



Henry McMaster
Governor

SOUTH CAROLINA
DEPARTMENT OF COMMERCE

Robert M. Hitt III
Secretary

**TO: Michael McInerney, Director of External Affairs
South Carolina Department of Commerce**

**FROM: Alan D. Young, Executive Director,
South Carolina Coordinating Council for Economic
Development
South Carolina Department of Commerce**

DATE: March 15, 2019

**SUBJECT: Economic Development Set-Aside Fund,
Governor's Closing Fund and
Rural Infrastructure Fund Activity for 2018**

On behalf of the South Carolina Coordinating Council for Economic Development, I am pleased to submit the 2018 Annual Report of Fund Activity. In accordance with Sections 12-10-85(D) and 12-28-2910(E), this report details activities of the Council regarding the Economic Development Set-Aside Fund, the Governor's Closing Fund and the Rural Infrastructure Fund. These funds are managed by the South Carolina Department of Commerce's Grants Administration Division. Please forward to the Governor's Office, the State Fiscal Accountability Authority, the Senate Finance Committee and the House Ways & Means Committee.

I am available at 803-737-0448 should you have questions or need additional information.

cc: The Honorable Robert M. Hitt III, Secretary, SC Department of Commerce
Chairman, Coordinating Council for Economic Development
Hartley Powell, Director, SC Department of Revenue
Chairman, Coordinating Council Enterprise Committee
The Honorable Hugh E. Weathers, Commissioner, SC Department of Agriculture
Gregory B. Askins, Chairman, State Board for Technical and Comprehensive Education
Don Herriott, Chairman, SC Research Authority
Michael W. Nix, Chairman, Jobs Economic Development Authority
Charlie Condon, Interim Chairman, Santee Cooper
Duane N. Parrish, Director, SC Department of Parks, Recreation and Tourism
William H. Stern, Chairman, State Ports Authority
Jamie Suber, Interim Director, SC Department of Employment and Workforce
Christie A. Hall, Secretary, SC Department of Transportation

Enclosure

**South Carolina
Coordinating Council for
Economic Development**

**2018 Annual Report of
Economic Development Set-Aside Fund,
Governor's Closing Fund and
Rural Infrastructure Fund Activity**

March 2019

**SC Coordinating Council for Economic Development
2018 Report of Economic Development Set-Aside Fund,
Governor’s Closing Fund and Rural Infrastructure Fund Activity**

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OVERVIEW OF THE COORDINATING COUNCIL FOR ECONOMIC DEVELOPMENT

The Coordinating Council for Economic Development (“Council”) was formed in response to a general need for improved coordination of efforts in the area of economic development by those state agencies involved in the recruitment of new business and the expansion of current enterprises throughout South Carolina (“the State”). Formally established in 1986 by the General Assembly (SC Code § 13-1-1710), the purpose of the Council is to enhance economic growth and development in the State through strategic planning and coordination. As such, the Council is chaired by the Secretary of Commerce. Ten additional members are drawn from other state agencies involved in economic development, and the member agency heads are either board chairmen or cabinet officials.

The Council’s administrative staff is housed in the Grants Administration Division of the South Carolina Department of Commerce (“Department of Commerce”), which manages the Council’s state grant funds as well as the Enterprise Zone programs. Grants Administration also manages two federal grant programs, the Community Development Block Grant and Appalachian Regional Commission programs.

The Department of Commerce Division of Small Business and Rural Development assists with projects that are eligible for the Rural Infrastructure Fund (“RIF”) program. If the Council approves a RIF grant award, the Grants Administration Division administers the funds and the Small Business and Rural Development Division works with the county to ensure successful implementation of the project.

COUNCIL RESPONSIBILITIES AND MEMBERSHIP

By statute, the full body of the Council is required to meet at least quarterly. Its responsibilities include: establishing guidelines and procedures for all Council programs; implementing the state’s strategy for economic development; reviewing and approving all applications for grants from the Economic Development Set-Aside, Rural Infrastructure, Governor’s Closing and Tourism Infrastructure Funds; and reviewing and approving all applications for Enterprise Zone Job Development Credit and all applications for International Trade Incentives. The Council also certifies economic development projects as representing “significant economic impact” on areas surrounding them for the purposes of qualifying for income tax apportionment and income tax moratoriums. In addition, the Council provides recommendations to the South Carolina Infrastructure Bank regarding projects that will have a positive impact on economic development in the State.

Following enactment of the Enterprise Zone legislation in 1995, the Council formed a specialized, five-member subcommittee (“Enterprise Committee”) to handle the substantial volume of new

activity and related policy decisions. This committee meets monthly to review and approve applications for Enterprise Zone incentives and applications for International Trade incentives, and to respond to issues and recommend policies for adoption by the full Council at its quarterly meetings. Current membership of the Council is shown below.

AGENCY MEMBERS OF THE COORDINATING COUNCIL

SC Department of Commerce	*SC Department of Revenue
Santee Cooper	*SC Department of Agriculture
SC Department of Transportation	*SC Department of Parks, Recreation and Tourism
SC Research Authority	*State Ports Authority
State Board for Technical & Comprehensive Education	* Jobs Economic Development Authority
SC Department of Employment and Workforce	

**Denotes Enterprise Committee member*

2018 ADMINISTRATIVE CHANGES

Robert M. Hitt III was appointed Secretary of Commerce by Governor Nikki Haley in January 2011 and has acted as Chairperson of the Council since then, and throughout 2018. Hartley Powell was appointed Director of the SC Department of Revenue by Governor Haley on November 21, 2016 and has chaired the Enterprise Committee since then, and throughout 2018.

There were several administrative changes in 2018. Council membership following changes in 2018, including two unconfirmed interim directors, was as follows:

Robert M. Hitt III	Secretary, SC Department of Commerce Chairman, Coordinating Council for Economic Development
Hartley Powell	Director, SC Department of Revenue Chairman, Coordinating Council Enterprise Committee
Jamie Suber	Interim Director, SC Department of Employment and Workforce
Hugh E. Weathers	Commissioner, SC Department of Agriculture
Gregory B. Askins	Chairman, State Board for Technical and Comprehensive Education
Don Herriott	Chairman, SC Research Authority
Michael W. Nix	Chairman, Jobs and Economic Development Authority
Charlie Condon	Interim Chairman, Santee Cooper
William H. Stern	Chairman, State Ports Authority
Duane N. Parrish	Director, SC Department of Parks, Recreation and Tourism
Christie A. Hall	Secretary, SC Department of Transportation

Current Council staff:

Alan D. Young	Executive Director, Coordinating Council
Cynthia S. Turnipseed	Legal Counsel, Coordinating Council
Dale Culbreth	Senior Program Manager, CCED Grant Programs
Marcella Forrest	Senior Program Manager, Enterprise Zone Program
Donna Tucker	Data Manager
Latitia Worthy	Grant Administrator

COORDINATING COUNCIL FOR ECONOMIC DEVELOPMENT STATE GRANT FUNDS

OVERVIEW OF STATE GRANT FUNDS

ECONOMIC DEVELOPMENT SET-ASIDE

In 1987, the General Assembly passed a bill that provided for an additional 3 cents per gallon tax on the sale of gasoline in the State. The General Assembly charged the Council with administering this new initiative known as the Economic Development Set-Aside Program (“Set-Aside”). The Set-Aside Fund is dedicated to improving the economic well-being of the State by providing funds to local government to develop the infrastructure necessary for new and expanding business. At inception, the fund was created from the first \$10 million received through State gas tax revenues. The annual \$10 million appropriation was later increased to \$18 million, and then in July 2006, to \$20 million. The funding source was also changed to be split between utility and gas tax revenues. By 2008, utility taxes were the sole funding source and Set-Aside revenue was capped at \$20 million.

For Fiscal Year 2017-2018, the Council received \$20 million in utility tax receipts and recaptured \$200,000 as a result of performance agreement repayments. Transfers out of the fund for program administration and GIS totaled \$460,000.

GOVERNOR’S CLOSING FUND

The Governor’s Closing Fund (“Closing Fund”) was created in 2006 when additional, more flexible funding was needed to assist with high impact economic development projects. Funding was originally dependent on annual appropriations from the General Assembly, which included an initial \$7 million for FY 06-07 and a second \$7 million for FY 07-08, but additional appropriations were limited in some years. To meet the need for adequate funding for economic development projects, and “to provide maximum flexibility to encourage the creation of new jobs and capital investment,” the General Assembly voted to give the Council the authority to “transfer economic development funds at its disposal to the Closing Fund.” This provision was first included in the General Appropriations Bill for Fiscal Year 2009-2010 in Proviso 40.30. Transfers must be approved by a majority vote of the Council members in a public meeting.

For Fiscal Year 2017-2018, the Council received \$35.9 million in appropriations and the Council transferred \$7 million to the Closing Fund out of other Council funds to assist with major economic development projects. An additional \$300,000 was recaptured as a result of performance agreement repayments, bringing total funding for the year to \$43.2 million. Partially offsetting these receipts was an interagency loan to Public Railways that will be repaid in future years.

RURAL INFRASTRUCTURE FUND

The South Carolina Rural Development Act was enacted by the legislature in 1996 (SC Code § 12-10-80). This act established the Rural Infrastructure Fund (“RIF”) with the purpose of providing financial assistance to local governments, primarily in rural counties, for infrastructure and other economic development activities. The goal of the RIF program is to promote and encourage economic growth and prosperity in the State’s rural areas.

Enabling legislation gave the Council responsibility for funds generated by the provisions of the Rural Development Act, as well as for developing policies and procedures. Funding comes from companies participating in an Enterprise Zone Revitalization Agreement with the Council, which permits companies to claim a refund for a portion of the employee state payroll tax withholding sent to the Department of Revenue each quarter. This refund is designated as a Job Development Credit (“JDC”) and may be used by the company to offset certain eligible company expenses, such as real property expenses, associated with its new or expanded operation.

Participating companies located in Tier IV counties, which are generally the least developed counties in the state, are eligible to claim a refund of 100% of the JDCs to which they are entitled under their Revitalization Agreement. Participating companies in Tier III and II counties may claim only 85% and 70%, respectively, of the JDCs for which they are otherwise eligible, and in the most developed Tier I counties participating companies may claim only 55%.

The JDC funds which participating companies cannot claim as a result of being located in a Tier I, II or III county are the source of funding for the RIF grant program. The Department of Revenue collects and transfers these monies to the RIF each quarter. During Fiscal Year 2017-2018, deposits received from the Department of Revenue for the RIF fund totaled \$16.7 million, plus \$2 million received that was in excess of \$10 million and reserved in what Council refers to as the RIF Reserve Fund. The RIF Reserve is to be used for developed counties, as required per SC Code § 12-10-85(B). An additional \$363,040 was recaptured, and transfers out of the fund included \$600,000 for program administration and \$500,000 to satisfy a legislative mandate.

In June 2018, the legislature approved the FY 2018-2019 budget which included, for the first time, Proviso 50.19. This proviso specifies that the funds appropriated under SC Code § 12-10-85(B) may be utilized toward state-owned rail infrastructure projects.

TYPES OF PROJECTS FUNDED

The purpose of both the Set-Aside and Closing Funds is to assist companies in locating or expanding in South Carolina. Together, these programs provide funding necessary to encourage competitive projects to locate or expand in South Carolina. Generally, “but for” or without Council participation, these projects would not locate or expand in South Carolina. Set-Aside grants are used primarily to fund land acquisition, road improvements, water and sewer infrastructure and site preparation costs related to business location and expansion. Closing Fund grants are more flexible and can be used to meet a wider variety of economic development project needs.

For counties that are eligible for RIF funding, RIF can be used for economic development project assistance, as well as assistance needed to prepare the state’s most rural areas to support economic development. Initially, RIF funds were used primarily for “product development,” but in 2005 the Council adopted a formal investment strategy that broadened the use of RIF funds to other types of activities necessary to improve economic competitiveness.

Accomplishments for RIF are described both in terms of grants used for business development assistance, which are tied to jobs and investment, and for more general community development, encompassing product development activities such as industrial parks and sites, as well as community revitalization and workforce development.

APPLICANT ELIGIBILITY

The Council can approve Set-Aside and Closing Fund assistance for projects anywhere in the state, regardless of location or county status. RIF, on the other hand, is geographically targeted according to the program’s enabling legislation. Generally, only local governments located in counties designated as Tier III or Tier IV for Jobs Tax Credit purposes are eligible for RIF funds, except that when annual deposits exceed \$10 million, up to 25% of the amount over \$10 million must be made available to counties qualified as Tiers I or II for projects that will benefit underdeveloped areas of those counties (SC Code of Laws §12-10-85).

The four-tier “development level” of counties for the “Jobs Tax Credit” is a ranking determined by the Department of Revenue and published at the beginning of each calendar year. The criteria for this determination was established by the legislature (SC Code of Laws §12-6-3360.) The rankings for 2018 are shown below.

2018 JOBS TAX CREDIT DESIGNATIONS

TIER IV 100%	TIER III 85%	TIER II 70%	TIER I 55%
Allendale Bamberg Barnwell Chester Clarendon Dillon Hampton Lee Marion Marlboro Orangeburg Williamsburg	Abbeville Calhoun Cherokee Chesterfield Colleton Darlington Edgefield Fairfield Horry Laurens McCormick Union	Aiken Berkeley Florence Georgetown Greenwood Jasper Kershaw Lancaster Oconee Pickens Saluda Sumter	Anderson Beaufort Charleston Dorchester Greenville Lexington Newberry Richland Spartanburg York

FUNDING PROCESS

FUNDING CONSIDERATIONS

For competitive economic development projects, the Council considers funding for projects on an individual basis and evaluates each of the following when determining whether funding is an appropriate and effective use of state grant funds:

- Competitiveness of the project;
- Number and type of jobs created;
- Type of industry (e.g., manufacturing, distribution, corporate headquarters, research and development);
- Unemployment rate in county where the project locates;
- Total invested dollars (land, building, machinery and equipment costs);
- Cost of the project;
- Cost-effectiveness of the project;
- Future tax revenues anticipated;
- Time frame for completion of construction of the facility;
- Infrastructure needs of the region;
- Funding sought from other sources;
- Financial viability of the company; and
- Company status as a good corporate citizen.

For RIF community development and product development grants, the Council considers a variety of factors, including:

- Economic viability of the project;
- Cost effectiveness of the project activities;
- Benefit to the state/region/county/municipality;
- Ability of local government(s) to carry out and maintain the project; and
- Ability to proceed to completion within a reasonable period of time.

The RIF project must also support the implementation of a county's strategic development plan, or be directly related to economic development in the area, and must demonstrate local political and public support. The Council also looks for significant community financial support and will typically not approve 100% of any request for RIF assistance. To ensure this, projects are considered for RIF funding only once all other available sources of funding have been committed. There generally must be a demonstrable shortfall that cannot be met without RIF assistance.

FUNDING GUIDELINES FOR BUSINESS DEVELOPMENT GRANTS

- Council business development funding approval is tied directly to specific economic development projects with new job creation and capital investment.
- As a general rule, funding is limited to \$10,000 per new job created, but assistance may be higher where more substantial economic benefit is anticipated.
- A Department of Commerce Business Development project manager must be actively involved in the recruitment of the economic development project for which funding is requested.
- Without Council funding, the project will not locate or expand in South Carolina.
- Performance Agreements are required for all Council grant funds used as economic development tools to help recruit new or expand existing employers in the state. If the company fails to meet either the job or the capital investment guarantee, the use of Performance Agreements provides the Council with the ability to recapture funding by requiring pro-rata repayment of grant funds.

FUNDING PROCESS

For business development grants awarded from any funding source, the process is integrated with the Business Development project activities and functions of the Department of Commerce.

1. The Department of Commerce Global Business Development Division works with local governments to identify specific funding needs for projects. In rural counties where RIF funding may be used for business development purposes, the Small Business and Rural Development Division may liaison with the county. Preliminary details such as cost estimates, project scope, company financials and number of jobs and level of investment expected are submitted to Business Development.
2. Preliminary information is reviewed by the Council staff, and if it is determined that the project is consistent with the economic development goals of the State and meets established evaluation criteria, the local government is invited to submit a formal application for funding.

The remainder of the process is similar for both business development and non-business development grants:

3. Applications are submitted to the Department of Commerce Grants Administration Division and processed by staff. The related requests for funding are presented to the Council at its quarterly meetings.
4. The Council has the discretion to approve or disapprove all funding requests and may negotiate funding terms and amounts as it sees fit.
5. If funding is approved, approval letters and grant award agreements are sent to the local government. The grant award agreements must be signed by representatives with the authority to enter into contracts on behalf of the local government. Once signed, the agreement becomes an executed contract between the Council and the local government, containing the specific requirements and provisions associated with the grant award.

6. For business development projects, performance agreements are also required. These are contracts between the company, the local government applicant and the Council, and as such, they must be signed by company representatives that have the legal authority to enter into contracts on behalf of their respective entity. Performance agreements contain specific requirements for job creation and new capital investment.
7. The Council staff reviews all signed agreements and maintains copies in its grant files.
8. Once all agreements have been signed, Council grants may be used to reimburse approved project costs. Cost estimates provided at application serve as the project budget, and only those approved budget items and amounts are eligible for reimbursement.
9. Grant recipients submit paid invoices to Grants Administration to request reimbursement of approved project costs. Council staff monitors compliance with grant terms and budgets and reserves the right to deny payment for ineligible project costs or for failure to comply with grant requirements.
10. Once the portion of a project to be reimbursed with grant funds is complete, the grant recipient notifies the Council in writing and the Council staff initiates grant financial closeout.
11. For business development grants, final closeout does not occur until the company on whose behalf the project was undertaken submits documentation related to its performance under the grant. Jobs and investment are evaluated to determine whether they are sufficient to satisfy the terms of the agreement, and where appropriate, the Council reserves the right to require pro-rata repayment of grant funds.
12. In all cases, once all required closeout documentation has been submitted to the Council, and has been reviewed and determined to be in compliance with all terms and conditions of the grant award agreement and the performance agreement, if applicable, grants are officially closed.

ELIGIBLE AND INELIGIBLE ACTIVITIES

SET-ASIDE

Effective July 1, 2001, a proviso defining eligible uses of Set-Aside funds was passed by the legislature. Specifically, the proviso limited the use of Set-Aside funds to road construction improvement projects, water and sewer projects and site preparation, and it further defined allowable site preparation activities. In July 2006, the legislature passed a second proviso expanding eligible activities to include fiber optic cable, rail spurs and the purchase of land. Next, in 2010, the Economic Development Competitiveness Act added additional eligible activities that went into effect on January 1, 2011. Finally, also effective January 1, 2011, the proviso terms defining eligible activities for Set-aside grants were moved to SC Code § 12-28-2910 (E).

Below is a list of eligible and ineligible activities.

Eligible Activities

- Public Improvements - Roads, Water and Wastewater Infrastructure
 - Planning
 - Engineering – *limited to 10%*
 - Right-of-way
 - Drainage
 - Curb and gutter – *only when necessary for drainage*
 - Construction

- Cantilevered flashing light signals and/or gates at railroad crossings *when necessary*
- Road re-surfacing or widening
- Turn lanes and acceleration and deceleration lanes
- Site preparation
 - Surveying
 - Environmental and geotechnical study and mitigation
 - Clearing, filling and grading
- Fiber optic cable
- Rail spurs
- Land acquisition
- Relocation expenses for employees paid at least two (2) times the lower of the State or county per capita income
- Acquiring and improving real property
- Pollution control equipment

Activities Not Eligible for Set-Aside Funding

- Speculative projects
- Opening up access to undeveloped property
- State government funded projects
- Maintenance of industrial/research parks
- Shopping centers/strip malls
- Signage (*except project signs required as part of the grant award agreement or permanent construction signs required by the Department of Transportation*)
- Paving of parking lots or lighting
- Civic centers and/or auditoriums, except that road improvements for civic centers may be funded (up to \$1,000,000) if associated with substantial economic development projects
- Curb and guttering for aesthetic purposes
- Concrete loading docks or pads
- Equipment and moving expenses
- Residential developments

RURAL INFRASTRUCTURE FUND

Eligible activities generally include infrastructure and economic development activities. Examples are listed below:

- Engineering – *limited to 10%*
- Right-of-way acquisition
- Drainage
- Roads
- Rail spurs
- Economic development program enhancement
- Speculative building assistance
- Training costs and facilities
- Improvements to regionally planned public and private water and sewer systems
- Fixed transportation facilities including highway, rail, water and air
- Improvements to both public and private electricity, natural gas and telecommunications systems

- Environmental studies
- Feasibility studies
- Community revitalization
- Marketing for counties (studies, materials)
- Small business incubators
- Industrial park development and improvement
- Relocation expenses for employees paid at least two (2) times the lower of the State or county per capita income
- Site preparation
- Acquiring or improving real property

2018 COORDINATING COUNCIL FUNDING ACTIVITY AND ACCOMPLISHMENTS

BUSINESS DEVELOPMENT

During calendar year 2018, the Council awarded 68 new business development grants from the Set-Aside Fund, the Closing Fund and the Rural Infrastructure Fund. A total of \$28.8 million was awarded to 31 county governments. Projected capital investment from the associated projects is \$1.9 billion, and projected new jobs total 9,859. Commitments were also made for an additional 31 projects which are not yet decided. If won, these projects will represent over 3,400 additional jobs and \$1.2 billion in additional investment.

On the following pages are tables that outline the distribution of funds awarded between counties of different development status or tiers, project type (i.e., economic development projects associated with companies new to South Carolina or existing companies expanding in South Carolina) and funding source. Also included is a table that provides specifics on all projects approved during calendar year 2018. The totals shown on these charts only represent new grants awarded in 2018 and do not reflect amendments made to previously approved grants or funds committed by the Council.

Funding for business development projects was awarded out of Set-Aside, RIF and the Closing Fund, with the majority awarded out of Set-Aside.

2018 BUSINESS DEVELOPMENT GRANT AWARDS - BY FUNDING SOURCE -		
FUNDING SOURCE	# GRANTS	TOTAL AWARDED
Set-Aside Fund	46	\$14,825,000
Rural Infrastructure Fund	20	\$6,950,000
Governors Closing Fund	2	\$7,000,000
TOTAL	68	\$28,775,000

**2018 BUSINESS DEVELOPMENT GRANT AWARDS
- BY COUNTY CLASSIFICATION -**

COUNTY CLASSIFICATION	NUMBER OF PROJECTS	PROJECTED INVESTMENT	PROJECTED JOBS
Tier I	32	\$872,478,415	5,181
Tier II	16	\$662,950,685	2,802
Tier III	7	\$220,052,000	1,087
Tier IV	13	\$135,627,576	789
TOTALS	68	\$1,891,108,676	9,859

**2018 BUSINESS DEVELOPMENT GRANT AWARDS
- BY PROJECT TYPE -**

PROJECT TYPE	FIRMS	PROJECTED INVESTMENT	PROJECTED JOBS
Existing/Expanding	31	\$848,067,218	3,004
New	37	\$1,043,041,458	6,855
TOTALS	68	\$1,891,108,676	9,859

COORDINATING COUNCIL GRANT ACTIVITY & ACCOMPLISHMENTS
NEW BUSINESS DEVELOPMENT AWARDS
CALENDAR YEAR 2018

Grant Number	Funding Source	Grant Recipient	County	Tier	Scope of Work	Grant Amount	Projected New Jobs	Projected Capital Investment
C-14-2271	Setaside	Berkeley County	Berkeley	1	Real Property Improvements	350,000	60	40,600,000
C-16-2603	RIF	Lee County	Lee	4	Real Property Improvements	50,000	20	1,080,000
C-17-2778	Setaside	York County	York	1	Real Property Improvements	200,000	550	31,090,000
C-17-2790	RIF	Abbeville County	Abbeville	3	Building Upfit/Improvements	200,000	158	5,350,000
C-17-2791	Setaside	York County	York	1	Building Upfit/Improvements	250,000	150	14,500,000
C-17-2793	RIF	Cherokee County	Cherokee	3	Building Upfit/Improvements	250,000	60	5,487,000
C-17-2794	Setaside	Spartanburg County	Spartanburg	1	Building Construction	100,000	34	11,301,316
C-17-2801	Setaside	Spartanburg County	Spartanburg	1	Real Property Improvements	150,000	32	18,781,000
C-17-2809	RIF	Orangeburg County	Orangeburg	4	Real Property Improvements	100,000	20	15,925,000
C-17-2812	RIF	Hampton County	Hampton	4	Building Construction	50,000	36	1,882,452
C-17-2813	RIF	Clarendon County	Clarendon	4	Real Property Improvements	200,000	31	5,275,000
C-17-2815	Setaside	Richland County	Richland	1	Building Upfit/Improvements	400,000	200	1,941,937
C-17-2816	Setaside	Berkeley County	Berkeley	1	Building Construction	750,000	200	28,500,000
C-17-2818	Setaside	Lexington County	Lexington	1	Building Upfit/Improvements	100,000	100	8,340,000
C-17-2819	Setaside	Greenwood County	Greenwood	2	Real Property Improvements	300,000	47	36,000,000
C-17-2820	Setaside	York County	York	1	Building Upfit/Improvements	100,000	67	7,959,805
C-17-2821	Setaside	York County	York	1	Real Property Improvements	500,000	1,103	29,720,000
C-17-2824	Setaside	Spartanburg County	Spartanburg	1	Site Preparation	100,000	130	8,026,579
C-17-2825	Setaside	Pickens County	Pickens	2	Building Construction	75,000	17	11,100,000
C-17-2826	Setaside	Florence County	Florence	2	Building Upfit/Improvements	100,000	30	7,870,000
C-17-2827	RIF	Orangeburg County	Orangeburg	4	Building Upfit/Improvements	500,000	124	6,176,026
C-17-2829	Setaside	Sumter County	Sumter	2	Multiple site, infra, roads	600,000	125	150,000,000
C-17-2831	RIF	Orangeburg County	Orangeburg	4	Building Construction	100,000	47	14,250,000
C-17-2834	RIF	Chesterfield County	Chesterfield	3	Building Upfit/Improvements	350,000	50	21,950,000
C-17-2835	RIF	Marion County	Marion	4	Building Upfit/Improvements	100,000	29	4,702,600
C-17-2836	Setaside	Spartanburg County	Spartanburg	1	Real Property Improvements	3,850,000	500	350,000,000
C-17-2837	RIF	Orangeburg County	Orangeburg	4	Real Property Improvements	750,000	200	52,795,000
C-17-2838	Setaside	Spartanburg County	Spartanburg	1	Building Construction	200,000	60	15,700,000
C-17-2839	Setaside	Florence County	Florence	2	Building Upfit/Improvements	300,000	42	8,476,400
C-17-2841	Setaside	Florence County	Florence	2	Water/Sewer	350,000	22	33,148,057
C-17-2842	Setaside	Dorchester County	Dorchester	1	Building Upfit/Improvements	100,000	25	3,200,000
C-17-2843	RIF	Hampton County	Hampton	4	Real Property Improvements	75,000	50	7,300,000
C-17-2848	Setaside	Greenville County	Greenville	1	Real Property Improvements	100,000	32	5,750,000
C-17-2849	Setaside	York County	York	1	Building Upfit/Improvements	200,000	157	8,000,000
C-17-2853	Setaside	Greenville County	Greenville	1	Building Upfit/Improvements	100,000	416	4,400,000
C-17-2857	Setaside	Sumter County	Sumter	2	Site Preparation	100,000	27	2,550,000
C-17-2858	Setaside	Berkeley County	Berkeley	2	Economic Development - Infrastructure	500,000	50	270,000,000
C-17-2861	RIF	Marion County	Marion	4	Building Upfit/Improvements	525,000	51	6,945,000
C-17-2862	Closing	Lancaster County	Lancaster	2	Real Property Improvements	5,000,000	375	40,000,000
C-17-2864	RIF	Marlboro County	Marlboro	4	Real Property Improvements	1,000,000	132	11,983,447
C-17-2865	Setaside	Spartanburg County	Spartanburg	1	Building Upfit/Improvements	500,000	336	42,703,778
C-17-2866	Setaside	Greenwood County	Greenwood	2	Building Upfit/Improvements	300,000	67	3,900,000
C-17-2869	Setaside	Lexington County	Lexington	1	Real Property Improvements	350,000	60	8,500,000

COORDINATING COUNCIL GRANT ACTIVITY & ACCOMPLISHMENTS
NEW BUSINESS DEVELOPMENT AWARDS
CALENDAR YEAR 2018

Grant Number	Funding Source	Grant Recipient	County	Tier	Scope of Work	Grant Amount	Projected New Jobs	Projected Capital Investment
C-17-2870	Setaside	Berkeley County	Berkeley	1	Real Property Improvements	100,000	65	52,000,000
C-17-2873	RIF	Cherokee County	Cherokee	3	Building Upfit/Improvements	500,000	200	75,000,000
C-17-2874	RIF	Colleton County	Colleton	3	Real Property Improvements	1,500,000	325	50,000,000
C-18-2875	Setaside	York County	York	1	Building Upfit/Improvements	200,000	160	6,173,000
C-18-2877	RIF	Laurens County	Laurens	3	Site Preparation	100,000	44	17,265,000
C-18-2880	RIF	Orangeburg County	Orangeburg	4	Real Property Improvements	100,000	28	5,707,000
C-18-2881	Setaside	Lancaster County	Lancaster	2	Building Upfit/Improvements	100,000	993	16,000,000
C-18-2882	Setaside	Berkeley County	Berkeley	2	Real Property Improvements	100,000	26	3,555,000
C-18-2883	Setaside	Beaufort County	Beaufort	1	Building Upfit/Improvements	100,000	12	1,726,000
C-18-2889	Setaside	Anderson County	Anderson	1	Building Upfit/Improvements	200,000	31	3,425,000
C-18-2891	Closing	Berkeley County	Berkeley	2	Building Upfit/Improvements	2,000,000	600	35,200,000
C-18-2892	Setaside	York County	York	1	Building Upfit/Improvements	100,000	64	13,360,000
C-18-2893	Setaside	Aiken County	Aiken	2	Building Upfit/Improvements	100,000	42	3,051,228
C-18-2894	Setaside	York County	York	1	Real Property Improvements	100,000	200	13,900,000
C-18-2895	Setaside	Lancaster County	Lancaster	2	Real Property Improvements	750,000	225	20,000,000
C-18-2896	Setaside	Lexington County	Lexington	1	Real Property Improvements	200,000	75	20,000,000
C-18-2899	Setaside	Dorchester County	Dorchester	1	Site Preparation	200,000	100	40,000,000
C-18-2903	Setaside	Greenville County	Greenville	1	Economic Development - Infrastructure	900,000	120	46,881,500
C-18-2905	RIF	Williamsburg County	Williamsburg	4	Building Upfit/Improvements	200,000	21	1,606,051
C-18-2907	Setaside	Richland County	Richland	1	Building Upfit/Improvements	150,000	16	13,600,000
C-18-2908	Setaside	York County	York	1	Building Upfit/Improvements	150,000	40	4,650,000
C-18-2910	RIF	Fairfield County	Fairfield	3	Building Upfit/Improvements	300,000	250	45,000,000
C-18-2911	Setaside	Greenville County	Greenville	1	Real Property Improvements	100,000	70	16,130,000
C-18-2913	Setaside	Beaufort County	Beaufort	1	Building Upfit/Improvements	50,000	16	1,618,500
C-18-2916	Setaside	Pickens County	Pickens	2	Building Upfit/Improvements	200,000	114	22,100,000
Totals						\$28,775,000	9,859	\$1,891,108,676

Please note: this table only includes grants that have been formally approved by the Council and accepted by the company involved. Contingent commitments are not included.

COMMUNITY DEVELOPMENT

During 2018, the Council awarded \$1.7 million to four (4) local governments for four (4) projects involving infrastructure or product development. Funds were awarded out of the Rural Infrastructure Fund and the Governors Closing Fund.

Generally only local governments located in counties designated as Tier III or Tier IV for Jobs Tax Credit purposes are eligible for RIF funds. An exception exists when annual deposits exceed \$10 million, in which case up to 25% of the amount over \$10 million must be made available to counties qualified as Tiers I or II for projects that will benefit underdeveloped areas of those counties (SC Code of Laws §12-10-85). The Council refers to this amount as the RIF Reserve Fund. During 2018, no funds were awarded out of the RIF Reserve Fund.

Grants awarded for community development during 2018 are detailed below.

NEW COMMUNITY DEVELOPMENT ACTIVITY CALENDAR YEAR 2018					
Grant Number	Funding Source	Recipient	County Tier	Scope of Work	Grant Amount
C-17-2840	Closing	Kershaw County	Tier 2	ED - Roads	\$700,000
C-17-2845	RIF	Bamberg County	Tier 4	Product Development	\$247,950
C-17-2846	RIF	Williamsburg County	Tier 4	Product Development	\$161,287
C-17-2847	RIF	Dillon County	Tier 4	Product Development	\$600,000
Totals					\$1,709,237

GRANT PROGRAM COMPLIANCE

Grants from any of the funds managed by the Council, including the Set-Aside Fund, Rural Infrastructure Fund and Governor's Closing Fund, are made under and in accordance with the laws of the State of South Carolina. The federal and state courts within South Carolina have exclusive jurisdiction to adjudicate any disputes arising out of or in connection with these grants.

Failure to comply with any of the terms and conditions of the grant can cause the Council to take, in addition to any relief that it is entitled to by law, any or all of the following actions:

- Require repayment of all or a portion of any grant funds provided; and/or cancel, terminate, or suspend the grant, in whole or in part.
- Refrain from extending any further assistance or grant funds until such time as the grantee is in full compliance with the terms and conditions of the grant agreement.

MONITORING

The portion of projects to be funded in whole or in part with grant funds must generally be completed by the grantee within 18 months of the date of award of the grant. Completion is defined as the final documentation by the grantee to the Council of grant funds expended and issuance by the Council of a notification in writing of the financial closure of the grant. The Council may grant extensions to the completion period requirement at its discretion.

All projects must generally begin within three (3) months of the date of award of the grant. If the grantee does not begin the project within three (3) months of the date of award of the grant, the Council reserves the right to rescind the grant, require the repayment of any grant funds provided to the grantee and terminate the agreement.

After financial closeout, final closeout of economic development grants does not occur until the terms of the performance agreement are satisfied.

PROCUREMENT

Records for property purchased totally or partially with grant funds must be retained for a period of three (3) years after its final disposition. The grantee will maintain records relating to procurement matters for the period of time prescribed by applicable procurement laws, regulations and guidelines, but no less than three (3) years. All other pertinent grant and project records including financial records, supporting documents and statistical records will be retained for a minimum of three (3) years after notification in writing by the Council of the closure of the grant.

The grantee will certify, to the best of its knowledge, information and belief, that the work on the project for which reimbursement is requested has been completed in accordance with the terms

and conditions of the grant agreement. The grantee will return surplus grant funds that result from project cost underruns and commit and provide monies from its own resources for cost overruns that are required to complete the project.