

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING: (I) GREENVILLE COUNTY, SOUTH CAROLINA TO NEGOTIATE CERTAIN INCENTIVE AGREEMENTS WITH A COMPANY OR COMPANIES KNOWN TO THE COUNTY AT THIS TIME COLLECTIVELY AS PROJECT JULEP (THE “COMPANY”), WHEREBY, UNDER CERTAIN CONDITIONS, GREENVILLE COUNTY WILL EXECUTE A FEE IN LIEU OF TAX AGREEMENT WITH THE COMPANY WITH RESPECT TO AN INDUSTRIAL PROJECT IN THE COUNTY, WHEREBY THE PROJECT WOULD BE SUBJECT TO CERTAIN FEES IN LIEU OF TAXES; (II) THE CHAIRMAN OF COUNTY COUNCIL OR THE COUNTY ADMINISTRATOR TO EXECUTE A PT-444 SO AS TO EXTEND THE FIVE YEAR EXEMPTION FROM NONSCHOOL AND NON-MUNICIPAL AD VALOREM TAXATION TO THE COMPANY; AND, (III) PROVIDING FOR RELATED MATTERS.

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, Code of Laws of South Carolina 1976, as amended (the “Act”), to enter into agreements with industry, to offer certain privileges, benefits, and incentives as inducements for economic development within the County; to acquire, or cause to be acquired, properties as may be defined as “projects” in the Act and to enter agreements with the business or industry to construct, operate, maintain and improve such projects; to enter into or allow financing agreements with respect to such projects; and to accept any grants for such projects, through which powers the industrial and business development of the State will be promoted, whereby the industry would pay fees-in-lieu-of taxes with respect to qualified industrial 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; and

WHEREAS, a company or companies known to the County at this time collectively as Project Julep (the “Company”) have requested the County assist it in the acquisition, construction and installation of improvements, fixtures, machinery, equipment, furnishings and other real and/or tangible personal property of approximately \$7,500,000 along with the purchase of an existing building or buildings and land of approximately \$2,500,000, for an aggregate investment of approximately \$10,000,000 (collectively, the “Project”), all related to the location and establishment of the Company’s manufacturing facilities in the County, and the creation of 11 new, full-time jobs with respect thereto, all during the period beginning January 1, 2014 and ending December 31, 2019 (the “Investment Period”); and

WHEREAS, the Company has requested that the County enter into a fee in lieu of tax agreement, thereby providing for certain fee in lieu of tax incentives with respect to the Project; and

WHEREAS, the Company has requested that the County approve the extension of the five-year statutory abatement from non-school and non-municipal ad valorem taxation (the “Abatement”) to the Company for Project property not qualifying for the fee in lieu of tax incentives; and

WHEREAS, pursuant to the authority of Section 4-1-170, Code of Laws of South Carolina 1976, as amended, and Article VIII, Section 13 of the South Carolina Constitution, the County has agreed to use its best commercially reasonable efforts to cause the new Project site to be located in a multi-county industrial and business park (a “Multi-County Park”) established by the County pursuant to qualifying agreement with an adjoining county in the State; 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” and “economic development property” as such terms are defined in the Act and that the Project would serve the purposes of the Act; and

WHEREAS, the County has determined and found, on the basis of representations of the Company, that the Project is anticipated to benefit the general public welfare of the County by providing services, employment, recreation 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; that the purposes to be accomplished by the Project, i.e., economic development, retention of jobs, and addition to the tax base of the County, are proper governmental and public purposes; 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 costs; and has agreed to negotiate a fee in lieu of tax agreement for qualifying Project property and execute, if requested, a PT-444 for Project property not eligible for the fee-in-Lieu of tax incentives to induce the Company to locate the Project in the County on the terms and conditions hereinafter set forth;

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

Section 1. The County Council hereby finds that: (i) the Project is anticipated to benefit the general public welfare of the County by providing services, employment, recreation, or other public benefits not otherwise adequately provided locally; (ii) the Project gives rise to no pecuniary liability of the County or a charge against its general credit or taxing power; (iii) the purposes to be accomplished by the Project are proper governmental and public purposes and the inducement of the location of the Project within South Carolina is of paramount importance and the benefits of the Project to the public are greater than the cost (which latter finding has been made using an appropriate cost-benefit analysis); and (iv) it has evaluated the Project considering all relevant and required factors, including, but not limited to, the anticipated dollar amount and nature of the investment to be made and the anticipated costs and benefits to the County, the new jobs to be created, and all other criteria prescribed by law.

Section 2. The County hereby agrees to enter into a fee in lieu of tax arrangement with the Company under the Act, if the Company invests at least Ten Million Dollars (\$10,000,000) (an expected Seven Million Five Hundred Thousand Dollars (\$7,500,000) of which is expected to be new taxable (fee-in-lieu-of-tax) property) and creates at least eleven (11) new, full-time jobs in the Project, and so long as the Company maintains such minimum investment in the Project without regard to depreciation. The County agrees to provide for a fee in lieu of ad valorem taxes (“FILOT”) for a period of 20 years for each component of the Project placed in service during the investment period (the “FILOT Term”) under the Act. The FILOT shall be calculated using a 6.5% assessment ratio and a fixed millage rate equal to the lowest millage rate allowable under the Act (which the parties hereto believe to be the millage rate in effect for all taxing entities at the Project site on June 30, 2013, and which the parties hereto believe to be 324.6 mils) for a period of 20 years, for each component of the Project placed in service during the investment period.

Section 3. The County agrees to use its best commercially reasonable efforts to ensure that the Property is already located in or to include the Property in a Park for at least the longer of a 20-year period or the period of time the FILOT arrangement is in place.

Section 4. The County desires to provide the Company the Abatement for Project property not qualifying for the fee-in-lieu-of-tax incentives and based upon representations of the Company, the County finds that the Company has met the requirements under Sections 12-37-220(A)(7) and 12-37-220(C) of the South Carolina Code of Laws 1976, as amended, in that the Company is or will be a manufacturing establishment in the County, is an unrelated purchaser who acquired or intends to acquire

its facilities for the Project in an arm's length transaction, and has preserved or will preserve the existing facilities and number of jobs.

Section 5. In connection with the above, the Chairman of County Council, the County Administrator and the Clerk to County Council are hereby authorized and directed to execute a form PT-444 if requested by the Company, for Project property not qualifying for the fee-in-lieu-of-tax incentives and further negotiate a FILOT for Project property eligible for the negotiated fee-in-lieu-of-tax incentives with the Company with the final terms to prescribed by County Council through a subsequent Ordinance.

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 from and after its passage by the County Council.

Section 7. The authorization of the execution and delivery of the documents related to the FILOT agreement and all other documents or obligations of the County required under this Resolution is subject to the compliance by the County Council with the provisions of the Home Rule Act regarding the procedural requirements for adopting ordinances and resolutions.

Section 8. It is the intention of the County Council that this resolution shall constitute an inducement resolution for the Project within the meaning of the Act.

Done in meeting duly assembled this ___ day of _____, 2014.

GREENVILLE COUNTY, SOUTH CAROLINA

(SEAL)

By: _____
Chairman of County Council

By: _____
County Administrator
Greenville County, South Carolina

ATTEST:

By: _____
Clerk to County Council
Greenville County, South Carolina