



JASPER COUNTY COUNCIL VIRTUAL WORKSHOP

Jasper County
Clementa C. Pinckney Government Bldg
358 3rd Avenue
Ridgeland, SC 29936
February 3, 2021
Official Minutes

Officials Present: Chairwoman Barbara B. Clark, Councilman L. Martin Sauls, Councilman Pastor Alvin Adkins and Councilman John Kemp.

Officials Absent: Vice Chairman Dr. Curtis Brantley

Staff Present: County Administrator Andrew Fulghum, Clerk to Council Wanda H. Simmons, County Attorney David Tedder, Administrative Services Director Kimberly Burgess, and Jonathan Dunham.

Others Present: AML, Alan Linkous, Maik Aagaard, Ocie Vest

Call to Order: Chairwoman Clark called the meeting to order at approximately 3:00 PM.

Clerk of County Council, Wanda Simmons read the report of compliance with the Freedom of Information Act for the record.

Invocation and Pledge of Allegiance:

The invocation was given by Councilman Adkins and the Pledge of Allegiance was led by Councilman Kemp.

Presentation:

Presentation and discussion of Exit 3 Tax Increment Financing (TIF) and related matters.

Chairwoman Clark turned the meeting over to County Administrator Andrew Fulghum. Mr. Fulghum introduced Mr. David Tedder, County Attorney, Administrative Services Director Kimberly Burgess, Mr. Alan Linkous and Mr. Steve Howell of Howell, Linkous and Nettles who are our Special Council that works on our economic development matters for the County.

Mr. Fulghum asked Mr. Ocie Vest to please introduce his staff with him today. Mr. Vest said he was there representing Stratford Land and the Riverport Exit 3 project. He introduced Mr. Robert Unell also representing Stratford Land, Mr. George Bullwinkel and Mr. Alan Lipsitz with Nexsen Pruet; Mr. Maik Aagaard with DPFG.

Mr. Ocie Vest noted that they had been before Council several times talking about Riverport and talking about Exit 3. He said they were excited about the fact that they do have the approval for funding and that they have DOT approval of the Exit replan. He said those plans have now been forwarded to Federal Highway Department for their approval. He noted that this is part of the process is quickly winding up and this is called the IJR or Interstate Justification Report.

He said they very close to winding up 404 permitting for Riverport and Exit 3 and these things are coming to a close. He mentioned that they are still coordinating with the State Infrastructure Bank with the (IGA) Intergovernmental Agreement. He said they have going back and forth with the letters of intent and are now waiting on the IGA itself. He also noted that the SC DOT is working with the City of Hardeeville to work out how the construction management of Exit 3 will work and noted that they expect that agreement soon. He said they still have a few documents to go but wanted to come back to Council to update them with this presentation on the changes on the financial portion of the project which is included in the presentation they have prepared. It was noted that sides 1-7 were presented at the last meeting with council and had been left in this presentation copy for the new Councilmembers in case they wanted it. A copy of this presentation is attached as Attachment "A" for further information relating to these minutes.

Motion to adjourn: Councilman Kemp

Second: Councilman Adkins

Vote: Unanimous

The motion passed.

The workshop adjourned.

Respectfully submitted:



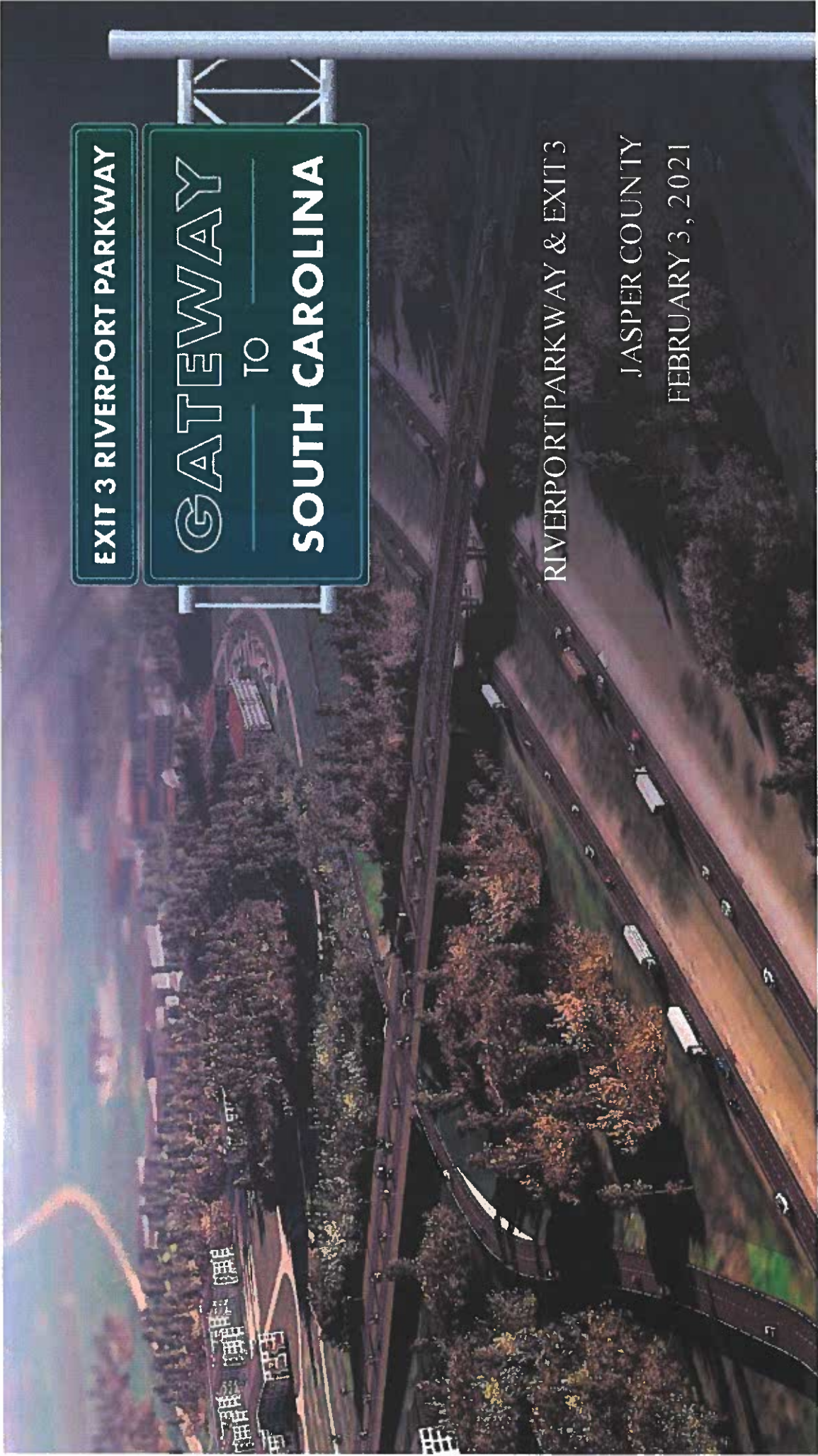
Wanda H. Simmons
Clerk to Council

Approved:



Barbara B. Clark
Chairwoman

Attachment "A"



RIVERPORT PARKWAY & EXIT 3

JASPER COUNTY

FEBRUARY 3, 2021

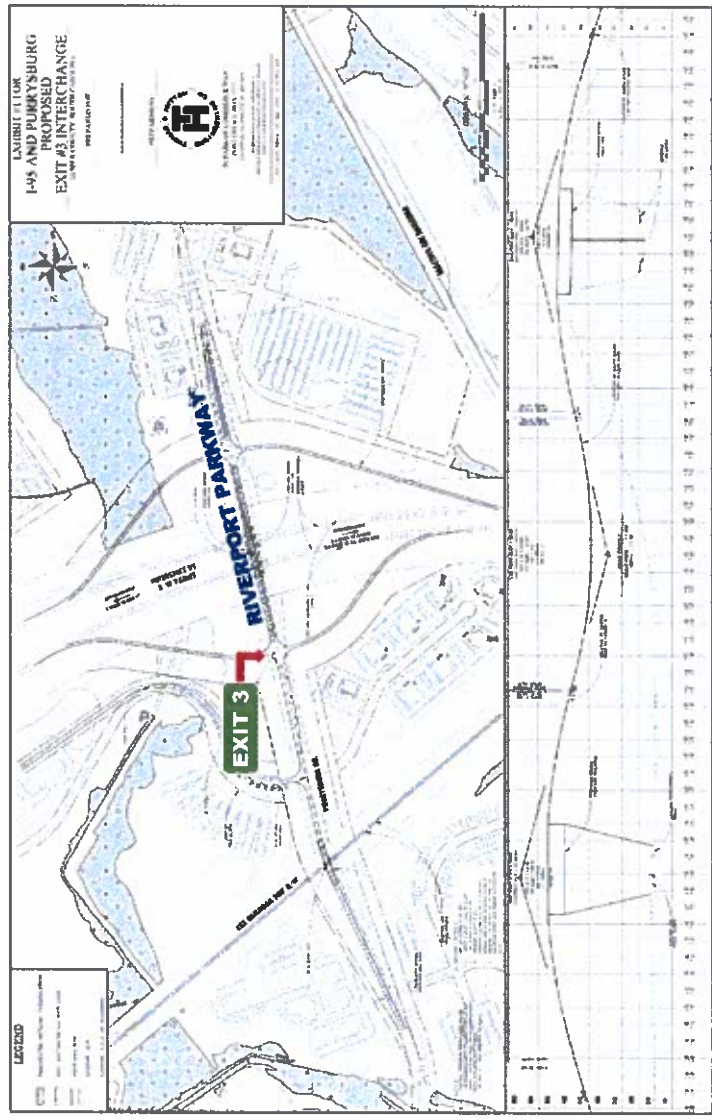
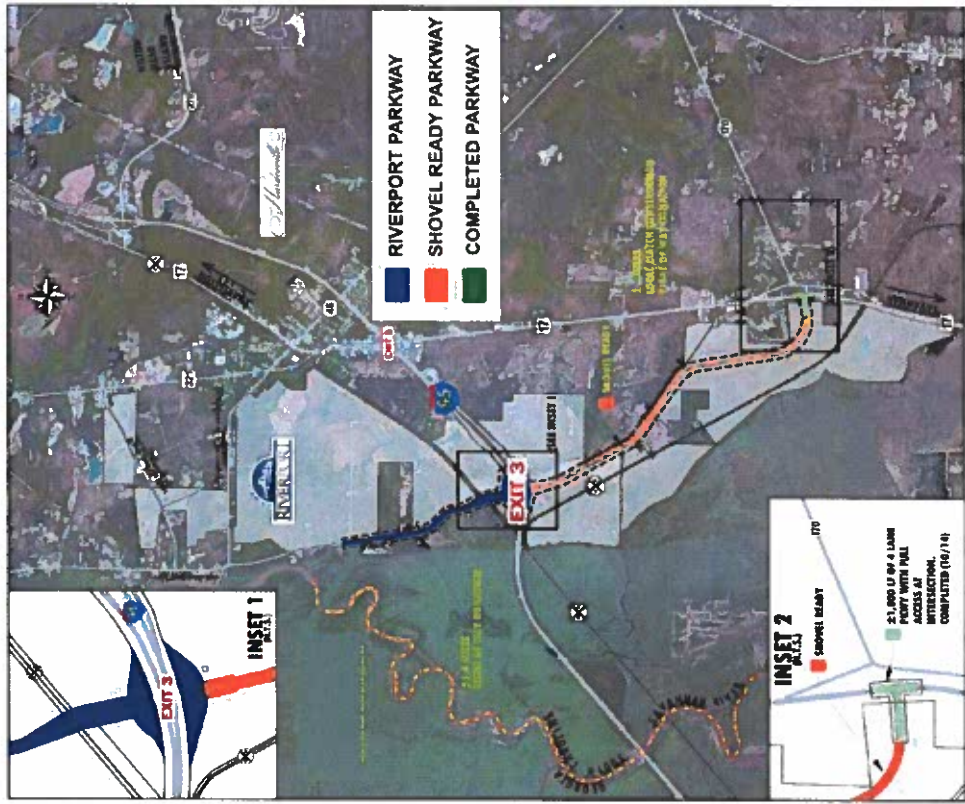
PROJECT TEAM

Project Team (Attending Virtually)

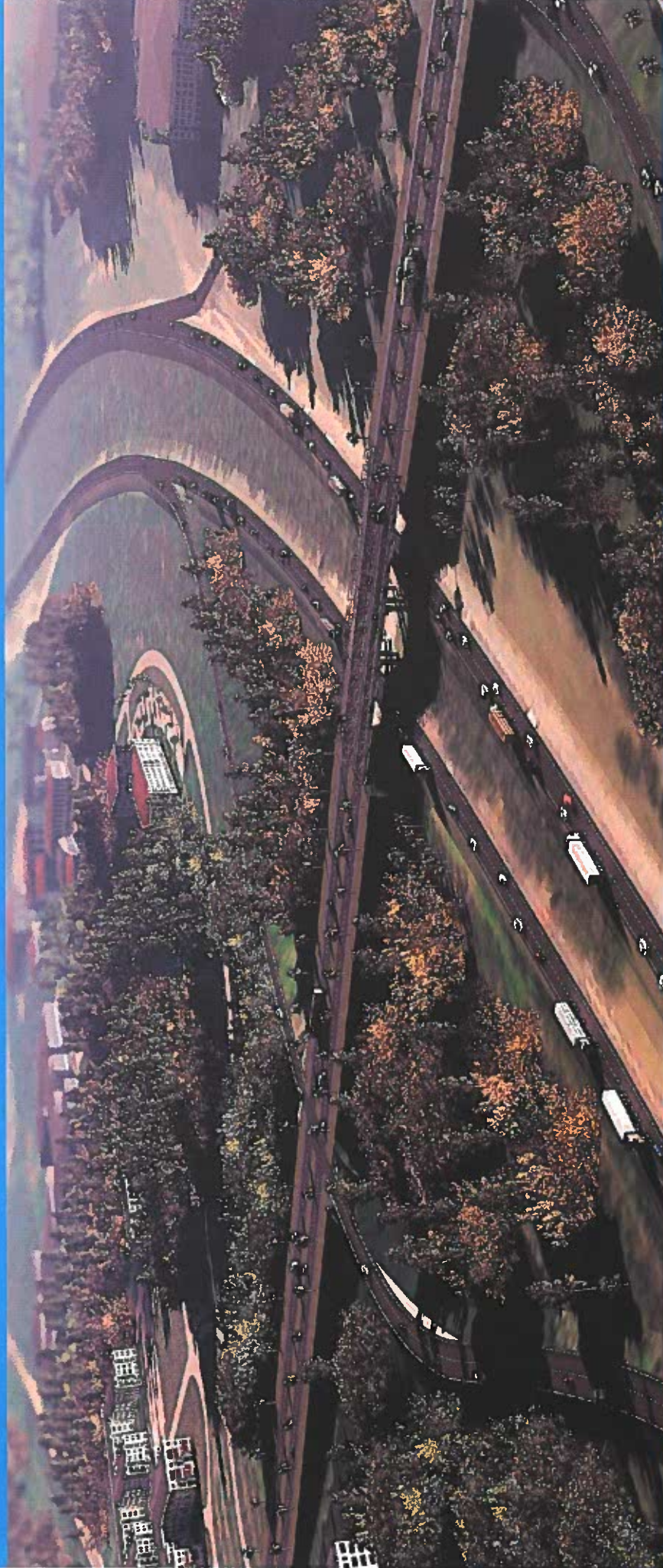
- **Attorney** – Nexsen Pruet – George Bullwinkel and Alan Lipsitz
- **Financial Analyst** – Development Planning & Financing Group – Maik Aagaard & Lucy Gallo
- **Property owner** – SLF III Hardeeville – Robert Unell and Ocie Vest
- **Developer** – Gramling Brothers – Mikell Harper and Doug Smith
- **Civil Engineer** – Thomas & Hutton – Lamar Mercer

EXIT 3 RIVERPORT PARKWAY
GATEWAY
 TO
 SOUTH CAROLINA

PROJECT LOCATION



I-95 EXPANSION : GOVERNOR'S MANDATE TO EXPAND UNDERWAY



PROPOSED EXIT 3 & RIVERPORT PARKWAY

EXIT 3 RIVERPORT PARKWAY

GATEWAY
TO
SOUTH CAROLINA

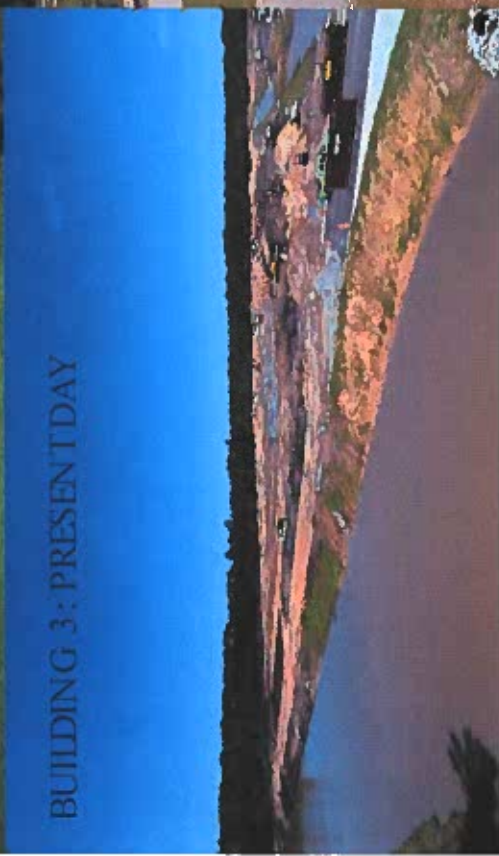
RIVERPORT COMMERCE PARK PHASE 1 & 2



BUILDING 1: RENDERING



BUILDING 1: PRESENT DAY



BUILDING 3: PRESENT DAY

ECONOMIC ADVANTAGES



STRATEGIC ADVANTAGES

- **10 Year Corporate Income Tax Moratorium** for companies creating 100 new full-time jobs if 90% of taxpayer's statewide investment is in Jasper County
- **Job Tax Credits** of \$21,250 per job, per year (Base Level of \$20,250 + \$1,000 for the Multi-County Industrial Park Designation)
- **No Inventory Tax**
- **Fee-in-Lieu of Taxes Agreement in Place. 30 year term.** Property Taxes Fixed at Levels Equal to or Below Properties in Close Proximity to GPA on Georgia Side of Savannah River
- **Competitive Incentives** for Distribution Tenants, not just Manufacturing
- **Abundant and Highly-Motivated Workforce** Who Will Find Shorter Commute and More Predictable Compensation Appealing
- **Zoned** for Distribution & Manufacturing
- **Adjacent to currently inactive CSX Rail**
- **Can Accommodate Yard Space or Large Parking Requirements**
- **Palmetto Breeze Commuter Bus Service with Building Specific Stops**
- **Located in a Qualified Opportunity Zone.** OZs Offer Tax Deferral AND Elimination on Future Tax Obligation for Operating Businesses

FUNDING SUMMARY

FUNDING TYPE	AMOUNT	%
SCOTIB GRANT:	\$28.1 MILLION	34%
LOCAL CONTRIBUTIONS		
· SCOTIB LOAN REPAYMENT	\$28.1 MILLION	34%
· LOCAL CONTRIBUTION	\$26.2 MILLION	32%
TOTAL	\$82.4 MILLION	100%

2/3

* DOES NOT INCLUDE CAPITALIZED INTEREST

RIVERPORT-EXIT 3 TAX INCREMENT PLEDGE, AND LOAN DEBT SERVICE SCHEDULE

All Excess TI pays for Carry Forward Interest and Additional Principal Payments

Period	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Loan Period Ending															
TI Pledge for Debt Service (35% of total available TI)				Beginning Balance	Principal	Interest	Carry Forward Interest	Scheduled Debt Service	Excess TI Funds	Carry Forward Interest Repayment	MID Levy Collection	Additional Principal	Ending Balance	Coverage	TI Leftover after debt service
0.0	4/1/2021		\$	28,095,000									\$ 28,095,000	0%	\$
0.5	10/1/2021			28,095,000		491,663	491,663						28,095,000	0%	
1.0	10/1/2022			28,095,000		983,325	983,325						28,095,000	0%	
2.0	10/1/2023		40,227	28,095,000		983,325	983,325		40,227	40,227			28,095,000	4%	
3.0	10/1/2024		106,026	28,095,000		983,325	983,325		106,026	106,026			28,095,000	11%	
4.0	10/1/2025		352,858	28,095,000		983,325	983,325		352,858	352,858			28,095,000	36%	
5.0	10/1/2026		810,440	28,095,000		983,325	491,663	491,663	318,778	318,778			28,095,000	82%	
6.0	10/1/2027		1,520,933	28,095,000		983,325	983,325	983,325	537,608	537,608			28,095,000	155%	
7.0	10/1/2028		2,247,386	28,095,000	520,000	983,325	983,325	1,503,325	744,061	744,061			27,575,000	149%	
8.0	10/1/2029		2,921,137	27,575,000	990,000	965,125	965,125	1,955,125	966,012	966,012			26,585,000	149%	
9.0	10/1/2030		4,800,275	26,585,000	2,285,000	930,475	930,475	3,215,475	1,584,800	1,584,800			24,300,000	149%	
10.0	10/1/2031		5,276,720	24,300,000	2,685,000	850,500	850,500	3,535,500	1,741,220	266,256		1,474,965	20,140,036	149%	
11.0	10/1/2032		5,586,175	20,140,036	2,985,000	704,901	704,901	3,689,901	1,896,273	-		1,896,273	15,258,762	151%	
12.0	10/1/2033		5,793,314	15,258,762	3,230,000	534,057	534,057	3,764,057	2,029,257	-		2,029,257	9,999,505	154%	
13.0	10/1/2034		6,058,757	9,999,505	3,520,000	349,983	349,983	3,869,983	2,188,775	-		2,188,775	4,290,730	157%	
14.0	10/1/2035		6,324,067	4,290,730	3,820,000	150,176	150,176	3,970,176	2,353,892	-		470,730	-	159%	1,883,161
			\$41,838,315	\$20,095,000	\$11,860,154	\$4,916,625	\$26,978,529	\$14,859,786	\$4,916,625	\$0	\$8,060,000	\$1,883,161			

Final Loan Payment in Year 14. All projections herein based on assumed development.

Carry Forward Interest Carry Forward Interest (CFI) Repayment Schedule

CFI Repayment in Year 10. All projections herein based on assumed development.

Interest Carry End Year		2026						
<i>a</i>	<i>b</i>	<i>c</i>	<i>d</i>	<i>e</i>	<i>f</i>	<i>g</i>		
Period	Loan Period Ending	Excess TI Available	Beginning Balance	Carry Forward Interest	CFI Paid from Excess TI	Ending Balance		
0.5	10/1/2021	\$ -	\$ -	491,663	-	491,663	\$ -	
1.0	10/1/2022	-	491,663	983,325	-	1,474,988	1,474,988	
2.0	10/1/2023	40,227	1,474,988	983,325	40,227	2,418,086	2,418,086	
3.0	10/1/2024	106,026	2,418,086	983,325	106,026	3,295,385	3,295,385	
4.0	10/1/2025	352,858	3,295,385	983,325	352,858	3,925,852	3,925,852	
5.0	10/1/2026	318,778	3,925,852	491,663	318,778	4,098,737	4,098,737	
6.0	10/1/2027	537,608	4,098,737	-	537,608	3,561,128	3,561,128	
7.0	10/1/2028	744,061	3,561,128	-	744,061	2,817,068	2,817,068	
8.0	10/1/2029	966,012	2,817,068	-	966,012	1,851,056	1,851,056	
9.0	10/1/2030	1,584,800	1,851,056	-	1,584,800	266,256	266,256	
10.0	10/1/2031	1,741,220	266,256	-	266,256	-	-	
					\$	4,916,625	\$	4,916,625

35% TAX INCREMENT(TI) RECONCILIATION SCHEDULE

Period	Loan Period Ending	35% of total available TI	TI Pledge Used For					Total TI Used / (a)
			Repay CFI Interest	Interest	Principal	Additional Prin.		
0.5	10/1/2021	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
1.0	10/1/2022	-	-	-	-	-	-	-
2.0	10/1/2023	40,227	40,227	-	-	-	-	40,227
3.0	10/1/2024	106,026	106,026	-	-	-	-	106,026
4.0	10/1/2025	352,858	352,858	-	-	-	-	352,858
5.0	10/1/2026	810,440	318,778	491,663	-	-	-	810,440
6.0	10/1/2027	1,520,933	537,608	983,325	-	-	-	1,520,933
7.0	10/1/2028	2,247,386	744,061	983,325	520,000	-	-	2,247,386
8.0	10/1/2029	2,921,137	966,012	965,125	990,000	-	-	2,921,137
9.0	10/1/2030	4,800,275	1,584,800	930,475	2,285,000	-	-	4,800,275
10.0	10/1/2031	5,276,720	266,256	850,500	2,685,000	1,474,965	-	5,276,720
11.0	10/1/2032	5,586,175	-	704,901	2,985,000	1,896,273	-	5,586,175
12.0	10/1/2033	5,793,314	-	534,057	3,230,000	2,029,257	-	5,793,314
13.0	10/1/2034	6,058,757	-	349,983	3,520,000	2,188,775	-	6,058,757
14.0	10/1/2035	6,324,067	-	150,176	3,820,000	470,730	-	4,440,906
		\$ 41,838,315	\$ 4,916,625	\$ 6,943,529	\$ 20,035,000	\$ 8,060,000	\$ -	\$ 39,955,154

Footnote:

(a) In the final year, approximately \$4.44 million, or 70%, is used to pay debt service from the \$6.32 million tax increment pledge.

For all prior years, 100% of the available tax increment is used to repay carry forward interest, scheduled interest and principal.

All Excess TI pays for Carry Forward Interest and Additional Principal Payments.

ESTIMATED ALLOCATION OF \$351 MILLION TIF AD-VALOREM TAX REVENUES TO THE TAXING DISTRICTS OVER 30 YEARS

Period	Total Property Tax Increment (before TIF) (in \$100,000)	TIF Revenue to City (in \$100,000)	TIF Revenue to County (in \$100,000)	City Property Tax Increment (in \$100,000)	County Property Tax Increment (in \$100,000)	Balance Between Taxing Districts (in \$100,000)	Amount Available for TIF (in \$100,000)
1	10/1/2021						
2	10/1/2022						
3	10/1/2023	114,933	40,227	74,706	18,305	24,256	32,145
4	10/1/2024	302,930	104,026	198,905	48,247	63,932	84,725
5	10/1/2025	1,008,167	352,858	655,309	160,570	212,769	281,570
6	10/1/2026	2,315,544	810,440	1,505,104	368,795	485,605	647,824
7	10/1/2027	4,345,524	1,520,933	2,824,591	692,108	917,102	1,215,381
8	10/1/2028	6,421,102	2,147,386	4,273,716	1,022,683	1,355,143	1,795,890
9	10/1/2029	8,346,105	2,913,137	5,432,968	1,329,276	1,761,406	2,334,286
10	10/1/2030	13,715,071	4,804,275	8,910,796	2,194,387	2,894,501	3,835,908
11	10/1/2031	15,076,344	5,274,720	9,799,624	2,401,195	3,181,792	4,216,637
12	10/1/2032	15,960,499	5,586,175	10,374,324	2,542,014	3,366,388	4,463,922
13	10/1/2033	16,552,325	5,793,314	10,759,011	2,636,274	3,491,250	4,629,447
14	10/1/2034	17,310,735	6,054,757	11,255,978	2,757,065	3,653,349	4,841,564
15	10/1/2035	18,058,764	6,440,906	11,627,858	3,199,225	4,424,762	5,863,871
16	10/1/2036	18,087,410		18,087,410	4,481,946	5,872,712	7,782,751
17	10/1/2037	18,106,057		18,106,057	4,636,516	5,876,787	7,790,775
18	10/1/2038	18,124,703		18,124,703	4,481,084	5,884,821	7,798,798
19	10/1/2039	18,135,892		18,135,892	4,443,826	5,888,454	7,803,612
20	10/1/2040	18,147,079		18,147,079	4,446,567	5,892,086	7,808,435
21	10/1/2041	18,154,537		18,154,537	4,448,395	5,894,507	7,811,635
22	10/1/2042	18,158,268		18,158,268	4,448,309	5,895,719	7,813,241
23	10/1/2043	18,158,268		18,158,268	4,449,309	5,895,719	7,813,241
24	10/1/2044	18,158,268		18,158,268	4,449,309	5,895,719	7,813,241
25	10/1/2045	18,158,268		18,158,268	4,449,309	5,895,719	7,813,241
26	10/1/2046	18,158,268		18,158,268	4,449,309	5,895,719	7,813,241
27	10/1/2047	18,158,268		18,158,268	4,449,309	5,895,719	7,813,241
28	10/1/2048	18,158,268		18,158,268	4,449,309	5,895,719	7,813,241
29	10/1/2049	18,158,268		18,158,268	4,449,309	5,895,719	7,813,241
30	10/1/2050	18,158,268		18,158,268	4,449,309	5,895,719	7,813,241
		\$ 292,214,159	\$ 99,880,354	\$ 205,333,805	\$ 64,892,237	\$ 114,213,198	\$ 151,995,581

County share of total tax increment revenue is approximately \$114 million, or 32,4%

Footnotes:

(a) Tax increment estimates are subject to future economic conditions, and other risks and uncertainties. Actual and future results and trends could differ materially from those set forth in these tables and presentations.

(b) Assuming Loan repaid in 14 years as shown above.

(c) When Loan is repaid, the tax increment program ends and ad-valorem taxes will be distributed among taxing districts in same proportion as prior years with tax increment financing program, unless TIF bonds would be issued to take out any remaining SCTIB loan balances.

RIVERPORT-EXIT 3 TAX INCREMENT FINANCING

Stages of SCTIB Negotiations

Loan Term	30 Years	15+5 Years	15 Years
Loan Amount	\$37,465,000	\$34,055,000	\$28,095,000
Interest Rate	5.00%	3.50%	3.50%
Capitalized Interest	Yes	Yes	No
Carry Forward Interest	No	No	Yes
Total Property Tax Increment (before 35% debt service contribution)/ (a)	\$391,718,133	\$391,718,133	\$391,718,133
TI Pledge to Debt Service (Fixed 35% of TI used)	\$65,517,625	\$46,719,663	\$39,955,154
TI Retained by City, County, & School District	\$326,200,508	\$344,998,471	\$351,762,979
Allocation of Retained TI to Host Governments:			
City Property Tax Increment (24.50%)	\$79,928,701	\$84,534,754	\$86,192,257
County Property Tax Increment (32.47%)	\$105,912,438	\$112,015,856	\$114,212,191
School District Property Tax Increment (43.03%)	\$140,359,369	\$148,447,861	\$151,358,531
	<u>\$326,200,508</u>	<u>\$344,998,471</u>	<u>\$351,762,979</u>

Footnotes:

(a) Tax increment estimates are subject to future economic conditions, and other risks and uncertainties. Actual and future results and trends could differ materially from those set forth in these tables and presentations.

'Downside/ Pessimistic' T1 Assumption

Scheduled Loan Debt Service Assuming No Excess TIF Available to Pay Carry Forward Interest or Additional Principal Payments

Period	Loan Period Ending	Principal	Interest	Debt Service	Carry Forward Interest	Outstanding Principal Balance	Total
0.0	4/1/2021	-	-	-	-	-	-
0.5	10/1/2021	-	419,913	419,913	-	419,913	419,913
1.0	10/1/2022	-	839,825	839,825	-	839,825	839,825
2.0	10/1/2023	-	839,825	839,825	-	839,825	839,825
3.0	10/1/2024	-	839,825	839,825	-	839,825	839,825
4.0	10/1/2025	-	839,825	839,825	-	839,825	839,825
5.0	10/1/2026	-	839,825	839,825	-	839,825	839,825
6.0	10/1/2027	-	839,825	839,825	-	839,825	839,825
7.0	10/1/2028	520,000	839,825	1,359,825	-	1,359,825	1,359,825
8.0	10/1/2029	990,000	821,625	1,811,625	-	1,811,625	1,811,625
9.0	10/1/2030	2,285,000	786,975	3,071,975	-	3,071,975	3,071,975
10.0	10/1/2031	2,685,000	707,000	3,392,000	-	3,392,000	3,392,000
11.0	10/1/2032	2,985,000	613,025	3,598,025	-	3,598,025	3,598,025
12.0	10/1/2033	3,230,000	508,550	3,738,550	-	3,738,550	3,738,550
13.0	10/1/2034	3,520,000	395,500	3,915,500	-	3,915,500	3,915,500
14.0	10/1/2035	3,820,000	272,300	4,092,300	-	4,092,300	4,092,300
15.0	10/1/2036	3,960,000	282,100	4,242,100	4,916,625	4,100,000	13,258,725
		\$ 23,995,000	\$ 10,685,763	\$ 34,680,763	\$ 4,916,625	\$ 4,100,000	\$ 43,697,388

Note:

Assuming amortization schedule with 1.5x Coverage in years 6 to 14; with 'super' principal payment and Carry Forward Interest repayment in year 15 (approximately \$9.1 mm).

To meet the SCTIB goal of a 15 years Loan term, TIF bonds may be issued in year 15 to 'take out' the outstanding loan principal and carry forward interest balances, if any, using proceeds from a new bond issuance.

TIF Bond Issuance to 'Take Out' Outstanding Loan

TIF 'Take Out' Bond Level Debt Service Schedule and Sources and Uses of Funds

Sources and Uses	
Par Amount	\$11,300,000
Refunding Cash Deposit	\$9,020,000
Interest through next payment date	\$282,500
Reserve Fund	\$1,465,000
Costs of Issuance	<u>\$532,500</u>
	\$11,300,000
	79.8%
	2.5%
	13.0%
	4.7%
	100.0%

Period	Loan Period Ending	TI Pledge for Debt Service (35% of total available TI)	Beginning Balance	Principal	Interest	Total Debt Service	Ending Balance	Coverage
	10/1/2036	\$	\$ 11,300,000				\$ 11,300,000	
1.0	10/1/2037	6,337,120	11,300,000	900,000	565,000	1,465,000	10,400,000	433%
2.0	10/1/2038	6,343,646	10,400,000	945,000	520,000	1,465,000	9,455,000	433%
3.0	10/1/2039	6,347,562	9,455,000	990,000	472,750	1,462,750	8,465,000	434%
4.0	10/1/2040	6,351,478	8,465,000	1,040,000	423,250	1,463,250	7,425,000	434%
5.0	10/1/2041	6,354,088	7,425,000	1,090,000	371,250	1,461,250	6,335,000	435%
6.0	10/1/2042	6,355,394	6,335,000	1,145,000	316,750	1,461,750	5,190,000	435%
7.0	10/1/2043	6,355,394	5,190,000	1,205,000	259,500	1,464,500	3,985,000	434%
8.0	10/1/2044	6,355,394	3,985,000	1,265,000	199,250	1,464,250	2,720,000	434%
9.0	10/1/2045	6,355,394	2,720,000	1,325,000	136,000	1,461,000	1,395,000	435%
10.0	10/1/2046	6,355,394	1,395,000	1,395,000	69,750	1,464,750	-	434%
			\$	11,300,000	\$	3,333,500	\$	14,633,500

RIVERPORT-EXIT 3 TAX INCREMENT FINANCING

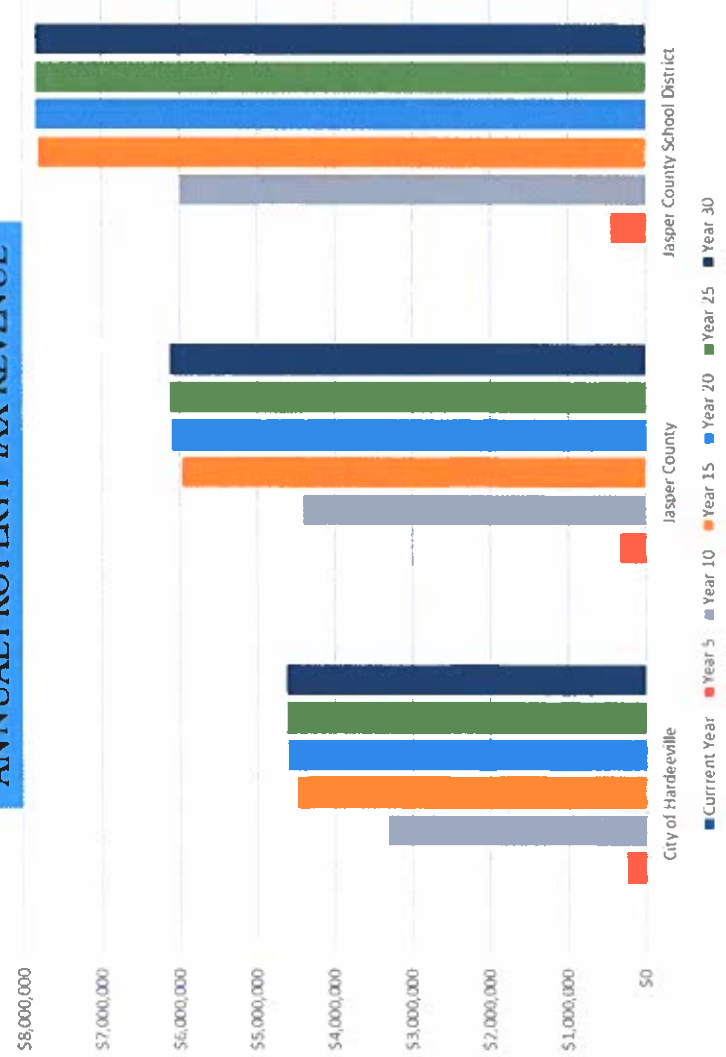
TIF Structure since last update:

- Reduction in the SCTIB loan term from 20 years to 15 years benefits City of Hardeeville, Jasper County and Jasper County School District.
- Replacement of capitalized interest by carry forward interest under the SCTIB loan, resulting in a reduction in the principal amount of the loan by approximately \$5,000,000 and in a reduction in total interest to be paid over the life of the loan by approximately \$6,760,000 (assuming loan repaid as shown above).
- Two backstops to the TIF remain unchanged – being the Municipal Improvement District (MID) special assessments and a Letter of Credit posted by the Riverport property owner.

UNANIMOUS LOCAL SUPPORT



ANNUAL PROPERTY TAX REVENUE



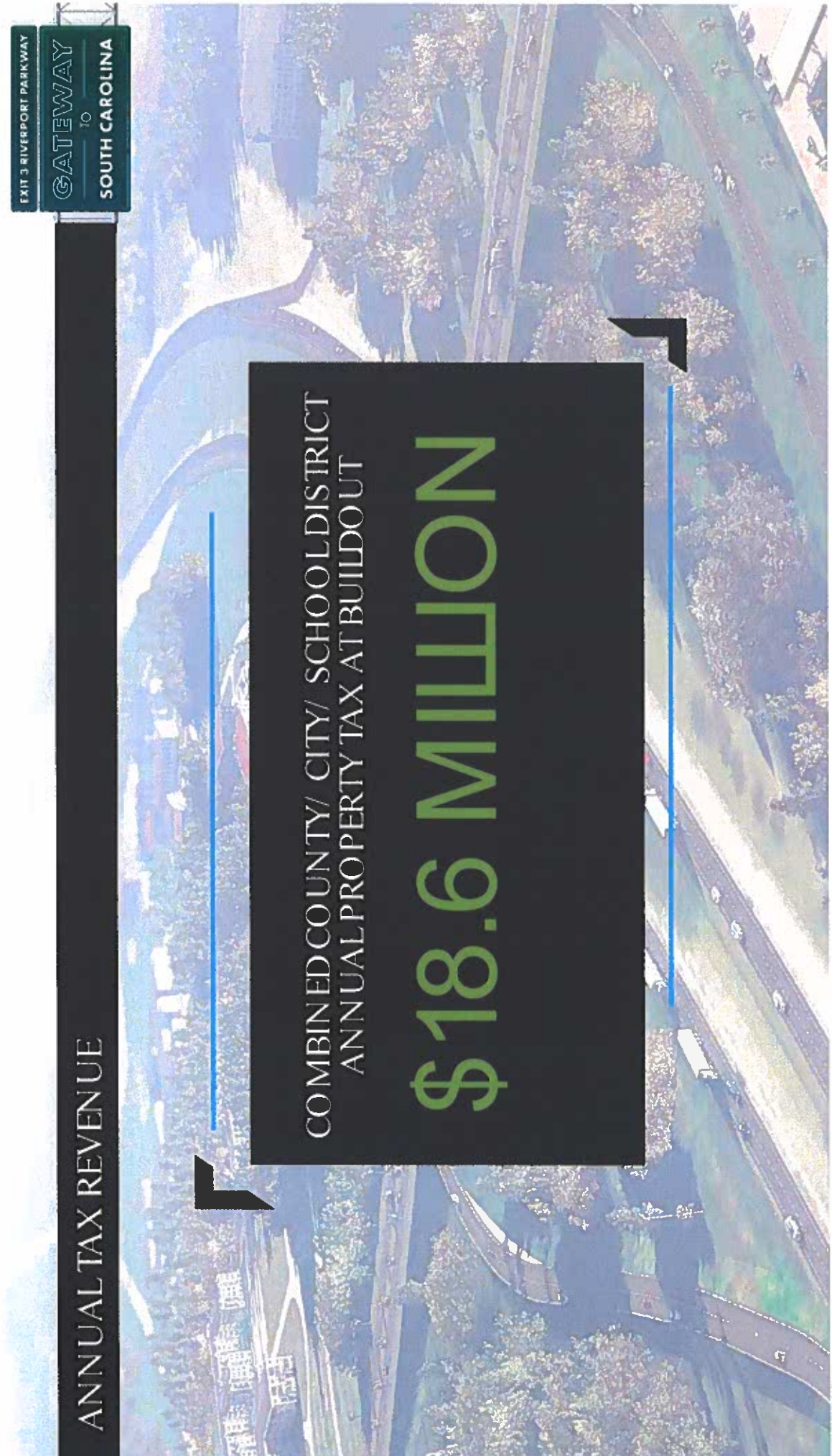
EXIT 3 RIVERPORT PARKWAY

GATEWAY
TO
SOUTH CAROLINA

ANNUAL TAX REVENUE

COMBINED COUNTY/ CITY/ SCHOOL DISTRICT
ANNUAL PROPERTY TAX AT BUILDOUT

\$18.6 MILLION



EXIT 3 RIVERPORT PARKWAY

GATEWAY
TO
SOUTH CAROLINA

GRAMLING BROTHERS – SOUTH CAROLINA DEVELOPER

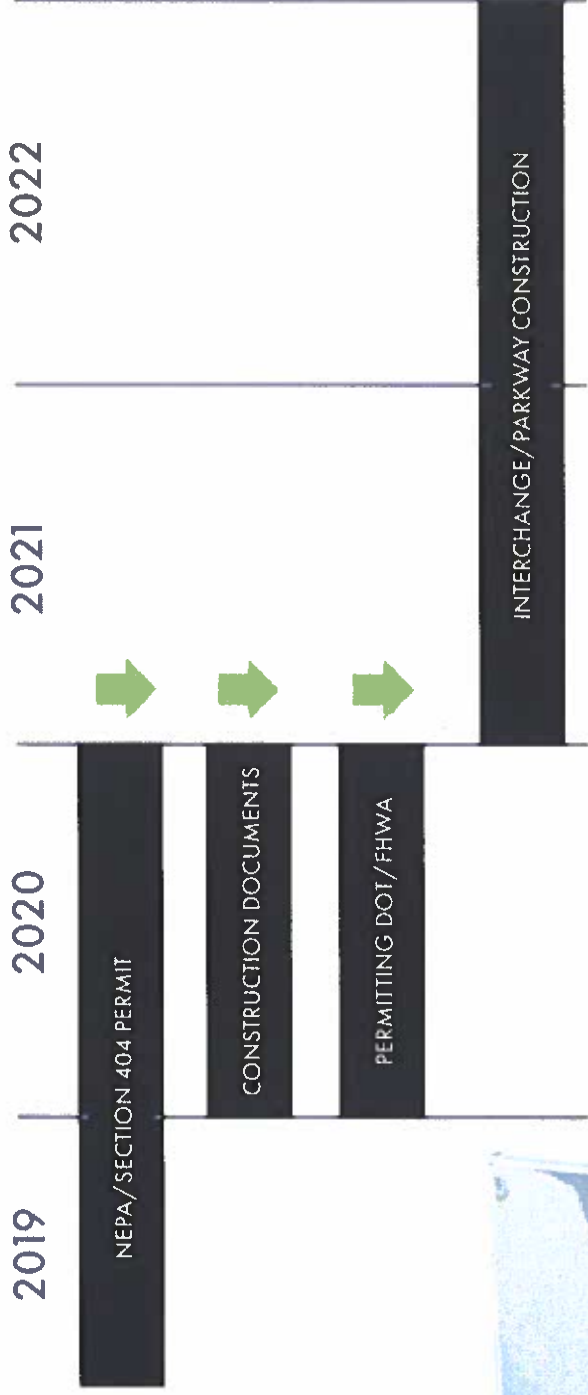
- Cane Bay Plantation
- Reverie on the Ashley
- River Falls Plantation
- Summerville Marketplace
- Market & Anson Street Hotels



Real Estate & Development, Inc.
A SOUTH CAROLINA DEVELOPER

SHOVEL READY

EXIT 3 INTERCHANGE & PARKWAY PROJECT SCHEDULE



MILESTONE PROGRESS



SCIB BOARD APPROVED JULY 6, 2020



SCDOT COMMISSION APPROVED JULY 16, 2020



JOINT BOND REVIEW APPROVED AUGUST 8, 2020



CITY/ COUNTY/ SCHOOL DISTRICT APPROVAL OF TIF & MID



SCIB, SCDOT AND CITY/ COUNTY APPROVAL OF IGA

Questions

