



**MINUTES
REGULAR MEETING
FAIRFIELD COUNTY COUNCIL
AUGUST 13, 2018**

Present: Billy Smith, Doug Pauley, Neil Robinson, Jimmy Ray Douglas, Dan W. Ruff, Mikel Trapp, Bertha Goins, Council Members; Jason Taylor, County Administrator; Davis Anderson, Deputy County Administrator; Tommy Morgan, Attorney; Patti L. Davis, Clerk to Council.

In accordance with the South Carolina Code of Laws, 1976, Section 30-4-80 (e), as amended, the following persons and/or organizations have been notified of the time, date and location of this meeting: The Independent Voice of Blythewood and Fairfield, The Country Chronicle, and one hundred thirty six other individuals.

1. CALL TO ORDER

Chairman Smith called the Regular Meeting to order at 6:00 p.m.

2. APPROVAL OF AGENDA

It was moved by Council Member Robinson and seconded by Council Member Pauley to approve the Agenda. ***The motion carried unanimously 7-0.***

3. INVOCATION

Vice Chair Goins led the invocation.

4. APPROVAL OF MINUTES

It was moved by Council Member Trapp and seconded by Vice Chair Goins to approve the minutes of the Regular Meeting of July 23, 2018, and the Special Meeting of August 8, 2018. ***The motion carried unanimously 7-0.***

5. PUBLIC PRESENTATIONS

None.

- 6. 1ST PUBLIC COMMENT (3 MINUTES):** All public comments made during this session must pertain to items on the agenda for which no Public Hearing is scheduled. Each speaker is allocated three (3) minutes for comment. The total time allocated for the public comment portion of the meeting is thirty (30) minutes. Those wishing to make public comment must sign to do so prior to the Council Chair calling the meeting to order. The Clerk to Council will make a public comment sign-up sheet available at least fifteen (15) minutes prior to the scheduled start time of the meeting.

- Tangee Jacobs - Ordinance 707
- Shirley Greene - Ordinance 707
- Clarence Gilbert - Element
- Terry Vickers - Ordinance 707
- Yvette Howard - Ordinance 707
- Pelham Lyles - Declined to speak
- Bill Haslett - Ordinance 707

- Jana Childers - Mt. Zion
- Randy Bright - Element

7. PUBLIC HEARINGS

None.

8. ORDINANCES, RESOLUTIONS AND ORDERS

- A. Third and Final Reading: Ordinance No. 704** - An Ordinance 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 (Lorick Place Apartments Project); and Other Related Matters. It was moved by Council Member Trapp and seconded by Council Member Pauley to approve Third and Final Reading of Ordinance No. 704. ***The motion carried unanimously 7-0.***
- B. Third and Final Reading: Ordinance No. 705** - An Ordinance Authorizing the Execution of the Amended and Restated Master Agreement Governing the I-77 Corridor Regional Industrial Park by and Between Fairfield County, South Carolina, and Richland County, South Carolina; Confirming the Boundaries of the I-77 Corridor Regional Industrial Park; and Other Related Matters. It was moved by Council Member Douglas and seconded by Vice Chair Goins to approve Third and Final Reading of Ordinance No. 705. ***The motion carried unanimously 7-0.***
- C. First Reading (By Title Only): Ordinance No. 707** - An Ordinance Authorizing the Development of a New County Administration Building to Better Serve the Citizens of Fairfield County; the Execution and Delivery of a Lease Agreement and Associated Contracts Necessary to Effect the Intent of this Ordinance; and Other Related Matters. It was moved by Vice Chair Goins and seconded by Council Member Douglas to approve First Reading (By Title Only) of Ordinance No. 707. ***The motion carried 6-1 with Council Member Trapp voting nay and Council Members Ruff and Pauley abstaining. Council Member Trapp requested a hand vote, to which Chairman Smith called for the vote once again resulting in the previously stated outcome.***
- D. First Reading (By Title Only): Ordinance No. 708** - An Ordinance Authorizing the Execution and Delivery of a Lease Agreement Between Fairfield County and the Fairfield County Hospital Board a/k/a Fairfield Memorial Hospital; and Other Related Matters. It was moved by Council Member Douglas and seconded by Council Member Pauley to approve First Reading (By Title Only) of Ordinance No. 708. ***The motion carried unanimously 7-0.***

E. Resolution No. 2018-07: A Resolution by Fairfield County Supporting the Continued Economic Investment in Fairfield County by Element T.V. Company, L.P. and Element Real Estate Holdings, LLC, and Requesting the United States Remove the Tariff on Certain Goods Utilized by Element at its Fairfield County, South Carolina Facility. It was moved by Council Member Ruff and seconded by Council Member Pauley to approve Resolution No. 2018-07. ***The motion carried unanimously 7-0.***

9. BOARD AND COMMISSION MINUTES

It was moved by Council Member Trapp and seconded by Vice Chair Goins to accept the minutes from the Airport Commission, the Hospital Board and the Chamber of Commerce as presented. ***The motion carried unanimously 7-0.***

10. BOARD AND COMMISSION APPOINTMENTS

None.

11. OLD BUSINESS

None.

12. NEW BUSINESS

None.

13. COUNTY ADMINISTRATOR'S REPORT

A. 1st&Main Presentation on the Potential Development of a New County Government Complex. Mr. Taylor requested for Mr. Rory Dowling from 1st&Main to approach the podium for the presentation on the new administration building project. Per Mr. Taylor, the County has been searching for years, knowing the issues associated with the present administration building would have to be addressed. This represents an innovative way to fund a new building. Mr. Dowling thanked the Council for allowing him to attend the meeting tonight to speak on this very important project. Tremendous progress is being made, and he wanted to report this to the Council and citizens.

- Redevelopment Overview: All available square footage will be utilized at the new site except for the historic teacherage building. This would total about 45,000 square feet of usable space for the County and the community. This would include the County Administration offices, the Sheriff's Department and 9-1-1 call center, Parks and Recreation with utilization of the historic gymnasium, and also a daycare center in the old cafeteria with a playground on site as well.
- Floor plans were shown with Mr. Dowling demonstrating the location of the different offices/departments. This would include the historic auditorium which would not only be used for additional office space and County Council Chambers, but would also be available for other uses, such as community performances, church groups, weddings, social events, etc. The historical integrity will be maintained of this space, as well as other space as the classrooms will adapt well to office space. The

gym will also be restored to be used once again as a gym and also have flex space to allow for partitions to have other classes such as yoga, spin, etc., with still being able to utilize the full court gym. The cafeteria building's intended use will be for the daycare. All of these buildings would yield about 45,000 square feet of space, in comparison to the present administration building of 21,000 square feet.

- Tax credit progress: This is an extremely important element of the project. State and Federal historic tax credits will be utilized. The building is listed on the National Registry of Historic Places, which will allow for full utilization of State and Federal historic tax credits. The architect and tax credit consultants have submitted the Part II application to the State Historic Preservation Office. Once this review is done, the application will be sent to the National Park Service. The project can move forward once approval is gained for the intended use of the building, approval for the interior of the building and approval of the maintenance of the historic integrity of the building. Mr. Dowling's company is also working with legal consultants on maximizing the potential for the S.C. State Abandoned Building Tax Credit. This is unique to the State of South Carolina to assist in putting abandoned buildings back into operation. In addition, because of what this will do for the community of Fairfield and Winnsboro, the project appears to be eligible for New Market Tax Credits. This is a program geared toward low income census tracts and is a very powerful tool for community development. Mr. Dowling is very excited to have received a formal letter of interest from the New Market Tax Credit provider out of Raleigh, CAHEC, who has made this one of their preferred projects. This is a very good sign on the potential of receiving this. More will be known in October when the Community Development Entities begin to receive feedback from the federal level on whether or not they should expect to receive an allocation. Potential tax credits for this project total \$5.4M. This is huge because, at the end of the day, it's all about keeping the County's annual rent well below what would be paid in financing a new structure. Chairman Smith inquired concerning what type properties fall within the guidelines and requirements to meet the threshold of the abandoned building tax credits. Mr. Dowling believes they must be abandoned for a period of 30 months, although he would need to verify this, and cannot have been owned immediately before by the County. They also have to be put back into commercial use. So, there would be \$2.2M New Market Tax Credits, \$3.2M in Historic Tax Credits with about \$1M of this being from the State Abandoned Building Tax Credit.
- Preliminary budget and estimated sources of funding: A conceptual budget has been obtained from Whiting-Turner. This includes \$8.7M in hard costs. This is based on a concept budget, and contractors have not been directly contacted yet. Pricing is conservative at this point as certain subcontractors have not been engaged, such as a structural engineer to be able to better understand some of the structural elements. About \$2.3M in soft costs is estimated, which includes legal fees. Mr. Dowling also interjected that when speaking of tax credits, these are not credits that will be coming to his company directly. These will be sold to a third party, such as large financial institutions, banks, etc., at a discount. The

tax credits are then used to help finance the project. This would, therefore, be an \$11M project, with sources broken down as:

- \$3.2M in Historic Tax Credit equity, which includes the State Abandoned Building Tax Credit
- \$2.2M in New Market Tax Credit equity
- \$4.5M construction loan from a private lender
- \$1.1M in developer equity
- \$0 in grants. At this time, no grants are being factored in; however, CDBG is being contacted for the potential of some additional funds.

This is expected to lower as the general contractors are contacted. The numbers above are conservative starting numbers.

- Proposed lease terms (preliminary): The lease payments must provide sufficient cash flow to cover debt service, owner-operating expenses, investor hurdles, etc. The term must match the loan, likely 10 years. Currently, this works out to a \$525,000 annual payment (\$11.5 per square foot for the 45,000 square feet), with a possible 2% annual escalator. Once the estimated 10 months of construction are completed, the keys will be given to the County with no other tenant improvements being necessary. It is also important to mention that 100% of the event space rental revenue would go directly to the County. Council Member Douglas inquired concerning the amount of seating in the auditorium. Per Mr. Dowling, additional seating can be added and also the balcony space will be maintained, making this space able to easily accommodate an event of up to 500 people.
- Advantages of private development versus new construction: Mr. Dowling feels this venture will save the County an estimated \$3.5M over a 20 year period. It significantly decreases annual payments by utilizing tax credits versus building a new structure in addition to reducing annual utility/maintenance costs by having a centralized location. Construction, design management and early ownership risk is shifted to 1st&Main, which is significant taking into account the construction risk during the 10-12 month period, and they will also be guaranteeing the loan, if needed. This will also result in the preservation of a tremendous historic landmark, which can become a catalyst for further development on Main Street. The County will derive the benefit of a centralized location from an operating standpoint and also ease of availability of the services for the citizens. This project will also bring about 120 daily employees to downtown Winnsboro to frequent the shops and restaurants which are present now and in the future.
- Next steps: A draft Redevelopment Agreement will be submitted along with a draft Lease Agreement to Mr. Taylor and the Administration team for circulation in the next two days. Hopefully, the agreement will start to come together over the next 30 days. The Part II Approval for the Historic Tax Credits from the National Park Service and State Historic Preservation should be known around November. This is a long, tedious process, but once the approval is received, more construction and pricing documents can then be completed. Hopefully, a building permit can be submitted in the first quarter of 2019 with the guaranteed maximum price

for construction around April 2019. The final decision on the New Market Tax Credits will also be known between April and May. Mr. Dowling is looking forward to beginning construction around June 2019 with obtaining a certificate of occupancy by April 2020.

At the conclusion of the presentation, Council Member Trapp inquired concerning the Historic Tax Credit, will these credits be affected by the fact that the Confederate Monument is on the grounds. Per Mr. Dowling, the monument is on a separate piece of property from the property 1st&Main is working with. Council Member Trapp also inquired concerning if the rent amount in the draft agreement could increase and if this agreement, once signed, will be set in stone. Per Mr. Dowling, the rent amount will be in the draft agreement, and it would only increase if the New Market Tax Credits are not received. 1st&Main feels comfortable about where the construction budget is and working with the general contractor but will know more in October. The agreement will read that essentially these are preliminary lease terms and could fluctuate up or ideally will fluctuate down. Until all factors are known, the final numbers cannot be determined. Council Member Trapp inquired as to when the number is known, if this will require the Council to revote. Chairman Smith stated Council is in the driver's seat on what it agrees to, and this will also depend on how the initial agreement is structured.

- B. Presentation by Mike Briggs, Central SC Alliance** - Mr. Taylor introduced Mr. Briggs and reminded Council that the County is a member of two alliances, I-77 and Central SC. Mr. Briggs thanked Council for allowing him to be at the meeting and planned to speak on things that have happened since the beginning of 2017 with respect to their marketing efforts on behalf of the County. The organization is a nonprofit organization in business for almost 25 years with Fairfield County being a founding member. Central SC partners with eight counties and the City of Columbia toward economic development efforts. The center part of the state is blessed with highways allowing people, goods and services to be moved very expeditiously.
- Concentration is on four specific areas:
 1. Project management with assistance to the local economic development departments.
 2. Marketing around the world for all of the represented counties.
 3. Research and request for information assistance along with county information being available on the website.
 4. Consulting on such things as economic development action plans, product development, etc.
 - The Economic Overview for Fairfield County yields some information Mr. Briggs wishes to point out. In 2012, the unemployment rate was 13%. As of June 2018, the unemployment rate is down to 5.7%. This drop is being seen throughout the region. From 2010 to 2016, per capita income grew from about \$28,000/year to \$35,000/year.
 - A timeline was shown starting from the foundation of the Central Alliance in 1994 to 2014, with the many companies that have located in our region, including Lang Mekra, Guardian, BOMAG and Hidral to name a few. As some new business have come, some have gone for various reasons.

- From 2017 to the present, Fairfield County has been submitted on 45 projects with 31 project requests for information. Currently, there are 13 active projects looking at the County. All 13 are new with 61.5% being foreign, 7.7% domestic and 30.8% unknown. The 13 projects altogether have the potential for a minimum investment of \$2,679,998,000 with 11,206 jobs.
- Property requests 2017 to present: Property submissions were made on the Fairfield Spec building 17 times, the Guardian building six times, the Fazzio/former Plastech building five times, 93 Commerce five times and 30 Commerce three times. Sites and parks submitted were Fairfield Commerce Center seven times, Highway 34 Ridgeway Rail four times and the I-77 Megasite four times. Mr. Briggs also stated prospective businesses are looking for buildings of 100,000 square feet or less, but the County has one of the largest industrial buildings in the State of South Carolina in the Guardian Building. Some up fitting and upgrading is being done which Mr. Briggs feels will bear great fruit for the County. Factors for losing projects include structural quality/price, site conditions, incentives and power costs and company reconsiderations.
- From 2017 to present, there has been \$1,566,523,000 in capital investment and 4,344 new jobs in the region. This includes a large number of alternative energy projects. Together the region, which includes 8 counties and the City of Columbia, comprise 20% of the land mass of the state, 20% of the counties, 20% of the gross domestic product, 20% of the population and 20% of the labor force. This makes for a big voice in South Carolina.
- Global marketing efforts: This includes site consultants, existing industry, S.C. Department of Commerce and new business. Marketing targets include aerospace and aviation; automotive/advanced manufacturing; food and beverage; information, technology and office; transportation; pharmaceuticals; wood, paper, plastics and rubber and light manufacturing and assembly. Marketing is around the world including Asia, Canada, Europe and North America. Approximately 150,000 miles are travelled each year in these efforts. So far in 2018, 13 events have been attended, including the International Business Exchange, the Invest in America Summit in Washington, site consultant luncheons in cities around the country, Select USA Summit and a European Recruiting Mission traveling to Italy, Zurich and Switzerland. There are 12 upcoming events including FKG SLD Forum which represents Volvo suppliers in Sweden. Since January 2018, nearly 3,700 companies have been approached by the Alliance's New Jersey affiliate with 50 go-to meeting conference calls being scheduled and 151 information requests fulfilled. These include mainly manufacturing companies who have expressed an interest in this region with also IT and other companies.
- Marketing/Customized Material: The Alliance does in-house customized marketing material with property e-blasts and an Executive Summary which is forthcoming. Regional materials and advertising are also distributed around the world.
- Looking forward, workforce and product are very important.

In closing, Mr. Briggs stated the Alliance is blessed to have the relationship with the County of Fairfield and looks forward to the future. Vice Chair Goins thanked Mr. Briggs for what the Alliance does for the County because without this effort, the County would not even be acknowledged.

- C. Employment Project Presentation by Jennifer Leaphart, Rudolph Walker, Dee Holmes and Jermaine Johnson - Mr. Taylor reported that in light of the Element temporary closure, the County has started to look at innovative ways for citizen employment. The County would prefer to have the citizens employed at home; however, at this time the need is just for employment wherever that may be. The search has begun for companies surrounding the County, and Kraft Heinz in Newberry has been identified as needing employees. An attempt is being made to get our citizens employed at this location. A team has been brought together including Ms. Leaphart from WIOA, Mr. Rudolph Walker and Mr. Jermaine Johnson from the Fatherhood Coalition and Ms. Dee Holmes from Transit. Transportation being a barrier, the County is trying to expand transportation to not only include medical, but also to include employment needs. Ms. Leaphart reported this endeavor is still in the planning stage with the first meeting being held last week. A tentative date for implementation could be September 22 or 29. The goals of this event are to address the need for employment and also the transportation need. A location has not been determined at the present time. Ms. Leaphart introduced Mr. Jermaine Johnson with the Fatherhood Coalition, who originally came up with the idea. Mr. Johnson stated he has been working on this concept for a little over a year. He is the Regional Employment Developer for the Fatherhood Coalition, which includes work force development and job skills training. He works with over eight counties resulting in a lot of traveling. He met with Kraft Heinz last year, and they requested staffing for 300 jobs. When he came to Fairfield County, the report was no jobs. He then started thinking of innovative ways to help people and bridge the gap. He reached out to Kraft Heinz and reached out in Fairfield County with the initial meeting happening last week. This venture is in the preliminary stages, but everyone is in agreement to do what is needed to make this happen. This strategy would definitely help the County until more industry is brought to the area. Council Member Ruff thinks this idea is outstanding and thanked the team for their efforts. Hopefully, in the future the County will get more industry so the citizens can work at home, but this will definitely bridge the gap in the meantime. Mr. Johnson also stated additional companies could be added to this pilot program, and Fairfield could become somewhat of a "hub" as a central meeting spot. Kraft Heinz has already agreed to put the workers on the same shift. Council Member Pauley also thanked the team for their efforts. Vice Chair Goins thanked everyone and feels this was right on time. Mr. Walker also stated in an effort to assist more citizens of Fairfield County, the Fatherhood Coalition, in conjunction with the County, will be using County facilities in Ridgeway and Jenkinsville to bring the services to the citizens. This should start early September, and Mr. Walker and his staff will be posting flyers over the next couple of weeks. He also thanked the Council for the assistance with his program and also helping the citizens of Fairfield County. Chairman Smith requested that Mr. Walker come to the Council meetings more often because he always brings good news. Ms. Holmes reported that Transit is not just for Medicaid/Medicare clients but also does public transportation. She is working

with this team toward the goal of getting citizens employed. Transit also wrote a grant to receive \$80,500 to help with new software to enable tablets on the buses in order to streamline the operation and also to save money.

- D.** Update of Fairfield County Airport Ribbon Cutting Ceremony and Unveiling of the New Lighting and Signage - Mr. Taylor reported a ribbon cutting will be held at the airport next Monday, August 20, 7:00 p.m. to 8:00 p.m. This is resulting from a grant received for a lighting project.
- E.** Information on Car Seat Fitting Station - Per Mr. Taylor, the County has been working with DHEC on a program to be done on an annual basis for car seat fitting. The event will be held at the Fairfield County Health Department on August 16 at 2:00 p.m. for anyone interested in getting educated on proper car seat operation.

14. CLERK TO COUNCIL'S REPORT

None.

- 15. 2ND PUBLIC COMMENT (3 MINUTES):** All public comments made during this session must pertain to items not on the agenda or under Council's consideration. Each speaker is allocated three (3) minutes for comment. The total time allocated for the public comment portion of the meeting is thirty (30) minutes. Those wishing to make public comment must sign to do so prior to the Council Chair calling the meeting to order. The Clerk to Council will make a public comment sign-up sheet available at least fifteen (15) minutes prior to the scheduled start time of the meeting.

- Terry Vickers - Big Grab, Spirit Fest and "Rock"
- Jackie Workman - Jobs
- Wendy Luce - Food Bank
- Randy Bright - Bridge

16. COUNTY COUNCIL TIME

Ruff: Council Member Ruff wanted to comment on his reason for abstaining on the vote for Ordinance #707. He needs a little more time to get more information and feedback.

Pauley: Council Member Pauley wanted to comment on the administration building project. The vote concerning this project is a very important vote that he would not take lightly. His reason for abstaining on the vote tonight is that there are a few questions that he will present to the County Administrator for better clarification before making a final decision. He will ask a few questions tonight, including the status of the bonds, how much has been paid, how much is left to be paid and for how long; is this a once a year payment and, if so, how much; is the County obligated to pay anything else on a regular basis, for example, the new hospital which will be \$1M per year for 10 years; also, have we looked into other buildings in the County that would be feasible to have an administration building. Mr. Taylor stated he would get the answers to these questions.

17. EXECUTIVE SESSION (The following statement is provided in compliance with the South Carolina Freedom of Information Act: Subsequent to Executive Session, Council may take action on matters discussed in Executive Session.)

At 7:34 p.m., it was moved by Council Member Douglas and seconded by Vice Chair Goins to go into executive session for (a) Legal Matter - Update on Litigation Against SCANA/SCE&G in Reference to the Abandoned V.C. Summer New Nuclear Project and (b) Proposed Contractual Matter - Discussion Regarding a Proposed Contract on the Potential Development of a New County Administration Building to Better Serve the Citizens of Fairfield County. ***The motion carried unanimously 7-0.***

At 8:19 p.m., it was moved by Council Member Douglas and seconded by Council Member Ruff to come out of executive session and return to open session. ***The motion carried unanimously 7-0.***

No action was taken in Executive Session.

18. ADJOURN

At 8:20 p.m., it was moved by Council Member Ruff, properly seconded by Vice Chair Goins to adjourn. ***The motion carried unanimously 7-0.***

PATTI L. DAVIS
CLERK TO COUNCIL

WILLIAM B. SMITH, JR.
CHAIRMAN