

EXIT 3 RIVERPORT PARKWAY

GATEWAY
TO
SOUTH CAROLINA

EXIT 3 & RIVERPORT PARKWAY
JASPER COUNTY COUNCIL
SEPTEMBER 10, 2020 WORK SESSION

PROJECT TEAM

Project Team Attending Virtually

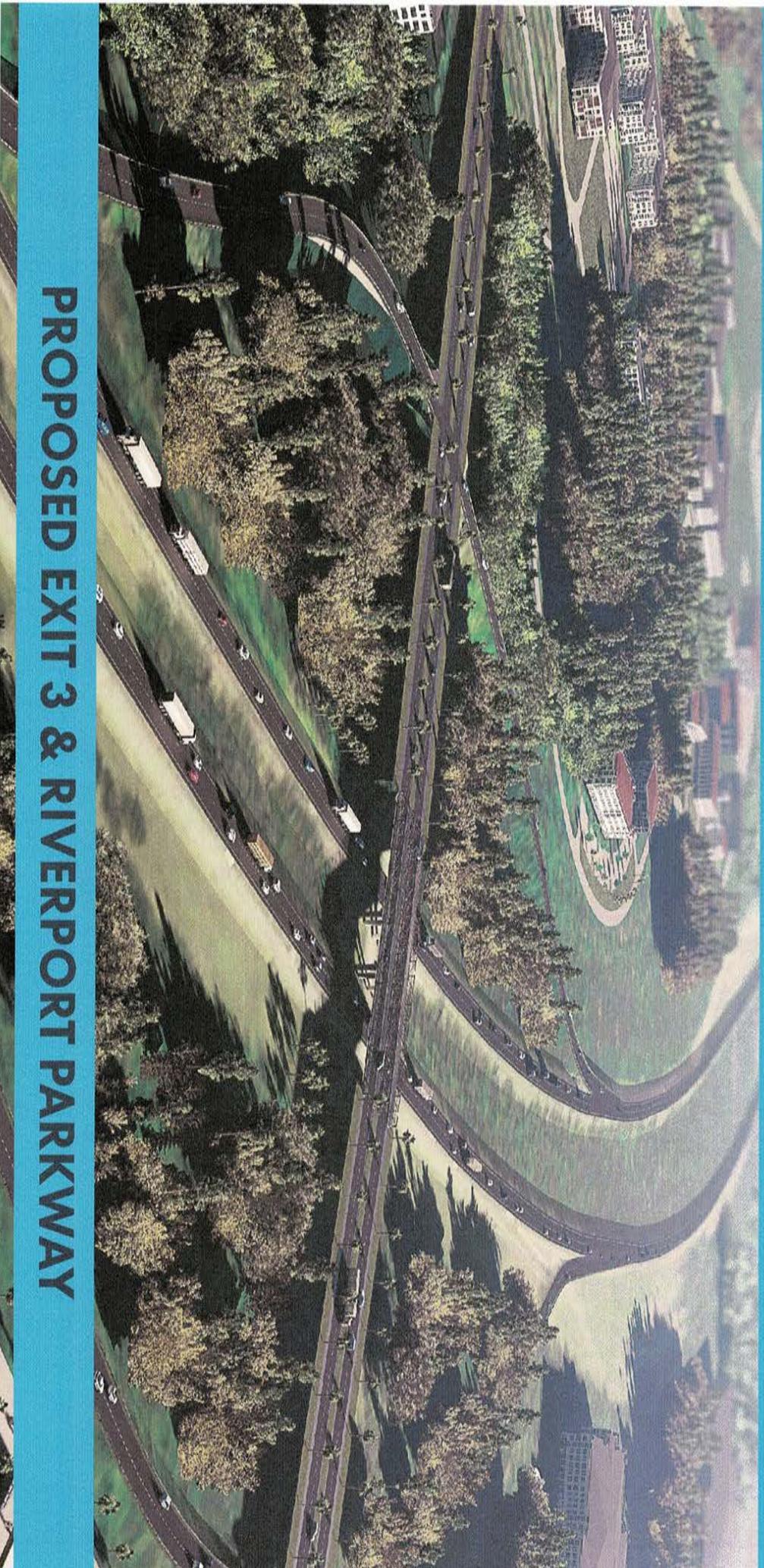
- Attorney – Nexsen Pruet – George Bullwinkel
- Financial Analyst – Development Planning & Financing Group – Maik Aagaard
- Property owner – SLF III Hardeeville – Robert Unell and Ocie Vest
- Developer – Gramling Brothers – Mikell Harper and Doug Smith
- Attorney – Nexsen Pruet – Alan Lipsitz
- Financial Analyst – Development Planning & Financing Group – Lucy Gallo
- Civil Engineer – Thomas & Hutton – Lamar Mercer

Consultants for Jasper County

- County Attorney – David Tedder
- Attorney for County agreements – Sam Howell and Alan Linkous

I-95 EXPANSION : GOVERNOR'S MANDATE TO EXPAND UNDERWAY

PROPOSED EXIT 3 & RIVERPORT PARKWAY

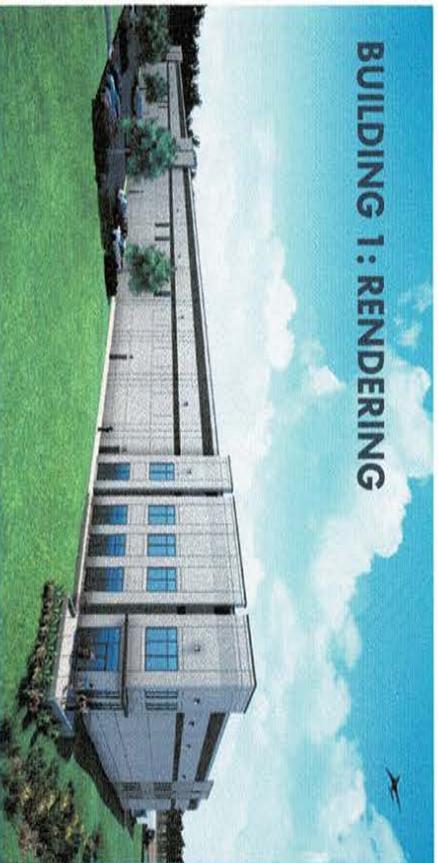


RIVERPORT COMMERCE PARK PHASE 1 & 2

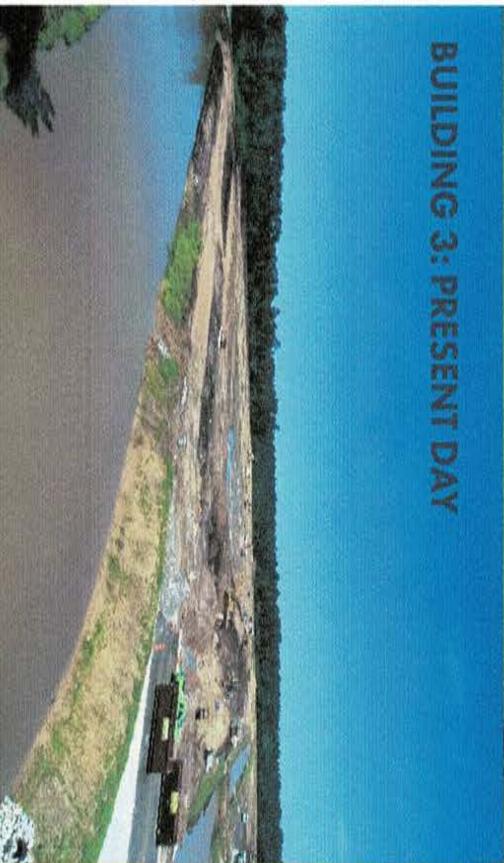
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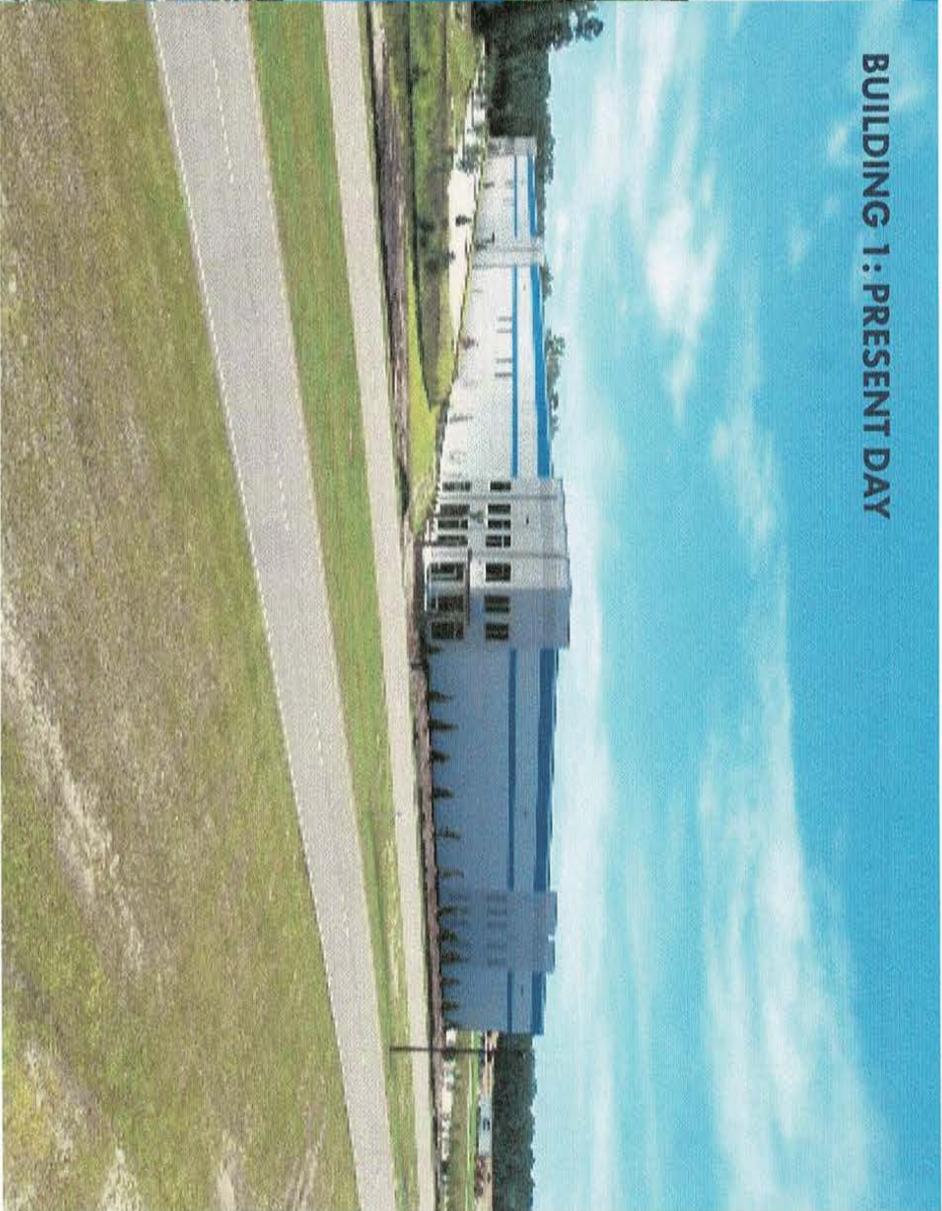
BUILDING 1: RENDERING



BUILDING 3: PRESENT DAY



BUILDING 1: PRESENT DAY



ECONOMIC ADVANTAGES

EXIT 3 RIVERPORT PARKWAY
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STRATEGIC ADVANTAGES

- **10 Year Corporate Income Tax Moratorium** for companies creating 100 new full-time jobs if 90% of taxpayer's statewide investment is in Jasper County
- **Job Tax Credits** of \$21,250 per job, per year (Base Level of \$20,250 + \$1,000 for the Multi-County Industrial Park Designation)
- **No Inventory Tax**
- **Fee-in-Lieu of Taxes Agreement in Place. 30 year term.** Property Taxes Fixed at Levels Equal to or Below Properties in Close Proximity to GPA on Georgia Side of Savannah River
- **Competitive Incentives** for Distribution Tenants, not just Manufacturing
- **Abundant and Highly-Motivated Workforce** Who Will Find Shorter Commute and More Predictable Compensation Appealing
- **Zoned** for Distribution & Manufacturing
- **Adjacent to currently inactive CSX Rail**
- **Can Accommodate Yard Space or Large Parking Requirements**
- **Palmetto Breeze Commuter Bus Service with Building Specific Stops**
- **Located in a Qualified Opportunity Zone.** OZs Offer Tax Deferral AND Elimination on Future Tax Obligation for Operating Businesses

FUNDING SUMMARY

EXIT 3 RIVERPORT PARKWAY

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FUNDING TYPE	AMOUNT	%
SCTIB GRANT:	\$28.1 MILLION	34%
LOCAL CONTRIBUTIONS		
• SCTIB LOAN REPAYMENT	\$28.1 MILLION	34%
• LOCAL CONTRIBUTION	\$26.2 MILLION	32%
TOTAL	\$82.4 MILLION	100%

* DOES NOT INCLUDE CAPITALIZED INTEREST

RIVERPORT-EXIT 3 TAX INCREMENT FINANCING

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Elements of the Loan Structure:

1	Interest Rate	3.500%
2	Loan Proceeds used for:	
3	Exit 3 Construction	\$23,435,078
4	Riverport Parkway	\$4,660,825
5	Capitalized Interest	\$5,959,625
6	Total Loan Amount, rounded to nearest \$5000	\$34,055,000
7	Total Debt Service	\$52,679,288
8	Total Net Debt Service, excluding capitalized interest	\$46,719,663
9	Total Capitalized Interest	\$5,959,625
10	Total Interest	\$18,624,288

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Tax Increment Profile (TI):

1	Total TI available for debt service (20 years)	\$231,594,151
2	Total TI retained by City, County, School (20 years)	\$184,874,489
3	Total TI used for debt service (20 years)	\$46,719,663
4		
5	Average Share of Total TI for Debt Service (Year 1 - 20)	20.2%
6	Total TI retained by City, County, School (life of loan, 20 years)	\$184,874,489
7		
8	Ave. TI per year retained by City, County, School (life of TI)	\$8,803,547
9	Max. TIF contribution over loan term (<= 35% benchmark)	27%
10	Average TIF contribution over loan term	21%
11	Net present value of expected TI (life of loan)	\$139,673,273

RIVERPORT-EXIT 3 TAX INCREMENT FINANCING

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Margins of Safety:

1	Minimum Annual Debt Service Coverage Ratio (total TI)	3.7 x
2	Minimum Average Annual Debt Service Coverage Ratio (total TI)	4.8 x
3	Loan-Life Cover Ratio	4.1 x

Debt Service Profile:

4	Repayment Term (years)	20
5	Average Life (years)	15.1
6	Maximum Annual Debt Service (MADS)	\$3,751,875
7	Average Annual Debt Service	\$2,508,538

RIVERPORT-EXIT 3 TAX INCREMENT FINANCING

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MID Assessment Profile:

1	Annual Special Assessment Requirement (Equivalent to MADS)	\$3,751,875
2	Total Acreage within MID/TIF boundaries	1,608.0
3	Annual Special Assessment (=MADS) per acre	\$2,333
4	Total Loan Amount per acre	\$21,178
5	Hypothetical Appraised Value -gross retail / acre (May 23, 2019)	\$40,000
6	Appraised Value to Loan Amount	1.9 x
7	Annual Special Assessment Requirement (Equivalent to MADS)	\$3,751,875

RIVERPORT-EXIT 3 TAX INCREMENT FINANCING

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Modifications to TIF Structure since last County update:

- Reduction in the SCTIB loan interest rate from 5% to 3.5% saves over \$5,000,000 in loan costs
- Reduction in the SCTIB loan term from 30 years to 20 years benefits City of Hardeeville, Jasper County and Jasper County School District
- Addition of two backstops to the TIF – being the Municipal Improvement District (MID) special assessments and a Letter of Credit posted by the Riverport property owner.

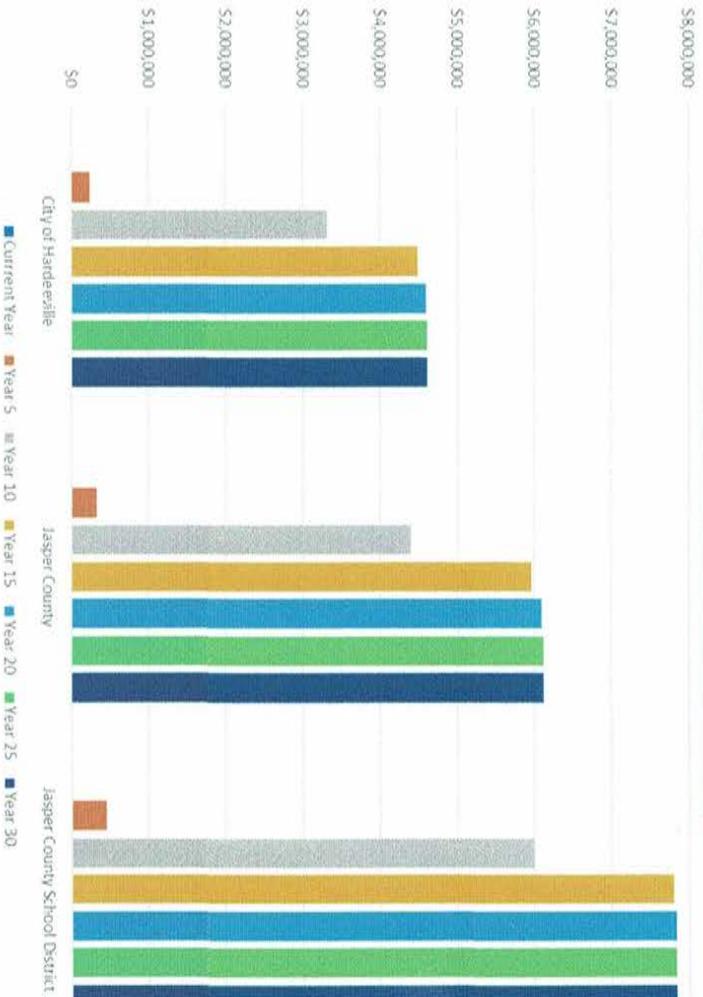
UNANIMOUS LOCAL SUPPORT

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ANNUAL PROPERTY TAX REVENUE



ANNUAL TAX REVENUE

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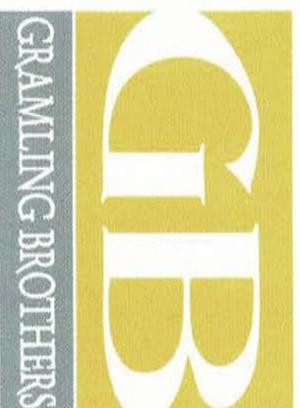
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COMBINED COUNTY / CITY / SCHOOL DISTRICT
ANNUAL PROPERTY TAX AT BUILDOUT

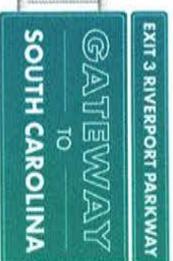
\$18.6 MILLION

GRAMLING BROTHERS – SOUTH CAROLINA DEVELOPER

- Cane Bay Plantation
- Reverie on the Ashley
- River Falls Plantation
- Summerville Marketplace
- Market & Anson Street Hotels



Real Estate & Development, Inc.
A SOUTH CAROLINA DEVELOPER

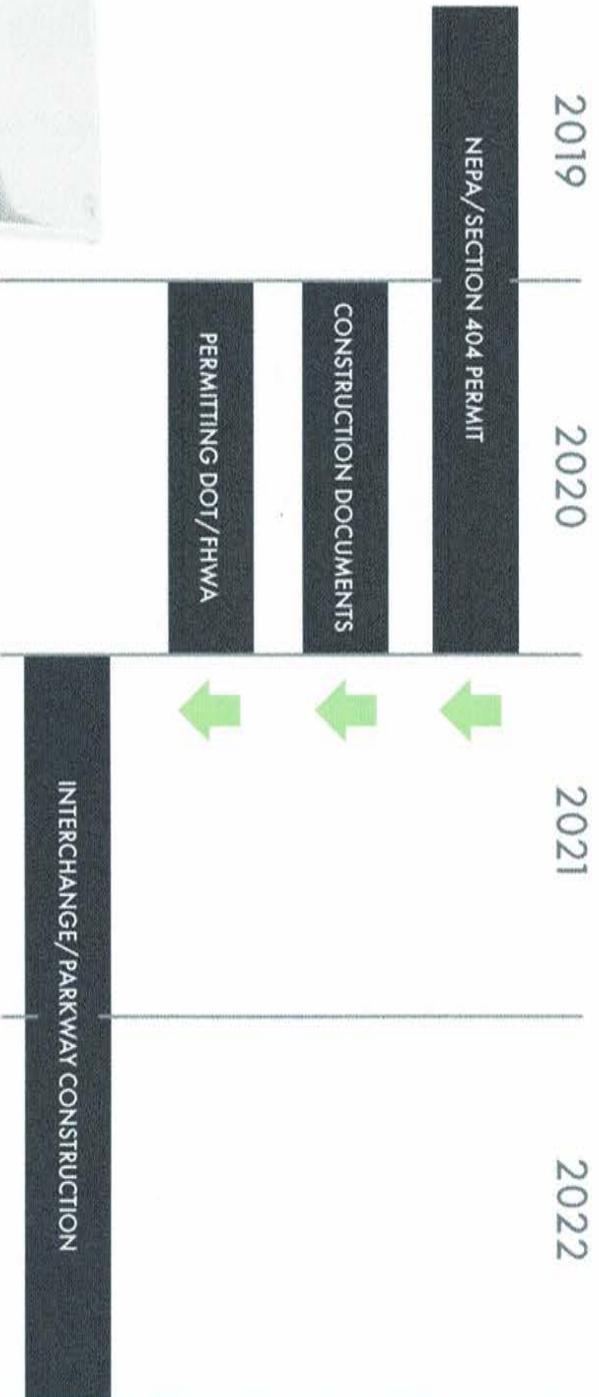


SHOVEL READY

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EXIT 3 INTERCHANGE & PARKWAY PROJECT SCHEDULE



MILESTONE PROGRESS



SCTIB BOARD APPROVED JULY 6, 2020

SCDOT COMMISSION APPROVED JULY 16, 2020

JOINT BOND REVIEW APPROVED AUGUST 8, 2020

CITY / COUNTY / ISD APPROVAL OF TIF AND MID

SCTIB, SCDOT AND CITY / COUNTY APPROVAL OF IGA

Questions

