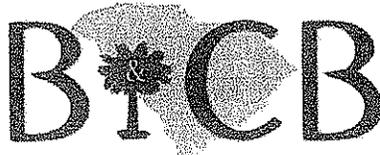


NIKKI HALEY, CHAIRMAN  
GOVERNOR  
  
CURTIS M. LOFTIS, JR.  
STATE TREASURER  
  
RICHARD ECKSTROM, CPA  
COMPTROLLER GENERAL



SC BUDGET AND CONTROL BOARD

State Budget Division  
Les Boles  
DIRECTOR

(803) 734-2280  
Fax: (803) 734-0645

HUGH K. LEATHERMAN, SR.  
CHAIRMAN, SENATE FINANCE COMMITTEE

W. BRIAN WHITE  
CHAIRMAN, HOUSE WAYS AND MEANS  
COMMITTEE

MARCIA S. ADAMS  
EXECUTIVE DIRECTOR

January 17, 2012

The Honorable Hugh K. Leatherman, Sr., Chairman  
Joint Bond Review Committee  
111 Gressette Senate Office Building  
Columbia, SC 29201

Dear Senator Leatherman:

The State Budget Division submits the following items for review at the January 25, 2012 meeting of the Joint Bond Review Committee.

From the General Services Division:

- 1) Spartanburg Community College Sale of 4.53± Acres at 142 South Dean Street in Spartanburg.

From the State Budget Division:

- 2) Summary 5-2012, including six permanent improvement project requests and three land acquisitions.

If you have any questions or need additional information on these items, please do not hesitate to call me at 803-737-0699.

Sincerely,

Carol P. Routh  
Manager, Capital Budgeting

Enclosures

cc: George Dorn, Tim Rogers, Ted Pitts, Jamie Shuster, Bill Leidinger, Rick Harmon, Jim Holly, John White, Patricia Dennis, Courtney Blake, Les Boles, Charles Shawver, Stephen Gardner, Laura Pace, Mandy Kibler, Jim Berry, Brenda Day, Tom Quasney, John Malmrose, John McEntire, Sandy Williams

## JOINT BOND REVIEW COMMITTEE AGENDA ITEM WORKSHEET

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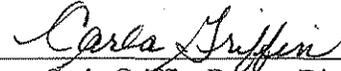
Meeting Scheduled for: January 25, 2012

Regular Agenda

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**1. Submitted By:**

- (a) Agency: Division of General Services
- (b) Authorized Official Signature:

  
Carla Griffin, Deputy Director

---

**2. Subject:** Spartanburg Community College Sale of 4.53± Acres at 142 South Dean Street in Spartanburg

---

**3. Summary Background Information:**

The Spartanburg County Commission for Technical Education acquired 4.53± acres at 142 South Dean Street in Spartanburg in January 2011 for \$4,890,000 as approved by the Joint Bond Review Committee at its December 10, 2010 meeting and the Budget and Control Board at its December 14, 2010 meeting. The property includes a 105,177± square foot former school building originally constructed in 1921 known as the Evans Building, and was acquired for the purpose of creating a downtown academic center for Spartanburg Community College (SCC) in order to provide improved access to job skill training and higher education programs. A construction budget of \$10,490,601 was approved by the Joint Bond Review Committee at its September 14, 2011 meeting and by the Budget and Control Board at its September 20, 2011 meeting to renovate the Evans Building.

SCC requests contingent approval to sell the property to SCC Foundation-Downtown Campus, LLC (LLC), a limited liability company to be established and wholly-owned by the Spartanburg Community College Foundation, for \$4,890,000, which is the appraised value of the property as of December 29, 2011. Proceeds from the sale will be retained by SCC in accordance with 2011 S.C. Act No. 73, Part 1B, §80A.33 and SC Code of Laws §59-53-53. Under the ownership of the LLC, the Evans Building renovation project will qualify for up to \$7,800,000 in federal new market tax credits as well as state and federal historic tax credits, which funds would be used to pay for the furniture and equipment for the renovated center and to help pay for the proposed renovations.

The sale of the property is contingent on the LLC's ability to secure tax credits. If successful in securing tax credits, the LLC will lease the Evans Building to SCC upon completion of renovations. Rent will be based on the debt service payments owed by the LLC, to be calculated based on the acquisition cost of the property, renovation costs, associated loan rates and legal costs. SCC will also have the option to purchase the property at any time for the unamortized debt service plus any additional costs or fees not financed, and after the project is fully amortized for nominal consideration. The lease will be reviewed by the Division of General Services and subject to the approval of the Joint Bond Review Committee and the Budget and Control Board. If tax credits are unable to be secured for the Evans Building renovation project, SCC will retain ownership of the property and renovate the Evans Building in accordance with the previously-approved construction budget.

The proposed property sale was approved by the Spartanburg County Commission for Technical Education on June 20, 2011 and the State Board for Technical and Comprehensive Education on July 26, 2011.

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**4. What is the Joint Bond Review Committee asked to do?**

Approve the sale of 4.53± acres at 142 South Dean Street in Spartanburg from Spartanburg Community College to SCC Foundation-Downtown Campus, LLC contingent on the award of tax credits to the SCC Foundation-Downtown Campus, LLC for the Evans Building renovation project.

---

**5. What is the recommendation of the Division of General Services?**

Approval of the sale of 4.53± acres at 142 South Dean Street in Spartanburg from Spartanburg Community College to SCC Foundation-Downtown Campus, LLC contingent on the award of tax credits to the SCC Foundation-Downtown Campus, LLC for the Evans Building renovation project.

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**6. List of Supporting Documents:**

- (a) Letter from Spartanburg Community College dated January 4, 2012 with attachments:
  - (i) Letter from TD Bank dated January 3, 2012
  - (ii) Letter from HEDC New Markets, Inc. dated December 21, 2011
  - (iii) Letter from New Economic Opportunity Network, LLC dated January 3, 2012
  - (iv) Evans Building Project Schedule
- (b) SC Code of Laws Sections 1-11-65 and 59-53-53
- (c) 2011 S.C. Act No. 73, Part 1B, § 80A.33



January 4, 2012

Ms. Lisa Catalanotto  
General Services, Real Property Services  
SC State Budget & Control Board  
1200 Senate Street  
Suite 460  
Columbia, SC 29201

Dear Ms. Catalanotto,

The Spartanburg County Commission for Technical Education (the "College") requests contingent approval from both the Joint Bond Review Committee (the "JBRC") and the State Budget & Control Board (the "B&CB") to sell the Downtown Center property recently acquired by the College to SCC Foundation-Downtown Campus, LLC (the "LLC"), to be a single-purpose limited liability company controlled by the Spartanburg Community College Foundation (the "Foundation"). As you are aware, the Foundation has, by charter as well as contract, a mission dedicated to the benefit of the College, would control the LLC as such and, as discussed below, the ultimate plan would be for the College to reacquire the property after a period of approximately 7-8 years.

The College and the Foundation have been working on plans to renovate, rehabilitate and furnish the facility. The project is eligible for both federal New Markets Tax Credits and federal and state Historic Tax Credits. We have several banks interested in investing in the project and assisting in the tax credit aspects. Because the owner of a project under the financing structure must be a "corporation or partnership" under tax rules (which may include a limited liability company), the proposed structure is most readily accessible through selling the property at fair market value to the Foundation-controlled LLC.

The College therefore requests approval to sell the property on such terms so that it can qualify for tax credits. The College desires to sell the property to the LLC for its current appraised value of \$4,890,000. The LLC would use moneys obtained through its own borrowing (which would not count against any debt limit of the College, the State or any

Ms. Lisa Catalanotto

January 4, 2012

Page 2

State agency) (the "LLC Borrowing") to fund all or substantially all of the purchase price of the property and, in combination with proceeds from the sale of the tax credits, to fund the renovations, rehabilitation and furnishings of the facility as directed by the College.

Following the purchase of the Downtown Center property at fair market value, the Foundation-controlled LLC would lease it to the College. Due to the measurable subsidy received from selling the tax credits mentioned above to banks or other purchasers, the College will obtain correspondingly measurable economic benefits through lower rental payments as the tenant.

The College desires to use the facility for a Downtown Academic Center so higher education and job skill training can be more readily available to a portion of our population that is underserved. The College is collaborating with SC Works to make job skills training available to the community's economically depressed citizens. The College is planning to offer special job training programs such as Licensed Practical Nursing, CNN, Nurse Assisting, Early Childhood, Business, Retail Sales, Manufacturing Computer Technology, and Small Business Administration. The programs will be designed to allow new students, primarily unskilled individuals, to obtain long-term employment. The College will also be providing training to employees of local businesses to help them remain profitable. We expect to have 500 students enrolled at the Center within the first year and up to 1,000 students within the first five years.

The projected date for facility occupancy is June 2013 and the College plans to use the property as a permanent College Center. The College will need to work with your office during the next several months to finalize a lease for the property. The lease payments made by the College, as flowed through the financing structure, will among other things assist in repaying the LLC Borrowing. The lease payment schedule will thus be determined in material part by the LLC's loan principal and interest payments. Finally, at any time following the end of the tax credit period (a period of approximately 7-8 years), the College will have the pre-negotiated contractual right to reacquire the Downtown Campus after all rents are current and all debts satisfied.

Enclosed you will find letters of interest from TD Bank, New Economic Opportunity Network, LLC (NEON) and HEDC New Markets, Inc. expressing their interest in the project and their desire to participate depending on their next allocations of New Markets Tax Credits. Each of these parties is a qualified participant in the New Markets Tax Credit program and TD Bank, of course, is a major lender bringing additional expertise in such capacity. I also expect to be able to provide similar letters from SunTrust, Wells Fargo, Bank of America and the Community Affordable Housing Equity Corporation (CAHEC) at a later time. I will forward

rccltrlisacatalanotto010412

Ms. Lisa Catalanotto  
January 4, 2012  
Page 3

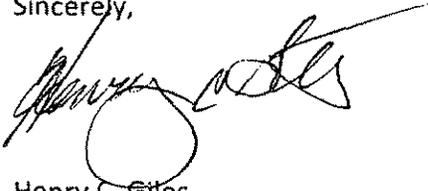
copies as soon as I receive them. All of the above institutions are awaiting the announcement of NMTC allocations by late February or early March 2012.

The College is asking for contingent approval to sell the property to the Foundation-controlled LLC at fair market value. If the property does not qualify for either New Markets Tax Credits or Historic Tax Credits, there will be no need to sell the property to the LLC. If this turns out to be the case, the College will retain ownership of the property and will renovate the property based on the funding sources identified in the project approved by JBRC at its September 14, 2011 meeting and by the B&CB at its September 20, 2011 meeting.

A copy of the project's timeline, noting the completion date as June 2013, is also enclosed for your reference.

I want to thank you, JBRC and B&CB, for considering the request.

Sincerely,

A handwritten signature in black ink, appearing to read "Henry C. Giles", written over a circular stamp or mark.

Henry C. Giles  
Executive Vice President

Enclosure

C: Dr. Para Jones, President  
Tyler Smith, Esq.  
Robert Galloway, Esq.



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January 3, 2012

Henry C. Giles, Jr.  
Executive Vice President  
Spartanburg Community College  
PO Box 4386  
Spartanburg, SC 29305

Dear Henry:

Thank you for allowing TD Bank, N.A., and TD Community Development Corporation the opportunity to review your financing request relative to acquisition and renovation of the historic school building in downtown Spartanburg. From your summary, TD Bank and its subsidiaries would be very interested in working with you to arrange a comprehensive financing proposal. You have requested use of New Markets Tax Credits for this project. We do not, at this time, have any NMTC allocation available that can be used for this project since it is in a metropolitan census tract. We have, however, applied for additional allocation and hope to hear something about our request in February of this year. From the information presented, you are seeking up to \$19,100,000 in NMTC allocation. Our ability to apply any allocation we receive will be dependent upon how much allocation we receive and what conditions are placed on that allocation upon award, so we are not in a position to commit to the use of any of our allocation at this time. We have in the past worked with other CDE's in leveraging their allocation and would be interested in working with you and your project should the opportunity present itself. We would be interested in providing the leveraged loan as well as being the investor in the NMTC if outside allocations were secured.

Henry, TD Bank would also be interested in providing a financing solution for you and your foundation should you be unable to secure a NMTC allocation. Depending upon the terms and length of the lease, the "as completed" appraised value of the property, and internal approvals, we could look at tax-free bond financing over a 15 to 25 year term. This could be done in conjunction with the Historic Tax Credits as well as the NTMC. In today's market, 25 year financing on a tax exempt, fixed rate basis for a ten year period would be about 3.64%. The lease payments would have to be such that they would cover debt service by 1.25 times and would need to be a long-term lease extending beyond the maturity of the bonds.

Henry, I would like to be able to give you a more specific letter, but until we know the results of the NTMC application, it is hard to do so. Once we determine the availability of NMTC and/or the use of tax-exempt bond financing, we will be able to craft a more formal proposal.

I look forward to working with you on this project.

Sincerely,

  
Charles D. Chamberlain  
President  
TD Community Development Corporation

# HEDC New Markets, Inc.

December 21, 2011

Mr. Henry Giles  
Executive Vice President  
Spartanburg Community College  
Post Office Box 4386  
Spartanburg, SC 29305

*Subject: New Markets Tax Credit Qualified Equity Investment Letter for Spartanburg Community College:*

Dear Mr. Giles:

Please accept this preliminary expression of interest by HEDC New Markets, Inc. to make available NMTC Authority to the Spartanburg Community College renovation of the Evans Building, a 104,000 square foot development located at 142 South Dean St., Spartanburg, SC.

HEDC New Markets is a Certified Community Development Entity (CDE) that has received prior New Market Tax Credit allocations from the United States Treasury Department, Community Development Financial Institution Fund. The Evans Building has been included in our active project pipeline awaiting formal underwriting in anticipation of a Round 9 allocation. We submit this letter with the understanding that the Spartanburg Community College and NDC will be using this preliminary expression of interest as part of its evidence of public funding commitment with tax credit investors, other Community Development Entities and potential public and/or commercial lenders.

This letter is intended to be an initial framework of major terms and conditions. Any future commitment is dependent on the availability of allocation and the identification of a NMTC Investor acceptable to HEDC New Markets, Inc. Conditions to funding are completion of due diligence, formal approval by our Investment Committee, and the negotiation and execution of legal and other documents. This proposal is conditioned upon the preparation, execution and delivery of such Project Documents in form and substance satisfactory to HEDC New Markets, other partner CDEs, a tax credit investor and leverage lender interests.

The Evans Building request is for allocation totaling \$10,000,000 and it is anticipated that another CDE will also bring a \$10,000,000 allocation to the development. The total Project Cost is \$23,100,000, and the other sources of funds include a bank loan, college funds, grant funds and Historic and NMTC equity.

708 Third Avenue – Suite 710, NY, NY 10017  
(212) 682-1106 (P) ~ (212) 573-6118 (F)

The final terms of the funding will be determined only upon execution of the Project Documents.

The transaction contemplated herein will require an additional CDE and a bank lender and equity investor. The CDEs' funding and all funding outside the NMTC structure needed to complete the project, must close and fund no later than March 31, 2012. If you have any questions regarding this letter agreement, please contact David Trevisani at 315 525 9234.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert W. Davenport", written over a horizontal line.

Robert W. Davenport  
Chairman  
HEDC New Markets, Inc.

## New Economic Opportunity Network, LLC

c/o Greenville Tech Foundation, Inc.  
Attention: Bob Howard  
P. O. Box 5616  
Greenville, South Carolina 29606-5616  
Telephone: (864) 250-8719  
E-mail: bob.howard@gvltech.edu



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January 3, 2012

Mr. Henry C. Giles  
Executive Vice President  
Spartanburg Community College  
Business Interstate 85 at New Cut Road  
Spartanburg, South Carolina 29305

*Re: New Markets Tax Credit Allocation for SCC Downtown Campus*

Dear Mr. Giles:

We wish to congratulate Spartanburg Community College on its plans for renovating and rehabilitating the historic Evans Building as a Downtown Campus for the College. This will be a valuable resource to the citizens and economy of Spartanburg and surrounding areas for many years to come.

We understand that the project financing plans include the use of New Markets Tax Credits (NMTCs) and other incentives that may be available to help subsidize the costs of the project and/or the rental payments to be made by the College in leasing back the project as part of the financing structure.

As you are aware, New Economic Opportunity Network, LLC (NEON) has been organized under the guidance and sponsorship of Greenville Technical College and the Greenville Tech Foundation. NEON has successfully obtained its status as a certified Community Development Entity (CDE) under the federal NMTC program, with its mission including a focus on technical education and related educational and workforce endeavors throughout the State of South Carolina.

We believe that your Downtown Campus project would align nicely with NEON's mission and, consequently, wish to inform you of our interest in providing an NMTC allocation to the project.

Spartanburg Community College  
January 3, 2012  
Page 2 of 2

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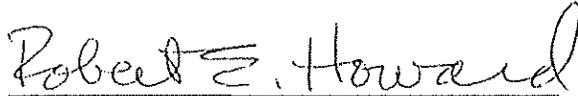
Any such allocation would be subject, of course, to NEON receiving an allocation from the CDFI Fund this year in an amount which would accommodate your request together with other projects in NEON's project pipeline. It would also be subject to certain factors we look forward to discussing with you, such as the amount of NMTC allocation to be provided by one or more co-CDE(s) and other approval considerations. We will be happy to discuss all of these matters with the College.

In regard to the above, you will be interested to know that NEON's application for the Ninth Round of New Markets Tax Credits includes a request for \$60,000,000 of allocation authority.

Do not hesitate to contact me with any comments or questions you may have.

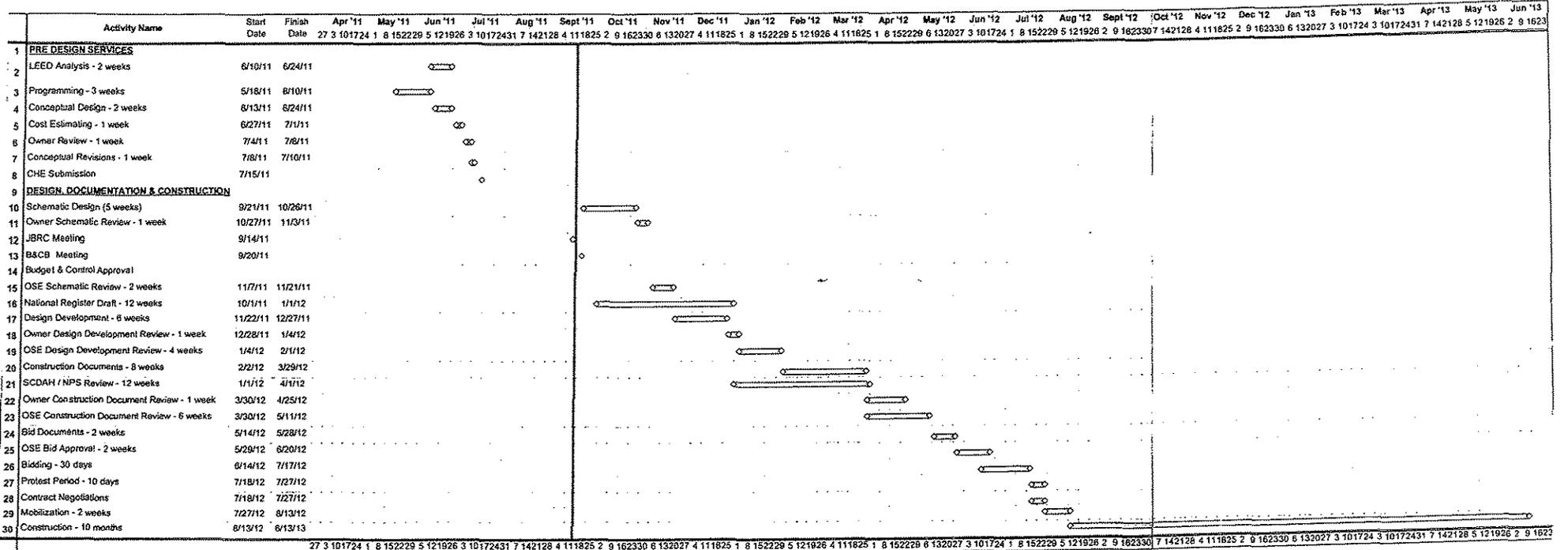
Sincerely,

**NEW ECONOMIC OPPORTUNITY NETWORK, LLC**



Robert E. Howard  
Robert E. Howard  
President

**Evans Building**  
 Project Schedule  
 McMillan Pazden Smith Project No. 10097  
 September 16, 2011



27 3 101724 1 8 152229 5 121926 3 10172431 7 142128 4 111825 2 9 162330 6 132027 4 111825 1 8 152229 5 121926 4 111825 1 6 152229 6 132027 3 101724 1 8 152229 5 121928 2 9 162330 7 142128 4 111825 2 9 162330 6 132027 3 101724 3 10172431 7 142128 5 121926 2 9 162330

**S.C. Code of Laws**

**SECTION 1-11-65. Approval and recordation of real property transactions involving governmental bodies.**

(A) All transactions involving real property, made for or by any governmental bodies, excluding political subdivisions of the State, must be approved by and recorded with the State Budget and Control Board. Upon approval of the transaction by the Budget and Control Board, there must be recorded simultaneously with the deed, a certificate of acceptance, which acknowledges the board's approval of the transaction. The county recording authority cannot accept for recording any deed not accompanied by a certificate of acceptance. The board may exempt a governmental body from the provisions of this subsection.

(B) All state agencies, departments, and institutions authorized by law to accept gifts of tangible personal property shall have executed by its governing body an acknowledgment of acceptance prior to transfer of the tangible personal property to the agency, department, or institution.

S.C. Code of Laws

**SECTION 59-53-53. Borrowing by area commissions; special fees; disposing of excess real property.**

(A) The area commission of any technical education institution under the jurisdiction of the South Carolina technical education system may borrow for capital improvements from a federal or other lending agency an amount not to exceed its ability to repay the loan through the imposition of a special fee. The terms of the loan may not exceed forty years. An area commission may issue covenants, enter into mortgages, and grant liens limiting the sale or use of certain parcels of real or personal property in its possession when required as a condition of accepting a grant, loan, or donation for specified capital improvement projects.

To amortize the loan, a special fee must be imposed within the limits established by the state board, the proceeds of which must be deposited in a special account to be used for payment of the loan in accordance with the terms negotiated by the commission and the lender. No funds other than the revenue from the special fee may be pledged for payment of the loan.

(B) The governing body for each technical college shall review the real property titled in the name of its institution to determine if such property is in excess of the institution's anticipated needs and is available for disposal. All real properties determined to be in excess may be disposed of with the approval of the State Board for Technical and Comprehensive Education, the Budget and Control Board, and the Joint Bond Review Committee. The proceeds of such sales are to be disposed of as follows:

(1) if the property was acquired by gift, or through tuition, student fees, county funds, or earned income, the proceeds may be retained by the selling institution for use in accord with established needs;

(2) if the property was acquired through state appropriations, state capital improvement bonds, or formula funds, the proceeds shall revert to the state general fund.

The responsibility for providing any necessary documentation including, but not limited to, documenting the fund source of any real property proposed for sale rests with each respective institution.

2011 S.C. Act No. 73, Part 1B, §80A.33

**BCB: Sale of Surplus Real Property.** Up to 50% of the proceeds, net of selling expenses, from the sale of surplus real properties shall be retained by the Budget and Control Board and used for the deferred maintenance of state-owned buildings. The remaining 50% of the net proceeds shall be returned to the agency that the property is owned by, under the control of, or assigned to and shall be used by that agency for non-recurring purposes. This provision applies to all state agencies and departments except: institutions of higher learning; the Public Service Authority; the Ports Authority; the MUSC Hospital Authority; the Myrtle Beach Air Force Redevelopment Authority; the Department of Transportation; the Columbia State Farmers Market; the Department of Agriculture's Columbia Metrology Lab building and property; the Charleston Naval Complex Redevelopment Authority; the Department of Commerce's Division of Public Railways; the Midlands Technical College Enterprise Campus Authority; the Trident Technical College Enterprise Campus Authority; the Commissioners residence at the Department of Corrections and the Educational Television Commission's Key Road property.

The Educational Television Commission shall be authorized to retain the net proceeds from the sale of its property on Key Road, and such proceeds shall only be used for the renovation of the ETV Telecommunications Center. If it is determined that sufficient net proceeds are not to be derived from the sale of its property on Key Road to cover the cost of all renovations of the Telecommunications Center, the property on Key Road shall not be sold. Any proposed sale hereunder shall, prior to said sale, be submitted to the Budget and Control Board for approval as being in compliance with the requirements of this subsection.

The Department of Corrections shall be authorized to retain the net proceeds from the sale of the residence provided for the Commissioner of the Department of Corrections and use such proceeds for deferred maintenance needs at the Department of Corrections.

The Forestry Commission shall be authorized to retain the net proceeds from the sale of surplus land for use in firefighting operations and replacement of firefighting equipment.

The Department of Natural Resources shall be authorized to retain the net proceeds from the sale of existing offices originally purchased with a federal grant or with restricted revenue from hunting and fishing license sales for the improvement, consolidation, and/or establishment of regional offices and related facilities.

The Department of Agriculture, the Educational Television Commission, the Department of Corrections, the Department of Natural Resources, and the Forestry Commission shall annually submit a report, within sixty days after the close of the fiscal year, to the Senate Finance Committee and the House Ways and Means Committee on the status of the sale of the identified property and a detailed accounting on the expenditure of funds resulting from such sale.

This provision is comprehensive and supersedes any conflicting provisions concerning disposition of state owned real property whether in permanent law, temporary law or by provision elsewhere in this act.

Any unused portion of these funds may be carried forward into succeeding fiscal years and used for the same purposes.

**State Budget and Control Board, State Budget Division – Capital Budgeting Unit  
 Summary of Permanent Improvement Project Actions Proposed by Agencies  
 November 10, 2011 to December 22, 2011**

Item 1.	Agency: N20 Criminal Justice Academy	Project: 9607, CJA Village Construction	CHE Approval Date:	N/A
			Committee Review Date:	
			B&C Board Approval Date:	
	Action Proposed: Increase Budget from \$14,405,607.36 to \$14,455,607.36 - Carried Over from Prior Meeting		Budget After Action Proposed	
	(Add \$50,000.00 [9] Other, Surcharges)		<u>Source</u>	<u>Amount</u>
	Purpose: To meet the final contractual obligation for construction of the Criminal Justice Academy Village. The project was established in November 2008 for pre-design services and increased for the estimated construction cost in June 2010. Construction has been completed and final accounting with the contractor is in process. During construction, unanticipated change orders were required to meet building codes regarding fire protection in the buildings and by the City of Columbia regarding water and sewer service, costing an additional \$82,472 and resulting in additional costs to the contractor. While a small contingency was provided for in the project, it is not sufficient to cover these unanticipated costs. With this budget increase, final project payments can be completed and the project will be closed.		Other, Third Party Loan	9,500,000.00
			Other, Surcharges	4,900,000.00
			Other, Court Fines	55,607.36
			Total Funds	14,455,607.36
	Ref: Supporting document pages 1-5			

Item 2.	Agency: H59 State Board for Technical and Comprehensive Education	Project: 6052, Horry-Georgetown Tech - Conway Buildings 100, 200, 1000 Energy Updates/Classroom Renovations	CHE Approval Date:	01/05/12
			Committee Review Date:	
			B&C Board Approval Date:	
	Action Proposed: Establish Project for A&E Design		Budget After Action Proposed	
	Total budget.....	\$90,000.00	<u>Source</u>	<u>Amount</u>
	[9] Other, One Cent Sales Tax.....	\$90,000.00	Other, One Cent Sales Tax	90,000.00
	Purpose: To begin design work to renovate three academic buildings at Horry-Georgetown Tech’s Conway campus. The work will include making weatherization and energy performance upgrades to the building envelopes and upgrading selected classrooms and labs in Buildings 100, 200 and 1000, which are the oldest and most used classrooms on campus. It will include replacing existing windows, re-engineering roof systems and water flows, sealing existing joints and seams, recladding exterior walls and renovating affected classrooms damaged by air and water infiltration. Horry-Georgetown Tech’s energy consumption per square foot is among the highest in the state’s Technical College System. Due to their age, these buildings are experiencing air and water leakage that is reducing energy efficiency, destroying internal walls and ceilings, and creating a less than desirable environment for inhabitants.		Total Funds	90,000.00
	Ref: Supporting document pages 6-11			

**State Budget and Control Board, State Budget Division – Capital Budgeting Unit**  
**Summary of Permanent Improvement Project Actions Proposed by Agencies**  
**November 10, 2011 to December 22, 2011**

<p>Item 3. Agency: J12 Department of Mental Health</p> <p style="margin-left: 40px;">Action Proposed: Establish Project for A&amp;E Design</p> <p>Total budget.....\$6,450.00          [4] Excess Debt Service.....\$6,450.00</p> <p>Purpose: To begin design work to renovate four buildings at the Broad River Correctional Institution for the Department of Mental Health’s Sexually Violent Predator Treatment Program (SVPTP). Mental Health houses SVPTP residents at Broad River CI, which outgrew the space there in 2008 and required the use of additional space in a privately operated correctional infirmary on the former Crafts Farrow grounds. The Sexually Violent Predator Treatment Program is experiencing unprecedented growth and Mental Health has been working with Corrections to expand the program at the Broad River facility. Four buildings at Broad River CI have been identified and will be renovated for the program. The work will include installing additional security measures, renovating four cells to create medical treatment rooms, converting a kitchen to administrative space and visitation rooms, renovating some utilities, and constructing additional sidewalks and gates. The renovations will increase the program’s capacity by 90 cells.</p> <p>Ref: Supporting document pages 12-17</p>	<p>Project: 9723, Broad River CI - DMH Sexually Violent Predator Treatment Program Renovations</p>	<p>CHE Approval Date: N/A          Committee Review Date:          B&amp;C Board Approval Date:</p>	<p style="text-align: center;">Budget After Action Proposed</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Source</u></th> <th style="text-align: right;"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>Excess Debt Service</td> <td style="text-align: right;">6,450.00</td> </tr> <tr> <td><b>Total Funds</b></td> <td style="text-align: right;"><b>6,450.00</b></td> </tr> </tbody> </table>	<u>Source</u>	<u>Amount</u>	Excess Debt Service	6,450.00	<b>Total Funds</b>	<b>6,450.00</b>
<u>Source</u>	<u>Amount</u>								
Excess Debt Service	6,450.00								
<b>Total Funds</b>	<b>6,450.00</b>								

<p>Item 4. Agency: D17 Governor’s Office - Department of Veterans’ Affairs</p> <p style="margin-left: 40px;">Action Proposed: Increase Pre-design Budget from \$18,825.00 to \$30,000.00</p> <p>(Add \$11,175.00 [9] Other, Increased Enforcement Collections)</p> <p>Purpose: To provide for pre-design of additional work to be done at the Dolly Cooper Veterans Cemetery in Anderson. The project was established in April 2011 for pre-design work to construct approximately 500 additional burial crypts at the cemetery. Since that time, Veterans Administration staff has indicated that funding for additional crypts and repairs may be available if accurate cost estimates are provided during the grants process. The work will now include constructing approximately 1,000 double-depth, in-ground burial crypts in Areas I and J, providing up to 2,000 additional burial spaces, constructing an in-ground irrigation system for Areas H, I and J, and modifying storm drainage flows at columbarium walls in four areas. The irrigation system will reduce operating costs by watering more timely and efficiently and is required for expansions funded by the Veterans Administration. The existing supply of in-ground crypts is expected to be exhausted between February and June 2012. The additional crypts will provide for burials for the next six to seven years.</p> <p>Ref: Supporting document pages 18-22</p>	<p>Project: 9522, M.J. Dolly Cooper Veterans Cemetery Areas I and J Expansion</p>	<p>CHE Approval Date: N/A          Committee Review Date:          B&amp;C Board Approval Date:</p>	<p style="text-align: center;">Budget After Action Proposed</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Source</u></th> <th style="text-align: right;"><u>Amount</u></th> </tr> </thead> <tbody> <tr> <td>Other, Increased Enforcement Collections</td> <td style="text-align: right;">30,000.00</td> </tr> <tr> <td><b>Total Funds</b></td> <td style="text-align: right;"><b>30,000.00</b></td> </tr> </tbody> </table>	<u>Source</u>	<u>Amount</u>	Other, Increased Enforcement Collections	30,000.00	<b>Total Funds</b>	<b>30,000.00</b>
<u>Source</u>	<u>Amount</u>								
Other, Increased Enforcement Collections	30,000.00								
<b>Total Funds</b>	<b>30,000.00</b>								

**State Budget and Control Board, State Budget Division – Capital Budgeting Unit  
 Summary of Permanent Improvement Project Actions Proposed by Agencies  
 November 10, 2011 to December 22, 2011**

Item 5.	Agency: H27 University of South Carolina	Project: 6082, South Tower Mechanical Renovation/Roof Replacement	CHE Approval Date: 12/13/11 Committee Review Date: B&C Board Approval Date:	
	Action Proposed: Establish Construction Budget for \$6,700,000.00		Budget After Action Proposed	
	(Add \$6,607,000.00 [9] Other, Housing Maintenance Reserve)		<u>Source</u>	<u>Amount</u>
	Purpose: To make mechanical renovations and replace the roof on the South Tower residence hall at USC. The project was established in December 2010 for pre-design work which is now complete. The work will include replacing the existing mechanical system, converting it from a two-pipe to a four-pipe system, and replacing the roof. It will also include installing new ceilings and lighting and making some modifications to the fire protection system. The major components of the mechanical system are original to the 46 year-old building and the roof is 21 years old and leaks. Energy savings and conservation measures will include installation of heat recovery systems, variable speed drives, variable air volume boxes and multiple speed fans in residence rooms. The agency reports the total projected cost of this project is \$6.7 million and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is March 2013 and for completion of construction is July 2014.		Other, Housing Maintenance Reserve	6,700,000.00
	Ref: Supporting document pages 23-28		Total Funds	6,700,000.00

Item 6.	Agency: H51 Medical University of South Carolina	Project: 9818, Psychiatric Institute Data Center UPS Side B Installation	CHE Approval Date: 12/14/11 Committee Review Date: B&C Board Approval Date:	
	Action Proposed: Establish Construction Budget for \$2,500,000.00		Budget After Action Proposed	
	Total budget.....\$2,500,000.00 [9] Other, Institutional Capital Project Funds & Clinical Revenue.....\$2,500,000.00		<u>Source</u>	<u>Amount</u>
	Purpose: To install a second Uninterruptible Power Supply (UPS) for MUSC's main data center located in the Psychiatric Institute. The project was declared an emergency that, without it, threatened patient life safety and is currently underway as an emergency procurement. The main data center suffered two power outages from internal UPS component failures that took the University's information technology system offline, directly affecting patient care, electronic medical records, pharmacy, and other university functions. As a result of the two system failures and a thorough investigation, MUSC has determined that there are several single points of failure within the data system and, to have redundancy, a second UPS system and associated equipment are necessary. With the installation of the new system, the data center will have redundancy for all critical patient and support functions. Energy savings and conservation measures are not applicable to this project. The agency reports the total projected cost of this project is \$2.5 million and additional annual operating costs of \$370,000 will result in the three years following project completion. The agency also reports the date for execution of the construction contract was June 2011 and the projected date for completion of construction is February 2012.		Other, Institutional Capital Project Fund	1,250,000.00
	Ref: Supporting document pages 29-34		Other, Clinical Revenue	1,250,000.00
			Total Funds	2,500,000.00

**State Budget and Control Board, State Budget Division – Capital Budgeting Unit  
 Summary of Permanent Improvement Project Actions Proposed by Agencies  
 November 10, 2011 to December 22, 2011**

Item 7. Agency: H12 Clemson University Project: 9897, Clemson University Restoration Institute Property Exchange CHE Approval Date: 12/16/11  
 Committee Review Date:  
 B&C Board Approval Date:

Action  
 Proposed: Final Land Acquisition Budget After Action Proposed

	<u>Source</u>	<u>Amount</u>
Purpose: To acquire property by exchange in Charleston for Clemson’s Restoration Institute. The project was established in August 2011 to procure the investigative studies required to evaluate property prior to acquisition, which are now complete. Clemson will exchange 3.52 acres with four buildings in poor condition, appraised for \$900,000, for 2.62 acres of waterfront property appraised for \$1,115,000. The property Clemson will acquire is contiguous to other Clemson property and, without it, Clemson would perpetually deal with truck and crane traffic going through the waterfront parcel, resulting in severely limited development and master planning opportunities. The traffic supports the terminal operated by CMMC, Inc., who will exchange its property for Clemson’s. The State Budget Division has reviewed the appraisals and environmental study and approves their use in granting this request. The agency reports the total projected cost of this project is \$20,000 for the investigative studies and no additional annual operating costs will result from the project.	Other, Operating Revenues	20,000.00
	Total Funds	20,000.00

Ref: Supporting document pages 35-48

Item 8. Agency: H17 Coastal Carolina University Project: 9577, Procurement Building and Land Acquisition CHE Approval Date: 12/14/11  
 Committee Review Date:  
 B&C Board Approval Date:

Action  
 Proposed: Final Land Acquisition Budget After Action Proposed

	<u>Source</u>	<u>Amount</u>
(Add \$1,392,700.00 [9] Other, One Cent Sales Tax)	Other, One Cent Sales Tax	1,428,000.00
Purpose: To acquire the Procurement Building for Coastal Carolina. The project was established in December 2010 to procure the investigative studies required to evaluate property prior to purchase, which are now complete. The property includes two acres of land and a 20,000 square foot office and warehouse building, which is currently leased by Coastal Carolina for its Procurement and Shipping and Receiving Departments. The lease expires in June 2012 and the lease payments would substantially increase if the University continues to lease the property. The acquisition is consistent with the University’s master land acquisition plan and the goal to move administrative services from the main campus to the east campus. The property has been appraised for \$1,750,000 and the seller has agreed to sell for \$1,372,815, the current outstanding debt on the property. The State Budget Division has reviewed the appraisal, environmental studies and building condition assessment and approves their use in granting this request. The agency reports the total projected cost of this project, including investigative studies, is \$1,428,000 and annual operating cost savings of \$24,000 will result in the three years following acquisition.	Total Funds	1,428,000.00

Ref: Supporting document pages 49-59

**State Budget and Control Board, State Budget Division – Capital Budgeting Unit  
 Summary of Permanent Improvement Project Actions Proposed by Agencies  
 November 10, 2011 to December 22, 2011**

Item 9. Agency: H17 Coastal Carolina University Project: 9578, Coastal Science Center Building and Land Acquisition

CHE Approval Date: 12/14/11  
 Committee Review Date:  
 B&C Board Approval Date:

Action  
 Proposed: Final Land Acquisition

Budget After Action Proposed

(Add \$2,095,000.00 [9] Other, One Cent Sales Tax)

<u>Source</u>	<u>Amount</u>
Other, One Cent Sales Tax	2,115,000.00
Total Funds	2,115,000.00

Purpose: To acquire the Coastal Science Center for Coastal Carolina. The project was established in March 2011 to procure the investigative studies required to evaluate property prior to purchase, which are now complete. The property includes 10.62 acres of land, a 69,480 square foot classroom, office and lab facility, and 455 parking spaces. The property is currently sub-leased by Coastal Carolina for its psychology, sociology, computer sciences, and marine science departments. The facility provides much needed classroom and office space and the acquisition is consistent with the University's master land acquisition plan. The property has been appraised for \$5.5 million and the seller has agreed to sell for \$1,816,112, which is the outstanding balance of the purchase price agreed to between the owner and the landlord which transferred its purchase option to Coastal Carolina. The State Budget Division has reviewed the appraisal, environmental studies and building condition assessment and approves their use in granting this request. The agency reports the total projected cost of this project is \$2,115,000 and annual operating cost savings of \$325,000 will result in the three years following acquisition.

Ref: Supporting document pages 60-71