

STATE OF SOUTH CAROLINA)
)
NEWBERRY COUNTY)

ORDINANCE NO. 11-26-17

AN ORDINANCE AUTHORIZING A FEE AGREEMENT BY AND BETWEEN TRUCAST, LLC, A COMPANY PREVIOUSLY IDENTIFIED AS PROJECT PRIME, AND NEWBERRY COUNTY, SOUTH CAROLINA, WHEREBY, UNDER CERTAIN CONDITIONS, NEWBERRY COUNTY, SOUTH CAROLINA WILL ENTER INTO A FEE-IN-LIEU OF PROPERTY TAX ARRANGEMENT WITH TRUCAST, LLC TO INDUCE TRUCAST, LLC TO EXPAND ITS EXISTING MANUFACTURING FACILITIES LOCATED IN NEWBERRY COUNTY, SOUTH CAROLINA; AND OTHER MATTERS RELATED THERETO.

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 the South Carolina Constitution (the “Constitution”), the Code of Laws of South Carolina, 1976, as amended (the “Code”), and the case law of the courts of the State of South Carolina, to offer and provide certain privileges, benefits, and incentives to prospective industries as inducements for economic development within the County; and

WHEREAS, the County is authorized and empowered under and pursuant to the provisions of Title 12, Chapter 44 of the Code (the “Act”) to enter into certain agreements with any industry that constructs, operates, maintains, and improves certain properties, which constitute “projects” (as defined in the Act); and

WHEREAS, through employment of the powers granted by the Act, the County will promote the economic and industrial development of the State of South Carolina (the “State”) and develop its trade by inducing manufacturing and commercial enterprises to locate and remain in the State and thus use and employ the manpower, agricultural products, and natural resources of the State and benefit the general public welfare of the County by providing services, employment, recreation, or other public benefits not otherwise adequately provided locally that provide for the exemption of such project from property taxes and provide for the payment of a fee-in-lieu of property taxes (a “fee agreement” as defined in the Act); and

WHEREAS, Trucast, LLC, formerly known as Project Prime (“Company”) desires to expand its existing manufacturing facility located in the County which will result in the creation of new jobs and the addition of new investment in the County (the “Project”); and

WHEREAS, the Project involves an anticipated new investment by the Company in the County of at least \$3,000,000; and

WHEREAS, the Project involves the creation of at least 10 new, full-time jobs in the County; and

WHEREAS, the County, by proper action, has identified the Project as an economic development project under the Act through Resolution No. 12-17 (the “Inducement Resolution”); and

WHEREAS, in connection with the economic development incentives hereby authorized, the County and the Company are prepared to enter into a fee agreement as set forth in the Act pursuant to which the property comprising the Project will be exempted from *ad valorem* property taxes for a period of time, during which the Company shall make certain payments to the County in lieu of property taxes (the “Fee Agreement”); and

WHEREAS, the County has reviewed the Fee Agreement , the form of which is attached to this Ordinance and incorporated herein, and determined that the same is appropriate in form and substance for approval and execution by the County.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNTY COUNCIL OF NEWBERRY COUNTY, SOUTH CAROLINA, IN MEETING DULY ASSEMBLED:

Section 1. Findings and Determinations. Based solely on information provided by the Company, it is hereby declared that the facts set forth in the recitals to this Ordinance are true and correct in all respects. Based solely on information provided by the Company, the County further finds, determines and declares that:

(a) the Project will constitute a “project” as defined in the Act, and the County’s actions with respect to the Project will subserve the purposes of and conform to the Act;

(b) 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;

(c) the Project gives rise to no pecuniary liability of the County or incorporated municipality and does not result in a charge against its general credit or taxing power;

(d) the purposes to be accomplished by the Project, including, without limitation, economic development, jobs creation and maintenance, and expansion and maintenance of the County’s tax base, are proper governmental and public purposes and the benefits of the Project are greater than the costs;

(e) the County is expected to derive substantial direct economic benefits and numerous indirect benefits, such as indirect employment, indirect payroll income generated through direct, indirect, and induced income, and indirect investment (all as determined under generally accepted economic impact methodology);

(f) the inducement of the Project within South Carolina, and the County, by means of the economic development incentives authorized herein is of paramount importance;

(g) the Project will serve the purposes of the Act by promoting industrial development in the County and in the State of South Carolina; and

(h) the form of the Fee Agreement between the County and the Company, presented to this meeting and filed with the Clerk of the County Council (the "Clerk"), contain all provisions required by the Act, give no rise to a pecuniary liability of the County or a charge against its general credit or taxing power, and otherwise fully comply with applicable law.

Section 2. Authorization and Approval of Fee Agreement. The Fee Agreement is authorized and approved by the County as follows:

(a) The form, terms, and provisions of the Fee Agreement presented to this meeting and filed with the Clerk of the County Council (the "Clerk") is approved and all of the terms, provisions, and conditions of the Fee Agreement are incorporated by reference. The Chairman of the County Council (the "Chairman") and the Clerk are authorized, empowered, and directed to execute, acknowledge, and deliver the Fee Agreement in the name of the County. The Chairman and the Clerk are further authorized, empowered, and directed to cause the Fee Agreement to be delivered to the Company.

(b) The Fee Agreement to be executed on behalf of the County shall be in substantially the form now before the County Council, and shall include only changes that are both (i) not materially adverse to the County, and (ii) approved by the County officials executing the Fee Agreement after consultation with legal counsel. The County officials shall consult the County Attorney with respect to any changes to the Fee Agreement. The execution of the Fee Agreement by County officials shall constitute conclusive evidence that they have approved all changes to or revisions of the Fee Agreement now before this meeting.

(c) If under the Fee Agreement or the Act any future actions of the Company (including, without limitation, the supplementation of the Exhibits and/or any assignments of the Project) require the approval of the County, such approval can be given on behalf of the County by the County officials executing the Fee Agreement or their successors in office upon affirmative resolution of the County Council. The County officials shall consult the County Attorney with respect to such approval. The execution of a written approval by County officials shall constitute conclusive evidence that the County has approved the respective actions of the Company.

Section 3. Execution of Document. The Chairman, the Clerk, and the County Attorney are each authorized and directed to do all things necessary to effect the execution and delivery of the Fee Agreement and the County's performance of its obligations under the Fee Agreement.

Section 4. Severability. The provisions of this Ordinance are declared to be separable. If any section, phrase, or provision shall be declared by a court of competent jurisdiction to be invalid or unenforceable for any reason, the remaining sections, phrases, and provisions of the Ordinance shall remain valid.

Section 5. Repeal of Conflicting Ordinances. All orders, resolutions, and other ordinances in conflict with this Ordinance are repealed to the extent of such conflict.

Section 6. Ordinance Modification. This Ordinance shall not be amended, rescinded or modified except with the prior written consent of the Company.

Section 7. Effective Date of Ordinance. This Ordinance shall take effect immediately upon third reading of the County Council and shall supersede any inconsistent ordinances.

[Signature Page Follows]

Enacted this 20th day of December, 2017.

NEWBERRY COUNTY COUNCIL

Henry H. Livingston, III Chairman
Newberry County, South Carolina

ATTEST

Laurie Renwick, Clerk to Council
Newberry County, South Carolina

First Reading: November 1, 2017
Second Reading: November 15, 2017
Public Hearing: November 15, 2017
Third Reading: December 20, 2017

