

## GREENVILLE COUNTY RESOLUTION

A RESOLUTION AUTHORIZING (1) THE EXECUTION AND DELIVERY OF AN INDUCEMENT AND MILLAGE RATE AGREEMENT BETWEEN GREENVILLE COUNTY, SOUTH CAROLINA (THE "COUNTY") AND A COMPANY KNOWN TO THE COUNTY AS PROJECT GINA, ACTING FOR ITSELF, ONE OR MORE AFFILIATES OR OTHER PROJECT SPONSORS (THE "COMPANY"), WHEREBY, UNDER CERTAIN CIRCUMSTANCES, THE COUNTY WILL ENTER INTO A FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT (THE "INCENTIVE AGREEMENT") IN CONNECTION WITH THE EXPANSION OF CERTAIN MANUFACTURING AND RELATED FACILITIES AT ONE OR MORE LOCATIONS IN THE COUNTY (COLLECTIVELY, THE "EXPANSION PROJECT"), IN WHICH INCENTIVE AGREEMENT THE COUNTY WILL COVENANT TO ACCEPT CERTAIN NEGOTIATED FEES IN LIEU OF *AD VALOREM* TAXES WITH RESPECT TO THE EXPANSION PROJECT; (2) APPROVAL OF A TEN-YEAR EXTENSION OF THE TERM OF AN EXISTING FEE IN LIEU OF TAX ARRANGEMENT BETWEEN THE COUNTY AND THE COMPANY; (3) CERTAIN SPECIAL SOURCE REVENUE CREDITS IN CONNECTION WITH THE EXPANSION PROJECT; (4) THE BENEFITS OF A MULTI-COUNTY INDUSTRIAL OR BUSINESS PARK TO BE MADE AVAILABLE TO THE COMPANY AND THE EXPANSION PROJECT; AND (5) OTHER MATTERS RELATING THERETO.

WHEREAS, Greenville County, South Carolina (the "County"), acting by and through its County Council (the "Council"), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended (the "Code"), particularly Title 12, Chapter 44 of the Code (the "Negotiated FILOT Act") and Title 4, Chapter 1 of the Code (the "Multi-County Park Act" or, as to Section 4-1-175 thereof, and, by incorporation Section 4-29-68 of the Code, the "Special Source Act") (collectively, the "Act") and by Article VIII, Section 13(D) of the South Carolina Constitution: (i) to enter into agreements with certain investors to construct, operate, maintain, and improve certain projects through which the economic development of the State of South Carolina (the "State") 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; (ii) to covenant with such investors to accept certain fee in lieu of *ad valorem* tax ("FILOT") payments, including, without limitation, negotiated FILOT payments made pursuant to the Negotiated FILOT Act, with respect to a project; (iii) to permit investors to claim special source revenue credits against their FILOT payments ("Special Source Credits") to reimburse such investors for expenditures in connection with infrastructure serving the County and improved or unimproved real estate and personal property, including machinery and equipment, used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the County ("Special Source Improvements"); and (iv) to create, in

conjunction with one or more other counties, a multi-county industrial or business park in order to afford certain enhanced income tax credits to such investors and to facilitate the grant of Special Source Credits; and

WHEREAS, a company known to the County as Project Gina, acting for itself, one or more affiliates or other project sponsors (the “Company”) proposes to invest in, or cause others to invest in, the expansion of certain manufacturing and related facilities at one or more locations in the County, (collectively, the “Expansion Project”); and

WHEREAS, the Company anticipates that, should its plans proceed as expected, the Expansion Project will generate substantial investment and/or job creation in the County; and

WHEREAS, the County and the Company have previously entered into a FILOT arrangement pursuant to which, amongst other things, the County has agreed to accept certain negotiated FILOT payments from the Company with respect to certain property (the “Existing Project”) located in the County (the “Existing Project Negotiated FILOT”); and

WHEREAS, on the basis of the information supplied to it by the Company, the County has determined, *inter alia*, that the Expansion Project would subserve the purposes of the Act and would be directly and substantially beneficial to the County, and its citizens due to the investment and/or jobs anticipated to be created, or caused to be created, by the Company, which contribute to the tax base and the economic welfare of the County, and, accordingly, the County wishes to induce the Company to undertake the Expansion Project by offering the incentives set forth herein and in the Inducement and Millage Rate Agreement presented to this meeting (the “Inducement Agreement”); and

WHEREAS, it appears that the Inducement Agreement 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 RESOLVED by the Council, as follows:

Section 1. Pursuant to the authority given to the Council by the Constitution of the State and the Act, the Inducement Agreement is hereby authorized to be executed and delivered on behalf of the County in order to set forth the terms and conditions with respect to the incentives offered by the County to induce the Company to undertake the Expansion Project. In connection therewith, and based on information provided to the County by the Company, it is hereby found, determined and declared as follows:

(a) The Expansion Project will constitute a “project” within the meaning of the Negotiated FILOT Act; and

(b) The Expansion Project, and the County’s actions herein, will subserve the purposes of the Negotiated FILOT Act; and

(c) The Expansion Project is anticipated to benefit the general public welfare of the State and the County by providing services, employment, recreation, or other public benefits not otherwise adequately provided locally; and

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

(e) The purposes to be accomplished by the Expansion Project are proper governmental and public purposes; and

(f) The benefits of the Expansion Project are greater than the costs; and

(g) The Expansion Project will have a substantial public benefit.

Section 2.

(a) The County hereby agrees to enter into a fee agreement pursuant to the Negotiated FILOT Act (such fee agreement hereinafter referred to as the “Expansion Project Incentive Agreement”), whereby the Company will agree to satisfy, or cause to be satisfied, certain investment and/or job creation requirements with respect to the Expansion Project within certain prescribed time periods in accordance with the Negotiated FILOT Act and the County will agree to accept Expansion Project Negotiated FILOT (as defined in the Inducement Agreement) payments with respect to the Expansion Project.

(b) The Expansion Project Negotiated FILOT shall be determined using: (1) an assessment ratio of 4%; provided, that, in the event that the Expansion Project fails to qualify as an “enhanced investment” pursuant to Section 12-44-30(7) of the Negotiated FILOT Act but nevertheless qualifies for the Expansion Project Negotiated FILOT pursuant to Section 12-44-30(14) of the Negotiated FILOT Act, an assessment ratio of 6% shall be used; (2) the lowest millage rate or millage rates allowed with respect to the Expansion Project pursuant to Section 12-44-50(A)(1)(d) of the Negotiated FILOT Act, which millage rate or millage rates shall be fixed pursuant to Section 12-44-50(A)(1)(b)(i) of the Negotiated FILOT Act for the full term of the Expansion Project Negotiated FILOT; (3) the fair market value of the Expansion Project determined in accordance with the Negotiated FILOT Act; and (4) and such other terms and conditions as are specified in the form of Inducement Agreement presented to this meeting.

Section 3. As an additional incentive to induce the Company to undertake the Expansion Project, and as reimbursement for the Company’s investment in Special Source Improvements and subject to the requirements of the Special Source Act, the Council does hereby agree that the Company shall be entitled to receive, and the County shall provide, Special Source Credits against the Expansion Project Negotiated FILOT payments due with respect to the Expansion Project, all in accordance with the terms and provisions set forth in the Inducement Agreement. In accordance with the Special Source Act, the Special Source Credits authorized herein shall not, in the aggregate, exceed the aggregate cost of Special Source Improvements funded from time to time by the Company in connection with the Expansion Project.

Section 4. The County will use its best efforts to insure that the Expansion Project will be included, if not already included, and will remain, within the boundaries of a multi-county industrial or business park pursuant to the provisions of the Multi-County Park Act and

Section 5. As an additional incentive to induce the Company to undertake the Expansion Project, the County hereby finds that the Existing Project has and will have a substantial public benefit, and hereby agrees to approve a ten-year extension of the FILOT payment period term applicable to the Existing Project Negotiated FILOT from thirty (30) years to forty (40) years.

Section 6. The County will use commercially reasonable efforts to assist the Company in securing and processing grants and other funding for infrastructure and other expenses in connection with the Expansion Project.

Section 7. The provisions, terms, and conditions of the Inducement Agreement presented to this meeting and filed with the Clerk to Council are hereby approved, and all of the provisions, terms, and conditions thereof are hereby incorporated herein by reference as if the Inducement Agreement were set out in this Resolution in its entirety. The Chairman of the Council and the County Administrator are hereby authorized, empowered, and directed to execute the Inducement Agreement in the name and on behalf of the County; the Clerk to Council is hereby authorized, empowered and directed to attest the same; and the Chairman of the Council and the County Administrator are further authorized, empowered, and directed to deliver the Inducement Agreement to the Company. The Inducement Agreement is to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall not materially adversely affect the rights of the County thereunder and as shall be approved by the official or officials of the County executing the same, upon the advice of counsel, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the Inducement Agreement now before this meeting.

Section 8. The Chairman of the Council, and the Clerk to Council, for and on behalf of the County, are hereby each authorized, empowered, and directed to do any and all things necessary or proper to effect the performance of all obligations of the County under and pursuant to the Inducement Agreement.

Section 9. The execution and delivery of the Incentive Agreement and any amendment or other agreement to be entered into between the County and the Company in order to effect the incentive arrangements as provided in the Inducement Agreement are subject to adoption by the Council of an ordinance or ordinances authorizing the same and, in conjunction therewith, compliance with the provisions of the Home Rule Act regarding the procedural requirements for adopting ordinances.

Section 10. All orders, resolutions, and parts thereof in conflict herewith are to the extent of such conflict hereby repealed. This Resolution shall take effect and be in full force upon adoption by the Council.

Done in meeting duly assembled November 6, 2012.

GREENVILLE COUNTY, SOUTH CAROLINA

By: \_\_\_\_\_  
Herman G. Kirven, Jr., Chairman, County Council  
Greenville County, South Carolina

By: \_\_\_\_\_  
Joseph Kernell, Administrator  
Greenville County, South Carolina

[SEAL]

Attest:

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