

ORDINANCE No. _____

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AGREEMENT BY AND BETWEEN GREENVILLE COUNTY, SOUTH CAROLINA (THE "COUNTY") AND GREENCO BEVERAGE CO., INC. (THE "COMPANY"); THE GRANTING OF CERTAIN INFRASTRUCTURE TAX CREDITS TO THE COMPANY; 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"), (i) to enter into agreements with certain investors to acquire, construct, maintain and improve certain properties (which such properties constitute "projects" as defined in the Act); (ii) to enter into or allow financing agreements with respect to such projects; (iii) to accept any grants for such projects through which powers the industrial 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 benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally; and (iv) 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 pursuant to the Act, with respect to a project; 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, in accordance with such findings and determinations and in order to induce Greenco Beverage Co., Inc., a company duly qualified to transact business in South Carolina, and known to County Council at the time of enactment of this Ordinance (referred to hereinafter as the "Company") to locate the Project (as defined below) in the County, the County Council adopted a Resolution on November 3, 2015 (the "Inducement Resolution") which authorized the execution of an Inducement and Millage Rate Agreement dated November 9, 2015 (the "Inducement Agreement"), pursuant to which the County agreed to provide the negotiated FILOT with respect to the Project; and

WHEREAS, the Company has requested the County to participate in executing a fee in lieu of tax agreement, which includes provision for the grant of an infrastructure tax credit, in the form of a fee agreement (the "Fee Agreement") pursuant to the Act for the purpose of authorizing and of acquiring, by purchase and construction and installation of, certain land, expansions to buildings and other structures thereon or therein, machinery, equipment, fixtures and furnishings for the purpose of the operation of such facilities related to the business and other legal activities of the Company and its affiliates (the "Project"), all as more fully set forth in the Fee Agreement attached hereto; and

WHEREAS, the Project involves a minimum capital investment by the Company in the County of at least \$11,000,000; and

WHEREAS, the Company anticipates that upon completion the Project will create at least 40 new full-time jobs in the County; and

WHEREAS, 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, it appears that the instruments above referred to, which are now before this meeting, are in appropriate form and are appropriate instruments 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. 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 locate a facility in the State and the acquisition and installation by the Company of various machinery, equipment, furnishings and fixtures all as a part of the Project to be utilized for the purpose of its manufacturing operations, is hereby authorized, ratified and approved.

Section 2. 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 Inducement Agreement are incorporated herein and made a part hereof;

(d) The Project will benefit the general public welfare of the County by providing service, 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;

(h) The Fee Agreement will require the Company to make certain reimbursements to the County and otherwise use the benefits provided for therein if the Company should fail to achieve the investment threshold set forth in the Fee Agreement; and

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

Section 3. The forms, 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 the County Council and the County Administrator be and are hereby authorized, empowered and directed to execute, acknowledge and deliver the Fee Agreement in the name of 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 be approved by the officials of the County executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the Fee Agreement now before this meeting.

Section 4. The Chairman of the County Council and the County Administrator, for and on behalf of the County, are hereby 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.

Passed and approved this 2nd day of February, 2016.

GREENVILLE COUNTY, SOUTH CAROLINA

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

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

ATTEST:

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

First Reading: November 3, 2015
Second Reading: November 17, 2015
Public Hearing: February 2, 2016
Third Reading: February 2, 2016