.

## ARTICLE IX SPONSOR AFFILIATES

**Section 9.1. *Sponsor Affiliates.*** The Sponsor may designate Sponsor Affiliates from time to time, including at the time of execution of this Fee Agreement, pursuant to and subject to the provisions of Section 12-44-130 of the Act. To designate a Sponsor Affiliate, the Sponsor must deliver written notice to the Economic Development Director identifying the Sponsor Affiliate and requesting the County's approval of the Sponsor Affiliate. Except with respect to a Sponsor Affiliate designated at the time of execution of this Fee Agreement, which may be approved in the County Council ordinance authorizing the execution and

delivery of this Fee Agreement, approval of the Sponsor Affiliate may be given by the County Administrator delivering written notice to the Sponsor and Sponsor Affiliate following receipt by the County Administrator of a recommendation from the Economic Development Committee of County Council to allow the Sponsor Affiliate to join in the investment at the Project. The Sponsor Affiliate's joining in the investment at the Project will be effective on delivery of a Joinder Agreement, the form of which is attached as Exhibit B, executed by the Sponsor Affiliate to the County.

**Section 9.2. Primary Responsibility.** Notwithstanding the addition of a Sponsor Affiliate, the Sponsor acknowledges that it has the primary responsibility for the duties and obligations of the Sponsor and any Sponsor Affiliate under this Fee Agreement, including the payment of FILOT Payments or any other amount due to or for the benefit of the County under this Fee Agreement. For purposes of this Fee Agreement, "primary responsibility" means that if the Sponsor Affiliate fails to make any FILOT Payment or remit any other amount due under this Fee Agreement, the Sponsor shall make such FILOT Payments or remit such other amounts on behalf of the Sponsor Affiliate.

**ARTICLE X  
MISCELLANEOUS**

**Section 10.1. Notices.** Any notice, election, demand, request, or other communication to be provided under this Fee Agreement is effective when delivered to the party named below or when deposited with the United States Postal Service, certified mail, return receipt requested, postage prepaid, addressed as follows (or addressed to such other address as any party shall have previously furnished in writing to the other party), except where the terms of this Fee Agreement require receipt rather than sending of any notice, in which case such provision shall control:

**IF TO THE SPONSOR:**

□

**WITH A COPY TO (does not constitute notice):**

Burr & Forman LLP  
Attn: John F. Wall IV  
1221 Main Street, Suite 1800  
Columbia, SC 29201  
jwall@burr.com

**IF TO THE COUNTY:**

Richland County, South Carolina  
Attn: Richland County Economic Development Director  
2020 Hampton Street  
Columbia, South Carolina 29204  
RUBLE.JEFF@richlandcountysc.gov

**WITH A COPY TO (does not constitute notice):**

Parker Poe Adams & Bernstein LLP  
Attn: Ray E. Jones  
1221 Main Street, Suite 1100 (29201)  
Post Office Box 1509

**Section 10.2. Provisions of Agreement for Sole Benefit of County and Sponsor.** Except as otherwise specifically provided in this Fee Agreement, nothing in this Fee Agreement expressed or implied confers on any person or entity other than the County and the Sponsor any right, remedy, or claim under or by reason of this Fee Agreement, this Fee Agreement being intended to be for the sole and exclusive benefit of the County and the Sponsor.

**Section 10.3. Counterparts.** This Fee Agreement may be executed in any number of counterparts, and all of the counterparts together constitute one and the same instrument.

**Section 10.4. Governing Law.** South Carolina law, exclusive of its conflicts of law provisions that would refer the governance of this Fee Agreement to the laws of another jurisdiction, governs this Fee Agreement and all documents executed in connection with this Fee Agreement.

**Section 10.5. Headings.** The headings of the articles and sections of this Fee Agreement are inserted for convenience only and do not constitute a part of this Fee Agreement.

**Section 10.6. Amendments.** This Fee Agreement may be amended only by written agreement of the parties to this Fee Agreement.

**Section 10.7. Agreement to Sign Other Documents.** From time to time, and at the expense of the Sponsor, to the extent any expense is incurred, the County agrees to execute and deliver to the Sponsor such additional instruments as the Sponsor may reasonably request and as are authorized by law and reasonably within the purposes and scope of the Act and this Fee Agreement to effectuate the purposes of this Fee Agreement.

**Section 10.8. Interpretation; Invalidity; Change in Laws.**

(a) If the inclusion of property as Economic Development Property or any other issue is unclear under this Fee Agreement, then the parties intend that the interpretation of this Fee Agreement be done in a manner that provides for the broadest inclusion of property under the terms of this Fee Agreement and the maximum incentive permissible under the Act, to the extent not inconsistent with any of the explicit terms of this Fee Agreement.

(b) If any provision of this Fee Agreement is declared illegal, invalid, or unenforceable for any reason, the remaining provisions of this Fee Agreement are unimpaired, and the parties shall reform such illegal, invalid, or unenforceable provision to effectuate most closely the legal, valid, and enforceable intent of this Fee Agreement so as to afford the Sponsor with the maximum benefits to be derived under this Fee Agreement, it being the intention of the County to offer the Sponsor the strongest inducement possible, within the provisions of the Act, to locate the Project in the County.

(c) The County agrees that in case the FILOT incentive described in this Fee Agreement is found to be invalid and the Sponsor does not realize the economic benefit it is intended to receive from the County under this Fee Agreement as an inducement to locate in the County, the County agrees to negotiate with the Sponsor to provide a special source revenue or Infrastructure Credit to the Sponsor [(in addition to the Infrastructure Credit explicitly provided for above)] to the maximum extent permitted by law, to allow the Sponsor to recoup all or a portion of the loss of the economic benefit resulting from such invalidity.

**Section 10.9. Force Majeure.** The Sponsor is not responsible for any delays or non-performance caused in whole or in part, directly or indirectly, by strikes, accidents, freight embargoes, fires, floods,

inability to obtain materials, conditions arising from governmental orders or regulations, war or national emergency, acts of God, and any other cause, similar or dissimilar, beyond the Sponsor's reasonable control.

**Section 10.10. Termination; Termination by Sponsor.**

(a) Unless first terminated under any other provision of this Fee Agreement, this Fee Agreement terminates on the Final Termination Date.

(b) The Sponsor is authorized to terminate this Fee Agreement at any time with respect to all or part of the Project on providing the County with 30 days' notice.

(c) Any monetary obligations due and owing at the time of termination and any provisions which are intended to survive termination, including specifically the obligations arising under Section 8.3 of this Fee Agreement, survive such termination.

(d) In the year following termination, all Economic Development Property is subject to *ad valorem* taxation or such other taxation or payment in lieu of taxation that would apply absent this Fee Agreement. The Sponsor's obligation to make FILOT Payments under this Fee Agreement terminates to the extent of and in the year following the year the Sponsor terminates this Fee Agreement pursuant to this Section.

**Section 10.11. Entire Agreement.** This Fee Agreement expresses the entire understanding and all agreements of the parties, and neither party is bound by any agreement or any representation to the other party which is not expressly set forth in this Fee Agreement or in certificates delivered in connection with the execution and delivery of this Fee Agreement.

**Section 10.12. Waiver.** Either party may waive compliance by the other party with any term or condition of this Fee Agreement only in a writing signed by the waiving party.

**Section 10.13. Business Day.** If any action, payment, or notice is, by the terms of this Fee Agreement, required to be taken, made, or given on any Saturday, Sunday, or legal holiday in the jurisdiction in which the party obligated to act is situated, such action, payment, or notice may be taken, made, or given on the following business day with the same effect as if taken, made or given as required under this Fee Agreement, and no interest will accrue in the interim.

**Section 10.14. Agreement's Construction.** Each party and its counsel have reviewed this Fee Agreement and any rule of construction to the effect that ambiguities are to be resolved against a drafting party does not apply in the interpretation of this Fee Agreement or any amendments or exhibits to this Fee Agreement.

*[Signature pages follow]*

**IN WITNESS WHEREOF**, the County, acting by and through the County Council, has caused this Fee Agreement to be executed in its name and on its behalf by the Chair of County Council and to be attested by the Clerk of the County Council; and the Sponsor has caused this Fee Agreement to be executed by its duly authorized officer, all as of the day and year first above written.

**RICHLAND COUNTY, SOUTH CAROLINA**

(SEAL)

By: \_\_\_\_\_  
County Council Chair  
Richland County, South Carolina

**ATTEST:**

By: \_\_\_\_\_  
Clerk to County Council  
Richland County, South Carolina

**RICHLAND COUNTY ATTORNEY'S OFFICE**

\_\_\_\_\_  
Approved As To LEGAL Form Only  
No Opinion Rendered As To Content

*[Signature Page 1 to Fee in Lieu of Ad Valorem Taxes and Incentive Agreement]*

**[PROJECT TRUCK]**

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

*[Signature Page 2 to Fee in Lieu of Ad Valorem Taxes and Incentive Agreement]*

**EXHIBIT A**  
**PROPERTY DESCRIPTION**

**EXHIBIT B (see Section 9.1)  
FORM OF JOINDER AGREEMENT**

Reference is hereby made to the Fee-in-Lieu of *Ad Valorem* Taxes Agreement, effective [DATE] (“Fee Agreement”), between Richland County, South Carolina (“County”) and [COMPANY] (“Sponsor”).

**1. Joinder to Fee Agreement.**

[\_\_\_\_\_], a [STATE] [corporation]/[limited liability company]/[limited partnership] authorized to conduct business in the State of South Carolina, hereby (a) joins as a party to, and agrees to be bound by and subject to all of the terms and conditions of, the Fee Agreement as if it were a Sponsor [except the following: \_\_\_\_\_]; (b) shall receive the benefits as provided under the Fee Agreement with respect to the Economic Development Property placed in service by the Sponsor Affiliate as if it were a Sponsor [except the following \_\_\_\_\_]; (c) acknowledges and agrees that (i) according to the Fee Agreement, the undersigned has been designated as a Sponsor Affiliate by the Sponsor for purposes of the Project; and (ii) the undersigned qualifies or will qualify as a Sponsor Affiliate under the Fee Agreement and Section 12-44-30(20) and Section 12-44-130 of the Act.

**2. Capitalized Terms.**

Each capitalized term used, but not defined, in this Joinder Agreement has the meaning of that term set forth in the Fee Agreement.

**3. Representations of the Sponsor Affiliate.**

The Sponsor Affiliate represents and warrants to the County as follows:

(a) The Sponsor Affiliate is in good standing under the laws of the state of its organization, is duly authorized to transact business in the State (or will obtain such authority prior to commencing business in the State), has power to enter into this Joinder Agreement, and has duly authorized the execution and delivery of this Joinder Agreement.

(b) The Sponsor Affiliate’s execution and delivery of this Joinder Agreement, and its compliance with the provisions of this Joinder Agreement, do not result in a default, not waived or cured, under any agreement or instrument to which the Sponsor Affiliate is now a party or by which it is bound.

(c) The execution and delivery of this Joinder Agreement and the availability of the FILOT and other incentives provided by this Joinder Agreement has been instrumental in inducing the Sponsor Affiliate to join with the Sponsor in the Project in the County.

**4. Governing Law.**

This Joinder Agreement is governed by and construed according to the laws, without regard to principles of choice of law, of the State of South Carolina.

**5. Notice.**

Notices under Section 10.1 of the Fee Agreement shall be sent to:

[\_\_\_\_\_]

IN WITNESS WHEREOF, the undersigned has executed this Joinder Agreement to be effective as of the date set forth below.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name of Entity  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

IN WITNESS WHEREOF, the County acknowledges it has consented to the addition of the above-named entity as a Sponsor Affiliate under the Fee Agreement effective as of the date set forth above.

**RICHLAND COUNTY, SOUTH CAROLINA**

\_\_\_\_\_  
By: \_\_\_\_\_  
Its: \_\_\_\_\_

**EXHIBIT C (see Section 3.3)**  
**RICHLAND COUNTY RESOLUTION REQUIRING CERTAIN ACCOUNTABILITY PRACTICES CONCERNING**  
**ECONOMIC DEVELOPMENT PROJECTS IN THE COUNTY**

**A RESOLUTION TO AMEND THE DECEMBER 21, 2010,  
RESOLUTION REQUIRING CERTAIN ACCOUNTABILITY  
PRACTICES CONCERNING ECONOMIC DEVELOPMENT  
PROJECTS IN RICHLAND COUNTY**

WHEREAS, Richland County Council adopted a resolution dated as of December 21, 2010 (“Prior Resolution”), which requires companies receiving economic development incentives from Richland County, South Carolina (“County”) to submit annual reports to the Richland County Economic Development Office; and

WHEREAS, the County desires to make the form of the annual reports submitted by such companies uniform in order to make the substantive information contained in the annual reports more easily tracked and documented by the Richland County Economic Development Office.

NOW, THEREFORE, BE IT RESOLVED by Richland County Council as follows:

**Section 1.** The County affirms that each company awarded an incentive by the County in exchange for the location or expansion of a facility or facilities within the County shall submit an annual report to the Richland County Economic Development Office by January 31 of each year throughout the term of the incentives.

**Section 2.** The Richland County Economic Development Office is authorized to create (and from time to time, if necessary, amend or recreate) and make available the form of the annual report; however, such form, shall require, at a minimum, the following information:

- a. Name of company;
- b. Cumulative capital investment (less any removed investment) to date as a result of the project;
- c. Net jobs created to date as a result of the project;

**Section 3.** A copy of the then-current form of the annual report may be obtained from the following address. The annual report shall likewise be submitted to the following address by the required date.

Richland County Economic Development Office  
Attention: Kim Mann  
1201 Main Street, Suite 910  
Columbia, SC 29201

**Section 4.** This Resolution amends the Prior Resolution and sets forth the County’s requirements with respect to the annual reports to be submitted by each company awarded an incentive by the County as described in Section 1.

**Section 5.** The substance of this Resolution shall be incorporated into the agreement between the County and each company with respect to the incentives granted by the County to the company.

**Section 6.** In the event that any company shall fail to submit an annual report, or any portion thereof, such company may be required to return all incentives, or a dollar amount equal thereof, to the County. Such incentives, or the dollar amount equal thereto, shall be paid to the County within 60 days after the date upon which the information was originally due.

RESOLVED: December 12 2017

RICHLAND COUNTY, SOUTH CAROLINA

  
\_\_\_\_\_  
Chair, Richland County Council

(SEAL)  
ATTEST:

  
\_\_\_\_\_  
Clerk to County Council

**EXHIBIT D (see Section 5.1)**  
**DESCRIPTION OF INFRASTRUCTURE CREDIT**

**40% OF THE FILOT PAYMENTS FOR EACH OF THE TEN (10) PROPERTY TAX YEARS BEGINNING WITH  
THE [ ] TAX YEAR**

**EXHIBIT E (see Section 6.1)**  
**DESCRIPTION OF CLAW BACK**

If the Sponsor fails to achieve the Contract Minimum Investment Requirement and the Contract Minimum Jobs Requirement by the end of the Investment Period, a claw back shall be paid to the County which is calculated as follows:

$$\text{Repayment Amount} = \text{Total Received} \times \text{Claw Back Percentage}$$

$$\text{Claw Back Percentage} = 100\% - \text{Overall Achievement Percentage}$$

$$\text{Overall Achievement Percentage} = (\text{Investment Achievement Percentage} + \text{Jobs Achievement Percentage}) / 2$$

$$\text{Investment Achievement Percentage} = \text{Actual Investment Achieved} / \text{Contract Minimum Investment Requirement} \text{ [may not exceed 100\%]}$$

$$\text{Jobs Achievement Percentage} = \text{Actual New, Full-Time Jobs Created} / \text{Contract Minimum Jobs Requirement} \text{ [may not exceed 100\%]}$$

In calculating the each achievement percentage, only the investment made or new jobs achieved up to the Contract Minimum Investment Requirement and the Contract Minimum Jobs Requirement will be counted.

*For example, and by way of example only, if the County granted \$1,000,000 in Infrastructure Credits, and \$30,000,000 had been invested at the Project and 60 jobs had been created by the end of the Investment Period, the Repayment Amount would be calculated as follows:*

$$\text{Jobs Achievement Percentage} = 60/185 = 32.4\%$$

$$\text{Investment Achievement Percentage} = \$30,000,000/\$38,000,000 = 78.9\%$$

$$\text{Overall Achievement Percentage} = (32.4\% + 78.9\%)/2 = 55.65\%$$

$$\text{Claw Back Percentage} = 100\% - 55.65\% = 44.35\%$$

$$\text{Repayment Amount} = \$1,000,000 \times 44.35\% = \$443,500$$

The Sponsor shall pay any amounts described in or calculated pursuant to this Exhibit E within 30 days of receipt of a written statement from the County. If not timely paid by the Sponsor, the amount due is subject to the minimum amount of interest that the law may permit with respect to delinquent *ad valorem* tax payments. The repayment obligation described in this Exhibit E survives termination of this Fee Agreement.

SOUTH CAROLINA

)

)

A RESOLUTION

RICHLAND COUNTY

)

**COMMITTING TO NEGOTIATE A FEE-IN-LIEU OF AD VALOREM TAXES AGREEMENT BETWEEN RICHLAND COUNTY AND PROJECT TRUCK; IDENTIFYING THE PROJECT; AND OTHER MATTERS RELATED THERETO**

WHEREAS, Richland County, South Carolina (“County”), acting by and through its County Council (“County Council”) is authorized pursuant to the provisions of Title 12, Chapter 44, Code of Laws of South Carolina, 1976, as amended (“Act”) to encourage manufacturing and commercial enterprises to locate in the State of South Carolina (“South Carolina” or “State”) or to encourage manufacturing and commercial enterprises now located in the State to expand their investments and thus make use of and employ the manpower, products, and other resources of the State by entering into an agreement with a sponsor, as defined in the Act, that provides for the payment of a fee-in-lieu of *ad valorem* tax (“FILOT Payments”) with respect to economic development property, as defined in the Act;

WHEREAS, Project Truck, an entity or entities whose names cannot be publicly disclosed at this time (“Sponsor”), desires to invest capital in the County in order to establish an operations, logistics, and training center in the County (“Project”);

WHEREAS, the Project is anticipated to result in an investment of approximately \$38 million in taxable real and personal property and the creation of approximately 185 new, full-time equivalent jobs; and

WHEREAS, as an inducement to the Sponsor to locate the Project in the County, the Sponsor has requested that the County negotiate an agreement (“Agreement”), which provides for FILOT Payments, with respect to the portion of the Project which constitutes economic development property, as defined in the Act.

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

**Section 1.** This Resolution is an inducement resolution for this Project for purposes of the Act.

**Section 2.** County Council commits to negotiate the Agreement, which provides for FILOT Payments with respect to the portion of the Project which constitutes economic development property. The further details of the FILOT Payments and the agreement will be prescribed by subsequent ordinance of the County to be adopted in accordance with South Carolina law and the rules and procedures of the County.

**Section 3.** County Council confirms that the Project was identified and reflected on June 6, 2023 and adopting this Resolution permits expenditures made in connection with the Project before the date of this Resolution to qualify as economic development property, subject to the terms and conditions of the Agreement and the Act.

**Section 4.** All orders, resolutions, and parts thereof in conflict herewith are, to the extent of such conflict hereby repealed. This Resolution is effective after its approval by the County Council.

ADOPTED: October 3, 2023

RICHLAND COUNTY, SOUTH CAROLINA

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Chair, Richland County Council

(SEAL)  
ATTEST:

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Clerk to County Council

RICHLAND COUNTY ATTORNEY'S OFFICE

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Approved As To LEGAL Form Only  
No Opinion Rendered As To Content

# Richland County Council Request for Action

**Subject:**

Board of Zoning Appeals - 1

**Notes:**

September 19, 2023 – The Rules and Appointments Committee recommended appointing Mr. DeAnta Reese to the Board of Zoning Appeals.

# Richland County Council Request for Action

**Subject:**

Planning Commission - 2

**Notes:**

September 19, 2023 – The Rules and Appointments Committee recommended re-appointing Mr. Christopher Yonke and appointing Mr. Mark Duffy.

## Richland County Council Request for Action

**Subject:**

Small Business Category Recommendations

**Notes:**

September 19, 2023 – The Coronavirus Ad Hoc Committee recommended Council to move Caughman and Company, LLC; and Thrift Store of Greenville, Inc. (d/b/a Sunshine Thrift Store) forward to desk review with a recommendation to fund each organization up to \$25,000.

**RICHLAND COUNTY  
ADMINISTRATION**

2020 Hampton Street, Suite 4069  
Columbia, SC 29204  
803-576-2050



**Agenda Briefing**

<b>Prepared by:</b>	Lori J. Thomas	<b>Title:</b>	Assistant County Administrator
<b>Department:</b>	Administration	<b>Division:</b>	
<b>Date Prepared:</b>	September 11, 2023	<b>Meeting Date:</b>	September 19, 2023
<b>Legal Review</b>	Patrick Wright via email	<b>Date:</b>	September 13, 2023
<b>Budget Review</b>	Abhijit Deshpande via email	<b>Date:</b>	September 11, 2023
<b>Finance Review</b>	Stacey Hamm via email	<b>Date:</b>	September 11, 2023
<b>Approved for consideration:</b>	County Administrator	Leonardo Brown, MBA, CPM	
<b>Meeting/Committee</b>	Coronavirus Ad Hoc		
<b>Subject</b>	Small Business Category Considerations		

**RECOMMENDED/REQUESTED ACTION:**

Staff requests consideration be given to information provided based upon a review of applicants who held business licenses in 2021 and 2022 with demonstrated revenue loss. This information is provided based upon Committee request.

Request for Council Reconsideration:  Yes

**FIDUCIARY:**

Are funds allocated in the department’s current fiscal year budget?	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No
If not, is a budget amendment necessary?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No

**ADDITIONAL FISCAL/BUDGETARY MATTERS TO CONSIDER:**

The grant keys are to be determined.

*Applicable department/grant key and object codes:*

**OFFICE OF PROCUREMENT & CONTRACTING FEEDBACK:**

Not applicable.

**COUNTY ATTORNEY’S OFFICE FEEDBACK/POSSIBLE AREA(S) OF LEGAL EXPOSURE:**

There are no legal concerns regarding this matter.

**REGULATORY COMPLIANCE:**

On June 7, 2022, Council allocated \$16,000,000 of American Rescue Plan Act funding for community grants to numerous categories. Of these funds, \$1,000,000 was allocated for Small Business. It is essential to ensure compliance with US Treasury requirements associated with the expenditure of these funds.

#### MOTION OF ORIGIN:

“Ms. Barron noted the committee recommended allocating the American Rescue Plan funding as follows:

- Public Health -- \$15,000,000 (27.21%)
- Public Safety -- \$10,448,013 (18.95%)
- Community Investment -- \$19,000,000 (34.46%)
- Cybersecurity/Technology -- \$10,686,000 (19.38%)

In addition, the committee recommends approving the Administrator’s recommendation, with the following modifications: (1) Change Funding for Home Repairs to Funding for Senior Assistance; (2) Funding for Recreation/Youth Services in the amount of \$1,000,000; (3) Funding for Affordable Housing in the amount of \$4,000,000; and (4) Language clarifying that all ARPA funding allocated in this list of recommendations is approved as “up to”.

Council Member	Recommendation of the Coronavirus Ad Hoc Committee
Meeting	Regular Session
Date	June 7, 2022

#### STRATEGIC & GENERATIVE DISCUSSION:

As part of the evaluation of the Small Business applications for ARPA grants, staff was requested to review applicants based upon two factors:

1. Richland County business licenses status for 2021 (based upon 2020 reported revenue) and 2022 (based upon 2021 revenue).
2. Determine those applicants that held a business licenses for both 2021 and 2022 who reported lost gross revenue.

Based upon those criteria, below is a list of those applicants who held a Richland County business license for both 2021 and 2022 and who reported lost gross revenue. A separate listing of specific losses will be prepared for the Committee and distributed under separate cover.

Applicant	2021 BL (2020 Revenue)	2022 BL (2021 Revenue)
Caughman and Company LLC	Yes	Yes
Sal’s and George’s OI Timey Feed and Seed	Yes	Yes
Health Force LLC	Yes	Yes
Blythewood Installation LLC	Yes	Yes
Thrift Store of Greenville, Inc. DBA Sunshine Thrift Store	Yes	Yes
The Noir Salon	Yes	Yes
Sincerely Bagz	Yes	Yes
Epiphany Braiding Studio LLC	Yes	Yes
Razors Barbershop	Yes	Yes
Diane's Beauty Salon	Yes	Yes
Superior Hair Designs	Yes	Yes

**ASSOCIATED STRATEGIC GOAL, OBJECTIVE, AND INITIATIVE:**

Objective 3.2: Establish process to prioritize initiatives to align with available resources.

**ATTACHMENTS:**

1. Small Business Initial Assessment
2. Small Business Licenses List

# Richland County Council Request for Action

**Subject:**

Excess Mitigation Bank Credit Sales Process

**Notes:**

September 26, 2023 – The Transportation Ad Hoc Committee recommended approval of the process whereby excess mitigation credits sales approval goes through the Administrator’s Nomination process instead of through the Transportation Ad Hoc Committee.

**RICHLAND COUNTY  
ADMINISTRATION**

2020 Hampton Street, Suite 4069  
Columbia, SC 29204  
803-576-2050



**Agenda Briefing**

<b>Prepared by:</b>	Quinton Epps	<b>Title:</b>	Division Manager
<b>Department:</b>	Community Planning & Development	<b>Division:</b>	Conservation
<b>Date Prepared:</b>	September 7, 2023	<b>Meeting Date:</b>	September 26, 2023
<b>Legal Review</b>	Elizabeth McLean via email	<b>Date:</b>	September 14, 2023
<b>Budget Review</b>	Abhijit Deshpande via email	<b>Date:</b>	September 19, 2023
<b>Finance Review</b>	Stacey Hamm via email	<b>Date:</b>	September 12, 2023
<b>Approved for consideration:</b>	Assistant County Administrator	Aric A Jensen, AICP	
<b>Meeting/Committee</b>	Transportation Ad Hoc		
<b>Subject</b>	Excess Mitigation Bank Credit Sales Process		

**RECOMMENDED/REQUESTED ACTION:**

Staff recommends that excess mitigation credit sales be presented for approval through the Administrator's Nomination process instead of through the Transportation Committee.

Request for Council Reconsideration:  Yes

**FIDUCIARY:**

Are funds allocated in the department's current fiscal year budget?	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No
If not, is a budget amendment necessary?	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No

**ADDITIONAL FISCAL/BUDGETARY MATTERS TO CONSIDER:**

The proceeds from the sale of any excess mitigation credits from the Transportation Penny Program must be allocated to the Transportation Penny Program fund.

*Applicable department/grant key and object codes:* 1233100000-461000

**OFFICE OF PROCUREMENT & CONTRACTING FEEDBACK:**

Not applicable.

**COUNTY ATTORNEY'S OFFICE FEEDBACK/POSSIBLE AREA(S) OF LEGAL EXPOSURE:**

There are no legal concerns regarding this matter.

**REGULATORY COMPLIANCE:**

None applicable.

#### MOTION OF ORIGIN:

There is no associated Council motion of origin.

#### STRATEGIC & GENERATIVE DISCUSSION:

Mitigation bank credits are similar to commodities and can be created, owned, and sold through established statutory processes. Just like commodities, the value of a credit fluctuates based on market demand and availability, and, therefore, credit sellers must be able to respond to sales requests at market speeds to remain competitive. A typical market response would be to confirm availability of credits within 72 hours and to issue a commitment to terms within 1-2 weeks. Prior to the acquisition of the Bank by the County in March 2023, the County's partner, EcoCapital, could respond to offers within the industry standard time frame. Now that the County owns all of the credits, it is necessary to establish a new process that is market responsive. Details are below in the "Additional Comments" section.

The new process as proposed would grant the Administrator or his designee the authority to negotiate the sale of excess credits, and then to bring the sale terms to Council for approval through the existing Administrator's Nomination process. With the exception of the summer months, this would allow the County to respond to almost all requests within 2-3 weeks, which is reasonably similar to the prior practice and should be market competitive.

#### ASSOCIATED STRATEGIC GOAL, OBJECTIVE, AND INITIATIVE:

The Mill Creek Mitigation Bank (MCMB) has met and continues to meet portions of all six (6) of the Strategic Goals in the Strategic Planning Report for Richland County dated June 29, 2022 as outlined below:

1. Foster Good Governance – Objective 1.1: The MCMB began with realistic and achievable goals, a shared vision and agreement with county leadership, using metrics for accountability, in collaboration with other governments, and has been re-evaluated during our annual plans each year.
2. Invest in Economic Development – Objective 2.1: The MCMB helps to create high paying jobs through planned growth and strategic development projects by providing mitigation where needed to offset environmental impacts to water resources and restore, preserve and enhance our natural resources.
3. Commit to Fiscal Responsibility – Objective 3.1: The MCMB has been aligned with budget priorities by providing mitigation opportunities at a reduced cost to Richland County, bringing in funds from other sources, and promoting sustainable economic development in Richland County.
4. Plan for Growth through Inclusive and Equitable Infrastructure – Objective 5.1: The MCMB has been a model for interdepartmental coordination and plans to enable smart growth. It has provided positive outcomes for development along with the preservation of sensitive lands.
5. Achieve Positive Public Engagement – Objective 6.4: The MCMB has provided and continues to provide wetland and stream credits to many development projects in Richland County and other areas of the state achieving success stories for Richland County.

- 6. Establish Operational Excellence – Objective 7.5: The MCMB has met the original goals to provide mitigation credits for the Transportation Penny Program as well as other development projects and to preserve, restore and enhance sensitive lands in Richland County.

**ADDITIONAL COMMENTS FOR CONSIDERATION:**

Prior to March 2023, the County Transportation Penny Program owned some of the credits in the Mill Creek Mitigation Bank, but the Bank itself was owned by the EcoCapital Investment Group, which also owned a block of credits. As a result of Economic Development buying the Bank and its credits, Richland County now owns the Bank, the mitigation credits allocated to the Transportation Penny Program, and the credits allocated to the Economic Development Department for Project Connect.

The original credit sales process was administered by EcoCapital and allowed for purchase requests to be satisfied by County owned credits or by investor owned credits. Since the County had first right of refusal for every offer, almost all sales were satisfied by excess County owned credits. However, the County's two step Committee/Council approval process was not competitive with market expectations, and the credit investors would commit to a sale and then offer it to the County. If the County could not perform in a timely manner, then the investors would satisfy the agreement with their credits.

Now that the County owns all of the credits, there is no longer an investment group that can commit to purchase requests within a period of days, which puts the County at a competitive disadvantage. To overcome this disadvantage, County Administration recommends that Council approve a process that brings offers to purchase excess credits before Council by Administrator’s Nomination instead of by Committee. While this will not be as responsive as the previous process, it is substantially faster than the current Committee/Council process. Furthermore, since the Council has already determined these credits to be surplus, the only issue before the Council is the individual sale terms.

The current credit ledger for Penny Program mitigation credits is outlined below:

Credit Type	Released County Credits	County Credits Used or Sold	County Reserved Credits	Available (Excess) County Credits
Wetland	800.000	249.765	100.00	450.235
Stream	30,000.000	26,600.00	3,400.00	0.00

The proposed sale process is just for the sale of excess credits, as previously identified by the Transportation Committee and the full County Council, and as updated in every proposed sale agenda briefing.

## Richland County Council Request for Action

**Subject:**

Transportation Facilities Plan

**Notes:**

September 26, 2023 – The Transportation Ad Hoc Committee recommended Council award professional services to Stantec Consulting Services, Inc. based on the qualifications of the team and proposal received in the amount of \$110,000, to include a contingency of 20% for a total approved amount of \$132,000.

**RICHLAND COUNTY  
ADMINISTRATION**

2020 Hampton Street, Suite 4069  
Columbia, SC 29204  
803-576-2050



**Agenda Briefing**

<b>Prepared by:</b>	Michael Maloney, P.E.	<b>Title:</b>	Interim Director
<b>Department:</b>	Transportation	<b>Division:</b>	
<b>Date Prepared:</b>	September 5, 2023	<b>Meeting Date:</b>	September 26, 2023
<b>Legal Review</b>	Patrick Wright via email	<b>Date:</b>	September 20, 2023
<b>Budget Review</b>	Abhijit Deshpande via email	<b>Date:</b>	September 14, 2023
<b>Finance Review</b>	Stace Hamm via email	<b>Date:</b>	September 12, 2023
<b>Approved for consideration:</b>	Assistant County Administrator	John M. Thompson, Ph.D., MBA, CPM, SCCEM	
<b>Meeting/Committee</b>	Transportation Ad Hoc		
<b>Subject</b>	Transportation Facilities Plan		

**RECOMMENDED/REQUESTED ACTION:**

Staff recommend award of professional services to Stantec Consulting Services, Inc based on the qualifications of the team and proposal received in the amount of \$110,000, to include a contingency of 20% for a total approved amount of \$132,000.

Request for Council Reconsideration:  Yes

**FIDUCIARY:**

Are funds allocated in the department’s current fiscal year budget?	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No
If not, is a budget amendment necessary?	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No

**ADDITIONAL FISCAL/BUDGETARY MATTERS TO CONSIDER:**

The budget has \$300,000 available for procurement of professional services.

*Applicable department/grant key and object codes:* key:13320304/530700

**OFFICE OF PROCUREMENT & CONTRACTING FEEDBACK:**

Request for Proposal (RFP) RC-590-P-24 "Transportation Penny Master Plan Engineering Firms" was issued on July 24, 2023; there was one (1) submission to the request. An evaluation team of three (3) reviewed the response. The recommendation is to award to Stantec.

**COUNTY ATTORNEY’S OFFICE FEEDBACK/POSSIBLE AREA(S) OF LEGAL EXPOSURE:**

There are no legal concerns regarding this matter.

**REGULATORY COMPLIANCE:**

None.

**MOTION OF ORIGIN:**

“Mr. Walker stated the committee recommended Council approve issuing a request for proposals (RFP) for a study to determine County-wide transportation needs. The Penny Program Countywide Fund will fund the work in an amount not to exceed \$300,000... The vote in favor was unanimous.”

Council Member	Recommendation of the Transportation Ad Hoc Committee
Meeting	Regular Session
Date	July 11, 2023

**STRATEGIC & GENERATIVE DISCUSSION:**

The results of the procurement process have yielded one team of highly qualified firms that have come together to provide the complete services requested.

Stantec Consulting Services is a large firm with a Columbia office that has strong qualifications in transportation planning and implementation projects throughout South Carolina. The project manager has 31 years of experience and is in the Columbia, SC office. They also provide a lead in stakeholder outreach with 25 years of experience. Besides being the teams lead, they will be managing the stakeholder outreach, the needs assessment, cost estimating, and the capital plan.

The team includes Foresight Communications for stakeholder outreach. Their expertise is critical in obtaining public input early in the process as a part of the needs analysis. Foresight Communications is a local firm and is a certified SLBE.

The team also includes CECS, a local firm in Columbia, SC. CECS is one of the Penny’s On-call Engineering Team members. They bring expertise in project cost estimating and will deliver their services into the project plan.

**ASSOCIATED STRATEGIC GOAL, OBJECTIVE, AND INITIATIVE:**

Per Objective 5.4 of the Richland County Strategic Plan, we will develop a community engagement plan to discuss projects with Council members, districts and out County partners.

Per Objective 4.3 of the RC Strategic Plan we will prepare a plan to identify the remaining or new deficiencies to make great transportation facilities.

**ADDITIONAL COMMENTS FOR CONSIDERATION:**

The Richland County Transportation Department requires a consultant to identify existing corridors and roadways requiring upgrade as well as roadway, intersection, bike and pedestrian facilities, and other accommodations for transit provision for the residents of Richland County and its cities and towns. This enhanced team will also capital plan these facility needs and their associated costs.

The project team will work collaboratively with Councilmembers and their districts to learn the needs of their constituents. Public input is critical to the plan, and residents of the County are invited to provide input during public involvement meetings to help identify transportation needs.

Prioritization and budgeting are the final steps in the process and will help to identify the costs to continue to improve Richland County as well as add inflation factors to the projects based on the likely organization of the capital plan.

The plan is will keep the Penny on-track to complete the projects approved by Council.

**ATTACHMENTS:**

1. Agenda Briefing Addendum: Transportation Facilities Plan Project Scope



**Agenda Briefing Addendum**

<b>Prepared by:</b>	Michael Maloney, PE	<b>Title:</b>	Interim Director
<b>Department:</b>	Transportation	<b>Division:</b>	
<b>Contributor:</b>	Tamar Black	<b>Title:</b>	Assistant Director
<b>Date Prepared:</b>	September 26, 2023	<b>Meeting Date:</b>	September 26, 2023
<b>Approved for Consideration:</b>	Assistant County Administrator	John M. Thompson, Ph.D., MBA, CPM, SCCEM	
<b>Committee/Meeting:</b>	Transportation Ad Hoc		
<b>Agenda Item:</b>	Item 4b. Transportation Facilities Plan		

**COUNCIL INQUIRY #1:**

Staff was asked to provide the scope of the project.

*Reply:*

The scope is included as Attachment 1.

**ATTACHMENTS:**

1. Transportation Facilities Plan Project Scope

## **INTRODUCTION**

Richland County (SC) Transportation Penny Department is soliciting proposals from qualified engineering firms to prepare a Transportation Project Plan with a needs assessment and 15 year Capital Improvement Plan (CIP). The selected consultant will be responsible to assist the Department by scheduling and attending meetings with key stakeholders with transportation planning responsibilities and to develop a needs assessment and capital plan.

## **BACKGROUND**

The Transportation Penny has completed over 500 projects throughout Richland County. The major projects of widening roads and improving intersections will be about 40 projects. We acknowledge the achievements of the current program and must take this time to look ahead at conditions throughout the County that have changed over the past decade since the last planning study conducted by Richland County and to prepare a Transportation Master Plan. (Prior study available upon request).

## **SCOPE OF WORK**

1. The master plan will identify transportation needs, existing corridors and roadways requiring an upgrade, intersection/bike/pedestrian facilities, and/or other accommodations for transit provision for the residents of Richland County and its cities and towns. Staff and the consultant will collaborate with Councilmembers and their districts via in public meetings to determine the transportation needs of the residents.
2. The master plan will also include a capital plan to identify associated costs and to assist with prioritizing the projects within the capital plan. Annualizing costs by project priority will assist with identifying the estimated inflation factors.
3. The goal of this project is to work within the Richland County strategies to enhance the County transportation system. It is critical to improve and, in some cases, increase the capacity of the County's road network to best serve the current and projected residential and commercial growth as well as the changing transportation habits and locations of our populations within the County. A clear and achievable implementation strategy shall be developed to expand and improve the transportation system within the County over the next 15 years.
4. It is important for this project to address issues such as road degradation, dirt roads, road capacity, traffic, traffic calming, access management, bicycle traffic, pedestrians, sidewalks, crosswalks, public transit, Traffic Demand Management (TDM), truck traffic, rail service, the airport, and complete streets. Other issues may arise as the process unfolds.
5. These goals and objectives will be achieved through a variety of strategies that will include, but are not limited to, data analysis, community surveys and forums, and meetings with County staff, County partners, the Transportation Ad Hoc Committee, the County Council, and other committees as needed.
6. The proposal is to include a schedule with an anticipated timeline for completion, including start date, progress meetings, and draft reports in advance of a final presentation prior to Council in February 2024. The final report must be presented in electronic and printed format for dissemination to the widest audience possible.
7. The proposal must include supplying all personnel and equipment to perform the work.

8. The consultant will meet with the County with a mix of online and in-person bi-weekly status meetings to discuss and review the progress and appointment schedule for upcoming agency and stakeholder meetings.
9. A kick-off meeting with County Transportation Staff is required before starting the Project. Also a meeting at the conclusion of the Project is required to share and discuss the results with County personnel. A presentation of the needs and projects is required for this meeting.
10. The completion of the report is four months after the NTP.

#### **EVALUATION CRITERIA:**

In addition to any other evaluation criteria identified in the solicitation document, the County shall, for purposes of evaluating proposed or actual contract performance outside of the United States, consider the following factors to ensure that any award will be in the best interest of the County of Richland:

- a. Experience on Similar Projects & Project Approach – 20%
- b. Professional qualifications of staff – 30%
- c. Familiarity with Richland County Penny and Stakeholders -20%
- d. SLBE inclusion participation – 5%
- e. Estimated Cost of Services – 25%

#### **RESPONSIBILITY OF PROPOSER**

Proposals must describe in detail in their proposal how they will fulfill the following requirements.

1. Experience with Stakeholders, Elected Officials, Public, Agencies such as SCDOT, MPO's.
2. Estimating and Basis for projections
3. Availability of Staff to achieve the aggressive schedule and commitment to the project.

#### **DELIVERABLES**

1. Fifteen (15) bound copies of the Final Report including all exhibits/maps and recommendations.
2. PDF of the final report.
3. The Consultant will conduct fifteen (15) presentations with full-size color exhibits as needed for Public meetings, County Council, County Staff.

## Richland County Council Request for Action

**Subject:**

Award of Contract - Alpine Road Resurfacing and Sidewalk

**Notes:**

September 26, 2023 – The Transportation Ad Hoc Committee recommended Council award the construction contract to Palmetto Corp of Conway based on the bid received in the amount of \$3,322,553.52, to include a construction contingency of 10%, for a total approved amount of \$3,654,808.87.

**RICHLAND COUNTY  
ADMINISTRATION**

2020 Hampton Street, Suite 4069  
Columbia, SC 29204  
803-576-2050



**Agenda Briefing**

<b>Prepared by:</b>	Michael Maloney, P.E.	<b>Title:</b>	Interim Director
<b>Department:</b>	Transportation	<b>Division:</b>	
<b>Date Prepared:</b>	September 5, 2023	<b>Meeting Date:</b>	September 26, 2023
<b>Legal Review</b>	Patrick Wright via email	<b>Date:</b>	September 20, 2023
<b>Budget Review</b>	Abhijit Deshpande via email	<b>Date:</b>	September 14, 2023
<b>Finance Review</b>	Stacey Hamm via email	<b>Date:</b>	September 14, 2023
<b>Approved for consideration:</b>	Assistant County Administrator	John M. Thompson, Ph.D., MBA, CPM, SCEM	
<b>Meeting/Committee</b>	Transportation Ad Hoc		
<b>Subject</b>	Award of Construction - Alpine Road Resurfacing and Sidewalk		

**RECOMMENDED/REQUESTED ACTION:**

Staff recommend award of the construction contract to Palmetto Corp of Conway based on the bid received in the amount of \$3,322,553.52, to include a construction contingency of 10%, for a total approved amount of \$3,654,808.87.

Request for Council Reconsideration:  Yes

**FIDUCIARY:**

Are funds allocated in the department’s current fiscal year budget?	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No
If not, is a budget amendment necessary?	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No

**ADDITIONAL FISCAL/BUDGETARY MATTERS TO CONSIDER:**

Fund utilized for design and land acquisition	\$468,000
Fund requested for construction	\$3,654,809
Fund anticipated for professional services during construction	\$150,000
Project total	\$4,272,809
Grant available	\$800,000 (roadway resurfacing)
Penny total contribution	\$3,472,809
Referendum modification request of February 2018 approved amount	\$4,286,088

*Applicable department/grant key and object codes:* key:13330208, object:532200

**OFFICE OF PROCUREMENT & CONTRACTING FEEDBACK:**

Request for Bids RC-592-B-24 was issued, and one bid was received from Palmetto Corp of Conway on August 24, 2023. The bid of \$3,322,553.52 included 12.5% of Minority/Disadvantaged Business participation. Palmetto Corp of Conway attended the non-mandatory pre-bid meeting held on August 2, 2023 and provided a current contractor’s license and certificate of insurance. Palmetto Corp of Conway has been deemed responsive and responsible and recommendation is for award of a contract for Alpine Road Resurfacing and Sidewalk Improvements.

**COUNTY ATTORNEY’S OFFICE FEEDBACK/POSSIBLE AREA(S) OF LEGAL EXPOSURE:**

There are no legal concerns regarding this matter.

**REGULATORY COMPLIANCE:**

The grant will use federal reporting measures as designated by the South Carolina Department of Transportation Local Public Agency Administration Office.

**MOTION OF ORIGIN:**

There is no associated Council motion of origin.

**STRATEGIC & GENERATIVE DISCUSSION:**

Richland County Transportation Department is carrying out the necessary actions to accommodate the Council approved project that adds concrete sidewalk from Percival Road to Two Notch Road. The sidewalk will provide connectivity with the Polo Road Shared Use Path. The project will resurface the roadway pavement from Percival Road to Two Notch Road, and the project length is 2.4 miles.

**ASSOCIATED STRATEGIC GOAL, OBJECTIVE, AND INTIATIVE:**

- Goal 3: Commit to fiscal responsibility
  - Objective 4.2: Coordinate departments to prepare for anticipated growth in areas by providing water, sewer, and roads in necessary locations

**ATTACHMENTS:**

1. Procurement Department Letter of Recommendation

**RICHLAND COUNTY GOVERNMENT  
PROCUREMENT DEPARTMENT**

2020 Hampton Street, Suite 3064, Columbia, SC 29204  
T 803-576-2130 | F 803-576-2135  
richlandcountysc.gov

Attachment 1



August 28, 2023

To: Mr. Michael Maloney, Interim Director of Transportation

From: Deramus Forrester, Contract Analyst

CC: Mrs. Jennifer Wladischkin, Procurement Director, Ms. Erica Wade, OSBO Manager, Mr. Michael P. Green, Project Manager

Re: RC-592-B-24 Alpine Road Resurfacing and Sidewalk Improvement Project

A bid opening was conducted at 3:00 PM on Tuesday, July 25, 2023, via the County’s online procurement portal. Procurement has reviewed the (1) one submitted bid for the Alpine Road Resurfacing and Sidewalk Improvement Project which was submitted via Bonfire and found no discrepancies. The bid received is as follows:

<b>Alpine Road Resurfacing and Sidewalk Improvement Project - BID RESULTS SUMMARY</b>	
<b>BIDDER</b>	<b>SUBMITTED BID</b>
<b>Palmetto Corp of Conway</b>	<b>\$3,322,553.52</b>

Further review shows that Palmetto Corp of Conway is duly licensed in South Carolina to perform this work. A copy of their license is attached.

A Non-Mandatory Pre-Bid Conference was held at 3 p.m. on August 2, 2023, during which attendees gained information and bidding directives for the project. See the attached sign-in log.

Attached is a final bid tab sheet indicating that Palmetto Corp of Conway’s bid is 11% higher than the Engineer’s Estimate of \$2,998,018.57 dated July 25, 2023. The MBE goal for this project is 12.5% which the Palmetto Corp of Conway, Inc. also committed to.

Provided that Transportation can provide the additional funding, Procurement recommends that a contract be awarded to the lowest responsive and responsible bidder, Palmetto Corp of Conway., to include a 10% construction contingency of \$332,255.35.

Deramus Forrester

DocuSigned by:  
  
 4D1794B7647A49D...

# RC-588-B-24 Alpine Road Resurfacing Sidewalk Improvement Project

Due Date 8/24/2023 3:00PM

**Palmetto Corp of Conway**

Total Cost	-	\$ 3,322,553.52
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**RICHLAND COUNTY GOVERNMENT OFFICE OF PROCUREMENT AND CONTRACTING  
2020 HAMPTON STREET, SUITE 3064, COLUMBIA, SC 29204-1002**

<b>Project #:</b> RC-588-B-24	<b>Project Name:</b> Alpine Road Resurfacing and Sidewalk Improvement Project	<b>Date: 8/2/2023</b>	
		<b>Time: 3 pm</b>	
<b>COMPANY NAME</b>	<b>REPRESENTATIVE</b>	<b>EMAIL ADDRESS</b>	<b>TELEPHONE/FAX</b>
	Miller		
Palmetto Corp of Conway	Lou Almonte	<a href="mailto:bids@palmettocorp.com">bids@palmettocorp.com</a>	843-652-2156
	Brad		
	Mike LaCola		
Tolleson Limited			803-783-9001
	Ted Thomas		

\*\*\*\*\* PLEASE PRINT CLEARLY! IF THE INFORMATION IS NOT LEGIBLE YOUR ATTENDANCE MAY NOT BE CONSIDERED! \*\*\*\*\*



## **REQUEST OF ACTION**

**Subject:** FY24 - District 4 Hospitality Tax Allocations

### **A. Purpose**

County Council is being requested to approve a total allocation of **\$10,000** for District 4.

### **B. Background / Discussion**

For the 2023 - 2024 Fiscal Year, County Council approved designating the Hospitality Discretionary account funding totaling \$82,425.00 for each district Council member. The details of these motions are listed below:

**Motion List (3<sup>rd</sup> reading) for FY17:** Hospitality Tax discretionary account guidelines are as follows: (a) Establish a H-Tax discretionary account for each Council District; (b) Fund the account at the amount of \$164,850.00; (c) Council members will recommend Agencies to be funded by their allocation. Agencies and projects must meet all of the requirements in order to be eligible to receive H-Tax funds; (d) All Council recommendation for appropriations of allocations to Agencies after the beginning of the fiscal year will still be required to be taken back to Council for approval by the full Council prior to the commitment of funding. This would only require one vote.

**Motion List (3<sup>rd</sup> reading) for FY24, Regular Council Meeting – June 6, 2023:** Establish Hospitality Tax discretionary accounts for each district in FY24 at the amount of \$82,425. Move that all unallocated district specific H-Tax funding for FY22-23 be carried over and added to any additional funding for FY23-24.

Pursuant to Budget Memorandum 2017-1 and the third reading of the budget for FY24 each district Council member was approved \$82,425.00 to allocate funds to Hospitality Tax eligible organizations of their own discretion. As it relates to this request, District 4 H-Tax discretionary account breakdown and its potential impact is listed below:

Initial Discretionary Account Funding	\$ 82,425
FY2023 Remaining	\$ 81,325
Columbia Music Fest Association	\$ 5,000
Communities in Schools of SC	\$ 5,000
<b>Total Allocation</b>	<b>\$ 10,000</b>
<b>Remaining FY2024 Balance</b>	<b>\$133,750</b>

**C. Legislative / Chronological History**

- 3<sup>rd</sup> Reading of the Budget – June 8, 2017
- Regular Session - May 15, 2018
- 3<sup>rd</sup> Reading of the Budget FY19- June 21, 2018
- 3<sup>rd</sup> Reading of the Budget FY20- June 10, 2019
- 3<sup>rd</sup> Reading of the Budget FY21- June 11, 2020
- 3<sup>rd</sup> Reading of the Budget FY22- June 10, 2021
- 3<sup>rd</sup> Reading of the Budget FY23- June 7, 2022
- 3<sup>rd</sup> Reading of the Budget FY24- June 6, 2023

**D. Alternatives**

1. Consider the request and approve the allocation.
2. Consider the request and do not approve the allocation.

**E. Final Recommendation**

Staff does not have a recommendation regarding this as it is a financial policy decision of County Council. The funding is available to cover the request. Staff will proceed as directed.



## **REQUEST OF ACTION**

**Subject:** FY24 - District 6 Hospitality Tax Allocations

### **A. Purpose**

County Council is being requested to approve a total allocation of **\$5,000** for District 6.

### **B. Background / Discussion**

For the 2023 - 2024 Fiscal Year, County Council approved designating the Hospitality Discretionary account funding totaling \$82,425.00 for each district Council member. The details of these motions are listed below:

**Motion List (3<sup>rd</sup> reading) for FY17:** Hospitality Tax discretionary account guidelines are as follows: (a) Establish a H-Tax discretionary account for each Council District; (b) Fund the account at the amount of \$164,850.00; (c) Council members will recommend Agencies to be funded by their allocation. Agencies and projects must meet all of the requirements in order to be eligible to receive H-Tax funds; (d) All Council recommendation for appropriations of allocations to Agencies after the beginning of the fiscal year will still be required to be taken back to Council for approval by the full Council prior to the commitment of funding. This would only require one vote.

**Motion List (3<sup>rd</sup> reading) for FY24, Regular Council Meeting – June 6, 2023:** Establish Hospitality Tax discretionary accounts for each district in FY24 at the amount of \$82,425. Move that all unallocated district specific H-Tax funding for FY22-23 be carried over and added to any additional funding for FY23-24.

Pursuant to Budget Memorandum 2017-1 and the third reading of the budget for FY24 each district Council member was approved \$82,425.00 to allocate funds to Hospitality Tax eligible organizations of their own discretion. As it relates to this request, District 6 H-Tax discretionary account breakdown and its potential impact is listed below:

Initial Discretionary Account Funding	\$ 82,425
FY2023 Remaining	\$408,675
Communities in Schools of SC	\$ 5,000
<b>Total Allocation</b>	<b>\$ 5,000</b>
<b>Remaining FY2024 Balance</b>	<b>\$459,100</b>

**C. Legislative / Chronological History**

- 3<sup>rd</sup> Reading of the Budget – June 8, 2017
- Regular Session - May 15, 2018
- 3<sup>rd</sup> Reading of the Budget FY19- June 21, 2018
- 3<sup>rd</sup> Reading of the Budget FY20- June 10, 2019
- 3<sup>rd</sup> Reading of the Budget FY21- June 11, 2020
- 3<sup>rd</sup> Reading of the Budget FY22- June 10, 2021
- 3<sup>rd</sup> Reading of the Budget FY23- June 7, 2022
- 3<sup>rd</sup> Reading of the Budget FY24- June 6, 2023

**D. Alternatives**

1. Consider the request and approve the allocation.
2. Consider the request and do not approve the allocation.

**E. Final Recommendation**

Staff does not have a recommendation regarding this as it is a financial policy decision of County Council. The funding is available to cover the request. Staff will proceed as directed.



## **REQUEST OF ACTION**

**Subject:** FY24 - District 2 Hospitality Tax Allocations

### **A. Purpose**

County Council is being requested to approve a total allocation of **\$38,000** for District 2.

### **B. Background / Discussion**

For the 2023 - 2024 Fiscal Year, County Council approved designating the Hospitality Discretionary account funding totaling \$82,425.00 for each district Council member. The details of these motions are listed below:

**Motion List (3<sup>rd</sup> reading) for FY17:** Hospitality Tax discretionary account guidelines are as follows: (a) Establish a H-Tax discretionary account for each Council District; (b) Fund the account at the amount of \$164,850.00; (c) Council members will recommend Agencies to be funded by their allocation. Agencies and projects must meet all of the requirements in order to be eligible to receive H-Tax funds; (d) All Council recommendation for appropriations of allocations to Agencies after the beginning of the fiscal year will still be required to be taken back to Council for approval by the full Council prior to the commitment of funding. This would only require one vote.

**Motion List (3<sup>rd</sup> reading) for FY24, Regular Council Meeting – June 6, 2023:** Establish Hospitality Tax discretionary accounts for each district in FY24 at the amount of \$82,425. Move that all unallocated district specific H-Tax funding for FY22-23 be carried over and added to any additional funding for FY23-24.

Pursuant to Budget Memorandum 2017-1 and the third reading of the budget for FY24 each district Council member was approved \$82,425.00 to allocate funds to Hospitality Tax eligible organizations of their own discretion. As it relates to this request, District 2 H-Tax discretionary account breakdown and its potential impact is listed below:

Initial Discretionary Account Funding	\$ 82,425
FY2023 Remaining	\$ 33,350
Blythewood Historical Society	\$ 20,000
Big Red Barn Retreat- Fall Jam	\$ 8,000
Range Fore Hope Foundation	\$ 10,000
<b>Total Allocation</b>	<b>\$ 38,000</b>
<b>Remaining FY2024 Balance</b>	<b>\$ 67,775</b>

**C. Legislative / Chronological History**

- 3<sup>rd</sup> Reading of the Budget – June 8, 2017
- Regular Session - May 15, 2018
- 3<sup>rd</sup> Reading of the Budget FY19- June 21, 2018
- 3<sup>rd</sup> Reading of the Budget FY20- June 10, 2019
- 3<sup>rd</sup> Reading of the Budget FY21- June 11, 2020
- 3<sup>rd</sup> Reading of the Budget FY22- June 10, 2021
- 3<sup>rd</sup> Reading of the Budget FY23- June 7, 2022
- 3<sup>rd</sup> Reading of the Budget FY24- June 6, 2023

**D. Alternatives**

1. Consider the request and approve the allocation.
2. Consider the request and do not approve the allocation.

**E. Final Recommendation**

Staff does not have a recommendation regarding this as it is a financial policy decision of County Council. The funding is available to cover the request. Staff will proceed as directed.

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF RICHLAND )

**A RESOLUTION**

**AUTHORIZING COUNTY STAFF TO PREPARE FOR A CAPITAL PROJECT SALES TAX REFERENDUM EXPECTED TO BE HELD AT THE 2024 GENERAL ELECTION PURSUANT TO SOUTH CAROLINA CODE ANNOTATED SECTION 4-10-300, ET SEQ.; TO PROVIDE FOR THE APPOINTMENT, COMPOSITION, POWERS AND OBLIGATIONS OF THE COMMISSION; AND TO PROVIDE FOR OTHER RELATED MATTERS.**

**WHEREAS**, pursuant to South Carolina Code Section 4-10-300 et seq. (“Act”) a county may impose up to a one percent sales and use tax by ordinance, subject to a referendum, in the geographical jurisdiction of such county for a specific purpose or purposes and for a limited amount of time (“Capital Project Sales Tax”);

**WHEREAS**, Richland County, South Carolina (“County”) has identified a need for the financing of certain capital projects within the County and desires to finance such capital projects with the proceeds of a Capital Project Sales Tax;

**WHEREAS**, the County Council of the County (“County Council”) is authorized to create a commission as described in Section 4-10-320 of the Act to consider proposals for funding capital projects in the County area and to formulate a referendum question to appear on the 2024 general election ballot; and

**WHEREAS**, the County Council desires for and directs county staff to undertake all necessary preparations, as required under the Act, and the general election law of the State of South Carolina (“State”), to hold a Capital Project Sales Tax referendum on November 5, 2024 (“Referendum”) and to create a commission with the powers and obligations, all as provided in the Act.

NOW THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF RICHLAND COUNTY, SOUTH CAROLINA:

**SECTION 1. Creation of Commission; Appointment of members.**

(a) The County Council hereby creates a capital project sales and use tax commission (“Commission”). The Commission consists of six members, all of whom must be residents of the County.

(b) Pursuant to the Act, the County Council hereby delegates the authority to appoint three members of the Commission to the Chair of County Council, in consultation with the County Administrator of the County.

(c) The remaining three members of the Commission shall be appointed by the municipalities in the County and must be selected according to the formula set forth in Section 4-10-320 of the Act.

**SECTION 2. Duties and responsibilities of Commission.**

(a) Subject always to the Act’s terms, which are incorporated in this Resolution by reference, the commission shall:

- (1) consider proposals for funding capital projects;
- (2) formulate a referendum question that is to appear on the 2024 general election ballot; and

- (3) submit the proposed referendum question to the County Council in time for the County Council to determine whether to enact an Ordinance pursuant to Section 4-10-330 of the Act to place the referendum question on the 2024 general election ballot.

**SECTION 3. Authorization and Direction to County Staff.**

The County Administrator, or his delegees, is hereby authorized and directed to make all necessary preparations for the Referendum in consultation with the County Attorney and Bond Counsel, to give the County Council regular updates on the progress of the preparations and the meetings of the Commission and take all steps that are reasonably necessary to ensure the Referendum is held with the respect to the imposition of a Capital Projects Sales Tax in an amount not to exceed one cent in accordance with the Act and applicable State law. The foregoing authorization includes the authority to hire such professionals as the County Administrator deems appropriate to assist him in the preparation of the Referendum.

**SECTION 4. Effective date.**

This resolution is effective immediately at its adoption.

[Signature Page Follows  
Remainder Intentionally Left Blank]

**AND IT IS SO RESOLVED** this \_\_\_\_ day of \_\_\_\_\_ 2023.

RICHLAND COUNTY, SOUTH CAROLINA

\_\_\_\_\_  
Chair, Richland County Council

(SEAL)

ATTEST:

\_\_\_\_\_  
Clerk to County Council

RICHLAND COUNTY ATTORNEY'S OFFICE

\_\_\_\_\_  
Approved As To LEGAL Form Only  
No Opinion Rendered As To Content

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF RICHLAND )

**A RESOLUTION**

**AUTHORIZING COUNTY STAFF TO PREPARE FOR A TRANSPORTATION SALES TAX REFERENDUM EXPECTED TO BE HELD AT THE 2024 GENERAL ELECTION PURSUANT TO TITLE 4, CHAPTER 37 OF THE CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED; TO PROVIDE FOR THE ESTABLISHMENT OF AN AD HOC COMMITTEE; AND TO PROVIDE FOR OTHER RELATED MATTERS.**

**WHEREAS**, pursuant to Title 4, Chapter 37 of the Code of Laws of South Carolina (“Act”) the governing body of a county may impose by ordinance, subject to a referendum, a sales and use tax in an amount not to exceed one percent within its jurisdiction for a single project or for multiple project transportation-related projects and for a specific period of time to collect a limited amount of money (“Transportation Tax”);

**WHEREAS**, in 2012, Richland County, South Carolina (“County”) imposed a Transportation Tax for a period not to exceed 22 years or until a total of \$1,070,000,000 in proceeds had been collected;

**WHEREAS**, the County currently anticipates that it will meet the collections limit on or around November of 2026, at which time the current Transportation Tax will automatically terminate;

**WHEREAS**, the County Council of the County (“County Council”) has identified additional transportation-related projects within the County, including specifically the operation of the Central Midlands Regional Transit Authority, and desires to finance such transportation-related projects with the proceeds of a Transportation Tax;

**WHEREAS**, County Council desires to prepare for a referendum on November 5, 2024 (“Referendum”) so that a new Transportation Tax may be imposed immediately on termination of the existing Transportation Tax to fund the County’s transportation-related projects; and

**WHEREAS**, the County Council desires for and directs county staff to undertake all necessary preparations, as required under the Act, and the general election law of the State of South Carolina (“State”), to hold the Referendum and directs that an *ad hoc* transportation committee of County Council (“Committee”) be formed to develop the proposed transportation-related projects to be funded with the Transportation Tax.

NOW THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF RICHLAND COUNTY, SOUTH CAROLINA:

**SECTION 1. Creation of Committee.** The County Council hereby delegates the authority to appoint the members of the Committee to the Chair of County Council..

**SECTION 2. Duties and responsibilities of Committee.** Subject always to the Act’s terms, which are incorporated in this Resolution by reference, the Committee shall make recommendations to County Council and County staff regarding the transportation-related projects.

**SECTION 3. Authorization and Direction to County Staff.** The County Administrator, or his delegates, is hereby authorized and directed to make all necessary preparations for the Referendum in consultation with the County Attorney and Bond Counsel, and take all steps that are reasonably necessary

to ensure the Referendum is held with the respect to the imposition of a Transportation Tax in an amount not to exceed one cent in accordance with the Act and applicable State law. The foregoing authorization includes the authority to hire such professionals as the County Administrator deems appropriate to assist him in the preparation of the Referendum.

**SECTION 4. Effective date** This resolution is effective immediately at its adoption.

[Signature Page Follows  
Remainder Intentionally Left Blank]

**AND IT IS SO RESOLVED** this \_\_\_\_ day of \_\_\_\_\_ 2023.

RICHLAND COUNTY, SOUTH CAROLINA

\_\_\_\_\_  
Chair, Richland County Council

(SEAL)  
ATTEST:

\_\_\_\_\_  
Clerk of Council, Richland County Council

RICHLAND COUNTY ATTORNEY'S OFFICE

\_\_\_\_\_  
Approved As To LEGAL Form Only  
No Opinion Rendered As To Content