

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AGREEMENT AND MILLAGE RATE AGREEMENT BY AND BETWEEN GREENVILLE COUNTY, SOUTH CAROLINA (THE “COUNTY”), AND A CORPORATION (THE “CORPORATION”) KNOWN TO THE COUNTY AT THIS TIME AS “PROJECT SUGAR” WHEREBY, UNDER CERTAIN CONDITIONS, THE CORPORATION WILL ACQUIRE, OR PURCHASE, CERTAIN LAND, IMPROVEMENTS, FURNISHINGS, FIXTURES, APPARATI, AND EQUIPMENT IN CONNECTION WITH THE CONSTRUCTION OF A MANUFACTURING FACILITY IN THE COUNTY (THE “PROJECT”), AND THE COUNTY WILL EXECUTE A FEE-IN-LIEU OF TAX AGREEMENT AND PROVIDE CERTAIN INFRASTRUCTURE CREDITS TO THE CORPORATION AND EXECUTE CERTAIN DOCUMENTS AND ENACT CERTAIN FURTHER LEGISLATION FOR THE PROJECT INVOLVING A TOTAL OF NOT LESS THAN THIRTY-EIGHT MILLION, FIVE HUNDRED THOUSAND DOLLARS (\$38,500,000) IN INVESTMENT AND THE CREATION OF NOT LESS THAN 80 NEW, FULL-TIME JOBS.

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 the Code of Laws of the State of South Carolina, 1976, as amended (the “Code”), including, without limitation, Chapter 44 of Title 12 of the Code (the “FILOT Act”), and the case law of the Courts of the State of South Carolina (the “State”), to offer and provide certain privileges, benefits, and incentives to commercial enterprises as inducements for economic development within the County; to acquire, or cause to be acquired, properties (which such properties constitute “projects” as defined in the FILOT Act) and to enter into agreements with any business to construct, operate, maintain and improve such projects; to enter into or allow financing agreements with respect to such projects; and, to accept any grants for such projects through which powers the industrial and business development of 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 and benefit the general public welfare of the County by providing services, employment, recreation, tourism or other public benefits not otherwise provided locally; and

WHEREAS, the County is authorized by the FILOT Act to execute one or more fee-in-lieu of tax agreements (each, a “Fee Agreement”), as provided for in the Act, with respect to such projects; and

WHEREAS, the County is authorized by Article VIII, Section 13 of the South Carolina Constitution and Sections 4-1-170, 4-1-172 and 4-1-175 of the Code (the “Joint-County Industrial and Business Park Act”), to enter into agreements with one or more contiguous counties for the creation and operation of one or more joint-county industrial and business parks (a “Park”); and

WHEREAS, the County is authorized and empowered under and pursuant to Section 4-1-175 of the Joint-County Industrial and Business Park Act and Section 12-44-70 of the FILOT Act to

provide, for the purposes outlined in Section 4-29-68 of the Code, certain credits (“Infrastructure Credits”) against revenues received and retained under Article VIII, Section 13 of the South Carolina Constitution with respect to properties and projects located within a Park; and

WHEREAS, the Corporation is considering acquiring by construction and purchase certain land, improvements, furnishings, fixtures, apparati, and equipment to be located within the County (the “Project”), for the construction of a manufacturing facility (the “Project”), which will result in the investment of an anticipated Forty-Eight Million, Five Hundred Thousand Dollars (\$48,500,000), but not less than Thirty-Eight Million, Five Hundred Thousand Dollars (\$38,500,000) (approximately Three Million, Five Hundred Thousand of the investment being for the acquisition of existing property (“Existing Property”)) in the County within the meaning of the Act and the creation of at least 80 new, full-time equivalent jobs within five (5) years of the end of the first property tax year during which any component of the Project is first placed in service (the “Investment Period”).

WHEREAS, the County has determined, after due investigation, that the Project would be aided by the availability of the assistance which the County might render through (1) entering into a Fee Agreement with the Corporation with respect to the Project, under and pursuant to the FILOT Act, at the sole election of the Corporation; and (2) the incentive of a negotiated fee-in-lieu of *ad valorem* taxes (a “FILOT”) as authorized by the FILOT Act; and

WHEREAS, the County has further determined, after due investigation, that the Project would be aided by the availability of the assistance which the County might render through (1) the inclusion of the Project and the other real and personal property of the Corporation located on the Project site, in a Park which is either already in existence, or to be created by the County; and (2) the availability of Infrastructure Credits for the Project in the Park; and, that the inducement will, to a great degree of certainty, result in the acquisition and construction of the Project in the County; and

WHEREAS, the County has given due consideration to the economic development impact of the Project, and based on information supplied by the Corporation, has found that the Project and the payments-in-lieu of taxes would be directly and substantially beneficial to the County, the taxing entities of the County, and the citizens and residents of the County, and that the Project would directly and indirectly benefit the general public welfare and serve a public purpose of the County by providing services, employment, recreation, promotion of tourism, or other public benefits not otherwise provided locally; and, that the Project gives rise to no pecuniary liability of the County or any 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 and welfare, creation of jobs, promotion of tourism, and addition to the tax base of the County, are proper governmental and public purposes and that the inducement of the location of the Project within the County and State is of paramount importance and that the benefits of the Project will be greater than the cost; and, has agreed to effect the issuance and delivery of an Inducement Agreement and Millage Rate Agreement (the “Inducement Agreement”) on the terms and conditions hereafter set forth.

NOW, THEREFORE, BE IT RESOLVED, by the County Council as follows:

Section 1. Pursuant to the authority given to the County Council by the Constitution of the State of South Carolina, the Code, the Joint-County Industrial and Business Park Act and the FILOT Act, and subject to enactment of subsequently required legislative authorizations by appropriate governing bodies and approval by appropriate authorizing agencies, and for the purpose of authorizing the drafting, creation, and execution of development incentives and associated agreements and documents for the Project, there is hereby authorized to be executed an Inducement Agreement between the County and the Corporation pertaining to the Project involving an investment by the Corporation of an anticipated Forty-Eight Million, Five Hundred Thousand Dollars (\$48,500,000), but not less than Thirty-Eight Million, Five Hundred Thousand Dollars (\$38,500,000) (approximately Three Million, Five Hundred Thousand of the investment being for the acquisition of the Existing Property), and the creation of at least 80 new, full-time equivalent jobs at the Project site before the end of the Investment Period.

Section 2. The provisions, terms, and conditions of a Fee Agreement, under and pursuant to the FILOT Act, by and between the County and the Corporation, as required by and consistent with the Inducement Agreement, shall be prescribed and authorized by subsequent ordinance(s) of the County Council, which, to the extent not prohibited by law, shall be consistent with the terms of this Resolution and the Inducement Agreement, including without limitation, (i) FILOT payments to be determined by using an assessment ratio of 6.0%, a millage rate, for all taxing entities within whose taxing jurisdiction the Project falls, of the millage rate in effect for all taxing entities at the Project site on June 30, 2013, which is understood to be 315.8 mills, the fair market value (which value is not subject to reassessment, as provided in the FILOT Act) as determined by using original cost less allowable depreciation for personal property and for a term of 20 years for each year of investment in the Project during the Investment Period; (ii) the inclusion of the Existing Property in the Project so long as the Corporation invests at least Forty-Five Million Dollars (\$45,000,000) in the Project in excess of the cost of the acquisition of the Existing Property and (iii) an annual Infrastructure Credit equal to thirty-five percent (35%) of the FILOT payments for the Project for the seven (7) years beginning in the first year of such FILOT payments on behalf of the Project in the Park. The provisions, terms, and conditions of such Fee Agreement, under and pursuant to the FILOT Act and the Joint-County Industrial and Business Park Act, by and between the County and the Corporation, as required by the Inducement Agreement, shall be prescribed and authorized by subsequent ordinance(s) of the County Council, which, to the extent not prohibited by law, shall be consistent with the terms of this Resolution and the Inducement Agreement.

Section 3. The Chairman of County Council and the Administrator of the County are hereby authorized and directed to execute the Inducement Agreement attached hereto, with such changes as do not adversely impact the County and as are recommended by counsel for the County, in the name of and on behalf of the County, and the Clerk to County Council is hereby authorized and directed to attest the same; and the Chairman of the County Council is hereby further authorized and directed to deliver said executed Inducement Agreement to the Corporation. The Chairman of County Council and the Administrator of the County are hereby further authorized and directed to execute and deliver any other documents, including, but not limited to, a memorandum of understanding among the County, the Corporation, and other private or public bodies, as may be necessary or desirable to assist in the development of the Project.

Section 4. The authorization of the execution and delivery of the Fee Agreement and the other documents or obligations of the County required by the Inducement Agreement is subject to

the compliance by the County Council with the provisions of the Home Rule Act regarding the procedural requirements for adopting ordinances and resolutions.

Section 5. 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 from and after its passage by the County Council.

DONE IN MEETING DULY ASSEMBLED this 17th day of September, 2013.

GREENVILLE COUNTY, SOUTH CAROLINA

By: _____
Chairman, Greenville County Council
Greenville County, South Carolina

By: _____
Administrator
Greenville County, South Carolina

ATTEST:

Clerk, Greenville County Council
Greenville County, South Carolina