

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR FAIRFIELD COUNTY

ORDINANCE NO. 362

AN ORDINANCE TO RATIFY THE ESTABLISHMENT OF A JOINTLY OWNED AND OPERATED INDUSTRIAL PARK WITH RICHLAND COUNTY PURSUANT TO THE SOUTH CAROLINA CODE OF LAWS OF 1976 SECTION 4-1-170, ET SEQ., AS AMENDED, KNOWN AS THE I-77 CORRIDOR REGIONAL INDUSTRIAL PARK; TO RATIFY CERTAIN AGREEMENTS REACHED BY THE TWO COUNCILS WITH RESPECT TO SUCH PARK; TO ENTER INTO AN AGREEMENT DESIGNATING CERTAIN PROPERTY CURRENTLY OPERATED BY SMI-OWEN STEEL COMPANY, INC. AND RELATED AFFILIATES AND BY CAROLINA CERAMICS, LLC AS PART OF SUCH PARK; TO INCORPORATE SUCH AGREEMENTS INTO THIS ORDINANCE AS IF REPEATED VERBATIM HEREIN; AND TO DESIGNATE THE METHOD OF DISTRIBUTION OF FEE IN LIEU OF TAX REVENUES.

WHEREAS, Fairfield County and Richland County (jointly the "Counties") are authorized under Article VIII, Section 13, of the South Carolina Constitution to develop jointly with other counties an industrial or business park within the geographical boundaries of one or more of the member counties; and

WHEREAS, in order to promote the economic welfare of the citizens of the Counties by providing employment and other benefits to the citizens of the Counties, Fairfield County heretofore agreed to develop jointly with Richland County an industrial and business park as provided by Article VIII, Section 13, of the South Carolina Constitution and in accordance with Section 4-1-170 of the Code of Laws of South Carolina, 1976, as amended (the "Act"), such park being known as the I-77 Corridor Regional Industrial Park (the "Park"); and

WHEREAS, Fairfield County wishes to ratify all arrangements heretofore taken with respect to the Park, including specifically that certain Agreement for Designation of the I-77 Corridor Regional Industrial Park Phase VI (the "Bose Agreement") which designated as part of the Park certain property operated by Bose Corporation (the "Bose Property") and all other agreements and amendments to agreements heretofore executed and delivered by Fairfield County and Richland County to designate various parcels as part of the Park (the Bose Agreement and such other agreements and amendments collectively referred to herein as the "Existing Agreements"); and

WHEREAS, Fairfield County wishes to enter into a new agreement (the "SMI/Carolina Ceramics Agreement") with Richland County to enlarge the boundaries of the Park to include the property of SMI-Owen Steel Company, Inc. and Carolina Ceramics, LLC (the "Additional Property"), which shall include the premises more fully described in Exhibit A hereto.

NOW, THEREFORE, pursuant to the authority granted by the Constitution and the General Assembly of the State of South Carolina, BE IT ORDAINED BY THE FAIRFIELD COUNTY COUNCIL:

Section 1. The Existing Agreements, including without limitation the Bose Agreement, are hereby ratified and approved, and all terms of the Existing Agreements are incorporated by reference herein as if fully set forth herein in their entirety, and the inclusion of the property described therein, including without limitation the Bose Property, as part of the Park is hereby ratified and approved.

Section 2. The SMI/Carolina Ceramics Agreement in the form presented to this meeting which designates the Additional Property as part of the Park, is hereby approved, and all terms of the SMI/Carolina Ceramics Agreement are incorporated by reference herein as if fully set forth herein in their entirety, and the inclusion of the Additional Property as part of the Park is hereby approved.

Section 3. The Chairman or Vice Chairman of County Council, and the Clerk are hereby authorized to execute and deliver on behalf of Fairfield County any and all of the Existing Agreements, including without limitation the Bose Agreement and the SMI/Carolina Ceramics Agreement. The SMI/Carolina Ceramics Agreement shall be substantially in the form presented to this meeting, with such changes as the Chairman or Vice Chairman deems appropriate with the execution by the Chairman or the Vice Chairman constituting conclusive evidence that any changes to the form of such agreement is authorized by this Ordinance. The appropriate officers of the County are hereby authorized to perform any task and sign any such ancillary agreements, certificates, or documents as it is determined by the Chairman to be necessary or convenient to effectuate the provisions of this Ordinance.

Section 4. Any business enterprise locating in the Park shall pay a fee-in-lieu of *ad valorem* taxes as provided for in the Agreements, Article VIII, Section 12 of the South Carolina Constitution, and the Act. The user fee paid in lieu of *ad valorem* taxes shall be distributed among Fairfield County and Richland County as set forth in respective Existing Agreements and in the SMI/Carolina Ceramics Agreement.

Section 5. Fairfield County hereby specifies that the distribution of the fee in lieu of *ad valorem* taxes received by Fairfield County pursuant to the Existing Agreements and the SMI/Carolina Ceramics Agreement (the 5% portion) be paid as follows: (1) first, to Fairfield County to reimburse Fairfield County for any expenses incurred by Fairfield County in connection with development and marketing of the Park, including without limitation, expenses incurred in connection with the acquisition and construction of land and improvements thereon; the acquisition and construction of infrastructure improvements serving the Park such as roads, water and sewer lines and improvements, drainage improvements, signage, and lighting, whether or not located on the land comprising the Park; and expenses related to providing land, site work, and other incentives to induce companies to locate in the Park; and (2) the balance shall be distributed to each of the taxing entities in Fairfield County which levy an *ad valorem* property tax in any of the areas comprising the Park in the same percentage as is equal to that taxing entity's percentage of the millage rate being levied in the then current tax year for property tax purposes; provided that Fairfield County may, from time to time, by ordinance, amend the distribution of the fee in lieu of tax payments to all taxing entities. A portion of the fee in lieu of *ad valorem* taxes which Fairfield County receives pursuant to the Existing Agreements and the SMI/Carolina Ceramics Agreement for Park premises may be, from time to time and by ordinance of Fairfield County Council or its

successor, designated for the payment of Special Source Revenue Bonds or Credits in lieu of such Bonds.

Section 6. The administration, development, promotion, and operation of the Park shall be as set forth in those written agreements enacted to establish each phase of the Park.

Section 7. In order to avoid any conflict of laws or ordinances between the Counties, Fairfield County ordinances will be the reference for such regulations or laws in connection with the Park premises located within Fairfield County, and Richland County ordinances will be the reference for such regulations or laws in connection with the Park premises located within Richland County. Nothing here shall be taken to supersede any state or federal law or regulation. The County in which the premises are located is specifically authorized to adopt restrictive covenants and land use requirements for the Park at that County's sole discretion.

Section 8. The Sheriff's Department for the county within which the Park premises are located will have initial jurisdiction to make arrests and exercise all authority and power within the boundaries of the Park premises located within each county; and fire, sewer, water, and EMS services will be provided by the service district or other political unit within whose jurisdiction the Park premises are located.

Section 9. Should any section of this Ordinance be, for any reason, held void or invalid, it shall not affect the validity of any other section hereof which is not itself void or invalid.


Section 10. That property designated as being within the Park shall be those premises more fully described in the exhibits attached to the Existing Agreements and the SMI/Carolina Ceramics Agreement, which exhibits are hereby incorporated herein as if set out in their entirety.

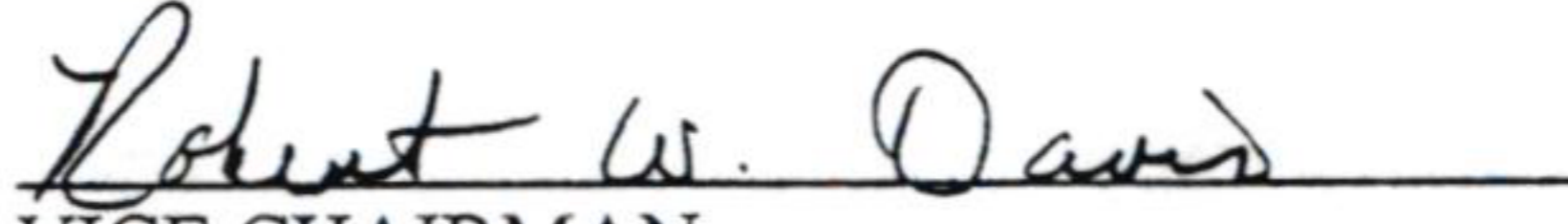
Section 11. The boundaries of the Park may be enlarged or diminished from time to time as authorized by Ordinances of the County Councils of the Counties. It is specifically recognized that the Park will from time to time consist of non-contiguous properties.

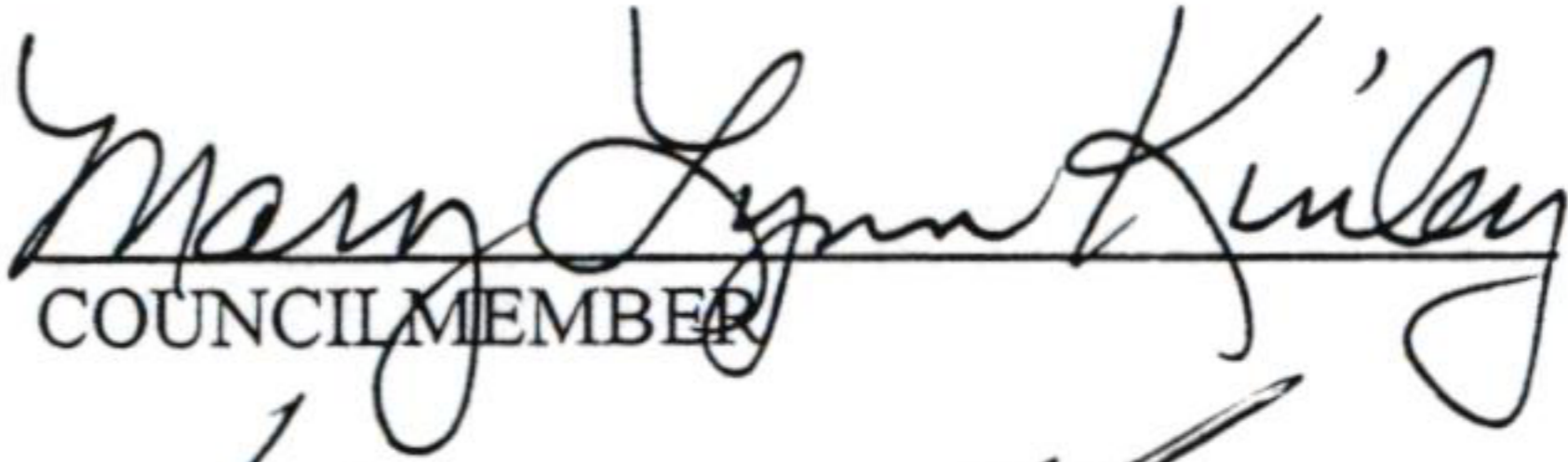
Section 12. This Ordinance shall be effective immediately upon approval by Fairfield County Council.

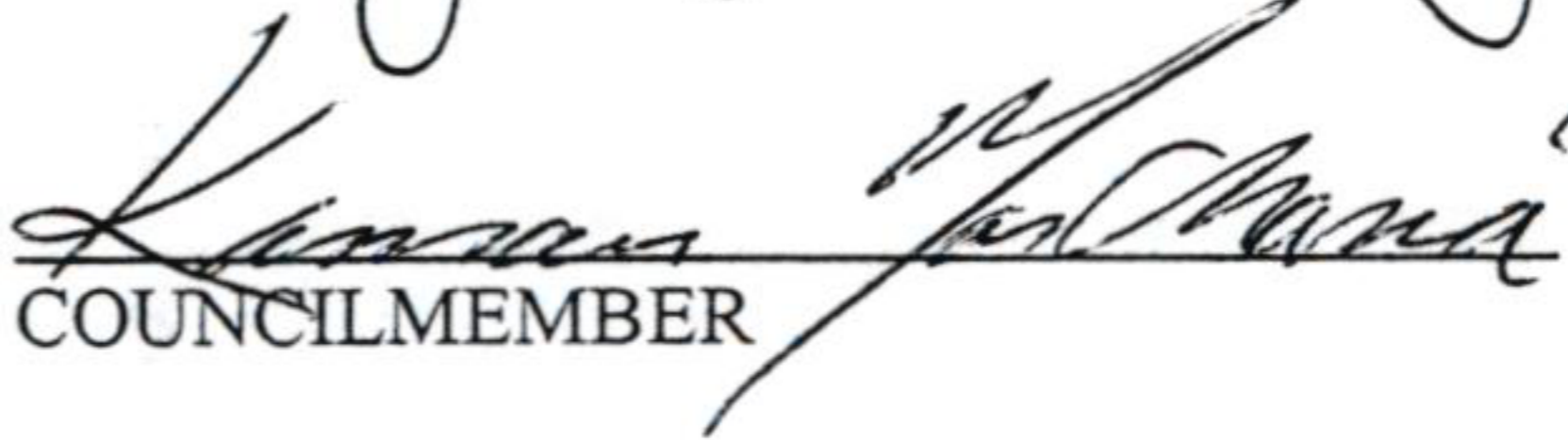
[SIGNATURE PAGE TO FOLLOW]

Adopted this 30th day of December, 1999, by order of the Fairfield County Council.

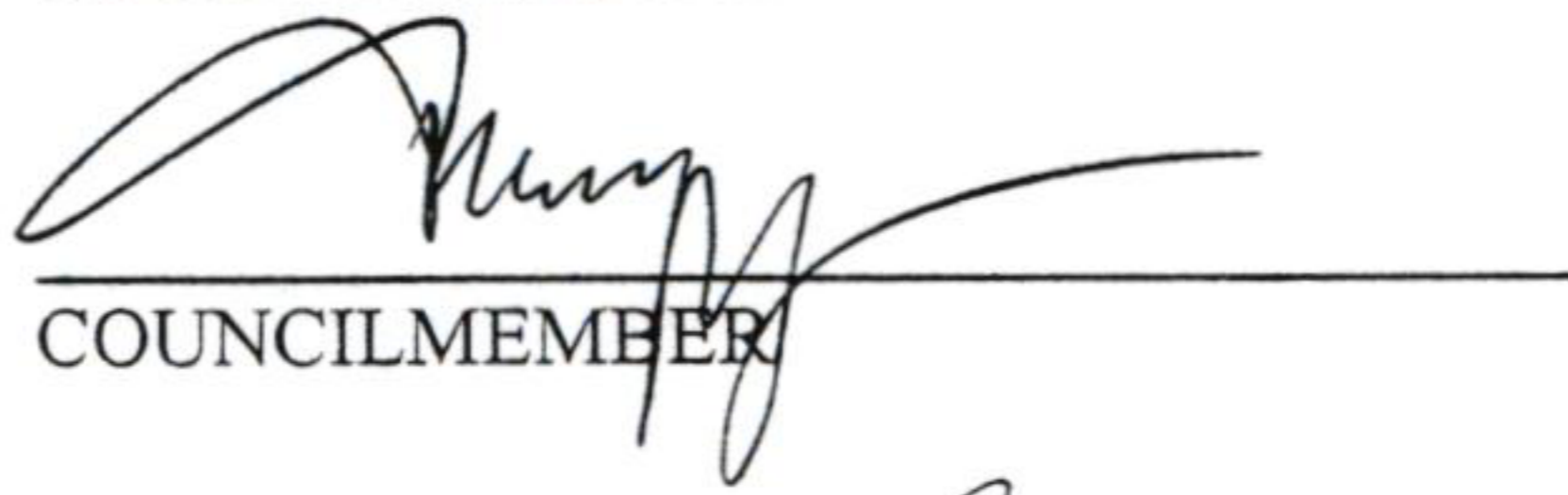

CHAIRMAN

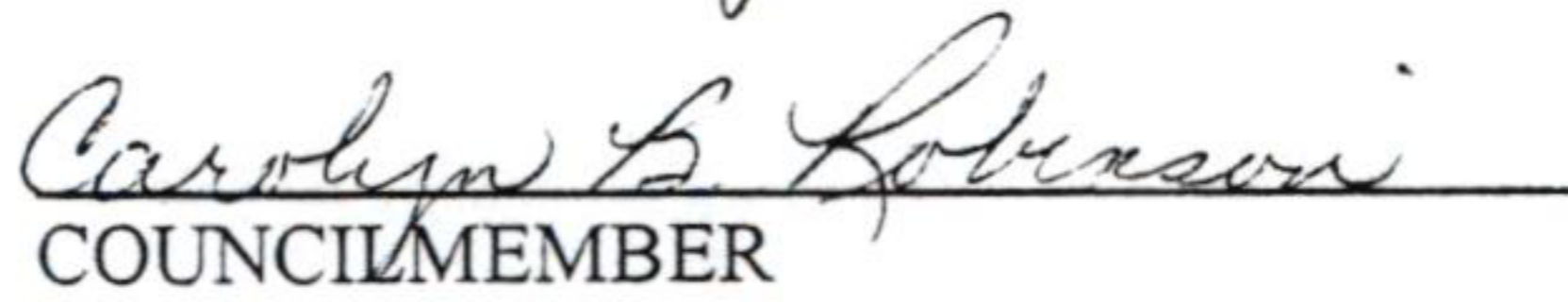

VICE CHAIRMAN


COUNCILMEMBER


COUNCILMEMBER

COUNCILMEMBER


COUNCILMEMBER


COUNCILMEMBER

ATTEST:


CLERK TO COUNCIL

First reading: November 8, 1999
Second reading: November 22, 1999
Third reading: December 30, 1999
Public Hearing: December 30, 1999

EXHIBIT A

SMI-Owen Steel Company, Inc. Tracts

Columbia Industrial Park Tract

All that certain piece, parcel, or tract of land containing 10.0 acres lying and being situate in Richland County, State of South Carolina, located in the Columbia Industrial Park at the intersection of First Street South and First Avenue, being more fully shown and delineated on a plat prepared for The City of Columbia of "Columbia Industrial Park Additional 10.0 Acres" by David S. Sharpe of City of Columbia Department of Utilities and Engineering in Columbia, South Carolina, dated February 17, 1999 and recorded on _____ in the Office of the RMC for Richland County in Plat Book ____ at page _____.

TMS No.: 13511-03-01 West Portion

Beltline Tract

All that certain piece, parcel, or tract of land containing _____ acres lying and being situate in Richland County, State of South Carolina, located

TMS No.:

Carolina Ceramics, LLC Tract

All that certain piece, parcel, or tract of land, with any improvements thereon, situate, lying, and being in Richland County, South Carolina, near U.S. Highway 1 and Brickyard Road, containing 24.29 acres as shown on a plat prepared for CC Acquisition Corp. by Whitworth & Associates, Inc., dated February 12, 1992 and recorded in the Office of the RMC for Richland County in Plat Book 53 at page 8776.

TMS No.:

AGREEMENT FOR DESIGNATION
OF THE
1-77 CORRIDOR REGIONAL INDUSTRIAL PARK
PHASE XVIII

THIS AGREEMENT, made and entered into to be effective as of the 1st day of the month of December, 1999, by and between and among FAIRFIELD COUNTY, a political subdivision of the State of South Carolina ("FAIRFIELD"), and RICHLAND COUNTY, a political subdivision of the State of South Carolina ("RICHLAND"), is made pursuant to Article VIII, Section 13(D), S.C. Constitution, as amended, and Section 4-1-170, S.C. Code of Laws, 1976, as amended.

WHEREAS, on February 22, 1993, the respective County Councils of FAIRFIELD and RICHLAND committed to the joint investigation of the benefits of establishing a MULTI-COUNTY JOINT REGIONAL INDUSTRIAL PARK or PARKS;

WHEREAS, acting through their respective Councils, FAIRFIELD and RICHLAND did appoint three representatives each to the FAIRFIELD-RICHLAND JOINT INDUSTRIAL PARKS STUDY COMMITTEE ("STUDY COMMITTEE");

WHEREAS, the STUDY COMMITTEE performed its investigation and did recommend to the respective Councils of FAIRFIELD and RICHLAND the designation of a MULTI-COUNTY JOINT REGIONAL INDUSTRIAL PARK or PARKS in the Interstate Highway No. 77 Corridor in FAIRFIELD AND RICHLAND;

NOW THEREFORE, for and in consideration of the initial sum of Five Dollars (\$5.00) from each paid to the other, the receipt of which is hereby acknowledged, and in further consideration of the premises and mutual covenants herein contained, the sufficiency of which consideration is acknowledged, the parties agree as set forth below:

1. **Establishment of a MULTI-COUNTY JOINT REGIONAL INDUSTRIAL PARK.** This AGREEMENT provides for the establishment and designation of the I-77 Corridor Regional Industrial Park-Phase XVIII (the "PARK") which comprises the properties described in Appendix A attached hereto and made a part of this AGREEMENT.
2. **Governance.** Operations of the I-77 Corridor Regional Industrial Park-Phase XVIII shall be overseen by a governmental advisory board known as the I-77 Corridor Regional Industrial Parks Advisory Board (the "BOARD"). The BOARD consists of three (3) members each appointed by the respective Councils of FAIRFIELD and RICHLAND from the membership of the County Councils. At their individual option, FAIRFIELD and RICHLAND may choose to appoint the respective County Administrators as one of the three members of the BOARD. It is recognized that the appointees from the respective County Councils should, whenever possible, be selected from those County Council members also serving on the economic development committees of the respective County Councils.
3. **Meetings of the Board.** The BOARD meets not less frequently than annually.
4. **Officers of the Board.** The BOARD annually selects one (1) of its members to serve as Chair and one (1) to serve as Vice Chair. The Chair shall alternate annually between the appointed members of the BOARD from FAIRFIELD and RICHLAND.
5. **Staff.** Staff functions of the BOARD are provided by the staff of the Central Carolina Economic Development Alliance, and said staff also acts as Secretary to the BOARD.
6. **Objectives of the Board.** The overriding objective of the BOARD is to promote the further Economic Development of FAIRFIELD and RICHLAND via the attraction, expansion and retention of wealth-generating enterprises to the I-77 Corridor. Specifically, the BOARD's objective is to oversee the establishment and on-going operations of the I-77 Corridor Regional Industrial Park-Phase XVIII. Additionally, the BOARD shall act as liaison with

the respective County Councils of FAIRFIELD and RICHLAND on all matters pertaining to the PARK.

7. **Duties of the Board.** The BOARD of the I-77 Corridor Regional Industrial Park-Phase XVIII shall oversee all operations of the PARK. Following are among the specific responsibilities of the BOARD:
 - a. To act as liaison with and be directly accountable to the respective County Councils of FAIRFIELD and RICHLAND on all matters pertaining to the PARK;
 - b. To work in consort with the Central Carolina Economic Development Alliance, the S.C. Department of Commerce, and other public and private sector economic development entities toward the marketing and promotion of the PARK;
 - c. Where and if required, to develop a mechanism for shared PARK development expenses which is mutually agreeable to FAIRFIELD and RICHLAND.
8. **Obligations of the Parties; No Expenses Incurred.** Nothing herein shall obligate either of the parties hereto to make any expenditure whatsoever related to planning, construction or development of the PARK. The obligations of the parties hereunder are limited solely to the operations of the PARK and to the composition and functions of the BOARD and do not include any obligations to expend monies for PARK development. This does not preclude the possibility that future expenditures may be deemed mutually beneficial by both parties.
9. **Jobs Tax Credit; Valuation.** For purposes of the Job Tax Credits authorized by subsections of Section 12-6-3360, S.C. Code of Laws, 1976, as amended, it is anticipated that qualifying employers establishing business facilities within the PARK will be entitled to an additional ONE THOUSAND DOLLARS (\$1000) Jobs Tax Credit beyond the current level applicable in the county in which the permanent business enterprise is located.

10. **Exemption From Ad Valorem Taxation.** All properties located within the PARK are exempted from ad valorem taxation.
11. **Basis of Revenue.** As provided in this AGREEMENT and pursuant to Section 4-1-170, S.C. Code of Laws, 1976, as amended, a fee, equivalent to the ad valorem taxes normally assessed on the permanent business located within the PARK, will be collected in lieu of ad valorem taxes.
12. **Revenue Allocation Within each County and Between Counties.** The fee equivalent to ad valorem tax revenue generated from permanent businesses in the PARK shall be distributed at the direction of the County Council of the receiving county. In consideration of the mutual benefits to be received by both FAIRFIELD and RICHLAND by the location of wealth-generating permanent business enterprises in the PARK, RICHLAND will collect one hundred-percent (100%) of the equivalent of ad valorem taxes, and shall compensate FAIRFIELD at the level of five-percent (5%) of the annual fee equivalent to ad valorem taxes collected from any and all permanent business enterprises locating in the PARK on or after the date first above written.
13. **Assessed Valuation.** For the purpose of bonded indebtedness limitation and for the purpose of computing the index of taxpaying ability pursuant to Section 59-20-20(3), S.C. Code of Laws, 1976, as amended, allocation of the assessed value of property within the PARK to the counties which are party to this AGREEMENT must be identical to the percentage of total revenues generated by the fee equivalent to ad valorem taxes received by each county in the preceding fiscal year.
14. **Governing Law.** 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. This

AGREEMENT is specifically made pursuant to Article XVIII, Section 13(D), S.C. Constitution, as amended, and Section 4-1-170, S.C. Code of Laws, 1976, as amended.

15. **Binding effect of Agreement.** This AGREEMENT serves as a written instrument which is binding upon the signatory parties.
16. **Complete Agreement; Amendment.** This AGREEMENT constitutes the entire agreement between the parties and supersedes all agreements, representations, warranties, statements, promises and undertakings, whether oral or written, with respect to the subject matter hereof, and no party hereto shall be bound by any oral or written agreements, statements, promises or understandings not specifically set forth in this AGREEMENT. This AGREEMENT may be amended upon the approval of both of the respective County Councils of FAIRFIELD and RICHLAND.

IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT the day and
year first written above.

FAIRFIELD COUNTY



R. David Brown
Chairman of Fairfield County Council

ATTEST:



Shryll M. Brown
Clerk to Fairfield County Council

RICHLAND COUNTY

Paul Livingston
Chairman of Richland County Council

ATTEST:

Michielle Cannon-Finch
Clerk to Richland County Council