



## Report Of The Clerk Of Council

7. a. Richland Memorial Hospital's Annual Luncheon, November 29th, 12 noon-1 p.m., Bagnal Board Room
- b. November and December Meeting Schedule

## Report Of The Chairman

### Open/Close Public Hearings

8. a. Authorizing an Amendment to the Master Agreement governing the I-77 Corridor Regional Industrial Park by and between Richland County, South Carolina, and Fairfield County, South Carolina, to expand the boundaries of the park to include certain real property located in Richland County, and related matters
- b. An Ordinance Amending the Fiscal Year 2011-2012 Neighborhood Improvement and Community Development Fund Annual Budgets to appropriate \$48,641 of Neighborhood Improvement Undesignated Fund Balance for transfer to the Community Development Fund for the CDBG and HOME administrative shortfall
- c. An Ordinance Authorizing (1) the execution and delivery of a fee in lieu of tax and incentive agreement between Richland County, South Carolina (the "County") and Pure Power Technologies, LLC, acting for itself, one or more affiliates or other project sponsors (the "Company"), in connection with the expansion of certain facilities in the County (the "Expansion Project"); (2) the County to covenant in such agreement to accept certain negotiated fees in lieu of ad valorem taxes with respect to the Expansion Project; (3) special source credits to reimburse the Company for a portion of certain costs incurred in connection with the Expansion Project; (4) the benefits of a multi-county park to be made available to the Company and the Expansion Project; and (5) other matters relating thereto

### Approval Of Consent Items

9. Authorizing an Amendment to the Master Agreement governing the I-77 Corridor Regional Industrial Park by and between Richland County, South Carolina, and Fairfield County, South Carolina, to expand the boundaries of the park to include certain real property located in Richland County, and related matters [**THIRD READING**] [**PAGES 33-42**]
10. An Ordinance Authorizing (1) the execution and delivery of a fee in lieu of tax and incentive agreement between Richland County, South Carolina (the "County") and Pure Power Technologies, LLC, acting for itself, one or more affiliates or other project sponsors (the "Company"), in connection with the expansion of certain facilities in the County (the "Expansion Project"); (2) the County to covenant in such agreement to accept certain negotiated fees in lieu of ad valorem taxes with respect to the Expansion Project; (3) special source credits to reimburse the Company for a portion of certain costs incurred in connection with the Expansion Project; (4) the benefits of a multi-county park to be made available to the Company and the Expansion Project; and (5) other matters relating thereto [**THIRD READING**] [**PAGES 44-131**]
11. An Ordinance Amending the Fiscal year 2011-2012 Neighborhood Improvement and Community Development Fund Annual Budgets to appropriate \$48,641 of Neighborhood Improvement Undesignated Fund Balance for transfer to the Community Development Fund for the CDBG and

HOME administrative shortfall [**THIRD READING**] [**PAGES 133-135**]

12. Authorizing an Amendment to the Master Agreement governing the I-77 Corridor Regional Industrial Park by and between Richland County, South Carolina, and Fairfield County, South Carolina, to expand the boundaries of the park to include certain real property located in Richland County and related to Project Cyrus; and other related matters [**SECOND READING**] [**PAGES 137-139**]
13. An Ordinance Authorizing a deed to Cohn & Cohn Investments, LLC, for approximately 4.94 acres of land, constituting a portion of Richland County TMS # 25800-04-01 [**SECOND READING**] [**PAGE 141**]
14. 11-14MA  
Ron Johnson  
Longcreek Plantation  
RU to RS-LD (4.91 Acres)  
Longtown Rd. East & Longtown Rd. West  
20500-05-02 [**SECOND READING**] [**PAGE 143**]
15. 11-18MA  
Adams Northeast AME Church  
Kay Hightower  
RU to GC (10.62 Acres)  
409 Longtown Rd.  
17400-05-12/13/14/26 [**SECOND READING**] [**PAGE 145**]
16. Decker Blvd/Woodfield Park Neighborhood Redevelopment Overlay District and the Corridor Redevelopment Overlay District [**FIRST READING**] [**PAGES 147-149**]
17. CDBG Allocation of Funds [**PAGES 151-155**]
18. AT&T Leased Line Connections - Countywide [**PAGES 157-158**]
19. Microsoft Licensing-Countywide [**PAGES 160-161**]
20. FY 11-12 HUD Annual Action Plan Approval [**PAGES 163-201**]
21. Mass Transit Fee: Commercial Vehicles [**TO TABLE**] [**PAGES 203-206**]
22. Criminal Domestic Violence Court Grant Match [**PAGES 208-210**]
23. Hispanic Outreach Grant Match [**PAGES 212-214**]
24. Historic Preservation Special Project [**PAGES 216-217**]
25. Hospitality Tax - Round Two Funding Recommendations [**PAGES 219-222**]
26. Hospitality Tax County Promotions Grant Program Changes [**PAGES 224-228**]

27. Retention Schedule for Detention Center Records [PAGES 230-235]

### **Second Reading Items**

28. An Ordinance Amending the Richland County Code of Ordinances; Chapter 26, Land Development; Article X, Subdivision Regulations; Section 26-224, Division of Real Property to Heirs of a Decedent; so as to exempt certain subdivisions from road construction requirements [PAGES 237-240]

### **Report Of Development And Services Committee**

29. Low Traffic Volume Road Paving Program {Deferred from the October 4th Council Meeting} [PAGES 242-251]
30. Ordinance to Prohibit 'bath salts' and synthetic marijuana [FIRST READING] [PAGES 253-260]
31. Expiring Solid Waste curbside collection contracts for areas 2 & 6 [PAGES 262-266]

### **Report Of Administration And Finance Committee**

32. Internal Auditor Engagement [PAGES 268-272]

### **Report Of Economic Development Committee**

33. a. Authorizing the Execution and Delivery of an Amendment to the Fee Agreement between Richland County, South Carolina, and a Company formerly referred to as Project Y to provide for a new effective date and millrate rate; and other related matters [FIRST READING BY TITLE ONLY]
- b. Governmental Affairs Representative Services Contract Renewal [PAGES 274-275]

### **Report Of Rules And Appointments Committee**

#### **1. Notification Of Vacancies**

34. Airport Commission-3 [Merrill Donahoo, 12/18/11; Russell Goudelock, 12/18/11\*; Don Purcell, 12/18/11\*]
35. Lexington/Richland Alcohol and Drug Abuse Council-2 [Timothy D. Harbeson, 12/31/11\*; Marilyn M. Matheus, 12/31/11\*]
36. Richland Memorial Hospital Board-4 [Roslyn Woodson Frierson, 12/31/11\*; James L. Hudgins, 12/31/11; Gerald Isreal, 12/31/11\*; James C. Reynolds]

#### **2. Notification Of Appointments**

37. Accommodations Tax Committee-2 (need one person from Hospitality and one person from Lodging) [no applications were received]
38. Appearance Commission-2 (need a licensed horticulturalist and landscaper) [no applications]

were received]

39. Board of Assessment Control-1 [no applications were received]
40. Board of Zoning Adjustments and Appeals-4 [applications were received from Joshua A. McDuffie\*; Elaine T. Perrine; Torrey Rush\*; William Smith\*; Mike Spearman] [**PAGES 283-292**]
41. Building Codes Board of Adjustments and Appeals-3 (needed, one licensed electrician and two from the fire protection industry) [no applications were received]
42. Business Service Center Appeals Board-1 (CPA preferred) [no applications were received]
43. Internal Audit Committee-1 [no applications were received]
44. Music Festival Board-2 [applications were received from Jan Baker\*; Gerron Cunningham] [**PAGES 297-301**]

### **3. Discussion From Rules And Appointments Committee**

45. When speaking during the citizen's input portion of council meetings, persons currently serving on Richland County Commissions of any kind are not allowed to use their title or the commission name unless they have received unanimous consent from the commission to do so [**MALINOWSKI**] [**PAGES 303-304**]

### **Other Items**

46. A Resolution to Appoint and Commission George Ricardo Carroll as a Code Enforcement Officer for the proper security, general welfare, and convenience of Richland County [**PAGE 306**]
47. A Resolution to Appoint and Commission Travis Shane Conrad as a Code Enforcement Officer for the proper security, general welfare, and convenience of Richland County [**PAGE 308**]
48. **REPORT OF THE FIRE AD HOC COMMITTEE**
49. **REPORT OF THE REGIONAL RECREATION COMPLEX AD HOC COMMITTEE**
  - a. Work Authorization #3 [**ACTION**]
  - b. Work Authorization #4 [**ACTION**]

### **Citizen's Input**

50. Must Pertain to Items Not on the Agenda

### **Executive Session**

### **Motion Period**

51. a. Resolutions honoring the Spann Watson Chapter, Tuskegee Airmen Inc.: Major General Irene Trowell-Harris, US Air Force Retired; Brigadier General Darlene M. Goff, SC Army National Guard; Lieutenant Colonel Rose Fitchett, US Army Retired; Command Sergeant Major Teresa L. King, US Army [LIVINGSTON]
- b. That a policy be created regarding how to deal with approved grants prior to budget time and again at budget time when grants have been reduced or eliminated. When the grant ends Richland County will not provide additional funds in that agency's budget and they will have to absorb it if they want to keep it. [MALINOWSKI]
- c. Motion that Council rules be amended such that when 5 or fewer people are signed up to speak to a non-agenda item they be allowed to speak after those speaking to an agenda item have finished (towards the beginning of the meeting). If 6 or more people are signed up to speak on a non-agenda item then Council's current rule will take affect. (HUTCHINSON, JACKSON, ROSE)

Rationale: This motion is submitted in the interest of making Council meetings more citizen friendly to those who wish to speak. This motion is designed to allow a small number of citizens wishing to speak to a non-agenda item to do so without the hardship of having to wait for the entire Council meeting to finish before having the opportunity to speak on an issue. This motion will still give affect to the current rule but allow a small number of citizens (5 or fewer) wishing to speak to a non-agenda item the courtesy of speaking without having to wait potentially hours for the current non-agenda citizen input portion of our Council meetings.

## Adjournment



# Richland County Council Request of Action

**Subject**

Regular Session: October 18, 2011 [PAGES 8-18]

# MINUTES OF



## RICHLAND COUNTY COUNCIL REGULAR SESSION TUESDAY, OCTOBER 18, 2011 6:00 p.m.

*In accordance with the Freedom of Information Act, a copy of the agenda was sent to radio and TV stations, newspapers, persons requesting notification, and was posted on the bulletin board located in the lobby of the County Administration Building.*

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### MEMBERS PRESENT:

Member	Gwendolyn Davis Kennedy
Member	Valerie Hutchinson
Member	Norman Jackson
Member	Bill Malinowski
Member	Jim Manning
Member	L. Gregory Pearce, Jr.
Member	Seth Rose
Member	Kelvin Washington
Absent	Paul Livingston
	Damon Jeter

**OTHERS PRESENT** – Milton Pope, Tony McDonald, Sparty Hammett, Roxanne Ancheta, Randy Cherry, Stephany Snowden, Tamara King, Melinda Edwards, Daniel Driggers, John Hixson, Dale Welch, Valeria Jackson, Nelson Lindsay, Larry Smith, David Hoops, Sara Salley, Anna Lange, Alfreda Tindal, Rodolfo Callwood, Geo Price, Monique Walters, Michelle Onley

### CALL TO ORDER

The meeting was called to order at 6:01 p.m.

### INVOCATION

The Invocation was given by the Honorable Greg Pearce

## PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by the Honorable Greg Pearce

## PRESENTATION OF RESOLUTIONS

**Resolutions honoring Judge William Womble, Judge Clevette Hudnell, and Judge Samuel Peay on their retirement and service to Richland County [LIVINGSTON]** – Mr. Livingston, Ms. Dickerson and Mr. Pearce presented resolutions honoring Judge Peay, Judge Hudnell and Judge Womble on their retirement and service to Richland County.

**Resolution honoring Mrs. Donnella Brown Wilson her extraordinary life [ROSE]** – Mr. Rose presented Mrs. Donnella Brown Wilson with a resolution honoring her extraordinary life.

**POINT OF PERSONAL PRIVILEGE** – Mr. Pearce recognized that Dr. Lonnie Randolph was in the audience.

**POINT OF PERSONAL PRIVILEGE** – Mr. Washington recognized that Commissioner Wilbert Lewis from the Recreation Commission was in the audience.

**Resolution honoring Bob Arial for his upstanding civic work and his one of a kind historical and cultural contributions to our community [ROSE]** – Mr. Rose presented Mr. Bob Arial honoring his upstanding civic work and his one-of-a-kind historical and cultural contributions to the community.

## APPROVAL OF MINUTES

**Regular Session: October 4, 2011** – Mr. Malinowski moved, seconded by Ms. Hutchinson, to reconsider the following item: “Condemnation of Private Property for Use as a Drainage Easement.” The vote in favor was unanimous.

Mr. Malinowski moved, seconded by Ms. Hutchinson, to pay the landowner \$600 requested for the property. The vote in favor was unanimous.

Mr. Pearce moved, seconded by Ms. Hutchinson, to approve the minutes as amended. The vote in favor was unanimous.

## ADOPTION OF AGENDA

Mr. Smith stated that the Personnel Matter needed to be removed and an additional Potential Litigation item needed to be added under the Report of the Attorney for Execution Session Items.

Mr. Livingston stated that Recreation Commission Meeting and Clerk's Office Organization Committee needed to be added under the Report of the Chairman.

Mr. Malinowski moved, seconded by Mr. Jackson, to adopt the agenda as amended. The vote in favor was unanimous.

## **REPORT OF THE COUNTY ATTORNEY FOR EXECUTIVE SESSION MATTERS**

### **a. Potential Litigation—2**

#### **CITIZENS' INPUT**

Mr. Manning moved, seconded by Mr. Washington, to allow the citizen to speak. The vote in favor was unanimous.

Virginia Sanders spoke regarding the Caughman Creek Property Feasibility Study.

Mr. Rose moved, seconded by Mr. Manning, to allow the citizen that signed up to speak during the Citizens Input – "Must Pertain to Items Not on the Agenda" to speak during the first Citizens Input. The vote in favor was unanimous.

Ms. Allie Moon spoke regarding the issue of bath salts.

## **REPORT OF THE COUNTY ADMINISTRATOR**

- a. EECBG Update** – Mr. Pope stated that the lighting project has been underway at 2020 Hampton Street and the project team has been meeting to further discuss the remaining grant funds for lighting. Phase I is projected to finish in February 2012 and Phase II will begin at that time. Phase II will fund the remainder of the 2020 complex including LED exit signs, the garage and outdoor lighting. Additional incentives are available through SCE&G's Energy Wise program that the County will be looking into and applying for.
- b. Eastover Water-Sewer Negotiations Update** – Mr. Pope stated that staff met with Eastover's legal counsel and that Eastover is to forward a proposal before Thanksgiving. Council will be updated as information is available.
- c. Business Services Reform Task Force Update** – Mr. Pope stated that the public forum was held Monday, October 17. The next meeting date of the Business Services Reform Task Force will be forwarded to Council.
- d. 2012 Retreat: January 26-27, 2012** – The 2012 Council Retreat has been scheduled for January 26-27, 2012. The location will be determined.

- e. **Fire Ad Hoc Committee Update** – Mr. Pope stated that the meeting was rescheduled for October 24, 2011 at 4:00 p.m.
- f. **Regional Recreation Complex Ad Hoc Committee** – Ms. Ancheta stated that the Committee has requested the consultant prepare a scope of services for the next phase of the project. The next meeting will be held Tuesday, November 1 at 3:30 p.m. The information that was distributed the Committee members at the meeting on October 17<sup>th</sup> will be forwarded to full Council.

#### REPORT OF THE CLERK OF COUNCIL

No report was given.

#### REPORT OF THE CHAIRMAN

- a. **Recreation Commission Meeting** – Mr. Livingston requested that Council members forward proposed meeting dates to the Clerk's Office.
- b. **Clerk's Office Organization Committee** – Mr. Livingston stated that Mr. Pearce, Mr. Manning, Ms. Dickerson and Mr. Jeter have been appointed to this committee.

#### PRESENTATION

**CMRTA Update** – Ms. Heizer gave a brief update on the CMRTA. They have hired an outside accountant to complete agreed upon procedures; restructuring of the Board is currently underway; and 4 potential Executive Director candidates have been identified, but this search has temporarily been placed on hold because of ongoing discussions with Veolia.

#### PUBLIC HEARINGS

- **An Ordinance Amending Section 12 of the Fiscal Year 2011-2012 Annual Budget Ordinance** – No one signed up to speak.
- **An Ordinance Authorizing Certain Economic Incentives, including payment of a fee in lieu of property taxes and other related matters, pursuant to a fee agreement between Richland County, South Carolina, and Sensor Electronic Technology, Inc., pursuant to Title 12, Chapter 44, Code of Laws of South Carolina, 1976, as amended; and other related matters** – No one signed up to speak.

## APPROVAL OF CONSENT ITEMS

- An Ordinance Amending Section 12 of the Fiscal Year 2011-2012 Annual Budget Ordinance [THIRD READING]
- 11-11MA, Dan Douglas, RU to GC (2.50 Acres), Hwy. 76, 01506-01-08 [THIRD READING]
- 11-12MA, Edward Holcombe, PDD to GC (2.26 Acres), 1016 Rauch Metz Rd., 02505-02-09/14 [THIRD READING]
- 11-13MA, Fred Gantt, III, RM-MD to LI (4.40 Acres), Simmons St., 11115-01-01/02/03/04/05/06/07 [THIRD READING]
- 11-16MA, Margaret Smith, RM-HD to NC (0.414 Acres), 6624 Shakespeare Rd., 14215-09-08 [THIRD READING]
- 11-17MA, Josh Williamson, Margaret Grimsley, RM-MD to GC (1.0 Acres), 1840 Bluff Rd., 11115-05-05(p) [THIRD READING]
- An Ordinance Amending the Richland County Code of Ordinances; Chapter 26, Land Development; Article VII, General Development, Site, and Performance Standards; Section 26-173, Off-Street Parking Standards; Section (D), Design of Parking Areas; Paragraph (4), Accessible Spaces; so as to comply with ADA Access Requirements [THIRD READING]
- An Ordinance Authorizing Certain Economic Incentives, including payment of a fee in lieu of property taxes and other related matters, pursuant to a fee agreement between Richland County, South Carolina, and Sensor Electronic Technology, Inc., pursuant to Title 12, Chapter 44, Code of Laws of South Carolina, 1976, as amended; and other related matters [THIRD READING]
- An Ordinance Authorizing (1) the execution and delivery of a fee in lieu of tax and incentive agreement between Richland County, South Carolina (the "County") and Pure Power Technologies, LLC, acting for itself, one or more affiliates or other project sponsors (the "Company"), in connection with the expansion of certain facilities in the County (the "Expansion Project"); (2) the County to covenant in such agreement to accept certain negotiated fees in lieu of ad valorem taxes with respect to the Expansion Project; (3) special source credits to reimburse the Company for a portion of certain costs incurred in connection with the Expansion Project; (4) the benefits of a multi-county park to be made available to the Company and the

- **Expansion Project; and (5) other matters relating thereto [SECOND READING]**

Mr. Washington moved, seconded by Mr. Malinowski, to approve the consent items. The vote in favor was unanimous.

### THIRD READING

**An Ordinance Amending the Richland County Code of Ordinances; Chapter 26, Land Development; Article X, Subdivision Regulations; so as to add a new section that permits private road subdivisions in the RU (Rural) Zoning Districts** – Mr.

Manning moved, seconded by Mr. Pearce, to approve this item. A discussion took place.

Mr. Washington made a substitute motion, seconded by Mr. Jackson, to require a 50-foot right-of-way and remove the hold harmless agreement. A discussion took place.

Mr. Washington withdrew his substitute motion.

Mr. Washington made a substitute motion, seconded by Mr. Jackson, to require a 50-foot right-of-way and remove the hold harmless, but to divide the question. A discussion took place.

Ms. Hutchinson made a second substitute motion, seconded by Ms. Dickerson, to allow a 50-foot right-of-way and include the hold harmless agreement. A discussion took place.

Mr. Washington moved, seconded by Mr. Jackson, to call for the question.

<b><u>For</u></b>	<b><u>Against</u></b>	<b><u>Not Present</u></b>
Pearce	Malinowski	Manning
Jackson	Hutchinson	
Rose	Jeter	
Washington	Livingston	
	Dickerson	
	Kennedy	

The call for the question failed.

<u>For</u>	<u>Against</u>
Pearce	Livingston
Malinowski	Jackson
Hutchinson	Manning
Jeter	Washington
Dickerson	
Kennedy	
Rose	

The vote was in favor of the second substitute motion.

## SECOND READING

**An Ordinance Amending the Fiscal Year 2011-2012 Neighborhood Improvement and Community Development Fund Annual Budgets to appropriate \$48,641 of Neighborhood Improvement Undesignated Fund Balance for transfer to the Community Development Fund for the CDBG and HOME administrative shortfall** – Mr. Pearce moved, seconded by Mr. Jeter, to approve this item. The vote in favor was unanimous.

## REPORT OF ECONOMIC DEVELOPMENT COMMITTEE

**Authorizing An Amendment to the Master Agreement governing the I-77 Corridor Regional Industrial Park by and between Richland County, South Carolina, and Fairfield County, South Carolina, to expand the boundaries of the park to include certain real property located in Richland County and related to Project Cyrus; and other related matters [FIRST READING]** – Mr. Washington stated that the committee recommended approval of this item. The vote in favor was unanimous.

**An Ordinance Authorizing a deed to Cohn & Cohn Investments, LLC, for approximately 4.94 acres of land constituting a portion of Richland County TMS # 25800-04-01 [FIRST READING]** – Mr. Washington stated that the committee recommended approval of this item. The vote in favor was unanimous.

## REPORT OF RULES AND APPOINTMENTS COMMITTEE

### I. NOTIFICATION OF APPOINTMENTS

- a. **Midlands Workforce Development Board—5** – Mr. Malinowski stated that the committee recommended appointing Mr. Allen Carter, Mr. Vann Gunter, Mr. David Prigg, Ms. Julia Lawson, and Ms. Jeri Boysia. The vote in favor was unanimous.

## II. DISCUSSION FROM RULES AND APPOINTMENTS

- a. **When speaking during the citizens' input portion of council meetings, persons currently serving on Richland County Commissions of any kind are not allowed to use their title or the commission name unless they have received unanimous consent from the commission to do so** – Mr. Malinowski stated that this item was held in committee.

b. **CMRTA Nominees for Appointment:**

Mr. Pearce, Ms. Hutchinson, Mr. Livingston, Mr. Manning, Mr. Rose, Mr. Washington, and Mr. Jackson voted for Mr. James "Mac" McCauley.

Mr. Pearce, Mr. Malinowski, Mr. Jackson, Ms. Dickerson, and Mr. Manning voted for Mr. Peter McDermott.

There were no votes for Adel "Butch" Bailey.

Mr. Malinowski, Mr. Jeter and Ms. Dickerson voted for William "Bill" DuBard.

Ms. Hutchinson, Mr. Jeter, Mr. Livingston, Mr. Rose and Mr. Washington voted for Ms. Jennifer Harding.

There was a tie vote for Mr. McDermott and Ms. Harding; therefore, a runoff vote was taken.

Mr. Pearce, Mr. Malinowski, Mr. Jackson and Mr. Manning voted for Mr. McDermott.

Ms. Hutchinson, Mr. Jeter, Mr. Livingston, Ms. Dickerson, Ms. Kennedy, Mr. Rose and Mr. Washington voted for Ms. Harding.

Mr. James "Mac" Bennett and Ms. Jennifer Harding were appointed to the CMRTA Board. In addition, Mr. Livingston appointed Mr. Washington to the CMRTA Board.

## OTHER ITEMS

**Caughman Property Feasibility Study** – Mr. Jackson moved, seconded by Mr. Washington, to direct the Administrator execute the contract immediately after reviewing the feasibility study paid for by the seller. A discussion took place.

Ms. Hutchinson made a substitute motion, seconded by Mr. Rose, to direct the Administrator to proceed with the feasibility study. A discussion took place.

Ms. Dickerson moved, seconded by Ms. Kennedy, to call for the question. The vote in favor was unanimous.

The vote in favor of the substitute motion was unanimous.

**CMRTA IGA Ratification** – Mr. Manning moved, seconded by Mr. Washington, to approve this item.

Ms. Dickerson made a substitute motion, seconded by Mr. Malinowski, to defer this item.

<b><u>For</u></b>	<b><u>Against</u></b>
Malinowski	Pearce
Jackson	Jeter
Hutchinson	Livingston
Dickerson	Manning
Kennedy	Rose
	Washington

The motion for deferral failed.

Mr. Washington made a substitute motion, seconded by Mr. Livingston, to approve this item and request that the City of Columbia to identify \$25,000 from another fund instead of taking the \$25,000 from the operating budget.

Mr. Jackson made a second substitute motion, seconded by Ms. Dickerson, to approve the item without the \$25,000 provision. A discussion took place.

Mr. Jeter moved, seconded by Mr. Jackson, to call for the question. The vote in favor was unanimous.

<b><u>For</u></b>	<b><u>Against</u></b>
Malinowski	Pearce
Jackson	Jeter
Hutchinson	Livingston
Dickerson	Manning
Kennedy	Rose
	Washington

The second substitute motion failed.

<u>For</u>	<u>Against</u>
Pearce	Malinowski
Jeter	Jackson
Livingston	Hutchinson
Dickerson	Kennedy
Manning	
Rose	
Washington	

The vote was in favor of the substitute motion.

### CITIZEN'S INPUT

No one spoke.

### EXECUTIVE SESSION

=====  
Council went into Executive Session at approximately 8:42 p.m. and came out at approximately 8:54 p.m.  
=====

- a. **Potential Litigation** – No action was taken.
- b. **Potential Litigation** – Mr. Washington moved, seconded by Mr. Rose, to direct the Attorney to proceed as discussed in Executive Session. The vote in favor was unanimous.

### MOTION PERIOD

**Richland County should standardize reimbursement practices for all County grant programs to allow grantees to draw down grant funds up front. Currently, County grant programs are administered in different ways—some allowing up front draw downs, others are on a reimbursement basis. All grantees are held responsible for spending and reporting on County funds according to program grant guidelines, rules and regulations. Grantees who do not follow these rules and regulations jeopardize receiving funds from the County in the future.**  
**[WASHINGTON]** – This item was referred to the A&F Committee.

**In order to ensure that Richland County can better recruit and retain qualified Sheriff's Deputy's in this region, I hereby move that the Council increase the current pay for deputies commensurate with the pay for Lexington County**  
**[MANNING & JACKSON]** – This item was referred to the A&F Committee.

**I would like to make a motion base the historical, recent agreement and amendment regarding Richland County's participation with Central Midlands Regional Transit Authority (CMRTA) as well as the City of Columbia of which I am**

**including for your review to pursue the procedures process to dissolve the CMRTA as it is currently known and transfer all operational, administrative and managerial ownership to the City of Columbia; whereby the public transportation system will be known as the City of Columbia Metropolitan Transit Authority. And that Richland County be allowed to purchase services based on the needs of the unincorporated area [DICKERSON AND JACKSON]** – This item was referred to the D&S Committee.

### ADJOURNMENT

The meeting adjourned at approximately 8:56 p.m.

\_\_\_\_\_  
Paul Livingston, Chair

\_\_\_\_\_  
Damon Jeter, Vice-Chair

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Gwendolyn Davis Kennedy

\_\_\_\_\_  
Joyce Dickerson

\_\_\_\_\_  
Valerie Hutchinson

\_\_\_\_\_  
Norman Jackson

\_\_\_\_\_  
Bill Malinowski

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Jim Manning

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L. Gregory Pearce, Jr.

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Seth Rose

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Kelvin E. Washington, Sr.

The minutes were transcribed by Michelle M. Onley

# Richland County Council Request of Action

**Subject**

Zoning Public Hearing: October 25, 2011 [PAGES 20-22]

## MINUTES OF



### RICHLAND COUNTY COUNCIL ZONING PUBLIC HEARING TUESDAY, OCTOBER 25, 2011 7:00 p.m.

*In accordance with the Freedom of Information Act, a copy of the agenda was sent to radio and TV stations, newspapers, persons requesting notification, and was posted on the bulletin board located in the lobby of the County Administration Building.*

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#### **MEMBERS PRESENT:**

Vice Chair     Damon Jeter  
Member        Joyce Dickerson  
Member        Valerie Hutchinson  
Member        Norman Jackson  
Member        Gwendolyn Davis Kennedy  
Member        Bill Malinowski  
Member        L. Gregory Pearce, Jr.  
Member        Seth Rose  
Member        Kelvin E. Washington, Sr.

Absent         Paul Livingston

**OTHERS PRESENT:** Amelia Linder, Sparty Hammett, Holland Leger, Brian Cook, Tommy DePage, Tiaa Rutherford, Geo Price, Milton Pope, Larry Smith, Stephany Snowden, Tamara King, Melinda Edwards, Gary Baum, Lillian McBride, Monique Walter, Michelle Onley

#### **CALL TO ORDER**

The meeting was called to order at approximately 7:04 p.m.

#### **ADDITIONS/DELETIONS TO AGENDA**

There were no additions or deletions.

## MAP AMENDMENT

**11-14MA, Ron Johnson, Longcreek Plantation, RU to RS-LD (4.91 Acres),  
Longtown Rd. East & Longtown Rd. West, 20500-05-02**

Mr. Jeter opened the floor to the public hearing.

The citizen chose not to speak at this time.

The floor to the public hearing was closed.

Ms. Dickerson moved, seconded by Mr. Washington, to give First Reading approval to this item. The vote in favor was unanimous.

**11-18MA, Adams Northeast AME Church, Kay Hightower, RU to GC (10.62 Acres),  
409 Longtown Rd., 17400-05-12/13/14/26**

Mr. Jeter opened the floor to the public hearing.

The citizens chose not to speak at this time.

The floor to the public hearing was closed.

Ms. Kennedy moved, seconded by Mr. Jackson, to give First Reading approval to this item. The vote in favor was unanimous.

**11-19MA, Walter & Nancy Smith, Kevin Steelman, RU to RS-MD (16.86 Acres),  
Rimer Pond Rd., 17700-02-07, 17700-02-09(p)**

Mr. Manning moved, seconded by Mr. Malinowski, to accept the applicant's withdrawal. The vote in favor was unanimous.

**POINT OF PERSONAL PRIVILEGE** – Ms. Dickerson recognized that Alex English was in the audience.

## TEXT AMENDMENT

**An Ordinance Amending the Richland County Code of Ordinances, Chapter 26,  
Land Development; Article X, Subdivision Regulations; Section 26-224, Division of  
Real Property to Heirs of a Decedent; so as to exempt certain subdivisions from  
road construction requirements**

Mr. Jeter opened the floor to the public hearing.

No one signed up to speak.

The floor to the public hearing was closed.

Mr. Washington moved, seconded by Ms. Dickerson, to give First Reading approval to this item.

<b><u>For</u></b>	<b><u>Against</u></b>
Pearce	Hutchinson
Malinowski	Jeter
Jackson	Rose
Dickerson	
Manning	
Kennedy	
Washington	

The vote was in favor.

### **PRESENTATION**

Mr. Joe Minicozzi, with Public Interest Project, a company from Asheville, North Carolina, gave a PowerPoint presentation on "The Economics of Land Use: A Case Study of Richland County."

### **ADJOURNMENT**

The meeting adjourned at approximately 7:40 p.m.

Submitted respectfully by,

Paul Livingston  
Chair

The minutes were transcribed by Michelle M. Onley

# Richland County Council Request of Action

**Subject**

Special Called Meeting: October 25, 2011 [**PAGES 24-25**]

# MINUTES OF



## RICHLAND COUNTY COUNCIL SPECIAL CALLED MEETING TUESDAY, OCTOBER 25, 2011 IMMEDIATELY FOLLOWING ZONING PUBLIC HEARING

*In accordance with the Freedom of Information Act, a copy of the agenda was sent to radio and TV stations, newspapers, persons requesting notification, and was posted on the bulletin board located in the lobby of the County Administration Building.*

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### MEMBERS PRESENT:

Vice Chair	Damon Jeter
Member	Joyce Dickerson
Member	Gwendolyn Davis Kennedy
Member	Valerie Hutchinson
Member	Norman Jackson
Member	Bill Malinowski
Member	Jim Manning
Member	L. Gregory Pearce, Jr.
Member	Seth Rose
Member	Kelvin Washington
Absent	Paul Livingston

**OTHERS PRESENT** – Milton Pope, Tony McDonald, Sparty Hammett, Roxanne Ancheta, Larry Smith, Stephany Snowden, Brenda Carter, Buddy Atkins, Kecia Lara, Geo Price, Gary Baum, Lillian McBride, Monique Walters, Michelle Onley

### CALL TO ORDER

The meeting was called to order at approximately 7:45 p.m.

### ITEMS FOR ACTION

**Amicus Brief—GOP Primaries** – Mr. Pearce moved, seconded by Mr. Malinowski, to approve this item. The vote in favor was unanimous.

**EXECUTIVE SESSION**

=====  
**Council went into Executive Session at approximately 6:49 p.m. and came out at approximately 7:54 p.m.**  
=====

**SCE&G Intervention** – Ms. Kennedy moved, seconded by Ms. Dickerson, to authorize the Administrator, County Attorney, Dr. James “Buddy” Atkins, and outside counsel to respond to offer and negotiate with SCE&G as discussed in Executive Session. The vote in favor was unanimous.

**ADJOURNMENT**

The meeting adjourned at approximately 8:43 p.m.

\_\_\_\_\_  
Paul Livingston, Chair

\_\_\_\_\_  
Damon Jeter, Vice-Chair

\_\_\_\_\_  
Gwendolyn Davis Kennedy

\_\_\_\_\_  
Joyce Dickerson

\_\_\_\_\_  
Valerie Hutchinson

\_\_\_\_\_  
Norman Jackson

\_\_\_\_\_  
Bill Malinowski

\_\_\_\_\_  
Jim Manning

\_\_\_\_\_  
L. Gregory Pearce, Jr.

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Seth Rose

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Kelvin E. Washington, Sr.

The minutes were transcribed by Michelle M. Onley

# Richland County Council Request of Action

**Subject**

- a. Pending Litigation [**OUTSIDE COUNSEL**]
- b. SCE&G Intervention [**OUTSIDE COUNSEL**]

# Richland County Council Request of Action

**Subject**

For Items on the Agenda Not Requiring a Public Hearing

# Richland County Council Request of Action

**Subject**

- a. Business Service Reform Task Force
- b. SCE&G Intervention
- c. Presentation of Budget Book

# Richland County Council Request of Action

**Subject**

- a. Richland Memorial Hospital's Annual Luncheon, November 29th, 12 noon-1 p.m., Bagnal Board Room
- b. November and December Meeting Schedule

# Richland County Council Request of Action

## **Subject**

- a. Authorizing an Amendment to the Master Agreement governing the I-77 Corridor Regional Industrial Park by and between Richland County, South Carolina, and Fairfield County, South Carolina, to expand the boundaries of the park to include certain real property located in Richland County, and related matters
  
- b. An Ordinance Amending the Fiscal Year 2011-2012 Neighborhood Improvement and Community Development Fund Annual Budgets to appropriate \$48,641 of Neighborhood Improvement Undesignated Fund Balance for transfer to the Community Development Fund for the CDBG and HOME administrative shortfall
  
- c. An Ordinance Authorizing (1) the execution and delivery of a fee in lieu of tax and incentive agreement between Richland County, South Carolina (the "County") and Pure Power Technologies, LLC, acting for itself, one or more affiliates or other project sponsors (the "Company"), in connection with the expansion of certain facilities in the County (the "Expansion Project"); (2) the County to covenant in such agreement to accept certain negotiated fees in lieu of ad valorem taxes with respect to the Expansion Project; (3) special source credits to reimburse the Company for a portion of certain costs incurred in connection with the Expansion Project; (4) the benefits of a multi-county park to be made available to the Company and the Expansion Project; and (5) other matters relating thereto

# Richland County Council Request of Action

## **Subject**

Authorizing an Amendment to the Master Agreement governing the I-77 Corridor Regional Industrial Park by and between Richland County, South Carolina, and Fairfield County, South Carolina, to expand the boundaries of the park to include certain real property located in Richland County, and related matters [**THIRD READING**] [**PAGES 33-42**]

## **Notes**

First Reading: September 20, 2011

Second Reading: October 4, 2011

Third Reading:

Public Hearing:

STATE OF SOUTH CAROLINA  
COUNTY COUNCIL FOR RICHLAND COUNTY  
ORDINANCE NO. []

AUTHORIZING AN AMENDMENT TO THE MASTER AGREEMENT GOVERNING THE I-77 CORRIDOR REGIONAL INDUSTRIAL PARK BY AND BETWEEN RICHLAND COUNTY, SOUTH CAROLINA, AND FAIRFIELD COUNTY, SOUTH CAROLINA, TO EXPAND THE BOUNDARIES OF THE PARK TO INCLUDE CERTAIN REAL PROPERTY LOCATED IN RICHLAND COUNTY; AND RELATED MATTERS.

WHEREAS, to promote the economic welfare of its citizens by providing employment and other benefits, Richland County, South Carolina (“Richland”) and Fairfield County, South Carolina (“Fairfield” and with Richland, “Counties”), are authorized under Article VIII, Section 13 of the South Carolina Constitution and Section 4-1-170 of the Code of Laws of South Carolina, 1976, as amended (“Act”) jointly to develop an industrial or business park in the geographical boundaries of one or more of the member counties;

WHEREAS, on April 15, 2003, the Counties entered into an agreement entitled “Master Agreement Governing the I-77 Corridor Regional Industrial Park” (“Master Agreement”), the provisions of which replaced all existing Phase Agreements and now govern the operation of the Park;

WHEREAS, to further economic development in the corporate limits of the City of Columbia, South Carolina (“City”), the City desires that the Counties expand the boundaries of the Park to include property located in Richland and described on the attached Exhibit A (“Property”); and

WHEREAS, the City desires to enter into an agreement with Richland relating to the distribution of fees-in-lieu of tax paid on behalf of the Property to the City, a copy of which is attached as Exhibit B (“Intergovernmental Agreement”).

NOW, THEREFORE, BE IT ORDAINED BY THE RICHLAND COUNTY COUNCIL:

**Section 1.** Pursuant to Section 3a of the Master Agreement, the Master Agreement is amended to include the Property in the Park, the legal description of which is attached as Exhibit A.

**Section 2.** The Intergovernmental Agreement is approved, and the Chairman, the County Administrator, the Clerk are each authorized and directed to execute and deliver the Intergovernmental Agreement, in substantially the form approved, together with additions, modifications and changes as are both: (a) not materially adverse to the County; and (b) approved, with the advice of counsel, with the approval being evinced by the execution and delivery of the final form of the Intergovernmental Agreement.

**Section 3.** The Chairman, the County Administrator, the Clerk, and the County Attorney are each authorized and directed to execute and deliver any documents and take any further actions as may be reasonably necessary to further the intent of this Ordinance.

**Section 4.** If any part of this Ordinance is unenforceable, then the remainder is unaffected.

**Section 5.** Any ordinance, resolution or order, the terms of which conflict with this Ordinance, is, only to the extent of that conflict, repealed.

**Section 6.** This Ordinance is effective after third and final reading.

RICHLAND COUNTY COUNCIL

By: \_\_\_\_\_  
Paul Livingston, Chair

(SEAL)

Attest this \_\_\_\_\_ day of  
\_\_\_\_\_, 2011

\_\_\_\_\_  
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:  
Second Reading:  
Public Hearing:  
Third Reading:

**EXHIBIT A**  
**LEGAL DESCRIPTION OF PROPERTY**

All that certain piece, parcel or lot of land, with improvements thereon, if any, situate, lying and being in Richland County, South Carolina, and being shown and designated as 132.284 acres, more or less, on a boundary survey prepared for Saro Properties, a Partnership, by B.P. Barber and Associates, Inc., dated October 13, 2005, revised on October 25, 2005, and recorded in Plat Book 1115, at page 2282.

This being a portion of the property conveyed to Halifax Properties, LLC by deed of Saro Properties, dated October 28, 2005, and recorded October 31, 2005, in Deed Book 1115, at page 2286.

Richland County Tax Map No. 16200-04-18

**EXHIBIT B**  
**INTERGOVERNMENTAL AGREEMENT**



("Taxing Districts") that would otherwise levy tax millage on the properties located in the Richland County portion of the Park, if the properties were not located in the Park;

WHEREAS, Section 3.03(b) of the Park Agreement provides that Richland County may unilaterally amend the distribution of Revenues set forth in Section 3.03(a) of the Park Agreement by passage of an ordinance; and

WHEREAS, pursuant to Section 3.03(b) of the Park Agreement and pursuant to Ordinance No. [], enacted by the County Council on [], 2011, the County has agreed to amend the distribution of Revenues to the Taxing Districts as more particularly set forth in this Agreement, but only with respect to the Revenues paid by or on behalf of properties located on the Property ("Property Revenues").

NOW, THEREFORE, on the basis of the premises and mutual covenants contained in this Agreement, the sufficiency of which consideration is acknowledged, Richland County and the City agree:

1. City Consent to Inclusion of Property in the Park. At execution and delivery of this Agreement by the City and Richland County, the City affirms its consent to the inclusion of the Property in the Park.

2. Distribution of Property Revenues. Property Revenues shall be annually distributed as follows:

(a) One percent (1%) of the Property Revenues shall be distributed to Fairfield County in accordance with the procedures set forth in the Park Agreement;

(b) Of the remaining ninety-nine percent (99%) of the Property Revenues, Richland County shall distribute to the City not less than its proportionate share of the Property Revenues (calculated based upon the City's percentage of millage levied on the Property, compared to the total millage levied by all Taxing Districts on the Property in the applicable property tax year). Richland County shall distribute to the City the City's portion of the Property Revenues as calculated herein in accordance with Richland County's normal procedure for the distribution of tax revenues of Taxing Districts for which Richland County is responsible for collecting tax revenues. Richland County is entitled to discontinue making the distribution referenced in the previous sentence after the earlier of: (i) the sum of the distributions to the City related to the Property equals \$1,250,000; and (ii) five years from the effective date of this Agreement.

(c) Remaining Property Revenues (after distribution to Fairfield County and to the City, as set forth in Sections 2(a) and 2(b) above, respectively), may be distributed in the manner set forth, from time to time, by ordinance of Richland County.

3. Removal of Property from the Park. Unless requested or consented to by ordinance of the City, Richland County shall not: (a) take any affirmative action to remove the Property from the Park, (b) consent to the removal of the Property from the Park, (c) terminate the Park Agreement; or (d) enact an ordinance or take any other action to provide for a distribution of the City's portion of the Property Revenues contrary to the methodology set forth in Section 2 of this Agreement.

4. Binding Effect of Agreement. This Agreement serves as a written instrument, which is binding upon the City and Richland County.

4. Severability. In the event and to the extent (and only to the extent) that any provision or any part of a provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable the remainder of that provision or any other provision or part of a provision of this Agreement.

5. Complete Agreement; Amendment. This Agreement constitutes the entire agreement between the parties with respect to the Agreement's subject matter and supersedes all agreements, representations, warranties, statements, promises and understandings, whether oral or written, with respect to the subject matter hereof, and neither party shall be bound by any oral or written agreements, statements, promises, or understandings not specifically set forth in this Agreement. This Agreement may only be amended upon the enactment of ordinances by both the City and Richland County, and a written amendment hereto executed by authorized officers of both the City and Richland County.

6. Counterpart Execution. This Agreement may be executed in multiple counterparts.

7. Termination. This Agreement may not be terminated by either party hereto for a period of 30 years commencing with the later of the effective date of this Agreement or the effective date of the expansion of the boundaries of the Park to include the Property.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and the year first above written.

Witness:

RICHLAND COUNTY, SOUTH CAROLINA

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

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

Its: \_\_\_\_\_

Attest: \_\_\_\_\_

Clerk to County Council

Witness:

CITY OF COLUMBIA, SOUTH CAROLINA

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

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

Steven A. Gantt

Its: City Manager

Attest: \_\_\_\_\_

City Clerk

**EXHIBIT A**  
**MASTER AGREEMENT**  
**GOVERNING THE I-77 CORRIDOR REGIONAL INDUSTRIAL PARK**  
**DATED AS OF APRIL 15, 2003, AS AMENDED**

**EXHIBIT B**  
**LEGAL DESCRIPTION OF PROPERTY**

All that certain piece, parcel or lot of land, with improvements thereon, if any, situate, lying and being in Richland County, South Carolina, and being shown and designated as 132.284 acres, more or less, on a boundary survey prepared for Saro Properties, a Partnership, by B.P. Barber and Associates, Inc., dated October 13, 2005, revised on October 25, 2005, and recorded in Plat Book 1115, at page 2282.

This being a portion of the property conveyed to Halifax Properties, LLC by deed of Saro Properties, dated October 28, 2005, and recorded October 31, 2005, in Deed Book 1115, at page 2286.

Richland County Tax Map No. 16200-04-18

# Richland County Council Request of Action

## **Subject**

An Ordinance Authorizing (1) the execution and delivery of a fee in lieu of tax and incentive agreement between Richland County, South Carolina (the "County") and Pure Power Technologies, LLC, acting for itself, one or more affiliates or other project sponsors (the "Company"), in connection with the expansion of certain facilities in the County (the "Expansion Project"); (2) the County to covenant in such agreement to accept certain negotiated fees in lieu of ad valorem taxes with respect to the Expansion Project; (3) special source credits to reimburse the Company for a portion of certain costs incurred in connection with the Expansion Project; (4) the benefits of a multi-county park to be made available to the Company and the Expansion Project; and (5) other matters relating thereto  
**[THIRD READING] [PAGES 44-131]**

## **Notes**

First Reading: October 4, 2011  
Second Reading: October 18, 2011  
Third Reading:  
Public Hearing:

**RICHLAND COUNTY  
ORDINANCE**

AN ORDINANCE AUTHORIZING (1) THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT BETWEEN RICHLAND COUNTY, SOUTH CAROLINA (THE "COUNTY") AND PURE POWER TECHNOLOGIES, LLC, ACTING FOR ITSELF, ONE OR MORE AFFILIATES OR OTHER PROJECT SPONSORS (THE "COMPANY"), IN CONNECTION WITH THE EXPANSION OF CERTAIN FACILITIES IN THE COUNTY (THE "EXPANSION PROJECT"); (2) THE COUNTY TO COVENANT IN SUCH AGREEMENT TO ACCEPT CERTAIN NEGOTIATED FEES IN LIEU OF *AD VALOREM* TAXES WITH RESPECT TO THE EXPANSION PROJECT; (3) SPECIAL SOURCE CREDITS TO REIMBURSE THE COMPANY FOR A PORTION OF CERTAIN COSTS INCURRED IN CONNECTION WITH THE EXPANSION PROJECT; (4) THE BENEFITS OF A MULTI-COUNTY PARK TO BE MADE AVAILABLE TO THE COMPANY AND THE EXPANSION PROJECT; AND (5) OTHER MATTERS RELATING THERETO.

WHEREAS, Richland County, South Carolina (the "County"), acting by and through its County Council (the "Council"), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended through the date hereof (the "Code"), particularly Title 12, Chapter 44 of the Code (the "Negotiated FILOT Act") and Title 4, Chapter 1 of the Code (the "Multi-County Park Act" or, as to Section 4-1-175 thereof, and Section 4-29-68 of the Code by incorporation, the "Special Source Act") (collectively, the "Act") and by Article VIII, Section 13 of the South Carolina Constitution: (i) to enter into agreements with certain investors to construct, operate, maintain, and improve certain projects through which the economic development of the State of South Carolina (the "State") will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ the manpower, agricultural products, and natural resources of the State; (ii) to covenant with such investors to accept certain fee in lieu of *ad valorem* tax ("FILOT") payments, including, without limitation, negotiated FILOT payments, with respect to a project; (iii) to permit investors to claim special source revenue credits against their FILOT payments ("Special Source Credits") to reimburse such investors for certain expenditures including, without limitation, those incurred in connection with infrastructure serving the County and improved or unimproved real estate used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the County ("Special Source Improvements"); and (iv) to create, in conjunction with one or more other counties, a multi-county industrial or business park ("Multi-County Park") in order to afford certain enhanced income tax credits to such investors and facilitate the grant of Special Source Credits; and

WHEREAS, Pure Power Technologies, LLC, a limited liability company existing under the laws of Delaware, and previously known to the County as Project Cyrus, acting for itself, one or more affiliates or other project sponsors (the "Company") proposes to establish and/or expand certain manufacturing, research and development, and related facilities at multiple sites in the

County (the “Expansion Project”), and the Company anticipates that, should its plans proceed as expected, it will invest, or cause to be invested, at least \$25,000,000 in the Expansion Project and will create, or cause to be created, at least 150 new jobs in the County, by the end of the Compliance Period (as defined below); and

WHEREAS, the County has determined, *inter alia*, that the Expansion Project would subserve the purposes of the Act and would be directly and substantially beneficial to the County, the taxing entities of the County and the citizens and residents of the County due to the jobs created, or caused to be created, and the investment made, or caused to be made, by the Company, which contribute to the tax base and the economic welfare of the County; and

WHEREAS, in accordance with such findings and determinations, and in order to induce the Company to undertake the Expansion Project in the County, the County adopted a resolution on October 4, 2011 (the “Inducement Resolution”) whereby the County agreed to provide FILOT, multi-county industrial or business park, and special source credit benefits and other incentives, which are set forth in greater detail herein and in the form of the Fee in Lieu of Tax and Incentive Agreement (the “Incentive Agreement”) presented to this meeting, which Incentive Agreement is to be dated, as of October 30, 2011, or such other date as may be agreed to by the parties; and

WHEREAS, it appears that the Incentive Agreement now before this meeting is in appropriate form and is an appropriate instrument to be executed and delivered by the County for the purposes intended.

NOW, THEREFORE, BE IT ORDAINED by the Council, as follows:

Section 1. The findings and determinations set forth in the Inducement Resolution are hereby ratified and confirmed except as otherwise specifically modified by this Ordinance and Incentive Agreement. In the event of any disparity or ambiguity, the terms of this Ordinance and the Incentive Agreement shall control. Capitalized terms used and not otherwise defined herein shall have the means ascribed thereto in the Incentive Agreement. In accordance with Section 12-44-40(I) of the Negotiated FILOT Act, the County make the following findings and determinations:

- (a) The Expansion Project will constitute a “project” within the meaning of the Negotiated FILOT Act; and
- (b) The Expansion Project, and the County’s actions herein, will subserve the purposes of the Negotiated FILOT Act; and
- (c) The Expansion Project is anticipated to benefit the general public welfare of the State and the County by providing services, employment, recreation, or other public benefits not otherwise adequately provided locally; and
- (d) The Expansion Project gives rise to no pecuniary liability of the County or incorporated municipality or a charge against its general credit or taxing power; and

(e) The purposes to be accomplished by the Expansion Project are proper governmental and public purposes; and

(f) The benefits of the Expansion Project to the County are greater than the costs to the County.

## Section 2.

(a) The County hereby agrees to enter into the Incentive Agreement, which Incentive Agreement shall be a fee agreement pursuant to the Negotiated FILOT Act, with the Company whereby the Company will agree (i) to invest, or cause to be invested, at least \$25,000,000 with respect to the Expansion Project (the “Minimum Contractual Investment Requirement”) during the period commencing with the date of the initial expenditure with respect to the Expansion Project, whether before or after the date of this Resolution, and ending on the fifth anniversary of the end of the property tax year in which the initial property comprising the Expansion Project is placed in service (the “Compliance Period”) and (ii) to create, or cause to be created, at least one hundred fifty (150) new jobs in the County during the period commencing on January 1, 2011 and ending at the expiration of the Compliance Period (the “Minimum Jobs Requirement”), and the County, under certain conditions to be set forth in the Incentive Agreement, will agree to accept negotiated fee in lieu of *ad valorem* tax payments with respect to the Expansion Project as set forth in **Section 2(c)** hereof (the “Expansion Project FILOT”). The Incentive Agreement shall contain such additional terms and conditions as set forth hereinafter, and as shall be mutually satisfactory to the County and the Company.

(b) Subject to the provisions of the Negotiated FILOT Act and the Incentive Agreement, the annual Expansion Project FILOT payments shall commence with respect to the property tax year in which the first Negotiated FILOT Property comprising a part of the Expansion Project is placed in service and shall continue for a period of twenty (20) years thereafter; provided that, if the Expansion Project is placed in service during more than one year, each year’s investment during the Compliance Period, or if such period is extended as set forth in the Incentive Agreement, during the Investment Period, shall be subject to the Expansion Project FILOT for a period of twenty (20) years.

(c) The Expansion Project FILOT shall be determined using: (1) an assessment ratio of 6%; (2) the lowest millage rate or rates allowed by the Negotiated FILOT Act, which, with respect to each portion of the Expansion Project, is the lower of (A) the cumulative property tax millage rate levied by, or on behalf of, all taxing entities within which such portion of the Expansion Project is located on June 30 of the year preceding the calendar year in which the Incentive Agreement is executed or (B) the cumulative property tax millage rate levied by, or on behalf of, all taxing entities within which such portion of the Expansion Project is located on June 30 of the calendar year in which the Incentive Agreement is executed, and which millage rate shall remain fixed for the term of the Expansion Project FILOT; (3) the fair market value of the Expansion Project, determined in accordance with the Negotiated FILOT Act; and (4) and such other terms and conditions as are specified in the Incentive Agreement.

Section 3. As an additional incentive to induce the Company to locate the Expansion Project within the County and as reimbursement for investment in certain Special Source Improvements, subject to the requirements of the Special Source Act, the County does hereby agree that the Company and each Co-Investor (each a “Claiming Entity”) shall be entitled to receive, and the County shall provide, Special Source Credits in a maximum aggregate amount of \$500,000 (the “Aggregate Available Credits”) and each Claiming Entity shall be entitled to receive Special Source Credits against each FILOT payment made by such Claiming Entity with respect to the Expansion Project, whether made pursuant to the Negotiated FILOT Act or the Multi-County Park Act, in an amount equal to fifty percent (50%) of each such FILOT Payment, for a period of up to five (5) years, commencing with the year for which the initial Negotiated FILOT payment is made under the Incentive Agreement, until the Aggregate Available Credits have been fully provided by the County; provided, however, that in determining the Special Source Credits with respect to the final year for which each Claiming Entity is entitled to receive the Special Source Credits, the applicable percentage shall be the highest percentage required, up to fifty percent (50%), for the County to fully provide all remaining Aggregate Available Credits. In accordance with the Special Source Act, the Special Source Credits authorized herein shall not, in the aggregate, exceed the aggregate cost of Special Source Improvements funded, or caused to be funded, from time to time in connection with the Expansion Project.

Section 4. The County will insure that the Expansion Project will be included, if not already included, and will remain, within the boundaries of a multi-county industrial or business park pursuant to the provisions of the Multi-County Park Act and Article VIII, Section 13 of the State Constitution on terms which provide for all jobs created at the Expansion Project during the period commencing on January 1, 2011 and ending at the expiration of the Compliance Period, or, if such period is extended as set forth in the Incentive Agreement, at the expiration of the Investment Period, any additional jobs creation tax credits afforded by the laws of the State for projects located within multi-county industrial or business parks and on terms which facilitate the Special Source Credits authorized by **Section 3** hereof.

Section 5. The County will use its best efforts to assist the Company in securing and processing grants and other funding for infrastructure and other qualifying expenditures in connection with the Expansion Project. The County and the Company are currently pursuing a grant from the State of \$250,000 to reimburse the Company for certain costs required for the Expansion Project.

Section 6. The provisions, terms, and conditions of the Incentive Agreement presented to this meeting and filed with the Clerk to Council, including, without limitation, the terms of each of the incentives set forth above, which are more fully described in the Incentive Agreement, are hereby approved, and all of the provisions, terms, and conditions thereof are hereby incorporated herein by reference as if the Incentive Agreement were set out in this Ordinance in its entirety. The Chair of the Council, or the Vice Chair of the Council in the event the Chair is absent, is hereby authorized, empowered, and directed to execute the Incentive Agreement in the name and on behalf of the County; the Clerk to the Council is hereby authorized and directed to attest the same; and the Chair of the Council, or the Vice Chair of the Council in the event the Chair is absent, is further authorized, empowered, and directed to deliver the Incentive Agreement to the Company.

Section 7. The Incentive Agreement is to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall not materially adversely affect the rights of the County thereunder and as shall be approved by the official or officials of the County executing the same, upon advice of legal counsel to the County, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the Incentive Agreement now before this meeting.

Section 8. The Chair of the Council, or the Vice Chair of the Council in the event the Chair is absent, and the County Administrator, for and on behalf of the County, are hereby each authorized, empowered, and directed to do any and all things necessary or proper to effect the performance of all obligations of the County under and pursuant to the Incentive Agreement and to carry out the transactions contemplated thereby and by this Ordinance.

Section 9. The provisions of this Ordinance are hereby declared to be separable and if any section, phrase, or provision shall for any reason be declared by a court of competent jurisdiction to be invalid, unconstitutional, or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions hereunder.

Section 10. All orders, ordinances, resolutions, and parts thereof in conflict herewith are to the extent of such conflict hereby repealed. This Ordinance shall be effective upon adoption of the Council.

[End of Ordinance]

Enacted in meeting duly assembled November 1, 2011.

RICHLAND COUNTY, SOUTH CAROLINA

---

Paul Livingston, Chair, County Council  
Richland County, South Carolina

[SEAL]

Attest:

By: \_\_\_\_\_  
Michelle Onley, Clerk to County Council  
Richland County, South Carolina

First Reading: October 4, 2011  
Second Reading: October 18, 2011  
Public Hearing: November 1, 2011  
Third Reading: November 1, 2011

<b>Summary Report:</b>	
<b>Litéra® Change-Pro ML 6.5.0.401 Document Comparison done on 10/27/2011 12:29:10 PM</b>	
<b>Style Name:</b> Default Style	
<b>Original Filename:</b> 2545816-v3-Ordinance -Project Cyrus - Richland County DOC.DOC	
<b>Original DMS:</b>	
<b>Modified Filename:</b>	
<b>Modified DMS:</b> iw://DMS/NPCOL1/2545816/4	
<b>Changes:</b>	
<a href="#">Add</a>	3
<del>Delete</del>	2
<del>Move From</del>	0
<del>Move To</del>	0
<del>Table Insert</del>	0
<del>Table Delete</del>	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
<b>Total Changes:</b>	<b>5</b>

**RICHLAND COUNTY  
ORDINANCE**

AN ORDINANCE AUTHORIZING (1) THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT BETWEEN RICHLAND COUNTY, SOUTH CAROLINA (THE "COUNTY") AND PURE POWER TECHNOLOGIES, LLC, ACTING FOR ITSELF, ONE OR MORE AFFILIATES OR OTHER PROJECT SPONSORS (THE "COMPANY"), IN CONNECTION WITH THE EXPANSION OF CERTAIN FACILITIES IN THE COUNTY (THE "EXPANSION PROJECT"); (2) THE COUNTY TO COVENANT IN SUCH AGREEMENT TO ACCEPT CERTAIN NEGOTIATED FEES IN LIEU OF *AD VALOREM* TAXES WITH RESPECT TO THE EXPANSION PROJECT; (3) SPECIAL SOURCE CREDITS TO REIMBURSE THE COMPANY FOR A PORTION OF CERTAIN COSTS INCURRED IN CONNECTION WITH THE EXPANSION PROJECT; (4) THE BENEFITS OF A MULTI-COUNTY PARK TO BE MADE AVAILABLE TO THE COMPANY AND THE EXPANSION PROJECT; AND (5) OTHER MATTERS RELATING THERETO.

WHEREAS, Richland County, South Carolina (the "County"), acting by and through its County Council (the "Council"), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended through the date hereof (the "Code"), particularly Title 12, Chapter 44 of the Code (the "Negotiated FILOT Act") and Title 4, Chapter 1 of the Code (the "Multi-County Park Act" or, as to Section 4-1-175 thereof, and Section 4-29-68 of the Code by incorporation, the "Special Source Act") (collectively, the "Act") and by Article VIII, Section 13 of the South Carolina Constitution: (i) to enter into agreements with certain investors to construct, operate, maintain, and improve certain projects through which the economic development of the State of South Carolina (the "State") will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ the manpower, agricultural products, and natural resources of the State; (ii) to covenant with such investors to accept certain fee in lieu of *ad valorem* tax ("FILOT") payments, including, without limitation, negotiated FILOT payments, with respect to a project; (iii) to permit investors to claim special source revenue credits against their FILOT payments ("Special Source Credits") to reimburse such investors for certain expenditures including, without limitation, those incurred in connection with infrastructure serving the County and improved or unimproved real estate used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the County ("Special Source Improvements"); and (iv) to create, in conjunction with one or more other counties, a multi-county industrial or business park ("Multi-County Park") in order to afford certain enhanced income tax credits to such investors and facilitate the grant of Special Source Credits; and

WHEREAS, Pure Power Technologies, LLC, a limited liability company existing under the laws of Delaware, and previously known to the County as Project Cyrus, acting for itself, one or more affiliates or other project sponsors (the "Company") proposes to establish and/or expand certain manufacturing, research and development, and related facilities at multiple sites in the

County (the “Expansion Project”), and the Company anticipates that, should its plans proceed as expected, it will invest, or cause to be invested, at least \$25,000,000 in the Expansion Project and will create, or cause to be created, at least 150 new jobs in the County, by the end of the Compliance Period (as defined below); and

WHEREAS, the County has determined, *inter alia*, that the Expansion Project would subserve the purposes of the Act and would be directly and substantially beneficial to the County, the taxing entities of the County and the citizens and residents of the County due to the jobs created, or caused to be created, and the investment made, or caused to be made, by the Company, which contribute to the tax base and the economic welfare of the County; and

WHEREAS, in accordance with such findings and determinations, and in order to induce the Company to undertake the Expansion Project in the County, the County adopted a resolution on October 4, 2011 (the “Inducement Resolution”) whereby the County agreed to provide FILOT, multi-county industrial or business park, and special source credit benefits and other incentives, which are set forth in greater detail herein and in the form of the Fee in Lieu of Tax and Incentive Agreement (the “Incentive Agreement”) presented to this meeting, which Incentive Agreement is to be dated, as of October 30, 2011, or such other date as may be agreed to by the parties; and

WHEREAS, it appears that the Incentive Agreement now before this meeting is in appropriate form and is an appropriate instrument to be executed and delivered by the County for the purposes intended.

NOW, THEREFORE, BE IT ORDAINED by the Council, as follows:

Section 1. The findings and determinations set forth in the Inducement Resolution are hereby ratified and confirmed except as otherwise specifically modified by this Ordinance and Incentive Agreement. In the event of any disparity or ambiguity, the terms of this Ordinance and the Incentive Agreement shall control. Capitalized terms used and not otherwise defined herein shall have the means ascribed thereto in the Incentive Agreement. In accordance with Section 12-44-40(I) of the Negotiated FILOT Act, the County make the following findings and determinations:

- (a) The Expansion Project will constitute a “project” within the meaning of the Negotiated FILOT Act; and
- (b) The Expansion Project, and the County’s actions herein, will subserve the purposes of the Negotiated FILOT Act; and
- (c) The Expansion Project is anticipated to benefit the general public welfare of the State and the County by providing services, employment, recreation, or other public benefits not otherwise adequately provided locally; and
- (d) The Expansion Project gives rise to no pecuniary liability of the County or incorporated municipality or a charge against its general credit or taxing power; and

(e) The purposes to be accomplished by the Expansion Project are proper governmental and public purposes; and

(f) The benefits of the Expansion Project to the County are greater than the costs to the County.

Section 2.

(a) The County hereby agrees to enter into the Incentive Agreement, which Incentive Agreement shall be a fee agreement pursuant to the Negotiated FILOT Act, with the Company whereby the Company will agree (i) to invest, or cause to be invested, at least \$25,000,000 with respect to the Expansion Project (the “Minimum Contractual Investment Requirement”) during the period commencing with the date of the initial expenditure with respect to the Expansion Project, whether before or after the date of this Resolution, and ending on the fifth anniversary of the end of the property tax year in which the initial property comprising the Expansion Project is placed in service (the “Compliance Period”) and (ii) to create, or cause to be created, at least one hundred fifty (150) new jobs in the County during the period commencing on January 1, 2011 and ending at the expiration of the Compliance Period (the “Minimum Jobs Requirement”), and the County, under certain conditions to be set forth in the Incentive Agreement, will agree to accept negotiated fee in lieu of *ad valorem* tax payments with respect to the Expansion Project as set forth in **Section 2(c)** hereof (the “Expansion Project FILOT”). The Incentive Agreement shall contain such additional terms and conditions as set forth hereinafter, and as shall be mutually satisfactory to the County and the Company.

(b) Subject to the provisions of the Negotiated FILOT Act and the Incentive Agreement, the annual Expansion Project FILOT payments shall commence with respect to the property tax year in which the first Negotiated FILOT Property comprising a part of the Expansion Project is placed in service and shall continue for a period of twenty (20) years thereafter; provided that, if the Expansion Project is placed in service during more than one year, each year’s investment during the Compliance Period, or if such period is extended as set forth in the Incentive Agreement, during the Investment Period, shall be subject to the Expansion Project FILOT for a period of twenty (20) years.

(c) The Expansion Project FILOT shall be determined using: (1) an assessment ratio of 6%; (2) the lowest millage rate or rates allowed by the Negotiated FILOT Act, which, with respect to each portion of the Expansion Project, is the lower of (A) the cumulative property tax millage rate levied by, or on behalf of, all taxing entities within which such portion of the Expansion Project is located on June 30 of the year preceding the calendar year in which the Incentive Agreement is executed or (B) the cumulative property tax millage rate levied by, or on behalf of, all taxing entities within which such portion of the Expansion Project is located on June 30 of the calendar year in which the Incentive Agreement is executed, and which millage rate shall remain fixed for the term of the Expansion Project FILOT; (3) the fair market value of the Expansion Project, determined in accordance with the Negotiated FILOT Act; and (4) and such other terms and conditions as are specified in the Incentive Agreement.

Section 3. As an additional incentive to induce the Company to locate the Expansion Project within the County and as reimbursement for investment in certain Special Source Improvements, subject to the requirements of the Special Source Act, the County does hereby agree that the Company and each Co-Investor (each a “Claiming Entity”) shall be entitled to receive, and the County shall provide, Special Source Credits in a maximum aggregate amount of \$500,000 (the “Aggregate Available Credits”) and each Claiming Entity shall be entitled to receive Special Source Credits against each FILOT payment made by such Claiming Entity with respect to the Expansion Project, whether made pursuant to the Negotiated FILOT Act or the Multi-County Park Act, in an amount equal to fifty percent (50%) of each such FILOT Payment, for a period of up to five (5) years, commencing with the year for which the initial Negotiated FILOT payment is made under the Incentive Agreement, until the Aggregate Available Credits have been fully provided by the County; provided, however, that in determining the Special Source Credits with respect to the final year for which each Claiming Entity is entitled to receive the Special Source Credits, the applicable percentage shall be the highest percentage required, up to fifty percent (50%), for the County to fully provide all remaining Aggregate Available Credits. In accordance with the Special Source Act, the Special Source Credits authorized herein shall not, in the aggregate, exceed the aggregate cost of Special Source Improvements funded, or caused to be funded, from time to time in connection with the Expansion Project.

Section 4. The County will insure that the Expansion Project will be included, if not already included, and will remain, within the boundaries of a multi-county industrial or business park pursuant to the provisions of the Multi-County Park Act and Article VIII, Section 13 of the State Constitution on terms which provide for all jobs created at the Expansion Project during the period commencing on January 1, 2011 and ending at the expiration of the Compliance Period, or, if such period is extended as set forth in the Incentive Agreement, at the expiration of the Investment Period, any additional jobs creation tax credits afforded by the laws of the State for projects located within multi-county industrial or business parks and on terms which facilitate the Special Source Credits authorized by **Section 3** hereof.

Section 5. The County will use its best efforts to assist the Company in securing and processing grants and other funding for infrastructure and other qualifying expenditures in connection with the Expansion Project. The County and the Company are currently pursuing a grant from the State of \$250,000 to reimburse the Company for certain costs required for the Expansion Project.

Section 6. The provisions, terms, and conditions of the Incentive Agreement presented to this meeting and filed with the Clerk to Council, including, without limitation, the terms of each of the incentives set forth above, which are more fully described in the Incentive Agreement, are hereby approved, and all of the provisions, terms, and conditions thereof are hereby incorporated herein by reference as if the Incentive Agreement were set out in this Ordinance in its entirety. The Chair of the Council, or the Vice Chair of the Council in the event the Chair is absent, is hereby authorized, empowered, and directed to execute the Incentive Agreement in the name and on behalf of the County; the Clerk to the Council is hereby authorized and directed to attest the same; and the Chair of the Council, or the Vice Chair of the Council in the event the Chair is absent, is further authorized, empowered, and directed to deliver the Incentive Agreement to the Company.

Section 7. The Incentive Agreement is to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall not materially adversely affect the rights of the County thereunder and as shall be approved by the official or officials of the County executing the same, upon advice of legal counsel to the County, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the Incentive Agreement now before this meeting.

Section 8. The Chair of the Council, or the Vice Chair of the Council in the event the Chair is absent, and the County Administrator, for and on behalf of the County, are hereby each authorized, empowered, and directed to do any and all things necessary or proper to effect the performance of all obligations of the County under and pursuant to the Incentive Agreement and to carry out the transactions contemplated thereby and by this Ordinance.

Section 9. The provisions of this Ordinance are hereby declared to be separable and if any section, phrase, or provision shall for any reason be declared by a court of competent jurisdiction to be invalid, unconstitutional, or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions hereunder.

Section 10. All orders, ordinances, resolutions, and parts thereof in conflict herewith are to the extent of such conflict hereby repealed. This Ordinance shall be effective upon adoption of the Council.

[End of Ordinance]

Enacted in meeting duly assembled November 1, 2011.

RICHLAND COUNTY, SOUTH CAROLINA

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Paul Livingston, Chair, County Council  
Richland County, South Carolina

[SEAL]

Attest:

By: \_\_\_\_\_  
Michelle Onley, Clerk to County Council  
Richland County, South Carolina

First Reading: October 4, 2011  
Second Reading: October 18, 2011  
Public Hearing: November 1, 2011  
Third Reading: November 1, 2011

FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT

between

RICHLAND COUNTY, SOUTH CAROLINA

and

PURE POWER TECHNOLOGIES, LLC

Dated as of October 30, 2011

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## FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT

THIS FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT (this “Agreement”) dated as of October 30, 2011, between RICHLAND COUNTY, SOUTH CAROLINA (the “County”), a body politic and corporate and a political subdivision of the State of South Carolina, and PURE POWER TECHNOLOGIES, LLC, a limited liability company organized and existing under the laws of the State of Delaware, acting for itself, one or more affiliates or other project sponsors (the “Company”);

### WITNESSETH:

WHEREAS, the County, acting by and through its County Council (the “Council”), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended through the date hereof (the “Code”), particularly Title 12, Chapter 44 of the Code (the “Negotiated FILOT Act”) and Title 4, Chapter 1 of the Code (the “Multi-County Park Act” or, as to Section 4-1-175 thereof, and Section 4-29-68 of the Code by incorporation, the “Special Source Act”) (collectively, the “Act”) and by Article VIII, Section 13 of the South Carolina Constitution: (i) to enter into agreements with certain investors to construct, operate, maintain, and improve certain projects through which the economic development of the State of South Carolina (the “State”) will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ the manpower, agricultural products, and natural resources of the State; (ii) to covenant with such investors to accept certain fee in lieu of *ad valorem* tax (“FILOT”) payments, including, without limitation, negotiated FILOT payments, with respect to a project; (iii) to permit investors to claim special source revenue credits against their FILOT payments (“Special Source Credits”) to reimburse such investors for certain expenditures including, without limitation, those incurred in connection with infrastructure serving the County and improved or unimproved real estate used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the County; and (iv) to create, in conjunction with one or more other counties, a multi-county industrial or business park in order to afford certain enhanced income tax credits to such investors and facilitate the grant of Special Source Credits; and

WHEREAS, the Company proposes to establish and/or expand certain manufacturing, research and development, and related facilities at multiple sites in the County (the “Expansion Project”), and the Company anticipates that, should its plans proceed as expected, it will invest, or cause to be invested, at least \$25,000,000 in the Expansion Project and will create, or cause to be created, at least 150 new jobs in the County, by the end of the Compliance Period (as defined below); and

WHEREAS, the County has determined the Expansion Project will subserve the purposes of the Act and has made certain findings pertaining thereto in accordance with the Act; and

WHEREAS, in accordance with such findings and determinations and in order to induce the Company to locate the Expansion Project in the County, the County Council adopted a

Resolution on October 4, 2011 (the “Inducement Resolution”), whereby the County agreed to provide FILOT, multi-county industrial or business park and Special Source Credits benefits, which are set forth in greater detail herein; and

WHEREAS, the County has determined it is in the best interest of the County to enter into this Agreement with the Company, subject to the terms and conditions set forth herein and, by an Ordinance enacted by the Council on November 1, 2011, approved the form, terms and conditions of this Agreement and ratified all prior actions taken with respect to the Expansion Project.

NOW, THEREFORE, in consideration of the premises; the potential investment and jobs to be created, or caused to be created, by the Company which contribute to the tax base and the economic welfare of the County; the respective representations and agreements hereinafter contained; and the sum of \$10.00 in hand, duly paid by the Company to the County, the receipt and sufficiency of which are hereby acknowledged, the County and the Company agree as follows:

## ARTICLE I

### DEFINITIONS

Section 1.01. Definitions. In addition to the words and terms elsewhere defined in this Agreement, the following words and terms as used herein and in the preambles hereto shall have the following meanings unless the context or use indicates another or different meaning or intent.

“*Act*” shall mean, collectively, the Negotiated FILOT Act and the Multi-County Park Act, including, without limitation, the Special Source Act.

“*Administration Expenses*” shall mean the reasonable and necessary expenses incurred by the County in the fulfillment of its obligations under this Agreement and in the implementation of its terms and provisions, including reasonable attorneys’ fees at the hourly rates which are standard for the applicable legal services to the County, but excluding any expenses incurred by the County in defending either challenges to the incentives provided herein by third parties or suits brought by the Company or any other Co-Investor under **Section 8.04** hereof; provided, however, that no such expense shall be considered an Administration Expense unless the County and the Company shall have first agreed, prior to the County incurring such expense, as to the maximum amount thereof or as to the basis for which such expenses will be incurred, and that the County shall have furnished to the Company, an itemized statement of all expenses incurred and provided, further, that nothing herein shall be construed as prohibiting the County from engaging the counsel of its choice for matters deemed necessary and prudent by the County.

“*Affiliate*” shall mean any corporation, limited liability company, partnership or other Person or entity which owns all or part of the Company or any other Co-Investor, as the case may be, or which is owned in whole or in part by the Company or any other Co-Investor, as the

case may be, or by any partner, shareholder or owner of the Company or any other Co-Investor, as the case may be.

“*Agreement*” shall mean this Fee In Lieu of Tax and Incentive Agreement as originally executed and from time to time supplemented or amended as permitted herein.

“*Code*” shall mean the Code of Laws of South Carolina 1976, as amended through the date hereof, unless the context clearly requires otherwise.

“*Co-Investor*” shall mean any Sponsor or Sponsor Affiliate within the meaning of Sections 12-44-30(19) and (20) of the Negotiated FILOT Act, any Affiliate of the Company or of any such Sponsor or Sponsor Affiliate, any developer in a build-to-suit arrangement with respect to the Expansion Project, any lessor of equipment or other property comprising a part of the Expansion Project, and any financing entity or other third party investing in or providing funds for the Expansion Project. The Company shall notify the County in writing of the identity of any Sponsor, Sponsor Affiliate or other Co-Investor and shall, to the extent the Company and any such Co-Investor intend to extend the benefits of the Negotiated FILOT to property owned by such Co-Investor pursuant to **Section 6.02** hereof, comply with any additional notice requirements, or other applicable provisions, of the Negotiated FILOT Act. As of the date of original execution and delivery of this Agreement, the Company and Navistar, Inc., a Delaware corporation, (“Navistar”) are the only Co-Investors.

“*Company*” shall mean Pure Power Technologies, LLC, a Delaware limited liability company, and any surviving, resulting, or transferee entity in any merger, consolidation or transfer of assets permitted under **Sections 4.054.07** or **6.01** hereof or any other assignee hereunder which is designated by the Company and approved by the County.

“*Compliance Period*” shall mean the period commencing with the first day that Negotiated FILOT Property is purchased or acquired, whether before or after the date of this Agreement, and ending on the fifth anniversary of the end of the Property Tax Year in which the initial Negotiated FILOT Property comprising the Expansion Project is placed in service, all as specified in Section 12-44-30(13) of the Negotiated FILOT Act. The parties anticipate that the initial Negotiated FILOT Property comprising the Expansion Project will be placed in service in the Property Tax Year ending on October 31, 2011 and that in such event, the Compliance Period will end on October 31, 2016.

“*County*” shall mean Richland County, South Carolina, a body politic and corporate and a political subdivision of the State, and its successors and assigns.

“*Council*” shall mean the governing body of the County and its successors.

“*Deficiency Payment*” shall have the meaning specified in **Section 5.01(e)** hereof.

“*Department of Revenue*” shall mean the South Carolina Department of Revenue.

“*Event of Default*” shall mean an Event of Default, as set forth in **Section 8.01** hereof.

“*Existing Property*” shall mean property which will not qualify for the Negotiated FILOT pursuant to Section 12-44-110 of the Negotiated FILOT Act, including without limitation property which has been subject to *ad valorem* taxes in the State prior to commencement of the Investment Period and property included in the Expansion Project as part of the repair, alteration, or modification of such previously taxed property; provided, however, that Existing Property shall not include: (a) the Land; (b) property acquired or constructed by or on behalf of the Company or any other Sponsor or Sponsor Affiliate during the Investment Period which has not been placed in service in this State prior to the commencement of the Investment Period notwithstanding that *ad valorem* taxes have heretofore been paid with respect to such property, or which has been placed in service in the State pursuant to an inducement agreement or other preliminary approval by the County, including the Inducement Resolution, prior to execution of this Agreement pursuant to Section 12-44-40(E) of the Negotiated FILOT Act, which property shall qualify as Negotiated FILOT Property; (c) property purchased by or on behalf of the Company or any other Sponsor or Sponsor Affiliate during the Investment Period in a transaction other than between any of the entities specified in Section 267(b) of the Internal Revenue Code, as defined under Chapter 6 of Title 12 of the Code as of the time of the transfer, to the extent that the Company or such other Sponsor or Sponsor Affiliate invests, or causes to be invested, at least an additional \$45,000,000 in the Expansion Project, exclusive of the property identified in this subsection (c); or (d) modifications which constitute an expansion of the real property portion of Existing Property, all as determined pursuant to Section 12-44-110 of the Negotiated FILOT Act.

“*Expansion Project*” shall mean: (i) the Land and all buildings, structures, fixtures and other real property improvements now or hereafter constructed on the Land; (ii) all machinery, equipment, furnishings and other personal property now or hereafter acquired by or on behalf of the Company or any Co-Investors for use on or about the Land; and (iii) any Replacement Property; provided, however, except as to Replacement Property, the term Expansion Project shall be deemed to include such real property improvements and personal property, whether now existing or hereafter constructed or acquired, only to the extent placed in service during the Investment Period.

“*FILOT*” shall mean fee in lieu of *ad valorem* property taxes.

“*FILOT Payments*” shall mean the FILOT payments to be made by the Company or any other Co-Investor with respect to the Expansion Project whether made as Negotiated FILOT Payments pursuant to the Negotiated FILOT Act or as FILOT payments pursuant to the Multi-County Park Act.

“*Inducement Resolution*” shall mean the Resolution approved by the County on October 4, 2011 in connection with the Expansion Project.

“*Investment Period*” shall mean the period for completion of the Expansion Project, which shall be initially equal to the Compliance Period; provided, however, that, the Company or any other Sponsor or Sponsor Affiliate may, prior to the end of the Compliance Period, apply to

the County for up to a five-year extension to the Investment Period beyond the Compliance Period up to the tenth anniversary of the end of the Property Tax Year in which the initial Negotiated FILOT Property comprising the Expansion Project is placed in service, as permitted by the Negotiated FILOT Act, and the County may approve of such extension, in its sole discretion; provided further that there shall be no extension of the period for meeting the Minimum Statutory Investment Requirement beyond the Compliance Period, all determined as specified in Section 12-44-30(13) of the Negotiated FILOT Act.

“*Land*” shall mean the land upon which the Expansion Project has been or will be located, acquired, constructed and equipped, as described in **Exhibit A** attached hereto, as **Exhibit A** may be supplemented from time to time in accordance with the provisions hereof.

“*Minimum Contractual Investment Requirement*” shall mean investment of at least \$25,000,000 (without regard to depreciation, disposals, or other diminution in value) by the Company and all Co-Investors, in the aggregate in the Expansion Project during the period commencing with the date of the initial expenditure with respect to the Expansion Project, whether before or after the date of this Agreement, and ending at the end of the Compliance Period.

“*Minimum Jobs Requirement*” shall mean the creation of at least 150 new jobs (without regard to jobs maintained) in the County by the Company and all Co-Investors, in the aggregate, during the period commencing on January 1, 2011 and ending at the end of the Compliance Period.

“*Minimum Statutory Investment Requirement*” shall mean investment in the Expansion Project of not less than \$2,500,000 during the Compliance Period, as required by Section 12-44-30(14) of the Negotiated FILOT Act, which investment amount shall be calculated in accordance with Section 12-44-130 of the Negotiated FILOT Act and **Section 6.02** hereof in determining whether the Company or any other Sponsor or Sponsor Affiliate qualifies for the Negotiated FILOT.

“*Minimum Threshold Investment Requirement*” shall mean investment in the Expansion Project of at least ~~5,000,000~~ 10,000,000 (without regard to depreciation, disposals, or other diminution in value) by the Company and all Co-Investors, in the aggregate during the period commencing with the date of the initial expenditure with respect to the Expansion Project, whether before or after the date of this Agreement, and ending at the end of the Compliance Period.

“*Multi-County Park*” shall mean the multi-county industrial or business park established pursuant to the Multi-County Park Agreement, and any multi-county industrial or business park which now or hereafter includes the Expansion Project and which is designated by the County as such pursuant to any agreement, which supersedes or replaces the initial Multi-County Park Agreement.

“*Multi-County Park Act*” shall mean Title 4, Chapter 1 of the Code, as amended through

the date hereof.

“*Multi-County Park Agreement*” shall mean that certain Master Agreement Governing the I-77 Corridor Regional Industrial Park between the County and Fairfield County, South Carolina dated as of April 15, 2003, as amended, supplemented, or modified through the date hereof and as such agreement may be further amended, supplemented, or replaced from time to time.

“*Negotiated FILOT*” or “*Negotiated FILOT Payments*” shall mean the FILOT payments due pursuant to **Section 5.01** hereof with respect to that portion of the Expansion Project consisting of Negotiated FILOT Property qualifying under the Negotiated FILOT Act for the negotiated assessment ratio and millage rate described in **Section 5.01(b)(ii)** hereof.

“*Negotiated FILOT Act*” shall mean Title 12, Chapter 44 of the Code, as amended through the date hereof.

“*Negotiated FILOT Property*” shall mean all property qualifying for the Negotiated FILOT as economic development property within the meaning of Section 12-44-30(6) of the Negotiated FILOT Act, including, without limitation, each item of real and tangible personal property comprising the Expansion Project which is placed in service prior to the end of the Investment Period and which meets the requirements of Sections 12-44-30(6) and 12-44-40(C) of the Negotiated FILOT Act, together with all Replacement Property, but excluding any Non-Qualifying Property and any Released Property.

“*Non-Qualifying Property*” shall mean that portion of the facilities located on the Land, which does not qualify as Negotiated FILOT Property, such Non-Qualifying Property to include: (i) Existing Property; (ii) except as to Replacement Property, property which the Company or any other Sponsor or Sponsor Affiliate places in service after the end of the Investment Period; and (iii) any other property which fails or ceases to qualify for Negotiated FILOT Payments under the Negotiated FILOT Act, including, without limitation, property as to which the Company or any other Sponsor or Sponsor Affiliate has terminated the Negotiated FILOT pursuant to **Section 4.02(e)(iii)** hereof.

“*Person*” shall mean and include any individual, association, unincorporated organization, corporation, partnership, limited liability company, joint venture, or government or agency or political subdivision thereof.

“*Property Tax Year*” shall mean the annual period which is equal to the fiscal year of the Company or any other Co-Investor, as the case may be, *i.e.*, with respect to the Company, the period ending on October 31 of each year.

“*Released Property*” shall include property which was initially Negotiated FILOT Property but which is scrapped, sold, disposed of, or released from this Agreement by the Company or any other Sponsor or Sponsor Affiliate pursuant to **Section 4.02(e)** hereof and Section 12-44-50(B) of the Negotiated FILOT Act; which the Company or any other Sponsor or

Sponsor Affiliate dedicates to the public use within the meaning of Section 12-6-3420(C) of the Code; or which is damaged, destroyed, or taken by process of eminent domain and not restored or replaced.

*“Replacement Property”* shall mean all property installed in or on the Land in substitution of, or as replacement for, any Negotiated FILOT Property which becomes Released Property, regardless of whether such property serves the same function as the property it replaces and regardless of whether more than one piece replaces a single piece of the Negotiated FILOT Property, but only to the extent that such property may be included in the calculation of the Negotiated FILOT pursuant to **Section 5.01(d)** hereof and Section 12-44-60 of the Negotiated FILOT Act.

*“Special Source Act”* shall mean Section 4-1-175 of the Code, as amended through the date hereof.

*“Special Source Credits”* shall mean the special source revenue credits described in **Section 3.02** hereof.

*“Special Source Improvements”* shall mean, to the extent paid for by the Company or any Co-Investor, any infrastructure serving the economic development of the County and any improved and unimproved real property, buildings, structural components of buildings, fixtures or other real property improvements used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the County, all as set forth in the Special Source Act. For purposes of this Agreement, Special Source Improvements shall initially be deemed to include, without limitation, all roadwork, water, sewer, drainage, power and utility facilities serving the Expansion Project, as well as the Land, the buildings, fixtures and other real property improvements on the Land, and any additions or improvements to any of the foregoing, whether paid for by the Company or any other Co-Investors directly or through lease payments. At the request of the Company, the County hereby agrees to hereafter consider inclusion of personal property, including machinery and equipment, as Special Source Improvements hereunder in accordance with Section 4-29-68(A)(2)(i) of the Code, which inclusion may be approved by a resolution of the Council.

*“Sponsor”* and *“Sponsor Affiliate”* shall mean an entity whose investment with respect to the Expansion Project will qualify for the Negotiated FILOT pursuant to **Section 6.02** hereof and Sections 12-44-30(19) or (20) and Section 12-44-130 of the Negotiated FILOT Act if the statutory investment requirements are met. Initially, the Company and Navistar are the only Sponsors or Sponsor Affiliates.

*“State”* shall mean the State of South Carolina.

*“Term”* shall mean the term of this Agreement, as set forth in **Section 7.01** hereof.

*“Transfer Provisions”* shall mean the provisions of Section 12-44-120 of the Negotiated FILOT Act, as amended through the date hereof.

Section 1.02. References to Agreement. The words “hereof”, “herein”, “hereunder”, and other words of similar import refer to this Agreement as a whole.

## ARTICLE II

### REPRESENTATIONS AND WARRANTIES

Section 2.01. Representations and Warranties by County. The County makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) The County is a body politic and corporate and a political subdivision of the State and is authorized and empowered by the provisions of the Act to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. By proper action by the Council, the County has duly authorized the execution and delivery of this Agreement and the Negotiated FILOT Payments and Special Source Credits as set forth herein, the inclusion and maintenance of the Expansion Project in the Multi-County Park, and any and all actions reasonably necessary and appropriate to consummate the transactions contemplated hereby.

(b) The County has determined the Expansion Project will subserve the purposes of the Act and has made all other findings of fact required by the Act in connection with the undertaking of the arrangements set forth herein.

(c) This Agreement has been duly authorized, executed and delivered on behalf of the County. The authorization, execution, and delivery of this Agreement and the performance by the County of its obligations hereunder will not, to the best knowledge of the County, conflict with or constitute a breach of, or a default under, any South Carolina law, court or administrative regulation, decree, order, provision of the Constitution or laws of the State relating to the establishment of the County or its affairs, or any material agreement, mortgage, lease, or other instrument to which the County is subject or by which it is bound, nor, to the best knowledge of the County, any existing law or the provisions of the Constitution of the State.

(d) To the best knowledge of the County, no actions, suits, proceedings, inquiries, or investigations are pending or threatened against or affecting the County in any court or before any governmental authority or arbitration board or tribunal, any of which to the best knowledge of the County could materially adversely affect this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement or the transactions contemplated hereby.

Section 2.02. Representations and Warranties by the Company. The Company makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) The Company is a limited liability company validly existing and in good standing under the laws of the State of Delaware and authorized to do business in the State; has all requisite power to enter into this Agreement and to carry out its obligations hereunder; and by proper action has been duly authorized to execute and deliver this Agreement. The Company's fiscal year end is October 31 and the Company will notify the County of any changes in the fiscal year of the Company.

(b) The Company presently intends to operate the Expansion Project as facilities primarily for manufacturing, research and development, and/or related activities.

(c) The agreements with the County with respect to the Negotiated FILOT, Special Source Credits and the Multi-County Park were factors in inducing the Company to locate the Expansion Project within the County and the State.

(d) To the best knowledge of the Company, no actions, suits, proceedings, inquiries, or investigations are pending or threatened against or affecting the Company in any court or before any governmental authority or arbitration board or tribunal, which would materially adversely affect this Agreement or which would, in any way, adversely affect the validity or enforceability of this Agreement, or the transactions contemplated hereby.

### ARTICLE III

#### COVENANTS OF COUNTY

Section 3.01. Agreement to Accept Negotiated FILOT Payments. The County hereby agrees to accept Negotiated FILOT Payments in accordance with **Section 5.01** hereof in lieu of *ad valorem* taxes with respect to that portion of the Expansion Project consisting of Negotiated FILOT Property until this Agreement expires or is sooner terminated.

Section 3.02. Special Source Credits.

(a) The County, as an additional incentive to induce the Company to locate the Expansion Project within the County and as reimbursement for investment in certain Special Source Improvements, and subject to the requirements of the Special Source Act, does hereby agree that the Company and each Co-Investor (each a "Claiming Entity") shall be entitled to receive, and the County shall provide, Special Source Credits in a maximum aggregate amount of \$500,000 (the "Aggregate Available Credits") and each Claiming Entity shall be entitled to receive Special Source Credits against each FILOT Payment made by such Claiming Entity with respect to the Expansion Project in an amount equal to fifty percent (50%) of each such FILOT Payment, for a period of up to five (5) years, commencing with the year for which the initial Negotiated FILOT payment is due hereunder, until the Aggregate Available Credits have been fully provided by the County; provided, however, that in determining the Special Source Credits with respect to the final year for which each Claiming Entity is entitled to receive

the Special Source Credits hereunder, the applicable percentage shall be the highest percentage required, up to fifty percent (50%), for the County to fully provide all remaining Aggregate Available Credits. In accordance with the Special Source Act, the Special Source Credits authorized herein shall not, in the aggregate, exceed the aggregate cost of Special Source Improvements funded from time to time in connection with the Expansion Project.

(b) The Special Source Credits shall be reflected by the County on each bill to a Claiming Entity for FILOT Payments due with respect to the Expansion Project, by reducing the total original FILOT Payment otherwise due with respect to such property by the amount of such Special Source Credits.

(c) THE COUNTY SHALL HAVE NO FINANCIAL OBLIGATION OF ANY KIND RELATING TO THE SPECIAL SOURCE CREDITS ~~AUTHORIZED HEREIN SHALL NOT CONSTITUTE A GENERAL OBLIGATION OF THE COUNTY, BUT SHALL BE A LIMITED OBLIGATION OF THE COUNTY PAYABLE SOLELY FROM~~EXCEPT TO THE EXTENT THE FILOT PAYMENTS ARE PAID BY THE CLAIMING ENTITY AND RECEIVED BY THE COUNTY ~~HEREUNDER~~ WITH RESPECT TO THE EXPANSION PROJECT.

Section 3.03. Multi-County Park Designation. ~~The County hereby represents that Parcel I of the Land is presently included within the Multi-County Park.~~ The County will take all acts to insure that the Expansion Project including, without limitation, Parcel I and Parcel II of the Land will be included within the boundaries of the Multi-County Park, if not already so included, and that the Expansion Project, including without limitation, Parcel I and Parcel II of the Land, will remain within the boundaries of the Multi-County Park pursuant to the provisions of the Multi-County Park Act and Article VIII, Section 13 of the State Constitution on terms which provide for all jobs created at the Expansion Project from January 1, 2011, through the end of the Investment Period, any additional jobs tax credits afforded by the laws of the State for projects located within multi-county industrial or business parks and which facilitate the Special Source Credits set forth herein.

Section 3.04. Commensurate Benefits. The parties acknowledge the intent of this Agreement, in part, is to afford the Company and any other Co-Investor the benefits specified in this Article III in consideration of the Company's decision to locate the Expansion Project within the County, and this Agreement has been entered into in reliance upon the enactment of the Act and the County's compliance with the requirements thereof. In the event that the Department of Revenue or a court or other entity of competent jurisdiction holds that the Act is unconstitutional or this Agreement or the Multi-County Park Agreement or agreements similar in nature to this Agreement or the Multi-County Park Agreement are invalid or unenforceable in any material respect, or should the Company determine there is a reasonable doubt as to the validity or enforceability of this Agreement or the Multi-County Park Agreement in any material respect, then at the request of the Company, the County agrees to use its best efforts to extend to the Company and any other Co-Investor the intended benefits of this Agreement, including, without

limitation, the Negotiated FILOT and the Special Source Credits, and agrees, if requested, to enter into a lease purchase agreement with the Company and any other Co-Investor pursuant to Section 12-44-160; Title 4, Chapter 29 or Title 4, Chapter 12 of the Code, as applicable, or to take such other steps as may be appropriate to extend to the Company and any other Co-Investor the intended benefits of this Agreement. In furtherance of this covenant, the County also agrees that, in the event that, for any reason, the Multi-County Park is declared by a court of competent jurisdiction to be invalid or unenforceable in whole or in part, the Company and the County express their intentions that tax or FILOT payments be reformed so as to best afford the Company and any other Co-Investor benefits commensurate with, but not in excess of, those intended under this Agreement as then permitted by law, including without limitation any benefits afforded under Title 12, Chapter 6, Title 4, Chapter 1 and Title 4, Chapter 29 of the Code, as applicable, to the extent allowed by law. The Company acknowledges, if a court of competent jurisdiction holds all or part of the Negotiated FILOT Act is unconstitutional or otherwise illegal, the Negotiated FILOT Act currently provides the Company and any other Co-Investor must transfer the Negotiated FILOT Property to the County pursuant to lease-purchase arrangements within 180 days following such determination in order for the Negotiated FILOT benefits to continue to apply. In such lease purchase agreement, the County, upon the conveyance of title to the Expansion Project to the County at the expense of the Company or any such other Co-Investor, as the case may be, agrees to lease the Expansion Project to the Company or any such other Co-Investor, as the case may be. At the end of the term of any such lease purchase agreement, and upon payment of all outstanding obligations incurred under such lease purchase agreement, the Company or any such other Co-Investor shall have the option to purchase its respective portion of the Expansion Project for Ten Dollars (\$10.00).

Section 3.05. Additional Commitment of the County. The County will use its best efforts to assist the Company and each other Co-Investor in securing and processing grants and other funding for the infrastructure and other qualifying expenditures in connection with the Expansion Project. The County and the Company are currently pursuing a grant from the South of \$250,000 to reimburse the Company for certain costs required for the Expansion Project.

## ARTICLE IV

### COVENANTS OF COMPANY

Section 4.01. Minimum Contractual Investment Requirement and Minimum Jobs Requirement. The Company agrees that it will comply with, or cause compliance with, the Minimum Contractual Investment Requirement and the Minimum Jobs Requirement, by the end of the Compliance Period.

Section 4.02. Investment in Expansion Project.

(a) The Company hereby agrees to acquire, construct, equip, or improve or cause to be acquired, constructed, equipped, or improved, the Expansion Project, as the same shall be determined from time to time by the Company in its sole discretion. As required by Section 12-44-30(2) of the Negotiated FILOT Act, at least a portion of the

Negotiated FILOT Property comprising the Expansion Project shall be placed in service no later than the end of the Property Tax Year which is three years from the year in which this Agreement is entered, *i.e.*, the Property Tax Year ending on October 31, 2014.

(b) Expenditures by Co-Investors shall, together with expenditures by the Company, count toward all investment requirements set forth in this Agreement, including the Minimum Contractual Investment Requirement, the Minimum Threshold Requirement, and, to the full extent permitted by the Negotiated FILOT Act, the Minimum Statutory Investment Requirement. Aggregate investment shall generally be determined by reference to the property [tax](#) returns of the Company and all Co-Investors filed with respect to the Expansion Project, including without limitation, each such entity's SCDOR PT-300 or such comparable forms, as the Department of Revenue may provide in connection with projects under the Act and filed with respect to each Property Tax Year during the Investment Period, without regard to depreciation.

(c) The Company or any other Sponsor or Sponsor Affiliate may, prior to the end of the Compliance Period, apply to the County for up to a five-year extension to the Investment Period beyond the Compliance Period, as permitted by the Negotiated FILOT Act, and the County may approve such extension in its sole discretion. There shall be no extension, however, beyond the Compliance Period of the period for meeting the Minimum Statutory Investment Requirement.

(d) The Company and each of its designated Co-Investors shall retain title, or other property rights, to its respective portion of the Expansion Project throughout the Term of this Agreement, and the Company and each Co-Investor shall have full right to mortgage, lease, or encumber all or any portion of the Expansion Project, including, without limitation, in connection with any financing transactions, without the consent of the County.

(e) The Company and each other Co-Investor shall have the right at any time and from time to time during the Term hereof to undertake any of the following:

(i) The Company and each other Co-Investor may, at its own expense, add to the Expansion Project all such real and personal property as the Company, or such Co-Investor, in its discretion deems useful or desirable, including, without limitation, Negotiated FILOT Property, without any limit as to the amount thereof.

(ii) Subject to the provisions of **Section 5.01(f)(ii)** hereof, in any instance when the Company or any other Co-Investor in its discretion determines any of its items included in the Expansion Project, including, without limitation, any Negotiated FILOT Property, have become inadequate, obsolete, worn out, unsuitable, undesirable, or unnecessary for operations at the Expansion Project, the Company, or such Co-Investor, may remove such items or portions of the Land from the Expansion Project and

sell, trade in, exchange, or otherwise dispose of them as a whole or in part without the consent of the County.

(iii) The Company and each other Co-Investor may, at any time and in its discretion by written notice to the County, remove any Negotiated FILOT Property, real or personal, from the Negotiated FILOT arrangement set forth in this Agreement and retain such property for use as part of its operations in the County, and thereafter such property will be subject to *ad valorem* taxes or FILOT payments pursuant to the Multi-County Park Act, as the case may be; provided, that, any such notice requirement may be, but shall not be required to be, satisfied by property [tax](#) returns filed with respect to the Expansion Project, including without limitation, such entity's SCDOR PT-300 or such comparable forms, as the Department of Revenue may provide in connection with projects under the Act.

(iv) If the Company or any other Co-Investor sells, leases, or otherwise disposes of any portion of, or adds to, the Land, the Company, or such Co-Investor, shall deliver to the County a new **Exhibit A** to this Agreement or schedules or supplements to **Exhibit A**; provided, that any requirement to provide such schedules or supplements to the County may be satisfied by property [tax](#) returns filed with respect to the Expansion Project, including without limitation, such entity's SCDOR PT-300 or such comparable forms, as the Department of Revenue may provide in connection with projects under the Act.

(v) All Negotiated FILOT Property sold or otherwise disposed of under this Section shall be deemed Released Property for purposes of this Agreement.

Section 4.03. Funding for Special Source Improvements. The Company agrees that it will provide, or cause Co-Investors to provide, funding for the Special Source Improvements related to the establishment of the Expansion Project.

Section 4.04. Failure to Comply with Minimum Contractual Investment Requirement and/or Minimum Jobs Requirement. If either or both of the Minimum Contractual Investment Requirement and the Minimum Jobs Requirement are not complied with by the end of the Compliance Period:

(a) the Company and each other Co-Investor shall continue to be eligible to take advantage of the Negotiated FILOT hereof, in the event that the Minimum Threshold Investment Requirement is nevertheless satisfied by the end of the Compliance Period; and

(b) the Company and each other Co-Investor shall no longer be entitled to receive the Special Source Credits beginning with any FILOT Payment due with respect

to Expansion Project property placed in service as of the end of the first Property Tax Year following the Compliance Period; and

(c) the Company and each other Co-Investor shall repay, or cause repayment to, the County of an amount equal to a portion of the Special Source Credits theretofore received by such entity, and, upon receipt by such entity, a portion of any additional Special Source Credits to which such entity is entitled to receive hereunder, (collectively, the “Aggregate Received Credits”), based upon the highest degree of satisfaction of the Minimum Contractual Investment Requirement (without regard to depreciation, disposals, or other diminution in value) and the Minimum Jobs Requirement (without regard to jobs maintained) prior to the end of the Compliance Period (the “Repayment”). In calculating any Repayment, the degree of satisfaction shall be measured against each of the Minimum Contractual Investment Requirement (\$25,000,000) and the Minimum Jobs Requirement (150 new jobs), and shall be weighted 50% investment / 50% jobs times the Aggregate Received Credits and any such Repayment shall be calculated according to the following formula:

1. 
$$\frac{\text{Actual Investment}}{\$25,000,000} \times 100 = \text{Investment Achievement Percentage [IAP]}$$
2. 
$$100\% - \text{IAP} = \text{Investment Alteration Factor [IAF]}$$
3. 
$$\frac{\text{Actual Employees Hired}}{150} \times 100 = \text{Employment Achievement Percentage [EAP]}$$
4. 
$$100\% - \text{EAP} = \text{Employment Alteration Factor [EAF]}$$
5. 
$$\frac{\text{IAF} + \text{EAF}}{2} = \text{Final Alteration Factor [FAF]}$$
6. 
$$\text{FAF} \times \text{Aggregate Received Credits} = \text{Repayment due to be paid to the County within one hundred eighty (180) days of the later of (i) the end of the Compliance Period or (ii) the day that all Aggregate Received Credits have been received by such entity.}$$

As an example, assuming aggregate investment in the Expansion Project prior to the end of the Compliance Period totaled \$20,000,000 and the highest job creation levels in the County prior to the end of the Compliance Period totaled 130 new jobs, and that the Company had theretofore received, or will thereafter receive, Aggregate Received Credits of \$500,000, the Repayment would be calculated as follows:

1. 
$$\frac{\$20,000,000}{\$25,000,000} \times 100 = 80.0\% \text{ [IAP]}$$

\$25,000,000

2.  $100\% - 80.0\% = 20.0\%$  [IAF]
3.  $\frac{130}{150} \times 100 = 86.7\%$  [EAP]
4.  $100\% - 86.7\% = 13.3\%$  [EAF]
5.  $\frac{20.0\% + 13.3\%}{2} = 16.7\%$  [FAF]
6.  $16.7\% \times \$500,000 = \text{Reimbursement Payment of } \$83,500.$

As an additional example, assuming aggregate investment in the Expansion Project prior to the end of the Compliance Period totaled \$40,000,000 and the highest job creation levels in the County prior to the end of the Compliance Period totaled 120 new jobs, and that the Company had theretofore received, or will thereafter receive, Aggregate Received Credits of \$500,000, the Repayment would be calculated as follows:

1.  $\frac{\$40,000,000}{\$25,000,000} \times 100 = 160.0\%$  [IAP]
2.  $100\% - 160.0\% = (-60.0\%)$  [IAF]
3.  $\frac{120}{150} \times 100 = 80.0\%$  [EAP]
4.  $100\% - 80\% = 20\%$  [EAF]
5.  $\frac{(-60.0\%) + 20\%}{2} = (-40.0\%)$  [FAF]
6.  $(-40.0\%) \times \$500,000 = \text{No Repayment due.}$

Section 4.05. Payment of Administration Expenses. The Company will reimburse, or cause reimbursement to, the County from time to time for its Administration Expenses promptly upon written request therefor, but in no event later than sixty (60) days after receiving written notice from the County specifying the nature of such expense and requesting the payment of the same. The County acknowledges it imposes no charges in the nature of impact fees or recurring fees in connection with the incentives authorized by this Agreement or the Expansion Project, and, aside from attorneys' fees set forth below, the County anticipates no out of pocket expenses in connection with the initial approval of this Agreement and the transactions authorized hereby. The parties understand that legal counsel to the County has estimated its fees

and other expenses for review of this Agreement, the Inducement Resolution, the Multi-County Park Agreement and all resolutions, ordinances, and other documentation related thereto at ~~†\$\_\_\_\_\_~~ \$5,000.00 or less.

Section 4.06. Use of Expansion Project for Lawful Activities. During the Term of this Agreement, the Company and any other Co-Investor shall use the Expansion Project as it deems fit for any lawful purpose.

Section 4.07. Maintenance of Existence. Except in the event the resulting, surviving, or transferee entity is the Company or an Affiliate of the Company, as to which such consolidation, merger, or transfer the County hereby preapproves and consents, unless the County shall provide prior consent or subsequent ratification otherwise, which consent or ratification shall not be unreasonably withheld, conditioned, or delayed, the Company covenants that it will maintain its separate existence and will not dissolve or consolidate with, merge into or transfer, or otherwise dispose of substantially all of its property to any other entity or permit one or more other entities to consolidate with or merge into it or purchase substantially all of its property unless:

(a) the Company shall be the continuing business entity, or the business entity formed by such consolidation or into which the Company is merged or the entity which acquires by conveyance or transfer all or substantially all of the Company's assets shall (i) be an entity organized and existing under the laws of the United States of America or any state thereof or the District of Columbia and qualified to do business in the State; (ii) have a net worth equal to or greater than the net worth of the Company immediately preceding the date of such merger, consolidation or transfer; and (iii) expressly and unconditionally assume, by written agreement supplemental hereto and acceptable to the County as to form and content, in its reasonable discretion, every payment obligation of the Company herein and the performance of every covenant of this Agreement on the part of the Company to be performed or observed;

(b) immediately after giving effect to such transaction, no Event or Default, and no event, which, after notice or lapse of time or both, would become an Event of Default, shall have happened and be continuing; and

(c) the Company shall have delivered to the County (i) a certificate of a duly authorized officer of the Company, accompanied by financial statements of the surviving company (if other than the Company) showing compliance with the net worth requirements specified in paragraph (a) above and (ii) an opinion of counsel for the Company and/or counsel to the transferee company, each stating that such consolidation, merger, conveyance or transfer and such supplement to this Agreement comply with this Section and that all conditions precedent herein provided for relating to such transaction have been complied with.

Upon any consolidation or merger or any conveyance or transfer of all or substantially all of the Company's assets in accordance with this Section, the successor entity formed by such

consolidation or into which the Company is merged or to which such conveyance or transfer is made shall succeed to, and be substituted for, and may exercise every right and power of the Company under this Agreement with the same effect as if such successor entity had been named as the Company herein, and thereafter the Company shall be relieved of all obligations and covenants under this Agreement.

If a consolidation, merger or conveyance or transfer is made as permitted by this Section, the provisions of this Section shall continue in full force and effect and no further consolidation, merger or conveyance or transfer shall be made except in compliance with the provisions of this Section.

The Company acknowledges transfers of this Agreement or the Negotiated FILOT Property may cause the Negotiated FILOT Property to become ineligible for a Negotiated FILOT or result in penalties under the Act absent compliance by the Company with the Transfer Provisions.

Section 4.08. Records and Reports. The Company and each other Co-Investor will each maintain such books and records with respect to the Expansion Project as will permit the identification of those portions of the Expansion Project it places in service in each Property Tax Year during the Investment Period, the amount of investment with respect thereto, computations of all Negotiated FILOT Payments made by such entity hereunder and will comply with all reporting requirements of the State and the County applicable to Negotiated FILOT Property under the Negotiated FILOT Act, including without limitation the reports required by 12-44-90 of the Negotiated FILOT Act (collectively, "Filings"); provided, however, that the parties hereby waive in its entirety the requirement under Section 12-44-55 of the Negotiated FILOT Act for a recapitulation of the terms of this Agreement. In addition, the following records shall be provided to the County:

(a) Each year during the Term hereof, the Company and each other Co-Investor shall deliver to the County Auditor, the County Assessor, and the County Treasurer a copy of its most recent annual filings made with the Department of Revenue with respect to the Expansion Project at the same time as delivery thereof to the Department of Revenue.

(b) The Company shall cause a copy of this Agreement, as well as a copy of the completed Form PT-443 required by the Department of Revenue, to be filed within thirty (30) days after the date of execution and delivery hereof with the County Auditor, the County Assessor and the County Treasurer of the County and of each other county which is a party to the Multi-County Park Agreement, and with the Department of Revenue and shall update such Form PT-443 from time to time to the extent that the information therein is no longer accurate.

Notwithstanding any other provision of this Section, the Company and each other Co-Investor may, by clear, written designation, conspicuously marked, designate with respect to any Filings or other documents or information delivered to the County segments thereof that the

Company or such other Co-Investor believes contain proprietary, confidential, or trade secret matters. To the extent permitted by law, the County shall comply with all reasonable, written requests made by the Company and each other Co-Investor with respect to maintaining the confidentiality of such designated segments. Except to the extent required by law, the County shall not knowingly and voluntarily release information, which has been designated as confidential or proprietary by the Company or any other Co-Investor.

## ARTICLE V

### FEES IN LIEU OF TAXES

#### Section 5.01. Payment of Fees in Lieu of Ad Valorem Taxes.

(a) In accordance with the Negotiated FILOT Act, the parties hereby agree, during the Term hereof, that there shall be due annually with respect to that portion of the Expansion Project constituting Negotiated FILOT Property, whether owned by the Company or by any other Sponsor or Sponsor Affiliate, a Negotiated FILOT calculated as set forth in this **Section 5.01**, at the places, in the manner and subject to the penalty assessments prescribed by the County or the Department of Revenue for *ad valorem* taxes. It is anticipated that the initial Negotiated FILOT Payment, which shall be due under current Code requirements on the January 15 following the year in which the County adds the initial Negotiated FILOT Property to its tax rolls, will be due on January 15, 2013. If the Company designates any Sponsor or Sponsor Affiliates, as the same shall have been consented to by the County, if required, pursuant to **Section 6.02** hereof, the Company must notify the County in writing at the time of such designation as to whether such Sponsor or Sponsor Affiliate shall be primarily liable for the Negotiated FILOT Payments hereunder with respect to such other entity's portion of the Negotiated FILOT Property. Unless and until such additional notification is received, the Company shall be primarily liable for all Negotiated FILOT Payments with respect to such Negotiated FILOT Property.

(b) Subject to adjustment pursuant to the provisions of this **Section 5.01**, the Negotiated FILOT shall be calculated each year in accordance with the following provisions:

(i) For each annual increment of investment in Negotiated FILOT Property, the annual Negotiated FILOT Payments shall be payable for a period of twenty (20) ~~years, and in the event the Department of Revenue or any other court or entity of competent jurisdiction determines that such period is not permitted by section 12-44-30(21) of the Negotiated FILOT Act, for a period of thirty (30)~~ years. Accordingly, if such Negotiated FILOT Property is placed in service during more than one year, each year's investment during the Investment Period shall be subject to the Negotiated FILOT for a period of twenty (20) ~~or thirty (30) years, as the case may be.~~

(ii) The Negotiated FILOT shall be calculated using (1) an assessment ratio of 6%; (2) the lowest millage rate or rates allowed by the Negotiated FILOT Act, which millage rate shall be (a) 460.8 mills with respect to Parcel I of the Land and all Negotiated FILOT Property located thereon, and (b) 402.9 mills with respect to Parcel II of the Land and all Negotiated FILOT Property located thereon, which rate shall be fixed in accordance with Section 12-44-50(A)(1)(b)(i) of the Negotiated FILOT Act; and (3) the fair market value of such Negotiated FILOT Property as determined in accordance with Section 12-44-50(A)(1)(c) of the Negotiated FILOT Act, which, for typical arm's length construction or acquisition, uses the original income tax basis for any real property without regard to depreciation or reassessment and the original income tax basis for any personal property less allowable depreciation (except depreciation due to extraordinary obsolescence); provided, however, that the Company or any other Sponsor or Sponsor Affiliate and the County may agree at a later date to amend this Agreement as to Expansion Project property owned by such entity so as to determine the fair market value of any such real property in accordance any other method permitted by the Negotiated FILOT Act.

(iii) All such calculations shall take into account all deductions for depreciation or diminution in value allowed by the Code or by the tax laws generally, as well as tax exemptions which would have been applicable if such property were subject to *ad valorem* taxes, except the five-year exemption from County taxes allowed for certain manufacturing, distribution, corporate headquarters and research and development facilities pursuant to Section 3(g) of Article X of the Constitution of the State and Sections 12-37-220(B)(32) and (34) of the Code.

(iv) For purposes of calculating the Negotiated FILOT, the Negotiated FILOT Property shall not include any Released Property or Non-Qualifying Property.

(c) The Negotiated FILOT Payments are to be recalculated:

(i) to reduce such payments in the event the Company or any other Sponsor or Sponsor Affiliate disposes of any part of the Negotiated FILOT Property within the meaning of Section 12-44-50(B) of the Negotiated FILOT Act and as provided in **Section 4.02(e)(ii)** hereof, by the amount applicable to the Released Property;

(ii) to reduce such payments in the event that the Negotiated FILOT Property or any portion thereof is damaged or destroyed, lost or stolen, or the subject of condemnation proceedings or otherwise removed from the Expansion Project as a result of circumstances beyond the control

of the Company or any other Sponsor or Sponsor Affiliate, as the case may be;

(iii) to increase such payments in the event the Company or any Sponsor or Sponsor Affiliate adds any Negotiated FILOT Property (other than Replacement Property) to the Expansion Project; or

(iv) to adjust such payments if the Company or any Sponsor or Sponsor Affiliate elects to convert any portion of the Negotiated FILOT Property from the Negotiated FILOT to *ad valorem* taxes or FILOT payments pursuant to the Multi-County Park Act, as the case may be, as permitted by **Section 4.02(e)(iii)**.

(d) Upon installation or placing in service of any Replacement Property for any Released Property, such Replacement Property shall become subject to Negotiated FILOT Payments to the fullest extent allowed by law, subject to the following rules:

(i) Such Replacement Property does not have to serve the same function as the Released Property it is replacing. Replacement Property is deemed to replace the oldest property subject to the Negotiated FILOT, whether real or personal, which is disposed of in the same Property Tax Year as the Replacement Property is placed in service. Replacement Property qualifies for Negotiated FILOT Payments up to the original income tax basis of the Released Property which it is replacing in the same Property Tax Year. More than one piece of property can replace a single piece of property. To the extent that the income tax basis of the Replacement Property exceeds the original income tax basis of the Released Property which it is replacing, the excess amount is subject to payments equal to the *ad valorem* taxes which would have been paid on such property but for this Agreement. Replacement property is entitled to the Negotiated FILOT Payments for the remaining portion of the twenty year period applicable to the Released Property.

(ii) The Company or any other Sponsor or Sponsor Affiliate shall maintain, or cause to be maintained, records sufficient to identify all Replacement Property it places in service, and the Negotiated FILOT Payments with respect thereto shall be calculated using the millage rate and assessment ratio provided on the property it is replacing.

(e) In the event that, for any reason, the Negotiated FILOT Act and/or the Negotiated FILOT or any portion thereof is, by a court of competent jurisdiction following allowable appeals, declared invalid or unenforceable in whole or in part, or the portion of the Expansion Project consisting of Negotiated FILOT Property is deemed not to be eligible for a Negotiated FILOT pursuant to the Act in whole or in part, the

Company and the County express their intentions that such payments be reformed so as to afford the Company and any other Sponsor or Sponsor Affiliate benefits commensurate with those intended under this Agreement as then permitted by law, including without limitation any benefits afforded under Title 4, Chapter 12 and Title 4, Chapter 29 of the Code, as applicable, to the extent allowed by law. Absent the legal authorization to effect such reformation, the Company and the County agree that there shall be due hereunder with respect to the portion of the Negotiated FILOT Property affected by such circumstances *ad valorem* taxes and that, to the extent permitted by law, the Company and any other Sponsor or Sponsor Affiliate shall be entitled: (1) to enjoy the five-year exemption from *ad valorem* taxes (or fees in lieu of taxes) provided by Article X, Section 3 of the Constitution of the State, and any other exemption allowed by law; (2) to enjoy all allowable depreciation; and (3) to receive all other tax credits which would be due if the Company and any other Sponsor or Sponsor Affiliate were obligated to pay *ad valorem* taxes hereunder. To the extent that under such circumstances the Negotiated FILOT Payments hereunder are subject to retroactive adjustment, then there shall be due and payable from the Company and any other Sponsor or Sponsor Affiliate, as the case may be, with respect to its portion of the Negotiated FILOT Property in question an amount equal to the difference between the Negotiated FILOT Payments theretofore actually paid and the amount which would have been paid as *ad valorem* taxes, together with interest on such deficiency as provided in Section 12-54-25(D) of the Code (a “Deficiency Payment”).

(f)

(i) In the event that the investment in the Expansion Project is insufficient to satisfy the Minimum Statutory Investment Requirement by the end of the Compliance Period, then all Negotiated FILOT Payments shall revert retroactively to *ad valorem* taxes, calculated as set forth in paragraph (e) above, and a Deficiency Payment from each such owing entity shall be due and payable with respect to Negotiated FILOT Payments theretofore made. In the event that the aggregate investment in the Expansion Project does not exceed \$5,000,000 by the end of the Compliance Period and any Sponsor or Sponsor Affiliate does not satisfy the Minimum Statutory Investment Requirement solely through its own direct investment in the Expansion Project, then the Negotiated FILOT Payments with respect to that portion of the Expansion Project owned by such Sponsor or Sponsor Affiliate shall revert retroactively to *ad valorem* taxes calculated as set forth in paragraph (e) above, and such Sponsor or Sponsor Affiliate shall owe a Deficiency Payment with respect to Negotiated FILOT Payments theretofore made as to such portion of the Expansion Project. To the extent necessary to collect a Deficiency Payment under this clause (i) due to failure to satisfy the Minimum Statutory Investment Requirement by the end of the Compliance Period, Section 12-44-140(D) of the Negotiated FILOT Act provides that

any statute of limitations that might apply pursuant to Section 12-54-85 of the Code is suspended.

(ii) In the event that investment in the Expansion Project based on an income tax basis without regard to depreciation satisfies the Minimum Statutory Investment Requirement by the end of the Compliance Period, but following the Compliance Period, subsequently falls below the Minimum Statutory Investment Requirement, without regard to depreciation, the Expansion Project shall thereafter be subject to *ad valorem* taxes, calculated as set forth in paragraph (e) above, in accordance with Section 12-44-140(C) of the Negotiated FILOT Act.

(iii) If the Minimum Contractual Investment Requirement or the Minimum Jobs Requirement is not satisfied by the end of the Compliance Period, the County shall have only the rights set forth in **Section 4.04** hereof.

(iv) If the Minimum Threshold Investment Requirement is not satisfied by the end of the Compliance Period, the Negotiated FILOT shall terminate retroactively and prospectively.

(v) In accordance with the provisions of **Sections 4.02(b)** and **6.02** hereof, except for Existing Property, the fair market value of all property utilized by the Company or any other Co-Investor at the Expansion Project site, whether owned by the Company or any other Co-Investor outright or utilized by the Company or any other Co-Investor pursuant to any financing agreement or any lease or other arrangement with any Co-Investor and whether or not subject to this Agreement, shall be counted toward all investment obligations under this Agreement, including, to the extent permitted by law, investment obligations under the Act.

(g) Except as otherwise set forth in this Agreement or as otherwise required by the Act, any amounts due to the County under this **Section 5.01** as a Deficiency Payment or other retroactive payment shall be paid within one hundred eighty (180) days following receipt by the Company or any other Co-Investor of notice from the County that such a Deficiency Payment or other retroactive payment is due from such entity.

Section 5.02. Statutory Lien. The parties acknowledge the County's right to receive Negotiated FILOT Payments hereunder is entitled to and shall have a statutory lien with respect to the Expansion Project pursuant to Section 12-44-90(E) of the Negotiated FILOT Act and Title 12, Chapter 54 of the Code relating to the collection and enforcement of *ad valorem* property taxes.

## ARTICLE VI

### THIRD PARTY ARRANGEMENTS

Section 6.01. Conveyance of Liens and Interests; Assignment. The County agrees that the Company and each other Co-Investor may at any time (a) transfer all or any of its rights and interests hereunder or with respect to all or any part of the Expansion Project to any Person; or (b) enter into any lending, financing, leasing, security, or similar arrangement or succession of such arrangements with any financing entity or other Person with respect to this Agreement or all or any part of the Expansion Project, including without limitation any sale-leaseback, equipment lease, build-to-suit lease, synthetic lease, nordic lease, defeased tax benefit or transfer lease, assignment, sublease or similar arrangement or succession of such arrangements, regardless of the identity of the income tax owner of such portion of the Expansion Project, whereby the transferee in any such arrangement leases the portion of the Expansion Project in question to the Company or any Co-Investor or any of their respective Affiliates or operates such assets for the Company or any Co-Investor or any of their respective Affiliates or is leasing portion of the Expansion Project in question from the Company or any Co-Investor or any of their respective Affiliates. In order to preserve the benefits of the Negotiated FILOT hereunder with respect to any Negotiated FILOT Property so transferred: (i) except in connection with any transfer to any Co-Investor, an Affiliate of the Company or any Co-Investor, or transfers pursuant to clause (b) above (as to which such transfers the County hereby consents), the Company shall obtain the prior consent or subsequent ratification of the County which consent or subsequent ratification may be granted by the County, in its sole discretion; (ii) except when a financing entity which is the income tax owner of all or part of the Negotiated FILOT Property is the transferee pursuant to clause (b) above and such financing entity assumes in writing the obligations of the Company or any such Co-Investor hereunder, or when the County consents in writing or when the transfer relates to Released Property pursuant to **Section 4.02(e)** hereof, no such transfer shall affect or reduce any of the obligations of the Company or any such Co-Investor hereunder; (iii) to the extent the transferee or financing entity shall become obligated to make Negotiated FILOT payments hereunder, the transferee shall assume the then current basis of the Company or any such Co-Investor (or prior transferee) in the Negotiated FILOT Property transferred; (iv) the Company or any such Co-Investor, transferee or financing entity shall, within sixty (60) days thereof, furnish or cause to be furnished to the County and the Department of Revenue a true and complete copy of any such transfer agreement; and (v) the Company or any such Co-Investor and the transferee shall comply with all other requirements of the Transfer Provisions.

Subject to County consent when required under this **Section 6.01**, and at the Company's or any such Co-Investor's expense, the County agrees to take such further action or execute such further agreements, documents, and instruments as may be reasonably required to effectuate the assumption by any such transferee of all or part of the rights of the Company or any Co-Investor under this Agreement and/or any release of the Company pursuant to this **Section 6.01**.

The Company acknowledges such a transfer of an interest under this Agreement or in the Negotiated FILOT Property may cause all or part of the Negotiated FILOT Property to become

ineligible for a Negotiated FILOT or result in penalties under the Act absent compliance by the Company or any such Co-Investor with the Transfer Provisions.

Section 6.02. Sponsors and Sponsor Affiliates. The Company may designate from time to time other Sponsors or Sponsor Affiliates pursuant to the provisions of Sections 12-44-30(19) or (20), respectively, and Section 12-44-130 of the Negotiated FILOT Act, which Sponsors or Sponsor Affiliates shall be Persons who join with the Company and make investments with respect to the Expansion Project, or who participate in the financing of such investments, who agree to be bound by the terms and provisions of this Agreement and who shall be Affiliates of the Company or other Persons described in **Section 6.01(b)** hereof. All other Sponsors or Sponsor Affiliates who otherwise meet the requirements of Section 12-44-30 (19) or (20) and Section 12-44-130 of the Negotiated FILOT Act must be approved by Resolution of the County Council. To the extent that a Sponsor or Sponsor Affiliate invests an amount equal to the Minimum Statutory Investment Requirement at the Expansion Project prior to the end of the Compliance Period the investment by such Sponsor or Sponsor Affiliate shall qualify for the Negotiated FILOT payable under **Section 5.01** hereof (subject to the other conditions set forth therein) in accordance with Section 12-44-30(19) of the Negotiated FILOT Act. To the extent that the aggregate investment in the Expansion Project prior to the end of the Compliance Period by the Company, all Sponsors and Sponsor Affiliates and, to the extent provided by law, other Co-Investors, exceeds \$5,000,000 as provided in Section 12-44-30(19) of the Negotiated FILOT Act, all investment by such Sponsors and Sponsor Affiliates during the Investment Period shall qualify for the Negotiated FILOT pursuant to **Section 5.01** of this Agreement (subject to the other conditions set forth therein) regardless of whether each such entity invested amounts equal to the Minimum Statutory Investment Requirement. The Company shall provide the County and the Department of Revenue with written notice of any Sponsor or Sponsor Affiliate designated pursuant to this **Section 6.02** within ninety (90) days after the end of the calendar year during which any such Sponsor or Sponsor Affiliate has placed in service Negotiated FILOT Property to be used in connection with the Expansion Project, all in accordance with Section 12-44-130(B) of the Negotiated FILOT Act.

## ARTICLE VII

### TERM; TERMINATION

Section 7.01. Term. Unless sooner terminated pursuant to the terms and provisions herein contained, this Agreement shall be and remain in full force and effect for a term commencing on the date on which the Company executes this Agreement, and ending at midnight on the later of (i) the day the last Negotiated FILOT Payment is made hereunder or (ii) the day the Special Source Credits have been fully provided by the County.

Section 7.02. Termination. In addition to the rights of the County under **Sections 5.01(f)** and **8.01**, the County and the Company may jointly agree to terminate this Agreement at any time, or the Company, may, at its option, unilaterally terminate this Agreement at any time, with respect to all, or a portion of, the Expansion Project in which event the Expansion Project,

or such portion of the Expansion Project, shall be subject to *ad valorem* taxes from the date of termination. Notwithstanding termination of this Agreement, the County shall have the same rights to receive payment for any retroactive *ad valorem* taxes, Deficiency Payments, interest or penalties, and the same enforcement rights with respect to such obligations as it would have with respect to *ad valorem* taxes, and the County's rights arising under **Section 5.01** prior to the time of such termination shall survive any such termination.

## ARTICLE VIII

### EVENTS OF DEFAULT AND REMEDIES

**Section 8.01. Events of Default.** Any one or more of the following events (herein called an "Event of Default", or collectively "Events of Default") shall constitute an Event of Default by the Company or other Co-Investor (the "Defaulting Entity") but only with respect to such Defaulting Entity's rights, duties, and obligations contained herein:

(a) if default shall be made in the due and punctual payment of any Negotiated FILOT Payments, which default shall not have been cured within thirty (30) days following receipt of written notice of such default from the County; or

(b) if default shall be made in the due performance of or compliance with any of the terms hereof, other than those referred to in the foregoing **paragraph (a)**, and such default shall continue for ninety (90) days after the County shall have given the Defaulting Entity written notice of such default; provided, the County may, in its discretion, grant the Defaulting Entity a longer period of time as necessary to cure such default if the Defaulting Entity proceeds with due diligence to cure such default; provided however, that no Event of Default shall exist under this Agreement during any period when there is pending, before any judicial or administrative tribunal having jurisdiction, any proceeding in which the Defaulting Entity has contested in good faith the occurrence of such default.

Notwithstanding anything herein to the contrary, failure to meet any investment or job creation requirements set forth herein shall not be deemed to be an Event of Default under this Agreement, but may terminate certain benefits hereunder or obligate the Company or other Co-Investor, as the case may be, to make certain additional payments to the County, all as set forth in **Section 4.04** and **5.01(f)** hereof.

**Section 8.02. Remedies on Event of Default.** Upon the occurrence of any Event of Default, the County may exercise any of the following remedies only as to the Defaulting Entity:

(a) terminate this Agreement by delivery of written notice to the Defaulting Entity not less than sixty (60) days prior to the termination date specified therein;

(b) have access to and inspect, examine, and make copies of the books and , records of the Defaulting Entity pertaining to the construction, acquisition, or

maintenance of the Expansion Project or calculation of the Negotiated FILOT pursuant hereto as provided in **Section 4.06** hereof;

(c) take whatever action at law or in equity as may appear necessary or desirable to collect the amount then due or enforce the County's rights hereunder, it being the express intent of the parties that the County, without limitation, shall have the same remedies available by law to collect Negotiated FILOT Payments as if they were delinquent *ad valorem* tax payments, including execution upon the lien referred to in **Section 5.02** hereof.

Section 8.03. Defaulted Payments. In the event the Company or any other Co-Investor should fail to make any of the payments required to be made by such entity under this Agreement, the item or installment so in default shall continue as an obligation of such entity until the amount in default shall have been fully paid. If any such default relates to its obligations to make Negotiated FILOT Payments hereunder, such entity shall pay the same with interest thereon at the rate per annum provided by the Code for late payment of *ad valorem* taxes together with any penalties provided by the Code for late payment of *ad valorem* taxes, all as provided in Section 12-44-90 of the Code.

Section 8.04. Default by County. Upon the default of the County in the performance of any of its obligations hereunder, the Company and any other Co-Investor may take whatever action at law or in equity as may appear necessary or desirable to enforce its rights under this Agreement, including without limitation a suit for *mandamus* or specific performance.

## ARTICLE IX

### MISCELLANEOUS

Section 9.01. Rights and Remedies Cumulative. Each right, power, and remedy of the County or of the Company or any other Co-Investor provided for in this Agreement shall be cumulative and concurrent and shall be in addition to every other right, power, or remedy provided for in this Agreement or now or hereafter existing at law or in equity, in any jurisdiction where such rights, powers, and remedies are sought to be enforced; and the exercise by the County or by the Company or any other Co-Investor of any one or more of the rights, powers, or remedies provided for in this Agreement or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by the County or by the Company or such other Co-Investor of any or all such other rights, powers, or remedies.

Section 9.02. Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto, any Co-Investors and Sponsor or Sponsor Affiliates designated pursuant to **Section 6.02** hereof and their respective successors and assigns as permitted hereunder.

Section 9.03. Notices; Demands; Requests. All notices, demands, and requests to be given or made hereunder to or by the County or the Company shall be in writing and shall be deemed to be properly given or made if sent by United States first class mail, postage prepaid, or via facsimile transmission or reputable courier service, to the following persons and addresses or to such other persons and places as may be designated in writing by such party.

(a) if to the County:

Richland County Administrator  
Attn: Richland County Administrator  
2020 Hampton Street  
Columbia, SC 29204  
Fax: 803-

with a copy (which shall not constitute notice) to:

Parker Poe Adams & Bernstein, LLP  
Attn: Ray E. Jones  
P.O. Box 1509  
Columbia, SC 29202  
Fax: 803-

(b) if to Navistar:

Navistar, Inc.  
Attn: Houman Kashanipour  
4201 Winfield Road  
Warrenville, Illinois 60555  
Fax: -

with a copy (which shall not constitute notice) to:

Navistar, Inc.  
Attn: Steve Covey, General Counsel  
4201 Winfield Road  
Warrenville, Illinois 60555  
Fax:

with a copy (which shall not constitute notice) to:

Nexsen Pruet, LLC  
Burnet R. Maybank, III, Esq.  
Tushar V. Chikhliker, Esq.  
P.O. Box 2426  
1230 Main Street, Suite 700

Columbia, South Carolina 29201  
Fax: 803-253-8277

(c) If to the Company:

Pure Power Technologies, LLC  
Attn: David A. Benson  
1410 Northpoint Boulevard  
Blythewood, South Carolina 29016  
Fax: -

with a copy (which shall not constitute notice) to:

Pure Power Technologies, LLC  
Attn: Steve Covey, General Counsel  
4201 Winfield Road  
Warrenville, Illinois 60555  
Fax: -

with a copy (which shall not constitute notice) to:

Nexsen Pruet, LLC  
Burnet R. Maybank, III, Esq.  
Tushar V. Chikhliker, Esq.  
P.O. Box 2426  
1230 Main Street, Suite 700  
Columbia, South Carolina 29201  
Fax: 803-253-8277

Section 9.04. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State. To the extent of any conflict between the provisions of this Agreement and the Act, the Act controls.

Section 9.05. Entire Understanding. This Agreement expresses the entire understanding and all agreements of the parties hereto with each other, and neither party hereto has made or shall be bound by any agreement or any representation to the other party which is not expressly set forth in this Agreement or in certificates delivered in connection with the execution and delivery hereof.

Section 9.06. Severability. In the event that any clause or provisions of this Agreement shall be held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any of the remaining provisions hereof.

Section 9.07. Headings and Table of Contents; References. The headings of the Agreement and any Table of Contents annexed hereto are for convenience of reference only

and shall not define or limit the provisions hereof or affect the meaning or interpretation hereof. All references in this Agreement to particular articles or Sections or paragraphs of this Agreement are references to the designated articles or Sections or paragraphs of this Agreement.

Section 9.08. Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original but all of which shall constitute but one and the same instrument.

Section 9.09. Amendments. Subject to the limitations set forth in Section 12-44-40(K)(2) of the Negotiated FILOT Act, this Agreement may be amended, or the rights and interest of the parties hereunder surrendered, only by a writing signed by both parties.

Section 9.10. Waiver. Either party may waive compliance by the other party with any term or condition of this Agreement only in a writing signed by the waiving party.

Section 9.11. Further Proceedings. To the extent additional proceedings are required by law, however, the County agrees to undertake all such steps as may be reasonably required or appropriate to effectuate the intent of this Agreement.

[Execution Pages to Follow]

IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Agreement to be effective as of the date first written above.

RICHLAND COUNTY, SOUTH CAROLINA

By: \_\_\_\_\_  
Paul Livingston, Chairman, County Council  
Richland County, South Carolina

[SEAL]

ATTEST:

By: \_\_\_\_\_  
Michelle Onley, Clerk to County Council  
Richland County, South Carolina

PURE POWER TECHNOLOGIES, LLC

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

**EXHIBIT A  
LEGAL DESCRIPTION**

**PARCEL I:**

All that certain piece, parcel or tract of land situate, lying and being in the County of Richland, State of South Carolina, more particularly described as follows:

Beginning at a point on the southern margin of the right-of-way of Northpoint Boulevard where it intersects with the western margin of the right-of-way of Community Road; thence running in a southeasterly direction for a distance of approximately 616.3 feet to a #4 Rebar at the Point of Beginning (POB-B), this #4 Rebar being a common corner of Parcel "B" and a parcel of property now or formerly of Keller Properties, Inc.; thence proceeding along an arc of a curve to the left having a radius of 6056.50 feet; an arc length of 270.38 feet; a chord bearing of S 30°42'38" E and a chord length of 270.33 feet to a #4 Rebar on the western margin of the right-of-way of Community Road; thence proceeding along Parcel "A" the following courses: a curve to the left having a radius of 50.00 feet; an arc length of 77.93 feet; a chord bearing of N76°38'30"W and a chord length 70.28 feet to a #4 Rebar; thence proceeding S58°42'22"W for a distance of 146.06 feet to a #4 Rebar; thence proceeding along an arc of a curve to the right having a radius of 800.00 feet; an arc length of 405.98 feet; a chord bearing of S73°14'46"W and a chord length of 401.64 feet to a #4 Rebar; thence proceeding N89°18'32"W for a distance of 197.20 feet to a #4 Rebar; thence proceeding along an arc of a curve to the left having a radius of 460.00 feet, an arc length of 86.99 feet, a chord bearing of S77°04'31"W a chord length of 170.96 feet to a #4 Rebar; thence proceeding S66°21'58"W for a distance of 103.97 feet to a #4 Rebar; thence proceeding along property now or formerly of T. Walter Brashier N08°44'56"W for a distance of 82.78 feet to a #4 Rebar; thence proceeding along reserved property and property now or formerly of Coca-Cola Bottling Company N66°21'53"E for a distance of 756.99 feet to a 2 ½" iron pipe; thence proceeding along property now or formerly of Keller Properties, Inc. S55°36'41"E for a distance of 163.06 feet to a 2" iron pipe; thence proceeding along property now or formerly of Keller Properties, Inc. N23°26'37"E for a distance of 209.45 feet to a #4 Rebar and Point of Beginning (POB-B), said parcel contains an area of 3.88 acres, more or less.

**TOGETHER WITH**

All that certain piece, parcel or tract of land situate, lying and being in the County of Richland, State of South Carolina, more particularly described as follows:

Beginning at a point on the southern margin of the right-of-way of Northpoint Boulevard where it intersects with the western margin of the right-of-way of Community Road; thence running in a southeasterly direction for a distance of approximately 616.3 feet to a #4 Rebar; thence proceeding along an arc of a curve to the left having a radius of 6056.50 feet; an arc length of 270.38 feet; a chord bearing of S30 42'38"E and a chord length of 270.33 feet to a #4 Rebar on the western margin of the right-of-way of Community Road, the Point of Beginning (POB-A); from said point of beginning, thence along the western margin of the right-of-way of Community

Exhibit A -1

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Item# 10

Attachment number 3  
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Road the following courses to the creek; proceeding along a curve to the left having a radius of 6056.40 feet, a chord bearing and distance of S32°45'25"E, 162.27 feet, an arc length of 162.28 feet to a concrete monument; thence proceeding S33°02'31"E, 10.08 feet to a concrete monument at the point of curvature of a non-tangent curve; thence proceeding along a curve to the right having a radius of 5729.58 feet, a chord bearing and distance of S32°09'35"E, 258.44 feet, an arc length of 258.47 feet to a concrete monument; thence proceeding S31°05'41"E, 459.05 feet to a concrete monument at the point of curvature of a non-tangent curve; thence proceeding along a curve to the right having a radius of 883.73 feet, a chord bearing and distance of S14°05'35"E, 516.67 feet, an arc length of 524.32 feet to a concrete monument; thence proceeding S02°54'14"W, 301.76 feet to a concrete monument at the point of curvature of a non-tangent curve; thence proceeding along a curve to the left having a radius of 965.22 feet, a chord bearing and distance of S05°48'06"E, 302.00 feet, an arc length of 303.25 feet to a concrete monument; thence proceeding S03°54'31"E, 162.57 feet to a concrete monument; thence proceeding S24°45'08"E, 45.78 feet to a point in the center of the creek; thence following the creek centerline S54°53'30"W, 92.85 feet to a point; thence following the creek centerline S80°29'27"W, 42.27 feet to a point; thence following the creek centerline S77°11'27"W, 45.78 feet to a point; thence following the creek centerline S85°05'49"W, 34.67 feet to a point; thence following the creek centerline S35°45'15"W, 37.68 feet to a point; thence following the creek centerline N. 79°22'15"W, 23.49 feet to a point; thence following the creek centerline S56°18'52"W, 58.20 feet to a point; thence following the creek centerline S81°54'49"W, 47.17 feet to a point; thence following the creek centerline S84°56'19"W, 26.03 feet to a point; thence following the creek centerline S79°16'52"W, 33.49 feet to a point; thence following the creek centerline N76°36'20"W, 39.05 feet to a point; thence following the creek centerline N75°36'20"W, 23.30 feet to a point; thence following the creek centerline S22°45'02"W, 36.32 feet to a point; thence following the creek centerline N80°20'08"W, 23.26 feet to a point; thence following the creek centerline N01°08'00"E, 20.82 feet to a point; thence following the creek centerline N52°59'26"W, 44.15 feet to a point; thence following the creek centerline N23°36'16"W, 39.49 feet to a point; thence following creek centerline N55°36'57"W, 48.22 feet to a point; thence following the creek centerline S71°31'34"W, 38.67 feet to a point; thence following the creek centerline S19°14'48"E, 19.57 feet to a point; thence following the creek centerline S50°35'39"W, 30.67 feet to a point; thence following the creek centerline N30°28'21"W, 16.24 feet to a point; thence following the creek centerline N36°29'39"W, 33.63 feet to a point; thence following the creek centerline N76°19'46"W, 49.29 feet to a point; thence following the creek centerline S73°49'21"W 22.68 feet to a point; thence following the creek centerline S03°18'27"W, 37.42 feet to a point; thence following the creek centerline N77°39'36"W, 41.24 feet to a point; thence following the creek centerline N77°33'40"W, 41.48 feet to a point; thence following the creek centerline N27°56'03"W, 33.98 feet to a point; thence following the creek centerline N60°27'23"W, 33.10 feet to a point; thence following the creek centerline S32°16'34"W, 24.52 feet to a point; thence following the creek centerline S89°16'56"W, 15.72 feet to a point; thence following the creek centerline N45°13'18"W, 38.26 feet to a point; thence following the creek centerline N26°17'46"E, 25.62 feet to a point; thence following the creek centerline N09°35'24"W, 25.42 feet to a point; ;thence following the creek centerline N84°41'36"W 15.32 feet to a point; thence following the creek centerline N07°53'25"E, 41.75 feet to a point; thence following the creek centerline N32°48'04"W, 25.64 feet to a point; thence following the creek centerline N71°09'43"W, 43.35 feet to a point; thence

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following the creek centerline N10°59'52"W, 28.18 feet to a point; thence following the creek centerline N64°22'23"W, 21.10 feet to a point; thence following the creek centerline S61°33'26"W, 20.51 feet to a point, thence following the creek centerline N67°57'58"W, 19.33 feet to a point; thence following the creek centerline S87°51'09"W, 26.09 feet to a point; thence following the creek centerline S44°17'45"W, 42.36 feet to a point; thence following the creek centerline S85°30'34"W, 17.61 feet to a point; thence following the creek centerline N55°25'28"W, 25.30 feet to a point; thence following the creek centerline N09°20'09"W, 25.33 feet to a point; thence following the creek centerline N59°58'35"W, 51.28 feet to a point; thence following the creek centerline N29°43'27"W, 42.86 feet to a point; thence following the creek centerline N48°39'23"W, 60.79 feet to a point; thence following the creek centerline S78°10'45"W, 18.08 feet to a point; thence following the creek centerline N50°00'43"W, 29.92 feet to a point; thence following the creek centerline N10°37'24"W, 25.73 feet to a point; thence following the creek centerline N35°41'36"W, 25.40 feet to a point; thence following the creek centerline S78°12'03"W, 33.67 feet to a point; thence following the creek centerline N47°42'19"W, 23.71 feet to a point; thence following the creek centerline N51°00'09" W., 43.98 feet to a point; thence following the creek centerline N79°33'04"W, 43.89 feet to a point; thence following the creek centerline S36°46'14"W, 24.19 feet to a point; thence proceeding along property now or formerly of T. Walter Brashier N08°44'56"W, 1,493.05 feet to a #4 Rebar; thence along Parcel "B" the following courses: N66°21'58"E, for a distance of 103.97 feet to a #4 Rebar; thence proceeding along an arc of a curve to the right having a radius of 460.00 feet; an arc length of 86.99 feet, a chord bearing of N77°04'31"E a chord length of 170.96 feet to a #4 Rebar; thence proceeding S89°18'32"E for a distance of 197.20 feet to a #4 Rebar; thence proceeding along an arc of a curve to the left having a radius of 800.00 feet; an arc length of 405.98 feet; a chord bearing of N73°14'46"E and a chord length of 401.64 feet to a #4 Rebar; thence proceeding N58°42'22"E for a distance of 146.06 feet to a #4 Rebar; thence proceeding along a curve to the right having a radius of 50.00 feet, an arc length of 77.93 feet, a chord bearing of S76°38'30"E and a chord length of 70.28 feet to a #4 Rebar at the Point of Beginning (POB-A). Said parcel contains an area of 61.09 acres, more or less.

LESS HOWEVER: All that certain piece, parcel or tract of land situate, lying and being in the County of Richland, State of South Carolina, being shown and delineated as 1.46 acres on that certain survey title "Closing Survey for South Carolina Electric and Gas Company, Northpoint Industrial Park, 115/23kV Substation" prepared by Glenn Associates Surveying, Inc. dated August 9, 2006, and recorded in Book 1245, page 2240 in the Office of the Register of Deeds for Richland County, South Carolina, on October 27, 2006; said tract having such boundaries and measurements as shown on the Closing survey.

## **PARCEL II:**

All that certain piece, parcel and tract of land situate, lying and being in the County of Richland, State of South Carolina, near the City of Columbia, located on Research Drive, containing 2.8658 acres, more or less, more fully shown on that certain Property Survey and Easement Map prepared for Carolina Park Associates by A & S of Columbia, Inc. dated March 17, 1998, last

Exhibit A -3

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revised March 24, 1998, and recorded in the Office of the Register of Deeds for Richland County in Book 29, page 447, also shown on that certain plat prepared for Katherine S. Milnor by Associated E & S, Inc. dated December 31, 1998, and recorded in the Office of the Register of Deeds for Richland County in Book 276, page 656. Reference to said plat is craved for a fuller description, with all measurements being a little more or less.

TOGETHER WITH

All of Katherine S. Milnor's right, title and interest in that certain non-exclusive, perpetual commercial easement more fully described in the Easement Agreement between Carolina Park Associates II and South Carolina Research Authority dated March 27, 1998, and recorded in the Office of the Richland County Register of Deeds in Book 32, page 389.

Exhibit A -4

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<b>Summary Report:</b>	
<b>Litéra® Change-Pro ML 6.5.0.401 Document Comparison done on 10/27/2011 12:30:13 PM</b>	
<b>Style Name:</b> Default Style	
<b>Original Filename:</b> 2559706-v3-Fee Agreement -Richland - Pure Power.doc	
<b>Original DMS:</b>	
<b>Modified Filename:</b>	
<b>Modified DMS:</b> iw://DMS/NPCOL1/2559706/4	
<b>Changes:</b>	
<u>Add</u>	26
<del>Delete</del>	24
<del>Move From</del>	0
<u>Move To</u>	0
<u>Table Insert</u>	0
<del>Table Delete</del>	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
<b>Total Changes:</b>	<b>50</b>

FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT

between

RICHLAND COUNTY, SOUTH CAROLINA

and

PURE POWER TECHNOLOGIES, LLC

Dated as of October 30, 2011

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## FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT

THIS FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT (this "Agreement") dated as of October 30, 2011, between RICHLAND COUNTY, SOUTH CAROLINA (the "County"), a body politic and corporate and a political subdivision of the State of South Carolina, and PURE POWER TECHNOLOGIES, LLC, a limited liability company organized and existing under the laws of the State of Delaware, acting for itself, one or more affiliates or other project sponsors (the "Company");

### WITNESSETH:

WHEREAS, the County, acting by and through its County Council (the "Council"), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended through the date hereof (the "Code"), particularly Title 12, Chapter 44 of the Code (the "Negotiated FILOT Act") and Title 4, Chapter 1 of the Code (the "Multi-County Park Act" or, as to Section 4-1-175 thereof, and Section 4-29-68 of the Code by incorporation, the "Special Source Act") (collectively, the "Act") and by Article VIII, Section 13 of the South Carolina Constitution: (i) to enter into agreements with certain investors to construct, operate, maintain, and improve certain projects through which the economic development of the State of South Carolina (the "State") will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ the manpower, agricultural products, and natural resources of the State; (ii) to covenant with such investors to accept certain fee in lieu of *ad valorem* tax ("FILOT") payments, including, without limitation, negotiated FILOT payments, with respect to a project; (iii) to permit investors to claim special source revenue credits against their FILOT payments ("Special Source Credits") to reimburse such investors for certain expenditures including, without limitation, those incurred in connection with infrastructure serving the County and improved or unimproved real estate used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the County; and (iv) to create, in conjunction with one or more other counties, a multi-county industrial or business park in order to afford certain enhanced income tax credits to such investors and facilitate the grant of Special Source Credits; and

WHEREAS, the Company proposes to establish and/or expand certain manufacturing, research and development, and related facilities at multiple sites in the County (the "Expansion Project"), and the Company anticipates that, should its plans proceed as expected, it will invest, or cause to be invested, at least \$25,000,000 in the Expansion Project and will create, or cause to be created, at least 150 new jobs in the County, by the end of the Compliance Period (as defined below); and

WHEREAS, the County has determined the Expansion Project will subserve the purposes of the Act and has made certain findings pertaining thereto in accordance with the Act; and

WHEREAS, in accordance with such findings and determinations and in order to induce the Company to locate the Expansion Project in the County, the County Council adopted a

Resolution on October 4, 2011 (the “Inducement Resolution”), whereby the County agreed to provide FILOT, multi-county industrial or business park and Special Source Credits benefits, which are set forth in greater detail herein; and

WHEREAS, the County has determined it is in the best interest of the County to enter into this Agreement with the Company, subject to the terms and conditions set forth herein and, by an Ordinance enacted by the Council on November 1, 2011, approved the form, terms and conditions of this Agreement and ratified all prior actions taken with respect to the Expansion Project.

NOW, THEREFORE, in consideration of the premises; the potential investment and jobs to be created, or caused to be created, by the Company which contribute to the tax base and the economic welfare of the County; the respective representations and agreements hereinafter contained; and the sum of \$10.00 in hand, duly paid by the Company to the County, the receipt and sufficiency of which are hereby acknowledged, the County and the Company agree as follows:

## ARTICLE I

### DEFINITIONS

Section 1.01. Definitions. In addition to the words and terms elsewhere defined in this Agreement, the following words and terms as used herein and in the preambles hereto shall have the following meanings unless the context or use indicates another or different meaning or intent.

“*Act*” shall mean, collectively, the Negotiated FILOT Act and the Multi-County Park Act, including, without limitation, the Special Source Act.

“*Administration Expenses*” shall mean the reasonable and necessary expenses incurred by the County in the fulfillment of its obligations under this Agreement and in the implementation of its terms and provisions, including reasonable attorneys’ fees at the hourly rates which are standard for the applicable legal services to the County, but excluding any expenses incurred by the County in defending either challenges to the incentives provided herein by third parties or suits brought by the Company or any other Co-Investor under **Section 8.04** hereof; provided, however, that no such expense shall be considered an Administration Expense unless the County and the Company shall have first agreed, prior to the County incurring such expense, as to the maximum amount thereof or as to the basis for which such expenses will be incurred, and that the County shall have furnished to the Company, an itemized statement of all expenses incurred and provided, further, that nothing herein shall be construed as prohibiting the County from engaging the counsel of its choice for matters deemed necessary and prudent by the County.

“*Affiliate*” shall mean any corporation, limited liability company, partnership or other Person or entity which owns all or part of the Company or any other Co-Investor, as the case may be, or which is owned in whole or in part by the Company or any other Co-Investor, as the

case may be, or by any partner, shareholder or owner of the Company or any other Co-Investor, as the case may be.

“*Agreement*” shall mean this Fee In Lieu of Tax and Incentive Agreement as originally executed and from time to time supplemented or amended as permitted herein.

“*Code*” shall mean the Code of Laws of South Carolina 1976, as amended through the date hereof, unless the context clearly requires otherwise.

“*Co-Investor*” shall mean any Sponsor or Sponsor Affiliate within the meaning of Sections 12-44-30(19) and (20) of the Negotiated FILOT Act, any Affiliate of the Company or of any such Sponsor or Sponsor Affiliate, any developer in a build-to-suit arrangement with respect to the Expansion Project, any lessor of equipment or other property comprising a part of the Expansion Project, and any financing entity or other third party investing in or providing funds for the Expansion Project. The Company shall notify the County in writing of the identity of any Sponsor, Sponsor Affiliate or other Co-Investor and shall, to the extent the Company and any such Co-Investor intend to extend the benefits of the Negotiated FILOT to property owned by such Co-Investor pursuant to **Section 6.02** hereof, comply with any additional notice requirements, or other applicable provisions, of the Negotiated FILOT Act. As of the date of original execution and delivery of this Agreement, the Company and Navistar, Inc., a Delaware corporation, (“Navistar”) are the only Co-Investors.

“*Company*” shall mean Pure Power Technologies, LLC, a Delaware limited liability company, and any surviving, resulting, or transferee entity in any merger, consolidation or transfer of assets permitted under **Sections 4.07** or **6.01** hereof or any other assignee hereunder which is designated by the Company and approved by the County.

“*Compliance Period*” shall mean the period commencing with the first day that Negotiated FILOT Property is purchased or acquired, whether before or after the date of this Agreement, and ending on the fifth anniversary of the end of the Property Tax Year in which the initial Negotiated FILOT Property comprising the Expansion Project is placed in service, all as specified in Section 12-44-30(13) of the Negotiated FILOT Act. The parties anticipate that the initial Negotiated FILOT Property comprising the Expansion Project will be placed in service in the Property Tax Year ending on October 31, 2011 and that in such event, the Compliance Period will end on October 31, 2016.

“*County*” shall mean Richland County, South Carolina, a body politic and corporate and a political subdivision of the State, and its successors and assigns.

“*Council*” shall mean the governing body of the County and its successors.

“*Deficiency Payment*” shall have the meaning specified in **Section 5.01(e)** hereof.

“*Department of Revenue*” shall mean the South Carolina Department of Revenue.

“*Event of Default*” shall mean an Event of Default, as set forth in **Section 8.01** hereof.

“*Existing Property*” shall mean property which will not qualify for the Negotiated FILOT pursuant to Section 12-44-110 of the Negotiated FILOT Act, including without limitation property which has been subject to *ad valorem* taxes in the State prior to commencement of the Investment Period and property included in the Expansion Project as part of the repair, alteration, or modification of such previously taxed property; provided, however, that Existing Property shall not include: (a) the Land; (b) property acquired or constructed by or on behalf of the Company or any other Sponsor or Sponsor Affiliate during the Investment Period which has not been placed in service in this State prior to the commencement of the Investment Period notwithstanding that *ad valorem* taxes have heretofore been paid with respect to such property, or which has been placed in service in the State pursuant to an inducement agreement or other preliminary approval by the County, including the Inducement Resolution, prior to execution of this Agreement pursuant to Section 12-44-40(E) of the Negotiated FILOT Act, which property shall qualify as Negotiated FILOT Property; (c) property purchased by or on behalf of the Company or any other Sponsor or Sponsor Affiliate during the Investment Period in a transaction other than between any of the entities specified in Section 267(b) of the Internal Revenue Code, as defined under Chapter 6 of Title 12 of the Code as of the time of the transfer, to the extent that the Company or such other Sponsor or Sponsor Affiliate invests, or causes to be invested, at least an additional \$45,000,000 in the Expansion Project, exclusive of the property identified in this subsection (c); or (d) modifications which constitute an expansion of the real property portion of Existing Property, all as determined pursuant to Section 12-44-110 of the Negotiated FILOT Act.

“*Expansion Project*” shall mean: (i) the Land and all buildings, structures, fixtures and other real property improvements now or hereafter constructed on the Land; (ii) all machinery, equipment, furnishings and other personal property now or hereafter acquired by or on behalf of the Company or any Co-Investors for use on or about the Land; and (iii) any Replacement Property; provided, however, except as to Replacement Property, the term Expansion Project shall be deemed to include such real property improvements and personal property, whether now existing or hereafter constructed or acquired, only to the extent placed in service during the Investment Period.

“*FILOT*” shall mean fee in lieu of *ad valorem* property taxes.

“*FILOT Payments*” shall mean the FILOT payments to be made by the Company or any other Co-Investor with respect to the Expansion Project whether made as Negotiated FILOT Payments pursuant to the Negotiated FILOT Act or as FILOT payments pursuant to the Multi-County Park Act.

“*Inducement Resolution*” shall mean the Resolution approved by the County on October 4, 2011 in connection with the Expansion Project.

“*Investment Period*” shall mean the period for completion of the Expansion Project, which shall be initially equal to the Compliance Period; provided, however, that, the Company or any other Sponsor or Sponsor Affiliate may, prior to the end of the Compliance Period, apply to

the County for up to a five-year extension to the Investment Period beyond the Compliance Period up to the tenth anniversary of the end of the Property Tax Year in which the initial Negotiated FILOT Property comprising the Expansion Project is placed in service, as permitted by the Negotiated FILOT Act, and the County may approve of such extension, in its sole discretion; provided further that there shall be no extension of the period for meeting the Minimum Statutory Investment Requirement beyond the Compliance Period, all determined as specified in Section 12-44-30(13) of the Negotiated FILOT Act.

“*Land*” shall mean the land upon which the Expansion Project has been or will be located, acquired, constructed and equipped, as described in **Exhibit A** attached hereto, as **Exhibit A** may be supplemented from time to time in accordance with the provisions hereof.

“*Minimum Contractual Investment Requirement*” shall mean investment of at least \$25,000,000 (without regard to depreciation, disposals, or other diminution in value) by the Company and all Co-Investors, in the aggregate in the Expansion Project during the period commencing with the date of the initial expenditure with respect to the Expansion Project, whether before or after the date of this Agreement, and ending at the end of the Compliance Period.

“*Minimum Jobs Requirement*” shall mean the creation of at least 150 new jobs (without regard to jobs maintained) in the County by the Company and all Co-Investors, in the aggregate, during the period commencing on January 1, 2011 and ending at the end of the Compliance Period.

“*Minimum Statutory Investment Requirement*” shall mean investment in the Expansion Project of not less than \$2,500,000 during the Compliance Period, as required by Section 12-44-30(14) of the Negotiated FILOT Act, which investment amount shall be calculated in accordance with Section 12-44-130 of the Negotiated FILOT Act and **Section 6.02** hereof in determining whether the Company or any other Sponsor or Sponsor Affiliate qualifies for the Negotiated FILOT.

“*Minimum Threshold Investment Requirement*” shall mean investment in the Expansion Project of at least \$10,000,000 (without regard to depreciation, disposals, or other diminution in value) by the Company and all Co-Investors, in the aggregate during the period commencing with the date of the initial expenditure with respect to the Expansion Project, whether before or after the date of this Agreement, and ending at the end of the Compliance Period.

“*Multi-County Park*” shall mean the multi-county industrial or business park established pursuant to the Multi-County Park Agreement, and any multi-county industrial or business park which now or hereafter includes the Expansion Project and which is designated by the County as such pursuant to any agreement, which supersedes or replaces the initial Multi-County Park Agreement.

“*Multi-County Park Act*” shall mean Title 4, Chapter 1 of the Code, as amended through the date hereof.

“*Multi-County Park Agreement*” shall mean that certain Master Agreement Governing the I-77 Corridor Regional Industrial Park between the County and Fairfield County, South Carolina dated as of April 15, 2003, as amended, supplemented, or modified through the date hereof and as such agreement may be further amended, supplemented, or replaced from time to time.

“*Negotiated FILOT*” or “*Negotiated FILOT Payments*” shall mean the FILOT payments due pursuant to **Section 5.01** hereof with respect to that portion of the Expansion Project consisting of Negotiated FILOT Property qualifying under the Negotiated FILOT Act for the negotiated assessment ratio and millage rate described in **Section 5.01(b)(ii)** hereof.

“*Negotiated FILOT Act*” shall mean Title 12, Chapter 44 of the Code, as amended through the date hereof.

“*Negotiated FILOT Property*” shall mean all property qualifying for the Negotiated FILOT as economic development property within the meaning of Section 12-44-30(6) of the Negotiated FILOT Act, including, without limitation, each item of real and tangible personal property comprising the Expansion Project which is placed in service prior to the end of the Investment Period and which meets the requirements of Sections 12-44-30(6) and 12-44-40(C) of the Negotiated FILOT Act, together with all Replacement Property, but excluding any Non-Qualifying Property and any Released Property.

“*Non-Qualifying Property*” shall mean that portion of the facilities located on the Land, which does not qualify as Negotiated FILOT Property, such Non-Qualifying Property to include: (i) Existing Property; (ii) except as to Replacement Property, property which the Company or any other Sponsor or Sponsor Affiliate places in service after the end of the Investment Period; and (iii) any other property which fails or ceases to qualify for Negotiated FILOT Payments under the Negotiated FILOT Act, including, without limitation, property as to which the Company or any other Sponsor or Sponsor Affiliate has terminated the Negotiated FILOT pursuant to **Section 4.02(e)(iii)** hereof.

“*Person*” shall mean and include any individual, association, unincorporated organization, corporation, partnership, limited liability company, joint venture, or government or agency or political subdivision thereof.

“*Property Tax Year*” shall mean the annual period which is equal to the fiscal year of the Company or any other Co-Investor, as the case may be, *i.e.*, with respect to the Company, the period ending on October 31 of each year.

“*Released Property*” shall include property which was initially Negotiated FILOT Property but which is scrapped, sold, disposed of, or released from this Agreement by the Company or any other Sponsor or Sponsor Affiliate pursuant to **Section 4.02(e)** hereof and Section 12-44-50(B) of the Negotiated FILOT Act; which the Company or any other Sponsor or Sponsor Affiliate dedicates to the public use within the meaning of Section 12-6-3420(C) of the

Code; or which is damaged, destroyed, or taken by process of eminent domain and not restored or replaced.

*“Replacement Property”* shall mean all property installed in or on the Land in substitution of, or as replacement for, any Negotiated FILOT Property which becomes Released Property, regardless of whether such property serves the same function as the property it replaces and regardless of whether more than one piece replaces a single piece of the Negotiated FILOT Property, but only to the extent that such property may be included in the calculation of the Negotiated FILOT pursuant to **Section 5.01(d)** hereof and Section 12-44-60 of the Negotiated FILOT Act.

*“Special Source Act”* shall mean Section 4-1-175 of the Code, as amended through the date hereof.

*“Special Source Credits”* shall mean the special source revenue credits described in **Section 3.02** hereof.

*“Special Source Improvements”* shall mean, to the extent paid for by the Company or any Co-Investor, any infrastructure serving the economic development of the County and any improved and unimproved real property, buildings, structural components of buildings, fixtures or other real property improvements used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the County, all as set forth in the Special Source Act. For purposes of this Agreement, Special Source Improvements shall initially be deemed to include, without limitation, all roadwork, water, sewer, drainage, power and utility facilities serving the Expansion Project, as well as the Land, the buildings, fixtures and other real property improvements on the Land, and any additions or improvements to any of the foregoing, whether paid for by the Company or any other Co-Investors directly or through lease payments. At the request of the Company, the County hereby agrees to hereafter consider inclusion of personal property, including machinery and equipment, as Special Source Improvements hereunder in accordance with Section 4-29-68(A)(2)(i) of the Code, which inclusion may be approved by a resolution of the Council.

*“Sponsor”* and *“Sponsor Affiliate”* shall mean an entity whose investment with respect to the Expansion Project will qualify for the Negotiated FILOT pursuant to **Section 6.02** hereof and Sections 12-44-30(19) or (20) and Section 12-44-130 of the Negotiated FILOT Act if the statutory investment requirements are met. Initially, the Company and Navistar are the only Sponsors or Sponsor Affiliates.

*“State”* shall mean the State of South Carolina.

*“Term”* shall mean the term of this Agreement, as set forth in **Section 7.01** hereof.

*“Transfer Provisions”* shall mean the provisions of Section 12-44-120 of the Negotiated FILOT Act, as amended through the date hereof.

Section 1.02. References to Agreement. The words “hereof”, “herein”, “hereunder”, and other words of similar import refer to this Agreement as a whole.

## ARTICLE II

### REPRESENTATIONS AND WARRANTIES

Section 2.01. Representations and Warranties by County. The County makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) The County is a body politic and corporate and a political subdivision of the State and is authorized and empowered by the provisions of the Act to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder. By proper action by the Council, the County has duly authorized the execution and delivery of this Agreement and the Negotiated FILOT Payments and Special Source Credits as set forth herein, the inclusion and maintenance of the Expansion Project in the Multi-County Park, and any and all actions reasonably necessary and appropriate to consummate the transactions contemplated hereby.

(b) The County has determined the Expansion Project will subserve the purposes of the Act and has made all other findings of fact required by the Act in connection with the undertaking of the arrangements set forth herein.

(c) This Agreement has been duly authorized, executed and delivered on behalf of the County. The authorization, execution, and delivery of this Agreement and the performance by the County of its obligations hereunder will not, to the best knowledge of the County, conflict with or constitute a breach of, or a default under, any South Carolina law, court or administrative regulation, decree, order, provision of the Constitution or laws of the State relating to the establishment of the County or its affairs, or any material agreement, mortgage, lease, or other instrument to which the County is subject or by which it is bound, nor, to the best knowledge of the County, any existing law or the provisions of the Constitution of the State.

(d) To the best knowledge of the County, no actions, suits, proceedings, inquiries, or investigations are pending or threatened against or affecting the County in any court or before any governmental authority or arbitration board or tribunal, any of which to the best knowledge of the County could materially adversely affect this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement or the transactions contemplated hereby.

Section 2.02. Representations and Warranties by the Company. The Company makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) The Company is a limited liability company validly existing and in good standing under the laws of the State of Delaware and authorized to do business in the State; has all requisite power to enter into this Agreement and to carry out its obligations hereunder; and by proper action has been duly authorized to execute and deliver this Agreement. The Company's fiscal year end is October 31 and the Company will notify the County of any changes in the fiscal year of the Company.

(b) The Company presently intends to operate the Expansion Project as facilities primarily for manufacturing, research and development, and/or related activities.

(c) The agreements with the County with respect to the Negotiated FILOT, Special Source Credits and the Multi-County Park were factors in inducing the Company to locate the Expansion Project within the County and the State.

(d) To the best knowledge of the Company, no actions, suits, proceedings, inquiries, or investigations are pending or threatened against or affecting the Company in any court or before any governmental authority or arbitration board or tribunal, which would materially adversely affect this Agreement or which would, in any way, adversely affect the validity or enforceability of this Agreement, or the transactions contemplated hereby.

### ARTICLE III

#### COVENANTS OF COUNTY

Section 3.01. Agreement to Accept Negotiated FILOT Payments. The County hereby agrees to accept Negotiated FILOT Payments in accordance with **Section 5.01** hereof in lieu of *ad valorem* taxes with respect to that portion of the Expansion Project consisting of Negotiated FILOT Property until this Agreement expires or is sooner terminated.

Section 3.02. Special Source Credits.

(a) The County, as an additional incentive to induce the Company to locate the Expansion Project within the County and as reimbursement for investment in certain Special Source Improvements, and subject to the requirements of the Special Source Act, does hereby agree that the Company and each Co-Investor (each a "Claiming Entity") shall be entitled to receive, and the County shall provide, Special Source Credits in a maximum aggregate amount of \$500,000 (the "Aggregate Available Credits") and each Claiming Entity shall be entitled to receive Special Source Credits against each FILOT Payment made by such Claiming Entity with respect to the Expansion Project in an amount equal to fifty percent (50%) of each such FILOT Payment, for a period of up to five (5) years, commencing with the year for which the initial Negotiated FILOT payment is due hereunder, until the Aggregate Available Credits have been fully provided by the County; provided, however, that in determining the Special Source Credits with respect to the final year for which each Claiming Entity is entitled to receive

the Special Source Credits hereunder, the applicable percentage shall be the highest percentage required, up to fifty percent (50%), for the County to fully provide all remaining Aggregate Available Credits. In accordance with the Special Source Act, the Special Source Credits authorized herein shall not, in the aggregate, exceed the aggregate cost of Special Source Improvements funded from time to time in connection with the Expansion Project.

(b) The Special Source Credits shall be reflected by the County on each bill to a Claiming Entity for FILOT Payments due with respect to the Expansion Project, by reducing the total original FILOT Payment otherwise due with respect to such property by the amount of such Special Source Credits.

(c) THE COUNTY SHALL HAVE NO FINANCIAL OBLIGATION OF ANY KIND RELATING TO THE SPECIAL SOURCE CREDITS EXCEPT TO THE EXTENT THE FILOT PAYMENTS ARE PAID BY THE CLAIMING ENTITY AND RECEIVED BY THE COUNTY WITH RESPECT TO THE EXPANSION PROJECT.

Section 3.03. Multi-County Park Designation. The County will take all acts to insure that the Expansion Project including, without limitation, Parcel I and Parcel II of the Land will be included within the boundaries of the Multi-County Park, if not already so included, and that the Expansion Project, including without limitation, Parcel I and Parcel II of the Land, will remain within the boundaries of the Multi-County Park pursuant to the provisions of the Multi-County Park Act and Article VIII, Section 13 of the State Constitution on terms which provide for all jobs created at the Expansion Project from January 1, 2011, through the end of the Investment Period, any additional jobs tax credits afforded by the laws of the State for projects located within multi-county industrial or business parks and which facilitate the Special Source Credits set forth herein.

Section 3.04. Commensurate Benefits. The parties acknowledge the intent of this Agreement, in part, is to afford the Company and any other Co-Investor the benefits specified in this Article III in consideration of the Company's decision to locate the Expansion Project within the County, and this Agreement has been entered into in reliance upon the enactment of the Act and the County's compliance with the requirements thereof. In the event that the Department of Revenue or a court or other entity of competent jurisdiction holds that the Act is unconstitutional or this Agreement or the Multi-County Park Agreement or agreements similar in nature to this Agreement or the Multi-County Park Agreement are invalid or unenforceable in any material respect, or should the Company determine there is a reasonable doubt as to the validity or enforceability of this Agreement or the Multi-County Park Agreement in any material respect, then at the request of the Company, the County agrees to use its best efforts to extend to the Company and any other Co-Investor the intended benefits of this Agreement, including, without limitation, the Negotiated FILOT and the Special Source Credits, and agrees, if requested, to enter into a lease purchase agreement with the Company and any other Co-Investor pursuant to Section 12-44-160; Title 4, Chapter 29 or Title 4, Chapter 12 of the Code, as applicable, or to take such other steps as may be appropriate to extend to the Company and any other Co-Investor

the intended benefits of this Agreement. In furtherance of this covenant, the County also agrees that, in the event that, for any reason, the Multi-County Park is declared by a court of competent jurisdiction to be invalid or unenforceable in whole or in part, the Company and the County express their intentions that tax or FILOT payments be reformed so as to best afford the Company and any other Co-Investor benefits commensurate with, but not in excess of, those intended under this Agreement as then permitted by law, including without limitation any benefits afforded under Title 12, Chapter 6, Title 4, Chapter 1 and Title 4, Chapter 29 of the Code, as applicable, to the extent allowed by law. The Company acknowledges, if a court of competent jurisdiction holds all or part of the Negotiated FILOT Act is unconstitutional or otherwise illegal, the Negotiated FILOT Act currently provides the Company and any other Co-Investor must transfer the Negotiated FILOT Property to the County pursuant to lease-purchase arrangements within 180 days following such determination in order for the Negotiated FILOT benefits to continue to apply. In such lease purchase agreement, the County, upon the conveyance of title to the Expansion Project to the County at the expense of the Company or any such other Co-Investor, as the case may be, agrees to lease the Expansion Project to the Company or any such other Co-Investor, as the case may be. At the end of the term of any such lease purchase agreement, and upon payment of all outstanding obligations incurred under such lease purchase agreement, the Company or any such other Co-Investor shall have the option to purchase its respective portion of the Expansion Project for Ten Dollars (\$10.00).

Section 3.05. Additional Commitment of the County. The County will use its best efforts to assist the Company and each other Co-Investor in securing and processing grants and other funding for the infrastructure and other qualifying expenditures in connection with the Expansion Project. The County and the Company are currently pursuing a grant from the South of \$250,000 to reimburse the Company for certain costs required for the Expansion Project.

## ARTICLE IV

### COVENANTS OF COMPANY

Section 4.01. Minimum Contractual Investment Requirement and Minimum Jobs Requirement. The Company agrees that it will comply with, or cause compliance with, the Minimum Contractual Investment Requirement and the Minimum Jobs Requirement, by the end of the Compliance Period.

Section 4.02. Investment in Expansion Project.

(a) The Company hereby agrees to acquire, construct, equip, or improve or cause to be acquired, constructed, equipped, or improved, the Expansion Project, as the same shall be determined from time to time by the Company in its sole discretion. As required by Section 12-44-30(2) of the Negotiated FILOT Act, at least a portion of the Negotiated FILOT Property comprising the Expansion Project shall be placed in service no later than the end of the Property Tax Year which is three years from the year in which this Agreement is entered, *i.e.*, the Property Tax Year ending on October 31, 2014.

(b) Expenditures by Co-Investors shall, together with expenditures by the Company, count toward all investment requirements set forth in this Agreement, including the Minimum Contractual Investment Requirement, the Minimum Threshold Requirement, and, to the full extent permitted by the Negotiated FILOT Act, the Minimum Statutory Investment Requirement. Aggregate investment shall generally be determined by reference to the property tax returns of the Company and all Co-Investors filed with respect to the Expansion Project, including without limitation, each such entity's SCDOR PT-300 or such comparable forms, as the Department of Revenue may provide in connection with projects under the Act and filed with respect to each Property Tax Year during the Investment Period, without regard to depreciation.

(c) The Company or any other Sponsor or Sponsor Affiliate may, prior to the end of the Compliance Period, apply to the County for up to a five-year extension to the Investment Period beyond the Compliance Period, as permitted by the Negotiated FILOT Act, and the County may approve such extension in its sole discretion. There shall be no extension, however, beyond the Compliance Period of the period for meeting the Minimum Statutory Investment Requirement.

(d) The Company and each of its designated Co-Investors shall retain title, or other property rights, to its respective portion of the Expansion Project throughout the Term of this Agreement, and the Company and each Co-Investor shall have full right to mortgage, lease, or encumber all or any portion of the Expansion Project, including, without limitation, in connection with any financing transactions, without the consent of the County.

(e) The Company and each other Co-Investor shall have the right at any time and from time to time during the Term hereof to undertake any of the following:

(i) The Company and each other Co-Investor may, at its own expense, add to the Expansion Project all such real and personal property as the Company, or such Co-Investor, in its discretion deems useful or desirable, including, without limitation, Negotiated FILOT Property, without any limit as to the amount thereof.

(ii) Subject to the provisions of **Section 5.01(f)(ii)** hereof, in any instance when the Company or any other Co-Investor in its discretion determines any of its items included in the Expansion Project, including, without limitation, any Negotiated FILOT Property, have become inadequate, obsolete, worn out, unsuitable, undesirable, or unnecessary for operations at the Expansion Project, the Company, or such Co-Investor, may remove such items or portions of the Land from the Expansion Project and sell, trade in, exchange, or otherwise dispose of them as a whole or in part without the consent of the County.

(iii) The Company and each other Co-Investor may, at any time and in its discretion by written notice to the County, remove any Negotiated FILOT Property, real or personal, from the Negotiated FILOT arrangement set forth in this Agreement and retain such property for use as part of its operations in the County, and thereafter such property will be subject to *ad valorem* taxes or FILOT payments pursuant to the Multi-County Park Act, as the case may be; provided, that, any such notice requirement may be, but shall not be required to be, satisfied by property tax returns filed with respect to the Expansion Project, including without limitation, such entity's SCDOR PT-300 or such comparable forms, as the Department of Revenue may provide in connection with projects under the Act.

(iv) If the Company or any other Co-Investor sells, leases, or otherwise disposes of any portion of, or adds to, the Land, the Company, or such Co-Investor, shall deliver to the County a new **Exhibit A** to this Agreement or schedules or supplements to **Exhibit A**; provided, that any requirement to provide such schedules or supplements to the County may be satisfied by property tax returns filed with respect to the Expansion Project, including without limitation, such entity's SCDOR PT-300 or such comparable forms, as the Department of Revenue may provide in connection with projects under the Act.

(v) All Negotiated FILOT Property sold or otherwise disposed of under this Section shall be deemed Released Property for purposes of this Agreement.

Section 4.03. Funding for Special Source Improvements. The Company agrees that it will provide, or cause Co-Investors to provide, funding for the Special Source Improvements related to the establishment of the Expansion Project.

Section 4.04. Failure to Comply with Minimum Contractual Investment Requirement and/or Minimum Jobs Requirement. If either or both of the Minimum Contractual Investment Requirement and the Minimum Jobs Requirement are not complied with by the end of the Compliance Period:

(a) the Company and each other Co-Investor shall continue to be eligible to take advantage of the Negotiated FILOT hereof, in the event that the Minimum Threshold Investment Requirement is nevertheless satisfied by the end of the Compliance Period; and

(b) the Company and each other Co-Investor shall no longer be entitled to receive the Special Source Credits beginning with any FILOT Payment due with respect to Expansion Project property placed in service as of the end of the first Property Tax Year following the Compliance Period; and

(c) the Company and each other Co-Investor shall repay, or cause repayment to, the County of an amount equal to a portion of the Special Source Credits theretofore received by such entity, and, upon receipt by such entity, a portion of any additional Special Source Credits to which such entity is entitled to receive hereunder, (collectively, the “Aggregate Received Credits”), based upon the highest degree of satisfaction of the Minimum Contractual Investment Requirement (without regard to depreciation, disposals, or other diminution in value) and the Minimum Jobs Requirement (without regard to jobs maintained) prior to the end of the Compliance Period (the “Repayment”). In calculating any Repayment, the degree of satisfaction shall be measured against each of the Minimum Contractual Investment Requirement (\$25,000,000) and the Minimum Jobs Requirement (150 new jobs), and shall be weighted 50% investment / 50% jobs times the Aggregate Received Credits and any such Repayment shall be calculated according to the following formula:

1. 
$$\frac{\text{Actual Investment}}{\$25,000,000} \times 100 = \text{Investment Achievement Percentage [IAP]}$$
2.  $100\% - \text{IAP} = \text{Investment Alteration Factor [IAF]}$
3. 
$$\frac{\text{Actual Employees Hired}}{150} \times 100 = \text{Employment Achievement Percentage [EAP]}$$
4.  $100\% - \text{EAP} = \text{Employment Alteration Factor [EAF]}$
5. 
$$\frac{\text{IAF} + \text{EAF}}{2} = \text{Final Alteration Factor [FAF]}$$
6. FAF x Aggregate Received Credits = Repayment due to be paid to the County within one hundred eighty (180) days of the later of (i) the end of the Compliance Period or (ii) the day that all Aggregate Received Credits have been received by such entity.

As an example, assuming aggregate investment in the Expansion Project prior to the end of the Compliance Period totaled \$20,000,000 and the highest job creation levels in the County prior to the end of the Compliance Period totaled 130 new jobs, and that the Company had theretofore received, or will thereafter receive, Aggregate Received Credits of \$500,000, the Repayment would be calculated as follows:

1. 
$$\frac{\$20,000,000}{\$25,000,000} \times 100 = 80.0\% \text{ [IAP]}$$
2.  $100\% - 80.0\% = 20.0\% \text{ [IAF]}$

3.  $\frac{130}{150} \times 100 = 86.7\%$  [EAP]
4.  $100\% - 86.7\% = 13.3\%$  [EAF]
5.  $\frac{20.0\% + 13.3\%}{2} = 16.7\%$  [FAF]
6.  $16.7\% \times \$500,000 = \text{Reimbursement Payment of } \$83,500.$

As an additional example, assuming aggregate investment in the Expansion Project prior to the end of the Compliance Period totaled \$40,000,000 and the highest job creation levels in the County prior to the end of the Compliance Period totaled 120 new jobs, and that the Company had theretofore received, or will thereafter receive, Aggregate Received Credits of \$500,000, the Repayment would be calculated as follows:

1.  $\frac{\$40,000,000}{\$25,000,000} \times 100 = 160.0\%$  [IAP]
2.  $100\% - 160.0\% = (-60.0\%)$  [IAF]
3.  $\frac{120}{150} \times 100 = 80.0\%$  [EAP]
4.  $100\% - 80\% = 20\%$  [EAF]
5.  $\frac{(-60.0\%) + 20\%}{2} = (-40.0\%)$  [FAF]
6.  $(-40.0\%) \times \$500,000 = \text{No Repayment due.}$

Section 4.05. Payment of Administration Expenses. The Company will reimburse, or cause reimbursement to, the County from time to time for its Administration Expenses promptly upon written request therefor, but in no event later than sixty (60) days after receiving written notice from the County specifying the nature of such expense and requesting the payment of the same. The County acknowledges it imposes no charges in the nature of impact fees or recurring fees in connection with the incentives authorized by this Agreement or the Expansion Project, and, aside from attorneys' fees set forth below, the County anticipates no out of pocket expenses in connection with the initial approval of this Agreement and the transactions authorized hereby. The parties understand that legal counsel to the County has estimated its fees and other expenses for review of this Agreement, the Inducement Resolution, the Multi-County Park Agreement and all resolutions, ordinances, and other documentation related thereto at \$5,000.00 or less.

Section 4.06. Use of Expansion Project for Lawful Activities. During the Term of this Agreement, the Company and any other Co-Investor shall use the Expansion Project as it deems fit for any lawful purpose.

Section 4.07. Maintenance of Existence. Except in the event the resulting, surviving, or transferee entity is the Company or an Affiliate of the Company, as to which such consolidation, merger, or transfer the County hereby preapproves and consents, unless the County shall provide prior consent or subsequent ratification otherwise, which consent or ratification shall not be unreasonably withheld, conditioned, or delayed, the Company covenants that it will maintain its separate existence and will not dissolve or consolidate with, merge into or transfer, or otherwise dispose of substantially all of its property to any other entity or permit one or more other entities to consolidate with or merge into it or purchase substantially all of its property unless:

(a) the Company shall be the continuing business entity, or the business entity formed by such consolidation or into which the Company is merged or the entity which acquires by conveyance or transfer all or substantially all of the Company's assets shall (i) be an entity organized and existing under the laws of the United States of America or any state thereof or the District of Columbia and qualified to do business in the State; (ii) have a net worth equal to or greater than the net worth of the Company immediately preceding the date of such merger, consolidation or transfer; and (iii) expressly and unconditionally assume, by written agreement supplemental hereto and acceptable to the County as to form and content, in its reasonable discretion, every payment obligation of the Company herein and the performance of every covenant of this Agreement on the part of the Company to be performed or observed;

(b) immediately after giving effect to such transaction, no Event or Default, and no event, which, after notice or lapse of time or both, would become an Event of Default, shall have happened and be continuing; and

(c) the Company shall have delivered to the County (i) a certificate of a duly authorized officer of the Company, accompanied by financial statements of the surviving company (if other than the Company) showing compliance with the net worth requirements specified in paragraph (a) above and (ii) an opinion of counsel for the Company and/or counsel to the transferee company, each stating that such consolidation, merger, conveyance or transfer and such supplement to this Agreement comply with this Section and that all conditions precedent herein provided for relating to such transaction have been complied with.

Upon any consolidation or merger or any conveyance or transfer of all or substantially all of the Company's assets in accordance with this Section, the successor entity formed by such consolidation or into which the Company is merged or to which such conveyance or transfer is made shall succeed to, and be substituted for, and may exercise every right and power of the Company under this Agreement with the same effect as if such successor entity had been named as the Company herein, and thereafter the Company shall be relieved of all obligations and

covenants under this Agreement.

If a consolidation, merger or conveyance or transfer is made as permitted by this Section, the provisions of this Section shall continue in full force and effect and no further consolidation, merger or conveyance or transfer shall be made except in compliance with the provisions of this Section.

The Company acknowledges transfers of this Agreement or the Negotiated FILOT Property may cause the Negotiated FILOT Property to become ineligible for a Negotiated FILOT or result in penalties under the Act absent compliance by the Company with the Transfer Provisions.

Section 4.08. Records and Reports. The Company and each other Co-Investor will each maintain such books and records with respect to the Expansion Project as will permit the identification of those portions of the Expansion Project it places in service in each Property Tax Year during the Investment Period, the amount of investment with respect thereto, computations of all Negotiated FILOT Payments made by such entity hereunder and will comply with all reporting requirements of the State and the County applicable to Negotiated FILOT Property under the Negotiated FILOT Act, including without limitation the reports required by 12-44-90 of the Negotiated FILOT Act (collectively, "Filings"); provided, however, that the parties hereby waive in its entirety the requirement under Section 12-44-55 of the Negotiated FILOT Act for a recapitulation of the terms of this Agreement. In addition, the following records shall be provided to the County:

(a) Each year during the Term hereof, the Company and each other Co-Investor shall deliver to the County Auditor, the County Assessor, and the County Treasurer a copy of its most recent annual filings made with the Department of Revenue with respect to the Expansion Project at the same time as delivery thereof to the Department of Revenue.

(b) The Company shall cause a copy of this Agreement, as well as a copy of the completed Form PT-443 required by the Department of Revenue, to be filed within thirty (30) days after the date of execution and delivery hereof with the County Auditor, the County Assessor and the County Treasurer of the County and of each other county which is a party to the Multi-County Park Agreement, and with the Department of Revenue and shall update such Form PT-443 from time to time to the extent that the information therein is no longer accurate.

Notwithstanding any other provision of this Section, the Company and each other Co-Investor may, by clear, written designation, conspicuously marked, designate with respect to any Filings or other documents or information delivered to the County segments thereof that the Company or such other Co-Investor believes contain proprietary, confidential, or trade secret matters. To the extent permitted by law, the County shall comply with all reasonable, written requests made by the Company and each other Co-Investor with respect to maintaining the confidentiality of such designated segments. Except to the extent required by law, the County

shall not knowingly and voluntarily release information, which has been designated as confidential or proprietary by the Company or any other Co-Investor.

## ARTICLE V

### FEES IN LIEU OF TAXES

#### Section 5.01. Payment of Fees in Lieu of Ad Valorem Taxes.

(a) In accordance with the Negotiated FILOT Act, the parties hereby agree, during the Term hereof, that there shall be due annually with respect to that portion of the Expansion Project constituting Negotiated FILOT Property, whether owned by the Company or by any other Sponsor or Sponsor Affiliate, a Negotiated FILOT calculated as set forth in this **Section 5.01**, at the places, in the manner and subject to the penalty assessments prescribed by the County or the Department of Revenue for *ad valorem* taxes. It is anticipated that the initial Negotiated FILOT Payment, which shall be due under current Code requirements on the January 15 following the year in which the County adds the initial Negotiated FILOT Property to its tax rolls, will be due on January 15, 2013. If the Company designates any Sponsor or Sponsor Affiliates, as the same shall have been consented to by the County, if required, pursuant to **Section 6.02** hereof, the Company must notify the County in writing at the time of such designation as to whether such Sponsor or Sponsor Affiliate shall be primarily liable for the Negotiated FILOT Payments hereunder with respect to such other entity's portion of the Negotiated FILOT Property. Unless and until such additional notification is received, the Company shall be primarily liable for all Negotiated FILOT Payments with respect to such Negotiated FILOT Property.

(b) Subject to adjustment pursuant to the provisions of this **Section 5.01**, the Negotiated FILOT shall be calculated each year in accordance with the following provisions:

(i) For each annual increment of investment in Negotiated FILOT Property, the annual Negotiated FILOT Payments shall be payable for a period of twenty (20) years. Accordingly, if such Negotiated FILOT Property is placed in service during more than one year, each year's investment during the Investment Period shall be subject to the Negotiated FILOT for a period of twenty (20) years.

(ii) The Negotiated FILOT shall be calculated using (1) an assessment ratio of 6%; (2) the lowest millage rate or rates allowed by the Negotiated FILOT Act, which millage rate shall be (a) 460.8 mills with respect to Parcel I of the Land and all Negotiated FILOT Property located thereon, and (b) 402.9 mills with respect to Parcel II of the Land and all Negotiated FILOT Property located thereon, which rate shall be fixed in accordance with Section 12-44-50(A)(1)(b)(i) of the Negotiated FILOT Act;

and (3) the fair market value of such Negotiated FILOT Property as determined in accordance with Section 12-44-50(A)(1)(c) of the Negotiated FILOT Act, which, for typical arm's length construction or acquisition, uses the original income tax basis for any real property without regard to depreciation or reassessment and the original income tax basis for any personal property less allowable depreciation (except depreciation due to extraordinary obsolescence); provided, however, that the Company or any other Sponsor or Sponsor Affiliate and the County may agree at a later date to amend this Agreement as to Expansion Project property owned by such entity so as to determine the fair market value of any such real property in accordance any other method permitted by the Negotiated FILOT Act.

(iii) All such calculations shall take into account all deductions for depreciation or diminution in value allowed by the Code or by the tax laws generally, as well as tax exemptions which would have been applicable if such property were subject to *ad valorem* taxes, except the five-year exemption from County taxes allowed for certain manufacturing, distribution, corporate headquarters and research and development facilities pursuant to Section 3(g) of Article X of the Constitution of the State and Sections 12-37-220(B)(32) and (34) of the Code.

(iv) For purposes of calculating the Negotiated FILOT, the Negotiated FILOT Property shall not include any Released Property or Non-Qualifying Property.

(c) The Negotiated FILOT Payments are to be recalculated:

(i) to reduce such payments in the event the Company or any other Sponsor or Sponsor Affiliate disposes of any part of the Negotiated FILOT Property within the meaning of Section 12-44-50(B) of the Negotiated FILOT Act and as provided in **Section 4.02(e)(ii)** hereof, by the amount applicable to the Released Property;

(ii) to reduce such payments in the event that the Negotiated FILOT Property or any portion thereof is damaged or destroyed, lost or stolen, or the subject of condemnation proceedings or otherwise removed from the Expansion Project as a result of circumstances beyond the control of the Company or any other Sponsor or Sponsor Affiliate, as the case may be;

(iii) to increase such payments in the event the Company or any Sponsor or Sponsor Affiliate adds any Negotiated FILOT Property (other than Replacement Property) to the Expansion Project; or

(iv) to adjust such payments if the Company or any Sponsor or Sponsor Affiliate elects to convert any portion of the Negotiated FILOT Property from the Negotiated FILOT to *ad valorem* taxes or FILOT payments pursuant to the Multi-County Park Act, as the case may be, as permitted by **Section 4.02(e)(iii)**.

(d) Upon installation or placing in service of any Replacement Property for any Released Property, such Replacement Property shall become subject to Negotiated FILOT Payments to the fullest extent allowed by law, subject to the following rules:

(i) Such Replacement Property does not have to serve the same function as the Released Property it is replacing. Replacement Property is deemed to replace the oldest property subject to the Negotiated FILOT, whether real or personal, which is disposed of in the same Property Tax Year as the Replacement Property is placed in service. Replacement Property qualifies for Negotiated FILOT Payments up to the original income tax basis of the Released Property which it is replacing in the same Property Tax Year. More than one piece of property can replace a single piece of property. To the extent that the income tax basis of the Replacement Property exceeds the original income tax basis of the Released Property which it is replacing, the excess amount is subject to payments equal to the *ad valorem* taxes which would have been paid on such property but for this Agreement. Replacement property is entitled to the Negotiated FILOT Payments for the remaining portion of the twenty year period applicable to the Released Property.

(ii) The Company or any other Sponsor or Sponsor Affiliate shall maintain, or cause to be maintained, records sufficient to identify all Replacement Property it places in service, and the Negotiated FILOT Payments with respect thereto shall be calculated using the millage rate and assessment ratio provided on the property it is replacing.

(e) In the event that, for any reason, the Negotiated FILOT Act and/or the Negotiated FILOT or any portion thereof is, by a court of competent jurisdiction following allowable appeals, declared invalid or unenforceable in whole or in part, or the portion of the Expansion Project consisting of Negotiated FILOT Property is deemed not to be eligible for a Negotiated FILOT pursuant to the Act in whole or in part, the Company and the County express their intentions that such payments be reformed so as to afford the Company and any other Sponsor or Sponsor Affiliate benefits commensurate with those intended under this Agreement as then permitted by law, including without limitation any benefits afforded under Title 4, Chapter 12 and Title 4, Chapter 29 of the Code, as applicable, to the extent allowed by law. Absent the legal authorization to effect such reformation, the Company and the County agree that there

shall be due hereunder with respect to the portion of the Negotiated FILOT Property affected by such circumstances *ad valorem* taxes and that, to the extent permitted by law, the Company and any other Sponsor or Sponsor Affiliate shall be entitled: (1) to enjoy the five-year exemption from *ad valorem* taxes (or fees in lieu of taxes) provided by Article X, Section 3 of the Constitution of the State, and any other exemption allowed by law; (2) to enjoy all allowable depreciation; and (3) to receive all other tax credits which would be due if the Company and any other Sponsor or Sponsor Affiliate were obligated to pay *ad valorem* taxes hereunder. To the extent that under such circumstances the Negotiated FILOT Payments hereunder are subject to retroactive adjustment, then there shall be due and payable from the Company and any other Sponsor or Sponsor Affiliate, as the case may be, with respect to its portion of the Negotiated FILOT Property in question an amount equal to the difference between the Negotiated FILOT Payments theretofore actually paid and the amount which would have been paid as *ad valorem* taxes, together with interest on such deficiency as provided in Section 12-54-25(D) of the Code (a "Deficiency Payment").

(f)

(i) In the event that the investment in the Expansion Project is insufficient to satisfy the Minimum Statutory Investment Requirement by the end of the Compliance Period, then all Negotiated FILOT Payments shall revert retroactively to *ad valorem* taxes, calculated as set forth in paragraph (e) above, and a Deficiency Payment from each such owing entity shall be due and payable with respect to Negotiated FILOT Payments theretofore made. In the event that the aggregate investment in the Expansion Project does not exceed \$5,000,000 by the end of the Compliance Period and any Sponsor or Sponsor Affiliate does not satisfy the Minimum Statutory Investment Requirement solely through its own direct investment in the Expansion Project, then the Negotiated FILOT Payments with respect to that portion of the Expansion Project owned by such Sponsor or Sponsor Affiliate shall revert retroactively to *ad valorem* taxes calculated as set forth in paragraph (e) above, and such Sponsor or Sponsor Affiliate shall owe a Deficiency Payment with respect to Negotiated FILOT Payments theretofore made as to such portion of the Expansion Project. To the extent necessary to collect a Deficiency Payment under this clause (i) due to failure to satisfy the Minimum Statutory Investment Requirement by the end of the Compliance Period, Section 12-44-140(D) of the Negotiated FILOT Act provides that any statute of limitations that might apply pursuant to Section 12-54-85 of the Code is suspended.

(ii) In the event that investment in the Expansion Project based on an income tax basis without regard to depreciation satisfies the Minimum Statutory Investment Requirement by the end of the Compliance Period, but following the Compliance Period, subsequently falls below the Minimum

Statutory Investment Requirement, without regard to depreciation, the Expansion Project shall thereafter be subject to *ad valorem* taxes, calculated as set forth in paragraph (e) above, in accordance with Section 12-44-140(C) of the Negotiated FILOT Act.

(iii) If the Minimum Contractual Investment Requirement or the Minimum Jobs Requirement is not satisfied by the end of the Compliance Period, the County shall have only the rights set forth in **Section 4.04** hereof.

(iv) If the Minimum Threshold Investment Requirement is not satisfied by the end of the Compliance Period, the Negotiated FILOT shall terminate retroactively and prospectively.

(v) In accordance with the provisions of **Sections 4.02(b)** and **6.02** hereof, except for Existing Property, the fair market value of all property utilized by the Company or any other Co-Investor at the Expansion Project site, whether owned by the Company or any other Co-Investor outright or utilized by the Company or any other Co-Investor pursuant to any financing agreement or any lease or other arrangement with any Co-Investor and whether or not subject to this Agreement, shall be counted toward all investment obligations under this Agreement, including, to the extent permitted by law, investment obligations under the Act.

(g) Except as otherwise set forth in this Agreement or as otherwise required by the Act, any amounts due to the County under this **Section 5.01** as a Deficiency Payment or other retroactive payment shall be paid within one hundred eighty (180) days following receipt by the Company or any other Co-Investor of notice from the County that such a Deficiency Payment or other retroactive payment is due from such entity.

Section 5.02. Statutory Lien. The parties acknowledge the County's right to receive Negotiated FILOT Payments hereunder is entitled to and shall have a statutory lien with respect to the Expansion Project pursuant to Section 12-44-90(E) of the Negotiated FILOT Act and Title 12, Chapter 54 of the Code relating to the collection and enforcement of *ad valorem* property taxes.

## ARTICLE VI

### THIRD PARTY ARRANGEMENTS

Section 6.01. Conveyance of Liens and Interests; Assignment. The County agrees that the Company and each other Co-Investor may at any time (a) transfer all or any of its rights and interests hereunder or with respect to all or any part of the Expansion Project to any Person; or (b) enter into any lending, financing, leasing, security, or similar arrangement or succession of such arrangements with any financing entity or other Person with respect to this Agreement or all

or any part of the Expansion Project, including without limitation any sale-leaseback, equipment lease, build-to-suit lease, synthetic lease, nordic lease, defeased tax benefit or transfer lease, assignment, sublease or similar arrangement or succession of such arrangements, regardless of the identity of the income tax owner of such portion of the Expansion Project, whereby the transferee in any such arrangement leases the portion of the Expansion Project in question to the Company or any Co-Investor or any of their respective Affiliates or operates such assets for the Company or any Co-Investor or any of their respective Affiliates or is leasing portion of the Expansion Project in question from the Company or any Co-Investor or any of their respective Affiliates. In order to preserve the benefits of the Negotiated FILOT hereunder with respect to any Negotiated FILOT Property so transferred: (i) except in connection with any transfer to any Co-Investor, an Affiliate of the Company or any Co-Investor, or transfers pursuant to clause (b) above (as to which such transfers the County hereby consents), the Company shall obtain the prior consent or subsequent ratification of the County which consent or subsequent ratification may be granted by the County, in its sole discretion; (ii) except when a financing entity which is the income tax owner of all or part of the Negotiated FILOT Property is the transferee pursuant to clause (b) above and such financing entity assumes in writing the obligations of the Company or any such Co-Investor hereunder, or when the County consents in writing or when the transfer relates to Released Property pursuant to **Section 4.02(e)** hereof, no such transfer shall affect or reduce any of the obligations of the Company or any such Co-Investor hereunder; (iii) to the extent the transferee or financing entity shall become obligated to make Negotiated FILOT payments hereunder, the transferee shall assume the then current basis of the Company or any such Co-Investor (or prior transferee) in the Negotiated FILOT Property transferred; (iv) the Company or any such Co-Investor, transferee or financing entity shall, within sixty (60) days thereof, furnish or cause to be furnished to the County and the Department of Revenue a true and complete copy of any such transfer agreement; and (v) the Company or any such Co-Investor and the transferee shall comply with all other requirements of the Transfer Provisions.

Subject to County consent when required under this **Section 6.01**, and at the Company's or any such Co-Investor's expense, the County agrees to take such further action or execute such further agreements, documents, and instruments as may be reasonably required to effectuate the assumption by any such transferee of all or part of the rights of the Company or any Co-Investor under this Agreement and/or any release of the Company pursuant to this **Section 6.01**.

The Company acknowledges such a transfer of an interest under this Agreement or in the Negotiated FILOT Property may cause all or part of the Negotiated FILOT Property to become ineligible for a Negotiated FILOT or result in penalties under the Act absent compliance by the Company or any such Co-Investor with the Transfer Provisions.

Section 6.02. Sponsors and Sponsor Affiliates. The Company may designate from time to time other Sponsors or Sponsor Affiliates pursuant to the provisions of Sections 12-44-30(19) or (20), respectively, and Section 12-44-130 of the Negotiated FILOT Act, which Sponsors or Sponsor Affiliates shall be Persons who join with the Company and make investments with respect to the Expansion Project, or who participate in the financing of such investments, who agree to be bound by the terms and provisions of this Agreement and who shall

be Affiliates of the Company or other Persons described in **Section 6.01(b)** hereof. All other Sponsors or Sponsor Affiliates who otherwise meet the requirements of Section 12-44-30 (19) or (20) and Section 12-44-130 of the Negotiated FILOT Act must be approved by Resolution of the County Council. To the extent that a Sponsor or Sponsor Affiliate invests an amount equal to the Minimum Statutory Investment Requirement at the Expansion Project prior to the end of the Compliance Period the investment by such Sponsor or Sponsor Affiliate shall qualify for the Negotiated FILOT payable under **Section 5.01** hereof (subject to the other conditions set forth therein) in accordance with Section 12-44-30(19) of the Negotiated FILOT Act. To the extent that the aggregate investment in the Expansion Project prior to the end of the Compliance Period by the Company, all Sponsors and Sponsor Affiliates and, to the extent provided by law, other Co-Investors, exceeds \$5,000,000 as provided in Section 12-44-30(19) of the Negotiated FILOT Act, all investment by such Sponsors and Sponsor Affiliates during the Investment Period shall qualify for the Negotiated FILOT pursuant to **Section 5.01** of this Agreement (subject to the other conditions set forth therein) regardless of whether each such entity invested amounts equal to the Minimum Statutory Investment Requirement. The Company shall provide the County and the Department of Revenue with written notice of any Sponsor or Sponsor Affiliate designated pursuant to this **Section 6.02** within ninety (90) days after the end of the calendar year during which any such Sponsor or Sponsor Affiliate has placed in service Negotiated FILOT Property to be used in connection with the Expansion Project, all in accordance with Section 12-44-130(B) of the Negotiated FILOT Act.

## ARTICLE VII

### TERM; TERMINATION

Section 7.01. Term. Unless sooner terminated pursuant to the terms and provisions herein contained, this Agreement shall be and remain in full force and effect for a term commencing on the date on which the Company executes this Agreement, and ending at midnight on the later of (i) the day the last Negotiated FILOT Payment is made hereunder or (ii) the day the Special Source Credits have been fully provided by the County.

Section 7.02. Termination. In addition to the rights of the County under **Sections 5.01(f)** and **8.01**, the County and the Company may jointly agree to terminate this Agreement at any time, or the Company, may, at its option, unilaterally terminate this Agreement at any time, with respect to all, or a portion of, the Expansion Project in which event the Expansion Project, or such portion of the Expansion Project, shall be subject to *ad valorem* taxes from the date of termination. Notwithstanding termination of this Agreement, the County shall have the same rights to receive payment for any retroactive *ad valorem* taxes, Deficiency Payments, interest or penalties, and the same enforcement rights with respect to such obligations as it would have with respect to *ad valorem* taxes, and the County's rights arising under **Section 5.01** prior to the time of such termination shall survive any such termination.

## ARTICLE VIII

### EVENTS OF DEFAULT AND REMEDIES

Section 8.01. Events of Default. Any one or more of the following events (herein called an “Event of Default”, or collectively “Events of Default”) shall constitute an Event of Default by the Company or other Co-Investor (the “Defaulting Entity”) but only with respect to such Defaulting Entity’s rights, duties, and obligations contained herein:

(a) if default shall be made in the due and punctual payment of any Negotiated FILOT Payments, which default shall not have been cured within thirty (30) days following receipt of written notice of such default from the County; or

(b) if default shall be made in the due performance of or compliance with any of the terms hereof, other than those referred to in the foregoing **paragraph (a)**, and such default shall continue for ninety (90) days after the County shall have given the Defaulting Entity written notice of such default; provided, the County may, in its discretion, grant the Defaulting Entity a longer period of time as necessary to cure such default if the Defaulting Entity proceeds with due diligence to cure such default; provided however, that no Event of Default shall exist under this Agreement during any period when there is pending, before any judicial or administrative tribunal having jurisdiction, any proceeding in which the Defaulting Entity has contested in good faith the occurrence of such default.

Notwithstanding anything herein to the contrary, failure to meet any investment or job creation requirements set forth herein shall not be deemed to be an Event of Default under this Agreement, but may terminate certain benefits hereunder or obligate the Company or other Co-Investor, as the case may be, to make certain additional payments to the County, all as set forth in **Section 4.04** and **5.01(f)** hereof.

Section 8.02. Remedies on Event of Default. Upon the occurrence of any Event of Default, the County may exercise any of the following remedies only as to the Defaulting Entity:

(a) terminate this Agreement by delivery of written notice to the Defaulting Entity not less than sixty (60) days prior to the termination date specified therein;

(b) have access to and inspect, examine, and make copies of the books and , records of the Defaulting Entity pertaining to the construction, acquisition, or maintenance of the Expansion Project or calculation of the Negotiated FILOT pursuant hereto as provided in **Section 4.06** hereof;

(c) take whatever action at law or in equity as may appear necessary or desirable to collect the amount then due or enforce the County’s rights hereunder, it being the express intent of the parties that the County, without limitation, shall have the same remedies available by law to collect Negotiated FILOT Payments as if they were

delinquent *ad valorem* tax payments, including execution upon the lien referred to in **Section 5.02** hereof.

Section 8.03.     Defaulted Payments. In the event the Company or any other Co-Investor should fail to make any of the payments required to be made by such entity under this Agreement, the item or installment so in default shall continue as an obligation of such entity until the amount in default shall have been fully paid. If any such default relates to its obligations to make Negotiated FILOT Payments hereunder, such entity shall pay the same with interest thereon at the rate per annum provided by the Code for late payment of *ad valorem* taxes together with any penalties provided by the Code for late payment of *ad valorem* taxes, all as provided in Section 12-44-90 of the Code.

Section 8.04.     Default by County. Upon the default of the County in the performance of any of its obligations hereunder, the Company and any other Co-Investor may take whatever action at law or in equity as may appear necessary or desirable to enforce its rights under this Agreement, including without limitation a suit for *mandamus* or specific performance.

## ARTICLE IX

### MISCELLANEOUS

Section 9.01.     Rights and Remedies Cumulative. Each right, power, and remedy of the County or of the Company or any other Co-Investor provided for in this Agreement shall be cumulative and concurrent and shall be in addition to every other right, power, or remedy provided for in this Agreement or now or hereafter existing at law or in equity, in any jurisdiction where such rights, powers, and remedies are sought to be enforced; and the exercise by the County or by the Company or any other Co-Investor of any one or more of the rights, powers, or remedies provided for in this Agreement or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by the County or by the Company or such other Co-Investor of any or all such other rights, powers, or remedies.

Section 9.02.     Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto, any Co-Investors and Sponsor or Sponsor Affiliates designated pursuant to **Section 6.02** hereof and their respective successors and assigns as permitted hereunder.

Section 9.03.     Notices; Demands; Requests. All notices, demands, and requests to be given or made hereunder to or by the County or the Company shall be in writing and shall be deemed to be properly given or made if sent by United States first class mail, postage prepaid, or via facsimile transmission or reputable courier service, to the following persons and addresses or to such other persons and places as may be designated in writing by such party.

(a) if to the County:

Richland County Administrator  
Attn: Richland County Administrator  
2020 Hampton Street  
Columbia, SC 29204  
Fax: 803-

with a copy (which shall not constitute notice) to:

Parker Poe Adams & Bernstein, LLP  
Attn: Ray E. Jones  
P.O. Box 1509  
Columbia, SC 29202  
Fax: 803-

(b) if to Navistar:

Navistar, Inc.  
Attn: Houman Kashanipour  
4201 Winfield Road  
Warrenville, Illinois 60555  
Fax: -

with a copy (which shall not constitute notice) to:

Navistar, Inc.  
Attn: Steve Covey, General Counsel  
4201 Winfield Road  
Warrenville, Illinois 60555  
Fax:

with a copy (which shall not constitute notice) to:

Nexsen Pruet, LLC  
Burnet R. Maybank, III, Esq.  
Tushar V. Chikhliker, Esq.  
P.O. Box 2426  
1230 Main Street, Suite 700  
Columbia, South Carolina 29201  
Fax: 803-253-8277

(c) If to the Company:

Pure Power Technologies, LLC  
Attn: David A. Benson

1410 Northpoint Boulevard  
Blythewood, South Carolina 29016  
Fax: -

with a copy (which shall not constitute notice) to:

Pure Power Technologies, LLC  
Attn: Steve Covey, General Counsel  
4201 Winfield Road  
Warrenville, Illinois 60555  
Fax: -

with a copy (which shall not constitute notice) to:

Nexsen Pruet, LLC  
Burnet R. Maybank, III, Esq.  
Tushar V. Chikhliker, Esq.  
P.O. Box 2426  
1230 Main Street, Suite 700  
Columbia, South Carolina 29201  
Fax: 803-253-8277

Section 9.04. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State. To the extent of any conflict between the provisions of this Agreement and the Act, the Act controls.

Section 9.05. Entire Understanding. This Agreement expresses the entire understanding and all agreements of the parties hereto with each other, and neither party hereto has made or shall be bound by any agreement or any representation to the other party which is not expressly set forth in this Agreement or in certificates delivered in connection with the execution and delivery hereof.

Section 9.06. Severability. In the event that any clause or provisions of this Agreement shall be held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any of the remaining provisions hereof.

Section 9.07. Headings and Table of Contents; References. The headings of the Agreement and any Table of Contents annexed hereto are for convenience of reference only and shall not define or limit the provisions hereof or affect the meaning or interpretation hereof. All references in this Agreement to particular articles or Sections or paragraphs of this Agreement are references to the designated articles or Sections or paragraphs of this Agreement.

Section 9.08. Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original but all of which shall constitute but one and the same instrument.

Section 9.09. Amendments. Subject to the limitations set forth in Section 12-44-40(K)(2) of the Negotiated FILOT Act, this Agreement may be amended, or the rights and interest of the parties hereunder surrendered, only by a writing signed by both parties.

Section 9.10. Waiver. Either party may waive compliance by the other party with any term or condition of this Agreement only in a writing signed by the waiving party.

Section 9.11. Further Proceedings. To the extent additional proceedings are required by law, however, the County agrees to undertake all such steps as may be reasonably required or appropriate to effectuate the intent of this Agreement.

[Execution Pages to Follow]

IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Agreement to be effective as of the date first written above.

RICHLAND COUNTY, SOUTH CAROLINA

By: \_\_\_\_\_  
Paul Livingston, Chairman, County Council  
Richland County, South Carolina

[SEAL]

ATTEST:

By: \_\_\_\_\_  
Michelle Onley, Clerk to County Council  
Richland County, South Carolina

PURE POWER TECHNOLOGIES, LLC

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

**EXHIBIT A  
LEGAL DESCRIPTION**

**PARCEL I:**

All that certain piece, parcel or tract of land situate, lying and being in the County of Richland, State of South Carolina, more particularly described as follows:

Beginning at a point on the southern margin of the right-of-way of Northpoint Boulevard where it intersects with the western margin of the right-of-way of Community Road; thence running in a southeasterly direction for a distance of approximately 616.3 feet to a #4 Rebar at the Point of Beginning (POB-B), this #4 Rebar being a common corner of Parcel "B" and a parcel of property now or formerly of Keller Properties, Inc.; thence proceeding along an arc of a curve to the left having a radius of 6056.50 feet; an arc length of 270.38 feet; a chord bearing of S 30°42'38" E and a chord length of 270.33 feet to a #4 Rebar on the western margin of the right-of-way of Community Road; thence proceeding along Parcel "A" the following courses: a curve to the left having a radius of 50.00 feet; an arc length of 77.93 feet; a chord bearing of N76°38'30"W and a chord length 70.28 feet to a #4 Rebar; thence proceeding S58°42'22"W for a distance of 146.06 feet to a #4 Rebar; thence proceeding along an arc of a curve to the right having a radius of 800.00 feet; an arc length of 405.98 feet; a chord bearing of S73°14'46"W and a chord length of 401.64 feet to a #4 Rebar; thence proceeding N89°18'32"W for a distance of 197.20 feet to a #4 Rebar; thence proceeding along an arc of a curve to the left having a radius of 460.00 feet, an arc length of 86.99 feet, a chord bearing of S77°04'31"W a chord length of 170.96 feet to a #4 Rebar; thence proceeding S66°21'58"W for a distance of 103.97 feet to a #4 Rebar; thence proceeding along property now or formerly of T. Walter Brashier N08°44'56"W for a distance of 82.78 feet to a #4 Rebar; thence proceeding along reserved property and property now or formerly of Coca-Cola Bottling Company N66°21'53"E for a distance of 756.99 feet to a 2 ½" iron pipe; thence proceeding along property now or formerly of Keller Properties, Inc. S55°36'41"E for a distance of 163.06 feet to a 2" iron pipe; thence proceeding along property now or formerly of Keller Properties, Inc. N23°26'37"E for a distance of 209.45 feet to a #4 Rebar and Point of Beginning (POB-B), said parcel contains an area of 3.88 acres, more or less.

**TOGETHER WITH**

All that certain piece, parcel or tract of land situate, lying and being in the County of Richland, State of South Carolina, more particularly described as follows:

Beginning at a point on the southern margin of the right-of-way of Northpoint Boulevard where it intersects with the western margin of the right-of-way of Community Road; thence running in a southeasterly direction for a distance of approximately 616.3 feet to a #4 Rebar; thence proceeding along an arc of a curve to the left having a radius of 6056.50 feet; an arc length of 270.38 feet; a chord bearing of S30 42'38"E and a chord length of 270.33 feet to a #4 Rebar on the western margin of the right-of-way of Community Road, the Point of Beginning (POB-A); from said point of beginning, thence along the western margin of the right-of-way of Community

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Road the following courses to the creek; proceeding along a curve to the left having a radius of 6056.40 feet, a chord bearing and distance of S32°45'25"E, 162.27 feet, an arc length of 162.28 feet to a concrete monument; thence proceeding S33°02'31"E, 10.08 feet to a concrete monument at the point of curvature of a non-tangent curve; thence proceeding along a curve to the right having a radius of 5729.58 feet, a chord bearing and distance of S32°09'35"E, 258.44 feet, an arc length of 258.47 feet to a concrete monument; thence proceeding S31°05'41"E, 459.05 feet to a concrete monument at the point of curvature of a non-tangent curve; thence proceeding along a curve to the right having a radius of 883.73 feet, a chord bearing and distance of S14°05'35"E, 516.67 feet, an arc length of 524.32 feet to a concrete monument; thence proceeding S02°54'14"W, 301.76 feet to a concrete monument at the point of curvature of a non-tangent curve; thence proceeding along a curve to the left having a radius of 965.22 feet, a chord bearing and distance of S05°48'06"E, 302.00 feet, an arc length of 303.25 feet to a concrete monument; thence proceeding S03°54'31"E, 162.57 feet to a concrete monument; thence proceeding S24°45'08"E, 45.78 feet to a point in the center of the creek; thence following the creek centerline S54°53'30"W, 92.85 feet to a point; thence following the creek centerline S80°29'27"W, 42.27 feet to a point; thence following the creek centerline S77°11'27"W, 45.78 feet to a point; thence following the creek centerline S85°05'49"W, 34.67 feet to a point; thence following the creek centerline S35°45'15"W, 37.68 feet to a point; thence following the creek centerline N. 79°22'15"W, 23.49 feet to a point; thence following the creek centerline S56°18'52"W, 58.20 feet to a point; thence following the creek centerline S81°54'49"W, 47.17 feet to a point; thence following the creek centerline S84°56'19"W, 26.03 feet to a point; thence following the creek centerline S79°16'52"W, 33.49 feet to a point; thence following the creek centerline N76°36'20"W, 39.05 feet to a point; thence following the creek centerline N75°36'20"W, 23.30 feet to a point; thence following the creek centerline S22°45'02"W, 36.32 feet to a point; thence following the creek centerline N80°20'08"W, 23.26 feet to a point; thence following the creek centerline N01°08'00"E, 20.82 feet to a point; thence following the creek centerline N52°59'26"W, 44.15 feet to a point; thence following the creek centerline N23°36'16"W, 39.49 feet to a point; thence following creek centerline N55°36'57"W, 48.22 feet to a point; thence following the creek centerline S71°31'34"W, 38.67 feet to a point; thence following the creek centerline S19°14'48"E, 19.57 feet to a point; thence following the creek centerline S50°35'39"W, 30.67 feet to a point; thence following the creek centerline N30°28'21"W, 16.24 feet to a point; thence following the creek centerline N36°29'39"W, 33.63 feet to a point; thence following the creek centerline N76°19'46"W, 49.29 feet to a point; thence following the creek centerline S73°49'21"W 22.68 feet to a point; thence following the creek centerline S03°18'27"W, 37.42 feet to a point; thence following the creek centerline N77°39'36"W, 41.24 feet to a point; thence following the creek centerline N77°33'40"W, 41.48 feet to a point; thence following the creek centerline N27°56'03"W, 33.98 feet to a point; thence following the creek centerline N60°27'23"W, 33.10 feet to a point; thence following the creek centerline S32°16'34"W, 24.52 feet to a point; thence following the creek centerline S89°16'56"W, 15.72 feet to a point; thence following the creek centerline N45°13'18"W, 38.26 feet to a point; thence following the creek centerline N26°17'46"E, 25.62 feet to a point; thence following the creek centerline N09°35'24"W, 25.42 feet to a point; ;thence following the creek centerline N84°41'36"W 15.32 feet to a point; thence following the creek centerline N07°53'25"E, 41.75 feet to a point; thence following the creek centerline N32°48'04"W, 25.64 feet to a point; thence following the creek centerline N71°09'43"W, 43.35 feet to a point; thence

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following the creek centerline N10°59'52"W, 28.18 feet to a point; thence following the creek centerline N64°22'23"W, 21.10 feet to a point; thence following the creek centerline S61°33'26"W, 20.51 feet to a point, thence following the creek centerline N67°57'58"W, 19.33 feet to a point; thence following the creek centerline S87°51'09"W, 26.09 feet to a point; thence following the creek centerline S44°17'45"W, 42.36 feet to a point; thence following the creek centerline S85°30'34"W, 17.61 feet to a point; thence following the creek centerline N55°25'28"W, 25.30 feet to a point; thence following the creek centerline N09°20'09"W, 25.33 feet to a point; thence following the creek centerline N59°58'35"W, 51.28 feet to a point; thence following the creek centerline N29°43'27"W, 42.86 feet to a point; thence following the creek centerline N48°39'23"W, 60.79 feet to a point; thence following the creek centerline S78°10'45"W, 18.08 feet to a point; thence following the creek centerline N50°00'43"W, 29.92 feet to a point; thence following the creek centerline N10°37'24"W, 25.73 feet to a point; thence following the creek centerline N35°41'36"W, 25.40 feet to a point; thence following the creek centerline S78°12'03"W, 33.67 feet to a point; thence following the creek centerline N47°42'19"W, 23.71 feet to a point; thence following the creek centerline N51°00'09" W., 43.98 feet to a point; thence following the creek centerline N79°33'04"W, 43.89 feet to a point; thence following the creek centerline S36°46'14"W, 24.19 feet to a point; thence proceeding along property now or formerly of T. Walter Brashier N08°44'56"W, 1,493.05 feet to a #4 Rebar; thence along Parcel "B" the following courses: N66°21'58"E, for a distance of 103.97 feet to a #4 Rebar; thence proceeding along an arc of a curve to the right having a radius of 460.00 feet; an arc length of 86.99 feet, a chord bearing of N77°04'31"E a chord length of 170.96 feet to a #4 Rebar; thence proceeding S89°18'32"E for a distance of 197.20 feet to a #4 Rebar; thence proceeding along an arc of a curve to the left having a radius of 800.00 feet; an arc length of 405.98 feet; a chord bearing of N73°14'46"E and a chord length of 401.64 feet to a #4 Rebar; thence proceeding N58°42'22"E for a distance of 146.06 feet to a #4 Rebar; thence proceeding along a curve to the right having a radius of 50.00 feet, an arc length of 77.93 feet, a chord bearing of S76°38'30"E and a chord length of 70.28 feet to a #4 Rebar at the Point of Beginning (POB-A). Said parcel contains an area of 61.09 acres, more or less.

LESS HOWEVER: All that certain piece, parcel or tract of land situate, lying and being in the County of Richland, State of South Carolina, being shown and delineated as 1.46 acres on that certain survey title "Closing Survey for South Carolina Electric and Gas Company, Northpoint Industrial Park, 115/23kV Substation" prepared by Glenn Associates Surveying, Inc. dated August 9, 2006, and recorded in Book 1245, page 2240 in the Office of the Register of Deeds for Richland County, South Carolina, on October 27, 2006; said tract having such boundaries and measurements as shown on the Closing survey.

## **PARCEL II:**

All that certain piece, parcel and tract of land situate, lying and being in the County of Richland, State of South Carolina, near the City of Columbia, located on Research Drive, containing 2.8658 acres, more or less, more fully shown on that certain Property Survey and Easement Map prepared for Carolina Park Associates by A & S of Columbia, Inc. dated March 17, 1998, last

Exhibit A -3

NPCOL1:2559706.4-AGR-(SJV) 045392-00001

Item# 10

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revised March 24, 1998, and recorded in the Office of the Register of Deeds for Richland County in Book 29, page 447, also shown on that certain plat prepared for Katherine S. Milnor by Associated E & S, Inc. dated December 31, 1998, and recorded in the Office of the Register of Deeds for Richland County in Book 276, page 656. Reference to said plat is craved for a fuller description, with all measurements being a little more or less.

TOGETHER WITH

All of Katherine S. Milnor's right, title and interest in that certain non-exclusive, perpetual commercial easement more fully described in the Easement Agreement between Carolina Park Associates II and South Carolina Research Authority dated March 27, 1998, and recorded in the Office of the Richland County Register of Deeds in Book 32, page 389.

Exhibit A -4

NPCOL1:2559706.4-AGR-(SIN) 045392-00001

Item# 10

Attachment number 4  
Page 37 of 37

# Richland County Council Request of Action

## **Subject**

An Ordinance Amending the Fiscal year 2011-2012 Neighborhood Improvement and Community Development Fund Annual Budgets to appropriate \$48,641 of Neighborhood Improvement Undesignated Fund Balance for transfer to the Community Development Fund for the CDBG and HOME administrative shortfall **[THIRD READING] [PAGES 133-135]**

## **Notes**

September 27, 2011 - The A&F Committee recommended that Council approve the request to transfer \$48,641 from Neighborhood Improvement to the Community Development Department. The vote was in favor.

First Reading: October 4, 2011

Second Reading: October 18, 2011

Third Reading:

Public Hearing:

STATE OF SOUTH CAROLINA  
COUNTY COUNCIL FOR RICHLAND COUNTY  
ORDINANCE NO. \_\_-11HR

AN ORDINANCE AMENDING THE FISCAL YEAR 2011-2012 NEIGHBORHOOD IMPROVEMENT AND COMMUNITY DEVELOPMENT FUND ANNUAL BUDGETS TO APPROPRIATE \$48,641 OF NEIGHBORHOOD IMPROVEMENT UNDESIGNATED FUND BALANCE FOR TRANSFER TO THE COMMUNITY DEVELOPMENT FUND FOR THE CDBG AND HOME ADMINISTRATIVE SHORTFALL.

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. That the amount of forty eight thousand six hundred and forty one dollars (\$48,641) be appropriated in the Neighborhood Improvement Fund and transferred to Community Development. Therefore, the Fiscal Year 2011-2012 Neighborhood Improvement and the Community Development Department Annual Budgets are hereby amended as follows:

NEIGHBORHOOD IMPROVEMENT - REVENUE

Revenue appropriated July 1, 2011 as amended:	\$ 896,169
Appropriation of Neighborhood Improvement undesignated fund balance:	<u>48,641</u>
Total Neighborhood Improvement Revenue as Amended:	\$ 944,810

NEIGHBORHOOD IMPROVEMENT - EXPENDITURES

Expenditures appropriated July 1, 2011 as amended:	\$ 896,169
Transfer Out to Community Development Fund:	<u>48,641</u>
Total Neighborhood Improvement Expenditures as Amended:	\$ 944,810

COMMUNITY DEVELOPMENT - REVENUE

Revenue appropriated July 1, 2011 as amended:	\$ 2,966,051
Transfer in from Neighborhood Improvement:	<u>48,641</u>
Total Community Development Fund Revenue as Amended:	\$ 3,014,692

COMMUNITY DEVELOPMENT - EXPENDITURES

Expenditures appropriated July 1, 2011 as amended:	\$ 2,966,051
Increase to Community Development Fund Expenditures:	<u>48,641</u>
Total Community Development Fund Expenditures as Amended:	\$ 3,014,692

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 enforced from and after \_\_\_\_\_, 2010.

RICHLAND COUNTY COUNCIL

BY: \_\_\_\_\_  
Paul Livingston, Chair

ATTEST THIS THE \_\_\_\_ DAY

OF \_\_\_\_\_, 2011

\_\_\_\_\_  
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:  
Second Reading:  
Public Hearing:  
Third Reading:

# Richland County Council Request of Action

## **Subject**

Authorizing an Amendment to the Master Agreement governing the I-77 Corridor Regional Industrial Park by and between Richland County, South Carolina, and Fairfield County, South Carolina, to expand the boundaries of the park to include certain real property located in Richland County and related to Project Cyrus; and other related matters  
**[SECOND READING] [PAGES 137-139]**

## **Notes**

First Reading: October 18, 2011

Second Reading:

Third Reading:

Public Hearing:

STATE OF SOUTH CAROLINA  
COUNTY COUNCIL FOR RICHLAND COUNTY  
ORDINANCE NO. []

AUTHORIZING AN AMENDMENT TO THE MASTER AGREEMENT GOVERNING THE I-77 CORRIDOR REGIONAL INDUSTRIAL PARK BY AND BETWEEN RICHLAND COUNTY, SOUTH CAROLINA, AND FAIRFIELD COUNTY, SOUTH CAROLINA, TO EXPAND THE BOUNDARIES OF THE PARK TO INCLUDE CERTAIN REAL PROPERTY LOCATED IN RICHLAND COUNTY AND RELATED TO PROJECT CYRUS; AND OTHER RELATED MATTERS.

WHEREAS, Richland County, South Carolina (“Richland”), and Fairfield County, South Carolina (“Fairfield”) (collectively, “Counties”), as authorized under Article VIII, Section 13(D) of the South Carolina Constitution and Section 4-1-170 of the Code of Laws of South Carolina, 1976, as amended (“Act”), have jointly developed the I-77 Corridor Regional Industrial Park (“Park”);

WHEREAS, the Counties have entered into separate agreements to reflect each new phase of expansion of the Park (“Phase Agreements”);

WHEREAS, on April 15, 2003, the Counties entered into an agreement entitled “Master Agreement Governing the I-77 Corridor Regional Industrial Park” (“Master Agreement”), the provisions of which replaced all existing Phase Agreements and now govern the operation of the Park; and

WHEREAS, Richland now desires to expand the boundaries of the Park to include property located in Richland and described on the attached Exhibit A (collectively, “Property”).

NOW, THEREFORE, BE IT ORDAINED BY THE RICHLAND COUNTY COUNCIL:

**Section 1. Expansion of Park Boundaries.** There is hereby authorized an expansion of the Park boundaries to include the Property. The County Council Chair, or the Vice Chair in the event the Chair is absent, the County Administrator and the Clerk to the County Council are hereby 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 Master Agreement, the expansion shall be complete upon the adoption of this Ordinance by the Richland County Council and a companion ordinance by the Fairfield County Council.

**Section 2. Savings Clause.** If any portion of this Ordinance shall be deemed unlawful, unconstitutional or otherwise invalid, the validity and binding effect of the remaining portions shall not be affected thereby.

**Section 3. General Repealer.** Any prior ordinance, the terms of which are in conflict herewith, is, only to the extent of such conflict, hereby repealed.

**Section 4. Effectiveness.** This Ordinance shall be effective after third and final reading.

RICHLAND COUNTY COUNCIL

By: \_\_\_\_\_  
Paul Livingston, Chair

(SEAL)

Attest this \_\_\_\_\_ day of  
\_\_\_\_\_, 2011

\_\_\_\_\_  
Michelle Onley  
Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

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

First Reading:  
Second Reading:  
Third Reading:

**EXHIBIT A**  
**LEGAL DESCRIPTION OF PROPERTY**

(Approximately 2.8658 Acres)

All that certain piece, parcel and tract of land situate, lying and being in the County of Richland, State of South Carolina, near the City of Columbia, located on Research Drive, containing 2.8658 acres, more or less, more fully shown on that certain Property Survey and Easement Map prepared for Carolina Park Associates by A & S of Columbia, Inc. dated March 17, 1998, last revised March 24, 1998, and recorded in the Office of the Register of Deeds for Richland County in Book 29, page 447, also shown on that certain plat prepared for Katherine S. Milnor by Associated E & S, Inc. dated December 31, 1998, and recorded in the Office of the Register of Deeds for Richland County in Book 276, page 656. Reference to said plat is craved for a fuller description, with all measurements being a little more or less.

TOGETHER WITH

All of Katherine S. Milnor's right, title and interest in that certain non-exclusive, perpetual commercial easement more fully described in the Easement Agreement between Carolina Park Associates II and South Carolina Research Authority dated March 27, 1998, and recorded in the Office of the Richland County Register of Deeds in Book 32, page 389.

# Richland County Council Request of Action

**Subject**

An Ordinance Authorizing a deed to Cohn & Cohn Investments, LLC, for approximately 4.94 acres of land, constituting a portion of Richland County TMS # 25800-04-01 [**SECOND READING**] [**PAGE 141**]

**Notes**

First Reading: October 18, 2011

Second Reading:

Third Reading:

Public Hearing:

STATE OF SOUTH CAROLINA  
COUNTY COUNCIL FOR RICHLAND COUNTY  
ORDINANCE NO. \_\_\_\_ -11HR

AN ORDINANCE AUTHORIZING A DEED TO COHN & COHN INVESTMENTS, LLC, FOR APPROXIMATELY 4.94 ACRES OF LAND, CONSTITUTING A PORTION OF RICHLAND COUNTY TMS # 25800-04-01.

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 County of Richland and its employees and agents are hereby authorized to grant a deed to COHN & COHN INVESTMENTS, LLC, for certain real property known as a portion of Richland County TMS# 25800-04-01 and consisting of approximately 4.94 acres, as specifically described in the Title To Real Estate, which is attached hereto and incorporated herein.

SECTION II. 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 III. Conflicting Ordinances. 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 enforced from and after \_\_\_\_\_, 2011.

RICHLAND COUNTY COUNCIL

By: \_\_\_\_\_  
Paul Livingston, Chair

Attest this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
Michelle Onley  
Assistant Clerk of Council

First Reading:  
Second Reading:  
Public Hearing:  
Third reading:

# Richland County Council Request of Action

**Subject**

11-14MA  
Ron Johnson  
Longcreek Plantation  
RU to RS-LD (4.91 Acres)  
Longtown Rd. East & Longtown Rd. West  
20500-05-02 [**SECOND READING**] [**PAGE 143**]

**Notes**

First Reading: October 25, 2011  
Second Reading:  
Third Reading:  
Public Hearing: October 25, 2011

STATE OF SOUTH CAROLINA  
COUNTY COUNCIL OF RICHLAND COUNTY  
ORDINANCE NO. \_\_\_-11HR

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 # 20500-05-02 FROM RU (RURAL DISTRICT) TO RS-LD (RESIDENTIAL, SINGLE-FAMILY – LOW DENSITY DISTRICT); 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 # 20500-05-02 from RU (Rural District) zoning to RS-LD (Residential, Single-Family – Low Density District) zoning.

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 \_\_\_\_\_, 2011.

RICHLAND COUNTY COUNCIL

By: \_\_\_\_\_  
Paul Livingston, Chair

Attest this \_\_\_\_\_ day of  
\_\_\_\_\_, 2011.

\_\_\_\_\_  
Michelle M. Onley  
Assistant Clerk of Council

First Public Hearing: September 27, 2011  
Second Public Hearing: October 25, 2011  
First Reading: October 25, 2011  
Second Reading: November 1, 2011 (tentative)  
Third Reading:

# Richland County Council Request of Action

**Subject**

11-18MA  
Adams Northeast AME Church  
Kay Hightower  
RU to GC (10.62 Acres)  
409 Longtown Rd.  
17400-05-12/13/14/26 **[SECOND READING] [PAGE 145]**

**Notes**

First Reading: October 25, 2011  
Second Reading:  
Third Reading:  
Public Hearing: October 25, 2011

STATE OF SOUTH CAROLINA  
COUNTY COUNCIL OF RICHLAND COUNTY  
ORDINANCE NO. \_\_\_\_-11HR

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 PROPERTIES DESCRIBED AS TMS # 17400-05-12/13/14/26 FROM RU (RURAL DISTRICT) TO GC (GENERAL COMMERCIAL DISTRICT); 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 properties described as TMS # 17400-05-12/13/14/26 from RU (Rural District) zoning to GC (General Commercial District) zoning.

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 \_\_\_\_\_, 2011.

RICHLAND COUNTY COUNCIL

By: \_\_\_\_\_  
Paul Livingston, Chair

Attest this \_\_\_\_\_ day of  
\_\_\_\_\_, 2011.

\_\_\_\_\_  
Michelle M. Onley  
Assistant Clerk of Council

Public Hearing:       October 25, 2011  
First Reading:       October 25, 2011  
Second Reading:     November 1, 2011 (tentative)  
Third Reading:

# Richland County Council Request of Action

**Subject**

Decker Blvd/Woodfield Park Neighborhood Redevelopment Overlay District and the Corridor Redevelopment Overlay District [**FIRST READING**] [**PAGES 147-149**]

**Notes**

October 25, 2011 - The committee recommended that Council approve the ordinance, but directed staff to look into amending the language so that it would only apply to the Decker/Woodfield Master Plan area; and then send it to the Planning Commission. The vote in favor was unanimous.

First Reading:

Second Reading:

Third Reading:

Public Hearing:

STATE OF SOUTH CAROLINA  
COUNTY COUNCIL FOR RICHLAND COUNTY  
ORDINANCE NO. \_\_\_-11HR

AN ORDINANCE AMENDING THE RICHLAND COUNTY CODE OF ORDINANCES; CHAPTER 26, LAND DEVELOPMENT; ARTICLE V, ZONING DISTRICTS AND DISTRICT STANDARDS; SECTION 26-109, CRD CORRIDOR REDEVELOPMENT OVERLAY DISTRICT; AND SECTION 26-110, DBWP DECKER BOULEVARD/WOODFIELD PARK NEIGHBORHOOD REDEVELOPMENT OVERLAY DISTRICT; SO AS MAKE THE STANDARDS FOR THOSE DISTRICTS MANDATORY RATHER THAN OPTIONAL.

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 Richland County Code of Ordinances, Chapter 26, Land Development; Article V, Zoning Districts and District Standards; Section 26-109, CRD Corridor Redevelopment Overlay District; Subsection (b), Applicability/Establishment; is hereby amended to read as follows:

(b) *Applicability/Establishment.*

- (1) The CRD Overlay District may be approved and designated by County Council for any area within the county that has already had a Master Plan approved and adopted by the County Council; ~~provided, however, the standards of such district shall remain optional, as described in subparagraph (2), below.~~ The provisions of this Section shall apply to all parcels of land and rights of way, or portions thereof, within the boundaries of a CRD Overlay District. No change in the boundary of the CRD Overlay District shall be authorized, except by the County Council, pursuant to procedures in Section 26-52.
- ~~(2) — Once a CRD Overlay District is applied to a designated area of the county, the development standards of the underlying district shall remain in place until such time as a property owner applies to the Planning and Development Services Department to have the standards of the CRD Overlay District apply to his/her property. Only one set of standards shall apply to any one parcel of land, and a property owner is not allowed to simultaneously use the development standards of both districts.~~
- (32) Development in a CRD Overlay District shall consist of higher density mixed-use building types that accommodate retail, offices, and residential uses. Allowed uses include those uses allowed in the underlying zoning districts. Additional permitted uses and exceptions are listed in subsection (c), below. Development within identified CRD zones shall conform to the

## AMENDED

form-based standards found in subsection (d), below. The CRD Overlay District has detailed provisions for uses, building types, density, height, street design, design of public spaces, the mix of uses, building design, parking, and other aspects of the human environment.

SECTION II. The Richland County Code of Ordinances, Chapter 26, Land Development; Article V, Zoning Districts and District Standards; Section 26-110, DBWP Decker Boulevard/Woodfield Park Neighborhood Redevelopment Overlay District; Subsection (b), Applicability/Establishment; is hereby amended to read as follows:

(b) *Applicability/Establishment.* The DBWP Neighborhood Overlay District may be approved and designated by County Council for ~~any area within the county that has already had a Master Plan that area within the county to which the “The Renaissance Plan for the Decker Boulevard/Woodfield Park Area” Master Plan was approved and adopted by the County Council.~~ The provisions of this Section shall apply to all parcels of land and rights of way, or portions thereof, within the boundaries of a DBWP Neighborhood Overlay District. No change in the boundary of the DBWP Neighborhood Overlay District shall be authorized, except by the County Council, pursuant to procedures in Section 26-52.

~~(1) — The DBWP Neighborhood Overlay District may be approved and designated by County Council for any area within the county that has already had a Master Plan approved and adopted by the County Council; provided, however, the standards of such district shall remain optional, as described in subparagraph (2), below.~~

~~(2) — Once a DBWP Neighborhood Overlay District is applied to a designated area of the county, the development standards of the underlying district shall remain in place until such time as a property owner applies to the Planning and Development Services Department to have the standards of the DBWP Neighborhood Overlay District apply to his/her property. Only one set of standards shall apply to any one parcel of land, and a property owner is not allowed to simultaneously use the development standards of both districts.~~

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

SECTION V. Effective Date. This ordinance shall be effective from and after \_\_\_\_\_, 2011.

AMENDED

RICHLAND COUNTY COUNCIL

BY: \_\_\_\_\_  
Paul Livingston, Chair

ATTEST THIS THE \_\_\_\_\_ DAY  
OF \_\_\_\_\_, 2011.

\_\_\_\_\_  
Michelle M. Onley  
Assistant Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

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

First Reading: November 1, 2011 (tentative)  
Public Hearing: November 22, 2011 (tentative)  
Second Reading: November 22, 2011 (tentative)  
Third Reading:

# Richland County Council Request of Action

**Subject**

CDBG Allocation of Funds [**PAGES 151-155**]

**Notes**

October 25, 2011 - The committee recommended that Council approve the allocation and expenditure of CDBG funds for the five designated projects in the amount of \$317,000 and the contingency of completing additional environmental assessments in the event that one of the projects is delayed. The vote in favor was unanimous.

# Richland County Council Request of Action

**Subject:** CDBG Allocation of Funds

## **A. Purpose**

County Council is requested to approve the coordination of efforts between the Planning and Development Services Department and the Community Development Office toward the allocation of Community Development Block Grant (CDBG) funding for five (5) neighborhood improvement projects based on Neighborhood Master Plan goals, objectives, and recommendations. The grant totals \$317,000.00 and no match is required.

## **B. Background / Discussion**

The Community Development Block Grant (CDBG) program is a flexible Federal (HUD) program that provides communities with resources to address a wide range of unique community development needs. The Richland County Neighborhood Improvement Program/Planning and Development Services Department were allocated \$317,000.00 from the Community Development Block Grant program on October 1, 2011.

In a cooperative effort to implement the Planning and Development Department's goals and initiatives in the Neighborhood Improvement Program, staff has researched and found that the master plans of Crane Creek, Broad River Heights, and New Castle/Trenholm Acres are all low/moderate income areas, and are thus eligible to receive CDBG funds for neighborhood improvement.

Based on detailed census tract and block group research, the US Census Tract and surveys are used to determine the median income level of a specific area. Through this research, the Neighborhood Improvement Program staff discovered that the master plans in the Candlewood, Broad River Corridor, and the Southeast Richland Neighborhoods are ineligible to receive CDBG funds because these neighborhoods are not low/moderate income areas. The low and moderate income population is defined as 51% of residents in a location and/or that have a family household income that is 80% or below the median area income.

### **Activities eligible for funding:**

1. Environmental assessment for each community of interest (Crane Creek, BRH, Trenholm Acres).
2. Appraisals, title work and surveys of each parcel (Crane Creek, Trenholm).
3. Acquisitions where negotiations are successful (park property and mobile home park).
4. Demolition of a mobile home park. Note: Demolition should only occur after negotiation and acquisition are successful. If not successful, condemnation is another alternative; however, if this is the case then demolition is not likely in 2011/2012.

### **Projects eligible for funding**

1. Crane Creek - Catalyst 5 Pedestrian Park
2. Crane Creek – Neighborhood Signs
3. Trenholm/Newcastle - Catalyst 2 Mobile Home Park

4. Broad River Heights – Abandoned Homes
5. Environmental Assessments - Crane Creek and Trenholm Acres

**Process and Procedure for Acquisition based on CDBG Regulations:**

1. Appraisals must be done for each parcel of interest. It is not enough to have the assessed value.
2. Environmental assessment, surveys and title work must be completed for each area where development is planned.
3. Letters of interest must be sent to each property owner before appraisals, environmental assessment or surveys are completed. Owners should be invited to accompany.
4. Determine offer based on appraisal, survey and title and get Council's approval before a written offer is made.
5. Negotiations only take place if the offer is not accepted.
6. Acquire the properties.

**CDBG Funding Priorities (Five Major Projects):**

**1. Crane Creek- Catalyst 5 Pedestrian Park (\$16,000.00):**

The proposed pedestrian park (0.25 acre) would complement the efforts of our Crane Creek Neighborhood master plan which emphasizes the need to create more walkable communities. This pedestrian park would be maintained by the Richland County Recreation Commission and give the community more open usable space. Preliminary designs and cost estimates were provided in 2007; however updated estimates would need to be obtained.

Completed Tasks:

- Staff has a written commitment from the Richland County Recreation Commission that states if the pedestrian park is built they would maintain the park in perpetuity.
- Staff has begun to research the County website and has identified the property owner information and the assessed value of the property.
- Staff has been notified that the property owner is interested in discussing the possible development of the pedestrian park and sale of the property.

Phase 1

- Send out an RFP to consultants on Procurement's approved list to have an appraisal completed on the area.
- Negotiate the purchase of the property for the pedestrian park.

**2. Crane Creek – Neighborhood Signs (\$55,000.00):**

The Crane Creek Neighborhood master plan area has seven communities with the need to update existing brick entrance signage, or establish signage for their respective communities. The communities of Bookert Heights, Crane Crossing, Crane Forest, Haskell Heights, and Pine Forest are in need of new signage. The communities of Lincolnshire and Rockgate will need their signage updated.

Completed Tasks:

- Staff has identified several locations for new signage

Phase 1

- Staff will prepare easement documents for each parcel identified for the project.

**3. Trenholm/Newcastle-Catalyst 2 Mobile Home Park (\$104,000.00):**

The existing dilapidated mobile home park is currently located on Shakespeare Road in the Trenholm/Newcastle master plan area. The plan identifies this parcel and other surrounding parcels to be slated for revitalization focusing on attracting a variety of medium density housing in conjunction with supporting neighborhood retail establishments.

Completed Tasks:

- Staff has performed preliminary research including property owner search, acreage and land assessment value.
- Staff has made a site inspection of the property.
- Staff, along with Community Development has conducted a tour with non-profits regarding the future possibility of providing housing.

Phase 1

- Send out an RFP to vendors on Procurement's approved list to submit bids for demolition and clean-up.
- Demolition and clean-up of all thirteen (13) vacant mobile homes.

**4. Broad River Heights – Abandoned Homes (\$62,000.00):**

In the Broad River Heights Neighborhood Association there is a concern from active and engaged homeowners that there is an excessive amount of abandoned homes with overgrown yards, infestation of trash, litter and general structure dilapidation. There have been 11 lots identified for immediate demolition. The success of economic development hinges upon the visual characteristics of the neighborhood. The aforementioned troubled areas give a negative perception of the residents and the community as a whole.

Completed Tasks:

- Staff has identified structures that need to be demolished.
- Staff has gathered cost estimates for the demolition of said structures.

Phase 1

- Send out an RFP to vendors on Procurement's approved list to submit bids for demolition and clean-up for each.

**5. Environmental Assessments - (\$80,000.00):**

Each planning area is required to have a baseline environmental assessment for CDBG related activities to occur.

Completed Tasks:

- Staff has performed preliminary research including property owner search, acreage and land assessment value.
- Staff has made a site inspection of the property.

**C. Financial Impact**

Crane Creek- Catalyst 5 Pedestrian Park:

Appraisal of the property:	\$ 3,500.00	
Purchase of Property:	<u>\$ 12,500.00</u>	\$16,000.00

Crane Creek – Neighborhood Signs:

Installation:	<u>\$ 55,000.00</u>	\$55,000.00
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Trenholm/Newcastle-Catalyst 2 Mobile Home Park:

Demolition, Clean-up:	<u>\$104,000.00</u>	\$104,000.00
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Broad River Neighborhoods – Abandoned Homes

Demolition & Clean-up (total):	<u>\$62,000.00</u>	\$62,000.00
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Environmental Assessments for:  
Crane Creek and Trenholm Acres/Newcastle

\$80,000.00

**TOTAL: \$317,000.00**

**D. Alternatives**

1. Approve the request to allocate and expend the CBDG funds that were awarded to the County.
2. Do not approve the grant funds allocation and expenditures.

## E. Recommendation

It is recommended that Council approve the allocation and expenditure of CDBG funds for the five (5) projects identified above, in the amount of \$317,000.00. Also recommend approval of contingency of conducting additional environmental assessments for eligible master plans to ensure timely expenditure of funding.

Recommended by: Sparty Hammett      Planning and Development Services      Date: 10/15/11

## F. Approvals

### Finance

Reviewed by: Daniel Driggers

Date: 10/13/11

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation: This is a funding decision for Council. The recommendation is based on the availability of funds.

### Community Development

Reviewed by: Valeria Jackson

Date: 10/13/11

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation:

### Legal

Reviewed by: Larry Smith

Date:

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation:

### Administration

Reviewed by: Sparty Hammett

Date: 10/17/11

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation: Recommend approval of the allocation and expenditure of funds for the five designated projects and the contingency of completing additional environmental assessments in the event that one of the projects is delayed.

# Richland County Council Request of Action

**Subject**

AT&T Leased Line Connections - Countywide **[PAGES 157-158]**

**Notes**

October 25, 2011 - The committee recommended that Council approve the request to continue leasing the lines from AT&T for an amount not to exceed \$243,000. This will allow the County to maintain phones and connectivity to remote sites. The vote in favor was unanimous.

## Richland County Council Request of Action

Subject: AT&T Leased Line Connections - Countywide

### A. Purpose

County Council is requested to approve a purchase order to AT&T for the County's leased line connections.

### A. Background / Discussion

The Richland County Wide Area Network and Local Area Networks (WAN/LAN) currently consist of 50 servers and approximately 1100 PCs. These are dispersed across all county locations. These locations are connected primarily via leased lines. This purchase order covers those lines that are leased from AT&T that connect our remote sites to our main locations in addition to the trunk lines that provide phone service to County locations including the Sherriff's Office. These lines are the heart and lungs of County provided services. Without them, there would be no phone service to most County locations, nor data connections that provide all county computer services.

These are services that Richland County has been receiving from AT&T for over 14 years. The amount has changed from year to year as the network has expanded as additional County services offered in new locations.

These services were directly paid in previous years, but due to a change in our financial system, a purchase order is required to be able to pay for the services.

### B. Financial Impact

There are sufficient funds in the account 1100187000.542100 designated for this request.

### C. Alternatives

1. Approve the request to continue leasing the lines from AT&T for an amount not to exceed \$243,000. This will allow the county to maintain phone and data services to all sites.
2. Do not approve the request. This would mean that connectivity to County offices would cease and prevent all County computer services and telephones from working.

### D. Recommendation

Recommended by: Janet Claggett      Department: Information Technology  
Date: 10/10/11

Approve the request to continue leasing the lines from AT&T for an amount not to exceed \$243,000. This will allow the county to maintain phones and connectivity to remote sites.

## F. Reviews

(Please ***SIGN*** your name, ✓ the appropriate box, and support your recommendation before routing. Thank you!)

### Finance

Reviewed by: Daniel Driggers

Date: 10/11/11

✓ Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation:

### Procurement

Reviewed by: Rodolfo Callwood

Date: 10/11/11

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation:

### Legal

Reviewed by: Larry Smith

Date:

✓ Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation:

### Administration

Reviewed by: J. Milton Pope

Date: 10-12-11

X Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation: Recommend approval...funding has been provided to cover the expense....

# Richland County Council Request of Action

## **Subject**

Microsoft Licensing-Countywide [**PAGES 160-161**]

## **Notes**

October 25, 2011 - The committee recommended that Council approve the request to purchase Microsoft Software Assurance from vendor CompuCom Systems, Inc. on South Carolina State contract in an amount not to exceed \$131,566. The vote in favor was unanimous.

## Richland County Council Request of Action

Subject: Microsoft Licensing - Countywide

### A. Purpose

County Council is requested to approve an extension to the “Software Assurance” purchase on the Microsoft Enterprise Agreement for licenses owned by the County.

### A. Background / Discussion

The Richland County Wide Area Network and Local Area Networks (WAN/LAN) currently consist of 50 servers and approximately 1100 PCs.

In order to comply with federal copyright law, Richland County must have Microsoft licenses for all County servers and all County PCs. Licensing is required for operating systems as well as software applications (such as MS Office).

In the last few years, Microsoft modified its licensing requirements, and it has been increasing its enforcement efforts. Richland County received the same “Microsoft letter” that our neighboring counties received, which outlines a mandatory copyright compliance program. If Richland County were to decide not to participate in the copyright compliance program, the County would put itself at risk for fines and penalties of up to \$150,000 per incident.

Ten years ago, the IT Department included a budget request to begin a three year Enterprise Agreement with Microsoft to bring the County into full copyright compliance. During the initial three year period, we were able to achieve compliance with Microsoft’s copyright policies. The County now owns the software license for Microsoft OS and Office products used by County employees. To ensure this software remains current, the County will need to approve another year of “Software Assurance”. This renewal will ensure our licensed products are current to 07/30/12.

However, in an effort to maintain Federal Copyright compliance on software versions used by the County that comes out after 06/30/11, we must continue our Microsoft Enterprise Agreement through the purchase of Software Assurance. Software Assurance is a maintenance agreement that allows the County to use the latest versions of Microsoft software products as they are made available. This will keep the software technology at Richland County current. Council is requested to approve the purchase of a Microsoft “Software Assurance” from the vendor CompuCom Systems, Inc. on South Carolina State Contract in an amount not to exceed \$131,566.

### B. Financial Impact

There are sufficient funds in the account 1100187000.547100 designated for this request.

### C. Alternatives

1. Approve the request to purchase Microsoft Software Assurance from vendor CompuCom Systems, Inc. on South Carolina State Contract in an amount not to exceed \$131,566. This will allow the county to maintain Microsoft Copyright compliance.
2. Do not approve the request. This would mean that the County chooses to stop participating in the copyright compliance program.

**D. Recommendation**

Recommended by: Janet Claggett      Department: Information Technology  
 Date: 10/10/11

It is recommended that Council approve the request to purchase Microsoft Software Assurance from vendor CompuCom Systems, Inc. on South Carolina State Contract in an amount not to exceed \$131,566.

**F. Reviews**

(Please **SIGN** your name, ✓ the appropriate box, and support your recommendation before routing. Thank you!)

**Finance**

Reviewed by: Daniel Driggers      Date: 10/11/11  
 Recommend Council approval       Recommend Council denial  
 Council Discretion (please explain if checked)  
 Comments regarding recommendation:

**Procurement**

Reviewed by: Rodolfo Callwood      Date: 10/11/11  
 Recommend Council approval       Recommend Council denial  
 Council Discretion (please explain if checked)  
 Comments regarding recommendation:

**Legal**

Reviewed by: Larry Smith      Date:  
 Recommend Council approval       Recommend Council denial  
 Council Discretion (please explain if checked)  
 Comments regarding recommendation: Approval subject to review of the agreement.

**Administration**

Reviewed by: J. Milton Pope      Date: 10-14-11  
 Recommend Council approval       Recommend Council denial  
 Council Discretion (please explain if checked)  
 Comments regarding recommendation: Recommend approval

# Richland County Council Request of Action

**Subject**

FY 11-12 HUD Annual Action Plan Approval [**PAGES 163-201**]

**Notes**

October 25, 2011 - The committee recommended that Council approve the HUD approved FY 11-12 Annual Action Plan in its entirety. The vote in favor was unanimous.

# Richland County Council Request of Action

**Subject:** FY 11-12 Annual Action Plan Approval

**A. Purpose**

Council is being requested to approve the HUD–approved FY 11-12 Annual Action Plan in its entirety. The FY 11-12 Community Development budget was approved by Council in July 2011. At that time the Action Plan was not finalized. Subsequently, it was submitted to HUD for approval on August 15<sup>th</sup>. HUD has approved the plan. This is the final step in the approval for our files.

**B. Background / Discussion**

Council is being requested to approve the HUD approved FY 11-12 Annual Action Plan in its entirety. The budget has already received Council approval during a July 2011 meeting. This current ROA action is a formality. HUD has already approved the plan and has forward grant agreements for Administration’s signature. This requested action will also satisfy Finance requirements of Council approval.

**C. Financial Impact**

The sole financial impact of this request for the County is the HOME Match which has been approved within the County general budget. The amount approved was \$105,017 in County general funds. The remaining funds are non-county (federal) sources.

**D. Alternatives**

1. Approve the request to approve the HUD approved FY 11-12 Annual Action Plan in its entirety.
2. Do not approve the HUD approved FY 11-12 Annual Action Plan in its entirety.

**E. Recommendation**

3. "It is recommended that Council approve the request to Approve the request to approve the HUD approved FY 11-12 Annual Action Plan in its entirety."

Recommended by:  
*Valeria Jackson*

Department:  
*Community Development*

Date:  
*10/7/11*

**F. Reviews**

(Please ***SIGN*** your name, ✓ the appropriate box, and support your recommendation before routing. Thank you!)

**Finance**

Reviewed by: Daniel Driggers

Date: 10/11/11

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation:

**Procurement**Reviewed by: Rodolfo Callwood

Date: 10/11/11

 Recommend Council approval Recommend Council denial Council Discretion (please explain if checked)

Comments regarding recommendation:

**Grants**Reviewed by: Sara Salley

Date: 10/12/11

 Recommend Council approval Recommend Council denial Council Discretion (please explain if checked)

Comments regarding recommendation:

**Legal**Reviewed by: Larry Smith

Date:

 Recommend Council approval Recommend Council denial Council Discretion (please explain if checked)

Comments regarding recommendation:

**Administration**Reviewed by: Sparty Hammett

Date: 10/17/11

 Recommend Council approval Recommend Council denial Council Discretion (please explain if checked)

Comments regarding recommendation: Recommend Council approval of the HUD approved FY 11-12 Annual Action Plan in its entirety

## 2011 Annual Action Plan

### Program Year 2011

October 1, 2011 – September 30, 2012

Richland County is an expanse of more than 770 square-miles that occupies the center of the State of South Carolina. It is home to the nation's largest Army basic training facility, Fort Jackson and the State's capitol, Columbia. Richland County Government's motto is *Uniquely Urban, Uniquely Rural* and is so appropriately named for its true combination of smaller metropolitan flavor, coupled with major parcels in the outlying areas constituting the rural setting. The County's population growth, while originally centered in the urbanized area of Columbia, has spread along the County-wide Interstates I-26, I-20 and I-77, which is through the northern area of the County. The local economy is a mixture of State and local governments, banking and finance, industry, health care, higher education, significant regional retail centers, and an emerging research and development sector.

In 2010, the County emerged as the second most populated county in the State (385,504), behind only Greenville County. In 2000, US Census listed the County's population at 320,781, which reflects a 19% shift in growth. As of 2010, 61% of the county lived in owner-occupied housing units found in Richland County. The median income is \$63,600 with 16% of the population living in poverty. (Sources: HUD User and US Census Quick Facts - 2010).

Population estimates indicate that the County was one of the fastest growing in the State from 2007 to 2008, ranking 11<sup>th</sup> with a percentage growth of 1.7%. Future projections indicate that the county's population will grow by 4% from 2010 to 2015. (Source: Office of Research and Statistics (SCORS)).

White people moved into the city of Columbia at a much greater pace in the past decade than African-Americans, who took to suburban life at a rate that outpaced Caucasians — reversing the trend of a generation ago.

Between 2000 and 2010, the capital city's white population jumped 17 percent, while its black population inched up by 2 percent, according to 2010 Census data released this year. Altogether, the number of residents in South Carolina's largest city rose by 11.2 percent.

At the same time, black residents moved into Richland County at a rate that was 9 percentage points higher than whites — 22 percent growth, compared with 13 percent for whites.

And, for the first time in its history, Richland County has a majority of nonwhite residents because of the growth of black, Hispanic and Asian populations. Demographers have been reporting the trend using estimates for several years.

Hispanics are now at 4.8% of the County's demographic, according to 2010 census figures. This reflects an increase from the 2000 figure of 2.7%.

Significant demographic trends and issues in Richland County include:

- Seventy-Three (73%) percent of the persons in the County are under the age of 49, with the median age at 32.6.
- The County's unemployment rate fluctuated with an average of 8.5% in 2011 with June's number at 10.6%.
- More than 42% of households countywide are considered to be low and moderate income (LMI). Incomes for LMI households are below 80% of median family income (MFI).
- Recent residential growth in the County has been dominated by the construction of low-density, detached single-family housing in the northeast between I-20 and I-77 and within the northwestern I-26 and southeastern Garners Ferry Road corridors.
- In 2009, more than one-third (36.2%) of County residents in rental units and one-fifth (21.4%) of homeowners are cost-burdened – spending more than 30% of the area median family income (MFI) for housing costs.

## I. Citizen Participation

Richland County has a Citizen Participation Plan in place that encourages participation of all residents, especially the low and moderate-income population. Formal and informal approaches are used each year in the assessment process, as citizens' needs and concerns are expressed often in the local government arena. The advertisement considers the special needs of the disabled. In addition, when necessary, flyers are posted in local gathering places and mailed to all neighborhood associations and local churches encouraging attendance.

Richland County Community Development Department staff conducted a public hearing at the Richland County Administration Building, Council Chambers, on **Monday, August 1<sup>st</sup>, 2010 at 5:30 p.m.** Public notice was advertised in The STATE newspaper. The notice was also posted on our website and in the County Building where daily high volumes of people (from all socioeconomic levels) visit as well as the County Health Department entrance way. Public comments will be accepted through **Thursday August 22, 2010**. Any public comments which are received will be put in writing and forwarded to our HUD Regional office. Please see minutes and sign in sheet for August 1<sup>st</sup> public hearing attached.

Richland County relies heavily on the Ombudsman's Office, which is the County One Stop Call Center. Citizens express concerns by telephone, fax, and email to this office and these concerns are kept and tracked on a computer system. Upon request, the Community Development can receive documented concerns that have been expressed

over a period of time. The Community Development Department obtains and reviews the documented concerns and notes it in the Needs Assessment.

Richland County Community Development Website ([www.richlandonline.com](http://www.richlandonline.com)) is available and has current information. The website has been a cost saving tool for the County to communicate with the general public, monitor sub-recipients and share information with HUD as well as other Entitlement Communities. This site will provide links to a variety of resources and information, to include Fair Housing, Program Management and Compliance. The Community Development Office has received a few good comments about the webpage and its information. The office has also joined Twitter and can be found at [@upgrade\\_u@twitter.com](https://twitter.com/upgrade_u). In addition, the County has a Facebook page, [www.facebook.com/pages/RichlandCounty/21957014241](https://www.facebook.com/pages/RichlandCounty/21957014241), in which our departments updates and events are posted.

## **II. Funding Sources**

### **A. Federal Funds**

Projects identified in the Action Plan will be implemented through the County's 2010 Community Development Block Grant (CDBG), HOME Investment Partnerships, and Stimulus fund allocations. Richland County anticipates receiving approximately \$1,265,130 in CDBG funding and \$559,045 in HOME funding.

Additional funding will be provided through anticipated program income (\$656,700) generated by the County's HOME, CDBG, CDBG R and NSP1 program investments. This includes: Income from infill Housing Development in the Ridgewood Neighborhood (\$199,485); Income from the Homeowner Rehabilitation Program is estimated to be earned through the repayment of three loans that are being serviced by First Citizens Bank (\$6,570); through loans made to Community Housing Development Corporations (\$447,445), and through application fees in the RCHAP program (\$3,200). Additional monies may be generated utilizing the recapture provisions as outlined in the policies and procedures of the housing programs and the CHDO contracts. These provisions ensure compliance with Federal regulations.

Richland County provides administration for the Midlands Area Consortium for the Homeless (MACH) Region's Homeless Management Information System (HMIS) grant funded through HUD's Supportive Housing Program (HUD-SHP). Funding in the amount of \$80,544 from the HUD Supportive Housing Program (HUD-SHP) is included in the listing of funding sources (Table 10-1) for Program Year 2011 and will be allocated solely for the administration of the MACH HMIS Homeless program. HUD requires a local match of 25% for this grant, which Richland County intends to overmatch through CDBG funding in the amount of \$30,000.

Richland County will also continue to provide administration for several stimulus funded grants that were originally funded during the 2009 Program Year. These include the following programs:

1. Neighborhood Stabilization Program 1 (NSP1) was created as a result of Title III of the Housing and Economic Recovery Act (HERA) of 2008. This program provides assistance to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight within their communities. During the 2011 fiscal year, estimated NSP1 program income will also be used to acquire and rehabilitate properties to provide homeownership opportunities to income qualified households up to 120% of the area median income. Richland County Community Development Department received an allocation of \$2,221,859 of which \$1,998,688 (90%) has been expended leaving a total of \$223,171 (10%) for FY 2011-2012.
2. Homeless Prevention and Rapid Re-Housing (HPRP) is a stimulus funded program to prevent persons from becoming homeless or to assist those who are experiencing homelessness to be quickly re-housed and stabilized. As grantee, we will continue to monitor the subrecipient's (i.e., The Cooperative Ministry - provides Homeless Prevention services and Trinity Housing Corporation - provides Rapid Re-housing services) program and financial performance to ensure regulatory compliance in all areas. Richland County Community Development Department received an HPRP allocation of \$568,201 of which \$519,152 (92%) has been expended leaving a total of \$ 49,049 (8%) for FY 2011-2012.
3. Community Development Block Grant Recovery (CDBG-R) was created as a result of the American Recovery and Reinvestment ACT of 2009. The program provided was to meet community development needs having a particular urgency and where other financial resources were not reasonably available. Richland County allocated funding to three (3) activities that were consistent with the goals of the Recovery Act. Habitat for Humanities received \$200,000 to pave dirt roads in the Rockgate subdivision; the Columbia Urban League received \$55,000 to make it possible for 25 youth to be employed during the summer of 2010 and to participate in employment and personal development training. Also \$79,569 was committed to the Ridgewood revitalization efforts to strengthen the infill housing initiative; and \$37,000 was reserved for the planning and general administration of CDBG-R activities. The projects were consistent with the Richland County Five Year Consolidated Plan (2007-2012) where "public facilities and improvements" are identified as a high priority. The plan also emphasizes the Neighborhood Revitalization Program and addresses unemployment issues. Richland County Community Development Department received an allocation of \$371,569 of which \$324,216 (87%) has been expended leaving a total of \$47,353 (13%) for FY 2011-2012.

In addition Richland County Community Development applied for and received a total of \$1.3 million in NSP-3 funding from the South Carolina State Housing and Finance Authority. These funds will be used for acquisition and rehabilitation with the end use of rental or homeownership as well as redevelopment. We will continue to work with our funding partners under NSP 1. Activities will take place in census tracts 5, 107.03 and 110. These census tracts were selected based on need scores calculated by HUD using marketing conditions and other factors.

**B. County Funds**

Richland County will provide a local match as required for the HOME program in Program Year 2011. As feasible, the County will also provide in-kind services, funds for operating costs, funds for furnishings and equipment, other available funds, and real property to carry out the activities identified in this Plan. In past program years, County Departments including Public Works, Procurement, IT, Utilities and the Legal Department have provided in-kind professional services to the County's CDBG and HOME programs. In 2011 the County will also continue to seek donations from private and public entities for services such as engineering to help offset project costs when possible.

In addition, since the inception of its Community Development Program, Richland County has sought partnerships that leverage funding for CDBG and HOME endeavors. In past program years, the County has partnered with the Rural Development Program of the US Department of Agriculture, the SC State Housing Trust fund, the Greater Columbia Association of Home Builders, the Salkehatchie Summer Service, Home Depot, and World Changers for activities undertaken in the County's housing rehabilitation and emergency repair programs. The department is also working on a partnership with Bank of America to maximize NSP3 funds to leverage against their 203K program, thereby allowing even more citizens to benefit. Other partnerships are being explored in the public and private sectors.

Table 10-1 outlines program funding from both Federal and local funding sources for program year 2011.

**Table 10-1. Program Year 2011 Funding Sources and Income**

<b>Program</b>	<b>New or Current Award Amount</b>
<b>New Federal Funding</b>	
CDBG	\$ 1,265,130
HOME	\$559,045
HUD-SHP (HMIS)	\$80,544
<b>Additional Sources: Carryover/PI/Match</b>	
HOME Program Income (Estimated)	\$111,770
Local Funding HOME Match – Richland County	\$104,821
NSP Program Income	\$466,700
CDBG Program Income	\$42,600
CDBG R Program Income	\$38,700
<b>Stimulus Funds Remaining</b>	
HPRP- Original Grant Amount (\$568,201)	\$49,049
CDBG-R- Original Grant Amount (\$371,569)	\$47,353
NSP-Original Grant Amount (\$2,221,859)	\$223,171
<b>Total Funds Available</b>	<b>\$2,988,883</b>

### III. Program Year 2011 Budget

Richland County’s CDBG and HOME programs provide funding for projects in unincorporated areas of the County. During the 2011 Program Year, the County will focus its CDBG efforts and funding on approved master plan project areas, neighborhood revitalization, emergency housing repairs and energy efficiency, and operational costs for a homeless facility, job development/training and match for the MACH HMIS grant, as well as planning and administration of the County’s Community Development Program. The County will focus efforts and funding through HOME funding on housing development in conjunction with the Neighborhood Revitalization Program, countywide Housing Rehabilitation Program, multi-unit and/or Tenant Based Rental Assistance (TBRA) county-wide projects, programmatic and operating funds for CHDOs, and the Richland County Homeownership Assistance Program (RCHAP).

Richland County projects allocations of \$1,307,730 to implement CDBG activities for the 2011 Program Year. The projects proposed for CDBG funding are listed in Table 10-2, including funding allocated per project for Program Year 2011.

**Table 10-2. CDBG Proposed Budget, Program Year 2011**

<b>New/Ongoing CDBG Projects for Program Year 2011</b>	<b>Total 2011 Funds Allocated</b>
Master Planned Area Projects (25% Grant + Project Delivery Costs)	\$327,000
Emergency Repair Program (includes Project Delivery Costs)	\$300,000
HMIS Grant Administration Match Program	\$30,000
MHA – Transitions (operating costs)	\$50,000
Job Development	\$105,104
Neighborhood Revitalization Program (includes Project Delivery Costs)	\$110,000
Housing Energy Efficiency Program	\$90,000
Five Year Consolidated Plan (20% cap)	\$35,000
Administration (20% cap)	\$218,026
<b>Sources of Funds</b>	
CDBG Program Income (Estimated)	\$42,600
CDBG Entitlement Award	\$1,265,130
<b>Total CDBG Funds Available</b>	<b>\$1,307,730</b>

**B. HOME Budget**

Richland County expects to receive \$559,045 to implement HOME activities for the 2011 Program Year. In addition, we anticipate approximately \$111,770 in program income along with \$104,821 of Richland County HOME Match. The projects proposed for HOME funding are listed in Table 10-3, including funding allocated for each project for Program Year 2011.

**Table 10-3. HOME Proposed Budget, Program Year 2011**

<b>HOME Projects for Program Year 2011</b>	<b>Total 2011 Funds Allocated</b>
Housing Rehabilitation Program (HR) * - includes project delivery costs	\$36,000
Down payment Assistance Program (RCHAP) * - - includes project delivery costs	\$7,000
CHDO Set Aside (15% of grant award) and Operating Funds (\$ 83,857 plus \$76,283)	\$160,140
Multi-Unit rental and/or Tenant Based Rental from RFA/RFQ	\$300,000
Administration (not to exceed 10%)	\$55,905
<b>TOTAL HOME ENTITLEMENT BUDGET</b>	<b>\$559,045</b>
<b>Sources of Funds</b>	
HOME Program Income	\$111,770
Richland County HOME Match – 25% <i>*To be awarded by County</i>	\$104,821
HOME Entitlement Award	\$559,045
<b>Total HOME Funds Available</b>	<b>\$775,636</b>
<b>Additional HOME Programs Using HOME Program Income (Estimated)**</b>	
Housing Rehabilitation Program (HR)	\$6,570
Down payment Assistance Program (RCHAP )	\$3,200
CHDO/Developers/Sub-recipients (CHDO)	\$102,000

\*These programs will use FY 10-11 HOME funds plus HOME match to implement these activities.

\*\*Program income will be used towards CHDO activities.

#### **IV. Specific Annual Objectives**

Program Year 2011 will address the following objectives selected from the County's 5-Year Consolidated Plan.

- Priority Need 1: Improve the quality and availability of decent, safe and affordable housing.
- Priority Need 2: Provide for adequate and safe public facilities and infrastructure.
- Priority Need 3: Revitalize LMI neighborhoods.
- Priority Need 4: Provide for and support programs and services for the homeless.
- Priority Need 5: Collaborate with RC Planning and Development and provide support programs and services to Master Planned project areas.

- Priority Need 6: Provide planning activities to determine needs, establish priorities and develop implementation strategies to meet the needs of LMI areas and residents.
- Priority Need 7: Strengthen partnerships with community based organizations, neighborhood associations and neighboring local governments to further the County's capacity to serve as well as collaborate and coordinate community development activities.

Table 10-4 summarizes the priority needs and objectives of the 5-year Consolidated Plan that will be addressed by the projects proposed for the 2011 Program Year and lists performance indicators for each proposed project.

**Table 10-4. 2011 Projects, Priority Needs, Objectives and Performance Indicators (HUD Table 3A)**

2011 Annual Action Plan Projects	Consolidated Plan (CP) Priority Need	CP Objectives	Performance Indicator
<b>CDBG Projects</b>			
1. Master Planned Area Projects	#5 Collaborate with RC Planning and Development and provide support programs and services to Master Planned project areas.	5.0	Elimination of slum and/or blighting influences or benefit low income areas.
2. Emergency Repair Program (ER)	#1. Improve the quality & availability of decent, safe & affordable housing.	1.1.1	10 homes repaired
3. HMIS Match	#4. Provide administration and local match for the MACH Region's HMIS grants.	4.2.1	2,650 homeless individuals & 2,500 families provided services.
4. Midlands Housing Alliance (MHA) Transitions	#4. Provide for & support programs & services for the homeless.	4.1.1	150-214 homeless individuals provided services.
5. Job Development	#7. Work with community partners, neighborhood associations and neighboring local governments to coordinate community development activities.	7.3.2	15 development and/or training opportunities.
6. Neighborhood Revitalization Program	#3 Revitalize LMI neighborhoods.	3.0	Revitalize LMI neighborhoods
7. Housing Energy Efficiency Program	#1. Improve the quality & availability of decent, safe & affordable housing.	1.1.1	18 units assisted

8. Five Year Consolidated Plan	#6. Provide planning activities to determine needs, establish priorities and develop implementation strategies to meet the needs of LMI areas and residents.	6.1	Meet the needs of LMI areas and residents.
9. Administration (20%)	#6. Provide planning activities and studies to determine needs, establish priorities and develop implementation strategies to meet the needs of LMI areas and residents.	6.2	n/a
<b>HOME Projects</b>			
10. Housing Rehabilitation Program (HR)	#1. Improve the quality & availability of decent, safe & affordable housing.	1.1.2	12-15 homes rehabilitated
11. Down Payment Assistance Program (RCHAP)	#1. Improve the quality and availability of decent, safe and affordable housing.	1.2.1	16-32 New Home Owners (depending on individual assistance amount)
12. CHDO Set Aside (exceeds 15% minimum) and CHDO Operating Funds	#3. Revitalize LMI neighborhoods.	3.1.1 3.1.4	Rehabilitate homes. Seek partnerships for development of vacant infill properties.
13. Multi-Unit rental and/or Tenant Based Rental from RFA/RFQ	#1. Improve the quality and availability of decent, safe and affordable housing.	1.2 1.3.1	Acquire, rehab, and/or redevelopment 4 units
14. Administration (not to exceed 10%)	#6. Provide planning activities and studies to determine needs, establish priorities and develop implementation strategies to meet the needs of LMI areas and residents.	6.2	n/a

In September 2003, HUD issued *CPD Notice 03-09* regarding performance measurement. In the notice, HUD strongly encouraged each grantee under its Office of Community Planning and Development (CPD) formula, which includes Richland County's CDBG and HOME programs, to develop and use a performance measurement system. In addition, it described the need for HUD to begin to show the results of the federal dollars spent on the activities funded by the CDBG program. On March 7, 2006 HUD established its new standards for performance measurement through the publication of the *Notice of Outcome Performance Measurement System for Community*

*Planning and Development Formula Grant Programs* in the Federal Register. As described in the Federal Register, the outcome performance measurement system will enable HUD to collect information on the outcomes of activities funded with CPD formula grant assistance and to aggregate that information at the national, state, and local level.

In preparation for the new system, Richland County Community Development staff attended a workshop on HUD's proposed performance measurement system. Since that time, CDBG staff has reviewed records and projects, revised all necessary forms, and communicated with community development partners to ensure that adequate information is collected when needed. Each project or activity funded by the Richland County Community Development program falls under one of the following three objectives that relate to the statutory purposes of the program:

1. Creating a Suitable Living Environment. In general, this objective relates to activities that are designed to benefit communities, families or individuals by addressing issues in their living environment. It relates to activities that are intended to address a wide range of issues faced by LMI persons from physical problems with their environment, such as poor quality infrastructure, social issues such as crime prevention, literacy, or health services.
2. Providing Decent Housing. The activities that typically would be found under this objective are designed to cover the wide range of housing possible under CDBG. This objective focuses on housing programs where the purpose of the program is to meet individual family or community needs.
3. Creating Economic Opportunities. This objective applies to types of activities related to economic development, commercial revitalization, or job creation.

For each objective selected for a specific project, one of three outcome categories will be chosen that best reflects what is proposed to be achieved by funding the activity. The three outcome categories are:

1. Improving Availability or Accessibility. This outcome category applies to activities that make services, infrastructure, public services, housing, or shelter available or accessible to low and moderate-income persons, including those with disabilities. In this category, accessibility not only refers to physical barriers, but also to making the affordable basics of daily living available and accessible to low and moderate-income persons. Where a service or facility did not exist, the assistance provided results in new access to that service or facility. Where a service or facility was limited in size or capacity, and the assistance expanded the existing service or facility, the result would be improved access.
2. Improving Affordability. This outcome category applies to activities that provide affordability in a variety of ways in the lives of low and moderate-income people. It can include creating or maintaining affordable housing, basic infrastructure hookups, or services such as transportation or daycare.

3. Improving Sustainability. This outcome applies to projects where the activity or activities are aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefit to persons of low and moderate-income or by removing or eliminating slums or blighted areas, through multiple activities or services that sustain communities or neighborhoods.

The three overarching objectives are matched with the three outcome categories, resulting in nine (9) groups of **outcome/objective statements** under which to report the activity or project data to document the results of the activities or projects. The **outcome/objective statements** will be reviewed and assigned to each proposed activity, project and program for Program Year 2011 to comply with the requirements of the performance measurement standards (Table 10-5).

**Table 10-5. HUD Performance Measurement Outcome Framework**

	<b>Outcome 1:</b> Availability or Accessibility	<b>Outcome 2:</b> Affordability	<b>Outcome 3:</b> Sustainability
<b>Objective 1:</b> Suitable Living Environment	Enhance suitable living environment through improved accessibility <b>SL-1</b>	Enhance suitable living environment through improved or new affordability <b>SL-2</b>	Enhance suitable living environment through improved or new sustainability <b>SL-3</b>
<b>Objective 2:</b> Decent Housing	Create decent housing with improved or new availability <b>DH-1</b>	Create decent housing with improved or new affordability <b>DH-2</b>	Create decent Housing with improved or new sustainability <b>DH-3</b>
<b>Objective 3:</b> Economic Opportunities	Provide economic opportunity through improved or new accessibility <b>EO-1</b>	Provide economic opportunity through improved or new affordability <b>EO-2</b>	Provide economic opportunity through improved or new sustainability <b>EO-3</b>

## **VI. Description of Proposed Projects**

Richland County plans to undertake 14 major projects, including planning and administration of the CDBG and HOME programs, during Program Year 2011. Tables 10-6 through 10-19 (HUD Table 3C) describe each major project, including project description, location, funding type and amount, performance indicators, project start and completion dates, as well as all required HUD citations and objectives.

**Table 10-6. Project 1 – Master Planned Area Projects (HUD Table 3C)**

**Jurisdiction’s Name:** Richland County Community Development Department

**Priority Need:**

CP Priority Need 5: Collaborate with RC Planning and Development and provide support programs and services to Master Planned project areas.

**Project Title:**

Master Planned Area Projects

**Description:**

The Neighborhood Improvement Program (NIP) will begin Phase I’s for multiple Council-approved Master Plans. Phase I will include soft costs such as environmental assessments, appraisals, engineering cost estimates and surveying for the following areas and types of projects: Crane Creek (pedestrian park construction); Broad River Corridor (street signage and transportation improvements); Candlewood (neighborhood park construction); South East Richland (streetscape design at Garner’s Ferry and Lower Richland Blvd); Trenholm/New Castle (mobile home park demolition and redevelopment); and Broad River Heights (sidewalk design and installation). The cost estimate for these soft cost items are \$50,000 +/- per community. The budget also contains \$10,000 in project delivery costs.

**Objective category:**  Suitable Living Environment  Decent Housing  Economic Opportunity

**Outcome category:**  Availability/Accessibility  Affordability  Sustainability

**Location/Target Area:**

Crane Creek, Broad River Road Corridor; Candlewood, Trenholm Acres/Newcastle, South East Richland and Broad River Heights.

Specific Objective Number SL-3	Project ID 2011-01	<b>Funding Sources</b>	
HUD Matrix Code 03	CDBG Citation 570.201(c)	CDBG	\$327,000
Type of Recipient Local Government	CDBG National Objective LMI Area (LMA)	ESG	
Start Date 10/01/2011	Completion Date 9/30/2012	HOME	
Performance Indicator 2 projects	Annual Units 2	HOPWA	
Local ID n/a	Units Upon Completion 2 parks, 1 sidewalk, 1 streetscape plan	Total Formula	
		Prior Year Funds	
		Assisted Housing	
		PHA	
		Other Funding	
		Total	\$327,000

The primary purpose of the project is to help:  the Homeless  Persons with HIV/AIDS  Persons with Disabilities  Public Housing Needs

**Table 10-7. Project 2 – Emergency Repair Program (ER)  
Consolidated Plan Listing of Projects (HUD Table 3C)**

**Jurisdiction's Name** Richland County Community Development Department

**Priority Need** Owner-Occupied Housing  
CP Priority Need 1: Improve the quality and availability of decent, safe, and affordable housing

**Project Title**  
Emergency Repair Program

**Description**  
The Emergency Repair Program will provide financial and technical assistance to low income homeowners in need of emergency housing repairs. Assistance will be provided to LMI homeowners located in the unincorporated areas of Richland County. The program proposes to assist 10 - 13 eligible homeowners in the 2011 Program Year. The project includes project delivery costs.

**Objective category:**  Suitable Living Environment  Decent Housing  Economic Opportunity

**Outcome category:**  Availability/Accessibility  Affordability  Sustainability

**Location/Target Area:**  
LMI areas and neighborhoods within the unincorporated areas of Richland County.

Specific Objective Number DH-3	Project ID 2011-02
HUD Matrix Code 14A	CDBG Citation 570.202
Type of Recipient Local Government	CDBG National Objective LMI Housing (LMH)
Start Date 10/01/2011	Completion Date 9/30/2012
Performance Indicator Homes repaired	Annual Units 10 -13 homes
Local ID n/a	Units Upon Completion 10 -13 homes

**Funding Sources:**

CDBG	\$300,000
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
Total	\$300,000

The primary purpose of the project is to help:  the Homeless  Persons with HIV/AIDS  Persons with Disabilities  Public Housing Needs

**Table 10-8. Project 3 – HMIS Grant Administration Match Program  
Consolidated Plan Listing of Projects (HUD Table 3C)**

**Jurisdiction's Name**    Richland County Community Development Department

**Priority Need**

CP Priority Need 4: Provide for and support programs and services for the homeless.

**Project Title**

HMIS Grant Administration Match Program

**Description**

In Program Year 2007, Richland County became the grantee for three (3) regional Homeless Management Information System (HMIS) grants, through funding provided by the HUD Supportive Housing Program (SHP). HUD requires a local match of 25% for SHP grants, which Richland County intends to provide through CDBG funding in the amount of \$30,000. An estimated 2,650 homeless individuals and 2,500 homeless families are provided services annually through the HMIS for the MACH Region.

**Objective category:**     Suitable Living Environment     Decent Housing     Economic Opportunity

**Outcome category:**     Availability/Accessibility     Affordability     Sustainability

**Location/Target Area:**

The 14-County Midlands Area Consortium for the Homeless (MACH) region

Specific Objective Number DH-1	Project ID 2011-3
HUD Matrix Code 05	CDBG Citation 570.201(e)
Type of Recipient Local Government	CDBG National Objective LMI Area (LMA)
Start Date 10/01/2011	Completion Date 9/30/2012
Performance Indicator Homeless persons assisted	Annual Units 2650 persons
Local ID n/a	Units Upon Completion 2650 persons

**Funding Sources:**

CDBG	\$30,000
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
Total	\$30,000

The primary purpose of the project is to help:  the Homeless     Persons with HIV/AIDS     Persons with Disabilities     Public Housing Needs

**Table 10-9. Project 4 – Midlands Housing Alliance (MHA) Transitions  
Consolidated Plan Listing of Projects (HUD Table 3C)**

**Jurisdiction's Name**    Richland County Community Development Department

**Priority Need**

CP Priority Need 1: Improve the quality and availability of decent, safe, and affordable housing.

**Project Title**

Midlands Housing Alliance (MHA) Transitions

**Description**

This is a public service project that will provide operational cost for the Transitions homeless transition center. This purpose of this center is to move people from homelessness to permanent housing. It contains up to 214 beds for homeless persons in the midlands. Transitions will also provide a day center for up to 150 people to engage chronically homeless persons while providing basic needs such as food, showers and laundry. The project is a multi-regional effort and will receive funding support from other municipalities and local governments.

**Objective category:**     Suitable Living Environment     Decent Housing     Economic Opportunity

**Outcome category:**     Availability/Accessibility     Affordability     Sustainability

**Location/Target Area:**

Near the intersection of Elmwood Ave. and Main Street, within downtown area..

Specific Objective Number SL1	Project ID 2011-10
HUD Matrix Code 03T	CDBG Citation 570.201(e)
Type of Recipient Local Government	CDBG National Objective LMI Limited Clientele (LMC)
Start Date 10/01/2011	Completion Date 9/30/2012
Performance Indicator Persons served.	Annual Units 150 Persons served.
Local ID n/a	Units Upon Completion Up to 150 persons served.

<b>Funding Sources:</b>	
CDBG	\$50,000
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
Total	\$50,000

The primary purpose of the project is to help:  the Homeless     Persons with HIV/AIDS     Persons with Disabilities     Public Housing Needs

**Table 10-10. Project 5 – Job Development  
Consolidated Plan Listing of Projects (HUD Table 3C)**

**Jurisdiction’s Name**    Richland County Community Development Department

**Priority Need**

CP Priority Need 7: Work with community partners, neighborhood associations and neighboring local governments to collaborate and coordinate community development activities.

**Project Title**

Job Development

**Description**

In this public service activity Richland County will contract with an outside agency to provide job training opportunities for up to 15 under and unemployed low income persons.

**Objective category:**     Suitable Living Environment     Decent Housing     Economic Opportunity

**Outcome category:**     Availability/Accessibility     Affordability     Sustainability

**Location/Target Area:**

Unincorporated areas and neighborhoods in Richland County

Specific Objective Number EO-3	Project ID 2011-7
HUD Matrix Code 05H	CDBG Citation 570.201(e)
Type of Recipient Local Government	CDBG National Objective LMC
Start Date 10/01/2011	Completion Date 9/30/2012
Performance Indicator Jobs developed or trainings opportunities created	Annual Units Up to 15
Local ID n/a	Units Upon Completion Up to 15

<b>Funding Sources:</b>	
CDBG	\$105,104
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
<b>Total</b>	<b>\$105,104</b>

The primary purpose of the project is to help:  the Homeless  Persons with HIV/AIDS  Persons with Disabilities  Public Housing Needs

**Table 10-11. Project 6 – Neighborhood Revitalization Program  
Consolidated Plan Listing of Projects (HUD Table 3C)**

**Jurisdiction's Name**    Richland County Community Development Department

**Priority Need**    Neighborhood Revitalization  
CP Priority Need 3: Revitalize LMI neighborhoods

**Project Title**  
Neighborhood Revitalization Program

**Description**  
These CDBG funds will be used to complete all of Phase I of the Monticello Road streetscape project during 2011/2012 grant year. This is a continuation of the streetscape project on Monticello Road which runs through the Ridgewood neighborhood. This streetscape project consists of approximately 3,550 l.f. running from the intersection of Monticello Road from Summit Avenue to the 2<sup>nd</sup> intersection of Monticello Road and Knightner Street. The Ridgewood neighborhood is in Census Tract 106, block group 4 – a block group of which 68% of the residents are LMI. CDBG funds were used FY 2008/09 for streetscape design along the Monticello Road commercial corridor. CDBG funding from 2009/2010 were committed for 2009/2010 and carried over to 2010/2011 for the construction phase of the streetscape project. This project includes project delivery costs. \*See Map 10-2 on page 29\*

**Objective category:**     Suitable Living Environment     Decent Housing     Economic Opportunity

**Outcome category:**     Availability/Accessibility     Affordability     Sustainability

**Location/Target Area:**  
The Ridgewood Neighborhood is located off of Monticello Road in the northwest area of Richland County.

Specific Objective Number SL-3	Project ID 2011-8
HUD Matrix Code 03K	CDBG Citation 570.201(c)
Type of Recipient Local Government	CDBG National Objective n.a.
Start Date 10/01/2011	Completion Date 9/30/2012
Performance Indicator New streetscape	Annual Units Up to 1.
Local ID n/a	Units Upon Completion 1

<b>Funding Sources:</b>	
CDBG	\$110,000
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
<b>Total</b>	<b>\$110,000</b>

The primary purpose of the project is to help:     the Homeless     Persons with HIV/AIDS     Persons with Disabilities     Public Housing Needs

**Table 10-12. Project 7 – Housing Energy Efficiency Program  
Consolidated Plan Listing of Projects (HUD Table 3C)**

**Jurisdiction's Name**    Richland County Community Development Department

**Priority Need**

CP Priority Need 3: Revitalize LMI Neighborhoods

**Project Title**

Housing Energy Efficiency Program

**Description**

Richland County Community Development will make funds available to income-qualifying residents to improve their home's energy value. Weatherization reduces energy costs by increasing energy efficiency, which helps to ease the burden of energy bill payments especially in the winter when increased use of heat causes energy prices to soar. Weatherization reduces home energy consumption, and provides a tangible boost to the household budget. The Department will assist with up to 18 homes.

**Objective category:**     Suitable Living Environment     Decent Housing     Economic Opportunity

**Outcome category:**     Availability/Accessibility     Affordability     Sustainability

**Location/Target Area:**

Unincorporated areas and neighborhoods in Richland County

Specific Objective Number EO-3	Project ID 2011-9
HUD Matrix Code 14F	CDBG Citation LMH
Type of Recipient Local Government	CDBG National Objective LMI Area or LMI Persons
Start Date 10/01/2011	Completion Date 9/30/2012
Performance Indicator Housing Units	Annual Units 10
Local ID n/a	Units Upon Completion 18

<b>Funding Sources:</b>	
CDBG	\$90,000
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
<b>Total</b>	<b>\$90,000</b>

The primary purpose of the project is to help:     the Homeless     Persons with HIV/AIDS     Persons with Disabilities     Public Housing Needs

**Table 10-13. Project 8 – 5 Year Consolidated Plan  
Consolidated Plan Listing of Projects (HUD Table 3C)**

**Jurisdiction's Name**    Richland County Community Development Department

**Priority Need**

CP Priority Need 6: Provide planning activities and studies to determine needs, establish priorities and develop implementation strategies to meet the needs of LMI areas and residents

**Project Title**

5 Year Consolidated Plan

**Description**

Funds will be used to procure a consultant to complete a 5 year (FY 2012-2016) Consolidated Plan for Richland County.

**Objective category:**     Suitable Living Environment     Decent Housing     Economic Opportunity

**Outcome category:**     Availability/Accessibility     Affordability     Sustainability

**Location/Target Area:**

N/A

Specific Objective Number n.a.	Project ID 2011-04
HUD Matrix Code 21E	CDBG Citation 570.206
Type of Recipient Local Government	CDBG National Objective LMI Area (LMA)
Start Date 10/01/2011	Completion Date 9/30/2012
Performance Indicator 1 Consolidated Plan.	Annual Units 1 Consolidated Plan.

<b>Funding Sources:</b>	
CDBG	\$35,000
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
Total	\$35,000

The primary purpose of the project is to help:     the Homeless     Persons with HIV/AIDS     Persons with Disabilities     Public Housing Needs

**Table 10-14. Project 9 – Administration – not to exceed 20%  
Consolidated Plan Listing of Projects (HUD Table 3C)**

**Jurisdiction's Name**    Richland County Community Development Department

**Priority Need**

CP Priority Need 6: Provide planning activities and studies to determine needs, establish priorities and develop implementation strategies to meet the needs of LMI areas and residents

CP Priority Need 7: Work with community partners, neighborhood associations and neighboring local governments to collaborate and coordinate community development activities.

**Project Title**

General Administration

**Description**

General Administration – not to exceed 20%. Cost associated with the operational needs to complete programs and projects.

**Objective category:**     Suitable Living Environment     Decent Housing     Economic Opportunity

**Outcome category:**     Availability/Accessibility     Affordability     Sustainability

**Location/Target Area:**

Unincorporated areas and neighborhoods in Richland County

Specific Objective Number n/a	Project ID 2010-10
HUD Matrix Code 21A	CDBG Citation 570.206
Type of Recipient Local Government	CDBG National Objective n/a
Start Date 10/01/2011	Completion Date 9/30/2012
Performance Indicator n/a	Annual Units n/a
Local ID n/a	Units Upon Completion n/a

<b>Funding Sources:</b>	
CDBG	\$218,026
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
<b>Total</b>	<b>\$218,026</b>

The primary purpose of the project is to help:     the Homeless     Persons with HIV/AIDS     Persons with Disabilities     Public Housing Needs

**Table 10-15. Project 10 – HOME Housing Rehabilitation Program (HR)  
Consolidated Plan Listing of Projects (HUD Table 3C)**

**Jurisdiction's Name**    Richland County Community Development Department

**Priority Need**    Owner-Occupied Housing  
CP Priority Need 1: Improve the quality and availability of decent, safe, and affordable housing.

**Project Title**  
Housing Rehabilitation Program (HR)

**Description**  
Richland County continues to process requests for housing rehabilitation assistance for low-income homeowners living in the unincorporated areas of the County. In addition to the HOME funds that will be provided through the County's *Neighborhood Revitalization Program* for home rehabilitation/reconstruction, HOME funds and Program Income will also be used to fund the Housing Rehabilitation Program for owner-occupied housing units. This program utilizes a recapture provision that consist of a 10 Year Deferred Forgivable Loan. This loan is forgiven over a 10 year period as long as the owner continues to own and occupy the house as his primary residence and maintains the property to the best of their ability. The Housing Rehabilitation program proposes to assist 12-15 homes in Program Year 2011. Prior year funds plus HOME matching will be used to assist with this program. This project includes project delivery costs.

**Objective category:**     Suitable Living Environment     Decent Housing     Economic Opportunity

**Outcome category:**     Availability/Accessibility     Affordability     Sustainability

**Location/Target Area:**  
The unincorporated areas and neighborhoods of Richland County

Specific Objective Number DH-3	Project ID 2011-11
HUD Matrix Code 14A	CDBG Citation 570.202
Type of Recipient Local Government	CDBG National Objective n.a.
Start Date 10/01/2011	Completion Date 9/30/2012
Performance Indicator Houses Rehabilitated	Annual Units 12-15 houses
Local ID n/a	Units Upon Completion 12-15 houses

<b>Funding Sources:</b>	
CDBG	
ESG	
HOME	\$36,000
HOPWA	
Total Formula	
Prior Year Funds	\$300,000
Assisted Housing	
PHA	
Other Funding	
Total	\$336,000

The primary purpose of the project is to help:     the Homeless     Persons with HIV/AIDS     Persons with Disabilities     Public Housing Needs

**Table 10-16. Project 11 – Down payment Assistance Program (RCHAP)  
Consolidated Plan Listing of Projects (HUD Table 3C)**

**Jurisdiction's Name**    Richland County Community Development Department

**Priority Need**

CP Priority Need 1: Improve the quality and availability of decent, safe, and affordable housing.

**Project Title**

Richland County Homeownership Assistance Program (RCHAP)

**Description**

The County will fund RCHAP (Downpayment Assistance or DPA) with the newly allocated HOME funds. The program will provide down payment and/or closing costs, financial education, and counseling to potential first-time homebuyers who meet the LMI family income limits established by HUD for Richland County. Potential buyers will be encouraged to consider purchasing homes in neighborhoods targeted through the *Neighborhood Revitalization Program*, but will also allow potential homebuyers to purchase elsewhere in the unincorporated areas of the County. This program utilizes a recapture provision that consist of a 5 Year Deferred Forgivable Loan. This loan is forgiven over a 5 year period as long as the owner continues to own and occupy the house as his primary residence and maintains the property to the best of their ability. In the 2011 Program Year, the County will use \$160,000 from FY 2010-2011 HOME funds plus HOME match to fund RCHAP. The program will enable a projected up to 30 LMI families to benefit from DPA this year. This project includes project delivery costs.

**Objective category:**     Suitable Living Environment     Decent Housing     Economic Opportunity  
**Outcome category:**     Availability/Accessibility     Affordability     Sustainability

**Location/Target Area:**

Targeted neighborhoods and the unincorporated areas of Richland County

Specific Objective Number DH-2	Project ID 2011-12
HUD Matrix Code 13	CDBG Citation 570.201(n)
Type of Recipient Local Government	CDBG National Objective n.a.
Start Date 10/01/2011	Completion Date 9/30/2012
Performance Indicator DPA/new owner occupants	Annual Units Up to 30
Local ID n/a	Units Upon Completion Up to 30

**Funding Sources:**

CDBG	.....
ESG	.....
HOME	\$7,000
HOPWA	.....
Total Formula	.....
Prior Year Funds	\$160,000
Assisted Housing	.....
PHA	.....
Other Funding	.....
Total	\$167,000

The primary purpose of the project is to help:  the Homeless  Persons with HIV/AIDS  Persons with Disabilities  Public Housing Needs

Richland County, South Carolina

**Table 10-17 Project 12 – CHDO Set Aside (exceeds 15% minimum) and Operating Funds  
Consolidated Plan Listing of Projects (HUD Table 3C)**

**Jurisdiction's Name**    Richland County Community Development Department

**Priority Need**

CP Priority Need 3: Revitalize LMI neighborhoods

**Project Title**

CHDO Set Aside (exceeds 15% minimum- \$83,857 plus \$76,283) and Operating Funds

**Description**

A minimum of 15% of the County's HOME funds are required to be awarded to organization which are designated by Richland County as a County Community Housing Development Organization (CHDO). The funding must be used by designated CHDOs for eligible housing development activities, including construction, acquisition, and rehabilitation of housing and down payment assistance. Richland County will also add an additional \$76,283 for CHDO Operating Funds. In the County's agreements with CHDOs resale or recapture provisions are inserted depending on the type of activity (rental or homeownership) being undertaken.

**Objective category:**     Suitable Living Environment     Decent Housing     Economic Opportunity

**Outcome category:**     Availability/Accessibility     Affordability     Sustainability

**Location/Target Area:**

The unincorporated areas of Richland County

Specific Objective Number DH-1/DH-2	Project ID 2011-13
HUD Matrix Code 12/14A/14B	CDBG Citation 570.201(m)/570.202
Type of Recipient Local Government	CDBG National Objective n.a.
Start Date 10/01/2011	Completion Date 9/30/2012
Performance Indicator Increase number of affordable houses	Annual Units 2 or more
Local ID n/a	Units Upon Completion 2

**Funding Sources:**

CDBG	.....
ESG	.....
HOME	\$160,140
HOPWA	.....
Total Formula	.....
Prior Year Funds	.....
Assisted Housing	.....
PHA	.....
Other Funding	.....
Total	\$160,140

The primary purpose of the project is to help:     the Homeless     Persons with HIV/AIDS     Persons with Disabilities     Public Housing Needs

Richland County, South Carolina

**Table 10-18. Project 13 – Multi-Unit Rental and/or Tenant Based Rental from RFA/RFQ  
Consolidated Plan Listing of Projects (HUD Table 3C)**

**Jurisdiction’s Name**    Richland County Community Development Department

**Priority Need**

CP Priority Need 1: Improve the quality and availability of decent, safe, and affordable housing.

**Project Title**

**Multi-Unit Rental and/or Tenant Based Rental from RFA/RFQ**

**Description**

Acquire, Rehabilitate and/or redevelop 4 units. A RFQ/RFA will be released for affordable housing rental and/or homeownership. In the County’s agreements with CHDOs resale or recapture provisions are inserted depending on the type of activity (rental or homeownership) being undertaken.

**Objective category:**     Suitable Living Environment     Decent Housing     Economic Opportunity

**Outcome category:**     Availability/Accessibility     Affordability     Sustainability

**Location/Target Area:**

The unincorporated areas of Richland County

Specific Objective Number SL-1	Project ID 2011-15
HUD Matrix Code 14B & 14G	CDBG Citation 570.202
Type of Recipient Local Government	CDBG National Objective n.a.
Start Date 10/01/2011	Completion Date 9/30/2012
Performance Indicator Housing units and/or TBRA	Annual Units 2
Local ID n.a.	Units Upon Completion 4

<b>Funding Sources:</b>	
CDBG	
ESG	
HOME	\$300,000
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
Other	
Other	
<b>Total</b>	<b>\$300,000</b>

The primary purpose of the project is to help:     the Homeless     Persons with HIV/AIDS     Persons with Disabilities     Public Housing Needs

**Table 10-19. Project 14 – Administration (not to exceed 10%)  
Consolidated Plan Listing of Projects (HUD Table 3C)**

**Jurisdiction’s Name**    Richland County Community Development Department

**Priority Need**

CP Priority Need 6: Provide planning activities and studies to determine needs, establish priorities, and develop implementation strategies to meet the needs of LMI areas and residents.

**Project Title**

Administration (not to exceed 10%)

**Description**

Administration and planning activities for the Richland County HOME Program comprise no more than 10% of HOME funds for Program Year 2011. Any anticipated program income may also be designated for such use. Richland County’s proposed HOME administrative costs include funding for FT & PT to include the Housing Manager.

**Objective category:**     Suitable Living Environment     Decent Housing     Economic Opportunity

**Outcome category:**     Availability/Accessibility     Affordability     Sustainability

**Location/Target Area:**

The unincorporated areas of Richland County

Specific Objective Number DH-1/DH-2	Project ID 2011-15
HUD Matrix Code 21H	CDBG Citation n/a
Type of Recipient Local Government	CDBG National Objective n/a
Start Date 10/01/2011	Completion Date 9/30/2012
Performance Indicator n/a	Annual Units n/a
Local ID n/a	Units Upon Completion n/a

<b>Funding Sources:</b>	
CDBG	
ESG	
HOME	\$55,905
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
Other	
Other	
<b>Total</b>	<b>\$55,905</b>

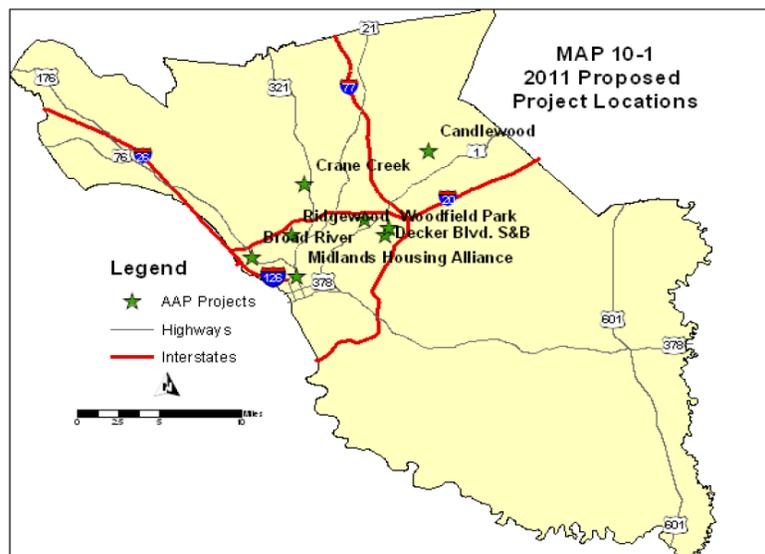
The primary purpose of the project is to help:  the Homeless  Persons with HIV/AIDS  Persons with Disabilities  Public Housing Needs

## VII. Geographic Distribution

While the FY 11-12 CDBG and HOME funds will benefit over 70% low to moderate income persons, the Ridgewood Revitalization will have approximately 35% of the funds dedicated to this target area. A total of 25% of the CDBG funds (\$317,000) will benefit low income Richland County Master Planned Areas such as Broad River, Candlewood, Crane Creek, Trenholm Acres/New Castle and Woodfield Park. The primary Project Manager for this will be the Neighborhood Improvement Program (NIP), located within the County's Planning Department. These master plans were approved by County Council between 2006 to 2010. Richland County's CDBG and HOME programs continue to target assistance for projects that benefit low and moderate income persons and LMI communities in the unincorporated areas of the County. As approved by County Council, this will be the first fiscal year that the County's Planning and Community Development will begin an on-going funding partnership with use of its CDBG. Over 50% of the HOME funds will be placed into a Request for Qualifications for use of Multi-Unit and/or TBRA or Tenant Based Rental Assistance. HOME funds are to address up to 80% of low-income persons and/or areas. Neighborhood revitalization efforts will continue in the Ridgewood Neighborhood located in the northwestern area of Richland County off of Monticello Road and includes areas of minority concentration.

Map 10-1 illustrates the location of current and proposed HOME and CDBG projects for the 2011 Program Year.

**Map 10-1 2011 Proposed Project Locations**



Richland County, South Carolina

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Attachment number 1  
Page 30 of 39

## Map 10-2 2011 Monticello Streetscape Project



### VIII. HOMELESS and Other Special Needs Activities

Richland County continues to participate in the efforts of local, regional and statewide organizations addressing homelessness and special needs activities. This cooperative and collaborative approach reduces redundancies in service provision and mobilizes resources, enabling more efficient and effective delivery of services and resources. Richland County is a representative on the Midlands Area Consortium for the Homeless (MACH) and maintains a working relationship with the Low Income Housing Coalition. The MACH addresses the concerns of the continuum of care, which involves emergency shelter, transitional housing and programs to assist in the areas of permanent housing and independent living.

Richland County continues to administer the MACH Region's HMIS grants, funded through HUD's Supportive Housing Program (SHP). HMIS is a computerized database designed to collect client-level information on the characteristics, service needs and gaps of adults and children experiencing homelessness. The HMIS grants provide funding for user licenses, systems support, computers, and internet access, as well as a System Administrator, Program Director, and other required staff. HUD requires a local match of 25% for the Supportive Housing Program grants, which Richland County intends to provide through CDBG funding.

Richland County continues to work with the United Way of the Midlands to form a Columbia Midlands Housing Trust Fund Program for the homeless and low and moderate income populations. Through these efforts, Richland County will assist the Committee to close the gap on affordable housing and other needs to end chronic homelessness in the Midlands. This effort will also provide gap financing and

incentives to nonprofits and developers to create affordable housing for low and moderate income populations.

Richland County continues to work with United Way and the Midlands Housing Alliance concerning the plans for the transition center for the homeless. Richland County pledged \$250,000 towards the construction of this facility in 2010-2011. The facility is opened and located on the corner of Main Street and Elmwood Avenue and will serve up to 150 day center participants in addition to up to 214 emergency respite, program entry and transitional housing units. For FY 2011-2012, Richland County will provide \$50,000 in operating support for the Midlands Housing Alliance.

Richland County is represented on the MACH grant committee.

## **IX. Other Actions**

### **A. Obstacles to Meeting Underserved Needs**

The following sections of the *2007-2011 Consolidated Plan* provide a basis for identifying underserved needs and the obstacles to meeting these needs in Richland County:

- Community Profile
- Housing Market Analysis
- Housing Needs Assessment
- Homeless Needs Assessment
- Non-Housing Community Development

The Strategic Plan and the proposed activities and projects to be undertaken as described in the Annual Action Plan are intended to help overcome these obstacles to the extent possible with available resources.

### **B. Foster and Maintain Affordable Housing**

Richland County will strive to address the needs for affordable housing as identified in the Five-Year Consolidated Plan. The strategies and objectives for addressing these needs are identified in the Strategic Plan and addressed in the programs and activities proposed by this 2011 Annual Action Plan. In addition, the Community Development Director is a board member of the Affordable Housing Coalition of SC committee, which addresses affordable housing trends and needs. The Community Development Department plans to become a member of the SC Association of Community Development Corporations to foster and strengthen relationships with non-profit housing developers.

### **C. Remove Barriers to Fair and Affordable Housing**

In considering the barriers to affordable housing, it is clear that a number of factors impact the availability of affordable housing including the availability and price of land, availability of financing, poor credit issues, lack of capital for down payment and closing costs, and the rules, regulations and fees governing development and construction. While the private sector seeks to fill the demand for housing in terms of type, size and value, the public sector impacts the process through policies including development regulations, zoning, building code enforcement, provision of infrastructure, and through the fees charged to implement these policies. Through ongoing analysis and review of these factors and other related issues described in the Plan, Richland County will seek to remove any barriers and support the increase of housing opportunities for low and moderate-income persons and households.

Richland County is committed to affirmatively furthering fair housing choice. The *2004 Richland County Analysis of Impediments (AI) to Fair Housing* has served as a guide to plan a course of action designed to remedy existing conditions that impede equal access to affordable housing. Beginning 2012 the County will implement the strategies outlined in the 2011 updated Analysis of Impediments to Fair Housing; Section 504 Plan; Limited English Proficiency Plan; Section 3 Plan; and a Marketing Plan. The new documents will serve as guides and the strategies within will provide the frame work to address the impediments identified under the updated AI. The AI identifies multiple, often interrelated, conditions, actions and policies that affect housing choice. These impediments and barriers, believed to possibly hinder fair housing access in Richland County, when approved by County Council will be the focus for planning efforts and action steps.

Although certain circumstances influence where attention is given year after year, we stand committed to take action and implement strategies that will help to overcome identified barriers. Those actions and activities include but are not limited to a designated Community Development staff member responsible for keeping Richland County in compliance with Federal regulations pertaining to Title VIII of the Civil Rights Act of 1968; Section 504 of the Rehabilitation Act of 1973 and Section 3 of the Housing and Urban Development Act of 1968; staff participation in training opportunities, sharing information within county government, at public meetings and events; the distribution of Fair Housing educational materials and literature at County sponsored events and from County buildings with public access; annual Proclamation during Fair Housing Month and adoption of a Fair Housing theme; the weekly television and radio broadcasts; Richland Revealed and Richland Radio are occasional formats used to inform residents on Fair Housing issues; participation in the Community Relations Council's housing clinics; support of Central Midlands Regional Transit Authority (CMRTA); continued economic recruitment; and tax relief efforts are also avenues taken.

#### **D. Lead-Based Paint Hazards**

Richland County has established full compliance with all applicable lead-based paint regulations through incorporation of these regulations into its housing policies and procedures manual. Since August 2002, all housing units provided CDBG or HOME assistance by Richland County must comply with *Title X* of the *1992 Housing and Community Development Act (24 CFR Part 35)*. The intent of the Federal regulation is to identify and address lead-based paint hazards before children are exposed. In compliance with the regulation, Richland County requires evaluation for lead-based paint hazards of all housing units constructed before 1978 that are slated for repairs which may disturb any painted surfaces. If lead paint hazards are found during an evaluation, they are addressed through HUD approved interim control or abatement protocol. The County also distributes and maintains documentation of all required information for homes built before 1978, including the EPA *Lead-based Pamphlet, Notification of Lead Hazard Evaluation, and Notification of Lead Hazard Reduction*, and distributes lead-based paint information at all County sponsored events.

#### **E. Anti-Poverty Strategy**

As the lead agency in the implementation of the Consolidated Plan, Richland County will coordinate efforts among its partner organizations to help meet the goals outlined in this Annual Action Plan. Community partners in this effort include neighborhood associations, residents, faith-based organizations, businesses, health and human services agencies, private developers, lenders and non-profit service providers.

To further address the alleviation of poverty, the County will continue its economic development efforts and its partnership with the Central South Carolina Alliance to recruit new businesses and industries to Richland County, as well as retain existing businesses and industries and encourage their expansion. In addition, the newly formed Richland County Economic Development Department will seek to do the same from the County level. The new director, Nelson Lindsay, will be in place by August 2011. Because the creation of economic opportunities is not an isolated solution to alleviating poverty, the County will also work with community partners to identify educational, life skills and training needs and provide opportunities for self-empowerment that will enable LMI residents to become and continue to be self-sufficient and economically independent.

#### **F. Institutional Structure and Coordination of Resources**

Richland County works closely with many community partners, federal and state agencies, non-profit organizations, for-profit organizations and neighboring jurisdictions in the formulation and implementation of its Consolidated Plan. These partnerships strengthen the planning process and ensure successful implementation of the Plan. Each partner in the process plays a critical role in the success of the program and brings expertise in a variety of issues and a unique perspective to the table.

Communication and collaboration are key aspects of a successful institutional structure and in the successful implementation of the County's housing and community development strategies.

Richland County coordinates with Lexington County, the City of Columbia, the Columbia Housing Authority, local municipalities and neighboring jurisdictions on matters related to housing and community development. Collaboration is also ongoing with community partners including neighborhood associations, local non-profit organizations, affordable housing developers, service providers, state and federal agencies, the development community and the private sector. These relationships are key to the success of the CDBG program in Richland County and the County intends to continue and strengthen these relationships as well as develop new partnerships to ensure the success of housing and community development efforts both in the County and throughout the Midlands region. In addition, Richland and Lexington Counties along with the City continue discussions on collaborations and joint ventures. The Richland County Community Development Department meets quarterly with City of Columbia, Lexington County, Columbia Housing Authority, and United Way for roundtable discussions. The Director is a board member of the Affordable Housing Coalition of South Carolina.

## **X. Program Specific Requirements**

### **A. Other Forms of Investment**

As is required by HOME regulations, Richland County will match the HOME grant with County funds in the amount of \$104,821. Financial donations from local banks and for-profit companies will provide \$1,000 to assist with our activities. Other for-profit companies will provide \$1,500 in services and materials to assist with our activities. The County will also continue to solicit donations and leveraged funds from our existing partners while continuing to look for areas where we can create new partnerships.

### **B. Resale/Recapture Provisions**

Richland County uses both recapture and resale provisions to ensure that all or a portion of the County's HOME investments will be recouped if the household or entity does not adhere to the terms of the HOME agreement for the duration of the period of affordability.

For the Homeowner Rehabilitation Program the County utilizes a ten year Deferred Forgivable Loan agreement as the mechanism for a recapture provision. The HOME assistance is forgiven on a prorated basis over a ten year period as long as the homeowner continues to own and live in the assisted unit as their primary place of residence for the county's self imposed 10 year period of affordability.

For the Richland County Homeownership Assistance Program (RCHAP) a five (5) year Deferred Forgivable Loan agreement is used as the mechanism for a recapture provision. With this agreement the HOME assistance is forgiven over a five year period as long as the homeowner continues to own and live in the assisted unit as their primary place of residence for the 5 year period of affordability.

In the County's agreements with CHDOs resale or recapture provisions are inserted depending on the type of activity being undertaken. In activities that involve new construction or acquisition, rehabilitation and resale of owner-occupied housing the County includes a resale provision to ensure, if the housing does not continue to be the principal residence of the family for the duration of the period of affordability, that the housing is made available for subsequent purchase only to a buyer whose family qualifies as a low- income family and will use the property as its principal residence. The resale requirement also ensures that the price at resale provides the original HOME assisted owner a fair return on investment (including the homeowner's investment and any capital improvement) and ensure that the housing will remain affordable to a reasonable range of low-income homebuyers. The period of affordability is based on the total amount of HOME funds invested in the housing.

In CHDO activities that involve new construction or acquisition and rehabilitation of rental housing the County inserts a recapture provision to ensure that all or a portion of the HOME investment is recouped if the CHDO does not adhere to the terms of the HOME agreement for the duration of the period of affordability.

## **XI. Public Housing**

The **Columbia Housing Authority** is an autonomous, non-profit public housing agency serving the residents of the City of Columbia and Richland County. The CHA owns and maintains more than 2,075 units of conventional public housing, which are available to families of low and moderate incomes. The Housing Authority also administers the Section 8 Housing Choice Voucher Program for residents of Richland County, providing rental assistance to persons with low income who want to live in homes in the private rental market, but cannot afford market rental rates. The CHA also provides several programs aimed at helping families become financially independent and become homeowners. Since becoming an Entitlement Community, Richland County has worked with the Columbia Housing Authority to strengthen their relationship, to better utilize programs and resources by avoiding duplication, and appropriately target housing to County residents in need. In addition we partner with the Columbia Housing Authority by using their Homeownership Program to ensure that families receiving our RCHAP funds are fully aware of the responsibilities of home ownership. This program includes four (4) classes which include banking and mortgage terminology, budget and credit, home buying, and home and yard maintenance. We also conduct outreach to residents of public housing by providing information to the CHA and by participating in housing clinics with the Greater Columbia Community Relations Council and other neighborhood and housing agency providers. Finally Richland County has used CDBG funds to assist

CHA (section 3 residents) by providing job development and other economic development programs to individuals residing in public housing, receiving Section 8 assistance, and for Housing First (chronically homeless) and Permanent Supportive Housing (disabled homeless HUD funded program) participants. There are also 3100 vouchers in Section 8 and a total of 155 VASH vouchers to be awarded in the upcoming year.

## **XII. Monitoring and Compliance**

Richland County ensures that all housing projects meet the Housing Quality Standards (HQS) and other local housing codes by staff and paid consultant inspections. Richland County recognizes the importance of maintaining appropriate performance measurements of its CDBG and HOME projects and programs. Community Development staff provide management for the CDBG and HOME programs and continuously monitor activities and projects. The staff has developed guidelines and processes that include performance measurements to ensure that Richland County meets all federal requirements and remains in compliance. Using the HUD monitoring checklist as a guide, Richland County will periodically evaluate staff performance and program performance against the current Consolidated Plan.

Richland County has financial and programmatic processes in place to ensure that contractors and sub-recipients are in compliance, and that activities and procedures can be tracked accordingly. This includes contract provisions that ensure affirmatively marking for fair housing, and procurement procedures to ensure minority participation. The County will monitor HOME assisted projects completed by a sub-recipient or contractor on an annual basis and will prepare a report that will be filed for future reference. The County will also ensure compliance with program requirements, including the timely expenditure of federal funds. A higher emphasis will be made to produce a healthy mix of smaller, quicker expenditures with larger more impactful projects.

## **XIII. Anti-Displacement Plan**

It is the policy of Richland County to make all reasonable efforts to ensure that activities undertaken with CDBG and HOME Program funds will not cause unnecessary displacement. The County will continue to administer the CDBG and HOME Programs in such a manner that careful consideration is given during the planning phase to avoid displacement. Displacement of any nature shall be reserved as a last resort action necessitated only when no other alternative is available and when the activity is determined necessary in order to carry out a specific goal or objective that is of benefit to the public.

If a displacement is precipitated by activities that require the acquisition (either in whole or in part) or rehabilitation of real property directly by Richland County or its agent, all appropriate benefits as required by the *Uniform Relocation Assistance and Real Property Acquisition Policies' Act* of 1970 and amendments – the "Uniform Act" or the

Residential Anti-displacement and Relocation Assistance Plan under Section 104 (d) – shall be provided to the displaced person or persons. Information about these programs is provided to all persons who may potentially be displaced in the form of informational brochures and explained in detail by the County's Community Development staff.

Richland County will replace all low and moderate-income dwelling units that are occupied or vacant ***but suitable for occupancy*** and that are demolished or converted to a use other than as low and moderate-income housing in connection with an activity assisted with funds provided under the *Housing and Community Development Act of 1974*, as amended, as described in *24 CFR 570.606(c)(1)*. All replacement housing will be provided within four years after the commencement of the demolition or conversion. Before entering into a contract committing the County to provide funds for an activity that will directly result in demolition or conversion, the County will make a public notice in a local newspaper and submit to HUD the following information in writing:

- A description of the proposed assisted activity.
- The location on a map and number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than as low or moderate-income dwelling units as a direct result of the assisted activities.
- A time schedule for the commencement and completion of the demolition of conversion.
- To the extent known, the location on a map and the number of dwelling units by size that will be provided as replacement dwelling units.
- The source of funding and a time schedule for the provision of the replacement dwelling units.
- The basis for concluding that each replacement dwelling unit will remain a low or moderate-income dwelling unit for at least 10 years from the date of initial occupancy.
- Information demonstrating that any proposed replacement of dwelling units with smaller dwelling units (for example, a two-bedroom unit with two one-bedroom units), is consistent with the housing needs of lower-income households in the County.

If such data are not available for last four items at the time of the general submission, the County will identify the general location on an area map and the approximate number of dwelling units by size and provide information identifying the specific location and number of dwelling units by size as soon as it is available.

The Richland County Community Development Department is responsible for tracking the replacement of housing and ensuring that it is provided within the required period. The Department is also responsible for ensuring that relocation assistance, as described in *570.606(c)(2)*, is provided to any lower-income person displaced by the

demolition of any dwelling unit or the conversion of a low or moderate-income dwelling unit to another use in connection with an assisted activity.

Consistent with the goals and objectives of activities assisted under the Act, the County will take the following steps to minimize the displacement of persons from their homes:

- Coordinate code enforcement with rehabilitation and housing assistance programs.
- Evaluate housing codes and rehabilitation standards in reinvestment areas to prevent their placing undue financial burden on long-established owners.
- Assist as needed homeowners to locate temporary housing to house persons who must be temporarily relocated during rehabilitation.
- Adopt public policies to identify and mitigate displacement resulting from intensive public investment in neighborhoods.

#### **XIV. Definition of Income**

The County has adopted the IRS definition of adjusted gross income for purposes of determining eligibility to participate in all CDBG and/or HOME programs (except for the HOME funded RCHAP), as well as determining area-wide benefit under the CDBG program. The Richland County Housing Assistance Program (RCHAP) uses the Section 8 definition of annual Income. The County has developed policies and procedures to ensure that these definitions are implemented consistently and accurately.

# Richland County Council Request of Action

**Subject**

Mass Transit Fee: Commercial Vehicles **[TO TABLE] [PAGES 203-206]**

**Notes**

October 25, 2011 - The committee tabled this item. The vote in favor was unanimous.

## Richland County Council Request of Action

**Subject:** Mass Transit Fee: Commercial Vehicles

**A. Purpose**

Council is requested to consider the motion made at the October 4, 2011 Council Meeting, and direct staff as appropriate.

**B. Background / Discussion**

The following motion was made at the October 4, 2011 Council Meeting by Councilman Malinowski:

**That only vehicles registered as commercial vehicles will pay the commercial fee as it relates to the CMRTA fee.**

Historically, the Mass Transit Fee applies to both commercial and private vehicles. The fees are assessed to cover costs associated with funding mass transit (CMRTA) in Richland County.

There are approximately 26,000 commercial vehicles and 288,000 private vehicles in Richland County.

Mr. Malinowski's motion is meant to address certain vehicles, such as farm vehicles not registered as passenger vehicles, being inappropriately classified as commercial vehicles. According to Mr. Malinowski, SC State Law does not classify a farm vehicle as a commercial vehicle, and therefore, these vehicles should not be classified as such, nor charged the commercial Mass Transit Fee. Mr. Malinowski states that the intent is to only charge the commercial Mass Transit Fee [\$7.50] on a vehicle that is *truly* commercial, and all other vehicles should be charged the lesser [\$5.00 – private vehicle] fee.

Because the Auditor's Office classifies vehicles into two categories for the purpose of the Mass Transit Fee – commercial vehicles and private vehicles - it is not known if a farm vehicle classification (or other non-commercial vehicle currently being classified as commercial) could be broken out from the commercial vehicle classification. The Auditor is included in the routing process to determine and comment on this capability.

Staff also performed a search in the SC State Code for references to farm vehicles, based upon Mr. Malinowski's reference. The results are included below for your convenience:

**SECTION 56-3-670.** Fees for farm truck licenses; violations; penalties. [SC ST SEC 56-3-670]

(A) For the purpose of this section, farm truck is defined as a truck used exclusively

by the owner for agricultural, horticultural, dairying, livestock, and poultry operations and includes transporting farm processed horticultural products, including soil amendments and mulches owned by the truck's owner or another person, including first market. However, farm trucks with an empty weight of less than seven thousand five hundred pounds may be used for ordinary domestic purposes and general transportation but must not be used to transport persons or property for hire.

(B) The Department of Motor Vehicles shall issue to bona fide farmers special farm vehicle licenses on an annual basis for farm trucks for a fee as follows according to the gross vehicle weight of the truck:

Gross Vehicle Weight Fee

- (1) Up to 26,499 pounds \$ 12.00
- (2) 26,500 to 32,499 pounds \$ 15.00
- (3) 32,500 to 42,500 pounds \$ 30.00
- (4) 42,501 to 52,500 pounds \$ 60.00
- (5) 52,501 to 62,500 pounds \$ 80.00
- (6) 62,501 to 72,500 pounds \$ 100.00
- (7) 72,501 to 80,000 pounds \$ 120.00 .

Nothing in this section exempts farm vehicles from gross weight-axle requirements contained in Section 56-5-4140.

(C) A person who is issued a farm license plate for the purpose defined in this section and uses the license plate for purposes other than those defined is guilty of a misdemeanor and, upon conviction, must be fined not more than two hundred dollars or imprisoned not more than thirty days, or both.

**C. Financial Impact**

It is not known at this time how many vehicles are classified as commercial, but should potentially not be. Therefore, the financial impact is not known at this time.

At third reading of the FY 12 budget, Council approved funding for mass transit in the amount of \$1,670,000, which comes from the fund balance in Road Maintenance / Mass Transit Fee. Also at third reading of the FY 12 budget, Council approved a \$7.50 Mass Transit Fee for commercial vehicles, and a \$5.00 Mass Transit Fee for private vehicles for FY 13. This equates to approximately \$1,600,000 for mass transit funding in FY 13. These revenues were based on 26,000 commercial vehicles and 288,000 private vehicles.

**D. Alternatives**

1. Approve the motion. Doing so will decrease the amount of Mass Transit Fee revenues to an uncertain degree.
2. Do not approve the motion at this time.

**E. Recommendation**

By: Motion by Councilman Malinowski, October 4, 2011

**F. Reviews**

(Please replace the appropriate box with a ✓ and then support your recommendation in the Comments section before routing. Thank you!)

**Auditor**

Reviewed by: Paul Brawley

Date:

- Recommend Council approval                       Recommend Council denial
- Council Discretion (please explain if checked)

Comments regarding recommendation:

We have approximately 400 Farm Tags registered in Richland County. It will cost approximately \$2,500 to modify the billing software to accommodate the requested change and still involve direct intervention from my staff to insure that the lower fee is applied. Farm vehicles are assessed at 10.5% of market value just like other commercial vehicles and the fees are applied in the same manner. Farming is a commercial venture.

**Finance**

Reviewed by: Daniel Driggers

Date:

- Recommend Council approval                       Recommend Council denial
- Council Discretion (please explain if checked)

Comments regarding recommendation:

Considering the funding source for the FY12 approved budget, the proposed exemption would have no financial impact on the Mass Transit Fund for the current year. Council would need to consider how to fund the \$2,500 for the billing software upgrade mentioned by the County Auditor. Using the 400 Farm Tags stated above, the exemption would generate approximately \$3,000 less for FY13 funding which would need to be considered during the FY13 budget process next year.

**Legal**

Reviewed by: Larry Smith

Date:

- Recommend Council approval                       Recommend Council denial

✓ Council Discretion (please explain if checked) Council has the legal authority to determine for purposes of the ordinance which vehicles will be considered to be commercial vehicles.

Comments regarding recommendation:

**Administration**

Reviewed by: Tony McDonald

Date:

Recommend Council approval

Recommend Council denial

✓ Council Discretion (please explain if checked)

Comments regarding recommendation: While the proposed exemption of farm vehicles is clearly a policy question, it should be noted that the reduction in revenue that the exemption will create for FY 13 will need to be addressed as the FY 13 budget is developed.

# Richland County Council Request of Action

## **Subject**

Criminal Domestic Violence Court Grant Match [**PAGES 208-210**]

## **Notes**

October 25, 2011 - The committee recommended that Council approve moving matching funds in the amount of \$24,327 in order to fully fund the Criminal Domestic Violence Grant positions. The vote in favor was unanimous.

# Richland County Council Request of Action

**Subject:** Criminal Domestic Violence Court Grant Match

## **A. Purpose**

County Council is requested to approve a grant match increase in the amount of \$24,327 needed for the Criminal Domestic Violence (CDV) Court Grant. No new funds are needed if Council allows a budget amendment to move match from other FY12 Solicitor's Office grants that were not fully funded to this grant. The grants mentioned below were approved in the FY12 budget process.

## **B. Background / Discussion**

The Richland County Solicitor's Office received the 2012 Criminal Domestic Violence grant in the amount of \$65,046. The continuation grant funds a prosecution based "centralized" CDV Court (magistrate level) and enhances the prosecutions by using one experienced part-time assistant solicitor and one solicitor's investigator who assists in case preparation and who provides victim assistance.

Unfortunately, this grant was cut by the granting agency. The Solicitor's Office needs an additional \$24,327 to cover the cost of the positions paid through this grant.

The Solicitor's Office has \$28,753 in unused match from the reduced Violent Crime Prosecution Team (\$22,618) and JAG – Technology Improvements (\$6,135) grants that were approved in FY12 budget process and would like to move \$24,327 of this match to the CDV Court grant. By moving matching funds from these grants to the CDV Court grant, no new cash is needed.

The Solicitor's Office is aware that the grant program is likely to have cuts in the next year that may affect the positions tied to this grant. They will address this issue in the upcoming FY13 budget process.

Criminal Domestic Violence Court Grant Total Project Cost: \$119,896

Grant Award:	\$65,046
Existing Budgeted CDV Court Match	\$30,523
Additional Match Needed (from budgeted grants)	<u>\$24,327</u>
Total:	\$119,896

## **C. Financial Impact**

There is no financial impact.

## **D. Alternatives**

1. Approve moving match funds in order to fully fund the Criminal Domestic Violence grant positions.
2. Do not approve, causing the grant to run short.

**E. Recommendation**

1. It is recommended that Council approve moving match funds in order to fully fund the Criminal Domestic Violence grant positions.

Recommended by: John Stuart Department: Richland County Solicitor's Office Date: 9/23/11

**F. Reviews**

(Please **SIGN** your name, ✓ the appropriate box, and support your recommendation before routing. Thank you!)

**Finance**

Reviewed by: Daniel Driggers Date: 10/5/11  
 Recommend Council approval  Recommend Council denial  
 Council Discretion (please explain if checked)

Comments regarding recommendation: Recommendation is to redirect existing funds therefore would not require a budget amendment. As stated in the ROA, funding for FY13 would need to be addressed during the budget process.

**Grants**

Reviewed by: Sara Salley Date: 10/6/11  
 Recommend Council approval  Recommend Council denial  
 Council Discretion (please explain if checked)

Comments regarding recommendation:

**Legal**

Reviewed by: Larry Smith Date:  
 Recommend Council approval  Recommend Council denial  
 Council Discretion (please explain if checked)

Comments regarding recommendation:

**Administration**

Reviewed by: Sparty Hammett Date: 10/18/11  
 Recommend Council approval  Recommend Council denial  
 Council Discretion (please explain if checked)

Comments regarding recommendation: Recommend approval to move match funds in order to fully fund the Criminal Domestic Violence grant positions.

FY12 Richland County Budget - County Match Review

Fund Source	PROJECT NAME	TOTAL PROJECT	AWARD	FY12 County Match Cost	FY12 In-Kind Match
<b>General Fund</b>					
Comm Dev	HOME Investment	777,175	560,092	105,017	-
Comm Dev	HMIS Expansion	109,835	80,544	-	29,291
Coroner	JAG - Prescription Drug Investigator	96,898	87,204	9,694	-
<b>Court Admin</b>	<b>Criminal Domestic Violence Court Yr 11 (STOP Violence Against Women) Grant transferred to the Solicitor's Office</b>	<b>122,093</b>	<b>91,570</b>	<b>30,523</b>	
ESD	LEMPG April 2011 - March 2012	121,330	35,040	6,541	79,749
ESD	LEMPG April 2012 - March 2013	121,330	35,040	6,541	79,749
ESD	HMEP	12,000	10,000	-	2,000
ESD	DHEC Grant in Aid	42,200	40,000	2,200	-
Public Works	Rhame Road Sidewalks	283,269	145,000	-	138,269
Sheriff	JAG - School Resource Officer	91,701	82,531	9,170	-
Sheriff	JAG - Violent Fugitive Apprehension	66,369	59,733	6,636	-
Sheriff	Hispanic Outreach	65,000	48,750	16,250	-
Sheriff	Same Sex Interpersonal Violence Support Group	9,000	6,750	2,250	-
Sheriff	JAG - Financial Crimes Investigator	73,055	65,759	7,306	-
Sheriff	VOCA - Victims Advocacy	76,520	61,216	15,304	-
Solicitor	Violent Crime Prosecution Team - Received a reduced award	311,609	280,449	31,160	-
Solicitor	JAG - Technology Improvements - Received a reduced award	61,349	55,214	6,135	-
Solicitor	VAWA Prosecution Team	317,339	244,107	-	73,232
Solicitor	VOCA - Victims Advocates	141,448	113,158	28,290	-
	<b>TOTAL GENERAL FUND</b>	<b>2,899,530</b>	<b>2,102,157</b>	<b>283,017</b>	<b>402,290</b>
<b>Airport</b>					
Airport	Tree Obstruction and Property Acquisition (FAA)	680,750	660,000	20,750	-
	<b>TOTAL AIRPORT</b>	<b>680,750</b>	<b>660,000</b>	<b>20,750</b>	<b>-</b>

GRAND TOTAL FY12 GRANTS REQUIRING MATCH \$ 3,580,280 \$ 2,762,157 \$ 303,767 402,290

# Richland County Council Request of Action

**Subject**

Hispanic Outreach Grant Match [**PAGES 212-214**]

**Notes**

October 25, 2011 - The committee recommended that Council approve moving matching funds in the amount of \$1,558 in order to fully fund the Hispanic Outreach grant position. The vote in favor was unanimous.

# Richland County Council Request of Action

**Subject:** Hispanic Outreach Grant Match

## **A. Purpose**

County Council is requested to approve a grant match increase in the amount of \$1,558 needed for the Hispanic Outreach Grant. No new funds are needed if Council allows a budget amendment to move match from other FY12 Sheriff's Department grants that were not fully funded to this grant. The grants mentioned below were approved in the FY12 budget process.

## **B. Background / Discussion**

The Richland County Sheriff's Department received the 2012 Hispanic Outreach grant in the amount of \$38,510. The continuation grant includes one (1) FTE victim advocate that provides services to Richland County with a special emphasis on the Hispanic community.

Unfortunately, this grant was cut by the granting agency. The Sheriff's Department needs an additional \$1,558 to cover the cost of the position paid through this grant.

The Sheriff's Department has \$1,932 in unused match from the reduced Victim Advocacy, Violent Fugitive Apprehension, and Financial Crimes Investigation grants that were approved in FY12 budget process and would like to move \$1,558 of this match to the Hispanic Outreach grant. By moving matching funds from these grants to the Hispanic Outreach grant, no new cash is needed.

The Sheriff's Department is aware that the grant program is likely to have cuts next year that may affect the FTE victim advocate position tied to this grant. They will address this issue in the upcoming FY13 budget process.

Hispanic Outreach Total Project Cost:   \$56,318

Grant Award:                                 \$38,510

Approved Match for this Grant:         \$16,250

Match Needed (JAG/VOCA grants):     \$ 1,558

Total:   \$56,318

## **C. Financial Impact**

There is no financial impact.

## **D. Alternatives**

1. Approve moving match funds in order to fully fund the Hispanic Outreach grant position.
2. Do not approve, causing the grant to run short.

**E. Recommendation**

1. It is recommended that Council approve moving match funds in order to fully fund the Hispanic Outreach grant position.

Recommended by:  
Traci Dove

Department:  
Richland County Sheriff's Dept.

Date:  
9/23/11

**F. Reviews**

(Please **SIGN** your name, ✓ the appropriate box, and support your recommendation before routing. Thank you!)

**Finance**

Reviewed by: Daniel Driggers

Date: 10/5/11

✓ Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation: recommendation is to redirect existing funds therefore no budget amendment is needed.

**Grants**

Reviewed by: Sara Salley

Date: 10/6/11

✓ Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation:

**Legal**

Reviewed by: Larry Smith

Date:

✓ Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation:

**Administration**

Reviewed by: Sparty Hammett

Date: 10/19/11

✓ Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation: Recommend approval to move matching funds in order to fully fund the Hispanic Outreach grant position.

FY12 Richland County Budget - County Match Review

Fund Source	PROJECT NAME	TOTAL PROJECT	AWARD	FY12 County Match Cost	FY12 In-Kind Match
<b>General Fund</b>					
Comm Dev	HOME Investment	777,175	560,092	105,017	-
Comm Dev	HIMS Expansion	109,835	80,544	-	29,291
Coroner	JAG - Prescription Drug Investigator	96,898	87,204	9,694	-
Court Admin	Criminal Domestic Violence Court Yr. 11 (STOP Violence Against Women)	122,093	91,570	30,523	-
ESD	LEMPG April 2011 - March 2012	121,330	35,040	6,541	79,749
ESD	LEMPG April 2012 - March 2013	121,330	35,040	6,541	79,749
ESD	HMEP	12,000	10,000	-	2,000
ESD	DHEC Grant in Aid	42,200	40,000	2,200	-
Public Works	Rhame Road Sidewalks	283,269	145,000	-	138,269
Sheriff	JAG - School Resource Officer	91,701	82,531	9,170	-
Sheriff	JAG - Violent Fugitive Apprehension - Received a reduced award	66,369	59,733	6,636	-
Sheriff	Hispanic Outreach	65,000	48,750	16,250	-
Sheriff	Same Sex Interpersonal Violence Support Group - Received a reduced award	9,000	6,750	2,250	-
Sheriff	JAG - Financial Crimes Investigator	73,065	65,759	7,306	-
Sheriff	VOCA - Victims Advocacy	76,520	61,216	15,304	-
Solicitor	Violent Crime Prosecution Team	311,609	280,449	31,160	-
Solicitor	JAG - Technology Improvements	61,349	55,214	6,135	-
Solicitor	VAWA Prosecution Team	317,339	244,107	-	73,232
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<b>Airport</b>					
Airport	Tree Obstruction and Property Acquisition (FAA)	680,750	660,000	20,750	-
	<b>TOTAL AIRPORT</b>	<b>680,750</b>	<b>660,000</b>	<b>20,750</b>	<b>-</b>

GRAND TOTAL FY12 GRANTS REQUIRING MATCH \$ 3,580,280 \$ 2,762,157 \$ 303,767 402,290

# Richland County Council Request of Action

**Subject**

Historic Preservation Special Project [**PAGES 216-217**]

**Notes**

October 25, 2011 - The committee recommended that Council approve the request to allocate \$20,000 of RCCC funds for the special project to move and stabilize the cabin at Kensington Manor. The vote in favor was unanimous.

# Richland County Council Request of Action

**Subject:** Historic Preservation Special Project

## **A. Purpose**

County Council is requested to approve the allocation of \$20,000 in Richland County Conservation Commission (RCCC) funds for a special project to move and stabilize a historic cabin in Lower Richland.

## **B. Background / Discussion**

The last remaining cabin/house lived in by enslaved persons and tenant farmers at Kensington Manor is in serious need of restoration. The owners of the property, International Paper (IP), have new plant leadership interested in seeing the cabin restored; however they want it moved from its secluded, wooded location 0.75 miles from Kensington, to within sight of Kensington Manor house. Once restored, the cabin will be interpreted and open to visitors.

Scarborough-Hamer Foundation is the non-profit organization that manages Kensington Manor. RCCC funded a conditions assessment/preservation plan for this cabin in 2007. The slave/tenant dwelling was built circa 1852 and is the last of the 50 plantation outbuildings. The director of the foundation has received two estimates to move and stabilize the cabin at a cost of \$45,000 - \$50,000. IP will widen and flatten the road for the move. Once relocated, the stabilization will include a new foundation, sills, floor joists, exterior walls, and roof, making the cabin structurally sound and protected from the elements. State archaeologist Jon Leader will mark the original location. The final phase of restoration will involve graduate students learning proper techniques through field schools.

The RCCC allocated \$40,000 for special projects such as this in their FY12 budget and specifically approved this project at its September 26, 2011 meeting. The cabin is best moved in late fall/early winter to avoid snakes and heavy vegetation. Requiring approval of this project through the normal RCCC Historic Grant process would mean a full year will elapse before the cabin could be moved, increasing its fragility due to deterioration from the weather. Preservation of the cabin is a good example of private/public partnership with RCCC contributing \$20,000 and IP providing \$25,000 to \$30,000 plus in-kind labor to move and stabilize this historic structure.

## **C. Financial Impact**

There is no financial impact associated with this request. \$40,000 is currently budgeted for special projects under the Professional Services category in the RCCC budget.

## **D. Alternatives**

1. Approve the request to allocate \$20,000 of RCCC funds for the special project to move and stabilize the cabin at Kensington Manor.
2. Do not approve

**E. Recommendation**

It is recommended that Council approve the request to allocate \$20,000 of RCCC funds for the special project to move and stabilize the cabin at Kensington Manor.

Recommended by: James B. Atkins, Manager, Environmental Planning Division, Planning and Developmental Services Department on behalf of the RC Conservation Commission

Date: October 10, 2011

**F. Reviews**

(Please **SIGN** your name, ✓ the appropriate box, and support your recommendation before routing. Thank you!)

**Finance**

Reviewed by: Daniel Driggers

Date: 10/9/11

✓ Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation: Funds are available as stated. Recommended approval is in support of Conservation Commission recommendation.

**Procurement**

Reviewed by: Rodolfo Callwood

Date: 10/10/11

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation:

**Grants**

Reviewed by: Sara Salley

Date: 10/12/11

✓ Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation:

**Legal**

Reviewed by: Larry Smith

Date:

✓ Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation:

**Administration**

Reviewed by: Sparty Hammett

Date: 10/17/11

✓ Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation: Recommend Council approval of the request to allocate \$20,000 of RCCC funds for the special project to move and stabilize the cabin at Kensington Manor.

# Richland County Council Request of Action

**Subject**

Hospitality Tax - Round Two Funding Recommendations [**PAGES 219-222**]

**Notes**

October 25, 2011 - The committee recommended that Council approve the funding recommendations as submitted by the Hospitality Tax Advisory Committee. The vote in favor was unanimous.

## Richland County Council Request of Action

**Subject:** Hospitality Tax - Round Two Funding Recommendations

### A. Purpose

County Council is requested to approve the attached funding recommendations from the Hospitality Tax Advisory Committee for organizations eligible to receive funding in the Round Two promotions funding process for FY12.

### B. Background / Discussion

During FY08, County Council voted to split the funding round for the Hospitality Tax promotions grants into two cycles each fiscal year and made this effective for the FY09 budget year onward.

The Hospitality Tax Advisory Committee Round One recommendations were evaluated and approved by Council during the FY12 budget process. Council approved **\$67,336** of promotions funding be appropriated and available for Round Two. Following the 75%/25% funding goal as outlined in the Hospitality Tax Ordinance, available funding for projects located within unincorporated Richland County and Regional marketing is **\$50,502** and available Funding for projects located in the incorporated areas is **\$16,834**. Round Two applications were due to the County in August 2011. Nine applications were submitted and five were reviewed and scored by the Committee.

On September 28<sup>th</sup>, the Hospitality Tax Advisory Committee members met to finalize recommendations for Round Two. As a result, the Hospitality Tax Advisory Committee has submitted the following funding recommendations to county council. (See attachment for a breakdown of projects and funding recommendations.)

#### **Projects in the Incorporated Areas of Richland County (\$16,834)**

Auntie Karen Foundation - Legends of ...2012	\$10,000
SC Philharmonic – Advertising and Marketing Campaign	<u>\$ 6,834</u>
Total	\$16,834

#### **Projects in the Unincorporated/Multi-District Areas of Richland County (\$50,502)**

701 Center for Contemporary Art – Columbia Open Studios 2012	\$19,000
Latino Communications CDC – Cinco de Mayo Parade & Celebration	\$15,000
Lower Richland High PTSA - Diamond Festival	<u>\$16,502</u>
Total	\$50,502

<b>Total H-Tax Allocation Round Two</b>	<b>\$67,336</b>
---	-----------------

<b>Unallocated</b>	<b>\$67,336</b>
--------------------	-----------------

### C. Financial Impact

No financial impact. The funding for Round Two was appropriated during the FY12 budget process.

### D. Alternatives

1. Approve the funding recommendations as submitted by the Hospitality Tax Advisory Committee.
2. Do not approve the Committee recommendations and recommend an alternative funding plan.

### E. Recommendation

It is recommended that County Council approve alternative one (1).

**Recommended by:** Hospitality Tax Advisory Committee      **Date:** October 10, 2011

### F. Reviews

#### Grants Manager

Reviewed by: Sara Salley

Date: 10/10/11

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation:

#### Finance

Reviewed by: Daniel Driggers

Date: 10/10/11

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation: Funds are appropriated and the allocation is at the discretion of Council

#### Legal

Reviewed by: Larry Smith

Date:

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation:

#### Administration

Reviewed by: Roxanne Ancheta

Date: October 18, 2011

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation: It is recommended that Council approve the recommendations by the Hospitality Tax Committee as presented.

Organization	Project Title	FY11 Funding	FY12 Request	% of Total Cost	Total Project Cost	Recommendation	Average Score	Committee Notes
<b>INCORPORATED APPLICATIONS</b>								
Auntie Karen Foundation	Legends of...2012 - Support and marketing for the Legends Of... Outreach in celebration of Black History Month and Legends of ... Concert Series.	5,000	51,500	19%	265,115	10,000	85	Great event and draws tourists in to the area.
South Carolina Philharmonic	SC Philharmonic Advertising and Marketing Campaign - Promotion of the 2012 season.	5,000	20,000	40%	49,340	6,834	76	Has tremendous community support and just completed a capital campaign. Do great work.
<b>Total Requested Available for Incorporated</b>			<b>71,500</b>		<b>314,455</b>			
			<b>16,834</b>			<b>16,834</b>		
<b>UNINCORPORATED/COMBINED AREA</b>								
701 Center for Contemporary Art	Columbia Open Studios 2012 - Promotion and support of a County-wide event that will promote 2 days of artist studio "open houses" where visitors can see local artists at work in their private studio spaces.	N/A	20,000	24%	82,364	19,000	71	Innovative event that will work directly with restaurants and drive tourist all over Richland County.
Latino Communications Community Development Corporation	1st Annual Cinco de Mayo-Parade & Celebration - Support and promotion for this one-day cultural event on Decker Boulevard.	N/A	23,614	60%	39,357	15,000	69.875	Committee discussed this program at length after scoring. Project shows great merit, but the estimated tourism numbers are a bit low. This is the first year of the event. Nice to see an event in the Decker area. Event budget was a bit confusing showing a loss on the event. Some expenses were categorized incorrectly.



# Richland County Council Request of Action

## **Subject**

Hospitality Tax County Promotions Grant Program Changes [**PAGES 224-228**]

## **Notes**

October 25, 2011 - The committee recommended that Council approve the recommendations presented by the Hospitality Tax Committee; however, in line with the County Attorney's recommendation and in order to make the organizations more accountable for funds that are not spent consistently with State law, Council should require each organization that accepts H-Tax funding to enter into an agreement that incorporates the guidelines and State law. In addition, the agreement would include various remedies that the County may pursue if the funds are not spent appropriately. If Council also concurs, staff will develop such an agreement for all future H-Tax awards. The vote in favor was unanimous.

# Richland County Council Request of Action

**Subject:** Hospitality Tax County Promotions Grant Program Changes

## A. Purpose

County Council is requested to approve the following recommendations to the Hospitality Tax County Promotions grant program. These recommendations were made by the Hospitality Tax Committee.

## B. Background / Discussion

The following motion was made by Council member Malinowski at the June 7, 2011 Council Meeting:

*There are many issues with the Hospitality Tax use with the current program Richland County has in place. Based on that fact, I move that the Hospitality Tax Committee and Richland County Council review this grant program so that it can be re-vamped with an emphasis on funding projects and programs that bring in true tourists, not community events that pull the majority of their attendees from Richland County residents.*

On September 8, 2011, the Hospitality Tax Committee met along with Council members Malinowski and Kennedy to discuss this motion and the state of the Hospitality Tax Grant program. The recommendations were made in an effort to strengthen the program, increase accountability and stretch the dollars received so that organizations use Hospitality Tax grant funds for tourism purposes.

**1. Reduce Out of Cycle Funding Requests** - Funding organizations that do not go through the grant process is not fair to the organizations that put in the time and effort to apply each cycle. Many organizations do not receive funding because there are not enough funds to go around in the Round 1 grant cycle.

- a) No applications/requests will be reviewed between grant periods – Mrs. Kennedy will present a Friendly Amendment to the rule that was voted on in May 2011 stemming from the motion made by Mrs. Kennedy and Mr. Jeter regarding late and incomplete applications.
- b) County Council continue to be allotted discretionary H-Tax funds during the budget process that can be used during the year for special funding requests that come up outside of the grant process. In FY 12, this amount was \$25,000. Organizations receiving these funds must be eligible H-Tax organizations, submit a budget and submit a marketing plan that demonstrates how their program/project will draw tourists into the County. Organizations receiving these funds cannot be H-Tax grantees coming back to the table for additional funding in the same fiscal year.

**2. Request Additional Information to Determine Tourism Impact, Health of Organization and Capacity of the Organization** – The following questions will be added to the H-Tax application and final report forms. Staff will edit application and guidelines to streamline information so that it is not too overwhelming for applicants. The Committee stressed that they do not want to discourage organizations from applying for funds. All adopted changes will be incorporated in to mandatory grant workshops that will be held in January 2012.

- a) *Indicate how you will use income generated from this program, if any?*
- b) *How does your project impact Richland County as a whole as well as the community where the program will take place?*
- c) *Provide program income and expense totals for the past two years for the program/project in which you are requesting H-Tax funds. If the event is new, please provide evidence of success for similar programs or projects.*

**3. Maximize the Amount of County Promotion Funds** - County Promotion Funds are very competitive. Below are recommendations for ways to stretch these funds so that they are used to promote true tourism.

- a) Establish **one** application deadline per year like the A-Tax and Discretionary grant programs. For FY12, the County received 40 applications in Round 1 and 9 applications in Round 2. Three of the FY12 Round 2 applications were pushed there from Round 1 due to lack of funding. Organizations receive an unfair advantage for funding in Round 2. The committee has to estimate Round 2 funding from the Round 1 budget amount without knowing how many applications to expect.
- b) Restrict applications to events and programs that take place only in areas where Richland County collects H-Tax (unincorporated areas, Eastover, and Richland portion of Irmo) as well as regional marketing **Item # 26**

organizations. Edit grant guidelines to read that *Richland County no longer funds projects that take place in areas where Richland County does not collect Hospitality taxes because the City of Columbia and other municipalities with their own Hospitality Tax benefit from the tourism dollars generated, not the County.* Unless the municipalities wish to give the County a portion of their H-Tax revenue, County H-Tax funds should not be allocated in areas that do not give the County a return on investment. Organizations conducting projects outside of the City limits are not allowed to apply for City of Columbia H-Tax funds. This recommendation will require a change to the H-Tax Ordinance Chapter 23, section 69 (a)(4). Regional marketing organizations such as the Columbia Convention and Visitors Bureau and Lake Murray Capital City Tourism would be eligible for H-Tax dollars as they market entire regions for tourism promotion.

- c) Determine a maximum percentage given to any group making recommendations fair. Percentages will be based on the scores each valid application receives in the evaluation process.
- d) All applicants should be required to provide 50% match in cash or in-kind products/services for their project. Organizations need to show that they are not 100% reliant on County funds.
- e) Restrict the types of eligible expense allowed. By restricting expense types, there will be more money to go around. In the past, the County has allowed marketing as well as event operating expenses. The purpose of the H-Tax program is to draw tourists. According to SC State Law, Section 6-1-730, uses of Hospitality Tax revenue must be used exclusively for the following purposes:
  - (1) tourism-related buildings including, but not limited to, civic centers, coliseums, and aquariums;
  - (2) tourism-related cultural, recreational, or historic facilities;
  - (3) beach access and re-nourishment;
  - (4) highways, roads, streets, and bridges providing access to tourist destinations;
  - (5) advertisements and promotions related to tourism development; or
  - (6) water and sewer infrastructure to serve tourism-related demand.

In a county in which at least nine hundred thousand dollars in accommodations taxes is collected annually pursuant to Section 12-36-920, the revenues of the hospitality tax authorized in this article may be used for the operation and maintenance of those items provided in (A)(1) through (6) including police, fire protection, emergency medical services, and emergency-preparedness operations directly attendant to those facilities.

Over the years, expenses have become too program-heavy. The Committee recommends that at least 70% of marketing expenses must be paid to advertise outside of the County and that entertainment is no more than 50% of the total requested amount of the grant. It is recommended that the following language is added to the grant guidelines:

*Expenditures must be consistent with the application budget. Only goods and services that comply with the Hospitality Tax Guidelines and State Law are reimbursable. Project or event vendors will not be paid directly by Richland County. **Eligible expenditures are:***

- Advertising/Promotions/Marketing (including designing, printing, postage for items mailed to attract tourist)
- Security/Emergency Services
- Entertainment/Speakers/Guest Artist Instructor

***Some of the expenditures not eligible are:** Rent or venue fees, items given to tourists once they are here (tee shirts, cups, trophies...etc.), insurance or licenses, invoices outside the funding year, salaries (other than previously mentioned), transportation or accommodations, food or beverages, decorations, staging or fencing.*

#### **4. Strengthen Measures to Ensure that Organizations are Held Responsible for Spending County Tax Funds -**

To ensure that County funds are used appropriately, especially since Richland County allocates funds “up-front” and not on a reimbursement basis, it is recommended that the following statement should be added to the guidelines and award letter. Penalties for organizations that do not follow the rules should be created and approved by Legal and County Council. Staff audits all grant paperwork to ensure compliance. The suggested language below adds compliance measures to the application ensuring that the applicant understands rules and regulations for accepting County funds before they are awarded an allocation.

a) *Use of funds for expenses not included in the grant application will require the grantee to re-pay the County for any non-identified expense. If approved expenses are less than the funds received, the grantee must reimburse the County upon receipt of a County invoice for the difference.*

b) Add a Statement of Assurances to the H-Tax application:

*Upon grant application acceptance and funding award, applicant agrees that financial records, support documents, statistical records and all other records pertinent to Hospitality Tax funding shall be retained for a period of three years. All procurement transactions, regardless of whether negotiated or advertised and without regard to dollar value, shall be conducted in a manner so as to provide maximum open free competition. The funding recipient shall establish safeguards to prohibit employees from using their positions for a purpose that has the appearance of being motivated by a desire for private gain for themselves and others. All expenditures must have adequate documentation. All accounting records and supporting documentation shall be available for inspection by Richland County upon request. No person, on the basis of race, color, or national origin, should be excluded from participation in, be denied the benefit of or be otherwise subjected to discrimination under the program or activity funding in whole or in part by Hospitality Tax funds. Employment made by or resulting from Hospitality Tax funding shall not discriminate against any employee or applicant on the basis of handicap, age, race, color, religion, sex, or national origin. None of the funds, materials, property, or services provided directly or indirectly under Hospitality Tax funding shall be used for any partisan political activity, or to further the election or defeat of any candidate for public office. The applicant hereby certifies that the information submitted as part of this application is accurate and reliable. Any change and/or variation must be reported immediately, otherwise, funding may be withheld.*

**5. Edit the Scoring Matrix** – Updating the matrix used to score applications will help the H-Tax Committee prepare stronger recommendations for tourism projects and help lessen community based events. The recommended evaluation criteria is attached.

a) Reallocate point maximums to reflect the County’s priorities (impact on tourism)

b) Incorporate items such as budget, hospitality business partnerships, number of tourists expected vs. the amount requested and marketing plan into the matrix to help measure the application’s tourism impact and anticipated use of County funds.

**C. Financial Impact**

There is no financial impact associated with this request.

**D. Alternatives**

1. Approve the recommendations presented by the Hospitality Tax Committee.
2. Do not approve the recommendations.

**E. Recommendation**

It is recommended that Council approve the motions presented by the Hospitality Tax Committee.

Recommended by: Hospitality Tax Committee      Date: 10/3/11

**F. Reviews**

(Please ***SIGN*** your name, ✓ the appropriate box, and support your recommendation before routing. Thank you!)

**Finance**

Reviewed by: Daniel Driggers

Date: 10/19/11

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation:

**Grants**

Reviewed by: Sara Salley

Date: 10/19/11

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation:

**Legal**

Reviewed by: Larry Smith

Date:

Recommend Council approval

Recommend Council denial

Council Discretion (*please explain if checked*)

*Comments regarding recommendation:* However, in order to make the organizations more accountable for funds that are not spent consistently with the guidelines and state law, I would recommend that the Council require each organization that accepts H – Tax funding to enter into an agreement that incorporates the guidelines and state law. In addition, the agreement would include various remedies that the county may pursue if the funds are not spent appropriately. Each organization as a condition of receiving the funding would be required to enter into such an agreement.

**Administration**

Reviewed by: Tony McDonald

Date: 10/20/11

Recommend Council approval

Recommend Council denial

Council Discretion (*please explain if checked*)

*Comments regarding recommendation:* Concur with the County Attorney’s recommendation that an agreement should accompany all H-Tax awards. If the Council also concurs, staff will develop such an agreement for all future H-Tax awards.

## Hospitality Tax County Promotions Evaluation Criteria

### Project Design and Benefit to Community:

55 points maximum

Benefit to Tourism (20) - Does the project promote tourism in the areas of the County in which Richland County H-Taxes are collected? Will it promote a positive image for the County? Will it attract visitors, build new audiences and encourage tourism expansion in the areas of the County in which Richland County H-Taxes are collected? Will it increase awareness of the County's amenities, history, facilities, and natural environment in the areas of the County in which Richland County H-Taxes are collected?

Reliable Tracking Mechanism and Marketing Plan (15) – How will visitors and tourists would be tracked? (Surveys, License Plates, etc.) Are these methods viable? Does the marketing plan describe how the organization will reach tourists? Are at least 70% of the ads or other marketing expenses targeted outside the Columbia/Richland County area? Is the expected number of tourists in line with the organization's marketing plan?

Benefit to Community (10) - How will this project benefit the citizens of Richland County? Will the project benefit unincorporated Richland County? Who will attend the event? How many visitors will the event serve? A visitor is defined by someone who travels at least 50 miles to attend the event.

Community Support and Partnerships (10) - Does the project have broad-based community appeal or support? What is the evidence of need for this project in the County? What kind and degree of partnership does the project exhibit? Does it exhibit volunteer involvement or inter-jurisdictional, corporate, business, and/or civic support?

### Economic Impact and Accountability

45 points maximum

Budget (5) – Are all expenses that are to be paid with H-Tax funds eligible expenses? Did the budget and justification provide enough detail to show how funds will be spent? Does the applicant provide 50% in cash or in-kind match?

Expected H-Tax Revenue Generated (15) - What are the projected direct and indirect dollar expenditures by visitors/tourists? What is the estimated number of meals consumed? Are any overnight stays anticipated? Will this program drive business to those businesses that pay collect and remit Richland County H-Tax in the unincorporated areas of the County as well as Eastover and Richland portions of Irmo?

Reasonable Cost/Benefit Ratio (15) - Does the benefit of the project (i.e. number of tourists estimated; expected revenue generated) exceed the cost of the project? Is this project "worth" its cost?

Management Capability (10) - Does the applicant organization demonstrate an ability to successfully complete the project through effective business practices in the areas of finance, administration, marketing, and production? If this organization has received County Hospitality Tax funding previously, was the project successful?

*All language in yellow is new. The Committee recommended that the Thoroughness of Proposal points be allocated elsewhere because no incomplete or late applications will be evaluated.*

*The current FY12 evaluation matrix point allocations are below.*

<i>Thoroughness of Proposal</i>	<i>5</i>
<i>Benefit to Tourism</i>	<i>15</i>
<i>Benefit to Community</i>	<i>10</i>
<i>Innovation</i>	<i>10</i>
<i>Community Support</i>	<i>10</i>
<i>Evidence of Partnership</i>	<i>10</i>
<i>Management Capability</i>	<i>10</i>
<i>Reliable Tracking Mechanism</i>	<i>10</i>
<i>Expected Revenue Generated</i>	<i>10</i>
<i>Reasonable Cost/Benefit Ratio</i>	<i>10</i>

# Richland County Council Request of Action

**Subject**

Retention Schedule for Detention Center Records [**PAGES 230-235**]

**Notes**

October 25, 2011 - The committee recommended that Council approve the request to establish retention schedules for housing unit journals and classification files to store the records for five years and then destroy. The vote in favor was unanimous.

# Richland County Council Request of Action

**Subject:** Retention Schedule for Detention Center Records

## **A. Purpose**

County Council is requested to approve retention schedules for housing unit journals and classification files. These two document types are not covered by the established schedules created by the South Carolina's Code of Regulation: 12-502.

## **B. Background**

In early August 2011, the Register of Deeds was assisting the Alvin S. Glenn Detention Center in the destruction of their eligible records. William Henry (Register of Deeds) discovered two record types (housing unit journals and classification files) that were not covered by the retention schedules. These schedules were established by South Carolina Code of Regulation: 12-502. South Carolina Code of Regulation 12-502 established the retention schedules for records generated by detention facilities. In order to make these records eligible for destruction, Richland County must submit a proposed record retention schedule form to the South Carolina Department of Archives and History (SCDAH). This form requires the approval of the Detention Center and Council before submission to SCDAH.

### ➤ **Discussion Points:**

- The housing unit journals are records that document the day to day activities of inmates.
- The classification files are records that used to group and house inmates by the severity of their offenses. This type of file contains name, assigned classification and dormitory assignment.
- Alvin S. Glenn Detention Center is proposing to retain these records for 5 years then destroy.
- Ronaldo Myers, Alvin S. Glenn Detention Center Director, has approved the proposed retention schedules for the housing unit journals and classification files.
- Richland County Council has not taken any action in regards approving retention schedules for the Detention Center's housing journals and classification files.
- The Detention Center has 37.2 cubic feet eligible for destruction under the proposed schedules.

### ➤ **Contextual Financial Background:**

Richland County stores its records with Iron Mountain. Iron Mountain is a private sector company that specializes in records retention and management. The County has 44,696.6

cubic feet of records stored at Iron Mountain facilities. In FY 11, Richland County spent \$151,574 for records storage and management. This is an increase of 63.23 % from FY 06 expenditures. In order to control Iron Mountain expenditures, the Register of Deeds has initiated a records management program. The purpose of this program is to control and reduce Richland County's expenditures associated with records by assisting other departments with records management issues.

### C. Financial Impact

1. The approval of this request will not have any financial impact for FY 12. After FY 12, Richland County will save at least \$89.28 per year. Additional savings will be achieved by destroying additional housing unit journals and classification files that will become eligible under the proposed retention schedules.
2. If council does not approve this request, record management costs associated with housing journals and classification files will continue to increase.

### D. Alternatives

- Approve the request to establish retention schedules for housing journals and classification files to store these records for five years and then destroy.
- Do not approve request to establish retention schedules for housing journals and classification files to store these records for five years and then destroy.

### E. Recommendation

It is recommended that Council approve the request to establish retention schedules for housing journals and classification files for store these records for five years and then destroy.

Recommended by: John Hopkins, Interim Director  
Department: Register of Deeds  
Date: 09/23/11

### F. Reviews

(Please ***SIGN*** your name, ✓ the appropriate box, and support your recommendation before routing. Thank you!)

#### Detention Center

Reviewed by: Ronaldo Myers

Date:

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation:

**Finance**Reviewed by: Daniel Driggers

Date: 10/5/11

 Recommend Council approval Recommend Council denial Council Discretion (please explain if checked)

Comments regarding recommendation:

**Procurement**Reviewed by: Rodolfo Callwood

Date: 10-5-11

 Recommend Council approval Recommend Council denial Council Discretion (please explain if checked)

Comments regarding recommendation:

**Legal**Reviewed by: Larry Smith

Date:

 Recommend Council approval Recommend Council denial Council Discretion (please explain if checked)

Comments regarding recommendation:

**Administration**Reviewed by: Tony McDonald

Date: 10/6/11

 Recommend Council approval Recommend Council denial Council Discretion (please explain if checked)

Comments regarding recommendation: Recommend approval of the retention schedule as proposed.



South Carolina Department of Archives & History  
Division of Archives and Records Management

**APPROVAL OF RECORDS RETENTION SCHEDULE**

In accordance with provisions of Title 30, *Code of Laws of South Carolina, 1976*, Sections 30-1-10 through 30-1-140, as amended, the attached Records Retention Schedule is submitted for approval. This schedule supersedes any previously approved schedule for these same records series.

**PART I — Office or Department**

**RICHLAND COUNTY**

Local Government Subdivision

**DETENTION CENTER**

Office or Department

**40**

Record Group Number

I certify that I am authorized to act for this agency in the disposition of its public records and hereby approve the attached Records Retention Schedule. The schedule meets all legal and audit requirements and the records have no further administrative, fiscal, or legal value to this agency after the expiration of the prescribed retention periods.

Records series included in this approval are numbered: **15755 - 15756**

8/1/2011  
Date

Signature of Approving Authority

DIRECTOR  
Title

**PART II — Governing Body**

I am authorized to act for the governing body of this local government subdivision and certify that the governing body has approved the Records Retention Schedule as described in Part I, above.

Date

Signature of Approving Authority

Title

**PART III — Department of Archives and History**

The records listed in the attached Records Retention Schedule have been evaluated by this department for their management, research, and permanent value and are approved for retention or disposal as described in the schedule.

Date

Director, Department of Archives and History

ARM-3

**South Carolina Department of Archives and History  
Records Management Division**

**Guidelines For Understanding And Implementing  
Records Retention Schedules**

The following guidelines describe basic terms related to records retention schedules and define the responsibilities associated with schedule approval and implementation.

**Records Retention Schedule** – A records retention schedule describes one or several records series and indicates the length of time records should be retained prior to final disposition. Schedules are issued to state agencies or local government subdivisions and must be approved in accordance with provisions of the Public Records Act, as amended. Upon approval, the latest retention schedule supersedes any schedule previously approved for the same records series or group of records series.

**Copies** – All official copies of state agency and local government subdivision records must be inventoried, appraised, and scheduled. Convenience and other extra copies do not need a records retention schedule and may be disposed of when no longer needed for reference.

**Legal Retention Requirements** – The approval of schedules by state agencies or local government subdivisions should include a legal review to ensure that retention periods are in compliance with all applicable laws and regulations. In addition, state agencies and local government subdivisions are responsible for ensuring that records are retained for any additional time necessary to fulfill special legal considerations or requirements, such as those related to pending litigation, government investigations, or court orders.

**Confidentiality and Restrictions** – State agencies and local government subdivisions should ensure that confidential records are properly filed, accessed, and disposed of in accordance with federal, state, and local legal requirements.

**Audit Requirements** – State agencies and local government subdivisions are responsible for ensuring that records are retained to comply with all audit requirements.

**Destruction of Records** – Non-microfilmed records destroyed in accordance with approved schedules should be reported to the Department of Archives and History by submitting a copy of the State and Local Government Report of Records Destroyed. A copy of each destruction report should be retained by the state or local office as documentation of records destroyed in accordance with the approved retention schedules.

**Records Storage** – Permanent records must be maintained, protected, and preserved in an appropriate environment as required by section 30-1-70 of the Public Records Act, as amended. The State Records Center will accept scheduled semi-active state agency records for temporary storage on a space available basis. It will also receive permanent records scheduled for transfer to the Department of Archives and History.

For further information on state or local records retention schedules, please contact the Records Services staff at (803) 896-6100.

March 2010



RICHLAND COUNTY

RECORD GROUP NUMBER: 40

DETENTION CENTER

15755 HOUSING UNIT JOURNALS

Description:

Records documenting the daily activities of the inmates by housing unit. Information includes routine information, emergency situations, and unusual occurrences or incidents.

Retention:

5 years, then destroy.

15756 CLASSIFICATION FILES

Description:

Records used to group and house inmates according to the severity of the offense(s) with which they are charged. Information includes name, date, classification assigned and dormitory assignment.

Retention:

5 years, then destroy.

# Richland County Council Request of Action

## **Subject**

An Ordinance Amending the Richland County Code of Ordinances; Chapter 26, Land Development; Article X, Subdivision Regulations; Section 26-224, Division of Real Property to Heirs of a Decedent; so as to exempt certain subdivisions from road construction requirements **[PAGES 237-240]**

## **Notes**

First Reading: October 25, 2011  
Second Reading:  
Third Reading:  
Public Hearing: October 25, 2011

STATE OF SOUTH CAROLINA  
COUNTY COUNCIL FOR RICHLAND COUNTY  
ORDINANCE NO. \_\_\_-11HR

AN ORDINANCE AMENDING THE RICHLAND COUNTY CODE OF ORDINANCES; CHAPTER 26, LAND DEVELOPMENT; ARTICLE X, SUBDIVISION REGULATIONS; SECTION 26-224, DIVISION OF REAL PROPERTY TO HEIRS OF A DECEDENT; SO AS EXEMPT CERTAIN SUBDIVISIONS FROM ROAD CONSTRUCTION REQUIREMENTS.

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 26, Land Development; Article II, Rules of Construction/Definitions; Section 26-22, Definitions; so as to include a definition for “Immediate Family”, as follows:

*Family, immediate.* A spouse, parents and grandparents, children and grand children, brothers and sisters, mother-in-law and father-in-law, brothers-in-law and sisters-in-law, daughters-in-law and sons-in-law. Adopted, half, and step members are also included in this definition.

SECTION II. The Richland County Code of Ordinances, Chapter 26, Land Development; Article X, Subdivision Regulations; Section 26-224, Division of Real Property to Heirs of a Decedent; Subsection; is hereby amended to read as follows:

**~~Sec. 26-224. Division of real property to heirs of a decedent.~~**

- ~~(a) — *Purpose.* Real property held by a deceased person is frequently devised to other family members, and a probate estate is opened. Probate judges will oversee the division of all property of the deceased, including real property. However, probate judges sometimes see the heirs’ difficulty in transferring real property of the deceased due to the county’s land development regulations, especially as they apply to subdivisions and the need to construct paved roads and install sidewalks. The purpose of this section is to ease the burden of Richland County citizens and to reduce the expenses that heirs may be required to expend in settling the deceased’s estate. It also provides a means for real property to be subdivided and transferred to heirs of deceased property owners.~~
- ~~(b) — *Applicability.* The provisions of this section shall apply to all zoning districts.~~
- ~~(c) — *Special requirements for private road subdivisions.*~~
- ~~(1) — *Review.* Subdivision of heir property is subject to the minor subdivision review procedure found at Sec. 26-54(e)(2). All Planning Department subdivision plan review fees shall be waived; provided, however, all fees charged by DHEC (and collected by the Richland County Public Works Department) shall be paid by the applicant.~~

- (2) ~~*Roads.* Roads in subdivisions of heir property shall be exempt from the road paving requirements of Sec. 26-181 of this chapter, but shall not be exempt from any other road design requirement. Roads in subdivisions of heir property shall not be eligible or accepted for county maintenance, which is otherwise provided pursuant to Section 21-5 of the Richland County Code of Ordinances, until they meet the road construction standards provided in Chapter 21 of the Richland County Code. The roadway shall have a minimum right-of-way width of sixty-six (66) feet and minimum twenty (20) foot wide passable surface, which meets the standards established and set forth by the county engineer. The subdivision documents shall include a conspicuous statement stating that improvements to the roadway without the approval of the county engineer are prohibited.~~
- (3) ~~*Sidewalks.* Subdivisions of heir property shall be exempt from the sidewalk requirements of Sec. 26-179 of this chapter.~~
- (4) ~~*Size of lots.* Any and all lots created in a subdivision of heir property shall conform to the zoning district's requirements.~~
- (5) ~~*Number of dwelling units.* Only one (1) dwelling unit shall be permitted on each lot.~~
- (6) ~~*E-911 requirements.* The road, and each lot, shall conform to the county's E-911 system addressing and posting requirements.~~
- (d) ~~*Legal documents required.* An applicant for a subdivision of heir property shall submit:~~
- (1) ~~A copy of the certificate of appointment from the probate court.~~
- (2) ~~A copy of the probate court's order that divides the property amongst the heirs, if there is one.~~
- (3) ~~A copy of the will, if there is one.~~
- (4) ~~The necessary legal documents that:~~
- a. ~~Clearly provide permanent access to each lot.~~
- b. ~~State that the county shall not be responsible for either construction or routine (i.e. recurring) maintenance of the private road.~~
- c. ~~Clearly state that the parcels created by this process shall not be divided again, except in full compliance with all regulations in effect at the time.~~

~~(5) — A “Hold Harmless Agreement” as to Richland County.~~

~~All legal documents shall be provided in a form acceptable to the county legal department.~~

**Sec. 26-224. Certain subdivisions exempt from road standards.**

The planning director, or his/her designee, may exempt subdivisions from the road construction requirements of Sec. 26-181 of this chapter only if the property is being transferred to the owners’ immediate family members or is being transferred by will or intestate succession or forced division decreed by appropriate judicial authority. The subdivider must submit legal documentation satisfactory to the planning director, or his/her designee, in order to establish eligibility for this exemption. This exemption shall apply only to initial division of property, not to subsequent sale or further subdivision by the heirs, devisees, or transferees. Plats of subdivisions so exempted shall show an ingress/egress easement providing access to all parcels, and shall contain the following information:

- (a) Names of owners of each parcel being created; and
- (b) Purpose of the subdivision; and
- (c) A note stating that “ROAD ACCESS NOT PROVIDED”; and
- (d) A note stating “THESE LOTS/PARCELS MAY NOT BE FURTHER SUBDIVIDED UNTIL ROAD ACCESS IS PROVIDED AND A REVISED PLAT IS APPROVED BY RICHLAND COUNTY”.
- (e) Should the planning director, or his/her designee, exempt a proposed subdivision from the construction of the private roadway, the property shall also be exempt from delineation of jurisdictional and non-jurisdictional wetlands (for purposes of approving the plat for recordation only; this section shall not supersede any state and/or federal requirement for construction in, around or through a jurisdictional wetland or flood zone). In the situation that a property owner requests exemption from road construction as outlined in this section, the property owner shall sign a statement that he/she understands that the proposed subdivision of land shall not be exempted from any other minimum standard set forth in this Chapter, including any and all review fees, minimum lot size, etc.

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

SECTION V. Effective Date. This ordinance shall be effective from and after \_\_\_\_\_, 2011.

RICHLAND COUNTY COUNCIL

BY: \_\_\_\_\_  
Paul Livingston, Chair

Attest this the \_\_\_\_\_ day of  
\_\_\_\_\_, 2011

\_\_\_\_\_  
Michelle M. Onley  
Assistant Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

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

Public Hearing:       October 25, 2011  
First Reading:       October 25, 2011  
Second Reading:     November 1, 2011 (tentative)  
Third Reading:

# Richland County Council Request of Action

## **Subject**

Low Traffic Volume Road Paving Program {Deferred from the October 4th Council Meeting} **[PAGES 242-251]**

## **Notes**

September 27, 2011 - The D&S Committee recommended that Council approve the Low Volume paving program. As part of this recommendation, the committee recommends that Council remove ten (10) roads that do not have homes, churches, or businesses located on them, thus lowering the cost of the program by \$625,000. The total estimated cost, with the removal of the ten roads, is \$2,975,000. The vote was in favor.

# Richland County Council Request of Action

## Subject: **LOW TRAFFIC VOLUME ROAD PAVING PROGRAM**

### **A. Purpose**

Authorize Public Works to proceed with a program of paving Richland County dirt roads that conform to the Low Traffic Volume (LTV) Criteria. The proposed paving program is to be funded by \$900,000 budgeted by Richland County in the 2012 budget and by a commitment of \$2,200,000 over the next three (3) years with \$500,000 being allocated to Richland County on March 16, 2011 for Preliminary Engineering Services by the CTC.

### **B. Background / Discussion**

See attached Letter from CTC dated March 16,

See attached Program Outline, Public Works, June 15, 2011

Public Works proposes to administer a LTV Dirt Road Paving program in conformance with the above referenced county regulations and the July 2009 report prepared by Public Works. The report included a list of roads that conformed to the amended regulations. Public Works has identified ten (10) roads that do not have homes, churches or businesses located on them. We estimate a cost savings of \$ 625,000 would be realized to remove those roads from the program and recommend that change of scope be adopted.

### **C. Financial Impact**

Discussions with local consultants indicate that all services necessary to prepare plans for this type of program could be performed in the 10% of construction value range. Public Works is proposing that a preliminary phase of engineering would include onsite evaluation of roads and development of design and construction standards specific to this type of construction.

A preliminary program budget estimate utilizing Consultants services is:

Maximum estimated construction \$3,145 mil @ 10% =	\$315,000
On-site evaluation, design and construction standard =	<u>140,000</u>
Estimated professional services =	\$455,000
Estimated cost of Construction =	<u>3,145,000</u>
<b>Estimated total cost of Program =</b>	<b>\$3,600,000</b>

### **D. Alternatives**

Alternate I. Proceed with program.

Alternate II. Do not proceed with program.

### **E. Recommendation**

Public Works recommends proceeding with the Program.

Recommended by: David Hoops Department: Public Works Date: September 13, 2011

## F. Reviews

(Please ***SIGN*** your name, ✓ the appropriate box, and support your recommendation before routing. Thank you!)

### Finance

Reviewed by: Daniel Driggers

Date: 9/15/11

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation:

### Procurement

Reviewed by: Rodolfo Callwood

Date: 9/15/11

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation:

### Legal

Reviewed by: Larry Smith

Date:

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation:

### Administration

Reviewed by: Sparty Hammett

Date: 9/20/11

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation: Recommend approval of the Low Volume paving program with the removal of the ten (10) roads that do not have homes, churches or businesses located on them. This would lower the cost of the program by an estimated \$625,000.



March 16, 2011

Mr. David R. Hoops, P.E.  
County Engineer  
Department of Public Works  
400 Powell Road  
Columbia, South Carolina 29203

Dear Mr. Hoops:

I am pleased to inform you that the Richland County Transportation Committee (CTC) has requested the South Carolina Department of Transportation (SCDOT) to budget CTC funds for an improvement project in Richland County.

Per the CTC's approval, \$500,000.00 was allocated to Richland County Department of Public Works under local paving project **C PCN 40652**. This project is identified as preliminary engineering services for the county dirt road pave-in-place program of approximately sixteen county roadway miles. Please note that the Project Control Number (PCN) shown above will identify this project in our records and should be included on all correspondence.

Richland County Department of Public Works will have full responsibility for the procurement, construction, maintenance, and inspection of this project. **The County is expected to comply with the requirements set forth in S. C. Code of Laws, Section 12-28-2740 (Supp. 1996), and the SC Consolidated Procurement code regarding construction specifications and procurement procedures.**

SCDOT will reimburse CTC funds for eligible project costs up to the amount budgeted by the CTC, based upon the County's submission of the signed Request for Payment Invoice (form enclosed). The Request for Payment Invoice of eligible contract expenditures must be accompanied by detailed documentation of the charges. This documentation may be in the form of a canceled check, contractor's invoice, supplier's invoice, an engineer's pay estimate, or a statement of direct expenses, if County personnel accomplish the work. Each invoice shall be certified true and correct by a duly authorized representative of the County. By submission of the payment request, the agent is certifying that the work and/or materials for which the payment is requested has been incorporated into the above referenced project; that the project has been administered and constructed in accordance with the SC Consolidated Procurement code and with the requirements of S. C. Code Section 12-28-2740 (Supp. 1996); all work has been inspected and accepted by the County; and that the funds requested will be applied to the purposes for which they are requested.

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Mr. David R. Hoops, P.E.  
Page 2  
March 16, 2011

Attached is a list of **required** documentation to be submitted to the C Program Administration Office at the first request for reimbursement. If any of these requirements are not applicable to the project, then please so indicate on the attached checklist. **Failure to comply with these requirements may result in non-payment of invoices.**

We are pleased to be working with you to make this project successful. If you have any questions, please call me at 803-737-4832.

Sincerely,



Batina Feaster  
Program Coordinator  
C Program Administration

BF:bmf  
Enclosures



**RICHLAND COUNTY**  
Department of Public Works  
C. Laney Talbert Center  
400 Powell Road  
Columbia, South Carolina 29203  
Voice: (803) 576-2400 Facsimile (803) 576-2499  
<http://www.richlandonline.com/departments/publicworks/index.asp>



June 15, 2011

## **OUTLINE OF PROPOSED LOW VOLUME TRAFFIC DIRT ROAD PAVING PROGRAM (ALTERNATIVE PAVING)**

### **I. Scope of roads being addressed**

- A. The main premise of this program is that all roads to be improved lie within a publicly owned right of way. This is in conformance with RC regulations 21-20(i) (1) a and CTC Manual, Nov. 2007, "C" funds are for transportation projects on public property". A right of way policy should be established before implementation of this program defining publicly owned right of way and how it will be acquired if needed (donation-purchase).
- B. The initial effort will be addressed to the roads identified in the LTV eligible spread sheet developed by RCPW and dated June 25, 2009. Copy attached.

### **II. Controlling Regulations of the program**

- a. Section 21-3 and 21-20 of Richland Co. ordinances as amended April 30, 2009. Copy attached.
- b. AASHTO "Guidelines for Geometric Design of Very Low-Volume Local Roads (ADT < 400) 2001. RC Code 21-20d)

### **III. Preliminary Engineering approach**

- a. Evaluate the LTV eligible list for the following:
  - i. Confirm existence of right or way.

- ii. Field evaluate for potential issues affecting construction, such as utilities, drainage structures and the potential for drainage related problems.
  - iii. Evaluate the existing roadway geometrics for conformance to AASHTO guidelines.
  - iv. Prepare an initial evaluation of recommended roads defining potential programming or construction related problems such as drainage or utility conflicts. If there are deficiencies in the existing right of way or additional right of way needed to improve geometrics of the existing road those conditions will be noted on the report.
- b. Prepare LVT design manual and construction standards. This will be performed concurrently with section a and will include:
  - i. Guidelines for evaluation of eligible roads
  - ii. Guidelines for evaluation of minimum drainage improvements
  - iii. Guidelines for evaluation of existing road base materials and options for in-place improvement/stabilization.
  - iv. Guidelines for road surface options.
- c. Community Input
  - i. In conformance with Sec. 21-20(i)(4) Public Works will notify all abutting property owners of record on eligible roads to determine local support for improving the road. If 25% or more of the property owners decline the paving of the road on which they own property, said road will be removed from the program.
  - ii. Minor right of way deficiencies will be addressed at the time of community input based upon right of way policy developed for this program.
  - iii. Subsection (5) of County Code 22-20 requires establishment of a Road Transportation Commission. This step has not been taken at this time. Whereas the scope of this first phase of the

program is already delineated this section may not be necessary until later phases.

**IV. Final Engineering and Construction**

- a. Based upon the final eligibility list and the previously developed design manual and construction details an engineering contract will be awarded to prepare construction plans and specifications.
- b. Included in the final design requirements will be geotechnical evaluation of the roads in the program with recommendations for type of construction.
- c. With direction from Public Works for road improvement options, construction plans and specifications will be prepared for public bidding.
- d. Construction contracts will be awarded and performed.

Richland County Unpaved Roads (County Owned and dedeed)

No.	Council District	Road Name	Deeded Road Length (ft)	ROW Width(s)	Low Volume Paving Criteria	Council Ranking	UNS Rating	Number of Homes	Visual Inspection	Comments
1	1	Alley Rd	1243.2385	50	Meets	106	8.49	2		
2	1	Cedar Grove Rd	1571.7898	66	Meets	86	16.80	4		Across several properties
3	1	Jim Eleazer Rd	353.9288	50	Meets	27	44.75	0	Driveway to one house	40' r/w for 193'+- per gis
4	1	River Oaks Rd	3509.7490	50	Meets	96	15.04	11		Road cut out for 66' r/w plus on GIS. Maintain 360 feet beyond ownership.
5	1	Tiger Paw Ln	570.0000	50	Meets	26	45.40	5		
6	2	Annie Entzminger Ct	700.00	50	Meets	4	100.94	5		
7	2	Cliff Anderson Rd	269.0131	50	Meets	7	78.51	2		
8	2	Dunes Pt	542.8961	60	Meets	2	162.84	7		Plat 50-7549 shows 70' strip cut out with 25' being ingress/egress for app. 1050', then turning West with a 50' ingress/egress
9	2	Ethels Ave	1056.9922	30	Meets	91	15.49	4		
10	2	Larkin Ct	916.5795	50	Meets	10	63.37	11		
11	2	Winterwood Court	1297.4253	50	Meets			8		
12	2	Zachary Lane	569.4690	50	Meets			3		
13	6	Hanson Ave	400.00	100	Meets	1	105.60	0	Confirmed 0 Homes	Total roadway length is approximately 388'. Cut out as street on Quinine Hills s/d in 1982.
14	7	Allen St	621.8625	50	Meets	51	25.47	0	Driveway to one house	Road cut out by plat X-24 and part of Haskell Heights s/d Per plat Z-1366 road shown with property line in center of road. No plat showing road cut out
15	7	Breazio Rd	678.0105	50	Meets	16	54.51	2		Have s/d deed: Lake Elizabeth Estates
16	7	Donald St	781.9317	50	Meets	22	47.27	0	Confirmed 0 Homes	
17	7	Eastover St	361.0278	50	Meets	4	87.75	0	Confirmed 0 Homes	
18	7	Harold St	1378.1986	50	Meets	27	40.62	6		Have s/d deed: Farrowwood or State Park Acres
19	7	India St	1307.8590	50	Meets	54	24.22	6		Have s/d deed: Farrowwood or State Park Acres
20	7	Lavender St	374.6369	50	Meets	8	70.47	4		Have s/d deed: Denny Terrace
21	7	Leroy St	442.3102	50	Meets	6	71.62	0	Confirmed 0 Homes - Not Sure if this is still Leroy Street	
22	7	Peafowl Drive	975.0755	50	Meets			4		
23	7	Pilgrim Rd	2367.4972	50	Meets	53	24.69	2		Have s/d deed: Farrowwood or State Park Acres
24	7	Prestley Dr	1274.2765	50	Meets	11	66.30	8		Have s/d deed: Lake Elizabeth Estates
25	7	Tammy Dr	463.9033	30	Meets	3	91.05	6		
26	7	Tea St	886.1267	50	Meets	33	35.75	2		Have s/d deeds: Lake Elizabeth Estates
27	7	Townsend St	192.1981	50	Meets	47	27.47	1		Have s/d deeds: Haskell Heights: Plat O-52
28	7	William Duffie Rd	2376.5939	50	Meets	37	33.00	12		
29	7	Zacks Playhouse Rd	850.00	50	Meets	50	26.40	2		
30	8	Dorichlee Ln	1338.7673	50	Meets	6	23.98	6		HAVE DEED
31	9	Casa Loma St	377.0346	50	Meets	20	55.58	0		Per Plat 10-205 cut out as s/d road in Royal Pines Estates. NOTE ROW extends another 383 feet, but Road is not cut out.
32	9	Cheek St	761.2307	50	Meets	10	75.72	0	Confirmed 0 Homes	Per Plat 10-205 cut out as s/d road in Royal Pines Estates
33	9	Clayton St	761.0266	50	Meets	13	68.84	0	Confirmed 1 Homes	Per Plat 10-205 cut out as s/d road in Royal Pines Estates
34	9	Griggs St	761.4390	50	Meets	25	41.36	0	Confirmed 2 Homes	
35	9	Paupers Ln	656.6626	50	Meets	33	9.31	0	Confirmed 0 Homes	Goes to county owned paupers cemetery
36	9	Pierce Rd	769.3124	50	Meets	5	96.09	9		Robin Hood Acres
37	9	Polk St	760.4679	50	Meets	15	61.16	0	Confirmed 1 Homes	Royal Pines Estates
38	9	Sandy St	1,160.00	10	Meets	26	33.68	6		Deeded road with 10' r/w: GIS shows 30' r/w cut out
39	9	Sarah St	758.6130	50	Meets	11	75.72	0	5	Per Plat 50-4792 50' r/w cut out
40	10	Kirk Rd	256.8640	50	Meets	13	102.78	1		
41	10	Poe St	1084.6194	50	Meets	27	77.35	0	2 Abandoned Homes Other Buildings Are Businesses	
42	10	Simons Weston Rd	686.0000	50	Meets	29	74.82	9		Own 686 feet of ROW, maintain another 365 feet beyond that
43	10	Sumpter Rd	700.3766	50	Meets	23	82.93	5		
44	10	Sumter Valley Rd	1888.3295	50	Meets	112	30.76	7		
45	11	Cherry Ln	597.8054	50	Meets	6	88.32	1		
46	11	Christy Creek Ct	640.3342	50	Meets			6		
47	11	Hillside Cir	2849.7592	50	Meets	45	27.77	3		
48	11	Pringle Rd	427.8226	50	Meets	3	135.76	0	Confirmed 0 Homes	Have all R/W Part of road is in city of Columbia
49	11	Summer Wind Dr	1183.4336	50	Meets	32	33.44	7		
50	11	Wilson Farm Rd	979.8150	50	Meets	10	75.43	7		Per plat 54-4214 Wilson Farms S/d, 50' roadway cut out: Deeded
51	1	George Addy Rd	4356.2317	50	Does Not Meet	53	28.39	15		Have all r/w: 3946' per deed

Item# 29

Richland County Unpaved Roads (County Owned and deeded)

No.	Council District	Road Name	Deeded Road Length (ft)	ROW Width(s)	Low Volume Paving Criteria	Council Ranking	UNS Rating	Number of Homes	Visual Inspection	Comments
52	1	Hermes Rd	247,0669	50	Does Not Meet	17	64.11	1		Driveway per Plat 50X 250. However, 325' is showing in GIS
53	1	Howard Coogler Rd	2818.4786	50	Does Not Meet	9	87.88	0		Per Deed 34.13' long and 50' wide, however only 28.18 os road, other app. 600' is a narrow path through woods.
54	1	River Bottom Rd	1377.9800	50	Does Not Meet	87	16.80	7		Prescriptive Easement on remaining 520 feet of road
55	1	Sease Road	680.0829	66	Does Not Meet	68	23.29	2		Have all r/w except one. Have been to court
56	1	Shady Wood Ln	1900.0000	50	Does Not Meet	30	42.54	5		First 1900 feet have 50ft ROW, remaining is service road that cuts across Richland County owned land to WWTP
57	2	Delia Mae Ct	1,450.00	50	Does Not Meet	15	59.81	13		Road deeded to RC by deed D1269 Pg 696
58	2	EJW Rd	5270.1657	50	Does Not Meet	70	22.91	12		
59	2	Jilida Dr	505.49	50	Does Not Meet	6	83.56	6		
60	2	Jilida Dr	509.02	50	Does Not Meet	13	60.32	4		That portion of road cut out to be paved in North paving contract. Other part of road not cut out is NOT maintained by county
61	2	London Ave	356.9602	50	Does Not Meet	1	177.50	0		
62	2	Olga Rd	1000.0000	50	Does Not Meet	11	62.18	2		ROW is 1550 feet, Road is cut out about 1,000 feet
63	2	Overlook Dr	4198.6749	60	Does Not Meet	36	33.81	17		
64	2	Sallys Ln	2925.9719	50	Does Not Meet	76	20.03	8		Have deed J. D. Allen Estate
65	2	Will Douglass Rd	2,500.00	50	Does Not Meet	96	14.26	3		Approximately 2000 feet to where pavement begins
66	7	Ashbury St	1710.7731	50	Does Not Meet	31	36.80	10		Have s/d deed: Farrowwood or State Park Acres
67	7	Bethel Camp Rd	308.6315	50	Does Not Meet	64	14.06	0		Road taken in as part of Summer Valley S/D, except app. 270 off Hardscrabble. This portion shown as Summer Crest Drive on GIS
68	7	Boyston Rd	1811.7383	50	Does Not Meet	35	34.97	4		Have s/d deed: Lake Elizabeth Estates
69	7	Jeter St	877.0872	50	Does Not Meet	42	30.10	5		Have s/d deed: Haskell Heights
70	7	Nature Road	2157.5257	50	Does Not Meet			7		HAVE PLAT SHOWING 50' ROAD CUT OUT. PORTIONS HAVE BEEN DEEDED TO COUNTY, OTHERS NOT. PART OF ROAD IS STATE OWNED PAVED
71	8	Kneece Rd	2022.2593	50	Does Not Meet	7	23.57	0		DEEDED RW, PLAT X-61
72	8	Rockerfella Ln	1471.2207	50	Does Not Meet	3	56.01	6		Robin Hood Acres
73	9	Archer Ave	1,980.37	50	Does Not Meet	12	70.40	23		Robin Hood Acres
74	9	Bow String Rd	1837.1517	50	Does Not Meet	8	83.35	20		Robin Hood Acres
75	9	Bowman Ave	2,477.25	50	Does Not Meet	21	54.07	13		Robin Hood Acres
76	9	Jouster St	624.8614	50	Does Not Meet	6	92.95	6		Robin Hood Acres
77	9	Melton Rd	1,616.47	50	Does Not Meet	22	47.32	6		Plat 37-719 shows proposed Melton Road: Have deed. NOTE: ROW does not go through to Screaming Eagle Rd, last portion is private
78	9	Tat Rd	1,588.91	50	Does Not Meet	23	45.60	6		1,589 feet of ROW. Also about 670 feet maintained by prescription
79	9	Tuck Ct	1,225.7598	50	Does Not Meet	18	59.14	12		Robin Hood Acres
80	10	P R Webber Rd	1,164.8827	50	Does Not Meet	123	27.20	4		
81	10	Pleasant Grove Ln	698.1638	50	Does Not Meet	18	90.75	6		
82	10	Sandhill Estates Rd	1400.0000	50	Does Not Meet	20	89.10	12		
83	10	Smith Myers Rd	1527.4279	50	Does Not Meet	14	100.25	11		
84	10	Willow Wind Rd	3392.9704	50	Does Not Meet	157	17.87	17		Was part of South Paving Contract, Paving abandoned per Bernice Scott. Only 438 feet of road out of 2377 owned with ROW
85	11	Circle Dr	2109.7893	50	Does Not Meet	33	33.05	6		Plat X-1917 and 1917A, Part of Lake Dogwood
86	11	Dogwood Shores Lane	2241.6519	50	Does Not Meet			9		Plat X-1917 and 1917A, part of Lake Dogwood (renamed from Pineview)
87	11	Goff Field Ln	3089.1027	50	Does Not Meet	28	44.73	13		Per Plat 55-6689 and dated 1995, property line to center of road with property pins set back 25'; Plat X-2342 dated 1974 shows a 30' roadbed. Have deeds on road
88	11	Lake Dogwood Cir S	1866.7000	50	Does Not Meet			5		Part of Lake Dogwood, road has two portions that do not meet
89	11	Lake Dogwood Ln	3603.2545	50	Does Not Meet			8		
90	11	Lakeview Rd	2092.2095	50	Does Not Meet	19	55.93	14		Plat X-1917 and 1917A, Part of Lake Dogwood
91	11	Meadow Ln	1043.2808	50	Does Not Meet	4	113.8	8		Plat Z-1547 showing Cherry lane, meadow lane cut out with 50' r/w also Plat X-1917 and 1917A
92	11	Oak Hill Lane	2090.3153	50	Does Not Meet			7		
93	11	Oak Hill Rd	4167.8219	50	Does Not Meet	51	19.66	1		Plat X-1917 and 1917A, Part of Lake Dogwood.
94	11	Pineview Rd	1276.4047	50	Does Not Meet	14	66.19	3		Plat X-1917 and 1917A, part of Lake Dogwood

Item# 29

Richland County Unpaved Roads (County Owned and dedeed)

No.	Council District	Road Name	Deeded Road Length (ft)	ROW Width(s)	Low Volume Paving Criteria	Council Ranking	UNS Rating	Number of Homes	Visual Inspection	Comments
<b>SUMMARY</b>										
			Linear Feet	Miles						
		Roads that Meet Criteria (50)	47,732.30	9.04						
		Roads that Do Not Meet Criteria (44)	83,570.11	15.83						
		<b>TOTAL</b>	<b>131,302.42</b>	<b>24.87</b>						

# Richland County Council Request of Action

## **Subject**

Ordinance to Prohibit 'bath salts' and synthetic marijuana **[FIRST READING] [PAGES 253-260]**

## **Notes**

October 25, 2011 - The committee recommended that Council adopt an ordinance prohibiting "bath salts" and synthetic marijuana. The committee directed the County Attorney's office to provide an explanation of what is contained in the ordinance as well as provide an explanation of what will happen if a case regarding "bath salts" is not adjudicated. Also, the Sheriff's Department is to provide Council with a list of the various 'street names' for "bath salts". The vote was in favor.

First Reading:  
Second Reading:  
Third Reading:  
Public Hearing:

## Richland County Council Request of Action

**Subject:** Ordinance to prohibit “bath salts” and synthetic marijuana

**A. Purpose**

This request is, per Mr. Rose’s motion, to adopt an ordinance prohibiting “bath salts” and synthetic marijuana. This ordinance would be consistent with the recently passed City of Columbia ordinance.

**B. Background / Discussion**

During the September 27, 2011, committee meetings, as well as the October 4, 2011, County Council meeting, Mr. Rose attempted to have this ordinance placed on the agenda. Because those attempts were unsuccessful, this item is now being presented at the October committee meetings.

The above referenced City of Columbia ordinance was used to create the attached ordinance.

**C. Financial Impact**

There is no known financial impact with this request.

**D. Alternatives**

1. Adopt the attached ordinance.
2. Do not adopt the attached ordinance.
3. Adopt the ordinance with revisions.

**E. Recommendation**

See comments by Legal.

Recommended by: Elizabeth McLean

Department: Legal

Date: 10/06/11

**F. Reviews**

(Please ***SIGN*** your name, ✓ the appropriate box, and support your recommendation before routing. Thank you!)

**Finance**

Reviewed by: Daniel Driggers

Date: 10/6/11

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation: Based on no financial impact

**Legal**

Reviewed by: Larry Smith

Date:

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation:

**Administration**

Reviewed by: J. Milton Pope

Date: 10-14-11

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation: Recommend approval, also the Association of Counties Legislative Committee has recommended approval of a ban on Bath Salts through Statewide legislation.

**STATE OF SOUTH CAROLINA**  
**COUNTY COUNCIL FOR RICHLAND COUNTY**  
**ORDINANCE NO. \_\_\_\_-11HR**

AN ORDINANCE AMENDING THE RICHLAND COUNTY CODE OF ORDINANCES; CHAPTER 18, OFFENSES; BY THE ADDITION OF SECTION 18-7, SUBSTITUTED CATHINONES AND SYNTHETIC CANNABOIDS; SO AS TO PROHIBIT ADVERTISEMENT, POSSESSION, USE, PURCHASE, OR DISTRIBUTION OF SUBSTITUTED CATHINONES (COMMONLY CALLED “BATH SALTS”), SYNTHETIC CANNABINOID, AND CERTAIN OTHER SYNTHETIC DRUGS; AND MATTERS RELATED THERETO WITHIN RICHLAND COUNTY.

WHEREAS, the use or ingestion/consumption of substituted cathinones, commonly called “bath salts” and other synthetic drugs has significantly increased throughout the United States; and

WHEREAS, substituted cathinones, commonly called “bath salts” and other synthetic drugs are being manufactured, sold and used for their psychoactive properties; and

WHEREAS, there are significant reports of ingestion/consumption of substituted cathinones, commonly called “bath salts” and other synthetic drugs causing serious injury or death; and

WHEREAS the United States Drug Enforcement Administration (DEA) used its emergency scheduling authority to temporarily control Mephedrone, Methylenedioxypropylamphetamine (MDPV), Methylenedioxypropylamphetamine, and other chemical compounds found in “bath salts” and other synthetic drugs marketed as otherwise lawful substances, finding said action necessary to protect the public from the imminent hazard posed by ingestion of these substances; and

WHEREAS, Richland County Council has the power and duty to provide for the general health, safety, and welfare of Richland County and to exercise police powers; and

WHEREAS, the Richland County Council hereby declares the use, consumption, possession, sale or distribution of substituted cathinones, commonly called “bath salts” and other products containing synthetic cannabinoids to be a public nuisance and hereby makes unlawful said use, consumption, possession, sale or distribution as set forth herein.

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 COUNTY COUNCIL FOR RICHLAND COUNTY:

SECTION I. The Richland County Code of Ordinances; Chapter 18, Offenses; is hereby amended by the addition of Section 18-7, Substituted Cathinones and synthetic cannabinoids, to read as follows:

**Sec. 18-7. Substituted Cathinones and synthetic cannabinoids.**

(a) Definitions.

**The following words, terms and phrases, when used in this section, shall have the meanings ascribed to them in this subsection, except where the context clearly indicates a different meaning:**

*Substituted Cathinone* shall mean any compound, except bupropion or compounds listed under a different schedule, structurally derived from 2-aminopropan-1-one by substitution at the 1-position with either phenyl, naphthyl, or thiophene ring systems, whether or not the compound is further modified in any of the following ways:

1. by substitution in the ring system to any extent with alkyl, alkylendioxy, alkoxy, haloalkyl, hydroxyl, or halide substituents, whether or not further substituted in the ring system by one or more other univalent substituents;
2. by substitution at the 3-position with an acyclic alkyl substituent;
3. by substitution at the 2-amino nitrogen atom with alkyl, dialkyl, benzyl, or methoxybenzyl groups; or
4. by inclusion of the 2-amino nitrogen atom in a cyclic structure.

*Synthetic Cannabinoids* shall mean any of the following cannabinoids, their salts, isomers and salts of isomers, unless specifically excepted, whenever the existence of these salts, isomers and salts of isomers is possible within the specific chemical designation:

1. Tetrahydrocannabinols:

Meaning tetrahydrocannabinols naturally contained in a plant of the genus *cannabis* (*cannabis* plant), as well as synthetic equivalents of the substances contained in the plant, or in the resinous extractives of *Cannabis*, sp. and/or synthetic substances, derivatives, and their isomers with similar chemical structure and pharmacological activity such as the following: Delta 1 *cis*- or *trans*-tetrahydrocannabinol, and their optical isomers Delta 6 *cis*- or *trans*-tetrahydrocannabinol, and their optical isomers Delta 3,4 *cis*- or *trans*-tetrahydrocannabinol, and its optical isomers (*Since nomenclature of these substances is not internationally standardized, compounds of These structures, regardless of numerical designation of atomic positions covered.*)

2. Naphthoylindoles:

Any compound containing a 3-(1-naphthoyl)indole structure with substitution at the nitrogen atom of the indole ring by an alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl or 2-(4-morpholinyl)ethyl group, whether or not further substituted in the indole ring to any extent and whether or not substituted in the naphthyl ring to any extent.

3. Naphthylmethylindoles:

Any compound containing a 1H-indol-3-yl-(1-naphthyl) methane structure with substitution at the nitrogen atom of the indole ring by an alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl) methyl or 2-(4-morpholinyl)ethyl group whether or not further substituted in the indole ring to any extent and whether or not substituted in the naphthyl ring to any extent.

4. Naphthoylpyrroles:

Any compound containing a 3-(1-naphthoyl)pyrrole structure with substitution at the nitrogen atom of the pyrrole ring by an alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl or 2-(4-morpholinyl)ethyl group whether or not further substituted in the pyrrole ring to any extent, whether or not substituted in the naphthyl ring to any extent.

5. Naphthylmethylenes:

Any compound containing a naphthylideneindene structure with substitution at the 3-position of the indene ring by an alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl or 2-(4-morpholinyl)ethyl group whether or not further substituted in the indene ring to any extent, whether or not substituted in the naphthyl ring to any extent.

6. Phenylacetylindoles:

Any compound containing a 3-phenylacetylindole structure with substitution at the nitrogen atom of the indole ring by an alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl or 2-(4-morpholinyl)ethyl group whether or not further substituted in the indole ring to any extent, whether or not substituted in the phenyl ring to any extent.

7. Cyclohexylphenols:

Any compound containing a 2-(3-hydroxycyclohexyl)phenol structure with substitution at the 5-position of the phenolic ring by an alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl or 2-(4-morpholinyl)ethyl group whether or not substituted in the cyclohexyl ring to any extent.

8. Benzoylindoles:

Any compound containing a 3-(benzoyl)indole structure with substitution at the nitrogen atom of the indole ring by an alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl or 2-(4-morpholinyl)ethyl group whether or not further substituted in the indole ring to any extent and whether or not substituted in the phenyl ring to any extent.

9. 2,3-Dihydro-5-methyl-3-(4-morpholinylmethyl)pyrrolo 1,2,3-de]-1,4- benzoxazin-6-yl]-1-naphthalenylmethanone. *Some trade or other names: WIN 55,212-2.*

10. 9-(hydroxymethyl)-6, 6-dimethyl-3-(2-methyloctan-2-yl)-6a,7,10,10a-tetrahydrobenzo[c]chromen-1-ol. *Some trade or other names: HU-210, HU-211.*

11. Adamantoylindoles:

Any compound containing a 3-(1-adamantoyl)indole structure with substitution at the nitrogen atom of the indole ring by an alkyl, haloalkyl, alkenyl, cycloalkylmethyl, cycloalkylethyl, 1-(N-methyl-2-piperidinyl)methyl or 2-(4-morpholinyl)ethyl group, whether or not further substituted in the indole ring to any extent and whether or not substituted in the adamantyl ring system to any extent.

*Person* shall mean any individual, firm, business, corporation, partnership, group, or other legal entity.

(b) Sale and possession of synthetic cannabinoids and substituted cathinones prohibited.

**(1) It is unlawful for any person to sell, distribute, deliver, trade, barter, or give away any Synthetic Cannabinoid or Substituted Cathinones within Richland County.**

(2) It is unlawful for any person to offer for sale, distribution, delivery, trade or barter any Synthetic Cannabinoid or Substituted Cathinones within Richland County.

(3) It is unlawful for any person to advertise or display any Synthetic Cannabinoid or Substituted Cathinones within Richland County.

(4) It is unlawful for any person to claim or represent that a product or substance is a Synthetic Cannabinoid or Substituted Cathinones within Richland County.

(5) It is unlawful for any person to possess any Synthetic Cannabinoid or Substituted Cathinones within Richland County.

(c) Labeling.

The fact a Synthetic Cannabinoid or Substituted Cathinones is being marketed, sold, distributed, delivered, traded, bartered, or labeled as “Not for Human Consumption” (or words of similar effect) or identified as

having a lawful use does not exempt a person from enforcement pursuant to this ordinance.

(d) Confiscation and destruction of synthetic cannabinoids and substituted cathinones.

If any Synthetic Cannabinoid or Substituted Cathinones are found in the possession of any person within Richland County, said Synthetic Cannabinoid or Substituted Cathinones shall be confiscated by law enforcement as evidence of violation of this ordinance. The confiscated Synthetic Cannabinoid or Substituted Cathinones shall be destroyed by law enforcement after an adjudication of guilt. Synthetic Cannabinoid or Substituted Cathinones with labels or instructions indicating they are not intended for ingestion or consumption (i.e., "Not for Human Consumption" or words of similar effect) or identifying a lawful use are not exempt from confiscation and destruction.

(e) Penalty.

**Any person who violates any provision of this section shall be subject to the penalty provisions of section 1-8 of the Richland County Code of Ordinances.**

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 \_\_\_\_\_, 2011.

RICHLAND COUNTY COUNCIL

BY: \_\_\_\_\_  
Paul Livingston, Chair

ATTEST THIS THE \_\_\_\_\_ DAY

OF \_\_\_\_\_, 2011

\_\_\_\_\_  
Michelle Onley  
Assistant Clerk of Council

RICHLAND COUNTY ATTORNEY'S OFFICE

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

First Reading:  
Second Reading:  
Public Hearing:  
Third Reading:

# Richland County Council Request of Action

**Subject**

Expiring Solid Waste curbside collection contracts for areas 2 & 6 [**PAGES 262-266**]

**Notes**

October 25, 2011 - The committee forwarded this item to Council without a recommendation. The vote was in favor.

# Richland County Council Request of Action

**Subject:** Expiring Solid Waste Curbside Collection Contracts for Areas 2 & 6

## **A. Purpose**

County Council is requested to provide administration with direction as to whether council would like to rebid areas 2 & 6 or authorize administration to begin negotiations with current contractors providing service in areas 2 & 6 in anticipation of renewing contracts expiring in December 2012.

## **B. Background / Discussion**

- Richland County started providing county wide curbside collection in January of 1986.
- County currently provides curbside collection for Richland County residents through five contracted haulers. The services provided include household trash, yard waste, bulk item collection and recycling.
- Negotiations of expiring contracts or rebidding contracts provides an opportunity for enhancing our current curbside service with additional services, such as 96 gallon roll carts for recycling, unlimited yard waste / large pile removal, and bulk and white goods collection by appointment.
- Negotiations with current haulers will allow us to evaluate their past performance.
- Any negotiations should take into consideration current fuel surcharge and adjust the base price to a more current fuel pricing structure. At present the fuel surcharge base price is \$2.40 per gallon and the average price of fuel is \$3.79 per gallon.
- Current expiring routes are Waste Industries in Area 2 with 8,694 homes and Advanced Disposal in Area 6 with 10,564 homes.

## **C. Financial Impact**

There is no financial impact associated with this request at this time. The solid waste department budgets annually for all cost associated with curbside collection.

Area 2 (Waste Industries)	8,694 homes
Area 6 (Advanced Disposal / Southland)	10,564 homes

## **D. Alternatives**

1. Direct administration to begin negotiations with the current contractors for Areas 2 & 6.
2. Direct administration to renew current contracts as they exist today.
3. Direct administration to rebid Areas 2 and 6.

## **E. Recommendation**

It is recommended that Council approve the request to move forward with negotiations with current service providers for Areas 2 & 6. This would allow administration to investigate the

possibility of additional services and cost as well as adjust the fuel surcharge to a more current rate.

Recommended by:

Department:

Date:

**Paul F. Alcantar**

**Solid Waste Department**

**10/03/2011**

## F. Reviews

(Please ***SIGN*** your name, ✓ the appropriate box, and support your recommendation before routing. Thank you!)

### Finance

Reviewed by: Daniel Driggers

Date: 10/13/11

✓ Recommend Council approval

Recommend Council denial

Comments regarding recommendation: While there is no immediate financial impact as stated in section "c", there are long-term financial implications to the County Solid Waste program and the annual citizen solid waste fee that will be a direct result of this decision. Therefore the recommendation is to support the County moving forward with an evaluation of the true cost of services, impact of current economic and contractual terms and proceed with negotiations as appropriate.

### Procurement

Reviewed by: Rodolfo Callwood

Date: 10/13/11

Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation:

### Grants

Reviewed by: Sara Salley

Date: 10/14/11

✓ Recommend Council approval

Recommend Council denial

Council Discretion (please explain if checked)

Comments regarding recommendation:

### Legal

Reviewed by: Larry Smith

Date:

Recommend Council approval

Recommend Council denial

✓ Council Discretion (please explain if checked)

Comments regarding recommendation: Council would have the legal authority to exercise any of the alternatives that are proposed. However, prior to determining which alternative the county should exercise, I would recommend that an evaluation be done to determine the true cost of the services, and the impact of current economic and contractual terms to determine which alternative would provide the best quality service to the constituents and the best price to the county.

### Administration

Reviewed by: Tony McDonald

Date: 10/17/11

✓ Recommend Council approval

Recommend Council denial

Item# 31

Attachment number 1  
Page 2 of 5

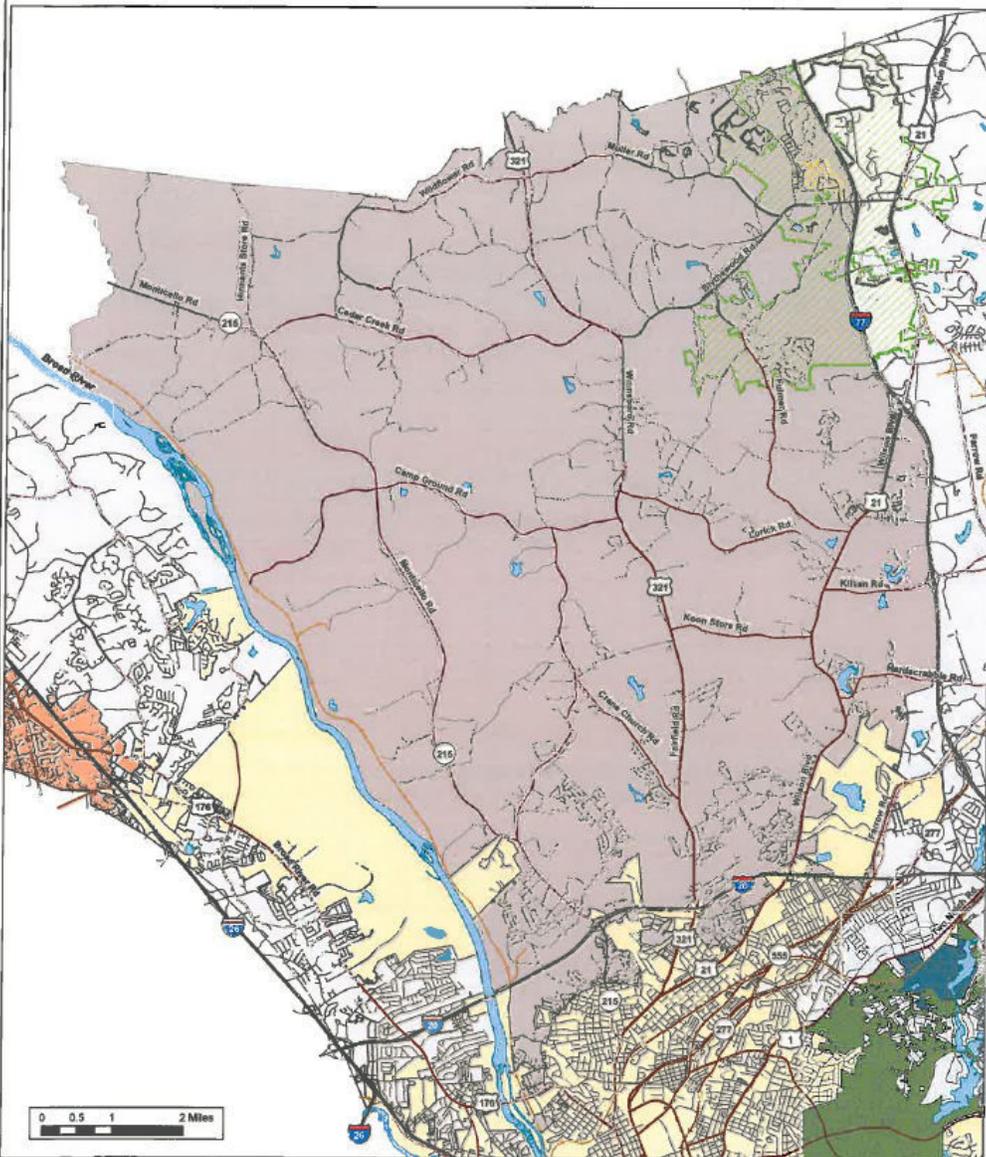
Council Discretion (please explain if checked)

Comments regarding recommendation: There are basically two decisions that need to be made at this time with respect to this matter:

1. Does the Council wish to renew the existing contracts as they exist today, renegotiate those contracts with different terms, or re-bid the contracts for the service areas in question. Either of these options is allowable under the County's procurement code.
2. Does the Council wish to explore higher levels of service, such as for yard waste collection, recycling and/or white goods collection?

It is the staff's recommendation that the contracts be renegotiated with the current vendors, and that the potential of additional levels of service be included in those negotiations. Of course, the Council would have to ultimately approve any increase in the levels of service provided.

# RC SWR Area 2 Collection



## Legend

### Municipalities

-  Blythewood (RC Collection)
-  Columbia
-  Irmo
-  Arcadia Lakes
-  Forest Acres

### Solid Waste Collection Zones

-  Garbage: Monday
-  Recycling: Friday
-  Yard Waste: Thursday
-  Backyard Collection



**DISCLAIMER:** This is a product of the Richland County Public Works Department. The data reported here have been developed with a limited cooperation from other agency departments, as well as other federal, state and local government agencies. Reasonable efforts have been made to ensure the accuracy of the map. Richland County is not liable for any errors or omissions or for any damages or liability that may arise from the use of this map.

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485 Forest Hill  
Columbia, SC 29203



# Richland County Council Request of Action

## **Subject**

Internal Auditor Engagement [**PAGES 268-272**]

## **Notes**

October 25, 2011 - The committee recommended that this item be sent to Council without a recommendation; however, the Committee directed that the following motion be included with the item: 1) Mr. Manning be appointed to the Audit Committee until the citizen appointment is filled 2) Areas of concentration should include Performance and Accountability 3) An RFP sub-committee made of the Chairs of the Rules and Appointments Committee, Economic Development Committee, and Vice Chair of Council will write, post and review all auditor services RFP responses and make selection recommendation to the full Council 4) The selected Auditor will report directly to the full body of Council 5) The Audit Committee will perform audits on the following departments: Administration, Planning, Public Works, Finance, Building Inspection, and Procurement. The vote in favor was unanimous.

## Richland County Council Request of Action

**Subject:** Internal Auditor Engagement

**A. Purpose**

The purpose of this item is to request the County Council's consideration of a motion made at the September 6, 2011, Council Meeting regarding the engagement of an Internal Auditor.

**B. Background / Discussion**

At the September 6, 2011, Council Meeting, Council Member Jim Manning introduced the following motion:

“I move that Council hires an Independent Internal Auditor. RATIONALE – The instructor for the Level II class on Financial Management for the Institute of Government for County Officials held in conjunction with the South Carolina Association of Counties' 44<sup>th</sup> Annual Conference stated that every County should have an Internal Auditor. Richland County does not have one. Furthermore, notes from a 2005 Richland County Internal Audit Committee lists 15 “potential IA projects.” My understanding is that item #3 and items #4 have had audits completed. However, I am greatly concerned about two items in particular that in 2005 (over 6 years ago) were identified as “a high risk area for potential fraud and/or abuse.” These items are still some way on down the “list.” Item #7 on the list for consideration for internal auditing is Procurement Audit. The corresponding information for this item reads as follows: Within any county government, procurement is a high risk area for potential fraud and abuse. Periodic audits of procurement transactions can help reduce the likelihood of fraud. After Richland County implements procurement cards, the potential risk will increase. Item #8 on the list is Timekeeping Audit. The corresponding information for this item reads as follows: Fraud related to timekeeping is also a potential concern for county government. Controls over timekeeping have improved in Richland County since 2001, however there is still potential for abuse.”

Staff concurs with Mr. Manning's motion, and, in fact, had already planned to request a meeting of the Internal Audit Committee this month to begin the process of selecting an Internal Auditor. This function has traditionally been performed under contract, and a draft RFP (Request for Proposals) has already been completed in anticipation of this process moving forward.

Attached is a list of departments / functions which were identified in 2005 as potential areas for review. The Human Resources and Planning audits have already been completed.

Staff recommends that this item be referred to the Internal Audit Committee, consisting of the Council Chair, the A & F and D & S Committee Chairs, two citizen

appointees, and one appointment by the County Administrator. The Internal Audit Committee can then report its recommendations to the full Council for action.

**C. Financial Impact**

The cost to the County for moving forward with an Internal Auditor will be determined by the number of audits to be performed and the cost per audit. Included in the FY 12 budget is \$50,000 for the internal audit function.

**D. Alternatives**

1. Refer this item to the Internal Audit Committee for review and recommendation to the full Council.
2. Do not move forward with engaging an Internal Auditor.

**E. Recommendation**

By: Motion by Council Member Jim Manning

Date: September 6, 2011 Council Meeting

Staff concurs with Mr. Manning’s motion and recommends that this item be forwarded to the Internal Audit Committee.

**F. Reviews**

(Please replace the appropriate box with a ✓ and then support your recommendation in the Comments section before routing. Thank you!)

**Finance**

Reviewed by: Daniel Driggers

Date: 9/12/11

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Based on recommendation for Internal Audit Committee to review

**Legal**

Reviewed by: Larry Smith

Date:

Recommend Council approval

Recommend Council denial

Comments regarding recommendation:

**Administration**

Reviewed by: Tony McDonald

Date: 9/13/11

Recommend Council approval

Recommend Council denial

Comments regarding recommendation: Staff concurs with Mr. Manning’s motion and recommends that this item be forwarded to the Internal Audit Committee.

**DISCUSS RISK ASSESSMENT/POTENTIAL IA PROJECTS**

1. **Finance Department Performance Audit** – Hammett Consulting recommended further study of the Finance Department during the 2001 Countywide Management Study. Internal issues identified during the Follow-up Countywide Management Study, as well as concerns identified by the County's external auditor, indicate a high level of potential risk.
2. **Treasurer's Office Performance Audit** – Although the Treasurer's Office was outside of the scope of review of the Follow-up Study, many concerns regarding the Office were identified by County staff both during this study and the 2001 study. Operational concerns were also identified by the County's external auditor.
3. **Human Resources Performance Audit** – An efficient and effective Department of Human Resources is crucial to the overall effectiveness of Richland County government. The Department does not currently have the resources to meet the service demand and significant service delivery concerns were identified during the Follow-up Study.
4. **Planning and Development Services Performance Audit** – During the 2001 study, Planning and Development was identified as the most problematic department. Although significant improvements have been made since 2001, there are still many opportunities for improvement particularly given the expanded role of the department since implementation of the new Land Development Code.
5. **Performance Measurement Refinement** – During the 2001 Countywide Management Study, Hammett Consulting conducted a series of meetings with each department to develop base level performance measures. This was intended as a starting point for Richland County's performance measurement process. The Follow-up Study documented that many departments have made minimal progress in refining and compiling the measures since 2001.

6. **Countywide Fee Study** – Hammett Consulting is currently in the process of conducting a Countywide Fee Study for Gwinnett County, Georgia. Given the budgetary constraints in Richland County, this study could prove beneficial in ensuring that the County is collecting appropriate revenue from user fees and charges.
7. **Procurement Audit** – Within any county government, procurement is a high risk area for potential fraud and abuse. Periodic audits of procurement transactions can help reduce the likelihood of fraud. After Richland County implements procurement cards, the potential risk will increase.
8. **Timekeeping Audit** – Fraud related to timekeeping is also a potential concern for county government. Controls over timekeeping have improved in Richland County since 2001, however there is still potential for abuse.
9. **Roads and Drainage Maintenance Performance Audit** – At the beginning of 2001 Countywide Management Study fieldwork, Roads and Drainage was one of the most troubled divisions within Richland County government. County Administration made several key operational changes, and the unit had improved significantly by the end of the study process. During the Follow-up Study, a significant number of concerns were again identified within the division.
10. **Detention Center Performance Audit** – A detention center is one of the highest risk areas for any county government. Significant supervisory concerns were identified within the Richland County Detention Center during the course of the Follow-up Study.
11. **Magistrate Court Audit** – Potential internal control issues were identified during the interview process of the 2003 Court Administration Audit conducted by Hammett Consulting.
12. **Animal Care Performance Audit** – County Administration made several key operational changes within the Department during the 2001 study, and the department had improved significantly by the end of the study process. Although the Follow-up Study indicated that operations were still effective, Animal Care issues are often a major concern for citizens. Also, if consolidation of services with

the City of Columbia is not accomplished, additional resources and construction of a county animal shelter may be needed to provide the required level of service.

13. **County/City Service Consolidation Review** – Richland County and the City of Columbia have consolidated several governmental services including the Detention Center, Fire, Emergency Services, Dispatch and Business Licensing. This study would review how well these services are meeting the needs of the county and the citizens. The study could also include a review of other services which could be consolidated to enhance service delivery, such as Animal Care.
14. **Emergency Management Performance Review** – Emergency Management and Homeland Security are major concerns for county government today. Hammett Consulting is currently conducting an Emergency Management Performance Review in Gwinnett County, Georgia.
15. **Register of Deeds Audit** - A more detailed external audit of the Register of Deeds is being conducted. However, consideration should still be given to conducting an internal audit of internal controls of the Register of Deeds Office due to the amount of cash handled by the department

# Richland County Council Request of Action

## **Subject**

- a. Authorizing the Execution and Delivery of an Amendment to the Fee Agreement between Richland County, South Carolina, and a Company formerly referred to as Project Y to provide for a new effective date and millate rate; and other related matters **[FIRST READING BY TITLE ONLY]**
- b. Governmental Affairs Representative Services Contract Renewal **[PAGES 274-275]**

**SECOND AGREEMENT EXTENSION AND AMENDMENT**

Extension and Amendment of Governmental Affairs / Political Representative Services Agreement Between Richland County Government and Nelson Mullins Riley & Scarborough LLP

\*\*\*\*\*

WHEREAS, Richland County Government (hereinafter "County") and Nelson Mullins Riley and Scarborough, LLP (hereinafter "Nelson Mullins") entered into the Governmental Affairs / Political Representative Services Agreement (hereinafter "Agreement") dated the 1<sup>st</sup> day of January 2010; and

WHEREAS, the County and Nelson Mullins extended the term of the Agreement by the Agreement Extension (hereinafter "Extension") with the effective date of December 1, 2010; and

WHEREAS, the parties desire to modify and extend said Agreement and Extension;

NOW, THEREFORE, in consideration of the foregoing and intending to be legally bound hereby, the parties, on this \_\_\_\_\_ day of \_\_\_\_\_, 2011, agree as follows:

1. The term of the Agreement is hereby extended until December 31, 2012.
2. The Agreement is further amended to include the following language:

Policy on Conflicts of Interest:

Nelson Mullins shall abide by the following Conflicts of Interest Policy ("Policy"). The Policy shall apply to all officers, employees and agents of Nelson Mullins (each a "Lobbyist")

A. Nelson Mullins shall not undertake to provide lobbying services to any client seeking a particular administrative decision of County staff or vote of County Council; and

B. A Lobbyist shall not undertake to provide information on behalf of any client to any member of the County's staff or any County elected official in pursuit of a particular administrative decision or vote of County Council.

In each case, Nelson Mullins or its Lobbyists, as the case may be, may undertake the representation of a client seeking a particular administrative decision of the County's staff or vote of County Council upon receipt of the written consent of the County. The rules set forth in the Policy shall apply to Nelson Mullins and its Lobbyists in addition to any applicable State law or rules of professional conduct.

Initials \_\_\_\_\_ / \_\_\_\_\_

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3. In all other respects, the Agreement shall remain in full force and effect.
4. This Second Agreement Extension and Amendment may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which shall constitute a single instrument.
5. This Second Agreement Extension and Amendment and all amendments or additions hereto shall be binding upon and fully enforceable against the successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their names and their corporate seals to be hereunto affixed the day and year first written above.

NELSON MULLINS

RICHLAND COUNTY GOVERNMENT

By: \_\_\_\_\_  
Authorized Signature

By: \_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Print / Type Name

Rodolfo A. Callwood  
\_\_\_\_\_  
Print / Type Name

\_\_\_\_\_  
Title

Director/Contracting Officer  
\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature Attest for Company

\_\_\_\_\_  
Signature Attest for Richland County

\_\_\_\_\_  
Print or Typed Name and Title

\_\_\_\_\_  
Print or Typed Name and Title

Initials \_\_\_\_\_ / \_\_\_\_\_

Item# 33

# Richland County Council Request of Action

**Subject**

Airport Commission-3 [Merrill Donahoo, 12/18/11; Russell Goudelock, 12/18/11\*; Don Purcell, 12/18/11\*]

# Richland County Council Request of Action

**Subject**

Lexington/Richland Alcohol and Drug Abuse Council-2 [Timothy D. Harbeson, 12/31/11\*; Marilyn M. Matheus, 12/31/11\*]

# Richland County Council Request of Action

**Subject**

Richland Memorial Hospital Board-4 [Roslyn Woodson Frierson, 12/31/11\*; James L. Hudgins, 12/31/11; Gerald Isreal, 12/31/11\*; James C. Reynolds]

# Richland County Council Request of Action

**Subject**

Accommodations Tax Committee-2 (need one person from Hospitality and one person from Lodging) [no applications were received]

# Richland County Council Request of Action

**Subject**

Appearance Commission-2 (need a licensed horticulturalist and landscaper) [no applications were received]

# Richland County Council Request of Action

**Subject**

Board of Assessment Control-1 [no applications were received]

# Richland County Council Request of Action

**Subject**

Board of Zoning Adjustments and Appeals-4 [applications were received from Joshua A. McDuffie\*; Elaine T. Perrine; Torrey Rush\*; William Smith\*; Mike Spearman] **[PAGES 283-292]**



APPLICATION FOR SERVICE ON RICHLAND COUNTY COMMITTEE, BOARD OR COMMISSION

Applicant must reside in Richland County.

Name: JOSHUA ALEX MCDUFFIE
Home Address: 2417 MARION STREET
Telephone: (home) 803 606 2015 (work) 803 895 4418
Office Address: 524 SHAW DR. STE 137 SHAW AFB, SC 29152
Email Address: joshua\_mcduffie@yahoo.com
Educational Background: BA, MBA, PHD GEOGRAPHY, USC
Professional Background: GIS, REAL ESTATE, GOVERNMENT
Male [checked] Female [ ] Age: 18-25 [ ] 26-50 [checked] Over 50 [ ]
Name of Committee in which interested: BOARD OF ZONING APPEALS
Reason for interest: INTEREST IN ZONING AND LAND DEVELOPMENT

Your characteristics/qualifications, which would be an asset to Committee, Board or

Commission:

KNOWLEDGE OF ZONING, LAND USE & DEVELOPMENT, QUALITY OF LIFE & CODE ENFORCEMENT, HONEST, PROFESSIONAL, FAIR, HARD WORKING

Presently serve on any County Committee, Board or Commission? YES, RICHLAND CO. BZA

Any other information you wish to give?

Recommended by Council Member(s): JACKSON

Hours willing to commit each month: ANY

CONFLICT OF INTEREST POLICY

It is the policy of Richland County to require disclosure of any personal or financial interest that may be influenced by decisions of the Committee, Board or Commission for which any citizen applies for membership.

Such conflict of interest does not preclude service but shall be disclosed before appointment. The Clerk of Council shall be notified of any change on an annual basis and members of all Committees, Boards or Commissions shall be required to abstain from voting or influencing through discussion or debate, or any other way, decisions of the Committee, Board or Commission affecting those personal and financial interests.

All statements so filed shall be signed and verified by the filer. The verification shall state that the filer has used all reasonable diligence in its preparation, and that to the best of his or her knowledge, it is true and complete.

Any person who willfully files a false or incomplete statement of disclosure or no change of condition, or who willfully fails to make any filing required by this article, shall be subject to such discipline, including censure and disqualification from the Committee, Board or Commission, by majority vote of the council.

*Have you been convicted or pled no contest of a crime other than minor traffic violations; checking yes does not automatically preclude you from consideration for appointment.*

Yes \_\_\_\_\_ No

**STATEMENT OF FINANCIAL OR PERSONAL INTERESTS**

Do you have any financial or personal interest in any business or corporation (profit or not-for-profit) that could be potentially affected by the actions of the Committee, Board or Commission?

Yes \_\_\_\_\_ No

If so, describe: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Joshua A. Murphy  
Applicant's Signature

10/4/2011  
Date

**Return to:**  
**Clerk of Council, Post Office Box 192, Columbia, SC 29202.**  
**For information, call 576-2060.**

**One form must be submitted for each Committee, Board or Commission on which you wish to serve.**

**Applications are current for one year.**

Staff Use Only	
Date Received: _____	Received by: _____
Date Sent to Council: _____	
Status of Application: <input type="checkbox"/> Approved <input type="checkbox"/> Denied <input type="checkbox"/> On file	Item# 40



APPLICATION FOR SERVICE ON RICHLAND COUNTY COMMITTEE, BOARD OR COMMISSION

Applicant must reside in Richland County.

Name: Elaine T. Perrine

Home Address: 27 Richland Farms Rd., Hopkins, SC 29061

Telephone: (home) 776-9392 (work) n/a

Office Address: n/a

Email Address: n/a

Educational Background: BA in Business Administration

Professional Background: Varied business/public related employment (35+ yrs.)

Male [ ] Female [x] Age: 18-25 [ ] 26-50 [ ] Over 50 [x]

Name of Committee in which interested: Board of Zoning Appeals

Reason for interest: would like to represent the citizens of Richland Cty. (reappointment if possible)

Your characteristics/qualifications, which would be an asset to Committee, Board or Commission: Served on BOZA 1994 to 2000, Nov. 2005 to Oct. 2011

Presently serve on any County Committee, Board or Commission? No - as of Oct 7, 2011

Any other information you wish to give? resided in Richland Cty since 1980

Recommended by Council Member(s): originally in 2005 by Tony Mizzell

Hours willing to commit each month: necessary hrs. needed

CONFLICT OF INTEREST POLICY

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*Have you been convicted or pled no contest of a crime other than minor traffic violations; checking yes does not automatically preclude you from consideration for appointment.*

Yes \_\_\_\_\_ No  \_\_\_\_\_

**STATEMENT OF FINANCIAL OR PERSONAL INTERESTS**

Do you have any financial or personal interest in any business or corporation (profit or not-for-profit) that could be potentially affected by the actions of the Committee, Board or Commission?

Yes \_\_\_\_\_ No  \_\_\_\_\_

If so, describe: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Eraine J. Perrine  
Applicant's Signature

Oct. 10, 2011  
Date

**Return to:**  
**Clerk of Council, Post Office Box 192, Columbia, SC 29202.**  
**For information, call 576-2060.**

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2



**APPLICATION FOR SERVICE ON RICHLAND COUNTY COMMITTEE, BOARD OR COMMISSION**

**Applicant must reside in Richland County.**

Name: Torrey Rush  
Home Address: 409 Burnwood Court Columbia, SC 29203  
Telephone: (home) (803) 786-9101 (work) (803) 397-1203  
Office Address: 1612 Marion Street Ste 312 Columbia, SC 29201  
Email Address: torrey@edrush11e.com  
Educational Background: B.S. Degree Liberty University  
Professional Background: Commercial Real Estate

Male  Female  Age: 18-25  26-50  Over 50

Name of Committee in which interested: Board of Zoning Appeal  
Reason for interest: To continue to move County forward. Serve a successful first term

Your characteristics/qualifications, which would be an asset to Committee, Board or

Commission:

I have been able to analyze cases and make decisions base on our County Ordinance

Presently serve on any County Committee, Board or Commission? BOZA

Any other information you wish to give? I am very interest in serving again

Recommended by Council Member(s): \_\_\_\_\_

Hours willing to commit each month: Time necessary to get job done

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*Have you been convicted or pled no contest of a crime other than minor traffic violations; checking yes does not automatically preclude you from consideration for appointment.*

Yes \_\_\_\_\_ No  \_\_\_\_\_

**STATEMENT OF FINANCIAL OR PERSONAL INTERESTS**

Do you have any financial or personal interest in any business or corporation (profit or not-for-profit) that could be potentially affected by the actions of the Committee, Board or Commission?

Yes \_\_\_\_\_ No  \_\_\_\_\_

If so, describe: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

  
Applicant's Signature

10/4/11  
Date

**Return to:**  
**Clerk of Council, Post Office Box 192, Columbia, SC 29202.**  
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Status of Application:	<input type="checkbox"/> Approved	<input type="checkbox"/> Denied <input type="checkbox"/> On file

Item# 40



**APPLICATION FOR SERVICE ON RICHLAND COUNTY COMMITTEE, BOARD OR COMMISSION**

**Applicant must reside in Richland County.**

Name: William Wallace Smith Sr.

Home Address: 108 Birch Hollow Dr. Columbia SC 29229

Telephone: (home) 803-736-4923 (work) 803-446-9090

Office Address: P.O. Box 292215 Columbia SC 29229

Email Address: willestate@gmail.com

Educational Background: \_\_\_\_\_

Professional Background: Real Estate, Finance,

Male  Female  Age: 18-25  26-50  Over 50

Name of Committee in which interested: Board of Zoning Appeals

Reason for interest: Term Renewal

Your characteristics/qualifications, which would be an asset to Committee, Board or Commission:

Experience from prior term, communication and problem solving know how.

Presently serve on any County Committee, Board or Commission? BOZA

Any other information you wish to give? I Appreciate & Respect my position of the Board.

Recommended by Council Member(s): \_\_\_\_\_

Hours willing to commit each month: 10

**CONFLICT OF INTEREST POLICY**

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*Have you been convicted or pled no contest of a crime other than minor traffic violations; checking yes does not automatically preclude you from consideration for appointment.*

Yes \_\_\_\_\_ No X \_\_\_\_\_

#### STATEMENT OF FINANCIAL OR PERSONAL INTERESTS

Do you have any financial or personal interest in any business or corporation (profit or not-for-profit) that could be potentially affected by the actions of the Committee, Board or Commission?

Yes \_\_\_\_\_ No X \_\_\_\_\_

If so, describe: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

  
Applicant's Signature

10-20-2011  
Date

**Return to:**  
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**For information, call 576-2060.**

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Status of Application: <input type="checkbox"/> Approved <input type="checkbox"/> Denied <input type="checkbox"/> On file	Item# 40

2



APPLICATION FOR SERVICE ON RICHLAND COUNTY COMMITTEE, BOARD OR COMMISSION

Applicant must reside in Richland County.

Name: Mike Spearman
Home Address: 627 Teardrop Lane Cola SC 29229
Telephone: (home) 803-754-3840 (work) N/A
Office Address: N/A
Email Address: spearmanpenelope@aol.com
Educational Background: Some College
Professional Background: Retired Land Use Inspector / Code Enforcement Officer
Male [checked] Female [ ] Age: 18-25 [ ] 26-50 [ ] Over 50 [checked]
Name of Committee in which interested: Board of Zoning Appeals
Reason for interest: Worked in the Planning & Development Services Dept. since Aug. 1988 to Aug. 2011 (Retired)
Your characteristics/qualifications, which would be an asset to Committee, Board or Commission: It would be an honor to serve on this Board. I would bring over 20 years knowledge of zoning experience if appointed.
Presently serve on any County Committee, Board or Commission? No
Any other information you wish to give?
Recommended by Council Member(s):
Hours willing to commit each month: what ever it takes

CONFLICT OF INTEREST POLICY

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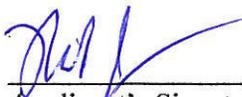
Yes \_\_\_\_\_ No \_\_\_\_\_

**STATEMENT OF FINANCIAL OR PERSONAL INTERESTS**

Do you have any financial or personal interest in any business or corporation (profit or not-for-profit) that could be potentially affected by the actions of the Committee, Board or Commission?

Yes \_\_\_\_\_ No \_\_\_\_\_

If so, describe: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

  
\_\_\_\_\_  
Applicant's Signature

9/30/11  
\_\_\_\_\_  
Date

**Return to:**  
**Clerk of Council, Post Office Box 192, Columbia, SC 29202.**  
**For information, call 576-2060.**

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**Applications are current for one year.**

Staff Use Only	
Date Received: _____	Received by: _____
Date Sent to Council: _____	
Status of Application: <input type="checkbox"/> Approved <input type="checkbox"/> Denied <input type="checkbox"/> On file	

Item# 40

# Richland County Council Request of Action

**Subject**

Building Codes Board of Adjustments and Appeals-3 (needed, one licensed electrician and two from the fire protection industry) [no applications were received]

# Richland County Council Request of Action

**Subject**

Business Service Center Appeals Board-1 (CPA preferred) [no applications were received]

# Richland County Council Request of Action

**Subject**

Internal Audit Committee-1 [no applications were received]

# Richland County Council Request of Action

**Subject**

Music Festival Board-2 [applications were received from Jan Baker\*; Gerron Cunningham] **[PAGES 297-301]**



**APPLICATION FOR SERVICE ON RICHLAND COUNTY  
COMMITTEE, BOARD OR COMMISSION**

**Applicant must reside in Richland County.**

Name: Jan M. Baker

Home Address: 1450 Wildflower Road, Blythewood, SC 29016

Telephone: (home) (803) 786-7131 (work) (803) 777-7737

Office Address: University of South Carolina, 701 Main Street, Columbia, SC 29208

Email Address: jbaker7151@aol.com

Educational Background: BA, English, Winthrop University; JD, Univ. of S.C. School of Law

Professional Background: Attorney; Legal Writing Instructor (USC Law Faculty)

Male      Female       Age: 18-25      26-50       Over 50

Name of Committee in which interested: Columbia Music Festival Association CMFA)

Reason for interest: I currently serve as a County Appointee on the CMFA Board, and I have enjoyed serving the community through this fine organization. The CMFA does a wonderful job of bringing the arts to the community. The citizens of Richland County are very fortunate to have access to such an engaging and creative venue. I would appreciate the opportunity to continue to work with this organization as a County Appointee.

Your characteristics/qualifications, which would be an asset to Committee, Board or Commission:

I believe my experience with CMFA and my support of its mission in Richland County are assets to the Association. I endeavor to continue as an ambassador to promote the good work of the CMFA.

Presently serve on any County Committee, Board or Commission? Yes, current Richland County appointee on CMFA Board

Any other information you wish to give? None

Recommended by Council Member(s): Councilwoman Joyce Dickerson

Hours willing to commit each month: I am available as needed for meetings and CMFA community events.

**CONFLICT OF INTEREST POLICY**

It is the policy of Richland County to require disclosure of any personal or financial interest that may be influenced by decisions of the Committee, Board or Commission for which any citizen applies for membership.

Such conflict of interest does not preclude service but shall be disclosed before appointment. The Clerk of Council shall be notified of any change on an annual basis and members of all Committees, Boards or Commissions shall be required to abstain from voting or influencing through discussion or debate, or any other way, decisions of the Committee, Board or Commission affecting those personal and financial interests.

All statements so filed shall be signed and verified by the filer. The verification shall state that the filer has used all reasonable diligence in its preparation, and that to the best of his or her knowledge, it is true and complete.

Any person who willfully files a false or incomplete statement of disclosure or no change of condition, or who willfully fails to make any filing required by this article, shall be subject to such discipline, including censure and disqualification from the Committee, Board or Commission, by majority vote of the council.

Have you been convicted or pled no contest of a crime other than minor traffic violations; checking yes does not automatically preclude you from consideration for appointment.

Yes \_\_\_\_\_ No   X  

**STATEMENT OF FINANCIAL OR PERSONAL INTERESTS**

Do you have any financial or personal interest in any business or corporation (profit or not-for-profit) that could be potentially affected by the actions of the Committee, Board or Commission?

Yes \_\_\_\_\_ No   X  

If so, describe: N/A  
\_\_\_\_\_  
\_\_\_\_\_

  
\_\_\_\_\_  
Applicant's Signature

October 24, 2011  
Date

**Return to:  
Clerk of Council, Post Office Box 192, Columbia, SC 29202.  
For information, call 576-2060.**

**One form must be submitted for each Committee, Board or Commission on which you wish to serve.**

**Applications are current for one year.**

<b>Staff Use Only</b>	
Date Received: _____	Received by: _____
Date Sent to Council: _____	
Status of Application:	<input type="checkbox"/> Approved <input type="checkbox"/> Denied <input type="checkbox"/> On file



**APPLICATION FOR SERVICE ON RICHLAND COUNTY  
COMMITTEE, BOARD OR COMMISSION**

**Applicant must reside in Richland County.**

Name: Gerron Cunningham

Home Address: 300 Galbra St 29209

Telephone: (home) 695-2800 (work) \_\_\_\_\_

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

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

Educational Background: Dreher High class of 2000, Attended Midlands Tech

Professional Background: Textile and Warehouse work

Male  Female  Age: 18-25  26-50  Over 50

Name of Committee in which interested: Music Festival

Reason for interest: I want to be involved in bringing diverse music to the people of Richland County

Your characteristics/qualifications, which would be an asset to Committee, Board or Commission:

I love music and listening to all different types

Presently serve on any County Committee, Board or Commission? No

Any other information you wish to give? \_\_\_\_\_

Recommended by Council Member(s): Norman Jackson

Hours willing to commit each month: As many as needed

**CONFLICT OF INTEREST POLICY**

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Such conflict of interest does not preclude service but shall be disclosed before appointment. The Clerk of Council shall be notified of any change on an annual basis and members of all Committees, Boards or Commissions shall be required to abstain from voting or influencing through discussion or debate, or any other way, decisions of the Committee, Board or Commission affecting those personal and financial interests.

All statements so filed shall be signed and verified by the filer. The verification shall state that the filer has used all reasonable diligence in its preparation, and that to the best of his or her knowledge, it is true and complete.

Any person who willfully files a false or incomplete statement of disclosure or no change of condition, or who willfully fails to make any filing required by this article, shall be subject to such discipline, including censure and disqualification from the Committee, Board or Commission, by majority vote of the council.

*Have you been convicted or pled no contest of a crime other than minor traffic violations; checking yes does not automatically preclude you from consideration for appointment.*

Yes \_\_\_\_\_ No ✓ \_\_\_\_\_

**STATEMENT OF FINANCIAL OR PERSONAL INTERESTS**

Do you have any financial or personal interest in any business or corporation (profit or not-for-profit) that could be potentially affected by the actions of the Committee, Board or Commission?

Yes \_\_\_\_\_ No ✓ \_\_\_\_\_

If so, describe: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Debraun Lemmingh  
Applicant's Signature

10/20/2011  
Date

**Return to:**  
**Clerk of Council, Post Office Box 192, Columbia, SC 29202.**  
**For information, call 576-2060.**

**One form must be submitted for each Committee, Board or Commission on which you wish to serve.**

**Applications are current for one year.**

<b>Staff Use Only</b>	
Date Received: _____	Received by: _____
Date Sent to Council: _____	
Status of Application:	<input type="checkbox"/> Approved <input type="checkbox"/> Denied <input type="checkbox"/> On file

2

Item# 44

Attachment number 2  
Page 2 of 2

# Richland County Council Request of Action

**Subject**

When speaking during the citizen's input portion of council meetings, persons currently serving on Richland County Commissions of any kind are not allowed to use their title or the commission name unless they have received unanimous consent from the commission to do so **[MALINOWSKI] [PAGES 303-304]**

- 7) Report of County Administrator: The County Administrator shall make recommendations or announcements concerning county affairs; but no action shall be taken on any item without proper notice, except in case of extreme emergency.
- 8) Report of Clerk of Council: The Clerk of Council shall make announcements, if any, concerning county affairs.
- 8.5) Report of the Chair: The Chair of Council shall make announcements if any, concerning county affairs.
- 9) Presentations: The party requesting to make the presentation shall set forth 1) the name of the person, group, association or entity making the presentation, 2) the name and contact information for the presenter(s) of spokesperson(s) thereof, and 3) the substance of the presentation. Absent unusual circumstances, the request should be no more than one page in length and should be timely submitted (i.e., in advance of the agenda deadline for the meeting wherein the matter is intended to appear as a presentation “request”) to the Clerk’s Office. Presentations shall be limited to five (5) minutes per presentation, and shall be heard on the third Tuesday of the month. Presentations of time sensitive matters, as determined by the Chair or Vice-Chair in his absence, of Council may be heard at any regular or special called meeting of Council. All presentation, regardless of topic, shall be approved by the Chair before placement on any Council agenda. No presentation shall be heard which is not on the Council agenda prior to the start of the meeting. No more than three presentations will be allowed at each meeting. The purpose of this rule is so that Council may plan its meetings accordingly, given the variety of presentations and lengths thereof, and to assess the merits of a given presentation. Presentations shall not be used to request funding or resources support from the County.
- 10) Public Hearings: Each citizen who has “signed up” may speak to Council concerning an item for which there is a public hearing for up to 2 minutes; provided, however, the entire public hearing time for any one item shall not exceed 30 minutes. Any material that a citizen intends to present to Council, including audio and visual presentations, must be approved by the Clerk of Council prior to the meeting. Exceptions may be made with the consent of a simple majority of those Council members present. The Chair will request that in the event a citizen who has signed up to speak intends to speak, or does speak, on behalf of any group, association, community or anyone besides or in addition to himself or herself, that the speaker advise Council during his or her public hearing input of that fact, and name or identify anyone else for whom the citizen is speaking or represents.
- 11) Consent items: Items shall consist of those matters that do not require further discussion by Council that have been forwarded to Council by the unanimous vote of the Committee. Any member of Council can remove an item from the Consent Agenda prior to adoption of the agenda. The Chair has the discretion to place items on the Consent Agenda, if in the judgement of the Chair; those items are unlikely to be debated.
- 12) Third reading: final approval of Ordinances.
- 13) Second reading.

- 14) Requests by Council members: items may include those that were defeated (or deferred beyond 90 days) by committee and reintroduced by three Council Members' signatures.
- 15) Second Citizen Input: Any citizen who wishes to introduce an item for consideration not currently under Council's consideration or bring a concern to Council's attention may speak for no more than two minutes; provided, however, the entire second citizen input time shall not last longer than 30 minutes. Items for which a public hearing is required or has been scheduled cannot be addressed at this time. Exceptions may be made with the consent of a simple majority of those Council members present. The Chair will request that in the event a citizen who has signed up to speak intends to speak, or does speak, on behalf of any group, association, community or anyone besides or in addition to himself or herself, that the speaker advise Council during his or her citizen input of that fact, and name or identify anyone else for whom the citizen is speaking or represents.
- 16) Second County Attorney's Report of Executive Session items: The County Attorney shall report on the remaining Executive Session items. Council shall move to take action or to receive as information each item that has been discussed in executive session.
- 17) Motion period/Announcements: Any Council member may make an announcement or introduce an item (excluding resolutions) for referral to a Committee. However, any Council member wishing to make a motion during the "motion period" must have transmitted a written request to the Clerk's Office by the deadline for posting the agenda of a regularly scheduled meeting of Council in accordance with the South Carolina Freedom of Information Act (i.e., twenty-four hours prior to such meeting) so that the nature of the motion appears on the agenda. Motions for resolutions and ordinances may be referred to a Committee for further deliberation or, by unanimous consent, the resolution shall be deemed adopted or the ordinance may be sent forward for second reading. Further, any Council member may make a motion directing the county administrator to take action on a county-related matter; and upon approval of a majority of members present and voting, the county administrator shall act upon the directive given.

When referring an item to committee, a Council Member must specify the intent of his or her motion. The Council Member may:

- a) Refer an item to a committee for action.
- b) Refer an item to a committee for discussion.
- c) Refer an item to committee for the purpose of receiving information or an update from staff and/or legal.
- d) Refer an item to committee for a presentation.
- e) Any Council member may make a motion directing the county administrator to take action on a county-related matter; and upon approval of a majority of members present and voting, the county administrator shall act upon the directive given.

# Richland County Council Request of Action

**Subject**

A Resolution to Appoint and Commission George Ricardo Carroll as a Code Enforcement Officer for the proper security, general welfare, and convenience of Richland County **[PAGE 306]**



# Richland County Council Request of Action

**Subject**

A Resolution to Appoint and Commission Travis Shane Conrad as a Code Enforcement Officer for the proper security, general welfare, and convenience of Richland County **[PAGE 308]**

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF RICHLAND )

**A RESOLUTION OF THE  
RICHLAND COUNTY COUNCIL**

**A RESOLUTION TO APPOINT AND COMMISSION TRAVIS SHANE CONRAD  
AS A CODE ENFORCEMENT OFFICER FOR THE PROPER SECURITY,  
GENERAL WELFARE, AND CONVENIENCE OF RICHLAND COUNTY.**

**WHEREAS**, the Richland County Council, in the exercise of its general police power, is empowered to protect the health and safety of the residents of Richland County; and

**WHEREAS**, the Richland County Council is further authorized by Section 4-9-145 of the Code of Laws of South Carolina 1976, as amended, to appoint and commission as many code enforcement officers as may be necessary for the proper security, general welfare, and convenience of the County;

**NOW, THEREFORE, BE IT RESOLVED THAT** Travis Shane Conrad is hereby appointed and commissioned a Code Enforcement Officer of Richland County for the purpose of providing for the proper security, general welfare, and convenience of the County, replete with all the powers and duties conferred by law upon constables, in addition to such duties as may be imposed upon him by the governing body of this County, including the enforcement of the County's animal care regulations, and the use of an ordinance summons, and with all the powers and duties conferred pursuant to the provisions of Section 4-9-145 of the Code of Laws of South Carolina 1976, as amended. Provided, however, Travis Shane Conrad shall not perform any custodial arrests in the exercise of his duties as a code enforcement officer. This appointment shall remain in effect only until such time as Travis Shane Conrad is no longer employed by Richland County to enforce the County's animal care regulations.

**ADOPTED THIS THE 1st DAY OF NOVEMBER, 2011.**

\_\_\_\_\_  
Paul Livingston, Chair  
Richland County Council

Attest: \_\_\_\_\_  
Michelle Onley  
Interim Clerk of Council

# Richland County Council Request of Action

**Subject**

**REPORT OF THE FIRE AD HOC COMMITTEE**

# Richland County Council Request of Action

**Subject**

**REPORT OF THE REGIONAL RECREATION COMPLEX AD HOC COMMITTEE**

- a. Work Authorization #3 **[ACTION]**
- b. Work Authorization #4 **[ACTION]**

# Richland County Council Request of Action

## **Subject**

a. Resolutions honoring the Spann Watson Chapter, Tuskegee Airmen Inc.: Major General Irene Trowell-Harris, US Air Force Retired; Brigadier General Darlene M. Goff, SC Army National Guard; Lieutenant Colonel Rose Fitchett, US Army Retired; Command Sergeant Major Teresa L. King, US Army [LIVINGSTON]

b. That a policy be created regarding how to deal with approved grants prior to budget time and again at budget time when grants have been reduced or eliminated. When the grant ends Richland County will not provide additional funds in that agency's budget and they will have to absorb it if they want to keep it. [MALINOWSKI]

c. Motion that Council rules be amended such that when 5 or fewer people are signed up to speak to a non-agenda item they be allowed to speak after those speaking to an agenda item have finished (towards the beginning of the meeting). If 6 or more people are signed up to speak on a non-agenda item then Council's current rule will take affect. (HUTCHINSON, JACKSON, ROSE)

Rationale: This motion is submitted in the interest of making Council meetings more citizen friendly to those who wish to speak. This motion is designed to allow a small number of citizens wishing to speak to a non-agenda item to do so without the hardship of having to wait for the entire Council meeting to finish before having the opportunity to speak on an issue. This motion will still give affect to the current rule but allow a small number of citizens (5 or fewer) wishing to speak to a non-agenda item the courtesy of speaking without having to wait potentially hours for the current non-agenda citizen input portion of our Council meetings.

# Richland County Council Request of Action

**Subject**

Must Pertain to Items Not on the Agenda