

STATE OF SOUTH CAROLINA)
) ORDINANCE NO. 21-27
COUNTY OF DORCHESTER)

AN ORDINANCE AUTHORIZING PURSUANT TO TITLE 12, CHAPTER 44 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, THE EXECUTION AND DELIVERY OF A FEE-IN-LIEU OF AD VALOREM TAXES AGREEMENT, BY AND BETWEEN DORCHESTER COUNTY, SOUTH CAROLINA AND BID GROUP TECHNOLOGIES US INC., AS SPONSOR, TO PROVIDE FOR A FEE-IN-LIEU OF AD VALOREM TAXES INCENTIVE AND CERTAIN SPECIAL SOURCE REVENUE CREDITS; AND OTHER RELATED MATTERS.

WHEREAS, Dorchester County, South Carolina (the “County”), acting by and through its County Council (the “County Council”) is authorized by Title 12, Chapter 44 of the Code of Laws of South Carolina 1976, as amended (the “Act”), and Article VIII, Section 13 of the South Carolina Constitution (i) to enter into agreements with qualifying companies to encourage investment in projects constituting economic development property through which the economic development of the State of South Carolina (the “State”) will be promoted by inducing new and existing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ manpower and other resources of the State; (ii) to covenant with such industry to accept certain fee payments in lieu of *ad valorem* taxes (“FILOT”) with respect to such investment (“FILOT Payments”); (iii) to provide credit to qualifying companies to offset qualifying infrastructure related expenses (“Special Source Revenue Credits” or “SSRC”) pursuant to Section 4-1-175, 4-29-68, and 12-44-70 of the Code of Laws of South Carolina 1976, as amended (“Infrastructure Credit Act”); under Section 4-1-170 of the Code of Laws of South Carolina 1976, as amended (“MCIP Act”) to create a multi-county park with Orangeburg County, South Carolina (the “Park”) through that “Amended and Restated Agreement for Development of Joint Industrial Park” dated May 17, 2010; and (v) to make and execute contracts of the type hereinafter described pursuant to Section 4-9-30 of the Code of Laws of South Carolina 1976, as amended; and

WHEREAS, Bid Group Technologies US Inc., formerly known to the County as Project Steel, a Delaware corporation, along with any other existing, or to-be-formed or acquired subsidiaries, or affiliated or related entities, as Sponsor (collectively, “Company”), contingent upon satisfaction of certain commitments made by and on behalf of the County, as set forth herein and be further set forth in future agreements, and, to the extent allowed by law, plans to expand its manufacturing facilities in the County through the acquisition, lease, construction, and purchase of certain land, including the Project Property (defined below), buildings, furnishings, fixtures, apparatuses, and equipment (the “Project”), which will result in approximately \$10,676,000 in new investment in real and personal property in the County (“Investment”) and the creation of approximately 25 new jobs (“Jobs”); and

WHEREAS, by its Resolution adopted on November 1, 2021, the County identified the Project, as required by the Act; and

WHEREAS, the Project will comprise one or more parcels of real property or a portion thereof, initially within such tax map parcels bearing Tax Map Numbers 059-00-00-003.000 and 059-00-00-093.000 and with improvements thereon, a more detailed description of which is set forth on the attached **Exhibit A** (“Project Property”); and

WHEREAS, the County desires to enlarge the boundaries of Park to include the Project Property and to ensure that the Project Property remains in the Park or any other multi-county park created by the County pursuant to the MCIP Act for no less than the duration of the Fee Agreement; and

WHEREAS, Sections 3(B) and 3(D) of the Park Agreement establish the procedure for enlargement of the boundaries of the Park to include additional property; and

WHEREAS, Section 3(H) of the Park Agreement provides, in part, that unless otherwise expressly set forth in the Park Agreement or an amendment or modification to the Park Agreement, the term during which property is to be included in the Park shall automatically end on December 31 of the tenth (10th) year after the initial year in which such property is included in the Park (“MCIP Period”); and

WHEREAS, pursuant to Section 3(H) of the Park Agreement, Dorchester County has determined that the MCIP Period should be extended through the end of the term of the Fee Agreement, which is anticipated to be December 31, 2041, such extension to be reflected in an Amendment to the Amended and Restated Agreement for Development of Joint County Industrial Park (the “Amendment”) , a copy of which is set forth in a form attached hereto and presented to Council at this meeting, and which Amendment is to be dated as of such date as the Company and Dorchester County may agree; and

WHEREAS, in connection with the Project, the Company has requested the County to enter into certain incentive agreements, to the extent and subject to the conditions provided in those agreements, to establish the commitments of (i) the Company and any Sponsor Affiliate(s) to make the Investment; and (ii) the County to provide certain incentives; and

WHEREAS, the County has determined: (i) to offer a FILOT arrangement and enter into a fee-in-lieu of *ad valorem* taxes agreement with the Company and, as applicable, any Sponsor Affiliate(s), the form of which is attached as **Exhibit B** (“Fee Agreement”), but with the principal terms as follows: 20-year, 6.0% assessment ratio, and a fixed millage rate equal to that millage rate in effect at the Project Property, for all taxing entities, on June 30, 2021, which the parties hereto believe to be .3477 for the entire term of the FILOT arrangement; (ii) to provide an annual credit for against those FILOT Payments due for property tax years one (1) through five (5) made by the Company and any of the Sponsor Affiliates to the County for the Project in an amount equal to twenty (20) per cent of the amount of such FILOT Payment(s) (each a “Special Source Revenue Credit”); and (iii) any other incentives further set forth in the Fee Agreement attached to this Ordinance (collectively, the “Incentives”); and

WHEREAS, Bid Group Productions (US) Inc., a Delaware corporation, as owner of the Project Property is considered to be a Sponsor Affiliate (as defined in the Fee Agreement)

WHEREAS, the parties recognize and acknowledge that the Company would not otherwise locate the Project in the County but for the delivery of the Incentives.

NOW, THEREFORE, BE IT ORDAINED BY THE DORCHESTER COUNTY COUNCIL DULY ASSEMBLED THAT:

Section 1. Findings. The County hereby finds and affirms, based on information provided by the Company: (i) the Project will benefit the general public welfare of the County by providing services, employment, recreation, or other public benefits not otherwise provided locally; (ii) the Project gives rise to no pecuniary liability of the County or any incorporated municipality and to no charge against its general credit or taxing power; (iii) the purposes to be accomplished by the Project are proper governmental and public purposes; and (iv) the benefits of the Project to the public are greater than the costs to the public; and (v) the Project will provide a substantial public benefit to the County.

Section 2. Authorization to Execute and Deliver Fee Agreement. The form, terms, and provisions of the Fee Agreement (which includes the provision of Special Source Revenue Credits) presented to Council at this meeting and filed with the Clerk to County Council are hereby approved, and all of the terms, provisions, and conditions thereof are hereby incorporated herein by reference as if the Fee Agreement was set out in this Ordinance in its entirety. The Chairman of County Council and the Clerk to County Council be and they are hereby authorized, empowered, and directed to execute, acknowledge, and deliver the Fee Agreement in the name and on behalf of the County, and thereupon to cause the Fee Agreement to be delivered to the Company. The Fee Agreement to be in substantially the form now before this meeting and hereby approved, or with such changes therein as shall not materially adversely affect the rights of the County thereunder and as shall be approved by the officials of the County executing the same upon the advice of the County Attorney, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of Fee Agreement now before this meeting.

Section 3. Authorization to Receive and Execute and Deliver Agreements Related Thereto. The County Council authorizes the Chair of the County Council, the County Administrator, other County staff, and the County Attorney, along with any designees and agents who any of these officials deems necessary and proper, in the name of and on behalf of the County (each an "Authorized Individual"), to take whatever further actions, and enter into whatever further agreements, as any Authorized Individual deems to be reasonably necessary and prudent for the benefit of the Project in the County.

Section 4. Park Boundaries. The expansion of the Park boundaries to include the Project and the County Council agrees to ensure that the Project is incorporated into and remains in the Park for the extended MCIP Period as set forth herein but in no event less than the term of the Fee Agreement. The Company may request, from time to time, that a portion of the Project be removed from the Park.

Section 5. No Recapitulation Required. Pursuant to Section 12-44-55(B) of the Act, the County hereby agrees that no recapitulation information, as set forth in Section 12-44-55(A) of the Act is required to be provided by the Company in the Fee Agreement, or in any other documents or agreements in connection with the fee-in-lieu of tax arrangement between the Company and the County, so long as the Company shall file a copy of the South Carolina Department of Revenue form PT-443, and any subsequent amendments thereto, and all filings required by the Act with the County after the execution of the Fee Agreement by the County and the Company.

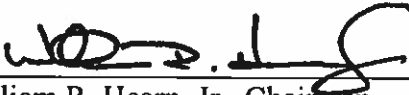
Section 6. Further Acts. The County Council authorizes the County Administrator, other County staff, and the County Attorney, along with any designees and agents who any of these officials deems necessary and proper, in the name of and on behalf of the County (each an "Authorized Individual"), to take whatever further actions, and enter into whatever further agreements, as any Authorized Individual deems to be reasonably necessary and prudent to effect the intent of this Ordinance and induce the Company to locate the Project in the County.

Section 7. General Repealer. All ordinances, resolutions, and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

Section 8. Severability. Should any part, provision, or term of this Ordinance be deemed unconstitutional or otherwise unenforceable by any court of competent jurisdiction, such finding or determination shall not affect the rest and remainder of the Ordinance or any part, provision or term thereof, all of which is hereby deemed separable.

This Ordinance takes effect and is in full force only after the County Council has approved this Ordinance following three readings and a public hearing.


DORCHESTER COUNTY,
SOUTH CAROLINA



William R. Hearn, Jr., Chairman
Dorchester County Council

(SEAL)

ATTEST:



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

First Reading: October 4, 2021
Second Reading: November 1, 2021
Third Reading: December 6, 2021
Public Hearing: December 6, 2021

EXHIBIT A

PROJECT PROPERTY LEGAL DESCRIPTION

All or a portion of that parcel of real property, with improvements thereon, located in Dorchester County, South Carolina, consisting of approximately 16.25 acres, identified by tax numbers 059-00-00-003.000 and 059-00-00-093.000.

EXHIBIT B

FEE AGREEMENT

[Attached]