



**MINUTES  
SPECIAL MEETING  
FAIRFIELD COUNTY COUNCIL  
APRIL 21, 2021**

**Present:** Moses Bell, Shirley Greene, Mikel Trapp, Timothy Roseborough, Clarence Gilbert, Cornelius Robinson, Council Members; Jason Taylor, County Administrator; Laura Johnson, Assistant County Administrator; Kenneth Davis, County Attorney; Patti L. Davis, Clerk to Council.

**Absent:** Doug Pauley.

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 forty-two other individuals.

Due to COVID-19 (Coronavirus), the meeting is being live-streamed through the County's YouTube page in order to keep citizens informed.

**1. CALL TO ORDER**

Chairman Bell called the Special Meeting to order at 5:30 p.m.

**2. APPROVAL OF AGENDA**

Motion made by Council Member Trapp, seconded by Vice Chair Greene, to approve the Agenda. ***The motion carried 6-0.***

**3. INVOCATION**

Vice Chair Greene led the invocation.

**4. OLD BUSINESS**

**A.** Report of Ad Hoc Committee on Review of Existing Contract Concerning New Administration Building. Chairman Bell stated this is a piece of work that was done because of concerns over the financial implications and discrepancies. This Committee had the task of looking at the contract in total, and Vice Chair Greene led the Committee. Vice Chair Greene instructed the audience to get a copy of the report from the Clerk. Basically what was done was the timeline was looked at to see what had occurred so far based on the contract. Vice Chair Greene then read the report into the record (Exhibit A).

**Timeline:**

- 2017 – Mr. Rory Dowling of 1<sup>st</sup> and Main proposed renovating the Mt. Zion Institute to serve as the new Administration Building to allow the County to centralize its services and save money.
- 2018 – Council agreed to have Mr. Dowling renovate the building using various tax credits to be used as the County Administration Building.
- 2018 – Ordinance passed.
- Council created escrow amount of \$1M going into effect June 20, 2020. This contract was written in a way that granted the Developer and County Administrator access to funds to upfit the building, meaning that the \$1M fund went beyond a contractor risk agreement.
- On February 10, 2021, Chairman Bell formed the Ad Hoc Committee to review the existing contract. The Committee consisted of Vice Chair Greene, Council Member Roseborough and Council Member Robinson.
- The Committee held a meeting on March 15, 2021, with Mr. Rory Dowling, Attorney Tameika Isaac Devine and Attorney Ray Jones being present.
- Council underwrote costs associated with research produced by Dr. Elijah Gaddis "Mount Zion and the History of Education in Fairfield County: An Historical Resource Report." This was not considered an upfit and not paid from the escrow account. Council and the Developer each paid \$6,500.
- Mr. Dowling hopes to deliver the cafeteria portion on or about June 1, 2021.
- Mr. Jones provided confidential contract information to Council for review.
- Mr. Jones stated that any discussion intended to reverse the agreement would need to be done in Executive Session when the question was posed if the cost would only be \$1M to break the lease agreement.

**Financial Implications:** The initial term of the contract to lease the 45,452 square feet complex included an estimated base rent for seven years of \$3,995,885.06. Start date was proposed as the "date landlord delivered the premises to tenant with landlord's work substantially completed" with rights to extend the terms of the lease. On January 27, 2020, Council adopted Ordinance #740 authorizing the execution and delivery of an Amendment to the Lease to amend and clarify some of the terms and conditions of the original

Lease, to include amending the approximate square footage from 45,452 to 51,016 square feet.

Additionally, the County has the right to extend the terms of the Lease for three additional periods of five years each. Base rent for the first lease year of the first option term (after the five year lease) would be \$713,211.45 and base rent for each year thereafter of the option term would be an amount that is 2.5% greater than the base rent for the immediate preceding lease year. Finally, the Lease was amended to include certain provisions relating to new market tax credit financing to include the execution and delivery of a tax credit Lease that shall automatically convert to a sublease upon execution of the tax credit Lease. Specifically, the County executed the Amendment to Lease the entire complex for \$600,000 per year for seven years totaling \$4.2M. The County also has an option to purchase the complex that the Developer has invested \$13.5M for only \$4.5M.

**Current questions answered by the Developer in March 15, 2021, handout:**

1. What is the total cost of the project? The total project costs, excluding specific County upfit requests and County's furniture, is \$13.5M.
2. How much will the County pay toward the project cost? Under legally binding agreements, the County's cost (excluding furniture and upfit requests), cannot exceed \$8.7M. Through this partnership with the County and the Developer, the Developer can save the County \$4.8M or 36% of the total project costs by leveraging various tax credits only available to private developers, including Federal Historic Rehabilitation Tax Credits, New Market Tax Credits, State Abandoned Building Tax Credits and State Historic Rehabilitation Tax Credits.

**Financial Status:**

On February 27, 2020, a construction risk escrow account was established with BB&T in the amount of \$1M in case the County defaulted on the agreement, being effective on June 30, 2020. On April 8, 2021, Mr. Ray Jones wrote to Mr. Taylor stating "The concept of construction risk deposit is provided in Section 19 of the Development Agreement. The parties are permitted to amend the Development Agreement so long as the amendment is agreed to in writing. By their execution of the disbursement request, the parties modified the operation of the escrow to provide for payment of expenses for the project. The Development Agreement did not require approval of Council to make this change."

**For the Record:**

Vice Chair Greene stated there has been much effort to give misinformation concerning the actual role of the Ad Hoc Committee, among other things. There are some things that are concerning about this project. Governmental decisions should be based on the interests of all communities affected. The choice to place the seat of local government on a site that embodies Fairfield County's segregated past excludes the total community. At no point during the early stages of the project was adaptive reuse of a facility the only focus of redevelopment. In hiring Dr. Elijah Gaddis and Peter Thomas, Council invested significant resources to research the heritage of Mt. Zion, which addresses only a fraction of the community but does not include the total community, including black citizens. This inequitable allocation of research funding produced a narrative that reinforced and affirmed Mt. Zion's past (even recommending that the renovation include museum displays of the building's origins) without consideration of how presentation of this historic perspective in isolation affects black citizens. Due consideration should be given to the ascension of black citizens from slavery and Jim Crow to roles as contributing citizens obtained through education and activism. The Mt. Zion project symbolizes the crossroads in Fairfield County: Will we change to be a welcoming community where business and industry can thrive and grow in an environment of unity, continued growth and shared recognition, or do we make decisions that divide us without awareness of the value of all our citizens.

Vice Chair Greene stated hopefully, this report and observations will help the citizens examine themselves and their commitment to fairness and unity. We are stronger together but we must choose inclusion to capitalize on this strength. Vice Chair Greene stated people have asked what the Committee discovered. It was learned that the contract narrative of \$8.7M, while true as it relates to the contract, does not include the building's upfits. The 9-1-1 Call Center alone is expensive and requires a lot of upfit. This cost alone is in the neighborhood of \$400,000 or more. With other upfits, the cost could go up to \$9.7M. The big question is why is this included, and it is included because it is not what the contract says. We must take a look at the narrative that is a part of what we are doing. The narrative is relating to the contract, but the County has to be sure everything needed is provided, such as the 9-1-1 Call Center, electrical, etc. We must be realistic in discussing the things that we need to make staff and others comfortable when they go into the building. The other thing is that the \$1M escrow account went beyond the contract risk agreement. The Developer and the County Administrator had access to the funds to upfit the building without use of a procurement policy or without Council approval. We also learned that the lack of timely scope, planning and plan modifications and upfit caused delays. As expressed by the Developer, this may result in extended general conditions, including a charge that is

estimated to be \$1587.25 per day. The Ad Hoc Committee has no contract authority, and a report is simply being made to Council tonight on the findings. The Developer assumed that the Council was seeking to cancel the contract and stopped allowing Mr. Taylor to use the escrow account which resulted in additional costs after March 15. Outside of the escrow account, budget appropriations for upfits, furniture and moving expenses are unclear. The Developer wants the lease payment and other kinds of things shown in the County budget. The Developer has exhausted his \$900,000 contingency fund, which raises questions concerning the financial viability of how the project is completed. The narrative regarding the adaptive use of Mt. Zion as Fairfield County's Administration Building should be clear. It is the seat of government for Fairfield County. While the committee has not seen anything to date suggesting that there is any need to be concerned, if the historical perspective is looked at of all citizens, we want to make sure that the contributions of all citizens of Fairfield County are formally recognized.

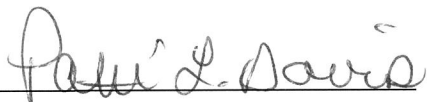
Chairman Bell inquired what caused the delays in the construction and stated it appears some of the changes were requested in January and February of 2021. Per Mrs. Greene, the delay was caused by basic upfits and the fact that the Developer had stopped allowing Mr. Taylor to use the escrow account. Also, there were some items not invoiced. The Developer also stated some of the delays were based on what had to get done and when. Chairman Bell also inquired why we were just requesting the switch gear, and Vice Chair Greene stated she is not clear on this. However, the requests came based on when the contractor said the items were needed.

Council Member Robinson stated he would be remiss if he took any credit for the report and thanked Mrs. Greene for her research.

Chairman Bell, on behalf of Council, thanked Vice Chair Greene for reviewing the contract and the total costs for the County. It appears this will be around \$9.7M versus \$8.7M.

## 5. ADJOURN

At 5:55 p.m., it was moved by Council Member Trapp, seconded by Vice Chair Greene, to adjourn. ***The motion carried 6-0.***



PATTI L. DAVIS  
CLERK TO COUNCIL



MOSES BELL  
CHAIRMAN