

AN ORDINANCE

AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE AGREEMENT BY AND BETWEEN CHARLESTON COUNTY, SOUTH CAROLINA AND TWL PRECISION, INC., AS SPONSOR, AND LANDMARK ENTERPRISES, INC., AS SPONSOR AFFILIATE, INCLUDING THEIR AFFILIATED ENTITIES TO PROVIDE FOR A FEE IN LIEU OF AD VALOREM TAXES INCENTIVE; EXECUTION OF A FEE AGREEMENT; THE INCLUSION OF THE COMPANY IN A MULTI-COUNTY BUSINESS OR INDUSTRIAL PARK; A COMMITMENT TO ENTER INTO OTHER NECESSARY AGREEMENTS WITH THE COMPANY TO EFFECT THE INTENT OF THIS ORDINANCE; AND OTHER MATTERS THERETO RELATED.

WHEREAS, the County acting by and through its 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 ("Act") (i) to enter into agreements with qualifying industry to encourage investment in projects constituting economic development property through which the industrial development of the State of South Carolina 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 and (ii) to covenant with industry to accept certain fee payments in lieu of *ad valorem* taxes ("FILOT") with respect to investments; and

WHEREAS, pursuant to Title 4, Section 1, Code of Laws of South Carolina, 1976, as amended ("MCIP Act"), the County is authorized to develop multi-county industrial parks with other qualifying counties and, in its discretion, include within the boundaries of the parks the property of qualifying industries; and

WHEREAS, under the authority provided in the MCIP Act, the County has created previously a multi-county park with Colleton County ("Park"); and

WHEREAS, TWL Precision Inc., a corporation organized and existing under the laws of the State of South Carolina, along with one or more existing or to-be formed or acquired subsidiaries or affiliated or related entities (collectively, "Sponsor"), and Landmark Enterprises, Inc., a corporation organized and existing under the laws of the State of South Carolina, along with one or more existing or to-be formed or acquired subsidiaries or affiliated or related entities (collectively, "Sponsor Affiliate" and, together with Sponsor, "Company") are planning an investment consisting of the expenditure of approximately \$[10],000,000 ("Investment") and the creation of approximately 75 new jobs to establish and support a new manufacturing and production facility in the County ("Project"); and

WHEREAS, in accordance with Section 12-44-40 of the Act, the County has determined: (i) the Project will benefit the general public welfare of the County by providing services, employment, recreation or other public benefits, not otherwise adequately provided locally; (ii) the Project gives rise to no pecuniary liability of the County or incorporated municipality and to no charge against the general credit or

taxing power of either the County or any incorporated municipality; (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

WHEREAS, the County has determined to offer the Company a FILOT arrangement, as approved in the Inducement Resolution adopted on July 24, 2007, as permitted under the Act, and in accordance with the terms and conditions as are more fully described in the Fee Agreement, attached to this Ordinance in substantially final form ("Fee Agreement"). In addition, the County has determined to include the Company's Project within the boundaries of the Park.

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

**Section 1. *Statutory Findings.*** The County hereby finds: (i) the Project will benefit the general public welfare of the County by providing service, employment, recreation or other public benefits not otherwise provided locally; (ii) the Project gives rise to no pecuniary liability of the County or incorporated municipality or 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.

**Section 2. *Approval of Sponsor Affiliate.*** The County approves Landmark Enterprises, Inc, along with one or more existing or to-be formed or acquired subsidiaries or affiliated or related entities, as a Sponsor Affiliate under the Act.

**Section 3. *Project Authorizations.*** With respect to the Project, the County authorizes:

(a) the use of a FILOT with the Company, the terms of which shall be set forth fully in a Fee Agreement with the Company, but with the principal terms as follows: 20-year term, subject to possible extension under the Act, 6% assessment ratio, fixed millage rate of 253.6 for the entire term of the FILOT arrangement; and (b) confirms its intention to include the Project in the Park or such other multi-county industrial park as the County may designate (collectively, "Incentives").

**Section 4. *Authorization to Execute and Deliver Transaction Documents.*** In the name of and on behalf of the County, the Chair of the County Council, and in the event the Chair is unavailable, the Vice-Chair, is authorized and directed to execute the Fee Agreement and any other documents reasonably necessary to effect the intent of this Ordinance and the transactions contemplated by this Ordinance (collectively, "Transaction Documents"), each subject to the prior approval by the County Administrator and County Attorney, so as to not be materially adverse to the County, and the Clerk to County Council is authorized and directed to attest the Transaction Documents; and the Chair of the County Council, and in the event the Chair is unavailable, the Vice-Chair, is further authorized and directed to deliver the Transaction Documents to the Company, and as reasonably necessary, to provide for recording of the same.

**Section 5. *General Repealer.*** Any ordinance, resolution, order or any part of the same, in conflict with this Ordinance is, to the extent of that conflict, repealed.