

From: Taylor, Richele  
To: Smith, Austin <AustinSmith@gov.sc.gov>  
Date: 9/19/2016 9:57:40 PM  
Subject: RE: SFAA Meeting of 9/20 - JEDA Items

---

Thanks Austin. I read through – a little late for your briefing. I didn't see any major concerns raised that I would want to address.

---

From: Smith, Austin  
Sent: Monday, September 19, 2016 10:59 AM  
To: Patel, Swati; Taylor, Richele  
Subject: FW: SFAA Meeting of 9/20 - JEDA Items

FYI - related to the bond items I sent you last week. Briefing the Governor on agenda today at 1:30.

---

From: Huntley, Harry [<mailto:hhuntley@scjeda.com>]  
Sent: Monday, September 19, 2016 10:30 AM  
To: McCook, Keith  
Cc: Singleton, Delbert; Gillespie, Grant; Luther, Emily S.; Kathy McKinney ([kmckinney@hsblawfirm.com](mailto:kmckinney@hsblawfirm.com)); [rayjones@parkerpoe.com](mailto:rayjones@parkerpoe.com); Jeffrey A. Poley ([jeffpoley@parkerpoe.com](mailto:jeffpoley@parkerpoe.com)); William Musser; Norris, Brandon; Rion Foley; Jeremy C. Cook; Gunn, Eddie; 'mikeshealy@scsenate.gov'; Beverly Smith ([beverlysmith@schouse.gov](mailto:beverlysmith@schouse.gov)); Smith, Austin; Andy Lowrey; Anna-Marie O'Shea; Bucky Drake ([Bucky@drakedevelopment.com](mailto:Bucky@drakedevelopment.com)); Miller, Claudia; Curtis B. Carter ([curtis.carter@scbtonline.com](mailto:curtis.carter@scbtonline.com)); Greg A. Thompson ([gthompson@thompsonind.com](mailto:gthompson@thompsonind.com)); Henry M. Swink ([hswink@mccallfarms.com](mailto:hswink@mccallfarms.com)); Hitt, Bobby; Jill Williamson; Joseph R. Millender ([millenr@embarqmail.com](mailto:millenr@embarqmail.com)); Michael W. Nix ([mnix@dacapitalsc.com](mailto:mnix@dacapitalsc.com)); Wooten, Vicki; William W. "Warner" Peacock - New River AutoMall ([wpeacock@newriverautomall.com](mailto:wpeacock@newriverautomall.com))  
Subject: RE: SFAA Meeting of 9/20 - JEDA Items

Keith,

I contacted bond counsel for the questions below and have received their responses. Also, please note the following:

- JEDA does not require that disclosure counsel be licensed in South Carolina since their role is to provide advice and counsel regarding disclosure obligations under federal securities laws, not South Carolina state law.
- JEDA does not require that a financial advisor be a member of the financing team. The borrower, as the obligated person, has the option of hiring a financial advisor to advise them on certain matters relating to the financing, but is not required to do so.

Emily Luther of Parker Poe responded to the questions as they relate to the two CR Senior Living projects and her response is below:

*Harry,*

*Kindly see our responses below to Keith's email. The responses below are applicable to each CR Senior Living project:*

*With respect to the first inquiry regarding disclosure counsel, our response is that Butler Snow does not have a South Carolina office and the particular attorney from Butler Snow which is a member of the working group does not have a South Carolina license. However, because disclosure counsel's role is to provide advice and counsel regarding disclosure obligations under federal securities laws, not South Carolina state law, disclosure counsel is not required to have a South Carolina license to fulfill this role. Butler Snow has previously served as disclosure counsel in South Carolina and is experienced in the disclosure obligations for this type of financing and project.*

*With respect to the second inquiry regarding the financial advisor, our response is that a financial advisor is not a required member of the financing team. The borrower, as the obligated person, has the option of hiring a financial*

*advisor to advise it on certain matters relating to the financing (such as structure, timing, marketing, pricing, terms, etc.) but is not required to. CR Senior Living determined not to hire a financial advisor for its financings.*

*Below is a little bit about Butler Snow and their public finance practice to arm you for any questions at the SFAA meeting:*

*Butler Snow is a national and international law firm. Butler Snow's public finance group has 40 attorneys with experience serving as bond, borrower and underwriter counsel in numerous types of public finance transactions (e.g. housing, economic development, general governmental, higher education, etc.) in locations all over the United States. Butler Snow has experience in advising issuers and borrowers with respect to compliance requirements under federal securities laws associated with public finance transactions. Butler Snow has served as disclosure counsel to states, cities, counties, school districts, higher education institutions, utility districts, education building corporations and other governmental units.*

*Jerry Peterson, the attorney from Butler Snow who is the member of the financing team for the CR Senior Living projects, has personally served in various roles (bond, underwriter's, borrower's, disclosure) in transactions financing affordable housing, and assisted living/memory care housing specifically, all over the southeast.*

*Please let me know if you need anything else. Thank you!*

*Emily*

---

Emily Luther  
Special Counsel

Mike Penland of Keenan Development responded to the questions as they relate to the Aiken Advanced Manufacturing Collaborative:

*With respect to the need to retain a financial advisor for the proposed Aiken AMC facility federal lease financing, we would respectfully refer you to Keenan and its financing team's decades of experience in the arena of federal lease financing and transaction structuring, a nuanced and specialized market segment. The financing team for the proposed Aiken AMC facility is led by Keenan and MCM, Inc., an underwriter who has specialized in federal lease financings for almost three decades. In fact, MCM has just completed the most recent of the Department of Energy lease financings. This unique market perspective affords the Aiken AMC transaction team an unparalleled level of experience in successfully structuring and closing similar transactions, the most recent up-to-date market rate information, intimate knowledge of unique rating agency requirements for similar federal transactions and market familiarity with Department of Energy lease transactions structuring requirements.*

*As disclosure counsel, Arent Fox is responsible for disclosure of significant information relating not to state matters, but rather matters of federal law, the unique processes and procedures of federal agencies, and specific requirements of the federal Office of Management and Budget with respect to federal agency lease financings. Arent Fox brings over a billion dollars of similar and specialized legal experience in this unique effort.*

*If you or anyone else should need any additional information, please do not hesitate to let us know.*

*Thanks*

*Michael E. Penland*

Bill Musser of McNair responded to the question related to the AnMed Health refunding:

*Harry—per AnMed:*

*AnMed considered whether to engage a financial advisor on this transaction and determined that, given that it is a straight-forward fixed rate refunding, the benefit that a financial advisor would bring to the transaction would not justify the cost. AnMed also believes that the competitiveness among the three underwriters in the banking group will help it achieve a true market rate pricing. AnMed is of the belief that there is no legal requirement that it engage a financial advisor.*

**William M. Musser**

Shareholder

[bmusser@mcnair.net](mailto:bmusser@mcnair.net)

**McNair Law Firm, P.A.**

**Columbia Office** 1221 Main Street | Suite 1800 | Columbia, SC 29201

803 799 9800 Main | 803 753 3277 Fax

**Mailing** Post Office Box 11390 | Columbia, SC 29211

**VCard** | **Website**

Brandon Norris of McNair responded to the question related to the Clemson Heritage Assisted Living project:

*Harry:*

*With regard to Clemson Heritage, our response as to the question of disclosure counsel being licensed in South Carolina is precisely the same as Emily's response below. Disclosure counsel's role is to provide advice and counsel regarding disclosure obligations under federal securities laws, not South Carolina state law, and, as such, disclosure counsel is not required to have a South Carolina license to fulfill this role.*

*Regarding the FA question, I don't believe Clemson Heritage was one of the projects that Keith listed in the category re: questions as to why an FA is not involved. Karen Kassouf of Cedar Ventures out of Atlanta is acting as FA in the Clemson Heritage transaction.*

*Thanks,*

*Brandon*

Brandon T. Norris

Shareholder

[bnorris@mcnair.net](mailto:bnorris@mcnair.net)

McNair Law Firm, P.A.

**Greenville Office** Poinsett Plaza, 104 South Main Street | Suite 700 | Greenville, SC 29601

864 271 4940 Main | 864 271 4015 Fax

**Mailing** Post Office Box 447 | Greenville, SC 29602

**VCard** | **Bio URL** | **Website**

I believe the responses above fully answer the Treasurer's questions.

**Harry A. Huntley, CPA**  
Executive Director

SC Jobs-Economic Development Authority  
1201 Main St., Suite 1600  
Columbia, SC 29201  
Office: (803)737-0627  
Mobile: (803)238-3050  
Fax: (803)737-0628  
[hhuntley@scjeda.com](mailto:hhuntley@scjeda.com)

---

From: McCook, Keith [<mailto:kmccook@ogc.sc.gov>]  
Sent: Friday, September 16, 2016 4:41 PM  
To: Huntley, Harry  
Cc: Singleton, Delbert; Gillespie, Grant  
Subject: SFAA Meeting of 9/20 - JEDA Items

Harry,

As we discussed on the phone, the Treasurer's Office has requested some additional information regarding the JEDA items on Tuesday's agenda.

Forms submitted by JEDA to STO's Debt Management Division identify the following firms. Would you please inquire with the applicable lawyers as to whether they are authorized to practice in South Carolina, and if not, what their basis is for concluding that they need not be so authorized?

- 1- CR Senior Living, Series 2016 A/B, \$14,000,000 : Disclosure Counsel - Butler Snow;
- 2- CR Senior Living, Series 2016 A/B, \$25,000,000 : Disclosure Counsel - Butler Snow;
- 3- Clemson Heritage, LLC, Assisted Living/Memory Care, \$13,000,000 : Disclosure Counsel - Dorsey Whitney; and
- 4- Aiken Advanced Manufacturing Partnership, Research Facility, \$50,750,000 : Disclosure Counsel – Arendt & Fox.

For the following transactions, would you please provide an explanation as to why no Financial Advisor was used / identified:

- 1- Aiken Advanced Manufacturing Partnership, Research Facility, \$50,750,000;
- 2- AnMed Health, Hospital Refunding and Improvement Revenue Bond;
- 3- CR Senior Living , \$14,000,000; and
- 4- CR Senior Living, \$25,000,000.

Thank you.

Keith