

FILED FOR RECORD

STATE OF SOUTH CAROLINA 2021 OCT 22 AM 10:52

COUNTY OF BARNWELL

RHONDA D. HOELVEEN
BAF CLERK S.C.

RESOLUTION NO.: 2021-06-594

**INDUCEMENT RESOLUTION PROVIDING FOR NEGOTIATION OF A
FEE IN LIEU OF TAX AGREEMENT
BETWEEN BARNWELL COUNTY AND PROJECT ECHO**

WHEREAS, Barnwell 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, Code of Laws of South Carolina, 1976, as amended (the "Act"), to enter into a fee in lieu of tax agreement (the "Fee Agreement") with respect to a project which requires the industry to make a payment of a fee in lieu of taxes, through which powers the industrial development of the State of South Carolina and the County will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State of South Carolina and the County and thus to utilize and employ the manpower, products, and natural resources of the State of South Carolina to benefit the general public welfare of the County by providing services, employment, and other public benefits not otherwise provided locally; and

WHEREAS, a company currently identified as Project Echo, on its own or together with one or more of its subsidiaries, affiliates, successors, assigns, sponsors, lessors, and others (collectively, the "Company"), desires to invest capital in the County in order to establish a manufacturing facility in the County (the "Project"), provided that approvals of various incentives contemplated for the Project are formalized by the State and/or County; and

WHEREAS, the Project is anticipated to result in an investment of approximately \$75,000,000 in the County; and

WHEREAS, the Company has requested that the County enter into a Fee Agreement, thereby providing for a fee in lieu of tax ("FILOT") and infrastructure and/or special source revenue credits ("SSRCs") with respect to the Project; and

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

WHEREAS, pursuant to the authority of Section 4-1-170 of the Code of Laws of South Carolina, 1976, as amended and Article VIII, Section 13 of the South Carolina Constitution, the County agrees to use its best efforts to ensure that the Project is located in a multi-county industrial and business park established, or to be established, by the County (the "Park") pursuant to a qualifying agreement with one or more contiguous South Carolina counties (the "Park Agreement").

NOW, THEREFORE, BE IT RESOLVED by the County Council as follows:

Section 1. The County hereby agrees to negotiate a fee in lieu of tax arrangement with the Company under the Act, which may provide for a fee in lieu of *ad valorem* taxes ("FILOT") for a period of 40 years for each component of the Project placed in service during

the investment period (the “FILOT Term”) under the Act and calculated using a 6% assessment ratio and a fixed millage rate equal to the lowest millage rate allowable under the Act for a period of 40 years for each component of the Project placed in service during the investment period.

Section 2. The final details of the FILOT and any SSRCs shall be prescribed by subsequent ordinance of the County to be adopted in accordance with South Carolina law and the rules and procedures of the County.

Section 3. The County agrees to use its best efforts to ensure that the Property is already located in or to include the Property in a Park for at least the longer of a 40-year period or the period of time the FILOT arrangement is in place.

Section 4. This resolution shall constitute an inducement resolution for this Project within the meaning of the Act.

Section 5. This resolution shall constitute “preliminary approval” pursuant to Section 12-44-110(2) of the Act by which property may be placed in service prior to the execution of a FILOT agreement but still constitute economic development property under the Act.

Section 6. All orders, resolutions, and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed. This resolution shall take effect and be in full force from and after its passage by the County Council.

(Signature Page Follows)

Adopted this 8th day of June, 2021.



(SEAL)

BARNWELL COUNTY, SOUTH CAROLINA

Signature: Harold Buckman
Name: Harold Buckman
Title: Chairman

ATTEST:

Signature: Elaine S. Ferguson
Name: Elaine S. Ferguson
Title: Clerk to County Council

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