

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

**AN ORDINANCE AUTHORIZING AMENDMENTS TO AND RESTATEMENT OF FEE-IN-LIEU-OF-TAX ARRANGEMENT ON BEHALF OF PROJECT EDISON (THE “COMPANY”) PURSUANT TO A FEE-IN-LIEU-OF-TAX AGREEMENT BETWEEN GREENVILLE COUNTY, SOUTH CAROLINA AND THE COMPANY; AUTHORIZATION AND IMPLEMENTATION OF SPECIAL SOURCE REVENUE CREDITS PURSUANT TO EXECUTION AND DELIVERY OF AN INFRASTRUCTURE FINANCING AGREEMENT; AND OTHER MATTERS RELATING TO THE FOREGOING.**

**WHEREAS**, Greenville County, South Carolina (the “County”), acting by and through its County Council (the “County Council”), is empowered under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended, (the “Code”) and specifically, Title 12, Chapter 44 of the Code (the “FILOT Act”), and Title 4, Chapter 1 (the “Multi-County Park Act”), each as amended through the date hereof (collectively, the “Act”): (i) to assist investors in acquiring, enlarging, improving, and expanding certain types of industrial and commercial projects; (ii) to acquire, or cause to be acquired properties (which such properties constitute “projects” as defined in the FILOT Act); (iii) to enter into agreements, including fee agreements for the payment of certain fees-in-lieu of *ad valorem* taxes, with such investors to induce such investors to construct and thereafter operate, maintain, and improve such projects; (iv) to covenant with such investors to accept certain payments-in-lieu of *ad valorem* taxes with respect to the project (the “FILOT”); and (v) to enter into agreements with other counties within the State of South Carolina for the purpose of creating multi-county industrial and business parks, pursuant to which certain tax credits are made available to investors locating, improving, or expanding projects within such parks; through all of which the economic development of the State of South Carolina will be promoted and trade developed by inducing manufacturing and certain other business enterprises to locate in and remain in the State of South Carolina, and thus utilize and employ the manpower and resources of the State of South Carolina; and

**WHEREAS**, Project Edison, a Delaware corporation duly authorized to do business in South Carolina (the “Company”), has previously represented to the County that the Company intends to invest in certain land, buildings, furnishings, fixtures, machinery, apparatus, and equipment in connection with an expansion and upgrade of a manufacturing, repair, and overhaul facility in the County (the “Project”), and has begun to do so and continues to do so; and

**WHEREAS**, the County is authorized by the aforementioned laws to execute a fee-in-lieu-of-taxes agreement, as defined in the FILOT Act, with respect to the Project; and

**WHEREAS**, the County, pursuant to certain negotiations heretofore undertaken with the Company with respect to the Project as reflected in a Resolution duly adopted by the County Council on August 16, 2011, has entered into an Inducement and Millage Rate Agreement (the “Inducement Agreement”) with the Company pursuant to which the County agreed to enter into a FILOT arrangement with the Company and to designate the Project site as part of a multi-county park

agreement (the “Park Agreement”) which is either already in existence or to be created (the “Multi-County Park”) and to grant certain infrastructure credits (the “Credits”) to the Company only under certain specific conditions (the “Conditions”), as described below, and the Company agreed to make FILOT payments with respect to the Project as authorized in the FILOT Act; and

**WHEREAS**, the County and the Company agreed to the specific terms and conditions of such FILOT arrangement as set forth in that certain fee agreement between the County and the Company (the “Fee Agreement”), dated as of December 1, 2011; and

**WHEREAS**, pursuant to the provisions of the Fee Agreement, the Company is obligated to make payments-in-lieu of taxes to the County, as required by the FILOT Act, for Project property placed in service between January 1, 2011, and December 31, 2016, and has been doing so; and

**WHEREAS**, the County determined, in conjunction with the authorization of the Fee Agreement that 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**, at the time of the authorization of the Fee Agreement, the Company represented to the County that the Project would represent a capital investment in the County of an expected Twenty-five Million Dollars (\$25,000,000) (but not less than Fifteen Million Dollars (\$15,000,000)), total, including in property not subject to FILOT payments, and a possible investment larger than that and creation of approximately thirty (30) new, full-time jobs at the Project, in the County, during the period beginning with the first day that real or personal property comprising the Project is purchased or acquired (January 1, 2011) and ending five (5) years after the last day of the property tax year (2011) during which the Project is first placed in service, and that such investment is being done in order to enhance the economic development of the County and in furtherance thereof, the County desired to assist the Company in locating the Project within the County; and

**WHEREAS**, since the execution and delivery and mutual execution of the Fee Agreement, the Company has already invested in excess of \$20,000,000 in the Project, thereby meeting the threshold requirements and Conditions for the County to implement the Credits for the Company, necessitating the legislation necessary for placing the Project property(ies) into a Multi-County Park, and the execution and delivery of an infrastructure financing agreement (the “Infrastructure Financing Agreement”) to authorize the application of the Credits against the Company’s County property tax bills; and,

**WHEREAS**, the Company has now indicated to the County an intent to make substantial additional investment into the Project than was originally forecast, and has committed to an additional expected new investment in the Project of \$12,000,000, for a total expected investment in the Project of \$37,000,000 (the \$25,000,000 original expected investment plus the new \$12,000,000 expected investment); and

**WHEREAS**, based on the expected new investment, the Company has asked the County to amend and restate the original fee agreement, and execute and deliver additional new agreements, to: extend the investment period of the Fee Agreement by an additional two (2) years, to a total of seven

(7) years; extend the term of the fee agreement from twenty (20) years to a new term of thirty (30) years, for each increment of investment made by the Company during the seven (7) year investment period; actually place the Project property(ies) into a Multi-County Park, as already agreed upon by the County; and execute and deliver an Infrastructure Financing Agreement, authorizing the implementation of the Credits by the Company, beginning with the County property tax bill for the Project due in the fall of 2016 (for the tax year ending December 31, 2015); and

**WHEREAS**, the Company and the County have had drafted and reviewed, respectively, an Amended and Restated Fee Agreement (the “Amended and Restated Fee Agreement”), a new Exhibit A to an existing 2010 Multi-County Park Agreement with Anderson County to include the Project property(ies) in that Multi-County Park (the “New Exhibit A”) (attached hereto as “New Exhibit A”), and a separate ordinance of the County authorizing it, and an Infrastructure Financing Agreement authorizing the implementation and application of the Credits to the County’s property tax bill for the Project, starting with the County tax bill to be delivered in the fall of 2016; and

**WHEREAS**, it appears that the draft Amended and Restated Fee Agreement, and the Infrastructure Financing Agreement now before this meeting and included with this Ordinance are in appropriate form and are appropriate instruments to be executed and delivered by the County for the purposes intended and the new Exhibit A will be approved by separate ordinance of the County:

**NOW, THEREFORE, BE IT ORDAINED** by Greenville 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, including as expanded, as described herein, 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 expanded Project will continue to 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, including the expanded Project as described herein, 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 and continue to be proper governmental and public purposes;
- (e) The benefits of the extended Project to the public are and continue to be greater than the costs to the public;

- (f) The Amended and Restated Fee Agreement will require the Company to continue to make fee-in-lieu of tax payments in accordance with the provisions of the Act; and
- (g) The fee-in-lieu-of-tax payments referred to in item (f) above shall continue to be calculated as specified in Section 5.01 of the Amended and Restated Fee Agreement; and
- (h) The amendment to Exhibit A of the Multi-County Park Agreement will add the Project property(ies) to the Multi-County Park, once authorized by separate ordinance of the County; and
- (i) The Infrastructure Credit Agreement will allow the Company to claim the Credits, previously authorized by the County, beginning with the County property tax bill to be delivered for the Project in the fall of 2016.

Section 2. The form, terms, and provisions of the Amended and Restated Fee Agreement, the revised Exhibit A to the 2010 Multi-County Park Agreement with Anderson County, and the Infrastructure Credit Agreement presented to this meeting and filed with the Clerk to 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 Amended and Restated Fee Agreement, and the Infrastructure Credit Agreement were set out in this Ordinance in their entirety. The Chairman of the County Council and the County Administrator be and they are hereby authorized, empowered, and directed to execute, acknowledge, and deliver the Amended and Restated Fee Agreement, and the Infrastructure Credit Agreement in the name and on behalf of the County, and thereupon to cause the Amended and Restated Fee Agreement and the Infrastructure Credit Agreement to be delivered to the Company and the revised Exhibit A to the 2010 Multi-County Park Agreement with Anderson County to be delivered to Anderson County once authorized by separate ordinance of the County. The Amended and Restated Fee Agreement, and the Infrastructure Credit Agreement are 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, or counsel for the County, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of Amended and Restated Fee Agreement, and the Infrastructure Credit Agreement now before this meeting.

Section 3. The County will authorize the execution and delivery of the revised Exhibit A to the 2010 Multi-County Park Agreement with Anderson County, to Anderson County, by separate ordinance of the County.

Section 4. Pursuant to Section 12-44-55(B) of the FILOT Simplification Act, the County hereby agrees that no recapitulation information, as set forth in Section 12-44-55(A) of the FILOT Simplification Act is required to be provided by the Company in the Amended and Restated Fee Agreement, or in any other documents or agreements in connection with the fee-in-lieu of tax arrangement between the Company and the County, as long as the Company provides the County with copies of all filings required by the Act to be made by the Company. The Company shall file a copy of the South Carolina Department of Revenue form PT-443, and any subsequent amendments

thereto, with the County after the execution of the Amended and Restated Fee Agreement by the County and the Company.

Section 5. The provisions, terms, and conditions of the original Fee Agreement provided that, if and when the Company qualifies for the Credits described in Section 5 of this Ordinance by investing at least Twenty Million Dollars (\$20,000,000), including in property not subject to the FILOT, in the Project during the Initial Investment Period, the County would place the Project Properties into a Multi-County Park. The County hereby finds and certifies that, based on property tax returns of the Company, the Company has now invested the requisite amount in the Project.

Section 6. The original ordinance authorizing the execution and delivery of the original Fee Agreement provided that the provisions, terms, and conditions of an Infrastructure Financing Agreement, granting the Company twenty percent (20%) Credits against FILOT payments for the Project in the Multi-County Park (all as defined herein), for ten (10) years, would be authorized by subsequent ordinance(s) of the County if and when the Company reaches a total of Twenty Million Dollars (\$20,000,000), total, including in property not subject to the FILOT, in new taxable investment in the Project during the Initial Investment Period, and shall be, to the extent not prohibited by law, consistent with the terms of that Ordinance and the Fee Agreement. Such Credits may be taken to the extent of documented investment by the Company in infrastructure serving the Project, including improved and unimproved real property and personal property, including machinery and equipment, used in the operation of the Project. The County hereby finds and certifies that, based on property tax returns of the Company, the Company has now invested the requisite amount in the Project to qualify for implementation and application of the Credits, and the Infrastructure Credit Agreement attached hereto and authorized hereby will implement the activation of those Credits with the County property tax bill due for the Project in the fall of 2016.

Section 7. The Chairman of 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 Amended and Restated Fee Agreement, and the Infrastructure Credit Agreement and the performance of all obligations of the County under and pursuant to such agreements.

Section 8. The Chairman of County Council, the County Administrator and the Clerk to the County Council, and any other proper officer of the 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 9. 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 10. 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]

GREENVILLE COUNTY, SOUTH CAROLINA

BY: \_\_\_\_\_  
Bob Taylor, Chairman,  
Greenville County Council  
Greenville County, South Carolina

BY: \_\_\_\_\_  
Joe Kernell  
Greenville County Administrator

ATTEST:

BY: \_\_\_\_\_  
Theresa B. Kizer, Clerk to Council  
Greenville County, South Carolina

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

Addition to Exhibit A to  
Agreement for the Development of a Joint County Industrial and  
Business Park dated as of December 1, 2010, as amended,  
between Anderson County and Greenville County  
(New Exhibit A) (Project Edison) (this addition dated as of August 1, 2016)

Project Edison Tracts – Greenville County Map #: G006.00-03-002.00 and Greenville County  
Map #: G006.00-03-006.04