

Ed. Approved.
11/6/2013

MINUTES
SOUTH CAROLINA CONSERVATION BANK
1000 ASSEMBLY STREET, ROOM 325
COLUMBIA, SC 29201
Tuesday, April 30, 2013

The regular meeting of the Board of the South Carolina Conservation Bank (SCCB) was held at 10:00 am on Tuesday, April 30, 2013 in Room 325 of the Rembert C. Dennis Building, Columbia, South Carolina. Notice of the date, time and place of the meeting was posted and mailed to the news media. Chairman Weston Adams, III presided at the meeting. Board members present included William L. Snow, Sr., Vice Chairman; Andrea Clark; Elliott Close; D. Clinch Heyward; Ben Keys; Thomas Miller; James Roquemore; and Harry Shealy and Ex-Officio members John P. Evans, Chairman SCDNR Board; Frank A. McLeod, III, SC Forestry Commission; and Phil Gaines on behalf of the Director for PRT.

I. Welcome and Call To Order

Chairman Adams called the meeting to order and welcomed everyone to the meeting and noted the Freedom of Information Act guidelines had been met.

II. Introduction of Guests

Chairman Adams welcomed new Board member D. Clinch Heyward to the Bank Board. Mr. Davant introduced Travis Bell, student intern working with the Bank and recognized him for receiving the Julian J. Petty Award from USC. Mr. Davant advised the Board of a letter from George Campsen, Senator Campsen's son, with the Citadel Rod Gun Club notifying the Bank the group was making a \$950 donation to the Bank to support the mission of preserving the future for hunting and fishing in South Carolina. Mr. Davant informed the Board the Memorandum of Understanding between the Bank and SCDNR has been executed and thanked the DNR Board Chairman, Mr. Evans for all their support.

III. Adoption of Minutes:

Chairman Adams called for a motion to adopt the minutes from the November 7, 2012 meeting. Mr. Roquemore made the motion to approve these minutes. Mr. Miller seconded and the motion was unanimously approved.

IV. Old Business – Previously Approved Commitments

A. Previously Approved Commitments

Chairman Adams deferred to Mr. Davant. Mr. Davant informed the Board that previously approved grants were being paid off as the funds become available and all due diligence is received. The Bank hopes to have all prior commitments paid off by June including those from 2008. The Documentary Stamp revenues have gone up but not as much as was anticipated. This means the Bank may use \$500,000 - \$600,000 from FY 2013-14 to pay off all old grants. The applications approved today will be processed with the FY 2013-14 Documentary Stamp Revenues. Mr. Davant explained how Doc Stamp funds are received which dictates how funds are paid out.

Chairman Adams asked if a timeline was placed on the older grant awards. Mr. Davant explained the January and July applications are always paid from the next fiscal year's funding. Mr. Davant clarified that a timeline normally isn't put on the awards; however, the Bank notifies the qualified entity the grant is approved and you will be notified when funds are available.

Mr. Davant stated the Legislature approved the Bank a \$7.5 million budget in FY 2012-2013. It is anticipated that the actual revenue will be more than \$7.5 million. Since all Bank funds are classified as "Other Funds" and if the Bank's revenues go over the \$7.5 million we would have to go before the Other Funds Oversight Committee to obtain authority to spend any funds received above the \$7.5 million. Mr. Miller asked about the timeframes to make a presentation to the Other Funds Oversight Committee. Mr. Davant stated there is no set schedule and the Committee meets as it decides.

Mr. Snow asked about the list of still outstanding grant approvals and read through the list. Mr. Davant clarified that all the Congaree Land Trust tracts were on schedule and they hadn't been completed due to waiting on funds to be available to pay out the grant award.

CHICK SPRINGS PROJECT – this project has changed very dramatically. It appears that they are not going to be able to obtain matching funds. The landowner is proposing to donate the property to the Greenville County Recreation Commission. The acreage has now changed from 16 to 6 acres. Two questions have arisen: (1) Is Greenville County Recreation Commission a part of Greenville County? (2) Does the appraisal change significantly since it went from 16 to 6 acres? Another question is Chick Springs still the applicant or has that changed. Staff recommends to hold until all questions are cleared up and what Chick Springs is going to do. Mr. Miller made a motion to hold this project until the next meeting. Ms. Clark seconded and the motion unanimously passed.

NINE TIMES TRACT – Chairman Adams deferred to later in the meeting.

V New Business – Grant Proposals

1. **Battery Wilkes** - This is 1.8 acres in Charleston County. It is a Confederate Battleground Preservation Tract. It has two houses on the tract. At Chairman Adams request this tract was deferred to later in the meeting.
2. **Dusty Acres** – This is 238.84 acres in Clarendon County submitted by Congaree Land Trust. This tract is in the Santee Waterfowl Corridor and borders a SCDNR WMA. The landowners in this area are seeing the value in public access availability by providing youth and wounded warrior hunts. This tract will help create economic development in this area. The request is \$1,000 per acre which is 50% of the conservation easement value. The FMV is \$1.5 million. Staff recommendation is to approve the grant in the amount of \$238,840.

Mr. Roquemore stated this was a good opportunity for the Bank to work with landowners for public access and verified the cost factors. He also stated this is a great opportunity to help build back the Santee Waterfowl Corridor area which has been not great in recent years.

Mr. Evans asked if anything was written in the easement for the ponds in this and corresponding applications to be kept up as the value is based on habitat. Chairman Adams stated this could be stipulated in the conservation easement and deferred to Billy Cates for his comments. Mr. Cates stated the easement does not require the tract be kept as a waterfowl impoundment forever. He stated he didn't think a landowner would sign an easement requiring the tract be maintained as a waterfowl impoundment in perpetuity. Mr. Roquemore stated it would be difficult to do due to the weather changes and allowance as to what can or cannot be pumped during the year. Mr. Miller asked what the value without the impoundment is. Mr. Roquemore stated probably \$3,000 per acre. Mr. Davant stated it is probably unlikely that the impoundment would be drained; however, if it were there is still an easement on the property and it could not be developed.

Mr. McLeod stated he was in favor of this tract and the other similar tracts; however, had an issue with the amount of money being requested. Mr. McLeod state the Bank is not looking at what was spent on creating these impoundments but what is being given in terms of the amount of money. The best use of the property is duck hunting based on the appraiser's indication. Mr. McLeod's understanding in talking with the Land Trust is the highest and best use of the property once an easement in place is duck hunting. Mr. McLeod doesn't see a threat of development in this area anytime soon; but has a hard time justifying the \$1,000 per acre in terms of if you can do everything you want to after the easement is put on it and you haven't changed the highest best use, you hadn't changed the value, and that is what the Bank bases its money figure on. Mr. McLeod Understands what the Bank is doing with the timberland. He understands the timberland, when an easement is put on it, the actual timber is being removed from being cut so I see the value difference there; however, with these tracts that isn't apparent. Mr. McLeod is totally in favor of what is being done and giving them something, but feels it should be more around \$350 per acre or at least a lower amount. As an example, if there was a development tract and someone stated the conservation easement being placed on it is going to totally wipe out the development then there was a development tract and now it is not and there is a definite value change in that the development right was given up. However, if it is a hunting tract and you still have a hunting tract with all the benefits of the easement, I have a hard time justifying the \$1,000 per acre.

Mr. Roquemore state that a conservation easement keeps green space for our children and grandchildren. The place people want to move is out in the country and divide the farms up in anything from 5 acres to 90 acre tracts. In taking the stance that they will never have additional houses put on them is a stretch. It occurs all the time where someone will come in wanting 3 acres here or 5 acres there and large tracts have a significant possibility that they could be chopped up. By doing the easement the Bank is saying there will be no more building on these tracts and when you can't build on them anymore you give up economic value and disagreed with Mr. McLeod's thought process.

Mr. McLeod stated he agreed with Mr. Roquemore; however, Mr. McLeod stated this area is so economically depressed and living in Sumter County and he knows the area and stated development is so far in the future. The Bank is discounting back in time to a present value. Mr. McLeod wants to give the entity something and preserve it since that is what the Bank is about; however, he still cannot justify \$1,000 an acre.

Mr. Evans stated that what has been done in this area is phenomenal as it now holds more wild birds and many impoundments. The value of the area has been built up. As for the economic value in this area, for all people coming in, the restaurants and hotels a lot of people are coming into this area and a lot of value has been built in this area.

Mr. Snow stated this area is comparative to the SOLO Projects. If you have 5,000 acres down Savannah River you don't have to do anything to maintain those trees along the river. However, to bring ducks into the area, the landowners are spending money now and the next two or three years and they are not cheap to build or maintain. The landowners are pumping money into the duck impoundments and that is a multiplier to the surrounding areas. The landowners are spending the money now which encourages an incentive to develop this entire region that multiplies way past the boundaries of these three tracts or other properties being reviewed.

Mr. McLeod stated that the methodology used to calculate the amount reasonable number to give people is we are asking them to go through the appraisal process. The Bank is getting away from the methodology in how to place a number on what it is giving these people. What is the Bank's methodology in determining what someone gets? Case in point, let's take a development tract and someone is looking for a write-off from the federal government, the IRS is going to look at the appraisal and say, you justify to the IRS as far as the value before and the value after. They come up with a number and the Bank comes up with a number whether an easement or a purchase we have to justify what the Bank give to these people because they get an appraisal. If it is worth the same amount before and after the easement nothing has changed, the landowner is getting something out of it because they enjoy duck hunting and wouldn't have gone to all the trouble. Mr. McLeod wants to protect the property but has an issue with the money.

Mr. Snow stated it was a judgment call. He also stated it is important to be consistent over time. Through the process of coming up with \$200 per acre in the SOLO area and you can't always compare 5,000 acres to 1,000 or 40 acres. It is important to be consistent and a judgment. Each type of conservation easement is different than another; trees are different than hunting, different than family farms, and different than Chick Springs. Mr. Roquemore stated it was only 15% of the fair market value and didn't feel it was a problem. Many others were much more than 15% of the FMV.

Mr. Davant stated that the Bank isn't concerned with what the landowner takes to the IRS as the Bank isn't involved with the IRS in any manner. The landowner has to defend whatever appraisal they use to the IRS and not the Bank. The Bank doesn't decide how much to give the landowner. The amount the Bank gives the landowner is based on what the landowner requests and what the appraisal justifies. What the Bank reviews is an appraisal from a qualified appraiser that says that if the conservation easement is actually worth \$2,500 per acre and they are asking for 50% of that. The Bank does not sit down and figure out what the Bank should give them it is based on what they ask for and what's in the appraisal provided by a qualified appraiser. One thing that may be missing is there is a tract of land 3-4 miles from this area where they were going to put 3,500 houses on. All of this land is less than a half mile from Lake Marion which is one of the top recreational lakes in the State. Mr. Davant disagreed this tract has no development value. The point is, in this particular spot the duck ponds are the development. The individuals' building the duck ponds are what is driving up the economic value so the economic development that should be looked at is what they are doing. That is the economic development. The landowner gives up the right to do anything else on the property when they agree to a conservation easement so they can't cut it into two-acre lots and sell it off for development. The Bank doesn't decide what it is going to give these individuals or what is fair. That is the purpose of the appraisal and the statute says the Bank must have appraisals and can't approve more than the fair market value. The information from the appraiser says the property is worth \$1,000 per acre for the

conservation easement and that is what the Bank bases its decision on. That is the process. There is no negotiating process prior to presentation to the Board. If the landowner brings it to the Bank for less than that is great and the Bank would agree to less. With the examples of SOLO, the price of \$200 - \$250 per acre the Bank has received for SOLO projects has nothing to do with reality. That was a situation decided by the Lowcountry Land Association, The Nature Conservancy and Lowcountry Open Land Trust where the tax credit is \$250 per acre these entities worked with the landowner to work out the amount they were going to request. It is truly an arbitrary figure and had nothing to do with the fair market value of the tract. The forest land does need to be saved and the Bank has gone out of the way to make sure that this is accomplished; however, there is one significant difference in that it floods. When the river is high that property floods and there may be some highland spots within the area and may be developed in to a recreational tract. The appraisal submitted to the Bank by a qualified appraiser states what the easement is worth. The landowner isn't really giving up anything on this specific tract and the surrounding tracts because they are still hunting and fishing on the property. But in past years where you could hunt quail now that has diminished and these tracts are trying to build that back up.

Mr. McLeod stated he wasn't stuck on the \$1,000 and may even give more in some cases; however, I feel a formal appraisal is needed for the Board to adequately review and award an amount for a project.

Mr. Davant stated there are three types of appraisals, summary appraisal, a more detailed summary appraisal and the formal appraisal. It is all based on the same information. It is based on what that appraiser knows about the tract. On the Bank's website, the Board, early on, made a written decision not to require the formal appraisal until we had some indication that the Board was interested in the proposal. This was to save the landowner the upfront cost to obtain a formal appraisal. Mr. Davant stated that the Phase II listed on the website reflects that they will not receive any funds until a formal appraisal is received. In surveying several of the qualified entities a one or two said submitting a formal appraisal with the application wouldn't be a problem; however, four or five stated that this would be a problem in filing the application. The Land Trusts understand what they will get from the Bank and the process they have to go through before funds are released. Many Land Trusts don't file any type of an appraisal on their initial application and this is why. An example is that the Lowcountry Open Land Trust or other entity has a tract in SOLO area and the land is worth \$3,000 per acre. The qualified entity is asking for \$200 or \$250 per acre so in terms of is a formal appraisal relevant at that particular point in time, it isn't since it is such a low percentage of the fair market value and Mr. Davant wasn't sure a formal appraisal is relevant at all except that it is required by the Bank's statute. When making such changes there are issues to consider such as with Soil & Water Conservation District. They must comply with a federal formula used to appraise Soil & Water Conservation grant requests. They don't know until the final day if they are going to get the federal funds or not and their request is based on whether they get matching funds which is generally from the Bank. Therefore, they cannot do the appraisal on the front side of the application until they know the federal grant is approved. The Bank has done 47 Soil & Water Conservation grants which is a significant number of grant awards.

Chairman Adams recommended the appraisal question be parked for the time being and deal with the specific application. Mr. Roquemore made the motion to accept the recommendation of staff to award the grant in Dusty Acres at \$1,000 per acre. Mr. Snow seconded and the motion unanimously passed.

Chairman Adams clarified that there will be instances where the grant request will be reduced and the entity won't get the amount the originally requested.

3. **Willow Oaks Tract** – This is similar in nature to Dusty Acres. It is 195 acres in Clarendon County submitted by Congaree Land Trust. It is located near the Cowassee Basin boundary and is in the Santee Waterfowl Corridor. They are requesting \$195,000 or ½ of the conservation easement value at \$1,000 per acre. It has a significant aquatic habitat and natural resources area. Staff's recommendation is to fund the grant for \$195,000.

Chairman Adams stated this and Williamson Waterfowl Farm Tract are very similar and both are at \$1,000 per acre. Mr. Snow made the motion to approve staff's recommendation for the Willow Oaks Tract. Ms. Clark seconded and the motion unanimously passed.

4. **Williamson Waterfowl Farm Tract** - This is 63.4 acres in Clarendon County submitted by Congaree Land Trust. The tract adjoins a DNR WMA. The grant request is for \$63,000. The tract is located in the Santee Waterfowl Corridor near the Cowassee boundaries and adjoins Lake Marion. It has good rural development and very diverse habitat. It borders the Palmetto Trail. Staff recommends funding the grant for \$63,000.

Chairman Adams stated this is similar to the other two from Congaree Land Trust. They are requesting \$1,000 per acre. Mr. Snow made a motion to approve staff's recommendation. Ms. Clark seconded and the motion unanimously passed.

5. **Exley Plantation** – This is 5,300 acres in Jasper County submitted by The Nature Conservancy. It is essentially a SOLO plantation with 1.1 mile frontage on the Savannah River. This tract is at the intake of the Beaufort-Jasper Water Authority and is the water supply for Beaufort and Jasper Counties. It has significant water quality and quantity value. It is across the river from the Savannah River National Wildlife Refuge and the Webb Wildlife Center. The fair market value is \$15,900,000. The request is for 50% of the conservation easement value of \$1,325,000. Staff's recommendation is to award the grant for \$1,325,000.

Ms. Clark stated she knows the area and in terms of preservation and water quality for the area this is a gem and contiguous to another Nature Conservancy plantation which the two tracts will protect over 10,000 acres. This is essential for water quality on the Savannah River.

Sara Hartman, Director of Conservation with The Nature Conservancy made the presentation. The project is adjacent to the Savannah River Preserve and is a core area in the Savannah River area. There is a 300 foot river buffer connecting these areas along the river and allows for timbering subject to the plan guidelines. It identifies a subdivision minimum and the property cannot be divided into more than a minimum of 500 acres parcels. TNC is still negotiating with the landowner to change this to 1000 acres per parcel.

Mr. Snow stated to his memory all the SOLO tracts have been \$200-\$250 per acre. What makes this tract worth \$250 per acre versus \$200? Would the owner take less? Ms. Hartman stated this started at \$250 as TNC asked the landowner to give up the tax credit. Now the program has changed and TNC is not asking the landowner for the tax credit now as there is no entity to take the tax credit. TNC didn't think the landowner would take less than \$250 per acre. Chairman Adams asked if the tract was bigger than 5,000 acres. Ms. Hartman stated the original property was 5,500 acres and about 800 acres was sold off. Mr. Exley is putting 5,300 acres in a conservation easement. Mr. Roquemore stated that setting aside that much green space on one of the largest rivers in the county is important and has more value and it is a good deal. Mr. Close made a motion to approve staff's recommendation. Mr. Roquemore seconded and the motion unanimously passed.

6. **Jonathan E. Graham Tract** – This is 505.34 acres in Horry County submitted by Horry County Soil & Water Conservation District. Mr. Davant has met with Mr. Graham several times wherein subsequent appraisal information was provided to the Bank for review. This is a working family farm. Mr. Davant stated the Board normally doesn't approve \$2,400 per acre for this type of easement. Mr. Davant deferred to Mr. Graham to make the presentation on this tract.

Eric Graham, the landowner, made the presentation on this tract. Mr. Graham stated he had been working over eight years to get into the Conservation Easement program and they have funds from FRPP provided they get 25% match funds from another area. There are other FRPP easements that were funded by the Conservation Bank in the surrounding area of Mr. Graham's Farm. In the next 30 years Horry County's population is expected to grow to over 900,000 people; therefore, land is in high demand and prime farmland is becoming scarce as it can be quickly developed. Mr. Graham stated he was coming to the Board to ask them to help preserve this farmland for future generations.

Chairman Adams called for any discussions stating that Mr. Davant's suggestion was to address this tract later in the meeting so he could work with the landowner to get a lesser price as \$2,474 per acre is too expensive. Mr. Snow asked if the FRPP mandated the 25% of the appraised value. Mr. Davant explained that an issue with Soil & Water Conservation District applications is the Federal Land Protection Program dictates the formula. The feds will provide 50%, the landowner can donate 25% and 25% has to be outside matching funds. If this process isn't followed both the landowner and the Soil & Water Conservation District lose funding. Mr. Davant asked for more direction from the Board as it is critical that the Board tell Mr. Graham something. Mr. Snow stated in the past the Board was unable to help another farmer with funding and he regretted the Board was not able to help. Mr. Snow recommended tabling for the moment and coming back to this tract after going through the rest of the applications. Mr. Miller asked if there wasn't another agency or grant program that the landowner could go to for additional funding in participation with the Bank in this project. Mr. Davant stated he didn't know of any other agency that did what we do. Mr. Davant stated what his thought was to offer them \$1,500 - \$1,600 dollars an acre. This is truly a family farm and Conservation Bank's statute states it is to support farmland so if this is held for now and we can

come back to it later in the meeting. The Board agreed to hold this tract until later in the meeting and address it after reviewing other applications.

7. **Greenfield Plantation** – This is 297 acres in Georgetown County with 1.38 miles on the Black River. It was submitted by The Nature Conservancy. It adjoins Samworth Plantation on Sandy Island and is in the Winyah Bay watershed and Plantersville Historic District with rice fields. This is in an area where there has been little activity by the Conservation Bank. The entity is asking for 30 % of the CEV which is \$500,000. The fair market value is \$4.5 million. Staff's recommendation is to make the grant in the amount of \$500,000.

Chairman Adams asked if The Nature Conservancy had a presentation on this tract. Maria Whitehead made the presentation for TNC. This is a historic rice plantation on the Black River. Because of its location the tract will have many public benefits. There are about 25 historic rice field plantations and many currently have conservation easements and we would like to include this tract. Chairman Adams called for any questions or discussions. There being no discussions Mr. Roquemore made a motion to approve the grant as presented. Ms. Clark seconded and the motion unanimously passed.

8. **Green Mountain Tract** – This is 139 acres in Greenville County on the Middle Saluda River and Oil Camp Creek submitted by Naturaland Trust. This is a fee simple purchase for \$305,000 and the entity is asking for \$135,000. The tract adjoins Jones Gap State Park and will be open to the public. This is very close to being developed and is in a critical location and a good deal. Staff's recommendation is to fund the grant for \$135,000.

Chairman Adams called for comments from the entity. Frank Holleman made the presentation stating this tract was once owned by Solomon Jones who Jones Gap is named after. Cherokee Indians hunted black bear on Oil Camp Creek. This is a tributary of the Middle Saluda River and is the principal undeveloped area on private property. The property across the street is owned by Naturaland Trust. The landowners bought the property at a tax sale; however, they cannot continue to own the mountain. The landowners have offered to sell it for what they have in it which is about \$2100/acre. The Naturaland Trust has raised over one half of the funds for this acquisition and is coming to Bank for the remainder. Ms. Clark asked if the tract would have public access. Mr. Holleman state yes.

Chairman Adams called for any questions or discussion. Mr. Miller commended Mr. Stone on the photography. Mr. Snow made the motion to approve staff's recommendation of \$135,000. Ms. Clark seconded and the motion unanimously passed.

9. **Halidon Hill Plantation** – This is 248 acres in Berkeley County submitted by Lowcountry Open Land Trust. This is not far from the City of Charleston and has .3 of a mile on the East Cooper River. It has 110 acres of controlled rice fields. It is similar to a SOLO project and adjoins the Francis Marion Forest and other protected tracts. They are asking \$250/per acre for a total of \$62,000 and is a very good value. Staff's recommendation is to approve the grant in the amount of \$62,000. Mr. Roquemore made to motion to approve staff's recommendation. Ms. Clark seconded the motion.

Barbara Holmes made the presentation for Lowcountry Open Land Trust. This is on East Branch of the Cooper River in this historic rice field district with 3,000 feet of water front. The surrounding protected tracts include Middleton Plantation, Girl Scout Plantation and Bono Ferry Tract. The fair market value is \$3.5 million and the easement value is \$750,000. The LOLT is asking for \$62,000 to help protect this tract and the landowner will make a donation of the balance of the \$750,000 as a charitable donation. There is a house located on the tract and there are additional family lands behind this tract. LOLT is working with the landowner to put an easement on these properties.

Chairman Adams called for any more discussions. There being none, Mr. Roquemore's motion was voted on and unanimously approved.

10. **Kel-Sam Farms Tract** – This is 921 acres in Sumter County submitted by The Conservation Fund. This is a fee simple purchase and has matching funds with MAJIC money which is part of the US Dept of Defense. The military has provided match funding for such projects to help build buffer zones around military bases for security. This tract would be an important buffer to the Shaw AFB. The fair market value is \$2.5 million and the requested amount is \$850,000 which is \$923 per acre. The tract will become public land. Staff's recommendation is to make the grant in the amount of \$850,000.

Jason Johnson with The Conservation Fund made the presentation. First, MAJIC stands for Midlands Area Joint Installation Consortium. The Conservation Fund has been working on properties for seven years and are just now coming to the Conservation Bank for match funds. The landowner is the Black Family and they have sold off some sections in the past for development and the potential for development of this area is present. The Air Force sees putting a buffer zone in this area a high priority and also wants to limit the potential for development in this area as it is in the airport approach zone. The Forestry Commission is somewhat interested in this tract. Mr. Close asked what reason this was being preserved for. Mr. Johnson stated this is to help the military with a buffer zone and help with the forests and working farms. The City of Sumter is very interested in managing this property as a community forest and looking at building trails, recreational opportunities and fishing opportunities for the community. The City is looking at running this as a community forest/farm to generate revenue off of the harvest and to run without using regular Community funds. Mr. McLeod asked if this was 900+ acres or 700 acres. Mr. Johnson stated the total tract was over 900 acres but the small tract, roughly 217 acres, will be managed by the Forestry Commission. The funds would be distributed as follows \$108,000 for the 217 acre tract and the remaining \$742,000 for the larger tract. The Conservation Fund is still negotiating with the US Government and their percentage will be at least 60% and could be more. Mr. Johnson stated he has talked to Harvey Belser with the Forestry Commission regarding this property on several occasions. Mr. McLeod asked if there was an ongoing timber sale that would affect the value of the tract. Mr. Johnson stated there was none. Mr. Heyward asked how the Board looks at interior tracts such as this. The river tracts are obvious but what is the objective the Board looks at on these tracts. Mr. Roquemore stated as an example think how Manhattan would be without Central Park and I realize Sumter isn't New York, but try to use that as a guide for preserving green space. Chairman Adams asked what the time issues involved with completing this project are. Mr. Johnson stated the funds needed to be moved probably by September. Mr. Miller asked if the Bank has the funds to fund all of the requests being presented today. Mr. Miller suggested waiting on the project and coming back to it at the end of the review. Mr. Davant stated if this isn't approved for match funds and not done by September, The Conservation Fund would miss the October deadline for the feds. This is a military request. Mr. Snow called for a motion. Mr. Roquemore stated if the Bank can work together with another entity to preserve and protect almost 1,000 acres of green space that we should do so for future generations. Mr. Roquemore made the motion to award the grant on staff's recommendation. Mr. Close seconded the motion. Mr. Shealy stated this is similar to the Hitchcock Woods tract in Aiken and that project took a while to complete.

Mr. Miller moved to table motion and come back to this project in the meeting. Mr. Snow seconded and the motion was temporarily tabled.

Chairman Adams called for a short break and then returns to the meeting.

Chairman Adams called the meeting back in session.

11. **Liberty Hill** – This is a fee simple purchase on the Phase 1 tract consisting of 937 acres in Lancaster/Kershaw County submitted by The Conservation Fund. Once the other tracts are included this will have a total acreage of 3,453 of protected lands. The total tract has 14 miles frontage on Lake Wateree. The property will eventually be transferred to SCDNR. The requested amount is \$1.5 million at \$1,600 per acre to the SCCB. The \$1.5 million will be matched with other funds. Final negotiations are needed on the other phases. Once all phases are finalized this will make a great public park and WMA. Staff's recommendation is if negotiations are completed to fund the request at \$1.5 million.

Jason Johnson made the presentation. The owners of this 3,453 acre tract bought it from Crescent Resources for \$26,000,000 at the peak of the market. This was initially going to be divided into 30-70 acre lots but this didn't occur. The Conservation Fund is working on the first Phase of putting a conservation easement on this tract. There are 14 miles of frontage on Lake Wateree. The Conservation Fund has received support from the Kershaw County Council and Administrator and Lancaster County Council and Administrator. Lancaster County stated they couldn't provide services to this property and is in support of someone protecting and managing this property. Part of the deal Kershaw County made with the developer was the County would replace a bridge and this has been completed to facilitate the development of the property. The Conservation Fund is negotiating with the landowner and looking at nine different funding sources. The Phase 1 acreage may be increased to 1,115 acres which drops the price per acre to the Bank.

Mr. McLeod asked about the acreage and how it would be broken into phases. Mr. Johnson stated they are still working with the landowners to determine that and it could take 2-3 phases to purchase the full tract. The landowners have an issue in they still owe \$12,000,000 to a lending facility on the property and the current appraisal

says the property is worth \$11,000,000 so we are still negotiating. Mr. Roquemore asked where this was in the DNR priority line to obtain. Mr. Evans deferred to Emily Cope. Ms. Cope stated DNR has received initial approval from its Board to begin working on this project and try to secure a contract and once all funds are available they will go back to the DNR Board for final approval to proceed. This is DNR's top priority as it adjoins land with existing investments and in part of the State which hasn't been historically focused on in the past. DNR is trying to build up the Heritage Trust Funds to apply to this project and using some of the Wildlife Restoration Funds to put into this project. Ms. Cope stated DNR is trying to minimize the cost factor as much as possible to the Conservation Bank but will probably have to come to the Bank for funding down the road. Phil Gaines stated from PRT's perspective Lake Wateree State Park looks at this tract as an opportunity for the State and it should be protected. This will be a complement to the upper Lake Wateree area and up the Catawba River area.

Mr. Snow asked if The Conservation Fund knew the Bank would provide \$1.5 million on this project could The Conservation Fund wait. Mr. Johnson deferred to Ms. Cope. Ms. Cope stated that some of the federal funding sources won't be available until further down the road and all federal sources will require a nonfederal match for funding. Ms. Cope states they need to determine if they can obtain enough federal funds with enough match to close Phase 1 and they didn't have an answer at this time. Some of the federal funds will probably be available in six months and others it may be a year and a half before they are available. Mr. Shealy and Mr. McLeod asked what portion of the tract is the 937 acres for Phase 1. Mr. Johnson stated this was the top end of the acreage. Mr. Roquemore asked how much water frontage is included in the Phase 1 tract. Mr. Johnson stated about one third or roughly five miles. Ms. Clark asked if they commit to the first phase is there a landowner commitment to participate in the following phases. Mr. Johnson stated that is what is being negotiated at this time. Mr. Snow made a motion to approve the project for \$1.5 million and that an 18 month limit is applied for the completion of the project and if the project isn't completed in the 18 month time frame the funds revert back to the Bank. Mr. Snow amended his motion to approve without the 18 month limit. Ms. Clark seconded and the motion unanimously passed.

12. **Sanders Farm Tract** – This is 447 acres in Barnwell County submitted by Ducks Unlimited. This tract has 3,500 feet along the Salkahatchie River. The requested amount is \$89,400 which is \$200/acre or 27% of the Conservation Easement Value. This is similar to a SOLO tract and is a great value. Staff's recommendation is to fund the grant for \$89,400.

Mr. Elliott made the motion to approve staff's recommendation. Mr. Roquemore seconded and the motion unanimously passed.

13. **Wesleyan Camp Tract** – This is 75 acres in Pickens County submitted by Upstate Forever. This tract adjoins Table Rock State Park and Jocassee Gorge Mountain tract. The amount requested is \$160,000 at \$2,133/acre or one half of the Conservation Easement Value. This tract is available for public use and is in a significant location. Staff's recommendation is to fund the grant for \$160,000.

Dana Leavitt for Upstate Forever made the presentation. The National Geographic recently selected the Jocassee Gorges 30,000 acres as one of the top 50 sites in the world. This tract adjoins Jocassee Gorges and Table Rock State Park and this helps to retain the tract as it currently exists.

Chairman Adams called for any discussion. There being none Mr. Shealy made a motion to approve staff's recommendation. Mr. Miller seconded the motion and the motion unanimously passed.

Mr. Davant stated that concluded the pending applications and we were ready to return to the tracts that were carried over until later in the meeting.

14. **Rocky River Nature Park** – This is 159.38 acres in Anderson County submitted by Upstate Forever. This was previously submitted at the November 7, 2012 meeting and was carried over while Upstate worked on a management plan. The fair market value is \$700,000. The requested amount is \$149,070 and is a fee purchase. This has the potential to be the same type of park area as Lake Conestee Nature Project in Greenwood. Staff's recommendation is to fund when funds become available.

Dana Leavitt with Upstate Forever made the presentation and Warren Brown was with him. This tract is on an adjoins property owned by Anderson University. The University is working as a partner with Upstate on this tract. It is presently used as an education site. Upstate has acquired \$30,000 of funds to do boardwalks and other

enhancements on this tract. Upstate just received a \$60,000 grant from EPA to fine tune the master plan, have community meetings with adjoining landowners about the park, design the boardwalks and walking trails. These funds would go with the master plan for the project. Ms. Taylor a private landowner will donate an additional 35 acres to this project. The survey has recently been completed and is in the appraisal process. Mr. Leavitt introduced Mr. Warren Brown who stated the Anderson area has a swamp surrounding an old mill village. In researching this area it's about 400 acres of swamps and wetlands and about 40% is under water. People can kayak all the way down Lake Succession from this area, which will be a future project. It has a variety of wildlife habitat within the area along with natural trails and various species of birds. There is a federally endangered wildflower that has been located in the area. Ninety percent of the swamp is within the Anderson city limits and is about a mile from downtown Anderson. There are developed walking and bicycle trails coming into the area from the City. Anderson University wants to partner with Upstate to build this public park area with the potential to grow into an area consisting of up to 500 acres. This will be a great teaching opportunity and a local citizen has donated an adjoining tract with a building to be used for teaching elementary students. Any support the Conservation Bank could provide would be greatly appreciated.

Chairman Adams called for any questions or discussions. Mr. Shealy made the motion to accept staff's recommendation to fund for \$149,070 when funds become available. Mr. Close seconded and the motion unanimously passed.

15. **Kel-Sam Farms** – Chairman Adams called for Board to review this tract again. Mr. Roquemore made the motion to approve staff's recommendation to approve at \$850,000. Mr. Shealy seconded and the motion unanimously passed.
16. **Jonathan E. Graham Tract** – Chairman Adams called for the Board to go back to this tract. Mr. Roquemore stated this is a great project but is a lot per acre. Due to budgetary issues Mr. Roquemore's proposal is to cut the offer to \$1,500 per acre rather than the \$2,300 or \$2,400 per acre realizing this may put the family into scrambling but it is a more affordable figure for the Bank. Mr. Snow seconded. Mr. Graham stated they had spoken with Rebekah with NCRS and they have the funds available and he understands what the Bank is proposing and appreciates any help the Bank could provide. Mr. Roquemore asked Mr. Graham if he would consider \$1,500 per acre today if the Board approves this today or wait to see how much we have the next time and shoot for the whole amount, which would he chose. Mr. Graham asked if they would do half this year and half next year. Chairman Adams stated that almost \$2,500 per acre is too much per acre. Chairman Adams stated the motion was on the floor and seconded and called for a vote. The motion passed unanimously to award the grant at \$1,500 per acre.
17. **Battery Wilkes Tract** - This tract consists of two houses and lots in Charleston County submitted by the SC Battleground Preservation Trust. This is a fee simple purchase and the request to the Bank is for \$354,000. It is located on the Savannah Hwy in Charleston and on the National Historic Registry site. A Confederate Battery site is located across from these two lots. The plan is to renovate or remove the houses and create a passive park. This is currently zoned as residential and they are seeking rezoning. Staff's recommendation is to hold for further information.

Doug Bostick made the presentation for SC Battleground Preservation Trust stating this tract consists of two residential lots and the original landowner has passed away. The tract was put on the market and a hotel showed some interest in the tract. Battery Wilkes is one of the few unaltered batteries and is on the National Historic Registry. Both lots front Highway 17 and the Battery covers the entire front of both lots. This tract butts into the City of Charleston boundary and if this follows through the tract would be annexed into the City of Charleston, establish as a park and will be the only West Ashley historic site open to the public and the only park in this region. This has a powder magazine built of heavy timbers to create a large room and has not collapsed as many such structures have. Mr. Heyward asked how large is this battery area. Mr. Bostick stated it was a two gun battery and high enough to overlook the Long Branch Creek probably about 600 feet from tip to tip. The power magazine is about 18 feet or so tall. Mr. Snow stated the Bank has three prongs which include preserving historic sites. This would add to the tourism for the Charleston area. Mr. Miller stated when the Bank was formed archeology was an important factor in preserving the historic sites within the State. The Battery is on one of the tracts. Mr. Snow made a motion to approve the grant for \$354,000. Mr. Miller seconded and the motion unanimously passed.

18. **Nine Times Tract B&C** – Chairman Adams called on Frank Holleman to make a presentation. Mr. Holleman stated this is a large area in the Blue Ridge Mountains and forest originally consisting of 2,200 – 2,300 acres. Previously the Bank approved a grant for 560 acres for about \$2.7 million currently managed by The Naturaland Trust as a preserve. Last year 100 acres was acquired with funding from the Scenic Byways funds. The Nature

Conservancy is looking to place an easement on the remaining 1,648 acres which includes three mountains. The entity has raised \$1,000,000 to apply toward this tract. An individual donor has pledged \$600,000 for this tract which is included in the \$1 million. This is along Scenic Hwy 11 in the Upstate. If acquired, this tract will be put back into the WMA program. The contract on this tract runs out in early June. We have \$1 million and need \$2.1 million from somewhere so we are asking the Bank for \$1.5 million. This has the potential to become a tremendous recreational area in the upstate. Mr. Miller asked if the entity would be willing to take half now and half later. Mr. Davant asked if the Bank provided a letter of intent and the other funding is raised the Bank will come up with the \$1.5 million to match would Crescent accept that. Chairman Adams asked if they would take only \$1 million and Mr. Holleman said probably not. Mr. Holleman stated if they hadn't completed the application by December 31 they would withdraw the application. Mr. Close asked if there was another buyer for this tract. Mr. Holleman and Mr. Johnson stated there was a rumor of a possible back-up buyer.

Mr. Keys made a motion to fund the \$1.5 million with the stipulation that if everything will not proceed by December 31, 2013 Naturaland Trust will notify the Conservation Bank the application is to be withdrawn. Mr. Miller seconded and the motion passed unanimously.

VI. Board Member Discussions

Chairman Adams stated this finished the applications before the Board. Mr. Davant introduced Travis Bell the Bank's GIS student intern and explained Travis had taken Bank data and input the information on various maps. Mr. Bell explained the first map on farmlands and water basin areas. Next was a map on the Bank's Grants and wetlands showing all wetlands, major water bodies and displayed info based on size of all properties receiving grants from the Conservation Bank. The final map showing the size of tracts and funds awarded in the various counties. The maps showed Greenville County had received the most funding from the Bank and there are seven counties with no funding as no applications have been submitted to the Bank for review. Mr. Johnson asked which top five counties received grant awards. Mr. Bell stated they were Greenville, Dorchester, Marion, Hampton and Oconee. Mr. Davant stated this would be helpful in talking to legislators to show them how many grant awards have been done in their county and which counties haven't submitted a grant application. Mr. Davant stated on the first map that water quality and quantity is of major importance. Lastly, Mr. Bell presented information about the number of hits the Conservation Bank website received per month and for the year the total was 14,000 - 15,000. Mr. Snow and the Board thanked Travis for his work.

VII. EXECUTIVE SESSION

Chairman Adams called for a motion to go into Executive Session for legal matters. Mr. Snow made the motion to go into Executive Session. Mr. Miller seconded and the motion unanimously passed.

Chairman Adams called for a motion to go out of Executive Session. Mr. Roquemore made the motion to go back into regular session. Ms. Clark seconded and the motion unanimously passed.

VIII. TIME AND PLACE OF NEXT MEETING

Chairman Adams asked when the next Board meeting scheduled date is. Ms. Rish stated it would be October 31, 2013; however, that may not be a convenient date for all Board members. Chairman Adams set the next meeting for November 6, 2013 at 10:00 am in Columbia.

IX. ADJOURN

Chairman Adams asked for a motion to adjourn. Mr. Roquemore made the motion. Mr. Snow seconded and the motion unanimously passed.

4-30-2013 BOARD MEETING GRANT APPROVALS

No.	Tract Name	Size of Tract in Acres	County	Qualified Entity	AMOUNT REQUESTED	Amount Paid	Deed Type	Funds Requested & Paid
1	Nine Times B&C	1,648.00	Pickens	Naturaland Trust/ Upstate Forever		\$1,500,000	fee simple	Paid in full 6/12/14
2	Rocky River Nature Park	159.38	Anderson	Upstate Forever		\$75,000	easement	PD 6/16/16
3	Dusty Acres Tract	238.84	Clarendon	Congaree LT		\$238,840	easement	PD 4/18/14
4	Willow Oaks Gun Club Tract	195.06	Clarendon	Congaree LT		\$192,060	easement	PD 6/26/14
5	Williamson Waterfowl Farm Tr	63.40	Clarendon	Congaree LT		\$63,000	easement	PD 4/16/15
6	Exley Plantation	5,300.00	Jasper	TNC		\$1,257,945	easement	PD 12/9/13
7	Johnathan Graham	505.34	Horry/Dillon	Horry Co SWCD		\$754,380	easement	PD 12/4/14
	Greenfield-Plantation		Georgetown	TNC			easement	W/DRAWN
8	Green Mountain Tract	139.00	Greenville	Naturaland Trust		\$135,000	fee simple	PD 9/26/13
9	Halidon Hill Plantation	248.00	Berkeley	Lowcountry OLT		\$62,000	easement	PD 12/18/13
10	Kel-Sam Farms (C. Black T)	921.00	Sumter	The Conservation Fund		\$850,000	fee simple	PD 1/6/15
11	Liberty Hill Tract	937.00	Lancaster/Kershaw	The Conservation Fund		\$1,500,000	fee simple	PD 3/7/14
12	Sanders Farm Tract	447.00	Barnwell	Ducks Unlimited		\$83,600	easement	PD 11/12/13
	Wesleyan-Camp-Tract		Pickens	Upstate Forever			easement	W/DRAWN 9/29/15
14	Battery Wilkes Tr (E.Boinset)	1.80	Charleston	SC Battleground Preservation Trust		\$354,000	fee simple	PD 8/13/13
	TOTALS	10,803.82			\$0	\$7,065,825		

Item No.	Item Description	Quantity	Unit	Material Code	Material Name	Material Specification	Material Grade	Material Type	Material Status	Material Location	Material Date	Material Remarks
1	Steel Plate	100	kg	SP-100	Steel Plate	ASTM A36	Grade 50	Structural	Available	Warehouse A	2023-10-27	Material received from supplier
2	Aluminum Sheet	50	kg	AS-50	Aluminum Sheet	6061-T6	Grade 6061	Decorative	Available	Warehouse B	2023-10-27	Material received from supplier
3	Stainless Steel Pipe	200	kg	SSP-200	Stainless Steel Pipe	304	Grade 304	Structural	Available	Warehouse A	2023-10-27	Material received from supplier
4	Carbon Steel Pipe	150	kg	CSP-150	Carbon Steel Pipe	A106	Grade 106	Structural	Available	Warehouse A	2023-10-27	Material received from supplier
5	Galvanized Steel Sheet	80	kg	GSS-80	Galvanized Steel Sheet	A653	Grade 55	Decorative	Available	Warehouse B	2023-10-27	Material received from supplier
6	Aluminum Extrusion	30	kg	AE-30	Aluminum Extrusion	6061-T6	Grade 6061	Decorative	Available	Warehouse B	2023-10-27	Material received from supplier
7	Stainless Steel Flange	10	kg	SSF-10	Stainless Steel Flange	304	Grade 304	Structural	Available	Warehouse A	2023-10-27	Material received from supplier
8	Carbon Steel Flange	10	kg	CSP-10	Carbon Steel Flange	A106	Grade 106	Structural	Available	Warehouse A	2023-10-27	Material received from supplier
9	Aluminum Angle	40	kg	AA-40	Aluminum Angle	6061-T6	Grade 6061	Decorative	Available	Warehouse B	2023-10-27	Material received from supplier
10	Stainless Steel Bolt	500	kg	SSB-500	Stainless Steel Bolt	A307	Grade 307	Structural	Available	Warehouse A	2023-10-27	Material received from supplier
11	Carbon Steel Bolt	500	kg	CSP-500	Carbon Steel Bolt	A307	Grade 307	Structural	Available	Warehouse A	2023-10-27	Material received from supplier
12	Aluminum Nut	500	kg	AN-500	Aluminum Nut	6061-T6	Grade 6061	Decorative	Available	Warehouse B	2023-10-27	Material received from supplier
13	Stainless Steel Nut	500	kg	SSN-500	Stainless Steel Nut	A307	Grade 307	Structural	Available	Warehouse A	2023-10-27	Material received from supplier
14	Carbon Steel Nut	500	kg	CSP-500	Carbon Steel Nut	A307	Grade 307	Structural	Available	Warehouse A	2023-10-27	Material received from supplier
15	Aluminum Washer	500	kg	AW-500	Aluminum Washer	6061-T6	Grade 6061	Decorative	Available	Warehouse B	2023-10-27	Material received from supplier
16	Stainless Steel Washer	500	kg	SSW-500	Stainless Steel Washer	A307	Grade 307	Structural	Available	Warehouse A	2023-10-27	Material received from supplier
17	Carbon Steel Washer	500	kg	CSP-500	Carbon Steel Washer	A307	Grade 307	Structural	Available	Warehouse A	2023-10-27	Material received from supplier
18	Aluminum Rivet	500	kg	AR-500	Aluminum Rivet	6061-T6	Grade 6061	Decorative	Available	Warehouse B	2023-10-27	Material received from supplier
19	Stainless Steel Rivet	500	kg	SSR-500	Stainless Steel Rivet	A307	Grade 307	Structural	Available	Warehouse A	2023-10-27	Material received from supplier
20	Carbon Steel Rivet	500	kg	CSP-500	Carbon Steel Rivet	A307	Grade 307	Structural	Available	Warehouse A	2023-10-27	Material received from supplier

**GRANT FUND STATUS
as of 4/25/2013**

Funds on hand:	\$3,139,229
Estimates Revenue for remaining 3 months of this Fiscal Year	<u>\$2,100,000</u>
Estimated Funding	\$5,239,229
Approved Grants Outstanding	\$5,874,467
Estimated amount to be paid from FY 12-13 Short from FY 12-13 from January Grants to FY 13-14 Funds	\$ 635,238

FISCAL YEAR 13-14

BEA Estimate	\$9,500,000
Less Carry Over	<u>\$ 635,238</u>
Amount Available	\$8,864,762
Less January Grants Proposed Funding	\$5,193,240
Amount remaining for FY 13-14 Applications	\$3,671,522
Late Additions:	
Nine Times B&C	\$1,500,000
Chick Springs	250,000
Rocky River	<u>149,070</u>
Less Total add ins	<u>\$1,649,320</u>
	\$2,022,202

1. The Documentary Stamp Tax has been above estimates for one month and below estimates for the past two months. It apparently is not yet reflecting an uptick in real estate sales. The next three months will be important to see if the real estate market is progressing and to what extent our grant funds are.
2. The \$9.5 million is the amount that has been estimated by the BEA. If the real estate market improves as it seems to be then we would have more funds available.
3. There is the possibility that one or more of our approved grants will not be closed due to changes. I do not yet know this and since we have approved the grant I cannot reduce this number if, and until, an official change occurs.

