

**GREENVILLE COUNTY
RESOLUTION**

A RESOLUTION AUTHORIZING (1) THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AGREEMENT BY AND BETWEEN GREENVILLE COUNTY, SOUTH CAROLINA (THE "COUNTY") AND A COMPANY IDENTIFIED FOR THE TIME BEING AS PROJECT PUMPKIN, ACTING FOR ITSELF, ONE OR MORE AFFILIATES, AND/OR OTHER PROJECT SPONSORS (THE "COMPANY"), PURSUANT TO WHICH THE COUNTY SHALL COVENANT TO ACCEPT CERTAIN NEGOTIATED FEES IN LIEU OF AD VALOREM TAXES WITH RESPECT TO THE ESTABLISHMENT AND/OR EXPANSION OF CERTAIN FACILITIES IN THE COUNTY (THE "PROJECT"); AND (2) 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"): (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; and (ii) to covenant with such investors to accept certain fee in lieu of *ad valorem* tax ("FILOT") payments, including, but not limited to, negotiated FILOT payments made pursuant to the Negotiated FILOT Act, with respect to a project; and

WHEREAS, a company identified for the time being as Project Pumpkin, acting for itself or one or more affiliates or other project sponsors (the "Company") proposes to establish and/or expand certain facilities at one or more locations in the County (the "Project"), and anticipates that, should its plans proceed as expected, it will invest, or cause to be invested, at least \$5,000,000 in the Project; and

WHEREAS, on the basis of the information supplied to it by the Company, the County has determined, *inter alia*, that the Project would subserve the purposes of the Act and would be directly and substantially beneficial to the County, the taxing entities of the County and the citizens and residents of the County due to the investment to be made, or caused to be made, by the Company, all of 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 Project by offering certain negotiated FILOT benefits with respect to the Project, all of which shall be further described and documented in a Fee in Lieu of Tax Agreement to be entered into by and between the County and the Company (the "Incentive Agreement").

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

Section 1. As contemplated by Section 12-44-40(I) of the Negotiated FILOT Act, the County makes the following findings and determinations:

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

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

(c) The 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 provided locally; and

(d) The 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 Project are proper governmental and public purposes; and

(f) The Incentive Agreement will require the Company to make certain reimbursements to the County and otherwise lose the benefits provided for therein if the Company should fail to achieve the investment thresholds set forth in the Incentive Agreement; and

(g) The benefits of the Project are greater than the costs.

Section 2.

(a) The County hereby agrees to enter into the Incentive Agreement with the Company, whereby the Company will agree to satisfy, or cause to be satisfied, certain investment requirements with respect to the Project within certain prescribed time periods in accordance with the Negotiated FILOT Act and the County, under certain conditions to be set forth in the Incentive Agreement, will agree to accept negotiated fee in lieu of *ad valorem* tax (“Negotiated FILOT”) payments with respect to the Project.

(b) (i) The Negotiated FILOT shall be determined using: (1) an assessment ratio of 6%, (2) the lowest millage rate allowed with respect to the Project pursuant to Section 12-44-50(A)(1)(d) of the Negotiated FILOT Act, which millage rate shall be fixed pursuant to Section 12-44-50(A)(1)(b)(i) of the Negotiated FILOT Act for the full term of the Negotiated FILOT; (3) the fair market value of the Project, determined in accordance with the Negotiated FILOT Act; and (4) such other terms and conditions as will be specified in the Incentive Agreement, including, without limitation, that the Company, in its sole discretion, may dispose of property and replace property subject to Negotiated FILOT payments to the maximum extent permitted by the Negotiated FILOT Act.

(ii) The Negotiated FILOT shall be calculated as provided in this Section 2(b) for that portion of the Project consisting of economic development property under the Negotiated FILOT Act. For each annual increment of investment in such economic development property, the annual Negotiated FILOT payments shall be payable for a payment period of twenty (20) years, all in accordance with Section 12-44-30(21) of the Negotiated FILOT Act. Accordingly, if such economic development property is placed in service during more than one year, each year’s investment shall be

subject to the Negotiated FILOT for a payment period of twenty (20) years.

Section 3. The provisions, terms, and conditions of the Incentive Agreement shall be subject to approval by subsequent Ordinance of the Council. The Incentive Agreement is to be in substantially the form customarily used by the County for similar transactions with such changes therein as shall be approved by said Ordinance.

Section 4. The Chairman of the Council, the County Administrator, and the Clerk to the 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 this Resolution.

Section 5. The execution and delivery of the Incentive Agreement are subject to the enactment by the Council of an ordinance authorizing the same and, in conjunction therewith, compliance with the provisions of the Home Rule Act regarding the procedural requirements for enacting ordinances.

Section 6. 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.

[End of Resolution]

Done in meeting duly assembled this 20th day of October, 2015.

GREENVILLE COUNTY, SOUTH CAROLINA

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

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

[SEAL]

Attest:

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