

Herb Sass, Chair
Joe Boykin
Henry Darby
Jenny Costa Honeycutt
Larry Kobrovsky
Kylon Jerome Middleton
Brantley Moody
Teddie Pryor
Robert L Wehrman



Finance Committee Agenda
June 1, 2023 at 5:00 PM
4045 Bridge View Drive, North Charleston, SC 29405

- 1 APPROVAL OF MINUTES OF MAY 18, 2023**
- 2 COUNCILMEMBER ITEM**
 - 2A Maybank Highway Improvement Project - Request to Consider**
- 3 PUBLIC WORKS DIRECTORATE**
 - 3A Seaman Lane Improvements -- Eminent Domain - Request to Adopt**
- 4 FINANCE DIRECTORATE**
 - 4A Use of Economic Development Fund Balance for Road-Related Projects - Request to Approve**
 - 4B 2015 SeaPac, LLC Fee-In-Lieu-of-Tax Incentive Partial Assignment to Sun Life Assurance Company of Canada - Request to Adopt**

Charleston County Council

Memorandum

To: Members of the Finance Committee

From: Kristen Salisbury, Clerk of Council

Date: May 26, 2023

Subject: Minutes of May 18, 2023

At the Finance Committee meeting of June 1, 2023, the draft minutes of the Finance Committee meeting of May 18, 2023 will be presented for approval.

Charleston County Council

Memorandum

To: Finance Committee
From: Kristen Salisbury, Clerk of Council
Date: May 26, 2023
Subject: Maybank Highway Improvement Project

This item is added to the agenda at the request of Councilmember Boykin. Mr. Boykin would like the committee to consider authorizing county staff to collaborate with city staff and the County's Maybank Highway Improvement Design Consultant in efforts to identify ways to further alleviate traffic congestion along Maybank Highway based on the current approved development and traffic volumes, provided there are funds available in the Maybank Highway Improvement Project.

Committee Agenda Item

To: Bill Tuten, County Administrator
From: Steve L. Thigpen **Dept.:** Public Works
Subject: Seaman Lane Improvements -- Eminent Domain
Request: Request to Adopt
Committee: Finance Committee **Date:** June 01, 2023

Department	Coordinated with:
Deputy County Administrator	James D. Armstrong
Budget	Mack Gile
Legal	Marc Belle
Administrator	Bill Tuten
Clerk	Kristen L. Salisbury

Fiscal Impact:

Funds are available in the 2nd Half Cent Sales Tax Transportation Fund

Funding: Was funding previously approved? YES

If yes, please provide the following:	Org	Object	Balance in Account	Amount Needed for item
	TE0310003			\$278,152.73

Situation:

The Seaman Lane Paving Project is one of the prioritized Rural Roads projects approved for funding by County Council back in July 2020. After preliminary improvement plans were created, it was determined that sufficient right-of-way would need to be acquired to proceed with the improvement plans.

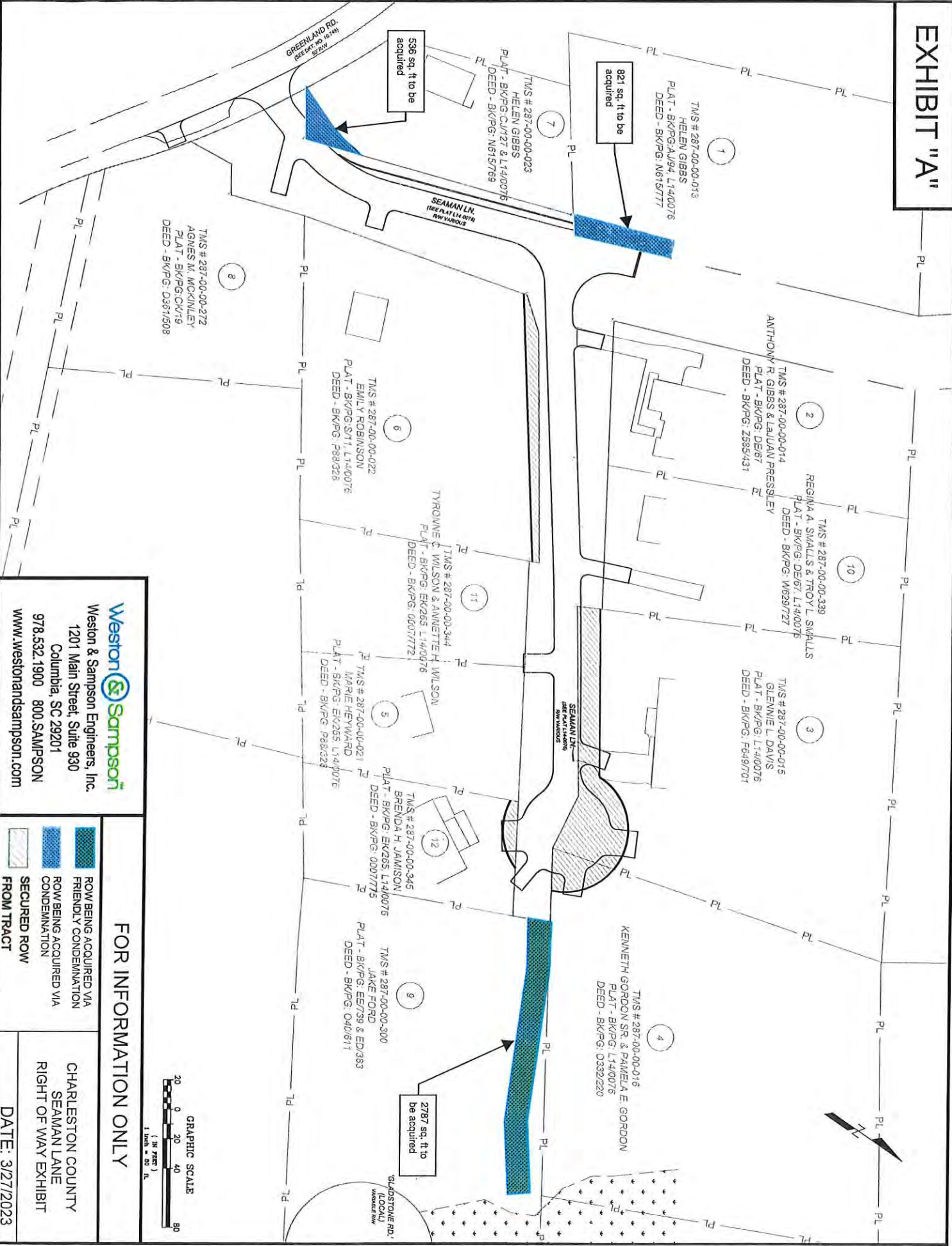
A right-of-way agent was contracted to acquire the necessary right-of-way needed for the road improvements. After making contact with the landowners or their heirs and researching the title information in the ROD Office, it has been determined that it will be necessary to condemn the proposed right of way and drainage easement for Seaman Lane Paving Project for the following TMS#'s 2870000023, 2870000013, and 28700000300 as shown on the attached exhibit. Contact with the individuals currently residing on the property was made for the listed tracts and the project was explained to them. Nine (9) of the 12 parcel owners or heirs are in support of the County's Seaman Lane improvement efforts. The heir of parcel 28700000300 is in agreement with proceeding with the project and has signed the "Concurrence" letter which acknowledges that a friendly condemnation is necessary since the property needed is still owned by an Estate. The owner of parcel 2870000014, who is also the heir of parcels 2870000023 and 2870000013, has stated that he is opposed to the project due to drainage concerns. The design and permitting process will thoroughly address these concerns ensuring that drainage will be improved along with the roadway.

Staff requests that Council approve the use of eminent domain in order to avoid negatively impacting the entire schedule in efforts to get the improvements constructed for the citizens that reside on Seaman Lane.

Department Head Recommendation:

Adopt the attached resolution which authorizes the use of eminent domain for Seaman Lane Paving Project for TMS #2870000023, 2870000013, and 2870000300.

EXHIBIT "A"

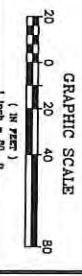


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FOR INFORMATION ONLY

- ROW BEING ACQUIRED VIA FRIENDLY CONDEMNATION
- ROW BEING ACQUIRED VIA CONDEMNATION
- SECURED ROW FROM TRACT

CHARLESTON COUNTY
 SEAMAN LANE
 RIGHT OF WAY EXHIBIT
 DATE: 3/27/2023



Resolution #____

Adopted:_____

A RESOLUTION

**AUTHORIZING THE EXERCISE OF EMINENT DOMAIN TO ACQUIRE TITLE TO OR INTERESTS
IN REAL PROPERTY FOR THE PURPOSE OF CONSTRUCTING ROAD IMPROVEMENTS FOR
THE
SEAMAN LANE IMPROVEMENTS PROJECT**

SECTION I. FINDINGS

**THE COUNTY COUNCIL OF CHARLESTON COUNTY, IN MEETING DULY ASSEMBLED,
HEREBY FINDS AS FOLLOWS:**

WHEREAS, as a project being undertaken as part of its Transportation Sales Tax Program, Charleston County intends to construct certain improvements to Seaman Road on Johns Island in Charleston County, SC (the "Project"); and

WHEREAS, the plans for the improvements will be shown on the technical drawings entitled "Construction Plans" (the "Plans"); and

WHEREAS, the Plans will depict, *inter alia*, the existing roadway, the proposed roadway and the privately-owned properties and portions of properties that the County seeks to acquire to complete the Project; and

WHEREAS, said Plans are subject to refinement and revision as additional design efforts and investigations are undertaken regarding the roadway alignment and the Project's components, including but not limited to sidewalks, utilities, drainage facilities and the traveling surface; and

WHEREAS, the acquisition of the privately-owned properties TMS# 2870000013, TMS# 2870000023, and TMS# 2870000300 will be accomplished in accordance with the eminent domain laws of the State of South Carolina; and

WHEREAS, it is in the best interests of the citizens of Charleston County to acquire title to or an interest in the privately-owned properties in order to complete the Project; and

WHEREAS, public purposes, health, welfare, and safety, including, but not limited to, the facilitation of commerce and the convenience of the traveling public will be served by acquiring the properties and completing the Project; and

WHEREAS, the properties acquired will be for a public use, including but not limited to, the improvement of a publicly-owned thoroughfare in Charleston County.

SECTION II. ACTIONS AUTHORIZED

As a result of the findings set forth above, and by virtue of the powers granted to the County under the constitution and statutes of the State of South Carolina, the Charleston County Council hereby authorizes and directs the following:

Charleston County Council hereby authorizes the exercise of eminent domain to acquire full title or a property interest in the privately-owned property that will be shown on the above-described Plans, as the same may be refined or revised from time to time, for the Project. Council expressly authorizes the acquisition of the parcels that will be identified on the above-described Plans, in whole or in part, as the needs of the Project so require.

Committee Agenda Item

To: Bill Tuten, County Administrator
From: Steve Dykes **Dept.:** Economic Development
Subject: Use of Economic Development Fund Balance for Road-Related Projects
Request: Request to Approve
Committee: Finance Committee **Date:** June 01, 2023

Department	Coordinated with:
Deputy County Administrator	Corine Altenhein
Budget	Mack Gile
Legal	Marc Belle
Administrator	Bill Tuten
Clerk	Kristen L. Salisbury

Fiscal Impact:

Use of Economic Development fund balance in the amount of \$1,500,000

Funding: Was funding previously approved? N/A

If yes, please provide the following:	Org	Object	Balance in Account	Amount Needed for item

Situation:

Economic Development is requesting approval to use fund balance for three road-related projects as follows:

Hunley Sullivans Road off Highway 17 in Awendaw -\$875,000

This project will be managed by Public Works. The project is designed to address truck traffic issues in the area. The project will install a new median break crossover and a paved “loon” turnaround on Highway 17 in Awendaw. The completed project will allow for a safe U-turn for trucks which need to head south on Highway 17. Please see attached graphic for reference.

Palmetto Commerce Parkway and Collins Road/Charleston County Material Recovery Facility (MRF) Driveway intersection. - \$475,000

This project will be managed by Public Works. The project will install a traffic signal at the exits for the MRF and the industrial site being developed on Collins Road. This will provide safe, managed access from these properties to the Palmetto Commerce Parkway.

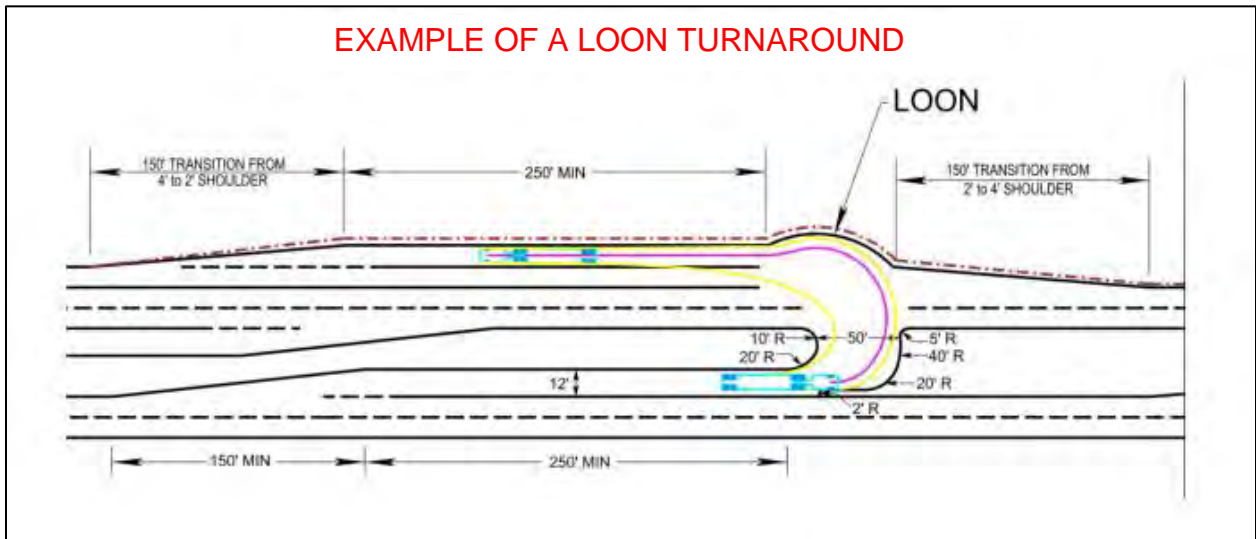
Palmetto Commerce Parkway Signal Synchronization - \$150,000

This project will be managed by Public Works. The project will improve traffic signal synchronization for 10 traffic signals on Palmetto Commerce Parkway. The goal is to minimize stopping, hence reducing travel time on the Parkway.

Department Head Recommendation:

Approved the use of Economic Development fund balance in the amount of \$1,500,000 for the following projects:

- Hunley Sullivans Road off Highway 17 in Awendaw for \$875,000
- Palmetto Commerce Parkway and Collins Road/Charleston County Material Recovery Facility (MRF) Driveway intersection for \$475,000
- Palmetto Commerce Parkway Signal Synchronization for \$150,000.



Committee Agenda Item

To: Bill Tuten, County Administrator
From: Steve Dykes **Dept.:** Economic Development
Subject: 2015 SeaPac, LLC Fee-In-Lieu-of-Tax Incentive Partial Assignment to Sun Life Assurance Company of Canada
Request: Request to Adopt
Committee: Finance Committee **Date:** June 01, 2023

Department	Coordinated with:
Deputy County Administrator	Corine Altenhein
Budget	Mack Gile
Legal	Marc Belle
Administrator	Bill Tuten
Clerk	Kristen L. Salisbury

Fiscal Impact:

None

Funding: Was funding previously approved? N/A

If yes, please provide the following:	Org	Object	Balance in Account	Amount Needed for item

Situation:

The South Carolina statutes dealing with fee-in-lieu-of-tax (FILOT) incentives offer transfer and assignment features to be utilized in cases where the seller seeks to transfer the benefits and interests of FILOT to the buyer. County Council has entertained and approved these requests on several previous occasions during the past 17 years.

In 2015, Charleston County Council enacted a FILOT incentive agreement with SeaPac, LLC and Stoney Ladson, LLC and in 2018 these two groups conveyed a portion of their project site (Track-1 26.15 acres) to developer Robinson-Weeks (dba RW Stoney Ladson Industrial Owner, LLC) which was approved by County Council.

In 2021 Stoney Ladson, LLC, SeaPac, LLC and RW Stoney Ladson Industrial Owner, LLC then conveyed Track-4 (26.95 acres) to RW Stoney Ladson Industrial Owner IV, LLC.

RW Stoney Ladson Industrial Owner IV, LLC is now requesting that County Council authorize a partial assignment of Track-4 (26.95 acres) to Sun Life Assurance Company of Canada and release them from their obligations under the 2015 FILOT Agreement. The tract of land is further described in Exhibit 1 of the Resolution. The assignment is necessary to preserve FILOT status for the new owner, with property tax savings that can be passed along through more favorable lease rates for tenant companies.

Department Head Recommendation:

Adopt a resolution authorizing the execution and delivery of an assignment and assumption of the 2015 FILOT incentive agreement from RW Stoney Ladson Industrial Owner IV, LLC to Sun Life Assurance Company of Canada for the purposes of:

- 1.) Acknowledging the imminent conveyance of the property outlined in the resolution
- 2.) Releasing RW Stoney Ladson Industrial Owner IV, LLC from all obligation under the previous agreement to the soon to be conveyed portion of the project site
- 3.) Providing for the partial assignment of FILOT benefits, as well as the assumption of obligations under the previous agreement by Sun Life Assurance Company of Canada pertaining to the soon to be conveyed property outlined in the resolution.

RESOLUTION

AUTHORIZING, APPROVING AND RATIFYING THE PARTIAL ASSIGNMENT AND ASSUMPTION OF A FEE-IN-LIEU OF TAX AGREEMENT BY AND AMONG CHARLESTON COUNTY, SOUTH CAROLINA, RW STONEY LADSON INDUSTRIAL OWNER IV, LLC AND SUN LIFE ASSURANCE COMPANY OF CANADA

WHEREAS, Charleston County, South Carolina (the “County”), acting by and through its County Council (the “County Council”), is authorized by the Code of Laws of South Carolina, 1976, as amended, particularly Title 12, Chapter 44 (the “FILOT Act”): (i) to enter into a fee agreement with companies meeting the requirements of the FILOT Act, which identifies certain property of such companies as economic development property, to induce such companies to locate in the State of South Carolina (the “State”) and to encourage companies now located in the State to expand their investments and thus make use of and employ workers and other resources of the State; and (ii) to covenant with such companies to accept certain fees in lieu of ad valorem tax payments with respect to projects in the County; and

WHEREAS, the County entered into that certain Fee-in-Lieu of Tax Agreement dated as of October 27, 2015 with Stoney Ladson, LLC, a South Carolina limited liability company (“Stoney Ladson”) and Sea Pac, LLC, a South Carolina limited liability company (“Sea Pac”) (such Fee-in-Lieu of Tax Agreement, as assigned pursuant to the Prior Assignment (as defined below) and as it may be further assigned, amended, restated, supplemented and modified, the “FILOT Agreement”), wherein the County agreed to provide certain incentives with respect to the real property (and improvements and other property located thereon) more particularly described in Exhibit A thereto; and

WHEREAS, pursuant to that certain Partial Assignment and Assumption of Fee-in-Lieu of Tax Agreement by and among RW Stoney Ladson Industrial Owner IV, LLC, a Georgia limited liability company (“Assignor”), Stoney Ladson, Sea Pac and the County dated as of November 4, 2021 (the “Prior Assignment”), Stoney Ladson and Sea Pac conveyed their interests in the FILOT Agreement with respect to a portion of the real property (together with the improvements and other property located thereon) described in Exhibit A to the FILOT Agreement known as “Tract 4” to Assignor (such “Tract 4” being described in greater detail in Exhibit B to the Prior Assignment and referred to herein as the “Property”); and

WHEREAS, on [_____] , 2023 (the “Closing Date”), Assignor conveyed to Sun Life Assurance Company of Canada, a Canada corporation (the “Purchaser”), that portion of the Property more particularly described in Exhibit 1 attached hereto (the “Transferred Property”) pursuant to an agreement between Assignor and the Purchaser, wherein and whereby the Purchaser purchased the Transferred Property for the consideration expressed in such agreement (the “Purchase Agreement”); and

WHEREAS, in connection with the transactions contemplated by the Purchase Agreement, Assignor and the Purchaser (or one or more of its Affiliates, as defined below) desire to enter into that certain Partial Assignment and Assumption of Fee-in-Lieu of Tax Agreement (the “Assignment”), to be effective as of the Closing Date, wherein and whereby Assignor would

assign those relevant terms, covenants, conditions and agreements of the FILOT Agreement to the Purchaser (or to one or more Affiliates, as defined below), and subject to the terms of such Assignment, the Purchaser (or one or more of its Affiliates, as defined below) shall assume the relevant terms, covenants, conditions and agreements of the FILOT Agreement from Assignor, in each case to the extent such terms, covenants, conditions and agreements relate to the Transferred Property effective as of the Closing Date; and

WHEREAS, Assignor and the Purchaser have requested that the County subsequently ratify, approve and consent to the Assignment in accordance with the provisions of the FILOT Agreement and Section 12-44-120 of the South Carolina Code of Laws, 1976, as amended, including the transfer of the Transferred Property to the Purchaser (or to one or more of its Affiliates, as defined below).

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

Section 1. Definition. For purposes of this Resolution, the term “Affiliate” shall mean, with respect to any entity, an entity that is controlled by, owned directly or indirectly and in whole or in part by, or under common control with, such entity.

Section 2. County Consent. The County hereby ratifies, approves and consents to the partial assignment of the FILOT Agreement by Assignor to the Purchaser (or to one or more Affiliates) pursuant to the Assignment, effective as of the Closing Date. Pursuant to the terms of the Assignment, Assignor shall assign to the Purchaser (or to one or more of its Affiliates), and the Purchaser (or one or more of its Affiliates) shall assume those relevant terms, covenants, conditions and agreements of the FILOT Agreement from Assignor, as such relate to the Transferred Property. Such ratification, approval and consent of the County shall be evidenced by the Assignment, in the form presented with this Resolution or with such changes thereto as may be approved by the County Attorney, such consent to be conclusively evidenced by the County’s execution of the Assignment.

Section 3. Further Documentation. The County Council and the County’s duly authorized representatives shall take such action as may be necessary or appropriate to effectuate the action herewith taken and the Assignment herein authorized. The Chair of the County Council is hereby authorized, empowered and directed, in the name and on behalf of the County, to execute such other documents, agreements, affidavits and certificates (including any estoppel certificates), and each of the Clerk of County Council and County Administrator is hereby authorized, empowered and directed to attest the same, and to deliver such other documents, agreements, affidavits, and certificates to Assignor and to the Purchaser (or to one or more Affiliates), in order to consummate the transactions contemplated by this Resolution.

Section 4. Miscellaneous.

- (a) The Chair of the County Council and all other appropriate officials of the County are hereby authorized, empowered and directed to execute, deliver and receive any other agreements and documents as may be required by the County in order to carry out, give effect to and consummate the transactions authorized by this Resolution;

(b) This Resolution shall be construed and interpreted in accordance with the laws of the State of South Carolina;

(c) This Resolution shall become effective immediately upon approval by the County Council following reading before the County Council;

(d) The provisions of this Resolution are hereby declared to be severable and if any section, phrase or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, that declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereunder; and

(e) All resolutions and parts thereof in conflict with this Resolution are, to the extent of the conflict, hereby repealed.

[Signature Page to Follow]

Executed this ____ day of _____, 2023.

CHARLESTON COUNTY, SOUTH CAROLINA

By: _____
Herbert R. Sass, III, Chair of County Council

ATTEST:

Kristen Salisbury, Clerk to County Council

Exhibit 1

Legal Description of the Transferred Property

All that piece, parcel or tract of land, together with any improvements thereon, located on Ladson Industrial Drive, Charleston County, South Carolina and being shown and designated as "**TRACT 4**", containing 26.95 acres, more or less, on that certain plat entitled "A SUBDIVISION PLAT OF TMS #390-00-00-227, INTO TRACTS 2, 3, AND 4, LADSON INDUSTRIAL PARK, OWNED BY STONEY LADSON, LLC, LOCATED NEAR THE CITY OF NORTH CHARLESTON, CHARLESTON COUNTY, SOUTH CAROLINA" prepared by Southeastern Land Surveying LLC dated June 22, 2021, last revised June 30, 2021, and recorded June 24, 2022 in Charleston County R.M.C. Office in Plat Book L22, Page 0243; said tract having such size, shape, dimensions, buttings and boundings as will by reference to said plat more fully and at large appear.

TMS# 3900000460

EASEMENT PARCEL:

TOGETHER WITH THAT CERTAIN PERPETUAL, NON-EXCLUSIVE EASEMENT FOR THE PURPOSE OF PEDESTRIAN AND VEHICULAR ACCESS, INGRESS AND EGRESS TO, OVER AND ACROSS THAT CERTAIN ROAD (THE "ROAD EASEMENT") AS DEFINED IN THAT CERTAIN DECLARATION OF ROAD EASEMENT AND MAINTENANCE AGREEMENT BY EDANDJ LADSON, LLC AND MEETING STREET, LLC, DATED AUGUST 3, 2015 AND RECORDED CAROLINA ON AUGUST 6, 2015 IN BOOK 495, PAGE 919, AS AMENDED BY THAT PARTIAL RELEASE RECORDED JULY 2, 2018 IN BOOK 0730, PAGE 450, IN THE CHARLESTON COUNTY ROD OFFICE.