

AGENDA ITEM:

XI-A

Ordinance item A

STATE OF SOUTH CAROLINA)
)
COUNTY OF JASPER)

ORDINANCE NO. 2021-31

AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE-IN-LIEU OF TAX AGREEMENT BY AND BETWEEN SALT LAND HOLDINGS, LLC AND THE SOUTHERN CAROLINA REGIONAL DEVELOPMENT ALLIANCE (PREVIOUSLY IDENTIFIED AS “PROJECT SOUTH”) (COLLECTIVELY, THE “COMPANY”) AND JASPER COUNTY, WHEREBY JASPER COUNTY WILL ENTER INTO A FEE-IN-LIEU OF TAX AGREEMENT WITH THE COMPANY AND PROVIDING FOR PAYMENT BY THE COMPANY OF CERTAIN FEES-IN-LIEU OF *AD VALOREM* TAXES; PROVIDING FOR SPECIAL SOURCE REVENUE CREDITS IN CONNECTION WITH SUCH AGREEMENT; AUTHORIZING AND APPROVING (1) DEVELOPMENT OF A NEW JOINT COUNTY INDUSTRIAL AND BUSINESS PARK PURSUANT TO SECTION 4-1-170 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, IN CONJUNCTION WITH HAMPTON COUNTY (THE “PARK”) SUCH PARK TO BE GEOGRAPHICALLY LOCATED IN JASPER COUNTY; (2) THE EXECUTION AND DELIVERY OF A WRITTEN PARK AGREEMENT WITH HAMPTON COUNTY AS TO THE REQUIREMENT OF PAYMENTS OF FEE-IN-LIEU OF *AD VALOREM* TAXES WITH RESPECT TO PARK PROPERTY AND THE SHARING OF THE REVENUES AND EXPENSES OF THE PARK; AND (3) THE DISTRIBUTION OF REVENUES FROM THE PARK WITHIN JASPER COUNTY; AND OTHER MATTERS RELATING THERETO.

WHEREAS, Jasper 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 and Hampton County, South Carolina (“Hampton County”) (collectively, the Member Counties”) proposes to establish jointly a multi-county industrial/business park within the geographical boundaries of one or more of the Member Counties; and

WHEREAS, pursuant to the FILOT and MCIP Acts, the County is authorized to provide credits (“Infrastructure 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, the Company proposes to develop the property described in Exhibit B attached hereto (the “Property”) to establish logistic, distribution and/or manufacturing facilities; and

WHEREAS, it is anticipated the Project will result in an investment of at least one hundred seventy million dollars (\$170,000,000) in the County; and

WHEREAS, at the request of the Company 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 Company, the final form of which is attached as Exhibit A (“Fee Agreement”), pursuant to which the County will provide certain incentives to the Company with respect to the Project, including (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; and (ii) providing Infrastructure Credits, as described in the Fee Agreement, to assist in paying the costs of certain Infrastructure; and

WHEREAS, in order to promote the economic development of Jasper County and Hampton County, the Counties have initially agreed to include in the Park the Property as more particularly described in Exhibit A to that certain Agreement for the Establishment of Multi-County Industrial/Business Park to be entered into by the Member Counties as of such date as may be agreed to by the Member Counties (the “MCIP Agreement”); and

WHEREAS, the Counties have agreed to the specific terms and conditions of the arrangement set forth in the MCIP Agreement; and

WHEREAS, the Counties now desire to establish the Park to include the Property; and

WHEREAS, a portion of the Property is subject to a deed restriction that requires that portion of the Property to be conveyed to the County if not sold or leased or otherwise utilized by the fifth (5th) anniversary of the date of said deed to or by an economic development project that will utilize port facilities; and

WHEREAS, the Southern Carolina Regional Development Alliance has requested that the deed restriction be released by the County.

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 and Additional 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;
- (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”), and as more particularly set forth in the Fee Agreement, 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 Company.

Section 3. 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 4. Establishment of Multi-County Park; Approval of MCIP Agreement; Location of Park; Change of Park Boundaries; Release of Deed Restrictions.

(a) There is hereby authorized to be established, initially in conjunction with Hampton County, a multi-county industrial/business park to include therein the Initial Property. The form, provisions, terms, and conditions of the MCIP Agreement in substantially the form before Jasper County Council (the "County Council") at the meeting at which this Ordinance receives third reading, and filed with the Clerk to County Council, be and they are hereby approved, and all of the provisions, terms, and conditions thereof are hereby incorporated herein by reference as if the MCIP Agreement were set out in this Ordinance in its entirety.

(b) The MCIP Agreement is to be in substantially the form before the meeting at which this Ordinance receives third reading, and is hereby approved, with such changes therein as shall not materially adversely affect the rights of Jasper County thereunder and as shall be approved by the officials of Jasper County executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the MCIP Agreement before the meeting at which this Ordinance receives third reading. The Chairman of County Council, for and on behalf of Jasper County, is hereby authorized, empowered, and directed to do any and all things necessary or proper to effect the establishment of the Park and the execution and delivery of the MCIP Agreement and the performance of all obligations of Jasper County under and pursuant to the MCIP Agreement and to carry out the transactions contemplated thereby and by this Ordinance.

(c) As of the date of enactment of this Ordinance, the Park shall consist of the Property located in Jasper County. It is recognized that the Park may from time to time consist of non-contiguous properties within each Member County. The boundaries of the Park may be enlarged or diminished from time to time as authorized by (a) an ordinance of the Member County in which the property to be added or removed from the Park is actually located, and (b) a resolution (or comparable action) of the governing bodies of all other Member Counties.

(d) A portion of the Property is subject to a deed restriction in favor of Jasper County. The deed restriction provides that in the event the property has not been sold, leased or otherwise utilized by the fifth (5th) anniversary of the date of the said deed to or by an economic development project that will utilize port facilities, the property shall be conveyed to Jasper County (the "Deed Restriction"). Several projects have investigated the Property but have indicated they are unwilling to locate a project on that portion of the

Property unless the Deed Restriction is removed. There is hereby authorized a Termination and Release of Deed Restriction ("Termination of Release") in substantially the form before County Council at the meeting of which this Ordinance receives third reading, and filed with the Clerk to Council, such terms and provisions being hereby approved and the Chairman of County Council, for an on behalf of Jasper County, is hereby authorized and directed to execute the Termination and Release and to cause the Termination and Release to be recorded in the Jasper County office of the Register of Deeds.

Section 5. Payment of Fee-in-lieu of Taxes.

(a) In accordance with Article VIII, Section 13(D) of the South Carolina Constitution, the area comprising the Park and all property having a situs therein is exempt from all *ad valorem* taxation. All owners and lessees of property situated in the Park will pay a fee in lieu of *ad valorem* taxes as provided for in the MCIP Agreement. The fee paid in lieu of *ad valorem* taxes shall be paid to the county treasurer of the county in which such property is located. That portion of the fee from the Park property located in a Member County and allocated pursuant to the MCIP Agreement to the other Member Counties shall be paid to the respective county treasurer (or other designated official) of the other Member Counties in accordance with the terms of the MCIP Agreement. Payments of fees in lieu of *ad valorem* taxes for each year will be due on the due date for property taxes for such year. Penalties for late payment will be at the same rate as late tax payments. Any late payment beyond the due date will accrue interest at the same rate as late tax payments. The Member Counties, acting by and through the appropriate official, shall maintain all liens and rights to foreclose upon liens provided for counties in the collection of *ad valorem* taxes.

(b) Nothing herein shall be construed to prohibit any Member County from negotiating and collecting reduced fees in lieu of taxes pursuant to Title 4, Chapter 29 or Chapter 12, or Title 12, Chapter 44 of the Code of Laws of South Carolina 1976, as amended, or any similar provision of South Carolina law.

Section 6. Sharing of Expenses and Revenues. Sharing of expenses and revenues of the Park by the Member Counties shall be as set forth in the MCIP Agreement.

Section 7. Distribution of Revenues to Taxing Entities. Revenues from the Park shall be distributed to and within the Member Counties as set forth in the MCIP Agreement.

Section 8. Governing Laws and Regulations. In order to avoid any conflict of laws or ordinances among the Member Counties, the ordinances or other local laws of each Member County will be the reference for such regulations or laws in connection with Park premises located within such Member County. Nothing herein shall be taken to supersede any applicable municipal, state, or federal law or regulation. The Member County in which a parcel of Park premises is located is specifically authorized to adopt restrictive covenants and land use requirements in accordance with law for each such parcel at that Member County's sole discretion. The ordinances of a Member County shall in no way apply to Park property not located in such Member County.

Section 9. Admission of Additional Parties. The MCIP Agreement may be amended from time to time to add additional counties or other political subdivisions located within South

Carolina or outside South Carolina, subject to any limitation contained in Article VIII, Section 13 of the Constitution of South Carolina or Title 4, Chapter 1 of the Code, by ordinances or comparable action of the governing body of each Member County. Upon approval of all Member Counties, the MCIP Agreement shall be amended to admit such political subdivision as a party thereto, with such rights and obligations as shall be provided in the MCIP Agreement as so amended and applicable law.

Section 10. *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 11. *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 12. *Effectiveness.* This Ordinance is effective after its third reading and public hearing.

JASPER COUNTY, SOUTH CAROLINA

Chair, Jasper County Council

(SEAL)
ATTEST:

Clerk of Council, Jasper County Council

First Reading: 11.01.2021
Second Reading:
Public Hearing:
Third Reading:

EXHIBIT A
FORM OF FEE AGREEMENT

EXHIBIT B

All those certain properties consisting of Tract 1 (TMS #030-00-01-019), Tract 2 (TMS #030-00-01-020), Tract 3 (TMS #030-00-01-021), Tract 4 (TMS #030-00-01-022), the Parent Tract (TMS #030-00-01-007), and the Southern Carolina Regional Development Alliance Tract (TMS #031-00-00-017), as more clearly delineated on that Survey dated _____, prepared by Hussey Gay & Bell and attached hereto as Exhibit B-1.

FEE-IN-LIEU OF *AD VALOREM* TAXES AND INCENTIVE AGREEMENT

BETWEEN

**SALT LAND HOLDINGS, LLC AND
SOUTHERN CAROLINA REGIONAL DEVELOPMENT ALLIANCE**

AND

JASPER COUNTY, SOUTH CAROLINA

EFFECTIVE AS OF NOVEMBER __, 2021

**SUMMARY OF CONTENTS OF
FEE AGREEMENT**

The parties have agreed to waive the requirement to recapitulate the contents of this Fee Agreement pursuant to Section 12-44-55 of the Code (as defined herein). However, the parties have agreed to include a summary of the key provisions of this Fee Agreement for the convenience of the parties. This summary is included for convenience only and is not to be construed as a part of the terms and conditions of this Fee Agreement.

PROVISION	BRIEF DESCRIPTION	SECTION REFERENCE
Sponsor Name	SALT Land Holdings, LLC and the Southern Carolina Regional Development Alliance	
Project Location		
Tax Map Nos.	030-00-01-017, 019, 020, 021, 022 and 007	
FILOT		
• Phase Exemption Period	30 Years	Section 1.1
• Contract Minimum Investment Requirement	\$170,000,000	Section 1.1
• Investment Period	10 Years	Section 1.1
• Assessment Ratio	6%	Section 4.1
• Millage Rate	_____	Section 4.1
• Fixed or Five-Year Adjustable Millage	Fixed	Section 4.1
• Minimum Investment Requirement	Act Minimum Investment	Section 1.1
Multicounty Park	Jasper and Hampton County - Sherwood	
Infrastructure Credit		
• Brief Description	40%	Section 5.1
• Credit Term	30 Years	Section 5.1
• Claw Back Information	Infrastructure Credit to be reduced if Company fails to meet Contract Minimum Investment Requirement during the Investment Period. Prorata reduction of Infrastructure Credit based upon formula set forth on Section 6.1.	Section 6.1
Other Information		

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FEE-IN-LIEU OF *AD VALOREM* TAXES AGREEMENT

THIS FEE-IN-LIEU OF *AD VALOREM* TAXES AGREEMENT ("*Fee Agreement*") is entered into, effective, as of _____, 2021, between Jasper County, South Carolina ("*County*"), a body politic and corporate and a political subdivision of the State of South Carolina ("*State*"), acting through the Jasper County Council ("*County Council*") as the governing body of the County, and SALT Land Holdings, LLC, a limited liability company organized and existing under the laws of the State of Delaware (the "*Company*") and the Southern Carolina Regional Development Alliance (the "*Alliance*") (collectively, the Company and the Alliance shall be referred to herein as the "Sponsors").

WITNESSETH:

WHEREAS, Title 12, Chapter 44, ("*Act*") of the Code of Laws of South Carolina, 1976, as amended ("*Code*"), authorizes the County to induce manufacturing and commercial enterprises to locate in the State or to encourage manufacturing and commercial enterprises currently 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 Act, that provides for the payment of a fee-in-lieu of *ad valorem* tax ("*FILOT*") with respect to Economic Development Property, as defined below; and

WHEREAS, Sections 4-1-175 and 12-44-70 of the Code authorize the County to provide credits ("*Infrastructure Credit*") against payments in lieu of taxes for the purpose of defraying of the cost of designing, acquiring, constructing, improving, or expanding (i) the infrastructure serving the County or a project and (ii) for improved and unimproved real estate, and personal property, including machinery and equipment, used in the operation of a manufacturing facility or commercial enterprise (collectively, "*Infrastructure*"); and

WHEREAS, the Sponsors propose to purchase and develop the Project (as defined herein) with the County; and

WHEREAS, the Sponsors anticipate that the Project will result in an investment of at least one hundred seventy million Dollars (\$170,000,000) in the County; and

WHEREAS, by an ordinance enacted on _____, 2021, County Council authorized the County to enter into this Fee Agreement with the Sponsors to provide for a FILOT and the other incentives as more particularly described in this Fee Agreement to induce the Sponsors to develop the Project in the County.

NOW, THEREFORE, AND IN CONSIDERATION of the respective representations and agreements hereinafter contained, the parties agree as follows:

ARTICLE I DEFINITIONS

Section 1.1. *Terms.* The defined terms used in this Fee Agreement have the meaning given below, unless the context clearly requires otherwise.

"*Act*" means Title 12, Chapter 44 of the Code, and all future acts successor or supplemental thereto or amendatory of this Fee Agreement.

"*Act Minimum Investment Requirement*" means an investment of at least \$2,500,000 in the Project within five years of the Commencement Date.

“Administration Expenses” means the reasonable expenses incurred by the County in the negotiation, approval and implementation of the terms and provisions of this Fee Agreement, including reasonable attorney’s and consultant’s fees. Administration Expenses does not include any costs, expenses, including attorney’s fees, incurred by the County (i) in defending challenges to the FILOT Payments[, Infrastructure Credits or other incentives] provided by this Fee Agreement brought by third parties or the Sponsor or its affiliates and related entities, or (ii) in connection with matters arising at the request of the Sponsor outside of the immediate scope of this Fee Agreement, including amendments to the terms of this Fee Agreement.

“Code” means the Code of Laws of South Carolina, 1976, as amended.

“Commencement Date” means the last day of the property tax year during which Economic Development Property is placed in service. The Commencement Date shall not be later than the last day of the property tax year which is three years from the year in which the County and the Sponsor enter into this Fee Agreement. For purposes of this Fee Agreement, the Commencement Date is expected to be December 31, 2022.

“Contract Minimum Investment Requirement” means a taxable investment in real and personal property at the Project of not less than \$170,000,000.

“County” means Jasper County, South Carolina, a body politic and corporate and a political subdivision of the State, its successors and assigns, acting by and through the County Council as the governing body of the County.

“County Council” means the Jasper County Council, the governing body of the County.

“Credit Term” means the years during the Fee Term in which the Infrastructure Credit is applicable, as described in Section 5.1.

“Department” means the South Carolina Department of Revenue.

“Diminution in Value” means a reduction in the fair market value of Economic Development Property, as determined in Section 4.1(a)(i) of this Fee Agreement, which may be caused by (i) the removal or disposal of components of the Project pursuant to Section 4.3 of this Fee Agreement; (ii) a casualty as described in Section 4.4 of this Fee Agreement; or (iii) a condemnation as described in Section 4.5 of this Fee Agreement.

“Economic Development Property” means those items of real and tangible personal property of the Project placed in service not later than the end of the Investment Period that (i) satisfy the conditions of classification as economic development property under the Act, and (ii) are identified by a Sponsor in its annual filing of a PT-300S or comparable form with the Department (as such filing may be amended from time to time).

“Equipment” means all of the machinery, equipment, furniture, office equipment, and fixtures, together with any and all additions, accessions, replacements, and substitutions.

“Event of Default” means any event of default specified in Section 7.1 of this Fee Agreement.

“Fee Agreement” means this Fee-In-Lieu Of *Ad Valorem* Taxes and Incentive Agreement.

“Fee Term” means the period from the effective date of this Fee Agreement until the Final Termination Date.

“FILOT Payments” means the amount paid or to be paid in lieu of *ad valorem* property taxes as provided in Section 4.1.

“Final Phase” means the Economic Development Property placed in service during the last year of the Investment Period.

“Final Termination Date” means the date on which the last FILOT Payment with respect to the Final Phase is made, or such earlier date as the Fee Agreement is terminated in accordance with the terms of this Fee Agreement. Assuming the Phase Termination Date for the Final Phase is December 31, 2032, the Final Termination Date is expected to be January 15, 2063, which is the due date of the last FILOT Payment with respect to the Final Phase.

“Improvements” means all improvements to the Real Property, including buildings, building additions, roads, sewer lines, and infrastructure, together with all additions, fixtures, accessions, replacements, and substitutions.

“Infrastructure” means (i) the infrastructure serving the County or the Project, (ii) improved and unimproved real estate, and personal property, including machinery and equipment, used in the operation of a manufacturing or commercial enterprise, or (iii) such other items as may be described in or permitted under Section 4-29-68 of the Code.

“Infrastructure Credit” means the credit provided to the Sponsors pursuant to Section 12-44-70 of the Act or Section 4-1-175 of the MCIP Act and Section 5.1 of this Fee Agreement, with respect to the Infrastructure. Infrastructure Credits are to be used for the payment of Infrastructure constituting real property, improvements and infrastructure before any use for the payment of Infrastructure constituting personal property, notwithstanding any presumptions to the contrary in the MCIP Act or otherwise.

“Investment Period” means the period beginning with the first day of any purchase or acquisition of Economic Development Property and ending ten (10) years after the Commencement Date, as may be extended pursuant to Section 12-44-30(13) of the Act. For purposes of this Fee Agreement, the Investment Period represents a five (5) year investment period plus an additional five (5) years that the County has hereby granted pursuant to the provisions of the Act.

“MCIP Act” means Article VIII, Section 13(D) of the Constitution of the State of South Carolina, and Sections 4-1-170, 4-1-172, 4-1-175, and 4-29-68 of the Code.

“Multicounty Park” means the multicounty industrial or business park governed by the Sherwood Multi-County Park Agreement, dated as of _____, between the County and Hampton County, South Carolina, as may be amended.

“Net FILOT Payment” means the FILOT Payment net of the Infrastructure Credit.

“Phase” means the Economic Development Property placed in service during a particular year of the Investment Period.

“Phase Exemption Period” means, with respect to each Phase, the period beginning with the property tax year the Phase is placed in service during the Investment Period and ending on the Phase Termination Date.

“Phase Termination Date” means, with respect to each Phase, the last day of the property tax year which is the 29th year following the first property tax year in which the Phase is placed in service.

“**Project**” means all the Equipment, Improvements, and Real Property in the County that the Sponsors or any other Sponsor or Sponsor Affiliate determine to be necessary, suitable, or useful by the Company or such other Sponsor or Sponsor Affiliate in connection with its investment in the County.

“**Real Property**” means real property that the Sponsors use or will use in the County for the purposes that Section 2.2(b) describes, and initially consists of the land identified on Exhibit A of this Fee Agreement.

“**Removed Components**” means Economic Development Property which the Company or Sponsor, as the case may be, in its sole discretion, (a) determines to be inadequate, obsolete, worn-out, uneconomic, damaged, unsuitable, undesirable, or unnecessary pursuant to Section 4.3 of this Fee Agreement or otherwise; or (b) elects to be treated as removed pursuant to Section 4.4(c) or Section 4.5(b)(iii) of this Fee Agreement.

“**Replacement Property**” means any property which is placed in service as a replacement for any Removed Component regardless of whether the Replacement Property serves the same functions as the Removed Component it is replacing and regardless of whether more than one piece of Replacement Property replaces a single Removed Component.

“**Sponsor**” means the Company, the Alliance and any entity that joins with the Company or Alliance and participates in the investment in, or financing of, the Project and which meet the requirements under the Act to be entitled to the benefits of this Fee Agreement with respect to its participation in the Project. The Sponsor must join in the Fee Agreement by that Joinder Agreement, the form of which is attached hereto as Exhibit B. The Sponsor may also be a Sponsor Affiliate.

“**Sponsor Affiliate**” means an entity that joins with or is an affiliate of a Sponsor and participates in the investment at the Project and joins this Fee Agreement by delivering a Joinder Agreement, the form of which is attached as Exhibit B to this Fee Agreement.

“**State**” means the State of South Carolina.

“**Subdivided Parcel**” shall have the meaning set forth in Section 9.2.

Any reference to any agreement or document in this Article I or otherwise in this Fee Agreement shall include any and all amendments, supplements, addenda, and modifications to such agreement or document.

The term “investment” or “invest” as used in this Fee Agreement includes not only investments made by the Sponsors, but also to the fullest extent permitted by law, those investments made by or for the benefit of the Sponsors, any other Sponsors or Sponsor Affiliates in connection with the Project through federal, state, or local grants, to the extent such investments are or, but for the terms of this Fee Agreement, would be subject to *ad valorem* taxes to be paid by the Sponsors or Sponsor Affiliates, as the case may be.

ARTICLE II REPRESENTATIONS AND WARRANTIES

Section 2.1. Representations and Warranties of the County. The County represents and warrants as follows:

(a) The County is a body politic and corporate and a political subdivision of the State and acts through the County Council as its governing body. The Act authorizes and empowers the County to enter into the transactions that this Fee Agreement contemplates and to carry out its obligations under this Fee Agreement. The County has duly authorized the execution and delivery of this Fee Agreement and all other

documents, certificates or other agreements contemplated in this Fee Agreement and has obtained all consents from third parties and taken all actions necessary or that the law requires to fulfill its obligations under this Fee Agreement.

(b) Based on representations by the Company and the Alliance, County Council evaluated the Project based on all relevant criteria including the purposes the Project is to accomplish, the anticipated dollar amount and nature of the investment resulting from the Project, and the anticipated costs and benefits to the County and following the evaluation, the County determined 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 any incorporated municipality and to no charge against the County's 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 are greater than the costs.

(c) The County identified the Project, as a "project" on November __, 2021 by adopting an Inducement Resolution, as defined in the Act on November __, 2021.

(d) The County is not in default of any of its obligations (contractual or otherwise) as a result of entering into and performing its obligations under this Fee Agreement.

(e) The County has located or will take all reasonable action to locate the Project in the Multicounty Park.

Section 2.2. Representations and Warranties of the Sponsor. The Company represents and warrants as follows:

(a) The Company is in good standing under the laws of the state of its organization, is duly authorized to transact business in the State (or will obtain such authority prior to commencing business in the State), has power to enter into this Fee Agreement, and has duly authorized the execution and delivery of this Fee Agreement.

(b) The Company intends to develop the Project for the purpose of constructing and operating manufacturing and/or distribution facilities and other commercial enterprises and for such other purposes that the Act permits as the Company may deem appropriate.

(c) The Company's execution and delivery of this Fee Agreement and its compliance with the provisions of this Fee Agreement do not result in a default under any agreement or instrument to which the Company is now a party or by which it is bound.

(d) The Company will use commercially reasonable efforts to achieve the Contract Minimum Investment Requirement.

(e) The execution and delivery of this Fee Agreement by the County and the availability of the FILOT and other incentives provided by this Fee Agreement has been instrumental in inducing the Company to develop the Project in the County.

(f) The Company has retained legal counsel to confirm, or has had a reasonable opportunity to consult legal counsel to confirm, its eligibility for the FILOT and other incentives granted by this Fee Agreement and has not relied on the County, its officials, employees or legal representatives with respect to any question of eligibility or applicability of the FILOT and other incentives granted by this Fee Agreement.

Section 2.3. Representations and Warranties of the Sponsor. The Alliance represents and warrants as follows:

(a) The Alliance is in good standing under the laws of the state of its organization, is duly authorized to transact business in the State (or will obtain such authority prior to commencing business in the State), has power to enter into this Fee Agreement, and has duly authorized the execution and delivery of this Fee Agreement.

(b) The Alliance intends to develop the Project for the purpose of constructing and operating manufacturing facilities and other commercial enterprises and for such other purposes that the Act permits as the Alliance may deem appropriate.

(c) The Alliance's execution and delivery of this Fee Agreement and its compliance with the provisions of this Fee Agreement do not result in a default under any agreement or instrument to which the Alliance is now a party or by which it is bound.

(d) The Alliance will use commercially reasonable efforts to achieve the Contract Minimum Investment Requirement.

(e) The execution and delivery of this Fee Agreement by the County and the availability of the FILOT and other incentives provided by this Fee Agreement has been instrumental in inducing the Alliance to develop the Project in the County.

(f) The Alliance has retained legal counsel to confirm, or has had a reasonable opportunity to consult legal counsel to confirm, its eligibility for the FILOT and other incentives granted by this Fee Agreement and has not relied on the County, its officials, employees or legal representatives with respect to any question of eligibility or applicability of the FILOT and other incentives granted by this Fee Agreement.

ARTICLE III THE PROJECT

Section 3.1. The Project. The Sponsors intend and expect to (i) construct or acquire the Project and (ii) meet the Contract Minimum Investment Requirement within the Investment Period. The Sponsors anticipate that the first Phase of the Project will be placed in service during the calendar year ending December 31, 2022. Notwithstanding anything contained in this Fee Agreement to the contrary, the Sponsors are not obligated to complete the acquisition of the Project. However, if the Contract Minimum Investment Requirement is not met, the benefits provided to the Sponsors are, a Sponsor, or Sponsor Affiliate, if any, pursuant to this Fee Agreement may be reduced, modified or terminated as provided in this Fee Agreement.

Section 3.2 Leased Property. To the extent that State law allows or is revised or construed to permit leased assets including a building, or personal property to be installed in a building, to constitute Economic Development Property, then any property leased by a Sponsor is, at the election of the Sponsor, deemed to be Economic Development Property for purposes of this Fee Agreement, subject, at all times, to the requirements of State law and this Fee Agreement with respect to property comprising Economic Development Property.

Section 3.3. Filings and Reports.

(a) The Company shall file a copy of this Fee Agreement and a completed PT-443 with the Economic Development Director and the Department and the Auditor, Treasurer and Assessor of the County and partner county to the Multicounty Park.

(b) On request by the County Administrator or the Economic Development Director, a Sponsor shall remit to the Economic Development Director records accounting for the acquisition, financing, construction, and operation of the Project which records (i) permit ready identification of all Economic Development Property; (ii) confirm the dates that the Economic Development Property or Phase was placed in service; and (iii) include copies of all filings made in accordance with this Section.

**ARTICLE IV
FILOT PAYMENTS**

Section 4.1. FILOT Payments.

(a) The FILOT Payment due with respect to each Phase through the Phase Termination Date is calculated as follows:

- Step 1: Determine the fair market value of the Economic Development Property (or Phase of the Economic Development Property) placed in service during the Exemption Period using original income tax basis for State income tax purposes for any Real Property and Improvements without regard to depreciation; provided however, at the election of a Sponsor, the fair market value will be determined by appraisal by the Department, in which case the Real Property and Improvements will be subject to reappraisal no more than once every 5 years; and original income tax basis for State income tax purposes for any personal property less depreciation for each year allowable for property tax purposes, except that no extraordinary obsolescence shall be allowable. The determination of these values shall take into account all applicable property tax exemptions that State law would allow to the Company or a Sponsor if the property were taxable, except those exemptions that Section 12-44-50(A)(2) of the Act specifically disallows.
- Step 2: Apply an assessment ratio of six percent (6%) to the fair market value in Step 1 to establish the taxable value of the Economic Development Property (or each Phase of the Economic Development Property) in the year it is placed in service and in each of the 29 years thereafter or such longer period of years in which the Act permits the Company or a Sponsor to make annual fee payments.
- Step 3: Use a fixed millage rate equal to the millage rate in effect on June 30, ____, which is ____ mills, as Section 12-44-50(A)(1)(d) of the Act provides, during the Exemption Period against the taxable value to determine the amount of the Payments in Lieu of Taxes due during the Exemption Period on the payment dates that the County prescribes for such payments or such longer period of years in which the Act permits the Company or a Sponsor to make annual fee payments.

Upon election by the Company or any Sponsor to have any Real Property valued by appraisal of the Department, the Company or Sponsor, as the case may be, shall notify the County and such election shall be evidenced by an amendment to the Fee Agreement.

The calculation of the FILOT Payment must allow all applicable property tax exemptions except those excluded pursuant to Section 12-44-50(A)(2) of the Act. The Sponsor acknowledges that (i) the calculation of the annual FILOT Payment is a function of the Department and is wholly dependent on the Sponsor timely submitting the correct annual property tax returns to the Department, (ii) the County has no responsibility for the submission of returns or the calculation of the annual FILOT Payment, and (iii) failure by the Sponsor to submit the correct annual property tax return could lead to a loss of all or a portion of the FILOT and other incentives provided by this Fee Agreement.

(b) If a final order of a court of competent jurisdiction from which no further appeal is allowable declares the FILOT Payments invalid or unenforceable, in whole or in part, for any reason, the parties shall negotiate the reformation of the calculation of the FILOT Payments to most closely afford the Sponsor with the intended benefits of this Fee Agreement. If such order has the effect of subjecting the Economic Development Property to *ad valorem* taxation, this Fee Agreement shall terminate, and the Sponsor shall owe the County regular *ad valorem* taxes from the date of termination, in accordance with Section 4.7.

Section 4.2. FILOT Payments on Replacement Property. If the Sponsor elects to place Replacement Property in service, then, pursuant and subject to the provisions of Section 12-44-60 of the Act, the Sponsor shall make the following payments to the County with respect to the Replacement Property for the remainder of the Phase Exemption Period applicable to the Removed Component of the Replacement Property:

(a) FILOT Payments, calculated in accordance with Section 4.1, on the Replacement Property to the extent of the original income tax basis of the Removed Component the Replacement Property is deemed to replace.

(b) Regular *ad valorem* tax payments to the extent the income tax basis of the Replacement Property exceeds the original income tax basis of the Removed Component the Replacement Property is deemed to replace.

Section 4.3. Removal of Components of the Project. Subject to the other terms and provisions of this Fee Agreement, the Sponsor is entitled to remove and dispose of components of the Project in its sole discretion. Components of the Project are deemed removed when scrapped, sold or otherwise removed from the Project. If the components removed from the Project are Economic Development Property, then the Economic Development Property is a Removed Component, no longer subject to this Fee Agreement and is subject to *ad valorem* property taxes to the extent the Removed Component remains in the State and is otherwise subject to *ad valorem* property taxes.

Section 4.4. Damage or Destruction of Economic Development Property.

(a) *Election to Terminate.* If Economic Development Property is damaged by fire, explosion, or any other casualty, then the Sponsor may terminate this Fee Agreement. For the property tax year corresponding to the year in which the damage or casualty occurs, the Sponsor is obligated to make FILOT Payments with respect to the damaged Economic Development Property only to the extent property subject to *ad valorem* taxes would have been subject to *ad valorem* taxes under the same circumstances for the period in question.

(b) *Election to Restore and Replace.* If Economic Development Property is damaged by fire, explosion, or any other casualty, and the Sponsor does not elect to terminate this Fee Agreement, then the

Sponsor may restore and replace the Economic Development Property. All restorations and replacements made pursuant to this subsection (b) are deemed, to the fullest extent permitted by law and this Fee Agreement, to be Replacement Property.

(c) *Election to Remove.* If Economic Development Property is damaged by fire, explosion, or any other casualty, and the Sponsor elects not to terminate this Fee Agreement pursuant to subsection (a) and elects not to restore or replace pursuant to subsection (b), then the damaged portions of the Economic Development Property are deemed Removed Components.

Section 4.5. Condemnation.

(a) *Complete Taking.* If at any time during the Fee Term, title to or temporary use of the Economic Development Property is vested in a public or quasi-public authority by virtue of the exercise of a taking by condemnation, inverse condemnation, or the right of eminent domain; by voluntary transfer under threat of such taking; or by a taking of title to a portion of the Economic Development Property which renders continued use or occupancy of the Economic Development Property commercially unfeasible in the judgment of the Sponsor, the Sponsor shall have the option to terminate this Fee Agreement by sending written notice to the County within a reasonable period of time following such vesting.

(b) *Partial Taking.* In the event of a partial taking of the Economic Development Property or a transfer in lieu, the Sponsor may elect: (i) to terminate this Fee Agreement; (ii) to restore and replace the Economic Development Property, with such restorations and replacements deemed, to the fullest extent permitted by law and this Fee Agreement, to be Replacement Property; or (iii) to treat the portions of the Economic Development Property so taken as Removed Components.

(c) In the year in which the taking occurs, the Sponsor is obligated to make FILOT Payments with respect to the Economic Development Property so taken only to the extent property subject to *ad valorem* taxes would have been subject to taxes under the same circumstances for the period in question.

Section 4.6. Calculating FILOT Payments on Diminution in Value. If there is a Diminution in Value, the FILOT Payments due with respect to the Economic Development Property or Phase so diminished shall be calculated by substituting the diminished value of the Economic Development Property or Phase for the original fair market value in Section 4.1(a) of this Fee Agreement.

Section 4.7. Payment of Ad Valorem Taxes. If Economic Development Property becomes subject to *ad valorem* taxes as imposed by law pursuant to the terms of this Fee Agreement or the Act, then the calculation of the *ad valorem* taxes due with respect to the Economic Development Property in a particular property tax year shall: (i) include the property tax reductions that would have applied to the Economic Development Property if it were not Economic Development Property; and (ii) include a credit for FILOT Payments the Sponsor has made with respect to the Economic Development Property.

Section 4.8. Place of FILOT Payments. All FILOT Payments shall be made directly to the County in accordance with applicable law.

ARTICLE V ADDITIONAL INCENTIVES

Section 5.1. Infrastructure Credits. To assist in paying for costs of Infrastructure, the Company and any qualifying Sponsor is entitled to claim an Infrastructure Credit to reduce certain FILOT Payments due and owing from the Sponsor to the County under this Fee Agreement. All qualifying expenses of the Sponsor during the Investment Period shall qualify for a 30-year, 40% Infrastructure Credit. Beginning with the first annual FILOT Payment and continuing for the next twenty-nine annual FILOT Payments, the

Sponsor will receive an annual credit in an amount equal to 40% of the annual FILOT Payment with respect to the Project; provided however, the Company or any Sponsor or Sponsor Affiliate may elect to begin application of the Infrastructure Credit in a year other than the year in which the first annual FILOT Payment is made. Such election may be made for each Subdivided Parcel (as defined in Section 9.2), unless already elected by the Company. In such event, the Company, Sponsor or Sponsor Affiliate, as the case may be, shall provide notice to the Economic Development Director of the County. Upon selection by the Company of the year in which the Infrastructure Credit shall first apply, the Infrastructure Credit will continue to be applied to the next twenty-nine annual FILOT Payments. In no event may the Sponsor's aggregate Infrastructure Credit claimed pursuant to this Section exceed the aggregate expenditures by the Sponsor on Infrastructure.

For each property tax year in which the Infrastructure Credit is applicable ("*Credit Term*"), the County shall prepare and issue the annual bills with respect to the Project showing the Net FILOT Payment. Following receipt of the bill, the Sponsor shall timely remit the Net FILOT Payment to the County in accordance with applicable law.

ARTICLE VI CLAW BACK

Section 6.1. *Claw Back.*

(i) As promptly as possible following the end of the tenth (10th) property tax year after the Commencement Date, the County shall consult with the Sponsors as to the Sponsors' progress toward the Contract Minimum Investment Requirement. If, following such consultation, the County reasonably determines (based on the Sponsors' admissions or other actual data consistent with such finding) that the Sponsors have not achieved the Minimum Contract Investment Requirement during the Investment Period as of the end of the Investment Period, the County may, in its discretion, reduce the Infrastructure Credits on a going-forward basis with respect to future buildings developed at the Project site. Such discretionary reduction shall apply solely to Infrastructure Credits equaling sixteen percent (16%) of FILOT Payments and shall be pro rata based on the amount by which the investment at the end of such property tax year is short of the Investment Commitment.

For example (and by way of example only) if the Sponsors invested or cause to be invested \$85,000,000 in real property and real property improvements at the Project by the end of such property tax year (i.e., 50% of \$170,000,000), the County may, at its discretion, reduce such portion of the Infrastructure Credits from 16% to 8% (i.e., 50% of 16%), such that the total Infrastructure Credit is 32% of FILOT Payments made with respect to any future buildings developed at the Project

(ii) Notwithstanding the foregoing, and for the avoidance of doubt:

- a. The County may, in its discretion, elect to forego any reductions in Infrastructure Credits pursuant to this Section 6.1 hereof or extend the Investment Period pursuant to the provisions of the Act;
- b. Under no circumstances shall the County modify the terms of the Fee Agreement in a manner detrimental to the Sponsors with respect to the Land constituting the project or with respect to any building that has been placed in service at the time of such purported modification; and
- c. In the event that Infrastructure Credits are reduced pursuant to Section 6.1 hereof, but following such reduction, the Sponsors prove to the reasonable satisfaction of the County that it is on pace to achieve or has achieved the Minimum Contract Investment Requirement within the Investment Period, any

prior reductions in Infrastructure Credits shall be rescinded effective as of the next property tax year, and the Sponsors shall be entitled to the full amount of Infrastructure Credits pursuant to Section 5.1 (subject to any potential reduction at the end of the tenth (10th) property tax year after the Commencement Date pursuant to Section 6.1(ii) above.

ARTICLE VII DEFAULT

Section 7.1. *Events of Default.* The following are “Events of Default” under this Fee Agreement:

(a) Failure to make FILOT Payments, which failure has not been cured within 30 days following receipt of written notice from the County specifying the delinquency in FILOT Payments and requesting that it be remedied;

(b) Failure to timely pay any amount, except FILOT Payments, due under this Fee Agreement;

(c) A representation or warranty made by the Sponsor which is deemed materially incorrect when deemed made;

(d) Failure by the Sponsor to perform any of the terms, conditions, obligations, or covenants under this Fee Agreement (other than those under (a), above), which failure has not been cured within 30 days after written notice from the County to the Sponsor specifying such failure and requesting that it be remedied, unless the Sponsor has instituted corrective action within the 30-day period and is diligently pursuing corrective action until the default is corrected, in which case the 30-day period is extended to include the period during which the Sponsor is diligently pursuing corrective action;

(e) A representation or warranty made by the County which is deemed materially incorrect when deemed made; or

(f) Failure by the County to perform any of the terms, conditions, obligations, or covenants hereunder, which failure has not been cured within 30 days after written notice from the Sponsor to the County specifying such failure and requesting that it be remedied, unless the County has instituted corrective action within the 30-day period and is diligently pursuing corrective action until the default is corrected, in which case the 30-day period is extended to include the period during which the County is diligently pursuing corrective action.

Section 7.2. *Remedies on Default.*

(a) If an Event of Default by the Sponsor has occurred and is continuing, then the County may take any one or more of the following remedial actions:

(i) terminate this Fee Agreement; or

(ii) take whatever action at law or in equity may appear necessary or desirable to collect amounts due or otherwise remedy the Event of Default or recover its damages;

(iii) Notwithstanding anything set forth herein to the contrary, in the event the Sponsors, together with any other Sponsor or Sponsor Affiliate, fail to meet the Contract Minimum Investment Requirement, the County’s sole remedy will be the clawback as provided in Article VI.

(b) If an Event of Default by the County has occurred and is continuing, the Sponsor may take any one or more of the following actions:

(i) bring an action for specific enforcement;

(ii) terminate this Fee Agreement; or

(iii) in case of a materially incorrect representation or warranty, take such action as is appropriate, including legal action, to recover its damages, to the extent allowed by law.

Section 7.3. Reimbursement of Legal Fees and Other Expenses. On the occurrence of an Event of Default, if a party is required to employ attorneys or incur other reasonable expenses for the collection of payments due under this Fee Agreement or for the enforcement of performance or observance of any obligation or agreement, the prevailing party is entitled to seek reimbursement of the reasonable fees of such attorneys and such other reasonable expenses so incurred.

Section 7.4. Remedies Not Exclusive. No remedy described in this Fee Agreement is intended to be exclusive of any other remedy or remedies, and each and every such remedy is cumulative and in addition to every other remedy given under this Fee Agreement or existing at law or in equity or by statute.

ARTICLE VIII PARTICULAR RIGHTS AND COVENANTS

Section 8.1. Confidentiality. The County acknowledges that a Sponsor may utilize confidential and proprietary processes and materials, services, equipment, trade secrets, and techniques (“*Confidential Information*”) and that disclosure of the Confidential Information could result in substantial economic harm to the Sponsor. The Sponsor may clearly label any Confidential Information delivered to the County pursuant to this Fee Agreement as “*Confidential Information*.” Except as required by law, the County, or any employee, agent, or contractor of the County, shall not disclose or otherwise divulge any labeled Confidential Information to any other person, firm, governmental body or agency. The Sponsor acknowledges that the County is subject to the South Carolina Freedom of Information Act, and, as a result, must disclose certain documents and information on request, absent an exemption. If the County is required to disclose any Confidential Information to a third party, the County will use its best efforts to provide the Sponsor with as much advance notice as is reasonably possible of such disclosure requirement prior to making such disclosure, and to cooperate reasonably with any attempts by the Sponsor to obtain judicial or other relief from such disclosure requirement.

Section 8.2. Indemnification Covenants.

(a) Except as provided in paragraph (d) below, the Sponsor shall indemnify and save the County, its employees, elected officials, officers and agents (each, an “*Indemnified Party*”) harmless against and from all liability or claims arising from the County’s execution of this Fee Agreement, performance of the County’s obligations under this Fee Agreement or the administration of its duties pursuant to this Fee Agreement, or otherwise by virtue of the County having entered into this Fee Agreement.

(b) The County is entitled to use counsel of its choice and the Sponsor shall reimburse the County for all of its costs, including attorneys’ fees, incurred in connection with the response to or defense against such liability or claims as described in paragraph (a), above. The County shall provide a statement of the costs incurred in the response or defense, and the Sponsor shall pay the County within 30 days of receipt of the statement. The Sponsor may request reasonable documentation evidencing the costs shown on the statement. However, the County is not required to provide any documentation which may be privileged or confidential to evidence the costs.

(c) The County may request the Sponsor to resist or defend against any claim on behalf of an Indemnified Party. On such request, the Sponsor shall resist or defend against such claim on behalf of the Indemnified Party, at the Sponsor's expense. The Sponsor is entitled to use counsel of its choice, manage and control the defense of or response to such claim for the Indemnified Party; provided the Sponsor is not entitled to settle any such claim without the consent of that Indemnified Party.

(d) Notwithstanding anything in this Section or this Fee Agreement to the contrary, the Sponsor is not required to indemnify any Indemnified Party against or reimburse the County for costs arising from any claim or liability (i) occasioned by the acts of that Indemnified Party, which are unrelated to the execution of this Fee Agreement, performance of the County's obligations under this Fee Agreement, or the administration of its duties under this Fee Agreement, or otherwise by virtue of the County having entered into this Fee Agreement; or (ii) resulting from that Indemnified Party's own negligence, bad faith, fraud, deceit, or willful misconduct.

(e) An Indemnified Party may not avail itself of the indemnification or reimbursement of costs provided in this Section unless it provides the Sponsor with prompt notice, reasonable under the circumstances, of the existence or threat of any claim or liability, including, without limitation, copies of any citations, orders, fines, charges, remediation requests, or other claims or threats of claims, in order to afford the Sponsor notice, reasonable under the circumstances, within which to defend or otherwise respond to a claim.

Section 8.3. *No Liability of County Personnel.* All covenants, stipulations, promises, agreements and obligations of the County contained in this Fee Agreement are binding on members of the County Council or any elected official, officer, agent, servant or employee of the County only in his or her official capacity and not in his or her individual capacity, and no recourse for the payment of any moneys under this Fee Agreement may be had against any member of County Council or any elected or appointed official, officer, agent, servant or employee of the County and no recourse for the payment of any moneys or performance of any of the covenants and agreements under this Fee Agreement or for any claims based on this Fee Agreement may be had against any member of County Council or any elected or appointed official, officer, agent, servant or employee of the County except solely in their official capacity.

Section 8.4. *Limitation of Liability.* The County is not liable to the Sponsor for any costs, expenses, losses, damages, claims or actions in connection with this Fee Agreement, except from amounts received by the County from the Sponsor under this Fee Agreement. Notwithstanding anything in this Fee Agreement to the contrary, any financial obligation the County may incur under this Fee Agreement is deemed not to constitute a pecuniary liability or a debt or general obligation of the County.

Section 8.5. *Assignment.* The Sponsor may assign this Fee Agreement in whole or in part with the prior written consent of the County or a subsequent written ratification by the County, which may be done by resolution, and which consent or ratification the County will not be unreasonably withheld. The Sponsor agrees to notify the County and the Department of the identity of the proposed transferee within 60 days of the transfer. In case of a transfer, the transferee assumes the transferor's basis in the Economic Development Property for purposes of calculating the FILOT Payments.

Section 8.6. *No Double Payment; Future Changes in Legislation.* Notwithstanding anything contained in this Fee Agreement to the contrary, and except as expressly required by law, the Sponsor is not required to make a FILOT Payment in addition to a regular *ad valorem* property tax payment in the same year with respect to the same piece of Economic Development Property. The Sponsor is not required to make a FILOT Payment on Economic Development Property in cases where, absent this Fee Agreement, *ad valorem* property taxes would otherwise not be due on such property.

Section 8.7. Administration Expenses. The Sponsor will reimburse, or cause reimbursement to, the County for Administration Expenses in an amount not to exceed \$5,000. The Sponsor will reimburse the County for its Administration Expenses on receipt of a written request from the County or at the County's direction, which request shall include a statement of the amount and nature of the Administration Expense. The Sponsor shall pay the Administration Expense as set forth in the written request no later than 60 days following receipt of the written request from the County. The County does not impose a charge in the nature of impact fees or recurring fees in connection with the incentives authorized by this Fee Agreement. The payment by the Sponsor of the County's Administration Expenses shall not be construed as prohibiting the County from engaging, at its discretion, the counsel of the County's choice.

ARTICLE IX SPONSOR AND SPONSOR AFFILIATES

Section 9.1. Sponsor and Sponsor Affiliates. The *Sponsors* may designate, from time to time, other Sponsors or Sponsor Affiliates pursuant to the provisions of Sections 12-44-30(19) or (20), respectively, and Section 12-44-130 of the Act, which Sponsors or Sponsor Affiliates shall be persons who join with the Company and other Sponsors and make investments with respect to the Project, or who participate in the financing of such investments, who agree to be bound by the terms and provisions of this Agreement. All other Sponsor or Sponsor Affiliates who otherwise meet the requirements of Section 12-44-30 (19) or (20) and Section 12-44-130 of the Act are subject to the consent of the County, which consent shall not be unreasonably withhold. To the extent that the aggregate investment in the Project by the end of the Investment Period by all Sponsors and Sponsor Affiliates exceeds \$5,000,000, to the extent permitted by Section 12-44-30(19) of the Act, all investment by such Sponsors and Sponsor Affiliates during the Investment Period shall qualify for the FILOT pursuant to Section 4.1 of this Agreement (subject to the other conditions set forth therein) regardless of whether each such entity invested amounts equal to the Contract Minimum Investment Requirement by the end of the Investment Period. A Sponsor or Sponsor Affiliate shall provide the County and the Department of Revenue with written notice of any other Sponsor or Sponsor Affiliate designated pursuant to this Section 9.01 in accordance with Section 12-44-130(B) of the Act. The parties agree that, if any Sponsor or Sponsor Affiliate ceases to become a party to this Agreement, the Agreement shall continue to remain in effect with respect to any remaining Sponsors or Sponsor Affiliates. The Sponsor or Sponsor Affiliate's joining in the investment at the Project will be effective on delivery of a Joinder Agreement, the form of which is attached as Exhibit B, executed by the Sponsor or Sponsor Affiliate, as the case may be, to the County.

Section 9.2. Subdivision and Transfer. The County hereby acknowledges the Company may subdivide the Property into separate parcels (the "**Subdivided Parcels**") and sell or lease such Subdivided Parcels to other Sponsors. Upon execution of the Transfer Agreement, such Sponsors will become subject to the terms of this Fee Agreement. It is intended that each such Sponsor shall be responsible for compliance with the terms and provisions herein. A default by such Sponsor shall not be deemed a default by the other Sponsors hereunder.

ARTICLE X MISCELLANEOUS

Section 10.1. Notices. Any notice, election, demand, request, or other communication to be provided under this Fee Agreement is effective when delivered to the party named below or when deposited with the United States Postal Service, certified mail, return receipt requested, postage prepaid, addressed as follows (or addressed to such other address as any party shall have previously furnished in writing to the other party), except where the terms of this Fee Agreement require receipt rather than sending of any notice, in which case such provision shall control:

IF TO THE COMPANY:
SALT Land Holdings, LLC

Attn: _____

IF TO THE ALLIANCE:
Southern Carolina Regional Development Alliance
201 Lee Avenue
Hampton, SC 29924
Attn: President

WITH A COPY TO (does not constitute notice):
Haynsworth Sinkler Boyd, P.A.
Attn: Gary W. Morris
1201 Main Street, Suite 2200
Columbia, SC 29201

IF TO THE COUNTY:
Jasper County, South Carolina
Attn: _____

WITH A COPY TO:
Attn: _____

Section 10.2. Provisions of Agreement for Sole Benefit of County and Sponsors. Except as otherwise specifically provided in this Fee Agreement, nothing in this Fee Agreement expressed or implied confers on any person or entity other than the County and the Sponsors any right, remedy, or claim under or by reason of this Fee Agreement, this Fee Agreement being intended to be for the sole and exclusive benefit of the County and the Sponsors.

Section 10.3. Counterparts. This Fee Agreement may be executed in any number of counterparts, and all of the counterparts together constitute one and the same instrument.

Section 10.4. Governing Law. South Carolina law, exclusive of its conflicts of law provisions that would refer the governance of this Fee Agreement to the laws of another jurisdiction, governs this Fee Agreement and all documents executed in connection with this Fee Agreement.

Section 10.5. Headings. The headings of the articles and sections of this Fee Agreement are inserted for convenience only and do not constitute a part of this Fee Agreement.

Section 10.6. Amendments. This Fee Agreement may be amended only by written agreement of the parties to this Fee Agreement.

Section 10.7. Agreement to Sign Other Documents. From time to time, and at the expense of the Sponsor, to the extent any expense is incurred, the County agrees to execute and deliver to the Sponsor such additional instruments as the Sponsor may reasonably request and as are authorized by law and reasonably within the purposes and scope of the Act and this Fee Agreement to effectuate the purposes of this Fee Agreement.

Section 10.8. Interpretation; Invalidity; Change in Laws.

(a) If the inclusion of property as Economic Development Property or any other issue is unclear under this Fee Agreement, then the parties intend that the interpretation of this Fee Agreement be done in a manner that provides for the broadest inclusion of property under the terms of this Fee Agreement and the maximum incentive permissible under the Act, to the extent not inconsistent with any of the explicit terms of this Fee Agreement.

(b) If any provision of this Fee Agreement is declared illegal, invalid, or unenforceable for any reason, the remaining provisions of this Fee Agreement are unimpaired, and the parties shall reform such illegal, invalid, or unenforceable provision to effectuate most closely the legal, valid, and enforceable intent of this Fee Agreement so as to afford the Sponsor with the maximum benefits to be derived under this Fee Agreement, it being the intention of the County to offer the Sponsor the strongest inducement possible, within the provisions of the Act, to locate the Project in the County.

(c) The County agrees that in case the FILOT incentives described in this Fee Agreement are found to be invalid and the Sponsor does not realize the economic benefit it is intended to receive from the County under this Fee Agreement as an inducement to locate in the County, the County agrees to negotiate with the Sponsor to provide a special source revenue or Infrastructure Credit to the Sponsor (in addition to the Infrastructure Credit explicitly provided for above) to the maximum extent permitted by law, to allow the Sponsor to recoup all or a portion of the loss of the economic benefit resulting from such invalidity.

Section 10.9. Force Majeure. The Sponsor is not responsible for any delays or non-performance caused in whole or in part, directly or indirectly, by strikes, accidents, freight embargoes, fires, floods, inability to obtain materials, conditions arising from governmental orders or regulations, war or national emergency, acts of God, and any other cause, similar or dissimilar, beyond the Sponsor's reasonable control.

Section 10.10. Termination; Termination by Sponsor.

(a) Unless first terminated under any other provision of this Fee Agreement, this Fee Agreement terminates on the Final Termination Date.

(b) The Sponsor is authorized to terminate this Fee Agreement at any time with respect to all or part of the Project on providing the County with 30 days' notice.

(c) Any monetary obligations due and owing at the time of termination and any provisions which are intended to survive termination, survive such termination.

(d) In the year following termination, all Economic Development Property is subject to *ad valorem* taxation or such other taxation or payment in lieu of taxation that would apply absent this Fee Agreement. The Sponsor's obligation to make FILOT Payments under this Fee Agreement terminates to the extent of and in the year following the year the Sponsor terminates this Fee Agreement pursuant to this Section.

Section 10.11. Entire Agreement. This Fee Agreement expresses the entire understanding and all agreements of the parties, and neither party is bound by any agreement or any representation to the other

party which is not expressly set forth in this Fee Agreement or in certificates delivered in connection with the execution and delivery of this Fee Agreement.

Section 10.12. Waiver. Either party may waive compliance by the other party with any term or condition of this Fee Agreement only in a writing signed by the waiving party.

Section 10.13. Business Day. If any action, payment, or notice is, by the terms of this Fee Agreement, required to be taken, made, or given on any Saturday, Sunday, or legal holiday in the jurisdiction in which the party obligated to act is situated, such action, payment, or notice may be taken, made, or given on the following business day with the same effect as if taken, made or given as required under this Fee Agreement, and no interest will accrue in the interim.

Section 10.14. Agreement's Construction. Each party and its counsel have reviewed this Fee Agreement and any rule of construction to the effect that ambiguities are to be resolved against a drafting party does not apply in the interpretation of this Fee Agreement or any amendments or exhibits to this Fee Agreement.

[Signature pages follow]

IN WITNESS WHEREOF, the County, acting by and through the County Council, has caused this Fee Agreement to be executed in its name and on its behalf by the Chair of County Council and to be attested by the Clerk of the County Council; and the Company has caused this Fee Agreement to be executed by its duly authorized officer, all as of the day and year first above written.

JASPER COUNTY, SOUTH CAROLINA

(SEAL)

By: _____
County Council Chair
Jasper County, South Carolina

ATTEST:

By: _____
Clerk to County Council
Jasper County, South Carolina

[Signature Page 1 to Fee in Lieu of Ad Valorem Taxes [and Incentive] Agreement]

**SALT LAND
HOLDINGS, LLC**

By: _____
Its: _____

**SOUTHERN CAROLINA REGIONAL
DEVELOPMENT ALLIANCE**

By: _____
Its: _____

[Signature Page 2 to Fee in Lieu of Ad Valorem Taxes [and Incentive] Agreement]

EXHIBIT A
PROPERTY DESCRIPTION

All those certain properties consisting of Tract 1 (TMS #030-00-01-019), Tract 2 (TMS #030-00-01-020), Tract 3 (TMS #030-00-01-021), Tract 4 (TMS #030-00-01-022), the Parent Tract (TMS #030-00-01-007), and the Southern Carolina Regional Development Alliance Tract (TMS #031-00-00-017), as more clearly delineated on that Survey dated _____, prepared by Hussey Gay & Bell and attached hereto.

**EXHIBIT B (see Section 9.1)
FORM OF JOINDER AGREEMENT**

Reference is hereby made to the Fee-in-Lieu of *Ad Valorem* Taxes Agreement, effective _____ m 2021 (“Fee Agreement”), between Jasper County, South Carolina (“County”) and SALT Land Holdings, LLC and the Southern Carolina Regional Development Alliance (the “Sponsors”).

1. Joinder to Fee Agreement.

[_____,] a [STATE] [corporation]/[limited liability company]/[limited partnership] authorized to conduct business in the State of South Carolina, hereby (a) joins as a party to, and agrees to be bound by and subject to all of the terms and conditions of, the Fee Agreement as if it were a Sponsor [except the following: _____]; (b) shall receive the benefits as provided under the Fee Agreement with respect to the Economic Development Property placed in service by the Sponsor Affiliate as if it were a Sponsor [except the following _____]; (c) acknowledges and agrees that (i) according to the Fee Agreement, the undersigned has been designated as a Sponsor/Sponsor Affiliate by the Sponsor for purposes of the Project; and (ii) the undersigned qualifies or will qualify as a Sponsor/Sponsor Affiliate under the Fee Agreement and Section 12-44-30(18), Section 12-44-30(20) and Section 12-44-130 of the Act.

[As a Sponsor, _____ hereby further agrees to fully perform all of the obligations of the Sponsor set forth in the Fee Agreement.]

2. Capitalized Terms.

Each capitalized term used, but not defined, in this Joinder Agreement has the meaning of that term set forth in the Fee Agreement.

3. Representations of the Sponsor Affiliate.

The Sponsor/Sponsor Affiliate represents and warrants to the County as follows:

(a) The Sponsor/Sponsor Affiliate is in good standing under the laws of the state of its organization, is duly authorized to transact business in the State (or will obtain such authority prior to commencing business in the State), has power to enter into this Joinder Agreement, and has duly authorized the execution and delivery of this Joinder Agreement.

(b) The Sponsor/Sponsor Affiliate’s execution and delivery of this Joinder Agreement, and its compliance with the provisions of this Joinder Agreement, do not result in a default, not waived or cured, under any agreement or instrument to which the Sponsor/Sponsor Affiliate is now a party or by which it is bound.

(c) The execution and delivery of this Joinder Agreement and the availability of the FILOT and other incentives provided by this Joinder Agreement has been instrumental in inducing the Sponsor/Sponsor Affiliate to join with the Company in the Project in the County.

4. Governing Law.

This Joinder Agreement is governed by and construed according to the laws, without regard to principles of choice of law, of the State of South Carolina.

5. Notice.

Notices under Section 10.1 of the Fee Agreement shall be sent to:

[_____]

IN WITNESS WHEREOF, the undersigned has executed this Joinder Agreement to be effective as of the date set forth below.

Date

SALT LAND HOLDINGS, LLC

Name of Entity

By: _____

Its: _____

OR

SOUTHERN CAROLINA REGIONAL
DEVELOPMENT ALLIANCE

Name of Entity

By: _____

Its: _____

Date

IN WITNESS WHEREOF, the County acknowledges it has consented to the addition of the above-named entity as a Sponsor Affiliate under the Fee Agreement effective as of the date set forth above.

JASPER COUNTY, SOUTH CAROLINA

By: _____

Its: _____

STATE OF SOUTH CAROLINA)	
)	AGREEMENT FOR THE ESTABLISHMENT
COUNTY OF JASPER)	OF MULTI-COUNTY INDUSTRIAL/
)	BUSINESS PARK (SHERWOOD)
COUNTY OF HAMPTON)	

THIS AGREEMENT FOR THE ESTABLISHMENT OF MULTI-COUNTY INDUSTRIAL/BUSINESS PARK (SHERWOOD) for the establishment of a multi-county industrial/business park to be located within Jasper County and Hampton County is made and entered into as of _____, 2021, by and between Jasper County, South Carolina ("Jasper County") and Hampton County, South Carolina ("Beaufort County").

RECITALS

WHEREAS, Jasper County and Hampton County are contiguous counties which, pursuant to Ordinance No. _____, enacted by Jasper County Council on _____, 2021, and Ordinance No. _____ enacted by Hampton County Council on _____, 2021, have each determined that, in order to promote economic development and thus encourage investment and provide additional employment opportunities within both of said counties, there should be established in Jasper County a multi-county industrial/business park (the "Park"), to be located upon property more particularly described in Exhibit A (Jasper); and

WHEREAS, as a consequence of the establishment of the Park, property comprising the Park and all property having a situs therein is exempt from *ad valorem* taxation pursuant to Article VIII, Section 13(D) of the South Carolina Constitution, but the owners or lessees of such property shall pay annual fees in an amount equivalent to the property taxes or other in-lieu-of payments that would have been due and payable except for such exemption.

NOW, THEREFORE, in consideration of the mutual agreement, representations and benefits contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Binding Agreement. This Agreement serves as a written instrument setting forth the entire agreement between the parties and shall be binding on Jasper County and Hampton County, their successors and assigns.

2. Authorization. Article VIII, Section 13(D) of the South Carolina Constitution provides that counties may jointly develop an industrial or business park with other counties within the geographical boundaries of one or more of the member counties, provided that certain conditions specified therein are met and further provided that the General Assembly of the State of South Carolina provides by law a manner in which the value of property in such park will be considered for purposes of bonded indebtedness of political subdivisions and school districts and for purposes of computing the index of taxpaying ability pursuant to any provision of law which measures the relative fiscal capacity of a school district to support its schools based on the assessed valuation of taxable property in the district as compared to the assessed valuation of taxable property in all school districts in South Carolina. The Code of Laws of South Carolina, 1976, as amended (the "Code") and particularly, Section 41-170 thereof, satisfies the conditions imposed by Article VIII, Section 13(D) of the South Carolina Constitution and provides the statutory vehicle whereby a multi-county industrial or business park may be created.

3. Location of the Park.

(A) The Park consists of property that is located in Jasper County and which now or will be owned by project sponsors for the purpose of establishing industrial, distribution and/or commercial facilities, the property being more particularly described in Exhibit A hereto. It is specifically recognized that the Park may from time to time consist of non-contiguous properties within Jasper County. The boundaries of the Park may be enlarged or diminished from time to time as authorized by ordinance of the county council of Jasper County and resolution of the county council of Hampton County. If any property proposed for inclusion in the Park is located, at the time such inclusion is proposed, within the boundaries of a municipality, then the municipality must give its consent prior to the inclusion of the property in the Park.

(B) In the event of any enlargement or diminution of the boundaries of the Park, this Agreement shall be deemed amended and there shall be attached hereto a revised Exhibit A which shall contain a legal description of the boundaries of the Park as enlarged or diminished, together with a copy of the ordinance of Jasper County Council and resolution of Beaufort County Council pursuant to which such enlargement or diminution was authorized.

(C) Prior to the enactment by Jasper County Council of its ordinance authorizing the diminution of the boundaries of the Park, a public hearing shall first be held by Jasper County Council. Notice of such public hearing shall be published in a newspaper of general circulation in Jasper County, at least once and not less than fifteen (15) days prior to such hearing. Notice of such public hearing shall also be given by certified mail that is deposited with the U.S. Postal Service at least fifteen (15) days prior to such public hearing upon the owner and, if applicable, the lessee of any property which would be excluded from the Park by virtue of the diminution.

4. Fee in Lieu of Taxes. Pursuant to Article VIII, Section 13(D) of the South Carolina Constitution, all property located in the Park is exempt from all *ad valorem* taxation. The owners or lessees of any property situated in the Park shall pay in accordance with this Agreement an amount (referred to as fees in lieu of *ad valorem* taxes) equivalent to the *ad valorem* taxes or other in-lieu-of payments that would have been due and payable but for the location of such property within the Park.

5. Allocation of Expenses. Jasper County and Hampton County shall bear expenses incurred in connection with the Park, including, but not limited to, those incurred in the administration, development, operation, maintenance and promotion of the Park, in the following proportions:

- A. Jasper County – 100%
- B. Hampton County – 0%

6. Allocation of Revenues. Jasper County and Hampton County shall receive an allocation of all revenues generated by the Park through payment of fees in lieu of *ad valorem* taxes in the following proportions:

- A. Jasper County – 99%
- B. Hampton County – 1%

Any payment from Jasper County to Hampton County of Hampton County's allocable share of Park revenues: (1) shall be made and accompanied by a statement showing the manner in which total payment and each County's share were calculated. If any Park revenues are received by Jasper County through payment by any owner, or any lessee/tenant, or any other taxpayer is made under protest, or otherwise as part of a dispute, then Jasper County is not obligated to pay Hampton County more than Hampton County's share of the undisputed portion of the Park revenues until thirty (30) days after the final resolution of the protest or dispute.

7. Revenue Allocation within Each County. Park revenues generated shall be distributed to and within the County as follows:

(A) Revenues generated by the Park through the payment of fees in lieu of *ad valorem* taxes shall be distributed to Jasper County and to Hampton County, as the case may be, according to the proportions established by this Agreement. With respect to revenues allocable to Jasper County by way of fees in lieu of *ad valorem* taxes generated from properties within the Park, such revenue shall be distributed within Jasper County pursuant to the terms of an intergovernmental agreement with the Town of Hardeeville or, if no agreement is in place, pursuant to an ordinance of Jasper County:

(B) Revenues allocable to Hampton County by way of fees in lieu of *ad valorem* taxes generated from properties located in the Jasper County portion of the Park shall be distributed solely to Hampton County.

8. Fees in Lieu of *Ad Valorem* Taxes Pursuant to Title 4 or Title 12 of the Code. It is hereby agreed that the entry by Jasper County into any one or more fee in lieu of *ad valorem* tax agreements pursuant to Title 4 or Title 12 of the Code or any successor or comparable statutes ("Negotiated Fee in Lieu of Tax Agreements"), with respect to property located within the Park and the terms of such agreements shall be at the sole discretion of Jasper County.

9. Assessed Valuation. For the purpose of calculating the bonded indebtedness limitation and for the purpose of computing the index of taxpaying ability pursuant to Section 59-20-20(3) of the Code, allocation of the assessed value of property within the Park to Jasper County and Hampton County and to each of the taxing entities within the participating counties shall be in accordance with the allocation of revenue received and retained by each of the counties and by each of the taxing entities within the participating counties, pursuant to Sections 6 and 7 herein.

10. Governing Laws and Regulations. Any applicable ordinances and regulations of Jasper County including those concerning zoning, health and safety, and building code requirements shall apply to the Park properties located in the Jasper County portion of the Park unless any such property is within the boundaries of a municipality in which case, the municipality's applicable ordinances and regulations shall apply.

11. South Carolina Law Controlling. This Agreement has been entered into in the State of South Carolina and shall be governed by, and construed in accordance with South Carolina law.

12. Severability. In the event and to the extent (and only to the extent) that any provision or any part of a provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable the remainder of that provision or any other provision of this Agreement.

13. Counterpart Execution. This Agreement may be executed in multiple counterparts.

14. Additional Parties. This Agreement may be amended from time to time to add additional counties located in South Carolina, subject to Article VIII, Section 13(D) of the Constitution of South Carolina and Title 4, Chapter 1 of the Code, by ordinance of the county council of Jasper County, and by resolution of the county council of Hampton County; provided, however, that to the extent permitted by law, additional counties may be added as parties hereto with only the enactment of an ordinance of the county council of Jasper County only in the event that such additional county's allocation of Park Revenues hereunder shall be allocated solely out of Jasper County's residual net share of the Park Revenues provided for its use and distribution pursuant to Section 7 hereof.

15. Term; Termination. Except as specifically provided in this Section 15, Jasper County and Hampton County agree that this Agreement may not be terminated in its entirety by any party and shall remain in effect for a period equal to the longer of (i) thirty-one (31) years commencing with the effective date of this Agreement or (ii) a period of time of sufficient length to facilitate any special source revenue credits due with respect to Park property. Notwithstanding anything in this Agreement to the contrary, this Agreement may not be terminated to the extent that Jasper County has outstanding contractual commitments to any owner or in the event the County is the owner pursuant to a negotiated fee-in-lieu-of-tax agreement

under Title 4, Chapter 29 or Chapter 12 of the Code, lessee/tenant, or other taxpayer of or with respect to Park property requiring designation of such property as part of a multi-county industrial/business park pursuant to Article VIII, Section 13(D) of the Constitution of South Carolina and/or Title 4, Chapter 1 of the Code (the "Act"), unless Jasper County shall first (i) obtain the written consent of such owner, lessee/tenant, or other taxpayer or (ii) designate such parcel as part of another multi-county industrial/business park pursuant to the Act effective immediately upon termination of this Agreement. Additionally, in the event that Jasper County complies with the preceding sentence, Jasper County may terminate this Agreement upon providing thirty (30) days' notice to Hampton County and any owner or in the event the County is the owner pursuant to a negotiated fee-in-lieu-of-tax agreement under Title 4, Chapter 29 or Chapter 12 of the Code, lessee/tenant, or other taxpayer of or with respect to Park property.

16. Law Enforcement Jurisdiction. Jurisdiction to make arrests and exercise all authority and power within the boundaries of the Park properties is vested with the Sheriff's Office of Jasper County, for matters within their jurisdiction. If any of the Park properties are within the boundaries of a municipality, then jurisdiction to make arrests and exercise law enforcement jurisdiction is also vested with the law enforcement officials of the municipality for matters within their jurisdiction.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to be effective as of the day and the year first above written.

JASPER COUNTY, SOUTH CAROLINA

By: _____
Chairman, County Council
Jasper County, South Carolina

[SEAL]

Attest:

By: _____
County Council Clerk
Jasper County, South Carolina

HAMPTON COUNTY, SOUTH CAROLINA

By: _____
Chairman, County Council
Hampton County, South Carolina

[SEAL]

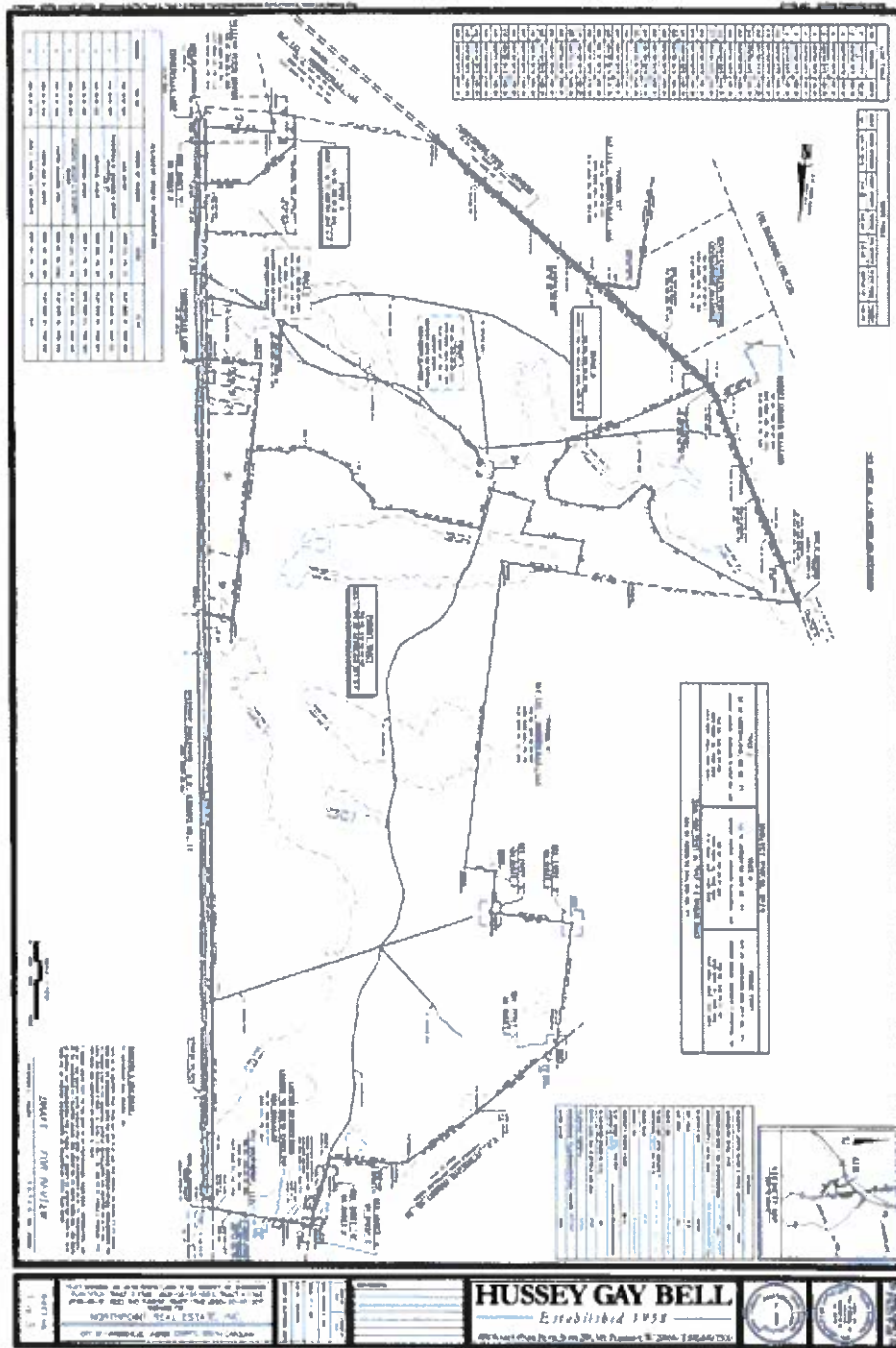
Attest:

By: _____
County Council Clerk
Hampton County, South Carolina

Exhibit A (Jasper)
PARK PROPERTY

All those certain properties consisting of Tract 1 (TMS #030-00-01-019), Tract 2 (TMS #030-00-01-020), Tract 3 (TMS #030-00-01-021), Tract 4 (TMS #030-00-01-022), the Parent Tract (TMS #030-00-01-007), and the Southern Carolina Regional Development Alliance Tract (TMS #031-00-00-017), as more clearly delineated on that Survey dated _____, prepared by Hussey Gay & Bell and attached hereto as Exhibit A-1.

Exhibit A-1



STATE OF SOUTH CAROLINA)
)
COUNTY OF JASPER)

TERMINATION AND RELEASE
OF DEED RESTRICTIONS APPEARING
AT BOOK 1024, PAGE 685
AND BOOK 1024, PAGE 694

THIS RELEASE AND TERMINATION OF DEED RESTRICTIONS (this "Release") is made effective as of the _____ day of _____, 2021, and is given by Jasper County, South Carolina and acknowledged by Southern Carolina Regional Development Alliance.

WITNESSETH:

A. On November 15, 2019, Sherwood Plantation, Inc. conveyed two tracts consisting of approximately 486.88 acres and 50.40 acres (the "Property") to South Carolina State Ports Authority pursuant to a Limited Warranty Deed of Real Property recorded in the Jasper County Register of Deeds Office at Book 1024, Page 685 (the "Sherwood Deed").

B. On November 18, 2019, the South Carolina State Ports Authority conveyed the Property to Southern Carolina Regional Development Alliance ("Southern Carolina") pursuant to a Limited Warranty Deed of Real Property recorded in the Jasper County Register of Deeds Office at Book 1024, Page 694 (the "Southern Carolina Deed" and together with the Sherwood Deed referred to herein as the "Deeds").

C. The legislature authorized and funded the purchase of the Property and required that both Deeds contain a deed restriction stating "PROVIDED, HOWEVER, that in the event that the property has not been sold, leased, or otherwise utilized by the fifth anniversary of the date of this deed for an economic development project that will utilize port facilities, Grantee shall convey the property to Jasper County, South Carolina" (the "Deed Restriction").

D. Several prospects have investigated the Property but are unwilling to locate on the Property unless the Deed Restriction is released; therefore Jasper County desires to terminate and release the Deed Restriction.

NOW, THEREFORE, in consideration of the foregoing, One Dollar (\$1.00), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Jasper County, South Carolina hereby releases the Deed Restriction from both Deeds.

Consented to and acknowledged by:

CURRENT LAND OWNER:

Witnesses:

Southern Carolina Regional Development Alliance

Name: _____

By: _____

Name: _____

Title: _____

Name: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF _____)

I, _____, Notary Public for the State of South Carolina, do hereby certify that _____, the _____ of Southern Carolina Regional Development Alliance, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Sworn to and subscribed before me this _____ day of _____, 20__

(L.S.)
Notary Public, State of South Carolina

My Commission Expires: _____

AGENDA ITEM:

XI-B

Ordinance item B



Jasper County Planning and Building Services

358 Third Avenue - Post Office Box 1659
Ridgeland, South Carolina 29936
Phone (843) 717-3650 Fax (843) 726-7707

Lisa Wagner, CFM
Director of Planning and Building Services
lwagner@jaspercountysc.gov

Jasper County Council Staff Report

Meeting Date:	November 1, 2021
Project:	Zoning Map Amendment – Industrial Development
Applicant:	Lowcountry Paver, LLC
Tax Map Number:	029-40-04-022
Submitted For:	1 st Reading
Recommendation:	The Planning Commission did not make any recommendation

Description: The subject property consists of 9.93 acres and is located at 535 Stiney Road. The Applicant has requested a Zoning Map Amendment to have the property designated as Industrial Development (ID). The property is currently zoned Residential. Lowcountry Pavers developed the property in March 2000 and has operated their business at this location for more than 20 years. Lowcountry Pavers would like to upgrade the property and modify the operation of their business, which will include eliminating the concrete plant portion of the business. Prior to making a significant investment in the property, the applicant would like to have the property re-zoned to Industrial Development, eliminating the non-conformity status. The property was conforming when it was developed in 2000; however, during the 2007 Countywide Re-zoning project, this property was made non-conforming.

Analysis: The Zoning Map Amendment application and request is reviewed by considering the following factors:

- **Comprehensive Plan:** According to the 2018 Jasper County Comprehensive Plan, the Future Land Use Map identifies this area as “Urban Transition,” which are pockets of unincorporated Jasper County that are partially or entirely surrounded by the municipality. For these areas that experience new development or redevelopment, consideration should be given to working with the adjacent municipality for annexation.
- **Adjacent Zoning:** The adjacent parcels are zoned Residential and Rural Preservation with Light Industrial Zoning nearby in the City of Hardeeville.

- ***Adjacent Land Use:*** Adjacent land uses are residential and commercial, with heavy industrial located nearby in the City of Hardeeville.
- ***Traffic and Access:*** The subject property is accessed by Stiney Road, which is a two-lane state-maintained highway, classified as a local road.

Planning Commission Recommendation: There was not a motion made by the Planning Commission, so the application has been forwarded to the County Council with no recommendation.

Attachments:

1. Application by the applicant
2. Ordinance
3. Pictures of the nearby industrial uses in Hardeeville Industrial Park
4. Aerial map of property and surrounding area
5. Aerial map with zoning layer
6. Aerial map with Hardeeville zoning layer



Jasper County Planning and Building Services

358 Third Avenue - Post Office Box 1659
Ridgeland, South Carolina 29936
Phone (843) 717-3650 Fax (843) 726-7707

Zoning Map Amendment Application

Owner or Owner-Authorized Applicant:	LOWCOUNTRY PAVER ^{PAVER} , LLC.
Address:	PO BOX 485 535 STINEY RD. HARDEEVILLE, SC 29927
Telephone/Fax:	843-247-4290 / 843-784-7104
Email:	TCURRY@LCPAVER.COM
Property Address or Physical Location:	535 STINEY RD
Tax Map Number(s):	029-40-04-022
Gross Acreage:	9.9
Current Zoning:	RESIDENTIAL
Proposed Zoning:	INDUSTRIAL
Administrative Fee: (\$250 per lot)	
Date Mailed or Hand Delivered:	9/20/21
Reason for Request: (attach narrative if necessary)	WANT TO INVEST IN UPGRADES. NOT GOING TO INVEST THE MONEY IF I CANT GET ZONING.

Signature of Owner or Owner-Authorized Applicant
(Proof of owner-authorization required)

9/20/21
Date

Internal Use Only

Date Received:	9-21-2021
Amount Received:	\$250.00
Staff Member:	<i>[Signature]</i>

**STATE OF SOUTH CAROLINA
COUNTY OF JASPER**

ORDINANCE: 2021-_____

**AN ORDINANCE
OF JASPER COUNTY COUNCIL**

To amend the Official Zoning Map of Jasper County so as to transfer a property bearing Jasper County Tax Map Number 029-40-04-022 from the Residential Zone to the Industrial Development Zone on the Jasper County Official Zoning Map.

WHEREAS, the owner of the parcel consisting of approximately 9.93 acres bearing Jasper County Tax Map Number 029-40-04-022 located at 535 Stiney Road, has requested rezoning of the parcel on the Official Zoning Map of Jasper County from the Residential Zone to the Industrial Development Zone and the property owner submitted that request to the Jasper County Planning Commission and County Council; and

WHEREAS, the Jasper County Planning Commission has concurred with the recommendations of the staff report as reflected in this Ordinance and recommends approval by Council; and

WHEREAS, this matter is now before the Jasper County Council for determination;

NOW THEREFORE BE IT ORDAINED, by the Jasper County Council in council duly convened and by the authority of the same:

1. Jasper County Council finds that in accordance with the staff report, the proposed zoning is consistent with the continued pattern of growth in the vicinity and is in harmony with the Jasper County Comprehensive Plan. Good cause having been shown, approximately 9.93 acres bearing Jasper County Tax Map Number 029-40-04-022, located at 535 Stiney Road,

depicted on the Jasper County Official Zoning Map in the Residential Zone shall be transferred to the Industrial Development Zone.

2. This ordinance shall take effect upon approval by Council.

Ms. Barbara B. Clark
Chairwoman

ATTEST:

Wanda Simmons
Clerk to Council

ORDINANCE: # 2021-__

First Reading: November 1, 2021

Second Reading: _____

Public Hearing: _____

Adopted: _____

Considered by the Jasper County Planning Commission at it's meeting on
October 12, 2021 and made no recommendation.

Reviewed for form and draftsmanship by the Jasper County Attorney.

David Tedder

Date







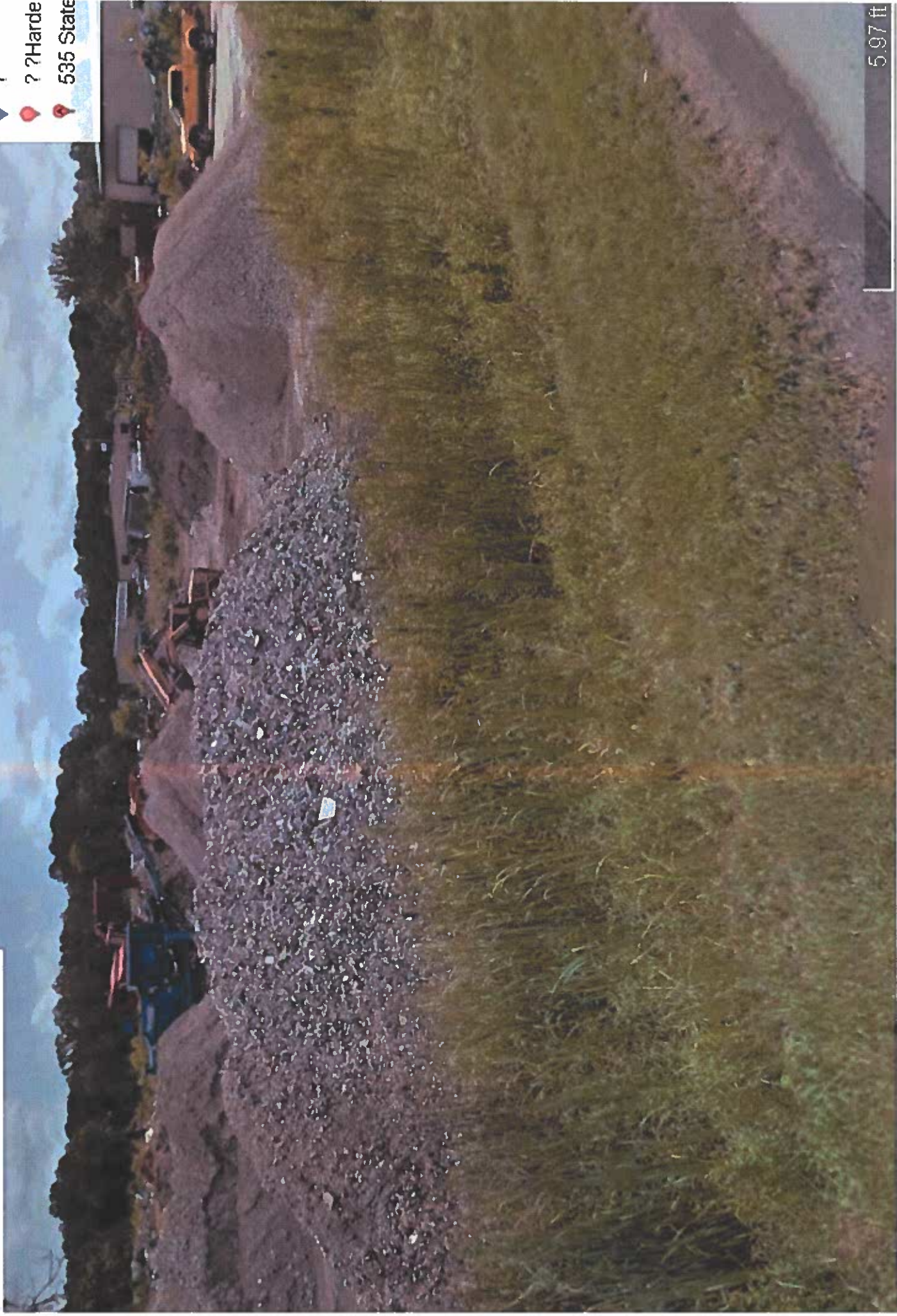


Ille Industrial Park Rd

your map.

Legend

- ? 
- ? 
- ? ? Harde 
- 535 State 



5.97 ft

AGENDA ITEM:

XII

New Business item A



October 6, 2021

Ms. Kimberly Burgess
Director of Administrative Services
Jasper County Government
P.O. Box 1149
358 3rd Avenue
Ridgeland, SC 29936

Subject: Airport Planning/Engineering Services at Ridgeland-Claude Dean Airport (3J1)

Dear Ms. Burgess,

It is with much enthusiasm and a genuine desire to serve Jasper County, that I forward you our Statement of Qualifications (SOQ) regarding the continued advancement of the Ridgeland-Claude Dean Airport. For the past 7 years, we have had the pleasure of providing program management services for your New Runway Program, an assignment for which we are truly grateful. During these 7 years, a significant amount has been accomplished at 3J1 through your vision, commitment, and fortitude. For this, you all deserve to be commended!

The past achievements at your airport include an update to your Airport Layout Plan; an Environmental Assessment; property and aviation easement acquisitions; and the design and construction of a new runway, parallel taxiway system, airfield lighting, signage and NAVAIDs, aircraft parking apron, airport access road, and vehicular parking lots. Though all of these projects have been completed successfully, there is still more to accomplish which will enhance and increase:

- **Safety:** Automated Weather Observation Station,
- **Revenue:** Fuel Farm and T-Hangars, and,
- **Operational Efficiency and Image:** Terminal Building.

Through all of our efforts at 3J1, we have developed an extensive database which includes preliminary information pertaining to these proposed improvements. Therefore, we are ready to "hit the ground running" without a learning curve as a hurdle. We are aware that the County recognizes the value that will be derived from these projects; however, the timing of and funding strategies for these projects are the most critical considerations. This means traditional funding sources will need to be maximized while all other potential funding sources are exhausted. This challenge will require a Team possessing "**The Right Stuff.**"

Holt Consulting Company, LLC | Transportation Consultants

803.771.4658 | 2801 Devine Street, Suite 201 | Columbia, SC 29205 | www.holtconsultingco.com

The Team of professionals we have assembled to accomplish these projects are seasoned within their particular sphere of expertise. Although they bring the required knowledge and experience for success, they also bring unique attributes such as:

- **Grady Woods:** a local architect who has made significant contributions to the Jasper County community, is a pilot that flies into and out of 3J1 and has developed the schematic design for your new terminal building. His future involvement will result in a **seamless transition** from programing to final design.
- **Kevin Morris, Paul Holt, and myself:** we have stood shoulder to shoulder with County Council and Staff as your new runway program evolved, providing technical knowledge and resources every step of the way, and demonstrating **our steadfast commitment to you.**
- **Diversity:** 4 of our 8 teaming partners are SCDOT certified Disadvantage Business Enterprises. Their meaningful involvement over the next 5 years will assure that your **DBE goals will be met or exceeded.**

We believe that because of our involvement at 3J1, Holt has been tried and proven. Therefore, unlike our competition, what we say about ourselves is not a claim but rather a reality. However, it is always good to have others we serve express their experience. Your RFQ requests at least three (3) airport references, yet we have provided 5. We encourage you to contact each and every one of them regarding our commitment to service and quality.

On a personal note, I had the pleasure of developing a friendship with Claude Dean well before the advent of the new runway program and consequently visited with Claude and his wife Beatrice at their home on many occasions. We would discuss family, current events, etc. but the conversation always reverted to the airport. During what would be his final days, I visited with Claude at the National Health Care facility in Bluffton. All he wanted to talk about was the plan for the new runway and I promised Claude that I would see the project through completion. As a result, this opportunity is much more than a business interest to me, and I would greatly appreciate the opportunity to honor my commitment to Claude.

In closing and on behalf of the entire Team, thank you for your time and consideration. Please know that we would be delighted to further expound upon our qualifications at your request and we stand ready to assist in the advancement of the Ridgeland-Claude Dean Airport at your direction.

Respectfully,



R. Kennedy Holt
Principal



October 4, 2021

Ms. Kimberly Burgess
Administrative Services, Director
Jasper County Government
P.O. Box 1149
358 3rd Avenue
Ridgeland, SC 29936

Dear Selection Committee:

Delta Airport Consultants, Inc. is excited for the opportunity to submit our qualifications to Jasper County, SC for Airport Planning/Engineering Services for Ridgeland – Claude Dean Airport. Delta has 43 years of experience providing similar services to airports like Ridgeland – Claude Dean Airport.

Delta strives to consistently provide top-notch service to all of our airport clients, including:

- **Solid engineering solutions.** We have 23 licensed Professional Engineers who are available to help meet your development needs. We are experts in the field; many of our engineers have been working in the airport development field for their entire professional careers.
- **Planning and environmental solutions.** Delta involves key stakeholders throughout the planning and environmental process to ensure successful projects.
- **Pilots' perspective.** Many of our professional staff are pilots. We understand the nuances of aviation and appreciate the needs of your flying customers. We speak the language of aviation each day.
- **Reliable advice.** Often, the challenge of the day could be tweaking your minimum standards, reviewing your lease agreements, creating alternative revenue sources, or pitching to the next economic development target. Delta's in-house team includes professionals with operational, financial, and community expertise. You can count on us for workable solutions.
- **Proven programming strategy.** Successful airport development requires knowledge of funding eligibility, long-standing relationships, and a touch of creativity. We can help you get the job done.

We thank you for providing us the opportunity to submit our qualifications, and we look forward to hearing from you soon.

Sincerely,

Courtney Beamon, P.E.
President



September 22, 2021

Ms. Kimberly Burgess
Administrative Services, Director
Jasper County Government
P.O. Box 1149
358 3rd Avenue
Ridgeland, SC 29936

Re: Letter of Interest to provide
Engineering Services for
Professional Architectural,
Engineering and Planning
Consultant Services:

Dear Ms. Burgess:

In response to your invitation, Rhea Engineers & Consultants, Inc. is pleased to submit this letter of interest in connection with engineering services to carry out certain improvements to the Ridgeland - Claude Dean Airport. The Specific items are as follows:

Automated Weather Observation Station (AWOS)
Aviation Fuel Farm
Terminal Building
T-Hangar Taxilanes
T-Hangars

Based on our understanding and past work experience on airports, we have a professional team that has the knowledge that can be useful toward completing the projects quickly, successfully and efficiently.

Rhea Engineers & Consultants, Inc. and the project manager who will lead our firm has extensive experience in completing similar projects with critical deadlines and pride themselves on providing quality on time service to each and every client.

Rhea Engineers & Consultants, Inc. has a excellent working relationship with Federal Aviation Administration (FAA) and successfully completed various projects involving the Federal Aviation Administration.

The experience of Rhea Engineers & Consultants, Inc. with the successful completion of similar projects of widely varying size and activity provides an excellent demonstration of our capability to perform this work. Also, Rhea Engineers & Consultants, Inc. is a Women Owned Firm.

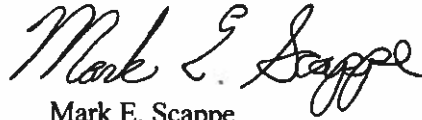
441 Mars-Valencia Rd • Valencia, PA 16059
724-443-4111 • Fax 724-443-4187 • www.rhea.us

Page 2
Ms. Kimberly Burgess
September 22, 2021

We thank you for giving us this opportunity to submit our qualifications and we stand ready to meet with you and your staff to clarify or answer your questions as you wish.

Very truly yours,

Rhea Engineers & Consultants, Inc.

A handwritten signature in black ink that reads "Mark E. Scappe". The signature is written in a cursive style with a large, stylized initial "M".

Mark E. Scappe
Vice-President

AGENDA ITEM:

XII

New Business item B




OFFICE OF THE JASPER COUNTY ADMINISTRATOR

358 Third Avenue – Courthouse Square – Post Office Box 1149
Ridgeland, South Carolina 29936 - 843-717-3690 – Fax: 843-726-7800

Andrew P. Fulghum
County Administrator

afulghum@jaspercountysc.gov

MEMORANDUM

DATE: October 26, 2021
TO: The Honorable County Council
FROM: Andrew P. Fulghum, ICMA-CM, County Administrator 
SUBJECT: South Carolina Targeted Rural Initiative

Background:

Jasper County is one of 14 counties eligible to participate in this grant program offered by the SC Dept. of Commerce (SCDOC). Jasper County has been included in this initiative and a grant in the amount of \$2.5 million has been offered to the County to be used for a transformational infrastructure project. The grant has a 100% match requirement.

Issue/Item:

County Council must identify a list of 3 potential projects and a preferred project by December 1, 2021. Staff proposes the following three projects for Council's consideration:

- 1) New airport terminal, aviation fuel farm, and airport ramp (south)
- 2) New entrance road or speculative building at Point South Commerce Park
- 3) New workforce training center(s)

Action Requested:

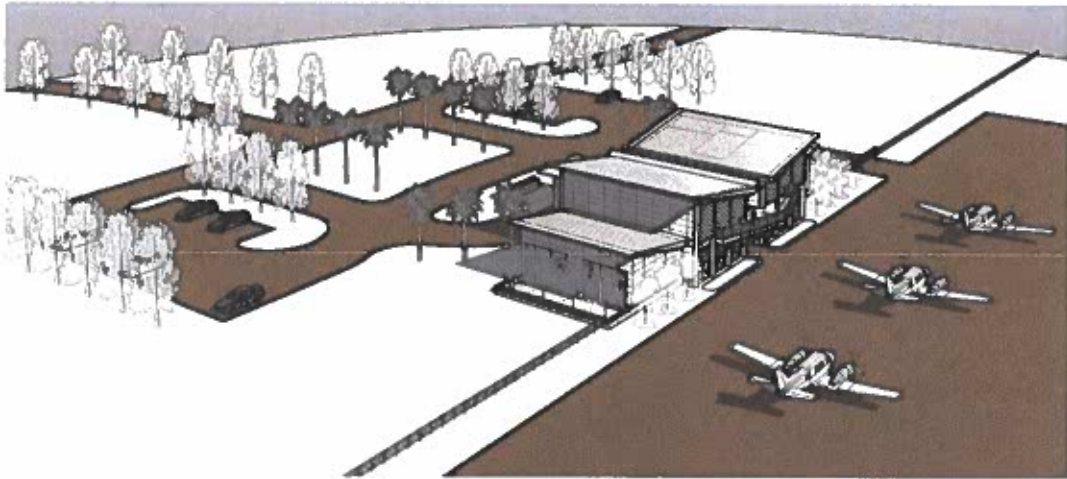
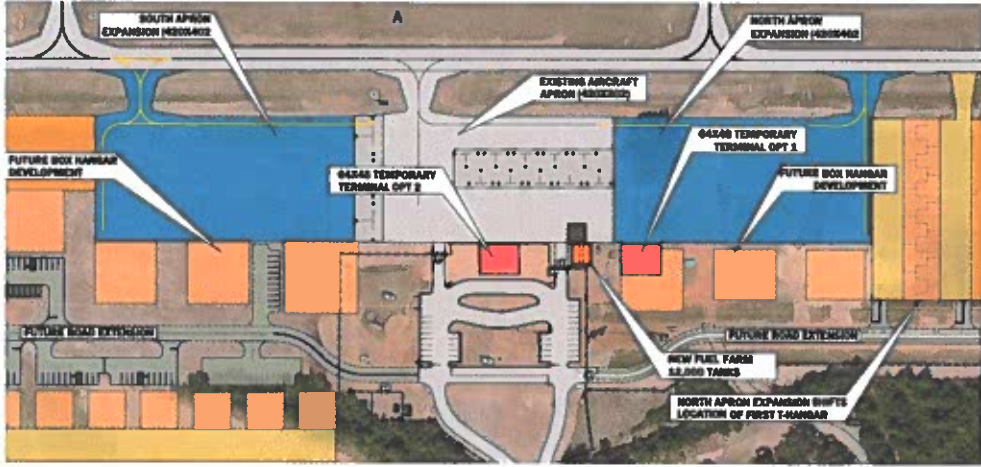
Choose a project to advance to the SC Dept. of Commerce for grant funding.

Attachments:

- Proposed project descriptions and budgets
- SCDOC Rural Strategy overview material

APF

Ridgeland-Claude Dean Airport Improvements



- 1. Construct new airport terminal - **\$3,000,000**
- 2. Construct new aviation fuel farm - **\$1,000,000**
- 3. Construct new ramp (south) - **\$1,000,000**

Total - \$5,000,000

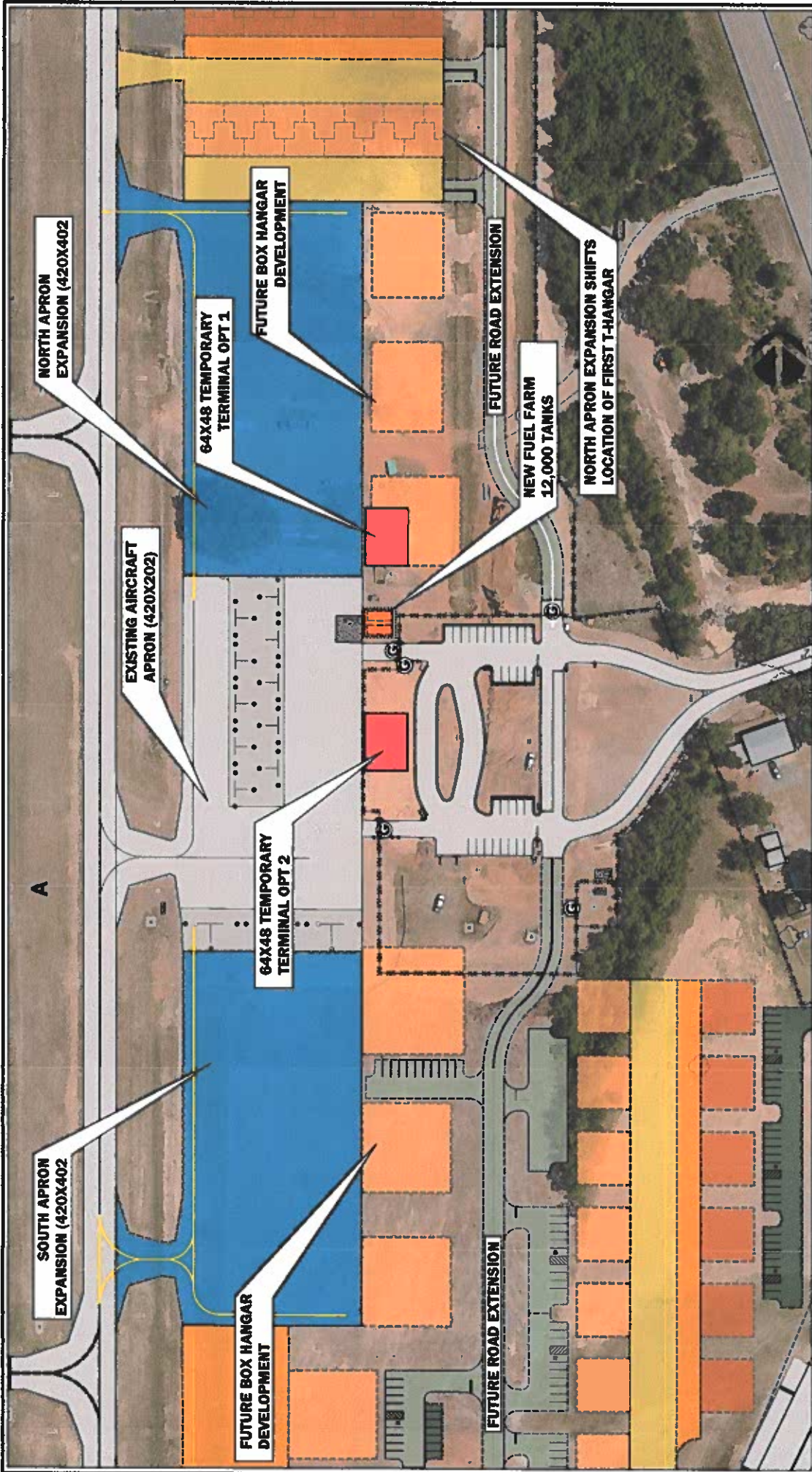
New Investment (match)

- New SC Aeronautics Commission grant- \$500,000
- New County loan (already budgeted A-tax) \$2,000,000

Prior Investment (match)

Federal and State grants - \$20,000,000 +





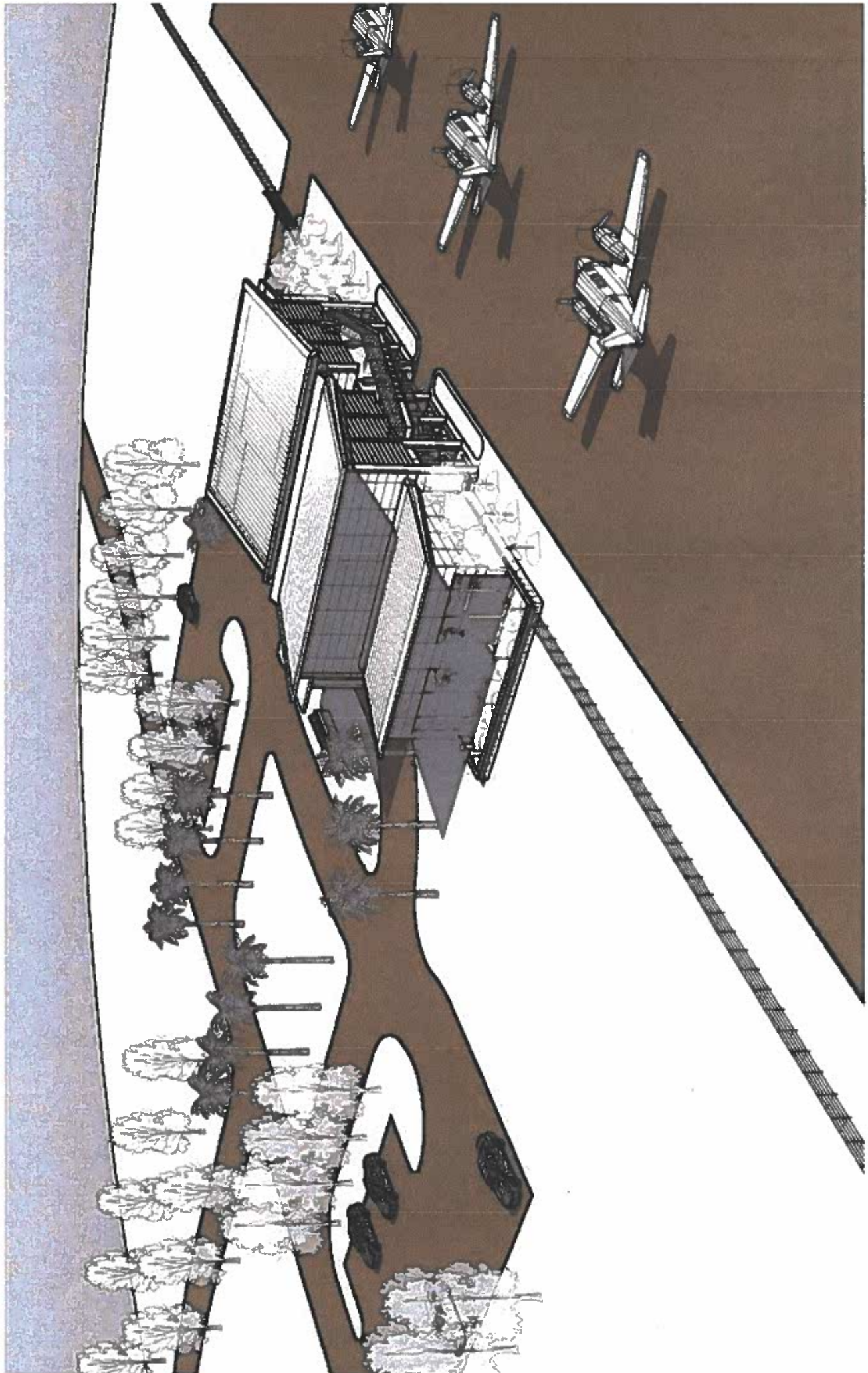
0 150 300
 1" = 150' Approx.
 EXHIBIT 1
 3/26/2021

**RIDGELAND-CLAUDE DEAN AIRPORT
 RIDGELAND, SOUTH CAROLINA
 TERMINAL AREA EXPANSION**

HOLT
 CONSULTING COMPANY, LLC.
 2915 Premiere Parkway, Suite 125
 Duluth, GA 30067
 770.285.8754 - www.holtconsultingco.com









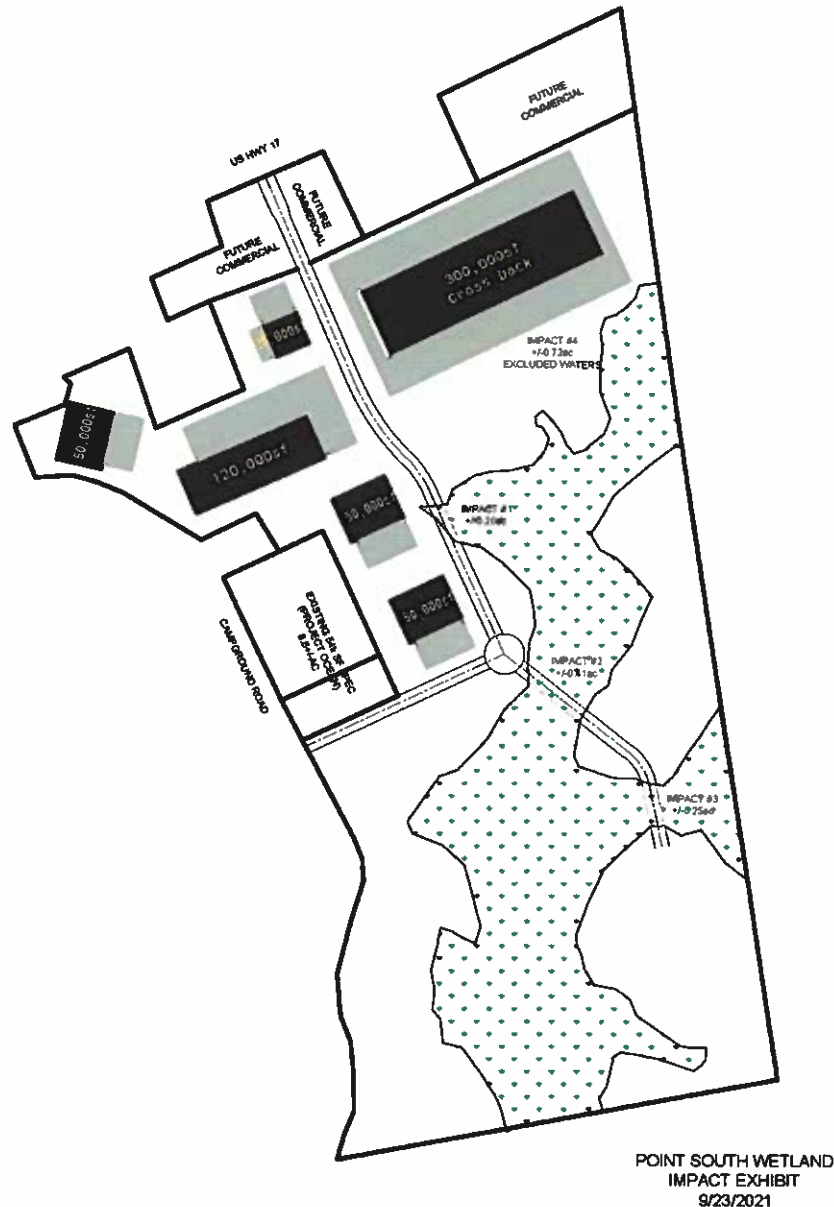








Point South Commerce Park projects



1. Construct 3,200' entrance road from Highway 17 to open up the park access and additional parcels for development - \$2,000,000
2. Construct new 50,000 square foot spec building on front 10-acre parcel (see depiction) - \$4,000,000

Prior investment (match)

- SCA constructed a 53,000 square foot building on 6- acre parcel - \$2,800,000
Sold to Project Ocean creating \$16m investment and 126 jobs paying \$17-\$32/hr with full benefits
- Jasper County, SCA & SCDOC completed road design & engineering including traffic study – \$316,500
- Hargray provided \$41,000 in funding for Hwy 17 entrance design and landscaping.

PointSouth Commerce Park

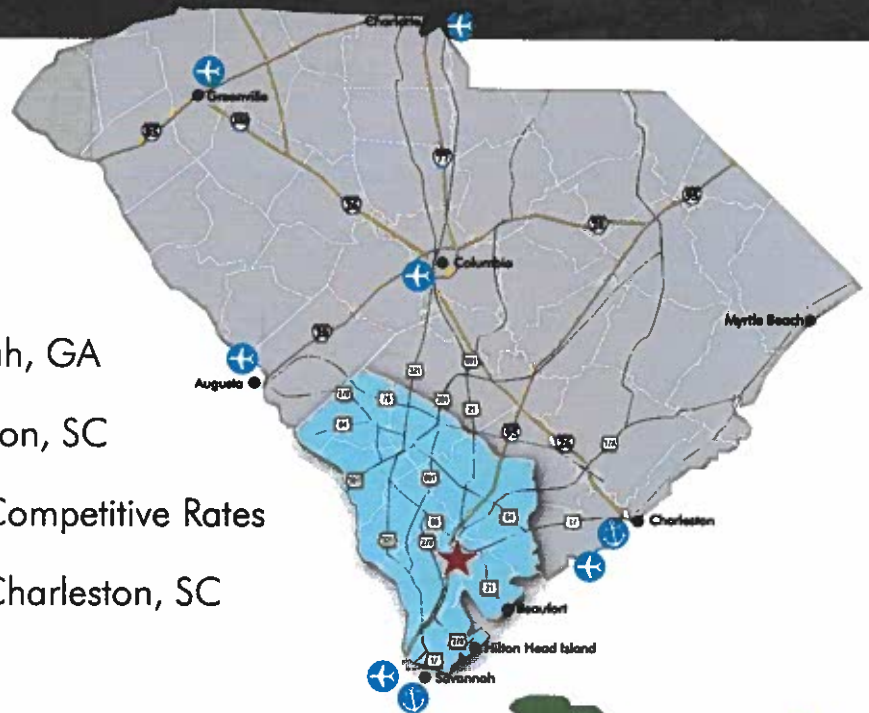
445 Acres | 180 Hectares

905 Campground Road, Just off SC Exit 33 on I-95 & Hwy 17 | Yemassee, SC 29945



445-Acre Industrial Site

- Located at Exit 33 on I-95
- 43 Minutes to the Port of Savannah, GA
- 64 Minutes to the Port of Charleston, SC
- Reliable Utility Service on Site at Competitive Rates
- Close to the Aerospace Hubs of Charleston, SC and Savannah, GA



Please contact SCA at 803-541-0023 or kmaxwell@southerncarolina.org | www.southerncarolina.org



PointSouth Commerce Park

445 Acres | 180 Hectares

905 Campground Road, Just off SC Exit 33 on I-95 & Hwy 17 | Yemassee, SC 29945



Property Information: Sale Price: \$23,300- \$38,400 Per Acre

County: Jasper

City Limits: Outside

Tax Map ID: 089-00-03-005

Site Size: 445 Acres (180 HA)

55,000 SF (5,110 HA) Building Available on Site Flood Zone: No

Zoning: Commercial/Industrial Sub District B

Current Land Use: Partly Developed

Elevation: 28' (8 m)

Primary Soil Type: Clay Loam

Due Diligence Completed:

- Boundary Survey
- Archeological
- Phase I
- GeoTech
- Protected Species Study
- Traffic Study
- Wetlands JD

Transportation Accessibility

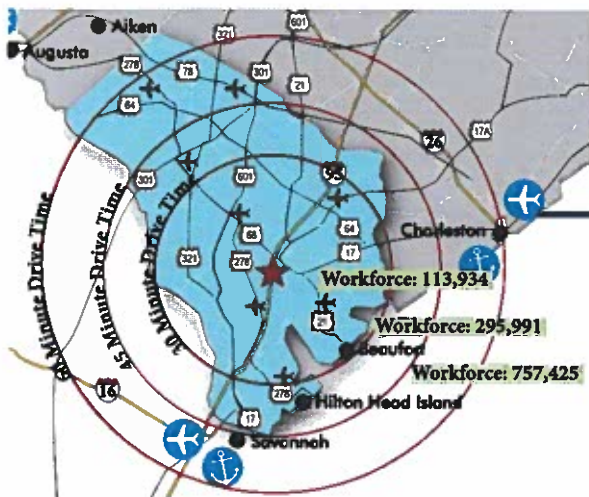
Interstates: At Exit 33 on I-95; I-16: 45 Minutes; I-26: 50 Minutes

Access Hwy: US Highway 17 & I-95

Ports: Savannah: 45 Minutes | Charleston: 65 Minutes

Commercial Airports: Savannah International: 45 Minutes
Charleston International: 65 Minutes
Columbia Metropolitan: 110 Minutes

Civil Airports: Jasper County: 15 Minutes
Hampton County: 20 Minutes
Colleton County: 30 Minutes



Utilities/Services

Water Service: Beaufort Jasper Water & Sewer Authority
Line On Site | 8" (20 cm) Line
Capacity: 200,000 gpd (757,000 lpd)

Wastewater System: Beaufort Jasper Water & Sewer Authority
Line On Site | 10" (25.4 cm) Gravity Line
Capacity: 465,000 gpd (1,760,000 lpd)

Natural Gas Provider: Dominion Energy
4" (10 cm) line | 3 miles (4.83 km) from on Site

Primary Electricity Provider: Dominion Energy
23 kV Distribution Line On Site, 3 Phase Available

Telecommunications: Hargray, Palmetto Rural Telephone Company | Fiber Optics On Site

Fire Department: .09 Miles (.14 km) | ISO Rating: 4

Workforce Profile

Drive Time:	30 Minutes	45 Minutes	60 Minutes
Population	238,963	609,795	1,496,215
Workforce	113,934	295,991	757,425

Please contact SCA at 803-541-0023 or kmaxwell@southerncarolina.org | www.southerncarolina.org



Workforce Training Center(s)

1. Construct new 100,000 sf workforce training building - \$2,500,000

New Investment (match)

- City of Hardeeville land donation - unknown value

Prior Investment (match)

None

Andrew Fulghum

From: Harry Williams <hwilliams@hardeevillesc.gov>
Sent: Friday, August 13, 2021 2:36 PM
To: Barbara Clark; jnmalphrus@gmail.com; Rechel Anderson; daverkin@ridgelandsc.gov; Michael Czymbor; Andrew Fulghum; Danny Black; John Kemp; Alvin Adkins
Subject: Follow up to today's meeting with Maceo Nance
Attachments: Work force training.docx

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Hello everyone.

As we heard this morning, the County has an offer of \$2.5M (with a 100% match) to use on a transformative infrastructure project. The application is due by December 1 2021 and must be completed by July 1, 2023. Up to three projects, in priority order, can be submitted.

What I heard repeatedly in the report was the need for work force and work force training. This need affects the county, the municipalities and the school system. It is everyone's need.

Please read the attached white paper I submitted to USCB at the request of Dr. Panu as background.

Hardeeville has a diagram for a 100,000 sq ft building and land it owns by Exit 5 but really it could be anywhere. Cost: \$2.5M. That location could serve Beaufort County and could attract BC investment. Another idea I heard this morning was several smaller ones located throughout the county. This is an attractive idea also but would probably need more building costs, administration, teachers, etc.

Of course work force training requires more than just a building. It needs management, teachers, curriculum, etc. which are not the core competency of governments. We need partners in business and education to take over after the building goes up.

This is a big question with complicated answers. If it has interest by all parties, I suggest a committee with a representative from each jurisdiction to formulate a plan.

Just a thought for your consideration.

Enjoy your weekend.

Harry

Harry Williams
Mayor
City of Hardeeville
hwilliams@hardeevillesc.gov
201-788-4102

Sent from [Mail](#) for Windows 10

In the May 23rd edition of the Island Packet a letter to the editor stated “The only people who don’t wish to return to work, in truth, just don’t wish to return to poverty-level wages”.

This struck me because prior to COVID, Jasper County had a 2.5% unemployment rate, yet continued to average nearly 25% of the population living below the poverty line.

Who are these working poor? Consider this statistic delivered to the Jasper County Council (about 3 years ago) by a planning firm they had hired: one-third of the 18-24 age group did not have a HS degree or an equivalency. As astounding as this sounds, it is understandable when you consider that until recently the graduation rate was 65-75% (every year for who knows how many years). And how many drop outs are there who never were entered into the HS statistics?

Our school systems are making progress with new and energized leadership. Jasper County opened a C.A.T.E school and along with A.C.E. there is added technical training for students who do not want to go to college. USCB is a wonderful small college and TCL offers many needed programs.

But what about all the working poor who do not have a long-term path to economic growth? That’s the population who can benefit most from a regional effort to train a work force who do not want “to return to poverty-level wages”.

Dr. Panu speaks of projects that “support our long-term financial sustainability with recurring benefits” and “impactful but sustainable enhancements to...the region”. What could be more impactful, with long-term benefits to the entire Low Country, than a Regional work force training center that focuses on the thousands of under-employed people who cannot qualify, or see the pathway, for the programs of USCB or TCL?

Envision a center that provides GED preparation and life guidance. Envision 11-week programs for welding and forklift driving such as provided at Hardeeville’s Public Works Building (first a GED is necessary for some). Envision training programs tailored to a new industry arriving in our region, such as those arriving in southern Hardeeville. New companies may be willing to pay for a trained work force for their specific operations as they prepare their building for opening. A regional training center can be designed to be adaptable and flexible in their program offerings and provide complementary (not competing) training programs to those offered by USCB and TCL.

Hardeeville has a fledgling program and the City has partnered with Bluffton Self Help to provide GED training and other guidance. But in truth the vision needs to be bigger and education is not a core competency of government. Hardeeville has land that could be donated and Hardeeville’s two (soon to be three) exits off I95 provide easy access to a 50-mile radius but I’m sure there are more site candidates that could be considered.

This vision needs a regional approach if long-term sustainability is to be achieved. And it needs professionals in the field of education. All the local governments and school systems need to be supportive partners. Duplication needs to be avoided. Businesses, particularly those who directed benefit, need to contribute.

Poverty in the Low Country has existed for generations and has earned the title of “the Corridor of Shame”. We are attacking it on many levels including better schools, early learning programs, technical

HS, and strong post-secondary education institutions. But we are ignoring those who already fell through the cracks and don't know how to squeeze back through.

We hear the cry for more workers for jobs that pay low wages. Perhaps the problem is not that we have a lack of low wage workers. Perhaps the problem is we have too many.

Capital Improvements Joint Bond Review Committee

HUGH K. LEATHERMAN, SR.
SENATE
CHAIRMAN

G. MURRELL SMITH, JR.
HOUSE OF REPRESENTATIVES
VICE CHAIRMAN

SENATE MEMBERS

HUGH K. LEATHERMAN, SR.
HARVEY S. PEELER, JR.
THOMAS C. ALEXANDER
NIKKI G. SETZLER
RONNIE W. CROMER

HOUSE MEMBERS

G. MURRELL SMITH, JR.
GILDA COBB-HUNTER
LEONIDAS E. STAVRINAKIS
J. GARY SIMRILL
HEATHER AMMONS CRAWFORD



F. RICHARD HARMON, JR.
DIRECTOR OF RESEARCH
SFAA LIAISON
803-212-6682

MARY KATHERINE ROGERS
ADMINISTRATIVE ASSISTANT
803-212-6677
FAX: 803-212-6690

JOINT BOND REVIEW COMMITTEE MEETING

Wednesday, January 27, 2021 9:00 a.m.
Virtual Video Conference

AGENDA

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Live-streaming of this meeting will be available at www.scstatehouse.gov.

AGENCY: South Carolina Department of Commerce

SUBJECT: Rural Strategy Overview

In July 2019, the South Carolina Department of Commerce was allocated \$65 million pursuant to proviso 50.21 (2019) to facilitate economic development and infrastructure improvements in eligible counties identified by the General Assembly, based on population decline and poverty rate. The proviso requires committee review of the Department's plan before these funds may be expended.

The Department of Commerce proposes providing up to \$30 million to the Office of Regulatory Staff to administer a competitive broadband grant program to eligible providers for broadband deployment projects within the eligible counties outlined in the proviso. All broadband grants would require a 1:1 match with private funds. The Office of Regulatory Staff expects to publish a schedule for the program by February 26, 2021, with funds committed by December 31, 2021.

The Department of Commerce proposes to use the remaining \$35 million to provide grants to eligible counties to enhance economic development competitiveness. Grants will require a 1:1 match which can include federal, local government, nonprofit or private support. The Department's goal is to complete a project in each of the 14 eligible counties with funds committed and grant agreements executed by December 31, 2021.

COMMITTEE ACTION:

Review the plan proposed by the South Carolina Department of Commerce and provide comment as appropriate.

ATTACHMENTS:

1. Letter from SC Department of Commerce.
2. SC Department of Commerce Rural Strategy Overview - January 2021.



Henry McMaster
Governor

SOUTH CAROLINA
DEPARTMENT OF COMMERCE

Robert M. Hitt III
Secretary

January 22, 2021

The Honorable Hugh K. Leatherman, Sr.
Chairman
Joint Bond Review Committee
312 Gressette Building
Columbia, South Carolina 29201

Dear Chairman Leatherman,

Rural South Carolina and its economic future are priority for members of the South Carolina Legislature, Governor McMaster and the South Carolina Department of Commerce. Together, we are committed to seeking solutions that will have a lasting impact on many rural areas of our state.

In accordance with Proviso 50.21 (CMRC: Development – Funding for Rural Infrastructure), I am providing the South Carolina Rural Strategy for the Joint Bond Review Committee's review.

The impact of the pandemic has been far reaching, but access to broadband has been one of the most challenging aspects. The South Carolina Legislature authorized the South Carolina Broadband Infrastructure Program operated by the South Carolina Office of Regulatory Staff. The Department of Commerce will continue this momentum of broadband expansion and would allocate \$30 million dollars of this funding to the Office of Regulatory Staff.

The remaining funds would be used on economic development projects the state's rural communities would otherwise not be able to initiate without significant investment from supporting organizations.

We look forward to working with our partners to identify and implement sustainable initiatives that will have beneficial impact on our rural communities and afford more opportunities for the citizens who call them home.

Sincerely,

A handwritten signature in black ink, appearing to read "RM Hitt III".

Robert M. Hitt III

RMH/ac/vw

CC: Rep. Murrell Smith, Jr.



S.C. DEPARTMENT OF COMMERCE RURAL STRATEGY OVERVIEW – JANUARY 2021

Summary

In July of 2019, S.C. Commerce was allocated \$65 million for rural development, specifically funding for rural infrastructure, under proviso 50.21 as approved by the South Carolina General Assembly (see Attachment A for proviso). The funds were designated to facilitate economic development and infrastructure improvements in eligible counties identified by the General Assembly, based on population decline and poverty rate (see Attachment B for a map of eligible counties).

While the S.C. Commerce team is completing in-depth reviews with the 14 eligible communities to assess needs and better determine the types of projects that would best fulfill the intent of these funds as outlined in the proviso, one of the most significant challenges identified is access to broadband. The impact of COVID-19 has underscored the urgency of needed expansion. To maintain the momentum of the South Carolina Broadband Infrastructure Program, S.C. Commerce would allocate \$30 million dollars of this rural funding to the Office of Regulatory Staff for continued program operations and to provide grants to broadband providers to advance broadband deployment in eligible counties.

Upon completion of the community investigations, S.C. Commerce would implement a systematic approach for the deployment of the remaining funds to rural communities with a goal to complete at least one project in each of the 14 counties. There are several types of potentially eligible projects, outlined below, but the objectives of all projects funded via the rural strategy program will be to improve the conditions for future growth, stabilize the economies of the rural communities and to make targeted investments into workforce education solutions serving the eligible counties. S.C. Commerce staff will assume the responsibility of working directly with each of the eligible counties to identify projects and provide support during the application process. This will also include helping to identify other sources of funding for the community match.

Recognizing the importance of implementing solutions that initiate long-term change, S.C. Commerce will make investments into these counties and leverage other resources, such as federal grant and non-profit opportunities. S.C. Commerce will dedicate at least two full-time staffers to serve as project managers, evaluating the impact of the investment to ensure the success of this program and provide monitoring to ensure grant funds are used as intended.

We look forward to working with our partners to identify, initiate and implement comprehensive solutions to, ultimately, build a stronger, sustainable rural South Carolina.



Types of Projects Potentially Eligible for Funding

Broadband

Provide up to \$30 million to the Office of Regulatory Staff (ORS) to administer a competitive broadband grant program. ORS would create and manage the grant program to provide grants to eligible providers for broadband deployment projects within the eligible counties outlined in the proviso. ORS would be able to utilize up to \$7 million of the available funds for projects within the adjacent counties.

*Additional funding for adjacent counties could be made available upon consultation by S.C. Commerce.

ORS aims to have a schedule for this grant program published on or before February 26, 2021 with a goal of having all funds committed by December 31, 2021. All broadband grants would require a 1:1 match with private funds.

Up to 1.5% of the \$30 million allocated for broadband grants could be used by ORS for administrative costs.

Estimated Budget: up to \$30,000,000

Economic Development Preparedness Grants

S. C. Commerce proposes to use the remainder of the funds, \$35 million, to provide grants to eligible counties to enhance economic development competitiveness in these counties. Grants will require a 1:1 match which can include federal, local government, nonprofit or private support. S. C. Commerce will work closely with local leadership to identify projects that have the maximum impact to enhance competitiveness while garnering support from the local leadership and community. S.C. Commerce's goal is to complete a project in each of the 14 counties and to have the \$35 million committed and grant agreements executed by December 31, 2021.

S. C. Commerce can use up to \$8 million to fund grants in adjacent counties (working with ORS to ensure that the total of funds allotted to adjacent counties in both programs equals no more than \$15 million per the proviso).

Examples of possible grant projects:

- Construction of speculative buildings, improvements to publicly owned industrial buildings or to assist with the purchase of publicly owned industrial buildings.



S.C. DEPARTMENT OF COMMERCE RURAL STRATEGY OVERVIEW – JANUARY 2021

- Identification, acquisition and/or development of industrial sites and parks.
- Infrastructure upgrades (water, wastewater and roads) to serve industrial product, assist an existing industry or recruit a new company.
- Enhance or create educational opportunities that will support local companies or help recruit new companies.

Estimated Budget: up to \$35,000,000



S.C. DEPARTMENT OF COMMERCE RURAL STRATEGY OVERVIEW – JANUARY 2021

Attachment A

Whereas, the South Carolina Department of Commerce has been allocated \$65 million for development, specifically funding for rural infrastructure, under proviso 50.21 as approved by the South Carolina General Assembly. These allocated funds have been allocated to address rural initiatives in 14 South Carolina counties.

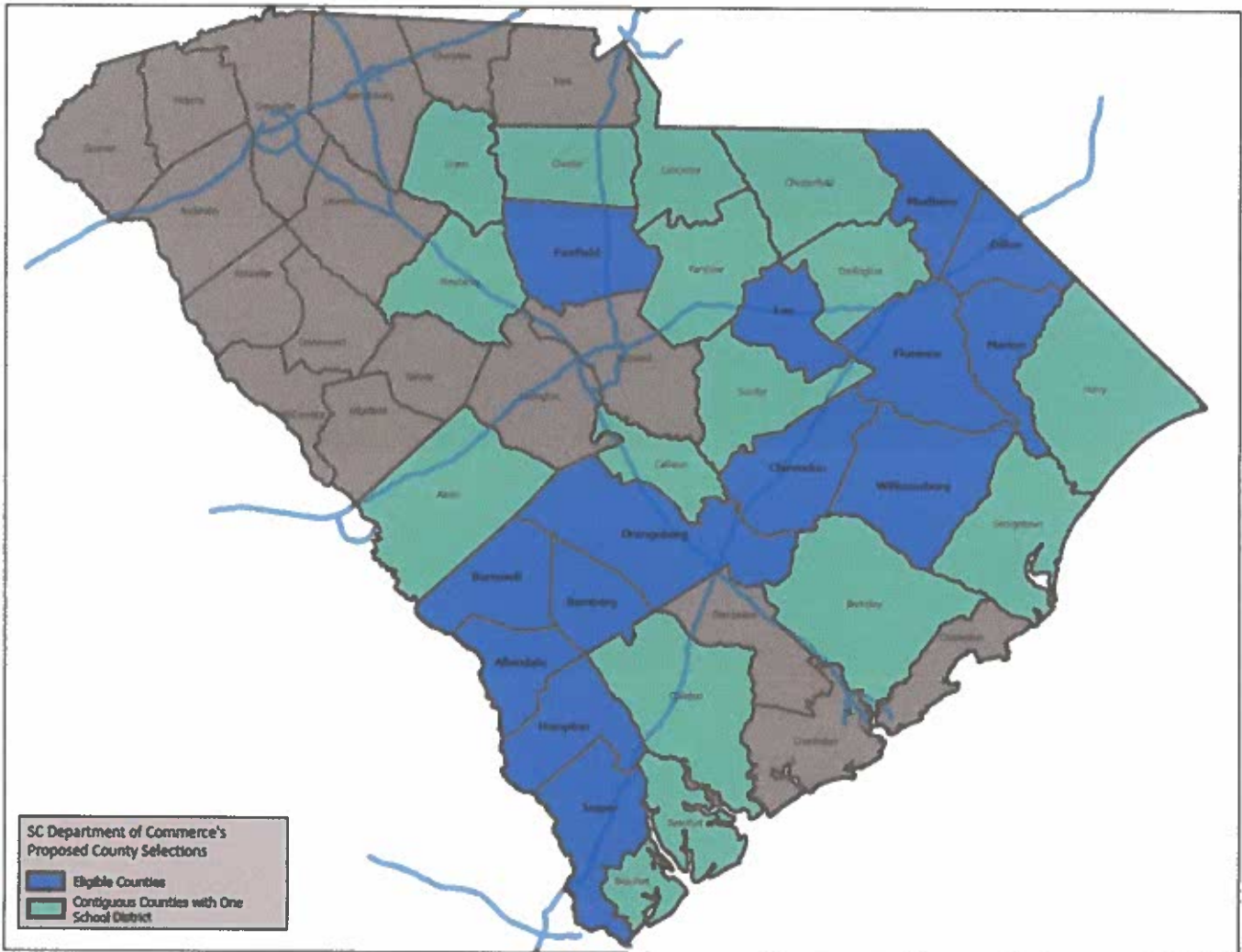
Proviso 50.21 (CMRC Development – Funding for Rural Infrastructure):

There is established within the Department of Commerce the Rural School District and Economic Development Closing Fund. (A)The Secretary of Commerce shall use the fund to facilitate economic development and infrastructure improvements in counties that contain a school district that has been defined by the Department of Education as having a poverty rate greater than or equal to 86%. (B)The Secretary of Commerce shall use the fund to facilitate economic development and infrastructure improvements in counties that meet each of the following criteria: (1) one of the top twelve counties in South Carolina with the highest population decline (by percentage) since 2010; (2) one of the top twelve counties with the highest average employment rate for 2018; and (3) according to the US Census 2017 - a county with a poverty rate in excess of twenty percent. Funds are to be used on, but not limited to, economic development projects, water and sewer infrastructure, and school building infrastructure. Once a project is committed, the funds may be utilized to finish that specified project, even if the county does not remain an eligible county in subsequent years. This plan must be reviewed by the Joint Bond Review Committee before these funds may be expended. Of the funds transferred to the fund, up to \$15,000,000 may be used in any county that is contiguous to an eligible county as long as that contiguous county has one county-wide consolidated public school district. Any unexpended funds at the end of the fiscal year shall be carried forward and expended in the current fiscal year by the Department of Commerce for the same purposes.



**S.C. DEPARTMENT OF COMMERCE
RURAL STRATEGY OVERVIEW – JANUARY 2021**

Attachment B



AGENDA ITEM:

XIII

Old Business item A

* * Note this is a verbal COVID update from Chief Wells and the screen will be shared with this information * *

AGENDA ITEM:

XIV

Council Members Comments

AGENDA ITEM:

XV

Administrator's Report



OFFICE OF THE JASPER COUNTY ADMINISTRATOR

358 Third Avenue - Courthouse Square - Post Office Box 1149
Ridgeland, South Carolina 29936 - 843-717-3690 - Fax: 843-726-7800

Andrew P. Fulghum
County Administrator
afulghum@jaspercountysc.gov

Administrator's Report November 1, 2021

1. Jasper County Radio Control Chapter of the Academy of Model Aeronautics, Inc.:

The local chapter has requested to place a storage container on County property that is the subject of a non-exclusive license agreement between the County and the club. By virtue of the license agreement granted by the County Council in May of 2021, improvements and signage must be approved by the County Administrator and the Cypress Ridge Business/Industrial Park Design Review Committee.

I will forward the club's request to the design review committee for consideration prior to agreeing to allow them to place the container.

2. Intergovernmental Agreement (IGA) between Jasper County and the City of Hardeeville Governing Economic Development Cooperation:

The IGA terms have been adjusted in accordance with the County Council's motion made at your special meeting held on October 25. As of the printing of this report, I have executed the IGA and forwarded it to the City for execution by the City. A copy of the partially executed document follows this report.

The County Administrator's Progress Report and any miscellaneous correspondence, agendas, and minutes follow this report.

STATE OF SOUTH CAROLINA)	INTERGOVERNMENTAL
)	AGREEMENT
COUNTY OF JASPER)	(ECONOMIC DEVELOPMENT
)	COOPERATION)
CITY OF HARDEEVILLE)	

WHEREAS, Jasper County, South Carolina ("County") and the City of Hardeeville, South Carolina ("City") desire to establish and agree to the matters set forth herein for purposes of enhancing the economic development competitiveness of the region and providing opportunities for the citizens of the County and the City; and

WHEREAS, the County acting by and through its County Council ("County Council") is empowered under and pursuant to the provisions of the Code of Laws of South Carolina, 1976, as amended, and specifically, Title 4, Chapter 1 ("MCIP Act") to enter into agreements with other counties within the State of South Carolina ("State") for the purpose of creating joint county industrial and business parks ("Parks" or "Park"), pursuant to which certain infrastructure credits ("Credits") are made available to investors locating, improving, or expanding projects within such parks ("Project"); and

WHEREAS, the County may enter into incentive agreements with the developers or companies locating a Regional Project within a Park; and

WHEREAS, a Project may be located within the corporate limits of the County and of the City ("Regional Project"); and

WHEREAS, the MCIP Act does not permit inclusion of a Regional Project within a Park unless the City consents thereto; and

WHEREAS, for the term herein the City desires to provide its blanket consent to the County including Regional Projects in a Park, provided that the County agrees to distribute a portion of the fees in lieu of taxes paid on behalf of a Regional Project ("Fee Revenues") to the City as more particularly described herein; and

WHEREAS, the County and the City have reduced their mutual understandings regarding the conditions to City's blanket consent to this Intergovernmental Agreement ("Intergovernmental Agreement").

NOW, THEREFORE, it is hereby agreed between Jasper County and the City of Hardeeville that:

1. The City consents to the inclusion of Regional Projects in a Park for so long as (A) the City receives from the County a distribution of 27.4% of Fee Revenues paid in connection with any Project ("City Share"), such calculation to be made after (i) the County is reimbursed for any Direct Capital Expenses it incurs related to a Project, (ii) the adjustments set forth in paragraph 2 below, (iii) deduction of Credits from the Fee Revenues in accordance with the provisions of the applicable incentive agreement, and after (iv) distribution of a portion of the Fee Revenues to the appropriate partner county in accordance with the applicable agreement governing the operation of a Park.

For purposes of this Intergovernmental Agreement, the following definitions shall apply:

“Direct Capital Expense” means a capital expenditure necessary to (i) meet a discrete need of a Project, (ii) induce a company or investor to locate on a particular site within the County, or (iii) improve, construct or rehabilitate land and infrastructure needed for a Project.

“FILOT Act” shall mean Title 12, Chapter 44, of the Code, and all future acts successor or supplemental thereto or amendatory thereof.

“Impact Fees” mean one-time fees charged in order to account for and offset (i) a Direct Capital Expense, (ii) the additional costs of providing public services distinctly attributable to a Project, or (iii) the immediate financial impact a Project’s increased use of infrastructure or utilities has on existing public infrastructure. Such fees shall bear a reasonable relation to the actual impact of the Project, as detailed in the Written Declaration of Revenues.

“Operational Fees” mean either (i) any portion of a fee charged in order to provide funds to offset continuing expenses resulting from general economic growth that may be either directly or indirectly related to a Project, or (ii) fees not properly justified as Impact Fees in the Written Declaration of Revenues; provided, however, permit, license, inspection and other similar fees established by ordinance shall not constitute Operational Fees.

“Written Declaration of Revenues” means a written statement provided by the City to the County detailing all fees charged and setting forth whether such fees are generally applicable fees set forth in an ordinance, Impact Fees, or Operational Fees. To the extent any fee is designated an Impact Fee, the Written Declaration of Revenues shall provide the basis for calculating the amount of the Impact Fee.

2. The City’s City Share shall be reduced to account for any Operational Fees charged by the City to a Project. The reduction shall be instituted such that the City’s projected total receipts of Fee Revenues on an NPV basis from the Project equals the sum of the City’s Operational Fee plus the reduced stream of Fee Revenues on an NPV basis over the same period.

3. The amount of any reduction resulting from the application of paragraph 2 shall result in a corresponding increase in the amount of Fee Revenues received by the County and The Jasper County School District (“School District”). Such amount shall be split equally between the County and School District.

4. As soon as practicable after a Regional Project requests inclusion within a Park, the City shall provide to the County a Written Declaration of Revenues setting forth all fees charged to the Project and all Documented Capital Expenditures. Any time thereafter the City charges a fee to a Project, it shall provide an additional Written Declaration of Revenues setting forth all fees charged to the Project and all Documented Capital Expenditures.

5. Unless increased pursuant to paragraph 3, the County will receive a distribution of 32.6% of Fee Revenues paid on behalf of the Project.

6. Unless increased pursuant to paragraph 3, the School District will receive a distribution of 40% of Fee Revenues paid on behalf of the Project.

7. Upon the expiration or earlier termination of the applicable incentive agreement a Project shall be automatically removed from the MCIP.

8. The County agrees not to consent to any assignment of the applicable incentive agreement (to the extent the County’s consent is required under the applicable incentive agreement), or agree to any

amendment or modification of the applicable incentive agreement which increases the percentage of the Credit or the term over which it is granted, without obtaining the written consent of the City.

9. This Intergovernmental Agreement shall be for a term of five years ("Initial Term"). Should the City and County desire to renew this Intergovernmental Agreement upon the expiration of the Initial Term they may do so.

10. Should any part, term, or provision of this Intergovernmental Agreement be finally declared to be invalid or otherwise enforceable by any court of competent jurisdiction, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions hereunder, all of which are hereby declared to be separable.

[signature page follows]

Agreed upon and entered into as of the ____ day of _____, 2021.

JASPER COUNTY, SOUTH CAROLINA

By:  _____

Its: County Administrator

CITY OF HARDEEVILLE, SOUTH CAROLINA

By: _____

Its: City Manager



OFFICE OF THE JASPER COUNTY ADMINISTRATOR

358 Third Avenue - Courthouse Square - Post Office Box 1149
Ridgeland, South Carolina 29936 - 843-717-3690 - Fax: 843-726-7800

Andrew P. Fulghum
County Administrator

afulghum@jaspercountysc.gov

Progress Report October 19, 2021-November 1, 2021

1. **Exit 3:**
Participated in virtual meeting with outside counsel on Oct. 21 to discuss proposed term sheet distributed by the SC Transportation Infrastructure Bank (SIB). Reviewed group edits on October 26.
2. **Debt Refinancing:**
Participated in bond closing on Oct. 22.
3. **Various Development Projects:**
Participated in virtual meetings with outside counsel on Oct. 19 in prep for Oct. 20 special County Council meeting and on Oct. 22. Emails and telephone conversations re: Carolina Metal Castings proposed tax payment plan. Prepared for special County Council meeting held on Oct. 25.
4. **Ridgeland-Claude Dean Airport:**
Reviewed and scored requests for proposals (RFQs) for airport planning and engineering services. Participated in meeting with staff selection committee to review individual rankings. Submitted rankings to Mr. Danny Lucas. To be presented to County Council for action at the Nov. 1 County Council meeting.
5. **City of Hardeeville v. Jasper County, et al. (Nickel Plate MCIP):**
Attended hearing on Oct. 27. Report to Council will be provided at Nov. 1 County Council meeting.
6. **Other Meetings/Events Attended or Scheduled to Attend:**
Special County Council meetings held on Oct. 20 and Oct. 25 and Jasper County Health and Benefits Fair on Oct. 29.