

## ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE AUTHORIZING PURSUANT TO CHAPTER 44 OF TITLE 12, SOUTH CAROLINA CODE OF LAWS, 1976, AS AMENDED, THE EXECUTION AND DELIVERY OF A PARTIAL ASSIGNMENT, ASSUMPTION AND BIFURCATION AGREEMENT; AN AMENDED AND RESTATED 2014 FEE AGREEMENT BY AND BETWEEN GREENVILLE COUNTY, SOUTH CAROLINA AND GE GAS TURBINES (GREENVILLE) L.L.C.; AND AN AMENDED AND RESTATED 2014 FEE AGREEMENT BY AND BETWEEN GREENVILLE COUNTY, SOUTH CAROLINA AND GENERAL ELECTRIC COMPANY, ALL AGREEMENTS WITH RESPECT TO THE DIVISION AND BIFURCATION OF THAT CERTAIN 2014 FEE AGREEMENT BY AND BETWEEN GREENVILLE COUNTY, SOUTH CAROLINA, GENERAL ELECTRIC COMPANY AND GE GAS TURBINES (GREENVILLE) L.L.C., AND OTHER MATTERS RELATED 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 (the “*FILOT Act*”), of the Code of Laws of South Carolina 1976, as amended, to enter into agreements with industry whereby the industry would pay payments-in-lieu-of taxes with respect to qualified projects; through all such 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 or remain in the State and thus utilize and employ the manpower, products and 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;

**WHEREAS,** pursuant to the FILOT Act, and in order to induce investment in the County, the County did previously enter into a Fee Agreement dated July 8, 2014 (the “*2014 FILOT Agreement*”) with General Electric Company (“*General Electric Company*”) and GE Gas Turbines (Greenville) L.L.C. (“*GE Gas*”) (collectively, the “*Companies*”) with respect to the acquisition, construction, and installation of land, buildings, improvements, fixtures, machinery, equipment, furnishings and other real and/or tangible personal property to constitute a new facility in the County for manufacturing or distribution (collectively, the “*Project*”) subject to the Companies investing at least \$400 million at the Project;

**WHEREAS,** the Companies’ business activity in the County includes, among other activities, the manufacture of both aerospace equipment and gas turbine equipment;

**WHEREAS,** as of December 31, 2023, the Companies had collectively invested approximately \$1 billion dollars at the Project and anticipate an approximate additional investment at the Project of \$300 million dollars by December 31, 2029;

**WHEREAS,** as of the effective date of the 2014 FILOT Agreement and until April 2, 2024 the Companies collectively owned the entire Project as related, affiliated companies of General Electric Company;

**WHEREAS**, on April 2, 2024, General Electric Company spun off its portfolio of energy businesses to GE Vernova Inc. (the “**Spin-Off**”) under which GE Gas was transferred to GE Vernova Inc., resulting in GE Gas becoming a subsidiary of GE Vernova Inc.;

**WHEREAS**, following the Spin-Off, GE Gas was assigned all of the gas turbine assets under the Project including any such gas turbine assets that may have been formerly owned by General Electric Company, and General Electric Company was assigned all of the aerospace assets under the Project including those that may have been formerly owned by GE Gas;

**WHEREAS**, the Companies wish to amend, assign, and bifurcate the 2014 FILOT Agreement so that the 2014 FILOT Agreement reflects the change in ownership of the Project assets after the Spin-Off;

**WHEREAS**, following the Spin-Off, General Electric Company’s remaining investment at the Project (before taxable depreciation) is approximately \$49 million and GE Gas’s remaining investment at the Project (before taxable depreciation) is approximately \$972 million;

**WHEREAS**, following the Spin-Off, GE Gas’s annual FILOT payment calculation will be calculated based upon the same formula as prior to the Spin-Off since GE Gas has substantially exceeded the promised investment and other requirements set forth in the 2014 FILOT Agreement;

**WHEREAS**, following the Spin-Off, General Electric Company’s remaining investment will not satisfy the minimum investment required under the FILOT Act in order for General Electric Company’s annual payment-in-lieu-of taxes to be calculated based upon an assessment ratio of four (4%) percent; rather, General Electric Company’s annual payment in-lieu of taxes, following the Spin-Off will be calculated based upon an assessment ratio of six (6%) percent with the millage rate, the net present value discount rate and Fee Term (as defined in the 2014 FILOT Agreement) remaining unchanged;

**WHEREAS**, the County has determined based on the information supplied to it by the Companies that following the division or bifurcation of the 2014 FILOT Agreement, the Project would continue to be a “project” and “economic development property” as such terms are defined in the FILOT Act, and that the Project following the bifurcation would continue to serve the purposes of the FILOT Act;

**WHEREAS**, the County has determined based on the information supplied to it by the Companies, there have been no Events of Default (as defined in the 2014 FILOT Agreement) or other events, including the Spin-Off or the transfers contemplated in the Bifurcation Documents (as defined below), permitting the County to exercise any remedies of default pursuant to Section 9.2 of the 2014 FILOT Agreement or under the Bifurcation Documents;

**WHEREAS**, in order for General Electric Company to make similar payments-in-lieu-of taxes that it paid in prior tax years under the 2014 FILOT Agreement as initially contemplated, the County hereby grants to General Electric Company an additional annual infrastructure credit. The additional annual infrastructure credit will be in addition to the credit already set forth in the 2014 FILOT Agreement. The additional credit shall be applied annually against General Electric Company’s payment-in-lieu-of-taxes as authorized by Section 12-44-70 of the FILOT Act. The

amount of the additional annual credit shall be the difference between the payment-in-lieu-of-taxes based upon a six (6%) percent assessment ratio and the payment-in-lieu-of-taxes based upon a four (4%) percent assessment ratio, with the amount of such credit to be determined annually by the Company to be remitted to the County each year no later than forty-five(45) days following the Company's receipt of the South Carolina Department of Revenue Property Tax Assessment Notice (SC Form PT-310) and workpapers for the Project;

**WHEREAS**, to memorialize the 2014 FILOT Agreement bifurcation and the additional credit to General Electric Company, the County Council has caused to be prepared and presented to this meeting the form of the following documents: (x) an Amended and Restated 2014 Fee Agreement by and between Greenville County, South Carolina and GE Gas Turbines (Greenville) L.L.C., (y) an Amended and Restated 2014 Fee Agreement by and between Greenville County, South Carolina and General Electric Company, and (z) a Partial Assignment, Assumption and Bifurcation Agreement (all collectively, the "**Bifurcation Documents**"), which the County proposes to execute and deliver; and

**WHEREAS**, it appears that the documents above referred to, which are now before this meeting, are in appropriate form and are an appropriate instrument to be executed and delivered or approved by the County for the purposes intended.

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

Section 1. Based on information supplied by the Companies following the bifurcation of the 2014 FILOT Agreement, it is hereby found, determined and declared by the County Council, as follows:

(a) The Project will continue to constitute a "project" and "economic development property" as said terms are referred to and defined in the FILOT Act, and the County's actions herein will subserve the purposes and, in all respects, conform to the provisions and requirements of the FILOT Act;

(b) The Project as bifurcated is anticipated to continue to benefit the general public welfare of the County by continuing to provide services, employment, recreation or other public benefits not otherwise provided locally;

(c) The Project will give rise to no pecuniary liability of the County or any incorporated municipality or a charge against the general credit or taxing power of either;

(d) The purposes to be accomplished by the bifurcated Project, i.e., economic development, creation of jobs and addition to the tax base of the County, are proper governmental and public purposes; and

(e) The benefits of the bifurcated Project are anticipated to be greater than the costs.

Section 2. The form, terms and provisions of the Bifurcation Documents presented to this meeting are hereby approved and all of the terms and provisions thereof are hereby incorporated herein by reference as if the Bifurcation Documents were set out in this Ordinance in their entirety.

The Chairman of County Council and/or the County Administrator are hereby authorized, empowered and directed to execute, acknowledge and deliver the Bifurcation Documents 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 thereupon to cause the Bifurcation Documents to be delivered to the Companies and cause a copy of the same to be delivered to the Greenville County Auditor, Assessor and Treasurer. The Bifurcation Documents are 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 County Administrator, upon advice of counsel, his execution thereof to constitute conclusive evidence of his approval of any and all changes or revisions therein from the form of Bifurcation Documents now before this meeting.

Section 3. The Chairman of County Council, the County Administrator and the Clerk to County Council, 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 Bifurcation Documents and the performance of all obligations of the County thereunder.

Section 4. 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 5. All ordinances, resolutions, and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed. This ordinance shall take effect and be in full force from and after its passage by the County Council.

**ENACTED** in meeting duly assembled this \_\_ day of \_\_\_\_\_, 2024

**GREENVILLE COUNTY, SOUTH CAROLINA**

\_\_\_\_\_  
Chairman of County Council

\_\_\_\_\_  
County Administrator

Attest:

\_\_\_\_\_  
Clerk to County Council

First Reading: \_\_\_\_\_ 2024  
Second Reading: \_\_\_\_\_ 2024  
Third Reading: \_\_\_\_\_ 2024  
Public Hearing: \_\_\_\_\_ 2024

**STATE OF SOUTH CAROLINA**

**COUNTY OF GREENVILLE**

I, the undersigned Clerk to County Council of Greenville County, South Carolina, do hereby certify that attached hereto is a true, accurate and complete copy of an ordinance which was given reading, and received unanimous approval, by the County Council at its meetings of \_\_\_\_\_ 2024, \_\_\_\_\_ 2024, and \_\_\_\_\_ 2024, at which meetings a quorum of members of County Council were present and voted, and an original of which ordinance is filed in the permanent records of the County Council.

\_\_\_\_\_  
Clerk to County Council,  
Greenville County, South Carolina

Dated: \_\_\_\_\_, 2024