



## **MINUTES**

**APPALACHIAN COUNCIL OF GOVERNMENTS  
BOARD OF DIRECTORS MEETING  
FRIDAY, OCTOBER 25, 2019 – 10:30 A.M.  
COUNCIL BOARD ROOM  
GREENVILLE, SOUTH CAROLINA**

**Members Present:**

Ernest Riley, Rep. Ann Thayer, Cindy Wilson, Jeff Roberts, Ed Elliott, Rep. Mike Burns, Willis Meadows, Joe Dill, Butch Kirven, Lillian Brock-Flemming, George Fletcher, Don Godbey, Grady Butler, Rep. Mike Forrester, Jane Hall, Larry Chappell, Mildred Tillerson, Dana Moore, Rep. Neal Collins, Roy Costner III, Ensley Feemster, Margaret Thompson, Fletcher Perry

**Guests Present:**

Mr. Fred Riddle | National Alliance on Mental Illness; Mr. Connally Bradley | Appalachian Development Corporation; Mr. Jeff Cunningham | AECOM; Mr. Jeff Hesler | Palmetto Sr. Expo; Mr. Jeff Randolph | Grace Church; Ms. Stephanie Amell, Mr. Brandon Wilson, Mr. Jim Walden, Ms. Penny Phillips, Ms. Christina Lewis | SCDOT; Mr. Richard Few | Parker Poe Law Firm; Mr. Christopher Hill | Pioneer Group; Mr. Joel Dill; Mr. Daniel Gamble

**Staff Present:**

Steve Pelissier, Chip Bentley, Brooke Ferguson, Tim Womack, Arlene Young, Don Zimmer, Lance Estep, Trey Eubanks, Olivia Hager, Kim Bridges, Sandy Dunagan, Amanda Plumley, Denise Ernul

Chairman Joe Dill called the meeting to order. Invocation lead by board member Grady Butler. Steve Pelissier welcomed all guests and presenters, to include introduction of new Board Member Jeff Roberts, Anderson City Council. A motion to adopt September 27, 2019 meeting minutes was approved unanimously by the Board.

---

## Mental Illness and the Aging Population

Mr. Fred Riddle, National Alliance on Mental Illness (NAMI)

Mr. Riddle addressed crisis intervention training and techniques designed to help emergency personnel when they interact with a person with a mental illness. He also discussed the impacts mental illness is having on hospital and other health service systems.

### > NAMI

- NAMI, the National Alliance on Mental Illness, is the nation's largest grassroots mental health organization dedicated to building better lives for the millions of Americans affected by mental illness.
- What started as a small group of families gathered around a kitchen table in 1979 has blossomed into a 501(c)3 nonprofit membership organization governed by a board of directors elected by the membership.
  - > An association of more than 500 local affiliates who work in your community to raise awareness and provide support and education that was not previously available to those in need.
  - > NAMI relies on gifts and contributions for support to educate (free trainings), advocate (public policy), listen (toll-free hotline), and lead (public awareness events and activities).
- Moving away from institutionalizing people with mental illness to common sense approaches that are effective and that can be implemented now to improve access to mental health services.
  - > Crisis Intervention for people suffering from mental illness. Today, too often, people languish in emergency rooms and law enforcement officers are responding to avoidable crises because community-based mental health services aren't there for people who need them.
  - > Promote early intervention. Half of all mental illnesses begin by age 14, 75% begin by age 24. Getting help early, such as with Coordinated Specialty Care for first episode psychosis, results in better outcomes and lowered costs.
  - > Invest in better access to quality care. For example, Certified Community Behavioral Health Clinics (CCBHCs) are helping people get care when and where they need it. Congress needs to extend funding for the CCBHC pilot program and expand it nationwide.
  - > Divert people from the criminal justice system. Jails and prisons should not be today's mental health institutions. Instead, readily available crisis response and intensive mental health services for people experiencing severe symptoms; to include CIS trained public safety personnel and other professionals that may conceivably be in contact with someone that is mentally ill

---

## Appalachian Development Corporation Report

Mr. Connally Bradley, Executive Director, Appalachian Development Corporation

The Appalachian Development Corporation manages the ACOG Small Business and Entrepreneurial Revolving Loan Fund program. Mr. Bradley provided an update on the program's activities and performance.

- > The Appalachian Development Corporation (ADC) has been a lending partner in South Carolina since 1982.
  - ADC offers U.S. Small Business Administration (SBA) 504 program with long-term, fixed rate, subordinate financing for capital assets.
  - Revolving loan funds. – ARC & USDA. These funds are locally controlled sources of low cost, fixed rate financing.
- > The ADC can mitigate limiting financial factors to funding a business such as:
  - Balloon payments after 3-5 years
  - Limited equity
  - Collateral coverage requirements
  - Lending out of market
  - Interim loan risk
  - Real estate concentration
  - Slow down in commercial lending
- > Benefits, Use of Proceeds, Funding
  - Benefits
    - > Low down payment
    - > Long term financing
    - > Up to 90% financing
    - > Below market, fixed interest rates
    - > Some soft costs can be financed
  - Use of Proceeds
    - > Purchase major fixed assets (real estate, long term equipment)
    - > Soft cost (architect, engineering, and environmental fees)
    - > Eligible only for ALF: working capital, A/R, inventory
- > Types of Lending
  - Revolving Fund Loans
    - > Loan limit is \$400,000
    - > Job creation – 1/\$40,000
    - > Bank participation is in a senior lien/mortgage position
    - > Typical loan term is 5 yrs. for working capital, 10 yrs. for equipment and 20 yrs. for real estate
    - > Local Approval
    - > 1.5% fee; Fixed Rate – 5.0%-7.5%

- SBA 504 Financing
  - > Loan amounts up to \$5,000,000 and Up to \$5,500,000 for manufacturing
  - > Borrower - 10% to 20% down
  - > Terms: 10 yrs for equipment and 20 yrs. or 25 yrs. for fixed assets
  - > Financing provided with two separate loans – bank and SBA
  - > Bank typically finances 50% of the cost
  - > SBA finances up to 40% of the cost
  - > Low rates: September 2019 rates were: 10YR – 3.563%, 20YR – 3.359%, 25YR – 3.458% & 25YR Debt Refinance – 3.490%
  - > ~2.5% SBA fees - financed in SBA loan
  - > Borrower's equity may be cash, land and/or borrowed
- SBA 504 Financing ADC RLF/SBA Loan Use
  - > Warehouse, self storage facility, manufacturing facility, restaurant, etc.
  - > Includes special use properties such as gas stations,
  - > Hotels/Motels, car washes, assisted living facilities
  - > Refinance debt – with or without expansion
  - > Change of ownership - long-term fixed assets

> Loan Structure

	Standard Financing	New Business OR Limited or Special Purpose Property	Both New AND Limited or Special Purpose Property
Lender	50%	50%	50%
ALF/SBA	40%	35%	30%
Borrower	10%	15%	20%

> FY 2019 ALF Loan Activity

ALF	# of Loans	\$ Amount
Approved	7	\$1,732,720
Funded	4	\$804,790

Lender	# of Loans
Bank of Travelers Rest	4
Iberia Bank	1
Grand South Bank	1
South State Bank	1

> ACOG Funds Available

	State	ARC	Entre
Amount Available to Loan	\$144,907	\$1,085,794	\$541,498
Amount in Loans	\$152,579	\$1,911,594	\$1,779,887
# Loans	2	23	17

---

> FY 2019 SBA 504 Loan Activity

Lender	# of Loans
Bank of Travelers Rest	5
South State Bank	4
TD Bank	3
Atlantic Capital Bank	1
Coastal Carolina National Bank	1
Iberia Bank	1
Key Community Bank	1
South Atlantic Bank	1

SBA	# of Loans	\$ Amount
Approved	17	\$13,184,000
Funded	5	\$2,857,000

**Consideration of a Request for a Special Distressed Area Designation in Accordance with the SC Textile Communities Revitalization Act for an Area West of the City of Travelers Rest**

Mr. Don Godbey, Chair, Regional Economic Development Committee and Ms. Brooke Ferguson, Economic Development Director

Ms. Ferguson presented a recommendation from the Economic Development Committee for Board action concerning request for a Special Distressed Area Designation.

> The SC Textile Communities Revitalization Act provides tax credits for the redevelopment of abandoned textile mills. To be eligible for these credits, the property must be located in a distressed area, as designated by the applicable council of governments. At the ACOG Board's meeting in October 2018, it established designated areas across the region. In addition, the Board developed a process for establishing Special Distressed Areas outside of the designated locations, provided the designations meet the spirit and intent of the legislation. Such a request is being made for a property that was formerly part of the Renfrew Bleachery, located on Geer Highway in northern Greenville County.

**Action Item:** Board voted unanimously to approve a Special Distressed Area Designation in Accordance with the SC Textile Communities Revitalization Act for the property that was formerly part of the Renfrew Bleachery, located on Geer Highway in northern Greenville County.

---

## Amendments to the ACOG 2018 – 2023 TIP (Regional Transportation Improvement Program)

Ms. Jane Hall, Chair, Regional Transportation Committee and Mr. Lance Estep, Principal Planner

Mr. Estep presented each proposal, along with a recommendation for Board action from the Regional Transportation Committee, for Board consideration and action.

- > The TIP is a planning document that lists all federally funded transportation projects and studies in the ACOG Region. The SCDOT has proposed funding and/or scope modifications for four (4) projects that require Board action:
  - 1. US 178 Corridor Improvements in Anderson County
  - 2. SC 150 (Limestone St/Pacolet Hwy) at S-111 (O'Neal St) in Cherokee County
  - 3. SC 28 (Abbeville Hwy) at SC 185 (Due West Hwy) in Anderson County
  - 4. S-97 (Dalrymple Rd) at L-568 (Scotts Bridge Road) in Anderson County.
- > Current 2017-2022 TIP Amendment Summary
  - One (1) amendment corrects a mistake in the termini of a project:
    - > US 178 Corridor in Anderson County
  - Three (3) amendments reflect a new project delivery process recently enacted by SCDOT:
    - > SC 150 @ O'Neal Street in Gaffney
    - > SC 28 @ SC 185 in Anderson County
    - > Dalrymple Road @ Scotts Bridge Road in Anderson County
- > Amendment 1: US 178 Corridor in Anderson County
  - Original Termini:
    - From Pickens County Line to Harris Bridge Road
  - Corrected Termini:
    - From Pickens County Line to Levi Smith Road
- > Amendment 2: SC 150 (Limestone St/Pacolet HWY) at S-111 (O'Neal St) in Cherokee County
  - New project delivery process recently enacted by SCDOT
- > Amendment 3: SC 28 (Abbeville Hwy) at SC 185 (Due West Hwy) in Anderson County
  - New project delivery process recently enacted by SCDOT
- > Amendment 4: S-97 (Dalrymple Rd) at L-568 (Scotts Bridge Road) in Anderson County
  - New project delivery process recently enacted by SCDOT
- > Amendments 2-4 Summary: New project delivery process recently enacted by SCDOT
  - The PE Phase of Work has traditionally included project planning, scoping, purpose and need, and scheduling in addition to engineering.
    - > Preliminary Engineering (PE) > Right-of-Way Acquisition (RW) > Construction (CON)

- SCDOT is splitting the Planning portion of project development out into a separate phase, which will allow for better feasibility determinations and better coordination among agencies (via a Project Development Team).
- Main deliverable is a Feasibility Report in the Planning (PL) Phase of Work.
  - > Identifies the Project Development Team (PDT) as Program Manager, Design Lead, DOT District Office, Environmental, Right-of-Way, Traffic Engineering Design and Safety, Utility Coordinator, Maintenance, Construction, Transit/Freight, COG/MPO, Stakeholder (City, County, etc.), Pavement, and FHWA.
  - > Serves as an agreement between SCDOT and COG/MPO to document the project goals and scope, all discussions and decisions, and project timeline
  - > Defines the Project scope, goals and objectives, purpose and need, potential environmental, cultural and/or social impacts, estimated cost and schedule, benefit cost analysis, and risk analysis

SC 150 @ O'Neal Street in Gaffney

	FY 2020	FY 2021	FY 2022	FY 2023
Existing	\$500,000 PE			\$250,000 RW \$750,000 CON
Proposed	\$150,000 PL	\$350,000 PE		\$250,000 RW \$750,000 CON

SC 28 @ SC 185 in Anderson County

	FY 2020	FY 2021	FY 2022	FY 2023
Existing	\$400,000 PE			\$200,000 RW \$1,000,000 CON
Proposed	\$100,000 PL	\$300,000 PE		\$200,000 RW \$1,000,000 CON

Dalrymple Road @ Scotts Bridge Road in Anderson County

	FY 2020	FY 2021	FY 2022	FY 2023
Existing		\$500,000 PE		\$300,000 RW \$1,200,000 CON
Proposed	\$70,000 PL	\$430,000 PE		\$300,000 RW \$1,200,000 CON

**Action Item:** Board voted unanimously to approve each of the SCDOT proposed funding and/or scope modifications for the following project amendments:

Amendment 1. Correct a mistake in the termini to Pickens County Line to Levi Smith Road for US 178 Corridor Improvements in Anderson County

Amendments 2-4. Reflect main deliverable (Feasibility Report) in the Planning (PL) Phase of Work as a new project delivery process for SC 150 (Limestone St/Pacolet Hwy) at S-111 (O'Neal St) in Cherokee County, 3. SC 28 (Abbeville Hwy) at SC 185 (Due West Hwy) in Anderson County, and S-97 (Dalrymple Rd) at L-568 (Scotts Bridge Road) in Anderson County.

---

### Executive Director's Report

Mr. Steve Pelissier, Executive Director

- > Reminder: SCARC Conference on November 24<sup>th</sup>-26<sup>th</sup>, 2019 in Myrtle Beach; anyone who plans to attend, please see Office Manager, Denise Ernul to expedite registration and hotel accommodations.
- > Due to upcoming holidays, the next meeting will be held on December 6, 2019; combining November and December Board Meetings.

**The next Board Meeting will be at 10:30 am on December 6, 2019. There being no further business, the meeting adjourned at 12:00 noon.**

---

Mr. Joe Dill, Chairman

The South Carolina Appalachian Council of Governments has complied with the Freedom of Information Act in scheduling and conducting this meeting