

The regular monthly meeting of the Board of Directors of the Rock Hill Economic Development Corporation was held on Tuesday, August 2, 2016 at the City Club of Rock Hill. Notice of the meeting was sent to all members, City Council, media and interested citizens. Notice was posted at City Hall on July 29, 2016.

RHEDC Board Members Present:

Greg Austin	Bud Dark	Allan Miller
Tim Baldwin	Randy Graham	Toy Rhea
John Black	Dawn Johnson	Alice Rigdon
Eddie Boulware	Melanie Jones	Cathy Weaver
Myron Brown	Dan Mahony	Dave Williams
Bev Carroll	Lisa Meadows	Rob Youngblood

RHEDC Board Members Absent:

Elaine Copeland	Kerry Mast	David Stringer
Matt Dosch	Warren Norman	David Vebaun
Doug Echols	Jim Reno	Chad Williams
Luanne Kokolis	Andy Shene	

Committee Members Present:

Lee Gardner, Finance	John Rinehart, Finance
Jim Hardin, Innovation	

Others Present:

Stephen Turner, RHEDC Executive Director	Keith Costley, Keck & Wood
Sally Baker, City of Rock Hill	Mike Crowder, WRHI
Vickie Conner, City of Rock Hill	John Gast, Keck & Wood
David Lawrence, City of Rock Hill	Freddie Gault, Office of Rep. Mick Mulvaney
David Warner, City of Rock Hill	David Metz, CN2
Jimmy Bagley, City of Rock Hill	Paul Rehkow, TD Bank
Steven Gibson, City of Rock Hill	Bill Shanahan, York County
Jeremy Winkler, City of Rock Hill	David Swenson, York County Economic Development
Lynda Burke, SCDEW	David Thackham, The Herald
Andrew Cope, J.M. Cope	Skip Tuttle, The Tuttle Company

I. Call to Order and Welcome

Chairman Greg Austin called the meeting to order at 12:25 pm and welcomed RHEDC Board Members and guests. He also recognized David Thackham, the new Government and Economic Development reporter with The Herald.

II. Approve Minutes of June 7, 2016 Regular Monthly Meeting

The Minutes of the June 7, 2016 Board meeting were approved as submitted.

III. Prospect Reports/Project Updates

Strengthen Economic Base – David Lawrence, reporting for Rick Norwood

- Projects Closed/Won in 2016: 3 totaling 15 jobs and \$1.5 million in investment
- Active Projects: 17 totaling 2,942 jobs and nearly \$636 million investment
- Active Prospects: 15 totaling 657 jobs and nearly \$114 million investment
- Waterford Spec Building II: Santee Cooper loan closed on July 20, 2016; Construction and site preparation is underway; Expected Completion by November 2016; Broker and prospect inquiries are beginning to pick up.
- Legacy West: Site preparation and grading are underway; the Santee Cooper Municipal Readiness Funds Grant has been tentatively approved.

Technology Incubator @ Knowledge Park – David Warner

- Thrive GPO has joined the program. The startup provides an internet exchange platform for procurement for nonprofit organizations.
- Another client company, Insignia Group, hosted a three-day national sales meeting in the TI Center with their first global customer, Eastman Chemical (Llumar).
- Business Growth workshops were held in June and July addressing customer engagement and the art of making sales.

Knowledge Park – David Lawrence

- The master developer is working on asbestos abatement, lead paint abatement, and demolition work throughout the former Lowenstein Building and 1939 Building. J.M. Cope Construction is overseeing the work. All floors of both buildings are being worked on by crews on two daily shifts.
- Various tenant prospects (5 or 6) for the former Lowenstein Building and 1939 Building are being vetted.
- Staff is working with real estate developers who have expressed interest in other development sites (Annex site, TownCenter sites, former Good Motors, etc.) located within Knowledge Park.

Downtown – Cathy Murphy

No report this month.

IV. Committee Reports

Finance – Bev Carroll

The Finance Committee met on July 28, 2016.

1. Financial Reports

- a. Statements of Financial Position for May 31, 2016 and June 30, 2016 and Budget Reports for 2016 through June 30, 2016.
 - Motion from the Finance Committee to approve the Financial Reports from May and June 2016. No Second Required. Approved as presented.
- b. Report on Barre Mitchell Fund and RHEDC's Commitment to Woolworth Walkway Project.
 - As of June 30th, RHEDC has received \$6,775 towards the current year's goal of \$7,500.
 - The Committee would like to remind the board that RHEDC has committed to use general operating funds to meet its obligations related to the Woolworth Walkway if the required funds are not raised from new donations.

- c. Current Reporting for Innovation Challenge Grant.
 - The grant was closed out as of June 30th. All funds were spent and the final report has been submitted to the SC Department of Commerce.
 - d. Correction to 2015 Audit.
 - After the audit report was issued on June 13th, an error was discovered in Note 3. The auditor has corrected the note and provided a revised copy of the report.
 - If you would like an updated version of the audit, please contact Sally Baker.
- 2. Two-Year Renewal of Line of Credit**
- a. RHEDC has maintained a \$250,000 Line of Credit with TD Bank as a contingency for short-term cash needs. No draws were made on the LOC in the last year, but we would like to renew the line as a safeguard.
 - The Committee has reviewed the terms and conditions for renewal of the \$250,000 LOC.
 - The only changes from the terms of the prior year is a shift from a 12-month maturity to a 24-month maturity.
 - Motion from the Finance Committee to approve a two-year renewal on the \$250,000 Line of Credit. No Second Required. Approved as presented.
- 3. Corporate Credit Cards**
- a. RHEDC has in the past allowed Stephen Turner (a signatory) and Susan Lyle (not a signatory) to hold debit cards for incidental purchases that cannot be made with a check.
 - In light of Susan's retirement, Stephen requested that Sally Baker (not a signatory) be given access to a debit card.
 - The committee recommended that for improved security, RHEDC should use credit cards, not debit cards.
 - Motion from the Finance Committee to approve RHEDC corporate credit cards for Stephen Turner and Sally Baker with limits of \$5,000 each. No Second Required. Approved as presented.
- 4. Review of 2016 IRS Form 990 and Policy Drafts**
- IRS Form 990 (Annual Information Return)
 - Sally Baker presented a draft of the 2015 990 for review, and indicated that per IRS guidance, the full board will also be given a draft before it is submitted. Sally is working with Burkett CPAs to make additional edits. She will be sending a copy of the final draft via email to the full board.
 - Motion from the Finance Committee to approve submission of the 990 to the IRS, pending final review between Sally and Burkett CPAs. No Second Required. Approved as presented.
 - Policy Review
 - Sally Baker reported that IRS guidance for exempt organizations recommends three important policies – Conflict of Interest, Whistle-Blower and Document Retention and Destruction.
 - RHEDC has not yet adopted any of these policies, and so Sally presented drafts to the Committee. These drafts will also be shared with legal counsel to ensure that they meet the specific needs of RHEDC.
 - The policies will be presented at a subsequent meeting for final review by the full board.
 - i. Conflict of Interest Policy: designed to promote transparency; helps identify situations that present potential conflicts of interest and to provide a procedure that allows a transaction to be treated as valid and binding even though a director,

officer, or staff member has or may have a conflict of interest with respect to the transaction.

- ii. Whistle Blower Policy: provides a mechanism whereby a staff member, volunteer or other key stakeholder can report a violation of policy or law without fear of retaliation.
- iii. Document Retention and Destruction: identifies the record retention responsibilities of staff, volunteers and other key stakeholders for maintaining and documenting the storage and destruction of RHEDCs documents and records.

5. Executive Council Action to Extend Lease and Sub-Lease for The Hive Space

- a. The Hive is RHEDC's leased space on the 3rd floor at 157 E. Main Street.
 - Since February 2016, RHEDC has subleased the space to Cimplx ACA while Cimplx upfits permanent office space in downtown Rock Hill.
 - The lease and sublease were due to expire in June, but Cimplx requested an extension to August 31, 2016 because their new space was not ready.
 - The Executive Council approved the extension in June, and so it is presented as information to the Board. No action needed at this time.

6. Updates on Waterford Spec Building #2

- a. The \$1.3 million loan with Santee Cooper for construction of Waterford Spec Building #2 closed on July 20, 2016, and RHEDC has received the loan proceeds.
- b. Reserve Agreement: Note that the Statement of Financial Position, reviewed earlier in the meeting, includes a \$250,000 reserve fund for the spec building project. Unlike Spec Building #1 where RHEDC created a voluntary reserve, this reserve is now a requirement of the loan agreement.
- c. Construction Progress: Cope Construction is mobilizing to begin construction. Steel, concrete panels and other materials have been ordered and work should be underway shortly.

7. Updates on Legacy Business Park

- d. Staff reported that on June 27, 2016, RHEDC closed on the purchase of Site A at Legacy West, located on Paddock Parkway.

Innovation – Jim Hardin

- The committee members worked cooperatively to spend all of the remaining grant funds allocated under the second SC Department of Commerce Innovation Challenge Grant. The grant was closed out as of June 30, 2016.
- Some discussion took place regarding two future grant opportunities: 1) America's Promise Jobs Driven Grant through the US Department of Labor; and 2) a competitive grant funding opportunity from the SC Department of Commerce Office of Innovation (created by an override of vetoes made by the Governor; details unknown on how the funding will be offered).

Marketing

No report this month.

Knowledge Park Leadership Group

No report this month.

V. Other Business

No new business to report.

VI. Adjourn

There being no further business to come before the Board, the meeting was adjourned at 12:50 pm.

Respectfully submitted,

David Vehaun
Secretary/Treasurer

Upcoming Events:	Tuesday, September 6, 2016, 12:00 pm	RHEDC Board Meeting
	Tuesday, October 4, 2016, 12:00 pm	RHEDC Board Meeting
	Friday, October 28, 2016, 8:00 am	RHEDC Annual Retreat