

STATE OF SOUTH CAROLINA	)	
	)	ORDINANCE NO. 732
COUNTY OF FAIRFIELD	)	

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT BY AND BETWEEN FAIRFIELD COUNTY, SOUTH CAROLINA AND MEKRA LANG NORTH AMERICA, LLC WITH RESPECT TO CERTAIN ECONOMIC DEVELOPMENT PROPERTY IN THE COUNTY, WHEREBY SUCH PROPERTY WILL BE SUBJECT TO CERTAIN PAYMENTS IN LIEU OF TAXES, INCLUDING THE PROVISION OF CERTAIN SPECIAL SOURCE CREDITS; AUTHORIZING THE PROVISION OF AN ECONOMIC DEVELOPMENT GRANT; AND OTHER MATTERS RELATED THERETO.

WHEREAS, FAIRFIELD COUNTY, SOUTH CAROLINA (the "County"), acting by and through its County Council (the "County Council"), is authorized and empowered under and pursuant to the provisions of Title 12, Chapter 44 (the "FILOT Act"), Title 4, Chapter 1 (the "Multi-County Park Act"), and Title 4, Chapter 29, of the Code of Laws of South Carolina 1976, as amended, to enter into agreements with industry whereby the industry would pay fees-in-lieu-of taxes with respect to qualified industrial projects; to provide infrastructure credits against payment in lieu of taxes for reimbursement in respect of investment in certain infrastructure enhancing the economic development of the County; through all such powers the industrial development of the State of South Carolina (the "State") will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate or remain in the State and thus utilize and employ the manpower, products and resources of the State and benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally; and

WHEREAS, pursuant to the FILOT Act, and in order to induce investment in the County, the County Council adopted on October 14, 2019, an inducement resolution (the Inducement Resolution") with respect to certain proposed investment by Mekra Lang North America, LLC (the "Company") (which was known to the County at the time as "Project Reflection"), with respect to the acquisition, construction, and installation of land, buildings, improvements, fixtures, machinery, equipment, furnishings and other real and/or tangible personal property to constitute an expansion of the Company's existing facilities in the County for the manufacture of automotive parts (collectively, the "Project"); and

WHEREAS, the Company has committed to invest approximately \$7,710,000, in the County and create of approximately 15 new, full-time jobs at the Project, all within the Investment Period (as such term is defined in the hereinafter defined Fee Agreement); and

WHEREAS, based solely on information provided to it by the Company, the County has determined that the Project would be a "project" and "economic development property" as such terms are defined in the FILOT Act, and that the Project would serve the purposes of the FILOT Act; and

WHEREAS, pursuant to the authority of Section 4-1-170 of the Multi-County Park Act and Article VIII, Section 13 of the South Carolina Constitution, the County intends to cause the property on which the Project is located, a description of which is attached hereto as Exhibit A ("Property"), to the extent not already therein located, to be placed in a joint county industrial and business park such that the Project will receive the benefits of the Multi-County Park Act; and

WHEREAS, at the request of the Company and as an inducement to locate the Project in the County, the County desires to, among other things, (a) enter into a Fee in Lieu of Tax and Incentive Agreement with the Company (the "Fee Agreement"), whereby the County would provide therein for a payment of a fee- in-lieu-of taxes by the Company with respect to the Project, and (b) provide for certain infrastructure credits to be claimed by the Company against its payments of fees-in-lieu-of taxes with respect to the Project pursuant to Section 4-1-175 of the Multi-County Park Act; and

WHEREAS, to help alleviate some of the burden placed on the Company by the tariffs the federal government imposed on Chinese imports, the County desires to provide a one-time grant in the amount of \$225,000 to incentives the Company to invest at the Project and retain its workforce in the County ("Grant");

WHEREAS, at the request of the Company, the County desires to enter into an agreement for the provision of the Grant ("Grant Agreement."

WHEREAS, it appears that the documents above referred to, which are now before this meeting, are in appropriate form and are an appropriate instrument to be executed and delivered or approved by the County for the purposes intended.

## **NOW, THEREFORE, BE IT ORDAINED**, by the County Council as follows:

- <u>Section 1.</u> Based solely on information supplied by the Company, it is hereby found, determined and declared by the County Council, as follows:
  - (a) The Project will constitute a "project" and "economic development property" as said terms are referred to and defined in the FILOT Act, and the County's actions herein will subserve the purposes and in all respects conform to the provisions and requirements of the FILOT Act;
  - (b) The Project is anticipated to benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally;
  - (c) The Project will give rise to no pecuniary liability of the County or any incorporated municipality or a charge against the general credit or taxing power of either;
  - (d) The purposes to be accomplished by the Project, i.e., economic development, creation of jobs and addition to the tax base of the County, are proper governmental and public purposes; and
    - (e) The benefits of the Project are anticipated to be greater than the costs.

Section 2. The form, terms and provisions of the Fee Agreement presented to this meeting are hereby approved and all of the terms and provisions thereof are hereby incorporated herein by reference as if the Fee Agreement was set out in this Ordinance in its entirety. The County Administrator is hereby authorized, empowered and directed to execute, acknowledge and deliver the Fee Agreement in the name of and on behalf of the County, and the Clerk to County Council is hereby authorized and directed to attest the same, and thereupon to cause the Fee Agreement to be delivered to the Company and cause a copy of the same to be delivered to the Fairfield County Auditor and Assessor. The Fee Agreement is to be in substantially the form now before this meeting and hereby approved, or with such minor changes therein as shall be approved by the County Administrator, upon advice of counsel, her execution thereof to constitute

conclusive evidence of her approval of any and all changes or revisions therein from the form of Fee Agreement now before this meeting.

- Section 3. The County Administrator, for and on behalf of the County, is hereby authorized and directed to do any and all things necessary to effect the execution and delivery of the Fee Agreement and the performance of all obligations of the County thereunder.
- Section 4. As set forth in more detail in the Grant Agreement, the County hereby authorizes an economic development grant to be paid to the Company in the amount of \$225,000.
- Section 5. The form, terms and provisions of the Grant Agreement presented to this meeting are hereby approved and all of the terms and provisions thereof are hereby incorporated herein by reference as if the Grant Agreement was set out in this Ordinance in its entirety. The County Administrator is hereby authorized, empowered and directed to execute, acknowledge and deliver the Grant Agreement in the name of and on behalf of the County, and the Clerk to County Council is hereby authorized and directed to attest the same, and thereupon to cause the Grant Agreement to be delivered to the Company. The Grant Agreement is to be in substantially the form now before this meeting and hereby approved, or with such minor changes therein as shall be approved by the County Administrator, upon advice of counsel, his execution thereof to constitute conclusive evidence of his approval of any and all changes or revisions therein from the form of Fee Agreement now before this meeting.
- Section 6. The County Administrator, for and on behalf of the County, is hereby authorized and directed to do any and all things necessary to effect the execution and delivery of the Grant Agreement and the performance of all obligations of the County thereunder.
- Section 7. The provisions of this ordinance are hereby declared to be separable and if any section, phrase or provisions shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereunder.
- <u>Section 8.</u> All ordinances, resolutions, and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed. This ordinance shall take effect and be in full force from and after its passage by the County Council.

# FAIRFIELD COUNTY, SOUTH CAROLINA

(SEAL)

County Administrator

ATTEST:

Clerk to Council

Fairfield County, South Carolina

First Reading:

October 14. 2019

Second Reading:

October 21, 2019

Third Reading:

November 11, 2019 November 11, 2019

Public Hearing:

# **EXHIBIT A Property Description**

#### STATE OF SOUTH CAROLINA

## **COUNTY OF FAIRFIELD**

I, the undersigned Clerk to County Council of Fairfield County, South Carolina, do hereby certify that attached hereto is a true, accurate and complete copy of an ordinance which was given reading, and received unanimous approval, by the County Council at its meetings of October 14, 2019, October 21, 2019, and November 11, 2019, at which meetings a quorum of members of County Council were present and voted, and an original of which ordinance is filed in the permanent records of the County Council.

Clerk to Council

Fairfield County, South Carolina

Dated: //-// , 2019