

STATE OF SOUTH CAROLINA)
)
COUNTY OF NEWBERRY)

RESOLUTION NO. 12-14

**INDUCEMENT RESOLUTION PROVIDING FOR A
FEE IN LIEU OF TAX AGREEMENT
BETWEEN NEWBERRY COUNTY AND PROJECT SPEED RACER**

WHEREAS, Newberry 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 a fee in lieu of tax agreement (the "Fee Agreement") with respect to a project which requires the industry to make a payment of a fee in lieu of taxes, through which powers the industrial development of the State of South Carolina and the County will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State of South Carolina and the County and thus to utilize and employ the manpower, products, and natural resources of the State of South Carolina to benefit the general public welfare of the County by providing services, employment, and other public benefits not otherwise provided locally; and

WHEREAS, Project Speed Racer, an entity whose name cannot be publicly disclosed at this time, and/or its subsidiaries, affiliates, successors, assigns, sponsors, lessors, and others (collectively, the "Company"), desires to invest capital in the County in order to establish a manufacturing facility in the County (the "Project"); and

WHEREAS, the Project is anticipated to result in an investment of at least \$4,500,000 and the creation of approximately 238 new, full-time jobs, all within 5 years; and

WHEREAS, as an inducement to the Company to locate the Project in the County, the Company has requested that the County enter into a Fee Agreement, thereby providing for a fee in lieu of tax ("FILOT") benefit to the Company with respect to the qualifying portions of the Project; and

WHEREAS, as a further inducement to the Company, pursuant to the authority of Section 4-1-170 of the Code of Laws of South Carolina, 1976, as amended and Article VIII, Section 13 of the South Carolina Constitution, the County desires to locate the Project in a multi-county industrial and business park established, or to be established, by the County (the "Park") pursuant to a qualifying agreement with one or more contiguous South Carolina counties.

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

Section 1. Based on information supplied by the Company and following an evaluation of 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 anticipated costs and benefits to the County, and all other criteria prescribed by law, County Council determines 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).

Section 2. Based on information supplied by the Company, County Council further determines 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.

Section 3. The County hereby commits to enter into a Fee Agreement with the Company under the Act. The County commits to negotiate with the Company for a FILOT benefit for a period of 20 years for each component of the Project placed in service during the investment period (the “FILOT Term”) calculated using a 6% assessment ratio and a fixed millage rate equal to the lowest millage rate allowable under the Act (which the parties understand is 381.0 mills) for a period of 20 years for each component of the Project placed in service during the FILOT Term.

Section 4. The further details of the FILOT arrangement shall 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 5. The County commits to use its best 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 30-year period or the period of time the FILOT arrangement is in place.

Section 6. This resolution shall constitute an inducement resolution for this Project within the meaning of the Act.

Section 7. 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.

(Signature Page Follows)

Adopted this ____ day of _____, 2014.

NEWBERRY COUNTY, SOUTH CAROLINA

Signature: _____

Name: Henry H. Livingston, III

Title: Chairman, Newberry County Council

(SEAL)

ATTEST:

Signature: _____

Name: Laurie N. Renwick

Title: Clerk to Newberry County Council