STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR FAIRFIELD COUNTY
ORDINANCE NO. 843

AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE-IN-LIEU OF *AD VALOREM* TAXES AND INCENTIVE AGREEMENT BY AND BETWEEN FAIRFIELD COUNTY, SOUTH CAROLINA AND A COMPANY IDENTIFIED FOR THE TIME BEING AS PROJECT MEGA CABLE TO PROVIDE FOR PAYMENT OF A FEE-IN-LIEU OF TAXES; AUTHORIZING CERTAIN INFRASTRUCTURE CREDITS, AND THE PROVISION OF A COUNTY ELECTRICITY GRANT; AND OTHER RELATED MATTERS.

WHEREAS, Fairfield County, South Carolina ("County"), acting by and through its County Council ("County Council") is authorized pursuant to the provisions of Title 12, Chapter 44, Code of Laws of South Carolina, 1976, as amended ("FILOT Act"), to encourage manufacturing and commercial enterprises to locate in the State of South Carolina ("South Carolina" or "State") or to encourage manufacturing and commercial enterprises now located in the State to expand their investments and thus make use of and employ the manpower, products, and other resources of the State by entering into an agreement with a sponsor, as defined in the FILOT Act, that provides for the payment of a fee-in-lieu of *ad valorem* tax ("FILOT Payments"), with respect to economic development property, as defined in the FILOT Act;

WHEREAS, pursuant to Article VIII, Section 13 of the South Carolina Constitution and Title 4, Section 1, Code of Laws of South Carolina, 1976, as amended (collectively, "MCIP Act"), the County is authorized to jointly develop multicounty parks with counties having contiguous borders with the County and, in the County's discretion, include property within the boundaries of such multicounty parks. Under the authority provided in the MCIP Act, the County has created a multicounty park with Richland County, South Carolina as governed by **[the Multi-County Park Agreement between the County and Richland County, South Carolina, dated as of April 15, 2003]** (as may have been amended, modified, and supplemented, the "Park Agreement") ("Park");

WHEREAS, pursuant to the FILOT Act and the MCIP Act, the County is authorized to provide infrastructure or special source revenue credits ("Special Source Credits") against FILOT Payments derived from economic development property to pay costs of designing, acquiring, constructing, improving or expanding (i) infrastructure serving a project or the County and (ii) improved and unimproved real estate and personal property used in the operation of a commercial enterprise or manufacturing facility ("Infrastructure");

WHEREAS, a company identified for the time being as Project Mega Cable, acting for itself, one or more affiliates, and/or other project sponsors ("Sponsor"), desires to establish, or cause the establishment of, certain manufacturing and related facilities ("Project") to be comprised, in part, and located on, land more particularly described in Exhibit A attached hereto (the "Project Site"), which, should the Project proceed as presently anticipated, the Sponsor anticipates will consist of, in the aggregate, taxable investment in real and personal property of not less than $34,280,000 and the creation of, in the aggregate, at least 135 new, full-time jobs; and

WHEREAS, at the request of the Sponsor and as an inducement to locate the Project in the County, the County desires to enter into a Fee-in-Lieu of *Ad Valorem* Taxes and Incentive Agreement with the Sponsor, as sponsor, the substantially final form of which is attached hereto as Exhibit B ("Fee Agreement"), pursuant to which the County will provide certain incentives to the Sponsor with respect to the Project, including, without limitation, (i) providing for FILOT Payments, to be calculated as set forth in the Fee Agreement, with respect to the portion of the Project which constitutes economic development property; (2) locating the Project, including, without limitation, the Project Site, in the Park; (3) providing Special

Source Credits to assist in paying the costs of certain Infrastructure; (4) providing a County grant to the Sponsor in support of the Project; and, (5) certain other incentives, all as described in greater detail in the Fee Agreement.

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

Section 1. ***Statutory Findings.*** Based on information supplied to the County by the Sponsor, County Council evaluated the Project based on relevant criteria including, the purposes the Project is to accomplish, the anticipated dollar amount and nature of the investment, employment to be created, and the anticipated costs and benefits to the County, and hereby finds:

(a) 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;

(b) The Project gives rise to no pecuniary liability of the County or incorporated municipality or a charge against its general credit or taxing power; and,

(c) The purposes to be accomplished by the Project are proper governmental and public purposes and the benefits of the Project are greater than the costs.

Section 2. ***Approval of Incentives; Authorization to Execute and Deliver Fee Agreement.*** The incentives as described in this Ordinance ("Ordinance"), as more particularly set forth in the Fee Agreement, all with respect to the Project, are hereby approved. The form, terms and provisions of the Fee Agreement that is before this meeting are approved and all of the Fee Agreement's terms and conditions are incorporated in this Ordinance by reference. The Chair of County Council ("Chair") is authorized and directed to execute the Fee Agreement in the name of and on behalf of the County, subject to the approval of any revisions or changes as are not materially adverse to the County by the County Administrator and counsel to the County, and the Clerk to County Council is hereby authorized and directed to attest the Fee Agreement and to deliver the Fee Agreement to the Sponsor.

Section 3. ***Inclusion within the Park.*** The expansion of the Park boundaries to include the Project, including, without limitation, the Project Site, is authorized and approved. The Chair, the County Administrator and the Clerk to County Council are each authorized to execute such documents and take such further actions as may be necessary to complete the expansion of the Park boundaries. Pursuant to the Park Agreement, the expansion of the Park's boundaries and the amendment to the Park Agreement is complete on adoption of this Ordinance by County Council and delivery of this Ordinance and a letter to the Clerk to County Council of Richland County, South Carolina.

Section 4. ***Further Assurances.*** The County Council confirms the authority of the Chair, the County Administrator, the Director of Economic Development, the Clerk to County Council, and various other County officials and staff, acting at the direction of the Chair, the County Administrator, the Director of Economic Development or Clerk to County Council, as appropriate, to take whatever further action and to negotiate, execute and deliver whatever further documents as may be appropriate to effect the intent of this Ordinance and the incentives offered to the Sponsor under this Ordinance and the Fee Agreement.

Section 5. ***Savings Clause.*** The provisions of this Ordinance are separable. If any part of this Ordinance is, for any reason, unenforceable then the validity of the remainder of this Ordinance is unaffected.

Section 6. ***General Repealer.*** Any prior ordinance, resolution, or order, the terms of which are in conflict with this Ordinance, is, only to the extent of that conflict, repealed.

Section 7. ***Effectiveness.*** This Ordinance is effective after its third reading and public hearing.

[End of Ordinance]

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Clarence Gilbert, Chairman
District 7

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Carl E. Bell, Vice-Chair
District 4

_____
Dan Ruff, District 1

_____
Don Goldbach, District 2

_____
Peggy Swearingen, District 3

_____
Doug Pauley, District 5

_____
Oren Gadson, District 6

(SEAL)

ATTEST:

_____
Kimberly Roberts, Ed. D., Clerk to County Council
Fairfield County, South Carolina

READINGS:

First Reading:
Second Reading:
Public Hearing:
Third Reading:

EXHIBIT A

PROJECT SITE

[To be inserted.]

EXHIBIT B

FORM OF FEE AGREEMENT

See attached.