

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF DORCHESTER )

ORDINANCE NO. 2018-06

**AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE-IN-LIEU OF AD VALOREM TAXES AND INCENTIVE AGREEMENT BY AND BETWEEN DORCHESTER COUNTY, SOUTH CAROLINA AND PAUL BIPPUS PRECISION, LLC TO PROVIDE FOR PAYMENT OF A FEE-IN-LIEU OF TAXES; AUTHORIZING CERTAIN SPECIAL SOURCE REVENUE CREDITS; LOCATING THE PROJECT IN A MULTICOUNTY INDUSTRIAL PARK; AND OTHER RELATED MATTERS.**

WHEREAS, Dorchester 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 has created a multicounty park with Orangeburg County, South Carolina (“Park”) through that certain Amended and Restated Agreement for Development of Joint County Industrial Park, as amended, dated May 17, 2010 (“Park Agreement”);

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, Paul Bippus Precision, LLC, a Delaware limited liability company previously identified as “Project Steer,” along with one or more recently formed or to-be-created, affiliated entities (“Company”), desires to establish a manufacturing facility in the County (“Project”) consisting of taxable investment in real and personal property of approximately \$16,000,000 and the creation of approximately 45 new jobs;

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 Agreement with the Company, as sponsor, the form of which is in substantially final form and attached as **Exhibit A** (“Fee Agreement”), pursuant to which the County will provide certain incentives to the Company with respect to the Project, including (a) providing for FILOT Payments, to be calculated as set forth in the Fee Agreement; and (b) locating the Project in the Park; and (c) providing Special Source Revenue Credits and other incentives, as described in the Fee Agreement, to assist in paying the costs of certain Infrastructure.

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

**Section 1. Statutory Findings.** Based on information supplied to the County by the Company, 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 are hereby approved. The County has determined: (i) to offer a FILOT arrangement and enter into the Fee Agreement with the Company, but with the principal terms as follows: 30-year, 6.0% assessment ratio, and a fixed millage rate, with the millage rate being the lowest millage rate in effect at the property comprising the projects, which is set forth on Exhibit A to the Fee Agreement (“Property”), for all taxing entities, on either June 30, 2016, or June 30, 2017, which the County and the Company think is 331.6; (ii) to provide an annual special source revenue credit for a 10 year-term of the Fee Agreement against those FILOT Payments made by the Company and any of the Sponsor Affiliates to the County for the Project in an amount equal to 25% of the amount of FILOT Payment that would otherwise be due under the Fee Agreement for property tax years 1 through 10 (“Special Source Revenue Credit”); and (iv) any other incentives further set forth in the Fee Agreement attached to this Ordinance (collectively, “Incentives”). The Chair of County Council 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. *Inclusion within the Park; Amendment to Master Agreement.*** An amendment to the Park Agreement and expansion of the Park boundaries to include the Property is authorized and approved. The Chair, the County Administrator and the Clerk to County Council are each authorized to execute such documents and take such further actions as may be necessary to complete the expansion of the Park boundaries. Pursuant to the terms of the agreement governing the Park Agreement, the expansion of the Park’s boundaries and the amendment to the Park Agreement is complete on adoption of this Ordinance by County Council and an approving companion resolution by the Orangeburg County Council.

**Section 4. *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 5. *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 6. *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.

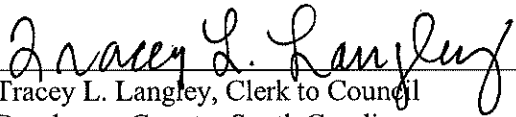
**Section 7. *Effectiveness.*** This Ordinance is effective after its third reading and public hearing.

[SIGNATURE PAGE FOLLOWS]  
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**DORCHESTER COUNTY, SOUTH CAROLINA**

  
\_\_\_\_\_  
James Lex Byars, III, Chairman  
Dorchester County Council

(SEAL)  
ATTEST:

  
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Tracey L. Langley, Clerk to Council  
Dorchester County, South Carolina

First Reading: March 5, 2018  
Second Reading: March 19, 2018  
Public Hearing: April 16, 2018  
Third Reading: April 16, 2018

**EXHIBIT A**  
**FORM OF FEE AGREEMENT**