

A RESOLUTION

DESCRIBING A MUNICIPAL IMPROVEMENT DISTRICT AND IMPROVEMENT PLAN TO BE EFFECTED PURSUANT TO TITLE 5, CHAPTER 37 OF THE CODE OF LAWS OF SOUTH CAROLINA, 1976 AS AMENDED, INCLUDING PROPERTY WITHIN THE MUNICIPAL IMPROVEMENT DISTRICT TO BE IMPROVED, THE PROJECTED TIME SCHEDULE FOR THE ACCOMPLISHMENT OF THE IMPROVEMENT PLAN, THE ESTIMATED COST AND THE AMOUNT OF THE COST TO BE DERIVED FROM ASSESSMENTS, BONDS, OR OTHER GENERAL FUNDS, TOGETHER WITH THE PROPOSED BASIS AND RATES OF ASSESSMENTS TO BE IMPOSED WITHIN THE MUNICIPAL IMPROVEMENT DISTRICT; CALLING AND PROVIDING NOTICE FOR A PUBLIC HEARING; AND OTHER MATTERS RELATING THERETO.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH AUGUSTA, SOUTH CAROLINA, AS FOLLOWS:

Section 1. Findings.

The City Council (“City Council”) of the City of North Augusta, South Carolina (the “City”), hereby finds and determines:

(a) The City is an incorporated municipality located in Aiken County, and as such possesses all powers granted to municipalities by the Constitution and general laws of the State of South Carolina.

(b) Pursuant to Title 5, Chapter 37, Code of Laws of South Carolina, 1976, as amended (the “Act”), governing bodies of the municipalities of the State of South Carolina (the “State”) are authorized to acquire, own, construct, establish, install, enlarge, improve, expand, operate, maintain and repair, and sell, lease and otherwise dispose of any improvement and to finance such acquisition, construction, establishment, installation, enlargement, improvement, expansion, operation, maintenance and repair, in whole or in part, by the imposition of assessments in accordance with the Act, by special district bonds, by general obligation bonds of the municipality, by revenue bonds of the municipality, or from general revenues from any source not restricted from such use by law, or by any combination of such funding sources.

(c) The City is now minded to establish an improvement district pursuant to the Act, to be known as the “Ballpark Village Municipal Improvement District” in order to provide moneys through assessments to fund improvements within the Ballpark Village Municipal Improvement District.

Section 2. Improvement Plan.

Pursuant to Section 5-37-50 of the Act, the City may adopt a resolution describing a municipal improvement district and improvement plan, including property within the municipal improvement district to be improved, the projected time schedule for the accomplishment of the improvement plan, the estimated cost and the amount of the cost to be derived from assessments, bonds, or other general funds, together with the proposed basis and rates of assessments to be imposed within the improvement district. This Resolution is being adopted pursuant to Section 5-37-50 of the Act and each of the informational requirements of that Section is addressed and provided in the improvement plan attached as Exhibit A hereto and incorporated herein (the “Improvement Plan”).

Section 3. Public Hearing.

Pursuant to Section 5-37-50 of the Act, the City hereby calls a public hearing on the question of the establishment of the Ballpark Village Municipal Improvement District, 100 Georgia Avenue, North Augusta,

South Carolina 29841, to be held on October 26, 2015, at the City Council Chambers of the City of North Augusta at 7:00 p.m.

Section 4. Publication of Resolution and Notice of Public Hearing.

Pursuant to Section 5-37-60 of the Act, the City Clerk shall cause this Resolution to be published once a week for two successive weeks in a newspaper of general circulation within the City and the final publication shall be at least ten days prior to the date of the scheduled public hearing.

RESOLVED IN MEETING DULY ASSEMBLED at North Augusta, South Carolina this 5th day of October, 2015.

CITY OF NORTH AUGUSTA, SOUTH CAROLINA

(SEAL)

By: /S/ Lark W. Jones
Lark W. Jones, Mayor

Attest:

/s/ Donna B. Young
Donna B. Young, Municipal Clerk

EXHIBIT A

IMPROVEMENT PLAN

BALLPARK VILLAGE MUNICIPAL IMPROVEMENT DISTRICT

Overview and Purpose

Pursuant to the Municipal Improvements Act of 1999 (S. C. Code Section 5-37-10, et seq. and as amended from time to time, the “Act”), the City of North Augusta, South Carolina (the “City”) is authorized to designate an area within the City within which an improvement plan is to be accomplished. The Act defines an “Improvement Plan” as an overall plan by which the governing body of the City proposes to effect public improvements within a designated area to preserve property values, prevent deterioration of urban areas, and preserve the tax base of the municipality, and includes an overall plan by which the governing body proposes to effect public improvements within an improvement district in order to encourage and promote private or public development within the improvement district. This document is written to meet the Act’s requirements for an Improvement Plan, as defined therein.

As further described below, this Improvement Plan specifies the City’s intentions to undertake the public improvements specified below and to engage in the financing of the same. Through the execution of this Improvement Plan the City intends to provide a special benefit to parcels of real property in the Improvement District (as defined herein), to increase property values within the Improvement District, to encourage and promote private and public development by future owners or other interested parties, and to improve the tax base of the City.

Description of the Improvement District

The real property included within the Ballpark Village Municipal Improvement District (the “Improvement District”) is located in the City. The Improvement District is generally bound by the Savannah River to the south, Georgia Avenue to the east, the brick ponds to the north and Hammond’s Ferry subdivision to the west, including, but not limited to, the parcels of real property as described in Table A below, and those portions of Center Street and Railroad Avenue adjacent to such parcels, as applicable. More particularly, the Improvement District includes a total of four separate parcels of property, including three parcels owned by the City, one of which is a portion of Railroad Avenue, and one parcel owned by a private company, as well as a publicly-owned right-of-way amidst the four separate parcels, as further indicated in Table A below.

Table A
Improvement District

Parcel	Owner	Description (as needed)	Acres
007-17-02-001	North Augusta Riverfront Co., LLC		25.68
007-18-05-001	City of North Augusta		2.58
007-13-01-007	City of North Augusta	Portion of Railroad Ave.	1.79
007-17-01-001	City of North Augusta		2.75
N/A	City of North Augusta	Public right of way	*
Total			32.80*

* Includes real property consisting of those portions of Center Street and Railroad Avenue adjacent to such parcels, as applicable.

Description and Estimated Costs of the Improvements

The public improvements, and the estimated cost of each, to be implemented through this Improvement Plan are listed in Table B below (independently, each an “Improvement” and collectively, the “Improvements”). All of the Improvements will be located within the Improvement District.

Table B
Improvements and Estimated Costs

Improvement	Estimated Cost
Baseball stadium	\$34,000,000
Parking facilities	\$13,000,000
Conference center	\$9,000,000
Infrastructure	\$3,500,000
Parks and greenspace	\$2,000,000
Total	\$61,500,000

As indicated above, the City intends to provide a special benefit to parcels of real property in the Improvement District through the delivery of the Improvements. Each of the public improvements indicated in Table B above constitutes an “improvement” within the meaning of the Act.

As shown in the table above, the total estimated cost of the Improvements, excluding inflation, equals \$61,500,000. The costs shown in Table B are estimates only. As such, the actual costs are likely to vary

from these estimates. The estimated costs shown in Table B do not limit the amount that may be spent on the distinct Improvements or the total that may be spent in the aggregate on the Improvements.

Proceeds from borrowings described in this Improvement Plan (see below) and authorized by the Act may be spent on any component of the Improvements.

Other public improvements not contemplated by this Improvement Plan may be constructed within the Improvement District.

Time Schedule for the Accomplishment of the Improvement Plan

The Improvements contemplated within this Improvement Plan are expected to be accomplished on or before December 31, 2017.

Source of Funds

The City estimates that the funds required to construct the Improvements will be obtained from the sources in Table C below.

Table C
Estimated Sources of Funds

Source of Funds	Estimated Amount
Special assessments	\$22,500,000
City and private contributions, including: Private contributions, tax increment finance revenues, accommodations tax revenues, parking revenues and other revenues	\$39,000,000
Total	\$61,500,000

The amounts shown in Table C above represent an estimate of contributions to fund the estimated actual costs of the Improvements, excluding debt service on City borrowings that are anticipated to finance the Improvements. As noted in Table C above, the City anticipates that \$39,000,000 of the costs will be funded from City contributions and private contributions. As such, and as noted in Table C above, the City estimates that \$22,500,000 of the total costs of the Improvements (excluding debt service costs), specific Improvements to be determined, will be provided by special assessments (see below for more information on the special assessments). The City's total contribution towards the Improvements may increase, depending on the quantity of the City revenues from various sources, which could lead to a decrease in the costs to be funded by the special assessments.

The funding from the expected City borrowings payable from the special assessments will be limited by the amount of the special assessment lien to be placed on the properties in the District, as prescribed by a future ordinance of City Council.

The details of all borrowings and the authorization therefor shall be prescribed by one or more separate ordinances of the City Council.

Repayment of Expected Borrowings

Pursuant to the Act, special assessments (the “Assessments”) will be imposed on parcels of the real property in the Improvement District, as further explained below. On an annual basis, a to be determined portion of the total Assessments will be billed to the real property in the Improvement District in order to generate the estimated amount required to pay the debt service on the borrowings secured by the Assessments and the administrative costs of the Improvement District.

Basis and Rates of Assessment to be Imposed Within the Improvement District

Assessments shall be imposed upon real property in the Improvement District in accordance with the Improvement District documents (including, without limitation, Report on the Reasonable Basis of the Special Assessments, an Assessment Roll and the Rate and Method of Apportionment of Assessments) to the extent such documents are approved by the City as required by law (collectively the “Improvement District Documents”). The Improvement District Documents shall establish the Assessments, the basis of the Assessments and the related special assessment rates, all of which in concert will fairly and equitably allocate the benefits derived from the Improvements to each of the individual parcels within the Improvement District.

The total amount of all Assessments to be imposed on the parcels in the District at the City establishment of Assessments shall equal the anticipated costs of the Improvements, net of the expected City and private contributions noted above, and including, without limitation, the projected costs associated with the issuance and repayment of the anticipated City borrowings that will be payable from the Assessments and the projected administrative costs of the Improvement District. As such, the Assessments will produce revenue sufficient to fund the projected principal of and projected accrued interest on the expected borrowings that are payable from the Assessments as well as the projected administrative costs of the Improvement District.

Assessments will be allocated to the parcels of real property based upon each parcel’s distinct development classification and such classification’s estimated special benefit from the Improvements, as specified in the Improvement District Documents. Additionally, the proposed annual rate for the Assessments will be set such that the total annual assessment revenue from all parcels will equal the estimated annual debt service on the borrowings payable from the Assessments plus District expenses. The City anticipates providing each parcel in the District a credit on an annual basis against the parcel’s annual Assessment payment obligation that is equal to the tax increment revenues generated by the parcel.

Assessments shall not be imposed upon the Improvements or any real property within the Improvement District that does not receive a benefit from the Improvements. Assessments will not be imposed on real property parcels within the Improvement District that are owned by a public entity. Assessments will not be imposed on real property outside of the Improvement District.

The Rate and Method of Apportionment of Assessments shall provide that as real property within the Improvement District is subdivided, the Assessments on the parent parcel will be allocated amongst the subdivided parcels in a manner consistent with the original allocation methodology described above. The sum of the Assessments on the subdivided parcels after such subdivision shall be equal to the Assessment on the parent parcel prior to subdivision.

The total Assessment on each parcel, to be imposed through City Council’s approval of the Improvement District Documents, shall represent the total special assessment fees that can be billed to a parcel over the term of the Improvement District.

The City intends to bill the annual special assessment fee on the annual Aiken County real property tax bill. The City intends to begin the annual billing of the Assessments in the fall of 2017, added to the

2017 real property tax bill due by January 15, 2018.

Changes to this Improvement Plan

This Improvement Plan is subject to further changes and/or modifications, from time to time, as the City Council may determine, based on further review by the City and public input during the opportunities provided for public comment under the Act. It is expected that a final version of this Improvement Plan will be adopted by City Council at the time of adoption of an ordinance providing for the creation of the District, all as provided in the Act.