

RESOLUTION R-2010-099

A RESOLUTION IN SUPPORT OF THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY OF ITS ECONOMIC DEVELOPMENT REVENUE BONDS (THE UNIVERSITY OF SOUTH CAROLINA DEVELOPMENT FOUNDATION PROJECT) SERIES 2010, PURSUANT TO THE PROVISIONS OF TITLE 41, CHAPTER 43, OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$27,000,000.

WHEREAS, the South Carolina Jobs-Economic Development Authority (the "Authority") is authorized and empowered under and pursuant to the provisions of Title 41, Chapter 43, of the Code of Laws of South Carolina 1976, as amended (the "Act"), to utilize any of its program funds to establish loan programs for the purpose of reducing the cost of capital to business enterprises which meet the eligibility requirements of Section 41-43-150 of the Act and for other purposes described in Section 41-43-160 of the Act 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; and

WHEREAS, the Authority is further authorized by Section 41-43-110 of the Act to issue revenue bonds payable by the Authority solely from a revenue producing source and secured by a pledge of said revenues in order to provide funds for any purpose authorized by the Act, and to refund such bonds; and

WHEREAS, support of the City of Columbia does not financially obligate the City of Columbia; and

WHEREAS, the Authority and The University of South Carolina Development Foundation (the "Borrower"), a South Carolina nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 and established as a support organization for the benefit of the University of South Carolina (the "University"), entered into an Inducement Agreement dated November 15, 2010 (the "Inducement Agreement"), pursuant to which and in order to implement the public purposes enumerated in the Act, and in furtherance thereof to comply with the undertakings of the Authority pursuant to the Inducement Agreement, the Authority proposes, subject to such approval of the State Budget and Control Board of South Carolina and the City of Columbia (the "City") as may be required by law, to issue not exceeding \$27,000,000 aggregate principal amount of its Economic Development Revenue Bonds (USC Development Foundation Project), Series 2010 (the "Bonds"), under and pursuant to Section 41-43-110 of the Act. Proceeds of the Bonds will be used by the Borrower to (i) defray the cost (approximately \$10,000,000) of purchasing, renovating and equipping certain buildings for lease to the University and/or use by the Borrower, other support organizations of the University and agencies of the State of South Carolina, located at 1101 George Rogers Boulevard and 1100 Williams Street, in the City (collectively, the "Projects"); (ii) refinance (a) the Authority's outstanding \$6,000,000 original principal amount Economic Development Revenue Bonds (USC Development Foundation Project), Series 2000 (the "2000 Bonds"), or any loan incurred to pay the same, and (b) certain indebtedness incurred by the Borrower to acquire, in whole or in part, land and buildings in the City for the benefit of and use by the University located at (1) 707 Catawba Street and 350 Wayne Street (approximate balance of \$823,395), (2) 737 Gadsden Street (approximate balance of \$2,926,605), (3) 911 Sumter Street (approximate balance of \$220,000), (4) 1530 Wheat Street (approximate balance of \$2,186,607), (5) 1700 Blossom Street (approximate balance of \$700,000), (6) the northeast corner of Pulaski Street and Greene Street (approximate balance of \$645,465), and (7) Williams at Blossoms Street (approximate balance of \$3,085,010) (collectively, the "Refinanced Properties"); and (iii) pay costs of issuance of the Bonds. Proceeds of the 2000 Bonds relate to the acquisition, in whole or in part, by the Borrower of the following parcels and improvements in the City for the benefit of and use by the University: 620 Blossom Street (approximate balance of \$1,447,067), 1703 Blossom Street (approximate balance of \$572,994), 1211 College Street (approximate balance of \$503,333), 707 Catawba Street and 350 Wayne Street (approximate balance of \$3,476,606) (collectively, the "2000 Properties").

WHEREAS, the Borrower is projecting that the assistance of the Authority by the issuance of the Bonds to finance the Projects and refinance the Refinanced Properties and the 2000 Properties will result in the creation of an

estimated 18 new jobs and the maintenance of existing employment for approximately 12 people, with a resulting alleviation of unemployment and a substantial increase in payrolls, capital investment and tax revenues; and

WHEREAS, the City Council of the City of Columbia and the Authority have on this date jointly held a public hearing, duly noticed by publication in newspapers 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 City Council of the City of Columbia, South Carolina, as follows:

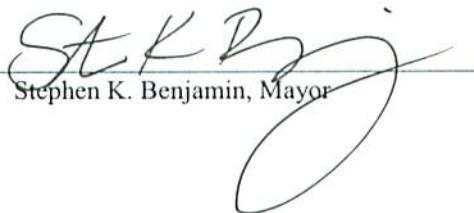
SECTION 1. It is hereby found, determined and declared that (a) the Projects will subserve the purposes of the Act, (b) the Projects are anticipated to benefit the general public welfare of the City by providing services, employment, recreation or other public benefits not otherwise provided locally, (c) the Projects will give rise to no pecuniary liability of the City or a charge against its general credit or taxing power, (d) the amount of bonds required to finance the Projects and refinance the Refinanced Properties and the 2000 Properties is approximately \$27,000,000; 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 Projects, the Refinanced Properties and the 2000 Properties (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 Projects, the Refinanced Properties and the 2000 Properties and carry all proper insurance with respect thereto.

SECTION 2. The City Council of the City of Columbia supports the Authority in its determination to issue the Bonds to defray the costs of financing or refinancing related to the Projects, the Refinanced Properties and the 2000 Properties; and such support does not financially obligate the City of Columbia.

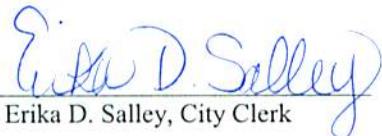
SECTION 3. All orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this resolution shall take effect and be in full force from and after its adoption.

Adopted this 7th day of December, 2010.

CITY OF COLUMBIA, SOUTH CAROLINA

By: 
Stephen K. Benjamin, Mayor

ATTEST:

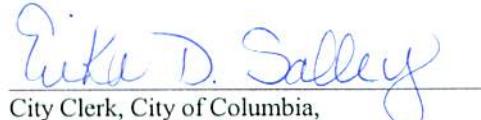
By: 
Erika D. Salley, City Clerk

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

I, the undersigned City Clerk of the City of Columbia, South Carolina (the "City"), do hereby certify that the foregoing is a true, correct and verbatim copy of a Resolution duly adopted at a meeting of the City Council of the City held on December 7, 2010, at which meeting a quorum was at all times present.

WITNESS MY HAND this 16th day of December, 2010.



City Clerk, City of Columbia,
South Carolina