

## Richland County Council Request of Action

**Subject:** Approval of Resolution Supporting JEDA Bond Issuance

### **A. Purpose**

Richland County Council is requested to hold a joint public hearing with the South Carolina Jobs-Economic Development Authority (JEDA) in connection with JEDA's issuance of economic development revenue bonds, not exceeding \$23,000,000, to benefit Vista Hotel Partners, LLC. Council is also requested to adopt a resolution supporting the bond issuance as required by Title 41, Chapter 43 of the Code of Laws of South Carolina 1976, as amended (the "*Enabling Act*").

### **B. Background / Discussion**

The Enabling Act authorizes JEDA to utilize any of its program funds to establish loan programs to reduce the cost of capital to business enterprises meeting the eligibility requirements of Section 41-43-150 and for other purposes described in Section 41-43-160 thereof, and thus provide maximum opportunities for the creation and retention of jobs and improvement of the standard of living of the citizens of the State of South Carolina. The Enabling Act further provides that JEDA may issue bonds upon receipt of a certified resolution by the county in which the project will be located supporting the project and evidence of a public hearing held not less than fifteen days after publication of notice in a newspaper of general circulation in the county in which the project is or will be located.

Vista Hotel Partners, LLC, a South Carolina limited liability company (the "*Borrower*"), has applied to JEDA to issue not exceeding \$23,000,000 of its economic development revenue bonds (the "*Bonds*") in order to defray all or a portion of the costs of the acquisition of a parcel of land (the "*Land*") in the Congaree Vista area of the City of Columbia, South Carolina at the southwestern corner of Senate and Park Streets adjacent to the Columbia Metropolitan Convention Center (the "*Center*"), and the construction, furnishing, and equipping of a full-service hotel having approximately 225 rooms and a restaurant facility, constituting a business enterprise in Richland County, South Carolina (all of the foregoing, collectively, the "*Project*") which will employ residents of the Columbia/Sumter Empowerment Zone (the "*Zone*").

The Borrower anticipates that the assistance of JEDA through the issuance of the bonds and the loan of the proceeds thereof to Borrower for such purposes will result in the creation of employment for those engaged in the construction of the Project, and by providing additional permanent employment for approximately 150 people from Richland County and adjacent areas when the Project is placed in full operation.

A draft Resolution in Support of the Project has been submitted to the Legal Department for review and is included below for your review.

### **C. FINANCIAL IMPACT**

No funds from Richland County are requested. There will be no pledge of the credit of the County, JEDA or any other governmental entity with respect to the bonds.

**D. Alternatives**

1. Approve Richland County's support of the issuance of bonds by JEDA for the Project as required by the Enabling Act.
2. Do not approve Richland County's support of the issuance of bonds by JEDA for the Project as required by the Enabling Act.

**E. Recommendation**

It is recommended that Council support the issuance of bonds by JEDA for the Project as required by the Enabling Act.

Recommended by: John Van Duys, Esq., Haynsworth Sinkler Boyd, P.A., Bond Counsel.  
Date: 11/09/04

**F. Reviews**

**Finance**

Reviewed by (Finance Director): Carrie H. Neal Date: 11/16/2004  
 Recommend Council approval  Recommend Council denial  
Comments regarding recommendation:

Reviewed by (Budget Director): Daniel Driggers Date: 11/16/04  
 Recommend Council approval  Recommend Council denial  
Comments regarding recommendation:

**Legal**

Reviewed by: Amelia R. Linder Date: 11/16/04  
 Recommend Council approval  Recommend Council denial  
Comments regarding recommendation: This request is at the discretion of Council.

**Administration**

Reviewed by: Tony McDonald Date: 11/17/04  
 Recommend Council approval  Recommend Council denial  
Comments regarding recommendation:



installation of the Project, and additional permanent employment for approximately 150 persons in Richland County and surrounding areas after the Project is completed and placed in full operation, and the Project will stimulate the economy of Richland County and surrounding areas by maintaining payrolls and other public benefits incident to such business; and

**WHEREAS**, the County Council of Richland County and the Authority have on this date jointly held a public hearing, duly noticed by publication in a newspaper having general circulation in Richland County, not less than 15 days prior to the date hereof, at which all interested persons have been given a reasonable opportunity to express their views.

**NOW, THEREFORE, BE IT RESOLVED** by the County Council of Richland County, South Carolina, as follows:

SECTION 1. It is hereby found, determined, and declared that the Project (a) will subserve the purposes of the Act; (b) is anticipated to benefit the general public welfare of Richland County by providing services, employment, recreation or other public benefits not otherwise provided locally; (c) will give rise to no pecuniary liability of Richland County or a charge against its general credit or taxing powers; (d) the amount of Bonds required to finance the Project, as provided by the Borrower, is not exceeding \$23,000,000; and (e) the documents to be delivered by the Borrower and the Authority with respect to the Bonds will provide, among other things, (i) for the amount necessary in each year to pay the principal of and interest on the Bonds, (ii) whether reserve funds of any nature will be established with respect to the retirement of the Bonds and the maintenance of the Project (and, if any such reserve funds are to be so established, the amount necessary to be paid each year into such funds), and (iii) that the Borrower shall maintain the Project and carry all proper insurance with respect thereto.

SECTION 2. The County Council of Richland County supports the Authority in its determination to issue the Bonds to defray the costs related to the Project.

SECTION 3. All orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this resolution shall take effect and be in full force and effect from and after its adoption.

Adopted this \_\_th day of December, 2004.

**RICHLAND COUNTY, SOUTH CAROLINA**

By: \_\_\_\_\_  
Bernice G. Scott, Chairman, County Council

ATTEST this \_\_\_\_ day of \_\_\_\_\_, 2004:

By: \_\_\_\_\_  
Clerk of Council

**NOTICE OF PUBLIC HEARING  
RICHLAND COUNTY, SOUTH CAROLINA**

NOTICE IS HEREBY GIVEN that a public hearing will be held by the County Council of Richland County, South Carolina, in Chambers of County Council, Richland County Administration Building, 2nd Floor, 2020 Hampton Street, Columbia, South Carolina, on December 7, 2004, at [6:00 p.m.] in connection with the issuance by South Carolina Jobs-Economic Development Authority (the “*Issuer*”) of its Economic Development Revenue Bonds (the “*Bonds*”) in aggregate principal amount not to exceed \$23,000,000. The proceeds of the Bonds will be made available to Vista Hotel Partners, LLC, a South Carolina limited liability company (the “*Borrower*”), to provide funds to pay, or to refinance, or to reimburse the Borrower for paying certain of the costs of the acquisition of a parcel of land (the “*Land*”) in the Congaree Vista area of the City of Columbia, Richland County, South Carolina at the southwestern corner of Senate and Park Streets adjacent to the Columbia Metropolitan Convention Center (the “*Center*”), and the construction, furnishing, and equipping of a full-service hotel having approximately 225 rooms and a restaurant facility, constituting a business enterprise in Richland County, South Carolina (all of the foregoing, collectively, the “*Project*”) which will employ residents of the Columbia/Sumter Empowerment Zone (the “*Zone*”). The Borrower will operate the facilities financed by the Bonds and will unconditionally covenant to make payments sufficient to pay the principal and interest on the Bonds. The Bonds will be payable by the Issuer solely and exclusively out of payments to be made by the Borrower and are to be secured, *inter alia*, by a security interest in certain revenues derived by the Issuer from the Borrower. The Bonds do not constitute an indebtedness of the State of South Carolina, the Issuer, Richland County, or any other political subdivision of the State of South Carolina within the meaning of any state constitutional provision or statutory limitation or constitute or give rise to any pecuniary liability of such political subdivision or a charge against its general credit or taxing powers. Any person may appear and be heard at the public hearing relating to the nature and location of the Project and the proposed issuance of the Bonds.

South Carolina Jobs-Economic Development Authority  
Elliott E. Franks, III, Executive Director

Richland County, South Carolina  
Chairman, Richland County Council

## Richland County Council Request for Action

**Subject:** Companion Resolution to Capital Trust Agency Resolution approved on 10/19/2004

**A. Purpose**

The proposed Resolution confirms that the Public Hearing held by County Council on October 19, 2004 and approval of the bonds be issued by the Capital Trust Agency were accomplished pursuant to Section 147 of the Internal Revenue Code.

**B. Background / Discussion**

On October 19, 2004, the County Council approved a Resolution and held a Public Hearing regarding bonds to be issued by the Capital Trust Agency (a Florida issuer similar to JEDA). The attached Resolution is a companion to what was approved on October 19, 2004. The new Resolution serves only to confirm that the County Council's previous actions were accomplished pursuant to the applicable section of the federal tax code that provides that such public hearings be held for tax-exempt bond issues.

**C. Financial Impact**

There is no financial impact associated with this request.

**D. Alternatives**

1. Approve the terms of the Resolution (attached) which gives authority to execute the Agreement. Hold the public hearing regarding the bonds.
2. Deny the request.

**E. Recommendation**

It is recommended that County Council approve the terms of the Resolution (attached) which gives authority to execute the Agreement. Also, hold the public hearing regarding the bonds.

Recommended by: Ray Jones, Parker Poe                      Date: November 16, 2004

**F. Reviews**

**Finance**

Reviewed by (Finance Director): Carrie H. Neal                      Date: 11/16/2004  
✓ Recommend Council approval                       Recommend Council denial  
Comments regarding recommendation:

Reviewed by (Budget Director): Daniel Driggers                      Date: 11/16/04  
✓ Recommend Council approval                       Recommend Council denial  
Comments regarding recommendation:

**Legal**

Reviewed by: Amelia R. Linder    Date: 11/17/04  
✓ Recommend Council approval                       Recommend Council denial  
Comments regarding recommendation:

**Administration**

Reviewed by: Tony McDonald

✓ Recommend Council approval

Comments regarding recommendation:

Date: 11/17/04

Recommend Council denial

STATE OF SOUTH CAROLINA        )  
   )  
 COUNTY OF RICHLAND                )

A RESOLUTION OF THE  
 RICHLAND COUNTY COUNCIL

PROVIDING FOR THE APPROVAL OF THE ISSUANCE OF CERTAIN REVENUE BONDS BY THE CAPITAL TRUST AGENCY TO REFINANCE AN AFFORDABLE HOUSING PROPERTY IN RICHLAND COUNTY AND OTHER MATTERS RELATED THERETO.

Incident to the adoption of this Resolution, the County Council of Richland County, South Carolina (the “County Council”), the governing body of Richland County, South Carolina (the “County”), has made the following findings:

*WHEREAS*, on October 19, 2004, the County Council held a public hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”) regarding the issuance by the Capital Trust Agency, a public agency of the state of Florida (the “Agency”), of revenue bonds in one or more series (the “Bonds”) as part of a debt offering in a total amount of not more than \$700,000,000 in the aggregate, to be issued in one or more installments, for the purpose, among other things of providing funds to be loaned to Atlantic Housing Foundation, Inc. (the “Foundation”), a corporation not for profit, whose principal place of business is 210 Park Boulevard, Suite 112, Grapevine, Texas 76051 or one or more wholly-owned subsidiaries of the Foundation (collectively, the “Company”) for financing or refinancing the acquisition, development, rehabilitation, ownership by the Company of affordable multi-family rental housing facilities for persons of low, middle, and moderate income, and of student housing facilities for students of institutions of higher learning, including the refinancing of The Ashton at Longcreek, an approximately 220 unit multi-family rental housing facility located at 1401 Longcreek Drive, Columbia, South Carolina 29210 (to be refinanced in an amount of not more than \$11,200,000); and

*WHEREAS*, in order to satisfy the requirements of Section 147(f) of the Code, it is necessary for the County Council to approve the Bonds after the public hearing has been held.

NOW THEREFORE, BE IT RESOLVED, by the County Council as follows:

*Section 1.*       Solely for purposes of satisfying Section 147(f) of the Code, the Bonds are approved.

*Section 2.*       This Resolution is given solely for the purpose of complying with the provisions of Section 147(f) of the Code and for no other purpose, and the Bonds shall in no way be an obligation or liability of the County, or any other political subdivision, agency or corporate body.

*Section 3.*       The Chairperson of the County Council is hereby authorized and directed to execute such documents as may be necessary to evidence the County’s “host approval”, as defined in Section 147(f) of the Code and the applicable United States Treasury Regulations thereunder.

*Section 4.*       The appointment of the Chairperson to conduct a public hearing regarding “host approval”, as defined in Section 147(f) of the Code and the applicable United States Treasury Regulations thereunder, in connection with issuance of the Bonds following reasonable public notice thereof is hereby confirmed and ratified.



Done in a meeting duly assembled this \_\_\_\_ day of \_\_\_\_\_ 2004.

**RICHLAND COUNTY, SOUTH CAROLINA**

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Chairperson of County Council,  
Richland County, South Carolina

ATTEST:

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Clerk to County Council,  
Richland County, South Carolina

## Richland County Council Request for Action

**Subject:** Resolution regarding Local Option Sales and Use Tax

**A. Purpose**

Prior to December 31, 2004, the County must notify the Department of Revenue and the State Treasury that the local option sales and use tax referendum was passed in Richland County in order to have the tax imposed on May 1, 2005.

**B. Background / Discussion**

On July 22, 2004, Richland County Council adopted Ordinance No. 042-04HR, which authorized a referendum on the local option sales and use tax on November 2, 2004. The referendum was thereafter placed on the ballot and was approved by the electors on November 2, 2004 by a vote of 61,584 to 59,987.

Section 4-10-90(A) of the S.C. Code of Laws requires the County to notify the Department of Revenue and the State Treasury, through the delivery of a certified copy of a Resolution, that on November 2, 2004 the electors passed the referendum. A draft Resolution is attached for your consideration.

If the Department of Revenue and the State Treasury do not receive the Resolution prior to December 31, 2004, the imposition of the sales and use tax will be delayed until the first day of May of 2006.

**C. Financial Impact**

There is no financial impact associated with this request.

**D. Alternatives**

1. Approve the Resolution (to be sent to the Department of Revenue and the State Treasury prior to December 31, 2004).
2. Deny the request.

**E. Recommendation**

It is recommended that County Council approve the Resolution.

Recommended by: LEGAL

Date: November 16, 2004

**F. Reviews**

**Finance**

Reviewed by (Finance Director): Carrie H. Neal Date: 11/16/2004

Recommend Council approval       Recommend Council denial

Comments regarding recommendation:

Reviewed by (Budget Director): Daniel Driggers Date: 11/16/04

Recommend Council approval       Recommend Council denial

Comments regarding recommendation:

**Legal**

Reviewed by: Amelia R. Linder

✓ Recommend Council approval

Comments regarding recommendation:

Date: 11/17/04

Recommend Council denial

**Administration**

Reviewed by: Tony McDonald

✓ Recommend Council approval

Comments regarding recommendation:

Date: 11/17/04

Recommend Council denial

STATE OF SOUTH CAROLINA    )  
  )  
COUNTY OF RICHLAND        )

A RESOLUTION OF THE  
RICHLAND COUNTY COUNCIL

A RESOLUTION ACCEPTING THE RESULTS OF THE NOVEMBER 2, 2004  
REFERENDUM ON THE LOCAL OPTION SALES TAX.

WHEREAS, as a result of action taken by Richland County Council on June 22, 2004 and an Ordinance approved by Richland County Council on July 21, 2004 (Ordinance No. 042-04HR), a Referendum was held on November 2, 2004 on the question of whether the qualified electors of Richland County wished to adopt a one-percent sales and use tax which would be applied as a credit against the County and municipal ad valorem tax liability; and

WHEREAS, the results of the Referendum showed the majority of qualified electors favored the adoption of the sales and use tax by a certified vote of 61,584 in favor and 59,987 against; and

WHEREAS, all the conditions of the South Carolina Code concerning the Referendum were met, including publication in the October 20, 2004 and October 23, 2004 editions of *The State* newspaper of a notice concerning the anticipated credit against property taxes;

NOW, THEREFORE, BE IT RESOLVED that the County Council of Richland County, South Carolina, adopts the results of the referendum and, in compliance with South Carolina Code Section 4-10-90(A), hereby notifies the South Carolina Department of Revenue and the South Carolina State Treasurer that Richland County will proceed with the implementation of the tax beginning May 1, 2005.

Adopted in a meeting duly assembled this \_\_\_\_ day of December, 2004.

RICHLAND COUNTY, SOUTH CAROLINA

By: \_\_\_\_\_  
Bernice G. Scott, Chair  
Richland County Council

ATTEST THIS \_\_\_\_ DAY OF  
\_\_\_\_\_, 2004:

\_\_\_\_\_  
Michielle Cannon-Finch  
Clerk of County Council

