

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF ONE OR MORE INCENTIVE AGREEMENTS BY AND AMONG GREENVILLE COUNTY, SOUTH CAROLINA AND, SOUTH CAROLINA PLASTICS, LLC, AND ONE OR MORE EXISTING OR TO-BE-FORMED OR ACQUIRED SUBSIDIARIES, OR AFFILIATED OR RELATED ENTITIES, AS SPONSOR, TO PROVIDE FOR A FEE IN LIEU OF *AD VALOREM* TAXES INCENTIVE; TO PROVIDE FOR THE INCLUSION OF THE PROJECT IN A MULTI-COUNTY BUSINESS OR INDUSTRIAL PARK; TO PROVIDE FOR SPECIAL SOURCE REVENUE CREDITS; ADDITION OF SPONSOR AFFILIATE; AND OTHER RELATED MATTERS.

WHEREAS, Greenville County, South Carolina (the “County”), acting by and through its County Council (the “County Council”) is authorized by Title 4 and Title 12 of the Code of Laws of South Carolina 1976, as amended (collectively “Act”), and Article VIII, Section 13 of the South Carolina Constitution (i) to enter into agreements with qualifying companies to encourage investment in projects constituting economic development property through which the economic development of the State of South Carolina (the “State”) will be promoted by inducing new and existing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ manpower and other resources of the State; (ii) to covenant with such industry to accept certain fee payments in lieu of *ad valorem* taxes (“FILOT”) with respect to such investment; (iii) under Section 4-1-170 of the Code of Laws of South Carolina 1976, as amended (“MCIP Act”) to create multi-county industrial parks with one or more contiguous counties and include certain properties therein, and, in its discretion, include within the boundaries of these parks the property of qualifying industries, and under the authority provided in the MCIP Act, the County has created previously a multi-county park with Anderson County, South Carolina (“Park”); (iv) to provide credits to qualifying companies to offset qualifying infrastructure related expenditures pursuant to Sections 4-1-175, 4-29-68 and 12-44-70 of the Code of Laws of South Carolina 1976, as amended (“Infrastructure Credit Act”); and (vi) to make and execute contracts of the type hereinafter described pursuant to Section 4-9-30 of the Code; and

WHEREAS, South Carolina Plastics, LLC, a North Carolina limited liability company, along with one or more existing, or to-be-formed or acquired subsidiaries, or affiliated or related entities (the “Company”), along with any Sponsor Affiliates is planning an investment consisting of the expenditure of approximately \$13,000,000 (“Investment”) and the creation of approximately 119 jobs (“Jobs”) and to acquire by construction, lease and purchase certain land, buildings, furnishings, fixtures, apparatus, and equipment, including the Project Property (defined below) for the purpose of establishing a manufacturing facility in the County (collectively, the “Project”); and

WHEREAS, Wirthwein Real Estate, LLC, a North Carolina limited liability company authorized to do business in South Carolina (“Sponsor Affiliate”): (a) is an entity affiliated with and related to the Company; and (b) has participated, or intends to participate, in the investment under the Fee Agreement, and therefore, is a Sponsor Affiliate, pursuant to South Carolina Code Annotated § 12-44-10, *et seq.* (collectively, “Act”), and the Fee Agreement; and

WHEREAS, the Company and the Sponsor Affiliate are affiliated and related entities; and

WHEREAS, by its Resolution adopted on September 4, 2012, the County identified the Project, as required by the Act; and

WHEREAS, the Project will comprise one or more parcels of real property bearing Tax Map Number 0349000100102, with improvements thereon, the legal description of which is set forth on the attached Exhibit C (“Project Property”); and

WHEREAS, the Project is or will be located in the Park established by that “Agreement for Development of Joint County Industrial and Business Park” between the County and Anderson County dated October 6, 1998, as amended; and

WHEREAS, in accordance with Section 3 of the agreement titled “Agreement for Development of Joint County Industrial and Business Park”, the Company has requested the County to authorize the expansion of the Park’s boundaries to include the Project; and

WHEREAS, the County has determined to include the Project Property in the boundaries of the Park and to use its good faith efforts to ensure that the Project property remains in the Park or in any other multi-county park created under the MCIP Act for no less than the term of the Fee Agreement, and the County acknowledges that certain real property bearing the same Tax Map Number as that belonging to the Project Property is currently located in the Park; and

WHEREAS, in connection with the Project, the Company has requested the County to enter into incentive agreements, to the extent and subject to the conditions provided in those agreement, to establish the commitments of (i) the Company to make the Investment and create the Jobs; and (ii) the County to provide certain special source revenue credits; and

WHEREAS, the County has determined: (i) to offer a FILOT arrangement and enter into a fee-in-lieu of *ad valorem* taxes agreement with the Company and with the Sponsor Affiliate, the form of which is attached as Exhibit A (“Fee Agreement”), but with the principal terms as follows: 20-year term, 6.5% assessment ratio, and a fixed millage rate equal to that millage rate in effect at the Project site, for all taxing entities, on June 30, 2012, which the parties hereto believe to be 292.3 mills for the entire term of the FILOT arrangement; and (ii) to provide an annual Special Source Revenue Credit to the Company and the Sponsor Affiliate against Fee Payments in connection with certain real property comprising the Project Property equal to \$50,000 per year for a period of 6 years, the aggregate value of which shall not exceed \$300,000, the terms and conditions of which are more fully set forth in an agreement attached hereto as Exhibit B (“Infrastructure Credit Agreement”); and

WHEREAS, in accordance with Article VIII, Section 13 of the South Carolina Constitution, real and personal property having a *situs* in a Park, are exempt from all *ad valorem* taxation, however, the owners or lessees of such real and personal property are obligated to make, or cause to be made, payments in lieu of taxes to the County in the total amount equivalent to the *ad valorem* property taxes or other fee-in-lieu-of-taxes that would have been due and payable with respect to such real and personal property but for the location of such real and personal property within such Park (each, a “Fee Payment”); and

WHEREAS, the parties recognize and acknowledge that the Company would not otherwise locate the Project in the County but for the delivery of the Incentives; and

NOW, THEREFORE, BE IT ORDAINED BY THE GREENVILLE COUNTY COUNCIL DULY ASSEMBLED THAT:

Section 1. Findings. The County hereby finds and affirms based on information provided by the Company: (i) the Project will benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally; (ii) the Project gives rise to no pecuniary liability of the County or any incorporated municipality and to no charge against its general credit or taxing power; (iii) the purposes to be accomplished by the Project are proper governmental and public purposes; and (iv) the benefits of the Project to the public are greater than the costs to the public.

Section 2. Addition of Sponsor Affiliate. The County confirms and ratifies the Sponsor Affiliate's participation in the Fee Agreement as a Sponsor Affiliate as contemplated under the Act and the Fee Agreement.

Section 3. Authorization to Execute and Deliver Fee Agreement. The County Council authorizes and directs the County Council Chairman and the County Administrator to execute the Fee Agreement, with any minor modifications and revisions which shall not be materially adverse to the County and shall be deemed approved by the County Council upon the Chairman's and the County Administrator's execution of the Fee Agreement, and the Clerk to County Council is authorized and directed to attest the same; and the Clerk to County Council is further authorized and directed to deliver the executed Fee Agreement to the Company.

Section 4. Authorization to Execute and Deliver Infrastructure Credit Agreement. The County Council authorizes and directs the County Council Chairman and the County Administrator to execute the Infrastructure Credit Agreement, with any minor modifications and revisions which shall not be materially adverse to the County and shall be deemed approved by the County Council upon the Chairman's and the County Administrator's execution of the Infrastructure Credit Agreement, and the Clerk to County Council is authorized and directed to attest the same; and the Clerk to County Council is further authorized and directed to deliver the executed Infrastructure Credit Agreement to the Company.

Section 5. Park Boundaries. The County Council agrees to use its best efforts to ensure that the Project is incorporated into and remains in the Park or in any other multi-county park created under the MCIP Act for no less than the term of the Fee Agreement.

Section 6. Further Acts. The County Council authorizes the County Administrator, other County staff, and the County Attorney, along with any designees and agents who any of these officials deems necessary and proper, in the name of and on behalf of the County (each an "Authorized Individual"), to take whatever further actions, and enter into whatever further agreements, as any Authorized Individual deems to be reasonably necessary and prudent to effect the intent of this Ordinance and induce the Company to locate the Project in the County.

Section 7. General Repealer. All ordinances, resolutions, and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

Section 8. Severability. Should any part, provision, or term of this Ordinance be deemed unconstitutional or otherwise unenforceable by any court of competent jurisdiction, such finding or determination shall not affect the rest and remainder of the Ordinance or any part, provision or term thereof, all of which is hereby deemed separable.

This Ordinance takes effect and is in full force only after the County Council has approved this Ordinance following three readings and a public hearing.

GREENVILLE COUNTY, SOUTH CAROLINA

Herman G. Kirven, Jr., Chairman
Greenville County Council

(SEAL)

ATTEST:

Joseph Kernell
County Administrator

Teresa B. Kizer, Clerk to Council
Greenville County Council

First Reading: September 4, 2012
Second Reading: September 18, 2012
Third Reading: October 2, 2012
Public Hearing: October 2, 2012

EXHIBIT A

Fee Agreement

[Attached]

EXHIBIT B

Infrastructure Credit Agreement

[Attached]

EXHIBIT C

All that certain piece, parcel or lot of land, lying and being within the Town of Fountain Inn, Greenville County, State of South Carolina, being located at the intersection of South Carolina Highway 418 and Woodside Avenue (S-23-212), containing 18.93 acres according to an ALTA/ACSM Land Title Survey prepared for Andrew E. Stevens Trust by KW Tollison & Associates, LLC, dated April 16, 2008, recorded in Book 1065, page 38, in the office of the Register of Deeds for Greenville County, South Carolina ("Records").

LESS AND EXCEPT: All that certain piece, parcel or lot of land, lying and being within the Town of Fountain Inn, Greenville County, State of South Carolina, being located at the intersection of South Carolina Highway 418 and Woodside Avenue (S-23-212) containing 2.20 acres according to a survey for the Town of Fountain Inn by Thomas P. Dowling dated September 21, 2009, recorded in Book 1120, Page 73, aforesaid Records.

TMS: 0349000100102