## STATE OF SOUTH CAROLINA ) ) RESOLUTION NO.19-16 COUNTY OF NEWBERRY )

## INDUCEMENT RESOLUTION PROVIDING FOR A FEE IN LIEU OF TAX AGREEMENT BETWEEN NEWBERRY COUNTY AND PROJECT APOLLO II

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 Apollo II, an entity whose name cannot be publicly disclosed at this time ( "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 \$13,000,000; 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.

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

<u>Section 1.</u> Based on information supplied by the Company and following an evaluation of the Project considering all relevant and required factors, including 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 (*iv*) the benefits of the Project to the public are greater than the cost.

<u>Section 2.</u> 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.

<u>Section 3.</u> Subject to South Carolina law and the rules and procedures of the County with respect to the enactment of appropriate authorizing ordinances, 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 that qualifies as Economic Development Property under the Act and that is placed in service during the investment period (the "FILOT Term") calculated using a 6% assessment ratio and a fixed millage rate.

<u>Section 4.</u> 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. This resolution shall constitute an inducement resolution for this Project within the meaning of the Act.

<u>Section 6.</u> 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 \_\_\_\_\_\_, 2016.

## NEWBERRY COUNTY, SOUTH CAROLINA

Signature: \_\_\_\_\_\_ Title: Chairman, Newberry County Council

(SEAL) ATTEST:

Signature: \_\_\_\_\_\_ Title: Clerk to Newberry County Council