

# Lancaster County Council Administration Committee

Thursday, August 20, 2015

**County Council Conference Room  
Council Administration Building  
100 N. Main Street  
Lancaster, SC 29720**

1. **Call to Order – Committee Chair Brian Carnes** **4:30 p.m.**
2. **Approval of the agenda** *[deletions and additions of non-substantive matters]*
3. **Minutes of the July 16<sup>th</sup> and July 27<sup>th</sup> meeting – pgs. 3-5**
4. **Citizens Comments**
5. **Discussion / Action Items**
  - a. **Edenmoor (now known as Walnut Creek)**
    1. Resolution 0889-R2015 regarding the 2015 Forbearance Agreement for Edenmoor (now known as Walnut Creek). *Frannie Heizer – pgs. 6-16*
    2. Resolution 0890-R2015 approving the 2015 Assessment Roll for Edenmoor (now known as Walnut Creek). *Frannie Heizer – pgs. 17-18*
    3. Ordinance 2015-1367 – authorization of modifications to the Edenmoor Improvement District changing the reference therein to the Walnut Creek and other matters. *Frannie Heizer – pgs. 19-23*
    4. Ordinance 2015-1368 – to authorize the issuance and sale of the Walnut Creek Improvement District Assessment Revenue Bonds and other matters. *Frannie Heizer – pgs. 24-33*
  - b. **LCI-Lineberger Construction, Inc. – John Weaver**
    1. Inducement Resolution 0886-R2015 – *pgs. 34-38*
    2. Ordinance 2015-1366 regarding the Fee Agreement – *pgs. 39-44*
    3. Fee Agreement - *pgs. 45-68*
  - c. **Nutramax**
    1. 0883-R2015 Inducement Resolution with Nutramax. John Weaver – *pgs. 69-73*

- d. Resolution 0891-R2015 approving the 2015 Assessment Roll for Sun City. Frannie Heizer – *pgs. 74-75*
- e. Resolution 0892-R2015 approving the 2015 Assessment Roll for Edgewater I. Frannie Heizer – *pgs. 76-77*
- f. Resolution 0893-R2015 approving the 2015 Assessment Roll for Edgewater II. Frannie Heizer – *pgs. 78-79*
- g. Resolution 0894-R2015 setting the uniform per lot assessment for Brookchase Special Tax District. Frannie Heizer – *pg. 80*
- h. Resolution 0887-R2015 authorizing the defeasance of the Installment Purchase Revenue Bonds. Frannie Heizer – *pgs. 81-82*
- i. Resolution 0888-R2015 authorizing the defeasance of the Bailes Ridge Bonds. Frannie Heizer – *pgs. 83-84*
- j. **Discussion of Economic Development program**
  - 1. Process of establishing a new government department – *Steve Willis*
  - 2. Interim management team – *Committee*
  - 3. Time Schedule – *Committee*
  - 4. Resolution 0884-R2015 LCEDC relieved of obligations. *John Weaver* – *pgs. 85*

## 6. **Adjournment**

*Anyone requiring special services to attend this meeting should contact 285-1565 at least 24 hours in advance of this meeting.*

*Lancaster County Council Administration Committee agendas are posted at the Lancaster County Administration Building and are available on the Website: [www.mylancastercsc.org](http://www.mylancastercsc.org)*



*Brian Carnes, District 7, Chairman*  
*Bob Bundy, District 3*  
*Charlene McGriff, District 2*

**Minutes of the Lancaster County Council Administration Committee  
Meeting**

101 N. Main Street, Lancaster, SC 29720

**DRAFT**

Thursday, July 16, 2015  
4:30 p.m.

Council Members present were Brian Carnes and Bob Bundy, and Charlene McGriff. Also present was Steve Willis, John Weaver, Veronica Thompson, Kimberly Hill, Debbie Hardin, various Department Heads and spectators. A quorum of the Lancaster County Administration Committee was present for the meeting.

The following press was notified of the meeting by e-mail or by fax in accordance with the Freedom of Information Act: Lancaster News, Kershaw News Era, The Rock Hill Herald, Fort Mill Times, Cable News 2, Channel 9 and the local Government Channel. The agenda was also posted in the lobby of the County Administration Building the required length of time and on the county website.

**Approval of the agenda**

Charlene McGriff moved to approve the agenda as written. SECONDED by Bob Bundy. Passed 3-0.

**Minutes of the May 21, 2015 Meeting**

Charlene McGriff made a MOTION to approve the amended minutes. SECONDED by Bob Bundy. Passed 3-0.

**Citizens Comments**

No one chose to speak during Citizens comments.

**Discussion/Action Items**

***Filling two vacant positions – Community Growth Services Division and Public Safety Division Director***

Steve Willis discussed that it was the recommendation for the Public Safety Committee to move forward with the positions of Community Growth Services and Public Safety Division Directors. He further noted that these positions are not included in the FY15-16 budget.

The committee discussed the request and the need to have detailed job descriptions for both positions prior to filling either position.

MOTION was made by Bob Bundy that the County Administrator develop job descriptions and supporting documents for both the Public Safety and Community Growth Director positions for a target date of mid-September. SECONDED by Charlene McGriff. Passed 3-0.

Bob Bundy also requested that the other division director positions that were recently filled needed to have job descriptions as well.

### **Adjournment**

Charlene McGriff made a MOTION to adjourn. SECONDED by Bob Bundy. Passed 3-0.

Respectfully Submitted:                      Approved by the Administration Committee Chair

Debbie C. Hardin  
Clerk to Council

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Brian Carnes, Chairman

**DRAFT**





*Brian Carnes, District 7, Chairman*  
*Bob Bundy, District 3*  
*Charlene McGriff, District 2*

**Minutes of the Lancaster County Council Administration Committee Meeting**  
101 N. Main Street, Lancaster, SC 29720

Monday, July 27, 2015 5:15 p.m.

Council Members present were Brian Carnes and Bob Bundy, and Charlene McGriff. Also present was Steve Willis, John Weaver, Kimberly Hill, Debbie Hardin, various Department Heads and spectators. A quorum of the Lancaster County Administration Committee was present for the meeting.

The following press was notified of the meeting by e-mail or by fax in accordance with the Freedom of Information Act: Lancaster News, Kershaw News Era, The Rock Hill Herald, Fort Mill Times, Cable News 2, Channel 9 and the local Government Channel. The agenda was also posted in the lobby of the County Administration Building the required length of time and on the county website.

**Approval of the agenda**

Charlene McGriff moved to approve the agenda as written. SECONDED by Bob Bundy. Passed 3-0.

**Citizens Comments**

No one chose to speak during Citizens comments.

**Discussion/Action Items**

*Review of the Catawba Regional Council of Governments contract regarding phase two of the Unified Development Ordinance (UDO) rewrite*

MOTION was made by Charlene McGriff to recommend to Council the contract as proposed. SECONDED by Bob Bundy. Passed 3-0.

**Adjournment**

Charlene McGriff made a MOTION to adjourn. SECONDED by Bob Bundy. Passed 3-0.

Respectfully Submitted:

Approved by the Administration Committee Chair

Debbie C. Hardin  
Clerk to Council

\_\_\_\_\_  
Brian Carnes, Chairman

STATE OF SOUTH CAROLINA

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RESOLUTION NO. 0889-R2015

COUNTY OF LANCASTER

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### A RESOLUTION

**APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FOREBEARANCE AGREEMENT RELATED TO THE \$24,115,000 PRINCIPAL AMOUNT EDENMOOR IMPROVEMENT DISTRICT ASSESSMENT REVENUE BONDS, SERIES 2006A AND \$11,500,000 EDENMOOR IMPROVEMENT DISTRICT ASSESSMENT REVENUE BONDS, SERIES 2006B AND THE ASSESSMENTS RELATED THERETO; AND OTHER MATTERS RELATED THERETO.**

WHEREAS, the County Council (the "County Council") of Lancaster County, South Carolina (the "County") by Ordinance No. 713 enacted on January 30, 2006, authorized the creation of the Edenmoor Improvement District (the "District"), relating to an approximately 868-acre residential development known as "Edenmoor" (the "Edenmoor Development"); and

WHEREAS, the County Council by Ordinance No. 733 enacted on April 24, 2006 (the "Bond/Assessment Ordinance"), authorized and provided for the issuance and sale of \$24,115,000 principal amount Edenmoor Improvement District Assessment Revenue Bonds, Series 2006A (the "Series A Bonds") and \$11,500,000 Edenmoor Improvement District Assessment Revenue Bonds, Series 2006B (the "Series B Bonds" and, together with the Series A Bonds, the "Bonds"); and

WHEREAS, the County understands that Edenmoor Acquisition LLC, or one of its affiliated assignees (the "Sole Bondholder"), is the owner of 100% of the Series A Bonds and 100% of the Series B Bonds; and

WHEREAS, the Bonds were issued in order to fund certain improvements within or associated with the Development, which Bonds are payable from and secured by non-*ad valorem* assessments imposed upon the parcels therein (the "Assessments"); and

WHEREAS, the Assessments presently consist of an Assessment A securing the Series A Bonds, and an Assessment B securing the Series B Bonds, each as further described in the Assessment Report and the Assessment Rolls for the District (collectively, the "Assessment Documents"), including the Rate and Method of Apportionment prepared for each of the Assessment A and Assessment B (collectively, the "Rates and Methods of Apportionment"), which Assessment Documents were originally approved by the Bond/Assessment Ordinance; and

WHEREAS, the original developer of the Development, Lawson's Bend, L.L.C. (the "Prior Developer"), ceased development of the Development in 2009 and thereafter defaulted in its payment of Assessments and *ad valorem* taxes imposed and/or levied upon certain parcels within the Development, which led to tax sales of such parcels (the "Purchased Parcels") being conducted under South Carolina law, and Events of Default under the Master Trust Indenture and First Supplemental Trust Indenture, each dated as of June 1, 2006 (collectively, the "Indenture"), between the County and Wells Fargo Bank, N.A., as trustee (the "Trustee"); and

WHEREAS, in October, 2011, Edenmoor Land Acquisition, LLC, a Delaware limited liability company, and Edenmoor Land Acquisition II, LLC, a Delaware limited liability company (collectively, the "Purchaser"), an affiliate of the Sole Bondholder, purchased all of the parcels within the Development for which the Prior Developer had defaulted on its payment of Assessments; and

WHEREAS, the Purchaser (or the Sole Bondholder acting on its behalf) has requested that the County defer payment of the Assessments for the parcels more particularly listed on Schedule I attached hereto (the "Developer Parcels"), to be imposed for calendar year 2015 and collected in 2016 (e.g., 2015 tax year), and direct the Trustee to execute a 2015 Forbearance Agreement with the County (the "2015 Forbearance Agreement"); and

WHEREAS, the Purchaser has represented to the County that it intends to pay or otherwise satisfy its obligation to pay the Developer Parcels Assessments in full but desires to pay or otherwise satisfy them, without interest or penalty, after the due date thereof (January 15, 2016), and that, although the Developer Parcels Assessments for calendar year 2015 would be deferred as described above, such Developer Parcels Assessments are not being forgiven, and the Purchaser's payment obligation with respect thereto would be paid on the Payment Date (as defined in the 2015 Forbearance Agreement), which would occur not more than two years after the date of the 2015 Forbearance Agreement unless there is delivered an opinion of nationally recognized bond counsel satisfactory to the County that the continued extension of the Payment Date will not adversely affect the tax-exempt status of the Bonds; and

WHEREAS, under Section 10.06 of the Master Indenture, the Holders of at least a majority in aggregate principal amount of the Outstanding Bonds shall have the right to direct the method and place of conducting all remedial proceedings by the Trustee under the Indenture; and

WHEREAS, by virtue of its execution of the 2015 Forbearance Agreement, the Sole Bondholder will have consented to the deferral of the Developer Parcels Assessments contemplated by the 2015 Forbearance Agreement, and such consent shall constitute direction for the Trustee to join in the execution and delivery of the 2015 Forbearance Agreement; and

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF LANCASTER COUNTY, SOUTH CAROLINA, AS FOLLOWS:

1. The County Council intends by subsequent resolution to approve the Annual Assessment Report and Update of the Assessment Roll for Imposition of Assessments in 2015 and Collection in 2016; however, at the request of the Purchaser, County Council hereby approves deferring the collection of the Developer Parcel Assessments without interest or penalty, after the due date thereof (January 15, 2016).

2. The form, terms and provisions of the 2015 Forbearance Agreement, a copy of which has been presented to Council at the meeting during which this Ordinance was enacted, and filed with the Clerk of the County, be and are hereby approved. The Chair of the Council and the County Administrator, or either of them acting alone, is hereby authorized, empowered and directed to execute, acknowledge and deliver, and the Clerk to Council is hereby authorized, empowered and directed to attest the 2015 Forbearance Agreement, with such changes or revisions as are permitted hereby, in the name of and on behalf of the County. The Chair of the Council and the County Administrator, or either of them acting alone, with advice from the County Attorney, is hereby delegated the authority to approve such changes in the form, terms and provisions of the 2015 Forbearance Agreement, and to execute any amendments thereto, all as may be necessary or advisable in connection with the transactions contemplated hereby and thereby, and the execution and delivery thereof shall constitute conclusive

evidence of approval of any and all changes or revisions therein from the form attached hereto as Exhibit A and approval of any amendments thereto.

3. The Council Chair, the Council Clerk, the County Administrator and County Attorney are authorized to take such actions and to execute such documents as may be necessary to effectuate the purposes of this ordinance.

THIS RESOLUTION SHALL BE EFFECTIVE IMMEDIATELY UPON ADOPTION.

**SIGNED, SEALED, AND DELIVERED AS OF THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2015.**

LANCASTER COUNTY, SOUTH CAROLINA

\_\_\_\_\_  
Bob Bundy, Chair, County Council

\_\_\_\_\_  
Steve Harper, Secretary, County Council

Attest:

\_\_\_\_\_  
Debbie C. Hardin, Clerk to Council

Approved as to form:

\_\_\_\_\_  
County Attorney



**Schedule I**

**List of Developer Parcels**

**[TO BE PROVIDED]**

**FORM OF  
2015 FORBEARANCE AGREEMENT DATED \_\_\_\_\_, 2015**

**REGARDING THOSE CERTAIN:**

**\$24,115,000 ORIGINAL PRINCIPAL AMOUNT  
LANCASTER COUNTY, SOUTH CAROLINA  
EDENMOOR IMPROVEMENT DISTRICT  
ASSESSMENT REVENUE BONDS, SERIES 2006A (THE "SERIES 2006A BONDS")  
CUSIP NUMBER: 514088AE3**

**AND**

**\$11,500,000 ORIGINAL PRINCIPAL AMOUNT  
LANCASTER COUNTY, SOUTH CAROLINA  
EDENMOOR IMPROVEMENT DISTRICT  
ASSESSMENT REVENUE BONDS, SERIES 2006B (THE "SERIES 2006B BONDS")  
CUSIP NUMBER: 514088AD5  
(COLLECTIVELY, THE "BONDS")**

This **2015 FORBEARANCE AGREEMENT** (the "Agreement") is entered into between **LANCASTER COUNTY, SOUTH CAROLINA** (the "Issuer") and **WELLS FARGO BANK, N.A.** as trustee (the "Trustee") under the Master Trust Indenture dated as of June 1, 2006, as amended and supplemented (the "Master Indenture"), including as amended and supplemented particularly by the First Supplemental Trust Indenture dated as of June 1, 2006 (the "First Supplemental Indenture") and the Second Supplemental Trust Indenture dated April 15, 2013 (the "Second Supplemental Indenture" and, together with the Master Indenture and the First Supplemental Indenture, the "Indenture"), each between the Trustee and the Issuer, under which the Bonds were issued.

**W I T N E S S E T H**

**WHEREAS**, capitalized terms not otherwise defined herein shall be as defined in the Indenture;

**WHEREAS**, the Issuer has previously issued the Bonds to fund certain improvements (the "Series 2006 Project") to be associated with that certain residential development known as "Edenmoor," consisting of approximately 868 acres in the northwestern portion of Lancaster County, South Carolina (referred to herein as "Edenmoor" or the "Development");

**WHEREAS**, the Bonds are payable from and secured by non-*ad valorem* assessments imposed upon all of the parcels within the Development (the "Assessments");

**WHEREAS**, the original developer of Edenmoor, Lawson's Bend, L.L.C. (the "Prior Developer"), ceased development of Edenmoor in 2009 and, thereafter, defaulted in its payment of Assessments imposed upon certain parcels within the Development;

**WHEREAS**, on October 28, 2011, Edenmoor Land Acquisition, LLC and Edenmoor Land Acquisition II, LLC (collectively, the “Purchaser”) purchased all of the parcels within the Development for which the Prior Developer had defaulted on its payment of Assessments;

**WHEREAS**, the *ad valorem* real property taxes to be levied upon the parcels owned by the Purchaser as of the date of this Agreement that are shown on Exhibit A attached hereto (the “Developer Parcels”), for calendar year 2015 (to be collected in 2016), less adjustments for local option sales tax credits, plus Indian Land fire fees for applicable parcels (the “2015 Property Taxes”), and the Assessments to be imposed upon the Developer Parcels for calendar year 2015 (to be collected in 2016) (the “2015 Assessments”) will be due and payable, without interest penalty, on January 15, 2016;

**WHEREAS**, during calendar year 2015, the Purchaser has heretofore sold or hereafter intends to sell one or more lots representing a portion of the Developer Parcels (the “2015 Sold Developer Parcels”), and the parties desire to establish a procedure for collection, disposition and application of amounts collected by the Purchaser allocable to the 2015 Assessments related to the 2015 Sold Developer Parcels;

**WHEREAS**, the Purchaser has represented to the Issuer that it intends to timely pay the 2015 Property Taxes, when due, but has requested that the Issuer and the Trustee defer the date on which the payment of the 2015 Assessments is required to occur, as further provided herein;

**WHEREAS**, Edenmoor Acquisition LLC, which is an affiliate of the Purchaser, is the owner of 100% of the Series 2006A Bonds and the Series 2006B Bonds (the “Sole Bondholder”);

**WHEREAS**, it is acknowledged that the Purchaser and the Sole Bondholder are affiliates, and that the payment of Assessments by the Purchaser is used to pay, among other things, debt service on the Bonds held by the Sole Bondholder;

**NOW, THEREFORE**, the parties hereto agree as follows:

1. **Status of 2015 Property Taxes and Assessments.** The Issuer hereby acknowledges that: (1) neither the 2015 Property Taxes nor the 2015 Assessments have yet been levied or imposed; (2) it intends to levy the 2015 Property Taxes and impose the 2015 Assessments in September 2015 according to its customary and usual practice; and (3) the Purchaser has represented to the Issuer that it intends to timely pay the 2015 Property Taxes, when due, but is requesting a deferral of the payment of the 2015 Assessments as described herein. The 2015 Assessments, when imposed by the Issuer according to its customary and usual practice, will be valid and in full force and effect and will represent a valid first lien against the subject real property within the Development.

2. **Estimated Amount of 2015 Assessments.** The 2015 Assessments are estimated to be imposed in the amount of \$[\_\_\_\_\_].

3. **Events of Default Exist.** Due to the nonpayment of prior Assessments, an Event of Default exists under the Indenture. Except as may be expressly provided herein, the Trustee does not waive any Events of Default or events that with the passage of time or the giving of notice would represent Events of Default.

4. **Purchaser Representations; Deferral of Payment of 2015 Assessments.**

(a) By its execution hereof, the Purchaser represents that it intends to pay or otherwise satisfy its obligation to pay the 2015 Assessments in full but desires to pay or otherwise satisfy them, without interest or penalty, after January 15, 2016, as described herein; the Purchaser further confirms

that it (or the Sole Bondholder on its behalf) has requested a deferral of the payment of the 2015 Assessments.

(b) The Issuer and the Trustee agree to defer the payment of the 2015 Assessments until the earlier of (i) a consensual restructuring of the portion of the Bonds which are secured by and payable from the 2015 Assessments has been agreed to or (ii) the Sole Bondholder has directed the 2015 Assessments to be collected (the "Payment Date"); provided, in no event shall the Payment Date occur after the date which is two years after the date of this Agreement unless there is delivered an opinion of nationally recognized bond counsel that the continued extension of the Payment Date will not adversely affect the tax-exempt status of the Bonds.

(c) By its execution hereof, the Sole Bondholder consents to the deferral of the 2015 Assessments described above and the nonpayment of the Bonds from the deferral of the 2015 Assessments. The Trustee, at the direction of the Sole Bondholder, hereby agrees to forbear from any remedial actions based upon the existence of that one Event of Default only which is or will be created under the Indenture solely by the deferred payment of the 2015 Assessments described above.

(d) The parties hereto and the Purchaser, by its execution hereof, acknowledge that the 2015 Assessments, although deferred as described above, have not been and will not be forgiven, nor shall the Purchaser's payment obligation with respect thereto be released.

(e) The Purchaser represents that, in connection with sales of 2015 Sold Developer Parcels during calendar year 2015, it has heretofore received or expects to receive amounts which are estimated to pay the 2015 Assessments in connection with such 2015 Sold Developer Parcels. The Purchaser, by its execution hereof, covenants to deposit with the Trustee such amounts as are equal to the portion of the 2015 Assessments allocable to the 2015 Sold Developer Parcels, which deposits shall be made (a) with respect to 2015 Sold Developer Parcels which are sold by the Purchaser during calendar year 2015 on or prior to the date the County Council for the Issuer approves the annual update to the Assessment Roll (the "Approval Date"), within 30 days after the Approval Date, and (b) with respect to 2015 Sold Developer Parcels which are sold by the Purchaser during calendar year 2015 after the Approval Date, on or about such sale date, and the parties hereto acknowledge that such amounts deposited with the Trustee shall be applied to the payment of the applicable portion of the 2015 Assessments as and when the applicable portion of the 2015 Assessments are no longer deferred pursuant to paragraph (b) above.

(f) By its execution hereof, the Sole Bondholder agrees to protect, indemnify and hold harmless the Issuer against any and all liability, losses, damages, costs, expenses, taxes, causes of action, suits, claims, demands and judgments of any nature, investigations or audits resulting from, arising out of or in connection with the deferral of the 2015 Assessments described above or the nonpayment of the Bonds therefrom.

**5. Entire Agreement; Modifications.** This Agreement sets forth all agreements, terms, conditions, and understandings of the parties with regard to its subject matters and supersedes any prior or contemporaneous agreements, terms, conditions, and understandings. This Agreement may be modified only by a written agreement signed by all parties.

**6. No Third Party Beneficiaries.** The Issuer and the Trustee agree that there are no third parties who are intended to benefit from (other than the Sole Bondholder), or entitled to rely upon, this Agreement or any of its provisions other than those entities who have joined this Agreement. No third party shall be entitled to assert any claims or enforce any rights whatsoever pursuant to this Agreement. This Agreement is solely for the benefit of the Issuer, the Sole Bondholder, and the Trustee and any permitted successors or assigns.

7. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which together shall be deemed to constitute one and the same document.

8. **Time.** Time is of the essence in this Agreement.

9. **Headings.** Titles and headings of the numbered sections or paragraphs of this Agreement have been inserted for convenience of reference only and are not intended to summarize or otherwise to describe the subject matter of such sections or paragraphs and shall not be given any consideration in the construction of this Agreement.

10. **Authority for this Agreement.** The parties are entering into this Agreement pursuant to Section 10.06 of the Indenture, which provides that the holders of a majority in aggregate principal amount of the Bonds then outstanding shall have the right by an instrument in writing delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee under the Indenture, provided that certain conditions are met.

11. **Governing Law.** The laws of the State of South Carolina shall govern the construction and interpretation of this Agreement.

12. **No Effect on 2011 Forbearance Agreement, 2013 Forbearance Agreement or 2014 Forbearance Agreement.** The parties acknowledge that they previously executed (a) a Forbearance Agreement dated February 13, 2012, as extended in 2014 (as so extended, the "2011 Forbearance Agreement"), related to the deferral of the Assessments for calendar year 2011 (to be collected in 2012) which Assessments (1) were imposed upon all of the parcels within the Development purchased by the Purchaser on October 28, 2011 (including the Developer Parcels), and (2) were scheduled to become due and payable, without penalty, on January 17, 2012 (the "2011 Assessments"); (b) a Forbearance Agreement dated October 14, 2013 (the "2013 Forbearance Agreement"), related to the deferral of the Assessments for calendar year 2013 (to be collected in 2014) which Assessments (1) were imposed upon all of the parcels within the Development purchased by the Purchaser on October 28, 2011 (including the Developer Parcels), and (2) were scheduled to become due and payable, without penalty, on January 15, 2014 (the "2013 Assessments"), and (c) a Forbearance Agreement dated January 15, 2014 (the "2014 Forbearance Agreement"), related to the deferral of the Assessments for calendar year 2014 (to be collected in 2015) which Assessments (1) were upon all of the parcels within the Development purchased by the Purchaser on October 28, 2011 (including the Developer Parcels), and (2) were scheduled to become due and payable, without penalty, on January 15, 2015 (the "2014 Assessments"). The parties acknowledge that, after giving effect to this Agreement, the 2011 Forbearance Agreement, the 2013 Forbearance Agreement, and the 2014 Forbearance Agreement shall continue to be in full force and effect; neither the execution of this Agreement, nor the effect of any of the provisions contained herein, shall affect the validity of the 2011 Forbearance Agreement, the 2013 Forbearance Agreement or the 2014 Forbearance Agreement or the deferral of the 2011 Assessments, 2013 Assessments, and the 2014 Assessments, respectively, contemplated thereby.



Therefore, the Issuer and the Trustee have executed this Agreement as of the above date.

**LANCASTER COUNTY, SOUTH CAROLINA**

By: \_\_\_\_\_  
Name: Bob Bundy  
Title: Chair, County Council

ATTEST:

\_\_\_\_\_  
Debbie C. Hardin  
Clerk to Council

**WELLS FARGO BANK, N.A., as Trustee**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Acknowledged, Agreed and Consented:

**EDENMOOR ACQUISITION, LLC, as Sole Bondholder**

By: Saybrook Fund Investors, LLC, its Managing Member

By: \_\_\_\_\_  
Name: Jeffrey M. Wilson  
Title: Officer

**EDENMOOR LAND ACQUISITION, LLC**

By: Saybrook Fund Investors, LLC, its Managing Member

By: \_\_\_\_\_  
Name: Jeffrey M. Wilson  
Title: Officer

**EDENMOOR LAND ACQUISITION II, LLC**

By: Saybrook Fund Investors, LLC, its Managing Member

By: \_\_\_\_\_  
Name: Jeffrey M. Wilson  
Title: Officer

**Exhibit A**  
**List of Developer Parcels**  
**[TO BE PROVIDED]**

STATE OF SOUTH CAROLINA

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RESOLUTION NO. 0890-R2015

COUNTY OF LANCASTER

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**APPROVING THE 2015 ASSESSMENT ROLL FOR THE EDENMOOR IMPROVEMENT DISTRICT, LANCASTER COUNTY, SOUTH CAROLINA.**

WHEREAS, the County Council (the "County Council") of Lancaster County, South Carolina (the "County") by Ordinance No. 713 enacted on January 30, 2006, authorized the creation of the Edenmoor Improvement District (the "District"); and

WHEREAS, the County Council by Ordinance No. 733 enacted on April 24, 2006, authorized and provided for the issuance and sale of \$24,115,000 principal amount Edenmoor Improvement District Assessment Revenue Bonds, Series 2006A and \$11,500,000 Edenmoor Improvement District Assessment Revenue Bonds, Series 2006B and approved the Assessment Reports and the Rates and Methods of Apportionment of Assessments (the "Rates and Methods of Apportionment") including the Assessment Rolls for the District; and

WHEREAS, the Rates and Method of Apportionments each provide in Section F, respectively:

The County shall update Appendix B-1 and B-2 of the Assessment Roll A each Assessment Year to reflect (i) the current Parcels in the Improvement District, (ii) the Assessment A as allocated for each Parcel, including any adjustments to the Assessment A as provided for in Section C, (iii) the Principal Portion of the Assessment for each Parcel, (iv) the Annual Assessment A for each Parcel, (v) the Annual Credit A and Annual Payment A to be collected from each parcel for the current Assessment Year, (vi) prepayments of the Assessment A as provided for in Section I, and (vii) termination of the Assessment A as provided for in Section H.

And

The County shall update Appendix B-1 and B-2 of the Assessment Roll B each Assessment Year to reflect (i) the current Parcels in the Improvement District, (ii) the Assessment B as allocated for each Parcel, including any adjustments to the Assessment B as provided for in Section C, (iii) the Principal Portion of the Assessment for each Parcel, (iv) the Annual Assessment B for each Parcel, (v) the Annual Credit B and Annual Payment B to be collected from each parcel for the current Assessment Year, (vi) prepayments of the Assessment A as provided for in Section J, and (vii) termination of the Assessment B as provided for in Section I; and

WHEREAS, the Rates and Method of Apportionment Assessment B provides that:

"Improvement Area" means an area identified with the issuance of any Series B Bonds to be improved with Edenmoor Improvements B from the proceeds of the Series B Bonds to be issued."

WHEREAS, MuniCap, Inc. has prepared an Annual Assessment Report and Update of the Assessment Roll for Imposition of Assessments in 2015 and Collection in 2016 dated \_\_\_\_\_, 2015 (the "2015 Assessment Roll").

WHEREAS, pursuant to Resolution No. \_\_\_\_\_ adopted on August \_\_\_\_, 2015, County Council approved a Forbearance Agreement relating to the assessments to be imposed and collected on certain of the parcels purchased by Edenmoor Land Acquisition, LLC and Edenmoor Land Acquisition II, LLC, and more particularly listed on Schedule I thereto.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL AS FOLLOWS:

1. The County Council hereby approves, confirms and adopts the updated 2015 Assessment Roll as attached hereto.

THIS RESOLUTION SHALL BE EFFECTIVE IMMEDIATELY UPON ADOPTION.

**SIGNED, SEALED, AND DELIVERED AS OF THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2015.**

LANCASTER COUNTY, SOUTH CAROLINA

\_\_\_\_\_  
Bob Bundy, Chair, County Council

\_\_\_\_\_  
Steve Harper, Secretary, County Council

Attest:

\_\_\_\_\_  
Debbie C. Hardin, Clerk to Council

Approved as to form:

\_\_\_\_\_  
County Attorney



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STATE OF SOUTH CAROLINA

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ORDINANCE NO. 2015-1367

COUNTY OF LANCASTER

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**AN ORDINANCE**

**TO AUTHORIZE CERTAIN MODIFICATIONS TO THE EDENMOOR IMPROVEMENT DISTRICT AND THE EXISTING ASSESSMENT ROLL RELATED THERETO, INCLUDING CHANGING REFERENCES THEREIN TO THE WALNUT CREEK IMPROVEMENT DISTRICT, SUBDIVIDING SUCH IMPROVEMENT DISTRICT TO RELATE TO CERTAIN PARCELS OR AREAS THEREIN AND APPROVING REVISED ASSESSMENT ROLLS RELATING TO SUCH PARCELS OR AREAS; AND TO PROVIDE FOR OTHER MATTERS RELATING THERETO**

Be it ordained by the Council of Lancaster County, South Carolina:

**Section 1. Findings.**

The Lancaster County Council finds that:

(a) The County Council (the "County Council") of Lancaster County, South Carolina (the "County") by Ordinance No. 713 enacted on January 30, 2006 (the "Improvement District Ordinance"), as corrected and confirmed by Resolution No. 527 (the "Resolution") established the Edenmoor Improvement District (the "Improvement District"), relating to an approximately 868-acre residential development known as "Edenmoor" (the "Development"), and approved the Assessment Roll A, including the Rate and Method of Apportionment of Assessment A attached as an appendix thereto (the "Original Assessment Roll A"), and the Assessment Roll B, including the Rate and Method of Apportionment of Assessment B attached as an appendix thereto (the "Original Assessment Roll B" and, together with the Original Assessment Roll A, the "Original Assessment Rolls");

(b) Pursuant to the Master Trust Indenture and the First Supplemental Trust Indenture, each dated as of June 1, 2006 (collectively, the "Original Indenture"), between the County and Wells Fargo Bank, N.A., as Trustee, the County has heretofore issued the \$24,115,000 original principal amount Lancaster County, South Carolina, Edenmoor Improvement District Assessment Revenue Bonds, Series 2006A, which are presently outstanding in the principal amount of \$22,325,000 (the "Series 2006A Bonds"), and the \$11,500,000 original principal amount Lancaster County, South Carolina, Edenmoor Improvement

District Assessment Revenue Bonds, Series 2006B, which are presently outstanding in the principal amount of \$2,280,000 (the "Series 2006B Bonds" and, together with the Series 2006A Bonds, the "Series 2006 Bonds");

(c) The County understands that Edenmoor Acquisition LLC, or one of its affiliated assignees (the "Sole Bondholder"), is presently the owner of 100% of the Series 2006 Bonds;

(d) The Series 2006 Bonds were issued in order to fund certain improvements within or associated with the Development, which Series 2006 Bonds are payable from and secured by *non-ad valorem* assessments imposed upon the parcels therein (the "Assessments");

(e) The Assessments presently consist of an Assessment A securing the Series 2006A Bonds, and an Assessment B securing the Series 2006B Bonds, each as further described in the Original Assessment Rolls for the District (the "Assessment Documents");

(f) After the original developer of the Development ceased development in 2009 and, thereafter, defaulted in its payment of Assessments imposed upon certain parcels within the Development, Edenmoor Land Acquisition, LLC and Edenmoor Land Acquisition II, LLC (collectively, the "Purchaser") purchased such parcels;

(g) The Purchaser has continued work to complete the Development and approximately 621 parcels within the Development are owned by residential property owners or third-party builders or developers other than the Purchaser;

(h) The Purchaser and the Sole Bondholder desire to make certain changes to the Assessment Documents in connection with the proposed refunding of all or a portion of the Series 2006A Bonds, namely (I) changing all references therein from "Edenmoor" or "Edenmoor Improvement District" to "Walnut Creek" or "Walnut Creek Improvement District", as applicable; (II) subdividing the Improvement District so it relates to specific parcels within the Development (referenced herein as Bond Area 1, Bond Area 2 and Bond Area 3 (each, a "Bond Area"), as further defined herein); (III) modifying and updating the Assessment A applicable to each such Bond Area and, correspondingly, specific sub-series of Series A Bonds (as defined in the Original Assessment Roll A) which are presently outstanding and/or may be hereafter issued to refund such outstanding bonds;

(i) There have been filed with the Clerk to Council draft revised versions of the Original Assessment Roll A, namely:

(1) with respect to the parcels within the Development referenced in Appendix A attached hereto ("Bond Area 1"), an Assessment Roll A for Bond Area 1 ("Assessment Roll A-1", included in Exhibit 1 attached hereto); and

(2) with respect to the parcels within the Development referenced in Appendix A attached hereto ("Bond Area 2"), an Assessment Roll A for Bond Area 2 ("Assessment Roll A-2", included in Exhibit 2 attached hereto); and

(3) with respect to the parcels within the Development referenced in Appendix A attached hereto ("Bond Area 3"), an Assessment Roll A for Bond Area 3 ("Assessment Roll A-3", included in Exhibit 3 attached hereto);

## **Section 2.      Additional Findings.**

The County Council finds it proper and necessary (A) to modify the Assessment Documents or any ordinances, resolutions, agreements, plans or other documents referenced in or contemplated thereby, including the Original Indenture, the Series 2006 Bonds or any Additional Bonds, such that any and all references therein to "Edenmoor" or "Edenmoor Improvement District" will be changed to "Walnut Creek" or "Walnut Creek Improvement District", as applicable, (B) subject to Section 4 herein, to subdivide the Improvement District so it relates to specific parcels within the Development (e.g., Bond Area 1, Bond Area 2 and Bond Area 3) and, correspondingly, specific sub-series of the Series A Bonds (as defined in the Original Assessment Roll A) which are presently outstanding and/or may be hereafter issued to refund such outstanding bonds, and (C) subject to Section 4 herein, to amend and replace the Original Assessment Roll A, by the approval of the Assessment Roll A-1, Assessment Roll A-2 and Assessment Roll A-3 (collectively, the "Revised A Assessment Rolls") and the respective Assessment A reflected in each of the Revised A Assessment Rolls.

## **Section 3.      Amendment of Original Assessment Roll A and Approval of Subdivision of Improvement District and Revised Assessment Rolls.**

(A) The Original Assessment Roll A is hereby amended and replaced by the Assessment Roll A-1 attached hereto as Exhibit 1, the Assessment Roll A-2 attached hereto as Exhibit 2 and the Assessment Roll A-3 attached hereto as Exhibit 3, which Revised A Assessment Rolls are hereby approved and confirmed as the assessment roll within the meaning of the Act reflecting the names of the persons within Bond Area 1, Bond Area 2 and Bond Area 3, as applicable, whose properties are to be assessed for Assessment A (as further described in the Assessment Roll A-1, Assessment Roll A-2 and Assessment Roll A-3, as applicable) and the amounts to be assessed against their respective properties with a brief description of the lots or parcels of land assessed, subject to Section 4 herein.

(B) The subdivision of the Improvement District so it relates to Bond Area 1, Bond Area 2 and Bond Area 3 and, correspondingly, specific sub-series of the Series A Bonds which are presently outstanding and/or may be hereafter issued to refund such outstanding bonds, as contemplated by the Revised A Assessment Rolls, is hereby approved, subject to Section 4 herein.

## **Section 4.      Approvals Contingent on Issuance of Series 2015A-1 Bonds; Authority to Update Revised A Assessment Rolls.**

(A) The County Council acknowledges that (I) the amendment and replacement of the Original Assessment Roll A through the Revised A Assessment Rolls and the subdivision of the Improvement District, all as approved in Section 3 above, have been undertaken in connection with the proposed refunding of all or a portion of the Series 2006A Bonds, including the proposed issuance of not exceeding \$12,000,000 principal amount Lancaster County, South Carolina, Walnut Creek Improvement District Refunding Revenue Bonds, Series 2015A-1 (the "Series 2015A-1 Bonds"), which Series 2015A-1 Bonds will be secured by and payable from the Assessment A imposed in Bond Area 1 and the proceeds of which will be used to refinance a portion of the Series 2006A Bonds, as otherwise approved by ordinance enacted by the County Council; and (II) certain of the information included in the Revised A Assessment Rolls (including but not limited to the estimated debt service of the Series A Bonds and any information derived therefrom or based thereon) has been estimated based on anticipated market conditions.

(B) Accordingly, the approvals in this ordinance shall be contingent upon the issuance of the Series 2015A-1 Bonds for the purposes described herein, and the amendment and replacement of the Original Assessment Roll A through the approval of the Revised A Assessment Rolls and the subdivision of the

Improvement District shall be and only become effective upon and after the issuance of the Series 2015A-1 Bonds as otherwise approved by the County Council. In the event the Series 2015A-1 Bonds are not issued, the Revised A Assessment Rolls shall be disregarded and reliance upon the Original Assessment Rolls (as annually updated in accordance with their terms and the County's current practice) shall be continued. As provided in the Revised A Assessment Rolls, the Assessment Roll A-1, Assessment Roll A-2 and Assessment Roll A-3 may be adjusted and updated from time to time, including as based on the actual results of the issuance of the Series 2015A-1 Bonds or other bonds issued to refund outstanding Series A Bonds contemplated thereby.

(C) Contemporaneous with or promptly following the issuance of the Series 2015A-1 Bonds as described above, the Revised A Assessment Rolls shall be filed in the Office of the Clerk of Court of the County, and from the time of filing the assessments impressed in the Assessment Roll constitute and are liens on the real property against which they are assessed superior to all other liens and encumbrances, except the lien for property taxes, and must be annually assessed and are collected with the property taxes on it. The Revised A Assessment Rolls may also be filed in such other public records as the County Administrator may determine.

**Section 5.**      **Authority to Act.**

The Council Chair, Council Secretary, Clerk to Council, County Administrator, County Attorney and all other appropriate officials of the County are authorized and directed to do any and all things necessary to effect the purposes of this ordinance.

**Section 6.**      **Severability.**

If any section, subsection or clause of this ordinance is held to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections and clauses shall not be affected.

**Section 7.**      **Controlling Provisions.**

To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Lancaster County Code or other County ordinances, resolutions or orders, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

**Section 8.**      **Effective Date.**

This ordinance is effective upon third reading.

SIGNATURES FOLLOW ON NEXT PAGE.

AND IT IS SO ORDAINED, this \_\_\_\_ day of \_\_\_\_\_, 2015.

LANCASTER COUNTY, SOUTH CAROLINA

\_\_\_\_\_  
Bob Bundy, Chair, County Council

\_\_\_\_\_  
Steve Harper, Secretary, County Council

ATTEST:

\_\_\_\_\_  
Debbie C. Hardin, Clerk to Council

First Reading:	August 24, 2015	Tentative
Second Reading:	September 14, 2015	Tentative
Public Hearing:	September 28, 2015	Tentative
Third Reading:	September 28, 2015	Tentative

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STATE OF SOUTH CAROLINA                    )  
  )     ORDINANCE NO. 2015-1368  
COUNTY OF LANCASTER                    )

**AN ORDINANCE**

**TO AUTHORIZE AND PROVIDE FOR THE ISSUANCE AND SALE OF NOT TO EXCEED \$12,000,000 PRINCIPAL AMOUNT WALNUT CREEK IMPROVEMENT DISTRICT ASSESSMENT REVENUE BONDS, SERIES 2015A-1; TO LIMIT THE PAYMENT OF THE BONDS SOLELY TO THE ASSESSMENTS IMPOSED ON CERTAIN DESIGNATED PARCELS WITHIN THE WALNUT CREEK IMPROVEMENT DISTRICT; TO PROVIDE FOR THE EXECUTION OF A MASTER TRUST INDENTURE, FIRST SUPPLEMENTAL INDENTURE THERETO, CONTRACT OF PURCHASE AND OTHER RELATED DOCUMENTS FOR THE SERIES 2015A-1 BONDS, AND AN AMENDED AND RESTATED MASTER TRUST INDENTURE AND ONE OR MORE SUPPLEMENTS THERETO RELATED TO THE SERIES 2006 BONDS; TO MAKE OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE FOREGOING; AND TO PROVIDE FOR OTHER MATTERS RELATING THERETO**

Be it ordained by the Council of Lancaster County, South Carolina:

**Section 1.     Definitions.**

The terms defined in this Section for all purposes of this ordinance shall have the respective meanings as set forth in this Section. Any capitalized terms not defined herein shall have the meaning given such term in the 2006 Amended and Restated Indenture or 2015A-1 Indenture as defined herein, as the context requires. The term:

“2006 Amended and Restated Indenture” means the Amended and Restated Master Trust Indenture dated such date as may be determined by the Chairman of Council and the County Administrator, between the County and the Trustee, which amends and restates the Original Master Indenture in its entirety, as the same may be amended and supplement from time to time.

“2015A-1 Indenture” means the 2015A-1 Master Trust Indenture, as supplemented by the 2015A-1 First Supplemental Indenture.

“2015A-1 First Supplemental Indenture” means the First Supplemental Trust Indenture dated such date as may be determined by the Chairman of Council and the County Administrator, between the County and the Trustee, pursuant to which the Series 2015A-1 Bonds will be issued.

“2015A-1 Master Trust Indenture” means the Master Trust Indenture dated such date as may be determined by the Chairman of Council and the County Administrator, between the County and the Trustee.

“Act” means the County Public Works Improvement Act, codified as Chapter 35 of Title 4 of the Code of Laws of South Carolina 1976, as amended and the Revenue Bond Act for Utilities, codified as Chapter 21 of Title 6 of the Code of Laws of South Carolina 1976, as amended.

“Administrative Expenses” means the reasonable and necessary expenses, directly or indirectly, incurred by the County with respect to the Improvement District, the 2006 Amended and Restated Indenture or the 2015A-1 Indenture, as applicable, or any supplemental indenture to either of the foregoing, including but not limited to costs of imposing and collecting Assessments (including the commissions, fees, expenses and any other charges of the Assessment Consultant, Assessor, Auditor and Treasurer (as such terms are defined in the 2006 Amended and Restated Indenture or 2015A-1 Indenture, as applicable) and the County’s finance department personnel), and costs, fees and expenses of consultants, appraisers, engineers, legal counsel or the Trustee, Registrar or Paying Agent (as such terms are defined in the 2006 Amended and Restated Indenture or 2015A-1 Indenture, as applicable).

“Assessment” means an assessment imposed under the Act.

“Assessment A-1” means an Assessment A related to Bond Area 1, as contemplated by Assessment Roll A-1.

“Assessment A-2” means an Assessment A related to Bond Area 2, as contemplated by Assessment Roll A-2.

“Assessment A-3” means an Assessment A related to Bond Area 3, as contemplated by Assessment Roll A-3.

“Assessment Roll A-1” means the Assessment Roll A for Bond Area 1 originally dated \_\_\_\_\_, 2015, filed in the office of the Clerk of Court for the County, as amended and supplemented from time to time.

“Assessment Roll A-2” means the Assessment Roll A for Bond Area 2 originally dated \_\_\_\_\_, 2025, filed in the office of the Clerk of Court for the County, as amended and supplemented from time to time.

“Assessment Roll A-3” means the Assessment Roll A for Bond Area 3 originally dated \_\_\_\_\_, 2035, filed in the office of the Clerk of Court for the County, as amended and supplemented from time to time.

“Bond Area 1” means the parcels identified in the Assessment Roll A-1, which are and will be subject to Assessment A-1.

“Bond Area 2” means the parcels identified in the Assessment Roll A-2, which are and will be subject to Assessment A-2.

“Bond Area 3” means the parcels identified in the Assessment Roll A-3, which are and will be subject to Assessment A-3.

“Code” means the Internal Revenue Code of 1986, as amended, and applicable Treasury Regulations thereunder.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement dated such date as may be determined by the Chairman of Council and the County Administrator, between the County and the Dissemination Agent.

“Contract of Purchase” means the Contract of Purchase between the Underwriter and the County.

“Council” means the Lancaster County Council.

“County” means Lancaster County, South Carolina.

“Dissemination Agent” means the dissemination agent appointed by the County pursuant to the Continuing Disclosure Agreement.

“Improvement District” means the Walnut Creek Improvement District (formerly known as the Edenmoor Improvement District) created by the Council under the Act pursuant to the Improvement District Ordinance.

“Improvement District Ordinance” means Ordinance No. 713 of the Council, as amended by Ordinance No. \_\_\_\_ of the Council, wherein the Improvement District was created and the Assessments are authorized to be imposed and collected, as may be amended from time to time.

“Improvements” mean the planning, financing, acquisition, construction, equipping and installation of water and wastewater facilities, a stormwater management system, roads and roadway improvements, a recreational area and facilities, a combined Sheriff and EMS substation and related equipment, and such other improvements as allowed under the terms of the Act and as may be approved by the County Council, pursuant to the Act for the special benefit of the District as further described in the Improvement Plan.

“Improvement Plan” means the Walnut Creek Improvement Plan (formerly known as the Edenmoor Improvement Plan) approved by the Council pursuant to the Improvement District Ordinance.

“Original Master Indenture” means the Master Trust Indenture dated as of June 1, 2006, as heretofore amended and supplemented by the First Supplemental Trust Indenture dated as of June 1, 2006 and the Second Supplemental Trust Indenture dated April 15, 2013, each between the County and the Trustee.

“Series 2006 Bonds” means the Series 2006A Bonds and the Series 2006B Bonds.

“Series 2006A Bonds” means the \$24,115,000 original principal amount Lancaster County, South Carolina, Edenmoor Improvement District Assessment Revenue Bonds, Series 2006A, which are presently outstanding in the principal amount of \$22,325,000.

“Series 2006B Bonds” means the \$11,500,000 original principal amount Lancaster County, South Carolina, Edenmoor Improvement District Assessment Revenue Bonds, Series 2006B, which are presently outstanding in the principal amount of \$2,280,000.

“Series 2015A-1 Bonds” means the not to exceed \$12,000,000 principal amount Walnut Creek Improvement District Assessment Revenue Bonds, Series 2015A-1, to be issued to refinance such portion of the outstanding Series 2006A Bonds and to be dated such date as may be determined by the Chairman of Council and the County Administrator with advice from the County Attorney.

“Underwriter” means Raymond James and Associates, Inc., as underwriter for the Series 2015A-1 Bonds.

## **Section 2. Findings and Determinations.**

The Council hereby finds and determines:

(a) Pursuant to Section 4-9-10, Code of Laws of South Carolina 1976, as amended (the “S.C. Code”), the Council/Administrator form of government was selected and the Council constitutes the governing body of the County.

(b) Article X, Section 14 of the Constitution of the State of South Carolina 1896, as amended (the “Constitution”) provides in part that the County may incur indebtedness payable solely from a revenue-producing project or from a special source, which source does not involve revenues from any tax or license.

(c) Pursuant to the Act, the County is authorized to acquire, own, construct, establish, enlarge, improve, expand, operate, maintain and repair, and sell, lease, and otherwise dispose of an improvement and to finance and refinance the acquisition, construction, establishment, enlargement, improvement, expansion, operation, maintenance and repair, in whole or in part, by the imposition of assessments through the issuance of special district bonds of the county, general obligation bonds of the county, or revenue bonds of the county, from general revenues from any source not restricted from that use by law, or by a combination of the funding sources.

(d) Pursuant to the Act, the County has adopted the Improvement District Ordinance wherein Assessments are authorized to be imposed and collected within the Improvement District (including particularly Assessment A-1 related solely to the parcels within Bond Area 1, as contemplated by Assessment Roll A-1, Assessment A-2 related solely to the parcels within Bond Area 2, as contemplated by Assessment Roll A-2 and Assessment A-3 related solely to the parcels within Bond Area 3, as contemplated by Assessment Roll A-3, as applicable).

(e) Pursuant to the Act, the County has heretofore issued the Series 2006 Bonds, all of which are presently held by Edenmoor Acquisition LLC (“Edenmoor Acquisition”), and the County now desires to issue the Series 2015A-1 Bonds for the purpose of (1) refinancing such portion of the outstanding Series 2006A Bonds, as may be determined by the Chairman of Council and the County Administrator (the “Refunded 2006A Bonds”), (2) funding a debt service reserve fund (if any) established for the Series 2015A-1 Bonds, in such amount as may be determined by the Chairman of Council and the County Administrator, and (3) paying certain costs of issuance related to the Series 2015A-1 Bonds, including premiums for bond insurance policies or surety bonds.

(f) In connection with the foregoing, it is proposed that the County issue the 2015A-1 Bonds pursuant to the 2015A-1 Indenture and execute the 2006 Amended and Restated Indenture, such that the revenues generated from the imposition and collection of Assessment A-1 will only secure the payment of the Series 2015A-1 Bonds and Administrative Expenses directly or indirectly attributable to Bond Area 1,

and such revenues will not be pledged for the benefit of or secure any other Bonds (as presently defined in the Original Master Trust Indenture) presently outstanding under the Original Master Indenture or thereafter issued pursuant to the 2006 Amended and Restated Indenture, including the Series 2006A Bonds remaining outstanding after the issuance of the Series 2015A-1 Bonds (all of which will be initially held by Edenmoor Acquisition) or any other Bonds issued thereunder to refinance such Series 2006A Bonds (collectively, the "Remaining 2006A Bonds"), and the Series 2006B Bonds. The County will additionally assign its interest in certain funds created pursuant to the 2015A-1 Indenture to the Trustee for the benefit of the owners of the Series 2015A-1 Bonds.

(g) It is contemplated that (1) in connection with the County's execution of the 2006 Amended and Restated Indenture, Edenmoor Acquisition (as holder of the Remaining 2006A Bonds and the Series 2006B Bonds) will provide its written consent thereto, and (2) contemporaneous with the issuance of the Series 2015A-1 Bonds for the purposes described in paragraph (e) above, the Remaining 2006A Bonds will be exchanged for other Series 2006A Bonds which, together with Administrative Expenses directly or indirectly attributable to Bond Area 2 and Bond Area 3, as contemplated by Assessment Roll A-2 and Assessment Roll A-3, respectively, are secured and payable solely from the revenues generated from the imposition and collection of Assessment A-2 and Assessment A-3, respectively, and other funds created pursuant to the 2006 Amended and Restated Indenture for the benefit of the owners of the Remaining 2006A Bonds.

(h) There have been filed with the Clerk to Council forms of the 2015A-1 Master Trust Indenture, 2015A-1 First Supplemental Trust Indenture, 2006 Amended and Restated Indenture, Contract of Purchase, Preliminary Limited Offering Memorandum and Continuing Disclosure Agreement. The Council finds, however, that certain changes in said documents may be needed prior to the completion of this transaction such that it will be in the best interest of the County to delegate to the Chairman of Council, the County Administrator and the County Attorney, or any one of them, the legal authority to determine those matters including the authority to approve the final form of the documents necessary to effectuate the issuance of the Bonds.

### **Section 3.      Approval of Transaction.**

The Council does hereby approve (a) the issuance of the Series 2015A-1 Bonds pursuant to the 2015A-1 Indenture, and the use of the proceeds of the issuance of the Series 2015A-1 Bonds for the purposes described in Section 2(e) above; (b) the pledge and application of the revenues generated from the imposition and collection of Assessment A-1 and other funds created pursuant to the 2015A-1 Indenture for the benefit of the owners of the Series 2015A-1 Bonds for payment of the Series 2015A-1 Bonds and Administrative Expenses directly or indirectly attributable to Bond Area 1; (c) the execution of the 2006 Amended and Restated Indenture and the exchange of Series 2006A Bonds for the Remaining 2006A Bonds and Series 2006B Bonds for outstanding Series 2006B Bonds pursuant to the 2006 Trust Indenture as described herein; and (d) the pledge and application of the revenues generated from the imposition and collection of Assessment A-2 and Assessment A-3, and other funds created pursuant to the 2006 Amended and Restated Indenture for the benefit of the owners of the Remaining 2006A Bonds, for payment of the Remaining 2006A Bonds and Administrative Expenses directly or indirectly attributable to Bond Area 2 and Bond Area 3, as contemplated by Assessment Roll A-2 and Assessment Roll A-3, respectively; provided, however, that nothing in this ordinance is intended to amend, modify or change the terms of the Remaining 2006A Bonds (other than the outstanding principal amount thereof) or Series 2006B Bonds or the Assessments imposed within the Improvement District to secure the payment of the Series 2006B Bonds (e.g., Assessment B as identified in the Assessment Roll B, including the Rate and Method of Apportionment of Assessments,



originally dated January 30, 2006, as corrected and confirmed by County, filed in the office of the Clerk of Court for the County, as amended and supplemented from time to time).

**Section 4.      Approval of 2015A-1 Master Trust Indenture and 2015A-1 First Supplemental Indenture and Delegation of Authority.**

The form, terms and provisions of the 2015A-1 Master Trust Indenture and 2015A-1 First Supplemental Indenture, copies of which are attached hereto as Exhibits A and B and filed with the Clerk to Council, be and hereby are approved. The Chairman of the Council is hereby authorized, empowered and directed to execute, acknowledge and deliver, and the Clerk to Council is hereby authorized, empowered and directed to attest the 2015A-1 Master Trust Indenture and 2015A-1 First Supplemental Indenture, with such changes or revisions as are permitted hereby, in the name of and on behalf of the County. The Chairman of the Council and the County Administrator with advice from the County Attorney are hereby delegated the authority to approve such changes in the form, terms and provisions of the 2015A-1 Master Trust Indenture and 2015A-1 First Supplemental Indenture as may be necessary or advisable in connection with the transactions contemplated hereby and thereby. The Chairman's execution and delivery of the 2015A-1 Master Trust Indenture and 2015A-1 First Supplemental Indenture shall constitute conclusive evidence of approval of any and all changes or revisions therein from the form of the 2015A-1 Master Trust Indenture and 2015A-1 First Supplemental Indenture attached hereto as Exhibits A and B. Any amendments to the 2015A-1 Master Trust Indenture and 2015A-1 First Supplemental Indenture shall be executed in the same manner.

**Section 5.      Approval of 2006 Amended and Restated Indenture and Amendments or Supplements Thereto and Delegation of Authority.**

The form, terms and provisions of the 2006 Amended and Restated Indenture, a copy of which is attached hereto as Exhibit C and filed with the Clerk to Council, be and hereby is approved. The Chairman of Council is hereby authorized, empowered and directed to execute, acknowledge and deliver, and the Clerk to Council is hereby authorized, empowered and directed to attest the 2006 Amended and Restated Indenture (including any amendments or supplements thereto), with such changes or revisions as are permitted hereby, in the name of and on behalf of the County. The Chairman of Council and the County Administrator with advice from the County Attorney are hereby delegated the authority to approve such changes in the form, terms and provisions of the 2006 Amended and Restated Indenture and to approve the form of any amendments or supplements thereto as may be necessary or advisable in connection with the transactions contemplated hereby and thereby. The Chairman's execution and delivery of the 2006 Amended and Restated Indenture shall constitute conclusive evidence of approval of any and all changes or revisions therein from the form of the 2006 Amended and Restated Indenture attached hereto as Exhibit C.

**Section 6.      Continuation of Revenue Fund.**

There is hereby continued and established an enterprise fund in the County's budget and accounting system for the purpose of accounting for all Assessments levied and collected with respect to the Improvement District. This fund shall be known as the "Walnut Creek Revenue Fund" (formerly known as the "Edenmoor Revenue Fund") and all Assessments levied and collected shall be deposited into such Revenue Fund and as such shall be disbursed according to the provisions of the 2015A-1 Indenture and the 2006 Amended and Restated Indenture; provided, however, that Assessments of a particular type (e.g., Assessment A or Assessment B) or Assessments related to a particular Bond Area (e.g., Assessment A-1, Assessment A-2 or Assessment A-3) shall not be commingled with one another.

**Section 7.      Approval of Contract of Purchase and Delegation of Authority.**

The form, terms and provisions of the Contract of Purchase, a copy of which is attached hereto as Exhibit D and filed with the Clerk to Council, be and hereby is approved. The County Administrator is hereby authorized, empowered and directed to execute, acknowledge and deliver the Contract of Purchase, with such changes or revisions as are permitted hereby, in the name of and on behalf of the County. The County Administrator with advice from the County Attorney is hereby authorized to approve such changes in the form, terms and provisions of the Contract of Purchase as may be necessary or advisable in connection with the transactions contemplated hereby and thereby. The County Administrator's execution and delivery of the Contract of Purchase shall constitute conclusive evidence of approval of any and all changes or revisions therein from the form of the Contract of Purchase attached hereto as Exhibit D. Any amendments to the Contract of Purchase shall be executed in the same manner.

**Section 8.      Approval of Preliminary Limited Offering Memorandum and Delegation of Authority.**

The distribution of the Preliminary Limited Offering Memorandum in substantially the form attached hereto as Exhibit E (the "Preliminary LOM") and filed with the Clerk to Council, be and hereby is approved for distribution by the Underwriter and the [Final Limited Offering Memorandum] in substantially the form of the Preliminary LOM (the "Final LOM") is hereby approved for distribution by the Underwriter. The Chairman of the Council and the County Administrator with advice from the County Attorney are hereby delegated the authority to approve such changes in the form, terms and provisions of and to execute and deliver the Preliminary LOM as may be appropriate for the transactions contemplated hereby and thereby, to take such actions necessary to "deem final" the Preliminary LOM for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, and to approve such changes in the form, terms and provisions of and to execute and deliver the Final LOM as may be appropriate for the transactions contemplated hereby and thereby. The Chairman's execution of the Final LOM shall constitute conclusive evidence of approval of any and all changes or revisions therein from the form of the Preliminary LOM attached hereto as Exhibit E.

**Section 9.      Approval of Continuing Disclosure Agreement and Delegation of Authority.**

(a)      The form, terms and provisions of the Continuing Disclosure Agreement, a copy of which is attached hereto as Exhibit F and filed with the Clerk to Council, be and hereby is approved. The County Administrator is hereby authorized, empowered and directed to execute, acknowledge and deliver the Continuing Disclosure Agreement, with such changes or revisions as are permitted hereby, in the name of and on behalf of the County. The Chairman of the Council and the County Administrator with advice from the County Attorney hereby delegate the authority to approve such changes in the form, terms and provisions of the Continuing Disclosure Agreement as may be necessary or advisable in connection with the transactions contemplated hereby and thereby. The Chairman's execution and the delivery of the Continuing Disclosure Agreement shall constitute conclusive evidence of approval of any and all changes or revisions therein from the form of the Continuing Disclosure Agreement attached hereto as Exhibit F. Any amendments to the Continuing Disclosure Agreement shall be executed in the same manner.

(b)      So long as and to the extent required pursuant to Section 11-1-85 of the Code of Laws of South Carolina 1976, as amended ("Section 11-1-85"), the County covenants that it will file with a central repository (if any) for availability in the secondary bond market when requested:

- (i)      An annual independent audit, within 30 days of the County's receipt of the audit;
- and

(ii) Event-specific information within 30 days of an event adversely affecting more than 5% percent of the revenues generated from the imposition of Assessment A-1 or the County's tax base.

(c) The only remedy for failure by the County to comply with the covenant of this Section 9 shall be an action for specific performance of this covenant; and failure to comply shall not constitute a default or an "Event of Default" under this ordinance or the 2015A-1 Indenture. The Trustee shall have no responsibility to monitor the County's compliance with this covenant. The County specifically reserves the right to amend or delete this covenant in order to reflect any change in Section 11-1-85, without the consent of the Trustee or any Holder of any Series 2015A-1 Bonds.

#### **Section 10. Trustee, Registrar and Paying Agent.**

The County hereby appoints and, as applicable, consents to the continued appointment of Wells Fargo Bank, N.A., as Trustee, Registrar and Paying Agent under the terms and conditions provided in the 2006 Amended and Restated Indenture and the 2015A-1 Indenture. The Chairman of Council and the County Administrator are hereby delegated the authority to determine a successor trustee or a replacement trustee if for any reason Wells Fargo Bank, N.A. does not serve as Trustee under the 2006 Amended and Restated Indenture or the 2015A-1 Indenture.

#### **Section 11. Arbitrage Covenant.**

The County hereby covenants and agrees with the Holders of the Series 2015A-1 Bonds issued, and the Holders of the Series 2006 Bonds reissued, as tax-exempt obligations (the "Tax-Exempt Bonds") that it will not take any action which will, or fail to take any action which failure will, cause interest on the Tax-Exempt Bonds to become includable in the gross income of such Holders thereof for federal income tax purposes pursuant to the provisions of the Code and regulations promulgated thereunder in effect on the date of original issuance of the Tax-Exempt Bonds and that no use of the proceeds of the Tax-Exempt Bonds shall be made which, if such use had been reasonably expected on the date of issue of the Tax-Exempt Bonds would have caused the Tax-Exempt Bonds to be "arbitrage bonds," as defined in the Code; and to that end the County hereby shall:

(a) comply with the applicable provisions of Section 103 and Sections 141 through 150 of the Code and any regulations promulgated thereunder so long as the Tax-Exempt Bonds are Outstanding;

(b) establish such funds, make such calculations and pay such amounts, if necessary, in the manner and at the times required in order to comply with the requirements of the Code relating to required rebate of certain amounts to the United States; and

(c) make such reports of such information at the times and places required by the Code.

The Chairman of Council and the County Administrator are hereby authorized to execute a Federal Tax Certificate and otherwise adopt written procedures to ensure the County's compliance with federal tax matters relating to the Tax Exempt Bonds.

**Section 12.     Authority to Act.**

The Council Chair, Council Secretary, Clerk to Council, County Administrator, County Attorney and all other appropriate officials of the County are authorized and directed to do any and all things necessary to execute any amendments, changes or modifications to the forbearance agreements previously executed by the County or other documents authorized herein to effect the purposes of this ordinance.

**Section 13.     Severability.**

If any section, subsection or clause of this ordinance is held to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections and clauses shall not be affected.

**Section 14.     Controlling Provisions.**

To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Lancaster County Code or other County ordinances, resolutions or orders, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

**Section 15.     Effective Date.**

This ordinance is effective upon third reading.

SIGNATURES FOLLOW ON NEXT PAGE.

AND IT IS SO ORDAINED, this \_\_\_\_ day of \_\_\_\_\_, 2015.

LANCASTER COUNTY, SOUTH CAROLINA

\_\_\_\_\_  
Bob Bundy, Chair, County Council

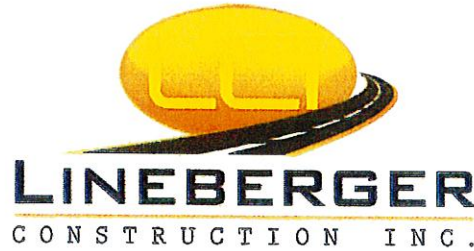
\_\_\_\_\_  
Steve Harper, Secretary, County Council

ATTEST:

\_\_\_\_\_  
Debbie C. Hardin, Clerk to Council

First Reading:	August 24, 2015	Tentative
Second Reading:	September 14, 2015	Tentative
Public Hearing:	September 28, 2015	Tentative
Third Reading:	September 28, 2015	Tentative

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March 25, 2015

Lancaster County  
Lancaster County Council  
Lancaster County Economic Development

RE: Employment Status

Dear Sir's or Madame's:

Employment at LCI is like joining a family! All employees here have full time employment, with the exception of two. One is retired and other is disabled. We do not "lay-off" employees during the winter months. Temporary unemployment is filed on a weekly basis for those with short hours.

In lieu of lay-offs, during the winter months, our equipment is cleaned, repaired and upgraded for the upcoming season. This is also the time of year that our tools, traffic control signs and our yard is maintained and organized.

The winter months are also used to improve the skills of our employees. We have implemented an OJT program as prescribed by SCDOT for equipment operators, truck drivers, quality control technicians, diesel mechanics and construction foreman. In fact, we purchased a dozer simulator for \$50,000 that allows us to train even on bad weather days. Also included in our training program is required certifications for OHSA 10, DOT Flaggers, DHEC certification for nuclear gauges and CEPSCI and trench safety. In alternate years, we have the CPR and First Aid training.

Our training has also included leadership, teamwork and soft skills training as well as utilizing Dave Ramsey's financial peace program.

In addition to the training opportunities, this year we have started a winter savings plan. With this plan, the employees choose to save up to 5% of their check during the summer months when hours are long. In the winter months the money is returned to them in weekly payments plus a company match of 50%.

So as you can see, our winters are almost as busy as our summers.

If you have any questions, please call.

Sincerely,  
LCI-Lineberger Construction Inc.

Kim Lineberger  
President/CEO

---

1212 Kershaw Camden Hwy.  
Lancaster, SC 29720

**CarolinasAGC**  
Building Your Business  
THE CAROLINAS AGC OF AMERICA

Phone (803) 286-5555  
Fax (803) 286-5051

STATE OF SOUTH CAROLINA       )  
  )  
COUNTY OF LANCASTER        )

RESOLUTION NO. 0886-R2015

**A RESOLUTION**

**TO STATE THE COMMITMENT OF LANCASTER COUNTY TO ENTER INTO A FEE AGREEMENT WITH LCI-LINEBERGER CONSTRUCTION, INC., AND/OR ITS DESIGNEE OR NOMINEE; TO PROVIDE THE GENERAL TERMS OF THE FEE AGREEMENT INCLUDING THE PROVISION OF A SPECIAL SOURCE REVENUE CREDIT; TO IDENTIFY THE PROJECT FOR PURPOSES OF THE FEE IN LIEU OF TAX SIMPLIFICATION ACT; TO STATE THE COMMITMENT OF LANCASTER COUNTY TO PLACE PROJECT PROPERTY IN A MULTI-COUNTY PARK; AND TO PROVIDE FOR OTHER MATTERS RELATED THERETO.**

**WHEREAS**, Lancaster County, South Carolina (the "County"), acting by and through its County Council (the "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 (the "Act"), to enter into a fee in lieu of tax agreement (the "Fee Agreement") with respect to a project which requires the industry to make a payment of a fee in lieu of taxes, through which powers the industrial development of the State of South Carolina and the County will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State of South Carolina and the County and thus to utilize and employ the manpower, products, and natural resources of the State of South Carolina to benefit the general public welfare of the County by providing services, employment, and other public benefits not otherwise provided locally; and

**WHEREAS**, LCI-Lineberger Construction, Inc., a South Carolina corporation, on its own or together with one or more of its subsidiaries, affiliates, successors, assigns, sponsors, lessors, and others (collectively, the "Company"), desires to invest capital in the County in order to expand its facilities in the County (the "Project"), provided that approvals of various incentives contemplated for the Project are formalized by the State and/or County; and

**WHEREAS**, the Project is anticipated to result in an investment of approximately \$3.67 million and the creation of approximately 73 new, full-time jobs; and

**WHEREAS**, the Company has requested that the County enter into a Fee Agreement, thereby providing for fee-in-lieu of tax ("FILOT") payments ("FILOT Payments") and infrastructure and/or special source revenue credits ("SSRCs") with respect to the Project; and

**WHEREAS**, the County has determined on the basis of the information supplied to it by the Company that the Project would be a "project" and "economic development property" as such terms are defined in the Act and that the Project would serve the purposes of the Act; and

**WHEREAS**, pursuant to the authority of Section 4-1-170 of the Code of Laws of South Carolina 1976, as amended and Article VIII, Section 13(D) of the South Carolina Constitution (collectively, the "MCP Laws"), the County is authorized to create a multi-county park (an "MCP Park") pursuant to a qualifying agreement with one or more contiguous South Carolina counties (the "Park Agreement"); and

**WHEREAS**, the County intends by this Resolution to commit itself to: (i) enter into a negotiated fee-in-lieu of tax agreement with the Company under the Act; (ii) provide for SSRCs against the FILOT Payments to be made by the Company in connection with the foregoing fee-in-lieu of tax arrangements; and (iii) locate the Project in an MCP Park.

**NOW, THEREFORE, BE IT RESOLVED** by the Council of Lancaster County, South Carolina:

1. The adoption of this Resolution is an official action by the County Council to identify, reflect and induce the Project under the Act. For purposes of the Act, this Resolution is an "Inducement Resolution." For purposes of Section 12-44-110 of the Act, this Resolution constitutes preliminary approval by the County prior to the execution of a fee agreement.

2. The County commits to enter into a negotiated FILOT arrangement with the Company for the Project, the terms of which shall be set forth in a Fee Agreement in form and manner satisfactory to the County and the Company containing substantially the following terms:

- a. an investment period of five (5) years (the "Investment Period"); and
- b. the Company's commitment to invest at least three million six hundred seventy thousand dollars (\$3,670,000) in the Project, not later than the end of the Investment Period (the "Investment Commitment"); and
- c. the Company's commitment to create, not later than the end of the Investment Period, not less than seventy-three (73) new full-time jobs (*i.e.*, at least thirty (30) hours per week), (*i*) with an average hourly wage not less than fourteen dollars and fifty cents (\$14.50), including overtime, bonuses and all other forms of actual pre-tax and post-tax monetary compensation, and (*ii*) with health care benefits (the "Jobs Commitment"); and
- d. calculation of FILOT Payments using an assessment ratio of six percent (6%) and a fixed millage rate of 289.4 mills for the entire term of the Fee Agreement; and
- e. a term of twenty (20) years for the Fee Agreement and for each phase of the Project; and
- f. a special source revenue credit equal to fifteen percent (15%) of the FILOT Payments for years one through five due in connection with the Fee Agreement; and
- g. pro rata repayment of any special source revenue credit taken by the Company if either the Investment Commitment or Jobs Commitment is not met; and
- h. the Company's commitment to reimburse the County for its administrative expenses, including attorney's fees.

3. Council shall use its best efforts to adopt a new Park Agreement or amend an existing Park Agreement to include the Property, to the extent that the Property, or any portion thereof, is



not currently subject to a Park Agreement. The period of time for inclusion of the Property in an MCP Park shall be for at least the longer of a 20-year period or the period of time the FILOT arrangement is in place.

4. (A) The County shall use its best efforts to (i) include the site on which the Project is located in the Duke Site Readiness Program, (ii) assist the Company in locating potential grants from utilities for any public infrastructure costs associated with the Project, and (iii) assist the Company in securing job training through the ReadySC program.

(B) As used in this Section 4, "best efforts" include, without limitation, filing all required and necessary documents and applications relating to the grants or assistance, formally recommending approval of the grants or assistance and making the grants or assistance available at the commencement of the construction of the Project if provided by the granting or assisting entity and giving the Company written evidence of the grants or assistance when approved.

5. Council's commitments and agreements contained in Sections 3 and 4 are subject to the exercise of discretion by granting or approving entities other than the County and the exercise of that discretion is not controlled by the County.

6. Council shall approve the Fee Agreement, and any other agreement or document contemplated by this Resolution in accordance with South Carolina law and the rules and procedures of the Council.

7. County Council finds that (i) 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, (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.

8. To the extent this Resolution contains provisions that conflict with other orders, resolutions, and parts thereof, the provisions contained in this Resolution supersede all other orders, resolutions and parts thereof and this Resolution is controlling.

9. This Resolution takes effect upon its adoption.

SIGNATURES FOLLOW ON NEXT PAGE.

Adopted this \_\_ day of \_\_\_\_\_, 2015.

LANCASTER COUNTY, SOUTH CAROLINA

[SEAL]

\_\_\_\_\_  
Bob Bundy, Chair, County Council

\_\_\_\_\_  
Steve Harper, Secretary, County Council

Attest:

\_\_\_\_\_  
Debbie C. Hardin, Clerk to Council

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STATE OF SOUTH CAROLINA

)

ORDINANCE NO. 2015-1366

COUNTY OF LANCASTER

)

**AN ORDINANCE**

**TO AUTHORIZE THE EXECUTION AND DELIVERY OF A FEE AGREEMENT BY AND BETWEEN LANCASTER COUNTY AND LCI-LINEBERGER CONSTRUCTION, INC., PROVIDING FOR THE PAYMENT OF A FEE-IN-LIEU OF TAXES AND THE PROVISION OF SPECIAL SOURCE REVENUE CREDITS; TO EXPRESS THE INTENTION OF COUNCIL TO PROVIDE MONIES TO THE ECONOMIC DEVELOPMENT FUND; AND TO PROVIDE FOR OTHER MATTERS RELATED THERETO.**

Be it ordained by the Council of Lancaster County, South Carolina:

**Section 1. Findings.**

The Lancaster County Council finds that :

(a) Lancaster County, South Carolina (the "County") acting by and through its County Council (the "County Council") is authorized and empowered pursuant to the provisions of Title 12, Chapter 44 of the Code of Laws of South Carolina 1976, as amended (the "Act"), to enter into fee agreements with any industry, with said agreements identifying certain properties of such industries as economic development property, through which powers the industrial development of the State of South Carolina (the "State") and the County will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate, remain, and expand in the State and the County and thus utilize and employ the manpower, products, and natural resources and benefit the general public welfare of the State and County by providing services, employment, or other public benefits not otherwise adequately provided locally;

(b) the County is authorized by Sections 4-1-175 and 4-29-68 of the Code of Laws of South Carolina 1976, as amended, to provide special source revenue credits for the purpose of defraying the cost of designing, acquiring, constructing, improving, or expanding the infrastructure serving the County and for improved and unimproved real estate and personal property, including machinery and equipment, used in the operation of a manufacturing facility or commercial enterprise in order to enhance the economic development of the County;

(c) LCI-Lineberger Construction, Inc., a South Carolina corporation (referred to hereinafter as the "Company") intends to invest in the expansion of its facilities in the County through the acquisition of land, a building, and improvements thereon (the "Land and Building"); the construction of improvements thereon and/or therein; and/or the acquisition of personal property, including, but not limited to, machinery, equipment, and furniture to be installed on and/or in the Land and Building, which would constitute a project within the meaning of the Act and which are eligible for inclusion as economic development property, the cost of which is estimated to be approximately \$3.67 million over five years (the "Project"), all as more fully set forth in the Fee Agreement attached hereto, and provided that approvals of various incentives contemplated for the Project are formalized by the State and/or County;

(d) pursuant to Resolution No. \_\_\_\_-R2015, adopted \_\_\_\_\_, 2015, the Council approved an Inducement Resolution providing for, among other things, the agreement of the County to enter into a fee-in-lieu of tax incentive with the Company and the provision of special source revenue credits;

(e) the Company has caused to be prepared and presented to the Council the form of the Fee Agreement by and between the County and the Company (the "Fee Agreement"), which provides for fee-in-lieu of tax payments utilizing a six percent (6%) assessment ratio and fixed millage rate of 289.4 mills for a period of twenty (20) years for the Project or each component thereof placed in service during the investment period and any investment period extension to which the County and the Company agree, and for special source revenue credits equal to fifteen percent (15%) of the fee-in-lieu of tax payments for five (5) years;

(f) it appears that the Fee Agreement, which is attached to this ordinance, is in appropriate form and is an appropriate instrument to be executed and delivered by the County for the purposes intended.

## **Section 2.      Approval of Fee Agreement.**

Subject to the provisions of Section 5 of this ordinance, and, in order to promote industry, develop trade, and utilize and employ the manpower, products, and natural resources of the State by assisting the Company to expand or locate an industrial facility in the State, the Fee Agreement is hereby authorized, ratified, and approved.

## **Section 3.      Statutory Findings.**

Council makes the following additional findings:

(a) The Project will constitute a "project" as the term is referred to and defined in the Act, and the County's actions herein will subserve the purposes and in all respects conform to the provisions and requirements of the Act.

(b) The Project and the payments in lieu of taxes set forth herein are beneficial to the County, and the County has evaluated the Project based upon all criteria prescribed by law, including the anticipated dollar amount and nature of the investment to be made.

(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 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 to the public.

#### **Section 4. Cost-Benefit Findings.**

Council makes the following findings concerning the costs and benefits of the Project:

(a) The benefits of providing the incentives arrangement set forth in the Fee Agreement include (i) investment in real and personal property of at least \$3,670,000, (ii) an average annual increase in property taxes (FILOT payments) of approximately \$\_\_\_\_\_ after application of incentives, (iii) construction benefit of \$\_\_\_\_\_, (iv) facility operation benefit of \$\_\_\_\_\_, (v) employee benefit of \$\_\_\_\_\_, and (vi) visitor benefit of \$\_\_\_\_\_. The total benefit is estimated at \$\_\_\_\_\_;

(b) The cost of providing the incentives arrangement is estimated at (i) development costs of \$\_\_\_\_\_, (ii) operational costs of \$\_\_\_\_\_, and (iii) employee costs of \$\_\_\_\_\_. The total cost is estimated at \$\_\_\_\_\_.

(c) The benefit to cost ratio in year one is estimated at \$\_\_\_\_\_:1 and after year one at \$\_\_\_\_\_:1.

(d) The value of the FILOT incentive to the Company is estimated at \$\_\_\_\_\_ and the special source revenue credits at \$\_\_\_\_\_.

#### **Section 5. Approval and Execution of Fee Agreement.**

The form, terms, and provisions of the Fee Agreement, attached hereto as Exhibit A, are approved, and all of the terms, provisions, and conditions thereof are incorporated herein by reference as if the Fee Agreement was set out in this ordinance in its entirety. The Council Chair and Council Secretary are authorized, empowered, and directed to execute and acknowledge the Fee Agreement in the name of and on behalf of the County, and thereupon to cause the Fee Agreement to be delivered to the Company. The Fee Agreement is to be in substantially the form as attached to this ordinance 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 officer's execution thereof to constitute conclusive evidence of such officer's approval of any and all changes or revisions therein from the form of the Fee Agreement attached to this ordinance.

#### **Section 6. Economic Development Fund.**

(A) Council finds that (i) by passage of Ordinance No. 2014-1260, Council created an Economic Development Fund with the intent to make monies available to the fund from new revenues to the County derived from new and expanded businesses and industry, and (ii) the ability to make monies available to the Economic Development Fund can be difficult because of complexities and legalities applicable to fee-in-lieu of tax arrangements and multi-county parks.

(B) It is the intent of Council, in the annual County budget, to appropriate monies to the Economic Development Fund based on the new revenue that the County receives pursuant to the Fee Agreement. Specifically, it is Council's intent to appropriate from the General Fund of the County an amount based

on the following formula: Seven percent (7%) times the amount of money received pursuant to the Fee Agreement by the County after distribution to other taxing entities in the most recently completed tax year.

**Section 7.      Authority to Act.**

The Council Chair, Council Secretary, Clerk to Council, County Administrator, County Attorney and all other appropriate officials of the County are authorized and directed to do any and all things necessary to effect the execution and delivery of the Fee Agreement and the performance of all obligations of the County under and pursuant to the Fee Agreement.

**Section 8.      Severability.**

If any section, subsection or clause of this ordinance is held to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections and clauses shall not be affected.

**Section 9.      Controlling Provisions.**

To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Lancaster County Code or other County ordinances, resolutions or orders, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

**Section 10.      Effective Date.**

This ordinance is effective upon third reading.

SIGNATURES FOLLOW ON NEXT PAGE.

AND IT IS SO ORDAINED, this \_\_\_\_ day of \_\_\_\_\_, 2015.

LANCASTER COUNTY, SOUTH CAROLINA

\_\_\_\_\_  
Bob Bundy, Chair, County Council

\_\_\_\_\_  
Steve Harper, Secretary, County Council

ATTEST:

\_\_\_\_\_  
Debbie C. Hardin, Clerk to Council

First Reading:  
Second Reading:  
Public Hearing:  
Third Reading:

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**Exhibit A to Ordinance No. 2015-\_\_\_\_\_**

**Fee Agreement  
Lancaster County and LCI-Lineberger Construction, Inc.**

See attached.

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FEE AGREEMENT

between

LANCASTER COUNTY, SOUTH CAROLINA

and

LCI-LINEBERGER CONSTRUCTION, INC.

Dated as of \_\_\_\_\_, 2015

## RECAPITULATION OF CONTENTS OF FEE AGREEMENT

Pursuant to Section 12-44-55(B) of the Code of Laws of South Carolina 1976, as amended (the "Code"), the parties have agreed to waive the requirements of Section 12-44-55(A) of the Code. The following is a summary of the key provisions of this Fee Agreement. This summary is inserted for convenience only and does not constitute a part of this Fee Agreement or a summary compliant with Section 12-44-55 of the Code.

1. Legal Name of Each Party to the Agreement – Lancaster County, South Carolina and LCI-Lineberger Construction, Inc.
2. County and Street Address of the Project and Property to be Subject to the Agreement – Lancaster County; 1212 Kershaw Camden Highway, Lancaster, South Carolina 29721 (Tax Map Nos. 0081-00-031.00, 0081-00-032.00, 0081-00-034.01, 0081-00-032.00, 0081N-0B-005.00, and 0081N-0B-006.00)
3. Minimum Investment Agreed Upon - \$3,670,000. See Section 1.1 for definition of Clawback Minimum Investment Requirement.
4. Length and Term of the Agreement – Twenty (20) years for each phase of the Project placed in service during the Investment Period. See Section 1.1 for definition of Termination Date.
5. Assessment Ratio Applicable for Each Year of the Agreement – Six percent (6%). See Section 4.1(a).
6. Millage Rate Applicable for Each Year of the Agreement – 289.4 mills. See Section 4.1(a).
7. Is the project to be located in a multi-county park formed pursuant to Article VIII, Section 13 of the South Carolina Constitution and Sections 4-1-170, -172 and -175 of the Code? Yes, Lancaster-Chesterfield Master Multi-County Park Agreement dated as of December 9, 2013.
8. Is disposal of property subject to the fee allowed? Yes, see Sections 4.3, 4.4, 4.6, 4.7 and 4.8.
9. Will special source revenue bonds be issued or credits for infrastructure investment be allowed in connection with this project? Yes, credits, see Section 4.1(c).
10. Will payment amounts be modified using a net present value calculation? No.
11. Do replacement property provisions apply? Yes, see Sections 4.3, 4.4, 4.6, 4.7 and 4.8.

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## FEE AGREEMENT

THIS FEE AGREEMENT (the "Fee Agreement") is made and entered into as of \_\_\_\_\_, 2015 by and between LANCASTER COUNTY, SOUTH CAROLINA (the "County"), a body politic and corporate and a political subdivision of the State of South Carolina (the "State"), acting by and through the Lancaster County Council (the "County Council") as the governing body of the County, and LCI-LINEBERGER, INC., a corporation organized and existing under the laws of the State of South Carolina (the "Company").

### RECITALS

1. Title 12, Chapter 44, Code of Laws of South Carolina 1976, as amended (the "Act") authorizes the County (i) to induce industries to locate in the State; (ii) to encourage industries now located in the State to expand their investments and thus make use of and employ manpower, products, and other resources of the State; and (iii) to enter into a fee agreement with entities meeting the requirements of such Act, which identifies certain property of such entities as economic development property.

2. Pursuant to Section 12-44-40(I)(1) of the Act, the County finds that: (a) the Project (as defined herein) 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 any incorporated municipality and to no charge against its general credit or taxing power; (c) the purposes to be accomplished by the Project are proper governmental and public purposes; and (d) the benefits of the Project are greater than the costs.

3. The County Council has evaluated the Project based on all relevant criteria that include, but are not limited to, the purposes the Project is to accomplish, the anticipated dollar amount and nature of the investment, and the anticipated costs and benefits to the County.

4. An ordinance that the County Council adopted on \_\_\_\_\_, 2015 (Ordinance No. 2015-\_\_\_\_) (the "Fee Ordinance") authorizes the County and the Company to enter into a Fee Agreement that classifies the Project as Economic Development Property under the Act and provides for the payment of fees in lieu of taxes and special source revenue credits, all as further described herein.

NOW, THEREFORE, FOR AND IN CONSIDERATION of the respective representations and agreements hereinafter contained, the parties hereto agree as follows:

### ARTICLE I

#### DEFINITIONS

Section 1.1 The terms that this section defines shall for all purposes of this Fee Agreement have the meanings herein specified, unless the context clearly requires otherwise:

“Act” shall mean Title 12, Chapter 44, Code of Laws of South Carolina 1976, as amended.

“Act Minimum Investment Requirement” shall mean an investment of at least \$2,500,000 by the Company and any Sponsors and Sponsor Affiliates of property within the Investment Period.

“Clawback Minimum Investment Requirement” shall mean an investment in the Project of at least \$3,670,000 by the Company within the Investment Period.

“Clawback Minimum Jobs Requirement” shall mean the creation, not later than the end of the Investment Period, and maintenance, through the end of the Investment Period, by the Company of at least 73 new, full-time jobs (*i.e.*, at least thirty (30) hours per week), (*i*) with an average hourly wage of not less than fourteen dollars and fifty cents (\$14.50), including overtime, bonuses, and all other forms of actual pre-tax and post-tax monetary compensation, and (*ii*) with health care benefits.

“Commencement Date” shall mean the last day of the property tax year during which the Project or the first Phase thereof is placed in service, which date must not be later than the last day of the property tax year which is three years from the year in which the County and the Company enter into this Fee Agreement.

“Company” shall mean LCI-Lineberger Construction, Inc., a South Carolina corporation, and any surviving, resulting, or transferee entity in any merger, consolidation, or transfer of assets; or any other person or entity which may succeed to the rights and duties of the Company.

“County” shall mean Lancaster County, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina, its successors and assigns, acting by and through the County Council.

“County Council” shall mean the governing body of the County.

“Department” or “SCDOR” shall mean the South Carolina Department of Revenue.

“Diminution in Value” in respect of the Project or any Phase of the Project shall mean any reduction in the value using the original fair market value (without regard to depreciation) as determined in Step 1 of Section 4.1(a) of this Fee Agreement, of the items which constitute a part of the Project or such Phase and which are subject to FILOT payments which may be caused by (*i*) the Company’s removal and/or disposal of equipment pursuant to Section 4.6 of this Fee Agreement; (*ii*) a casualty to the Project, such Phase of the Project, or any part thereof, described in Section 4.7 of this Fee Agreement; or (*iii*) a condemnation of the Project, such Phase of the Project, or any part thereof, described in Section 4.8 of this Fee Agreement.

“Economic Development Property” shall mean those items of real and tangible personal property of the Project which are eligible for inclusion as economic development property under

the Act, selected and identified by the Company in its annual filing of a SCDOR PT-300S or comparable form with the Department (as such filing may be amended from time to time) for each year within the Investment Period.

“Equipment” shall mean all of the machinery, equipment, furniture, office equipment, and fixtures, together with any and all additions, accessions, replacements, and substitutions thereto or therefor used or to be used in the County by the Company for the purposes described in Section 2.2(b) hereof, provided, however, that repairs, alterations, or modifications to personal property which is not economic development property or property subject to a fee in lieu of taxes prior to this Fee Agreement, are not eligible to become Economic Development Property, except for modifications which constitute an expansion of existing real property improvements.

“Event of Default” shall mean any event of default specified in Section 5.1 of this Fee Agreement.

“Exemption Period” shall mean the period beginning on the first day of the property tax year after the property tax year in which an applicable piece of Economic Development Property is placed in service and ending on the Termination Date. In case there are Phases of the Project, the Exemption Period applies to each year’s investment made during the Investment Period.

“Fee,” “Fee in Lieu of Taxes,” “FILOT,” or “Payments in Lieu of Taxes” shall mean the amount paid or to be paid in lieu of *ad valorem* property taxes as provided herein.

“Fee Agreement” shall mean this Fee Agreement.

“Fee Term” shall mean the period from the date of this Fee Agreement until the Termination Date.

“Improvements” shall mean all improvements to the Real Property, including buildings, building additions, roads, sewer lines, and infrastructure, together with any and all additions, fixtures, accessions, replacements, and substitutions thereto or therefor used or to be used in the County for the purposes described in Section 2.2(b) hereof; provided, however, that repairs, alterations, or modifications to real property which is not economic development property or property subject to a fee in lieu of taxes prior to this Fee Agreement, are not eligible to become Economic Development Property, except for modifications which constitute an expansion of existing real property improvements.

“Infrastructure” shall mean infrastructure serving the Project, including the Improvements, to the extent that Section 12-44-70 of the Act and the MCP Act permits, provided that Infrastructure shall first be deemed to include real property and infrastructure improvements prior to including any personal property, notwithstanding any presumptions to the contrary in the Act or otherwise.

“Infrastructure Credit” shall mean the annual infrastructure credit provided to the Company pursuant to Section 12-44-70 of the Act, the MCP Act and Section 4.1(c) hereof, with respect to the Infrastructure.

“Investment Period” shall mean the period beginning with the first day of any purchase or acquisition of Economic Development Property and ending five years after the Commencement Date, provided that the Company and the County may agree to a later date pursuant to Section 12-44-30(13) of the Act.

“MCP Act” shall mean Article VIII, Section 13(D) of the Constitution of the State of South Carolina, Sections 4-1-170, 4-1-172, and 4-1-175 of the Code of Laws of South Carolina 1976, as amended, and Section 4-29-68 of the Code of Laws of South Carolina 1976, as amended.

“Phase” or “Phases” in respect of the Project shall mean that the Equipment, Improvements, and/or Real Property of the Project are placed in service during more than one year in the Investment Period, and the word “Phase” shall therefore refer to the applicable portion of the Project placed in service in a given year in the Investment Period.

“Project” shall mean all the Equipment, Improvements, and/or Real Property in the County that the Company determines to be necessary, suitable, or useful for the purposes that Section 2.2(b) describes, and first placed in service in calendar year 2015 or thereafter. The Project shall not include existing buildings and improvements on the Real Property, as of the date of the commencement of the Project by the Company, and any machinery and equipment which have previously been subject to South Carolina *ad valorem* taxation, except as expressly permitted by Section 12-44-110 of the Act.

“Real Property” shall mean real property that the Company uses or will use in the County for the purposes that Section 2.2(b) describes, and initially consisting of the land identified on Exhibit A hereto, together with all and singular the rights, members, hereditaments, and appurtenances belonging or in any way incident or appertaining thereto, and any improvements located thereon.

“Removed Components” shall mean the following types of components or Phases of the Project or portions thereof which are subject to FILOT payments, all of which the Company shall be entitled to remove from the Project with the result that the same shall no longer be subject to the terms of the Fee Agreement: (a) components or Phases of the Project or portions thereof which the Company, in its sole discretion, determines to be inadequate, obsolete, worn-out, uneconomic, damaged, unsuitable, undesirable, or unnecessary pursuant to Section 4.6 hereof or otherwise; or (b) components or Phases of the Project or portions thereof which the Company in its sole discretion, elects to be treated as removed pursuant to Section 4.7(c) or Section 4.8(b)(iii) of this Fee Agreement.

“Replacement Property” shall mean any property which is placed in service as a replacement for any item of Equipment, any Improvement, or any Real Property previously subject to this Fee Agreement regardless of whether such property serves the same functions as the property it is replacing and regardless of whether more than one piece of property replaces any item of Equipment, any Improvement, or any Real Property, to the fullest extent that the Act permits.

“Sponsor” shall mean an entity that joins with or is an affiliate of, the Company and that participates in the investment in, or financing of, the Project and which meets the requirements under the Act to be entitled to the benefits of this Fee Agreement with respect to its participation in the Project.

“Termination Date” shall mean in case the entire Project is placed in service in one year, the end of the last day of the property tax year which is the 19th year following the first property tax year in which the entire Project is placed in service, or in case there are Phases of the Project, the Termination Date shall mean with respect to each Phase of the Project the end of the last day of the property tax year which is the 19th year following the first property tax year in which such Phase of the Project is placed in service, provided, that the intention of the parties is that the Company will make at least 20 annual FILOT payments under Article IV hereof with respect to each Phase of the Project and provided further, that if this Fee Agreement is terminated earlier in accordance with the terms hereof, the Termination Date is the date of such termination.

Section 1.2 Any reference to any agreement or document in this Article I or otherwise in this Fee Agreement shall include any and all amendments, supplements, addenda, and modifications to such agreement or document.

Section 1.3 The term “investment” or “invest” as used herein shall include not only investments made by the Company or a Sponsor, but also to the fullest extent permitted by law, those investments made by or for the benefit of the Company in connection with the Project through federal, state, or local grants, to the extent such investments are subject to *ad valorem* taxes or FILOT payments by the Company.

## ARTICLE II

### REPRESENTATIONS, WARRANTIES, AND AGREEMENTS

Section 2.1 Representations and Warranties of the County. The County represents and warrants that: (i) it is a body politic and corporate and a political subdivision of the State; (ii) it is authorized by the Act to enter into this Fee Agreement; (iii) it has approved this Fee Agreement in accordance with the procedural requirements of the Act and any other applicable state law; and (iv) it has authorized its officials to execute and deliver this Fee Agreement.

Section 2.2 Representations and Warranties of the Company. The Company represents and warrants that:

(a) The Company is duly authorized to transact business in the State of South Carolina, has power to enter into this Fee Agreement, and has duly authorized the execution and delivery of this Fee Agreement.

(b) The Company intends to operate the Project as a “project” within the meaning of the Act as in effect on the date hereof. The Company intends to operate the Project for the purpose of expanding its construction headquarters, and for such other purposes that the Act permits as the Company may deem appropriate.

### **ARTICLE III**

#### **COMMENCEMENT AND COMPLETION OF THE PROJECT**

**Section 3.1 The Project.** The Company intends to invest in Equipment, Improvements, and/or Real Property, which together comprise the Project and which are anticipated to create at least the Act Minimum Investment Requirement in eligible Economic Development Property investment subject to Payments in Lieu of Taxes in the County.

The parties hereto agree that, to the extent that applicable law allows or is revised or construed to allow the benefits of the Act, in the form of FILOT Payments to be made under Article IV hereof, to be applicable to leased assets including, but not limited to a building and/or personal property to be installed in the buildings and leased to but not purchased by the Company from one or more Sponsors under any form of lease, then such property shall, at the election of the Company, be subject to FILOT Payments to the same extent as the Company's assets covered by this Fee Agreement, subject, at all times, to the requirement of such applicable law. The parties hereto further agree that this Fee Agreement may be interpreted or modified as may be necessary or appropriate in order to give proper application of this Fee Agreement to such tangible property without such construction or modification constituting an amendment to this Fee Agreement, and thus not requiring any additional action by the County Council. Such leased property shall constitute a part of the Project for all purposes of this Fee Agreement, including removal, replacement, and termination, and such Sponsor shall be deemed to be a party to this Fee Agreement.

Pursuant to the Act and subject to Section 4.2 hereof, the Company and the County hereby agree that the Company shall identify annually those assets which are eligible for FILOT payments under the Act and which the Company selects for such treatment by listing such assets on the applicable schedule in its annual PT-300 form (or comparable form) to be filed with the Department (as such may be amended from time to time) and that by listing such assets, such assets shall automatically become Economic Development Property and therefore be exempt from all *ad valorem* taxation during the Exemption Period. Anything contained in this Fee Agreement to the contrary notwithstanding, the Company shall not be obligated to complete the acquisition of the Project. However, if the Company does not meet the Act Minimum Investment Requirement, this Fee Agreement shall be terminated as provided in Section 4.2 hereof.

**Section 3.2 Diligent Completion.** The Company agrees to use its reasonable efforts to cause the completion of the Project as soon as practicable, but in any event on or prior to the end of the Investment Period.

**Section 3.3 Filings and Reports.**

(a) Each year during the term of the Fee Agreement, the Company shall deliver to the County, the County Auditor, the County Assessor, and the County Treasurer, a copy of its most recent annual filings with the Department with respect to the Project, not later than 30 days following delivery thereof to the Department.



(b) The Company shall cause a copy of this Fee Agreement, as well as a copy of the completed Form PT-443 of the Department, to be filed with the County Auditor and the County Assessor of the County and any partner county, when the Project is placed in a multi-county park pursuant to the MCP Act, and the Department within 30 days after the date of execution and delivery hereof by all parties hereto.

#### **ARTICLE IV**

#### **PAYMENTS IN LIEU OF TAXES**

##### **Section 4.1    Negotiated Payments.**

(a) Pursuant to Section 12-44-50 of the Act, the Company is required to make payments in lieu of *ad valorem* taxes to the County with respect to the Economic Development Property. Inasmuch as the Company anticipates an initial investment of sums sufficient for the Project to qualify for a fee in lieu of tax arrangement under the Act, the County and the Company have negotiated the amount of the FILOT Payments in accordance therewith. The Company shall make FILOT Payments on all Economic Development Property which comprises the Project and is placed in service, as follows: the Company shall make FILOT Payments during the Exemption Period with respect to the Economic Development Property or, if there are Phases of the Economic Development Property, with respect to each Phase of the Economic Development Property, said payments to be made annually and to be collected and enforced as provided in Section 12-44-90 of the Act. The determination of the amount of such annual FILOT Payments shall be in accordance with the following procedure (subject, in any event, to the procedures that the Act requires):

- Step 1: Determine the fair market value of the Economic Development Property (or Phase of the Economic Development Property) placed in service during the Exemption Period using original income tax basis for State income tax purposes for any Real Property and Improvements without regard to depreciation (provided, the fair market value of real property, as the Act defines such term, that the Company obtains by construction or purchase in an arms length transaction is equal to the original income tax basis, and otherwise, the determination of the fair market value is by appraisal) and original income tax basis for State income tax purposes for any personal property less depreciation for each year allowable for property tax purposes, except that no extraordinary obsolescence shall be allowable. Except as otherwise provided below, the fair market value of the Real Property for the first year of the Fee Term remains the fair market value of the Real Property for the life of the Fee Term. The determination of these values shall take into account all applicable property tax exemptions that State law would allow to the Company if the property were taxable, except those exemptions that Section 12-44-50(A)(2) of the Act specifically disallows.

- Step 2: Apply an assessment ratio of six percent (6%) to the fair market value in Step 1 to establish the taxable value of the Economic Development Property (or each Phase of the Economic Development Property) in the year it is placed in service and in each of the 19 years thereafter or such longer period of years in which the Act permits the Company to make annual fee payments if approved by the County.
- Step 3: Use a fixed millage rate equal to the millage rate in effect on June 30, 2015, which is 289.4 mills, as Section 12-44-50(A)(1)(d) of the Act provides, during the Exemption Period against the taxable value to determine the amount of the Payments in Lieu of Taxes due during the Exemption Period on the payment dates that the County prescribes for such payments or such longer period of years in which the Act permits the Company to make annual fee payments.

The Company and the County agree that the Company may, upon written notice to the County, elect to have any real property valued at fair market value as determined by appraisal as provided in Section 12-44-50(A)(1)(c)(i) of the Act. An election made pursuant to this paragraph applies prospectively and shall be evidenced by an amendment to this Fee Agreement executed by the Parties.

(b) In the event that a final order of a court of competent jurisdiction or an agreement of the parties determines that the calculation of the minimum FILOT Payment applicable to this transaction is to be other than by the procedure herein, the payment shall be reset at the minimum permitted level so determined.

In the event that a final order of a court of competent jurisdiction from which no further appeal is allowable declares the Act and/or the herein-described Payments in Lieu of Taxes invalid or unenforceable, in whole or in part, for any reason, the parties express their intentions to reform such payments so as to effectuate most closely the intent hereof and so as to afford the Company with the benefits to be derived herefrom, the intention of the County being to offer the Company a strong inducement to locate the Project in the County. If the Economic Development Property is deemed to be subject to *ad valorem* taxation, this Fee Agreement shall terminate, and the Company shall pay the County regular *ad valorem* taxes from the date of termination, but with appropriate reductions equivalent to all tax exemptions which are afforded to the Company. Any amount determined to be due and owing to the County from the Company, with respect to a year or years for which the Company previously remitted Payments in Lieu of Taxes to the County hereunder, shall (i) take into account all applicable tax exemptions to which the Company would be entitled if the Economic Development Property was not and had not been Economic Development Property under the Act; and (ii) be reduced by the total amount of Payments in Lieu of Taxes the Company had made with respect to the Project pursuant to the terms hereof. Notwithstanding anything contained herein to the contrary, neither the Company nor any successor in title or interest shall be required to pay FILOT payments and *ad valorem* taxes for the same property over the same period in question.

(c) The County agrees that all qualifying capital expenses of the Company during the Investment Period shall qualify for a five-year, 15% Infrastructure Credit. The Company shall receive an annual credit in an amount equal to 15% of the FILOT revenues for the Project to offset the aggregate Infrastructure costs incurred. The Infrastructure Credit shall be applied as a setoff against the FILOT owed for the then current year.

(d) The Company agrees to pay for, or cause to be paid, all costs of the Infrastructure as and when due. The Company agrees that, as of any date during the term of this Fee Agreement, the cumulative dollar amount expended by the Company on Infrastructure shall equal or exceed the cumulative dollar amount of all the Infrastructure Credits received by the Company. For purposes of determining the amount expended on Infrastructure, the County and Company agree that the County may rely on the gross costs of property reported by the Company on its most recently filed PT-300 series form (or comparable form of the Department) as equivalent to the cumulative dollar amount expended by the Company on Infrastructure and the amount invested in the Project and for determining whether the Company has met or exceeded the investment requirement in subsection 4.2(c). In addition, the County and the Company agree that the Infrastructure Credits shall first apply to real property and infrastructure other than real property, notwithstanding any presumption under state law to the contrary.

Section 4.2 Failure to Achieve Act Minimum Investment Requirement; Clawbacks; Cessation of Operations.

(a) If the cost of the Economic Development Property (without regard to depreciation) that the Company acquires does not reach the Act Minimum Investment Requirement by the end of the Investment Period, this Fee Agreement shall terminate as to such entity failing to meet the minimum investment level. If terminated, the Company shall pay the County an amount (the "Additional Payment") pursuant to the Act which is equal to the excess, if any, of (i) the total amount of *ad valorem* taxes as would result from taxes levied on the Project by the County, municipality or municipalities, school district or school districts, and other political units as if the items of property comprising the Economic Development Property were not Economic Development Property, but with appropriate reductions equivalent to all tax exemptions and abatements to which the Company would be entitled in such a case, through and including the end of the Investment Period, over (ii) the total amount of FILOT payments the Company has made with respect to the Economic Development Property through and including the end of the Investment Period. Any amounts determined to be owing pursuant to the foregoing sentence shall be subject to the minimum amount of interest that the Act may require. The Company agrees that if this Fee Agreement is terminated pursuant to this subsection, that under no circumstance shall the County be required to refund or pay any monies to the Company.

(b) Reserved.

(c) If the Company satisfies the Act Minimum Investment Requirement but does not satisfy either the Clawback Minimum Investment Requirement or the Clawback Minimum Jobs Requirement, or both, the Company shall be required to repay to the County a

portion of the Infrastructure Credits received and the repayment amount shall be calculated as follows:

Repayment Amount = Total Amount of Infrastructure Credits Received minus [dollar amount of Infrastructure Credits received times Clawback Achievement Percentage]

Clawback Achievement Percentage = [(Maximum Investment Achieved During Investment Period / \$3,670,000) + (Maximum Number of Jobs Meeting Clawback Minimum Jobs Requirement / 73)] ÷ 2. *Provided, however*, that neither of the two computations may be more than one hundred percent (100%).

For example, and by way of example only, if the Company satisfied the Act Minimum Investment Requirement during the Investment Period, created 85 jobs meeting the Clawback Minimum Jobs Requirement but only achieved a maximum investment of \$2,750,000, and if the Company had received \$50,000 in Infrastructure Credits, the Repayment Amount would be \$6,267, calculated as follows:

Clawback Achievement Percentage = (\$2,750,000 / \$3,670,000) + (85 / 73) ÷ 2 = (74.932% + 100%) ÷ 2 = 174.932 ÷ 2 = 87.466%

Repayment Amount = \$50,000 - (\$50,000 x 87.466%) = \$50,000 - \$43,733 = \$6,267.

(d) Notwithstanding any other provision of this Fee Agreement, the Company acknowledges and agrees that County's obligation to provide the FILOT incentive and the Infrastructure Credits ends, and this Fee Agreement is terminated, if the Company ceases operations. For purposes of this Section 4.2(d), "ceases operations" means closure of the facility. The provisions of Section 4.2(c) relating to clawback apply if this Fee Agreement is terminated in accordance with this subsection prior to the end of the Investment Period and before the Company has achieved the Clawback Minimum Investment Requirement and Clawback Minimum Jobs Requirement. The Company agrees that if the Agreement is terminated pursuant to this section, that under no circumstance shall the County be required to refund or pay any monies to the Company.

(e) On or before May 31 of the year following the end of the Investment Period, the Company shall certify to the County Auditor that the Company has complied with the Clawback Minimum Investment Requirement and Clawback Minimum Jobs Requirement as of the end of the Investment Period. If the certification is not made or is received after May 31 of the applicable year, then the clawback provisions of this section shall be applied.

Section 4.3 Payments in Lieu of Taxes on Replacement Property. If the Company elects to replace any Removed Components and to substitute such Removed Components with Replacement Property as a part of the Economic Development Property, or the Company otherwise utilizes Replacement Property, then, pursuant and subject to Section 12-44-60 of the Act, the Company shall make statutory payments in lieu of *ad valorem* taxes with regard to such Replacement Property in accordance with the following:

- (i) Replacement Property does not have to serve the same function as the Economic Development Property it is replacing. Replacement Property is deemed to replace the oldest Economic Development Property subject to the Fee, whether real or personal, which is disposed of in the same property tax year in which the Replacement Property is placed in service. Replacement Property qualifies as Economic Development Property only to the extent of the original income tax basis of Economic Development Property which is being disposed of in the same property tax year. More than one piece of property can replace a single piece of Economic Development Property. To the extent that the income tax basis of the Replacement Property exceeds the original income tax basis of the Economic Development Property which it is replacing, the excess amount is subject to annual payments calculated as if the exemption for Economic Development Property were not allowable. Replacement Property is entitled to treatment under the Fee Agreement for the period of time remaining during the Exemption Period for the Economic Development Property which it is replacing; and
- (ii) The new Replacement Property which qualifies for the Fee shall be recorded using its income tax basis, and the calculation of the Fee shall utilize the millage rate and assessment ratio in effect with regard to the original property subject to the Fee.

Section 4.4 Reductions in Payments of Taxes Upon Removal, Condemnation, or Casualty. In the event of a Diminution in Value of the Economic Development Property or any Phase of the Economic Development Property, the Payment in Lieu of Taxes with regard to the Economic Development Property or that Phase of the Economic Development Property shall be reduced in the same proportion as the amount of such Diminution in Value bears to the original fair market value of the Economic Development Property or that Phase of the Economic Development Property as determined pursuant to Step 1 of Section 4.1(a) hereof; *provided, however*, that if at any time subsequent to the end of the Investment Period, the total value of the Project based on the original income tax basis of the Equipment, Real Property, and Improvements contained therein, without deduction for depreciation, is less than the Act Minimum Investment Requirement, beginning with the first payment thereafter due hereunder and continuing until the end of the Fee Term, the Company shall no longer be entitled to the incentive provided in Section 4.1, and the Company shall therefore commence to pay regular *ad valorem* taxes on the Economic Development Property part of the Project. However, the Company will not be required to make any retroactive payment such as the Additional Payment under Section 4.2.

Section 4.5 Place of Payments in Lieu of Taxes. The Company shall make the above-described Payments in Lieu of Taxes directly to the County in accordance with applicable law.

Section 4.6 Removal of Economic Development Property. Subject, always, to the other terms and provisions hereof, the Company shall be entitled to remove and dispose of components or Phases of the Project from the Project in its sole discretion with the result that

said components or Phases shall no longer be considered a part of the Project and, to the extent such constitute Economic Development Property, shall no longer be subject to the terms of this Fee Agreement to the fullest extent allowed by the Act. Economic Development Property is disposed of only when it is scrapped or sold or it is removed from the Project. If it is removed from the Project, it is subject to *ad valorem* property taxes to the extent the Property remains in the State and is otherwise subject to *ad valorem* property taxes.

**Section 4.7**    **Damage or Destruction of Economic Development Property.**

(a)    **Election to Terminate.** In the event the Economic Development Property is damaged by fire, explosion, or any other casualty, the Company shall be entitled to terminate this Fee Agreement. The Company shall only be required to make FILOT payments as to all or any part of the tax year in which the damage or casualty occurs to the extent property subject to *ad valorem* taxes would otherwise have been subject to such taxes under the same circumstances for the period in question.

(b)    **Election to Rebuild.** In the event the Economic Development Property is damaged by fire, explosion, or any other casualty, and if the Company does not elect to terminate this Fee Agreement, the Company may commence to restore the Economic Development Property with such reductions or enlargements in the scope of the Economic Development Property, changes, alterations, and modifications (including the substitution and addition of other property) as may be desired by the Company. All such restorations and replacements shall be considered, to the fullest extent permitted by law and this Fee Agreement, substitutions of the destroyed portions of the Economic Development Property and shall be considered part of the Economic Development Property for all purposes hereof, including, but not limited to, any amounts due by the Company to the County under Section 4.1 hereof.

(c)    **Election to Remove.** In the event the Company elects not to terminate this Fee Agreement pursuant to subsection (a) and elects not to rebuild pursuant to subsection (b), the damaged portions of the Economic Development Property shall be treated as Removed Components.

**Section 4.8**    **Condemnation.**

(a)    **Complete Taking.** If at any time during the Fee Term title to or temporary use of the Economic Development Property should become vested in a public or quasi-public authority by virtue of the exercise of a taking by condemnation, inverse condemnation, or the right of eminent domain; by voluntary transfer under threat of such taking; or by a taking of title to a portion of the Economic Development Property which renders continued use or occupancy of the Economic Development Property commercially unfeasible in the judgment of the Company, the Company shall have the option to terminate this Fee Agreement by sending written notice to the County within a reasonable period of time following such vesting.

(b)    **Partial Taking.** In the event of a partial taking of the Economic Development Property or a transfer in lieu thereof, the Company may elect: (i) to terminate this Fee Agreement; (ii) subject to the Act and the terms and provisions of this Fee Agreement, to

repair and restore the Economic Development Property, with such reductions or enlargements in the scope of the Economic Development Property, changes, alterations, and modifications (including the substitution and addition of other property) as the Company may desire, and all such changes, alterations, and modifications shall be considered as substitutions of the taken parts of the Economic Development Property; or (iii) to treat the portions of the Economic Development Property so taken as Removed Components.

(c) The Company shall only be required to make FILOT payments as to all or any part of the tax year in which the taking occurs to the extent property subject to *ad valorem* taxes would otherwise have been subject to such taxes under the same circumstances for the period in question.

**Section 4.9 Right of Access and Inspection; Confidential Information.**

(a) The Company agrees that the County and its authorized agents have the right at all reasonable times and upon prior reasonable notice to enter upon and examine and inspect the Project and to have access to and examine and inspect all the Company's books and records pertaining to the Project. The right of examination and inspection shall be exercised only upon reasonable and necessary terms and conditions prescribed by the Company to protect the Company's confidentiality and proprietary rights. Any such entrance upon and examination and inspection of the Project shall be at the County's expense.

(b) The County acknowledges and understands that the Company may have and maintain at the Project certain confidential and proprietary information, including, but not limited to, trade secrets, financial, sales or other information concerning the Company's operations and processes ("Confidential Information") and that any disclosure of the Confidential Information could result in substantial harm to the Company and could have a significant detrimental impact on the Company's employees and also upon the County. Except as required by law, including, without limitation, court orders, the County agrees to use its best reasonable efforts to keep confidential, and to cause employees, agents and representatives of the County to keep confidential, the Confidential Information which may be obtained from the Company, its agents or representatives, when the Confidential Information is clearly marked and identified as Confidential Information and known to the County to be Confidential Information. The County shall not knowingly and willfully disclose and shall cause all employees, agents and representatives of the County not to knowingly and willfully disclose the marked and identified Confidential Information to any person or entity other than in accordance with the terms of this Fee Agreement. If a demand is made for the release, under color of law, to a third party of any Confidential Information, the County shall notify the Company and give the Company the opportunity to contest the release.

**Section 4.10 Assignment.** The Company may assign this Fee Agreement in whole or in part without prior approval of the County, unless the prior written consent of the County or a subsequent written ratification by the County is required by the Act and in that event, such consent or ratification the County shall not be unreasonably withheld. The Company agrees to notify the County and the Department of the identity of such transferee within 60 days of the transfer. In case of a transfer, the transferee assumes the transferor's basis in the Project for

purposes of calculating the Fee. No approval is required for transfers to sponsor affiliates or other financing related transfers, as defined in the Act.

**Section 4.11 No Double Payment.** Notwithstanding anything contained herein to the contrary, and except as expressly required by law, neither the Company nor any Sponsor shall ever be required to make a Payment in Lieu of Taxes in addition to a regular property tax payment in the same year on the same piece of property, nor shall the Company or any Sponsor be required to make a Payment in Lieu of Taxes on property in cases where, absent this Fee Agreement, property taxes would otherwise not be due on such property.

**Section 4.12 Administration Expenses.** (A) The Company agrees to reimburse the County from time to time for its Administrative Expenses promptly upon written request therefore, but in no event later than thirty (30) days after receiving the written request from the County. The written request shall include a description of the nature of the Administrative Expenses. As used in this section, "Administrative Expenses" means the reasonable and necessary out-of-pocket expenses, including attorneys' fees, incurred by the County with respect to: (i) the preparation, review, approval and execution of this Fee Agreement, (ii) the preparation, review, approval and execution of other documents related to the Fee Agreement and any multi-county park documents; and (iii) the fulfillment of its obligations under this Fee Agreement and any multi-county park documents, and in the implementation and administration of the terms and provisions of the documents after the date of execution thereof, but only in each case if such are incurred as a result of a request by the Company for a modification, assignment, or a termination of such documents by the Company, or as a result of a bankruptcy of the Company or a default by the Company under the terms of the aforementioned documents.

(B) The Company agrees to reimburse the County for expenses incurred by the County for accountants and similar experts used by the County in the computation, preparation and verification of the annual Payment in Lieu of Taxes and any special source revenue credits or infrastructure credits, *provided, however*, the maximum annual reimbursement pursuant to this subsection is capped at one hundred dollars (\$100.00).

## **ARTICLE V**

### **DEFAULT**

**Section 5.1 Events of Default.** The following shall be "Events of Default" under this Fee Agreement, and the term "Events of Default" shall mean, whenever used with reference to this Fee Agreement, any one or more of the following occurrences:

(a) Failure by the Company to make the Payments in Lieu of Taxes described in Section 4.1 hereof, which failure shall not have been cured within 30 days following receipt of written notice thereof from the County; *provided, however*, that the Company shall be entitled to all redemption rights granted by applicable statutes; or

(b) A representation or warranty made by the Company which is deemed materially incorrect when deemed made; or



(c) Failure by the Company to perform any of the terms, conditions, obligations, or covenants hereunder (other than those under (a) above), which failure shall continue for a period of 30 days after written notice from the County to the Company specifying such failure and requesting that it be remedied, unless the Company shall have instituted corrective action within such time period and is diligently pursuing such action until the default is corrected, in which case the 30-day period shall be extended to cover such additional period during which the Company is diligently pursuing corrective action; or

(d) A representation or warranty made by the County which is deemed materially incorrect when deemed made; or

(e) Failure by the County to perform any of the terms, conditions, obligations, or covenants hereunder, which failure shall continue for a period of 30 days after written notice from the Company to the County specifying such failure and requesting that it be remedied, unless the County shall have instituted corrective action within such time period and is diligently pursuing such action until the default is corrected, in which case the 30-day period shall be extended to cover such additional period during which the County is diligently pursuing corrective action.

#### Section 5.2 Remedies on Default.

(a) Whenever any Event of Default by the Company shall have occurred and shall be continuing, the County may take any one or more of the following remedial actions:

- (i) terminate the Fee Agreement; or
- (ii) take whatever action at law or in equity may appear necessary or desirable to collect the amounts due hereunder. In no event shall the Company be liable to the County or otherwise for monetary damages resulting from the Company's failure to meet the Act Minimum Investment Requirement, other than as expressly set forth herein.

(b) Whenever any Event of Default by the County shall have occurred or shall be continuing, the Company may take one or more of the following actions:

- (i) bring an action for specific enforcement;
- (ii) terminate the Fee Agreement;
- (iii) withhold so much of the payment as is in dispute with the County until such dispute is fully and finally resolved; or
- (iv) in case of a materially incorrect representation or warranty, take such action as is appropriate, including legal action, to recover its damages, to the extent allowed by law.

**Section 5.3 Reimbursement of Legal Fees and Expenses and Other Expenses.** Upon the occurrence of an Event of Default hereunder, should a party be required to employ attorneys or incur other reasonable expenses for the collection of payments due hereunder or for the enforcement of performance or observance of any obligation or agreement, the successful party shall be entitled, within 30 days of demand therefor, to reimbursement of the reasonable fees of such attorneys and such other reasonable expenses so incurred.

**Section 5.4 No Waiver.** No failure or delay on the part of any party hereto in exercising any right, power, or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power, or remedy preclude any other or further exercise thereof or the exercise of any other right, power, or remedy hereunder. No waiver of any provision hereof shall be effective unless the same shall be in writing and signed by the waiving party hereto.

## **ARTICLE VI**

### **MISCELLANEOUS**

**Section 6.1 Notices.** Any notice, election, demand, request, or other communication to be provided under this Fee Agreement shall be effective when delivered to the party named below or when deposited in Federal Express (or any other reputable national "next day" delivery service) or when deposited with the United States Postal Service, certified mail, return receipt requested, postage prepaid, addressed as follows (or addressed to such other address as any party shall have previously furnished in writing to the other party), except where the terms hereof require receipt rather than sending of any notice, in which case such provision shall control:

#### **IF TO THE COMPANY:**

LCI-Lineberger Construction, Inc.  
Attn: Kim Lineberger  
P.O. Box 1239  
Lancaster, SC 29721

#### **WITH A COPY TO:**

Haynsworth Sinkler Boyd, P.A.  
Attn: William R Johnson  
P.O. Box 11889  
Columbia, SC 29211

#### **IF TO THE COUNTY:**

Lancaster County, South Carolina  
Attn: County Administrator

101 N. Main St. (29720)  
P.O. Box 1809 (29721)  
Lancaster, SC

**WITH A COPY TO:**

Lancaster County, South Carolina  
Attn: County Attorney  
101 N. Main St. (29720)  
P.O. Box 1809 (29721)  
Lancaster, SC

Section 6.2 Binding Effect. This Fee Agreement and each document contemplated hereby or related hereto shall be binding upon and inure to the benefit of the Company, the County, and their respective successors and assigns. In the event of the dissolution of the County or the consolidation of any part of the County with any other political subdivision or the transfer of any rights of the County to any other such political subdivision, all of the covenants, stipulations, promises, and agreements of this Fee Agreement shall bind and inure to the benefit of the successors of the County from time to time and any entity, officer, board, commission, agency, or instrumentality to whom or to which any power or duty of the County has been transferred.

Section 6.3 Counterparts. This Fee Agreement may be executed in any number of counterparts, and all of the counterparts taken together shall be deemed to constitute one and the same instrument.

Section 6.4 Governing Law. This Fee Agreement and all documents executed in connection herewith shall be construed in accordance with and governed by the laws of the State of South Carolina.

Section 6.5 Headings. The headings of the articles and sections of this Fee Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Fee Agreement.

Section 6.6 Amendments. The provisions of this Fee Agreement may only be modified or amended in writing by agreement or agreements entered into between the parties.

Section 6.7 Further Assurance. From time to time, and at the expense of the Company, to the extent any expense is incurred, the County agrees to execute and deliver to the Company such additional instruments as the Company may reasonably request and as are authorized by law and reasonably within the purposes and scope of the Act and Fee Agreement to effectuate the purposes of this Fee Agreement.

Section 6.8 Invalidity. In the event that the inclusion of property as Economic Development Property or any other issue is unclear under this Fee Agreement, the County hereby expresses its intention that the interpretation of this Fee Agreement shall be in a manner that provides for the broadest inclusion of property under the terms of this Fee Agreement and the maximum

incentive permissible under the Act, to the extent not inconsistent with any of the explicit terms hereof. If any provision of this Fee Agreement is declared illegal, invalid, or unenforceable for any reason, the remaining provisions hereof shall be unimpaired, and such illegal, invalid, or unenforceable provision shall be reformed to effectuate most closely the legal, valid, and enforceable intent thereof and so as to afford the Company with the maximum benefits to be derived herefrom, it being the intention of the County to offer the Company the strongest inducement possible, within the provisions of the Act, to locate the Project in the County.

The County agrees that in case the FILOT incentive described herein is found to be invalid or otherwise does not provide the Company with the economic benefit it is intended to receive from the County as an inducement to locate in the County, the savings lost as a result of such invalidity will be considered a special source revenue credit or infrastructure improvement credit to the Company (in addition to the Infrastructure Credit provided in Section 4.1(c) above) to the maximum extent permitted by law, and the County will provide a special source revenue credit or infrastructure improvement credit against all FILOT payments or fee payments made or to be made by the Company equal to the amount that the Company would have saved if the FILOT had been valid, to the maximum extent permitted by law.

**Section 6.9 Force Majeure.** The Company shall not be responsible for any delays or non-performance caused in whole or in part, directly or indirectly, by strikes, accidents, freight embargoes, fires, floods, inability to obtain materials, conditions arising from governmental orders or regulations, war or national emergency, acts of God, and any other cause, similar or dissimilar, beyond the Company's reasonable control.

**Section 6.10 Termination by Company.** The Company is authorized to terminate this Fee Agreement at any time with respect to all or part of the Project upon providing the County with 30 days' notice; *provided, however*, that (i) any monetary obligations existing hereunder and due and owing at the time of termination to a party hereto; and (ii) any provisions which are intended to survive termination, shall survive such termination. In the year following such termination, all property shall be subject to ad valorem taxation or such other taxation or fee in lieu of taxation that would apply absent this Fee Agreement. The Company's obligation to make fee in lieu of tax payments under this Fee Agreement shall terminate in the year following the year of such termination pursuant to this section.

**Section 6.11 Entire Understanding.** This Fee Agreement expresses the entire understanding and all agreements of the parties hereto with each other with respect to its subject matter, and neither party hereto has made or shall be bound by any agreement or any representation to the other party which is not expressly set forth in this Fee Agreement or in certificates delivered in connection with the execution and delivery hereof.

**Section 6.12 Waiver.** Either party may waive compliance by the other party with any term or condition of this Fee Agreement only in a writing signed by the waiving party.

**Section 6.13 Business Day.** In the event that any action, payment, or notice is, by the terms of this Fee Agreement, required to be taken, made, or given on any day which is a Saturday, Sunday, or legal holiday in the jurisdiction in which the person obligated to act is

domiciled, such action, payment, or notice may be taken, made, or given on the following business day with the same effect as if given as required hereby, and no interest shall accrue in the interim.

Section 6.14 Limitation of Liability. Anything herein to the contrary notwithstanding, any financial obligation the County may incur hereunder, including for the payment of money, shall not be deemed to constitute a pecuniary liability or a debt or general obligation of the County; provided, however, that nothing herein shall prevent the Company from enforcing its rights hereunder by suit for *mandamus* or specific performance.

(Signature Page Follows)

IN WITNESS WHEREOF, the County, acting by and through the County Council, has caused this Fee Agreement to be executed in its name and behalf by the Council Chair and Council Secretary and to be attested by the Clerk to Council; and the Company has caused this Fee Agreement to be executed by its duly authorized officer, all as of the day and year first above written.

**LANCASTER COUNTY, SOUTH CAROLINA**

\_\_\_\_\_  
Bob Bundy, Chair, County Council

\_\_\_\_\_  
Steve Harper, Secretary, County Council

ATTEST:

\_\_\_\_\_  
Debbie C. Hardin, Clerk to Council

**LCI-LINEBERGER CONSTRUCTION, INC.**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT A  
LEGAL DESCRIPTION**

**PARCEL 1:**

All that certain piece, parcel or tract of land, together with all improvements thereon, lying, being and situate in the City of Lancaster, County of Lancaster, State of South Carolina, containing 6.000 acres and being more particularly shown, described and designated on Plat of Survey entitled 'Plat of property of Jim Lineberger Grading & Paving, Inc.' prepared by R.H. Iseley, RLS, dated June 1, 1992 and recorded in the Office of the Clerk of Court for Lancaster County, South Carolina as Plat No. 12647; reference to said plat is craved for a more minute description.

**Tax Map No.: 81-32.01**

**PARCEL 2:**

All that certain piece, parcel or tract of land, together with any and all improvements thereon, lying, being and situate approximately two (2) miles South of the City of Lancaster, Lancaster County, South Carolina, containing 5.8 acres, more or less, and being that certain 5.8 acres set out and described on Plat of Survey revised by F. E. Kerr on December 16, 1972 entitled, 'Plat Property of Donald Parker', and found recorded in the Office of the Clerk of Court for Lancaster County, South Carolina, as Plat Number 3923, reference to which said Plat is craved for a more minute description as to the metes and bounds.

**Tax Map No.: 81-34.01**

All that piece, parcel or lot of land South of the City of Lancaster, State and County aforesaid, and known as the old land fill site and being described as follows: Beginning at an iron pipe 35 feet south of the centerline of Bear Creek and or the eastern edge of the Right of Way of Southern Railroad; thence N 44 11 E for 66.70 feet; thence N 29 30 for 83.22 feet; thence N 50 21 E for 70.20 feet; thence N 27 36 E for 67.91 feet to point in the center of Old Camden Highway and Bear Creek, thence S 24 02 E for 237.4 feet to a point in the centerline of said road; thence S 24 17 E for 672.06 feet to a point in the centerline of said road; thence S 23 36 E for 239.65 feet to a point in the centerline of said highway; thence S 87 37 W for 495.79 feet, more or less, to the eastern right of way of Southern Railroad, thence along the eastern edge of the Right of Way of Southern Railroad in a northerly direction to the point of beginning. See Plat Book 20 at Page 144.

**Tax Map No.: 81-32**

All that certain piece, parcel or lot of land, lying, being and situate on the South side of U.S. Highway No. 521 about one mile Southeast of the Town of Lancaster, in Lancaster County, South Carolina, fronting North on U.S. Highway No. 521 for a distance of 300' and running back South therefrom in a uniform width for a distance of 267 feet, designated as Tract 'A' on a Plat entitled 'Plat of Property of T. Y. Williams Estate' dated December 7, 1965, made by R. H. Iseley, Surveyor, recorded in the Office of the Clerk of Court for Lancaster County

in Plat Book 16 at Page 230, reference to which plat is made for a more particular description.

All that piece, parcel or lot of land, lying, being and situate on the North side of the Old Camden Road about one mile Southeast of the Town of Lancaster in Lancaster County, South Carolina, fronting South on the Old Camden Road for a distance of 656.6 feet, containing 6.64 acres, designated as Tract 'B' on a Plat entitled 'Plat of Property of T. Y. Williams Estate' dated December 7, 1965, made by R.H. Iseley, Surveyor, recorded in the Office of the Clerk of Court for Lancaster County, South Carolina in Plat Book 16 at Page 30, reference to which plat is made for a more particular description.

**Tax Map No.: 81N-B-5 and 6**

**PARCEL 3:**

All that certain piece, parcel or tract of land lying, being and situate approximately one mile southeast of the City of Lancaster in Lancaster County, South Carolina, southwest of U. S. Highway 521, containing 70.659 acres and being shown, described and designated as Tract A (1.300 acre), Tract B (11.955 acres) and Tract C (57.404 acres) on plat of survey entitled 'Plat of Property of James F. Lineberger' dated May 29, 2002, surveyed by J.C. Crumpler, RLS, and recorded as Plat No. 2002-305 in the Office of the Clerk of Court for Lancaster County, South Carolina, which plat is by reference incorporated herein.

**Tax Map No.: 81-31**

For derivation, see Deed of Beverly Wrenn, Personal Representative of the Estate of James Franklin Lineberger to Kim Lineberger dated September 16, 2014 and recorded September 18, 2014 in Deed Book 820 Page 226, in the Register of Deeds Office, Lancaster County, South Carolina.



**RESOLUTION NO. 0883-R2015**

**TO STATE THE COMMITMENT OF LANCASTER COUNTY TO ENTER INTO NEW INCENTIVE AGREEMENTS OR TO AMEND EXISTING INCENTIVE AGREEMENTS WITH NUTRAMAX MANUFACTURING, INC., NUTRAMAX PROPERTIES, LLC, NUTRAMAX LAND HOLDINGS, INC., NUTRAMAX LABORATORIES, INC., OR WITH ONE OR MORE EXISTING OR TO-BE-FORMED SUBSIDIARIES AND AFFILIATED ENTITIES, PROVIDING INCENTIVES FOR NEW INVESTMENTS AND THE CREATION OF NEW FULL-TIME JOBS BY THE RESPECTIVE COMPANIES INCLUDING THE PROVISION OF SPECIAL SOURCE REVENUE CREDITS; AND TO PROVIDE FOR OTHER MATTERS RELATED THERETO.**

**WHEREAS**, the County previously recruited a project (the “**Original Project**”) in the County by Nutramax Manufacturing, Inc., Nutramax Properties, LLC, Nutramax Land Holdings, Inc., and Nutramax Laboratories, Inc. (sometimes collectively referred to herein, together with one or more existing or to-be-formed subsidiaries and affiliated entities, as the “**Company**”);

**WHEREAS**, pursuant to the 2010 Agreements, the Company agreed to invest \$8.5 million in the Original Project and to create 200 jobs in connection with the Original Project by June 28, 2015;

**WHEREAS**, the Company has already invested approximately \$29 million in the Original Project (\$20.5 million in excess of its \$8.5 million investment commitment) and has succeeded in creating 200 jobs in connection with the Original Project;

**WHEREAS**, the County is recruiting an additional investment in the County by the Company of approximately \$15 million and 125 new, full-time jobs (the “**New Project**”);

**WHEREAS**, the Original Project is presently located at three sites in the County, including one site in the City (the “**Three Sites**”), and it is presently contemplated that the New Project will be located at one or more of the Three Sites and/or an additional site in the County (the “**Additional Site**”), so that all references in this Resolution to investments and jobs are intended to include investment and jobs located at any of the Three Sites, including the Company’s City site, and the Additional Site;

**WHEREAS**, the Council, in order to induce the Company to locate the New Project in the County, has committed to the Company that, if the Company commits to locate the New Project in the County, the Council will take certain actions and provide certain incentives for the New Project and the Original Project (collectively, the Original Project and the New Project are referred to as the “**Expanded Project**”), including, without limitation, extending the period during which reduced FILOT payments may be made and extending the special source revenue credit (“**SSRC**”) applicable to the Company’s investments;

**WHEREAS**, the County has determined, on the basis of the information supplied to it by the Company, that the New Project would be a “project” as that term is defined in the FILOT Statute and that the New Project would serve the purposes of the FILOT Statute, and the County desires to induce the Company to make the investment in the New Project and to create the jobs associated with the New Project, as described herein.

**NOW, THEREFORE, BE IT RESOLVED** by the Council of Lancaster County, South Carolina:

1. **Incorporation.** The above recitals are incorporated into this Resolution as if the recitals were set out in this Resolution in its entirety.
2. **Official Action; Inducement Resolution.** The adoption of this Resolution is an official action by the Council to identify, reflect and induce the New Project under the FILOT Statute. For purposes of the FILOT Statute, this Resolution is an “Inducement Resolution.”
3. **County Commitments.** If the Company commits to locate the New Project in the County and, in connection therewith, to increase the Company’s total investment in the County to \$44 million, and to increase the Company’s total employment in the County to 325 new, full-time jobs, with benefits, then the County commits, at the option of the Company, to either enter into one or more new agreements or to amend the 2010 Agreements, or some combination thereof, all in form and manner satisfactory to the County and the Company, containing substantially the following terms:

- (a) Additional Site. The real property subject to the Fee Agreement shall include the Additional Site, and the 50% SSRC referenced in Section 3(c) of this Resolution shall also apply to the Company's FILOT payments on the Additional Site.
  - (b) Term. The term of the Fee Agreement shall be increased by 10 years, from 30 years to 40 years with respect to all of the parcels subject to the Fee Agreement – specifically, the Three Sites and the Additional Site; provided, however, that for the parcel located in the City, the increase of the term is contingent upon the approval of the City.
  - (c) SSRC. The term of the 50% SSRC currently applicable to the Original Project shall be extended to include investments made on or before December 31, 2024, so that for each year's investments made by the Company at the Expanded Project sites through 2024, such 50% SSRC shall apply for 10 years after such investment is made.
  - (d) 43 Acre Tract. (i) The agreement of the County that the Company has satisfied all conditions and requirements imposed by Article II of the Incentive Agreement with respect to the 43 acre tract referenced therein (the County shall terminate, release and/or satisfy, as applicable, any mortgages or other liens that the County may have with respect to the 43 acres), (ii) the agreement of the Company that the County has satisfied the conditions and requirements imposed by Article III(a)(vi) of the Incentive Agreement to provide a 95% special source revenue credit for the 43 acre tract, and (iii) the agreement of the County that the 50% SSRC referenced in Section 3(c) of this Resolution shall also apply to the Company's FILOT payments on the 43 acre tract.
4. Additional Commitment. All investment and job numbers set forth in this Resolution are in addition to, and separate and apart from, any investment and job commitments that have been made by the Company in the 2010 Agreements. All FILOT and SSRC and other benefits to be provided by the County to the Company pursuant to this Resolution are in addition to, and separate and apart from, any benefits that the County has committed to provide to the Company in the 2010 Agreements.
5. New Obligations; Clawback. If, between January 1, 2014 and December 31, 2019, the Company has not invested at least \$15 million in the New Project (the "**Investment Commitment**") and has not created at least 125 new full-time jobs (*i.e.*, at least thirty (30) hours per week) at the Expanded Project, (i) with an average hourly wage not less than thirteen dollars and fifteen cents (\$13.15), including overtime, bonuses and all other forms of actual pre-tax and post-tax monetary compensation, and (ii) with health care benefits (the "**Jobs Commitment**"), then the additional 50% SSRC to be provided to the Company pursuant to this Resolution shall be reduced by an amount that is proportional to any shortfall by the Company of greater than 10% in achieving the Investment Commitment and Jobs Commitment; *provided, however*, that an overperformance in either the Investment Commitment or Jobs Commitment can serve to offset an underperformance in the other category.
6. Multi-County Park. Council shall use its best efforts to place the Additional Site in a multi-county park created pursuant to Sections 4-1-170, 4-1-172 and 4-1-175 of the Code

of Laws of South Carolina 1976, as amended and Article VIII, Section 13(D) of the South Carolina Constitution.

7. Findings and Determinations. The Council finds and determines that, after considering all relevant factors and criteria as prescribed by law, that (i) the New Project is anticipated to benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally, (ii) the New Project gives rise to no pecuniary liability of the County or incorporated municipality or a charge against the general credit or taxing power of either, (iii) the purposes to be accomplished by the New Project are proper governmental and public purposes, and (iv) the benefits of the New Project are greater than the costs.
8. Other Entities. One or more of the Council's commitments and agreements contained in this Resolution may be subject to the approval of a granting or approving entity other than Council, in which case, the decision to approve is not controlled by the County.
9. Approval of Agreements. Council shall approve any new agreements or amendments to the 2010 Agreements, and any other agreement or document contemplated by this Resolution in accordance with South Carolina law and the rules and procedures of the Council.
10. Controlling Provisions. To the extent this Resolution contains provisions that conflict with other orders, resolutions, and parts thereof, the provisions contained in this Resolution supersede all other orders, resolutions and parts thereof and this Resolution is controlling. It is Council's intention that this Resolution controls over, and supercedes in all respects, the provisions of Resolution No. 0858-R2015, adopted on December 8, 2014,
11. Effective Date. This Resolution takes effect upon its adoption.

SIGNATURES FOLLOW ON NEXT PAGE.

Adopted this 24<sup>th</sup> day of August, 2015.

LANCASTER COUNTY, SOUTH CAROLINA

[SEAL]

\_\_\_\_\_  
Bob Bundy, Chair, County Council

\_\_\_\_\_  
Steve Harper, Secretary, County Council

Attest:

\_\_\_\_\_  
Debbie C. Hardin, Clerk to Council

~#4825-1286-8134 v.5~

STATE OF SOUTH CAROLINA                     )  
   )  
COUNTY OF LANCASTER                     )                     **RESOLUTION #0891-R2015**

**APPROVING THE UPDATED 2015 ASSESSMENT ROLL FOR THE SUN CITY CAROLINA LAKES IMPROVEMENT DISTRICT, LANCASTER COUNTY, SOUTH CAROLINA.**

WHEREAS, the County Council (the "County Council") of Lancaster County, South Carolina (the "County") by Ordinance No. 677 enacted on October 3, 2005, authorized the creation of the Sun City Carolina Lakes Improvement District (the "District"); and

WHEREAS, the County Council by Ordinance No. 678 enacted on November 28, 2005, authorized and provided for the issuance and sale of \$20,000,000 principal amount Sun City Carolina Lakes Improvement District Assessment Revenue Bonds, Series 2006 and approved the Assessment Report and the Rate and Method of Apportionment of Assessments (the "Rate and Method of Apportionment") including the Assessment Roll for the District; and

WHEREAS, the Rate and Method of Apportionment provides in Section F:

The County Council shall update the Assessment Roll each year to reflect (i) the current Parcels in the District, (ii) the names of the owners of the Parcels, (iii) the Assessment for each Parcel, including any adjustments to the Assessments as provided for in Section C, (iv) the Annual Payment to be collected from each Parcel for the current Assessment Year, (v) any changes in the Annual Assessments, (vi) prepayments of the Assessments as provided for in Section I, and (vii) any other changes to the Assessment Roll; and

WHEREAS, MuniCap, Inc. has prepared an Annual Assessment Report and Update of the Assessment Roll for Imposition of Assessments in 2015 and Collection in 2016 dated \_\_\_\_\_, 2015 (the "2015 Assessment Roll").

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL AS FOLLOWS:

1. The County Council hereby approves, confirms and adopts the updated 2015 Assessment Roll as attached hereto.

**THIS RESOLUTION SHALL BE EFFECTIVE IMMEDIATELY UPON ADOPTION.**

**SIGNED, SEALED, AND DELIVERED AS OF THIS \_\_\_\_ DAY OF \_\_\_\_\_,**  
**2015.**

LANCASTER COUNTY, SOUTH CAROLINA

\_\_\_\_\_  
Bob Bundy, Chair, County Council

\_\_\_\_\_  
Steve Harper, Secretary, County Council

Attest:

\_\_\_\_\_  
Debbie C. Hardin, Clerk to Council

Approved as to form:

\_\_\_\_\_  
County Attorney

STATE OF SOUTH CAROLINA

COUNTY OF LANCASTER

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RESOLUTION # 0892-R2015

**APPROVING THE UPDATED 2015 ASSESSMENT ROLL FOR THE EDGEWATER IMPROVEMENT DISTRICT, LANCASTER COUNTY, SOUTH CAROLINA.**

WHEREAS, the County Council (the "County Council") of Lancaster County, South Carolina (the "County") by Ordinance No. 518 enacted on December 10, 2002, authorized the creation of the Edgewater Improvement District (the "District"); and

WHEREAS, the County Council by Ordinance No. 538 enacted on June 24, 2003, authorized and provided for the issuance and sale of \$6,034,000 principal amount Edgewater Improvement District Assessment Revenue Bonds, Series 2003A, and \$7,420,000 Principal Amount Edgewater Improvement District Assessment Revenue Bonds, Series 2003B and approved the Assessment Report and the Rate and Method of Apportionment of Assessments (the "Rate and Method of Apportionment") including the Assessment Roll for the District; and

WHEREAS, the Rate and Method of Apportionment provides in Section F:

The County Council shall amend the Assessment Roll each year to reflect (i) the current Parcels in the District, (ii) the names of the owners of the Parcels, (iii) the Assessment for each Parcel, including any adjustments to the Assessments as provided for in Section C, (iv) the Annual Payment to be collected from each Parcel for the current year, (v) any changes in the Annual Assessments, (vi) prepayments of the Assessments as provided for in Section I and J, and (vii) any other changes to the Assessment Roll; and

WHEREAS, MuniCap, Inc. has prepared an Annual Assessment Report and Update of the Assessment Roll for Imposition of Assessments in 2015 and Collection in 2016 dated \_\_\_\_\_, 2015 (the "2015 Assessment Roll").

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL AS FOLLOWS:

1. The County Council hereby approves, confirms and adopts the updated 2015 Assessment Roll as attached hereto.



**THIS RESOLUTION SHALL BE EFFECTIVE IMMEDIATELY UPON ADOPTION.**

**SIGNED, SEALED, AND DELIVERED AS OF THIS \_\_\_\_\_ DAY OF \_\_\_\_\_  
2015.**

LANCASTER COUNTY, SOUTH CAROLINA

\_\_\_\_\_  
Bob Bundy, Chair, County Council

\_\_\_\_\_  
Steve Harper, Secretary, County Council

Attest:

\_\_\_\_\_  
Debbie C. Hardin, Clerk to Council

Approved as to form:

\_\_\_\_\_  
County Attorney

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF LANCASTER )

**RESOLUTION #0893-R2015**

**APPROVING THE UPDATED 2015 ASSESSMENT ROLL FOR THE EDGEWATER II IMPROVEMENT DISTRICT, LANCASTER COUNTY, SOUTH CAROLINA.**

WHEREAS, the County Council (the "County Council") of Lancaster County, South Carolina (the "County") by Ordinance No. 834 enacted on July 30, 2007, authorized the creation of the Edgewater II Improvement District (the "District"); and

WHEREAS, the County Council by Ordinance No. 835 enacted on July 30, 2007, authorized and provided for the issuance and sale of \$9,229,000 principal amount Edgewater II Improvement District Assessment Revenue Bonds, Series 2007A, and \$19,651,000 Principal Amount Edgewater Improvement District Assessment Revenue Bonds, Series 2007B and approved the Assessment Roll which included the Rate and Method of Apportionment of Assessments (the "Rate and Method of Apportionment"); and

WHEREAS, the Rate and Method of Apportionment provides in Section G:

The County Council shall update the Assessment Roll is to be updated each year to reflect "(i) the current parcels in the district, (ii) the Assessments A and B as allocated for each parcel (including any adjustments to the Assessments), (iii) the principal portion of the Assessments for each parcel, (iv) the Annual Assessments A and B for each parcel, (v) the Annual Credits A and B and Annual Payments A and B to be collected from each parcel for the current Assessment year, (vi) prepayments of the Assessments A and B, and (vii) termination of the Assessments A and B." This report has been prepared to show the calculation of the Annual Payment and the update of the Annual Assessment Roll for the Assessment Part A and the Assessment Part B.

WHEREAS, MuniCap, Inc. has prepared an Annual Assessment Report and Update of the Assessment Roll for Imposition of Assessments in 2015 and Collection in 2016 dated August \_\_\_\_, 2015 (the "2015 Assessment Roll").

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL AS FOLLOWS:

1. The County Council hereby approves, confirms and adopts the updated 2015 Assessment Roll as attached hereto.

**THIS RESOLUTION SHALL BE EFFECTIVE IMMEDIATELY UPON ADOPTION.**

**SIGNED, SEALED, AND DELIVERED AS OF THIS \_\_\_\_ DAY OF \_\_\_\_\_,**  
2015.

LANCASTER COUNTY, SOUTH CAROLINA

\_\_\_\_\_  
Bob Bundy, Chair, County Council

\_\_\_\_\_  
Steve Harper, Secretary, County Council

Attest:

\_\_\_\_\_  
Debbie C. Hardin, Clerk to Council

Approved as to form:

\_\_\_\_\_  
County Attorney

STATE OF SOUTH CAROLINA

COUNTY OF LANCASTER

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)  
)

RESOLUTION #0894-R2015

**DIRECTING THE COUNTY AUDITOR AND COUNTY TREASURER TO IMPOSE AND COLLECT A \$225 PER LOT ASSESSMENT IN THE BROOKCHASE SPECIAL TAX DISTRICT**

WHEREAS, on December 30, 2010, County Council issued a General Obligation Bond Anticipation Note (Brookchase Special Tax District) in the principal amount of \$875,000 (the "Note"), the proceeds of which were used to provide infrastructure in the Brookchase Special Tax District including repairs and upgrades of roads in the Brookchase Special Tax District and all costs associated therewith;

WHEREAS, the Note has been renewed three times and the current principal balance is \$750,750; and

WHEREAS as of the date hereof, it is County Council's intention to issue a general obligation bond to retire the Notes at maturity in January 2016; and

WHEREAS, pursuant to Ordinance No. 1069 duly enacted by County Council on November 30, 2010, there is to be a uniform service charge to be assessed on an annual basis on all lots in the Brookchase Special Tax District to be used for the purposes set forth above; and

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL AS FOLLOWS:

1. The County Auditor and County Treasurer are hereby directed to impose and collect a \$225 per lot assessment in the Brookchase Special Tax District for the purposes set forth above.

THIS RESOLUTION SHALL BE EFFECTIVE IMMEDIATELY UPON ADOPTION.

SIGNED, SEALED, AND DELIVERED AS OF THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2015.

LANCASTER COUNTY, SOUTH CAROLINA

\_\_\_\_\_  
Bob Bundy, Chair, County Council

\_\_\_\_\_  
Steve Harper, Secretary, County Council

Attest:

\_\_\_\_\_  
Debbie C. Hardin, Clerk to Council

Approved as to form:

\_\_\_\_\_  
County Attorney

STATE OF SOUTH CAROLINA

)

RESOLUTION NO. 0887-R2015

COUNTY OF LANCASTER

)

**A RESOLUTION**

**A RESOLUTION AUTHORIZING THE DEFEASANCE OF THE OUTSTANDING BALANCE OF THE ORIGINAL PRINCIPAL AMOUNT \$38,410,000 SCAGO PUBLIC FACILITIES CORPORATION FOR LANCASTER COUNTY, INSTALLMENT PURCHASE REVENUE BONDS (LANCASTER COUNTY PROJECT), SERIES 2006.**

**WHEREAS**, pursuant to Ordinance No. 934 enacted by the Lancaster County Council (the "Council") on August 13, 2008 (the "Sales Tax Ordinance"), and a successful referendum (the "Referendum"), a one percent (1%) capital projects sales tax (the "Sales Tax") was imposed in Lancaster County, South Carolina (the "County"); and

**WHEREAS**, pursuant to a Resolution of the Board of Directors of SCAGO Public Facilities Corporation for Lancaster County (the "Corporation") dated December 2, 2008, and a Trust Agreement dated January 28, 2009, between the Corporation and Wells Fargo Bank, N.A., as trustee (the "Trustee"), the Corporation issued its \$38,410,000 original principal amount SCAGO Public Facilities Corporation for Lancaster County Installment Purchase Revenue Bonds (Lancaster County Project) Series 2009 dated January 28, 2009 (the "Bonds"), which are presently outstanding in the principal amount of \$14,450,000; and

**WHEREAS**, the County has heretofore applied the revenues received by it from the Sales Tax to pay the Installment Payments (as defined in the Installment Purchase and Use Agreement dated January 28, 2009, between the County and the Corporation) due with respect to the Bonds; and

**WHEREAS**, the County has sufficient Sales Tax revenue and other available funds on deposit with the Trustee to defease the outstanding balance of the Bonds prior to their final maturity on December 1, 2016.

**NOW, THEREFORE, BE IT RESOLVED** by the Lancaster County Council:

1. The Council hereby approves the defeasance of the Bonds from available moneys, including Sales Tax revenues [currently] held by it and other amounts on deposit with the Trustee; and

2. The Council hereby authorizes the County Administrator to take all actions to accomplish the defeasance of the Bonds, including but not limited to negotiating the terms of and executing on behalf of the County an Escrow Agreement with the Trustee, as escrow agent.

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And it is so resolved, this \_\_\_\_ day of \_\_\_\_\_, 2015

**LANCASTER COUNTY, SOUTH CAROLINA**

\_\_\_\_\_  
Bob Bundy, Chair, County Council

\_\_\_\_\_  
Steve Harper, Secretary, County Council

(SEAL)

**ATTEST:**

\_\_\_\_\_  
Debbie Hardin, Clerk to Council

Approved as to form:

\_\_\_\_\_  
County Attorney

**A RESOLUTION AUTHORIZING THE CASH DEFEASANCE OF THE OUTSTANDING BALANCE OF THE ORIGINAL PRINCIPAL AMOUNT \$2,973,657.50 LANCASTER COUNTY, SOUTH CAROLINA SPECIAL SOURCE REVENUE BONDS, SERIES 2006 (BAILES RIDGE PROJECT) CONVERTIBLE DEFERRED INTEREST BONDS.**

[Remainder of page intentionally left blank]

And it is so resolved, this \_\_\_\_ day of \_\_\_\_\_, 2015

**LANCASTER COUNTY, SOUTH CAROLINA**

\_\_\_\_\_  
Bob Bundy, Chair, County Council

\_\_\_\_\_  
Steve Harper, Secretary, County Council

(SEAL)

**ATTEST:**

\_\_\_\_\_  
Debbie Hardin, Clerk to Council

Approved as to form:

\_\_\_\_\_  
County Attorney



STATE OF SOUTH CAROLINA       )  
  )  
COUNTY OF LANCASTER        )

RESOLUTION NO. 0884 -R2015

**A RESOLUTION**

**TO ACKNOWLEDGE AND CONFIRM THAT THE LANCASTER COUNTY ECONOMIC DEVELOPMENT CORPORATION HAS BEEN RELIEVED OF ITS OBLIGATIONS AND RESPONSIBILITIES TO REPRESENT LANCASTER COUNTY IN ITS ECONOMIC DEVELOPMENT EFFORTS.**

WHEREAS, on August 10, 2015, Lancaster County Council voted favorably to deny future funding to the Lancaster County Economic Development Corporation and to establish an in-house Economic Development Department; and

WHEREAS, as the discussions, debate and decisions are made over the next few months on how best to accomplish this goal, Council believes it in the best interest of all economic development projects that this Resolution be published so as to avoid confusion and misunderstandings by all.

**THEREFORE, BE IT RESOLVED** that Lancaster County government hence forth shall undertake its economic development responsibilities internally and, further, that the Lancaster County Economic Development Corporation hereby is relieved of that obligation in support of Lancaster County. In so doing, Lancaster County pledges its best efforts in cooperating with Lancaster County Economic Development Corporation during this period of transition so as to continue the progress that has been made.

**AND IT IS SO RESOLVED**

Dated this \_\_\_\_\_ day of August, 2015

**LANCASTER COUNTY, SOUTH CAROLINA**

\_\_\_\_\_  
Bob Bundy, Chair, County Council

\_\_\_\_\_  
Steve Harper, Secretary, County Council

(SEAL)

**ATTEST:**

\_\_\_\_\_  
Debbie Hardin, Clerk to Council