



City of South Charleston
Park Place Opportunity Development District

Annual Report for Fiscal Year ending June 30, 2022

**South Charleston Park Place Economic Opportunity Development District Report
for Fiscal Year 2022**

Pursuant to W. Va. Code § 8-38-1, *et seq.* (the "Act"), economic opportunity development district boards are to report annually on activities within the economic opportunity development district and upon proposed activities for the upcoming year. This report for Fiscal Year 2022 ("FY 2022 report") is for the activities within the South Charleston Park Place Economic Opportunity Development District (the "EOD District").

DESCRIPTION OF ACTIVITIES IN FISCAL YEAR 2022

Jefferson Road and Trace Fork Connector

Kokosing, the contractor selected by the West Virginia Division of Highways ("WVDOH") for the Jefferson Road project, began moving earth on the project after securing the necessary environmental permits. As outlined in the Fiscal Year 2021 Annual Report, the City moved forward with another source of material to complete the remediation of Park Place Development. The City entered into the First Supplement to the MOU with the WVDOH to reflect the current state of affairs. The City still intends to reimburse the West Virginia State Road Fund for the cost of the road construction, as senior financing and sales tax revenue allow. These bonds would be issued upon completion of the WVDOH projects. The City still views this arrangement as a valuable partnership and is pleased to be able to work with the WVDOH for road construction and improvements. The changes in this partnership were necessary as the initially agreed-upon timeline with the WVDOH diverged and lagged behind the City's schedule.

Triton Construction, contractor for the Trace Fork Connector, was awarded the contract by the WVDOH and has begun work on that project.

West Virginia Regional Technology Park

City contractor J.F. Allen Company continued work on site development of a 14-acre site at the West Virginia Regional Technology Park ("Tech Park"). Work started with clearing and grubbing the site and road construction in Fiscal Year 2021. During Fiscal Year 2022, 349,315 cubic yards of material was excavated at the site and trucked to be used as fill at the Park Place site. As of June 30, 2022, 523,685 cubic yards of material remains to be excavated from the site.

Park Place Site Development

As noted above, City contractor J.F. Allen Company transported excess material from the Tech Park site to use as fill at Park Place Development. The fill was placed in accordance with the specifications developed by Potesta and Associates, and the fill is monitored by Potesta inspectors performing within the design parameters established in the bid specifications.

The City entered into a Memorandum of Understanding with the WVDOH to design and install traffic signals into the development. Utilities were relocated from the existing WVDOH right of way to accommodate the widening of MacCorkle Avenue for additional turn lanes into the development as part of the traffic signal installation.

Site prep work was completed for future sites for Menard and Chick-fil-A, including demolition of structures, and engineered fill placement on the sites to the design elevation. Included in this phase of

the site development was the relocation of a century-old 96-inch storm sewer. Branch storm sewer lines were installed to feed into the relocated 96-inch line.

Property Purchase and Sales

The South Charleston Municipal Building Commission (“MBC”) purchased an additional 10 acres from Park Corporation to enable the full development of the proposed Menard parcel. Menard’s purchased 16.5 acres of the development for the sum of \$7,000,000 and entered into a Site Development Agreement (“SDA”) with MBC. The South Charleston Development Authority (“SCDA”) owns a 3.2-acre site adjacent to the MBC property and fully located inside of the EOD District. The SCDA negotiated a Purchase and Sale Agreement with Interstate Realty to sell 1.98 acres for the construction of a Chick-fil-A restaurant.

Financing Activities

The City and the MBC issued three series of bonds and retired three outstanding lease-revenue bond issues previously issued by the MBC. The MBC issued Lease-Revenue Bond Series 2022 A in the amount of \$10,325,000.00. The City issued two Special District Excise Tax Revenue Improvement Bonds, Series 2022 A and B, in amounts of \$23,425,000.00 and \$11,050,000.00 respectively. The MBC also entered into a short-term loan of \$3,500,000.00 with The Huntington National Bank to purchase additional property from Park Corporation and paid that loan off upon the sale of property to Menard.

Proposed Capital Improvements for District in Fiscal Year 2023 and Budget to Complete

J.F. Allen will continue to excavate the Tech Park Site to complete the site to the final design elevation by removing an additional 523,685 cubic yards of material and trucking that excess material to the Park Place Site to be used as fill. The City, through its contractor, will finish the infrastructure work of utility service and internal roads for the site.

The City expects excise tax-producing businesses to open and begin remitting excise tax to the district in Fiscal Years 2023 and 2024. The Special District Excise Tax Bonds were structured to cover interest payments on the bonds until December 2024. Excise tax revenue will flow into the EOD District well before that date.

The City anticipates finalizing a Purchase and Sale Agreement with Interstate Park Place LLC (or an affiliated entity) for the purchase and development of the remaining acreage in the Park Place Development in FY2023. The purchase price obtained for the remaining acreage will be used to pay down the MBC Lease Revenue Bond Series 2022 A. The SCDA anticipates completing the sale of a portion of its parcel to Interstate for the Chick-fil-A site in FY2023, and the proceeds from that sale will pay off an outstanding loan it obtained with The Huntington National Bank to purchase that parcel.

The funds on hand in the project fund of \$7,849,435.73 will be used to continue to pay the contractor to complete the development work on the Tech Park Site and the Park Place Development, along with engineering and inspection fees.

Financial Information – Fiscal Year 2022

Attached as Exhibit A

Exhibit A

**Park Place Economic Opportunity Development District
Receipts and Disbursements FY 2022**

Beginning Balance	2,279,616.34			
Receipts				
Sale of Property	7,000,000.00	discount	premium	par
SDEX 2022A	23,044,162.65	468,500.00	87,662.65	23,425,000.00
SDEX 2022B	10,829,000.00	221,000.00	-	11,050,000.00
SCMBC - Lease Revenue	10,325,000.00			
Huntington Loan	3,500,000.00			
Series 2017 Funds	4,256.40			
Series 2018 Funds	1,244.27			
Total	54,703,663.32			
Uses of Proceeds				
Refund Series 2017 Bonds	6,740,409.51			
Refund Series 2018 Bonds	6,787,848.36			
Refund Series 2019 Bonds	9,980,252.84	sdex 2022a	sdex 2022b	total
Debt Service Reserve Fund	3,271,795.40	2,094,920.40	1,176,875.00	3,271,795.40
Capitalized Interest Fund	3,043,473.25	1,884,601.11	1,158,872.14	3,043,473.25
Payoff Huntington Loan	3,500,000.00			
Total	33,323,779.36			
Net Proceeds	21,379,883.96			
Disbursements				
Cost of Issurance	812,103.89			
Purchase of Property	3,500,000.00			
Engineering & Inspection	1,449,430.56			
Park Place Site Development	6,156,618.65			
Tech Park Site Development	3,687,953.00			
Professional & Insurance	203,958.47			
Total	15,810,064.57			
Balance 6-30-22	7,849,435.73			

Vendor	FY 22 Total Paid
American Asphalt	14,101.76
Astech Corp	22,320.00
Bailey and Slotnick	8,150.00
BND	224,737.50
Bowles Rice	17,000.00
Citco	1,073.10
ConServ	120,427.19
Contech	230,580.48
Core and Main	2,685.94
Dinsmore	9,000.00
Elite Energy	625,761.31
Ferguson	64,855.70
Gibson Tree	25,000.00
Jackson Kelly	400,000.00
JF Allen	6,750,154.37
John Dorsey	3,653.50
Kermit Tyree	110,000.00
Leonard	2,800.00
Moore & Biser	205,861.97
Mouldagraph	8,635.00
Mountaineer Gas	198,596.00
Municap	57,743.75
Nova Rubber	1,979.29
Pace Analytical	93.00
Petroplus	150,000.00
Piper Sandler	154,196.34
PLOM	6,407.55
Potesta	1,402,210.56
S&E Clearing	437,376.85
SafeCo	71,800.00
Sauls Seismic	7,000.00
SecureNet	54,281.88
Shamblin Stone	492,278.81
State Electric	14,411.67
Steptoe & Johnson	115,500.00
Sunbelt	21,978.80
Superior Pocahontas	18,950.00
Supply Solutions	113,983.06
Terradon	47,220.00
United Bank	12,500.00
United Rentals	7,104.38
White Law Offices	25,000.00
WV American Water	43,804.81
WV DEP	6,850.00
WV DOH	2,000.00
Grand Total	12,310,064.57

Expenditure Type	FY 2018	FY 2019	FY 2020	FY 2021	Total
Cost of Issuance	297,610.50	421,393.50	29,413.00	24,863.00	773,280.00
Land Purchase	6,500,000.00	-	2,600,000.00	-	9,100,000.00
Engineering	177,888.00	197,819.61	953,665.96	1,204,534.55	2,533,908.12
Park Place Development	-	-	8,005,707.37	2,395,828.35	10,401,535.72
Tech Park Site Development	-	-	34,128.38	341,070.22	375,198.60
Insurance and Professional	-	250,419.96	23,253.47	11,955.00	285,628.43
Interest	-	-	54,861.11	62,500.00	117,361.11
Total	6,975,498.50	869,633.07	11,701,029.29	4,040,751.12	23,586,911.98