

**LOWCOUNTRY COUNCIL OF GOVERNMENTS
BOARD OF DIRECTORS MEETING
February 23, 2012
6:30 p.m.**

MINUTES

PRESENT:

ABSENT:

BEAUFORT COUNTY:

Bill Ferguson
Herbert Glaze
Bill McBride
Joseph McDomick
James Outlaw
Jerry Stewart
Lisa Sulka

Gerald Dawson (Proxy to H. Glaze)
Brian Flewelling (Proxy to B. McBride)
Mary Beth Heyward (Proxy to B. McBride)
George Williams (Proxy to Chair)

COLLETON COUNTY:

Esther S. Black
Joseph Flowers
Larry (Babe) Hutto
Bill Young

Tommy Mann (Proxy to Chair)
Evon Robinson ((Proxy to E. Black)
Gene Whetsel

HAMPTON COUNTY:

Frankie Bennett
Charles Boyles
J. L. Goodwin
Lloyd Griffith
Pete Hagood
Buddy Phillips
Nat Shaffer

JASPER COUNTY:

LeRoy Blackshear
Henry Lawton
Joey Malphrus
Gwen Smith

Sherry Carroll

GUESTS:

Island Packet Reporter Grant Martin; Hardeeville City Manager Bob Nanni; Celia Price, guest of Esther Black;

STAFF:

Chris Bickley, Michelle Knight, Ginnie Kozak, Sherry Smith, Carol Stonebraker

Chairman Bill Young called the February 23, 2012 Lowcountry Council of Governments regular board meeting to order at 6:30 p.m. and led the Pledge of Allegiance. Pete Hagood gave the invocation. Introduction of guests and staff followed. Minutes of the January 26, 2012 meeting were unanimously approved on motion by Henry Lawton with a second from Lloyd Griffith. Proxies presented by the Executive Director included Gerald Dawson to Herbert Glaze, Brian Flewelling and Mary Beth Heyward to Bill McBride, Evon Robinson to Esther Black, and Tommy Mann and George Williams to the chair. All were general proxies. The meeting proceeded after determining a quorum was present.

Chairman Young recognized Hardeeville City Manager Bob Nanni to present an overview of the proposed Indian Casino Development in Hardeeville. Presentation copies were distributed at the meeting. Mr. Nanni gave brief biographical information about the project's partners. The casino would be located at

Hilton Head Lakes Hardeeville, a 4,700 acre multi-purpose planned development, on which the proposed casino resort would occupy 50 acres owned by a branch of the Cherokee Indian Tribe. Mr. Nanni focused on the economic impact saying new employment projections are 2,250 direct on-site jobs and 2,460 indirect jobs—1,600 in the Lowcountry and another 860 elsewhere in SC—having state-wide employee compensation impact of \$184M. Estimates of income tax impact generated by the project are \$15.7M federal and \$8.4M state with regional sales tax impact at \$20.3M and state at \$14.2M. Construction investment in the region is expected to be between \$300-500M. The casino project must first be approved by South Carolina Governor Nicki Haley and then by the Federal Bureau of Indian Affairs.

Mr. Nanni described the resort project that, in addition to the gambling casino, would include a full-service 400-room luxury hotel, an 18-hole championship golf course, a variety of restaurant choices and a 1,500-2,000 seat multi-purpose events center. He addressed concerns about the project raised at other meetings including public safety, road systems, and use of zoning to control businesses deemed undesirable.

Mr. Nanni responded to questions. He said the project would be built with private funding and that no state incentives are requested. The developers would fund roads and infrastructure inside the development, and local governments would benefit from taxes generated by the project that could be used, for example, for a capital improvements program. The City of Hardeeville and Town of Ridgeland have passed resolutions in support of the project. Project completion is expected to take between 18 months to 3 ½ years following the governor's approval. Chairman Young thanked Mr. Nanni for the information.

The Chairman called for Old Business and recognized Chris Bickley for continued discussion about the Revolving Loan Fund (RLF) Program Future. A summary memo was in meeting packets. It was the third time the board had discussed the matter. Chris Bickley reported that two local organizations had earlier expressed interest in operating the RLF; however, one has withdrawn and the other did not offer a proposal. The remaining viable option is to transfer the RLF program to Catawba Regional COG in Rock Hill. Catawba successfully operates federally-funded business loan programs—some state-wide, including the Lowcountry—with professional commercial lending staff.

Chris reviewed major points of negotiations with EDA and Catawba COG. Catawba will operate the combined COG region programs as the South Carolina Revolving Loan Fund (SCRLF) with the Lowcountry and Lower Savannah RLFs transfer to it effective July 1, 2012 and other COGs may join in the future. Catawba will operate SCRLF in good faith as a single program with intent of making loans in each COG region corresponding to its contribution and aggressively market SCRLF (and its other lending products) in participating COG regions. Member COGs will make referrals, be included in business calls, and executive directors will review SCRLF operations and annually report back to their respective boards.

Chris said transferring the program will improve the COG's support of local economic development activities. He recommended that the LCOG RLF Program be transferred to Catawba as summarized. Jim Outlaw moved to adopt a resolution to approve the executive director's recommendation, and Joe Flowers seconded the motion. Discussion followed, during which Buddy Phillips asked Jerry Stewart about the Lowcountry Economic Alliance's interest in operating the RLF program. Mr. Stewart said the Alliance is unable to offer a proposal at this time. During discussion and with all in agreement, the transfer was approved and the chairman and executive director were authorized to sign documents to effect the transfer. The motion unanimously carried. Chris Bickley clarified that loan applicants would not have to drive to Rock Hill for service. (A copy of the resolution is attached.)

Chairman Young addressed New Business and reported on the Transportation Committee meeting held earlier that day. Committee Chairman George Williams was unable to attend. Chairman Young, who sits on the committee, said no action was taken because a quorum was not present and that the committee will report following its next meeting.

Chairman Young called for Reports and recognized Sherry Smith for the January Finance Report. Sherry said Operations are on target and Title IX is better than expected. She reviewed the Building Project line item, which will show a small negative until remaining funds are expended.

Michelle Knight was recognized for the Community & Economic Development Report. Copies were in meeting packets and submitted as written. Michelle said March 16 is the deadline for submitting spring round infrastructure grant applications. She spoke about funding. States took a cut in CDBG funding, but some changes in the funding formula benefited South Carolina. Communities with Village Renaissance projects that are completed accurately and on time will automatically be considered for another project. Michelle emphasized that available funding is tight making it imperative that strong project applications are submitted.

Chris Bickley was recognized for the Director's Report. Copies were in meeting packets, and Chris reviewed selected items. He reported on a potential Aging Department legal assistance service grant requiring high-percentage match that the COG may decline depending on how the match can be handled. Responding to questions, Chris said it would provide less than \$5K/year to pay an attorney for legal advice to seniors and would have no effect on services already offered. Chris asked that Jasper County board members caucus following the meeting to appoint an Executive Committee member and fill a vacancy on the Affordable Housing Committee. Summaries of 2005-2011 residential and commercial building permits issued by each county were in meeting packets. They reflect a dramatic negative effect on new construction due to the economic downturn. (Monthly unemployment numbers had not been released at time of meeting.)

With everyone in agreement, the contractual/legal matter scheduled for Executive Session was discussed during Open Session. Chris Bickley briefed the board on legal negotiations with the building contractor regarding outstanding issues. Discussion followed. The executive director will continue work with the attorney and architect to resolve the issues.

There were no comments during Council Time, and with no additional business to address, and on motion duly made, seconded and approved, the Chairman adjourned the meeting at 7:55 p.m. Copies of the agenda were distributed prior to the meeting. A notice of the meeting was posted on the LCOG bulletin board at least twenty-four hours prior to the meeting.

Respectfully submitted,

L. Chriswell Bickley, Jr.
Executive Director

Attachments

ADDENDUM: Following the meeting, Jasper County members appointed LeRoy Blackshear to the Executive Committee and Joey Malphrus to serve on the Affordable Housing Committee.



Lowcountry Council of Governments

Phone (843) 726-5536
Fax (843) 726-5165
Email: office@lowcountrycog.org
Website: www.lowcountrycog.org

P.O. Box 98
Yemassee, SC 29945-0098
Delivery Address: 634 Campground Rd.
Office at Point South: I-95 Exit 33 at US Hwy. 17

Lowcountry Regional Development Corporation • Lowcountry Workforce Investment Area
Lowcountry Economic Development District • Lowcountry Regional HOME Consortium
Lowcountry Aging & Disability Resource Center/ Area Agency on Aging

A RESOLUTION

WHEREAS, the Economic Development Administration Title IX Revolving Loan Fund Program (hereinafter "RLF") has supported business investment and job creation in the S. C. Lowcountry Region since its inception in 1990; and

WHEREAS, Lowcountry Council of Governments (hereinafter "LCOG") believes the Lowcountry Region can best be served by transferring the RLF to Catawba Regional Council of Governments (hereinafter "Catawba"); and

WHEREAS, the United States of America, Department of Commerce, Economic Development Administration (hereinafter "Government") entered into a Financial Assistance Award (hereinafter "RLF Award") with LCOG to establish an RLF on February 2, 1990; and

WHEREAS, LCOG by this Resolution is communicating its desire to transfer all its rights, duties, obligations, authority, responsibility and ownership of the RLF Award to Catawba; and

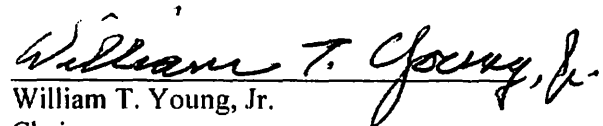
WHEREAS, LCOG agrees to transfer all of its rights, title and interest in the aforementioned RLF Award, including all cash on hand, receivables, and any other assets, including all books, records, documents, and instruments in connection therewith to Catawba; and

WHEREAS, LCOG acknowledges and agrees to remain liable for all matters related to the RLF Award prior to the effective date of the transfer; and

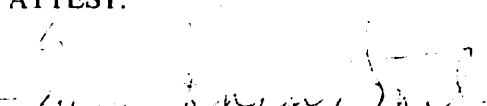
WHEREAS, it is in the best interest of the Government and LCOG to provide for such transfer.

NOW, THEREFORE, for and in consideration of the mutual benefits flowing to the Government and LCOG, Lowcountry Council of Governments hereby consents to the transfer of the RLF Award from LCOG to Catawba.

DONE on February 23, 2012 by Lowcountry Council of Governments, acting by and through its Board of Directors.


William T. Young, Jr.
Chairman

ATTEST:


Gwen Johnson Smith
Secretary