

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

ORDINANCE

ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF AN INFRASTRUCTURE CREDIT AGREEMENT BY AND BETWEEN CHARLESTON COUNTY, SOUTH CAROLINA, M.C. DEAN, INC., AND DEAN CAROLINA, LLC, PROVIDING FOR THE ISSUANCE OF SPECIAL SOURCE REVENUE CREDITS AND OTHER MATTERS RELATED THERETO.

WHEREAS, Charleston County (the “County”), a public body corporate and politic under the laws of the State of South Carolina, desires to enter into an Infrastructure Credit Agreement (the “Infrastructure Credit Agreement” or “SSRC Agreement”) with M.C. Dean, Inc. and Dean Carolina, LLC (the “Company”), which shall provide special source revenue credits (“SSRCs”) for a project qualifying under the provisions of Section 4-29-68 and Title 1, Chapter 4, Sections 170 through 175 of the Code of Laws of South Carolina 1976, as amended (the “Act”);

WHEREAS, the County and the Company desire to enter into the SSRC Agreement concerning the establishment of an engineering, research, and warehousing facility in the County through the acquisition of a building and related improvements thereon and/or therein; the construction of additional improvements; and/or the acquisition of personal property, including, but not limited to, all equipment, machinery, and/or furnishings, the cost of which is estimated to be \$7,550,000 over five years, and which is anticipated to create approximately 126 new, full-time jobs in the County (the “Project”); and

WHEREAS, the Project is expected to provide significant economic benefits to the County and surrounding areas; and

WHEREAS, in order to induce the Company to locate the Project in the County, the County has agreed to make available to the Company certain benefits intended by the Act; and

WHEREAS, the Company has caused to be prepared and presented to the Charleston County Council, the governing body of the County (the “County Council”), the SSRC Agreement, a copy of which is attached hereto as Exhibit A; and

WHEREAS, it appears that the SSRC Agreement is an appropriate instrument to be executed and delivered or approved by the County for the purposes intended.

NOW, THEREFORE, BE IT ORDAINED by the County Council in a meeting duly assembled as follows:

Section 1. In order to promote industry, develop trade, and utilize and employ the manpower, products, and natural resources of the State of South Carolina by assisting the

Company to expand or locate an industrial facility in the State of South Carolina, the SSRC Agreement is hereby authorized, ratified, and approved.

Section 2. It is hereby found, determined, and declared by the County Council, as follows:

- (a) The Project will constitute a “project” as said term is referred to and defined in the Act, and the County’s actions herein will serve the purposes and in all respects conform to the provisions and requirements of the Act.
- (b) The Project and the payments set forth herein are beneficial to the County, and the County has evaluated the Project based upon all criteria prescribed by the Act, including the anticipated dollar amount and nature of the investment to be made and the anticipated costs and benefits to the County.
- (c) 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.
- (d) The Project gives rise to no pecuniary liability of the County or any incorporated municipality or a charge against the general credit or taxing power of either.
- (e) The purposes to be accomplished by the Project, i.e., economic development, creation of jobs, and addition to the tax base of the County, are proper governmental and public purposes.
- (f) The inducement of the location or expansion of the Project within the County and State is of paramount importance.
- (g) The benefits of the Project to the public will be greater than the costs.

Section 3. The County Council hereby agrees to authorize the issuance of SSRCs equal to 66% of the first ten annual payments in lieu of tax made by the Company pursuant to the SSRC Agreement, not to exceed \$500,000, and subject to clawback obligations as further described in Section 3.1 of the SSRC Agreement. The form, terms, and provisions of the SSRC Agreement presented to this meeting are hereby approved, and all of the terms, provisions, and conditions thereof are incorporated herein by reference as if the SSRC Agreement were set out in this Ordinance in its entirety. The Chairman of the County Council and Clerk to Council Council are authorized, empowered, and directed to execute, attest, and deliver the SSRC in the name of and on behalf of the County, and thereupon to cause the SSRC Agreement to be delivered to the Company. The SSRC Agreement is to be in substantially the form now before this meeting and hereby approved, with such changes therein as shall not be materially adverse to the County and as shall be approved by the officials of the County executing the same, upon the advice of Counsel to the County, such official’s execution thereof to constitute conclusive evidence of such official’s approval of any and all changes or revisions therein from the form of the SSRC Agreement now before this meeting.

Section 4. Pursuant to the terms of the Act and the MCIP Agreement, the County hereby provides that for the term of the SSRC Agreement, commencing with the first tax year in which the FILOT payments are generated by the Project and payable to the County, FILOT payments will be distributed in accordance with the terms of the MCIP Agreement as follows:

- (i) After deducting any amounts distributed to the partner county in accordance with the MCIP Agreement, to the County an amount equal to the total SSRCs to be provided in such year pursuant to Section 3 hereof; and
- (ii) After making the allocations under paragraph (i) of this Section, the balance is to be distributed among the taxing districts in Charleston County in accordance with the applicable provisions of Section 9 of the MCIP Agreement.

Section 5. The Chairman of the County Council and/or the County Administrator, for and on behalf of the County, are hereby authorized and directed to do any and all things necessary to effect the execution and delivery of the SSRC Agreement and the performance of all obligations of the County under and pursuant to the SSRC Agreement.

Section 6. The provisions of this Ordinance are hereby declared to be separable, and if any section, phrase, or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases, and provisions hereunder.

Section 7. All orders, resolutions, ordinances, and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed, and this Ordinance shall take effect and be in full force from and after its passage and approval.

Passed and approved this 11th day of May, 2021.

**CHARLESTON COUNTY,
SOUTH CAROLINA**

Signature: _____

Name: Teddie E. Pryor, Sr.

Title: Chair, Charleston County Council

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

I, the undersigned, Clerk to County Council of Charleston County, South Carolina (“County Council”), DO HEREBY CERTIFY:

That the foregoing constitutes a true, correct, and verbatim copy of an Ordinance adopted by the County Council. The Ordinance was read and received a favorable vote at three public meetings of the County Council on March 23, 2021, April 13, 2021, and May 11, 2021. At least one day passed between first and second reading, and at least seven days passed between second and third readings. A public hearing was held on May 11, 2021, and notice of the public hearing was published in the Post and Courier newspaper on April 23, 2021. At each meeting, a quorum of County Council was present and remained present throughout the meeting.

Attached hereto are excerpts of the minutes of the meetings of the County Council. The County Council complied with the Freedom of Information Act, Chapter 4, Title 30 of the S.C. Code of Laws, 1976, in connection with said meetings of County Council.

The Ordinance is now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my Hand and the Seal of Charleston County Council, South Carolina, as of this 11th day of May, 2021.

Signature: _____

Name: Kristen Salisbury

Title: Clerk to County Council