



**WHEREAS**, Project Scott, a code name for a corporation organized and existing under the laws of the State of Delaware (the “Company”), has represented to the County that the Company intends to acquire certain machinery, apparatus, and equipment for use and operation at an existing manufacturing facility in the County (the “Project”); and

**WHEREAS**, pursuant to provisions of the Park Agreement, the Company is or will be obligated to make or cause to be made payments in-lieu of tax to the County for property it owns or leases which is located within the Park, which payments in-lieu of tax are to be distributed according to the Park Agreement to a county adjoining the County and to the County, in the total amount equivalent to the *ad valorem* property taxes that would have been due and payable but for the location of the property owned or leased by the Company within the Park; and

**WHEREAS**, based on representations by the Company that the Project will represent a capital investment in the County of not less than Two Million Five Hundred Thousand Dollars (\$2,500,000) during the period beginning with the first day that personal property comprising the Project is purchased or acquired and ending five (5) years after the last day of the property tax year during which the Project is first placed in service, in order to enhance the economic development of the County, the County desires to assist the Company in locating the Project within the County;

**WHEREAS**, pursuant to certain negotiations heretofore undertaken between the County and the Company with respect to the Project (i) the County agreed to enter into a FILOT arrangement with the Company, and to provide certain Infrastructure Improvement Credits to the Company for qualifying investment in infrastructure pursuant to Section 12-44-70 of the Act and Section 4-1-175 of the Joint-County Industrial and Business Park Act for the purposes outlined in Section 4-29-68 of the Code for the Project; and (ii) the Company agreed to make payments-in-lieu of tax to the County (“FILOT Payments”) with respect to the Project in the Park as authorized in the Act; and

**WHEREAS**, the County has given due consideration to the economic development impact of the Project, 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

**WHEREAS**, the County and the Company have agreed to the specific terms and conditions of such FILOT arrangement and special source revenue financing as set forth in that certain fee-in-lieu of tax agreement between the County and the Company (the “FILOT Agreement”), which is to be in substantially the form presented to this meeting and filed with the Clerk to County Council; and

**WHEREAS**, pursuant to the provisions of the FILOT Agreement, the Company will be obligated to make payments-in-lieu of taxes to the County, as required by the Act; and

**WHEREAS**, the acquisition and construction of the Project will serve the intended purposes and in all respects conform to the provisions and requirements of the Act; and

**WHEREAS**, it appears that the draft FILOT Agreement now before this meeting is in appropriate form and is an appropriate instrument to be executed and delivered by the County for the purposes intended; and

**NOW, THEREFORE, BE IT ORDAINED** by Edgefield County, South Carolina, in meeting duly assembled, as follows:

**Section 1.** As contemplated by the Act and based on the representations of the Company as recited herein, it is hereby found, determined and declared by the County Council, as follows:

- (a) The Project will constitute a “project” as said term is referred to and defined in the Act, and will subserve the purposes and in all respects conform to the provisions and requirements of the Act;
- (b) It is anticipated that the Project will benefit the general public welfare of the County by providing employment, services, recreation and other public benefits not otherwise provided locally;
- (c) Neither the Project, nor any documents or agreements entered into by the County in connection therewith will constitute or give rise to any pecuniary liability of the County or a charge against its general credit or taxing power;
- (d) The purposes to be accomplished by the Project, i.e., economic development, creation or retention of jobs, and addition to the tax base of the County, are proper governmental and public purposes;
- (e) The benefits of the Project to the public are greater than the costs to the public;
- (f) The FILOT Agreement will require the Company to make FILOT Payments in accordance with the provisions of the Act; and
- (g) The FILOT Payments referred to in item (f) above shall be calculated as specified in Section 5.01 of the FILOT Agreement.
- (h) The County will use its commercially reasonable efforts to take all reasonable acts to ensure that the Project will continuously be included with the boundaries of the Park or another qualified multi-county industrial park in order that the tax benefits contemplated hereunder and afforded by the laws of the State for projects located within multi-county industrial or business parks will be available to the Company for at least the term of the Fee Agreement.

**Section 2.** The form, terms, and provisions of the FILOT Agreement presented to this meeting and filed with the Clerk to 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 FILOT Agreement were set out in this Ordinance in its entirety. The Chairman of County Council and the Clerk to County Council be and hereby are authorized, empowered, and directed to execute, acknowledge, and deliver the FILOT Agreement in the name and on behalf of the County, and thereupon to cause the FILOT Agreement to be delivered to the Company. The FILOT Agreement is to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall not materially adversely affect the rights of the County thereunder and as shall be approved by the officials of the County executing the same, upon the advice of the County Attorney, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of FILOT Agreement now before this meeting.

**Section 3.** Pursuant to Section 12-44-55(B) of the Act, the County hereby agrees that no recapitulation information, as set forth in Section 12-44-55(A) of the Act is required to be provided by the Company in the FILOT Agreement, or in any other documents or agreements in connection with the fee-in-lieu of tax arrangement between the Company and the County, to the extent that and so long as the Company makes all reports and filings required by the Act and provides copies thereof to County officials as required by the Act within one (1) month of the date of proper filing. The Company shall file a copy of the South Carolina Department of Revenue form PT-443 with the County after the execution of the FILOT Agreement by the County and the Company.

**Section 4.** In consideration of the Company's Two Million Five Hundred Thousand Dollars (\$2,500,000) investment in the Project at the Project site, the financing of certain of the infrastructure of the Project through infrastructure improvement credits ("Infrastructure Improvement Credits") equal to fifteen percent (15%) of the FILOT payments for the Project in the Park, but only with respect to and to the extent of the FILOT payments made on behalf of the Project in the Park, for the first ten (10) years of FILOT payments on behalf of the Project in the Park, are hereby approved under the terms and conditions set forth in Section 12-44-70 of the Act; and all of the foregoing terms, provisions, and conditions related to Infrastructure Improvement Credits, as provided in the FILOT Agreement, are hereby approved.

**Section 5.** The obligation to provide Infrastructure Improvement Credits is a limited obligation of the County payable by the County solely from, and secured by a pledge of, the FILOT payments made by the Company with respect to the Project in the Park. The obligation to provide Infrastructure Improvement Credits is not and shall never constitute an indebtedness of the County within the meaning of any state constitutional provision (other than the provisions of Article X, Section 14(10) of the South Carolina constitution) or statutory limitation and shall never constitute or give rise to a pecuniary liability of the County or a charge against its general credit or taxing power. Nothing in this Ordinance or the FILOT Agreement, as amended, shall be construed as an obligation of or commitment by the County to expend any of its funds for such financing other than the FILOT Payments made by the Company with respect to the Project in the Park and retained by the County.

**Section 6.** The Chairman of the County Council, the County Administrator and the Clerk to the County Council, for and on behalf of the County, are hereby each authorized and directed to do any and all things necessary or proper to effect the execution and delivery of the FILOT Agreement, and the performance of all obligations of the County under and pursuant to the FILOT Agreement. The Chairman of the County Council, the County Administrator and the Clerk to County Council, and any other proper officer of County, be and each of them is hereby authorized and directed to execute and

deliver any and all documents and instruments and to do and to cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Ordinance.

**Section 7.** The provisions of this Ordinance are hereby declared to be separable and if any section, phrase, or provision 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 8.** All orders, resolutions, ordinances, and parts thereof in conflict herewith are, to the extent of such conflict only, hereby repealed and this Ordinance shall take effect and be in full force from and after its passage and approval.

[END OF ORDINANCE, EXECUTION PAGE TO FOLLOW]

WITNESS our hands and seals this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**EDGEFIELD COUNTY, SOUTH CAROLINA**

BY: \_\_\_\_\_  
Chairman of County Council  
Edgefield County, South Carolina

ATTEST:

BY: \_\_\_\_\_  
Clerk to County Council  
Edgefield County, South Carolina

First Reading: \_\_\_\_\_, 20\_\_  
Second Reading: \_\_\_\_\_, 20\_\_  
Third Reading: \_\_\_\_\_, 20\_\_  
Public Hearing: \_\_\_\_\_, 20\_\_