STATE OF SOUTH CAROLINA
COUNTY COUNCIL OF GREENVILLE COUNTY
ORDINANCE NO. _____

AUTHORIZING THE CONVERSION OF A FEE IN LIEU OF *AD VALOREM* TAXES ARRANGEMENT UNDER TITLE 4, CHAPTER 12, CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED, BETWEEN GREENVILLE COUNTY ("COUNTY") AND IVP, LLC ("COMPANY") TO A SIMPLIFIED FEE IN LIEU OF *AD VALOREM* TAXES ARRANGEMENT UNDER TITLE 12, CHAPTER 44 CODE OF LAWS OF SOUTH CAROLINA, 1976, AS AMENDED; THE CANCELLATION AND TERMINATION OF CERTAIN LEASE AND ASSOCIATED AGREEMENTS BETWEEN THE COUNTY AND THE COMPANY; THE RECONVEYANCE BY THE COUNTY OF RELATED PROPERTY TO THE COMPANY; AND OTHER MATTERS RELATED THERETO.

WHEREAS, Greenville County, South Carolina ("County"), acting by and through its County Council ("County Council"), as authorized and empowered under the provisions of Title 4, Chapter 12, Code of Laws of South Carolina, 1976, as amended ("Original Fee Act"), entered into a Lease Agreement with Perrigo Company of South Carolina, Inc. ("Perrigo"), dated as of November 1, 1997, ("Lease Agreement"), pursuant to which (i) Perrigo committed to invest in real and personal property in the County for the purpose of acquiring and constructing manufacturing facilities in the County ("Project") and (ii) the County provided Perrigo with fee-in-lieu of *ad valorem* taxes ("FILOT") benefits with respect to the Project ("Original Fee");

WHEREAS, in connection with and in addition to the Lease Agreement, the County and Perrigo entered into an Indenture dated as November 1, 1997 ("Indenture") by which the County issued a Special Source Revenue Bond, designated as "Greenville County, South Carolina, Special Source Revenue Bond, Series 1997 (Perrigo Company of South Carolina, Inc. Project)," and an Escrow Agreement between the County, Company, and Haynsworth, Marion, McKay and Guerard, L.L.P., dated as of November 1, 1997 ("Escrow Agreement");

WHEREAS, Perrigo and the County entered into the Inducement Agreement and Millage Rate Agreement executed by the County on August 5, 1997 and by Perrigo on September 22, 1997, as amended pursuant to the terms of Ordinance by County Council enacted November 4, 1997, as required under the Original Fee Act and as a precursor to the Lease Agreement;

WHEREAS, in connection with a business transaction occurring August 5, 2016 , the Company and Perrigo entered into an Assignment and Assumption Agreement ("Assignment Agreement") under which the Company assumed all of Perrigo's rights, title, and interests in and to the Lease Agreement and the real and personal property constituting the Project (the "Transfer"), to which the County consented in a Resolution of County Council adopted July 12, 2016;

WHEREAS, a Memorandum of Lease and Assignment and Assumption Indenture was recorded on August 5, 2016 at Book ___ and Page___ in the Greenville County property records;

WHEREAS, by way of letter dated August 3, 2016, the County consented to the Company granting a leasehold mortgage on the real property and a security interest in the personal property constituting the Project in order to effectuate a financing in combination with the Transfer ("Consent Letter");

WHEREAS, FILOT arrangements entered into pursuant to the Original Fee Act required that a county hold title to all of the assets subject to a FILOT arrangement;

WHEREAS, the General Assembly passed a new FILOT act, Title 12, Chapter 44, Code of Laws of South Carolina 1976, as amended ("Simplified Fee Act") in 1997 that permits the granting of FILOT benefits without the need for a county to hold title to all of the assets subject to a FILOT arrangement;

WHEREAS, under Section 12-44-170 of the Simplified Fee Act, a company with an existing FILOT arrangement entered into pursuant to the Original Fee Act, is permitted, under certain conditions, to "convert" from an original title transfer FILOT arrangement to a non-title transfer FILOT arrangement;

WHEREAS, as provided under Section 12-44-170 under the Simplified Fee Act, the Company desires to and has elected to transfer the Project from a FILOT arrangement under the Original Fee Act to a FILOT arrangement under the Simplified Fee Act ("Conversion"), and the County has consented to the same, subject to the following conditions: (i) a continuation of the same fee payments required under the Original Fee for the time required for payments under the Original Fee; (ii) a carryover of minimum investment or employment requirements of the Original Fee to the FILOT arrangement under the Simplified Fee Act, as applicable; and (iii) the entering into of appropriate agreements and amendments between the Company and the County continuing the provisions and limitations of the Original Fee; and

WHEREAS, in connection with the above, the County Council desires to hereby authorize (i) the Conversion, (ii) the execution and delivery of a Conversion and Fee-in-Lieu of *Ad Valorem* Taxes Agreement pursuant to the Simplified Fee Act ("Agreement"), (iii) the cancellation and termination of the Lease Agreement, the Inducement Agreement and Millage Rate Agreement, the Indenture, and the Escrow Agreement; (iv) the ratification of the Consent Letter; and (v) the reconveyance by the County to the Company of property previously conveyed to the County by Perrigo for purposes of the FILOT arrangement.

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

Section 1. *Consent to Conversion; Authorization to Execute and Deliver Agreement; Termination of the Lease Agreement and Related Documentation.* (a) The County approves the Conversion and, in connection therewith, hereby authorizes and directs the County Administrator to execute and deliver the Agreement, in a form substantially similar to the form attached hereto as Exhibit A, in the name of and on behalf of the County, subject to any revisions thereto as are not materially adverse to the County as may be approved by the County Administrator on receipt of advice from counsel to the County, the County Administrator's execution and delivery of the final Agreement being conclusive of such matters.

(b) The County Administrator is further authorized to execute and deliver such (i) termination and cancellation agreements, documents and consents on behalf of the County as may be necessary to cause the termination and cancellation of the Lease Agreement and related documentation (the Inducement Agreement and Millage Rate Agreement, the Indenture, and the Escrow Agreement) and the discharge of all obligations thereunder; and (ii) deeds and/or bills of sale on behalf of the County as may be necessary to reconvey to the Company such property previously conveyed to the County by Perrigo for purposes of the FILOT arrangement.

(c) The Clerk to County Council is hereby authorized to attest on behalf of the County any of the documentation referred to in paragraphs (a) and (b) above.

Section 2. *Ratification of Consent Letter.* The County ratifies the execution of the Consent Letter and the actions taken in accordance thereto.

Section 3. *Further Assurances.* The County Administrator is hereby authorized and directed to take whatever further action and execute whatever further documents as may be necessary or appropriate to effect the intent of this Ordinance.

Section 4. *Severability.* If any portion of this Ordinance is deemed unlawful, unconstitutional or otherwise invalid, the validity and binding effect of the remaining portions shall not be affected thereby.

Section 5. *General Repealer.* All ordinances, resolutions, and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

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

GREENVILLE COUNTY, SOUTH CAROLINA

_____
Bob Taylor, Chairman
Greenville County Council

(SEAL)

ATTEST: _____
                                 Joseph Kernell
                                 County Administrator

_____
Teresa B. Kizer, Clerk to Council
Greenville County Council

READINGS:

First Reading:	August 16, 2016
Second Reading:	September 6, 2016
Third Reading:	September 20, 2016
Public Hearing:	September 20, 2016

EXHIBIT A

FORM OF AGREEMENT