

Finance, Administration, and Economic Development Committee Beaufort County, SC

This meeting will be held both in person at the County Council Chambers, 100 Ribaut Road, Beaufort, and virtually through Zoom.

Monday, September 23, 2024 2:00 PM

AGENDA

COMMITTEE MEMBERS:

MARK LAWSON, CHAIRMAN DAVID P. BARTHOLOMEW YORK GLOVER ANNA MARIA TABERNIK, VICE-CHAIR GERALD DAWSON JOSEPH F. PASSIMENT, EX-OFFICIO

- 1. CALL TO ORDER
- 2. PLEDGE OF ALLEGIANCE
- 3. PUBLIC NOTIFICATION OF THIS MEETING HAS BEEN PUBLISHED, POSTED, AND DISTRIBUTED IN COMPLIANCE WITH THE SOUTH CAROLINA FREEDOM OF INFORMATION ACT
- 4. APPROVAL OF AGENDA
- 5. APPROVAL OF MINUTES- August 26, 2024
- 6. CITIZEN COMMENT PERIOD- 15 MINUTES TOTAL

Anyone who wishes to speak during the Citizen Comment portion of the meeting will limit their comments and speak no longer than three (3) minutes. Speakers will address Council in a respectful manner appropriate to the decorum of the meeting, refraining from the use of profane, abusive, or obscene language. In accordance with Beaufort County's Rules and Procedures, giving of a speaker's time to another is not allowed.

- 7. ASSISTANT COUNTY ADMINISTRATOR REPORT
- 8. ARPA UPDATE

AGENDA ITEMS

9. RECOMMEND APPROVAL TO COUNCIL OF AN ORDINANCE TO PROVIDE FOR THE ISSUANCE AND SALE OF NOT EXCEEDING SEVENTY MILLION DOLLARS (\$70,000,000) GENERAL OBLIGATION BONDS OF 2025 OF BEAUFORT COUNTY, SOUTH CAROLINA; TO PRESCRIBE THE PURPOSES FOR WHICH THE PROCEEDS SHALL BE EXPENDED; TO PROVIDE FOR THE PAYMENT THEREOF; AND OTHER MATTERS RELATING THERETO. (FISCAL IMPACT: If approved by Council and the electorate, the County will authorize the issuance of GO Bonds not to exceed \$70 million dollars and pay for the debt from the existing Debt Service milage and debt service fund balance as described in the 2025 General Obligation Bond Ordinance) - David Cheatwood, & Jeremy Cook

- 10. ANNUAL DIRECT MARKETING ORGANIZATIONS (DMOs) PRESENTATION ACCOUNTING FOR FY 2024 STATE 2% ACCOMMODATIONS TAX ALLOCATION. PER BEAUFORT COUNTY CODE OF ORDINANCES, CHAPTER 66, ARTICLE II, DIVISION 1, SECTION 66-30 -Brycen Campbell, Senior Accountant, Beaufort County Finance
- 11. RECOMMEND APPROVAL TO COUNCIL OF A RESOLUTION AUTHORIZING THE COUNTY ADMINISTRATOR TO ADOPT AND IMPLEMENT THE LOCAL ACCOMMODATIONS TAX AND LOCAL HOSPITALITY TAX GRANT FUNDING POLICY - John Robinson, Acting CFO
- 12. DISCUSSION AND APPROVAL FOR THE BEAUFORT COUNTY ECONOMIC DEVELOPMENT CORPORATION TO PURCHASE 500 ACRES FROM CHILTON TIMBER & LAND COMPANY. FISCAL IMPACT: \$13,070.00 / acre; \$6,535,000 total - John O'Toole, Executive Director, Beaufort County Economic Development Corporation
- 13. DISCUSSION AND APPROVAL FOR THE BEAUFORT COUNTY ECONOMIC DEVELOPMENT CORPORATION TO PURCHASE 18.2 ACRES OF FULLY SERVED INDUSTRIAL LAND -134 PARKER DRIVE. (FISCAL IMPACT: \$460,000.00 - \$25,000 per acre) - John O'Toole, Executive Director, Beaufort County Economic Development Corporation
- 14. RECOMMEND APPROVAL TO COUNCIL TO PLACE LAND PURCHASED BY PROJECT MICRO INTO AN EXISTING MULTI-COUNTY INDUSTRIAL PARK (FISCAL IMPACT: Allocation of revenue would be 99% to Beaufort County and 1% to Jasper County in the Beaufort County portion of the park and 99% to Jasper County and 1% to Beaufort County in the Jasper County portion of the park. This project would fall within the Beaufort County portion of the park) - John O'Toole, Executive Director, Beaufort County Economic Development Corporation
- **15.** RECOMMEND APPROVAL TO COUNCIL TO ENTER IN TO A SPECIAL SOURCE REVENUE CREDIT AGREEMENT WITH PROJECT MICRO (*FISCAL IMPACT: Company will be offered equivalent to base FILOT – 6% over 20year period*) - John O'Toole, Executive Director, Beaufort County Economic Development Corporation
- 16. RECOMMEND APPROVAL TO COUNCIL OF A RESOLUTION TO ACCEPT AN SC AERONAUTICS COMMISSION OFFICE GRANT FOR \$750,000 FOR HXD TERMINAL IMPROVEMENT PROJECT - Jon Rembold; Airports Director
- 17. RECOMMEND APPROVAL OF A CONTRACT CHANGE ORDER FOR AN ADDITIONAL \$10,958.49 IN FUNDING FOR THE COMPLETION AND CLOSEOUT OF THE FIRE STATION 34 PROJECT (FISCAL IMPACT: \$10,958.49 to be paid from Account # 4000-80-1330-54420 CIP Contingency Fund) - Hank Amundson, Special Assistant to the County Administrator
- 18. RECOMMEND APPROVAL TO COUNCIL THE DEMOLITION OF THE AGNES MAJOR COMMUNITY CENTER TO BE PERFORMED BY PUBLIC WORKS Hank Amundson, Special Assistant to the Administrator
- <u>19.</u> RECOMMEND APPROVAL TO COUNCIL OF A RESOLUTION AUTHORIZING THE COUNTY ADMINISTRATOR TO ENTER INTO A FACILITY USE AGREEMENT WITH THE BEAUFORT COUNTY SCHOOL DISTRICT - *Eric Brown, Parks and Recreation Director*
- 20. RECOMMEND APPROVAL TO COUNCIL OF A RESOLUTION ADOPTING THE BEAUFORT COUNTY SOCIAL MEDIA GUIDELINES Hannah Nichols, PIO
- 21. BOARDS AND COMMISSIONS APPOINTMENTS & REAPPOINTMENTS
- 22. ADJOURNMENT

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https://beaufortcountysc.gov/council/council-committee-meetings/index.html



Finance, Administration, and Economic Development Committee Beaufort County, SC

This meeting will be held both in person at the County Council Chambers, 100 Ribaut Road, Beaufort, and virtually through Zoom.

Monday, August 26, 2024 3:00 PM

MINUTES

COMMITTEE MEMBERS:

MARK LAWSON, CHAIRMAN DAVID P. BARTHOLOMEW YORK GLOVER ANNA MARIA TABERNIK, VICE-CHAIR GERALD DAWSON JOSEPH F. PASSIMENT, EX-OFFICIO

1. CALL TO ORDER

Committee Chairman Lawson called the meeting to order at 3:00 pm

PRESENT

Committee Chairman Mark Lawson Committee Vice-Anna Maria Tabernik Council Member Gerald Dawson Council Member Alice Howard Council Member Paula Brown Council Member York Glover 3:39 p.m. Council Member Thomas Reitz Council Member David Bartholomew Chairman Joseph Passiment Vice-Chairman Lawrence McElynn

ABSENT

Council Member Logan Cunningham

2. PLEDGE OF ALLEGIANCE

Committee Chairman Lawson led the Pledge of Allegiance.

3. PUBLIC NOTIFICATION OF THIS MEETING HAS BEEN PUBLISHED, POSTED, AND DISTRIBUTED IN COMPLIANCE WITH THE SOUTH CAROLINA FREEDOM OF INFORMATION ACT

Committee Chairman Lawson noted that the public notification of this meeting has been published, posted, and distributed in compliance with the South Carolina Freedom of Information Act.

4. APPROVAL OF AGENDA

Motion: It was moved by Committee Vice Chair Tabernik, seconded by Council Member Dawson, to approve the agenda.

The Vote: The motion was approved without objection.

5. APPROVAL OF MINUTES - June 17, 2024

Motion: It was moved by Council Member Dawson, Seconded by Council Member Brown, to approve the minutes from June 17, 2024.

The Vote: The motion was approved without objection.

6. CITIZEN COMMENT PERIOD- 15 MINUTES TOTAL

Anyone who wishes to speak during the Citizen Comment portion of the meeting will limit their comments and speak no longer than three (3) minutes. Speakers will address Council in a respectful manner appropriate to the decorum of the meeting, refraining from the use of profane, abusive, or obscene language. In accordance with Beaufort County's Rules and Procedures, giving of a speaker's time to another is not allowed.

There were no citizen comments.

7. ASSISTANT COUNTY ADMINISTRATOR REPORT

Acting CFO John Robinson introduced the Finance Team: Christine Webb, Valarie Althoff, and Brycen Campbell. Christine discussed the YTD general fund balances, and Valarie discussed budget transfers within departments and a calendar for next year's budget.

To see the full discussion, click the link below:

https://beaufortcountysc.new.swagit.com/videos/313354?ts=100

AGENDA ITEMS

8. DISCUSSION: VIRTUAL ATTENDANCE AT COUNCIL AND COMMITTEE MEETINGS (RESOLUTION 2023/71, RULES AND PROCEDURES OF BEAUFORT COUNTY COUNCIL, CHAPTER 2, SECTION A)

Council Member Brown discussed virtual attendance at Council and Committee meetings and would like to do away with Zoom meetings.

To see the full discussion, click the link below:

https://beaufortcountysc.new.swagit.com/videos/313354?ts=921

9. RECOMMEND APPROVAL TO COUNCIL OF AN ORDINANCE TO REPEAL AND REPLACE BEAUFORT COUNTY CODE OF ORDINANCES CHAPTER 2, ARTICLE VII, DIVISION 4 (BEAUFORT COUNTY PURCHASING ORDINANCE); TO ESTABLISH NEW POLICIES OF CENTRALIZED PURCHASING AND COMPETITIVE BIDDING FOR COUNTY DEPARTMENTS AND ELECTED OFFICIALS (A NEW PURCHASING ORDINANCE); DELEGATING PURCHASING AUTHORITY TO THE COUNTY PURCHASING DIRECTOR; ESTABLISHING PROCEDURES FOR THE PURCHASING OF GOODS AND SERVICES AS REQUIRED BY COUNTY DEPARTMENTS AND ELECTED OFFICIALS; AND OTHER MATTERS RELATED THERETO - John Robinson, Acting CFO

State law (S.C Code Sec. 11-35-5320) requires Counties to adopt ordinances or procedures embodying sound principles of appropriately competitive procurement. Pursuant to state law, Beaufort County adopted its present purchasing ordinance in 1982. The County has amended the ordinances several times in the intervening years. In 2023, the Council retained the services of Haynsworth Sinkler Boyd to, among other things, draft a new and updated purchasing ordinance. Staff worked with Haynsworth Sinkler Boyd

to draft a new purchasing ordinance that embraces good procurement principles of integrity, transparency, uniformity, and accountability. If adopted, this ordinance will repeal and replace the existing purchasing ordinance.

Motion: It was moved by Vice Chairman McElynn, seconded by Council Member Brown, to recommend to Council as a Time Sensitive Item on August 26, 2024, for the approval of an Ordinance to repeal and replace Beaufort County Code of Ordinances Chapter 2, Article VII, Division 4 (Beaufort County Purchasing Ordinance); to Establish New Policies of Centralized Purchasing and Competitive Bidding for County Departments and Elected Officials (A New Purchasing Ordinance); Delegating Purchasing Authority to the County Purchasing Director; Establishing Procedures for the Purchasing of Goods and Services as Required by County Departments and Elected Officials; and Other Matters Related Thereto

The Vote: The motion was approved without objection

Item is being heard as a First Reading on August 26, 2024, at the County Council Meeting.

To view the full discussion, click the link below: https://beaufortcountysc.new.swagit.com/videos/313354?ts=1541

10. RECOMMEND APPROVAL TO COUNCIL OF AN ORDINANCE AUTHORIZING BEAUFORT COUNTY MEMORIAL HOSPITAL TO PLEDGE REVENUES IN CONNECTION WITH THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY OF ITS HEALTHCARE REVENUE BONDS (SOUTH OF BROAD HEALTHCARE PROJECT) SERIES 2024 IN THE AGGREGATE PRINCIPAL AMOUNT NOT EXCEEDING \$120,000,000; AUTHORIZING PROPER OFFICERS TO DO ALL THINGS NECESSARY OR ADVISABLE; AND OTHER MATTERS INCIDENTAL THERETO - Brittany Ward County Attorney

Beaufort County Memorial Hospital ("BMH") enabling legislative requires "bonds of the hospital for whatever purpose, shall be issued only by (County) Council and only with (County) Council's authorization."

Beaufort County Memorial Hospital ("BMH") is a public agency and deemed it necessary to establish South of Broad Healthcare ("Borrower"), a nonprofit corporation, to finance the construction of a new health care center in southern Beaufort County. The healthcare facility will be equipped with emergency rooms, ambulatory surgery, medical offices, and a hospital with approximately 20 beds to provide outpatient and acute care healthcare services. The Borrower is seeking financing through the issuance of a series of Healthcare Revenue Bonds in an aggregate principal amount not to exceed \$120,000,000. The funds will be used to defray the cost of the construction of the healthcare facility.

Motion: It was moved by Council Member Howard, seconded by Council Member Bartholomew to <u>Recommend</u> Approval to Council Meeting as a Time Sensitive Item on August 26, 2024 for an of an Ordinance Authorizing Beaufort County Memorial Hospital to Pledge Revenues in Connection with the <u>Issuance by the South Carolina Job Economic Development Authority of its Healthcare Revenue Bonds</u> (South of the Broad Healthcare Project) Series 2024 in the Aggregate Principal Amount Not Exceeding \$120,000,000; Authorizing Proper Officers to do all things Necessary or Advisable; and other matters related thereto.

The Vote: The motion was approved without objection.

Item is being heard as a First Reading on August 26, 2024, at the County Council Meeting.

To view the full discussion, click the link below: https://beaufortcountysc.new.swagit.com/videos/313354?ts=3541

11. RECOMMEND APPROVAL TO COUNCIL OF AN ORDINANCE ACCEPTING THE TRANSFER OF AUTHORITY FOR CONDUCTING MUNICIPAL ELECTIONS FROM THE TOWN OF PORT ROYAL TO THE BEAUFORT COUNTY BOARD OF VOTER REGISTRATION AND ELECTIONS

State law (S.C. Code Sec. 5-15-145) allows municipalities to transfer authority for conducting municipal elections to County elections commissions and authorizes Counties to conduct municipal elections. As a condition of the transfer of authority to conduct elections, the governing bodies of the municipality and the County must agree to the terms of the transfer and enact ordinances embodying those terms.

The Town of Port Royal has worked with the Beaufort County Board of Voter Registration and Elections to agree on the terms of transfer. Chief among the terms is that the Town of Port Royal shall reimburse Beaufort County for all costs incurred in conducting the municipal elections and protests. The Town Council for the Town of Port Royal has adopted an ordinance embodying the terms of this agreement (Ordinance no. 2024/13). The Board of Voter Registration and Elections presents the Town's ordinance and an ordinance accepting an ordinance embodying the same terms, all as permitted by state law.

Motion: <u>It was moved by Committee Vice-Chair Tabernik, Seconded by Council Member Brown to</u> <u>Recommend Approval to Council of an Ordinance Accepting the Transfer of Authority for Conducting</u> <u>Municipal Elections from the Town of Port Royal to the Beaufort County Board of Voter Registration and</u> <u>Elections.</u>

The Vote: The motion was approved without objection.

To view the full discussion, click the link below:

https://beaufortcountysc.new.swagit.com/videos/313354?ts=3618

12. RECOMMEND APPROVAL TO COUNCIL OF A RESOLUTION AUTHORIZING THE COUNTY ADMINISTRATOR TO ACCEPT BLOCK GRANT AWARDS OFFERED BY THE SOUTH CAROLINA DEPARTMENT OF ALCOHOL AND OTHER DRUG ABUSE SERVICES(FISCAL IMPACT: The Beaufort County Alcohol and Drug Abuse Department will receive \$149,691.07 (Federal \$147,858.07 and State \$1,833.00) to fund the provision of primary prevention services for alcohol and other drugs and \$354,542.18 (Federal \$318,311.18 and State \$36,231.00) to provide intervention, treatment and recovery services for the citizens of Beaufort County. There is no requirement for matching funds) - Rebecca Whitt Burgess, Director of the Alcohol and Drug Abuse Department

Under the S.C. Code of Laws, Title 61, Chapter 12, the Fiscal Year 2025 County Plan submitted by the Beaufort County Alcohol and Drug Abuse Department was reviewed and accepted by the S.C. Department of Alcohol and Other Drug Abuse Services (DAODAS) per the terms that govern the release of local excise alcohol taxes.

The prevention block grant partially funds three personnel to work on the reduction of underage alcohol use, tobacco use, and vaping, reducing alcohol-related car crashes, and preventing substance misuse and substance use disorders to improve the well-being of youth and families in Beaufort County. The treatment block grant is applied to funding outpatient treatment and recovery services in Beaufort County. Priority populations include adolescents, pregnant and parenting women, people who use IV drugs, people at risk for infectious diseases, and people involved in the criminal justice system. Treatment block grant funding ensures that citizens in need of service who are uninsured, underinsured, and indigent have access to care.

The Beaufort County Alcohol and Drug Abuse Department will receive \$149,691.07 (Federal \$147,858.07 and State \$1,833.00) to fund the provision of primary provisions of primary prevention services for alcohol and other drugs and \$354,542.18 (Federal \$318,311.18 and State \$36,231.00) to provide intervention, treatment and recovery services for the citizens of Beaufort County. There is no requirement for matching funds.

Motion: It was moved by Committee Vice Chair Tabernik, seconded by Vice Chair McElynn, to Recommend to Council of a Resolution Authorizing the County Administrator to Accept Block Grant Awards Offered by the South Carolina Department of Alcohol and Other Drug Abuse Services

The Vote: The motion was approved without objection.

To view the full discussion, click the link below:

https://beaufortcountysc.new.swagit.com/videos/313354?ts=3667

13. RECOMMEND APPROVAL TO COUNCIL OF A RESOLUTION AUTHORIZING THE COUNTY ADMINISTRATOR TO EXECUTE THE ECONOMIC DEVELOPMENT GRANT APPLICATION REGARDING PROJECT MICRO AND TO SUBMIT IT TO THE SOUTH CAROLINA COORDINATING COUNCIL FOR ECONOMIC DEVELOPMENT - Hank Amundson, Special Assistant to the County Administrator

Project Micro is locating its operations in Beaufort County in an existing facility at Garden's Corner. The company is expected to invest at least \$7.1 million in the project and create at least 35 new jobs over the next five years. This grant application is the first step in assisting the company in its location, expansion, and success.

Motion: <u>It was moved by Committee Vice Chair Tabernik, Seconded by Council Member Paula Brown, to</u> go into Executive Session to discuss item 13.

The Vote: The motion was approved without objection.

Motion: It was moved by Vice Chairman McElynn, Seconded by Council Member Dawson, to Recommend Approval to Council as a Time Sensitive Item at the County Council Meeting on August 26, 2024, of a Resolution Authorizing the County Administrator to Execute the Economic Development Grant Application Regarding Project Micro and to Submit it to the South Carolina Coordinating Council for Economic Development.

The Vote: The motion was approved without objection.

Item is being heard as a Resolution on August 26, 2024, at the County Council Meeting.

To view the full discussion, click the link below:

https://beaufortcountysc.new.swagit.com/videos/313354?ts=3998

14. RECOMMEND APPROVAL OF A CONTRACT TO PAVE AROUND BLUFFTON TOWNSHIP FIRE DISTRICT'S TRAINING BUILDING (FISCAL IMPACT: This project is funded by Fire Impact Fees. This proposal is under budget. The current proposal is \$440,000. Budgeted amount was \$500,000. Funds to be from ACCOUNT# 10001410-57810 7308-050000-57810) - Paul Boulware, Fire Chief Bluffton Township Fire District

In May 2015, the Bluffton Township Fire District completed RFQ# 05050214 for its maintenance/training facility and completed the project in February of 2017. The district had a budget for the project; however, it was not enough to complete the project 100%. Work was done with the contractor to do some value engineering to make sure all the building components were completed but we were not able to complete all the exterior infrastructure for the project. The outside grounds were originally to be reinforced concrete to support the weight of our fire apparatus for maintenance access, along with access for training ground operations. In the interim, crushed concrete aggregate. The hope was to be able to re-visit the project when funds were available to procure the reinforced concrete to finish the overall project 100%.

The Bluffton Township Fire District has been mindful of its funding resources and are utilizing impact fee funds to support this project. We were in the process of a Sun City Fire Station remodel project that was using these funds as well. We were waiting to finish that project first and securing funds in that account to finish the concrete project. At this time, funds are available to complete this project.

Motion: <u>It was moved by Committee Chair Tabernik, Seconded by Council Member Brown to Recommend</u> Approval of a Contract to Pave Around Bluffton Township Fire District's Training Building.

The Vote: The motion was approved without objection.

15. RECOMMEND APPROVAL FOR APPOINTMENT TO THE BEAUFORT COUNTY TRANSPORTATION COMMITTEE FOR A FOUR-YEAR TERM WITH THE EXPIRATION DATE OF AUGUST 2028.

TERM TO BE SERVED: 1ST - VOTE NEEDED: 6/11 (District 11)

- 1. Diederik Advocaat
- 2. David Johnson

Motion: It was moved by Council Member Reitz, seconded by Council Member Brown to recommend approval for Diederik Advocaat for Appointment to the Beaufort County Transportation Committee for a Four-Year Term with the Expiration Date of August 2028.

The Vote: The motion was denied 3/7

Motion: It was moved by Vice Chairman McElynn, seconded by Committee Vice Chair Tabernik to recommend approval for David Johnson for Appointment to the Beaufort County Transportation Committee for a Four-Year Term with the Expiration Date of August 2028.

The Vote: The motion was approved 9/1

To view the full discussion, click the link below:

https://beaufortcountysc.new.swagit.com/videos/313354?ts=4326

16. BOARDS AND COMMISSIONS APPOINTMENTS & REAPPOINTMENTS

Motion: It was moved by Council Member Dawson, Seconded by Council Member Howard, to approve the following Board and Commissions Appointments and Reappointments: Recommend Approval of the Appointment of Michael Murphy to the Bluffton Township District Board for a Four-Year Term with the Expiration Date of August 2028; Recommend Approval of the Appointment of Mark Feinberg to the Solid Waste and Recycling Board for a Four-Year Term with the Expiration Date of August 2028; Recommend Approval of the Reappointment of William Cecil Mitchell III to the Beaufort County Board Zoning Board of Appeals for a Three-Year Term with the Expiration Date of August 2027; Recommend Approval of the Appointment Adrian Scott to the Sheldon Fire District Board for a Four-Year Term with the Expiration Date of August 2028.

The Vote: The motion was approved without objection.

To view the full discussion, click the link below:

https://beaufortcountysc.new.swagit.com/videos/313354?ts=5108

17. ADJOURNMENT

4:38 pm

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https://beaufortcountysc.gov/council/council-committee-meetings/index.html

Ratified:

Beaufort County's FY 25 BUDGET TRANSFER RECAP

Valerie Althoff

Budget Manager



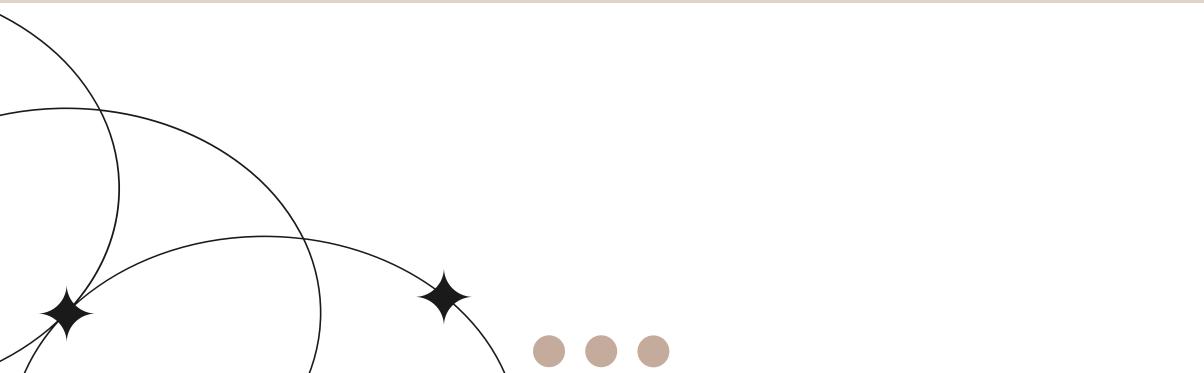
FY 25 BUDGET TRANSFER TRACKING

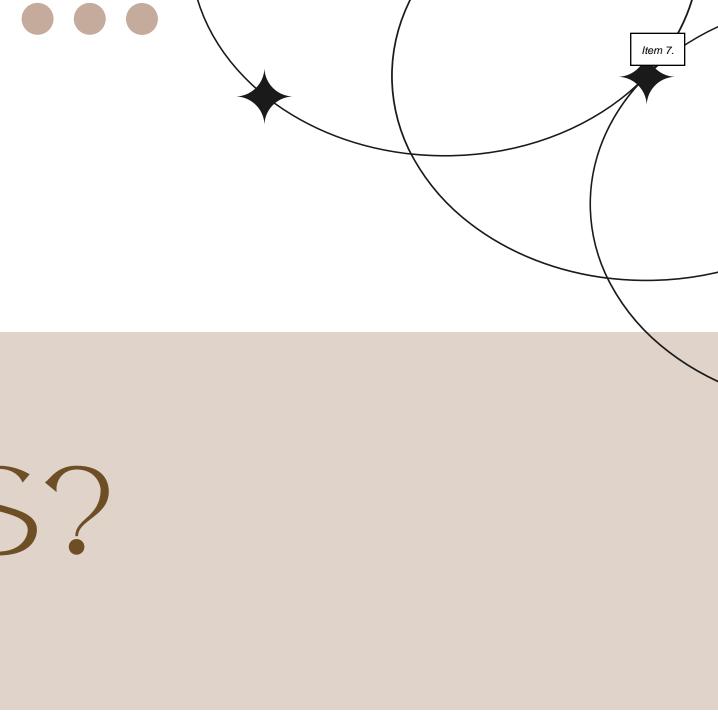
September 2024 Update

DATE	DEPARTMENT	FROM ACCOUNT	FROM ACCOUNT DESCRIPTION	TO ACCOUNT	TO ACCOUNT DESCRIPTION	AMOUNT	JUSTIFICATION	REVISED BUDGET FROM	REVISED BUDGET TO
							For the purchase of 3 pedestrian trail		
							counters and 2 vehicle trail counters, plus 7%		
							SC sales tax. Quotes have been received and		
							the low quote is \$3,755, and the sales tax is		
							approximately \$263. Current Professional		
							Services POs did not end up costing as much		
							as originally budgeted, therefore there are		
							funds available to use for non-capital		
							equipment needs in order to obtain visitor use		
							data on passive park properties. The data		
							gathered with these visitor counters will be		
							used for future grant applications and visitor		
9/4/2024	Passive Parks	1000-60-1610-51160	Professional Services	1000-60-1610-52600	Non-Capital Equipment	\$4,000.00	use updates to Administration and Council.	\$196,000.00	\$19,000.00
							TO COVER THE COST OF FLEET		
							MANAGEMENT SOFTWARE (FLEETIO).		
							SOFTWARE WAS BUDGETED FOR BUT THERE		
9/12/204	Fleet	1000-10-3500-51040	Licenses/Permits	1000-10-3500-51310	Dues and Subscriptions	\$3,000.00	WAS AN INCREASE IN PRICE THIS YEAR.	\$2,000.00	\$78,000.00
					•		Move budgeted funds to better reflect		
9/18/2024	DSN	2441-40-0000-52600-PINEC	Non-Cap Equipment	2441-40-0000-51270-PINEC	Grounds Maint	\$2,400.00	expenses.	\$3,600.00	\$6,900.00
9/18/2024	DSN	2441-40-0000-52600	Non-Cap Equipment	2441-40-0000-51270	Grounds Maint		Rearrange budget to better reflect expenses.	\$500.00	\$17,500.00

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QUESTIONS?





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DATE	DEPARTMENT	FROM ACCOUNT	FROM ACCOUNT DESCRIPTION	TO ACCOUNT	TO ACCOUNT DESCRIPTION	AMOUNT	JUSTIFICATION	BUDGET FROM	BUDG	ET TO
							For the purchase of 3 pedestrian trail counters			/
							and 2 vehicle trail counters, plus 7% SC sales			
							tax. Quotes have been received and the low			I
							quote is \$3,755, and the sales tax is			
							approximately \$263. Current Professional			
							Services POs did not end up costing as much			1
							as originally budgeted, therefore there are			
							funds available to use for non-capital			, I
							equipment needs in order to obtain visitor use			
							data on passive park properties. The data			ļ
							gathered with these visitor counters will be			ļ
0///000/ D						* • • • • •	used for future grant applications and visitor	* • • • • • • • • • • • • •		
9/4/2024 Pass	sive Parks	1000-60-1610-51160	Professional Services	1000-60-1610-52600	Non-Capital Equipment	\$4,000.00	0 use updates to Administration and Council.	\$196,000.00	\$19,0	000.00
							TO COVER THE COST OF FLEET MANAGEMENT SOFTWARE (FLEETIO). SOFTWARE WAS BUDGETED FOR BUT THERE WAS AN			
0/12/204 Floo	•	1000 10 3500 51040	Liconoco (Dormito	1000 10 2500 51210	Duce and Subscriptions	¢2 000 0(0 INCREASE IN PRICE THIS YEAR.	¢2 000 00	۱ ¢70	000.00
9/12/204 Flee		1000-10-3500-51040	Licenses/Permits	1000-10-3500-51310	Dues and Subscriptions	\$3,000.00	Move budgeted funds to better reflect	\$2,000.00	\$70,0	000.00
9/18/2024 DSN	1	2441-40-0000-52600-PINEC	Non-Cap Equipment	2441-40-0000-51270-PINEC	Grounds Maint	\$2 400 00	0 expenses.	\$3,600.00) ¢6	900.00
9/18/2024 DSN		2441-40-0000-52600-FINEC	Non-Cap Equipment	2441-40-0000-51270-FINEC	Grounds Maint		0 Rearrange budget to better reflect expenses.	\$500.00		500.00
		2441-40-0000-52000	Non-Cap Equipment	2441-40-0000-51270	Grounds Maint	φ2,500.00	7 Realitatige budget to better renect expenses.	\$500.00	φ17,	500.00

FY 25 BUDGET TRANSFER TRACKING

FINANCE COMMITTEE 9/23/24



BEAUFORT COUNTY COUNCIL AGENDA ITEM SUMMARY

ITEM TITLE:

AN ORDINANCE TO PROVIDE FOR THE ISSUANCE AND SALE OF NOT EXCEEDING SEVENTY MILLION DOLLARS (\$70,000,000) GENERAL OBLIGATION BONDS OF 2025 OF BEAUFORT COUNTY, SOUTH CAROLINA; TO PRESCRIBE THE PURPOSES FOR WHICH THE PROCEEDS SHALL BE EXPENDED; TO PROVIDE FOR THE PAYMENT THEREOF; AND OTHER MATTERS RELATING THERETO.

MEETING NAME AND DATE:

Finance, Administration, and Economic Development Meeting, September 23, 2024

PRESENTER INFORMATION:

John Robinson, Assistant County Administrator – Public Safety David Cheatwood -First Tryon Financial Analyst – remote Jeremy Cook – HSB – Bond Council -remote

30 minutes

ITEM BACKGROUND:

February 6, 2024, discussed at Strategic Planning workshop.

May 28, 2023, County Council approved a resolution committing funds for the construction of a regional workforce training center.

May 1, 2024, David Cheatwood, First Tryon Financial Advisor, presented to the Finance, Administration, and Economic Development Committee regarding bonding options.

PROJECT / ITEM NARRATIVE:

FY 25 General Obligation Bond issuance. On February 6, 2024, during the Strategic Planning workshop, County Council discussed capital needs of County owned infrastructure as well as their desire to support higher education, workforce and affordable housing, as well as community health care needs. Each of these areas were discussed and the potential funding source of a General Obligation bond. Through the budget process, staff developed the FY 2025 Capital Improvement Plan to identify the counties capital needs. County Staff worked with Beaufort Memorial Hospital ("BMH"), and the Technical College of the Lowcountry ("TCL") to determine their requests. TCL came before Finance Committee on March 18, 2024, and May 1, 2024, where Committee voted to recommend to Council to adopt a resolution supporting this request. County Council approved a resolution to commit funds from Beaufort County to the Technical College of the Lowcountry for the construction of the Arthur E. Brown Regional Workforce Training Center on May 28, 2023. Finance Staff and County Legal met with our Financial Advisor and Bond Council to discuss bonding options. David Cheatwood, First Tryon Financial Advisor, presented to the Finance, Administration, and Economic Development Committee on May 1, 2024. The presentation included the County's financial position, bonding capacity, plan of finance for the BMH and TCL projects, as well as Beaufort County Capital Projects. The intent was for this bond to come forward simultaneously with the FY 25 budget ordinance. Bond issuance was delayed out of concern for other pending projects and planned to come back to Finance Committee in September of 2024. The original bond issuance was planned for \$90.1 million dollars. Staff has worked to reduce the amount to \$70 million dollars.

The back-up material includes the GO Bond financing report from First Tryon Advisors and the Bond Ordinance prepared by Beaufort County Bond Council Jeremy Cook from HSB.

Item 9.

FISCAL IMPACT:

If approved by Council and the electorate, the County will authorize the issuance of GO Bonds not to exceed \$70 million dollars and pay for the debt from the existing Debt Service milage and debt service fund balance as described in the 2025 General Obligation Bond Ordinance.

STAFF RECOMMENDATIONS TO COUNCIL:

Staff recommends approval of the ordinance

OPTIONS FOR COUNCIL MOTION:

Motion to approve/deny/amend the proposed ordinance is issue General Obligation Bonds 2025.

If approved, the proposed ordinance will move to Council for approval.

AN ORDINANCE

TO PROVIDE FOR THE ISSUANCE AND SALE OF NOT EXCEEDING SEVENTY MILLION DOLLARS (\$70,000,000) GENERAL OBLIGATION BONDS OF 2025 OF BEAUFORT COUNTY, SOUTH CAROLINA; TO PRESCRIBE THE PURPOSES FOR WHICH THE PROCEEDS SHALL BE EXPENDED; TO PROVIDE FOR THE PAYMENT THEREOF; AND OTHER MATTERS RELATING THERETO.

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EXHIBIT A – FORM OF BOND

EXHIBIT B – FORM OF CONTINUING DISCLOSURE AGREEMENT

BE IT ORDAINED BY THE COUNTY COUNCIL OF BEAUFORT COUNTY, SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

ARTICLE I

FINDINGS OF FACT

As an incident to the enactment of this Ordinance and the issuance of the bonds provided for herein, the County Council of Beaufort County (the *"Council"*), the governing body of Beaufort County, South Carolina (the *"County"*), finds that the facts set forth in this **Article I** exist, and the statements made with respect thereto are true and correct.

Section 1.01 Objectives

(a) By virtue of Title 4, Chapter 15, as supplemented by Section 11-27-40, Code of Laws of South Carolina, 1976, as amended (the *"South Carolina Code"*), the County is empowered to issue general obligation bonds for any "authorized purpose" as therein defined. The above-referenced title, chapter and section of the South Carolina Code are hereinafter collectively referred to as the *"Enabling Act."*

(b) After due investigation, the Council has determined that it is in the best interest of the County to provide for the issuance and sale of general obligation bonds in the principal amount of not exceeding \$70,000,000 (1) to defray the costs of constructing and acquiring public works capital projects, public safety capital projects, parks and recreation capital projects, community centers, passive parks capital projects, hospital capital projects including affordable housing projects, a workforce training facility, and other capital projects as determined by the County (collectively, the "*Project*") and (2) to pay related costs of issuance, which purposes will serve a public and corporate purpose of the County and benefit the general welfare of the County.

Section 1.02 <u>Recital of Applicable Constitutional Provisions</u>

Section 14 of Article X of the Constitution of the State of South Carolina, 1895, as amended (the "*Constitution*") provides that the counties of the State of South Carolina (the "*State*") may issue bonded indebtedness in an amount not exceeding eight percent of the assessed value of all taxable property therein. Paragraph (6) of Section 14 of Article X of the Constitution further provides that general obligation debt authorized by a majority of the qualified electors of the issuer may be issued without consideration of the eight percent limit otherwise imposed by Section 14 of Article X. The Council is informed that the assessed value of all taxable property located within the County as of June 30, 2024, which is the last completed assessment thereof, is not less than the sum of \$2,654,721,069, exclusive of new industrial property exempt from taxation pursuant to Section 3(g) of Article X of the Constitution. Thus, the eight percent debt limit of the County is not less than \$212,377,686. At present, \$57,352,954 in general obligation debt is chargeable against this limit. Thus, with respect to the proposed bonds of the County referred to in Section 1.01(b) hereof, the Council may cause to be issued general obligation bonds in the aggregate principal amount of not exceeding \$70,000,000 based on such assessed value for the purpose of paying the costs of the Project and issuance costs, without the authorization required by Section 14(6) of Article X of the Constitution.

Section 1.03 Holding of Public Hearing and Notice Thereof

Pursuant to the provisions of Section 4-9-130 of the South Carolina Code, a public hearing, after giving reasonable notice, is required to be conducted prior to the third and final reading of this Ordinance

by the Council. In accordance with this provision, a public hearing was conducted and due notice and provided all as required by said Section 4-9-130. Section 1.04 Notice of Adoption of Ordinance

Section 4-9-1220 of the South Carolina Code provides that within 60 days following the enactment by the Council of an ordinance authorizing the issuance of general obligation debt, a petition signed by not less than fifteen percent of the qualified electors of the County may be filed with the Clerk to Council requesting that such ordinance be repealed.

ARTICLE II DEFINITIONS AND CONSTRUCTION

Section 2.01 Definitions

As used in this Ordinance unless the context otherwise requires, the following terms shall have the following respective meanings:

"Authorized Investments" means any investments that are at the time legal for investment of the County's funds under the laws of the State and of the United States.

"Authorized Officer" means the Chairman or the Vice-Chairman of the Council, the County Administrator and any other officer or employee of the County designated from time to time as an Authorized Officer by a certificate signed on behalf of the County by the Chairman or the County Administrator, and when used with reference to any act or document also means any other person designated by a certificate signed on behalf of the County by the Chairman or the County Administrator to perform such act or sign such document.

"Beneficial Owner" means, whenever used with respect to a Bond, the person in whose name such Bond is recorded as the beneficial owner of such Bond by a Participant on the records of such Participant or such person's subrogee.

"Bond" or "Bonds" means any of the Bonds of the County authorized by this Ordinance.

"Bondholder" or *"Holder"* or *"Holders of Bonds"* or *"Owner"* or *"Registered Owner"* similar term means, when used with respect to a Bond or Bonds, any person who shall be registered as the owner of any Bond Outstanding; provided, that in the event the Bonds are issued in separate series pursuant to **Section 3.21** hereof, such terms shall refer only to the registered owners of the respective series of Bonds.

"Bond Payment Date" means each March 1 and September 1, or such other dates as may be determined by the Chairman or the County Administrator, on which interest on any of the Bonds shall be payable or on which both a Principal Installment and interest shall be payable on any of the Bonds.

"Chairman" means the Chairman of County Council or, in the absence or unavailability of the Chairman of County Council for any reason, the Vice Chairman of County Council.

"Clerk to Council" means the Clerk to Council or the Assistant Clerk to Council, Interim Clerk to Council or Acting Clerk to Council, as the case may be.

"Code" means the Internal Revenue Code of 1986, as amended, and the Treasury Regulations applicable thereto.

"Continuing Disclosure Agreement" shall mean that certain Continuing Disclosure Agreement in the form attached hereto as Exhibit B as prescribed by United States Securities and Exchange Commission Rule 15c2-12 authorized pursuant to **Section 11.07(b)** hereof, as originally executed and as the same may be amended from time to time in accordance with the terms thereof.

"Corporate Trust Office", when used with respect to any Paying Agent or Registrar, means the office at which its corporate trust business with respect to the Bonds shall be administered.

"Council" means the County Council of Beaufort County, South Carolina, the governing body of the County or any successor governing body of the County.

"County" means Beaufort County, South Carolina.

"County Administrator" means the Administrator of the County or, in the absence or unavailability of the County Administrator for any reason, the acting or interim County Administrator.

"DTC" means The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns.

"Enabling Act" means Title 4, Chapter 15, as amended, of the South Carolina Code as supplemented by Section 11-27-40 of the South Carolina Code.

"Fiduciary" means any financial institution appointed to serve as the Paying Agent and/or the Registrar and their successors and assigns.

"Financial Advisor" means an independent financial advisory firm engaged to advise the County in connection with the Bonds.

"Governmental Unit" means a state or local governmental unit within the meaning of Section 141(b) of the Code.

"Government Obligations" means and includes direct general obligations of the United States of America or agencies thereof or obligations, the payment of principal or interest on which is fully and unconditionally guaranteed by the United States of America.

"Nominee" means the nominee of the Securities Depository which shall be the Holder of Bonds while held under a book-entry only system and any successor appointed by the Securities Depository. The initial Nominee shall be Cede & Co.

"Nongovernmental Person" means any Person other than a Governmental Unit.

"Ordinance" means this Ordinance as the same may be amended or supplemented from time to time in accordance with the terms hereof.

"Outstanding", when used in this Ordinance with respect to Bonds means, as of any date, all Bonds theretofore authenticated and delivered pursuant to this Ordinance except:

(a) any Bond cancelled or delivered to the Registrar for cancellation on or before such date;

(b) any Bond (or any portion thereof) deemed to have been paid in accordance with the provisions of **Section 7.01** hereof; and

(c) any Bond in lieu of or in exchange for which another Bond shall have been authenticated and delivered pursuant to **Section 3.11** of this Ordinance.

"Participant" or *"Participants"* means any broker-dealers, banks and other financial institutions for which the Securities Depository holds Bonds as securities depository.

"Paying Agent" means the County or any bank, trust company or national banking association which is authorized to pay the Principal Installment of or interest on any Bonds and having the duties, responsibilities and rights provided for in this Ordinance, and its successor or successors and any other corporation or association which at any time may be substituted in its place pursuant to this Ordinance. The institution named as Paying Agent may also act as Registrar.

"Person" means an individual, a partnership, a corporation, a trust, a trustee, an unincorporated organization, or a government or an agency or political subdivision thereof.

"Principal Installment" means, as of any date of calculation, the principal amount of all Bonds due on a specified date.

"Record Date" means the 15th day of the month immediately preceding each Bond Payment Date.

"Registrar" means the County or any bank, trust company, or national banking association which is authorized to maintain an accurate list of those who from time to time shall be the Holders of the Bonds and shall effect the exchange and transfer of Bonds in accordance with the provisions of this Ordinance and having the duties, responsibilities, and rights provided for in this Ordinance and its successor or successors and any other corporation or association which at any time may be substituted in its place pursuant to this Ordinance. The institution named as Registrar may also act as Paying Agent.

"Representation Letter" means the Blanket Letter of Representations from the County to DTC, which shall be deemed to be a part of this Ordinance and shall be the binding obligation of the County.

"Securities Depository" means the administrator of the book-entry only system for the Bonds, as further described in **Section 3.20** hereof and any successor appointed as provided in **Section 3.20**(c) hereof. The initial Securities Depository shall be DTC.

"South Carolina Code" means the Code of Laws of South Carolina, 1976, as amended.

"State" means the State of South Carolina.

"Term Bonds" has the meaning provided in Section 3.02 hereof.

Section 2.02 <u>Construction</u>

In this Ordinance, unless the context otherwise requires:

(a) Articles and Sections referred to by number shall mean the corresponding Articles and Sections of this Ordinance.

(b) The terms "hereby", "hereof", "hereto", "herein", "hereunder" and any similar terms refer to this Ordinance, and the term "hereafter" shall mean after, and the term "heretofore" shall mean before, the date of enactment of this Ordinance.

(c) Words of the masculine gender shall mean and include correlative words of the female and neuter genders, and words importing the singular number shall mean and include the plural number and vice versa.

(d) Any Fiduciary shall be deemed to hold an Authorized Investment in which money is invested pursuant to the provisions of this Ordinance, even though such Authorized Investment is evidenced only by a book entry or similar record of investment.

ARTICLE III

ISSUANCE OF BONDS

Section 3.01 Ordering the Issuance of Bonds

Pursuant to the provisions of the Enabling Act, and for the purpose of obtaining funds to defray the costs of the Project described in **Section 1.01** hereof, there shall be issued not exceeding \$70,000,000 aggregate principal amount of General Obligation Bonds of the County. Such Bonds shall be designated "General Obligation Bonds of 2025 of Beaufort County, South Carolina" or such other designation determined by the Chairman or the County Administrator. Such Bonds may be issued in one or more series.

Section 3.02 Maturity Schedule of Bonds

(a) Unless determined otherwise by the Chairman or the County Administrator, interest on the Bonds shall be payable on March 1, 2025 and semiannually thereafter on March 1 and September 1 of each year until payment of the principal thereof. The County's fiscal year 2025 budget is hereby amended to provide for the payment of the March 1, 2025 debt service on the Bonds. Such debt service payment shall be made from any legally available source of the County, including but not limited to the original issue premium received from the County from the sale of the Bonds and the fund balance of County's debt service fund. Unless determined otherwise by the Chairman or the County Administrator and subject to the requirements of the Enabling Act, the Bonds shall mature on March 1 of such years, ending not later than March 1, 2054, and in such amounts, as shall be determined by the Chairman or the County Administrator, in his or her discretion, may determine that certain maturities of the Bonds will be subject to mandatory sinking fund redemption prior to their stated maturity date (such Bonds, the **"Term Bonds"**). In such event, the Chairman or the County Administrator shall also determine the respective principal amounts of such mandatory sinking fund redemptions and the years in which such redemptions shall occur.

(b) In the absence of a determination by the Chairman or the County Administrator that certain Bonds should be made subject to mandatory sinking fund redemption, the purchaser of the Bonds, as determined pursuant to **Sections 3.15** and **5.02** herein, may elect to combine one or more consecutive maturities to create one or more term maturities, each of which will be subject to annual mandatory sinking fund redemption at par plus accrued interest to the redemption date (to the extent not previously redeemed) in the principal amounts and for the years shown in the maturity schedule established by the Chairman or the County Administrator pursuant to this **Section 3.02**. To the extent Bonds subject to mandatory sinking fund redemption in a given year have been purchased by the County pursuant to the provisions set forth in **Article IV** herein, the amount of mandatory sinking fund redemption in such year shall be reduced in such manner as the County shall direct, or, absent such direction, on a pro-rata basis.

Section 3.03 Provision for Payment of Interest on the Bonds

The original issue date of the Bonds shall be the date of delivery of the Bonds, or such other date as may be selected by the Chairman or the County Administrator. The Bonds shall be authenticated on such dates as they shall, in each case, be delivered. Each Bond shall bear interest from the original issue date if no interest has yet been paid; otherwise from the last date to which interest has been paid and which date is on or prior to the date of such Bond's authentication. The interest payment on a Bond shall be made in accordance with **Section 3.04(c)** hereof to the Person in whose name such Bond is registered in accordance with **Section 3.08** hereof at the close of business on the Record Date with respect to such payment.

Section 3.04 Medium of Payment; Form and Denomination of Bonds, Place of Payment of Principal

(a) The Bonds shall be payable as to Principal Installment and interest at the rates per annum determined in the manner prescribed by **Section 3.15** hereof (on the basis of a 360-day year of twelve 30-day months) in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

(b) The Bonds shall be issued in the form of fully registered, book-entry Bonds. The Bonds shall be issued in the denomination of \$5,000 or any whole multiple thereof, not exceeding the principal amount of the Bonds maturing in such year. The Bonds shall be identified in such fashion as to maintain a proper record thereof.

(c) The Principal Installment of all Bonds shall be payable at the Corporate Trust Office of the Paying Agent; and payment of the interest on each Bond shall be made by the Paying Agent to the Person appearing on the applicable Record Date on the registration books of the County, which books shall be held by the Registrar as provided in **Section 3.08** hereof, as the registered owner thereof, by check or draft mailed to such registered owner at his address as it appears on such registration books in sufficient time to reach such registered owner on the Bond Payment Date. Payment of the Principal Installment of all Bonds shall be made (i) upon the presentation and surrender for cancellation of such Bonds as the same shall become due and payable or (ii) pursuant to the provisions of **Section 3.11** hereof in the event of destruction, loss or theft of any such Bond.

Section 3.05 Agreement to Maintain Registrar and Paying Agent

As long as any of the Bonds remain Outstanding there shall be a Registrar and a Paying Agent, each of which shall be either the County or a financial institution maintaining Corporate Trust Offices where (i) the Bonds may be presented for registration of transfers and exchanges, (ii) notices and demands to or upon the County in respect of the Bonds may be served, and (iii) the Bonds may be presented for payment, exchange and transfer. In the event the Bonds are sold in separate series pursuant to **Section 3.21** hereof and the County elects not to be the Registrar and Paying Agent, a separate Registrar and Paying Agent shall be maintained for each series (which separate Paying Agent and Registrar may be the same financial institution as shall serve in such capacities with respect to any of the other series of the Bonds).

Section 3.06 Execution and Authentication

(a) The Bonds shall be executed in the name and on behalf of the County by an Authorized Officer, with its corporate seal impressed, imprinted or otherwise reproduced thereon, and attested by the Clerk to Council or other Authorized Officer (other than the officer executing such Bonds). Bonds bearing the manual or facsimile signature of any Person who shall have been such an Authorized Officer at the time

such Bonds were so executed shall bind the County notwithstanding the fact that he or she may have ceased to be such Authorized Officer prior to the authentication and delivery of such Bonds or was not such Authorized Officer at the date of the authentication and delivery of the Bonds.

(b) No Bond shall be valid or obligatory for any purpose or shall be entitled to any right or benefit hereunder unless there shall be endorsed on such Bond a certificate of authentication in the form set forth in this Ordinance, duly executed by the Registrar; and such certificate of authentication upon any Bond executed on behalf of the County shall be conclusive evidence that the Bond so authenticated has been duly issued hereunder and that the Holder thereof is entitled to the benefit of the terms and provisions of this Ordinance.

Section 3.07 Exchange of Bonds

Bonds, upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the registered Holder or his duly authorized attorney, may, at the option of the registered Holder thereof, be exchanged for an equal aggregate principal amount of Bonds in authorized denominations of the same interest rate and maturity. So long as any of the Bonds remain Outstanding, the County shall make all necessary provisions to permit the exchange of Bonds at the Corporate Trust Office of the Registrar.

Section 3.08 Transferability and Registry

All Bonds shall at all times, when the same are Outstanding, be payable, both as to Principal Installment and interest to a Person, and shall be transferable, only in accordance with the provisions for registration and transfer contained in this Ordinance and in the Bonds. So long as any of the Bonds remain Outstanding, the County shall maintain and keep, at the Corporate Trust Office of the Registrar, books for the registration and transfer of Bonds, and, upon presentation thereof for such purpose at the Corporate Trust Office of the Registrar, the County shall register or cause to be registered therein, and permit to be transferred thereon, under such reasonable regulations as it or the Registrar may prescribe, any Bond, except that under no circumstances shall any Bond be registered or transferred to bearer. So long as any of the Bonds remain Outstanding, the County shall make all necessary provisions to permit the transfer of Bonds at the Corporate Trust Office of the Registrar.

Section 3.09 Transfer of Bonds

Each Bond shall be transferable only upon the books of the County, which shall be kept for such purpose at the Corporate Trust Office of the Registrar which shall be maintained for such purpose by the Registrar, upon presentation and surrender thereof by the Holder of such Bond in person or by his attorney duly authorized in writing, together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered Holder or his duly authorized attorney. Upon surrender for transfer of any such Bond, the County shall execute and the Registrar shall authenticate and deliver, in the name of the Person who is the transferee, one or more new Bonds of the same aggregate principal amount and maturity and rate of interest as the surrendered Bond. All action taken by the Registrar pursuant to this **Section 3.09** shall be deemed to be the action of the County.

Section 3.10 Regulations with Respect to Exchanges and Transfers

All Bonds surrendered in any exchanges or transfers shall forthwith be cancelled by the Registrar. For each such exchange or transfer of Bonds, the County or the Registrar may make a charge sufficient to reimburse it or them for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the Holder requesting such exchange or transfer

as a condition precedent to the exercise of the privilege of making such exchange or transfer. The County shall not be obligated to (i) issue, exchange or transfer any Bond after the Record Date with respect to any Bond Payment Date of the Bonds; (ii) issue, exchange or transfer any Bond during a period beginning at the opening of business 15 days next preceding any selection of Bonds to be redeemed and ending at the close of business on the date of the mailing of notice of such redemption; or (iii) transfer or exchange any Bonds called or being called for redemption in whole or in part.

Section 3.11 Mutilated, Destroyed, Lost and Stolen Bonds

(a) If any mutilated Bond is surrendered to the Registrar and the Registrar or the County receives evidence to their satisfaction of the destruction, loss or theft of any Bond, and there is delivered to the Registrar and the County such security or indemnity as may be required by them to save each of them harmless, then, in the absence of notice that such Bond has been acquired by a *bona fide* purchaser, the County shall execute, and upon the written request of an Authorized Officer of the County, the Registrar shall authenticate and deliver, in exchange for any such mutilated Bond or in lieu of any such destroyed, lost or stolen Bond, a new Bond of like tenor and principal amount, bearing a number unlike that of a Bond contemporaneously Outstanding. The Registrar shall thereupon cancel any such mutilated Bond so surrendered. In case any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the County in its discretion may, instead of issuing a new Bond, pay such Bond.

(b) Upon the issuance of any new Bond under this **Section 3.11**, the County may require the payment of a sum sufficient to cover any tax, fee or other governmental charge that may be imposed in relation thereto and any other expenses, including counsel fees or other fees, of the County or of the Registrar connected therewith.

(c) Each new Bond issued pursuant to this **Section 3.11** in lieu of any destroyed, lost or stolen Bond, shall constitute an additional contractual obligation of the County, whether or not the destroyed, lost or stolen Bond shall at any time be enforceable by anyone, and shall be entitled to all the benefits hereof equally and proportionately with any and all other Bonds duly issued pursuant to this Ordinance. All Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds and shall preclude (to the extent lawful) all other rights or remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds or securities.

Section 3.12 Holder as Owner of Bond

Subject to the provisions of **Section 3.20** hereof, the County, the Registrar and any Paying Agent may treat the Holder of any Bond as the absolute owner thereof, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the Principal Installment of and interest on such Bond and for all other purposes, and payment of the Principal Installment and interest shall be made only to, or upon the order of, such Holder. All payments to such Holder shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the County nor any Paying Agent shall be affected by any notice to the contrary.

Section 3.13 Cancellation of Bonds

The Registrar shall destroy all Bonds surrendered to it for cancellation and shall deliver a certificate to that effect to the County. No such Bonds shall be deemed Outstanding under this Ordinance and no Bonds shall be issued in lieu thereof.

Section 3.14 Payments Due on Saturdays, Sundays and Holidays

In any case where the Bond Payment Date shall be a Saturday or Sunday or shall be, at the place designated for payment, a legal holiday or a day on which banking institutions are authorized by law to close, then payment of interest on or Principal Installment of the Bonds need not be made on such date but may be made on the next succeeding business day not a Saturday, Sunday or a legal holiday or a day upon which banking institutions are authorized by law to close, with the same force and effect as if made on the Bond Payment Date and no interest shall accrue for the period after such date.

Section 3.15 Conditions Relating to Naming of Interest Rates

The Bonds shall bear such rate or rates of interest as shall at the sale of such Bonds reflect the lowest true interest cost to the County calculated in the manner hereinafter prescribed in this **Section 3.15** at a price of not less than par, but:

- (a) all bonds of the same maturity shall bear the same rate of interest;
- (b) no rate of interest named shall be more than 3% higher than the lowest rate of interest named;
- (c) each interest rate named shall be a multiple of $1/10^{\text{th}}$ or $1/8^{\text{th}}$ of one per centum (1%); and
- (d) any premium offered must be paid in cash as a part of the purchase price.

provided, however, that the Chairman or the County Administrator, upon the advice of the Financial Advisor, is hereby authorized to make any such adjustments to any of the above criteria except (d) as he shall determine at or prior to offering the Bonds for sale.

The true interest cost will be the nominal interest rate which, when compounded semiannually and used to discount all debt service payments on the bonds (computed at the interest rates specified in the bid and on the basis of a 360-day year of twelve 30-day months) to the dated date of the Bonds, results in an amount equal to the price bid for the Bonds. In the case of a tie bid, the winning bid will be awarded by lot. The right is reserved to waive irregularities in any bid. Bids will be accepted or rejected by 3:00 p.m. (local time) on the day of the sale.

Section 3.16 State Tax Exemption

Both the Principal Installments and interest on said Bonds shall be exempt from all State, county, municipal, school district, and all other taxes or assessments of the State, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, transfer and certain franchise taxes.

Section 3.17 Order of Tax Levy to Pay Principal and Interest of Bonds

For the payment of the Principal Installments and interest on the Bonds as the same respectively mature and for the creation of such sinking fund as may be necessary therefor, the full faith, credit and taxing power of the County are hereby irrevocably pledged, and there shall be levied annually by the Auditor of the County, and collected by the Treasurer of the County, in the same manner as County taxes are levied and collected, a tax on all taxable property in the County, sufficient to pay the Principal Installment and interest on such Bonds as they respectively mature, and to create such sinking fund as may be necessary therefor.

Section 3.18 Notice to Auditor and Treasurer to Levy Tax

The Auditor and Treasurer of the County shall be notified of this issue of Bonds and directed to levy and collect, respectively, upon all taxable property in the County an annual tax sufficient to meet the payment of the Principal Installments and interest on said Bonds, as the same respectively mature, and to create such sinking fund as may be necessary therefor.

Section 3.19 Form of Bonds

The form of the Bonds, and registration provisions to be endorsed thereon shall be substantially as set forth in Exhibit A attached hereto and made a part of this Ordinance.

Section 3.20 Book-Entry

(a) Except as provided in **Section 3.20(c)**, the Bonds shall be held under a book-entry only system administered by the Securities Depository and shall be registered in the name of the Nominee. Payment of interest on any Bond registered in the name of the Nominee shall be made by New York Clearing House or equivalent next day funds to the account of the Nominee on the interest payment date for the Bonds at the address indicated for the Nominee on the registration books kept by the Registrar.

(b) The Bonds shall be initially issued in the form of separate, single, authenticated fullyregistered Bonds in the amount of each separately stated maturity of Bonds of a series. Upon initial issuance, the ownership of each such Bond shall be registered on the registration books kept by the Registrar in the name of the Nominee. The County may treat the Securities Depository (or the Nominee) as the sole and exclusive owner of the Bonds registered in the name of the Nominee for the purposes of (A) paying the principal of or interest on the Bonds, (B) selecting the Bonds or portions thereof to be redeemed, (C) giving any notice permitted or required to be given to Holders of Bonds under the Ordinance, (D) registering the transfer of Bonds, and (E) requesting any consent or other action to be taken by the Holders of the Bonds and for all other purposes whatsoever; and neither the Registrar nor the County shall be affected by any notice to the contrary. Neither the Registrar nor the County shall have any responsibility or obligation to any Participant, any Beneficial Owner or any other person claiming a beneficial ownership interest in the Bonds under or through the Securities Depository or any Participant, or any other person which is not shown on the registration books of the Registrar as being a Holder of Bonds, with respect to (1) the accuracy of any records maintained by the Securities Depository or any Participant, (2) the payment to the Securities Depository, any Participant or any Beneficial Owner of any amounts in respect of the principal of or interest on the Bonds, (3) any notice which is permitted or required to be given to Holders of the Bonds under this Ordinance, or (4) any consent given or other action taken by the Securities Depository as such Holder. The County shall pay all principal of and interest on the Bonds only to the Securities Depository (or the Nominee), and all such payments shall discharge the County's obligations with respect to the principal of and interest on the Bonds to the extent of the sum or sums so paid. Except as provided in Section 3.20(c) below, no person other than the Securities Depository shall receive an authenticated Bond certificate. Upon delivery by the Securities Depository to the County of written notice to the effect that the Securities Depository has determined to substitute a new Nominee in place of Cede & Co., the Bonds shall be transferable to such new Nominee in accordance with the provisions of this Ordinance.

(c) In the event the County determines, consistent with the operating rules of the Securities Depository, that it is in the best interest of the County not to continue the book-entry only system of transfer with respect to the Bonds, or that the interests of the Beneficial Owners might be adversely affected if the book-entry only system of transfer is continued with respect to the Bonds, then the County may notify the Securities Depository of such determination, whereupon the Securities Depository will notify the Participants of the availability through the Securities Depository of Bond certificates. In such event, the

Registrar shall issue, transfer and exchange Bond certificates as requested by the Securities Depository and any Participant or Beneficial Owner in appropriate amounts in accordance with this Ordinance. The Securities Depository may determine to discontinue providing its services with respect to the Bonds at any time by giving notice to the County and discharging its responsibilities with respect thereto under applicable law or the County may determine that the Securities Depository is incapable of discharging its duties as such and may so advise the Securities Depository. In either such event, the County shall either (A) establish its own book-entry only system, (B) locate another Securities Depository, or (C) deliver Bond certificates as provided herein and as requested by any Participant or Beneficial Owner, subject to the rules and procedures of the Securities Depository.

(d) Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payment with respect to the principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, to DTC as provided in the Representation Letter.

(e) In connection with any notice or other communications to be provided to the Holders of Bonds pursuant to this Ordinance by the County with respect to any consent or other action to be taken by the Holders of Bonds, the County shall establish a record date for such consent or other action and give DTC notice of such record date not less than 15 calendar days in advance of such record date to the extent possible. Such early notice to DTC shall be given when DTC is the Securities Depository.

Section 3.21 Separate Series of Bonds

At the discretion of the Chairman or the County Administrator, upon advice from the Financial Advisor, the Bonds authorized herein may be sold and issued in one or more series.

ARTICLE IV

REDEMPTION OR PURCHASE OF BONDS

Section 4.01 <u>Authorization of Redemption</u>

(a) *Optional Redemption.* The Bonds are subject to optional redemption prior to their maturities at such time as the Chairman or the County Administrator, upon the advice of the Financial Advisor, shall determine.

(b) *Mandatory Redemption*. In the event the Chairman or the County Administrator, upon the advice of the Financial Advisor, shall determine that a portion of the Bonds shall be Term Bonds subject to mandatory sinking fund redemption prior to their stated maturity date:

(1) Such Term Bonds, to the extent not previously redeemed, shall be redeemed at a redemption price of 100% of the applicable principal amount, plus interest accrued to the redemption date, on the applicable March 1.

(2) The amount of any such mandatory sinking fund redemptions shall be reduced to the extent Term Bonds of the applicable maturity have been purchased by the County or redeemed by the County pursuant to **Section 4.01(a)** above, in such manner as the County shall direct, or, absent such direction, on a pro rata basis.

(3) At its option, to be exercised on or before the 45th day next preceding any date set for scheduled mandatory redemption with respect to the Term Bonds, the County may (i) deliver

to the Paying Agent for cancellation Term Bonds in any aggregate principal amount desired or (ii) receive a credit in respect of its scheduled mandatory redemption payment obligation for any Term Bonds which prior to said date have been redeemed (otherwise than through a scheduled mandatory redemption) and cancelled by the Paying Agent and not theretofore applied as a credit against any scheduled mandatory redemption payment obligation. Each Term Bond so delivered or previously redeemed shall be credited by the Paying Agent at 100% of the principal amount thereof against the obligation of the County on such scheduled mandatory redemption payment date; and the principal amount of such Term Bonds to be redeemed by operation of scheduled mandatory redemption shall be accordingly reduced.

(4) The County will on or before the 45th day next preceding each date set for scheduled mandatory redemption with respect to the Term Bonds, furnish to the Paying Agent a certificate indicating whether or not and to what extent the provisions of (i) and (ii) of the preceding paragraph are to be availed of with respect to such scheduled mandatory redemption and confirm that monies equal to the balance of such redemption payment will be paid on or before the next succeeding date set for scheduled mandatory redemption.

Section 4.02 Purchases of Bonds Outstanding

Purchases of Bonds Outstanding may also be made by the County at any time with money available to it from any source. Upon any such purchase the County shall deliver such Bonds to the Registrar for cancellation.

ARTICLE V

SALE OF BONDS; APPROVAL OF OFFICIAL STATEMENT

Section 5.01 Determination of Time to Receive Bids – Form of Notice of Sale

The Bonds shall be sold at public sale, at a price of not less than par. Bids shall be received not later than the date and time to be selected by the Chairman or the County Administrator. The Bonds shall be advertised for sale as and if required by the Enabling Act and State law, which notice shall appear at least once, not less than seven days before the date set for sale.

Section 5.02 Award of Bonds

Upon the receipt of bids for the purchase of the Bonds, unless all bids are rejected, the Chairman or the County Administrator shall award the Bonds to the bidder offering to purchase them at the lowest true interest cost to the County, as determined pursuant to **Section 3.15** hereof. The Chairman or the County Administrator is further authorized to name the Registrar and the Paying Agent for the Bonds, in accordance with **Section 3.05** hereof. In the event no bids are received or if all bids are reject, the County reserves its right, at the option of the Chairman or the County Administrator, upon the advice of the Financial Advisor, to pursue a private sale of the Bonds pursuant to Section 11-27-40 of the South Carolina Code.

Section 5.03 Approval of Official Statement

The Council hereby authorizes the preparation and distribution of a Preliminary Official Statement of the County in connection with the sale of the Bonds, in such form as the Chairman or the County Administrator approves, with any modification as the Chairman or the County Administrator approves, and hereby authorizes the Chairman or the County Administrator to deem it final within the meaning of S.E.C. Rule 15(c)(2)-12. The Preliminary Official Statement may be distributed in electronic or printed format or

both. The Council further authorizes and approves the distribution and delivery of the final Official Statement in print and electronic format by the successful bidders in connection with the reoffering and sale of the Bonds by the successful bidders.

ARTICLE VI

DISPOSITION OF PROCEEDS OF SALE OF BONDS

Section 6.01 Disposition of Bond Proceeds Including Temporary Investments

The proceeds derived from the sale of the Bonds issued pursuant to this Ordinance shall be paid to the Treasurer of the County, to be deposited in a bond account fund for the County, and shall be expended and made use of by the County as follows:

(a) any premium shall be deposited in the sinking fund established hereunder and applied in accordance with the Enabling Act;

(b) the remaining proceeds shall be expended and made use of by the Council to defray the cost of issuing the Bonds and to defray costs of constructing and acquiring the Project or such other project as approved by supplemental ordinance pursuant to **Section 10.01** hereof. Pending the use of Bond proceeds, the same shall be invested and reinvested by the Treasurer of the County in Authorized Investments. Subject to the obligation of the County to rebate certain investment earnings to the United States Treasury in accordance with Section 148(f) of the Code, earnings from such investments shall be applied, at the direction of the Council, either (i) to defray the cost of the Project and if not required for this purpose, then (ii) to pay the first maturing installments of interest on the Bonds; and

(c) if any balance remains, it shall be held by the Treasurer of the County in a special fund and used to effect the retirement of the Bonds authorized by this Ordinance;

provided, that neither the purchasers nor any Holder of the Bonds shall be liable for the proper application of the proceeds thereof.

ARTICLE VII

DEFEASANCE OF BONDS

Section 7.01 <u>Discharge of Ordinance – Where and How Bonds are Deemed to have been Paid and Defeased</u>

If all of the said Bonds issued pursuant to this Ordinance and all interest thereon shall have been paid and discharged, then the obligations of the County under this Ordinance and all other rights granted hereby shall cease and determine. The Bonds shall be deemed to have been paid and discharged within the meaning of this **Article VII** under each of the following circumstances:

(a) The Paying Agent shall hold, at the stated maturities of the Bonds, in trust and irrevocably appropriated thereto, sufficient moneys for the payment of the Principal Installment and interest thereof; or

(b) If default in the payment of the principal of the Bonds or the interest thereon shall have occurred on any Bond Payment Date, and thereafter tender of such payment shall have been made, and at such time as the Paying Agent shall hold in trust and irrevocably appropriated thereto, sufficient moneys for the payment thereof to the date of the tender of such payment; or

(c) If the County shall elect to provide for the payment of the Bonds prior to their stated maturities and shall have deposited with the Paying Agent in an irrevocable trust moneys which shall be sufficient, or Government Obligations, the principal of and interest on which when due will provide moneys, which together with moneys, if any, deposited with the Paying Agent at the same time, shall be sufficient to pay when due the Principal Installment and interest, due and to become due on the Bonds on and prior to their maturity dates.

Neither the Government Obligations nor moneys deposited with the Paying Agent pursuant to this **Section 7.01** nor the principal or interest payments thereon shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the Principal Installment of, and interest on, said Bonds; provided that any cash received from such principal or interest payments on Government Obligations deposited with the Paying Agent, if not then needed for such purpose, shall to the extent practicable, be invested and reinvested in Government Obligations maturing at times and in amounts sufficient to pay when due the Principal Installment and interest to become due on said Bonds on the maturity date thereof and interest earned from such reinvestments not required for the payment of the Principal Installment and interest, may be paid over to the County, as received by the Paying Agent, free and clear of any trust, lien or pledge.

In the event any of the Bonds have been issued in separate series as provided in **Section 3.21** hereof, the provisions of this **Section 7.01** shall be deemed to apply to each such series separately.

ARTICLE VIII

CONCERNING THE FIDUCIARIES

Section 8.01 Fiduciary; Appointment and Acceptance of Duties

If the County elects not to be the Registrar and Paying Agent, then the financial institution or institutions chosen pursuant to **Section 3.05** hereof to act as Paying Agent and Registrar hereunder shall accept the duties and trusts imposed upon it by this Ordinance and shall agree in writing to perform such trusts but only upon the terms and conditions set forth in this **Article VIII**. Similarly, each financial institution appointed as a successor Registrar or as a successor Paying Agent shall signify its acceptance of the duties and trusts imposed by this Ordinance by a written acceptance.

Section 8.02 <u>Responsibilities of Fiduciaries</u>

The recitals of fact herein and in the Bonds shall be taken as the statements of the County and no Fiduciary assumes any responsibility for the correctness of the same except in respect of the authentication certificate of the Registrar endorsed on the Bonds. No Fiduciary makes any representations as to the validity or sufficiency of this Ordinance or of any Bonds or as to the security afforded by this Ordinance, and no Fiduciary shall incur any liability in respect thereof. No Fiduciary shall be under any responsibility or duty with respect to the application of any moneys paid to any other Fiduciary. No Fiduciary shall be under any obligation or duty to perform any act which would involve it in expense or liability or to institute or defend any suit in respect hereof or to advance any of its own moneys, unless indemnified to its reasonable satisfaction. No Fiduciary shall be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct.

Section 8.03 Evidence on Which Fiduciaries May Act

(a) Each Fiduciary, upon receipt of any notice, ordinance, resolution, request, consent order, certificate, report, opinion, bond, or other paper or document furnished to it pursuant to any provision of

this Ordinance, shall examine such instrument to determine whether it conforms to the requirements of this Ordinance and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. Each Fiduciary may consult with counsel, who may or may not be counsel to the County, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Ordinance in good faith and in accordance therewith.

(b) Whenever any Fiduciary shall deem it necessary or desirable that a matter to be proved or established prior to taking or suffering any action under this Ordinance, such matter (unless other evidence in respect thereof be therein specifically prescribed) may be deemed to be conclusively proved and established by a certificate of an Authorized Officer, and such certificate shall be full warrant for any action taken or suffered in good faith under the provisions of this Ordinance upon the faith thereof; but in its discretion the Fiduciary may in lieu thereof accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable.

(c) Except as otherwise expressly provided in this Ordinance any request, order, notice or other direction required or permitted to be furnished pursuant to any provision thereof by the County to any Fiduciary shall be sufficiently executed if executed in the name of the County by an Authorized Officer.

Section 8.04 Compensation

The County shall pay to each Fiduciary from time to time reasonable compensation based on the then standard fee schedule of the Fiduciary for all services rendered under this Ordinance, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under this Ordinance.

Section 8.05 Certain Permitted Acts

Any Fiduciary may become the owner or underwriter of any Bonds, notes or other obligations of the County or conduct any banking activities with respect to the County, with the same rights it would have if it were not a Fiduciary. To the extent permitted by law, any Fiduciary may act as depositary for, and permit any of its officers or directors to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Ordinance.

Section 8.06 <u>Resignation of Any Fiduciary</u>

Any Fiduciary may at any time resign and be discharged of the duties and obligations created by this Ordinance by giving not less than 60 days written notice to the County and not less than 30 days written notice to the Holders of the Bonds as established by the books of registration prior to the next succeeding Bond Payment Date and such resignation shall take effect upon the date specified in such notice unless previously a successor shall have been appointed by the County pursuant to **Section 8.08** hereof in which event such resignation shall take effect until a successor has been appointed.

Section 8.07 <u>Removal of Fiduciary</u>

So long as an event of default has not occurred, the County may remove the Fiduciary without cause. Any Fiduciary may be removed at any time by an instrument or concurrent instruments in writing, filed with the County and such Fiduciary, and signed by the Bondholders representing a majority in principal amount of the applicable series of Bonds then Outstanding or their attorneys in fact duly authorized, excluding any Bonds held by or for the account of the County.

Section 8.08 Appointment of Successor Fiduciaries

In case any Fiduciary hereunder shall resign or be removed, or be dissolved, or shall be in the course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor shall be appointed by the County. Every such Fiduciary appointed pursuant to the provisions of this **Section 8.08** shall be a trust company or bank organized under the laws of the United States of America or any state thereof and which is in good standing, within or outside the State, having a stockholders' equity of not less than \$100,000,000 if there be such an institution willing, qualified and able to accept the trust upon reasonable and customary terms.

If in a proper case no appointment of a successor Fiduciary shall be made by the County pursuant to the foregoing provisions of this **Section 8.08** within 45 days after any Fiduciary shall have given to the County written notice as provided in **Section 8.06** hereof or after a vacancy in the office of such Fiduciary shall have occurred by reason of its removal or inability to act, the former Fiduciary or any Bondholder may apply to any court of competent jurisdiction to appoint a successor. Said court may thereupon, after such notice, if any, as such court may deem proper, appoint a successor.

Section 8.09 Transfer of Rights and Property to Successor

Any successor Fiduciary appointed under this Ordinance shall execute, acknowledge and deliver to its predecessor, and also to the County, an instrument accepting such appointment. Thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all moneys, estates, properties, rights, powers, duties and obligations of such predecessor Fiduciary, with like effect as if originally named in such capacity. The Fiduciary ceasing to act shall nevertheless, however, on the written request of the County, or of the successor, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor all the right, title and interest of the predecessor Fiduciary in and to any property held by it under this Ordinance, and shall pay over, assign and deliver to the successor Fiduciary any money or other property subject to the trusts and conditions herein set forth. Should any deed, conveyance or instrument in writing from the County be required by such successor Fiduciary for more fully and certainly vesting in and confirming to such successor any such estates, rights, powers and duties, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by the County. Any such successor Fiduciary shall promptly notify other Fiduciaries and depositaries, if any, of its appointment as Fiduciary.

Section 8.10 Merger or Consolidation

Any company into which any Fiduciary may be merged or converted or with which it may be consolidated, or any company resulting from any merger, conversion or consolidation to which any Fiduciary may be party, or any company to which any Fiduciary may sell or transfer all or substantially all of its corporate trust business, provided such company shall be a bank or trust company organized under the laws of any state of the United States or a national banking association, and shall be authorized by law to perform all the duties imposed upon it by this Ordinance, shall with the consent of the County be the successor to such Fiduciary without the execution or filing of any paper or the performance of any further act.

Section 8.11 Adoption of Authentication

In case any of the Bonds contemplated to be issued under this Ordinance shall have been authenticated but not delivered, any successor Registrar may adopt the certificate of authentication of any predecessor Registrar so authenticating such Bonds and may deliver such Bonds so authenticated. In case any such Bonds shall not have been authenticated, any successor Registrar may authenticate such Bonds in the name of the predecessor Registrar or in the name of the successor Registrar, and in all such cases such certificate shall be of full force and effect.

ARTICLE IX

CERTAIN TAX CONSIDERATIONS

Section 9.01 General Tax Covenant

The County will comply with all requirements of the Code in order to preserve the tax-exempt status of the Bonds, including without limitation, the requirement to file the information report with the Internal Revenue Service. In this connection, the County covenants to execute any and all agreements or other documentation as it may be advised by bond counsel will enable it to comply with this **Section 9.01**, including its certification on reasonable grounds that the Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Code.

Section 9.02 <u>Tax Representations</u>

The County hereby represents and covenants that it will not take any action which will, or fail to take any action which failure will, cause interest on the Bonds to become includable in the gross income of the Holder thereof for federal income tax purposes pursuant to the provisions of the Code and regulations promulgated thereunder. Without limiting the generality of the foregoing, the County represents and covenants that:

(a) All property provided by the net proceeds of the Bonds will be owned by the County in accordance with the rules governing the ownership of property for federal income tax purposes.

(b) The County shall not permit the proceeds of the Bonds or any facility financed with the proceeds of the Bonds to be used in any manner that would result in (a) 10% or more of such proceeds being considered as having been used directly or indirectly in any trade or business carried on by any Nongovernmental Person, (b) 5% or more of such proceeds being considered as having been used directly or indirectly in any trade or business of any Nongovernmental Person that is either "unrelated" or "disproportionate" to the governmental use of the financed facility by the County or by any other Governmental Unit (as the terms "unrelated" and "disproportionate" are defined for purposes of Section 141(b)(3) of the Code) or (c) 5% or more of such proceeds being considered as having been used directly or indirectly to make or finance loans to any Nongovernmental Person.

(c) The County is not a party to, nor will the County enter into, any contracts with any person for the use or management of any facility provided with the proceeds of the Bonds that do not conform to the guidelines set forth in Revenue Procedure 2017-13, as amended or supplemented.

(d) The County will not sell or lease any property provided by the Bonds to any person unless it obtains the opinion of nationally recognized bond counsel that such lease or sale will not affect the tax exemption of interest on the Bonds.

(e) The Bonds will not be federally guaranteed within the meaning of Section 149(b) of the Code. The County will not enter into any leases or sales or service contracts with respect to any facility provided with the proceeds of the Bonds with any federal government agency unless it obtains the opinion of nationally recognized bond counsel that such action will not affect the tax exemption of the Bonds.

Section 9.03 Rebate

(a) In addition to the covenants contained in **Sections 9.01** and **9.02** hereof, the County covenants that:

(1) It will comply with the provisions of Section 148(f) of the Code and applicable Treasury Regulations pertaining to the rebate of certain investment earnings on the proceeds of the Bonds to the United States Government. In this connection, the County covenants to compute, on or before the dates required of it in Section 148(f) of the Code and the applicable Treasury Regulations, the rebateable amounts, if any, pertaining to the Bonds and to pay to the United States Government in a timely fashion all amounts required to be so paid under said Section 148(f) of the Code and applicable Treasury Regulations with respect to the Bonds. In this respect, the County will pay to the United States Government in the manner described in subparagraph (2) below an amount equal to the sum of:

(i) the excess of:

a. The amount earned on all non-purpose investments (as defined in the Treasury Regulations) with respect to the Bonds over

b. The amount which would have been earned if such non-purpose investments were invested at a rate equal to the yield (as defined in the Treasury Regulations) on the Bonds, plus

(ii) any income attributable to such excess.

(2) Such payments shall be made to the United States Government, at the address prescribed in Section 148(f) of the Code and applicable Treasury Regulations, as follows:

(i) Not less frequently than once each five (5) years after the date of issuance of the Bonds, an amount such that, together with prior amounts paid to the United States Government, the total paid to the United States Government is equal to 90% of the amount due as of the date of such payments, and

(ii) Not later than 60 days after the date on which all of the Bonds have been paid in full, all of the amount due as of the date of payment.

(b) In connection with the above, the Chairman or the County Administrator is hereby authorized to make the necessary findings and elections to enable the County to elect to proceed with any spend down exemptions to rebate as may be permitted under said Section 148(f) of the Code and applicable Treasury Regulations as he shall determine in his discretion to be in the best interests of the County.

ARTICLE X

AMENDING AND SUPPLEMENTING OF ORDINANCE

Section 10.01 Amending and Supplementing of Ordinance Without Consent of Holders of Bonds

(a) The Council, from time to time and at any time and without the consent or concurrence of any Holder of any Bond, may enact an ordinance amendatory hereof or supplemental thereto, if the provisions of such supplemental ordinance shall not materially adversely affect the rights of the Holders of the Bonds then outstanding, for any one or more of the following purposes:

(1) To make any changes or corrections in this Ordinance as to which the Council shall have been advised by counsel that the same are verbal corrections or changes or are required for the purpose of curing or correcting any ambiguity or defective or inconsistent provision or omission or mistake or manifest error contained in this Ordinance, or to insert in this Ordinance such provisions clarifying matters or questions arising under this Ordinance as are necessary or desirable;

(2) To add additional covenants and agreements of the County for the purpose of further securing the payment of the Bonds;

(3) To surrender any right, power or privilege reserved to or conferred upon the County by the terms of this Ordinance;

(4) To grant or confer upon the Bondholders any additional right, remedies, powers, authority or security that lawfully may be granted to or conferred upon them; or

(5) To make such additions, deletions or modifications as may be necessary to assure compliance with Section 148(f) of the Code relating to required rebate to the United States or otherwise as may be necessary to assure the exclusion from gross income of interest on the Bonds for purposes of federal income taxation.

(b) The County shall not enact any supplemental ordinance authorized by the foregoing provisions of this **Section 10.01** unless in the opinion of counsel (which opinion may be combined with the opinion required by **Section 10.04** hereof) the enactment of such supplemental ordinance is permitted by the foregoing provisions of this **Section 10.01** and the provisions of such supplemental ordinance do not adversely affect the rights of the Holders of the Bonds then Outstanding.

Section 10.02 Amending and Supplementing of Ordinance With Consent of Holders of Bonds

(a) With the consent of the Holders of not less than a majority in principal amount of the Bonds then Outstanding, the Council from time to time and at any time may enact an ordinance amendatory hereof or supplemental hereto for the purpose of adding any provisions to, or changing in any manner or eliminating any of the provisions of, this Ordinance, or modifying or amending the rights and obligations of the County under this Ordinance, or modifying or amending in any manner the rights of the Holders of the Bonds then Outstanding; provided, however, that, without the specific consent of the Holder of each such Bond which would be affected thereby, no supplemental ordinance amending or supplementing the provisions hereof shall: (i) change the fixed maturity date of any Bond or the dates for the payment of interest thereon or the terms of the redemption thereof, or reduce the principal amount of any Bond or the rate of interest thereon or the redemption price (or the redemption premium) payable upon the redemption or prepayment thereof; (ii) reduce the aforesaid percentage of Bonds, the Holders of which are required to consent to any supplemental ordinance

amending or supplementing the provisions of this Ordinance; or (iii) give to any Bond or Bonds any preference over any other Bond or Bonds secured hereby. Nothing in this paragraph contained, however, shall be construed as making necessary the approval of the Holders of the Bonds of the enactment of any supplemental ordinance authorized by the provisions of **Section 10.01** hereof.

(b) It shall not be necessary that the consents of the Holders of the Bonds approve the particular form of wording of the proposed amendment or supplement or of the supplemental ordinance affecting such amending or supplementing hereof pursuant to this **Section 10.02**. The County shall mail a notice at least once, not more than thirty (30) days after the effective date of such amendment or supplement of such amendment or supplement postage prepaid, to each Holder of Bonds then Outstanding at his address, if any, appearing upon the Books of Registry and to the Paying Agent, but failure to mail copies of such notice to any of the Holders shall not affect the validity of the supplemental ordinance effecting such amendments or supplements or the consents thereto. Nothing in this **Section 10.02(b)** contained, however, shall be construed as requiring the giving of notice of any amendment or supplement of this Ordinance or any of the proceedings for its enactment shall be instituted or maintained unless such action or proceeding is commenced within sixty (60) days after the mailing of the notice required by this **Section 10.02(b)**.

Section 10.03 Notation Upon Bonds; New Bonds Issued Upon Amendments

Bonds delivered after the effective date of any action taken as provided in this **Article X** may bear a notation as to such action, by endorsement or otherwise and in form approved by the County. In that case, upon demand of the Holder of any Bond Outstanding after such effective date and upon the presentation of the Bond for such purpose at the office of the Paying Agent, and at such additional offices, if any, as the County may select and designate for that purpose, a suitable notation shall be made on such Bond. If the County shall so determine, new Bonds, so modified as in the opinion of the County upon the advice of counsel to conform to the amendments or supplements made pursuant to this **Article X**, shall be prepared, executed, and delivered, and upon demand of the Holder of any Bond then Outstanding shall be exchanged without cost to such Holder for Bonds then Outstanding, upon surrender of such Outstanding Bonds.

Section 10.04 Effectiveness of Supplemental Ordinance

Upon the enactment (pursuant to this **Article X** and applicable law) by the Council of any supplemental ordinance amending or supplementing the provisions of this Ordinance and the delivery to the Paying Agent and the Council of an opinion of bond counsel that such supplemental ordinance is in due form and has been duly enacted in accordance with the provisions hereof and applicable law and that the provisions thereof are valid and binding upon the County, or upon such later date as may be specified in accordance with such supplemental ordinance, (a) this Ordinance and the Bonds shall be modified and amended in accordance with such supplemental ordinance, (b) the respective rights, limitations of rights, obligations, duties, and immunities under this Ordinance of the County, the Fiduciaries, and the Holders of the Bonds shall thereafter be determined, exercised, and enforced under this Ordinance subject in all respects to such modifications and amendments, and (c) all of the terms and conditions of any such supplemental ordinance shall be a part of the terms and conditions of the Bonds and of this Ordinance for any and all purposes.

Section 10.05 Supplemental Ordinance Affecting Fiduciaries

No supplemental ordinance changing, amending or modifying any of the rights, duties and obligations of any Fiduciary appointed by or pursuant to the provisions of this Ordinance may be enacted by the Council or be consented to by the Holders of the Bonds without written consent of such Fiduciary affected thereby.

ARTICLE XI

MISCELLANEOUS

Section 11.01 Failure to Present Bonds

Anything in this Ordinance to the contrary notwithstanding, any money held by the Paying Agent in trust for the payment and discharge of any of the Bonds, or the interest thereon, which remains unclaimed for such period of time, after the date when such Bonds have become due and payable, that the Holder thereof shall no longer be able to enforce the payment thereof, the Paying Agent shall at the written request of the County pay such money to the County as its absolute property free from trust. The Paying Agent shall thereupon be released and discharged with respect thereto and the Bondholders shall look only to the County for the payment of such Bonds. Provided, however, the Paying Agent shall forward to the County all moneys which remain unclaimed during a period five years from a Bond Payment Date; and further provided, however, that before being required to make any such payment to the County, the Paying Agent, at the expense of the County, may conduct such investigations as may in the opinion of the Paying Agent be necessary to locate the Holders or those who would take if the Holder shall have died.

Section 11.02 Severability of Invalid Provisions

If any one or more of the covenants or agreements provided in this Ordinance should be contrary to law, then such covenant or covenants or agreement or agreements shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this Ordinance.

Section 11.03 Successors

Whenever in this Ordinance the County is named or referred to, it shall be deemed to include any entity, which may succeed to the principal functions and powers of the County; and all the covenants and agreements contained in this Ordinance by or on behalf of the County shall bind and inure to the benefit of said successor whether so expressed or not.

Section 11.04 Ordinance to Constitute Contract

In consideration of the purchase and acceptance of the Bonds by those who shall purchase and hold the same from time to time, the provisions of this Ordinance shall be deemed to be and shall constitute a contract between the County and the Holders from time to time of the Bonds. Such provisions are covenants and agreements with such Holders which the County hereby determines to be necessary and desirable for the security and payment thereof. The pledge hereof and the provisions, covenants, and agreements herein set forth to be performed on behalf of the County shall be for the equal benefit, protection, and security of the Holders of any and all of the Bonds, all of which shall be of equal rank without preference, priority or distinction of any Bonds over any other Bonds.

Section 11.05 Filing of Copies of Ordinance

Copies of this Ordinance shall be filed in the office of the Council, the office of the Clerk of Court for the County (as a part of the Transcript of Proceedings) and at the offices of each of the Paying Agent and Registrar.

Section 11.06 Further Action by Officers of County

The proper officers of the County are fully authorized and empowered to take the actions required to implement the provisions of this Ordinance and to furnish such certificates and other proofs as may be required of them, which include but are not limited to providing the notice and conducting the public hearing described in **Section 1.03** hereof.

Section 11.07 Continuing Disclosure

(a) Pursuant to Section 11-1-85 of the South Carolina Code, the County covenants to file with a central repository for availability in the secondary bond market when requested:

(1) An annual independent audit, within thirty days of the County's receipt of the audit; and

(2) Event specific information within thirty days of an event adversely affecting more than five percent of revenue or the County's tax base.

The only remedy for failure by the County to comply with the covenant in this **Section 11.07(a)** shall be an action for specific performance of this covenant. The County specifically reserves the right to amend this covenant to reflect any change in (including any repeal of) Section 11-1-85, without the consent of any Bondholder.

(b) In addition, the County hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Ordinance, failure of the County to comply with the Continuing Disclosure Agreement shall not be considered an event of default; however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the County to comply with its obligations under this **Section 11.07(b)**. The Continuing Disclosure Agreement shall be executed by an Authorized Officer prior to the delivery of the Bonds and shall be in such form as is set forth in Exhibit B hereto, together with such modifications and amendments thereto as shall be deemed necessary by such Authorized Officer, upon advice of counsel. The execution of the Continuing Disclosure Agreement shall constitute conclusive evidence of the approval by the person executing the same of any and all modifications and amendments thereto.

Section 11.08 Effective Date of this Ordinance

This Bond Ordinance shall take effect upon its third reading.

DONE in meeting duly assembled, this _____ day of _____, 2024.

BEAUFORT COUNTY, SOUTH CAROLINA

Chairman of County Council

Attest:

Clerk to County Council Beaufort County, South Carolina

First reading:	, 2024
Second reading:	, 2024
Third reading:	, 2024
Public hearing:	, 2024

EXHIBIT A

(FORM OF BOND)

UNITED STATES OF AMERICA STATE OF SOUTH CAROLINA BEAUFORT COUNTY GENERAL OBLIGATION BONDS OF 2025

No. R-_

INTEREST RATE	MATURITY DATE	ORIGINAL ISSUE DATE	CUSIP
Registered Holder:	CEDE & CO.		
Principal Amount:		DOLLARS (\$)

BEAUFORT COUNTY, SOUTH CAROLINA (the "*County*"), a body corporate and politic and a political subdivision of the State of South Carolina (the "*State*"), acknowledges itself indebted and for value received hereby promises to pay, solely as hereinafter provided, to the Registered Holder (named above) or registered assigns, the Principal Amount set forth above on the Maturity Date stated above, unless this Bond be subject to redemption and shall have been redeemed prior thereto as hereinafter provided, upon presentation and surrender of this Bond at _______ (the "Paying Agent"), and to pay interest on such Principal Amount at the annual Interest Rate stated above (calculated on the basis of a 360-day year of twelve 30-day months), until the obligation of the County with respect to the payment of such Principal Amount shall be discharged.

This Bond bears interest from the original issue date if no interest has yet been paid; otherwise from the last date to which interest has been paid and which date is on or prior to the date of this Bond's authentication. Interest on this Bond is payable on March 1 and September 1 of each year (each a **"Bond Payment Date"**) beginning March 1, 2025. The interest so payable on any March 1 or September 1 shall be payable to the person in whose name this Bond is registered at the close of business on February 15 or August 15 (each, a **"Record Date"**) next preceding such March 1 or September 1.

The principal of all Bonds shall be payable at maturity at the Corporate Trust Office of the Paying Agent and payment of the interest on each Bond shall be made on each Bond Payment Date by the Paying Agent. Interest hereon shall be payable by check or draft mailed at the times provided in the Ordinance (as defined below) from the office of the Paying Agent to the person in whose name this Bond is registered on the applicable Record Date at the address shown on the registration books. The principal of, redemption premium, if any, and interest on this Bond are payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts; provided, however, that payment of the interest on this Bond shall be effected by check or draft as set forth above.

This Bond is one of an issue of Bonds in the aggregate principal amount of ______ Dollars (\$______) of like tenor, except as to number, rate of interest, date of maturity and redemption provisions and issued pursuant to and in accordance with the Constitution and statutes of the State, including particularly the provisions of Title 4, Chapter 15, as supplemented by Section 11-27-40, of the Code of Laws of South Carolina, 1976, as amended (collectively, the *"Enabling Act"*), and an Ordinance duly enacted on ______, 2024 by the County Council of the County (the *"Ordinance"*). Certain capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Ordinance. Certified copies of the Ordinance are on file in the office of the Clerk to County Council, in the offices of the Registrar and Paying Agent and in the office of the Clerk of Court of the County.

For the prompt payment thereof, both principal and interest, as the same shall become due, the full faith, credit and taxing power of the County are irrevocably pledged.

This Bond and the interest hereon are exempt from all State, county, municipal, school district, and all other taxes or assessments imposed within the State, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise, except inheritance, estate, transfer and certain franchise taxes. The Bonds are issuable only as fully registered Bonds without coupons in the denomination of \$5,000 or any multiple thereof not exceeding the principal amount of the Bonds maturing in each year.

This Bond is transferable, as provided in the Ordinance, only upon the registration books kept for that purpose at the Corporate Trust Office of the Registrar by the Registered Holder in person or by his duly authorized attorney, upon (i) surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Holder or his duly authorized attorney and (ii) payment of the charges, if any, prescribed in the Ordinance. Thereupon a new fully registered Bond or Bonds of like maturity, interest rate and redemption provisions and in a like aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Ordinance. The County, the Registrar and the Paying Agent may deem and treat the person in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal hereof and interest due hereon and for all other purposes.

For every exchange or transfer of the Bonds, the County, the Registrar or the Paying Agent may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer.

So long as Cede & Co., as nominee of Depository Trust Company ("*DTC*") is the Registered Holder of the Bonds, references in this Bond to the Bondholders or Registered Holder of the Bonds shall mean Cede & Co. and shall not mean the beneficial owners.

The County, the Registrar and the Paying Agent may treat DTC (or its nominee) as the sole and exclusive owner of the Bonds registered in its name for the purpose of paying the principal of or interest or premium, if any, on the Bonds, giving any notice permitted or required to be given to Bondholders under the Ordinance, registering the transfer of Bonds, obtaining any consent or action to be taken by Bondholders and for all other purposes whatsoever, and shall not be affected by any notice to the contrary. The County, the Registrar and the Paying Agent shall not have any responsibility or obligation to any direct participant, any person claiming a beneficial ownership in the Bonds under or through DTC or any Direct Participant or any other person which is not shown on the Registration Books of the County (kept by the Registrar) as being a Bondholder with respect to: the accuracy of any records maintained by DTC or any Direct Participant; the payment by DTC or any Direct Participant of any amount in respect of the principal of or interest or premium, if any, on the Bonds; any notice which is permitted or required to be given to Bondholders thereunder or under the conditions for transfers or exchanges adopted by the County; or any consent given or other action taken by DTC as a Bondholder.

The Bonds maturing on or after March 1, 20_, may be redeemed in whole or in part at any time, on or after March 1, 20_, by the County at the redemption price of 100% of the principal amount thereof plus accrued interest to such redemption date.

[The Bonds maturing on March 1, 20__, shall be subject to mandatory sinking fund redemption (to the extent not previously redeemed) at a redemption price of 100% of such principal amount, plus interest accrued to the redemption date, on March 1 of each of the following years in the respective principal amounts for each year specified below:

Year <u>Amount</u>

*Final Maturity

The amount of any mandatory sinking fund redemptions shall be reduced to the extent Bonds of the applicable maturity have been purchased by the County or redeemed by the County pursuant to any optional redemption provisions, in such manner as the County shall direct, or, absent such direction, on a pro rata basis.]

It is hereby certified and recited that all conditions, acts and things required by the Constitution and Statutes of the State to exist, be performed or happen precedent to or in the issuance of this Bond, exist, have been performed and have happened, that the amount of this Bond, together with all other indebtedness of the County, does not exceed any limit prescribed by such Constitution or Statutes, and that provision has been made for the allocation, on an annual basis, of sufficient tax revenues to provide for the punctual payment of the principal of and interest on this Bond and the issue of Bonds of which this Bond is one.

This Bond shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been duly executed by the Registrar.

IN WITNESS WHEREOF, Beaufort County, South Carolina has caused this Bond to be signed in its name by the Chairman of County Council of Beaufort County, South Carolina, and its corporate seal to be hereunto impressed and attested to by the Clerk to the Beaufort County Council.

(SEAL)

BEAUFORT COUNTY, SOUTH CAROLINA

By:

Chairman of County Council

Attest:

Clerk to County Council

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue described in the within mentioned Ordinance.

as Registrar

By:_____

Its: Authorized Officer

Date:_____

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

_ (please print or type name and address of Transferee and Social Security or other identifying number of Transferee) the within Bond and all rights and title thereunder, and hereby irrevocably constitutes and appoints ______ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:_____

Signature Guaranteed

NOTICE: Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agents Medallion Program (*"STAMP"*) or similar program enlargement.

Authorized Individual or Officer

NOTICE: The signature to the assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

EXHIBIT B

CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Certificate (the "*Disclosure Certificate*") is executed and delivered by Beaufort County, South Carolina (the "*Issuer*") in connection with the issuance of §_____ General Obligation Bonds of 2025 of Beaufort County, South Carolina (collectively, the "*Bonds*"). The Bonds are being issued pursuant to an Ordinance adopted on _____, 2024 (the "*Ordinance*"). The Issuer covenants and agrees as follows:

SECTION 1. <u>Purpose of the Disclosure Certificate</u>. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Bondholders and in order to assist the Participating Underwriters in complying with Securities Exchange Commission Rule 15c2-12(b)(5).

SECTION 2. <u>Definitions</u>. In addition to the definitions set forth in the Ordinance, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Beneficial Owner" shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Bondholder" or "Holder" shall mean the registered owner of a Bond and any Beneficial Owner thereof.

"Dissemination Agent" shall mean the Issuer or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"Repository" shall mean for purposes of the Rule the Municipal Securities Rulemaking Board (through its Electronic Municipal Market Access ("*EMMA*") system).

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, not later than seven months after the end of each fiscal year of the Issuer (currently June 30), commencing with the fiscal year ending June 30, 2025, provide to the Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than 15 business days prior to said date, the Issuer shall provide the Annual Report to the Dissemination Agent, if other than the Issuer. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference

other information as provided in Section 4 of this Disclosure Certificate; <u>provided</u> that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report.

(b) If the Issuer is unable to provide to the Repository an Annual Report by the date required in subsection (a), the Issuer shall send a notice to the Repository in substantially the form attached as Appendix I.

(c) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of the Repository, if any; and,

(ii) if the Dissemination Agent is other than the Issuer, file a report with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, stating the date it was provided to the Repository.

SECTION 4. <u>Content of Annual Reports</u>. The Issuer's Annual Report shall include the Issuer's complete audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Issuer's audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available. In addition thereto, the Issuer's Annual Report shall contain or incorporate by reference the following:

- (a) Assessed Value of taxable property in Beaufort County;
- (b) Tax levy for Beaufort County for current fiscal year;
- (c) Tax collections for Beaufort County for preceding fiscal year; and
- (d) Ten largest taxpayers for Beaufort County for preceding fiscal year.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to the Repository or the Securities and Exchange Commission. If the document incorporated by reference is a final official statement, it must be available from the Repository. The Issuer shall clearly identify each such other document so incorporated by reference.

SECTION 5. Reporting of Significant Events.

Pursuant to the provisions of this Section 5, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds within ten business days of the occurrence thereof:

- 1. "Principal and interest payment delinquencies;"
- 2. "Non-Payment related defaults, if material;"
- 3. "Unscheduled draws on debt service reserves reflecting financial difficulties;"
- 4. "Unscheduled draws on credit enhancements reflecting financial difficulties;"

- 5. "Substitution of credit or liquidity providers, or their failure to perform;"
- 6. "Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability. Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;"
- 7. "Modifications to rights of securities holders, if material;"
- 8. "Bond calls, if material, and tender offers;"
- 9. "Defeasances;"
- 10. "Release, substitution, or sale of property securing repayment of the securities, if material;"
- 11. "Rating changes;"
- 12. "Bankruptcy, insolvency, receivership or similar event of the obligated person;"
- 13. "Merger, consolidation, or acquisition of the obligated person, if material;"
- 14. "Appointment of a successor or additional trustee, or the change of name of a trustee, if material;"
- 15. "Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material;" and
- 16. "Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

SECTION 6. <u>Termination of Reporting Obligation</u>. The Issuer's obligations under this Disclosure Certificate shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 7. <u>Dissemination Agent</u>. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be the Issuer.

SECTION 8. <u>Amendment; Waiver</u>. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

SECTION 9. <u>Additional Information</u>. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in

this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Agreement to update such information or include it in any future Annual Report or notice of a Listed Event.

SECTION 10. <u>Default</u>. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Ordinance, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 11. <u>Duties, Immunities and Liabilities of Dissemination Agent.</u> The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Issuer agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Issuer under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

SECTION 12. <u>Beneficiaries</u>. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Dissemination Agent, the Participating Underwriters and Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

BEAUFORT COUNTY, SOUTH CAROLINA

By:

Chairman of County Council Beaufort County, South Carolina

Date: _____, 2025

APPENDIX I

NOTICE TO REPOSITORY OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Beaufort County, South Carolina

Name of Bond Issue:
\$_____ General Obligation Bonds of 2025

Date of Issuance: _____, 2025

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the abovenamed Bonds as required by an Ordinance adopted on ______, 2024. The Issuer anticipates that the Annual Report will be filed by ______.

BEAUFORT COUNTY, SOUTH CAROLINA

By:_____

Title:_____

Item 9.

STATE OF SOUTH CAROLINA)	
)	CERTIFIED COPY OF ORDINANCE
COUNTY OF BEAUFORT)	

I, the undersigned, Clerk to County Council of Beaufort County, South Carolina, **DO HEREBY** CERTIFY:

That the foregoing constitutes a true, correct and verbatim copy of an Ordinance which was given three readings on three separate days, with an interval of not less than seven days between the second and third readings. The original of this Ordinance is duly entered in the permanent records of minutes of meetings of the County Council, in my custody as such Clerk.

That each of said meetings was duly called, and all members of the County Council were notified of the same; that a quorum of the membership remained throughout the proceedings incident to the enactment of this Ordinance.

IN WITNESS WHEREOF, I have hereunto set my Hand _____ day of _____, 2024.

Clerk, Beaufort County Council

First Tryon Advisors

SIMPLIFYING PUBLIC FINANCE

DAVID CHEATWOOD

MANAGING DIRECTOR Office: 704.926.2447 Email: dcheatwood@firsttryon.com 6101 Carnegie Blvd Suite 210 Charlotte NC 28209

Beaufort County, South Carolina

Discussion Materials



Existing GO Bond Debt – As of 6/30/2024

- > As of June 30, 2024 the County had approximately \$144 million of General Obligation Bond debt outstanding (excluding issuances on behalf of County fire districts).
- Of this amount, approximately \$86.7 million was voter approved and \$57.3 million was issued under the County's 8% capacity.
- > The County services this debt from a combination of debt service millage, real property millage and Bluffton Parkway revenues.

General Obligation Bonds - Debt Service Millage								
Series	Description	Par Outstanding	Final Maturity	Call Provision	Avg. Coupon	Use of Proceeds	Included in 8% Debt?	
Series 2012C	General Obligation Refunding Bonds	910,674	2/1/2025	Non-Callable	3.000%	Refund Series 2004	Yes	
Series 2013C	General Obligation Refunding Bonds	2,650,714	3/1/2026	3/1/2023	3.250%	Refund Series 2006 & 2006B	Yes	
Series 2014A	General Obligation Bonds	8,457,919	3/1/2034	3/1/2024	3.096%	Capital Projects	Yes	
Series 2014A	General Obligation Bonds	2,927,081	3/1/2034	3/1/2024	3.096%	Capital Projects	-	
Series 2014B	General Obligation Refunding Bonds	5,476,293	3/1/2029	3/1/2024	3.476%	Refund Series 2010B	Yes	
Series 2017A	General Obligation Bonds	25,082,354	2/1/2037	2/1/2027	3.720%	Capital Improvements	Yes	
Series 2017A	General Obligation Bonds	4,823,528	2/1/2037	2/1/2027	3.720%	Capital Improvements	-	
Series 2019A	General Obligation Bonds	9,240,000	3/1/2039	3/1/2028	3.517%	Capital Improvements	Yes	
Series 2020	General Obligation Bonds	5,535,000	3/1/2040	3/1/2029	2.472%	Capital Improvements	Yes	
Total		65,103,563			3.426%			

General Obligation Bonds - Real Property Millage									
Series	Description	Par Outstanding	Final Maturity	Call Provision	Avg. Coupon	Use of Proceeds	Included in 8% Debt?		
Series 2012C	General Obligation Refunding Bonds	1,734,327	2/1/2025	Non-Callable	3.000%	Refund Series 2004	-		
Series 2013B	General Obligation Bonds	12,905,000	5/1/2033	5/1/2023	3.546%	Capital Projects	-		
Series 2014B	General Obligation Refunding Bonds	3,808,707	3/1/2029	3/1/2024	3.476%	Refund Series 2010B	-		
Series 2016A	General Obligation Refunding Bonds	4,976,384	3/1/2027	Non-Callable	3.330%	Refund Series 2007	-		
Series 2017A	General Obligation Bonds	19,294,118	2/1/2037	2/1/2027	3.720%	Capital Improvements	-		
Series 2020	General Obligation Bonds	23,955,000	3/1/2040	3/1/2029	2.470%	Capital Improvements	-		
Series 2021	General Obligation Refunding Bonds	5,600,000	3/1/2031	Non-Callable	5.000%	Refund Series 2011 GO	-		
Total		72,273,536			3.317%				

General Obligation Bonds - Bluffton Parkway Revenues									
Series	Description	Par Outstanding	Final Maturity	Call Provision	Avg. Coupon	Use of Proceeds	Included in 8% Debt?		
Series 2013C	General Obligation Refunding Bonds	5,159,286	3/1/2026	3/1/2023	3.250%	Refund Series 2006 & 2006B	-		
Series 2016A	General Obligation Refunding Bonds	1,368,617	3/1/2027	Non-Callable	3.330%	Refund Series 2007	-		
Total		6,527,903			3.267%				

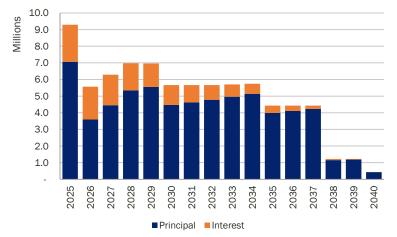
Grand Total	143,905,002	3.377%



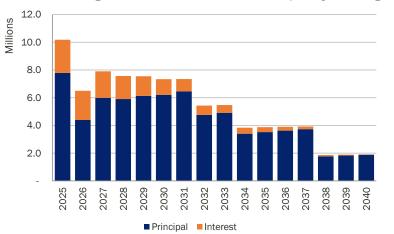
Item 9.

Existing GO Bond Debt Service – As of 6/30/2024

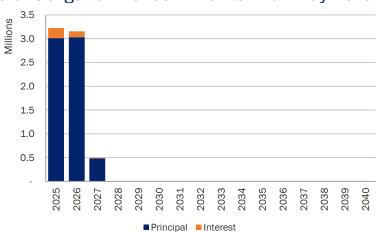
General Obligation Bonds – Debt Service Millage



General Obligation Bonds – Real Property Millage

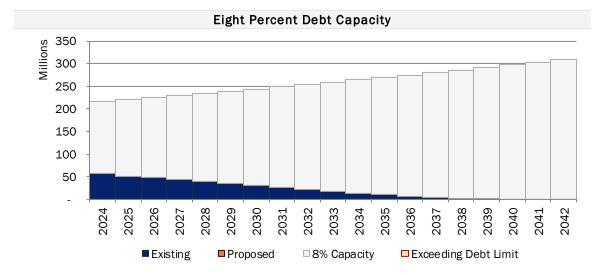


General Obligation Bonds – Bluffton Parkway Revenues



8% Debt Capacity

- > The County is permitted to issue General Obligation Bonds without voter approval in an amount equal to 8% of the Assessed Value of all taxable property in the County.
- Based on the County's FY2024 Assessed Value of \$2,654,721,069, the County's constitutional debt limit was \$212,377,686.
- > Following the payment of outstanding General Obligation Bond principal in FY2024, the County will have \$57,352,954 of General Obligation Bond debt that counts against this limit, leaving \$155,024,732 of capacity.
 - > This capacity will continue to grow as the County pays down existing debt and its Assessed Value increases.





Identified Capital Needs

The County has identified \$68.6 million of capital projects that it is considering funding through the issuance of a General Obligation Bond, including County projects totaling \$52.6 million, Beaufort Memorial Hospital (the "Hospital)" projects totaling \$10 million and a project totaling \$6 million for Technical College of the Lowcountry ("TCL").

Project Description	Amount
Public Works Capital Projects	\$25,075,000
Facilities Capital Projects	\$100,000
Public Safety Capital Projects	\$627,227
Sherriff's Office Capital Projects	\$965,000
DSN Capital Projects	\$78,700
Parks and Rec Capital Projects	\$1,830,000
Community Center Capital Projects	\$5,000,000
Passive Parks Capital Projects	\$5,940,912
St. James Church	\$3,500,000
Future Government Complex	\$9,500,000
Sub-Total	\$52,616,839
Affordable Housing (BMH)	\$2,000,000
New Hospital Project (BMH)	\$8,000,000
New Workforce Training Facility (TCL)	\$6,000,000
Sub-Total	\$16,000,000
Total	\$68,616,839



Repayment Sources

- > County
 - > In FY2024, the County levied 3.4 debt service mills which, based on a value of a mill of \$2.65 million, generated approximately \$9 million in property tax revenues in FY2024.
 - Assuming a 3% growth in the value of a mill and a reduction in the millage rate to 3.2 mills in FY2025, property tax revenue would be approximately \$8.65 million.
 - In addition, the County's debt service fund had a 6/30/24 ending fund balance of approximately \$18 million which would be used to pay for a portion of the debt service on a GO bond issue.
 - The analysis that follows assumes that the County "upsizes" the first principal payment due on March 1, 2025 to bring down the balance in the debt service fund to approximately \$5 million which is approximately half of the County's future annual debt service.
- > Beaufort Memorial Hospital
 - In FY2024, the County levied 0.4 mills for the Hospital which, based on a value of a mill of \$2.65 million, generated approximately \$1.06 million in property tax revenues in FY2024 which was approximately \$200,000 in excess of what the Hospital received in the prior year due to reassessment.
 - In FY2025, the County increased the millage rate to 0.6 mills for the Hospital. If it applied the \$200,000 in excess and the additional \$540,000 that the additional 0.2 mills will generate, this \$740,000 in aggregate revenue could be applied towards the payment of debt service for the Hospital's projects.
- > Higher Education Fund
 - > In FY2024, the County levied 2.2 mills for its Higher Education Fund which, based on a value of a mill of \$2.65 million, generated approximately \$5.83 million in property tax revenues in FY2024.
 - > Of this amount, 1.1 mills was earmarked for USCB and 1.1 mills was earmarked for TCL which was approximately \$200,000 in excess of what each entity received in the prior year due to reassessment.
 - In FY2025, the County increased the millage rate to 2.3 mills for the Higher Education Fund (1.2 mills for TCL). If it applied the \$200,000 in excess and the additional \$270,000 that the additional 0.1 mills will generate, this \$470,000 in aggregate revenue could be applied towards the payment of debt service for TCL's projects.



Plan of Finance (County Projects)

The table below shows the impact of funding the \$52.6 million of County projects with the issuance of a GO Bond issued under the County's 8% capacity and serviced by 3.2 debt service mills assuming a <u>25-year repayment term</u> and estimated current market rates.

							Bluffton Pkwy						
	Debt Service			Assumed	Collection	Millage	Admission	Existing Debt	Proposed Debt	Total Debt		Use of Fund	
Tax Levy	Paid	Millage Rate	Value of a Mill	Growth Rate	Percentage	Collections	Taxes & Fees	Service	Service	Service	Surplus (Deficit)	Balance	Fund Balance
Total													
2022	2023	5.60	2,261,466		100.00%	12,664,210	3,169,016	14,782,332	-	14,782,332	1,050,893	-	4,199,865
2023	2024	3.40	2,650,000	17.18%	100.00%	9,010,000	3,182,640	12,789,956	-	12,789,956	(597,316)	(597,316)	16,884,672
2024	2025	3.20	2,705,000	2.08%	100.00%	8,656,000	3,181,256	12,343,529	11,194,609	23,538,138	(11,700,882)	(11,700,882)	5,183,791
2025	2026	3.20	2,786,150	3.00%	100.00%	8,915,680	3,100,212	8,599,417	3,296,700	11,896,117	119,775	-	5,303,565
2026	2027	3.20	2,869,735	3.00%	100.00%	9,183,149	490,416	6,681,822	2,871,700	9,553,522	120,043	-	5,423,608
2027	2028	3.20	2,927,129	2.00%	100.00%	9,366,813	-	6,869,901	2,376,950	9,246,851	119,961	-	5,543,569
2028	2029	3.20	2,985,672	2.00%	100.00%	9,554,147	-	6,852,149	2,587,200	9,439,349	114,798	-	5,658,367
2029	2030	3.20	3,045,385	2.00%	100.00%	9,745,232	-	5,586,800	2,658,200	8,245,000	1,500,232	-	7,158,600
2030	2031	3.20	3,106,293	2.00%	100.00%	9,940,134	-	5,583,244	2,659,825	8,243,069	1,697,066	-	8,855,665
2031	2032	3.20	3,168,419	2.00%	100.00%	10,138,938	-	5,595,176	2,658,700	8,253,876	1,885,062	-	10,740,727
2032	2033	3.20	3,231,787	2.00%	100.00%	10,341,718	-	5,633,836	2,659,700	8,293,536	2,048,183	-	12,788,910
2033	2034	3.20	3,296,423	2.00%	100.00%	10,548,550	-	5,664,003	2,662,575	8,326,578	2,221,972	-	15,010,882
2034	2035	3.20	3,362,351	2.00%	100.00%	10,759,523	-	4,370,905	2,662,200	7,033,105	3,726,418	-	18,737,300
2035	2036	3.20	3,429,598	2.00%	100.00%	10,974,714	-	4,368,284	2,658,575	7,026,859	3,947,854	-	22,685,155
2036	2037	3.20	3,498,190	2.00%	100.00%	11,194,208	-	4,367,422	2,661,450	7,028,872	4,165,336	-	26,850,491
2037	2038	3.20	3,568,154	2.00%	100.00%	11,418,093	-	1,206,938	2,660,575	3,867,513	7,550,580	-	34,401,071
2038	2039	3.20	3,639,517	2.00%	100.00%	11,646,454	-	1,209,741	2,660,825	3,870,566	7,775,889	-	42,176,960
2039	2040	3.20	3,712,308	2.00%	100.00%	11,879,382	-	439,078	2,661,950	3,101,028	8,778,354	-	50,955,314
2040	2041	3.20	3,786,554	2.00%	100.00%	12,116,970	-	-	2,658,050	2,658,050	9,458,920	-	60,414,234
2041	2042	3.20	3,862,285	2.00%	100.00%	12,359,309	-	-	2,659,750	2,659,750	9,699,559	-	70,113,793
2042	2043	3.20	3,939,530	2.00%	100.00%	12,606,496	-	-	2,658,450	2,658,450	9,948,046	-	80,061,839
2043	2044	3.20	4,018,321	2.00%	100.00%	12,858,627	-	-	2,659,050	2,659,050	10,199,577	-	90,261,416
2044	2045	3.20	4,098,688	2.00%	100.00%	13,115,798	-	-	2,661,350	2,661,350	10,454,448	-	100,715,864
2045	2046	3.20	4,180,661	2.00%	100.00%	13,378,115	-	-	2,657,506	2,657,506	10,720,609	-	111,436,473
2046	2047	3.20	4,264,275	2.00%	100.00%	13,645,677	-	-	2,662,094	2,662,094	10,983,583	-	122,420,056
2047	2048	3.20	4,349,560	2.00%	100.00%	13,918,589	-	-	2,657,538	2,657,538	11,261,051	-	133,681,107
2048	2049	3.20	4,436,551	2.00%	100.00%	14,196,963	-	-	2,658,731	2,658,731	11,538,232	-	145,219,339
2049	2050	3.20	4,525,282	2.00%	100.00%	14,480,902	-	-	2,660,356	2,660,356	11,820,546	-	157,039,886

Estimated Debt Service (County Projects)

> The table below shows the estimated debt service on the portion of the GO Bond related to the County's projects.

Sources of Funds	
Par Amount	52,820,000
Premium	2,166,737
Equity Contribution	-
Total Sources of Funds	54,986,737
Uses of Funds	
Project Fund	52,616,839
Debt Service Fund	1,902,637
Costs of Issuance	200,000
Underwriter's Discount	264,100
Additional Proceeds	3,161
Total Uses of Funds	54,986,737

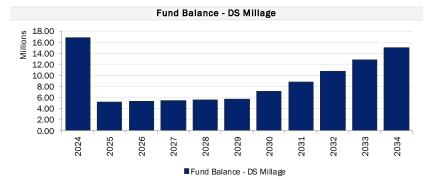
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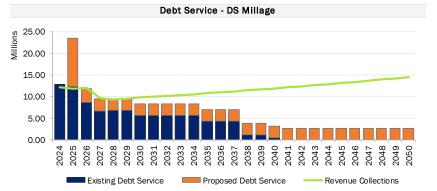
Debt Service Re	equirements			
Doriod Ending	Principal	Interact	Dobt Convice Fund	Net Debt Service
Period Ending	Principal 52,820,000	Interest 27,267,246	Debt Service Fund (1,902,637)	78,184,609
3/1/2025	12,000,000	170,396	(1,902,637)	10,267,759
9/1/2025	12,000,000	926,850	(1,902,037)	926,850
3/1/2026	1,480,000	926,850	-	2,406,850
9/1/2026	1,480,000	889,850	-	2,400,850
	1 120 000		-	
3/1/2027	1,120,000	889,850	-	2,009,850
9/1/2027	670,000	861,850	-	861,850
3/1/2028	670,000	861,850 845,100	-	1,531,850
9/1/2028	-		-	845,100
3/1/2029	920,000	845,100	-	1,765,100
9/1/2029	-	822,100	-	822,100
3/1/2030	1,040,000	822,100	-	1,862,100
9/1/2030	-	796,100	-	796,100
3/1/2031	1,095,000	796,100	-	1,891,100
9/1/2031	-	768,725	-	768,725
3/1/2032	1,150,000	768,725	-	1,918,725
9/1/2032	-	739,975	-	739,975
3/1/2033	1,210,000	739,975	-	1,949,975
9/1/2033	-	709,725	-	709,725
3/1/2034	1,275,000	709,725	-	1,984,725
9/1/2034	-	677,850	-	677,850
3/1/2035	1,340,000	677,850	-	2,017,850
9/1/2035	-	644,350	-	644,350
3/1/2036	1,405,000	644,350	-	2,049,350
9/1/2036	-	609,225	-	609,225
3/1/2037	1,480,000	609,225	-	2,089,225
9/1/2037	-	572,225	-	572,225
3/1/2038	1,555,000	572,225	-	2,127,225
9/1/2038	-	533,350	-	533,350
3/1/2039	1,635,000	533,350	-	2,168,350
9/1/2039	-	492,475	-	492,475
3/1/2040	1,720,000	492,475	-	2,212,475
9/1/2040	-	449,475	-	449,475
3/1/2041	1,795,000	449,475	-	2,244,475
9/1/2041	-	413,575	-	413,575
3/1/2042	1,870,000	413,575	-	2,283,575
9/1/2042	-	376,175	-	376,175
3/1/2043	1,945,000	376,175	-	2,321,175
9/1/2043	-	337,275	-	337,275
3/1/2044	2,025,000	337,275	-	2,362,275
9/1/2044	-	296,775	-	296,775
3/1/2045	2,110,000	296,775	-	2,406,775
9/1/2045	-	254,575	-	254,575
3/1/2046	2,195,000	254,575	-	2,449,575
9/1/2046	-	207,931	-	207,931
3/1/2047	2,295,000	207,931	-	2,502,931
9/1/2047	-	159,163	-	159,163
3/1/2048	2,390,000	159,163	-	2,549,163
9/1/2048	-	108,375	-	108,375
3/1/2049	2,495,000	108,375	-	2,603,375
9/1/2049	-	55,356	-	55,356
3/1/2050	2,605,000	55,356	-	2,660,356

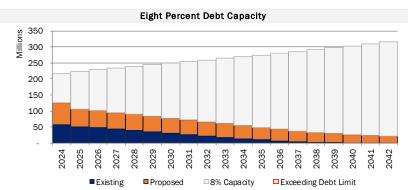


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Plan of Finance (County)









Plan of Finance (Hospital)

- If the County included \$10 million in its 8% GO Bond for the Hospital's requested projects, the estimated debt service for that portion of the borrowing would be approximately \$680,000 per year assuming a <u>20-year term</u> repayment term.
- > The \$200,000 of surplus revenue generated in FY2024 due to reassessment plus the additional revenue generated from an increase in the millage rate for the Hospital of 0.2 mills of \$540,000 would be sufficient to service the debt on this portion of the borrowing and the County would maintain ample 8% debt capacity.

					8% Assessed Value Capaci	ty
Calendar	Millage Revenue	Proposed Debt		Surplus	Assessed Value	2,654,721,069
Year	Available	Service	Coverage	(Deficit)	x 8%	8.00%
2025	740,000	673,824	1.10x	66,176	Debt Limit	212,377,686
2026	740,000	680,200	1.09x	59,800		
2027	740,000	681,325	1.09x	58,675	Less: Existing 8% GO Debt	(57,352,954)
2028	740,000	681,700	1.09x	58,300	Existing 8% Debt Limit	155,024,732
2029	740,000	681,325	1.09x	58,675	Less: County GO	(52,820,000)
2030	740,000	680,200	1.09x	59,800	Less: Hospital GO	(10,075,000)
2031	740,000	678,325	1.09x	61,675	Less: UCSB GO	-
2032	740,000	680,575	1.09x	59,425	Less: TCL GO	
2033	740,000	676,950	1.09x	63,050	Remaining 8% Debt Limit	92,129,732
2034	740,000	677,450	1.09x	62,550	Remaining 8% Debt Limit	92,129,132
2035	740,000	681,825	1.09x	58,175		
2036	740,000	680,075	1.09x	59,925		
2037	740,000	677,325	1.09x	62,675		
2038	740,000	678,450	1.09x	61,550		
2039	740,000	678,325	1.09x	61,675		
2040	740,000	681,825	1.09x	58,175		
2041	740,000	681,800	1.09x	58,200		
2042	740,000	678,600	1.09x	61,400		
2043	740,000	679,500	1.09x	60,500		
2044	740,000	679,400	1.09x	60,600		
2045	740,000	678,300	1.09x	61,700		
Total		14,267,299				

Plan of Finance (TCL)

- > If the County included \$6 million in its 8% GO Bond for TCL's requested projects, the estimated debt service for that portion of the borrowing would be approximately \$408,000 per year assuming a <u>20-year repayment term</u>.
- > The \$200,000 of surplus revenue generated in FY2024 due to reassessment plus the additional revenue generated from an increase in the millage rate for TCL of 0.1 mills of \$270,000 would be sufficient to service the debt on this portion of the borrowing and the County would maintain ample 8% debt capacity.

Calendar	Millage Revenue	Proposed Debt		Surplus
Year	Available	Service	Coverage	(Deficit)
2025	470,000	406,605	1.16x	63,395
2026	470,000	406,250	1.16x	63,750
2027	470,000	408,000	1.15x	62,000
2028	470,000	409,250	1.15x	60,750
2029	470,000	410,000	1.15x	60,000
2030	470,000	405,375	1.16x	64,625
2031	470,000	410,250	1.15x	59,750
2032	470,000	409,500	1.15x	60,500
2033	470,000	408,250	1.15x	61,750
2034	470,000	406,500	1.16x	63,500
2035	470,000	409,125	1.15x	60,875
2036	470,000	406,125	1.16x	63,875
2037	470,000	407,500	1.15x	62,500
2038	470,000	408,125	1.15x	61,875
2039	470,000	408,000	1.15x	62,000
2040	470,000	407,125	1.15x	62,875
2041	470,000	407,200	1.15x	62,800
2042	470,000	408,300	1.15x	61,700
2043	470,000	408,800	1.15x	61,200
2044	470,000	408,700	1.15x	61,300
2045	470,000	408,000	1.15x	62,000
Total		8,566,980		

8% Assessed Value Capaci	ty
Assessed Value	2,654,721,069
x 8%	8.00%
Debt Limit	212,377,686
Less: Existing 8% GO Debt	(57,352,954)
Existing 8% Debt Limit	155,024,732
Less: County GO	(52,820,000)
Less: Hospital GO	(10,075,000)
Less: UCSB GO	-
Less: TCL GO	(6,050,000)
Remaining 8% Debt Limit	86,079,732

Financing Schedule

DATE	Task
By June 5	Distribute Draft of Bond Ordinance
June 10	Comments Due on Bond Ordinance
June 12	Distribute Revised Draft of Bond Ordinance
By September 13	Finalize Bond Ordinance / Plan of Finance
September 23	Finance Committee Meeting – Review Plan of Finance / Bond Ordinance
October 14	County Council Meeting – 1st Reading of Bond Ordinance
By October 25	Publish Notice of Public Hearing
October 28	County Council Meeting – 2 nd Reading of Bond Ordinance
November 7	Distribute Draft of POS
Week of November 11	Working Group Call to Review POS
November 12	County Council Meeting – Public Hearing; 3rd Reading of Bond Ordinance
December 6	Distribute Revised Draft of POS Send Documents to Rating Agencies
By December 9	Distribute Draft of Rating Presentation
Week of December 9	Working Group Call to Review POS / Rating Presentation
Week of December 16	Rating Agency Calls
By December 31	Distribute Revised Draft of POS
By January 6	Receive Ratings
January 9	Finalize POS
January 10	Post POS
January 11	60-Day Challenge Period Expires
By January 14	Publish Summary Notice of Sale
January 21	Sell Bonds
Week of January 27	Distribute Draft of Closing Documents
February 6	Closing



First Tryon Advisors

FIRSTTRYON.COM

MSRB Registrant

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BEAUFORT COUNTY, SOUTH CAROLINA General Obligation Bonds, Series 2024

FINANCING SCHEDULE

		S	ep-24	4					(Dct-2	4					Ν	lov-2	4		
Su	Мо	Tu	We	Th	Fr	Sa	Su	Мо	Tu	We	Th	Fr	Sa	Su	Мо	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7			1	2	3	4	5						1	2
8	9	10	11	12	13	14	6	7	8	9	10	11	12	3	4	5	6	7	8	9
15	16	17	18	19	20	21	13	14	15	16	17	18	19	10	11	12	13	14	15	16
22	23	24	25	26	27	28	20	21	22	23	24	25	26	17	18	19	20	21	22	23
29	30						_ 27	28	29	30	31			24	25	26	27	28	29	30
Dec-24 Jan-25																				
		D	ec-2	4					J	an-25	5					Fe	eb-25	5		
Su	Мо			4 Th	Fr	Sa	Su	Мо	Ja Tu		5 Th	Fr	Sa	Su	Мо	Fe Tu		5 Th	Fr	Sa
Su 1	Mo 2			-	Fr 6	Sa 7	Su	Мо				Fr 3	Sa 4	Su	Мо				Fr	Sa 1
Su 1 8		Tu	We	Th			Su 5	Mo 6		We	Th			Su 2	Mo 3				Fr 7	Sa 1 8
1	2 9	Tu 3	We 4	Th 5	6	7			Tu	We 1	Th 2	3	4			Tu	We	Th	_	1
1 8	2 9 16	Tu 3 10	We 4 11 18	Th 5 12	6 13	7 14 21	5	6	Tu 7	We 1 8	Th 2 9	3 10	4 11	2	3	Tu 4	We 5	Th 6	7	1 8

DATE	Task	RESPONSIBILITY
By June 5	Distribute Draft of Bond Ordinance	BC
June 10	Comments Due on Bond Ordinance	Working Group
June 12	Distribute Revised Draft of Bond Ordinance	BC
By September 13	Finalize Bond Ordinance / Plan of Finance	Working Group
September 23	Finance Committee Meeting – Review Plan of Finance / Bond Ordinance	County / BC
October 14	County Council Meeting – 1 st Reading of Bond Ordinance	County / BC
By October 25	Publish Notice of Public Hearing	County / BC
October 28	County Council Meeting – 2 nd Reading of Bond Ordinance	County / BC
November 7	Distribute Draft of POS	BC
Week of November 11	Working Group Call to Review POS	Working Grou
November 12	County Council Meeting – Public Hearing; 3 rd Reading of Bond Ordinance	County / BC
December 6	Distribute Revised Draft of POS Send Documents to Rating Agencies	BC FA
By December 9	Distribute Draft of Rating Presentation	FA
Week of December 9	Working Group Call to Review POS / Rating Presentation	Working Grou
Week of December 16	Rating Agency Calls	Working Grou
By December 31	Distribute Revised Draft of POS	BC
By January 6	Receive Ratings	Working Grou
January 9	Finalize POS	Working Grou
January 10	Post POS	BC
January 11	60-Day Challenge Period Expires	Working Grou
By January 14	Publish Summary Notice of Sale	BC
January 21	Sell Bonds	Working Group
Week of January 27	Distribute Draft of Closing Documents	BC
February 6	Closing	Working Group

*County Council typically meets on the 2nd and 4th Monday of each month



RESPONSIBILITY LEGEND:			liama O
Role	Entity	Defined	Item 9.
Issuer	Beaufort County, South Carolina	"County"	
Bond Counsel	Haynsworth Sinkler Boyd	"BC"	
Financial Advisor	First Tryon Advisors	"FA"	





BEAUFORT COUNTY COUNCIL AGENDA ITEM SUMMARY

ITEM TITLE:

ANNUAL DIRECT MARKETING ORGANIZATIONS (DMOs) PRESENTATION ACCOUNTING FOR FY 2024 STATE 2% ACCOMMODATIONS TAX ALLOCATION. PER BEAUFORT COUNTY CODE OF ORDINANCES, CHAPTER 66, ARTICLE II, DIVISION 1, SECTION 66-30.

MEETING NAME AND DATE:

Finance, Administration, and Economic Development Committee Meeting, September 23, 2024

PRESENTER INFORMATION:

Brycen Campbell, Senior Accountant, Beaufort County Finance

Robb Wells, Greater Beaufort-Port Royal CVB

Ariana Pernice, Hilton Head-Bluffton Chamber of Commerce

ITEM BACKGROUND:

Beaufort County Code of Ordinances, Chapter 66, Article II, Division 1, Section 66.30 states the following:

(3) Thirty percent of the balance is split with half going to the Greater Beaufort-Port Royal Convention and Visitors Bureau and half going to the Hilton Head - Bluffton Chamber of Commerce as the council hereby designates the Greater Beaufort-Port Royal Convention and Visitors Bureau and the Hilton Head - Bluffton Chamber of Commerce as the designated marketing organizations (DMOs).

a. In accordance with state law, the DMOs shall submit for approval a budget of planned expenditures. The proposed budgets from the two DMOs shall be presented at the April finance committee meeting. At the end of each fiscal year, an organization receiving funds shall render an accounting of the expenditure to the county. The final reports from the two DMOs shall be presented at the September finance committee meeting.

PROJECT / ITEM NARRATIVE:

See above: In addition, the DMO representatives will present FY 2024's accounting of received state 2% accommodations tax funds. The representatives will explain the effects of the expended funds and how Beaufort County tourism has benefited from the marketing efforts.

FISCAL IMPACT:

There will be no fiscal impact. The DMOs are required by ordinance to receive these funds throughout the year and report back on the budgeting and accounting at the designated meetings. Funds they receive amount to 30% (15% to each DMO) of the remaining balance after \$25,000 plus 5% of revenues are allocated to the general fund.

STAFF RECOMMENDATIONS TO COUNCIL:

If Council would like the DMOs to present differently in subsequent years, please express so following the meeting. If satisfied, no recommendation for action from Council.

OPTIONS FOR COUNCIL MOTION:

No options for Council.

The Greater Beaufort-Port Royal Convention & Visitors Bureau BEAUFORTSC.ORG

VISIT BEAUFORT PORT ROYAL SEA ISLANDS



The Greater Beaufort-Port Royal CVB (d.b.a. Visit Beaufort, Port Royal and Sea Islands) serves as the official Destination Marketing Organization for Northern Beaufort County.

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Northern Beaufort County

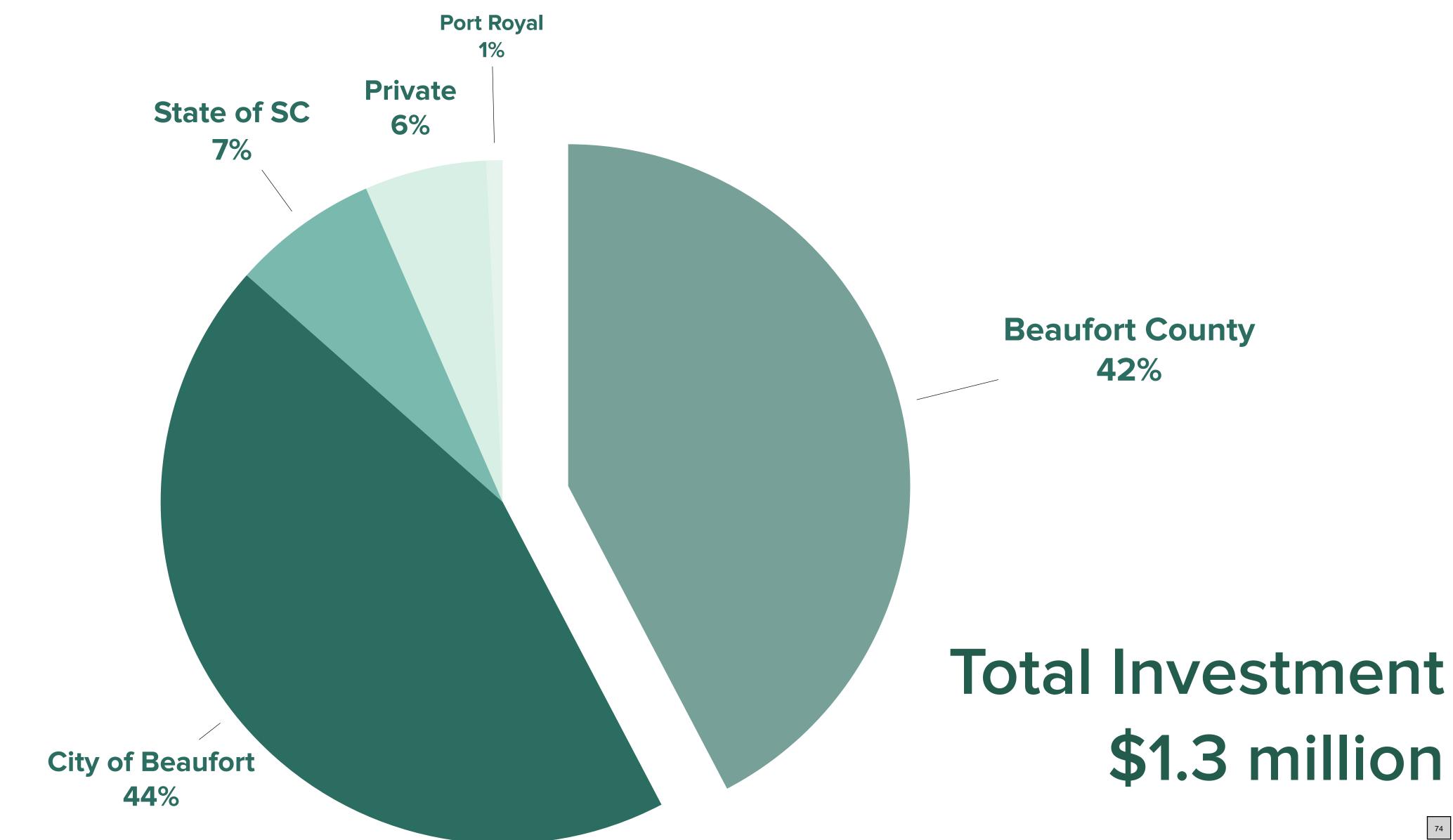




BUDGET



DMO Investment Breakdown - FY23/24

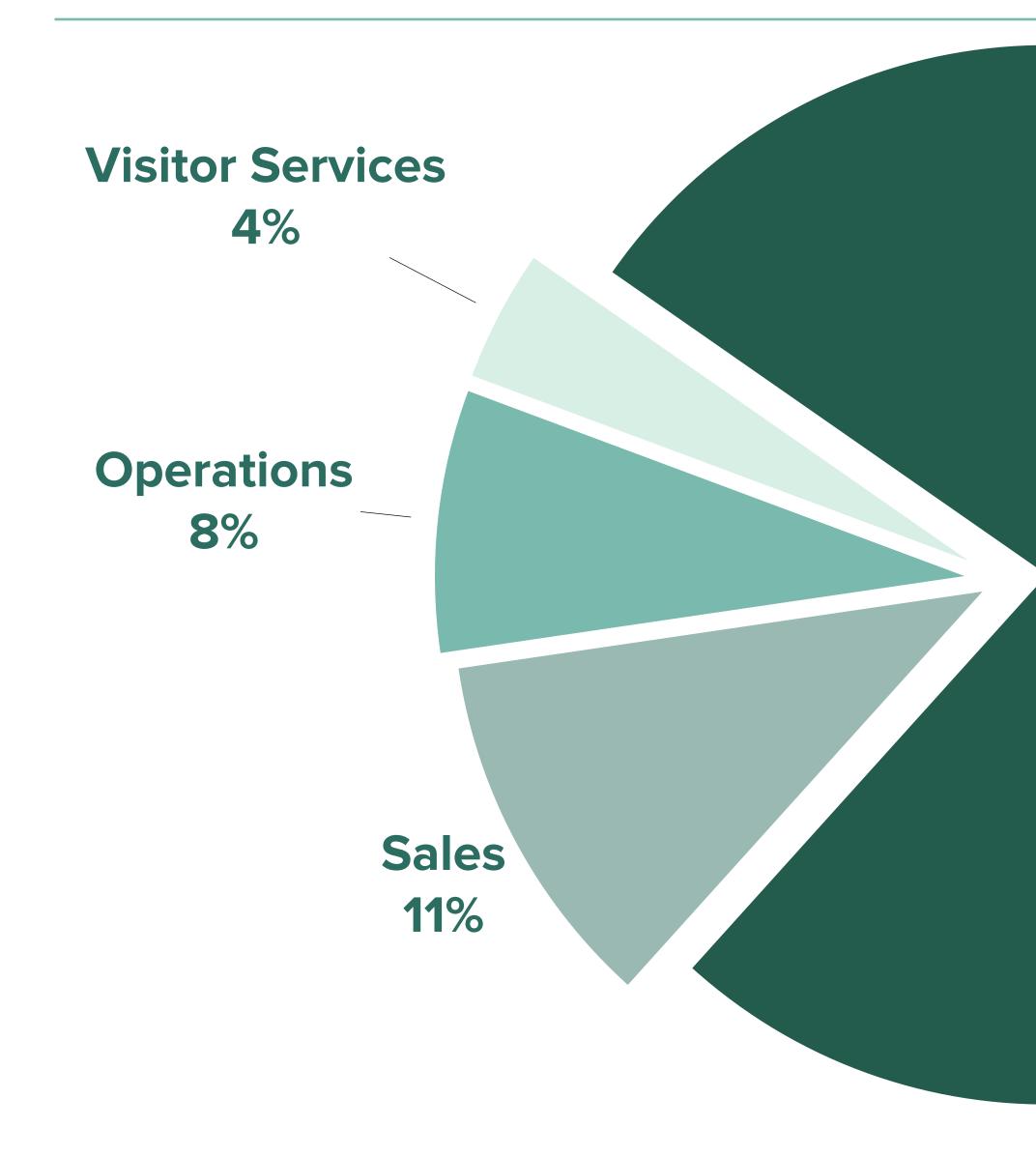


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Marketing, Sales & Visitor Services - FY24





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Marketing & Promotion 77%

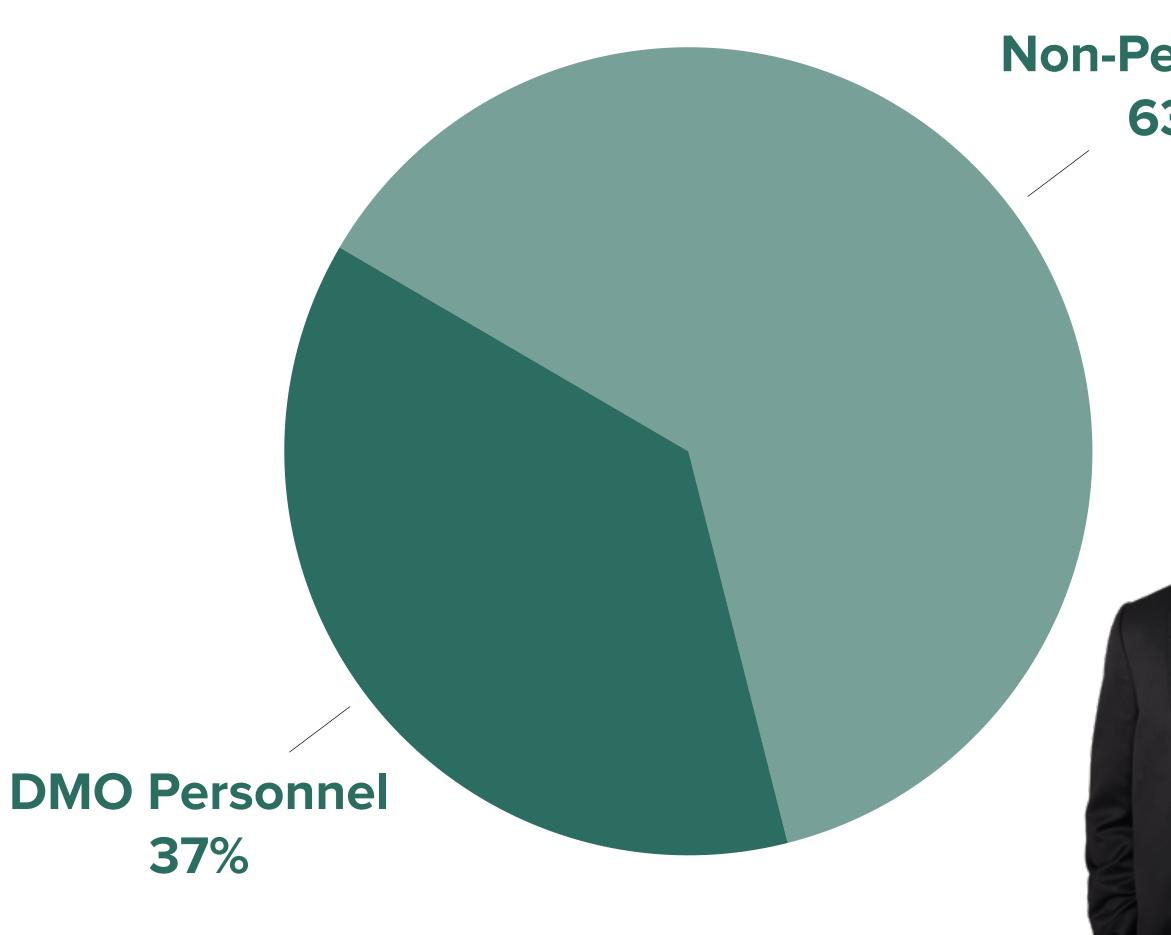








Marketing, Sales, Visitor Services - FY 24





63%



VISIT BEAUFORT PORT ROYAL SEA ISLANDS

2023 2024 TOURISM ANNUAL REPORT

The Greater Beaufort-Port Royal Convention & Visitors Bureau

BEAUFORTSC.ORG

Jan Law

Economic Impact of Tourism in The City of Beaufort, Town of Port Royal & Sea Islands

Beaufort, Port Royal & The Sea Islands have long supported a robust tourism economy. Hospitality Tax and Accommodations Tax represent more than 16% of the City of Beaufort's total General Fund revenues, serving as the third largest revenue source for the city.



The CVB's marketing investments have consistently yielded a return of \$11 to the local government for every \$1 spent.



Average Visitor Spend in a day



BeaufortSC.org



By providing relevant and important information through BeaufortSC.org, the perception of the visitors and the perceived image of our destination changes. The visitors' decision-making process becomes significantly easier when visiting our site. Details on the destination, such as weather conditions, historical importance, attractions & rich culture help them decide to book a vacation.



#findyourinnercoasta

Find Your inner coast

Visit Beaufort's Social Media Channel Growth



83,722 Reach





48,219 Instagram



4,095 X (Twitter)



1,377 Pinterest



1,604 TikTok



401 LinkedIn

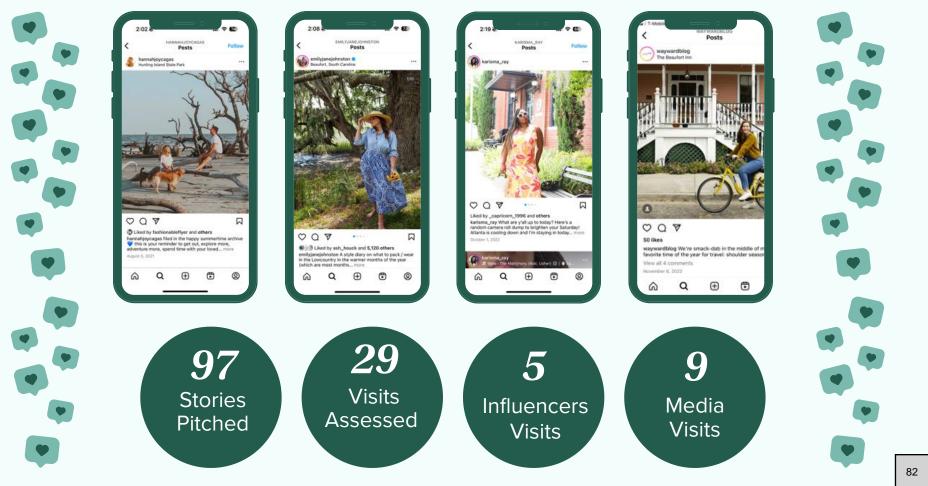


#findyourinnercoastal

12

Influencer Recap

At a time when social networks are omnipresent in our daily lives, travel influencers are becoming the new gurus of the tourism sector. Instagram, TikTok, Blog or YouTube are the tools that allow them to make us dream of a destination through photos, videos and texts, each more inspiring than the last. Influencers allow us to leverage their social media presence and word-of-mouth marketing tactics to promote our destination to younger generations while also allowing us to save money on content creation.



Public Relations Highlights

News Coverage of Note

- Fodor's Travel: The Best Day Trips to Take from Charleston, South Carolina
- **Southern Living:** The 15 Most Adorable Small Towns For A Summer Getaway
- Garden & Gun: Six Lesser-Known South Carolina
 Barrier Islands
- **Men's Journal:** 50 Best Vacations in the U.S. to Explore America's Adventure Capitals
- **Knoxville News Sentinel:** Find a slice of heaven along the South Carolina coast
- The Points Guy: 8 best foodie trails in the US



177 Stories Placed











THE SOUTH'S BEST

The Best Small Town In Every Southern State 2024

By Tara Massouleh McCay

14,089

Leads acquired through Southern Living



Digital Marketing Report

The increased ROI of paid advertising

Visit Beaufort, Port Royal & Sea Islands promotes Northern Beaufort County as a leisure travel, group, sports and meetings destination. Our strategies target vacationers, meeting planners, influencers, domestic group tour operators, and travel trade professionals. Targeting core audience segments, our paid media efforts continue to increase overnight visitation and extend visitors' length of stay in Beaufort, South Carolina.



17+ Million









6% Average Click Through Rate



53

Average Cost Per Conversion



Leisure Email Newsletter

Visit Beaufort's newsletter uses a funnel system to turn warm leads into conversions. This funnel includes 9 emails sent over a 60-day period with 3 different email groups: Awareness, Consideration, and Purchase.



Weekly Partner Email Newsletter

Visit Beaufort's weekly partner newsletter is sent out every week to keep our partners and stakeholders up to date on the newest travel trends by collecting data from Smith Travel Research and Key Data.



The Inner Coastal Podcast

What the Inner Coastal podcast tells the world about the Lowcountry of South Carolina is something anyone who has walked our historic streets or strolled our pristine shores knows in their heart: This is a coastal destination that changes you—and stays with you long after you leave.









57% Male



30%	
Ages 45-5	Ś

32,647

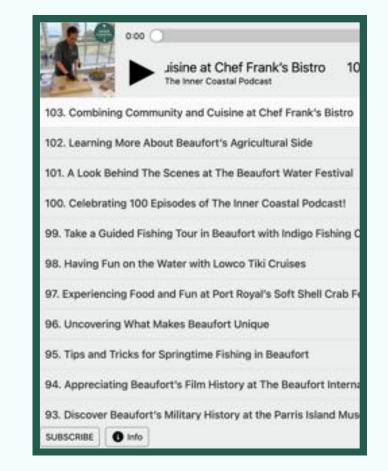
All Time Listens



45% Apple Podcasts









2 Awards Won

Gold for Branded Series & Distinction Silver for Individual Episodes



Measuring Sales Success

The goal of our sales team at Visit Beaufort is to promote our area as a top convention and meetings destination by showcasing our small town charm with quaint streets and perfect weather that resides all year round. We can see direct economic impact by growing hotel room night production and increasing sales at restaurants, shops and attractions.

Meetings/Conventions Hosted:

Accent East:

Total attendance was over 100 people, 23 were tour operators.

Veterinary Encouragement by the Sea -Continuing Education Conference:

There were 350 registered delegates at this year's conference.

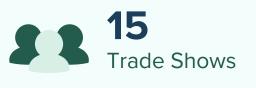








3,380 Room Nights







Beaufort Area Sports Council

The Beaufort Area Sports Council was established to develop sports-related events that impact our community. By working with local, regional, and national organizations the Sports Council supports a wide range of events that offer a diverse opportunity for athletes of all ages and all sports. The mission is to enrich the quality of life and economic well-being of Northern Beaufort County by supporting existing events and attracting new sporting events and activities.

2023 | 2024 Sports in Beaufort

Southern Redfish Cup: September 9th, 2023 18th Annual Beaufort River Swim + 5K/8K Run: June 8th, 2024 American Junior Golf Association: June 3rd - 6th, 2023 South Carolina Junior Golf Association: June 29th - 30th, 2024 Coastal Athletic Association: April 21st - 23rd, 2024





TRAVEL INSIGHTS

|--|

Visitor Profile

Where are visitors from?

These insights are based on a device count sample size of 77,607 and a cardholder count sample size of 41,849. Note that geolocation data less than 30 days old is subject to slight changes through the normalization process.

Top DMA's

- Greenville-Spartanburg-Asheville-Anderson
- Columbia, SC
- Charlotte, NC
- Atlanta, GA
- Augusta, GA
- Charleston, SC
- Savannah, GA
- Raleigh-Durham (Fayetteville), NC
- Jacksonville, FL
- Florence-Myrtle Beach, SC



Out-of-state visitors



Item 10.

Visitor Spend

How does visitor spending impact businesses in our destination?



Accomodations



Visitor Spend % of Total

Average Visitor Spend

Restaurants

31% \$110

Visitor Spend % of Total



Attractions

65%

Visitor Spend % of Total

Average Visitor Spend

\$95

Retail



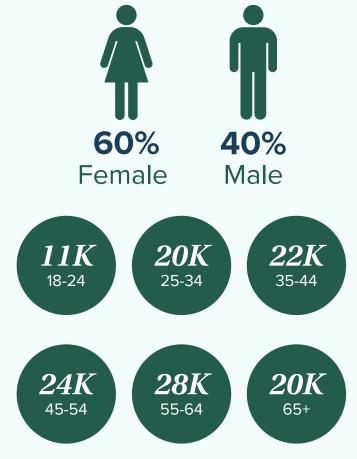
Visitor Spend % of Total



Visitor Profile

What age are they?

Northern Beaufort County is a popular vacation destination known for its warm weather, beautiful beaches, and fun activities. Our area attracts a diverse range of visitors, but it is particularly popular among families, beach enthusiasts, history buffs and many more. Overall, Beaufort offers something for everyone and attracts visitors of all ages and interests.



Visitor numbers from New Website Users



Travel Insights - Unincorporated Beaufort County





Core Markets: Atlanta, Greenville, Charlotte, Columbia, Augusta









THANK YOU

|--|

2024-2025 MARKETING PLAN

Finance, Administration, and Economic Development Committee



H CHAMBER OF COMMERCE



Item 10.

As the designated Destination Marketing Organization for Southern Beaufort County, the Hilton Head Island-Bluffton Chamber of Commerce is charged with driving awareness and connecting visitors to our destinations, our communities, and businesses.

VISION

A welcoming, world-class community embracing nature, culture and economic vibrancy for residents and visitors.

MISSION

Stimulate the regional economy while enhancing the quality of life for all.





YEAR IN REVIEW January 2023 – December 2023

100

Item 10.

MEDIA MENTIONS

101

TRAVEL + LEISURE

Readers' 10 Favorite Resorts In South Carolina, Montage Palmetto Bluff #5

SOUTHERN LIVING

It's Time To Visit Daufuskie, South Carolina The Little Known Island Hiding In Plain Sight Of Hilton Head

CONDÉ NAST TRAVELER

Top 20 Resorts In The South: Reader's Choice Awards - Montage Palmetto Bluff #1

TRAVEL + LEISURE

How To Plan The Perfect Trip To Bluffton, South Carolina

FORBES

Montage Palmetto Bluff Celebrates Local Talent With New Wellness And Lifestyle Programs

ESSENCE

Luxe Living: The Wellness Scene In The Lowcountry At Montage Palmetto Bluff

FODERS

Daufuskie Island one of "13 Hidden Beaches Across the U.S."

> **AARP** 4 Car-Free Destinations

ROBB REPORT

This Chef Wants To Create A Destination For African-Inspired Cuisine In This Small South Carolina Town

FOODSIDED

Exploring Bluffton: Celebrating the Flavorful Food Scene One Dish At A Time

GARDEN & GUN

Open Table: In Bluffton, South Carolina, An Innovative Dining Scene Starts With An Equitable Small Business Community

YEAR IN REVIEW



WEBSITE VISITS VisitBluffton.org &

VisitDaufuskie.org

402.7K WEBSITE VISITS

81.2K PARTNER REFERRALS





SOCIAL MEDIA ExploreBluffton

48.4K TOTAL FOLLOWERS

3.9% ENGAGEMENT RATE



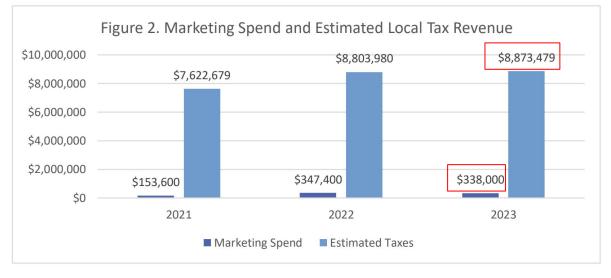


Estimated Impact of Tourism In Bluffton on

Beaufort County 2023

Segment	Visitors		Employment	Labor Income	Output
Overnight	174,291	Direct	1,854	\$53,408,688	\$130,934,314
J		Indirect	286.39	\$12,915,829	\$45,777,475
Day Trip	rip 312,621	Induced	189.48	\$8,788,704	\$31,287,802
Total Visitors	486,912	Total	2,329	\$75,113,221	\$207,999,591

For each dollar spent by the Visitor & Convention Bureau yielded an estimated return of \$26.25 in local tax revenue.



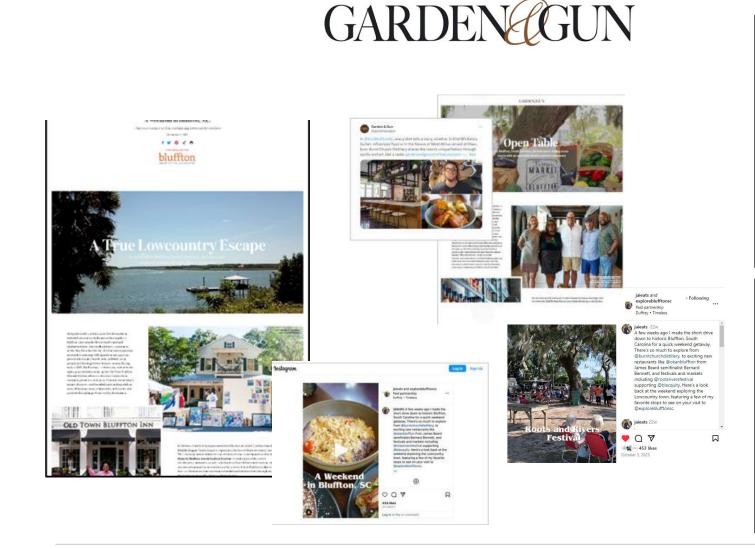
\$8,873,479 / \$338,000 = \$26.25

YEAR IN REVIEW - VACATION PLANNER





YEAR IN REVIEW - PAID MEDIA BUYS





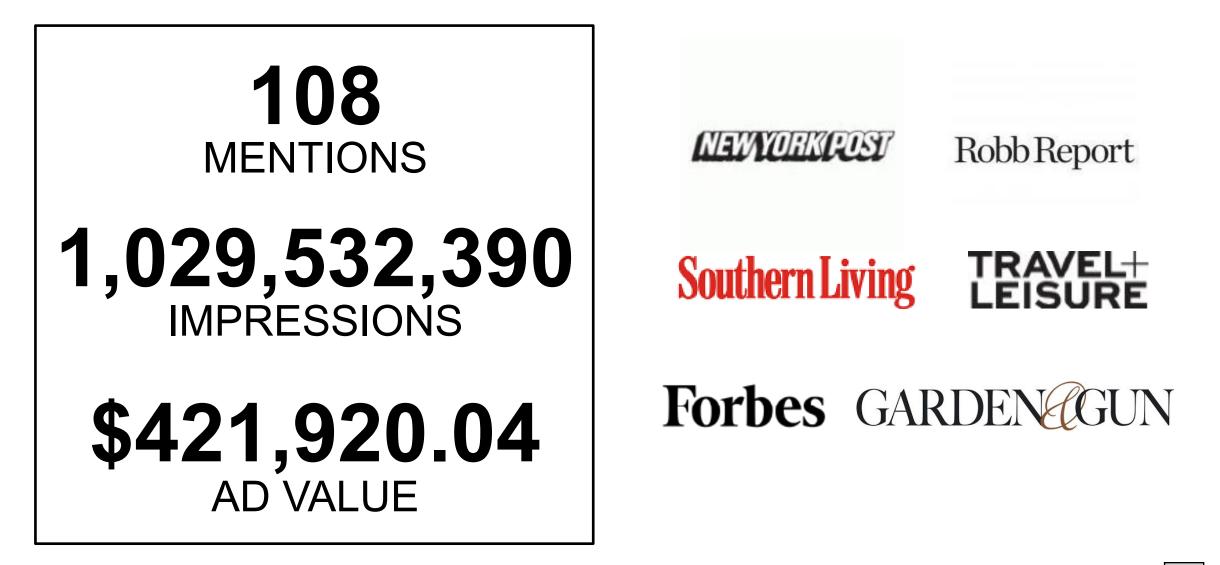
Media Partnership #2

Partnering with the River & Roots Festival, Garden & Gun contributor, Jai Jones joined us for a weekend to experience the festival and Bluffton.

Campaign Run Dates: September - November, 2023

Results

Audience Reach: 1.89M Digital Article Pageview:16.5K Social Engagements: 47.5K Social Clicks: 14.8K



LOOKING FORWARD 2024-2025 DMO Marketing Plan

KEY AREAS OF INTEREST

- 1. Gullah Geechee Cultural Heritage Corridor
- 2. History, Culture, and Arts
- 3. National Historic Register Designations

- 4. Natural beauty, Waterways, Parks
- 5. Local Culinary and Local Market Experiences
- 6. Festival and Events



TARGET DEMOGRAPHIC



47.5% 52.0%





51.1% UNDERGRADUATE DEGREE OR HIGHER

AFFLUENT TRAVELER

\$150K - \$250K+

2-4 TRIPS PER YEAR



5 NIGHT AVERAGE LENGTH OF STAY FAMILY TRAVELER MILLENNIAL TRAVELER

REGIONAL MARKETS

AFFLUENT TRAVELER Item 10.

THE VISITOR JOURNEY

An Always On Approach



5

FY 2024-2025 STRATEGIES

Item 10.

GOALS & STRATEGIES

2024-2025

Overarching Goal:

The overarching goal of the marketing plan is to drive qualified visitation to our the Southern Beaufort County area, Daufuskie Island and Town of Bluffton.

GOALS

1. Build brand awareness and support qualified visitation to the destinations among target out markets.

2. Drive the discovery and exploration of the destination with deeper storytelling of the destination's key attributes.

3. Leverage a strategic mix of targeted methods to identify and reach the most qualified users.

4. Create an understanding of, and respect for, the delicate ecosystem of the destinations.

5. Enhance Leisure and Group business through qualified visitation.

GOAL #1 & STRATEGIES

GOAL #1	STRATEGIES
Build brand awareness and support qualified visitation to the destination among target out markets.	 Digital display Programmatic advertising Traditional ad placements (Print) Social media marketing (Facebook, Instagram, Spotify, Pinterest, Twitter) User Generated Content curation (UGC) Public relations (media outreach, partnerships, influencers, paid earned media placements)

GOAL #2 & STRATEGIES

GOAL #2	STRATEGIES
Drive the discovery and exploration of the destination with deeper storytelling of the destination's key attributes.	 Lead generation ads Paid social media Search optimization Social media videos/ reels/ stories User Generated Content (UGC)

GOAL #3 & STRATEGIES

GOAL #3	STRATEGIES	
Leverage a strategic mix of targeted methods to identify and reach the most qualified users.	 Target audience, utilizing insights from demographic & persona findings Paid social media Search optimization Digital experience personalization 	

GOAL #4 & STRATEGIES

GOAL #4	STRATEGIES
Create an understanding of, and respect for, the delicate ecosystem of the destinations.	 Develop digital content (Blogs, social, videos) Conservation initiatives including, but not limited to: Environment & natural resources Waterways Wildlife Volunteer opportunities

GOAL #5 & STRATEGIES

GOAL #5	STRATEGIES
Enhance Leisure and Group business through qualified visitation.	 Email marketing Social and display remarketing SEO Search optimization Virtual networking Digital media

BUDGET

Bluffton / Southern Beaufort County Budget (FY2024 Actual-FY2025)

	FY2024 BUDGET	FY2024 ACTUAL	FY2025 BUDGET
REVENUES			
Southern Beaufort County DMO	\$385,000	\$355,268	\$210,000
Total Revenues			
EXPENSES			
Digital Promotions / SEM	\$25,360	\$15,600	\$14,810
Website Maintenance	\$14,400	\$15,600	\$11,250
Website Hosting	\$864	\$876	\$675
Social Marketing & Content Strategy	\$14,400	\$15,600	\$11,250
Paid Social	\$42,096	\$77,883	\$12,560
SEO	\$8,640	\$9,360	\$6,750
Bluffton Insiders (enews)	\$9,600	\$0	\$0
Bluffton Vacation Planner/Fulfillment	\$56,640	\$67,735	\$46,875
Regional Vacation Planner/Fulfillment	\$16,800	\$15,893	\$9,375
Media Partnerships	\$24,000	\$34,252	\$0
Photography/Videography	\$19,200	\$0	\$8,350
Research & Planning	\$9,600	\$0	\$9,750
Contingency	\$4,800	\$0	\$0
Ops & Management	\$138,600	\$102,469	\$78,355
TOTAL EXPENSES	\$385,000	\$355,268	\$210,000

Note: this budget was revised due to losing \$150,000 in local atax from SBC starting July 1, 2024.

THANK YOU



HILTON HEAD ISLAND-BLUFFTON CHAMBER OF COMMERCE

9,6





ITEM TITLE:

RECOMMEND APPROVAL OF A RESOLUTION AUTHORIZING THE COUNTY ADMINISTRATOR TO ADOPT AND IMPLEMENT THE LOCAL ACCOMMODATIONS TAX AND LOCAL HOSPITALITY TAX GRANT FUNDING POLICY.

MEETING NAME AND DATE:

Finance, Administration, and Economic Development Committee September 23, 2024

PRESENTER INFORMATION:

John Robinson, ACA Public Safety

10 minutes

ITEM BACKGROUND:

April 8, 2024, Ordinance 2024/13 was adopted by County Council amending Chapter 66 Taxation, Article II Accommodations Tax Board, Division 1. Generally, and Division 2. Accommodations 3% tax and Ordinance 2024/15 was adopted by County Council amending Chapter 66 Taxation, Article V Hospitality Tax. On June 17, 2024, Council adopted by Ordinance, Appropriation of Funds for Fiscal Year 2024-2025 Generated by Local 2% Accommodations Tax and Hospitality Tax. The Policy attached is the process by which Beaufort County will create an advisory board and award appropriated funds in accordance with Beaufort County Ordinance.

PROJECT / ITEM NARRATIVE:

The Local A-Tax and Local H-Tax funding policy is a result of a draft policy being presented at a Finance Committee workshop on August 14, 2024. Staff received input and guidance from Committee members as well as public input and incorporated as appropriate.

FISCAL IMPACT:

None- implementation of appropriate budget in accordance with ordinance and policy

STAFF RECOMMENDATIONS TO COUNCIL:

Staff recommends approval of the Resolution to adopt the Local A/H Tax Grant Funding Policy

OPTIONS FOR COUNCIL MOTION:

Motion to approve/deny the approval of a Resolution to adopt the Local A/H Tax Grant Funding Policy

Next steps - Move forward to Council for approval on October 14, 2024

RESOLUTION 2024/

A RESOLUTION ADOPTING THE LOCAL ACCOMMODATIONS AND LOCAL HOSPITALITY TAX GRANT FUNDG POLICY

WHEREAS, the Beaufort County Council ("Council") finds that it is in the best interest of Beaufort County ("County") and other recipients of appropriated Local 3% Accommodation and Local 2% Hospitality Tax to establish a uniform grant funding policy; and

WHEREAS, the current Beaufort County Accommodations and Hospitality Tax Ordinances were amended on June 17, 2024; and

WHEREAS, the Council approved 2024-2025 Accommodation and Hospitality Appropriations budget for ;

WHEREAS, the County administration and staff have drafted the Beaufort County Local Accommodations and Local Hospitality Tax Grant Funding Policy "Exhibit A," attached hereto and incorporated herein by reference, in order to address the needs and desires of the County.

NOW, THEREFORE, BE IT RESOLVED that Beaufort County Council hereby adopts Beaufort County Local Accommodations and Local Hospitality Tax Grant Funding Policy provided in Exhibit A, attached hereto and incorporated herein by reference.

This Resolution shall be effective upon approval by County Council.

Dated this 14th day of October 2024.

COUNTY COUNCIL OF BEAUFORT COUNTY

Joseph Passiment, Chairman

ATTEST:

Sarah W. Brock, Clerk to Council

Exhibit A

Beaufort County

LOCAL ACCOMMODATIONS TAX (ATAX) AND LOCAL HOSPITALITY TAX (HTAX) GRANT FUNDING POLICY

County tourism and promotion grants are funded through ATAX and HTAX revenues collected in unincorporated areas within Beaufort County. These funds may be used for tourism related events and programs in Beaufort County, with a priority of funding for those areas where the ATAX and HTAX funds are collected within unincorporated Beaufort County.

On March 11, 2002, Beaufort County passed an ordinance establishing a three percent (3%) tax on the rental of all transient accommodations in unincorporated areas of Beaufort County (Ordinance 2002/11). On March 28, 2005, Beaufort County passed an ordinance establishing a two percent (2%) tax on all prepared food and beverages sold in unincorporated areas of Beaufort County (Ordinance 2005/9). The proceeds from this tax are to be used for the dedicated purpose of promoting tourism in Beaufort County. The County's Grant Award program is a competitive grant program that provides ATAX and HTAX funds to eligible organizations for eligible uses.

GRANT ALLOCATION REQUIREMENTS

For the amounts distributed under the Local ATAX/HTAX grant award program, funds will be distributed with a goal of prioritizing awards to organizations and projects that generate tourism in the unincorporated areas of Beaufort County where ATAX and HTAX revenues are collected, and to a lesser degree, distributed funds for projects in the incorporated areas of Beaufort County (City of Beaufort, Town of Bluffton, Town of Port Royal, Hilton Head Island and Yemassee). These shall include:

- Organizations which are sponsoring projects or events in unincorporated Beaufort County where the county collects Local ATAX/HTAX revenues which attract tourists and overnight stays.
- b. Regional marketing organizations whose primary mission is to bring tourists to the region, including the unincorporated areas where the county collects ATAX/HTAX revenues.

GRANT AWARD PROCESS

Organization must submit an application to be considered for funding on the County's website on or before the published deadline. Applications are valid for the award cycle in which they are rendered. Once the deadline for applications has closed, applications received will be verified for eligibility by county staff and forwarded to the ATAX/HTAX Advisory Committee (Committee) for review.

Applications which are considered ineligible will be forwarded to the Advisory Committee with an explanation of the ineligibility justification.

THE A/H TAX ADVISORY COMMITTEE

Advisory Committee shall comprise:

- 1 member of County Council Finance Committee
- 1 staff member for Beaufort County Finance Department
- 1 member of the State A-Tax Committee Board
- 1 Executive Staff member (County Administrator or designee)
- 3 members of the public as selected via an application process.
 - At least one member of the public group should represent the hospitality industry, and one member should represent the accommodations industry.

The advisory committee will be considered to have a quorum when at least 5 of the 7 members are present.

Applicants may be requested to participate in an interview with the Committee. Applicants will be expected to deliver a five (5) minute presentation on their program, clearly justify the request, and answers any questions the Committee may have.

The Committee will review and score each application based on the evaluation measures described below. Applications will be scored independently by committee members and ranked based on scores. Funding recommendations will be considered based on the funding available, the projects value based on evaluation criteria, assessment of fiscal need, and compliance with past award required reporting. The Advisory Committee will make funding recommendations to the Beaufort County Finance Committee for consideration, which upon approval will forward to Beaufort County Council for approval.

FUNDING PRIORITIES

Priority will be given to projects that demonstrate a benefit to unincorporated Beaufort County or regional marketing efforts that draw tourists to the area, especially those areas where Beaufort County collects accommodations and hospitality taxes and projects which:

- 1. Generate overnight stays in unincorporated Beaufort County's lodging facilities
- 2. promote and highlight Beaufort County's historic and cultural venues, recreational facilities and events and the uniqueness and flavor of the local community.
- Promote dining at restaurants, cafeterias, and other eating and drinking establishments in Beaufort County where the county collects hospitality tax.

APPLICATION EVALUATION

The Advisory Committee will use the following evaluation criteria to evaluate applications. The following factors should be included as elements in of each application and the degree to which as these will be the degree to which your project contributes to tourism in Beaufort County's tourism. The factors include:

Thoroughness of Proposal: 0 - 10 points All required forms and criteria are complete and submitted on time. Responses are clear and complete. Budget is complete. Required supporting documentation is provided. Unincorporated Incorporated Goal (10 Points Unincorporated, 0-points Incorporated) 1. Does the project/event promote tourism in the areas of unincorporated Beaufort County where the accommodations and hospitality taxes are collected? Benefit to Tourism: 0 - 10 Points 1. Will it promote a positive image for Beaufort County? 2. Will it attract visitors, build new audiences, and encourage tourism expansion in areas where the taxes are collected? 3. Will it increase the awareness of the county's amenities, history, facilities, and natural environment? Benefit to Community: 0 - 10 points 1. Does this project benefit the citizens of Beaufort County? Will the project/event benefit the unincorporated Beaufort County? 2. Who will attend the event? 3. How many visitors will the event serve? Innovation: 0 - 10 points 1. Is this project unusual or unique? 2. Will it bring new tourism to Beaufort County? Evidence in Partnerships: 0 - 10 points 1. What kind and degree of partnership does the project exhibit? 2. Does it exhibit volunteer involvement or interjurisdictional, corporate, business, and/or civic support? Management Capability: 0 - 10 points 1. Does the applicant organization demonstrate an ability to successfully complete the project through effective business practices in the area of finance, administration, marketing, and production? 2. If this organization has received County A/H-Tax funding previously, was the project

2. If this organization has received County A/H-Tax funding previously, was the project successful?

Economic Impact & Accountability:

Reliable Tracking Mechanism:

0 - 10 points

 Does the application include or describe a mechanism to conduct surveys, track ticket sales, or collect other data?

Expected Revenue Generation:

0-10 points

- 1. What are the projected direct and indirect dollar expenditures by visitors/tourist? What is the estimated number of meals consumed?
- 2. What are the estimated overnight stays anticipated? Reasonable Cost/Benefit Ratio: 0-10 points
- Does the benefit of the project/event (i.e. number of tourists estimated; expected revenue generated) exceed the cost of the project? (expected return on investment)

GRANT AWARD TIMELINE

Request for applications	1/1
Application due date	4/31
Committee meeting & application presentations	June
Grant Award notifications	Aug
Progress reports due	Quarterly after award date
Final reports due	At end of Period of Performance
prior	

to final reimbursement

GRANT AWARD PERIOD OF PERFORMANCE

Capital project or construction requests may be awarded up to 24 months from the date of award to complete projects. Events and non-capital or construction progress will be granted 12 months from the date of award to complete projects. Award letters will specifically identify the dates of the period of performance. Organizations receiving grants must report to the Advisory Committee, in writing, activity and progress towards the purpose for which the award was granted quarterly.

Extensions of the period of performance must be requested in writing, submitted to the Advisory Committee as least 90 days prior to the award expiration date. Advisory Committee will consider the extension request and make a recommendation to the Beaufort County Finance Committee for consideration.

ORGANIZATION ELIGIBILITY REQUIREMENTS

- Applicant organizations must have been in existence for at least one (1) year prior to requesting funds.
- Applicants must provide proof of their non-profit status.
- Beaufort County will not award funds to individuals, fraternities, or organizations for the purpose of supporting and/or endorse political campaigns.
- Religious organizations may receive funding; however, Beaufort County may not sponsor nor provide financial support to a religious organization in a manner which would actively involve it in a religious activity (i.e. public funds must not be used for a religious purpose).
- Grantee organizations may not re-grant County funds to other organizations. All funds must be spent on direct award expenditures by the organization that is granted the allocation.

CRITERIA FOR PROJECT ELIGIBILITY

As required by the Local Accommodations and Hospitality Tax Ordinances 2024/13, 2024/15, projects must result in the attraction of tourists to Beaufort County.

Per Beaufort County Code 66-44, projects must fall under one of the following to qualify for ATAX funds:

- 1. Tourism-related buildings, including, but not limited to, civic centers, coliseums, and aquariums;
- 2. Tourism-related cultural, recreational, or historic facilities;
- 3. Beach access, renourishment, or other tourism-related lands and water access;
- 4. Highways, roads, streets, bridges and boat ramps providing access to tourist destinations;
- 5. Advertisements and promotions related to tourism development;
- 6. Water and sewer infrastructure to serve tourism-related demand;
- Development of workforce housing, which must include programs to promote home ownership. However, the county may not expend or dedicate more than 15 percent of its annual local accommodations tax revenue for the purposes set forth in this item. The provisions of this item are no longer effective after December 31, 2030; and
- 8. The operation and maintenance of those items provided in (a)(1) through (a)(6) above, including police, fire protection, emergency medical services, and emergency-preparedness operations directly attendant to those facilities.

Per Beaufort County Code 66-534, projects must fall under one of the following to qualify for HTAX funds:

- 1. Tourism-related buildings, including, but not limited to, civic centers, coliseums, and aquariums;
- 2. Tourism-related cultural, recreational, or historic facilities;
- 3. Beach access and renourishment;
- 4. Highways, roads, streets, bridges and boat ramps providing access to tourist destinations;
- 5. Advertisements and promotions related to tourism development;
- 6. Water and sewer infrastructure to serve tourism-related demand;

- 7. Control and repair of flooding and drainage within or on tourism-related lands or areas; or
- 8. Site preparation for items in this section including, but not limited to, demolition, repair, or construction.

All grant funds must be expended by the recipient organization. Re-granting or subgranting of funds is not allowed.

Expenditures must be consistent with the application budget. Only goods and services that comply with the A&H-Tax Guidelines, Ordinances, and State Law are permitted. The budget should reflect in financial terms the actual cost of achieving the objectives of the project you propose in the application. A budget section is necessary for a complete application as stated above. The budget should reflect financially responsible and mindful decisions where applicants have done adequate research to find the most affordable and efficient options for product or service sourcing.

If applying the provisions of H-TAX subsection (7), then the revenues must be expended exclusively on public works projects designed to eliminate or mitigate the adverse effects of recurrent nuisance flooding, including that which is attributable to sea-level rise, or other recurrent flooding. Such adverse effects include road closures and other transportation disruptions, stormwater drainage issues, and compromised public infrastructure. The public works projects must be within or on tourism-related lands or areas. Revenues must not be used to pay claims or otherwise settle litigation that may arise from time to time due to the harmful impacts of nuisance or other flooding.

APPLICATION COMPONENTS

The grant application must be submitted through the form located on the Beaufort County website.

Applications must be complete and accurate. Incomplete or inaccurate applications will be forwarded by Advisory Committee to County Council Finance Committee with a recommendation of "no award."

<u>Applicant/Organization information-</u> Name of applicant, contact information, organization details, project name and funding request.

<u>General Description -</u> Describe the project (a) in its entirety, or at completion of the presently known ultimate stage, (b) and/or the portion, phase or section of the total project for which funding is being requested.

- Include a thorough, but concise description (who, what, when, where and why).
- Include information about innovative ideas, community support and partnerships.
- Describe coordination that has been completed or will be needed with other organizations. Whether they are engaged in similar activities or expected to be the beneficiary of said project.
- Provide a detailed budget for the event/project. Include a detail of all revenues and expenses associated with event/project.

<u>Benefit to Tourism-</u> How does your event promote and highlight unincorporated Beaufort County's historical and cultural heritage/locations, recreational facilities/events, and uniqueness of the local community? Describe how the project will impact tourism in unincorporated Beaufort County and include supporting evidence/data. How does this benefit the hospitality business within unincorporated Beaufort County?

<u>Benefit to Community-</u> Describe how your project will benefit the community and unincorporated Beaufort County, supported with data and historical records.

<u>Previous Success/Organization History-</u> Describe How your organization has successfully managed this project and/or similar projects in the past. Describe your organization's ability to manage this project.

<u>Project Marketing Plan-</u> Outline your marketing, advertising and promotional plans for this project. How will you track visitors and overnight stays? What methods are you using to track all visitors and count the number of tourists and residents that attend/participate in your project.

<u>Organization Financials-</u> Provide a copy of your organization's audited financial statements for the last two years. If not applicable, please provide profit-loss statements and balance sheets for the last two years.

BUDGET/ELIGIBLE EXPENDITURES

The budget should reflect in financial terms the actual cost of achieving the objectives of the project.

STATEMENT OF ASSURANCES

The application must be signed electronically by a representative of the organizations to denote that all information provided in this application is accurate and complete to the best of the applicant's knowledge and ability.

APPLICATION PACKAGE

To be considered for funding, applicants must submit a complete application package for the A/H-Tax grant program to Beaufort County Finance Department. Complete applications include:

- 1. Complete and signed application form. The application form is available on the Beaufort County Finance website, under Local Accommodations and Hospitality Tax Grants.
 - Answer all questions and complete each section.
 - Electronic signature from organization's representative.
- 2. Required Attachments:
 - IRS Determination Letter
 - Detailed Project Budget
 - Specific Tourism Information
 - Detailed Marketing Plan
 - Audited Financials or accepted supplemental documentation.
- 3. Submitted with all documentation before announced deadline.

AWARD NOTIFICATION

The grant manager will notify all applicant organizations of the funding outcome in writing when awarded by Beaufort County Council. The period of performance will be defined in the awards letter. Awards will be available for reimbursement on the dates specified on the award letter. Final reports for the previous fiscal year, if applicable, must be received before any new payments are released.

REIMBURSEMENT PROCEDURES

The Local A&H-Tax grant is reimbursement based. The organization qualifies for reimbursement-based drawdowns after the notice of award has been transmitted. Project or event vendors will not be paid directly by Beaufort County. Organizations will be responsible for paying invoices directly to vendors. Grantees are responsible for requesting reimbursement from the county for performed work/services which have been paid-in-full. Invoices must be dated after the award date, but before the award expiration date as stated on the award letter. Reimbursement requests must include the Beaufort County reimbursement request form and documentation of paid invoices, including both detailed invoices and proof of payment. Exceptions will not be allowed. Failure to supply adequate documentation will result in delinquency and loss of funding, as well as possible ineligibility for grant application for the next year.

REPORTING REQUIREMENTS

Beaufort County requires grantees to complete one (1) quarterly report each quarter, even if reimbursement funds are not being sought or no action towards the granted activity have taken place (1) final report once the project is complete and all funds have been received for the project/event. Grantees are required to submit proof of grant expenditure with each drawdown including detailed invoices and proof of payment additional to the progress report document.

GRANT ACKNOWLEDGEMENT

Grantees must acknowledge the receipt of ATAX/HTAX funding by including the Beaufort County logo, or by stating that the funds were provided by Beaufort County. Each grantee will receive a copy of or a link to the reporting documents in their award packet.

FREEDOM OF INFORMATION ACT NOTICE

Please be advised that all materials submitted for ATAX and HTAX funding are subject to disclosure based on the Freedom of Information Act (FOIA).

The South Carolina Freedom of Information Act (FOIA) defines a "public body" as any organization or corporation supported in whole or in part by public funds or expending public funds. Your organization's acceptance of public funds from Beaufort County, should any be awarded, may cause your organization to come within the meaning of a "public body" as defined by FOIA. S.C. Code Ann. § 30-4-10.

(Supp 2002). Accordingly, this is to advise you that by accepting public funds, your organization may be subject to the South Carolina Freedom of Information Act.

By submitting an application, organizations certify that it has reviewed and understands the above statement regarding FOIA. Your organization further certifies that it does not discriminate in any manner on the basis of race, color, national origin, age, sex, disability, religion or language, and that all funds that may be received by your organization from Beaufort County, South Carolina, will be solely used for the purposes set forth in this application and will comply with all laws and statutes, including the South Carolina Code of Laws regarding Allocations of Accommodations Tax Revenues.

CONTACT

Brycen Campbell, Senior Accountant, Brycen.Campbell@bcgov.net



BEAUFORT COUNTY COUNCIL AGENDA ITEM SUMMARY

ITEM TITLE:

DISCUSSION AND APPROVAL FOR THE BEAUFORT COUNTY ECONOMIC DEVELOPMENT CORPORATION TO PURCHASE 500 ACRES FROM CHILTON TIMBER & LAND COMPANY

MEETING NAME AND DATE:

Administration, Finance and Economic Development – September 23, 2024

PRESENTER INFORMATION:

John O'Toole, Executive Director, Beaufort County Economic Development Corporation

10 Minutes

ITEM BACKGROUND:

As discussed in previous meetings concerning product development, the Beaufort County Economic Development Corporation (BCEDC) has negotiated to purchase a 500-acre tract of land for future economic development. Additionally, the BCEDC has coordinated with multiple entities in this process.

PROJECT / ITEM NARRATIVE:

This 500-acre tract is a significant and strategic addition to our product portfolio, offering great potential for economic development. The property is ideally suited for site selectors looking for opportunities to support large-scale projects with its access to I-95 and rail. After acquisition of the land, BCEDC will continue to secure grants and make improvements to the site regarding water/sewer and other infrastructure improvements. The State of South Carolina's Department of Commerce has committed funds towards due diligence (\$85,000) and funds towards purchase of this tract (\$300,000+). A grant for an additional \$400,000 was applied for in August.

In conjunction with the Open Land Trust and State Land Bank, BCEDC will coordinate its purchase agreement with the OLT and State Land Bank to preserve an additional 2400+/- acres. BCEDC will enter a memorandum of understanding with the property owner recognizing that a public approval process is necessary and has initiated due diligence.

The BCEDC is working with the County's Legal Department on covenants that memorialize and document the projected uses for this acquisition and the ability for the County to retain the opportunity to own the property if the BCEDC ceases to exist. In order to preserve the County's position, the BCEDC's lender will require a statement support and request a direct payment on the resulting debt.

FISCAL IMPACT:

\$13,070.00 / acre; \$6,535,000 total

STAFF RECOMMENDATIONS TO COUNCIL:

Move forward to full council for approval.

OPTIONS FOR COUNCIL MOTION:

Move forward to full council for approval.

Decline

Item 12.

APPRAISAL OF

500 ACRES (COMPARTMENT 90 – COMMERCE PARK AREA) PORTION OF BUCKFIELD PLANTATION CASTLE HALL RD / FRAMPTON RD / MCPHERSONVILLE RD YEMASSEE, SOUTH CAROLINA 29945 PORTION OF BEAUFORT COUNTY PIN #R700 005 000 0001 0004

EFFECTIVE DATE NOVEMBER 1, 2023

REPORT DATE DECEMBER 26, 2023

OUR FILE NO: 23-166C

PREPARED FOR

OPEN SPACE INSTITUTE ATTN: MR. NATE BERRY 328 EAST BAY STREET CHARLESTON, SC 29401

PREPARED BY

CLARK TRULUCK, MAI, CG #6551 JAMES H. MARTIN, MAI, CG #4580

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Item 12.

Moore | Martin

Real Estate Appraisers and Analysts

Clark Truluck, MAI President, SCREAB CG 6551 **James H. Martin, MAI** CEO, SCREAB CG 4580

December 26, 2023

Open Space Institute Attn: Mr. Nate Berry 328 East Bay Street Charleston, SC 29401

RE: Appraisal of 500 Acres Frampton Rd / Castle Hall Rd / McPhersonville Rd Yemassee, SC 29945 Portion of Beaufort County PIN # R700 005 000 0001 0004

Dear Client,

Pursuant to your request Clark Truluck, MAI inspected the subject property on November 1, 2023 and this is the effective date. The date of the report is December 26, 2023. Moore-Martin Real Estate Valuation Services most recently appraised the subject property in June of 2023.

The subject of this assignment is a 500-acre portion of Buckfield Plantation, which is located in the Yemassee area of Hampton, Jasper and Beaufort Counties. The subject parcels are under the jurisdiction of Beaufort County and is zoned (T2R) Rural District. For the purposes of this assignment, we assume that the parcel will be annexed and re-zoned into a more intense zoning. The Open Space Institute is considering purchasing the property and Beaufort County is considering turning the property into an industrial development.

We have made the requisite investigation to estimate the Market Value of the Fee Simple Estate of the subject property, as of the date of inspection. This is an Appraisal Report in accordance with the USPAP Practice, 2020-2023 Edition. The appraisers make an affirmative statement that we are competent to complete this report in accordance with the competency provision in the USPAP. The appraisers have significant experience in appraising similar properties within the subject market. Our experience and knowledge of current market trends and land sales supports our competence to appraise the subject. The appraisers were not provided with a soil or environmental study of the subject property. The site has been appraised as if clean of any contamination.

Based on our investigation, analysis, and conclusions, an opinion has been formed that the Market Value of the Fee Simple Estate of the subject land as of November 1, 2023 was:

SEVEN MILLION FIVE HUNDRED THOUSAND DOLLARS

\$7,500,000

Item 12.

Open Space Institute December 26, 2023 Page Two

The reader is referred to the limiting condition section of this report for disclaimers relevant to environmental pollution, the Americans for Disability Act and other important items. Your attention is invited to the following report, which states the appraiser's conclusions. We hereby certify that to the best of our knowledge and belief the statements and opinions contained in this report are full, true, and correct and that no attempt has been made to overlook any pertinent or important information.

The compensation for this report is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result or the occurrence of a subsequent event. The appraisal assignment is not based on a requested minimum valuation, a specific valuation, or the approval of a loan. We further certify that we have no interest in the subject properties and that neither the employment to make this appraisal, nor the compensation therefore is contingent on the value of the property. We certify that this appraisal was made in conformity with the Rules of Professional Ethics of the Appraisal Institute.

Our analyses, opinions and conclusions were developed, and this report has been prepared, in accordance with the final rule by Office of the Comptroller of the Currency (12 CFR Part 34) dated June 7, 1994, as amended, the Uniform Standards of Professional Appraisal Practice and in conformity with the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute.

Moore | Martin Real Estate Valuation Services, Inc. has prepared this appraisal for the exclusive use of the stated client. The information and opinions contained in this appraisal set forth the appraiser's best judgment in light of the information available at the time of the preparation of this report. Any use of this appraisal by any other person or entity, or any reliance or decisions based on this appraisal, are the sole responsibility and at the sole risk of the third party. Moore | Martin Real Estate Valuation Services, Inc. and the appraiser(s) accept no responsibility for damages suffered by any third party as a result of reliance on or decisions made or actions taken based on this report.

Respectfully submitted,

Jank Truluch

Clark Truluck, MAI South Carolina Certified General Real Estate Appraiser CG# 6551

James H. Martin, MAI South Carolina Certified General Real Estate Appraiser CG #4580

543 LONG POINT RD. ● SUITE 204 ● MT. PLEASANT, SC 29464 OFFICE (843) 881-0454 ● FAX (843) 881-0568 ● 888-607-6834 www.charlestonappraisals.com

Draft Covenants for the Development of Yemassee Commerce Park

1. Introduction

This document outlines the covenants and restrictions governing the development and operation of the Yemassee Commerce Park ("the Park"). These covenants are binding on all current and future owners, tenants, and users of the Park.

2. Purpose

The purpose of these covenants is to ensure the orderly development, operation, and maintenance of the Park in a manner that promotes economic growth, job creation, environmental stewardship and long-term sustainability while respecting the public investment made by Beaufort County. This project is intended to be a best practice in terms of environmental stewardship and economic development, with components that support balanced economic development, and potentially workforce housing, healthcare and daycare.

3. Ownership and Funding

The Yemassee Commerce Park was acquired by Beaufort County Economic Development Corporation ("BCEDC") with funds largely provided by Beaufort County. As such, Beaufort County has an enduring and vested interest in the success and sustainability of the Park.

4. Rights of Beaufort County

In the event that the BCEDC ceases to exist, or chooses to abandon the Park, Beaufort County shall have the first right of refusal to purchase the Park. This right can only be exercised prior to any foreclosure action taken by any lender.

The purchase price for Beaufort County shall be equal to the outstanding debt owed on the property at the time of such purchase.

Any transfer of ownership of the Park, shall be subject to this covenant, ensuring that Beaufort County's rights are preserved. The county will have the ability to exercise this right in advance of any foreclosure action taken.

5. Development and Operational Standards

- It is understood that this site must be rezoned, and the conceptual plans meet the approval of Beaufort County.
- All development within the Park shall comply with applicable zoning, environmental, and building regulations.
- The Park shall be developed in a manner that supports the economic and environmental goals of Beaufort County and aligns with the strategic priorities of the BCEDC.

The primary uses of the property shall be in targeted sectors identified by the BCEDC, including but not limited to:

- Advanced manufacturing
- Aerospace and defense
- Cybersecurity
- Green industry

- Healthcare and life sciences
- Supply chain management
- Hospitality and tourism
- Warehousing and distribution

6. Environmental Stewardship

The development of the Park shall incorporate best practices in environmental stewardship, ensuring that economic growth is balanced with the protection of natural resources. This includes sustainable building practices, green infrastructure, and the preservation of natural habitats where possible.

7. Annexation and Growth Boundaries

Should the Town of Yemassee seek to annex any part of the property, an agreement on growth boundaries must be reached between Beaufort County and the Town of Yemassee prior to any annexation. This agreement shall ensure that the development objectives of both entities are aligned, and that the Park's long-term viability is maintained.

8. Maintenance and Upkeep

All properties within the Park shall be maintained to a high standard, ensuring that the Park remains an attractive and viable location for businesses.

Common areas, infrastructure, and facilities within the Park shall be maintained by the BCEDC or its designated management entity. The BCEDC will form an association of tenant companies to raise funds for the ongoing maintenance of the common areas. It shall be the responsibility of property owners in the park to keep and maintain at all times such lot in a neat, clean, safe and attractive condition. During construction or installation of any improvements to a lot, it shall be the responsibility of rubbish, trash, and scrap materials.

9. Design Standards

As part of the development, the BCEDC will work with Beaufort County's planning department on design standards to assure each owner that the property will be developed and constructed as a planned Park. These standards will address uses permitted (i.e.: single unit housing, vehicle and boat storage, junk and salvage, mining and sexually oriented businesses), parking requirements, off-street parking, fencing, outside storage, dumpsters/waste disposal, building design, signs and landscaping.

10. Use Restrictions

The Park shall be used primarily for commercial and industrial purposes that align with the economic development goals of Beaufort County.

Any use that is inconsistent with these goals or that could negatively impact the reputation or operation of the Park is prohibited.

11. Amendments

These covenants may be amended by a majority vote of the BCEDC Board of Directors, provided that any amendment does not compromise Beaufort County's rights.

12. Enforcement

The BCEDC or its designated management entity shall have the authority to enforce these covenants, including the right to impose fines, liens, or other penalties for violations.

13. Severability

If any provision of these covenants is found to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

14. Duration

These covenants shall run with the land and be binding on all successors and assigns for a period of 99 years from the date of recording.

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT OF PURCHASE AND SALE (the "Agreement") is made this _____ day of July __, 2024 (the "Effective Date"), by and between CHILTON TIMBER AND LAND COMPANY, LLC, a Delaware limited liability company (hereinafter "Seller") and BEAUFORT COUNTY ECONOMIC DEVELOPMENT CORPORATION, a South Carolina non-profit corporation (hereinafter "Purchaser").

RECITALS:

1. Seller owns certain real property located near the Town of Yemassee in Beaufort County, South Carolina, located within Compartment 90 – Commerce Park near Frampton Road, Castle Hall Road and McPhersonville Road (the "Chilton Tract").

2. Purchaser desires to purchase a portion of the Chilton Tract comprised of approximately 500 acres, being a portion of Pin # R700-005-000-0001-0004 (the "Property").

NOW THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. **Property**. Seller agrees to sell and Purchaser agrees to purchase, upon the terms and conditions hereinafter set forth, the Property, together with any existing improvements thereon, together with the portion of all easements, personal property, contract rights, permits, licenses and other rights benefitting and pertaining to the Property.

2. **Purchase Price; Earnest Money.**

2.1 <u>Purchase Price</u>. The purchase price for the Property shall be Thirteen Thousand Seventy and 00/100 Dollars (\$13,070.00) per acre ("**Purchase Price**"). The Final Survey (as described in Section 3) will set forth the acreage and the Purchase Price will be determined based on such calculation. At the closing of the purchase and sale of the Property (the "**Closing**"), Purchaser shall pay to Seller the Purchase Price less the Earnest Money and such costs as are Seller's responsibility, subject to such adjustments and prorations provided herein. All amounts due hereunder shall be paid in United States currency by bank wire transfer to an account designated by Seller.

2.2 Earnest Money.

2.2.1 On the Effective Date, Purchaser shall deposit with Haynsworth Sinkler Boyd, P.A. whose address is 1201 Main Street, Suite 2200, Columbia, SC 29201 ("Escrow Agent"), the amount of Two Hundred Thousand and No/100 Dollars (\$200,000.00) (the "Earnest Money"), paid by check or wire transfer. The Earnest Money shall be fully refundable during the Feasibility Period (as defined herein). Thereafter, the Earnest Money shall be deemed non-refundable to Purchaser, except in the event of a Seller default or as otherwise provided for herein. Unless earlier disbursed, the Earnest Money shall be disbursed to Seller and credited against the Purchase Price at the Closing.

2.2.2 This Agreement constitutes and shall serve as escrow instructions to Escrow Agent for the purposes of administering the escrow account and Earnest Money. In the event (i) any dispute arises between Seller and Purchaser regarding the disbursement of the Earnest Money or (ii) Escrow Agent receives conflicting instructions with respect thereto, Escrow Agent shall withhold such disbursement until otherwise instructed in writing by both parties or until directed by a court of competent jurisdiction. If Escrow Agent incurs fees or expenses as a result of such a dispute, then Seller and Purchaser shall split

equally the payment of such fees and/or expenses between them. Seller and Purchaser agree that, except as provided herein, Escrow Agent shall incur no liability whatsoever in connection with Escrow Agent's performance under this Agreement. Seller and Purchaser hereby jointly and severally release and waive any claims they may have against Escrow Agent that may result from its performance of its functions under this Agreement; however, Escrow Agent shall be liable for loss or damage caused by any of its employees' acts of wanton or willful misconduct or gross negligence while performing as Escrow Agent.

3. Survey.

On or before expiration of the Feasibility Period, Purchaser shall cause the preparation of a subdivision plat of the Property (the "Preliminary Survey") by a registered South Carolina surveyor of Purchaser's choice. Upon receipt of the Preliminary Survey, Purchaser shall deliver a copy of the same to Seller. Seller shall thereafter have ten (10) days to approve or disapprove the Preliminary Survey. The Parties shall use good faith efforts to agree upon the Preliminary Survey within thirty (30) days of delivery of the Preliminary Survey. Both parties agree to reasonably cooperate to reach an agreement as to Preliminary Survey. In the event no agreement is reached within sixty (60) days of the delivery of the Preliminary Survey, this Agreement shall automatically terminate and the Earnest Money shall be returned to Purchaser and the parties shall have no further rights or obligations hereunder. If the Preliminary Survey is approved in writing by Seller, , Purchaser shall cause the preparation of a final subdivision plat of the Property consistent with the approved Preliminary Survey (the "Final Survey") within five (5) days prior to the Closing Date (as defined in Section 5.1 herein). The Final Survey will be recorded at or before the Closing and a legal description of the Property prepared from the Final Survey shall be used in the Deed (as defined in Section 5.4 herein) to convey the Property from Seller to Purchaser. The acreage shall be determined by the surveyor and set forth on each of the Preliminary and Final Survey. Purchaser shall pay for the costs associated with the Preliminary and Final Survey.

4. Inspection.

4.1 Within ten (10) days of the Effective Date, Seller agrees to provide to Purchaser all documents or items pertaining to the Property in Seller's possession, including, but not limited to, all assessments, studies, contracts, reports, warranties, permits, geo-technical reports, wetlands delineations or permits, historical and archeological reports, engineering reports, , zoning information, environmental reports and other information, to the extent such is in Seller's possession or control (the "Due Diligence Materials").

4.2 Commencing on the Effective Date and expiring one hundred twenty (120) days thereafter (the "Feasibility Period"), Purchaser's and/or the Project's agents, consultants, contractors, employees and principals ("Purchaser's Agents") shall have the right to investigate the Property and all matters relevant to the acquisition, ownership, development, permitting, governmental approval, and utility supply of and for the Property, including, without limitation, the right to enter onto the Property to conduct, at Purchaser's or the Project's sole cost and expense, such physical, engineering, environmental, soil and feasibility studies on the Property as Purchaser deems appropriate. No inspection, examination, study, or test shall interfere with Seller's use of the Property and/or violate any law or regulation of any governmental entity having jurisdiction over the Property. Purchaser agrees that it shall not engage in a Phase 2 environmental investigation without Seller's prior written consent. Purchaser acknowledges that, as of the expiration of the Feasibility Period, Purchaser will have had a full opportunity and adequate time to inspect and investigate the condition of the Property to Purchaser's full satisfaction. Upon delivery of evidence reasonably satisfactory to Seller that Purchaser has expended in excess of \$100,000 in due diligence expenses and that there remains additional investigations needed for Purchaser to authorize the acquisition of the Property, Seller shall extend the Feasibility Period for an additional sixty (60) days.

4.3 If Purchaser determines, in its sole and absolute discretion, that the Property is unsuitable for the intended use, Purchaser may terminate this Agreement by written notice to Seller prior to the expiration of the Feasibility Period, in which event the Earnest Money shall be returned to Purchaser and the parties shall be relieved of any further rights or obligations hereunder. If Purchaser elects to terminate this Agreement by providing written notice of its intention to terminate to Seller, Purchaser shall restore the Property to its condition immediately prior to entry thereon by Purchaser and Purchaser's Agents, and shall deliver to Seller the Due Diligence Materials, any materials prepared in Purchaser's investigation of the Property, but specifically excluding information relating to Purchaser's business such as market studies, as soon as practicable thereafter. If Purchaser does not so notify Seller in writing of its intention to terminate prior to the expiration of the Feasibility Period, Purchaser shall be deemed to have determined the Property to be suitable for the intended use and this Agreement shall continue in full force and effect pursuant to the terms contained herein. In no event, however, shall Purchaser be responsible for any reduction of value of the Property resulting from the discovery of any hazardous substances on, or other defects in the Property.

5. Closing.

5.1 <u>Closing Date</u>. Closing shall occur on a mutually agreeable date within forty-five (45) days after expiration of the Feasibility Period, as may be extended. The date on which Closing occurs shall be referred to as the "**Closing Date**".

5.2 <u>Closing Costs and Prorations</u>.

5.2.1 At the Closing, Seller shall pay fees for the recording of (i) any lien or mortgage release or satisfaction, if any, necessary to deliver the Property, free of such lien or mortgages (ii) the cost of the transfer tax or deed stamps; (iii) broker's commission, if applicable; and (iv) any costs incurred by Seller, including its own attorneys' fees.

5.2.2 At the Closing, Purchaser shall pay or cause to be paid on Purchaser's behalf (i) all costs and charges incident to any mortgage executed by Purchaser, including, without limitation, recording fees, mortgagee's title insurance premiums, mortgage application, origination, and assumption fees, and survey costs, if applicable; (ii) the recording fees for recording the Survey and the Deed; (iii) Survey fees; (iv) owner's title insurance premiums, endorsements and fees; and (v) any costs incurred by Purchaser, including its own attorneys' fees.

5.2.3 Ad valorem taxes and assessments against the Property, as applicable, shall be prorated between Purchaser and Seller as of midnight on the day prior to the Closing Date (the date and time of such proration, the "**Proration Date**"). Such proration shall be based on the previous year's tax bill if the current year's tax bill is not yet available, except that if the Property has not then been assessed as a separate tax parcel, then taxes for the tax parcel which includes the Property shall be allocated accordingly between the Property and the remainder of such tax parcel based on the amount of acreage within each. If the Property is not subdivided prior to receipt of the tax bill and Seller has received a credit for Purchaser's share of the taxes, Seller shall be responsible for paying the property taxes applicable to the Property and shall provide to Purchaser evidence thereof.

5.2.4 Responsibility for the payment of roll-back taxes for the Property shall be borne by Purchaser.

5.3 <u>Title</u>.

5.3.1 Purchaser shall obtain, at Purchaser's sole cost and expense, a commitment for an owner's policy of title insurance for the Property (the "**Title Commitment**"), which Title Commitment shall be issued by a South Carolina licensed title insurance company (the "**Title Company**"), and deliver a

copy of said Title Commitment to Seller within the Feasibility Period. Purchaser shall have the period of time commencing on the Effective Date and expiring at the end of the Feasibility Period ("**Title Review Period**") to review the status of title to the Property, and deliver written notice to Seller of any objections Purchaser may have to title exceptions or defects identified in such commitment or disclosed by the Preliminary Survey other than Permitted Exceptions (the "**Title Objections**").

5.3.2 As used herein, the term "**Permitted Exceptions**" means (i) any easement, rightof-way, limitation, covenant, restriction, (ii) liens for taxes (including, roll-back taxes), assessments, both general and special, and other governmental charges that are not yet due and payable, (iii) building codes and zoning ordinances and other laws, ordinances, regulations, rules, orders or determinations of any federal, state, county, municipal or other governmental authority heretofore, now or hereafter enacted, made or issued by any such authority affecting the Property, (iv) rights of riparian landowners for the use and the continued flow of the streams and creeks running over, upon, and through the Property, if any, (v) development and use restrictions and conditions imposed by federal, state, and local laws with respect to those portions of the property designated as "wetlands," if any, (vi) all matters, restrictions and general notes contained on the final plat and all matters that would be disclosed by an accurate survey of the Property but not properly raised as a Title Objection, and (vii) any matter listed in the Title Commitment but not properly raised as a Title Objection.

Except for matters as to which Purchaser is entitled to object hereunder and which 5.3.3 Title Objections are described in any such notice from Purchaser, Purchaser shall be deemed to have waived its right to object to, and to have approved, all title exceptions or defects indicated on the Title Commitment and all matters that would be disclosed by a current and accurate survey. If Purchaser notifies Seller of any Title Objection(s), Seller shall have ten (10) days after receipt of such notice to attempt or not attempt to cure or satisfy such Title Objection(s); provided however, Seller shall not be required to remove any Title Objection. Any attempt by Seller to so cure shall not be construed as an admission by Seller that such Title Objection is one which would give Purchaser the right to refuse to close hereunder. If Purchaser raises any Title Objection and the Title Objection is not satisfied by Seller within the time period allowed, Purchaser shall have the right to terminate this Agreement and receive a return of the Earnest Money, in which event the parties shall be relieved of any further rights or obligations hereunder, except as to any indemnity obligations of Purchaser which expressly survive the termination of this Agreement or proceed with each Closing without abatement to the Purchase Price. If Seller does so cure or satisfy the Title Objection, this Agreement shall continue in full force and effect. Purchaser shall have the right at any time to waive any Title Objection that Purchaser may have made and proceed to each Closing. Notwithstanding the above, Seller shall remove all monetary liens or encumbrances created by, through, or under Seller encumbering the Property prior to or at Closing. The proceeds from the Closing may be utilized to pay such monetary liens or encumbrances.

5.3.4 Purchaser, at its sole cost and expense, may obtain an updated Title Commitment (the "**Updated Commitment**") for the Property at any time prior to Closing and, if exceptions are noted to which Purchaser may object hereunder and were not listed as exceptions in the initial Title Commitment, Purchaser may notify Seller within ten (10) days after the date of such Updated Commitment, but not later than the Closing Date, and the foregoing provisions relating to Seller's opportunity to cure shall apply. The Closing Date shall be extended as reasonably necessary to permit Seller the opportunity to cure as provided herein. If Purchaser raises an objection based on the Updated Commitment and Seller elects not to cure the objection, Purchaser may terminate this Agreement and receive a return of the Earnest Money.

5.4 <u>Closing Documents</u>.

5.4.1 <u>Deed</u>. At Closing, Seller shall deliver title to the Property to Purchaser by a limited warranty deed pursuant to the Final Survey. The limited warranty deed shall be prepared by Seller, in

proper form for recording, and shall be duly executed and acknowledged, all at Seller's expense. Purchaser shall provide Seller with a copy of its Title Commitment to assist Seller in the preparation of the deed. Seller shall also execute and deliver to Purchaser at Closing, all at Seller's expense, the following:

(a) **Settlement Statement**. A settlement statement reflecting disbursements in accordance with this Agreement.

(b) **General Assignment**. An assignment of any intangible property, permits, or licenses pertaining to the Property.

(c) **No Lien Affidavit**. An affidavit and indemnification agreement, for the benefit of Purchaser's title insurance company (in the form required by the title insurance company), that to Seller's knowledge (defined below), there are no amounts owed for labor, materials or services with respect to the Property.

(d) **Owner's Affidavit**. An affidavit and indemnification agreement, for the benefit of Purchaser's title insurance company (in the form required by the title insurance company), that to Seller's knowledge, there are no tenants or others claiming interests in the Property.

(e) **Residency Certificates**. Certificates, certifying under oath, that the Seller is not a "non-resident" within the meaning of S.C. Code Section 12-8-580 nor a "foreign person" as defined in Section 1445 of the U.S. Internal Revenue Code.

(f) **Certificate of Tax Compliance**. Either a certificate of tax compliance or a transferor's affidavit in lieu of a certificate of tax compliance.

(g) **Withholding Affidavit**. Non-Resident Seller Withholding Affidavit (Form 1-295) (SC Code Section 12-8-580) and, if applicable, a Non-Resident Real Estate Withholding Certificate (Form I-290).

(h) **Other Documents**. Other closing documents as reasonably required by Purchaser or the Title Company.

5.4.2 At Closing Purchaser shall execute and deliver a settlement statement and such other documents as may be reasonably requested by Seller or the Title Company.

5.5 <u>Possession</u>. Seller shall deliver possession of the Property to Purchaser upon Closing.

6. **Hunting Leases**. Hunting leases (if any) covering the Property shall be terminated by Seller at or prior to Closing, provided that the lessee of any such hunting lease will have thirty (30) days following the Closing Date to remove deer stands and other hunt club equipment from the Property. Seller agrees to notify Purchaser of any such Lease no later than 30 days after the Effective Date.

7. Seller's Representations, Warranties and Covenants.

7.1 Seller represents, warrants and covenants to Purchaser as follows:

(a) Seller's execution, delivery, and performance of this Agreement is not prohibited by and will not constitute a default under any other agreement, covenant, document or instrument;

(b) Seller is a Delaware limited liability company corporation that is duly authorized to do business in the State of South Carolina and has full power, capacity, authority, and legal right to execute and deliver this Agreement and to perform all transactions (including the execution and

delivery of all documents) required of Seller for the performance of this Agreement, including conveyance of the Property to Purchaser;

(c) This Agreement has been duly authorized and, when executed and delivered, shall constitute a legal, valid, and binding obligation of Seller, enforceable in accordance with its terms;

(d) Seller has no actual knowledge that, as of the Effective Date and as of the Closing Date, the Property contains hazardous wastes, hazardous substances, toxic substances, hazardous air pollutants, or toxic pollutants, as those terms are used in applicable federal, state, or local environmental laws;

(e) To Seller's knowledge, as of the Effective Date and as of the Closing Date, it has received no notice of any action, litigation, pending or threatened condemnation, or other proceeding of any kind pending against Seller that relates to or affects the Property; and

(f) To Seller's knowledge, there are no leases (including but not limited to any agricultural leases), tenancies, licenses, or other rights of occupancy or use for any portion of the Property in effect, except as follows:

(i)

(g) Seller has no actual knowledge of and has received no notice from any governmental agency having jurisdiction that the Property is affected by the presence and/or harmful effects of any asbestos, petroleum products, any flammable or explosive materials, pollutant, contamination or other toxic hazardous substances as defined by applicable federal, state, or local laws affecting the Property. Seller has no actual knowledge of any underground storage tanks currently located at the Property or being located at the Property in the past.

7.2 Seller's representations and warranties are true and correct as of the Effective Date and the continued truth and accuracy thereof at the time of Closing shall be a condition to all of Purchaser's obligations under this Agreement. Seller shall notify Purchaser promptly of any facts that Seller may receive after the Effective Date, actual notice of which would cause any of Seller's representations and warranties to be untrue on the date of each Closing.

7.3 Seller agrees and covenants that upon and following the execution of this Agreement and until Closing of the purchase contemplated herein, Seller shall not cause or permit any dumping or depositing of any material on the Property or, without the prior written consent of Purchaser, cut timber, convey timber rights, grant easements, leases, rights-of-way or servitudes, or grant or convey any portion of the Property, or in any way encumber the Property in a manner inconsistent with the rights and interests to be acquired by Purchaser.

8. Purchaser's Representations and Warranties.

8.1 Purchaser represents and warrants to Seller as follows:

(a) Purchaser is a nonprofit corporation, established under the laws of the State of South Carolina.

(b) Purchaser's execution, delivery, and performance of this Agreement is not prohibited by and will not constitute a default under any other agreement, covenant, document or instrument;

(c) This Agreement has been duly authorized and, when executed and delivered, shall constitute a legal, valid, and binding obligation, enforceable in accordance with its terms;

(d) To Purchaser's knowledge, there is no litigation pending, or to Purchaser's knowledge threatened, that would have a material and adverse effect on Purchaser's ability to perform its obligations under this Agreement; and

8.2 Purchaser's representations and warranties are true and correct as of the Effective Date and the continued truth and accuracy thereof at the time of each Closing shall be a condition to all of Seller's obligations under this Agreement. Purchaser shall notify Seller promptly of any facts that it may receive after the Effective Date, actual notice of which would cause any of its representations and warranties to be untrue on the date of each Closing.

9. **Conditions to Closing.** The parties acknowledge that the Beaufort County Council (the "Council") must approve the acquisition of the Property and funding of the Purchase Price. Such approval requires three (3) readings and a public hearing. Purchaser is informed that the Council will consider the transactions contemplated by this Agreement and either approve or disapprove the purchase prior to the Closing Date. In the event such approval is not received by the Closing Date, either party may terminate this Agreement, in which event the Earnest Money shall be returned to Purchaser and the parties shall be relieved of any further obligation thereunder; provided, however, in the event of such termination, any materials prepared by or for Purchaser during its investigation of the Property that pertain to the Property and not Purchaser's business shall be delivered to Seller.

10. General Provisions.

10.1 <u>Condemnation</u>. If prior to Closing, Seller should receive notice of the commencement or threatened commencement of eminent domain or other like proceedings against any material portion of the Property Seller shall immediately notify Purchaser in writing and Purchaser shall elect within ten (10) days after receipt of such notice, by delivering written notice to Seller, either (a) to terminate this Agreement, in which event the Earnest Money shall be refunded to Purchaser and the parties shall be relieved of any further rights or obligations hereunder; or (b) to continue this Agreement in full force and effect, but subject to such proceedings, in which event the Purchase Price shall remain the same and Seller shall transfer and assign to Purchaser at the Closing all condemnation proceeds and rights to additional condemnation proceeds, if any, relating to the Property. If Purchaser does not notify Seller of Purchaser's election within such ten (10) day period, Purchaser shall be deemed to have elected to continue this Agreement in accordance with clause (b) of this Section 10.1.

10.2 No Joint Venture; Third-Party Beneficiaries.

Purchaser and Seller acknowledge that they are not co-developers, partners, joint venture partners, or principals and agents. Seller's obligations hereunder shall run solely to Purchaser and Seller shall have no obligations, express or implied, to any other person. Any approval granted by Seller is solely for Purchaser's benefit, and neither Purchaser nor any third party may rely upon Seller's approval for any other purpose.

No person not a party to this Agreement shall be deemed or construed a direct or indirect beneficiary hereof, nor entitled to rely on any provision hereof or the conduct and performance of the parties thereto, all of such provisions, conduct and performance being solely for the benefit of the parties hereto.

10.3 <u>Brokers</u>. Seller and Purchaser each represent to the other that neither has dealt with a real estate broker or agent in connection with the purchase and sale contemplated by this Agreement except Curtis ("Chip") Hall of Plantation Services, whose commission shall be paid by Seller. Seller and Purchaser

each covenant and agree to indemnify and hold the other harmless from and against any loss, liability, cost, claim, demand, damage, action, cause of action, or suit arising out of or in any manner relating to the alleged employment, engagement, or use by the indemnifying party of any real estate broker or agent other than the person indicated above in connection with the purchase and sale contemplated by this Agreement.

10.4 Default and Remedies.

(a) <u>Purchaser Default</u>. If Purchaser fails to close on the purchase of the Property as and when required, fails to perform any of its other obligations, or breaches any representation, warranty, or covenant hereunder, Seller may deliver Purchaser a Notice of Default as provided below and, if Purchaser fails to cure within the time period required, Seller may declare Purchaser in default hereunder. Upon such default, Seller may elect to terminate this Agreement by written notice to Purchaser and retain the Earnest Money, as liquidated damages.

(b) <u>Seller Default</u>. If Seller fails to perform its obligations under this Agreement timely or breaches any representation, warranty, or covenant hereunder, Purchaser may give Seller a Notice of Default as provided below, and if Seller fails to cure within the time period required, Purchaser may declare Seller in default and either (i) bring an action for specific performance, or (ii) terminate this Agreement by written notice to Seller, whereupon the Earnest Money shall be immediately refunded to Purchaser, and the Purchaser shall be entitled to reimbursement of Purchaser's out-of-pocket expenses not to exceed one hundred thousand dollars (\$100,000).

(c) <u>Notice of Default</u>. Notwithstanding anything herein to the contrary, neither party may terminate this Agreement or pursue other available remedies for the other party's default unless and until the party declaring the default has delivered to the other party written notice describing the alleged default ("**Notice of Default**"), and the party receiving such notice has failed to cure such default within fifteen (15) days after receipt of such Notice of Default or, if such default is not capable of being cured within fifteen (15) days, has failed to commence steps to cure within fifteen (15) days. Notwithstanding the foregoing, this Section shall not apply to limit a party's ability to obtain temporary injunctive relief if necessary to avoid irreparable harm.

(d) <u>Attorneys' Fees</u>. In the event that either party pursues legal action to enforce the terms of this Agreement, the prevailing party in such action shall, in addition to all other relief granted or awarded by the court, be entitled to collect from the non-prevailing party its legal fees and costs incurred in the action, including all costs and fees incurred in preparation, filing, and prosecution of the action at the trial and appellate levels, in bankruptcy proceedings, and in post-judgment collection proceedings. As used herein, the term "prevailing party" shall mean, as to each claim or counterclaim (i) the claimant, in the case of an order affirming an alleged default; or (ii) the party against whom the claim has been asserted, in the case of an order denying the claim or counterclaim. This Section shall survive each Closing and termination of this Agreement.

(e) <u>Notice</u>. Each notice to be given hereunder shall be in writing and delivered personally, by overnight delivery, by electronic transmission via internet email with confirmation of receipt by all parties to whom it is directed, or by depositing it with the U.S. Postal Service or any official successor thereto, certified mail, return receipt requested, with adequate postage prepaid, addressed to the appropriate party at its address set forth below. If given by personal delivery or by overnight delivery, notice shall be deemed to have been given and received upon receipt at the address to which it is delivered. If given by mail, notice shall be deemed to have been given when deposited with the U.S. Postal Service and received within three (3) business days following such deposit in the U.S. Postal Service. Rejection or refusal by the addressee to accept delivery, or the inability to deliver any notice because of a change of address of the intended

recipient without notice to the other, shall be deemed to be the receipt of the notice on the third day following the date postmarked or deposited with the overnight delivery service of U.S. Postal Service. Either party may change such addresses by written notice to the other designating the new address. Notice addresses are as follows:

If to Purchaser:

With a copy to:

Beaufort County Economic Development	Haynsworth Sinkler Boyd, P.A.
Commission	1201 Main Street, Suite 2200
7 Venture Drive	Columbia, SC 29201
Bluffton, SC 29910	Attn: Gary W. Morris, Esquire
Attn: John O'Toole	Telephone: 803-540-7961
Telephone: 864-226-3462	Facsimile: 803-765-1243
Facsimile:	Email: gmorris@hsblawfirm.com
Email: jotoole@beaufortscedc.org	C C
If to Seller:	With a copy to:
If to Seller: Chilton Timber and Land Company, LLC	With a copy to: Womble Bond Dickinson (US) LLP
	Womble Bond Dickinson (US) LLP
	Womble Bond Dickinson (US) LLP 5 Exchange Street
	Womble Bond Dickinson (US) LLP 5 Exchange Street Charleston, SC 29401

10.5 <u>Binding Effect/Successors and Assigns.</u> This Agreement shall be binding upon and inure to the benefit of the parties' successors and assigns. Purchaser shall not assign this Agreement, in whole or in part, to a third-party entity without the prior written consent of Seller, which consent shall not be unreasonably withheld, except that Purchaser may assign this Agreement to an entity that controls, is controlled by, or is under common control with Purchaser without the prior consent of Seller.

10.6 <u>Entire Agreement</u>. This Agreement, together with the attached Exhibits, embodies the entire agreement between the parties concerning the subject matter hereof and supersedes any and all prior or contemporaneous negotiations, understandings, agreements, letters of intent or otherwise, all of which are of no further force or effect. This Agreement cannot be waived or amended except by written instrument executed by Purchaser and Seller.

10.7 <u>Applicable Law</u>. This Agreement shall be construed and interpreted under the laws of the State of South Carolina.

10.8 <u>Severability</u>. The provisions of this Agreement are intended to be independent. In the event any provisions hereof should be declared by a court of competent jurisdiction to be invalid, illegal, or unenforceable for any reason whatsoever, such illegality, unenforceability, or invalidity shall not affect the other provisions of this Agreement.

10.9 <u>No Waiver</u>. Failure of either party to insist upon compliance with any provision hereof shall not constitute a waiver of the rights of such party to subsequently insist upon compliance with this Agreement nor in any way affect the validity of all or any part of this Agreement. No waiver of any breach of this Agreement shall constitute a waiver of any other or subsequent breach.

10.10 <u>Exhibits</u>. The Exhibits referenced in this Agreement and attached hereto are incorporated in and made a part of this Agreement.

10.11 <u>Counterparts</u>. This Agreement may be executed in multiple counterparts, each of which shall be deemed to be an original, even though no one counterpart contains the signatures of all the parties, but all of which, together, shall constitute one and the same instrument. Signatures by either party may be by means of electronic signature, which the parties agree shall be binding for all purposes.

10.12 <u>Headings</u>. The Section headings are for convenience of reference only and do not modify or restrict any provisions hereof and shall not be used to construe any provision.

10.13 <u>Time Periods; Local Time</u>. If any date or any period provided for in this Agreement shall end on a Saturday, Sunday or legal holiday, the applicable date or period shall be extended to the first business day following such Saturday, Sunday or legal holiday. All references to a specific number of days shall refer to calendar days except as otherwise specified. All references to a "business day" shall exclude Saturdays, Sundays, and legal holidays recognized by Beaufort County government offices. All references to the time of day shall refer to the time of day in South Carolina.

10.14 <u>Exchange</u>. Each party at its election, may assign its rights and obligations under this Agreement in order to effectuate a like-kind exchange of property under Section 1031 of the Internal Revenue Code 1986 as amended. Each party agrees to assist and cooperate with other party in such exchange at no additional cost, expense or liability to the party providing assistance. Buyer and Seller further agree to execute any and all documents as are reasonably necessary in connection with any such exchange.

Signature Page Follows

IN WITNESS WHEREOF, this Agreement of Purchase and Sale has been duly signed, sealed and delivered by the parties hereto the day and year first above written.

Witnesses:

SELLER:

Chilton Timber and Land Company, LLC

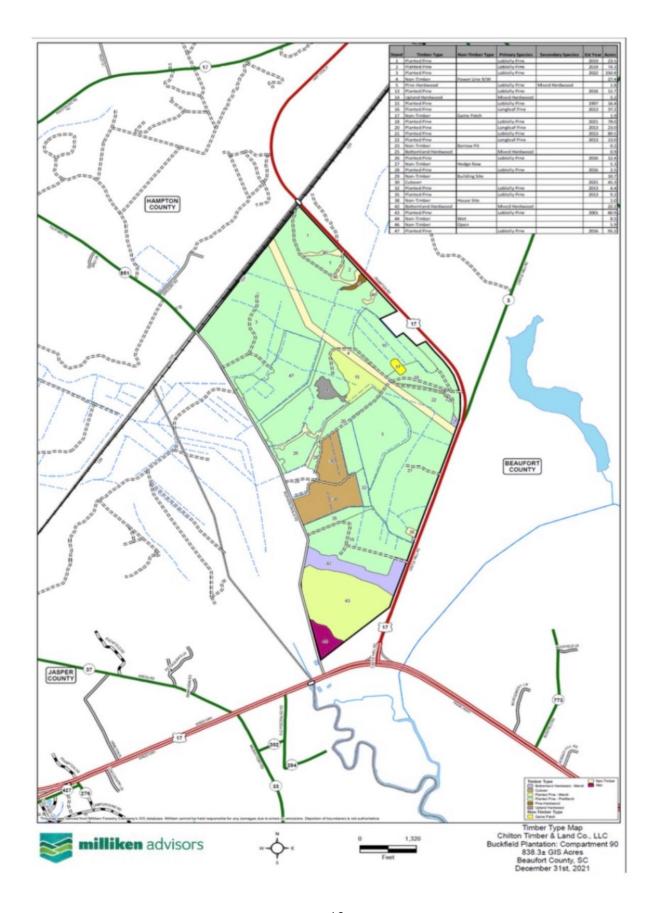
By: _____(SEAL)

Its: _____

PURCHASER:

Beaufort	County	Economic	Development
Corporatio	n		
_			
By:			(SEAL)

Its: President





BEAUFORT COUNTY COUNCIL AGENDA ITEM SUMMARY

ITEM TITLE:

DISCUSSION AND APPROVAL FOR THE BEAUFORT COUNTY ECONOMIC DEVELOPMENT CORPORATION TO PURCHASE 18.2 ACRES OF FULLY SERVED INDUSTRIAL LAND -134 PARKER DRIVE

MEETING NAME AND DATE:

Administration, Finance and Economic Development – September 23, 2024

PRESENTER INFORMATION:

John O'Toole, Executive Director, Beaufort County Economic Development Corporation

10 Minutes

ITEM BACKGROUND:

As discussed in prior product development presentations, The Beaufort County Economic Development Corporation (BCEDC) is charged with building the inventory of properties (Product)

This proposed purchase of 18.2 acres at 134 Parker Drive for future economic development is a soldi step toward that end.

PROJECT / ITEM NARRATIVE:

BCEDC would like to purchase 18.2 acres at 134 Parker Drive to hold for future economic development. The current parcel of land will be subdivided. This purchase will provide additional product, ready for development with infrastructure in place.

This property is close to Beaufort Commerce Park and is being purchased at \$15,000 less than land nearby in the Beaufort Commerce Park.

FISCAL IMPACT:

\$460,000.00 (\$25,000 per acre)

STAFF RECOMMENDATIONS TO COUNCIL:

Move forward to full council for approval.

OPTIONS FOR COUNCIL MOTION:

Move forward to full council for approval.

Decline

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is made and entered into as of the _____ day of _____, 2024 ("Effective Date") by and between Geismar North America, Inc., a Delaware corporation ("Seller"), and Beaufort County Economic Development Corporation, a Southern Carolina non-profit corporation ("Purchaser").

RECITALS:

A. Seller is the owner of certain real property (the "Land") and improvements thereon (the "Improvements") consisting of two (2) parcels containing approximately 19.16 acres and 8.586 acres located at 134 Parker Drive, Beaufort, South Carolina and more specifically described on **Exhibit A** attached hereto (the "Property").

B. Seller desires to sell to Purchaser, and Purchaser desires to purchase from Seller that portion of the Land on which no Improvements have been constructed.

C. Purchaser will prepare a subdivision plat which depicts that portion of the land to be purchased and sold (the "Property"), all as more specifically described herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, it is hereby agreed as follows:

1. <u>Sale</u>. Seller hereby agrees to sell and deliver to Purchaser and Purchaser hereby agrees to purchase from Seller for the purchase price and, subject and pursuant to the provisions of this Agreement, the following property, rights and interests:

(a) fee simple title to the Property;

(b) easements, rights-of-way, privileges, appurtenances, and other rights, if any, pertaining to or benefitting the Property;

(c) all of the right, title and interest of Seller in and to all assignable licenses and permits with respect to the Property;

2. **Purchase Price; Payment of Purchase Price**. The purchase price for the Property (the "Purchase Price") shall be Four Hundred Sixty Thousand and No/100 Dollars (\$460,000). The Purchase Price for the Property shall be paid by Purchaser to Seller as follows (all cash payments are to be made by the wire transfer of good federal funds):

(a) <u>Earnest Money</u>. Within three (3) business days of the Effective Date, Purchaser shall deposit with Haynsworth Sinkler Boyd, P.A. whose address is 1201 Main Street, Suite 2200, Columbia, SC 29201 ("Escrow Agent"), the amount of One Thousand Dollars (\$1,000) (the "Earnest Money Deposit"), paid by check or wire transfer. The Earnest Money Deposit shall be deposited in a non-interest bearing account and shall be fully refundable during the Inspection Period (as defined in Section 7.(a)(i) herein), as may be extended. Thereafter, the Earnest Money Deposit shall be deemed non-refundable to Purchaser, except in the event of a Seller default or the failure of all Conditions to Closing (as defined in Section 7 hereinbelow) to be satisfied or waived or as otherwise provided for herein. Unless earlier disbursed, the

Earnest Money Deposit shall be disbursed to Seller and credited against the Purchase Price at the Closing.

(b) Escrow. This Agreement constitutes and shall serve as escrow instructions to Escrow Agent for the purposes of administering the escrow account and Earnest Money Deposit (as defined in Section 2(a)). In the event (i) any dispute arises between Seller and Purchaser regarding the disbursement of the Earnest Money Deposit or (ii) Escrow Agent receives conflicting instructions with respect thereto, Escrow Agent shall withhold such disbursement until otherwise instructed in writing by both parties or until directed by a court of competent jurisdiction. If Escrow Agent incurs fees or expenses as a result of such a dispute, then Seller and Purchaser shall split equally the payment of such fees and/or expenses between them. Seller and Purchaser agree that, except as provided herein, Escrow Agent shall incur no liability whatsoever in connection with Escrow Agent's performance under this Agreement. Seller and Purchaser hereby jointly and severally release and waive any claims they may have against Escrow Agent that may result from its performance of its functions under this Agreement. Escrow Agent shall be liable only for loss or damage caused by any of its employees' acts of wanton or willful misconduct while performing as Escrow Agent. Seller acknowledges Escrow Agent is also serving as Purchaser's attorney.

(c) <u>Balance of Purchase Price</u>. The balance of the entire Purchase Price, plus or minus net prorations as set forth in Section 10 below, shall be paid by Purchaser at the Closing by wire transfer of good federal funds to the Escrow Agent, for disbursement by Escrow Agent, as closing attorney, to Seller pursuant to the closing statement(s) executed by Seller and Purchaser.

3. <u>Survey</u>.

(a) Subdivision Plat. On or before expiration of the Inspection Period, Purchaser shall cause the preparation of a subdivision plat of the Property (the "Preliminary Survey") by a registered South Carolina surveyor of Purchaser's choice (the "Surveyor") at Purchaser's expense. Upon receipt of the Preliminary Survey, Purchaser shall deliver a copy of the same to Seller. Seller shall thereafter have ten (10) days to approve or disapprove the Preliminary Survey. Should Seller fail to provide written approval or disapproval within such ten (10) day period, the Preliminary Survey shall be deemed approved. Should Seller provide Seller with a written disapproval of the Preliminary Survey within such ten (10) day period, such disapproval notice shall provide a written narrative of the reasons for such disapproval. Thereafter, and for an additional period of ten (10) days, Seller and Purchaser shall discuss the Preliminary Survey and the Seller's objections thereto in an attempt to revise the Preliminary Survey to the satisfaction of Seller. Both parties agree to reasonably cooperate to reach an agreement as to Preliminary Survey. In the event no agreement is reached, this Agreement shall automatically terminate and the Earnest Money Deposit shall be returned to Purchaser and the parties shall have no further rights or obligations hereunder. If the Preliminary Survey is approved in writing by Seller, or deemed approved as provided above, Purchaser shall cause the preparation of a final subdivision plat of the Property consistent with the approved Preliminary Survey (the "Final Survey") no less than ten (10) days prior to the Closing Date (as defined in Section 4 herein). The Final Survey will be recorded at or before the Closing and a legal description of the Property prepared from the Final Survey shall be used in the Deed (as defined in Section 8 herein) to convey the Property from Seller to Purchaser. The acreage shall be determined by the Surveyor and set forth on each of the Preliminary and Final Survey. Purchaser shall pay for the costs associated with the Preliminary and Final Survey.

(b) <u>ALTA Survey</u>. Purchaser reserves the right at Purchaser's expense, to cause an ALTA Survey to be prepared by a duly licensed South Carolina land surveyor (the "**ALTA Survey**"). The Purchaser may utilize the Surveyor or another surveyor to prepare the ALTA Survey. In such event Purchaser shall deliver a copy of the same to Seller. Seller may examine the ALTA Survey and provide written notice to Purchaser of its approval or disapproval of any matters set forth on the ALTA Survey. The rights and obligations of Seller and Purchaser as to any written objections to the ALTA Survey shall be identical to those provided in Section 6.

4. <u>**Closing.**</u> Subject to the provisions of Section 7 below and the satisfaction or waiver of all other conditions precedent contained in this Agreement, the closing (the "Closing") of the sale and purchase of the Property pursuant to the provisions of this Agreement shall occur thirty (30) business days after the date of expiration of the Inspection Period as may be extended (the "Closing Date"). The Closing shall occur at the offices of the Escrow Agent or such other place as the parties may mutually agree upon in writing or via the mail.

5. <u>**Pre-Closing Documents**</u>. Seller, at Seller's expense, shall within ten (10) days of the date hereof, deliver or cause to be delivered to Purchaser any surveys, title commitments or policies, environmental reports, property condition reports, tax assessments and such other reports or documents as may affect the Property, to the extent the same theretofore have not been delivered by Seller to Purchaser; provided however, Seller shall only be obligated to provide those documents, surveys, or other items within the possession or control of Seller (the "Seller Documents").

Seller shall have no liability with respect to the accuracy or completeness of the information contained in any third party reports.

6. Title. Purchaser agrees to cause a title commitment ("Title Commitment") to be issued by an agent of Chicago Title Insurance Company ("Title Commitment") within the Inspection Period. A copy of the Title Commitment shall be provided to Seller. Within ten (10) days following Purchaser's receipt of the Title Commitment issued by the Title Company and legible copies of all title exceptions noted in the Title Commitment, Purchaser shall deliver to Seller written notice (the "Notice") of any matters of survey shown on the Survey or any exceptions to title shown on the Title Commitment (other than any of the Permitted Exceptions) which are not acceptable to Purchaser (collectively, the "Unpermitted Exceptions"). Any exceptions to title shown on the Commitment not designated as Unpermitted Exceptions shall be deemed "Permitted Exceptions." If Purchaser delivers the Notice to Seller as aforesaid, Seller, at Seller's election and sole cost and expense, shall have fifteen (15) days following delivery of the Notice to (i) cause the Unpermitted Exceptions, to the extent that the same are matters of title, to be removed from the Title Commitment (ii) cause the Unpermitted Exceptions, to the extent the same are matters of survey, to be remedied by modification to the Survey, (iii) cause the Title Company to issue an endorsement (on a form customarily used by the Title Company) insuring Purchaser against loss or damage to Purchaser that may be caused by such Unpermitted Exceptions on terms acceptable to Purchaser, or (iv) refuse to take any action to remove, remedy or endorsed over the Unpermitted Exceptions. If Seller does not cause the Unpermitted Exceptions to be so removed, remedied or endorsed over within such fifteen (15) day period, a condition to the performance by Purchaser of its obligations hereunder with respect to the Property shall be deemed not to have been fulfilled, entitling Purchaser, as its sole right on account thereof, to elect (such election to be by written notice thereof delivered to Seller within ten (10) days after the expiration of said fifteen (15) day period) either to (1) terminate this Agreement, in which event the Earnest Money Deposit shall be returned to Purchaser, and, except as otherwise expressly provided herein to the contrary, neither party hereto shall have any further rights or liabilities under this

Agreement accruing after said termination, or (2) accept the conveyance of the Property subject to such Unpermitted Exceptions in which case (i) such Unpermitted Exceptions shall be deemed Permitted Exceptions, (ii) this Agreement shall remain in effect, and (iii) there shall not be any reduction in the Purchase Price; provided, however, if any Unpermitted Exceptions are liens against the Property that may be removed or remedied by the payment of liquidated sums, Seller shall be responsible for paying off such liens which payoff amounts_may be paid out of the Purchase Price at Closing as a Seller cost. In the event that Seller does not cause the Unpermitted Exceptions to be removed, remedied or endorsed over within the allotted fifteen (15) day period and Purchaser elects to proceed under clause (2) above, the Closing shall be the later of the Closing Date, as may be extended, or five (5) days after Purchaser notifies Seller of Purchaser's election to proceed under clause (2) above.

7. <u>Conditions Precedent to Purchaser's and Seller's Obligations Under this</u> <u>Agreement</u>.

(a) In addition to any other conditions precedent in favor of Purchaser set forth elsewhere in this Agreement, Purchaser's obligations under this Agreement are subject to the timely fulfillment of the conditions set forth in this subparagraph 7(a) on or before the Closing Date, or such earlier date as is set forth below. Each condition may be waived in whole or in part only by written notice of such waiver from Purchaser to Seller. If any condition precedent set forth in this subparagraph 7(a) is not satisfied or waived by Purchaser prior to the Closing Date, Purchaser's sole right shall be to terminate this Agreement and receive a refund of the Earnest Money Deposit. In the event the Closing occurs, any unsatisfied conditions precedent set forth in this subparagraph 7(a) shall be deemed automatically waived by Purchaser.

(i) Inspection Period. Purchaser shall have until 5:00 p.m. (Eastern Standard Time) on that date which is sixty (60) days after the Effective Date (the "Inspection Period") to review all of the documents described in Section 5 above and to conduct a physical inspection of the Property at its costs, including the environmental condition thereof (collectively, the "Studies"); provided, Purchaser may extend the Inspection Period for an additional thirty (30) days in the event Purchaser has not completed the Studies. In such event, Purchaser shall provide Seller written notice of such extension prior to the expiration of the Inspection Period. Seller shall allow Purchaser and its representatives access to the Property during reasonable hours for the purpose of conducting the Studies provided that Purchaser shall notify Seller orally at least twenty-four hours in advance of conducting such Studies on the Property. Prior to accessing the Property, Purchaser shall provide Seller with evidence of commercial general liability insurance covering Purchaser and Purchaser's agents with customary policy limits. Purchaser shall pay all costs incurred by Purchaser in making any such inspections and investigations in connection with this Agreement. If Purchaser terminates this Agreement for any reason other than a default by Seller, Purchaser will provide Seller with copies of all non-proprietary third-party reports at noadditional costs to Seller. If Purchaser, for any reason in Purchaser's sole and absolute discretion, is not satisfied with its inspection of the physical condition of the Property or the results of any of the Studies pertaining to the physical condition of the Property or for any other reason, then Purchaser shall have the absolute and unconditional right to terminate this Agreement by providing Seller with written notice of termination prior to the expiration of the Inspection Period. Purchaser shall be solely responsible for paying all costs and expenses with respect to all of the Studies.

(ii) <u>Title Insurance Policy</u>. On the Closing Date, title to the Property shall be conveyed to Purchaser subject only to the Permitted Exceptions and the Title Company shall be obligated to issue to Purchaser an owner's title insurance policy (the "Title Policy") in the amount of the Purchase Price naming Purchaser as the insured thereunder and covering the Property. The Title Policy shall contain (i) the standard conditions, stipulations and exceptions contained in the standard form of said Title Policy, except that an extended coverage endorsement with respect to the general exceptions of Schedule B thereof, (ii) such endorsements as Purchaser shall require and (iii) the Permitted Exceptions insuring good and indefeasible fee simple title to the Property in Purchaser. If this condition precedent is not satisfied, then Purchaser shall have the absolute and unconditional right to terminate this Agreement by providing Seller with written notice of termination on the Closing Date.

Date:

8.

Closing Documents. (a) Seller shall deliver the following documents on the Closing

(i) A limited warranty deed (the "Deed") executed by Seller in recordable form and conveying to Purchaser good and marketable title to the Property, including the Improvements and the Appurtenances, free and clear of all liens, encumbrances and exceptions to title, other than the following:

- (1) general real estate taxes which are not yet due and payable;
- (2) exceptions to title deemed to be Permitted Exceptions pursuant to this Agreement;
- (3) the rights of all persons claiming by, through or under Purchaser; and
- (4) acts of Purchaser.

(ii) An assignment of intangible property permits or licenses pertaining to the Property.

(ii) 1099 Solicitation.

(iii) An Owner's Affidavit/ALTA form executed by Seller and covering the Property.

(iv) A GAP Undertaking on the Title Company's standard form executed by Seller.

(v) A Seller's Affidavit Non-resident Seller Withholding form executed by Seller.

- (vi) A FIRPTA Certificate executed by Seller.
- (vii) A Closing Statement (to be executed by Purchaser and Seller).

(viii) A Certificate of Compliance from the South Carolina Department of Revenue dated not more than thirty (30) days prior to the Closing or an executed Transferor's Affidavit stating that the majority of Seller's assets are not being sold.

(ix) Authority documents of Seller reasonably acceptable to Purchaser and the Title Company.

(x) Such other documents as Purchaser may reasonably request or as are customarily delivered to in connection with the transactions contemplated hereby.

(b) Purchaser shall deliver the following items on the Closing Date:

- (i) The amount set forth in subparagraph 2.(c) above; and
- (ii) The Closing Statement; and

(iii) Such other documents as Seller may reasonably request or as are customarily delivered to or in connection with the transactions contemplated hereby.

9. <u>Transaction Costs</u>.

(a) At the Closing, Seller shall pay all fees and costs, including recording fees, for (i) the release, satisfaction or termination of any lien, deed of trust or mortgage, if any, necessary to deliver the Property free of such lien, mortgage or deed of trust; (ii) applicable transfer taxes or deed stamps; (iii) recording the Deed and (iv) incurred by Seller, including its own attorneys' fees.

(b) At the Closing, Purchaser shall pay or cause to be paid on Purchaser's behalf (i) all costs and charges incident to any mortgage executed by Purchaser, including, without limitation, recording fees, mortgagee's title insurance premiums, mortgage application, origination, and assumption fees, and survey costs, if applicable; (ii) the recording fees for recording the Survey and other documents, excluding the Deed; (iii) Survey fees; (iv) owner's title insurance premiums for the Title Policy, including endorsements; and (v) any costs incurred by Purchaser, including its own attorneys' fees.

(c) Responsibility for the payment of rollback taxes, if any, for the Property shall be borne solely by Purchaser.

10. **Prorations**.

The following items shall be prorated as of the Closing Date and shall be deducted from or added to the balance of the Purchase Price, as appropriate. For purposes hereof, the Closing Date shall be deemed to be a day of income and expense to the Purchaser.

(a) General real estate taxes assessed against the Property. If the amount of the current general real estate taxes is not ascertainable at Closing, the proration shall be based upon the previous years' tax bill. There shall be a subsequent adjustment and accounting between Purchaser and Seller as to such proration when the actual tax bills are rendered. The obligations of Purchaser and Seller to make an adjustment and accounting as to said tax proration as between themselves shall survive the Closing.

(a) All other prepaid and accrued items which are customarily prorated in Beaufort County, South Carolina, in transactions similar to the transaction contemplated by this Agreement.

Except as specifically set forth herein, all prorations shall be final. Except for the items of expense for which Purchaser receives a proration credit, Purchaser assumes no obligation to pay any expense relating to the Property that accrues prior to the Closing Date.

11. **Representations and Warranties**. Seller hereby represents and warrants to Purchaser that:

(a) Seller has no actual knowledge of, and has not received any notice which has not been cured, of any violations of any applicable pollution, zoning, Environmental Protection Agency, health, safety, OSHA, fire, environmental, sewerage and building codes, statutes, ordinances or regulations.

(b) No special taxes or assessments have been imposed against the Property, or any portion thereof that remain unpaid, and Seller has no knowledge of, and has not received notice, of any proposed special taxes or assessments against the Property, or any portion thereof.

(c) There is no pending or threatened litigation, labor dispute, condemnation, eminent domain, zoning or administrative proceeding or real estate tax protest or proceeding against or affecting the Property, or any portion thereof, or arising from any contracts with respect to the Property.

(d) The consummation of the transactions contemplated by this Agreement shall not result in a breach of any of the terms or conditions of, or constitute a default under any indenture, mortgage, deed of trust or other agreement to which Seller is now a party or which otherwise affects the Property, or any part thereof, or violate any judgment, order, writ, injunction or decree of any court, administrative agency or governmental body in an action in which Seller is a party or in which the Property, or any portion thereof, is named or described.

(e) Seller has full power and authority to enter into this Agreement and to perform its obligations hereunder. Each party executing this Agreement on behalf of Seller is authorized to do so.

(f) To Seller's actual knowledge, the current use of the Property does not violate any applicable zoning ordinance or any other use restrictions applicable to the Property, and Seller has no actual knowledge of and has not received any notice of any proposed change in said zoning or other use restrictions.

(g) Seller is not a "foreign person" within the meaning of Section 1445 of the Internal Revenue Code of 1954, as amended.

(h) Subject to all matters disclosed in any environmental reports delivered to or obtained by Purchaser, to Seller's actual knowledge, (i) no Hazardous Materials have been located on the Property or have been released into the environment, or discharged, placed or disposed of at, on or under the Property; (ii) no underground storage tanks have been located

on the Property; (iii) the Property has never been used as a dump for waste material; and (iv) the Property and its prior uses comply with and at all times have complied with, any applicable governmental law, regulation or requirement relating to environmental and occupational health and safety matters and Hazardous Materials.

As used herein, the term "Hazardous Materials" shall mean and include the following, including mixtures thereof: any hazardous substance, pollutant, contaminant, waste, by-product or constituent regulated under the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §9601 et seq.; oil and petroleum products and natural gas, natural gas liquids, liquefied natural gas and synthetic gas usable for fuel, pesticides regulated under the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. §136 et seq.; asbestos and asbestos-containing materials, PCBs and other substances regulated under the Toxic Substances Control Act, 15 U.S.C. §2601 et seq.; source material, special nuclear material, by-product material and any other radioactive materials or radioactive wastes, however produced, regulated under the Atomic Energy Act or the Nuclear Waste Policy Act of 1982; chemicals subject to the OSHA Hazard Communication Standard, 29 C.F.R. §1910.1200 et seq.; and industrial process and pollution control wastes whether or not hazardous within the meaning of the Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq.

(i) Purchaser acknowledges that this Agreement is entered into by Purchaser without reliance on any covenants, warranties, statements or representations, either written or oral, express or implied, by Seller, or by any agent, employee or representative of Seller, or by any broker or other person purporting to represent Seller, except as specifically set forth in this Agreement. Purchaser represents that its decision to enter into this Agreement is based on Purchaser's independent investigation and evaluation of the Property and the merits for consummating the transactions contemplated by this Agreement.

(j) Except for the representations and warranties specifically stated in this Agreement and any warranties of title contained in the Deed, IT IS UNDERSTOOD AND AGREED THAT SELLER IS NOT MAKING, AND SPECIFICALLY DISCLAIMS, ANY WARRANTIES OR REPRESENTATIONS OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT TO THE PROPERTY AND UPON CLOSING, SELLER SHALL SELL AND CONVEY TO PURCHASER AND PURCHASER SHALL ACCEPT THE PROPERTY IN ITS "AS IS", "WHERE-IS" CONDITION.

12. **Indemnification by Purchaser.** Purchaser shall indemnify, defend and hold Seller and the respective employees, agents, successors and assigns of Seller harmless from and against any and all claims, costs, damages or liability, judgments, fines, penalties, actions and expenses (including reasonable attorneys' fees and court costs) for personal injury, property damage, mechanic's or materialmen's liens, or violation of governmental rules, regulations, ordinances, laws or orders that may be suffered or incurred by any of the foregoing indemnitees resulting from or in any way related to the Studies or any other entry upon, work on or use of the Property or the Improvements by Purchaser or its agents, employees, contractors, subcontractors or representatives prior to the Closing. This indemnity shall survive Closing or any earlier termination of this Agreement.

13. **Operation of Property Prior to the Closing Date**. From and after the Effective Date to and including the earlier to occur of (i) the Closing Date or (ii) the date, if any, on which this Agreement is terminated by Purchaser or Seller in accordance with the terms herewith:

(a) Seller shall maintain in full force and effect all insurance coverage insuring the Property which is in effect on the date this Agreement is fully executed by Seller and Purchaser.

(b) Seller shall maintain the Property in its present as-is condition as of the Effective Date.

(c) Seller shall refrain from transferring any part of the Property or creating on the Property any easements, liens, mortgages, encumbrances, or other interests or requesting any changes to the zoning classification of the Property.

(d) Seller shall promptly furnish Purchaser copies of all notices of violation by Seller or the Property of federal, state or municipal laws, ordinances, regulations, orders, or requirements of departments of housing, buildings, fire, labor, health, or other federal, state or municipal departments or other governmental authorities having jurisdiction against or affecting the Property or the use or operation thereof and comply with the same.

Notwithstanding anything to the contrary contained in this Agreement, it shall be a condition precedent to Purchaser's obligation to consummate the transaction contemplated by this Agreement that there shall be no material adverse change in the physical condition of the Property between the Effective Date and the Closing Date. In the event that this condition is not met, then Purchaser shall have the right to terminate this Agreement prior to Closing by delivering written notice of termination to Seller, in which event the Earnest Money Deposit shall be immediately returned to Purchaser and, except as otherwise expressly provided herein to the contrary, neither party shall have any rights or liabilities under this Agreement first accruing after said termination.

14. **Condemnation**. Upon receipt of an offer or any notice or communication from any governmental or quasi-governmental body seeking to take under its power of eminent domain all or any portion of the Property, Seller shall promptly notify Purchaser and send such communication, or a copy thereof, to Purchaser. Upon receipt of such notice, Purchaser shall have the right to terminate this Agreement by delivery of written notice thereof to Seller within twenty (20) days thereafter. If the Closing Date would occur prior to the expiration of said twenty (20) day period, then the Closing Date shall be automatically extended to the date which is five (5) days after the expiration of said twenty (20) day period. In the event that Purchaser elects to terminate, then this Agreement shall be null and void and of no further force and effect and the Earnest Money Deposit (shall be returned to Purchaser and, except as otherwise expressly provided herein to the contrary, neither Seller nor Purchaser shall have any further rights or liabilities occurring hereunder after said termination. In the event that Purchaser does not elect to terminate and the portion of the Property so required by the condemning authority is taken on or before the Closing, then: (a) the proceeds of such condemnation or sale in lieu thereof shall be retained by Seller and the Purchase Price to be paid by Purchaser hereunder shall be reduced by the amount of such proceeds, and (b) the Property so taken or sold shall not be subject to this Agreement. In the event that Purchaser does not elect to terminate and the portion of Property so required by the condemning authority is taken after the Closing, then all proceeds of such condemnation or sale in lieu thereof shall be the sole and exclusive property of Purchaser. Seller and Purchaser agree to cooperate with each other to obtain the highest and best price for the condemned property.

15. <u>Seller Default</u>. If Seller fails to perform or observe in any material respect any of the covenants or agreements to be kept or performed by Seller under this Agreement or any representation or warranty of Seller is untrue in any material respect, and such failure or untruth remains uncured five

(5) business days after receipt of written notice thereof from Purchaser (provided, Seller shall have no such cure period for failure to close the transactions contemplated herein on the Closing Date), Purchaser, at its election and as Purchaser's sole remedies, shall be entitled either (i) to enforce specific performance of this Agreement, or (ii) to terminate this Agreement prior to Closing, and if this Agreement is so terminated, the Earnest Money Deposit shall be returned to Purchaser, and Seller shall pay the Purchaser all of Purchaser's actual documented out-of-pocket expenses incurred by Purchaser in connection with this Agreement including, without limitation, reasonable attorneys' fees and expenses incurred in performing Purchaser's due diligence (including the cost of the Studies) in an amount not to exceed twenty-five thousand dollars (\$25,000.00) and, except as otherwise expressly provided herein to the contrary, neither Purchaser nor Seller shall have any further rights or liabilities accruing hereunder after said termination. The failure of Purchaser to exercise any of Purchaser's rights and remedies under this <u>Section 15</u> shall not be deemed to be a waiver by Purchaser of any rights or remedies available to Purchaser during the continuation of Seller's breach or default or upon any subsequent misrepresentation or breach or other default by Seller of its obligations, covenants or agreements to be performed under this Agreement.

16. **Purchaser Default**. If Purchaser fails to perform or observe in any material respect any of the covenants or agreements to be kept or performed by Purchaser under this Agreement, and if such failure remains uncured five (5) business days after receipt of written notice thereof from Seller, Seller, as its sole and exclusive remedy on account of such failure, shall have the right to terminate, prior to the Closing, Purchaser's right to acquire the Property, and in such event, the Earnest Money Deposit shall be retained by Seller as liquidated damages in complete satisfaction of Purchaser's liability therefor. The failure of Seller to exercise Seller's right and remedy under this <u>Section 16</u> shall not be deemed to be a waiver by Seller of any rights or remedies available to Seller during the continuation of Purchaser's breach or default or upon any subsequent misrepresentation or breach or other default by Purchaser of its obligations, covenants or agreements to be performed under this Agreement.

17. <u>Notices</u>. All notices required or permitted to be delivered hereunder shall be in writing and shall be (i) delivered in person, (ii) sent via email, (iii) mailed, postage prepaid, either by United States registered or certified mail with return receipt requested or (iv) sent by overnight express carrier. All notices sent pursuant to this <u>Section 19</u> shall be deemed received (1) if delivered in person on the date of delivery, (2) if sent by email before 5:00 p.m. (Eastern Standard Time), on the day sent if a business day or if sent after 5:00 p.m. (Eastern Standard Time), then on the next business day, (3) if so mailed, on the earlier of the third business day following the day sent or when actually received, or (4) if sent by overnight express carrier on the next business day immediately following the day sent. All notices shall be addressed or sent to telecopy numbers as follows:

To Seller:	Geismar North America, Inc. Attn: Eric Carter CEO Geismar North America, Inc.
	Email: <u>e.carter@geismar.com</u>
With a copy to:	Jean-François Banaszkiewicz Senior Legal Counsel - Geismar Email: <u>Jf.banaszkiewicz@geismar.com</u>
To Purchaser:	Beaufort County Economic Development Corporation Don Ryan Center

7 Venture Drive, #100 Bluffton, SC 29910 Attn: John O'Toole Email: jotoole@thrivebeaufort.org

With a copy to:

Haynsworth Sinkler Boyd, P.A. 1201 Main Street, Suite 2200 Columbia, SC 29201 Attn: Gary W. Morris Email: gmorris@hsblawfirm,com

or at such other addresses or facsimile numbers as either party hereto may designate by giving written notice thereof to the other party hereto in the aforesaid manner.

18. <u>Miscellaneous</u>.

(a) <u>Assignment and Binding Effect</u>. Seller shall not have the right to sell, convey, hypothecate, assign, transfer or dispose of title to the Property and all or any interests in this Agreement without the prior written consent of Purchaser. This Agreement shall be binding upon and inure to the benefit of Seller, Purchaser and their respective successors and assigns, subject to the immediately preceding sentence. Without limitation, Purchaser may assign this Agreement to an entity related to or affiliated with Purchaser, without Seller's consent. Otherwise, this Agreement shall not be assignable by Purchaser without the express written consent of Seller. Seller agrees that all representations, warranties, covenants and indemnifications shall inure to the benefit of Purchaser and its assignee(s).

(b) <u>Survival</u>. The provisions of this Agreement shall survive the Closing and any termination of this Agreement however caused, and shall not be merged into any escrow, deed or any other agreement.

(c) <u>Commissions</u>. Purchaser and Seller each represents and warrants to the other that no real estate broker, finder or salesperson performed any services for Purchaser or Seller in connection with the negotiation of this Agreement or the transactions hereby contemplated. Each party hereto agrees to indemnify the other from and against all claims for brokerage commissions and finder's fees arising from or attributable to the acts or omissions of the indemnifying party or any party or entity acting on behalf of the indemnifying party.

(d) <u>Entire Agreement</u>. Both parties hereto hereby acknowledge that this Agreement constitutes the entire agreement between the parties with respect to the sale and purchase of the Property, and that this Agreement shall not be altered, modified or amended except by a written instrument duly executed by both parties hereto.

(e) <u>Third Party Rights</u>. Other than with respect to the successors and permitted assigns of Purchaser and Seller as provided in this Agreement and others who or which are expressly benefitted by indemnification or other provisions of this Agreement, no person or entity shall be entitled to any of the rights or benefits accorded to Purchaser and Seller hereunder, and no person or entity shall be entitled to rely on any of the provisions hereof.

(f) <u>Time</u>. Time shall be of the essence in the performance of all covenants, agreements and obligations under this Agreement.

(g) <u>Applicable Law</u>. This Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina.

(h) <u>No Joint Venture</u>. It is understood and agreed that Purchaser and Seller shall in no event be construed for any purpose to be partners, joint venturers, agents or associates of each other in the performance of their respective obligations hereunder or with respect to the Property.

(i) <u>Captions</u>. The captions used in connection with the paragraphs of this Agreement are for convenience of reference only and shall not be deemed to construe or limit the meaning or language of this Agreement.

(j) <u>Severability</u>. If any provision of this Agreement, or portion thereof, is held by a court to be invalid, void or unenforceable, the remainder of such provision and the remaining provisions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the invalid or unenforceable provision shall be modified so as to most nearly as possible achieve the intention of this Agreement.

(k) <u>Business Day</u>. In the event that the date for performance of any of the provisions hereof is due on a day that is a Saturday, Sunday or South Carolina state or United States national holiday, such due date shall be extended to the immediately succeeding business day. All references to a specific number of days shall refer to calendar days except as otherwise specified. All references to a "business day" shall exclude Saturdays, Sundays, or South Carolina state or United States national holiday.

(1) <u>Counterparts</u>. This Agreement may be signed in counterparts which when taken together shall be deemed one agreement. This Agreement may be executed by sending the signed copies of the Agreement by telecopy (fax) or electronic mail (e-mail) in .pdf or digital image format. Facsimile and electronically sent pages bearing signatures shall be binding upon the parties. The term "Effective Date" shall mean the date this Agreement is last executed by Seller and Purchaser as indicated on the following signature page which later date shall be inserted on page 1 as the Effective Date.

(m) <u>Attorneys' Fees</u>. In the event that either party pursues legal action to enforce the terms of this Agreement, the prevailing party in such action shall, in addition to all other relief granted or awarded by the court, be entitled to collect from the non-prevailing party its legal fees and costs incurred in the action, including all costs and fees incurred in preparation, filing, and prosecution of the action at the trial and appellate levels, in bankruptcy proceedings, and in post-judgment collection proceedings. As used herein, the term "prevailing party" shall mean, as to each claim or counterclaim (i) the claimant, in the case of an order affirming an alleged default; or (ii) the party against whom the claim has been asserted, in the case of an order denying the claim or counterclaim. This Section shall survive the Closing and termination of this Agreement.

(n) <u>Limitation of Liability</u>. Notwithstanding anything to the contrary contained herein, the direct and indirect shareholders, partners, managers, members, trustees, officers, directors, employees, agents and security holders of the parties are not assuming any, and shall have no, personal liability for any obligations of the parties hereto under this Agreement. In no event shall any party be liable under this Agreement for any consequential, exemplary, special

or punitive damages.

[signature page follows]

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

PURCHASER:

BEAUFORT COUNTY ECONOMIC DEVELOPMENT CORPORATION, a nonprofit corporation

SELLER:

GEISMAR NORTH AMERICA, INC., a Delaware corporation

By:	
Name:	
Title:	

By:	
Name:	
Title:	

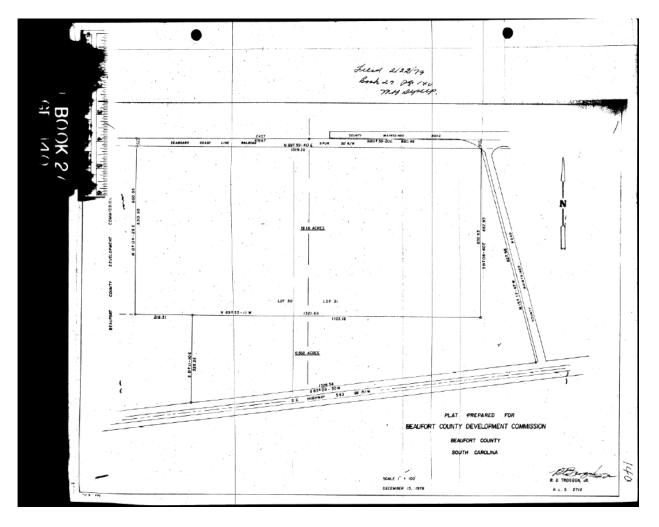
Date Executed: _____

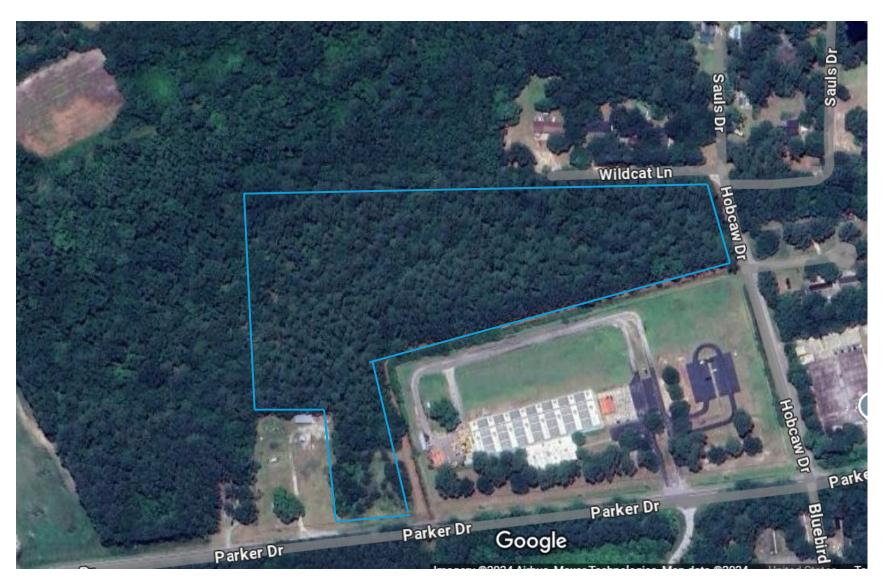
Date Executed:

Item 13.

EXHIBIT A

PROPERTY





Proposed parcel for purchase by BCEDC



BEAUFORT COUNTY COUNCIL AGENDA ITEM SUMMARY

ITEM TITLE:

RECOMMEND APPROVAL OF PLACING LAND PURCHSED BY PROJECT MICRO INTO AN EXISTING MULTI-COUNTY INDUSTRIAL PARK – Project Micro

MEETING NAME AND DATE:

Finance, Administration, and Economic Development Committee September 23, 2024

PRESENTER INFORMATION:

John O'Toole, Executive Director, Beaufort County Economic Development Corporation

10 Minutes

ITEM BACKGROUND:

Placing Project Micro into existing Multi County Industrial Park.

PROJECT / ITEM NARRATIVE:

Placing projects in MCIP will allow the company to take advantage of an additional \$1,000 job tax credit per net new job. These credits can be used towards the company's corporate income tax over a five-year period as long as the jobs are maintained.

Project Micro is locating their operations to Beaufort County into an existing facility at Garden's Corner. The company is expected to invest \$7.1 million and create 42 new jobs over the next five years.

FISCAL IMPACT:

Allocation of revenue would be 99% to Beaufort County and 1% to Jasper County in the Beaufort County portion of the park and 99% to Jasper County and 1% to Beaufort County in the Jasper County portion of the park. This project would fall within the Beaufort County portion of the park.

STAFF RECOMMENDATIONS TO COUNCIL:

The BCEDC recommends moving forward with the MCIP for Project Micro.

OPTIONS FOR COUNCIL MOTION:

- 1. Recommend MCIP agreement between Beaufort County and Jasper County to full County Council for approval.
- 2. Not approve.

MULTI-COUNTY PARK AGREEMENT (PROJECT MICRO)

between

BEAUFORT COUNTY, SOUTH CAROLINA

and

JASPER COUNTY, SOUTH CAROLINA

Dated as of _____, 2024

Multi-County Park Agreement Project Micro

This MULTI-COUNTY PARK AGREEMENT (Project Micro) is made and entered into as of the ______day of ______, 2024, by and between BEAUFORT COUNTY, SOUTH CAROLINA ("Beaufort County") and JASPER COUNTY, SOUTH CAROLINA ("Jasper County") (collectively, Beaufort County and Jasper County are the "Parties"), each a body politic and corporate, a political subdivision of the State of South Carolina ("Park Agreement").

In consideration of the mutual agreements, representations and benefits contained in this Park Agreement and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, Beaufort County and Jasper County agree as follows:

1. <u>Effective Date</u>. This Park Agreement is effective at 12:00 a.m. (midnight), [_____}, 2024 (the "Effective Date").

2. <u>Authorization</u>. Article VIII, section 13(D) of the South Carolina Constitution and Sections 4-1-170, -172, and -175 of the Code of Laws of South Carolina 1976, as amended (the "MCP Law"), authorizes contiguous counties to jointly develop industrial and business parks within the geographical boundaries of one or more of the participating counties. Beaufort County authorized and approved this Park Agreement by passage of Ordinance No. ______ and Jasper County authorized and approved this Park Agreement by passage of Ordinance No. ______.

3. <u>Purpose</u>. The purpose of this Park Agreement is to (*i*) provide for the establishment of a multi-county park in accordance with the MCP Law and (*ii*) encourage the investment of capital and the creation of jobs in Beaufort County and Jasper County.

4. <u>Agreement to Develop Park</u>. The Parties agree to jointly develop an industrial and business park in accordance with the MCP Law and the terms and conditions of this Park Agreement (the "Park").

5. <u>The Park.</u> (A) *Location.* The Park consists of certain property located in Beaufort County as further identified in <u>Exhibit A (Beaufort County)</u> to this Park Agreement, and property located in Jasper County, as further identified in <u>Exhibit B (Jasper County)</u>, to this Park Agreement. The Park may consist of non-contiguous properties within each county. The Parties acknowledge that on the Effective Date, the Park does not contain any property located in Jasper County.

(B) Addition and Removal of Property.

(1) *County Action.* Property may be added to or removed from the Park by ordinance of the county in which the subject property is located, provided that the host county shall provide notice to the non-host county as well as revised exhibits pursuant to subsection (2) below.

(2) *Revised Exhibits.* If property is added to or removed from the Park, this Park Agreement is deemed amended and a revised <u>Exhibit A (Beaufort County)</u> or <u>Exhibit B (Jasper County)</u>, as applicable, shall be prepared by the county in which the added or removed property is located. The revised exhibit must contain a description or other identification of the properties included in the Park, after the addition or removal. A copy of the revised exhibit shall be provided to the Administrator, Clerk to Council, Assessor, Auditor and Treasurer of Beaufort County and Jasper County.

(3) *Public Hearings and Notice*. Prior to the adoption by either county of an ordinance authorizing the removal of property from the Park, the county council in the county in which the

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property to be removed is located, shall hold a public hearing. The county that will conduct the public hearing must give notice of the public hearing by publication in a newspaper of general circulation in the county in which the public hearing will be held at least once and not less than fifteen (15) days prior to the public hearing shall also be served in the manner of service of process at least fifteen (15) days prior to the public hearing upon the owner of the real property and, if applicable and known, the lessee of any real property which would be removed from the Park.

6. <u>Fee in Lieu of Taxes</u>. Pursuant to article VIII, section 13(D), of the South Carolina Constitution, all property located in the Park is exempt from all *ad valorem* taxation. The owners or lessees of any property situated in the Park shall pay in accordance with this Park Agreement and the MCP Law an amount equivalent to the *ad valorem* property taxes or other in-lieu-of payments that would have been due and payable but for the location of the property within the Park ("Fee in Lieu of Taxes" or "FILOT").

7. <u>Allocation of Expenses</u>. Beaufort County and Jasper County shall bear the expenses for the development, operation, maintenance and promotion of the Park and the cost of providing public services, in the following proportions:

If property is in the Beaufort County portion of the Park:

(1)	Beaufort County	100%
(2)	Jasper County	0%

If property is in the Jasper County portion of the Park:

(1)	Beaufort County	0%
(2)	Jasper County	100%

8. <u>Allocation of Revenues</u>. Beaufort County and Jasper County shall receive an allocation of revenue generated by the Park through payment of Fee in Lieu of Taxes (net of any special source revenue bond payments or special source revenue credits) in the following proportions:

If property is in the Beaufort County portion of the Park:

(1)	Beaufort County	99%
(2)	Jasper County	1%

If property is in the Jasper County portion of the Park:

(1)	Beaufort County	1%
(2)	Jasper County	99%

9. <u>Revenue Allocation Within Each County.</u>

(A) *Host County*. Revenues generated by the Park through the payment of Fee in Lieu of Taxes shall be distributed to Beaufort County and to Jasper County, as applicable, according to the proportions established by Paragraph 8 of this Park Agreement. With respect to revenues allocable to Beaufort County or Jasper County by way of FILOT generated within the respective county (the "Host County"), such revenue shall be distributed within the Host County in the manner provided by ordinance of the council of the Host County; provided, that (*i*) all taxing districts which overlap the applicable revenue-generating portion of the Park shall receive at least some portion of the revenues generated from such portion, and (*ii*) with respect to amounts received in any fiscal year by a taxing entity, the governing body

of the taxing entity shall allocate the revenues received between operations and debt service of the taxing entity. Each Host County is specifically authorized to use a portion of the revenue for economic development purposes as permitted by law and as established by ordinance of the council of the Host County.

(B) *Non-Host County*. Revenues allocable to Beaufort County by way of FILOT generated within Jasper County shall be distributed solely to Beaufort County. Revenues allocated to Jasper County by way of FILOT generated within Beaufort County shall be distributed solely to Jasper County.

10. Fees In Lieu of Taxes Pursuant to Title 4 and Title 12 Code of Laws of South Carolina. The Parties agree that the entry by Beaufort County into any one or more fee in lieu of tax agreements pursuant to Title 4 or Title 12 of the Code of Laws of South Carolina 1976, as amended ("Negotiated Fee-in-Lieu of Tax Agreements"), with respect to property located within the Beaufort County portion of the Park and the terms of those agreements shall be at the sole discretion of Beaufort County. The Parties further agree that entry by Jasper County into any one or more Negotiated Fee-in-Lieu of Tax Agreements with respect to property located within the Jasper County portion of the Park and the terms of those agreements shall be at the sole discretion of the Park and the terms of those agreements with respect to property located within the Jasper County portion of the Park and the terms of those agreements shall be at the sole discretion of the Park and the terms of those agreements with respect to property located within the Jasper County portion of the Park and the terms of those agreements shall be at the sole discretion of the Park and the terms of those agreements shall be at the sole discretion of Jasper County.

11. <u>Assessed Valuation</u>. For the purpose of calculating the bonded indebtedness limitation and for the purpose of computing the index of taxpaying ability pursuant to Section 59-20-20(3) of the Code of Laws of South Carolina 1976, as amended, allocation of the assessed value of property within the Park to Beaufort County and Jasper County and to each of the taxing entities within the participating counties shall be identical to the allocation of revenue received and retained by each of the counties and by each of the taxing entities within the participating counties, pursuant to Paragraphs 8 and 9 of this Park Agreement.

12. <u>Applicable Regulations</u>. Any applicable ordinances and regulations of Jasper County concerning zoning, health and safety, and building code requirements shall apply to the Park properties in Jasper County unless the properties are within the boundaries of a municipality in which case the municipality's applicable ordinances and regulations shall apply. Any applicable ordinances and regulations of Beaufort County concerning zoning, health and safety, and building code requirements shall apply to the Park properties in Beaufort County unless the properties are within the boundaries of a municipality in which case the municipality in which case the municipality in which case the municipality's applicable ordinances and regulations of a municipality in which case the municipality's applicable ordinances and regulations and regulations shall apply.

13. <u>Law Enforcement Jurisdiction</u>. Jurisdiction to make arrests and exercise all authority and power within the boundaries of the Park properties in Jasper County is vested with the Sheriff's Department of Jasper County. Jurisdiction to make arrests and exercise all authority and power within the boundaries of the Park properties in Beaufort County is vested with the Sheriff's Department of Beaufort County. If any of the Park properties located in either Jasper County or Beaufort County are within the boundaries of a municipality, then jurisdiction to make arrests and exercise law enforcement jurisdiction is vested with the law enforcement officials of the municipality.

14. <u>Severability</u>. If any provision or any part of a provision of this Park Agreement is held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable the remainder of that provision or any other provision or part of a provision of this Park Agreement.

15. <u>Amendments</u>. The provisions of this Park Agreement may be modified or amended only in a writing signed by the Parties.

16. <u>Headings and Catch Lines</u>. The headings of the paragraphs and subparagraphs of this Park Agreement are inserted for convenience only and do not constitute a part of this Park Agreement.

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17. <u>Governing Law</u>. This Park Agreement, and all documents executed in connection with it, shall be construed in accordance with and governed by the laws of the State of South Carolina.

18. <u>Counterparts</u>. This Park Agreement may be executed in any number of counterparts, and all of the counterparts taken together constitute one and the same instrument.

19. <u>Binding Agreement</u>. This Park Agreement is binding upon and shall inure to the benefit of the respective Parties.

20. <u>Merger</u>. This Park Agreement, and all documents executed in connection with it, express the entire understanding and all agreements of the Parties with each other, and neither Beaufort County nor Jasper County has made or shall be bound by any agreement or any representation to the other party which is not expressly set forth in this Park Agreement.

21. <u>Waiver</u>. Either party may waive compliance by the other party with any term or condition of this Park Agreement only in a writing signed by the waiving party. The failure or delay on the part of any party hereto in exercising any right, power, or remedy hereunder shall not operate as a waiver thereof, nor shall any single or partial exercise of any such right, power, or remedy hereunder. No waiver of any provision hereof shall be effective unless the same shall be in writing and signed by the waiving party hereto.

22. <u>Termination</u>.

(A) *Duration and Renewal*. This Park Agreement commences on the Effective Date and shall continue with respect to each parcel included in the Park for at least the duration of any special source revenue credits applicable to such parcel.

(B) *Mutual Termination*. Notwithstanding the provisions of subparagraph (A) of this Paragraph 22, the Parties may mutually agree to terminate this Park Agreement at any time upon passage of an ordinance to that effect by each county and after conducting a public hearing and giving notice as set forth in subparagraph (B)(3) of Paragraph 5 of this Park Agreement.

SIGNATURES FOLLOW ON NEXT PAGE.

WITNESS our hands and seals as of the date first above written.

BEAUFORT COUNTY, SOUTH CAROLINA

By:

Joseph Passiment, Chair, County Council

ATTEST:

Sarah W. Brock, Clerk to Council

[Additional Signature Page Follows]

JASPER COUNTY, SOUTH CAROLINA

By:

L. Martin Sauls, IV, Chair, County Council

ATTEST:

Wanda Simmons, Clerk to Council

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EXHIBIT A (Beaufort County)

Beaufort County Property

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Item 14.

PROJECT MICRO LEGAL DESCRIPTION



EXHIBIT B (Jasper County)

Jasper County Property

NONE AS OF [____], 2024

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MCIP with SSRC Beaufort County <u>Project Micro</u>

	Normal	SSRC	Payments	
Year	Taxes	20 Years	After SSRC	
0004	# 05,000	¢4,000	#00.000	
2024	\$35,260	\$1,399 \$2,970	\$33,862	
2025	\$51,129	\$2,970	\$48,158	
2026	\$74,769	\$4,933	\$69,837	
2027	\$98,397	\$7,270	\$91,127	
2028	\$114,181	\$9,690	\$104,491	
2029	\$113,330	\$10,199	\$103,131	
2030	\$113,172	\$11,012	\$102,160	
2031	\$113,737	\$12,160	\$101,577	
2032	\$115,061	\$13,678	\$101,383	
2033	\$116,786	\$15,404	\$101,383	
2034	\$118,538	\$17,155	\$101,383	
2035	\$120,316	\$18,933	\$101,383	
2036	\$122,121	\$20,738	\$101,383	
2037	\$123,953	\$22,570	\$101,383	
2038	\$125,812	\$24,429	\$101,383	
2039	\$127,699	\$26,316	\$101,383	
2040	\$129,615	\$28,232	\$101,383	
2041	\$131,559	\$30,176	\$101,383	
2042	\$133,532	\$32,150	\$101,383	
2043	\$135,535	\$34,152	\$101,383	
Total	\$2,214,504	\$343,566	\$1,870,938	
Assumptions				
	Taxable L&B*	\$6,459,000		
	Taxable M&E	\$650,000		
Millage Rate		0.2590		
	Abatable Millage	0.1368		
	Millage Growth	2%		
	Depreciation	20%		
	Max. Depr.	90%		

*This assumes the value of real property (land and building) remains stable at \$6,459,000 for 20 years.



BEAUFORT COUNTY COUNCIL AGENDA ITEM SUMMARY

ITEM TITLE:

RECOMMEND APPROVAL OF ENTERING IN TO A SPECIAL SOURCE REVENUE CREDIT AGREEMENT WITH PROJECT MICRO

MEETING NAME AND DATE:

Finance, Administration, and Economic Development Committee – September 23, 2024

PRESENTER INFORMATION:

John O'Toole, Executive Director, Beaufort County Economic Development Corporation

10 Minutes

ITEM BACKGROUND:

Providing a Special Source Revenue Credit (SSRC) to Project Micro. This SSRC will act as a base FILOT equivalent – allowing the company to pay the equivalent of a 6% tax rate over a 20-year period.

PROJECT / ITEM NARRATIVE:

Project Micro is locating their operations to Beaufort County into an existing facility at Garden's Corner. The company is expected to invest \$7.1 million and create 42 new jobs over the next five years.

Due to the facility being existing versus new construction, they are not eligible for a FILOT agreement. In order to offer benefits on par with a base FILOT, the BCEDC would like to pursue a special source revenue credit that is the tax equivalent to a base FILOT – 6% tax rate over a 20-year period. This will be added to an existing MCIP with Jasper County.

FISCAL IMPACT:

Company will be offered equivalent to base FILOT – 6% over 20-year period.

STAFF RECOMMENDATIONS TO COUNCIL:

The BCEDC recommends moving forward with the SSRC for Project Micro.

OPTIONS FOR COUNCIL MOTION:

- 1. Recommend SSRC agreement to full County Council for approval.
- 2. Not approve.

Item 1	5.
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Project Micro Projections - Beaufort County

Simpler Alternatives

Projec		ections - D	eautort Cour	nty													Simpler Alter	natives
											Ad Val	FILOT						
	Yr 1 L/B	Yr 2 L/B	Yr 3 L/B	Yr 4 L/B	Yr 5 L/B	Yr 1 M/E	Yr 2 M/E	Yr 3 M/E	Yr 4 M/E	Yr 5 M/E	Millage	Millage	Ad Val		FILOT	Assumed	12%	15% 1-5
Year	2,059,000	850,000	1,350,000	1,350,000	850,000	150,000	125,000	125,000	125,000	125,000	0.2590	0.2590	Тах	SSRC	Equivalent	Depr.	SSRC	10% 6-20
2025	2,059,000					120,000					0.261590	0.259000	35,613	1,751	33,862	0.80	4,274	7,633
2026	2,059,000	850,000				72,000	100,000				0.264206	0.259000	50,886	3,007	47,879	0.48	6,106	11,083
2027	2,059,000	850,000	1,350,000			43,200	60,000	100,000			0.266848	0.259000	73,884	4,541	69,343	0.29	8,866	14,547
2028	2,059,000	850,000	1,350,000	1,350,000		25,920	36,000	60,000	100,000		0.269516	0.259000	96,983	6,371	90,612	0.17	11,638	16,821
2029	2,059,000	850,000	1,350,000	1,350,000	850,000	15,000	21,600	36,000	60,000	100,000	0.272212	0.259000	112,141	8,154	103,987	0.10	13,457	16,610
2030	2,059,000	850,000	1,350,000	1,350,000	850,000	15,000	12,500	21,600	36,000	60,000	0.274934	0.259000	110,737	8,109	102,628	0.10	13,288	11,074
2031	2,059,000	850,000	1,350,000	1,350,000	850,000	15,000	12,500	12,500	21,600	36,000	0.277683	0.259000	110,459	8,569	101,890	0.10	13,255	11,046
2032	2,059,000	850,000	1,350,000	1,350,000	850,000	15,000	12,500	12,500	12,500	21,600	0.280460	0.259000	110,872	9,347	101,524	0.10	13,305	11,087
2033	2,059,000	850,000	1,350,000	1,350,000	850,000	15,000	12,500	12,500	12,500	12,500	0.283264	0.259000	111,710	10,327	101,383	0.10	13,405	11,171
2034	2,059,000	850,000	1,350,000	1,350,000	850,000	15,000	12,500	12,500	12,500	12,500	0.286097	0.259000	112,827	11,444	101,383	0.10	13,539	11,283
2035	2,059,000	850,000	1,350,000	1,350,000	850,000	15,000	12,500	12,500	12,500	12,500	0.288958	0.259000	113,955	12,572	101,383	0.10	13,675	11,395
2036	2,059,000	850,000	1,350,000	1,350,000	850,000	15,000	12,500	12,500	12,500	12,500	0.291848	0.259000	115,095	13,712	101,383	0.10	13,811	11,509
2037	2,059,000	850,000	1,350,000	1,350,000	850,000	15,000	12,500	12,500	12,500	12,500	0.294766	0.259000	116,245	14,862	101,383	0.10	13,949	11,625
2038	2,059,000	850,000	1,350,000	1,350,000	850,000	15,000	12,500	12,500	12,500	12,500	0.297714	0.259000	117,408	16,025	101,383	0.10	14,089	11,741
2039	2,059,000	850,000	1,350,000	1,350,000	850,000	15,000	12,500	12,500	12,500	12,500	0.300691	0.259000	118,582	17,199	101,383	0.10	14,230	11,858
2040	2,059,000	850,000	1,350,000	1,350,000	850,000	15,000	12,500	12,500	12,500	12,500	0.303698	0.259000	119,768	18,385	101,383	0.10	14,372	11,977
2041	2,059,000	850,000	1,350,000	1,350,000	850,000	15,000	12,500	12,500	12,500	12,500	0.306735	0.259000	120,965	19,583	101,383	0.10	14,516	12,097
2042	2,059,000	850,000	1,350,000	1,350,000	850,000	15,000	12,500	12,500	12,500	12,500	0.309802	0.259000	122,175	20,792	101,383	0.10	14,661	12,218
2043	2,059,000	850,000	1,350,000	1,350,000	850,000	15,000	12,500	12,500	12,500	12,500	0.312900	0.259000	123,397	22,014	101,383	0.10	14,808	12,340
2044	2,059,000	850,000	1,350,000	1,350,000	850,000	15,000	12,500	12,500	12,500	12,500	0.316029	0.259000	124,631	23,248	101,383	0.10	14,956	12,463
												Total	2,118,331	250,011	1,868,320		254,200	241,577
												NPV (5%)	1,251,918	134,411	1,117,507		150,230	150,779

SPECIAL SOURCE REVENUE CREDIT AGREEMENT

by and between

PROJECT MICRO

and

BEAUFORT COUNTY, SOUTH CAROLINA

[____], 2024

SPECIAL SOURCE REVENUE CREDIT AGREEMENT

This SPECIAL SOURCE REVENUE CREDIT AGREEMENT ("Credit Agreement") is made and entered into as of [____], 2024, by and among BEAUFORT COUNTY, SOUTH CAROLINA ("County"), a body politic and corporate and a political subdivision of the State of South Carolina ("State"), acting by and through the Beaufort County Council ("County Council") as the governing body of the County and PROJECT MICRO, a [____] limited liability company ("Company").

WITNESSETH:

WHEREAS, pursuant to Title 4, Section 1, Code of Laws of South Carolina, 1976, as amended ("MCIP Act"), the County is authorized to develop multi-county industrial parks with other qualifying counties and, in its discretion, include within the boundaries of such parks the property of qualifying industries. The County has created or will create with Jasper County, South Carolina a multi-county industrial park ("Park) pursuant to a multi-county industrial park agreement ("Park Agreement") entered into pursuant to the terms of the MCIP Act; and

WHEREAS, in accordance with Article VIII, Section 13 of the South Carolina Constitution, real and personal property having a situs in a multi county industrial park, are exempt from all ad valorem taxation, however, the owners or lessees of such real and personal property are obligated to make, or cause to be made, annual payments in lieu of taxes to the County in the total amount equivalent to the ad valorem property taxes or other fee-in-lieu-of-taxes that would have been due and payable with respect to such real and personal property but for the location of such real and personal property within such park (each, a "Fee Payment"); and

WHEREAS, the County, acting by and through its County Council is authorized by Title 4, Chapter 1 of the Code of Laws of South Carolina 1976, as amended, including Sections 4-1-170 and 4-1-175 thereof, and Title 4, Chapter 29 of the Code of Laws of South Carolina 1976, as amended, including Section 4-29-68 (collectively, the "SSRC Act"), and Article VIII, Section 13 of the South Carolina Constitution (i) to provide credits ("Special Source Revenue Credits" ("SSRC")) for the purpose of defraying certain costs, including, without limitation, the cost of designing, acquiring, constructing, improving, or expanding the infrastructure serving the County or the Project (defined herein) and for improved and unimproved real estate and personal property, including machinery and equipment, used in the operation of a manufacturing facility or commercial enterprise, all to enhance the economic development of the County; and (ii) to expand, in conjunction with one or more other counties, a multi-county industrial park in order to facilitate the grant of SSRCs; and

WHEREAS, the Company is planning an investment consisting of the expenditure of approximately \$7,109,000 in taxable investment ("Investment") in connection with the acquisition by construction, lease, and/or purchase of certain land, buildings, furnishings, fixtures, and/or equipment and the creation of approximately 42 new, full-time jobs for the purpose of establishing its headquarters, as well as a warehousing and assembly facility supporting the aerospace, defense and space industry in the County (collectively, the "Project"); and

WHEREAS, the Project will be located on real property located entirely in the County of Beaufort, with improvements thereon, which is described more fully in Exhibit A, attached hereto ("Project Site"); and

WHEREAS, the County Council has determined that the Credit Agreement is an appropriate instrument to induce the Company to invest in the Project and create jobs in the County.

NOW, THEREFORE, IN CONSIDERATION of the respective representations and agreements contained in this Credit Agreement, the parties agree to the following:

Section 1. Representations of the Company and County.

<u>Section 1.1</u> The Company makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) The Company is a limited liability company duly organized, validly existing, and in good standing, under the laws of the State of [____], has power to enter into this Credit Agreement, and by proper corporate action has been duly authorized to execute and deliver this Credit Agreement.

(b) The Company is or intends to become the owner of the Project Site.

(c) This Credit Agreement has been duly executed and delivered by the Company and constitutes the legal, valid, and binding obligation of the Company, enforceable in accordance with its terms except as enforcement thereof may be limited by bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights generally.

(d) Neither the execution and delivery of this Credit Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Credit Agreement, will result in a material breach of any of the terms, conditions, or provisions of any corporate restriction or any agreement or instrument to which the Company is now a party or by which it is bound, or will constitute a default under any of the foregoing, or result in the creation or imposition of any lien, charge, or encumbrance of any nature whatsoever upon any of the property or assets of the Company, other than as may be created or permitted by this Credit Agreement.

(e) The agreement of the County to enter into this Credit Agreement and provide the SSRCs has been instrumental in inducing the Company to make the Investment in the Project.

<u>Section 1.2</u> The County makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) The County is a body politic and corporate and a political subdivision of the State which acts through the County Council as its governing body and by the provision of the Act is authorized and empowered to enter into the transactions contemplated by the Credit Agreement and to carry out its obligations hereunder. The County has duly authorized the execution and delivery of this Credit Agreement and any and all other agreements described herein or therein. (b) Neither the execution and delivery of this Credit Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Credit Agreement, will result in a material breach of any of the terms, conditions, or provisions of any agreement or instrument to which the County is now a party or by which it is bound, or will constitute a default under any of the foregoing

Section 2. Fee Payments and SSRCs.

(a) The County grants annual SSRCs to the Company (and any assignee or Sponsor Affiliate compliant with the provisions of Section 12), for a period of twenty (20) years ("Credit Period") against each annual Fee Payment due for Investments made in the Project that have been placed into service beginning in 2024 and by December 31, 2029 ("Investment Period"). Any SSRC provided under this Credit Agreement shall be used to reimburse the Company (and any assignee or Sponsor Affiliate, as applicable) for eligible expenditures, as permitted by the SSRC Act, which includes the cost of designing, acquiring, constructing, improving, or expanding the infrastructure serving the Project and Project Site, for improved or unimproved real estate, or for machinery and equipment. In no event shall the aggregate amount of SSRCs received as of any point in time exceed the amount of the aggregate amount of expenses toward such eligible expenditures as of such time by the Company (and any assignee or Sponsor Affiliate). SSRCs shall first be deemed to apply to all Project expenses other than machinery and equipment, notwithstanding any statutory presumption to the contrary.

The SSRCs shall be calculated as follows:

Real Property Ad Valorem Tax Payment calculated as a standard	Real Property Ad
property tax without regard to this Credit Agreement	Valorem Tax Payment
Personal Property Ad Valorem Tax Payment calculated as a standard	Personal Property Ad
property tax without regard to this Credit Agreement	Valorem Tax Payment
Real Property Value (as it would be defined in Section 12-44-50	Real Property FILOT
using gross cost as the applicable fair market value) x 6%	Tax Payment
Assessment Ratio x Fixed Millage Rate of 0.259 =	
Personal Property Value (as it would be defined in Section 12-44-50,	Personal Property
to include a reduction for statutory depreciation) x 6% Assessment	FILOT Tax Payment
Ratio x Fixed Millage Rate of $0.259 =$	
(Real Property Ad Valorem Tax Payment + Personal Property Ad	SSRCs
Valorem Tax Payment) – (Real Property FILOT Tax Payment +	
Personal Property FILOT Tax Payment) =	

The SSRCs shall be applied to the first 20 payments due hereunder (provided that for each year, the SSRC calculation above results in a positive number).

(b) In order to assist the County in preparing the annual tax bills, the Company (and any assignee or Sponsor Affiliate, as applicable) shall file an annual certification with the County Auditor on or before August 1 of each year in the form attached hereto as <u>Exhibit B</u>. Further, the Company (and any assignee or Sponsor Affiliate, as applicable) will file separate schedules with its annual PT-300 filing (or successor form), which shall include only assets placed in service from 2024 to 2029, with the South Carolina Department of Revenue to include only assets placed in

service in the Investment Period described above. This separate schedule should be clearly and unambiguously designated as "BEAUFORT COUNTY 2024 SSRC ASSETS," and a copy of the schedules should be provided to the County Auditor each year in connection with the filing of <u>Exhibit B</u>. Failure to file a separate schedule and to provide a copy of such schedule to the County Auditor on or before August 1 of each year results in a waiver of any SSRCs due for the year of such failure.

(c) The County shall credit the annual SSRCs against the payments in lieu of tax due to the County from the Company (and any assignee or Sponsor Affiliate, as applicable).

Section 3. Minimum Investment

(a) In the event the Company does not make and maintain an Investment of at least \$2.5 million in the Project (including the investment of any assignee or Sponsor Affiliate as described in Section 12 below) within and as of the end of the Investment Period, the SSRCs as described in Section 2(a) above shall terminate both prospectively and retroactively, and the Company shall repay to the County any shortfall in the Net Fee Payments made under this Credit Agreement and the payments that would have been due and payable had this Credit Agreement not been in effect.

(b) Any amounts determined to be owing pursuant to this Section 3 shall be subject to interest at the rates in effect for the late payment of ad valorem taxes and shall be due within 180 days after the last day of the Investment Period.

Section 4. Project Shall Remain in the Park. The County shall use its best efforts to ensure that the Project, once placed in the Park, will remain in the Park for a period not less than 20 years. If, for any reason, the Park Agreement is modified to exclude the Project, or is otherwise terminated, then the County will use its best efforts to ensure that the Project shall be immediately placed into another multi-county park arrangement to which the County is party and that would enable the Company to receive the SSRCs set forth in this Credit Agreement.

Section 5. Notices. Any notice, election, demand, request, or other communication to be provided under this Credit Agreement shall be effective when delivered to the party named below or three business days after deposited with the United States Postal Service, certified mail, return receipt requested, postage prepaid, addressed as follows (or addressed to such other address as any party may subsequently furnish, in writing to the other party), except where the terms hereof require receipt rather than sending of any notice, in which case such provision shall control:

AS TO THE COUNTY:	Beaufort County, South Carolina Attn: County Administrator 100 Ribaut Road Beaufort, SC 29902
WITH A COPY TO:	Haynsworth Sinkler Boyd, P.A. Attn: Will Johnson P.O. Box 11889 Columbia, SC 29211-1889 Wjohnson@hsblawfirm.com

AS TO THE COMPANY:	Project Micro Attn: President [] []
WITH A COPY TO:	[]

Section 6. Binding Effect. This Credit Agreement is binding, in accordance with its terms, upon and inure to the benefit of the Company and its respective successors and assigns. In the event of the dissolution of the County or the consolidation of any part of the County with any other political subdivision or the transfer of any rights of the County to any other such political subdivision, all of the covenants, stipulations, promises, and agreements of this Credit Agreement shall bind and inure to the benefit of the successors of the County from time to time and any entity, officer, board, commission, agency, or instrumentality to whom or to which any power or duty of the County has been transferred.

Section 7. Counterparts. The parties may execute this Credit Agreement in any number of counterparts, in original or by PDF, facsimile, or electronic means, and all of the counterparts taken together shall be deemed to constitute one and the same instrument.

Section 8. Governing Law. This Credit Agreement and all documents executed in connection with this Agreement are construed in accordance with and governed by the laws of the State of South Carolina. To the extent of any conflict between the provisions of this Credit Agreement and the SSRC Act, the SSRC Act controls.

Section 9. Amendments. The parties may modify or amend this Credit Agreement only in a writing signed by the parties.

Section 10. Further Assurance. From time to time, the County shall execute and deliver to the Company any additional instruments as the Company reasonably requests to evidence or effectuate the purposes of this Credit Agreement, subject to any approvals required to be obtained from County Council.

Section 11. Severability. If any provision of this Credit Agreement is illegal, invalid, or unenforceable for any reason, the remaining provisions remain unimpaired and any illegal, invalid, or unenforceable provision are reformed to effectuate most closely the legal, valid, and enforceable intent and to afford the Company with the maximum benefits to be derived under this Credit Agreement and the SSRC Act, it being the intention of the County to offer the Company the strongest inducement possible to encourage the Company to proceed with the Project in the County.

Section 12. Assignment. This Credit Agreement may be assigned in whole or in part only with the prior written consent or subsequent written ratification of the County, except than an assignment to an "Affiliate" shall not require consent (but shall require written notice to the County). An "Affiliate" is an entity or person that controls, is controlled by, or is under common

control with another entity or person. Control shall be defined as greater than 50% of the ownership interests or voting interests in an entity. Provided, any assignee must execute a Joinder Agreement in the form attached hereto as <u>Exhibit C</u> and must make separate annual certifications in the form attached hereto as <u>Exhibit B</u> as well as provide copies of its annual property tax filing to the County Auditor in the time period described in Section 2(b) above in order to receive SSRCs hereunder.

Upon execution of a Joinder Agreement in the form attached hereto as <u>Exhibit C</u>, any Sponsor Affiliate duly executing such Joinder Agreement shall be entitled to all of the benefits of this Credit Agreement, and its investments shall be aggregated with the investments of the Company for purposes of Section 3 above, provided that the Sponsor Affiliate must make separate annual certifications in the form attached hereto as <u>Exhibit B</u> as well as provide copies of its annual property tax filing to the County Auditor in the time period described in Section 2(b) above in order to receive SSRCs hereunder.

Section 13. Limited Obligation. THIS CREDIT AGREEMENT AND THE SPECIAL SOURCE REVENUE CREDITS BECOMING DUE HEREUNDER ARE LIMITED OBLIGATIONS OF THE COUNTY PROVIDED BY THE COUNTY SOLELY FROM THE FEE PAYMENTS RECEIVED BY THE COUNTY FOR THE PROJECT PURSUANT TO THE PARK AGREEMENT, AND DO NOT AND SHALL NEVER CONSTITUTE A GENERAL OBLIGATION OR AN INDEBTEDNESS OF THE COUNTY OR ANY MUNICIPALITY WITHIN THE MEANING OF ANY CONSTITUTIONAL PROVISION (OTHER THAN THE PROVISIONS OF ARTICLE X, SECTION 14(10) OF THE SOUTH CAROLINA CONSTITUTION) OR STATUTORY LIMITATION AND DO NOT AND SHALL NEVER CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE COUNTY OR ANY MUNICIPALITY OR A CHARGE AGAINST THEIR GENERAL CREDIT OR TAXING POWER. THE FULL FAITH, CREDIT, AND TAXING POWER OF THE COUNTY OR ANY MUNICIPALITY ARE NOT PLEDGED FOR THE SPECIAL SOURCE REVENUE CREDITS.

(Signature Page Follows)

7

IN WITNESS WHEREOF, the County, acting by and through the County Council, has caused this Credit Agreement to be executed in its name and on its behalf by the Chair of County Council and to be attested by the Clerk to County Council as of the day and year first above written.

BEAUFORT COUNTY, SOUTH CAROLINA

Signature: _____ Name: Joseph Passiment Title: Chairman

ATTEST:

Signature: ______ Name: Sarah W. Brock Title: Clerk to County Council IN WITNESS WHEREOF, the Company has caused this Credit Agreement to be executed in its name and on its behalf by its authorized officer as of the day and year first above written.

PROJECT MICRO

Signati	ure:	
Name:		
Title:		

Item 15.

EXHIBIT A LEGAL DESCRIPTION

EXHIBIT B ANNUAL CERTIFICATION PROJECT MICRO

Real Property Value (as it would be defined in Section 12-44-50 using gross cost as the applicable fair market value) =

Real Property FILOT Tax Payment = Real Property Value x 6% x .259 = \$_____

Personal Property Value (as it would be defined in Section 12-44-50, including reductions for depreciation) = \$_____

Personal Property FILOT Tax Payment = Personal Property Value x 6% x .259 = \$_____

Fee Payment = Real Property FILOT Tax Payment + Personal Property FILOT Tax Payment = \$_____

Compliance Notes to County Auditor:

The SSRCs should be determined by first calculating the ad valorem taxes that would be due based upon the DOR certification issued directly to the County. The SSRCs under Section 2 of the Special Source Revenue Credit Agreement dated ______, 2024 between Beaufort County, South Carolina and Project Micro (the "Credit Agreement") should be determined by subtracting the Total FILOT Tax Payment above from the ad valorem taxes that would be due based upon the ad valorem tax calculations as described in this paragraph. The difference in these figures is the Net Fee Payment, as defined in Section 2 of the Credit Agreement. The Net Fee Payment should equal the "Total FILOT Tax Payment" as defined above. The SSRCs apply for 20 years. Assuming the Company initially reports assets placed in service in the County in 2024, the SSRCs shall apply for tax years 2025-2044.

The SSRCs should be applied <u>only if</u> the Fee Payment set forth above is less than the amount of ad valorem taxes that would otherwise be due in the absence of the Credit Agreement. If the standard ad valorem tax bill would be less than the Fee Payment as calculated above for any property tax year, no SSRC is due for such year. Further, the SSRCs are only available for each year in which the Company files a separate schedule to its PT-300 filing reporting only assets placed in service from 2024 to 2029 and provides a copy of such filing to the County Auditor together with this schedule on or before August 1.

The County Auditor should check the calculation of the Total FILOT Tax Payment by determining the gross cost of all land, buildings, and building improvements listed in the Company's applicable PT-300 filing, multiplying that total by 6% and a millage rate of .259. This figure should match the Real Property FILOT Tax Payment described above. The County Auditor should then take the depreciated value of all machinery and equipment from the DOR certification (whether it is listed as exempt or non-exempt) and multiply that total by 6% and a millage rate of .259. This figure should match the Personal Property FILOT Tax Payment described above. It may be helpful for the County Auditor to provide copies of the DOR certification to the Company upon receipt in order to avoid any confusion with the calculations.

THIS CERTIFICATION SHALL BE FILED ANNUALLY WITH THE BEAUFORT COUNTY AUDITOR, 100 RIBAUT ROAD, SUITE 160, BEAUOFORT, SC 29902 ON OR BEFORE AUGUST 1 OF EACH YEAR.

EXHIBIT C

JOINDER AGREEMENT

Reference is hereby made to (i) that certain Special Source Revenue Credit Agreement dated ______, 2024 ("Credit Agreement") between Beaufort County, South Carolina ("County") and a company identified as Project Micro ("Company").

1. Joinder to Credit Agreement. The undersigned hereby (a) joins as a party to, and agrees to be bound by and subject to all of the terms and conditions of, the Credit Agreement; (b) acknowledges and agrees that (i) in accordance with Section 12 of the Credit Agreement, the undersigned has been designated as a Sponsor Affiliate by the Company for purposes of the Project and such designation has been consented to by the County in accordance with the Credit Agreement; and (ii) the undersigned shall have all of the rights and obligations of a Sponsor Affiliate as set forth in the Credit Agreement. Provided, the Sponsor Affiliate must make separate annual certifications in the form attached hereto as Exhibit B as well as provide copies of its annual property tax filing to the County Auditor in the time period described in Section 2(b) of the Credit Agreement in order to receive SSRCs thereunder.

2. <u>Capitalized Terms</u>. All capitalized terms used but not defined in this Joinder Agreement shall have the meanings set forth in the Credit Agreement.

3. <u>**Governing Law**</u>. This Joinder Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina, without regard to principles of choice of law.

4. <u>Notice.</u> Notices under Section 5 of the Credit Agreement shall be sent to:

[

IN WITNESS WHEREOF, the undersigned has executed this Joinder Agreement to be effective as of the date set forth below.

Date

Name of Entity

Signature:	
Name:	
Title:	

]

IN WITNESS WHEREOF, the Company consents to the addition of the above-named entity becoming a Sponsor Affiliate under the Credit Agreement as of the date set forth above.

Signature:	
Name:	
Title:	
Date:	

MCIP with SSRC Beaufort County <u>Project Micro</u>

	Normal	SSRC	Payments
Year	Taxes	20 Years	After SSRC
2024	\$35,260	\$1,399	\$33,862
2025	\$51,129	\$2,970	\$48,158
2026	\$74,769	\$4,933	\$69,837
2027	\$98,397	\$7,270	\$91,127
2028	\$114,181	\$9,690	\$104,491
2029	\$113,330	\$10,199	\$103,131
2030	\$113,172	\$11,012	\$102,160
2031	\$113,737	\$12,160	\$101,577
2032	\$115,061	\$13,678	\$101,383
2033	\$116,786	\$15,404	\$101,383
2034	\$118,538	\$17,155	\$101,383
2035	\$120,316	\$18,933	\$101,383
2036	\$122,121	\$20,738	\$101,383
2037	\$123,953	\$22,570	\$101,383
2038	\$125,812	\$24,429	\$101,383
2039	\$127,699	\$26,316	\$101,383
2040	\$129,615	\$28,232	\$101,383
2041	\$131,559	\$30,176	\$101,383
2042	\$133,532	\$32,150	\$101,383
2043	\$135,535	\$34,152	\$101,383
Total	\$2,214,504	\$343,566	\$1,870,938
	Assump	tions	
	Taxable L&B*	\$6,459,000	
	Taxable M&E	\$650,000	
	Millage Rate	0.2590	
	Abatable Millage	0.1368	
	Millage Growth	2%	
	Depreciation	20%	
	Max. Depr.	90%	

*This assumes the value of real property (land and building) remains stable at \$6,459,000 for 20 years.

MCIP with SSRC Beaufort County <u>Project Micro</u>

	Normal	SSRC	Payments
Year	Taxes	20 Years	After SSRC
2024	\$35,260	\$1,399	\$33,862
2025	\$51,129	\$2,970	\$48,158
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Total	\$2,214,504	\$343,566	\$1,870,938
	Assumpt	tions	
	Taxable L&B*	\$6,459,000	
	Taxable M&E	\$650,000	
	Millage Rate	0.2590	
	Abatable Millage	0.1368	
	Millage Growth	2%	
	Depreciation	20%	
	Max. Depr.	90%	

*This assumes the value of real property (land and building) remains stable at \$6,459,000 for 20 years.



ITEM TITLE:

RECOMMENDATION TO ACCEPT SCAC GRANT FOR \$750,000 FOR HXD TERMINAL IMPROVEMENT PROJECT

MEETING NAME AND DATE:

Finance, Administration & Economic Development Committee; September 23, 2024

PRESENTER INFORMATION:

Jon Rembold; Airports Director

3 minutes

ITEM BACKGROUND:

Council Resolution 2022/25 directed staff to proceed with the terminal project.

June 2022: SC Senator Davis announced to County Council this item was approved as a line item in the South Carolina Budget for FY 2023.

Beaufort County Airports Board approved the proposed resolution to accept the funding during its regular meeting held on July 18, 2024.

PROJECT / ITEM NARRATIVE:

In May 2022, South Carolina House Representative Jeff Bradley informed Beaufort County via the Hilton Head Island Airport that, because of communications between the airport team, county administration, and our state delegation, a \$750,000 line item for HXD's terminal construction was to be part of the Governor's approved budget.

As directed by the Governor's Office, this grant will be used for terminal construction and is administered through the SC Aeronautics Commission Office (SCAC). This grant does *not* require a local match.

FISCAL IMPACT:

This is a \$750,000 line item in the state's budget for the initial phase of terminal construction. It does not require a match, so there is no local fiscal impact. Further, the grant document details the funding associated with this project. These funds, since they are a budget line item, can be drawn at one time and used in support of project invoices.

The Special Allocation provides 100% of the project funding (\$750,000).

Grant Expenditures - GL Code 5402-90-0000-57130 (Only if needed.)

STAFF RECOMMENDATIONS TO COUNCIL:

Staff recommends acceptance of SCAC Grant in the amount of \$750,000 for HXD Terminal Improvement Project

OPTIONS FOR COUNCIL MOTION:

Motion to approve/deny acceptance of SCAC Grant in the amount of \$750,000 for HXD Terminal Improvement Project

Move forward to Council for Approval on October 14, 2024



PROJECT GRANT APPLICATION

(State Aid for Development of Public Airports)

SCAC Grant No:______ (Leave blank – For SCAC Use only)

Date: June 26, 2024

PART I - PROJECT INFORMATION

Grant Type being Requested (Check one):

- □ 5% State match of 90% AIP Grant
- □ 50% Terminal Building Development Grant (NTE \$500,000)
- □ 60% State Local Airport Development Grant
- □ 80% Non-NPIAS, Publicly owned, Airport Maintenance or Development Grant
- □ 90% NPIAS Airport Secondary Runway Redevelopment Grant
- □ 100% Commercial Carrier Airport Entitlement Funds
- ⊠ 100% Other <u>Special Allocation</u>

Beaufort County (herein called the "Sponsor") hereby makes application to the South Carolina Aeronautics Commission (herein designated "SCAC") for a grant of State funds pursuant to applicable statutes, regulations, and policies, for the purpose of aiding in financing a project (herein called the "Project") for the development of the <u>Hilton Head Island Airport</u> (herein called the "Airport") located in the County of <u>Beaufort</u> in the State of South Carolina.

It is proposed that the project consist of the following described airport development (Insert brief project description / title below):

Hilton Head Island Airport Terminal Improvements

all as more particularly described in the plans and specifications separately submitted to SCAC on **NOT APPLICABLE**, which are made a part hereof by reference.

PART II - REPRESENTATIONS

The Sponsor hereby represents and certifies as follows:

- 1. Legal Authority. The Sponsor has the legal power and authority:
 - (A) To do all things necessary to undertake and carryout the Project in conformity with the applicable statutes, regulations, and policies;
 - (B) To accept, receive and disburse grant funds from the State of South Carolina in aid of the project on the terms and conditions stated in the applicable statutes, regulations, policies, and proposed grant agreement, and;
- Funds. The Sponsor now has on deposit \$0.00 for use in defraying the costs of the Project. The present status of these funds is as follows: in the Hilton Head Island <u>Airport Capital fund</u>.

The Sponsor hereby designates (insert name and job title of staff member): **Brian Cronin, Airports Finance Manager** to receive payments representing SCAC's share of the Project costs.

> Jon Rembold, C.M. Printed Name of Sponsoring Agency's Representative

Signature of Sponsoring Agency's Representative

Airports Director Representative Title

Item 16.

ATTACHMENT A

THE FOLLOWING IS A SUMMARY OF THE ESTIMATED COSTS OF THE PROJECT:

ITEM	TOTAL ESTIMATED COST	ESTIMATED SPONSOR'S SHARE OF COST	ESTIMATED FEDERAL SHARE OF COST	ESTIMATED STATE SHARE OF COST
		AMOUNT	AMOUNT	AMOUNT
1. PLANNING COST	\$0.00	\$0.00	\$0.00	\$0.00
2. LAND COST	\$0.00	\$0.00	\$0.00	\$0.00
3. CONSTRUCTION COST	\$750,000.00	\$0.00	\$0.00	\$750,000.00
4. ENGINEERING COST	\$0.00	\$0.00	\$0.00	\$0.00
5. ADMINISTRATIVE COST	\$0.00	\$0.00	\$0.00	\$0.00
6. MISCELLANEOUS	\$0.00	\$0.00	\$0.00	\$0.00
7. TOTAL ALL ESTIMATED PROJECT COSTS	\$750,000.00	\$0.00	\$0.00	\$750,000.00

ATTACHMENT B

DOCUMENTATION SUPPORT

1. Is this project a result of facility requirements determined by a Master Plan, Airport Layout Plan (ALP), the South Carolina Airport System Plan, or a revision to the ALP? X Yes _____ No

If so, indicate FAA or SCAC approval date: September 2011

- 2. Does this project require an Environmental Impact Assessment (EIAS) report under the National Environmental Policy Act of 1969 (NEPA)? <u>X</u> Yes _____ No
- 3. Status of EIAS <u>Finding of No Significant Impact/Record of Decision for Terminal Are Improvements at</u> <u>Hilton Head Island Airport – April 23, 2020</u>
- Have all previous projects that involved federal and / or state funds been completed?
 Yes X No (List all Open Federal and State Grants below)

3-45-0030-045-2019	
3-45-0030-047-2021	
3-45-0030-050-2022	23-019; 23-029
3-45-0030-051-2022	
3-45-0030-052-2022	
3-45-0030-053-2023	
3-45-0030-054-2023	23-030
	23-025
	23-063
	24-001

- 5. If the State is unable to participate to the extent requested, what is the Sponsor's ability to fund a share greater than the State match? **Sponsor's ability to match is limited**
- 6. Name of Regional Planning Council which airport is located: Lowcountry Council of Governments
- Has Federal Application Form 424 been submitted to the Inter-agency Council on Public Transportation (State Clearinghouse) in accordance with Section 57-3-1050?
 Yes X
- 8. The following action has been taken by the local governing body to provide steps toward protective zoning of the airspace and land surrounding the airport. Describe actions by the Sponsor and governing body related to land use planning and zoning ordinances.

Town of Hilton Head Island Land Management Ordinance

9. Anticipated date construction or planning / design project is to commence:

Start Date: February 2024 Ending

Ending Date: February 2026

ENCLOSURES

1. Project Justification Statement/Document

This project is Phase I of Commercial Service Terminal Renovations and Expansion program which involves the renovation and expansion of the commercial service terminal at the Hilton Head Island Airport to accommodate existing and future airline passenger demands on passenger terminal facilities.

These improvements will expand the existing 18,515 square foot terminal facility to an approximately 67,000 square foot facility. The expansion will include airline ticket counter and passenger queueing areas, airline ticket office areas, TSA baggage screening areas, bag make up areas, TSA passenger security checkpoint areas, passenger holdroom and gate areas, baggage drop-off and baggage claim areas with two new baggage carousels, public restrooms, circulations areas, pre-security and post security food, beverage and retail concession areas and office areas.

This project will also include renovations and improvements to the baggage claim area and various improvements to the finishes throughout the terminal.

Construction phase services required during the commercial service terminal improvements are also included in the project.

Phase I includes the construction of TSA passenger security checkpoint areas, passenger holdroom and gate areas, and post security food, beverage and retail concession areas and office areas.

Project Objective:

This project objective is to enhance capacity at the Airport by providing the necessary space to process existing and future passenger activity in an efficient manner.

Project Justification:

This project is necessary to address the inadequate capacity of the existing passenger terminal building. The existing passenger terminal size and facilities are unable to process existing and future passenger volumes in a suitable manner. This inadequacy is the result of the significant increase in passenger activity at the Airport following completion of the 700-foot runway extension project in July 2018. In less than one year after the completion of the runway extension, the Airport has increased from a single airline, single market facility to a thriving facility served by three network airlines serving seven markets.

In addition to the increased airline service, American Airlines (AA) transitioned from Bombardier Q200 and Q300 turboprop aircraft to Embraer (E) 175 regional jets in July 2018 serving Charlotte-

Douglas International Airport (CLT) with three daily flights and added weekend flights to Ronald Reagan Washington National Airport (DCA) in May 2019.

United Airlines (UA) started seasonal (April through mid-September) service with Embraer 175 aircraft in late March 2019 with two daily flights to Washington Dulles International Airport (IAD) and weekend service to Chicago O'Hare International Airport (ORD) and Newark Liberty International Airport (EWR).

Delta Air Lines (DL) started service in May 2019 with Embraer 170 aircraft, providing three daily flights to Hartsfield-Jackson Atlanta International Airport (ATL) and seasonal (June through August) weekend service to LaGuardia Airport (LGA, June 2019).

The commercial service airline schedule at HXD currently includes 14 daily weekday flights and 24 weekend flights to CLT, ORD, EWR, LGA, ATL, PHL, DCA, BOS.

In 2017, the last full year of commercial turboprop service to Hilton Head Island, enplanements were 26,220. Projections of annual enplanements reflecting the expanded service, were approximately 180,000. That projected increase in enplanements developed very quickly following the completion of the runway extension project, the increase in airlines serving the Airport and the transition of aircraft fleet mix at the Airport from Dash 8 turboprops to the EMB-170/175 jet aircraft.

The airport intends to use the \$750,000 allocated by the South Carolina legislature in 2023 to the Phase I construction of the terminal building.

2. Request-for-Aid/Project Sketch –

June, 2024 Construction Update



HILTON HEAD ISLAND AIRPORT Phase 1 Terminal Improvements June 2024 Stakeholder Update



KEY WORK ITEMS ACCOMPLISHED

(April 22nd-June 6th)

- Surface wall installed and grouted
- Slab poured and cured (lower)
- Slab prep and grading complete (upper)
- Arrival/Departure lanes palm trees and shrubs removed
- Curbing for new entrance lane complete
- Underground facilities under entrance lane removed and reconfigured
 - Stormwater piping

PROGRESS PHOTOS



Surface/Slab wall, pre–Slab Pour



"Lower" Slab Pour



PROGRESS PHOTOS



"Upper" Slab Grading





Arrival Lane Demo

PROGRESS PHOTOS



Entrance Lane Curb Installation



Entrance Lane Underground Work

MILESTONE SCHEDULE

y ID	Area	Activity Name		Remaining	Start	Finish	Free	Total								-	2024											2025	
			Duration	Duration			Float	Float	s o	xa	ND	Jan	F	Mar /	4pr	MJ	un J	i Au	g S	Oc	t N	D	Jan	FA	Aar A	pr 1	M Ju	n Ju	Ā
Milestone	:5		627	501	14-Sep-23A	27-Feb-26	0	0				1						1	T		1							1	
Contract	Milestone	s	888	28	14-Sep-23A	27-Feb-28	0	0		1	1				1	1		İ.				1	1	1	1	1	1	İ.	1
No Area			898	28	14-Sep-23A	27-Feb-28	0	0		i.	i.	1		1	i	- i	i.	i.	1	i	1	i.	11	i	i.	i.	i.	1	1
CM1000		Owner Contract Execution	0	0	14-Sep-23A) (v	vner	Contrac	Exe	outio																
CM1010		Notice to Proceed	0	0	01-Feb-24A				11	1	1	1	No	ice to	Prito	eed	i.	1	1	1	1	1	11	1	1	1	i.	1	1
CM1020		Substantial Completion	0	0		30-Jan-28	0	0		1		1			1	1	1	1	1	1	1	1		1	1	1	1	1	1
CM1030		Final Completion	0	0		27-Feb-28	0	0	11	1	1	1			1	1	1	1		1	1	1	1		1	1	1	1	1
Project N	lilestones		414	377	22-Jan-24A	02-Sep-25	0	104		ł					ł	1						1	11	1	1	1	1	1	
No Area					22-Jan-24A	02-Sep-25					1											1							
PM1000		New Temporary Airside Access Gate #1A Open	0	0		22-Jan-24 A					1	•	New	Temp	orary	Airbo	leÅo	elas (iate #	#A (Den	1					1	1	
PM1010		Existing Airside Gate #1 Closure	0	0	23-Jan-24 A				11	T			Exis	ngÂi	side	Gale	#10	osure		1	1	1		1	1	T	1	1	1
PM1020		Employee & Cell Phone Lot Closed	0	0	05-Feb-24A					1	1		♦ E	ploye	e i (Delli F	hdhe	List C	kdsed	1	1	1			1	1	1		
PM1030		Existing Baggage Canopy/Entrance Closure	0	0	28-Feb-24A					1	1		٠	Exist	ing B	agga	ge C	nppy	Entra	ance	Close	æ	1		1				
PM1040		Existing Baggage Canopy/Entrance Re-Open	0	0		08-Mar-24	0	25		1	1			Ele	istinig	Bab	ade	Calnop	уEп	tiano	e Re	Oper		1	1				
PM1050		Existing Main Ent. Canopy/Entrance Closure	0	0	11-Mar-24		0	25				I) Ex	istidg	Mair	Eht	Cano	py/Er	tan	à	sure							1
PM1070		Existing Main Ent. Canopy/Entrance Re-Open	D	0		14-Mar-24	0	25	11	T		T		• E	isting	Mai	n Ent	Çanı	py/E	ritrar	de R	e Op	en i	1	1	1	T	1	T
PM1080		Existing Toketing Canopy/Entrance Closure	D	0	15-Mar-24		0	25						♦ þ	visting	Tiek	etikg	Cano	pylEr	rtjano	a Cic	sure					1		1
PM1080		Public Parking Partial Closure	D	0	28-Mar-24		0	10		1	1			٠	Publi	c Par	kirig i	atial	Clos	ute -	1	1			1				1
PM1090		Existing Ticketing Canopy/Entrance Re-Open	0	0		28-Mar-24	25	25		1	1			٠				g Car			nce l	te 0	pen				1		1
PM1100		Employee Lot Re-Open	D	0		02-May-24	0	0	LL	1		<u> </u>						Lot F			1	<u> </u>	1				1		<u> </u>
PM1110		Traffic Shift to Outside West/South Entrance Road Realignment	0	0		02-May-24	0	0		1					+	Traf	c \$hi								ad Pe	ealign	ment		
PM1120		East Airside Gate #32 Closure	0	0		15-Aug-24	0	0		1	1				1		1	1.	1		1	1	32 CA		1	1		1	1
PM1130		Traffic Shift to North Lanes Entrance Road Realignment	0	0		15-Aug-24	0	0		1	1	1			1		1				1	i .	; ;	is Ent	ranpe	Read	Fea	ignm	int .
PM1140		Public Parking Re-Open	0	0		20-Aug-24	67	366		1	1	1				1		14	Pul	bio P	attin	Re	Open	1	1	1	1	1	1

POUR AND CURE UPPER SLAB

- MANAGE TRAFFIC PATTERN CHANGES
- BUILD AND PREP FOR FINAL FOOTER ENCROACHING ARRIVAL LANE
 - BUILD NEW ENTRANCE ROAD
 - PREP STEEL AND BEGIN GROUND UP CONSTRUCTION

NEAR-TERM LOOK-AHEAD

.....

IMPORTANT COORDINATION ITEMS

- Coordination with terminal tenants & customers for parking disturbances
 - Parking and traffic flow impact for 2 to 4 months
 - Website, social media updates
- Traffic Control and night work monitoring
- Summer season push Airport Ambassadors on duty







3. Engineer's Estimate of Construction Cost -

Phase I Project Cost (Under Contract)	\$39,108,163
AIP Grants Existing:	
Grant # 3-45-0030-045-2019	\$10,000,000
Grant # 3-45-0030-045-2022	\$11,626,638
State Grants:	
Grant 23-019	\$3,000,000
Grant 23-029	\$12,000,000
Grant TBD:	\$750 <i>,</i> 000
Airport:	\$2,157,881

4. Copy of Federal Application Form 424 (if this request is associated with a FAA AIP Grant) -

Not Applicable

RESOLUTION 2024/

A RESOLUTION TO ACCEPT SCAC GRANT FOR THE HILTON HEAD ISLAND **AIRPORT (HXD) TERMINAL IMPROVEMENT PROJECT**

WHEREAS, Council approved the Hilton Head Island Airport to undergo major renovations in Resolution 2022/25 which included a project involving the renovation and expansion of the commercial service terminal at the Hilton Head Island Airport; and

WHEREAS, Phase I includes the construction of TSA passenger security checkpoint areas, passenger hold room and gate areas, and post-security food, beverage, and retail concession areas and office areas; and

WHEREAS, the South Carolina Aeronautics Commission (SCAC) has approved a grant for the Hilton Head Island Airport which will be used to fund Phase I of the Hilton Head Island Airport Terminal Improvement Project; and

WHEREAS, the total SCAC grant is \$750,000 for use in the construction of TSA passenger security checkpoint areas, passenger hold room and gate areas, and post-security food, beverage, and retail concession areas and office areas; and

WHEREAS, the SCAC grant will provide 100% of the total project cost for the construction of TSA passenger security checkpoint areas, passenger hold room and gate areas, and post-security food, beverage, and retail concession areas and office areas.

NOW, THEREFORE, BE IT RESOLVED that Beaufort County Council, duly assembled, does hereby authorize the County Administrator to accept SCAC Grant funding for the Hilton Head Island Airport Terminal Improvement Project.

Adopted this _____ day of _____, 2024

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: ______ Joseph Passiment, Chairman

ATTEST:

Sarah W. Brock, Clerk to Council

Approved by S Parry 7/24/2024



ITEM TITLE:

Recommend approval of a contract change order for an additional \$10,958.49 in funding for the completion and closeout of the Fire Station 34 Project.

MEETING NAME AND DATE:

Finance, Administration, and Economic Development Committee – September 23, 2024

PRESENTER INFORMATION:

Hank Amundson, Special Assistant to the County Administrator (5 minutes)

ITEM BACKGROUND:

Station 34 in Okatie was brought to Public Facilities & Safety Committee for approval of an extension and budget approval in September of 2023. Council approved a change order of \$195,191.75, and added \$101,793.00, bringing the total contract total to \$1,449,184.75.

The Project Team worked with the Contractor to reach substantial completion to achieve occupancy and satisfaction with the project.

The project did not officially close-out until later in the year due to generator delivery/install and a request by the County to receive final as-built plans from the Contractor for future maintenance.

Upon the receipt of final billing in late July, 2 final change orders, totaling \$10,958.49, were presented for unforeseen floor repair discovered in the final renovation process. After investigating, Staff at the time authorized the action. These actions have been deemed legitimate by current staff and a 3rd party contractor. The Change order total is \$10,958.49.

This amount would normally not need to come to Committee of Council for approval, however, since the previous contingency was exceeded and the contract amount increased by Council in December, this final expense does require approval.

PROJECT / ITEM NARRATIVE:

This project has been a rocky one with high staff turnover and contractor disputes. This final request will close the project out and the County and Bluffton Township are satisfied with the final product.

FISCAL IMPACT:

\$10,958.49 to be paid from Account # 4000-80-1330-54420 CIP Contingency Fund

STAFF RECOMMENDATIONS TO COUNCIL:

Staff recommends approval of an additional \$10,958.49 in funding for the completion and closeout of the Station 34 Project

OPTIONS FOR COUNCIL MOTION:

MOTION TO APPROVE/DENY **"Recommend approval of an additional \$10,958.49 in funding for the completion and closeout of the Station 34 Project**"

MOVE FORWARD TO COUNCIL FOR FIRST APPROVAL ON OCTOBER 14, 2024

ltem 17.

able only to the Contractor ut prejudice to any rights of				
able only to the Contractor ut prejudice to any rights or		U220,173.27		NET CHANGES by Change Order
able only to the Contracto	named defelit. Issualice, paying it and accordance of paying it with the minimum projector of any reasons the contract		4 2	
while only to the Contracto		\$43,500.00	\$269.643.24	TOTALS
	This Casting is not accelering The AMOINT CERTIFIED is now	\$0.00	\$10,958.49	Total approved this Month
	By: Date:	\$43,500.00 E	\$258,684.75	Total changes approved in previous months by Owner
	ARCHITECT:	DEDUCTIONS A	ADDITIONS	CHANGE ORDER SUMMARY
with the amount certified.)	(Attach explanation if amount certified aijlets from the anomic applied. Timus we reason on the Application and on the Continuation Sheet that are changed to conform with the amount certified.)	\$0.00		(Line 3 less Line 6)
sign the second states and the second				9. BALANCE TO FINISH, INCLUDING RETAINAGE
	entitled to payment of the AMUUNI CERTIFIED.	\$197,185.91 e		8. CURRENT PAYMENT DUE
nts, and the Contractor i	quality of the Work is in accordance with the Contract Documents, and the Contractor is	٩		(Line 6 from prior Certificate)
r that to the best of the persed as indicated, the	in accordance with the Contract Documents, based on our-site cosservations and the comprising this application, the Architect certifies to the Owner that to the best of the Architect's browledge information and belief the Work has progressed as indicated, the	\$1,262,957.33	17 21 14 16 16 2 4 4 5 5 5 16 16 6 6 9 5 17 9 1	(Line 4 Less Line 5 Total) 7, LESS PREVIOUS CERTIFICATES FOR PAYMENT
hearing and the data	ARCHITECT'S CERTIFICATE FOR PAYMENT	\$1,460,143.24		6, TOTAL EARNED LESS RETAINAGE
	My Commission expires: June up, 2032	\$0.00	f G703)	Total Retainage (Lines 5a + 5b or Total in Column 1 of G703)
	cI	\$0.00		b. <u>0.00</u> % of Stored Material (Column F on G703)
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	Subscribed and sworn to before	S		a. 0.00 % of Completed Work
¥	County of: Dorchester	0		5. RETAINAGE:
	State of: South arolina	1-10	1 G703)	TOTAL COMPLETED & STORED TO DATE (Column G on G703)
July 12, 2024	By: JADONA Date:			2. NEI CHANGE DI CHANGE CHUCHS
	payilipits received inviti the Cwitici, and that entrous by invest success in the one of the contraction of	\$776 143 74 C		
amounts have been paid amounts have been paid ayment were issued and whethere is now due			nection with the Con	Application is made for payment, as shown below, in connection with the Contract. AIA Document G703 [®] , Continuation Sheet, is attached.
Contractor's knowledge	The undersigned Contractor certifies that to the best of the Contractor's knowledge,	·	AYMENT	CONTRACTOR'S APPLICATION FOR PAYMENT
OTHER :		Seabrook, SC 29440		
		2 Fire Station Lane		N Charleston, SC 29418
CONTRACTOR:	CONTRACT DATE: January 13, 2022	Email Beaufort Design Build		FROM Brantley Consuction Services, LLC
ARCHITECT:	CONTRACT FOR: General Constructionn	Bluffton, SC		Beaufort, SC 29906
Distribution to: OWNER: X	rive PERIOD TO: July 12, 2024	Sun City EMS/Fire Renovations 25 Williams Pope Drive	PROJECT:	TO OWNER: Beaufort County Facility Management 120 Shanklin Road
			yment	Application and Certificate for Payment
_		- 1992	nt G702	ALA Document G702 – 1992



FLOOR EPOXY DAMAGE





ltem 17.



ITEM TITLE:

Recommend Approval of demolition of the Agnes Major Community Center to be performed by Public Works.

MEETING NAME AND DATE:

Finance, Administration and Economic Development Committee – September 23, 2024

PRESENTER INFORMATION:

Hank Amundson, Special Assistant to the Administrator (5 mins)

ITEM BACKGROUND:

Beaufort County has issued an RFQ for Design-Build services for a new Agnes Major Community Center and are currently interviewing firms for this work. In anticipation of this new construction, the old building must be demolished. We plan to self-perform this demolition through Public Works and require Committee and Council approval to move forward as this is a Beaufort County facility.

PROJECT / ITEM NARRATIVE:

Demolition at the existing Agnes Major Community Center will be the first phase of development for the design & construction of a new community Center. Staff is currently interviewing the top two candidates for the Design-Build phase of the long-awaited project.

FISCAL IMPACT:

None

STAFF RECOMMENDATIONS TO COUNCIL:

Staff recommends approval of this demolition project to make way for a new community Center.

OPTIONS FOR COUNCIL MOTION:

Motion to approve/deny recommendation of Demolition.

Next Step: move forward to County Council on October 14, 2024, to approve Agness Major Community Center building demolition.





ITEM TITLE:

RECOMMEND APPROVAL OF A RESOLUTION AUTHORIZING THE COUNTY ADMINISTRATOR TO ENTER INTO A FACILITY USE AGREEMENT WITH THE BEAUFORT COUNTY SCHOOL DISTRICT

MEETING NAME AND DATE:

Finance, Administration & Economic Development Committee; September 23, 2024

PRESENTER INFORMATION:

Eric Brown; Director of Parks and Recreation

5 Minutes

ITEM BACKGROUND:

PROJECT / ITEM NARRATIVE:

Beaufort County ("County") has an established Beaufort County Parks and Recreation Program ("Parks and Recreation") with a goal to develop programs that enrich the lives of County citizens by providing exceptional, recreational and cultural programs and services. The Beaufort County School District ("District") promotes a well-administered and comprehensive athletic program that is believed to be essential to young people's overall development, and where its well-designed athletic program meets the needs of a diverse student population. The Parties desire to enter into a Facility Use Agreement in order to allow for the use of athletic fields owned by both Parties. This will provide a greater number of athletic fields resulting in the scheduling of practices and games at times which are beneficial to students and more accommodating to all citizens.

FISCAL IMPACT:

No financial impact.

STAFF RECOMMENDATIONS TO COUNCIL:

Staff recommends Council approve authorizing the Administrator to enter into a Facility Use Agreement with the Beaufort County School District.

OPTIONS FOR COUNCIL MOTION:

Motion to recommend approval or disapproval to County Council to authorize the County Administrator to enter into the Agreement.

Move forward to Council.

RESOLUTION 2024/____

A RESOLUTION AUTHORIZING THE COUNTY ADMINISTRATOR TO ENTER INTO A FACILITY USE AGREEMENT WITH THE BEAUFORT COUNTY SCHOOL DISTRICT

WHEREAS, Beaufort County ("County") has an established Beaufort County Parks and Recreation Program ("Parks and Recreation") with a goal to develop programs that enrich the lives of County citizens by providing exceptional, recreational and cultural programs and services;

WHEREAS, Parks and Recreation develops, oversee, and organizes recreational programs for the citizens of Beaufort County, including but not limited to, soccer, baseball, basketball, flag football and lacrosse. Each of these programs require the use of athletic facilities which are currently only owned and operated by the County;

WHEREAS, the Beaufort County School District ("District") promotes a well-administered and comprehensive athletic program that is believed to be essential to young people's overall development, and where its well-designed athletic program meets the needs of a diverse student population; and

WHEREAS, the County and District desire to enter into a Facility Use Agreement ("Agreement"), in order to establish a cooperative relationship where fields owned by either entity will be available for use and in accordance with terms substantially similar to the terms provided in Exhibit A, attached hereto and incorporated herein by reference: and

WHEREAS, the County and District have determined that by entering into the Agreement, each entity will have access to a greater number of athletic fields resulting in the scheduling of practices and games at times which are beneficial to students and more accommodating to all citizens; and

WHEREAS, Beaufort County Council finds that it is in the best interest of the citizens and residents of Beaufort County for the County Administrator to enter into a field use agreement with the Beaufort County School District.

NOW, THEREFORE, BE IT ORDAINED that Beaufort County Council, duly assembled, does hereby authorize the County Administrator to enter into a Facility Use Agreement with the Beaufort County School District which is attached as Exhibit A.

Adopted this _____ day of _____, 2024.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: _____ Joseph Passiment, Chairman

ATTEST:

Sarah W. Brock, Clerk to Council

EXHIBIT A

STATE	OF	SOUTH	CAROLINA	

COUNTY OF BEAUFORT

FACILITY USE AGREEMENT

THIS FACILITY USE AGREEMENT (hereafter the "Agreement"), made as of this _____ day of _____2024 ("Effective Date"), by and between the **Beaufort County School District of Beaufort** County, South Carolina (hereafter the "District"), and **Beaufort County**, a political subdivision of the State of South Carolina for use by Beaufort County Department of Parks and Recreation (hereafter the "County"); collectively hereinafter referred to as the "Parties" and individually the "Party".

))

)

WHEREAS, the Parties have enjoyed a cooperative use of District and County athletic facilities covered under this Agreement for the mutual benefit of the Parties, and the greater Beaufort County community; and

WHEREAS, the Parties desire to continue to work cooperatively to maximize the use, community benefits, and economic return of these facilities for the students, citizens, and taxpayers; and

WHEREAS, the Parties desire to memorialize their agreement as to how the athletic facilities will be used cooperatively and in good faith, in the best interest of the people of the County and District.

NOW THEREFORE, in consideration of use of the Facilities and intending to be legally bound, the Parties agree as follows:

- 1. <u>Facilities</u>. This Agreement covers any athletic facility, field, or concession stand owned and operated by the District or the County ("Facility" or "Facilities"). For purposes of this Agreement, a Facility does not include any school building or any use of a school building other than parking lots, unless otherwise agreed upon in writing by the Parties; and does not include any building owned or operated by the County.
- 2. <u>Term.</u> The initial term of this Agreement shall cover a period of one (1) year, commencing on the Effective Date, unless terminated sooner pursuant to the previsions of this Agreement. The Parties shall have four (4) consecutive one-year options to renew for a maximum of five (5) years. The renewal terms will occur automatically unless a Party provides a thirty (30) day written notice prior to the expiration of the current term. Any term after the initial term described in this Agreement shall hereinafter be referred to as a "Renewal Term".
 - 2.1. *Renewal Exception.* A term shall not renew if either Party fails to supply satisfactory evidence of compliance with the criminal history and sexual offender registry checks required in Section 10.4 of this Agreement. Registry checks shall be made available if requested by either Party.
- **3.** <u>General Agreement.</u> The Parties generally agree to apply the terms and conditions of this Agreement flexibly and reasonably in order to maximize the benefit to the public, and accommodation of the other. As cooperative governmental partners acting in benefit of public health, safety and welfare, each Party is expected to continue to make reasonable exceptions and modifications to accommodate the goals and needs of the other Party. The Parties agree that no fees will be charged to a Party for the use of any Facility with the only exception being if the use is for the purpose of hosting a tournament.

Either Party may deny use of a field based on unsuitable field conditions, fields undergoing restoration, or any time health, safety and welfare concerns exist.

4. <u>Priority of Use.</u> The District agrees that the County shall have priority use of its Facilities over any third party. The County agrees that the District shall have priority use of its Facilities over any third party. To ensure priority of use, the use of Facilities should be scheduled as far in advance as possible but no later than thirty (30) calendar days prior, or as otherwise provided by this Agreement, and all scheduling should be communicating through the Designees and in accordance with Section 5.

5. <u>Scheduling.</u>

- 5.1 *Scheduling Generally.* The Parties agree that requests for use of Facilities shall be sent through electronic mail as far in advance as possible but no later than thirty (30) calendar days prior to the requested date. If this is not possible, Designee shall be notified as soon as reasonably possible. Parties agree the each will provide a complete list of Facilities available for use and will provide an updated list if at any time changes are made to the list.
- 5.2 *Scheduling Exceptions*. No use of a District owned Facility may be scheduled during school hours without the District's prior written permission. The District reserves the right to reschedule use of its fields as needed for its postseason games. The Parties agree to work cooperatively to re-schedule make-up games at the first opportunity available, where the request for make-up games should be made as far in advance as possible.
- 5.3 *Designee, Communication and Notices.* Each Party shall appoint a designee ("Designee") and provide the other Party with said designee's contact information if different than the contact provided in Section 17. Each Designee shall be responsible for submitting written requests for use of Facilities, reviewing and approving requests of the other Party, and coordinating the use of all Facilities pursuant to the terms of this Agreement. All notices should be sent according to Section 17 unless different contact information has been provided; but in the case of electronic mail failure, any form of recorded actual notice will be acceptable. For purposes of this Section, any informal coordination must be confirmed by electronic mail to the respective Party. In the case of electronic mail failure, any form of recorded actual notice will be acceptable.
- 6. <u>Field Preparation and Use.</u> Each Party, through themselves or its Grounds Contractor, shall prepare the fields by dragging and lining prior to scheduled preseason, regular season and post season games or any other needs. The Parties agree that lining of fields are only required for games, not practices. Any damage done to the field or equipment caused by the respective Party or Grounds Contractor shall be repaired or replaced by the using Party.

The Parties agree that metal cleats will not be permitted to be worn during the use of portable mounds on any baseball or softball fields.

7. Facility Utilities, Parking, Revenue and Fees.

- 7.1 *Utilities.* The District shall pay utilities for Facilities owned by the District. The County shall pay utilities for Utilities owned by the County.
- 7.2 *Parking*. The Parties agree to make parking available when a Facility is being used by either Party. Parking shall be at no cost to the using Party. There shall be no charge to users, participants, citizens, or any other party when a County Facility is being used.
- 7.3 *Concessions*. The District has the right of first refusal to provide concessions at District owned

facilities. The County has the right of first refusal to provide concessions at County owned facilities. During times in which a Party is using Facilities that concessions are necessary, and the owner chooses not to provide concessions, the Party using the Facility can choose to provide concessions outside of the owner's concession Facility.

- 7.4 *Facility Rental.* Facilities may not be rented to a third party without prior written consent of both Parties, and the specific terms must be memorialized by a separate agreement.
- 7.5 *Facility Revenue*. Each Party will receive all revenues, including, but not limited to, gate admissions, broadcasting rights, and sponsorships from events scheduled by said Party. The aforementioned revenues may be used at the Party's discretion. There shall be no entry fees charged when using a County Facility.
- 7.6 *Fees and Charges*. Neither Party will be charged by the other for the use of Facilities. Neither Party will be charged for custodial services or supplies during the use of Facilities, with the exception of the custodial cost for the use of Facilities for tournaments. If a Facility is used for a tournament, then the Facility owner will provide custodial services and issue an invoice for cost of custodial services to the using Party within thirty (30) days of the scheduled use of the Facility.
- 7.7 *Security.* The Parties are required to provide security when recommended by law enforcement. The District will provide security when using County fields for school games and District events. A County staff member or District staff member will be required to be present at all times during use of Facilities.
- 8. <u>Required Training for Use.</u> The Parties agree that all coaches are required to be CPR/AED certified and receive training in the following: Heat Illness Prevention, Concussion in Sports, Sudden Cardiac Arrest, Protecting Students from Abuse, and Crowd Manager Training.

9. Insurance & Liability.

- 9.1 Insurance. Each Party shall provide the other Party with a Certificates of Insurance within ten (10) days of the execution of this Agreement. Each Party shall obtain insurance coverage including, but not limited to, General Liability Insurance and Sexual Molestation Coverage. The Parties agree that appropriate insurance maintained at all times and will notify the other Party if there is ever a change in insurance coverage.
- 9.2 *Liability.* To the furthest extent allowable by law, neither Party shall be liable for any claims, demands, expenses, liabilities and losses (including reasonable attorney's fees) which may arise out of any acts or failures to act by the other Party, its employee or agents, in connection with the performance of services pursuant to this Agreement.

10. Access to District and County Property.

10.1. The Parties acknowledge that the each of the Parties reserve the right to exclude from either Party's Facility or property, including but not limited to, any location which each Party intends to use, any person or person(s) whom the other Party reasonably believes poses a security risk to the health, welfare and safety of the occupants of the Facility, in accordance with the either Party's normal lawful authority, policies, practices, and control of its Facilities. Nothing in this Agreement in any way diminishes the authority of the other Party to manage and control its property, and access thereto, under South Carolina law.

- 10.2. Each Party agrees that its employees, agents, volunteers, and participants remain at all times subject to the other Party's lawful authority, policies, practices, and discretion with regard to matters of control and management of the Party's Facility, including but not limited to, both active and passive measures for the safety and security of Facilities or persons. Each Party accepts any inconvenience or interference caused by the rights reserved to the other Party in this paragraph.
- 10.3. Each Party agrees that the use of a Facility includes some ancillary uses of facilities and fixtures at the location, such as restrooms, access routes through buildings and grounds, parking, utilities, authorized fixtures and equipment at the location, and the like, provided however, each Party shall not make any ancillary use not reasonably necessary to support the use, and all ancillary use is subject to each of the Parties control or limit in each of the Parties sole discretion for any of the Party's Facility.
- 10.4. Prior to the effectiveness of the initial term of this Agreement, and thirty (30) days prior to any Renewal Term, the County shall provide the names of all County staff or volunteers who will be on District property to act on behalf of the County to carry out its use to the District's Director of Risk Management. The County staff and volunteers are required to complete a background check in a manner agreed upon by the Parties and as further described herein. The aforementioned background checks may completed either (1) by the County whereby the County's background check must meet the District's requirements; or (2) by the District whereby the individual may complete the online Volunteer Background check process is used, then upon approval by the system, the County will receive an email of clearance and shall contact the District's Director of Risk Management for further directions. No County staff or volunteer shall engage with students or have access to District fields prior to completing the background check process. Failure to comply will result in legal action and immediate termination of this Agreement.
- 10.5 During use of a Facility, each Party assumes full and sole responsibility for the custody, care, and control of children participating in their program, and acknowledges that the other Party is not assuming any responsibility or liability for any harm while the children are in the other Party's custody, care, and control.
- 11. <u>Maintenance. Damage and Repair of Facilities.</u> Each Party shall keep the Facility in good order and repair, ordinary wear and tear excepted. Each Party shall promptly give notice to the other Party of any required repairs or unsafe conditions and that Party will be afforded a reasonable period of time to complete the same. Any repair or replacement resulting from damages to the Party's property, facilities, or equipment caused by, or because of the other Party's use of the Facilities, shall be reimbursed by the damaging Party for the actual cost of the repairs no later than thirty (30) calendar days after the damaging Party's receipt of other Party's invoice. No modifications to either Party's Facility is allowed without prior written consent from the owning Party. No smoking or consumption of alcohol is allowed at a Facility at any time.
- 12. <u>Termination</u>. Either Party shall have the right to unilaterally terminate this Agreement upon thirty (30) calendar days' written notice to the other party. In such case, the obligations and responsibilities of each Party under this Agreement shall cease as of the effective date of termination. Either party also reserves the right, but assumes no duty, to immediately terminate this agreement if, in its discretion, it determines that the use appears to threaten health and/or safety of participants in the use or threatens the real or personal property of the District or County.
- 13. Scope of this Agreement. This Agreement incorporates any and all prior agreements, covenants, and

understandings between the Parties hereto concerning the subject matter hereof, and all such covenants, agreements and understandings have been merged into this agreement. No prior agreement or understandings, verbal or otherwise, of the Parties or their agents shall be valid or enforceable unless embodied in this Agreement.

- 14. <u>Nondiscrimination</u>. The Parties affirm the right of all individuals to be treated with respect and to be protected from intimidation, discrimination, physical harm, and/or harassment. The Parties are committed to nondiscrimination and equal opportunity for all students, parents/legal guardians, staff, visitors, applicants for admission and employment, personnel, and community members who participate or seek to participate in its educational programs or activities. Accordingly, the Parties do not discriminate against any individual on the basis of race, religion, gender, gender identity, sexual orientation, sex, pregnancy, childbirth, or any related medical conditions, color, physical or mental disability, age (40 or older), ancestry, genetic information, national origin, or any other applicable status protected by Title VI, Title IX or any other local, state, or federal law.
- **15.** <u>Amendment.</u> No course of dealing, course of performance, oral statement, or other act of either Party shall be, or be construed to be, a modification or amendment of the written terms of this Agreement. Neither Party shall not act in reliance upon any representation, act or failure to act on the part of the other Party, which is inconsistent with the written terms of this Agreement. Amendments to this Agreement and the standard requirements implementing as developed and established by the Superintendent or County Administrator to implement any amendment to this Agreement shall take effect immediately upon written notice to the other Party, or thirty (30) days, whichever occurs first.
- 16. <u>Severability.</u> If any term or clause in this Agreement is illegal under either federal or state law, the remainder of the Agreement not affected by such ruling shall remain in force.
- **17.** <u>Notice.</u> Any notice required to be given pursuant to the terms of this Agreement shall be in writing and shall be hand-delivered or sent by certified mail to the parties hereto. A Party shall promptly notify the other Party of any new Designee or Representative's name, title and of any change in the below contact information. Notice sent to a Designee or Representative shall bind the receiving Party.

To the District: Beaufort County School District Dr. Carlos Cave Email: carlos.cave@beaufort.k12.sc.us Phone:_____

Copy to:

ATTN: FACILITY USE AGREEMENT Office of the Superintendent Beaufort County School District P.O. Drawer 309 Beaufort, South Carolina 29901-0309 *To the County:* Beaufort County Parks and Recreation Director Attn: Eric Brown Email: ebrown@bcgov.net Phone: 843-255-6684

Copy to:

Beaufort County Administration Attn: County Administrator P.O. Drawer 1228 Beaufort, South Carolina 29901

IN WITNESS WHEREOF, we the duly authorized representatives of the Parties have entered into this Agreement as of the Effective Date.

BEAUFORT COUNTY

BEAUFORT COUNTY SCHOOL DISTRICT

BY: ______ Michael R. Moore Beaufort County Administrator

BY: ______ Frank J. Rodriguez, Ph.D. Superintendent





ITEM TITLE:

A RESOLUTION ADOPTING THE BEAUFORT COUNTY SOCIAL MEDIA POLICY

MEETING NAME AND DATE:

Finance, Administration, and Economic Development Committee; September 23, 2024

PRESENTER INFORMATION:

Hannah Nichols, Public Information Officer

10 minutes

ITEM BACKGROUND:

PROJECT / ITEM NARRATIVE:

There are approximately 25 social media pages across 10 departments currently being utilized by Beaufort County departments for public outreach and communication. While a policy is in place through the Beaufort County Employee Handbook to guide social media use on personal pages, no such guiding document is in use for County-run social media platforms. By implementing a Policy establishing best-practices and guiding principles our social media channels can strengthen our brand authenticity and improve communication with the public.

FISCAL IMPACT:

None

STAFF RECOMMENDATIONS TO COUNCIL:

Staff recommends approval.

OPTIONS FOR COUNCIL MOTION:

Motion to Disapprove

Move forward to Council for Approval

RESOLUTION 2024/____

A RESOLUTION ADOPTING THE BEAUFORT COUNTY SOCIAL MEDIA POLICY

WHEREAS, the Beaufort County Council ("Council") finds that it is in the best interest of Beaufort County ("County") to implement a policy to establish standardized guiding practices for official social media platforms; and

WHEREAS, while there are policies within the Beaufort County Employee Handbook guiding personal social media use, there currently exists no such guidance for official County social media platforms used for public communication and outreach; and

WHEREAS, the Council recognizes that Beaufort County uses social media to share relevant content to educate, increase brand credibility, and broaden our reach among key audiences; and

WHEREAS, the County administration and staff have drafted the Beaufort County Social Media Policy provided in "Exhibit A", attached hereto and incorporated herein by reference, in order to address the needs and desires of the County, its employees, and the public.

NOW, THEREFORE, BE IT RESOLVED, that Beaufort Council hereby adopts the Beaufort County Social Media Policy provided in Exhibit A, attached hereto and incorporated herein by reference.

Dated this _____ day of _____, 2024.

COUNTY COUNCIL OF BEAUFORT COUNTY

ATTEST:

Joseph Passiment, Chairman

Sarah W. Brock, Clerk to Council



BEAUFORT COUNTY GOVERNMENT SOCIAL MEDIA POLICY

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- Purpose
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- External Content Approval
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- Crisis Communications

PURPOSE

Beaufort County Government uses social media to share relevant content to educate, increase brand exposure, and broaden our reach among key audiences.

These supporting policies are intended to properly portray, promote and protect Beaufort County Council and Beaufort County Government employees, and to assist Beaufort County Government entities in effectively creating and managing social media accounts as well as maintaining and enforcing brand standards through the use of social media content.

Social media is the use of online tools and services that allow users to create and publish content while engaging in community discussions. Users with similar interests can interact in communities by sharing information and knowledge. Many social media sites, such as Facebook, Instagram, Twitter and LinkedIn can serve as personal profiles where users can post information about themselves. Social media also allows users to gain support, share information with friends, and increase existing networking circles.

Beaufort County Government uses social media to engage in conversations with residents, visitors and employees of Beaufort County, whether they are current/prospective residents, visitors, employees, neighbors or other constituents.



SCOPE

This policy applies to all Beaufort County Council Members and Beaufort County Government staff and individuals who are employed by Beaufort County in any capacity. The policies also apply to other people (such as volunteers and appointees) who use internally managed Beaufort County Government computing resources.

This policy applies to all forms of social media, including, Facebook, Twitter, Instagram, YouTube, LinkedIn, Vimeo, podcasts, blogs, online comments, etc. This policy may apply to employees outside of work hours and while using personal accounts when the use of social media affects an individual's professional responsibilities, violates applicable law, or constitutes a violation of Beaufort County Government regulation or policy.

We have developed this guidebook to provide members of the Beaufort County Government community with best practices as well as the direction and proper usage of approved branded social media accounts.

This collection of policies, procedures and tools helps ensure that assets and accounts are secured, reputation risks are minimized, and compliance is maintained. However, due to the ever-changing landscape of social media, we expect this to be a guideline document, which may need to be adjusted over time. These policies do not attempt to name every current and emerging platform. Rather, they apply to those cited and any other online platform available and emerging, including social networking sites and sites with user-generated content. The goal is that you will use these tools to learn how to strategize effectively to ensure your social media channel is targeting the right audience effectively.

Like most other forms of communication, social media is most effective when it is rooted in strategy and collaboration. The platform on which a brand or organization communicates, or the form in which that communication takes place (video, gif, animation, or tweet), does not negate the need to have associated goals, thoughtful design and clear expectations for performance, accountability and value added. This playbook contains the governing strategy, best practice guidelines, tools and resources that will enable Beaufort County Government to streamline and strategize social media.



HOW BEAUFORT COUNTY GOVERNMENT USES SOCIAL MEDIA

Beaufort County Government uses many channels of social media to communicate and build relationships with our current/prospective residents, visitors, employees, neighbors, and other constituents.

Social media allows us the unique opportunity to engage in community conversations by hearing what our audiences are saying by conversing with them on any given social media channel. Beaufort County Government encourages its employees to use social media as a means to connect with members of the Beaufort County community and key stakeholder audiences to foster thoughtful engagement and dialogue, through meaningful content, about the issues and events important to and impacting Beaufort County Government and its various communities.

Social media is no longer just about conversation and content; it's now an established collection of channels that can deliver valuable content to satisfy the needs of your target audience. As organic reach on social media is shrinking, paid social media allows for the segmentation of specific audiences to reach constituents effectively and efficiently.

Item 20.



Organic Social

Organic social refers to the way in which a brand or user can utilize tools and social media platforms to build and interact with a social community by sharing posts and responding to comments for free. For example, using a scheduling tool like Meltwater or Sprout to schedule and publish tweets on Twitter is organic. You may pay for a license to use Hootsuite, but there is no charge from Twitter for publishing your tweets. Another example is posting directly from a social media channel and not boosting or promoting the post for it to reach a broader audience.

Paid Social

Paid social media allows users to utilize those same tools and social media platforms but instead, a brand or user could pay to boost or promote the content to increase engagement or increase reach. Paid social media allows your message to be delivered directly into the hands of your targeted audiences. Paid advertising on social media gives you complete control over who sees your content. Paid social media allows Beaufort County Government to target specific audiences and enable key stakeholders to take a desired action.



Beaufort County Government Social Media Policies

When engaging in any social media activity as part of official duties for Beaufort County Government, employees are governed by the same policies that govern all other electronic communications.

Read the policies before engaging in any social media campaign as part of your official duties at Beaufort County Government and if you use social media for personal purposes.

These policies and activities are applied: (1) during employment at or while conducting activities for Beaufort County Government or (2) as part of the employee's official duties.

Such employees/individuals must follow all applicable state, federal and local laws, with policies found in Government employee handbooks, and with the brand standards manual.

Any content that violates any of these or contains/leads to an individual's private or personal information is strictly prohibited and should not be posted by employees or others using the site. Violations must be reported immediately to Beaufort County Government Leadership or Human Resources.

Item 20.



PROTECTED INFORMATION POLICIES RELATED OR CONNECTED TO SOCIAL MEDIA

This section applies to disclosure of protected information while engaging in social media.

Acceptable subject matter/content:

As a Government Organization, Beaufort County respects freedom of speech and has certain obligations under the First Amendment and related laws. Posts on a typical, open social media site (i.e., the Beaufort County Government Facebook page) cannot be limited based on the content or viewpoint of the speech/expression, with the exception of posts that break laws or do not contain speech protected by the First Amendment (as one example, speech inciting imminent violence).

Other Beaufort County Government social media sites that are intended for specific subject matter rather than for general use should conspicuously contain an "About" section that includes the following statement: "This site is intended for discussion of {INSERT SUBJECT MATTER}. It is not a "traditional public forum" as that phrase is defined in applicable law interpreting the First Amendment. We welcome your opinions and encourage open discussion about the topics we post.

If we become aware of messages that contain advertising, are off-topic, infringe someone's rights, or are violations of the law, we reserve the right to remove them."

Notably, while such a disclaimer allows the Beaufort County Government to define a specific topic or subject matter to be discussed on an issue-specific social media page, it does not allow Beaufort County Government to delete, edit or censor posts based on the post's viewpoint regarding that topic.



HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA):

This federal law protects confidential medical records as specified by HIPAA: "The privacy rule protects all 'individually identifiable health information' held or transmitted by a covered entity or its business associate, in any form or media, whether electronic, paper or oral."

- Examples of protected information include: "... the individual's past, present or future physical or mental health condition, the provision of health care to the individual, or, the past, present or future payment for the provision of health care to the individual, and that identifies the individual or for which there is a reasonable basis to believe can be used to identify the individual."

FREEDOM OF INFORMATION ACT (FOIA):

Staff and representatives of Beaufort County Government should also be aware that, as a Government Organization we have even less expectations of confidentiality than a private entity. This is because we are subject to the S.C. Freedom of Information Act (FOIA).

This act specifically provides that all communications of a public agency or public employee are subject to public disclosure unless specifically exempted by the act. All County social media pages should be archived appropriately and in compliance with Freedom of Information Act requirements.

COPYRIGHT AND FAIR USE:

Copyright, a form of intellectual property law, protects original works of authorship including literary, dramatic, musical and artistic works, such as poetry, novels, movies, songs, computer software and architecture.

Copyright does not protect facts, ideas, systems or methods of operation, although it may protect the way these things are expressed.

Fair use allows portions of certain works to be used without consent under specific situations; however, the safest course is always to get permission from the copyright owner before using copyrighted material.



COPYRIGHT AND FAIR USE CONT...

- User-generated content can be obtained when the owner of a photo or video shares it with a Beaufort County Government social media account via message, mentions the account's handle, uses a hashtag promoted by the account, or mentions the department, group, unit or initiative represented by the account. Social media users who engage in such actions allow Beaufort County Government to use their content on its various social channels. Effort will be made to credit the original source when posting user-generated content.

ACCESSIBILITY (ADA)*:

To ensure a positive user experience on our social media platforms, account managers should be aware of best practices that promote disability access and inclusion. These tools will help you make sure the images, videos and other content you share are accessible to people with disabilities. Since, in many cases, there are limitations to the accessibility of a platform, you should check its associated documentation to determine which of its features support accessibility. For a more detailed exploration of these topics via a tutorial, refer to the work at exploreacess.org via their Social Media Accessibility Toolkit.

Accessibility Documentation by Platform:

<u>Facebook Accessibility Support Features</u>
 https://www.facebook.com/help/273947702950567/?helpref=hc_fnav

• Twitter Accessibility Support Features: Images https://help.twitter.com/en/using-twitter/picture-descriptions

• Instagram Accessibility Support Features: Images https://help.instagram.com/503708446705527

• LinkedIn Accessibility Support Features https://www.linkedin.com/accessibility

• YouTube (Google) Accessibility Support Features https://about.google/belonging/disability-inclusion/product-accessibility/

• LinkedIn Accessibility Support Features https://www.linkedin.com/accessibility *Please see the accessibility section for best practices on how to comply on social media.

BRAND AND COPYRIGHT COMPLIANCE

By having a social media presence, you must uphold the established Beaufort County Government visual and brand guidelines, and be mindful of copyright infringement.



BEAUFORT COUNTY GOVERNMENT SOCIAL MEDIA POLICIES

ADVERTISING

Any potential sponsor/advertiser collaboration between Beaufort County Government and another party with a monetary value must be developed through Beaufort County Government Public Information Office. This also applies to a collaboration with any third party with or without an existing relationship with Beaufort County Government.

If a collaboration has been established through the Public Information Office, any use of advertising materials must be reviewed and approved by the Public Information Officer before an agreement is signed. Beaufort County Government Public Information Office reserves the right to decline sponsorship/advertising access and content be included in said agreement on including but not limited to any primary or departmental Beaufort County Government Social Media channels.

Unless entered into a formal agreement with the Beaufort County Government Public Information Office, advertising on behalf of external vendors is prohibited on Beaufort County Government website and social media channels.

BUSINESS TRANSACTIONS

Beaufort County Government does not endorse or use any social network or media sharing service as a secure means of transaction for online business transactions or matters involving personal information. Beaufort County Government will not ask for, nor may an individual send, credit card or payment information, classified information, privileged information, private information or information subject to nondisclosure agreements via any social network.



BEAUFORT COUNTY GOVERNMENT BRAND GUIDELINES

Any content that is created to live on your social channels needs to adhere to the overarching Beaufort County Government Brand Guidelines. Please review the Beaufort County Government brand guidelines document on Sharepoint prior to any content creation.

BEAUFORT COUNTY GOVERNMENT SOCIAL MEDIA GUIDELINES

All content and community engagement on social media have the potential to impact the Beaufort County Government brand. Remember that you represent Beaufort County Government when utilizing social media channels in an official capacity. Please familiarize yourself with our visual standards when creating your department's social media profiles and posting content. Use only approved brand assets (logo, graphics and color), and follow Beaufort County Government brand guidelines. If you have questions about brand or editorial guidelines, contact the Public Information office.

ADDITIONAL RESOURCES AND TIPS FOR SOCIAL MEDIA RELATED POLICIES

Beaufort County Government employees and representatives may mention their Government affiliation in the bio or about sections of personal social media accounts but are prohibited from using Government brand elements on those accounts in ways that violate branding guidelines, trademark policies or other Government policies. Even if you are using social media personally, you should be mindful that you may still be seen as a representative of Beaufort County Government. More information on personal social media use can be found in the Beaufort County Personnel Handbook.

Users must adhere to the terms and conditions specific to each social network platform and follow policies for the use of personally owned devices in the workplace at Beaufort County.



Employees whose official duties include social media monitoring, management or content must be familiar with the following additional policies before engaging in any official social media activity:

PLATFORM SPECIFIC POLICIES

All social media sites, such as Facebook, have policies about how they will or will not use your content, what is and is not allowed, etc. Be sure to familiarize yourself with these policies before you launch your channel.

If you have any questions about social media best practices, or need guidance when problems or issues of concern arise, contact the Public Information office.

Account Safety

PASSWORDS

In an effort to further protect Beaufort County Government's digital identity and online reputation, and to strengthen the security related to Beaufort County Government's social media accounts, it is recommended that social media account managers update the passwords for all of your area accounts at least once a calendar quarter.

The password to the social media profiles that you manage for Beaufort County Government is the only protection available for these accounts – accounts that allow immediate communication with prospective and current residents, visitors, employees, vendors, media and other constituents. Protecting the security of these accounts is a very important part of ensuring they are not overtaken for malicious purposes.

All login information, including passwords for social media accounts associated with any branch of Beaufort County Government must be shared with the Public Information Officer, IT Department, and Records Management for both security and FOIA purposes. Ultimately, Beaufort County Government is responsible for the content that appears on these social media accounts, and must have administrative access to these accounts regardless of who created the account.



Password Guidelines

A strong password is your best defense against cybercriminals. A good password is easy to remember but hard to guess. Here are some tips for creating a strong password:

Consider a Passphrase

A passphrase is a sentence or sequence of case-sensitive words that can include spaces and punctuation. Choose a phrase that is easy for you to remember but difficult to guess.

Things like song lyrics or well-known sayings or slogans can be easy for cybercriminals to guess. Passphrases benefit from their length, making them more difficult to crack (we recommend a minimum length of 15 characters). Passphrases can also be a sentence of unlikely words, but make sure it's one you can remember. You can also take a phrase and turn it into a password by using the first letter of words and adding numbers with special characters. Also avoid using anything related to your personal information.

Use a mix of letters, numbers and symbols

Mixing numbers, symbols, uppercase and lowercase letters makes your password more difficult to guess. The more characters you use, the more secure the password will be. Again: Make sure it's something you will remember. A strong password won't make any difference if you can't use it.

Unique Account, Unique Password

Reusing passwords for multiple accounts means that if someone were to learn one of your passwords, they could in turn gain access to more of your data and information.

Things to Avoid

- Using your username or any derivative.
- Using personal information easily obtained about you. Your name, your license plate, your pet, your phone number, etc.
- Any keyboard sequence, like qwerty or zxcvbn.
- Repeated phrases like "blah blah blah blah."
- Revealing your password to anyone.
- Writing your password down.
- Using any example password you find, including one from this guide.
- If someone who has access to the account leaves Beaufort County Government, passwords should be changed immediately.
- Passwords should not be shared via email. When possible, share the password verbally with shared account managers.
- The email address associated with the account should be a @bcgov.net email account.



ADA Compliance Specifics

Alternative Text Descriptions for Images

When social media platforms or aggregation tools such as HootSuite allow for alternative text descriptions on images, you should provide them.

For best practices on authoring alternative text descriptions, refer to the alternative text description section of the 11 Key Accessibility Factors reference material. Such text descriptions of images will be read aloud to non-sighted or low-sighted users who rely on screen readers to consume social media content.

Hyperlinks

In instances where you need to include a website link, please adhere to the following guidelines for each channel:

Instagram

This platform does have the ability to include a URL in post copy, but it cannot hyperlink it. If you need to include a link, please include the language "Link in bio" within your post caption, then update your bio page with the necessary hyperlink.

Facebook, LinkedIn and Twitter

These platforms support the use of hyperlinks. The standard practice is to include a link shortener to ensure that the character count is not maxed out on Twitter and fits within the post on Facebook and LinkedIn. The Communications Department can provide a short link through Bitly or similar for use on these platforms.



Captioning of Videos

For video content, you should provide captions of the audio for the benefit of those without hearing, who are hard of hearing and who are non-native speakers. Captions can be either closed captions (where a user can turn them on and off) or open captions (where the text is embedded into the video and cannot be turned on or off). Each platform has their own process for uploading or adding captions to video content. To follow platform accessibility practices see Content Best Practices.

Context for Animated GIFs

At this time, the animated GIF format has either very limited or no accessibility support on most social media platforms. This makes the animated GIF content difficult for individuals who rely on screen readers to perceive. Therefore, you should not rely solely on animated GIF content in a social media post. When using animated GIFs, confirm that the post can be understood through its text content alone.

CamelCase Hashtags

Hashtags are an important component of social media posts. When authoring hashtags that are made up of multiple words, use initial capitalization, also known as CamelCase. Utilizing this simple technique makes the hashtag easier to read for all users and is more consumable by screen readers since their synthesized voices can recognize and pronounce individual words and won't concatenate and garble them.

Emojis and Emoticons

Emojis displayed on a screen will be described by a screen reader. The 👏 emoji, for example, will be read aloud as "clapping hands." Please be considerate of screen reader users by using emojis judiciously and by placing spaces between them.

When creating emoticons with text, consider the experience for screen reader users. In this example, this visual experience of "shruggie" $\(\mathcal{Y})_{-}$ will be read aloud by a screen reader as: "Macron, backslash, underline, katakana, underline, slash, macron."



Text on Images

Please refrain from adding text on top of any static image posts as these are not ADA compliant. *For a full review of accessibility features per platform, refer to the Content Best Practices section.*



NEW ACCOUNT CREATIONS

A Beaufort County Government social media account is any registered account administered by an official Government unit on any social network used in support of the function or needs of that unit. Use of social media accounts must be conducted in a manner that is professional, protects the reputation and brand of Beaufort County Government, and is in compliance with Beaufort County policies.

Official accounts must be maintained by the official department and must use @bcgov.net email for administrative correspondence. It is recommended, as a security baseline, that all accounts use a generic @bcgov.net domain account as the page owner for each account.

All Government accounts must have a full-time appointed employee who is identified as being the responsible party for account maintenance and content. Ultimately the department head is responsible for all posted content.

Authorization to present a social media account as an official County Government activity must come from the office of Public Information.

Before creating any official social media account at Beaufort County Government, you must complete a "Social Media Account Request" from the office of Public Information.

This request must be approved by your department head before it will be evaluated by the Public Information office. You will then be contacted by a member of our social media team to discuss social media policies as well as strategy, goals, messaging and best practices.

All official social media accounts at Beaufort County Government — with the name and contact information for the account manager and account password/login information — must be registered and stored within the official database with the office of Public Information and with Records Management for oversight and FOIA archival purposes.

All new accounts must follow the naming convention of @bcgov and then the department/organization name. Please refrain from using other iterations of Beaufort County Government, such as @BFTGOV.

Before starting a new social media account, you should be able to answer the following questions:

Who is the audience?

- Determine who you are trying to reach, why you are trying to reach them and where that audience lives on which social media platforms (for descriptions on the different platforms, see the Social Media Communications Plan section below).
- Determine how your messages will be targeted (i.e., promoted posts to a specific audience, different platforms for different audiences, etc.).
- What are the other ways that you are communicating with this audience?

Why are you starting this account?

- Define the purpose for the new account.
- Determine what the goal is and how you will measure success.
- Define how this account will align with Beaufort County Government social media goals.

Do you have the resources?

Managing a Government-affiliated social media presence requires frequent and consistent attention. If you don't have the time to devote, you may be quickly overwhelmed.

Work through these questions below:

- 1. How will you source your content to share out and post?
- 2. Who will be responsible for ensuring that content is being posted?

3. Who will review content to ensure it follows Beaufort County Government and platform guidelines?

4. Who will be responsible for community and crisis management?

5. How do you plan to build relationships and partner with other departments and units to work on content opportunities together?



What makes your account unique?

Determine what your account offers that others don't, particularly within your unit. Are you duplicating messages?

- Define the messaging framework for your target audience and determine if it overlaps with another BCGOV account.
- Determine if partnering with another account can strengthen your message.

How can account administrators be contacted?

If account admins (such as employees) change frequently, consider creating a generic email address to minimize the effort required for transitioning to a new account admin.

What are your peer institutions doing on social media?

Find and follow peer institutions/organizations on the specific platform you are interested in creating for your department/unit.

Analyze the content from your peers as a starting point for you to use in planning to reach those audiences and learn more about the content that they are creating.

What are your peer institutions doing on social media?

- Find and follow peer institutions/organizations on the specific platform you are interested in creating for your department/unit.
- Analyze the content from your peers as a starting point for you to use in planning to reach those audiences and learn more about the content that they are creating.

Social Media Policies

Upon approval to create a social media account, you must adhere to the Beaufort County Government policies and guidelines for naming conventions, logo use and other visual identity standards.



EXISTING ACCOUNT COMPLIANCE

Account administrators must correct or modify Government social media accounts under their control, as directed by the office of Public Information and within this Social Media Policy Guidebook.

Failure to comply with the Government Social Media Policies could result in account termination.

You should only post on behalf of Beaufort County Government in an official capacity where you have been explicitly authorized to do so. You should only create an account in the name of a recognized Government entity if you are authorized to represent that entity.

Discuss with your supervisor whether you are empowered to respond directly to users and when you may need approval to respond or when you have questions about the appropriateness of content for posting. Take a moment to think about what you are posting before you hit the publish/post button.

- 1. It is the responsibility of the administrator of a social media account to actively monitor the social media account; content must be current and accurate.
- 2. Posting on behalf of Beaufort County Government, in addition to its various departments
- 3. Be responsible for your posts and remember that what you post is a reflection upon Beaufort County Government and you.
- 4. Somewhere on your site, it is encouraged that your audience should have a way to privately contact the site administrator. If this is not a built-in feature of the site you are maintaining, then you are encouraged to list or embed email contact information somewhere on your site. Contact the Office of Public Information with questions or comments.



EXTERNAL CONTENT APPROVAL ON BEAUFORT COUNTY GOVERNMENT ACCOUNTS

Given that social media is viewed as an inexpensive alternative to paid advertising, there has been a rush by organizations to adopt social media as a way to reach their various audiences. Social media is, like websites, official Government communication, so standards have been established to provide for proper and secure usage.

Could this content raise privacy concerns? FERPA, HIPAA and public information law should all be taken into account when posting on social media, and you should be informed in applicable areas of information security before launching a site.

Story ideas and/or specific events that you feel meet the brand editorial and content guidelines for main Government social channels should be shared with the office of Public Information.

- You will be asked to provide story-specific information and details on how sharing this story and/or content helps enhance and elevate the brand presence on social media. To ensure proper project vetting and approval, please submit ideas four to six weeks before anticipated launch/live date. A member of the office of Public Information will contact you to confirm the project request, to ask any questions, and to determine the optimal schedule and next steps, should it be determined that content should be shared on Government channels.
- The Public Information Office may determine that content needs to be modified or changed before shared on any Government channel.

Before starting to submit a potential Government social media story idea, you should be able to answer the following questions:

Who is the audience?

• Determine who you are trying to reach, why you are trying to reach them and where that audience lives on which social media platforms-wise (for descriptions on the different platforms, see the Social Media Communications Plan section below).



- Determine how your messages will be targeted (i.e., promoted posts to a specific audience, different platforms for different audiences, etc.).
- What are the other ways that you are communicating with this audience?

INACTIVE ACCOUNTS

Social media accounts at Beaufort County Government must be continually updated and monitored. Accounts that have been deemed inactive or obsolete in terms of social media best practices may be subject to deactivation or deletion.

Deactivation and deletion will be carried out by contacting and working with the identified account administrator and/or the highest-ranking officer of the department.

Please note, since the office of Public Information requires compliance with the official Government account database, which includes login information, inactive accounts are subject to deletion if an account contact cannot be made.

ACCOUNT MANAGEMENT

Account Administrator Expectations

When overseeing social media accounts on behalf of Beaufort County Government, the account administrator will be responsible for ensuring the highest level of professionalism across all platforms.

- 1. The main account administrator must be a full-time BC GOV employee.
- 2. The main account administrator will be responsible for overseeing the posting of all of the content that is shared out from the platform.
- 3. When applicable, the account login credentials can be shared with a part-time employee, professional social media vendor or volunteer. This should be approved by the account administrator and provided to the Public Information team to have in the social account

database. With any change in staff or support, all passwords should be changed, and the office of Public Information should be notified.

4. Occasionally, the office of Public Information may host social media check-ins, and all account administrators will need to attend.



Employee Succession Plan

As staff changes, many accounts remain dormant and the login credentials may be lost in transition. To combat dormant accounts, a succession plan is required to ensure the longevity of our Government accounts.

We recommend using this checklist to ensure a smooth transition:

• Two weeks prior to departure -

- Discuss the departure details and the following steps with your supervisor.
- Inform the office of Public Information
- Audit all aspects of the accounts such as direct messages, billing, scheduled content, ads and analytics to ensure that there are no outstanding questions.

• One week prior to departure -

- Remove the employee leaving from all administrative responsibilities.
- Revoke access on Facebook Business Manager and any social media management tool such as Sprinklr, HootSuite or Socialbakers.
- Require the employee to log out from all accounts and to remove the account from their saved credentials on all mobile devices.

BEST PRACTICES

Content Best Practices

This section will break down specific communication features across social media platforms as well as best practices per platform. By following these best practices, we can ensure that our content will provide value to our followers.

Platform Communication Features

Community Management

Direct Messages

Direct messaging has become an extremely valuable feature used in social media to create a one-on-one conversation with our users. This feature acts as a customer service tool and provides us direct access to our users that no other feature is able to do.

Here are a few best practices when responding and handling direct messages from a Government branded account:

- 1. Check for direct messages daily.
 - a. Always respond to every message received. For response references, please see the Social Media Guidebook.
 - b. Responses should always be sent within a 24-hour window of receiving the message.
 - c. Negative messages could happen and more often than not, don't require a response. However, there are instances where action should be taken:



- i. If a user sends a message that ensues harm to themselves or another individual, contact Beaufort County Sheriff's Office.
- ii. If a user sends a message that involves the safety of any Beaufort County Government building, property or employee, contact Beaufort County Sheriff's Office and PIO.
- iii. If a user sends a message that could harm the reputation of Beaufort County Government, contact PIO.

Comments, Mentions, Tagged Content

These are valuable features that allow you to engage with other users' content. Users have the ability to interact with your brand by commenting on your posts, mentioning you in their content, and tagging you in their photos/videos.

Here are a few tips on how to engage with users comments, mentions and tagged content:

- 1. Always like or reply back to comments that users left on your content. This will ensure them that you saw their comment and recognize their engagement.
 - a. If you feel compelled to do so, leave a comment that engages back with the user. If not, liking the comment will suffice.
 - b. If a user comments with an appropriate question, make sure that you answer them with a comment or message them directly.
- 2. When searching for mentions, take a look at your notifications. If people mentioned you in a comment, post or Story, you should receive a notification.
 - a. Make sure that you engage with the user if appropriate so that they have been acknowledged.
- 3. If you are tagged in content, you should receive a notification. If appropriate, like the content or leave a comment. Doing so will increase your engagement and strengthen your



brand loyalty.

a. If you did not receive a notification, you can also take a look at your profile to see what images you have been tagged in.

Account Engagement

Account Tagging

Here are a few best practices when tagging other accounts from a Government branded account:

- 1. Only tag an account that is directly related to the content you are sharing.
- 2. Always tag the minimum number of accounts possible.
- 3. Do not tag several large accounts in the hopes that they will repost your content.
 - a. Always check to make sure that your posts have more white text than blue text when posting.
 - b. Large accounts are less likely to share your content if you tag several other accounts because it will look bad on their page.

Hashtag Usage

Here are a few best practices when utilizing hashtags for a Government branded account:

- 1. Only use hashtags that are relevant to the brand. If you are unsure about a specific hashtag, simply search for it and research the type of content associated with it.
- 2. Never create your own or a new hashtag without consulting the Public Information Office first.
- 3. Always use capital letters to break up what you are trying to say. For example you should always use #BeaufortCounty and not #beaufortcounty. The platforms are not able to distinguish between upper and lowercase letters, so readability is the goal.
- 4. Avoid overusing hashtags. The quality of the hashtag being used is more important than the quantity being used. Always check to make sure that your posts have more white text than blue text when posting.

In certain instances, negative commentary could occur beyond just the platform's direct messages. In these instances, please see the section on Crisis Communication.*

Platform Best Practices

Facebook

The main use of Facebook is to share images and videos, creating events, organic/paid opportunities, and the use of native links to enhance traffic back to our Beaufort County Government website.

The functionality of this platform allows us to build out a strong paid strategy leveraging a large audience with not only Facebook but also with an Instagram account as well. This tool can be used best when learning to understand our prospective residents and visitors, outreach opportunities and overall reputation.

Image Size and Layout:

Standard Image and Video Size: 1080x1080px Event Cover Image Size: 1920x1080px Profile Photo Size: 180x180px Cover Image and Video Size: 820x312px

Post Cadence:

If sharing out content organically, 3–4 times per week. If sharing out content as paid, dependent upon the campaign length.

Event Creation:

The event page feature on Facebook is unique to their platform and is not available on other platforms. If you are creating an event with a co-host, please contact your co-host before creating. If they accept the request, the event will be visible on their event preview section.

If there is a co-hosting request with the Government, please contact the Office of Public Information before creating your event. We will review your event details to ensure that they are compliant with the tips listed above. We will make suggested changes before we accept the request to ensure that the promotion of the event will be successful.

When creating an event, follow the tips below:

- 1. Use an image as the cover photo versus using an image with text for accessibility purposes.
- 2. Keep the title short and to the point. There is a character limit to ensure that your title is visible on a mobile device.
- 3. The event description should include all of the information about the event in an easy to read format. Always include a link at the bottom for any additional information that may be required.
- 4. Consistently post within the event to increase visibility.
- 5. When the event is created, it will show up on your timeline as well as the event section preview on your profile page. In addition, you can also share the event on your timeline to increase reach and awareness.

Facebook Live:

- 1. If going live on Facebook is part of your social media strategy plan, sit down and build out a strategy of expectations during the livestream.
- 2. Map out your timing as far as who will be featured, what locations featured, what is in the background and surrounding areas, and identify anything that could interrupt your live stream.
- 3. Make sure that everyone being featured in the live stream is aware and has the correct talking points.
- 4. Ensure that your connectivity to WI-FI is secure and that you're able to access Facebook.
- 5. When showcasing and broadcasting a high-level Government event, consider working with the office of Public Information and Broadcasting to provide the technological capabilities needed to provide high quality content to your followers.
- 6. If showcasing an event that is on a smaller scale, collaborate with the Public Information Office to help provide technology and strategy options.



Accessibility on Facebook:

When uploading content such as video or an image, it's important to think through the level of accessibility for all of your followers. When uploading an image or graphic, add alternative text that explains who is in the photo, where it was taken with what the graphic states.

All videos uploaded to Facebook must be captioned using an approved captioning service such as Rev, and the captions must be done by human services vs. Al technology for accuracy. Rev: <u>https://www.rev.com</u>

Access Facebook's Privacy Policy here: https://www.facebook.com/policy.php



Instagram

The primary use and function of Instagram is to showcase visually Government activities for our residents, visitors, employees, media and other constituents in Beaufort County. Instagram is used to upload images and videos to the feed that create a cohesive aesthetic for our profile. In addition to supporting the aesthetic, users can preview a behind-the-scenes look with less curated content utilizing Instagram Story content.

Instagram Story content shows an authentic story while still staying within our platform guidelines. This ephemeral content disappears after 24 hours after posting. If the content is a key pillar in your strategy, adding it to an Instagram Highlight on the profile account will allow it to live past the 24 hours. If you are creating an Instagram Highlight to showcase your Stories, please be sure to create a branded graphic that visually represents the content within the highlight.

IGTV content serves as long-form video content that can be viewed on Instagram. This content can live in two places: Instagram Feed and Instagram profile.

Instagram Reels serves as short-term video content that can be viewed on Instagram. This content can be viewed in the Instagram Feed and on a user's Instagram profile.

Image Size and Layout:

Standard In-Feed Image and In-Feed Video Size: 864x1080px Instagram Story Size (Video and Image): 1080x1920px IGTV Size: 1080 x 1920 px Profile Image Size: 110x110 px

Post Cadence:

If sharing out content organically, one post per day is ideal. If sharing out content as paid, it is dependent upon the campaign length.



Accessibility on Instagram:

When uploading content such as video or an image, it's important to think through the level of accessibility for all of your followers. When uploading an image or graphic, add alternative text that explains who is in the photo, where it was taken and what the graphic states.

All videos uploaded to Instagram must be captioned using an approved captioning service such as Rev, and the captions must be done by human services vs. Al technology for accuracy. With Instagram, unlike Facebook, captions must be added in post production. You cannot add captions during the upload process.

Rev: <u>https://www.rev.com</u>

Access Instagram's Privacy Policy here: https://help.instagram.com/402411646841720

Twitter

The primary use for Twitter is to drive conversations around our brand and engage in meaningful conversations that show us as a leader in key areas.

One of Twitter's main features is the hashtag functionality that allows users to search for specific keywords around topics/trending topics. This will bolster content to be seen by a wider audience. The second feature is the timeliness of content on Twitter. Twitter content can go viral in seconds or be lost amongst tweets within seconds. Creating a consistent and strong voice for your brand will allow your tweets to be seen by your audience.

The third feature is the character limit of a tweet. A composed tweet cannot contain more than a total of 280 characters. Twitter also has a campaign/paid component that allows users to promote tweets within a campaign. The functionality of Twitter allows you to promote toward a specific audience you create or serve ads to followers of a specific account.

Image Size and Layout:

Standard Image and Video Size: 1080x1080px Header Image Size: 1500x500px Profile Image Size: 400x400px Twitter Card Image Size: 800x320px

Post Cadence:

If sharing out content organically, 1–2 times per day to optimize for reach and engagement.

Accessibility on Twitter:



When uploading content such as video or an image, it's important to think through the level of accessibility for all of your followers. When uploading an image or graphic, add alternative text that explains who is in the photo, where it was taken and what the graphic states.

All videos uploaded to Twitter must be captioned using an approved captioning service such as Rev, and the captions must be done by human services vs. Al technology for accuracy. With Twitter, you can either add the captioning during post-production or you can upload an SRT caption file using twitter.ads.com.

Rev: <u>https://www.rev.com</u> Access Twitter's Privacy Policy here: <u>https://twitter.com/en/privacy</u>



YouTube

YouTube is a platform for long-form video content where an account owner can create playlists around certain topics. YouTube is one of the largest search engines on the internet and continues to lead in organic and paid views. Beaufort County Youtube content should be coordinated through the Broadcast department.

YouTube can be utilized to initiate multiple ad campaigns on their platform. These tools can be found here: (<u>voutube.com</u>)

Image Size and Layout:

Channel Profile Image: 800x800px Video Upload Image: 1280x720px Channel Cover Image: 2560x1440px

Post Cadence:

If sharing out content organically, 1–3 times per week to optimize for reach and engagement.

Accessibility on Youtube:

All videos uploaded to YouTube must be captioned using an approved captioning service such as Rev, and the captions must be done by human services vs. Al technology for accuracy. If the video thumbnail graphic includes text, then include a note in the description that explains the text used in the graphic.

Rev: <u>https://www.rev.com</u> Access the YouTube Privacy Policy here: <u>https://www.youtube.com/yt/about/policies/#community-guidelines</u>



LinkedIn

LinkedIn is a professional platform used to connect brands, partnerships, company thought leaders and current/future employees. This platform can be used to engage with our current students, alumni and potential partnership opportunities.

The tone of LinkedIn is more serious and professional. The use of hashtags is encouraged by the platform as they have increased their discoverability features.

LinkedIn also has a series of ad features that can be utilized for a campaign. These tools can be found here: (LinkedIn page)

Image Size and Layout:

Profile Image Size: 300x300px Cover Image Size: 1536x768px Dynamic Ads Size: 100x100px Sponsored Content Image Size: 1200x628px Video size: 256x144px (minimum) to 4096x2304px (maximum) Maximum Video Length: 10 Minutes

Access the LinkedIn Privacy Policy here: https://www.linkedin.com/legal/privacy-policy



Restricted Social Media Platforms

Beaufort County prohibits the use of platforms for social media marketing that do not meet FOIA archival requirements or that pose a risk to the overall integrity of County IT systems and protected data. Beaufort County desires to limit any potential risk of compromised data through the usage of social media platforms. For reasons expressed by both the US Federal Government and the South Carolina Governor's Office, the following applications are not to be used for social media marketing purposes, and County employees may not have these apps installed on their County-provided devices, including cell phones and laptops:

- Tiktok
- Snapchat



Podcasts

The purpose of starting a podcast is to support Brand Awareness. Podcasts offer a new audience that will garner new traffic to your social media platforms. This means your audience will grow, supporting the popularity of not only the podcast but the brand itself. Podcasts also support more storytelling opportunities, as it's easy to produce long-form content. Through this approach, you can support your partners via an interview style and build a personal connection with your audience. Podcasts for the Beaufort County brand should be coordinated through the Broadcasting Department.

Best practices and considerations:

1) BE REALISTIC ABOUT TIME

Creating and maintaining a quality podcast takes time. Prepping content, recording, editing and posting can eat up a whole lot more time than you might think.

2) CREATE A CONSISTENT PUBLISHING SCHEDULE

Getting your podcast out there on a regular basis is hugely important to building a listener base. Create a schedule that you can realistically stick to., whether that's monthly, weekly or biweekly. Give your listeners something they can rely on.

3) DO A FEW TRIAL RUNS FIRST

Do some testing to get your format, style, audio quality and banter down before unleashing your podcast. Have topics prepared for the first five episodes. Plan on launching with 3-5 finished episodes.

- INVEST IN QUALITY MICROPHONES Equipment makes a difference. No matter how great your content, no one wants to listen to a podcast with poor audio quality.
- 5) BE PREPARED TO EDIT AND ADD PRODUCTION VALUE

If you want to sound professional, you'll need to edit. Editing helps you smooth out the wrinkles and create a good flow. You'll also want to add production value, like intro and outro themes.



6) DO YOUR HOMEWORK ON PLATFORMS

Know what you have to do to get your podcast on Apple Podcasts, Spotify, Stitcher or any other sites where you want to publish or promote it. Do some online research. Having your podcast in Apple Podcasts is especially essential since it has a large audience of podcast listeners.

7) MAKE SURE YOU HAVE A FOCUS

Make sure you have a core theme or focus for your podcast. You can still talk about a variety of things, but they need to tie back to an overarching subject.

8) PROMOTE, PROMOTE, PROMOTE

Listeners will not automatically tune in. You have to actively work to drive listeners to each and every episode of your podcast. That means marketing and sharing it the same way you would blog posts or any other online content.

9) GO IN WITH A PLAN

Make sure you start with a strategy before you ever turn on a mic. Plot out on paper how you will record, edit, publish and promote your podcast. Break it down into specific steps and action items. This will save you a lot of time, effort, and stress in the long run—and give you the best chance at podcasting success.

Key podcasting takeaways:

- Develop and test your format.
- Have a recording and publishing schedule.
- Have topics prepared for the first 4-5 episodes before you start.
- Know what you have to do to get your podcast on appropriate platforms.
- Account for editing and production time.
- Think about audio quality.
- Work to drive listeners to your podcast.



CRISIS COMMUNICATIONS

There may come a time when a crisis occurs either directly on your page or at the brand level. In these instances, it may be necessary to engage the Public Information Office for direction or to go dark on your accounts until further action is provided.

Please see categories below and the outlined process. The official Social Media accounts for emergency notification are operated through the Public Information Office and Beaufort County Emergency Management Services.

Government Property Safety: Immediate Threats Crisis Communication

These include any situations that could have a direct impact on the safety of our Beaufort County Government buildings or property. These situations will be led by the Beaufort County Sheriff's Office channels, with the Government Brand Channels following after to alert the public. In these situations, all other social channels are to go dark and not post regarding these situations.

During crisis or emergency situations, it is critical to make sure accurate information is being shared from as few channels as possible so the audience's feeds are not overwhelmed with conflicting information.

The safety of the County Government community relies on accurate and concise information during these situations. These channels should allow the Sheriff's Office to do the communicating.

These threats include but are not limited to:

- Bomb threat.
- Active shooter.
- Armed intruder.
- Gunshots reported.
- Abduction.



- Attempted sexual assault.
- Criminal offenses.
- Hate crimes.

Immediate Infrastructure Threats Crisis Communication:

These include any weather or health related situations that need to be led by our Beaufort County Sheriff's Office channels. During these situations, the Sheriff's Office will take the lead on notifying the public.

Once they have done so, all other social channels are encouraged to repost from the Sheriff's Office channel to alert their respective audiences. If a department/ organization chooses to repost emergency notification information, they must repost all information related to the event. Additionally, all questions or inquiries directed to the Sheriff's Office should not be answered by any accounts other than the Beaufort County Sheriff's Office.

These situations include:

- Hurricane warning
- Hurricane watch
- Tornado warning
- Tornado watch
- Lightning advisory
- Lightning warning
- Weather advisory
- Severe thunderstorm warning
- Earthquake
- Gas leak/hazardous materials spill/incident
- Flooding reported
- Flash flood watch
- Flash flood warning
- Winter storm watch
- Winter storm warning
- Pandemic illness/outbreak of serious illness
- Plane/aircraft crash or incident



Immediate Threats:

These include any technical issues affecting Beaufort County Government. The Beaufort County Sheriff's Office Channels will lead the communication of these issues.

Once they have, all other social media channels are encouraged to repost the information from the Sheriff's Office Channel. Ensure once information is re-posted that all information related to that event is reposted and all inquiries for the Sheriff's Office should be answered by the Sheriff's Office.

These threats include:

- Government computer systems
- Power outages/restorations
- BCSO phone outage
- Fire reports
- Weather shelters

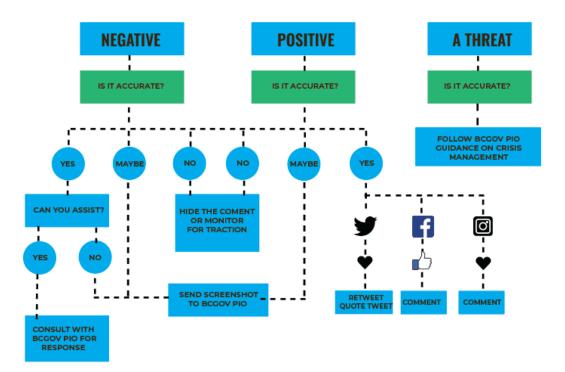
Content Crisis Communications:

You may come across negative or disparaging posts or see third parties trying to spark negative conversations. These include any situation where there is negative, profane and/or threatening commentary on your personal page and/or a piece of content you post. Please follow these steps below:



SOCIAL MEDIA RESPONSE GUIDE

IS THE SOCIAL POST OR COMMENT



Press Inquiries

Postings may generate media coverage.

If a member of the media contacts you about a social media posting or requests information, contact the office of Public Information.

Speaking "On Behalf of the Beaufort County Government Entity," vs. "About Beaufort County":

With the rise of Social Media use, individuals have the ability to share their opinions and engage in conversations about Beaufort County within their own networks.

An authorized spokesperson is a person who has undergone special training and is officially allowed to speak on behalf of the Government.

A social media user is an employee who participates on social media platforms and may or may not share information about Beaufort County Government.

While only an authorized spokesperson can speak 'On Behalf of Beaufort County Government,' any employee who is a social media user can speak "About Beaufort County."

When engaging in conversations "About the Beaufort County," please remember to add value to the conversation, follow all applicable policies and guidelines, and when in doubt, seek advice from the Public Information Office or don't post.



Social Media Work Plan & Account Request Form

Instructions

This form should be completed by the Department's Social Media Coordinator, who is responsible for monitoring his/her Department's social media activity to ensure policy compliance.

The Department's Social Media Coordinator should have submitted a Social Media User Acknowledgement Form prior to submitting this form. Per Beaufort County Government's Social Media Policy, departments with social media sites should submit a separate workplan or face termination of future social media activities.

No new department social media account can be created without the submission and approval of a Department Work Plan by the Beaufort County Administrator's Office. Email completed forms to: wpio@bcgov.net. Final approved form will be emailed back to the Social Media Coordinator and Department Head.

General Information:

Date Department Department Social Media Coordinator Email Has Department Head Approval been obtained (Required for Account Creation)?

Workplan

Provide information regarding the current/desired social media platform:

Platform: Current/Desired Profile Name:



URL (if applicable) Date Established (if applicable)

- 1. What is the purpose of having a separate department site as opposed to posting to the Beaufort County Government's main account?
- Who will be the authorized user(s) / department social media coordinator(s)? Indicate responsibilities (posting/monitoring/responding) if different between each platform/account. Indicate the primary contact, secondary contact and additional back-up.

Full Name: Email: Platform: Responsibility:

3. What is the username? Who are the current and prior admins? (For Facebook, the department must add Beaufort County Government as a Facebook Admin with Full Control. This is used for monthly data gathering. Please review the Social Media Playbook on how to best manage your passwords.

Platform: User Name/Login: Registered Email: Current Admin(s) Person who Created Account

4. Do you want any of your department's GovDelivery topic to be linked and/or posted directly to your departments or County's Facebook/Twitter accounts? If so, which topic?

Platform: GovDelivery Topic:

Platform: GovDelivery Topic:

5. How will public inquiries/comments be handled?

- 6. What is your department's tolerance for negative criticism? (Refer to Social Media Playbook: Response Considerations for guidance.)
- 7. What is your procedure to monitor activity and to ensure policy compliance?
- 8. How frequently does your department plan to post content?
- 9. What assistance, if any, do you need? Any other comments/questions?

STOP: To be filed by Public Information Office:

Date Form Received: Public Information Officer Approval Signature: Date Approved: Department Head Approval Signature Date Approved: Login Information / Access Received? Training Conducted: Notes:

Parks and Recreation Board RECOMMEND APPROVAL OF THE APPOINTMENT OF ELIZABETH CAMPUTARO TO THE PARKS AND RECREATION BOARD FOR A FOUR-YEAR TERM WITH THE EXPIRATION DATE OF SEPTEMBER 2028. ◆ APPROVED BY DALE BUTTS(ACA), SHANE STAGER (DEPUTY DIR), BRUCE YEAGER (BOARD CHAIR) ◆ DISTRICT 3 ◆ TERM TO BE SERVED: 1 ST - VOTE NEEDED: 6/11
 OCCUPATION: ATTORNEY (MOTLEY RICE) <u>Lowcountry Regional Transportation Authority</u> RECOMMEND APPROVAL OF THE APPOINTMENT OF JOHN HOLAK TO THE LOWCOUNTY REGIONAL TRANSPORTATION AUTHORITY FOR A PARTIAL TERM WITH THE EXPIRATION DATE OF FEBRUARY 2025. APPROVED BY MARY FRANZONI DISTRICT 8
 TERM TO BE SERVED: 1ST - VOTE NEEDED: 6/11 OCCUPATION: ASSOCIATE VP/PROGRAM MANAGER (HNTB CORPORATION) Keep Beaufort County Beautiful Board RECOMMEND APPROVAL OF THE APPOINTMENT OF CONSTANCE HOPE CUNNINGHAM TO THE KEEP BEAUFORT COUNTY BEAUTIFUL BOARD FOR A
 PARTIAL TERM WITH THE EXPIRATION DATE OF FEBRUARY 2026. APPROVED BY VICTORIA HOFFMAN (PROGRAM MRG), COUNCIL MEMBER HOWARD DISTRICT 4 TERM TO BE SERVED: 1ST - VOTE NEEDED: 6/11 OCCUPATION: FUND ADVISOR (FRIENDS OF CHERRY HILL OAK)
 Disabilities and Special Needs Board RECOMMEND APPROVAL TO THE GOVERNORS OFFICE FOR THE APPOINTMENT OF FAYE PATRICK ALSTON TO THE DISABILITES AND SPECIAL NEEDS BOARD FOR A FOUR-YEAR TERM WITH THE EXPIRATION DATE OF SEPTEMBER 2028. APPROVED BY JANICE BEACH (STAFF LIAISON), LYNN RUSSO (BOARD CHAIR) DISTRICT 3 TERM TO BE SERVED: 1ST - VOTE NEEDED: 6/11 CENTER MANAGER (BJEOC HEAD START)