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CITY OF COLUMBIA, SOUTH CAROLINA

ORDINANCE NO. 2008-003

AN ORDINANCE DISSOLVING THE SPECIAL TAX ALLOCATION FUND FOR THE CONGAREE VISTA REDEVELOPMENT AREA AND TERMINATING THE DESIGNATION OF SUCH REDEVELOPMENT AREA AS A REDEVELOPMENT PROJECT AREA FOR PURPOSES OF TITLE 31, CHAPTER 6 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976 AS AMENDED; AND OTHER MATTERS RELATING THERETO.

Enacted: January 23, 2008

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BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COLUMBIA, SOUTH CAROLINA, AS FOLLOWS:

Section 1. Findings and Determinations of Council. The City Council (the "Council") of the City of Columbia, South Carolina (the "City"), hereby finds and determines:

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

(b) Pursuant to Sections 31-6-10 to 31-6-120, South Carolina Code of Laws 1976 as amended, being the Tax Increment Financing Law and hereinafter referred to as the "Act", the governing bodies of the incorporated municipalities are vested with all powers consistent with the South Carolina Constitution necessary, useful, and desirable to enable them to accomplish redevelopment in areas which are or are threatened to become blighted.

(c) The Council enacted Ordinance No. 86-22 on June 25, 1986 (the "1986 Redevelopment Ordinance"), which approved and adopted a redevelopment plan dated May 5, 1986, entitled: "Tax Increment Financing Plan for the Redevelopment of the Congaree Vista Area" (the "1986 Redevelopment Plan") which provided a comprehensive program of the City for the redevelopment of the Congaree Vista Redevelopment Project Area (the "Redevelopment Project Area").

(d) The Council enacted Ordinance No. 94-062 on September 14, 1994 (the "1994 Redevelopment Ordinance"), which amended the 1986 Redevelopment Plan and added certain parcels of real property and redevelopment projects to the Redevelopment Project Area (the "Redevelopment Project Area, as Amended") by the First Amendment to the Tax Increment Financing Plan for the Congaree Vista Redevelopment Project Area dated July 11, 1994, as revised August 30, 1994 (together with the 1986 Redevelopment Plan, the "Amended Redevelopment Plan of 1994").

(e) The Council enacted Ordinance No. 2001-0037 on June 6, 2001 (the "2001 Redevelopment Ordinance"), which approved a Second Amendment to the Tax Increment Plan for the Redevelopment of the Congaree Vista Redevelopment Area (together with the Amended Redevelopment Plan of 1994, the "Amended Redevelopment Plan of 2001"). The Amended Redevelopment Plan of 2001 added certain redevelopment projects and extended the duration of the Amended Redevelopment Plan of 1994 from its original expiration date for a period equal to the lesser of (a) the time required to pay Additional Tax Increment Bonds (as described in the 2001 Redevelopment Ordinance); or (b) ten years, which extension will expire not later than December 1, 2011.

(f) Pursuant to Ordinance No. 2001-0104 enacted by the Council on November 14, 2001 (the "2001 Bond Ordinance"), the City has issued its \$25,000,000 original principal amount Tax Increment Bonds, Series 2001 (the "2001 Bonds").

(g) Pursuant to an Escrow Agreement (the "Escrow Agreement") by and between the City and The Bank of New York Trust Company, N.A. (the "Bank") and executed on December 27, 2006, the City irrevocably deposited sufficient moneys with the Bank in an escrow fund established by the Escrow Agreement to pay the interest due on the outstanding 2001 Bonds on June 1, 2008, and the principal and interest due on the 2001 Bonds on December 1, 2008. Under the provisions of the 2001 Bond Ordinance, the 2001 Bonds shall no longer be deemed to be Outstanding under the 2001 Bond Ordinance when the City irrevocably deposited with the Bank moneys sufficient to make the payment of the principal of and interest on the 2001 Bonds.

(h) Section 31-6-70 of the Act provides that when obligations issued under the Act have been retired and redevelopment project costs incurred under the Act have been paid or budgeted pursuant to the redevelopment plan, as evidenced by resolution of the governing body of the municipality, all surplus funds then remaining in the special tax allocation fund must be paid by the municipal treasurer to the county treasurer who immediately, after receiving the payment, shall pay the funds to the taxing districts in the redevelopment project area in the same manner and proportion as the most recent distribution by the treasurer to the affected districts of real property taxes from real property in the redevelopment project area.

(i) Section 31-6-70 of the Act further provides that upon payment of all redevelopment project costs, retirement of all obligations of a municipality issued under the Act, and the distribution of any surplus monies pursuant to such Section, the municipality shall adopt an ordinance dissolving tax allocation fund for the project redevelopment area and terminating the designation of the redevelopment project area as a redevelopment project area for purposes of the Act. Thereafter, the rates of the taxing districts must be extended and taxes levied, collected, and distributed in the manner applicable in the absence of the adoption of a redevelopment plan and the issuance of obligations under the Act.

(j) It is now necessary and in the best interest of the City for the Council to dissolve the Special Tax Allocation Fund for the 2001 Bonds, approve the distribution of surplus funds therein, and terminate the designation of the Congaree Vista Redevelopment Project Area as a redevelopment project area for purposes of the Act.

Section 2. Approval of Distribution of Surplus Funds. This Ordinance shall be considered a Resolution by the Council of the City confirming that the 2001 Bonds are no longer outstanding under the provisions of the 2001 Bond Ordinance and have been retired for purposes of the Act and Redevelopment Project costs incurred by the City under the Amended Redevelopment Plan of 2001 have been paid or budgeted pursuant to such Redevelopment Plan. As prescribed by the Act all surplus funds in the Special Tax Allocation Fund established for the 2001 Bonds shall be paid by the City to the County Treasurer under the provisions of Section 31-6-70 of the Act.

Section 3. Dissolution of Special Tax Allocation Fund and Termination of Designation of Congaree Vista Redevelopment Project Area. The Council hereby dissolves the Special Tax Allocation Fund established pursuant to Section 6.1 of the 2001 Bond Ordinance and hereby terminates the designation of the Congaree Vista Redevelopment Project Area as a

Redevelopment Project Area for purposes of the Act. Upon such dissolution and termination, the rates of the "taxing districts" (as defined in the Act) must be extended and taxes levied, collected and distributed in the manner applicable in the absence of adoption of the Amended Redevelopment Plan of 2001 and the issuance of the 2001 Bonds.

Section 4. Further Actions. The Mayor, City Manager, City Clerk, Chief Financial Officer and the City Attorney are hereby authorized and directed to take any and all such further actions as shall be deemed necessary or desirable in order to dissolve the Special Tax Allocation Fund and terminate the designation of the Congaree Vista Redevelopment Project Area.

Section 5. Repeal of Inconsistent Ordinances and Resolutions. All ordinances and resolutions of the City, and any part of any ordinance or resolution, inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

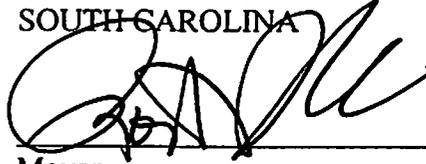
Section 6. Effective Date. This Ordinance shall become effective upon its enactment.

Section 7. Ordinance in Full Force and Effect. This Ordinance shall be in full force and effect from and after its enactment as provided by law. This Ordinance shall be forthwith codified in the Code of City Ordinances in the manner required by law and shall be indexed under the general heading "Congaree Vista Redevelopment Project Area – Termination" and shall be made available for public inspection at the office of the Clerk of the City.

{Signature Page Follows}

Enacted by the City Council of the City of Columbia, South Carolina, this 23<sup>rd</sup> day of January, 2008.

CITY COUNCIL, CITY OF COLUMBIA,  
SOUTH CAROLINA



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Mayor

(SEAL)

ATTEST:



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Clerk

Date of First Reading: January 9, 2008

Date of Second Reading: January 23, 2008

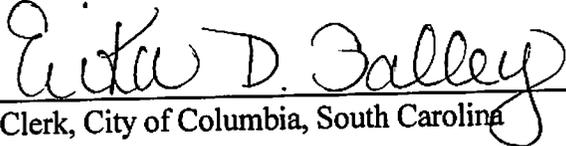
{Signature Page}

STATE OF SOUTH CAROLINA )  
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CITY OF COLUMBIA )

CERTIFIED COPY OF  
ORDINANCE NO. 2008-003  
(Congaree Vista Redevelopment Project Area)

I, the undersigned, being the duly qualified and acting Clerk of the City of Columbia, South Carolina (the "City"), do hereby certify that attached hereto is a true and correct copy of Ordinance No. 2008-003 dissolving the special tax allocation fund for the Congaree Vista Redevelopment Area and terminating the designation of such redevelopment area as a redevelopment project area enacted by the City Council at a meeting duly called and held on January 23, 2008, at which a quorum was present and acting throughout, which Ordinance has been compared by me with the original thereof, and that such Ordinance has been duly enacted, including the required number of readings, and has not been modified, amended or repealed and is in full force and effect on and as of the date hereof in the form attached hereto.

In witness hereof, I have hereunto set my hand as of the 5<sup>th</sup> day of February, 2008.

  
Clerk, City of Columbia, South Carolina