

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 ON A TRACT OF LAND BEARING TMP # 030-00-01-019, 030-00-01-020, 031-00-00-017, 030-00-01-022, 030-00-01-021,030-00-01-007 AND GENERALLY KNOWN AS A PORTION OF THE SHERWOOD TRACT LOCATED IN THE CITY OF HARDEEVILLE; (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 pursuant to an agreement to be negotiated between and 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 County agree to cooperate in the efforts of the Southern Carolina Regional Alliance to release the deed restriction.

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 the form as negotiated by the County Administrator with the advice of legal counsel, 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. 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. The

County agrees to cooperate in the efforts of the Southern Carolina Regional Development Alliance in removing the Deed Restriction within 30 days following the execution of the Fee Agreement.

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. *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 7. *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 8. *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:
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 August 26, 2021, prepared by Hussey Gay & Bell and attached hereto as Exhibit B-1.

EXHIBIT B-1

