

**NEWBERRY COUNTY
RESOLUTION 01-21**

A RESOLUTION COMMITTING TO NEGOTIATE AN AGREEMENT BETWEEN NEWBERRY COUNTY, SOUTH CAROLINA (THE "COUNTY") AND NEWBERRY ELECTRIC COOPERATIVE, INC., ACTING FOR ITSELF, ONE OR MORE AFFILIATES, AND/OR OTHER PROJECT SPONSORS (COLLECTIVELY, THE "COMPANY") PROVIDING CERTAIN BENEFITS INCLUDING (1) A FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT PURSUANT TO WHICH THE COUNTY SHALL COVENANT TO ACCEPT CERTAIN NEGOTIATED FEES IN LIEU OF AD VALOREM TAXES WITH RESPECT TO THE ESTABLISHMENT AND/OR EXPANSION OF CERTAIN FACILITIES IN THE COUNTY (THE "PROJECT"); (2) THE BENEFITS OF A MULTI-COUNTY INDUSTRIAL OR BUSINESS PARK TO BE MADE AVAILABLE TO THE COMPANY AND THE PROJECT; (3) CERTAIN SPECIAL SOURCE REVENUE CREDITS IN CONNECTION WITH THE PROJECT; AND (4) OTHER MATTERS RELATING THERETO.

WHEREAS, Newberry County, South Carolina (the "County"), acting by and through its County Council (the "Council"), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended (the "Code"), particularly Title 12, Chapter 44 of the Code (the "Negotiated FILOT Act") and Title 4, Chapter 1 of the Code (the "Multi-County Park Act" or, as to Section 4-1-175 thereof, and, by incorporation Section 4-29-68 of the Code, the "Special Source Act", and, together with the Negotiated FILOT Act, the "Act") and by Article VIII, Section 13(D) of the South Carolina Constitution: (i) to enter into agreements with certain investors to construct, operate, maintain, and improve certain projects through which the economic development of the State of South Carolina (the "State") will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ the manpower, agricultural products, and natural resources of the State; (ii) to covenant with such investors to accept certain fee in lieu of *ad valorem* tax ("FILOT") payments, including, but not limited to, negotiated FILOT payments made pursuant to the Negotiated FILOT Act, with respect to a project; (iii) to permit investors to claim special source revenue credits against their FILOT payments ("Special Source Credits") to reimburse such investors for expenditures in connection with infrastructure serving the County and improved or unimproved real estate and personal property, including machinery and equipment, used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the County ("Special Source Improvements"); and (iv) to create, in conjunction with one or more other counties, a multi-county industrial or business park in order to afford certain enhanced income tax credits to such investors and to facilitate the grant of Special Source Credits; and

WHEREAS, Newberry Electric Cooperative, Inc., acting for itself, one or more affiliates, and/or other project sponsors (collectively, the "Company") proposes to establish and/or expand certain facilities at one or more locations in the County (the "Project"); and

WHEREAS, the Company anticipates that, should its plans proceed as expected, it will invest, or cause to be invested, at least \$2,500,000, in the aggregate, in the Project; and

WHEREAS, as an inducement to the Company locate the Project in the County, the Company has requested that the County negotiate an agreement (“Incentive Agreement”), which provides for FILOT Payments and Special Source Credits with respect to the portion of the Project which constitutes economic development property, as defined in the Act.

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

Section 1. This Resolution is an inducement resolution for this Project for purposes of the Act.

Section 2. Council commits to enter into the Agreement, which provides for FILOT Payments and Special Source Credits with respect to the portion of the Project which constitutes economic development property. The further details of the FILOT Payments, Special Source Credits and the agreement will be prescribed by subsequent ordinance of the County to be adopted in accordance with South Carolina law and the rules and procedures of the County.

Section 3. The provisions, terms, and conditions of the Incentive Agreement shall be subject to approval by subsequent ordinance of the Council. The Incentive Agreement is to be in substantially the form customarily used by the County for similar transactions with such changes therein as shall be approved by said ordinance.

Section 4. The Chairman of the Council, the County Administrator, and the Clerk to the Council, for and on behalf of the County, are hereby each authorized, empowered, and directed to do any and all things necessary or proper to effect the performance of all obligations of the County under and pursuant to this Resolution.

Section 5. The execution and delivery of the Incentive Agreement is subject to the enactment by the Council of an ordinance authorizing the same and, in conjunction therewith, compliance with the provisions of the Home Rule Act regarding the procedural requirements for enacting ordinances.

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 upon adoption by the Council.

[End of Resolution]

Done in meeting duly assembled this 3rd day of March, 2021.

NEWBERRY COUNTY, SOUTH CAROLINA

By: _____
Henry H. Livingston, III, Chairman, County Council
Newberry County, South Carolina

[SEAL]

Attest:

By: _____
Susan C. Fellers, Clerk to County Council
Newberry County, South Carolina