



**JEDA**

SOUTH CAROLINA  
Jobs-Economic Development Authority

2010 ANNUAL REPORT

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*Pictured from left to right: C. Hampton Atkins, Board Member; Olney England, Board Member; John R. Hamrick, Board Member; Peter M. Brown, Board Chairman; Harry A. Huntley, CPA, Executive Director; Claudia Miller, Executive Assistant.*

**MOVING SOUTH CAROLINA FORWARD**

Much like the challenges across the rest of the country, South Carolina had to face the realities brought about by the economic downturn of the last several years. Despite these challenges, the South Carolina Jobs-Economic Development Authority (JEDA) continues to attract new industry and foster growth in its existing businesses using innovative, affordable financing options.

During the past year, JEDA issued 14 new bonds for \$358 million in eight counties throughout South Carolina. JEDA has facilitated the issuance of over 400 bonds since 1983, for nearly \$7 billion and has led to the creation of more than 25,000 jobs. Some of the activities made possible by these bonds include manufacturing, pollution control, health care, education, community centers, and many non-profit organizations.

As an additional benefit to our existing borrowers, during 2010, JEDA assisted in the reissue of 12 bonds for \$95 million, which allowed non-profit organizations and manufacturers to take advantage of lower interest rates. The significant savings realized by these entities allowed them to maintain employment and to continue providing services in their communities.

Although the economic instability is still a reality, we are seeing increased demand for creative financing options from manufacturers and non-profit facilities. By meeting these demands, JEDA is fulfilling its mission of job creation and economic development around the State. This is done without cost to the taxpayers, since JEDA is completely self-supporting, operating solely on revenues generated by bond issuing activities.

As we continue to build upon our successes, JEDA's goal is to develop innovative ways to improve the lives and bring prosperity to the citizens of South Carolina.

**PETER M. BROWN**  
*Chairman, Board of Directors*

**HARRY A. HUNTLEY, CPA**  
*Executive Director, JEDA*

## ECONOMIC DEVELOPMENT BOND ISSUES JULY 1, 2009 – JUNE 30, 2010

*During the past fiscal year, JEDA closed fourteen bond issues totaling over \$350 million and created or retained over 17,000 jobs in South Carolina.*

### **ROPER ST. FRANCIS HEALTHCARE (CAREALLIANCE HEALTH SERVICES)**

\$12.5 million

SC JEDA Variable Rate Revenue Bond

Retained 14,300 jobs and created 400 new jobs  
Charleston, SC

The \$12.5 million in bond funding secured by Roper St. Francis Healthcare (RSFH) was used to finalize the acquisition of Lowcountry Medical Associates (LMA), one of the largest primary care group practices in the Palmetto State. The addition of LMA's 23 offices, laboratory and two diagnostic imaging centers – along with its staff of 62 physicians and 319 employees – brings to more than 140 the number of physicians offering primary and specialty care at 53 locations in the Charleston metropolitan area through Roper St. Francis Physician Partners (RSFPP).



### **PALMETTO HEALTH**

\$127 million

SC JEDA Hospital Refunding and Improvement Revenue Bonds

Retained 7,878 jobs

Columbia, SC

The \$127 million in new, tax-exempt Series 2009 fixed-rate bonds refinanced the healthcare system's Series 2003B bonds and funded hospital improvements. JEDA funding has helped Palmetto Health achieve such landmarks as the opening of their new 124-bed heart hospital and 800-car parking garage and helped achieve new savings as they refunded older bonds at a more favorable rate.

### **EAST COOPER MONTESSORI CHARTER SCHOOL**

\$2.6 million

SC JEDA Variable Rate Economic Development Revenue Bond

Retained 13 full-time, 2 part-time and 3 sub-contractor jobs

Created 10 full-time and 5 part-time jobs

Charleston, SC

The \$2.6 million tax-exempt bond issue was used by the East Cooper Montessori Charter School for permanent financing of a new eight-classroom, 13,000 sq. ft., building to include a computer lab, smart boards in each classroom and a grand hall. The school serves grades 1 through 8 and has grown its student body population from 44 students in 2003 to nearly 200 students today.

*This funding was made possible by the American Recovery and Reinvestment Act of 2009, as The Stimulus Act allows 501(c)(3) organizations, such as this school, to access lower interest rates and longer-term financing with their own tax-exempt, bank-qualified bond limits.*





**MEDICAL UNIVERSITY OF SOUTH CAROLINA (MUSC)  
FOUNDATION**

\$43.7 million

SC JEDA Economic Development Revenue Bonds (4 bond issues)

Retained 240 jobs

Charleston, SC

The \$43.7 million in tax-exempt bonds secured by The MUSC Foundation provides permanent financing at a favorable tax-exempt rate for three key facilities at the medical school and hospital complex. They include a 78,000-square-foot medical office building and 153-space parking lot on Cannon St.; a 2,800-square-foot medical office building and 20 parking spaces on Bee St.; and a 1,525-space parking garage serving the Medical University Hospital Authority's Ashley River Tower, home to MUSC's Heart & Vascular Center and Digestive Disease Center.

MUSC has been able to accomplish more with limited resources through solid, innovative financing options through JEDA, allowing them to spend less on facilities and more on providing care, supporting research and educating future healthcare providers.



**ANMED HEALTH**

\$41.1 million

SC JEDA Hospital Refunding Bond

Retained 2,713 jobs

Anderson, SC

The proceeds of the \$41.1 million tax-exempt bonds issued were used to refinance at a more favorable rate the balance of a \$60.6 million bond issued in 1999 by JEDA for AnMed Health. In 2009, JEDA also issued \$220 million in bonds for AnMed Health to finance capital improvements and refinance other bonds. Since 2001, the organization has become the first in the state to install an all-digital mammography system, as well as opened the AnMed Health Rehabilitation Hospital and AnMed Health Women's and Children's Hospital, a cancer treatment center and a cardiac diagnostic and rehabilitation facility. JEDA funding has helped AnMed accomplish this in a fiscally prudent way.

**MAST GENERAL STORE**

\$2 million

SC JEDA Recovery Zone Facility Bond

Created 16 full-time and 22 part-time jobs

Columbia, SC

Mast General Store used \$2 million in Recovery Zone Facility Bonds – the first such issue in South Carolina – to help convert a former department store on Main Street in Columbia, SC, into one of its popular general merchandise stores, which will open Summer 2011. Mast General Store's commitment is a significant boon to the area, creating a new level of excitement and optimism surrounding the revitalization of Columbia's Main Street.

*The low-interest bonds came through JEDA, utilizing facility bond allocations that the City of Columbia and Richland County received through the American Recovery and Reinvestment Act of 2009.*





**LANDER UNIVERSITY (THE LANDER FOUNDATION)**

\$15.5 million  
 SC JEDA Economic Development Revenue Bond  
 Retained 349 jobs and created 10 new jobs  
 Greenwood, SC

The \$15.5 million in tax-exempt bond funding secured by The Lander Foundation will help build the university's new Recreation, Wellness and Sports Complex, as well as the Lander University Equestrian Center which will be fully operational in 2011. The 25-acre Recreation, Wellness and Sports Complex will provide soccer, baseball, softball and tennis facilities and recreational space to the school and to the general community. The 37-acre Equestrian Center will be home to both Lander's equestrian team and to therapeutic riding programs offered by the non-profit Burton Center for people with disabilities and other special needs.

*This funding is a public-private partnership, an ideal financing vehicle for economic and community growth during tough budget times.*

**COASTAL CAROLINA UNIVERSITY**  
 \$51.9 million SC JEDA Tax-Exempt Student Housing Revenue Bonds  
 \$145,000 Taxable Bonds  
 Retained 20 jobs  
 Conway, SC

The \$51.9 million in tax-exempt student housing revenue bonds and another \$145,000 in taxable bonds secured for Coastal Housing Foundation, LLC were used to purchase the former Campus Edge apartment complex near the Conway campus. The 1,092-bed complex was joined with another apartment complex the 8,500-student school already owned to form the 46-building University Place, providing much-needed, student-only housing, ultimately increasing retention rates.

*This deal was a well-orchestrated collaboration on a tight schedule with JEDA, the Budget and Control Board, the State Treasurer's Office, the CCU Board of Trustees, CCU's Student Housing Foundation Board and the Management Board of the Coastal Housing Foundation.*



**OCONEE MEDICAL CENTER**  
 \$28.345 million  
 SC JEDA Hospital Refunding Revenue Bond  
 Retained 1,068 jobs  
 Seneca, SC

The \$28.3 million in tax-exempt revenue bonds for Oconee Medical Center, a 169-bed facility in Seneca, were purchased directly by Regions Bank and used to refinance a \$29.4 million bond issue from 2005, reducing the hospital's debt service and helping it improve their financial position, which helped them better fulfill their mission.

*Oconee Medical Center was able to take advantage of some special federal tax rules applicable to smaller tax-exempt borrowings that made the deal more attractive to banks that purchase the bonds.*





**GOODWILL INDUSTRIES OF LOWER SOUTH CAROLINA**

\$24.2 million

SC JEDA Economic Development Revenue Bond

Retained 81 jobs

Charleston, SC

The \$24.2 million in tax-exempt bonds secured by Goodwill Industries of Lower South Carolina refinanced at a favorable rate earlier JEDA bonds that helped create 250 jobs through six stores, a community service center and a distribution center.

This bond issue will also fund the opening of three new Goodwill stores in Sumter, Conway and Summerville, SC. JEDA bond funding has allowed Goodwill to expand and to purchase their property instead of leasing, which in turn helps them secure revenues and spend less on facilities, ultimately allowing them to serve more people in more communities.



**INSTITUTE FOR BUSINESS & HOME SAFETY (IBHS)**

\$9 million

SC JEDA Economic Development Revenue Bond

Created 18 new jobs

Chester, SC

The \$9 million in tax-exempt bond funding secured by the Institute for Business & Home Safety (IBHS) was used to help finance a state-of-the-art, multi-peril applied research and training laboratory on a 90-acre site near Chester, SC. The site is used for full-scale testing of residential, light commercial and agriculture structures against the destructive forces of wind, hail, rain and fire. It includes a laboratory, display hall and outdoor testing areas, all built and operated with extensive use of natural sound barriers and landscaping, renewable energy sources, and reclamation and cleaning of water and air used in testing.





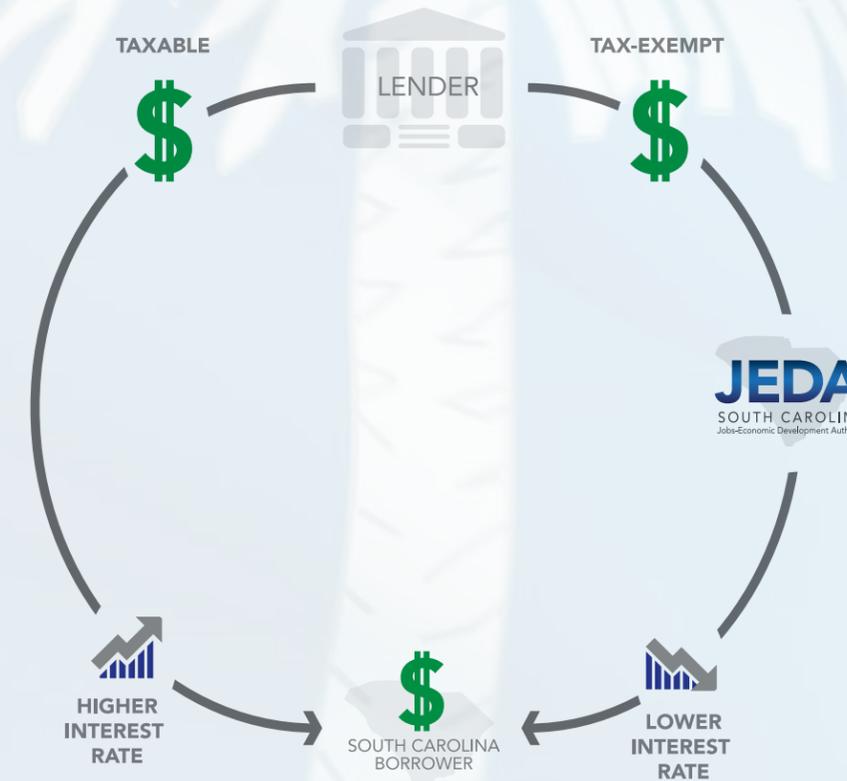
Mast General Store

## JEDA AS A CONDUIT

- JEDA acts as a conduit by passing payments from the borrower to the bondholder to reduce the borrower's financing costs.
- JEDA issues bonds on behalf of the borrower, allowing the borrower to benefit from a tax-exempt borrowing.
- JEDA funds are not at risk in connection with a financing and no funds of the State of South Carolina or any political subdivision thereof are at risk. Each JEDA bond contains language to that effect.
- The marketplace determines if the bonds are marketable, not JEDA.
- Bonds issued by JEDA are payable solely by the underlying borrower from the funds and assets pledged for each individual bond issue. JEDA does not enhance the credit of the underlying borrower.
- JEDA and its bond counsel analyze each project's eligibility for tax-exempt bond financing as specified by Federal Law.
- JEDA does not assume the responsibility of determining the creditworthiness of a project or borrower, nor does it assume the resulting legal liability from making such a determination.

## DIAGRAM OF LENDING PRACTICES

JEDA assists in the financing of eligible projects by serving as a conduit issuer of special obligation revenue bonds. Qualifying entities borrow money through, not from, JEDA. This allows the entity to reduce its borrowing costs using tax-exempt bonds.



East Cooper Montessori Charter School



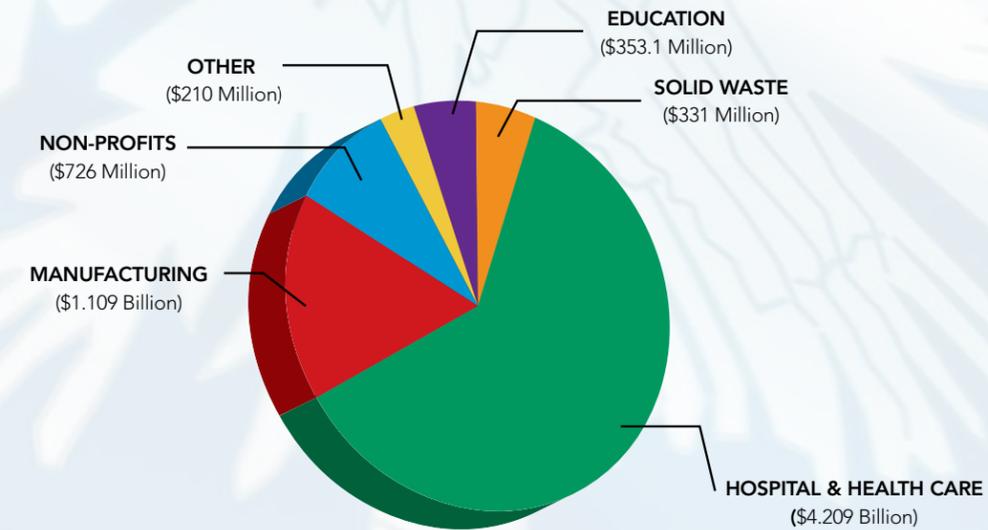
Oconee Medical Center

## JEDA HAS ISSUED NEARLY \$7 BILLION IN INDUSTRIAL REVENUE BONDS (1985-2010)

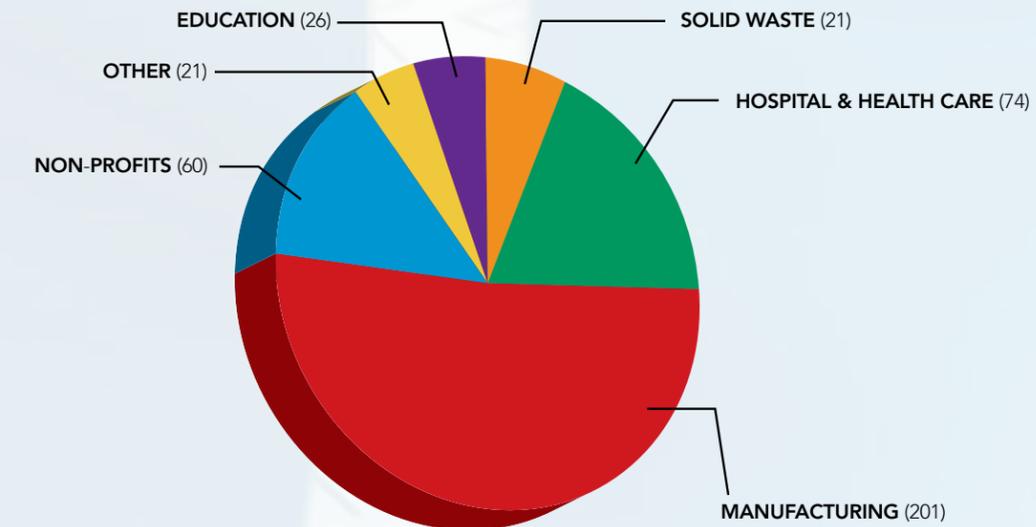
COUNTY	# OF BONDS	BOND AMOUNT	TOTAL JOBS CREATED/RETAINED
Abbeville	2	\$8,200,000	1,862
Aiken	3	\$24,500,000	144
Anderson	32	\$659,015,000	22,073
Bamberg	1	\$650,000	51
Barnwell	1	\$8,500,000	133
Beaufort	4	\$12,817,500	272
Berkeley	10	\$123,550,000	5,159
Charleston	34	\$739,801,391	14,959
Cherokee	8	\$29,235,000	845
Chester	3	\$20,000,000	135
Chesterfield	3	\$5,765,000	86
Clarendon	3	\$8,000,000	260
Colleton	5	\$12,114,298	731
Darlington	2	\$17,900,000	1,386
Dillon	1	\$7,500,000	75
Dorchester	10	\$119,200,000	1,301
Florence	14	\$122,535,000	1,338
Georgetown	5	\$118,630,000	2,431
Greenville	50	\$1,383,315,000	20,891
Greenwood	10	\$113,645,000	1,394
Hampton	3	\$48,500,000	390
Horry	12	\$343,343,791	10,287
Kershaw	3	\$45,000,000	1,074
Lancaster	5	\$25,250,000	662
Laurens	16	\$91,748,500	2,638
Lee	2	\$9,200,000	169
Lexington	7	\$41,280,000	1,086
Marion	1	\$10,000,000	125
Marlboro	4	\$24,500,000	176
McCormick	1	\$600,000	43
Newberry	2	\$9,000,000	283
Oconee	8	\$154,745,000	4,340
Orangeburg	7	\$81,070,000	1,598
Pickens	10	\$91,485,000	4,708
Richland	53	\$1,885,605,000	62,168
Saluda	1	\$9,000,000	55
Spartanburg	33	\$186,720,000	4,393
Sumter	11	\$218,875,000	6,510
York	22	\$159,299,000	2,352
<b>GRAND TOTAL</b>	<b>402</b>	<b>\$6,970,094,450</b>	<b>178,583</b>

## JEDA BONDS ISSUED 1985-2010

By Dollar Amount



By Total Number of Bonds Issued



Lander University



**JEDA**

**SOUTH CAROLINA**  
Jobs-Economic Development Authority

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