

House Legislative Oversight Committee

March 11, 2021



South Carolina
Department of Commerce

Just right for business.



Setting the Table



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Setting the Table Outline

- **TEAM APPROACH**
- **GRANT PROGRAMS**
 - Applied Research
 - Product Development
 - Community Enhancement
- **RURAL DEVELOPMENT**
- **PARTNERSHIPS**





Team Approach



SCDHEC
Competitiveness
municipalities
Rural
Department
Appalachian
Development
Palmetto
Railways SCPRT
Corps
federal Base Task
delegation
Commission
local College
SCDEW
System State SC Army JEDA
Partners
Centers Small
counties Military Forestry alliances Business
Engineers General
Ports Technical SCDOT MEP
Assembly Council Agriculture
Authority Force
Administration SCRA Regional
Infrastructure

Setting the Table: Team Approach





Grant Programs: Applied Research



Setting the Table: SC Fraunhofer USA Alliance
















































- **Fraunhofer** network is **world's largest applied research organization**
- **80+ centers**
- **\$3B+** in research annually
- **28,000+** scientists/researchers
- “Alliance” formally established mid-2019 to bring **higher education/research to problem-solving for business**
- **S.C. has ONLY Fraunhofer presence in Southeast**



Setting the Table: SC Fraunhofer USA Alliance Grant Program

Recent Collaboration History

TECHNICAL AREA	SC COMPANIES/AGENCIES	LEAD INSTITUTE/OTHER
Telehealth		 
Wearables		 
IoT		  
Wire Harness Automation		  
Cloud-Based Data Platform	 	  
Machine System Integration	  	  
Advanced Visual Inspection System		 
Development of Cloud-Based AI Platforms		  
Implementing Industry 4.0		 
Robotic Guided Fixture Loading		  
Predictive Analysis of Manufacturing		 
Business Readiness for Vaccine Production		 

Program Highlights

- Commerce provides **1:1 matching funds**
 - In 2020, **industry matched \$800K**
- In five projects, teams had **UofSC AND Clemson researchers**
 - In two other cases, **Francis Marion and Trident Technical College** are academic partners

SC Fraunhofer Impact: Bicycle Corporation of America

Project Highlights

- **First Project**
 - Data Digitization of Assembly Processes
 - Digital Onboarding Tools
- **Second Project**
 - Implementation of Industry 4.0





Grant Programs: Product Development





Setting the Table: LocateSC



Setting the Table: LocateSC

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LISTING TYPE Industrial Building	PROPERTY NAME 	LOCATION City or Street Address	COUNTY 	PREVIOUS USE ---
FEATURES ---	TENANCY No Preference	MINIMUM CLEAR HEIGHT (FT) No Preference	MILES TO INTERSTATE No Preference	MILES TO COMMERCIAL AIRPORT No Preference
MILES TO PORT No Preference	SIZE (IN SQFT) 0 SqFt 1 000 000+ SqFt 0 250 000 500 000 750 000 1 000 000	TRANSACTION TYPE No Preference		

✕ RESET SEARCH

Setting the Table: LocateSC Grant Categories



Due Diligence

Grants used to facilitate due diligence/site readiness, a rigorous assessment of its characteristics and suitability, to increase marketability and more effectively match to a project.



Site Enhancement

Competitive grants offered every year with the goal of increasing the readiness and marketability of S.C. industrial sites.



Strategic Infrastructure

Non-competitive grants (awarded by discretion), generally targeting large projects deemed to be of significant benefit to the state.

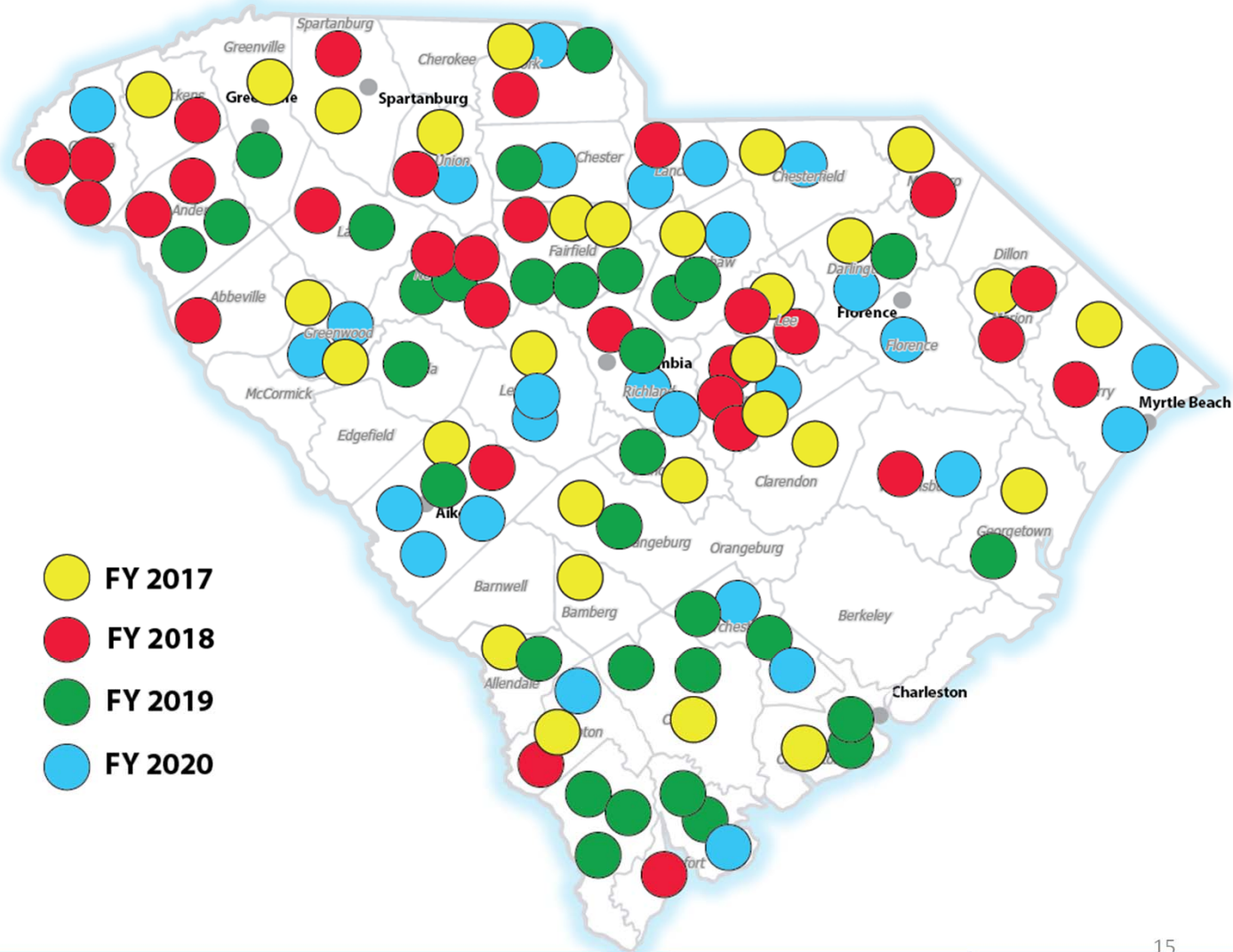


Setting the Table: LocateSC Grants by Year

Year	Grants	Total Awarded Each Year
FY 2017	29	\$8,870,687
FY 2018	30	\$26,713,985
FY 2019	32	\$12,451,300
FY 2020	26	\$10,963,453



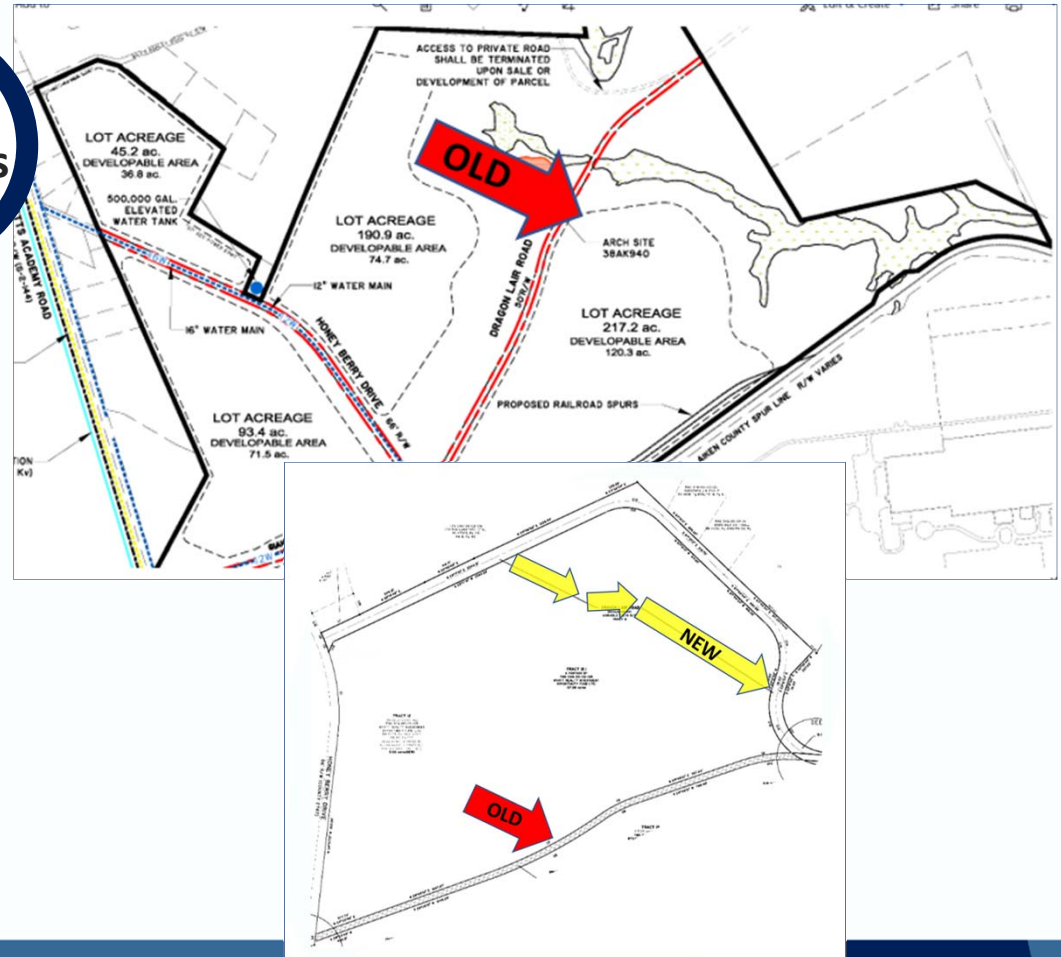
LocateSC Grants



LocateSC Impact: Dragon Lair Road Relocation Project

Project Highlights

- **\$1,000,000 grant**
- Site in **Sage Mill Industrial Park in Aiken Co.** eliminated as potential location due to road bisecting the property
- Funding to support **relocation of Dragon Lair Road**
- Reduced shovel-ready time, **increasing site marketability** and competitiveness



LocateSC Impact: Sandy Run Industrial Park

- **\$650,000 grant** awarded to Calhoun Co. in 2019
- Enhancements to former **Eastman Industrial Site** in St. Matthews, including:
 - Lighting
 - Design and due diligence for future road within the park

Project Highlights





Grant Programs: Community Enhancement

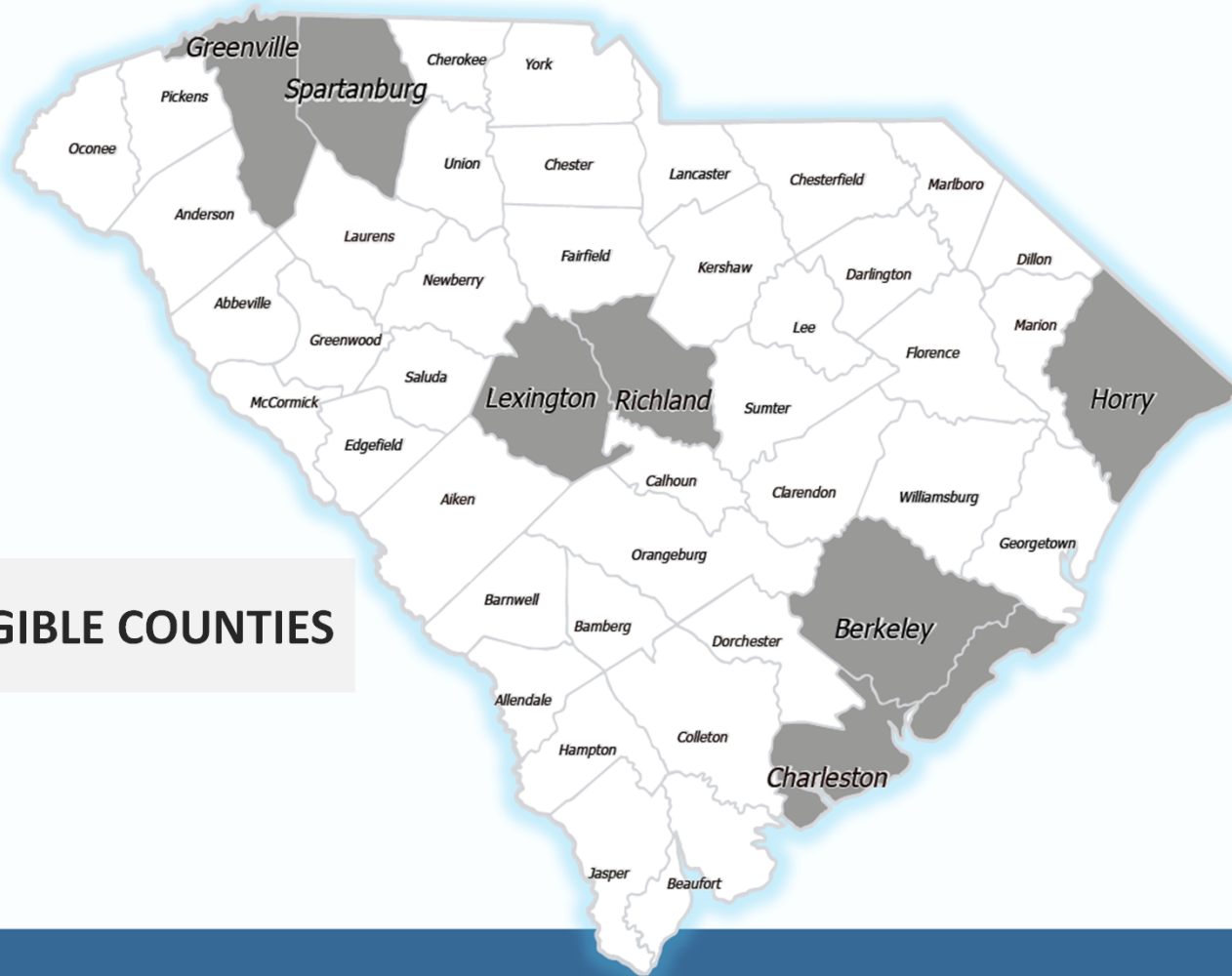




Setting the Table: Community Development Block Grant (CDBG)



CDBG Eligibility: Entitlement Counties and Cities



INELIGIBLE COUNTIES

INELIGIBLE CITIES:

- Aiken
- Anderson
- Charleston
- Columbia
- Florence
- Greenville
- Hilton Head Island
- Rock Hill
- Spartanburg
- Summerville
- Sumter



Setting the Table: CDBG Eligibility & Process

Eligibility

Must meet 1 of 3 objectives:

1. Benefit low-to moderate income persons;
2. Aid in the prevention or elimination of slums and blighting conditions;
3. Meet other urgent community needs where existing conditions pose a serious and immediate threat to public health and welfare and where other financial resources are not readily available to meet such needs.

Process

- Federally designated process for implementation



Setting the Table: CDBG Grant Categories

- **Community Development Programs**
 - Community Infrastructure
 - Community Enrichment
 - Neighborhood Revitalization
 - Special Projects & Public Services
 - Ready to Go

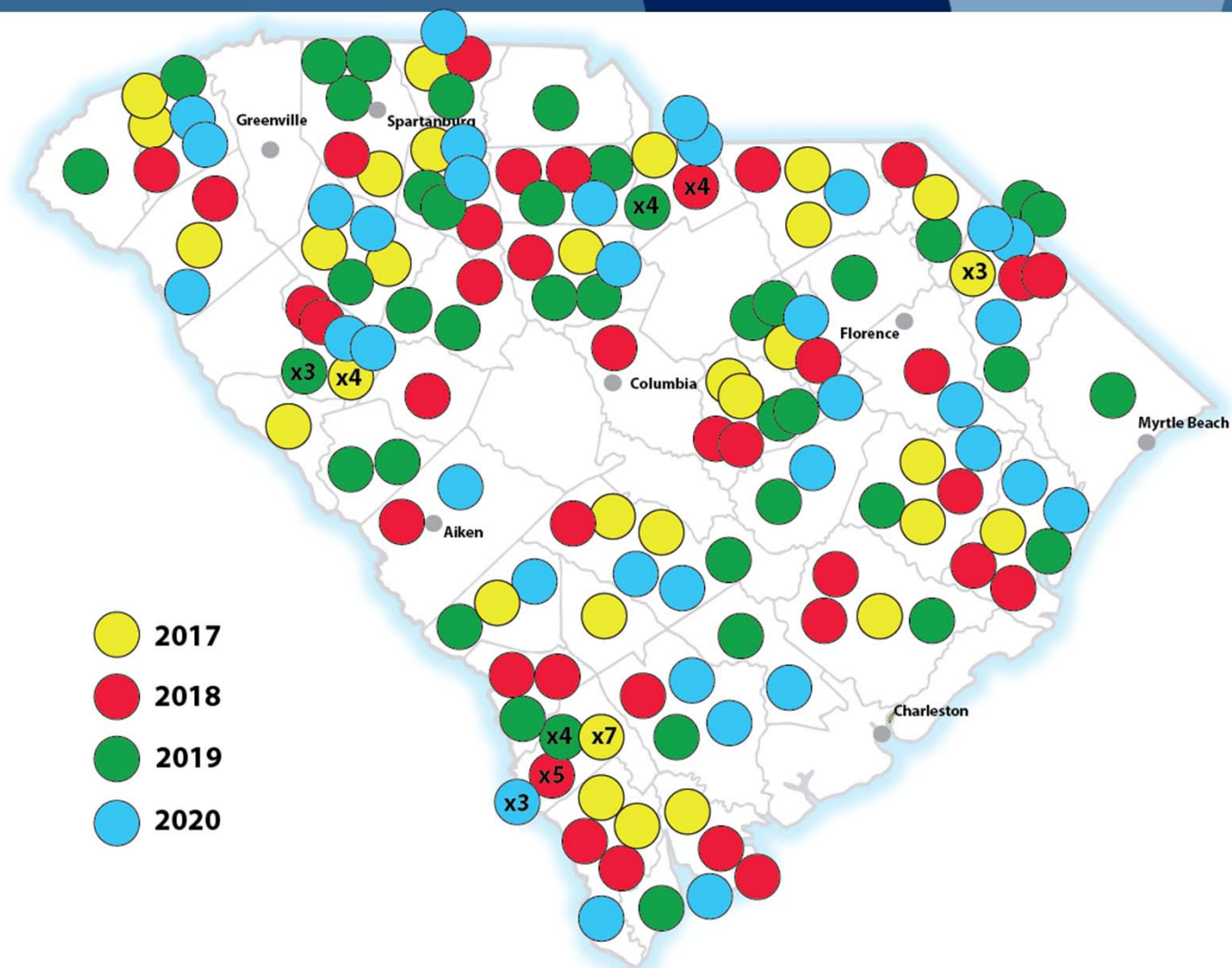


Setting the Table: CDBG Grants by Year

Year	Grants	Total Dollars Awarded
CY 2017	42	\$17,212,229
CY 2018	45	\$15,395,754
CY 2019	49	\$17,828,435
CY 2020	37	\$19,731,052



CDBG Grants by Calendar Year



CDBG Impact: Greenwood County

- **Greenwood Co.** awarded **\$750,000 grant** in 2017 to **upgrade sewer lines in Sullivan area**
- Existing **lines** made of **old vitrified clay pipe and collapsing**
- Resulting in **inflow/infiltration, sewer backups** in homes, **sewage** on the ground
- Total of **80 units** and **220 people benefited**

Project Highlights



CDBG Impact: City of Denmark

- **City of Denmark (Bamberg Co.)** awarded **\$398,605 grant** in 2017 to **upgrade undersized water lines and install fire hydrants**
- Residents experienced **issues with water pressure**, and there was **no fire protection**
- The project **benefited 137 people**

Project Highlights



CDBG Impact: City of Hanahan

Project Highlights

- **City of Hanahan** (Berkeley Co.) awarded **\$500,000 grant** in 2018 for neighborhood revitalization
- Project included sidewalk **construction**, **demolition** of vacant structures and **installation of security cameras/signage**
- Total of **1,830 people benefited**

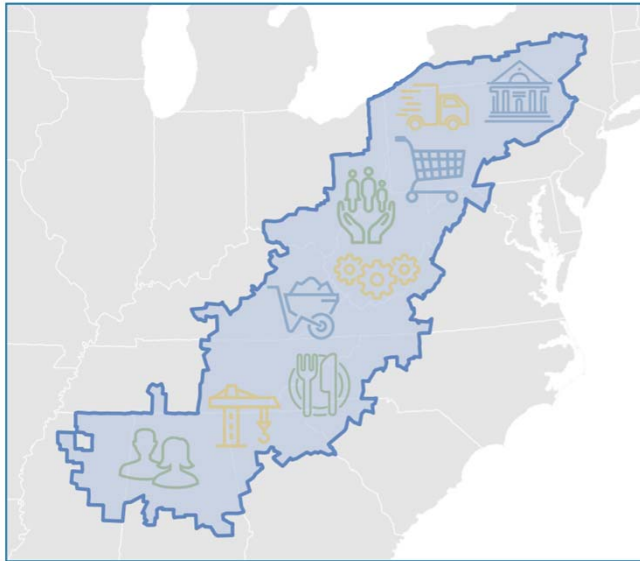




Setting the Table: Appalachian Regional Commission (ARC)



Setting the Table: Appalachian Regional Commission

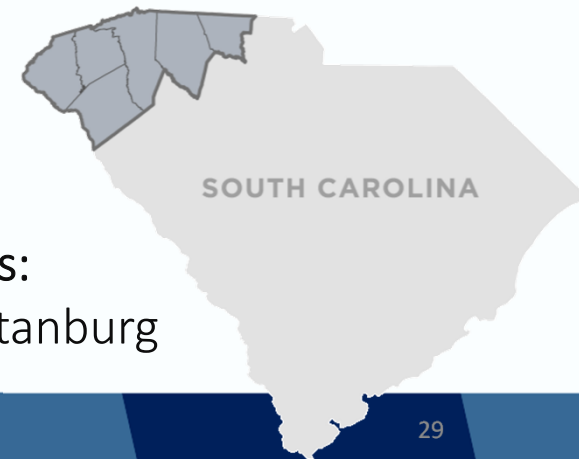


- Economic development agency of federal government and 13 state governments
- Region's 25M residents live in parts of AL, GA, KY, MD, MS, NY, NC, OH, PA, SC, TN and VA and all of W. Va.
- **Mission:** to innovate, partner and invest to build community capacity and strengthen economic growth in Appalachia
- Provides grants, publishes research and sponsors learning experiences

- SC receives approx. \$2M annually for ARC competitive grant program



- Eligible project must benefit one or more of six ARC counties: Anderson, Cherokee, Greenville, Oconee, Pickens and Spartanburg



Setting the Table: ARC Grants by Year

Year	Grants	Total Project Funds
CY 2017	10	\$2,523,000
CY 2018	6	\$2,459,963
CY 2019	9	\$2,003,004
CY 2020	13	\$3,679,518



Note: Each year includes grants which targeted multiple SC Appalachian counties.

ARC Impact: Anderson County



Project Highlights

- **Anderson Co.** awarded **\$500,000** in ARC funds in May 2017 to assist in construction of **new terminal building** at Anderson Regional Airport
- Project **necessary to meet needs** of corporate, business, freight and charter uses
- Total project cost of **\$3+ million**
- When completed, the 6,500 sf terminal expected **to generate \$75M** in non-export revenues for the region

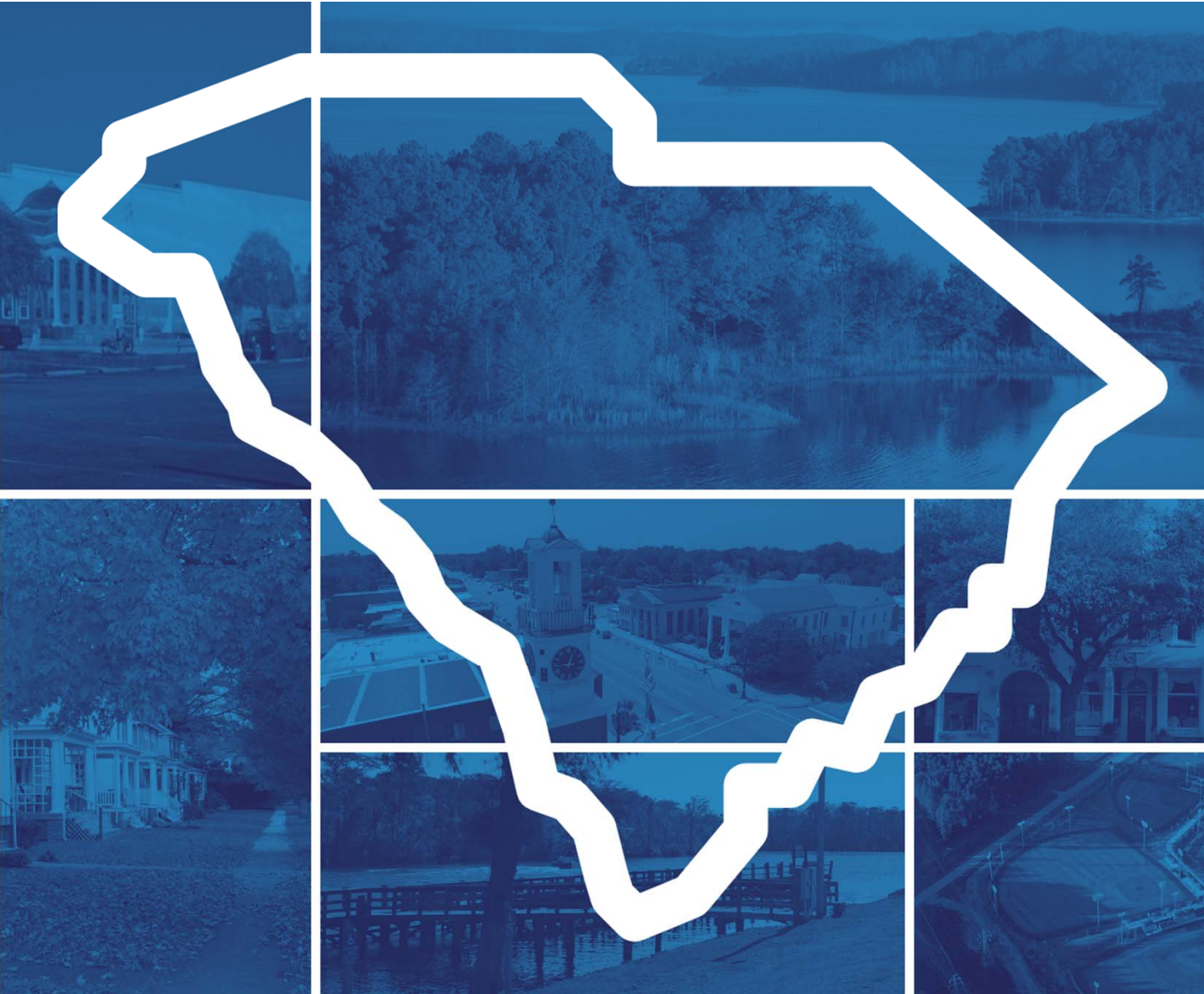


ARC Impact: Pickens County

Project Highlights

- **City of Pickens** awarded **\$500,000** in ARC funds in June 2017 to **develop a trailhead facility**
- Doodle Trailhead project to **complement downtown revitalization** efforts
- **ARC investment was 50%** of total cost of \$1M project
- The trailhead/ farmer's market facility is estimated to **improve 200 local businesses** with increased revenues in the range of \$300,000





Setting the Table: Rural Development



Setting the Table: Rural Development

Training

NUMBER OF ATTENDEES

YEAR	TARGET	ACTUAL
2016	450	458
2017	460	499
2018	465	470
2019	450	520
2020	450	344



Economic Development Institute

Program for economic development professionals, local leadership with interactive curriculum, hands-on learning and collaboration

Advanced Symposium

Advanced level course for professional economic development practitioners to earn certification

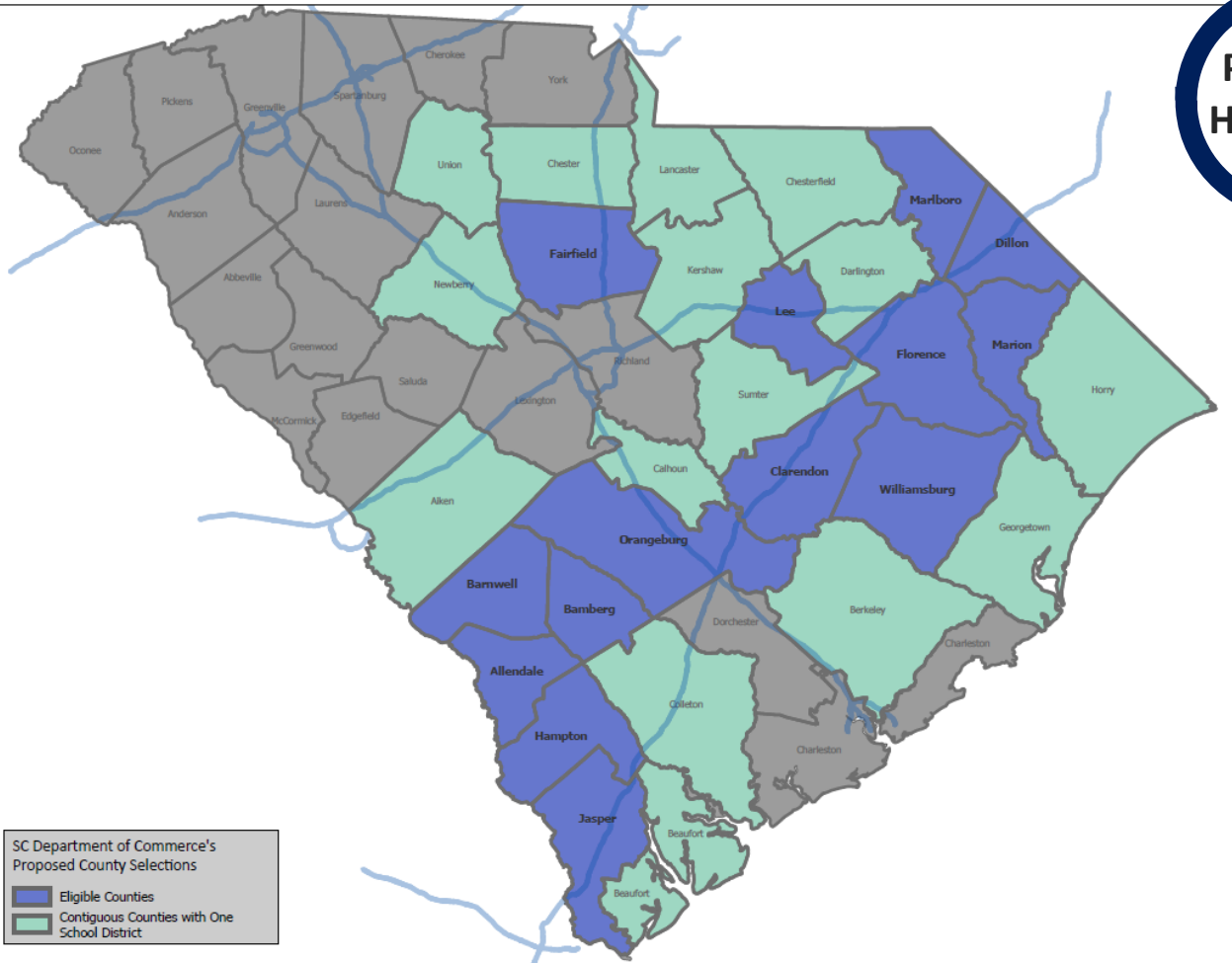
Rural Summit

Annual conference to share best practices, learn about resources for rural communities and promote economic activity in state's rural areas

Setting the Table: Rural Development

Program Highlights

- **JUST APPROVED:** \$65M allocation for rural development, under proviso 50.21
- **14 eligible counties**
- **Up to \$30M** to ORS for broadband grant program
- **\$35M** for grants to eligible counties to enhance economic development competitiveness



Setting the Table: Rural Development

- **Product development**
 - Identification, acquisition and/or development of industrial sites, parks, publicly owned industrial buildings
- **Infrastructure upgrades**
 - Water, wastewater and roads to serve industrial product, assist existing industry or recruit a new company

Possible
Project
Examples

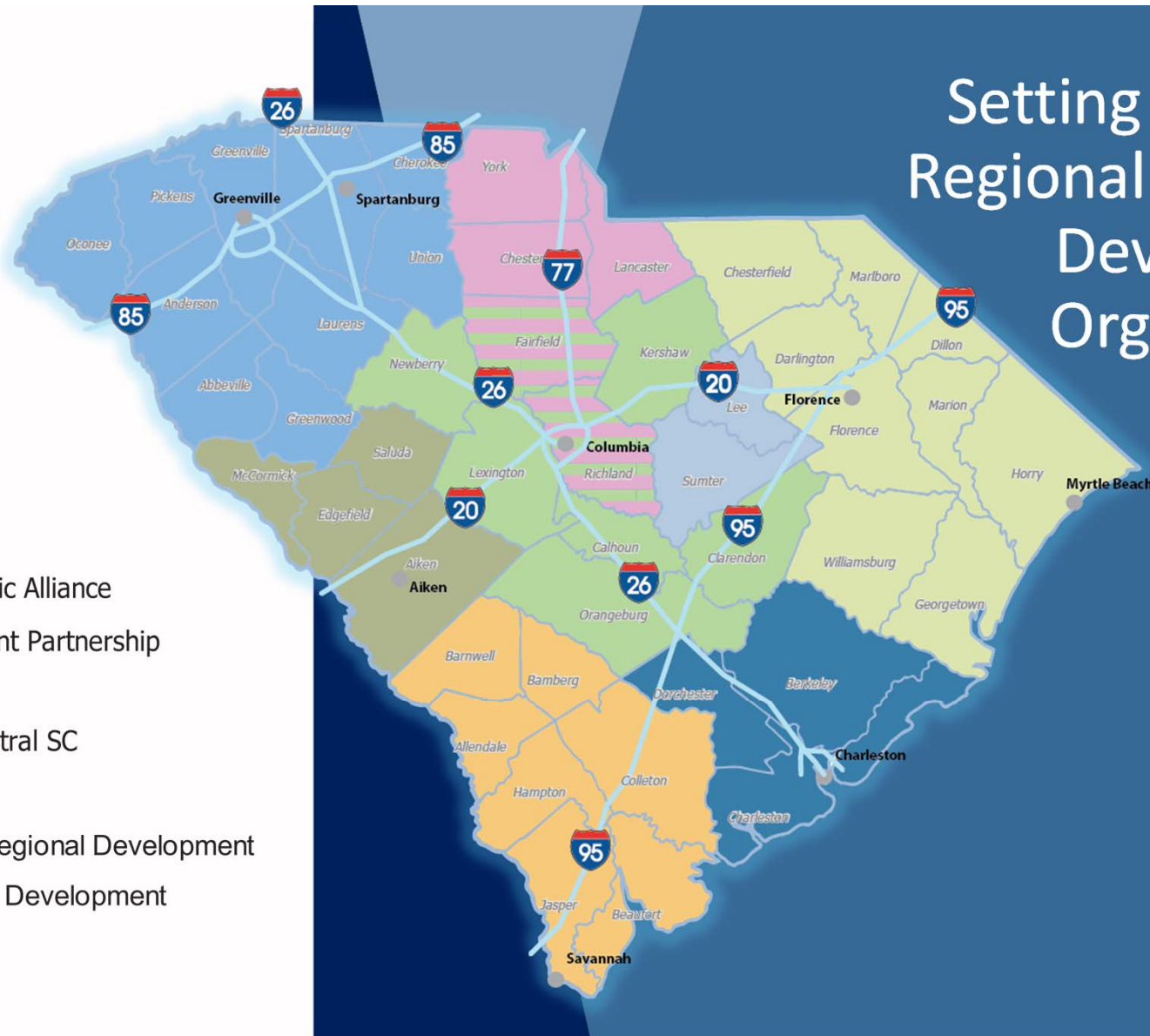




Partnerships



Setting the Table: Regional Economic Development Organizations



-  Upstate Alliance
-  I-77 Alliance
-  North Eastern Strategic Alliance
-  Economic Development Partnership
-  Central SC Alliance
-  I-77 Alliance and Central SC
-  The Link
-  Southern Carolina Regional Development
-  Charleston Regional Development

