

ORDINANCE NO. 2012__

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE AGREEMENT BETWEEN GREENVILLE COUNTY AND JTEKT AUTOMOTIVE SOUTH CAROLINA, INC. PROVIDING FOR A FEE IN LIEU OF TAX IN CONNECTION WITH INVESTMENT IN AN INDUSTRIAL PROJECT THEREUNDER; THE GRANTING OF AN INFRASTRUCTURE TAX CREDIT WITH RESPECT TO SUCH PROJECT; AND OTHER MATTERS RELATING THERETO.

WHEREAS, Greenville County, South Carolina (the "County"), acting by and through its County Council (the "County Council"), is authorized and empowered under and pursuant to the provisions of Title 12, Chapter 44 of the Code of Laws of South Carolina, 1976, as amended (the "Act"), to acquire, construct, or cause to be acquired or constructed by lease or otherwise, properties (which such properties constitute "projects" as defined in the Act) and to enter into agreements with any industry or business providing for the construction, operation, maintenance and improvement of such projects; to enter into or allow financing agreements with respect to such projects; to provide for payment of a fee in lieu of taxes pursuant to the Act; and, to accept any grants for such projects through which powers the industrial development of the State of South Carolina (the "State") and will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ the manpower, agricultural products and natural resources of the State and benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally; and

WHEREAS, the County is authorized by the Act to execute a fee in lieu of tax agreement, as defined in the Act, with respect to any such project; and

WHEREAS, the County is authorized by Section 12-44-70 of the Act and Title 4, Chapter 1 (the "Park Act") of the Code of Laws of South Carolina, 1976, as amended (the "Code") to provide an infrastructure tax credit (the "Infrastructure Credit"), secured by and payable solely from revenues of the County from payments in lieu of taxes pursuant to Article VIII, Section 13 of the South Carolina Constitution, the Park Act and the Act, for the purpose of defraying a portion of the cost of designing, acquiring, constructing, improving or expanding infrastructure serving the County in order to enhance the economic development of the County, as the same is described in Section 4-29-68, Code of Laws of South Carolina 1976, as amended ("Qualified Infrastructure"); and

WHEREAS, JTEKT Automotive South Carolina, Inc. (the "Company"), a corporation duly authorized to do business in South Carolina, has proposed to acquire, by construction and purchase, certain land, a building or buildings, and machinery, apparati, and equipment, for the purpose of the development and expansion of its manufacturing facility in the County (the "Project") which will involve a minimum level of non-exempt investment of not less than \$90,000,000 (the "Minimum Investment") during the investment period, as defined in the Act (the "Investment Period"), which

level of investment will be maintained for not less than twelve (12) years, with a non-exempt investment level of not less than Seventy Million Dollars (\$70,000,000) to be maintained for the remaining term of the Fee Agreement, all as more fully set forth in the form of Fee Agreement attached hereto; and

WHEREAS, the sites of the Project are currently located in the Greenville County and Anderson County Multi-County Industrial Park dated October 6, 1998, as amended (the "Park Agreement"); and

WHEREAS, based on information supplied by the Company, the County has determined that the Project would benefit the general public welfare of the County by providing service, employment, recreation or other public benefits not otherwise provided locally; and, that the Project gives rise to no pecuniary liability of the County or incorporated municipality or a charge against the general credit or taxing power of either; and, that the purposes to be accomplished by the Project, i.e., economic development, creation of jobs, and addition to the tax base of the County, are proper governmental and public purposes; and, that the inducement of the location or expansion of the Project within the County and State is of paramount importance; and, that the benefits of the Project will be greater than the costs; and

WHEREAS, the County has determined on the basis of the information supplied to it by the Company that the Project would be a "project" as that term is defined in the Act and that the Project would subserve the purposes of the Act; and

WHEREAS, the County Council, by its Resolution adopted on April 3, 2012, authorized the execution of an Inducement Agreement, which included a Millage Rate Agreement, for the Company and the Project (collectively, the "Inducement Agreement"), and, will by this County Council Ordinance, authorize a fee in lieu of tax agreement (the "Fee Agreement") with respect to the Project providing for the incentives referred to in the Inducement Agreement; and

WHEREAS, the County hereby authorizes the amendment of the Inducement Agreement in order to provide the actual name of the Company; and

WHEREAS, the County Council has caused to be prepared and presented to this meeting the form of the Fee Agreement, which provides for the payment of a fee in lieu of tax by the Company, as well as an infrastructure credit as described therein with respect to the Company's investment in Qualified Infrastructure; and

WHEREAS, it appears that the instrument above referred to, which is now before this meeting, is in appropriate form and is an appropriate instrument to be executed and delivered by the County for the purposes intended;

NOW, THEREFORE, BE IT ORDAINED by the County Council of Greenville County,

South Carolina, as follows:

Section 1. It is hereby found, determined and declared by the County Council, as follows:

(a) Based solely upon representations of the Company, the Project will constitute a "project" as said term is referred to and defined in the Act, and the County's actions herein will subserve the purposes and in all respects conform to the provisions and requirements of the Act;

(b) The Project and the payments in lieu of taxes set forth herein are beneficial to the County;

(c) The terms and provisions of the restated Inducement Agreement and Millage Rate Agreement are hereby incorporated herein and made a part hereof;

(d) The Project will benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally;

(e) The Project gives rise to no pecuniary liability of the County or incorporated municipality or a charge against the general credit or taxing power of either;

(f) The purposes to be accomplished by the Project, i.e., economic development, creation of jobs, and addition to the tax base of the County, are proper governmental and public purposes;

(g) The inducement of the location or expansion of the Project within the County and State is of paramount importance; and

(h) The benefits of the Project will be greater than the costs.

Section 2. In order to promote industry, develop trade and utilize and employ the manpower, agricultural products and natural resources of the State by assisting the Company to expand its facilities in the State, and acquire by acquisition or construction a building or buildings and various machinery, apparati, and equipment, all as a part of the Project to be utilized for the purpose of its manufacturing facility, the execution and delivery of a Fee Agreement with the Company, providing for a fee in lieu of tax and infrastructure credit benefit with respect to the Project, is hereby authorized, ratified and approved.

Section 3. The form, terms and provisions of the Fee Agreement presented to this meeting and filed with the Clerk of the County Council be and they are hereby approved and all of the terms, provisions and conditions thereof are hereby incorporated herein by reference as if the Fee Agreement were set out in this Ordinance in its entirety. The Chairman of County Council, the County Administrator and the Clerk of the County Council be and they are hereby authorized, empowered and directed to execute, acknowledge and deliver the Fee Agreement in the name and on

behalf of the County, and thereupon to cause the Fee Agreement to be delivered to the Company. The Fee Agreement is to be in substantially the form now before this meeting and hereby approved, or with such minor changes therein as shall not be materially adverse to the County and as shall be approved by the officials of the County executing the same, upon the advice of counsel to the County, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of Fee Agreement now before this meeting.

Section 4. The Chairman of the County Council, the County Administrator and the Clerk of the County Council, for and on behalf of the County, are hereby each authorized and directed to do any and all things necessary to effect the execution and delivery of the Fee Agreement and the performance of all obligations of the County under and pursuant to the Fee Agreement.

Section 5. The provisions of this Ordinance are hereby declared to be separable and if any section, phrase or provisions shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereunder.

Section 6. All orders, resolutions, ordinances and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Ordinance shall take effect and be in full force from and after its passage and approval.

Section 7. The County hereby agrees to waive, to the full extent allowed by law, the requirements of Section 12-44-55 with regard to the Fee Agreement for the Project, to the extent and so long as the Company makes and continues to make all filings with the County required by the Act.

Enacted this ____ day of June, 2012

GREENVILLE COUNTY, SOUTH CAROLINA

By: _____
Herman G. Kirven Jr., Chairman of County Council
Greenville County, South Carolina

By: _____
Joseph M. Kernell, Administrator of County
Greenville County, South Carolina

ATTEST:

By: _____
Theresa B. Kizer, Clerk to County Council
Greenville County, South Carolina

First Reading: May 1, 2012
Second Reading: May 15, 2012
Public Hearing: June 4, 2012
Third Reading: June 4, 2012