

RESOLUTION NO.: R-2018-110

Authorizing the City Manager to execute a Memorandum of Understanding between Midlands Technical College Enterprise Campus Authority, Central SC Alliance and the City of Columbia for construction of a 50,000 square foot speculative industrial shell building by Samet Corporation

ORIGINAL
STAMPED IN RED

BE IT RESOLVED by the Mayor and City Council of the City of Columbia, South Carolina this 18th day of December, 2018, that the City Manager is hereby authorized to execute the attached Memorandum of Understanding, or on a form to be approved by the City Attorney, between Midlands Technical College Enterprise Campus Authority, Central SC Alliance and the City of Columbia for construction of a 50,000 square foot speculative industrial shell building by Samet Corporation within the Midlands Technical College Enterprise Campus Authority industrial park.

Requested by:

Assistant City Manager Palen



Mayor

Approved by:



City Manager

Approved as to form:



City Attorney

ATTEST:



City Clerk

Introduced: 12/18/2018

Final Reading: 12/18/2018

Memorandum of Agreement (MOA)
Between
Midlands Technical College Enterprise Campus Authority
And
Central SC Alliance
And
the City of Columbia

Subject: Assignment of Rights and Responsibilities for Midlands Technical College Enterprise Campus Authority (“MTCECA”) to utilize the Central SC Alliance Inventory Building Incentive Program (“the Program”) on behalf of the City of Columbia (“the City”) for the purpose of Real Industrial Property Development within the city limits of Columbia.

Purpose: The purpose of this MOA is to set forth an agreed upon scope of service and to define the terms and conditions under which the service will be provided.

MTCECA is currently recruiting businesses to locate to its industrial park which consists of 110 acres of developable real estate directly adjacent to Midlands Technical College’s Northeast Campus. MTCECA’s industrial park provides a suitable location for commercial and light industrial tenants and is designed to facilitate collaborations between industry and Midlands Technical College. Those collaborations will improve workforce development programs and provide better skilled labor to the businesses along with training and job opportunities for the students.

MTCECA has negotiated an agreement with Samet Corporation (“Samet”) whereby Samet will construct a 50,000+/- square foot, speculative industrial shell building on a designated lot within the MTCECA industrial park. Pursuant to that agreement, MTCECA may become responsible for paying or ensuring the payment of the annual interest accrued on the cost of constructing the speculative industrial shell in the event that the shell has not been sold or leased and more than twelve (12) months have elapsed from the shell’s date of substantial completion.

MTCECA is located within the City’s municipal limits and the City has an interest in seeing the property developed in a manner that will create revenue for the City. MTCECA approached the City to request the utilization of the Program on behalf of the City, in an amount not to exceed Two Hundred Thousand and No/100 (\$200,000.00) Dollars, for the purpose of paying or ensuring the payment of the annual interest accrued on the cost of constructing the speculative industrial shell as discussed above.

Scope of Services: The City of Columbia will allow Midlands Technical College Enterprise Campus Authority to utilize the Central SC Alliance’s Inventory Building Incentive Program, on behalf of the City of Columbia, to assist with the development and construction of a 50,000+/- square foot, speculative industrial shell building on a designated lot within the MTCECA industrial park.

Terms and Conditions under which the service will be provided:

1. Central SC Alliance will provide a loan to MTCECA under the Program in a total amount not to exceed Two Hundred Thousand and No/100 (\$200,000.00) Dollars for the purpose of paying or ensuring the payment of the interest accrued on the cost of constructing the speculative industrial

shell building as provided in that certain agreement between MTCECA and Samet discussed in the Purpose section of this MOA.

2. Said loan proceeds may be disbursed in installments of varying amounts sufficient enough to cover the interest payments as they become due and Central SC Alliance shall make such disbursements upon MTCECA's written request, within five (5) business days of each respective request pursuant to an executed promissory note for each disbursement requested as detailed in the Central SC Alliance letter dated November 20, 2018.

3. Funds provided by Central SC Alliance under the Program bear no interest with repayment due to the Alliance at the time the subject speculative industrial shell building sells as discussed in the above referenced letter.

4. The City and Central SC Alliance will not have any type of ownership interest whatsoever in or to the subject real estate and industrial shell building by virtue of this MOA and its subject matter.

5. The City and Central SC Alliance will not have any rights and responsibilities whatsoever for the design, development, construction, lease or sale of the speculative industrial shell building.

6. Construction of the speculative industrial shell building must commence no later than six (6) months from the date this MOA is executed by all parties.

7. Construction of the speculative industrial shell building shall be complete no later than eighteen (18) months from the date this MOA is executed by all parties.

8. MTCECA will assume all responsibilities for the repayment of the loan to Central SC Alliance at the time the subject speculative industrial shell building sells, as detailed in the above referenced letter, and the City shall have no responsibility whatsoever for the repayment of the loan to Central SC Alliance.

Time of Services: This MOA shall be effective upon its execution and shall remain effective until such time as all rights and responsibilities arising from this MOA have been fulfilled.

Additional Terms and Conditions:

1. This MOA constitutes the entire agreement of the parties hereto, and supersedes all prior understandings with respect to the subject matter hereof.

2. This Agreement may be amended only by an instrument in writing executed by both parties hereto.

3. Should any provision of this MOA be declared or be determined by any court to be illegal or invalid, the validity of the remaining parts, terms and provisions shall not be affected thereby, and said illegal or invalid part, term or provision shall be deemed not to be a part of this MOA.

4. This MOA may not be assigned by either party hereto without prior written consent of the other parties. Nothing in this MOA, express or implied, is intended to confer upon any person,

other than the parties to this MOA and their successors and permitted assigns, any rights or remedies under or by reason of this MOA.

5. This MOA shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

6. If default be made in the performance of or compliance with any obligations herein, by either party, the non-prevailing party in any action brought to enforce the terms of this MOA shall be responsible to the prevailing party for the reimbursement of all reasonable attorneys' fees and costs incurred by the prevailing party in such action.

7. The Section and paragraph headings in this MOA are for reference purposes only and shall not affect the meaning or interpretation of this MOA.

8. This MOA may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute the same instrument.


9. This MOA shall be construed and interpreted in accordance with the laws of the State of South Carolina.

IN WITNESS WHEREOF, Midlands Technical College Enterprise Campus Authority has caused this Memorandum of Agreement to be executed on _____, 2018.

Witness


Dr. Ron Rhames, Chief Executive Officer
Midlands Technical College Enterprise
Campus Authority

IN WITNESS WHEREOF, the City of Columbia has caused this Memorandum of Agreement to be executed on January 14, 2018.



Erika D. Hoar

Witness



Teresa B. Wilson, City Manager
City of Columbia

IN WITNESS WHEREOF, Central SC Alliance has caused this Memorandum of Agreement to be executed on _____ 2018.

Witness

G. Michael Briggs, President
Central SC Alliance


Legal Department, City of Columbia, SC