

AN ORDINANCE AUTHORIZING DELIVERY BY DORCHESTER COUNTY OF A SPECIAL SOURCE REVENUE CREDIT AGREEMENT WITH KEYSTONE INDUSTRIAL CORPORATION AND OTHER MATTERS RELATED THERETO

WHEREAS, Dorchester County, South Carolina (the "County"), acting by and through its County Council is empowered under and pursuant to the provision of Title 4, Chapter 1 of the Code of Laws of South Carolina, 1976, as amended (the "Act") to grant special source revenue credits for infrastructure to enterprises which enter into agreements to design, acquire, construct, operate, maintain or improve a project, to reimburse the enterprises for expenditures towards infrastructure serving the County or the applicable project or for improved or unimproved real estate and personal property used in the operation of manufacturing or commercial enterprises; and

WHEREAS, the County adopted a resolution on July 21,2014,(the "Resolution") under the terms of which the County agreed to provide certain incentives to Keystone Industrial Corporation ("Keystone") if it was willing to locate a manufacturing facility in the County (the "Project"); and

WHEREAS, the Resolution provided the County would place the Project in a joint county industrial and business park (the "Park") established pursuant to the Act and Article VII, Section 13 of the South Carolina Constitution by the County and Orangeburg County, South Carolina ("Orangeburg County") pursuant to an Agreement for Development of a Joint County Industrial Park dated as of September 1, 1995, as subsequently amended and restated on May 17, 2010, pursuant to which Keystone will pay a fee in lieu of property taxes to the County in an amount equivalent to the ad valorem property taxes that would have been due and payable but for the location of the Project; and

WHEREAS, the County is authorized pursuant to Section 4-1-175 of the Act to provide credits against payments-in-lieu-of-taxes to provide reimbursement to companies in respect of investment in infrastructure enhancing the economic development of the County, including, but not limited to, expenditures for improved or unimproved real estate and personal property used in the operation of manufacturing or commercial enterprise, within the meaning of Section 4-29-68, Code of Laws of South Carolina 1976, as amended ("Qualifying Infrastructure"); and

WHEREAS, the County, as an inducement to Keystone to locate the Project in the County, and subject to the provisions of the Agreement hereinafter defined, has agreed to grant Keystone a special source revenue credit under the Act in an amount equal to forty (40%) percent of its payments-in-lieu-of taxes at the Project for twenty (20) years, all to reimburse Keystone for the cost of Qualifying Infrastructure, all as more fully set forth in the Agreement; and

WHEREAS, the County has determined that the utilization of the Special Source Revenue Credit as provided for under the Act is a suitable mechanism to provide Keystone with a financial incentive to purchase the Project in that (A) the Project serves the public purpose of the State of South Carolina and the County through an increase in investment and associated job creation or retention, (B) the Project is anticipated to benefit the public general welfare of the residents of the County, and (C) neither the Project nor the benefits to be conferred will give rise to a pecuniary liability of the County.

NOW, THEREFORE, BE IT ORDAINED BY DORCHESTER COUNTY COUNCIL AS FOLLOWS:

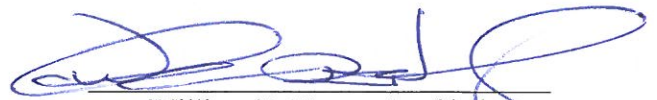
Section 1. The Chairman and the Clerk to County Council are hereby authorized to execute and deliver on behalf of the County a Special Source Revenue Credit Agreement (the "Agreement"), the form of which is attached hereto as *Exhibit A*. The form, terms and provisions of the Agreement are hereby approved, with such minor revisions upon receipt of advice of counsel as are not materially adverse to the County.

Section 2. If any portion of this Ordinance shall be deemed unlawful, unconstitutional, or otherwise invalid, the validity and binding effect of the remaining portions shall not be affected thereby.

Section 3. Any prior Ordinance, the terms of which are in conflict herewith, is, only to the extent of such conflict, hereby repealed.

Section 4. This Ordinance shall be effective after third and final reading.

DORCHESTER COUNTY COUNCIL



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

First Reading: August 11, 2014
Second Reading: September 2, 2014
Public Hearing: September 15, 2014
Third Reading: September 15, 2014

ATTEST:



Sally K. Hebert, Clerk to Council