

CHESTER COUNTY COUNCIL MEETING

R. Carlisle Roddey Chester County Government Complex

1476 J.A. Cochran Bypass

Monday, June 7, 2021 at 6:00 PM

Interim Supervisor Dr. Wylie Frederick Presiding

Agenda

- 1. Call to Order**
- 2. Pledge of Allegiance and Invocation**
- 3. Approval of Minutes**
 - a. May 17th, 2021 Minutes. Pg. 4**
- 4. Citizen Comments**
- 5. Public Hearing**
 - a. 3rd Reading of 2021-3 An Ordinance Authorizing, Pursuant To Title 12, Chapter 44 Of The Code Of Laws Of South Carolina 1976, As Amended, The Execution And Delivery Of A Fee-In-Lieu Of Ad Valorem Taxes Agreement By And Between Chester County, South Carolina, And E. & J. Gallo Winery, Formerly Identified As Project Magma, Acting For Itself, One Or More Current Or Future Affiliates And Other Project Companies (Collectively, "Company"); and an Incentive Agreement Between the County and the Company; Providing For A Special Source Revenue Credit; Modifying A Joint County Industrial And Business Park Of Chester And York Counties So As To Enlarge The Park; Authorizing The Execution And Delivery Of One Or More Grant Agreements; And Other Related Matters.**
- 6. Ordinances/Resolutions/Proclamations**
 - a. 3rd Reading of 2021-3 An Ordinance Authorizing, Pursuant To Title 12, Chapter 44 Of The Code Of Laws Of South Carolina 1976, As Amended, The Execution And Delivery Of A Fee-In-Lieu Of Ad Valorem Taxes Agreement By And Between Chester County, South Carolina, And E. & J. Gallo Winery, Formerly Identified As Project Magma, Acting For Itself, One Or More Current Or Future Affiliates And Other Project Companies (Collectively, "Company"); and an Incentive Agreement Between the County and the Company; Providing For A Special Source Revenue Credit; Modifying A Joint County Industrial And Business Park Of Chester And York Counties So As To Enlarge The Park; Authorizing The Execution And Delivery Of One Or More Grant Agreements; And Other Related Matters. **Pg. 7****
 - b. 2nd Reading of 2021-4 Chester County Fiscal Year 2021/2022 Budget to Establish Operating And Capital Budgets For The Operation Of The County Government Of Chester County, South Carolina For The Fiscal Year Commencing July 1, 2021; To Provide For The Levy Of Taxes For Chester County For The Fiscal Year Commencing July 1, 2021; To Provide For The Expenditure Of Tax Revenues And Other County Funds; To Provide For Other County Purposes; To Authorize The County To Borrow Money In Anticipation Of Taxes And To Provide For The Repayment Of Sums Borrowed By The County Governing Body; To Provide For The Payment Of Tort Claims And Worker's Compensation Claims Against Chester County; To Provide For Certain Fiscal And Other Matters Relating To County Government. **Pg. 55****
 - c. 1st Reading of 2021-8 in title only -Fund Balance Ordinance.**

d. Resolution 2021-11 Identifying the Capital Projects as Part of a Program of General Obligation Borrowing; And Other Related Matters. **Pg. 67**

7. Old Business

- a. 3rd Reading of CCMA21-12:** Michael D. Cannon of MC Real Estate, LLC request Tax Map # 125-00-00-010-000 located on Colonels Point Parkway be rezoned from ID-2 (Limited Industrial) to ID-3 (General Industrial). *Planning Commission vote 6-0 to approve with a reverter clause if the business closes.* **Pg. 69**
- b. 3rd Reading of CCMA21-13:** Michael R. Mills, agent for JAH Properties LLC request Tax Map # 087-00-00-001-000 (portion of) located along Darby Road Chester SC be rezoned from R2 (Rural Two) to RS-1 (Single Family) *Planning Commission voted 6-0 to approve.* **Pg. 73**
- c.** Update regarding the recreation agreement between Chester County and Great Falls. Councilman Vaughn. **Pg.76**

8. New Business

- a.** Council to authorize the Sheriff's Department to apply for (COSSAP) Comprehensive Opioid, Stimulant and Substance Abuse Site Based Program grant for \$600,000 dollars with no match. -Sheriff Dorsey. **Pg. 89**
- b.** Council to authorize the Sheriff's Department to apply for COPS Office Hiring program grant for \$480,000 dollars with a 25% match. Sheriff Dorsey. **Pg. 97**
- c.** Council to authorize the Sheriff's Department to apply for Smart Policing Initiative grant for \$500,000 with no match. Sheriff Dorsey. **Pg. 104**
- d. 1st Reading of CCMA21-14:** Judy Funderburk request Tax Map # 158-01-08-007-000 located at 1474 Catawba River Road, Fort Lawn, SC be rezoned from R1 (Rural One) to RG-2 (General Residential). *Planning Commission voted 6-0 to Deny.* **Pg. 111**
- e. 1st Reading of CCMA21-15:** JDSI, LLC by Judson Stringfellow request Tax Map # 124-00-00-024-000 located off Hwy 9, Richburg, SC be rezoned from RS-1 (Single Family) to PD (Planned Development) *Planning Commission voted 4-2 to approve.* **Pg. 115**
- f. 1st Reading of CCMA21-16:** JDSI, LLC by Judson Stringfellow request Tax Map # 124-00-00-027-000 located off Hwy 9, Richburg, SC be rezoned from R2 (Rural Two) to PD (Planned Development) *Planning Commission voted 4-2 to approve.* **Pg. 138**
- g.** Discuss the naming of an entrance at Chester Technology Park. -County Council. **Pg. 149**

9. Boards and Commissions-None

10. Executive Session

- a.** Receive legal advice regarding IBHS. Attorney Winters.
- b.** Receive legal advice regarding update on Project Magma. Attorney Winters.
- c.** Receive legal advice regarding Economic Development Grant.

11. Council Actions Following Executive Session

- a.** Action taken on legal advice regarding IBHS.
- b.** Action taken on legal advice regarding update on Project Magma.
- c.** Action taken on legal advice regarding Economic Development Grant.

12. Council Comments

13. Adjourn

Pursuant to the Freedom of Information Act, the Chester News & Reporter, The Herald in Rock Hill, SC, WSOC-TV, Channel 9 Eyewitness News, the Mfg. Housing Institute of SC, WRHI Radio Station, C&N2 News, WCNC News and Capitol Consultants were notified and a notice was posted on the bulletin board at the Chester County Government Building 24 hours prior to the meeting.

↓ ***PUBLIC NOTICE*** ↓

Chester County Council has relaxed some of the COVID measures put into place for personal appearances at County Council meetings and will now allow up to seventeen (17) citizens into the Council meeting room provided that masks are kept on throughout the meeting and individuals in attendance maintain social distancing at all times. As COVID conditions improve, Council does hope to allow for more personal attendance at County Council meetings.

Any citizen who wishes to make a public comment at the County Council meetings can do so in the following ways:

1. You may submit your comments in writing to County Council by emailing Karen Lee, klee@chestercounty.org.
2. You may submit your comments by mail: Chester County Clerk to Council, Karen Lee, PO Box 580, Chester, SC 29706.
3. Anyone who wishes to appear in person before Council must register with the Chester County Clerk to Council by phone 803-377-7852 or by email at klee@chestercounty.org no later than 10:00 am on the day of the Council meeting. Such appearance will be limited to one (1) person to be permitted to enter the building while maintaining social distancing. The Clerk will confirm the appointment back to the requestor. A County employee will be on hand to open the back door of the Government Complex at the registered time. The individual may appear before Council for no more than three (3) minutes and will be required to leave the building immediately following their address to Council. Groups of presenters will not be permitted at this time, nor will individuals who have not registered by the deadline. All rules of social distancing as recommended by the CDC and the etiquette procedures of the County Council must be followed. Chester County Council remains committed and receptive to the comments of the citizens of Chester County and while the Council does not like these restrictions, they are being done in the interest of everyone's health.

Guidelines for Addressing Council

Citizens Comments:

- Each citizen will be limited to three minutes.

Public Hearings:

- Each speaker will be limited to three-minutes.

When introduced:

- Approach the podium, state your name and address.
- Speak loudly and clearly making sure that the microphone is not obstructed.
- Do not address the audience – direct all comments to Council.
- Do not approach the Council table unless directed.

Anyone addressing Council will be called out of order if you:

- Use profanity.
- Stray from the subject.
- Make comments personally attacking an individual member of Council.

CHESTER COUNTY COUNCIL MINUTES

R. Carlisle Roddey Chester County Government Complex

1476 J.A. Cochran Bypass Chester, SC 29706

Monday, May 17th, 2021 at 6:00 PM

Present: Interim Chairman Dr. Wylie Frederick, Vice Chairman Joe Branham, Councilman Brad Jordan, Councilman Mike Vaughn, Councilwoman Mary Guy, Councilman Pete Wilson, Clerk to Council Karen Lee and County Attorney Joanie Winters. Councilman William Killian arrived at 6:11 PM. Rules of Procedure Section 2-59 and 60 were suspended.

1. **Call to Order-** Interim Chairman Dr. Frederick called the meeting to order.
2. **Pledge of Allegiance and Invocation-** Pledge was recited in unison; Councilwoman Guy gave the invocation.
3. **Approval of Minutes**
 - a. **April 29th, 2021 Special Called Meeting.**
Vice Chairman Branham motioned to approve, second by Councilwoman Guy. Vote was 5-0 to approve.
 - b. **May 3rd, 2021 Council Meeting.**
Councilwoman Guy motioned to approve, second by Councilman Vaughn. Vote was 4-0 approve Councilman Wilson was not in attendance for the May 3rd meeting and did not vote.
 - c. **May 7th, 2021 Special Called Meeting**
Vice Chairman Branham motioned to approve, second by Councilman Jordan. Vote was 5-0 to approve.
4. **Citizen Comments-**No one signed up to speak.
5. **Public Hearing-** None
6. **Ordinances/Resolutions/Proclamations**
 - a. **1st Reading of Ordinance 2021-4 In Title Only Chester County Fiscal Year 2021/2022 Budget to Establish Operating And Capital Budgets For The Operation Of The County Government Of Chester County, South Carolina For The Fiscal Year Commencing July 1, 2021; To Provide For The Levy Of Taxes For Chester County For The Fiscal Year Commencing July 1, 2021; To Provide For The Expenditure Of Tax Revenues And Other County Funds; To Provide For Other County Purposes; To Authorize The County To Borrow Money In Anticipation Of Taxes And To Provide For The Repayment Of Sums Borrowed By The County Governing Body; To Provide For The Payment Of Tort Claims And Worker's Compensation Claims Against Chester County; To Provide For Certain Fiscal And Other Matters Relating To County Government.** Councilman Vaughn motioned to approve in title only, second by Councilman Wilson. Vote 5-0 to approve.
 - b. **Resolution 2021-9 To adopt a lease agreement for the Sheriff's Substation in Richburg.**
Doug McMurray stated the substation was located 2827 Lancaster Hwy in Richburg, SC, this would give a more feasible and permanent location for the Sheriff's office for citizens as well as a benefit for deputies they plan to put in a data line that would run around \$1800.00 dollars this would provide the deputies a place to fill out paperwork instead of going back to the main office in Chester. Vice Chairman Branham motioned to approve, second by Councilman Jordan. Vote 5-0 to approve.

c. Resolution 2021-10 Change the name on the Organizational Chart from Tax Assessor to Assessor.

Attorney Winters stated the interim Assessor had concerns regarding the name since it did not comport with state law. Section 12-37-90 refers to the position as Assessor and not Tax Assessor and had asked to have it changed on the organizational chart. It would not change the position or the duties just the name. It would also incur cost to change business cards, letterheads etc. Councilman Wilson motioned to approve, second by Councilman Jordan. Vote 5-0 to approve.

7. Old Business

a. 2nd Reading of CCMA21-12: Michael D. Cannon of MC Real Estate, LLC request Tax Map # 125-00-00-010-000 located on Colonels Point Parkway be rezoned from ID-2 (Limited Industrial) to ID-3 (General Industrial). Planning Commission vote 6-0 to approve with a reverter clause if the business closes.

Vice Chairman Branham motioned to approve, second by Councilwoman Guy.

Councilman Jordan stated he was still concerned if this went to ID3 the applicant could rent out the other portion of the building without the approval of Council and asked Attorney Winters if they could place an addition to the reverter clause. Attorney Winters stated no, she had spoken to Mike Levister, Planning Director and there was not a real solution, parcels are rezoned and not buildings. Vice Chairman Branham suggested the applicant be contacted to see if he would reduce the size of the building and not have tenants before the third reading.

Vote was 1-5 to deny. Councilwoman Guy approved; rest of Council denied the request.

b. 2nd Reading of CCMA21-13: Michael R. Mills, agent for JAH Properties LLC request Tax Map # 087-00-00-001-000 (portion of) located along Darby Road, Chester SC be rezoned from R2 (Rural Two) to RS-1 (Single Family) Planning Commission voted 6-0 to approve. Councilwoman Guy stated the owner wanted to combine both properties to make one and have the zoning as RS1. Councilwoman Guy motioned to approve, second by Councilman Vaughn. Vote 6-0 to approve.

c. Discussion regarding the recreation agreement between Chester County and Great Falls. Councilman Vaughn. Councilman Vaughn stated the recreation commission reviewed and approved the contract at their last meeting, Great Falls Town Mayor Pro Tem Glen Smith reviewed it as well. Some of the language such as leased properties would be removed since there isn't leased properties in Great Falls, the agreement would be for twenty-five years. He stated this would provide recreational opportunities for the entire County not only Great Falls. Councilman Vaughn motioned to approve with changes, second by Councilman Jordan. Councilman Vaughn acknowledged Sunset park had been neglected over the years and had a lot of potential to rent out. Council asked Dr. Frederick to provide financial data of what had been spent on other municipalities regarding recreation, have Robert Hall, Public Works Director look at the parks and see what needed corrected and what the cost would be to bring the park back up to standard. Councilman Wilson asked to have pictures of Sunset Park with the other requested information in the June 7th packet. Councilman Jordan withdrew his second, Councilman Vaughn withdrew his motion. Tabled to the June 7th meeting.

8. New Business

a. Introduction of Brun DMC for multiple County Projects– Jarrett Davis and Marc Brun.

Mr. Davis stated his company will help facilitate County projects along with capital projects and upcoming projects currently on the agenda. Their job was to get the projects out to fruition and make sure that they were developing the right standards of what the County expresses and desires for the funds and fiduciary duties.

b. Award of bid for Site/Civil Construction of North Chester Fire Station – Susan Cok.

Councilman Wilson motioned to approve \$83,700 dollars, second by Vice Chairman Branham. Vote 6-0 to approve.

9. Boards and Commissions

a. Resignation from Parks and Recreation Board. -Interim Chairman Frederick.

Councilwoman Guy motioned to accept Wade Young's resignation, second by Councilman Jordan. Vote 6-0 to accept.

b. Resignation from the Gateway Steering Committee -County Council.

Vice Chairman Branham motioned to accept Philip Thompson-King's resignation, second by Councilman Jordan. Vote 6-0 to approve.

10. Executive Session

Councilwoman Guy motioned to go into Executive Session, second by Councilman Killian. Vote 6-0 to approve.

- a. Receive legal advice regarding IBHS. Attorney Winters
- b. Receive legal advice regarding Project Magma. Attorney Winters.
- c. Receive legal advice regarding the State of Emergency Update. Attorney Winters.

11. Council Actions Following Executive Session

Councilman Vaughn motioned to go back to Regular Session, second by Vice Chairman Branham. Vote 6-0 to approve.

a. Action taken regarding legal advice for IBHS.

(i) 1st Reading of Ordinance 2021-6 An Ordinance Authorizing (1) The Execution And Delivery Of A Second Amendment To That Certain Special Source Credit Agreement Previously Entered Into By And Between Chester County, South Carolina And Insurance Institute For Business And Home Safety; And (2) Other Matters Related Thereto. Taken as information.

b. Action taken regarding legal advice for Project Magma. Taken as information.

c. Action taken regarding legal advice of the State of Emergency Update.

Councilwoman Guy motioned to extend the State of Emergency rules until June 7th, 2021 where Council would further evaluate, second by Councilman Killian. Vote 6-0 to approve.

12. Council Comments-None

13. Adjourn

Councilwoman Guy motioned to adjourn, second by Councilman Killian. Vote 6-0 to approve.

Time: 8:30 PM

Pursuant to the Freedom of Information Act, the Chester News & Reporter, The Herald in Rock Hill, SC, WSOC-TV, Channel 9 Eyewitness News, the Mfg. Housing Institute of SC, WRHI Radio Station, C&N2 News, WCNC News and Capitol Consultants were notified and a notice was posted on the bulletin board at the Chester County Government Building 24 hours prior to the meeting.

**CHESTER COUNTY
ORDINANCE NO. 2021-3**

AUTHORIZING, PURSUANT TO TITLE 12, CHAPTER 44 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, THE EXECUTION AND DELIVERY OF A FEE-IN-LIEU OF AD VALOREM TAXES AGREEMENT BY AND BETWEEN CHESTER COUNTY, SOUTH CAROLINA, AND A COMPANY IDENTIFIED FOR THE TIME BEING AS PROJECT MAGMA, ACTING FOR ITSELF, ONE OR MORE CURRENT OR FUTURE AFFILIATES AND OTHER PROJECT COMPANIES (COLLECTIVELY, "COMPANY") AND AN INCENTIVE AGREEMENT BETWEEN THE COUNTY AND THE COMPANY; PROVIDING FOR A FEE-IN-LIEU OF AD VALOREM TAXES INCENTIVE; PROVIDING FOR A SPECIAL SOURCE REVENUE CREDIT; MODIFYING A JOINT COUNTY INDUSTRIAL AND BUSINESS PARK OF CHESTER AND YORK COUNTIES SO AS TO ENLARGE THE PARK; AUTHORIZING THE EXECUTION AND DELIVERY OF ONE OR MORE GRANT AGREEMENTS; AND OTHER RELATED MATTERS.

WHEREAS, Chester County, South Carolina ("County"), acting by and through its County Council ("Council"), is authorized and empowered, under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended through the date hereof ("Code"), particularly Title 12, Chapter 44 thereof ("Negotiated FILOT Act") and Title 4, Chapter 1 of the Code ("Multi-County Park Act" or, as to Section 4-1-175 thereof, and, by incorporation, Section 4-29-68 of the Code, "Special Source Act") (collectively, "Act"), and by Article VIII, Section 13 of the South Carolina Constitution: (i) to enter into agreements with certain investors to establish projects through which the economic development of the State of South Carolina ("State") will be promoted and trade developed, thus utilizing and employing the manpower, agricultural products, and natural resources of the State; (ii) to covenant with such investors to accept certain fee in lieu of *ad valorem* tax ("FILOT") payments, including, but not limited to, negotiated FILOT ("Negotiated FILOT") payments, and granting certain special source revenue credits ("SSRCs") to pay costs of designing, acquiring, constructing improving or expanding (i) infrastructure serving a project or the County, and (ii) for improved or unimproved real estate and personal property including machinery and equipment used in the operating of a manufacturing or commercial enterprise ("Infrastructure"); and (iii) to create or expand, in conjunction with one or more other counties, a multi-county industrial or business park to allow such special source revenue credits and certain enhanced income tax credits to such investors;

WHEREAS, pursuant to the Title 4, Section 1 of the Code of Laws of South Carolina, 1976, as amended ("Park Act"), the County and York County entered into that certain Master Agreement Governing the York-Chester Industrial Park between Chester County, South Carolina, and York County, South Carolina, effective December 31, 2012, (as amended, modified, and supplemented, collectively, "Park Agreement") whereby the County and York County agreed to develop a joint county industrial or business park eligible to include property located in either the County or York County ("Park");

WHEREAS, the property located in the Park is exempt from ad valorem taxation and the owners of such property pay a non-negotiated fee in lieu of tax payment in the absence of a Negotiated FILOT ("Non-Negotiated FILOT");

WHEREAS, Section 1.01 of the Park Agreement establishes the procedure for enlargement of the boundaries of the Park to include additional property;

WHEREAS, a company identified for the time being as Project MAGMA, acting for itself, one or more current or future affiliates and other project sponsors (collectively, "Company") proposes to invest in, or cause others to invest in, the establishment or expansion of a manufacturing operation in the County ("Project"), which the Company expects will result in the investment of approximately \$423,000,000 in taxable property and the creation of approximately 496 new, full-time equivalent jobs;

WHEREAS, the County, having determined that an enlargement of the boundaries of the Park would promote economic development and thus provide additional employment and investment opportunities within the said County and York County, desires to enlarge the boundaries of the Park to include therein certain property, as described in greater detail on the attached Exhibit A and located in Chester County (“Project MAGMA Property”);

WHEREAS, pursuant to an Inducement Resolution dated as of February 1, 2021, the County identified the Project as a “project” as provided in the Act and authorized an Incentive Agreement, a copy of which is attached hereto as Exhibit B;

WHEREAS, the Company has caused to be prepared and presented to this meeting the form of the Fee in Lieu of *Ad Valorem* Taxes and Special Source Revenue Credit Agreement, attached as Exhibit C, by and between the County and the Company (“Fee Agreement”), which provides for (i) fee in lieu of tax payments utilizing a 4% assessment ratio for a period of 50 years for the Project or each component thereof placed in service during the maximum investment period allowed for enhanced investments as extended pursuant to the Act; and (ii) SSRCs with a term of 60 years with respect to the Negotiated FILOT payments and any Non-Negotiated FILOT payments; and

WHEREAS, it appears that the Fee Agreement, which is now before this meeting, is in appropriate form and is an appropriate instrument to be executed and delivered by the County for the purposes intended.

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

Section 1. *Statutory Findings.* Based solely on information provided to the County by the Company, it is hereby found, determined, and declared by the County Council, as follows:

(a) The Project will constitute a “project” as that 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 on all criteria prescribed by law, including the anticipated dollar amount and nature of the investment to be made and the anticipated costs and benefits to the County;

(c) The Project is anticipated to benefit the general public welfare of the County by providing services, employment, recreation, or other public benefits not otherwise adequately provided locally;

(d) The Project gives rise to no pecuniary liability of the County or any incorporated municipality or a charge against the general credit or taxing power of either;

(e) The purposes to be accomplished by the Project, i.e., economic development, creation of jobs, and addition to the tax base of the County, are proper governmental and public purposes;

(f) The inducement of the location or expansion of the Project within the County and State is of paramount importance; and

(g) The anticipated benefits of the Project to the public will be greater than the costs.

Section 2. *Authorization of Fee Agreement and Ratification of Incentive Agreement.* 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 a commercial facility in the State, the Fee Agreement and the Incentive Agreement are authorized, ratified, and approved, provided, however, to the extent of any conflict between the Fee Agreement and the Incentive Agreement, the Fee Agreement controls.

ORDINANCE NO. 2021-3

Section 3. *Approval of Form of Fee Agreement.* The form of the Fee Agreement presented at this meeting, as attached as Exhibit C, is approved, and all of the terms are incorporated in this Ordinance by reference as if the Fee Agreement were set out in this Ordinance in its entirety. The Chairman of the County Council/County Supervisor, and the Clerk to County Council are each authorized, empowered, and directed to execute, acknowledge, and deliver the Fee Agreement in the name of and on behalf of the County, and to cause the executed Fee Agreement to be delivered to the Company. The Fee Agreement is to be in substantially the form now before this meeting, 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, on the advice of Counsel to the County, such official's execution thereof to constitute conclusive evidence of such official's approval of any and all changes or revisions therein from the form of the Fee Agreement now before this meeting.

Section 4. *Enlargement of the Park.* The enlargement of the boundaries of the Park is hereby authorized and approved.

Section 5. *Extension of Investment Period and Term of the Fee Agreement.* The investment period under the Fee Agreement is hereby extended by five years and the term of the Fee Agreement is hereby extended by ten years.

Section 6. *Authorization for County Officials to Execute Documents.* The Interim Chairman of the County Council/Interim County Supervisor, and the Clerk to County Council, for and on behalf of the County, are each authorized and directed to do any and all things reasonably necessary and prudent 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 7. *General Repealer.* All orders, resolutions, ordinances, and parts thereof in conflict herewith are, to the extent of such conflict, repealed, and this Ordinance shall take effect and be in full force from and after its passage and approval.

[ONE SIGNATURE PAGE AND THREE EXHIBITS FOLLOW]
[REMAINDER OF PAGE INTENTIONALLY BLANK]

CHESTER COUNTY, SOUTH CAROLINA

Interim Chairman/Supervisor
Chester County Council

(SEAL)

ATTEST:

Clerk to Council

First Reading: February 1, 2021
Second Reading: April 6, 2021
Public Hearing: June 7, 2021
Third Reading: June 7, 2021

ORDINANCE NO. 2021-3

EXHIBIT A
DESCRIPTION OF PROJECT MAGMA PROPERTY

[FOR EACH PORTION OF A PARCEL TO BE INCLUDED IN THE PARK,
A SUBSEQUENT SURVEY WILL BE PROVIDED BY PROJECT MAGMA]

The following parcels of land located on or near Highway 21 (Catawba River Road), Fort Lawn, Chester County, South Carolina:

- (a) All of TM No. 165-00-00-058-000 containing approximately 408 acres ("Parcel 1") and TM No. 165-00-00-055-000 containing approximately 57 acres ("Parcel 2");
- (b) a portion of TM No. 165-00-00-080-000, containing approximately 83 acres ("Parcel 3");
- (c) all of TM No. 165-00-00-066-000, containing approximately 31 acres ("Parcel 4");
- (d) a portion of TM No. 165-00-00-065-000, containing approximately 26 acres ("Parcel 5");
- (e) a portion of TM No. 165-00-00-091-000, containing approximately 75 acres ("Parcel 7"); and
- (f) a portion of TM No. 165-00-00-079-000, containing approximately 475 acres ("Parcel 10").

EXHIBIT B
EXECUTED INCENTIVE AGREEMENT
[SEE ATTACHED 32 PAGES]

INCENTIVE AGREEMENT

THIS INCENTIVE AGREEMENT (this “IA”) is hereby dated as of the 1st day of March, 2021, by and among Project Magma (previously known as Project ECO), a company whose identity is known to the Public Parties (the “Company”), Chester County, South Carolina (the “County”), the South Carolina Department of Commerce (“DOC”), the South Carolina Coordinating Council for Economic Development (the “Coordinating Council”), (the County, DOC and the Coordinating Council, shall be collectively referred to herein as the “Public Parties”).

WITNESSETH:

WHEREAS, the Company contemplates the establishment of a beverage production, containerization, and distribution facility in the County (the “Project”); and

WHEREAS, the Company anticipates that the Project will result in an investment of approximately \$423 million in land, improvements to land, and personal property, and the creation of approximately 496 new, full-time jobs in the County; and

WHEREAS, based solely on the information the Company has provided, the Public Parties intend to provide certain funds and other incentives as an inducement for the Company to locate the Project in the County; and

WHEREAS, the purpose of this IA is to set forth the various intentions and make such commitments as are expressly set forth herein of the parties hereto to induce the Company to locate the Project in the County; and

WHEREAS, each party intends for each other party’s willingness to move forward to be dependent on every other party moving forward; and

WHEREAS, some of the terms set forth in this IA are summary in nature and the complete terms of the various commitments will be contained in the final agreements relating to the Project.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained herein and for other valuable consideration, the receipt, adequacy, and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1 PUBLIC PARTIES COMMITMENTS

1.1. Land. The Company intends to purchase certain property in the County consisting of approximately 662 acres, more or less, for its Project as more particularly described as **Exhibit A** attached (the “Project Land”). In connection with the development of the Project Land, certain wetlands and streams will be impacted which requires mitigation to be undertaken (the “Mitigation”). The County and DOC agree to undertake the Mitigation using the Bond Funds (as defined below) in an amount of up to \$8,000,000 and to use their commercially reasonable efforts to commence the Mitigation as soon as possible and to complete such mitigation according to the “Mitigation Agreement,” dated December 4, 2020, by and between HGS, LLC d/b/a RES Environmental Operating Company, LLC, and Chester County (“Mitigation Contract”), provided, however, in no event is the County required to expend any of the County’s funds (other than the Bond Funds) to assist in the Mitigation. The Mitigation plan shall be submitted to and approved by the Company.

1.2. Utilities. The County will use commercially reasonable efforts to assist the Company in obtaining connections for utilities (including, but not limited to, electricity, gas, water, and sewer) to the Project Land at a location or locations reasonably acceptable to the Company, with capacities needed for the Company's manufacturing operations, provided, however, the County is not the responsible entity for the provision of any of the utilities referenced below and, as such, shall not be required to expend any of the County's funds to assist in obtaining connections for utilities or in the provision of services.

1.2.1. Natural Gas. Chester County Natural Gas Authority ("CNG") has agreed to provide gas service to the Project. CNG has provided a letter to the Company to this effect.

1.2.2. Electricity. Electric service to the Project Land shall be provided by Duke Energy ("Duke") under Duke's Economic Development Rider. Duke has provided the Company with a letter to that effect. The County agrees to timely consider and work with Duke to obtain any required easements and/or encroachment permits needed from the County in order for Duke to extend power line(s) to the Project Land. Subject to available resources and to the extent permitted by law, DOC and the County will use commercially reasonable efforts to facilitate and support the Company's negotiations with Duke.

1.2.3. Water Service. Water service to the Project shall be provided by Chester Metropolitan District ("CMD"), as evidenced by a water availability letter provided to the Company by CMD. Other than as outlined in the letter, there are no other CMD fees applicable to the construction and permitting of the Project.

1.2.4. Sewer Service. Chester County Wastewater Recovery ("CWR") will provide wastewater treatment service to the Project as evidenced by a wastewater treatment availability letter provided to the Company by CWR. Other than as outlined in the letter, there are no other CWR fees applicable to the construction and permitting of the Project.

1.2.5. Telecommunication Service. Telecommunication service to the Project shall be provided by Comporium, Inc. ("Comporium") pursuant to a letter provided to the Company by Comporium.

1.2.6. Rail Service. Rail freight service will be provided by Norfolk Southern Corporation ("NS") and CSX Transportation ("CSX") who will utilize Lancaster and Chester Railroad LLC ("L&C") to provide such service to the Project Land as set forth on letters to that effect by NS, CSX, and L&C that have been provided to the Company. An industry rail track will be constructed by L&C from its existing rail track onto the Project Land to provide rail service pursuant to an Industry Track & Construction Agreement between L&C and the Company.

1.3. Zoning. The Project is located in the zoning districts particularly shown on **Exhibit B** attached hereto. Based solely on information provided to the County regarding the Company's planned activities, certain portions of the Project Land need to be rezoned. In response to an appropriate rezoning request from the owner of the Project Land, the County agrees to consider a rezoning of those portions of the Project Land zoned R-2 and ID-2 to the appropriate zoning classification ID-3, so as to permit the uses the Company has proposed to the County for the Project Land. The County agrees to use commercially reasonable efforts to have the rezoning done by May 3, 2021. Upon such rezoning, the County will provide a reasonable zoning letter for the Company's reliance.

1.4. Permitting and Fees. Subject to available resources and to the extent permitted by law, DOC and the County to the extent the County has jurisdiction over the particular permit, approval, or consent referenced in the remainder of this section 1.4, will use commercially reasonable efforts to assist with the issuance of all State of South Carolina (the "State"), County, and local construction, zoning, environmental, stormwater, and other permits, including without limitation any air permit, synthetic minor permit, stormwater permit, and pre-treatment wastewater permit (if any), approvals and consents that may be necessary or reasonably desirable in connection with the construction of the Project and the operation thereof by the

Company (the "Land Development Permits"). This assistance also includes the final building inspection by the County building inspector. The County agrees to provide an expedited approval process for the Land Development Permits issued by the County. Based solely upon the information provided to DOC and the County by the Company concerning the Project, DOC and the County presently foresee no problem with respect to permitting of the Project.

The following one-time fees billed by or through the County apply to the permitting and construction of the Project based on the construction of one or more buildings with a total square footage of 1,741,000 square feet representing an investment of approximately \$175 million, provided, however, if any aspect of the proposed project changes, then the permitting fee(s) associated with the project are subject to change:

Phase	SF	U.P.	Total
Phase 1A	300,000	\$103.45	\$31,035,000
Phase 1B	1,184,000	\$103.45	\$122,484,800
Phase 1C	257,000	\$103.45	\$26,586,650
Project Total	1,741,000		\$180,106,450

There are no other County based fees applicable to the construction and permitting of the Project, including building, electrical, mechanical, HVAC, plumbing, fire impact, permitting, application, studies, development, inspection, occupancy or compliance, erosion and sediment control, wetlands mitigation or studies, utility tap, connection, survey, impact, or rezoning fees. In case the County implements additional or new County-wide impact fees, the County agrees to include a waiver of any such impact fees for all five (5) planned phases of the Project on the Project Land.

1.5. County Business License Tax. Based on the information attached hereto as Exhibit C, the County represents that the Project Land is located in the unincorporated area of the County. The County does not impose a business license tax in any unincorporated area of the County.

1.6. Multi-County Industrial Park. The County will use commercially reasonable efforts to include the Project in the multicounty industrial park between the County and York County, South Carolina (the "Park") governed by the Master Agreement Governing the York-Chester Industrial Park, dated as of December 31, 2012 (the "Park Agreement") by no later than 60 days after full execution of the FILOT Agreement (as defined below) and the County will use commercially reasonable efforts to cause the Project to continue to be located in the Park or such other multi-county industrial and business park for the period of the FILOT Agreement and SSRC (as defined below) so as to afford the Company the benefits of Title 4, Chapter 1, and Title 4, Chapter 29, of the Code of Laws of South Carolina 1976, as amended.

1.7. Fees-in-lieu of Taxes. Subject to adoption of an ordinance by County Council, the County intends to provide a fee in-lieu-of taxes ("FILOT") agreement pursuant to Chapter 44 of Title 12 of the South Carolina Code, as amended (the "FILOT Statute"), the terms of which agreement shall be mutually agreeable to the Company and the County (the "Initial FILOT Agreement"). The Initial FILOT Agreement will provide the Company with the specified FILOT benefits for 50 years for each component of the Project placed in service during the "Investment Period" (as defined in the FILOT Statute and referred to herein as the "Investment Period.") of the Initial FILOT Agreement. The Company shall be entitled to an Investment

Period of 13 years under the Initial FILOT Agreement as provided in the FILOT Statute (or such longer period as the Company may qualify for based on its investment and job creation under the FILOT Statute). The annual FILOT payment under the Initial FILOT Agreement (the “**Annual Initial Negotiated FILOT Payments**”) shall be calculated based on an assessment ratio of 4% and a locked millage rate of 462.6 mills, which is the millage rate as of June 30, 2021, and which is the lowest allowable millage rate under the FILOT Statute. All of the Project Land is located in tax district 05.

After expiration of the Investment Period under the Initial FILOT Agreement, the Company may request the County from time to time to enter into a new fee in-lieu-of taxes agreement for additional future investments after the expiration of such Investment Period (the “**Additional FILOT Agreements**”), such request for one or more Additional FILOT Agreements to contain terms at least as favorable as those contained in the Initial FILOT Agreement (taking into consideration the amount of the existing investment and jobs created, and the anticipated new investment and jobs), which requests for Additional FILOT Agreements the County agrees timely to consider taking into consideration the amount of the existing investment and jobs created and the anticipated new investment and jobs, but in no event is the County required to enter into any Additional FILOT Agreements.

1.8. Special Source Revenue Credit. The County agrees to provide a Special Source Revenue Credit (the “**SSRC**”), to help offset the cost to the Company of certain Project-related expenditures. The County shall provide the SSRC for a period of 60 years commencing when the first phase of the Project is placed in service (the “**SSRC Term**”), and shall be comprised of two components:

1.8.1. First, an SSRC to be applied against the Company’s Annual Initial Negotiated FILOT Payments under the Initial FILOT Agreement on the Project equal to 65% for the first five (5) years of the term of the Initial FILOT Agreement, 55% for years 6-10 of the Initial FILOT Agreement, 45% for years 11-30 of the Initial FILOT Agreement, 35% for years 31-40 of the Initial FILOT Agreement, and 30% for years 41-50 of the Initial FILOT Agreement.

1.8.2. Second, an SSRC to be applied against any Company FILOT payments that are not Annual Initial Negotiated FILOT Payments or Additional FILOT Agreements payments (i.e., any payments that are made solely as a result of the Project’s location in the Park and not as a result of a negotiated fee in-lieu-of tax agreement) (the “**Non-negotiated FILOT Payments**”) in an amount sufficient to provide for (A) a fee-in-lieu of taxes payment based on an assessment ratio of 4% and a fixed millage rate of 462.6 for the SSRC Term; plus (B) (i) 65% for the first five (5) years of the term of the SSRC Term, (ii) 55% for years 6-10 of the SSRC Term, (iii) 45% for years 11-30 of the SSRC Term, (iv) 35% for years 31-40 of the SSRC Term, and (v) 30% for years 41-50 of the SSRC Term (the SSRC described in section 1.8.1. of this section and in clauses (i) through (v) of the previous sentence may be referred to as the “**Performance SSRC**”). The total amount of the SSRC shall not exceed the total amount of eligible expenditures (as set forth in S.C. Code § 4-29-68(A)(2)) made by the Company.

1.9. State Funding

1.9.1. State Grant. The Secretary of Commerce will recommend approval of one or more grants in the amount of \$16,000,000 to the County (the “**State Grant**”). See letter attached here to as **Exhibit D**. The County shall use the State Grant in accordance with any applicable grant agreement(s) which the County understands will provide for the use of the State Grant at the closing of the Project Land to assist the Company with the purchase of the Project Land and after closing on the Project Land (excluding the closing on Parcel 4 of the Project Land, the closing of which may occur later but in no event later than March 31, 2023), any remaining funds may be used at the Company’s election for off-site road, water, sewer, and rail improvements or be held until the closing on Parcel 4 occurs and be applied towards the purchase price of Parcel 4; provided, however, that the Company will grant a first mortgage lien to the Coordinating Council for the amount used to purchase the Project Land and such mortgage shall not be released until the Company has

certified, to the satisfaction of the Coordinating Council, that the Company has invested \$150 million at the Project. In no event is the County required to expend any of the County's own funds (other than the State Grant) to assist in the closing. The Company will be required to enter into a Performance Agreement (the "**Grant Performance Agreement**") with the Coordinating Council and the County which will require the Company to satisfy the 496 new job creation requirement and the \$423 million capital investment requirement by the date which is 8 years from the date of approval of the State Grant (the "**Grant Deadline**"). The State Procurement Code is not applicable to the State Grant. To the extent the grant funds are used for land acquisition and mitigation pursuant to the Mitigation Agreement and not for construction as provided in section 2.2, the County procurement code is not applicable to the State Grant or has been or will be complied with to the extent applicable.

1.9.2. State Bonds. The South Carolina Secretary of Commerce will recommend that (i) the Joint Bond Review Committee ("**JBRC**") and the State Fiscal Accountability Authority ("**SFAA**") each approve and authorize the issuance of \$8,000,000 in general obligation bonds (the "**Economic Development Bonds**") under the State General Obligation Economic Development Bond Act, Section 11-41-10, et seq. ("**Bond Act**"), of the Code of Laws of South Carolina, 1976, as amended ("**Code**"); and (ii) the Office of the State Treasurer arrange for the issuance of the Economic Development Bonds as approved and authorized by JBRC and SFAA in the amount of \$8,000,000. The Company acknowledges that a condition to the issuance of the Economic Development Bonds is the Project must qualify as an Economic Development Project, in which a total of at least four hundred million dollars (\$400,000,000) is invested in the Project by the Company and at least four hundred (400) new, full-time jobs are created at the Project by the Company. The proceeds from the issuance of Economic Development Bonds in the amount of \$8,000,000 (the "**Bond Funds**") shall be solely dedicated to fund the costs of off-site wetlands mitigation, and off-site road, water, and sewer improvements that are eligible project costs, as defined in Section 11-41-30(3) of the Bond Act. The Bond Funds are anticipated to be available no later than May 31, 2021. If funding for off-site wetlands mitigation is needed prior to such date, DOC and the Coordinating Council agree to supply funds from other sources, including grants, and such supplemental funds will be reimbursed with Bond Funds once the Bond Funds are available. The Company will be required to enter into a Performance Agreement (the "**Bond Performance Agreement**") with the DOC and to satisfy the 496 new job creation requirement and the \$423 million capital investment requirement by a date which is 8 years from the date of approval of the Economic Development Bonds (the "**Bond Deadline**").

1.10. State Job Development Credits. Upon application by the Company, the Secretary of Commerce, as Chairman of the Coordinating Council, will recommend that the Enterprise Committee of the Coordinating Council approve the Company's eligibility to collect job development Credits ("**Job Development Credits**") as set forth herein. The Company may file two separate applications, provided that they are submitted simultaneously and will be considered at one meeting of the Enterprise Committee of the Coordinating Council. If approved, the Company and the Coordinating Council will enter into a revitalization agreement for each application (each, a "**Revitalization Agreement**") to allow the Company to claim Job Development Credits pursuant to the terms of the Revitalization Agreement and in accordance with S.C. Code § 12-10-80. The Company may use Job Development Credits refunded to the Company to reimburse the Company for eligible project costs incurred in connection with acquisition of real property, construction of and improvements to real property, pollution control equipment, construction of the Project, and such other items as may be permitted by law and as approved by the Coordinating Council and set forth in each Revitalization Agreement. The approval, if granted, will be subject to the following stipulations: (1) jobs paying cash compensation at or above \$16.50 per hour will be eligible for Job Development Credits, and such minimum wage requirement will be adjusted every five years to equal the lesser of a 4% annual increase or the County's average hourly wage as of the date of the adjustment and (2) Job Development Credits will be limited to \$3,250 per employee, per year.

The percentage of the Job Development Credits for each qualifying job will be between 2% and 5% of the wages of such job, with the higher paying jobs subject to higher rebate percentages as customarily provided by the Revitalization Agreement.

The Company may claim the Job Development Credits for a period of 10 years beginning once the Company certifies that it has met the minimum job requirement and minimum investment requirement as set forth in each Revitalization Agreement and begins claiming Job Development Credits, provided that if the Company reaches employment of 1,000 at the Project Land within ten (10) years of the JDC application approval date, the 10-year period will be extended to 15 years.

1.11. State Training. Training will be provided by readySC™ as outlined in the letter attached as **Exhibit J**. Subject to available resources and to the extent permitted by law, DOC agrees to use its best efforts to assist the Company in implementing the commitment from readySC™, to allow readySC™ to work closely with the Company through a comprehensive and customized process that includes recruiting, screening, and training workers to meet the Company's specifications.

1.12. State Income Tax Credits and Exemptions.

1.12.1. Statutory Tax Credits. Subject to available resources and to the extent permitted by law, DOC agrees to use its reasonable best efforts to assist the Company with its attempts to qualify for statutory tax credits for which the Company may qualify, including, but not limited to, jobs tax credits, investment tax credits, research and development tax credits and port volume increase credits.

1.12.2. Sales Tax Exemptions. Subject to available resources and to the extent permitted by law, DOC agrees to use its reasonable best efforts to assist the Company with its attempts to qualify for the sales tax exemptions for which the Company may qualify, including without limitation, the sales tax exemption for construction materials used in the construction of a manufacturing facility that invests at least \$100 million in a single site over an 18 month period under S.C. Code Ann. § 12-36-2120(67) and material handling equipment for manufacturing or distribution projects investing \$35 million or more.

1.13. Additional Incentives. In the event the Company is considering a future expansion or in case any affiliates or other suppliers or logistics providers to the Company desire to locate in the County, the Public Parties agree to give appropriate consideration to qualifying discretionary incentives for such expansion or location that are commensurate with incentives provided to new projects of a comparable scope, including, but not limited to, State grants, a fee in lieu of taxes incentive, special source revenue credits, and job development credits, provided, however, the determination of whether the County will provide any incentives remains in the County's sole and absolute discretion.

1.14. State Ports Authority Grant. The South Carolina State Ports Authority (the "SPA") has agreed to provide a \$1,000,000 grant to the Company as outlined in the letter attached hereto as **Exhibit K**. The first \$500,000 of the SPA grant shall be payable upon announcement of the Project and the remaining \$500,000 shall be paid when an annual volume of 10,000 containers (not TEU) is reached. The SPA grant shall be used for infrastructure expenses. See attached **Exhibit K**. The SPA will also support the Company's application for the Port Volume Increase Credit and the Coordinating Council agrees to accept and consider such application.

1.15. Duke Energy Grants. Duke Energy has agreed to provide a utility tax credit grant to be used by the Company for off-site public infrastructure improvements and a Carolina Investment Fund grant to be used by the Company for site preparation costs (collectively, the "Duke Grants"). The Duke Grants are conditioned upon the Company signing a power purchase agreement with Duke Energy. See attached **Exhibit C**.

1.16. Affiliates and Suppliers. The County and Company intend that the FILOT Agreement contains a provision allowing for the addition as a party to that Agreement any person or entity which (a) meets the definition of "Sponsor Affiliate" set out in the FILOT Statute; and (b) executes and delivers to the County a Joinder Agreement, the form of which shall be attached to the Initial FILOT Agreement as an exhibit. The County agrees that any company that is an Affiliate (as defined below) and qualifies as a "Sponsor Affiliate" under the FILOT Statute will be treated as aggregated with the Company as if in a single incentive agreement with the County and entitled to the same incentives and each Sponsor Affiliate's investment and job creation will count towards fulfilling the Company's achievement goals as described in this Agreement, provided, however, that each qualifying Sponsor Affiliate invest at least the minimum investment as set forth in Section 12-44-30(19) of the Act.

1.17. Public Parties' Liaison. Subject to available resources and to the extent permitted by law, DOC agrees to use its best efforts to facilitate and coordinate the activities and communications by and between the Company and the various State and local public and private entities that will be involved in the implementation of the Project. The Existing Industry program at DOC will provide a point of contact for the Company to call with issues or concerns. Members of the Existing Industry team will be able to provide assistance to the Company on an as needed basis by tapping into DOC's network of expertise and external allies.

ARTICLE 2 COMPANY COMMITMENTS

2.1. Project. The Project is comprised of the Project Land, the improvements to be constructed thereon, and certain personal property for use in connection with the Project, and any other investment satisfying the statutory definition of "economic development property" in the FILOT Statute. The Company may include one or more entities, now existing or to be formed in the future, which own and control, are owned and controlled by, or are under common ownership and control with, the Company (each, an "Affiliate"), each of which must qualify as a "Sponsor Affiliate" under the FILOT Statute, so long as each additional entity signs the Joinder Agreement attached to the Initial Fee Agreement. For purposes of the FILOT documents, the Grant Performance Agreement, and the State training programs, the Public Parties expressly agree that, for purposes of any minimum job creation requirements or obligations or any representations or warranties under the FILOT documents, the Grant Performance Agreement and the State training programs, the jobs created or investment by any Affiliates, will count towards any minimum job creation and investment requirements to which the Company is subject or which it represents or warrants; provided, however that for purposes of the Bond Performance Agreement, the Company must create a minimum of 400 jobs and \$400 million at the Project, and for purposes of Job Development Credits, only jobs created and investment made by the Company may be counted towards the minimum job creation and investment requirements of the Revitalization Agreements.

2.2. Construction of the Facilities. Subject to the receipt by the Company of the incentives described in this IA and the conditions contained in this IA, the Company or its Affiliate will acquire the Project Land and construct the Project facilities thereon. In this regard, the Company shall select the contractors or subcontractors and the architects and gain all approvals for the construction of the Project facilities.

2.3. Jobs and Investments. The Company intends, to create 496 or more new, full-time jobs and to invest \$423 million or more in real and tangible personal property that will be subject to property taxes in the County in connection with the Project. The Company shall be subject to potential reimbursement payment obligations, as set forth in Section 2.4 of this IA.

2.4. Contingencies and Reimbursement.

a. Company Contingencies. The Company plans to proceed with the Project in reliance upon the fulfillment of all the commitments of the Public Parties as referenced herein and on environmental, geotechnical, wetlands, cultural resources, and other conditions of the Project Land being acceptable to the

Company. The Company's commitment to go forward with the Project is also contingent upon fulfillment of the commitments made by other public and private entities.

b. Company Reimbursement Obligation to County. If the Company fails to meet the following performance criteria on the dates set forth below, the Company shall be obligated to repay a prorated portion of the Performance SSRCs received for the applicable measuring period described below with such prorated portion to be calculated by determining the average achievement percentage of the job and investment requirements as of such date:

(i) create 400 or more new, full-time jobs and invest \$400 million or more measured as of the end of the eight (8th) property tax year following the end of the property tax year in which Project property has first been placed in service (the "Commencement Date");

(ii) create an additional 100 or more new, full-time jobs (for a cumulative job creation of at least 500) and invest an additional \$100 million or more (for a cumulative investment of at least \$500 million) during the period commencing with the measuring date of the previous subsection (i) and ending at the end of the thirtieth (30th) property tax year following the Commencement Date;

(iii) create at least an additional 200 or more full-time jobs (for a cumulative job creation of at least 700) and invest at least an additional \$200 million or more (for a cumulative investment of at least \$700 million) during the period commencing with the measuring date of the previous paragraph (ii) and ending at the end of the fortieth (40th) property tax year following the Commencement Date;

(iv) create at least an additional 200 or more full-time jobs (for a cumulative job creation of at least 900) and invest at least an additional \$200 million or more (for a cumulative investment of at least \$900 million) during the period commencing with the measuring date of the previous paragraph (iii) and ending at the end of the fiftieth (50th) property tax year following the Commencement Date; and

(v) create at least an additional 300 or more full-time jobs (for a cumulative job creation of at least 1200) and invest at least an additional \$600 million or more (for a cumulative investment of at least \$1.5 billion) during the period commencing with the measuring date of the previous paragraph (iv) by the end of the sixtieth (60th) property tax year following the Commencement Date.

Investment shall be measured based on gross cost without regard to depreciation and any capital expenditures funded or reimbursed by grants or other incentives shall count towards the minimum investment requirement as long as such property is reported, as taxable, by the Company on its annual property tax or FILOT returns. The investment and job creation requirements in the previous sections (i) through (v) shall be referred to as the **Contract Minimum Investment Requirement** and the **Contract Minimum Jobs Requirement**, respectively. The claw back shall be calculated using the following formula:

Repayment Amount = Total Performance SSRC received over applicable measuring period x Claw Back Percentage

Claw Back Percentage = 100% - Overall Achievement Percentage

Overall Achievement Percentage = (Investment Achievement Percentage + Jobs Achievement Percentage) / 2

Investment Achievement Percentage = Actual Investment Achieved / Contract Minimum Investment Requirement [may not exceed 100%]

Jobs Achievement Percentage = Actual New, Full-Time Jobs Created / Contract Minimum Jobs Requirement [may not exceed 100%]

In calculating each achievement percentage, only the investment made or new jobs achieved up to the Contract Minimum Investment Requirement and the Contract Minimum Jobs Requirement will be counted

and, if the Company meets an average of 90% of the job and investment goals, then the claw back reimbursement obligation under this Fee Agreement will not apply.

For example, and by way of example only, if the County granted \$100,000 in Infrastructure Credits, and \$410,000,000 had been invested at the Project and 200 jobs had been created by the end of the measuring period under section 2.4(b)(i), the Repayment Amount would be calculated as follows:

$$\text{Jobs Achievement Percentage} = 200 / [\text{Contract Minimum Jobs Requirement}] = 50\%$$

$$\text{Investment Achievement Percentage} = \$400,000,000 / \$[\text{Contract Minimum Investment Requirement}] = 100\%$$

$$\text{Overall Achievement Percentage} = (50\% + 100\%) / 2 = 75\% \text{ (is less than 90\%)}$$

$$\text{Claw Back Percentage} = 100\% - 75\% = 25\%$$

$$\text{Repayment Amount} = \$100,000 \times 25\% = \$25,000$$

Any such reimbursement shall be paid by the Company through an increase in FILOT payments (or in case FILOT payments are no longer made by the Company, ad valorem tax payments) for any reimbursement occurring, commencing in the year after the end of the applicable measuring period in ten equal annual installments.

c. Company Reimbursement Obligation to the State.

1. Grant Repayment. If the Company fails to create 496 or more new, full-time jobs and to invest \$423 million or more as of the end of the Grant Period (as defined in the Grant Performance Agreement) or to maintain such jobs and investment for a period of 5 years as required by the Grant Performance Agreement, the Company shall be obligated to repay a prorated portion of the State Grant as set forth in the Grant Performance Agreement. The Company's reimbursement obligation shall be secured by a first mortgage lien on the Project Land, to be released when the total investment by the Company, as evidenced to the satisfaction of the Coordinating Council, has reached \$150 million.

The Grant Performance Agreement shall provide for the following claw back obligations:

Failure to reach 400 new jobs and \$400 million investment by the Grant Deadline: 100% repayment of the State Grant (\$16 million total).

Failure to reach at least 496 jobs and \$423 million in investment but having reached at least 400 new jobs and \$400 million in investment by the Grant Deadline: a pro-rata claw back based on the percentage shortfall in each category with 50% of the State Grant allocated to new jobs and 50% of the State Grant allocated to the Investment For example (and by way of example only), if the Company created 400 new jobs and invested \$400 million by the Grant Deadline, the repayment obligation would be as follows:

Jobs achievement is $400/496 = 80.6\%$. Jobs shortfall payment is $19.4\% \times \$8 \text{ million} = \$1,552,000$ million.

Investment achievement is $400/423 = 94.5\%$. Investment shortfall payment is $5.5\% \times \$8 \text{ million} = \$440,000$.

Total repayment of the State Grant is \$1,992,000.

2. Bond Funds Repayment. If the Company fails to create 496 or more new, full-time jobs and to invest \$423 million or more as of the end of the Achievement Period (as defined in the Bond Funds Performance Agreement) or to maintain such jobs and investment for a period of 5 years as required by the Bond Funds Performance Agreement, the Company shall be obligated to repay a prorated portion of the Bond Funds as set forth in the Bond Funds Performance Agreement.

The Bond Funds Performance Agreement shall provide for the following claw back obligations:

Failure to reach 400 new jobs and \$400 million investment by the Bond Deadline: 100% repayment of the Bond Funds (\$8 million total).

Failure to reach at least 496 jobs and \$423 million in investment but having reached at least 400 new jobs and \$400 million in investment by the Bond Deadline: a pro-rata claw back based on the percentage shortfall in each category with 50% of the Bond Funds allocated to new jobs and 50% of the Bonds Funds allocated to the Investment For example (and by way of example only), if the Company created 400 new jobs and invested \$400 million by the Bond Deadline, the repayment obligation would be as follows:

Jobs achievement is $400/496 = 80.6\%$. Jobs shortfall payment is $19.4\% \times \$4 \text{ million} = \$776,000$.

Investment achievement is $400/423 = 94.5\%$. Investment shortfall payment is $5.5\% \times \$4 \text{ million} = \$220,000$.

Total repayment is \$996,000.

ARTICLE 3 DEFAULT

3.1 Company Default. In the event of a failure of the Company to meet the commitments set forth herein, the Public Parties shall have the right to pursue such remedies and damages as may be available under the other agreements entered into in connection with the incentives described herein.

3.2 Public Parties Default. Subject in all respects to Section 4.16, in the event of a breach of this IA or failure of the Public Parties to meet the commitments set forth herein, the Company shall have the right to pursue such remedies and damages as may be available at law or in equity.

ARTICLE 4 MISCELLANEOUS

4.1 Startup and Cessation of Company Operations. The Public Parties recognize and agree that the Company may, at its sole discretion, choose not to proceed with the Project or, at any time, reduce or cease operations and vacate the Project facilities and the Project Land, and the Public Parties hereby waive any legal claims or actions they may have against the Company based on same, except as may be separately set forth in other agreements, including the Performance Agreement, the FILOT Agreement and each Revitalization Agreement, and any other similar incentive-related agreement. It is expressly agreed that nothing contained in this IA shall be construed to contain a covenant, express or implied, to either commence or continue operations on the Project Land or otherwise, provided, however, prior to the County moving forward with any County commitment under this IA, the County may require further assurances from the Company (including, for example, additional documentation from the Company or third parties), but excluding any additional Company financial information, as the County may reasonably determine.

4.2 Governing Law. The governing law of this IA shall be the laws of the State without giving effect to any choice of law provision or rule (whether of the State or any other jurisdiction).

4.3 Commitments. The Company acknowledges that, as set forth above, some of the commitments by the Public Parties herein are subject to approvals by governing councils or as required by statute and, therefore, do not create binding commitments absent any such required approvals. The County hereby represents and confirms that the County Council has authorized and approved the County's execution and delivery of this IA by resolution and the performance by the County of its obligations hereunder. However, certain commitments of the County may require further approval by ordinance and subsequent agreement, or both.

4.4 Successors and Assigns. This IA and each document contemplated hereby or related hereto shall, except as otherwise stated herein, be binding upon and inure to the benefit of the parties hereto and to their respective successors and assigns.

4.5 Subsequent Agreements. This IA contemplates the preparation and execution of a number of subsequent agreements. The parties hereto agree to work in good faith and diligently to pursue the consummation of such agreements. In the event of any inconsistencies between the provisions of this IA and the terms of any subsequent agreement relating to an incentive, the terms of such subsequent agreement shall prevail.

4.6 Freedom of Information Act. The Company acknowledges and agrees that this IA will be subject to disclosure pursuant to the South Carolina Freedom of Information Act, Chapter 4 of Title 30 of the South Carolina Code ("FOIA"). The Public Parties intend to utilize applicable exemptions of FOIA located in S.C. Code § 30-4-40 to the maximum extent authorized by law to protect confidential information as contained in this IA or any other incentive agreements, applications, or documentation. Each of the Public Parties further agrees that, if a request is submitted to a Public Party then that Public Party will provide the Company with as much notice and opportunity to assist in preparing the response as may be reasonable under the circumstances, provided, however, that failure to provide notice shall not constitute a default under this IA.

4.7 Severability. In case any one or more of the provisions contained in this IA should be invalid, illegal, or unenforceable in any respect and for any reason whatsoever, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. In the event any such provision is held to be invalid, illegal, or unenforceable, the parties hereto shall make their commercially reasonable efforts to agree on a provision in substitution for such invalid, illegal or unenforceable provision that is as near in economic benefit as possible to the provision found to be invalid, illegal or unenforceable.

4.8 Assignment and Project Ownership. All of the commitments, inducements and incentives contained or referenced in this IA are made for the benefit of the Company and any Affiliate. This IA is not assignable by the Company without prior written consent of the Public Parties, which consent shall not be unreasonably withheld, except that the Company may assign this IA to an Affiliate without the prior written consent of the Public Parties provided that the Company notifies the Public Parties within thirty days following such assignment. Subject to Section 2.1 herein with regard to the Bond Performance Agreement and Job Development Credits, the Public Parties recognize and agree that Project ownership may be split between two or more entities in a build to suit or equipment lease arrangement, and all such entities collectively shall be entitled to the full benefits of this IA. For the sake of clarity, under the Bond Performance Agreement, one company must create a minimum of 400 jobs and \$400 million at the Project, and that one company must also make the qualifying investment (including a lease arrangement) and hire its own employees in order to be eligible to claim Job Development Credits. Employees of any other entity or entities may not be counted towards the job creation requirement of any Revitalization Agreement and may only be counted towards the Bond Performance Agreement to the extent the jobs are in excess of 400.

4.9 Notices. Any notice, request, demand, claim or other communication under this IA shall be in writing and shall be duly given or made (a) when personally delivered to the intended recipient; (b) five days after it is sent by certified, first class mail, return receipt requested, postage prepaid; or (c) three days after it is sent by any recognized courier service to the following addresses of the recipients:

IF TO THE COMPANY:

Project Magma
c/o J.M. Mullis, Inc.
3753 Tyndale Drive, Suite 101
Memphis, TN 38125

WITH A COPY TO:

(does not constitute notice)
Nelson Mullins Riley & Scarborough LLP
Meridian, 17th Floor
1320 Main Street
Columbia, SC 29201
Attention: Edward Kluiters

IF TO THE COUNTY:

Chester County, South Carolina
1476 J.A. Cochran Bypass
Chester, SC 29706
Attention: Interim County Supervisor

WITH A COPY TO:

(does not constitute notice)
Joan E. Winters
The Winters Law Firm
105 Main Street
Chester, South Carolina

AND

(does not constitute notice)
Michael E. Kozlarek
Kozlarek Law LLC
Post Office Box 565
Greenville, South Carolina 29602

IF TO DOC:

South Carolina Department of Commerce
Attn: Daniel Young
1201 Main Street, Suite 1600
Columbia, SC 29201

IF TO COORDINATING COUNCIL:

South Carolina Coordinating Council for Economic Development
Attn: Daniel Young
1201 Main Street, Suite 1600
Columbia, SC 29201

4.10 Waiver. Any party may waive compliance by any of the other parties with any term or condition of this IA only in a writing signed by the waiving party.

4.11 Entire Agreement; Amendment. Except as stated to the contrary herein, or except as may be stated in future agreements executed by and binding upon the applicable parties to this IA, this IA constitutes the entire understanding among the parties with respect to the subject matter hereof. None of the parties shall be bound by any terms, conditions, statements or representations (oral or written) not herein contained.

4.12 Time of Essence. Time is expressly declared to be of the essence with respect to the matters addressed in this IA.

4.13 Further Action. The Public Parties intend to take whatever actions are necessary or appropriate in order to confirm and ratify, and to comply with, their undertakings in this IA.

4.14 Incorporation by reference. All Exhibits referred to in this IA are to be considered as if they are attached to and completely incorporated in this IA by reference.

4.15 Headings. The headings contained in this IA are for convenience only and shall in no way affect the meaning of the provisions contained herein.

4.16 Counterparts. This IA may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures hereto and thereto were upon the same instrument.

4.17 County Commitments. The authorization, execution, and delivery of this IA, and the document related to or contemplated by this IA and any obligations of the County under this IA or any document related to or contemplated by this IA are subject to further approval by the County Council and compliance with the provisions of the Home Rule Act regarding the procedural requirements for adopting ordinances and resolutions, any law that may relate to the FILOT Agreement or SSRC, or both, and State law generally. This IA, any document related to or contemplated by this IA, and any obligations of the County under this IA or any document related to or contemplated by this IA is not intended to violate State law in any respect. Any commitment by the County that contemplates the County's authorizing, executing, and delivering any additional document related to or contemplated by this IA, remains subject to that (or those) document(s) being negotiated, documented, and approved between the County. Notwithstanding anything in this IA, or any document related to or contemplated by this IA, to the contrary, the County does not intend to be, and is not, bound by any commitment of any other party, entity, or person, including, for example, any of the other Public Entities.

4.17 Indemnification of County.

(a) Except as provided in paragraph (d) below, the Company shall indemnify and save the County, its employees, elected officials, officers and agents (each, an "Indemnified Party") harmless against and from all liability or claims arising from the County's execution of this IA, performance of the County's obligations under this IA or the administration of its duties pursuant to this IA, or otherwise by virtue of the County having entered into this IA, but excluding the avoidance of any County-based procurement requirements.

(b) The County is entitled to use counsel of its choice and the Company shall reimburse the County for all of its reasonable costs, including reasonable attorneys' fees, incurred in connection with the response to or defense against such liability or claims as described in paragraph (a), above. The County shall provide a statement of the costs incurred in the response or defense, and the Company shall pay the County within 30 days of receipt of the statement. The Company may request reasonable documentation evidencing the costs shown on the statement. However, the County is not required to provide any documentation which may be privileged or confidential to evince the costs.

(c) The County may request the Company to resist or defend against any claim on behalf of an Indemnified Party. On such request, the Company shall resist or defend against such claim on behalf of the Indemnified Party, at the Company's expense. The Company is entitled to use counsel of its choice, manage, and control the defense of or response to such claim for the Indemnified Party; provided the Company is not entitled to settle any such claim without the consent of that Indemnified Party.

(d) Notwithstanding anything in this section or this IA to the contrary, the Company is not required to indemnify any Indemnified Party against or reimburse the County for costs arising from, any claim or liability (i) occasioned by the acts of that Indemnified Party, which are unrelated to the execution of this IA, performance of the County's obligations under this IA, or the administration of its duties under this IA, or otherwise by virtue of the County having entered into this IA; (ii) resulting from that Indemnified Party's own negligence, bad faith, fraud, deceit, or willful misconduct; (iii) any violation of law by such Indemnified Party, excluding a violation of the validity of the incentives contemplated by the IA not as a result of a failure to comply with procedural requirements imposed upon the County in authorizing or administering such incentives, or (iii) in excess of \$350,000.

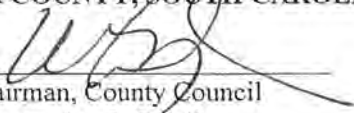
(e) An Indemnified Party may not avail itself of the indemnification or reimbursement of costs provided in this section unless it provides the Company with prompt notice, reasonable under the circumstances, of the existence or threat of any claim or liability, including, without limitation, copies of any citations, orders, fines, charges, remediation requests, or other claims or threats of claims, in order to afford the Company notice, reasonable under the circumstances, within which to defend or otherwise respond to a claim.

(f) The Company agrees to pay up to \$30,000 in attorney's fees incurred by the County in connection with the negotiation and execution of this IA, the documents related to the FILOT, and any other matters in connection with the IA and FILOT.

[Signature pages follow.]

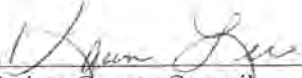
IN WITNESS WHEREOF, the parties hereto have executed this IA effective as of the date first written above.

CHESTER COUNTY, SOUTH CAROLINA



Interim Chairman, County Council
Chester County, South Carolina

(SEAL)
ATTEST:



Clerk to County Council
Chester County, South Carolina

IN WITNESS WHEREOF, the parties hereto have executed this IA effective as of the date first written above.

**SOUTH CAROLINA DEPARTMENT OF
COMMERCE**

WITNESS:

[Handwritten Signature]

By: *Alton D. Young*
Its: *Exec. Director*
S.C. Board of Commerce

IN WITNESS WHEREOF, the parties hereto have executed this IA effective as of the date first written above.

**SOUTH CAROLINA COORDINATING
COUNCIL FOR ECONOMIC DEVELOPMENT**

WITNESS:

[Handwritten Signature]

By: *Alvin D. Young*
Its: EXEC. DIRECTOR

IN WITNESS WHEREOF, the parties hereto have executed this IA effective as of the date first written above.

PROJECT MAGMA

WITNESS:

[Handwritten Signature]

By: *[Handwritten Signature]*
Its: *Michael V. Roberts*
VP- Operations

ORDINANCE NO. 2021-3

EXHIBIT C

FORM OF FEE IN-LIEU OF *AD VALOREM* TAXES AGREEMENT

[SEE ATTACHED 26 PAGES]

**FEE-IN-LIEU OF *AD VALOREM* TAXES AND
SPECIAL SOURCE REVENUE CREDIT AGREEMENT**

BETWEEN

PROJECT MAGMA, AS SPONSOR

AND

CHESTER COUNTY, SOUTH CAROLINA

EFFECTIVE: June [], 2021

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I PROJECT OVERVIEW	4
Section 1.1. Agreement to Waive Requirement of Recapitulation.....	4
Section 1.2. Rules of Construction; Defined Terms	4
ARTICLE II REPRESENTATIONS AND WARRANTIES.....	8
Section 2.1. Representations of the County.....	8
Section 2.2. Representations of the Sponsor	9
ARTICLE III THE PROJECT	9
Section 3.1. The Project	9
Section 3.2. Diligent Completion	10
Section 3.3. Multi-County Park.....	10
Section 3.4. Leased Property	10
ARTICLE IV PAYMENTS IN LIEU OF TAXES AND SPECIAL SOURCE REVENUE CREDIT .	10
Section 4.1. Special Source Revenue Credit	11
Section 4.2. Negotiated FILOT Payments.....	10
Section 4.3. Claw Back	13
Section 4.4. Payments in Lieu of Taxes on Replacement Property.....	14
Section 4.5. Reductions in Payments in Lieu of Taxes Upon Removal, Condemnation or Casualty	14
Section 4.6. Place and Allocation of Payments in Lieu of Taxes	15
Section 4.7. Removal of Equipment.....	15
Section 4.8. Damage or Destruction of Project	15
Section 4.9. Condemnation	15
Section 4.10. Merger of Sponsor with Related Party.....	16
Section 4.11. Indemnification Covenants.....	16
Section 4.12. Confidentiality/Limitation on Access to Project.....	17
Section 4.13. Records and Reports	17
Section 4.14. Payment of Administrative Expenses	17
Section 4.15. Collection and Enforcement Rights of County	17
Section 4.16. Assignment and Subletting	17
Section 4.17. County's Estoppel Certificates for Sponsor's Financing Transactions	18
Section 4.18. Sponsor's Continuing Obligations After Termination by Sponsor.....	18
Section 4.19. Events of Default	18
Section 4.20. Remedies on Default.....	18
Section 4.21. Remedies Not Exclusive.....	19
Section 4.22. Reimbursement of Legal Fees and Other Expenses	19
ARTICLE V MISCELLANEOUS	19
Section 5.1. Notices	19
Section 5.2. Binding Effect.....	20
Section 5.3. Counterparts.....	20
Section 5.4. Governing Law	20
Section 5.5. Headings.....	20
Section 5.6. Amendments	20
Section 5.7. Further Assurance.....	20
Section 5.8. Severability.....	20
Section 5.9. Limited Obligation	21
Section 5.10. Force Majeure.....	21
Section 5.11 No Double Payment; Future Changes in Legislation	21
Section 5.12. Sponsor Affiliates	21
Section 5.13. Termination; Termination by Sponsor	21
Section 5.14. Counterparts; Electronic Signatures.....	22

**FEE-IN-LIEU OF *AD VALOREM* TAXES AND
SPECIAL SOURCE REVENUE CREDIT AGREEMENT**

THIS FEE-IN-LIEU OF *AD VALOREM* TAXES AND SPECIAL SOURCE REVENUE CREDIT AGREEMENT ("**Fee Agreement**") is entered into, effective, June [], 2021, between Chester County, South Carolina ("**County**"), a body politic and corporate and a political subdivision of the State of South Carolina ("**State**"), acting through the Chester County Council ("**County Council**") as the governing body of the County, and [], a corporation organized and existing under the laws of the State of [], previously identified as Project 2038, Project Magma, and Project ECO ("**Sponsor**").

WITNESSETH:

WHEREAS, the County is authorized and empowered under and pursuant to the provisions of Title 12, Chapter 44 ("**Act**") of the Code of Laws of South Carolina 1976, as amended ("**Code**"): (i) to enter into agreements with certain entities meeting the requirements of the Act to construct, operate, maintain, and improve certain industrial and commercial properties through which the economic development of the State of South Carolina will be promoted and trade developed by inducing corporate headquarters, manufacturing and commercial enterprises to locate and remain in the State of South Carolina and thus utilize and employ the manpower, agricultural products, and natural resources of the State; (ii) to covenant with such investors to accept certain payments in lieu of *ad valorem* taxes with respect to the project; and (iii) to maintain, create or expand, in conjunction with one or more other counties, a multi-county industrial park in order to afford certain enhanced income tax credits to such investors;

WHEREAS, County is authorized and empowered under and pursuant to Title 4, Chapter 1 of the Code, including Section 4-1-175 thereof, and, by incorporation, Section 4-29-68 of the Code, and by Article VIII, Section 13 of the South Carolina Constitution (collectively, "**Multi-County Park Act**") to establish or expand a multicounty industrial or business park and grant certain special source revenue credits against the fee in lieu of tax payments generated by such multicounty business park to pay costs of designing, acquiring, constructing improving or expanding (i) infrastructure serving a project or the County, and (ii) for improved or unimproved real estate and personal property including machinery and equipment used in the operating of a manufacturing or commercial enterprise ("**Infrastructure**"), and to provide for certain enhanced income tax credits to businesses located in such multicounty industrial or business park;

WHEREAS, the Sponsor proposes to establish a beverage production, containerization, and distribution facility on the real estate described in Exhibit A attached hereto ("**Real Property**") in Chester County, South Carolina ("**Project**");

WHEREAS, the Project will involve an expected investment in real and personal property of at least \$400,000,000 within an eight-year period as further described in this Agreement, which would meet the minimum investment requirement under the Act;

WHEREAS, the Project is also expected to create not less than 400 new, full-time jobs in the County within such eight-year period;

WHEREAS, if the \$400,000,000 investment is reached, the Project would qualify as an enhanced investment as provided in Section 12-44-30(7) of the Act;

WHEREAS, pursuant to the Act, the County has determined 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 incorporated municipality or a 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;

WHEREAS, the County Council adopted an inducement resolution on February 1, 2021, and enacted an ordinance on June [], 2021, ("**Fee Ordinance**"), as an inducement to the Sponsor to develop the Project

and at the Sponsor's request, the County Council authorized the County to enter into this Fee Agreement as a fee-in-lieu of ad valorem tax agreement with the Sponsor which identifies the property comprising the Project as Economic Development Property under the Act subject to the terms and conditions hereof;

WHEREAS, the Project constitutes Economic Development Property within the meaning of the Act; and

WHEREAS, for the purposes set forth above, based on information regarding the Project provided by the Sponsor to the County, the County has determined that it is in the best interests of the County to enter into this Fee Agreement with the Sponsor subject to the terms and conditions herein set forth.

NOW, THEREFORE, AND IN CONSIDERATION of the respective representations and agreements hereinafter contained, the parties hereto agree as follows, with the understanding that no obligation of the County described herein shall create a pecuniary liability or charge upon its general credit or taxing powers, but shall be payable solely out of the sources of payment described herein and shall not under any circumstances be deemed to constitute a general obligation to the County:

ARTICLE I PROJECT OVERVIEW

Section 1.1. Agreement to Waive Requirement of Recapitulation. Pursuant to Section 12-44-55(B) of the Act, the County and the Sponsor agree to waive the requirement of including in this Agreement the recapitulation information as set forth in Section 12-44-55(A) of the Act. If the Sponsor should be required to retroactively comply with the recapitulation requirements of Section 12-44-55 of the Act, then the County agrees, to the extent permitted by law, to waive all penalties (if any) of the County for the Sponsor's noncompliance that are within the County's control.

Section 1.2. Rules of Construction; Defined Terms. In addition to the words and terms elsewhere defined in this Fee Agreement, the terms defined in this Article shall have the meaning herein specified, unless the context clearly requires otherwise. The definition of any document shall include any amendments to that document, unless the context clearly indicates otherwise.

"Act" shall mean Title 12, Chapter 44, Code of Laws of South Carolina, 1976, as amended, and all future acts supplemental thereto or amendatory thereof.

"Act Minimum Investment Requirement" shall mean an investment of at least \$2,500,000 by the Sponsors of eligible economic development property under the Act.

"Additional FILOT Agreements" shall mean additional, new fee in lieu of taxes agreements entered into by the Sponsor and the County for investments by the Sponsor after expiration of the Investment Period.

"Administrative Expenses" shall mean the reasonable and necessary expenses, including attorneys' fees, incurred by the County with respect to the Project and this Fee Agreement.

"Annual Initial Negotiated FILOT Payments" shall mean the annual Negotiated FILOT payments under this Fee Agreement.

"Authorized Sponsor Representative" shall mean any person designated from time to time to act on behalf on the Sponsor as evidenced by a written certificate or certificates furnished to the County containing the specimen signature of each such person, signed on behalf of the Sponsor by its Manager, its President, one of its vice presidents, its general counsel, its secretary, or any assistant secretary. Such certificates may designate an alternate or alternates and may designate different Authorized Sponsor Representatives to act for the Sponsor with respect to different sections of this Fee Agreement.

"Chairman" shall mean the Chairman of the County Council of Chester County, South Carolina.

“Closing” or “Closing Date” shall mean the date of the execution and delivery hereof.

“Code” shall mean the South Carolina Code of Laws, 1976, as amended.

“Commencement Date” shall mean the last day of the property tax year during which Economic Development Property is first placed in service, except that this 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 Sponsor execute this Fee Agreement.

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

“County Supervisor” shall mean the person elected to be and serving as the county supervisor of the County at any one time during the term of this Fee Agreement, or, in the event that the form of government of the County changes from that which is in place at the time of the execution of this Fee Agreement, the person who is authorized to perform the managerial and/or administrative duties presently assigned to the County Supervisor.

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

“Diminution of Value” in respect of any Phase of the Project shall mean any reduction in the value based on original fair market value as determined in Step 1 of Section 4.1 of this Fee Agreement, of the items which constitute a part of the Phase which may be caused by (i) the Sponsor’s removal of equipment pursuant to Section 4.7 of this Fee Agreement, (ii) a casualty to the Phase of the Project, or any part thereof, described in Section 4.8 of this Fee Agreement or (iii) a condemnation to the Phase of the Project, or any part thereof, described in Section 4.9 of this Fee Agreement.

“Economic Development Property” shall mean all items of real and tangible personal property comprising the Project which are eligible for inclusion as economic development property under the Act, become subject to this Fee Agreement, and which are identified by the Sponsor in connection with its annual filing of a SCDOR PT-300 or comparable form with the South Carolina Department of Revenue (as such filing may be amended from time to time) for each year within the Investment Period. Title to all Economic Development Property shall at all times remain vested in the Sponsor, except as may be necessary to take advantage of Section 12-44-160 of the Act.

“Enhanced FILOT Investment” shall mean an investment that meets the definition of Section 12-44-30(7) of the Act.

“Enhanced Fee Retroactive Tax Payment” shall mean the payment due if the Sponsor meets the Act Minimum Investment Requirement but fails to reach the Enhanced FILOT Requirements, such payment to be equal to the difference between the (i) Negotiated FILOT Payments made under this Fee Agreement (including any applicable SSRCS) to the date of the determination that the Sponsor does not meet the Enhanced FILOT Requirements, and (ii) the Negotiated FILOT Payments due under this Agreement based on an assessment ratio of 4% (including any SSRCS) for such retroactive period, taking into account exemptions and/or abatements from property taxes that would have been available to the Sponsor, including but not limited to any exemption and/or abatement provided pursuant to Section 1237-220(A)(7) of the Code

“Enhanced FILOT Requirements” shall mean the requirements of Section 12-44-30(7) of the Act which are as of the date hereof: (a) an investment by a single sponsor investing at least one hundred fifty million dollars and creating at least one hundred twenty-five new full-time jobs at the project; provided that the new full-time jobs requirement does not apply to a taxpayer who paid more than fifty percent of all property taxes actually collected in the County for more than twenty-five years, ending on the date of the fee agreement; (b) an investment by a single sponsor investing at least four hundred million dollars; or (c) an investment that satisfies the requirements of Section 11-41-30(2)(a) of the Code, and for which the

Secretary of Commerce has delivered certification pursuant to Section 11-41-70(2)(a) of the Code.

“Equipment” shall mean all of the equipment, office furniture, and fixtures, together with any and all additions, accessions, replacements and substitutions thereto or therefor to the extent such equipment and fixtures are not part of the Improvements.

“Event of Default” shall mean any Event of Default specified in Section 4.19 of this Fee Agreement.

“Fee Agreement” shall mean this Fee-In-Lieu of Ad Valorem Taxes and Special Source Revenue Credit Agreement.

“Fee Term” or “Term” shall mean the period from the date of delivery of this Fee Agreement until the last Phase Termination Date unless sooner terminated or extended pursuant to the terms of this Fee Agreement.

“FILOT” shall mean a fee-in-lieu of taxes pursuant to the Act or pursuant to the Multi-County Park Act, as the context requires.

“FILOT Payments” shall mean the Negotiated FILOT Payments or the Non-negotiated FILOT Payments, as the context requires.

“FILOT Revenues” shall mean the revenues received by the County from the Sponsor’s payment of Negotiated FILOT Payments or Non-negotiated FILOT Payments.

“Final Termination Date” shall mean the date on which the SSRC Term ends or such earlier date as may be provided for under this Fee Agreement.

“Improvements” shall mean the buildings, structures and other improvements constructed or to be constructed or installed upon the Real Property as part of the implementation of the Project.

“Infrastructure” means (i) the infrastructure serving the County or the Project, and (ii) improved and unimproved real estate. Upon the written election by the Sponsor and notice to the County, personal property, including machinery and equipment, used in the operation of a manufacturing or commercial enterprise, and such other items as may be described in or permitted under Section 4-29-68 of the Code shall also be included in the definition of Infrastructure.

“Infrastructure Credit” means an “infrastructure improvement credit” as defined in the Act.

“Investment Period” shall mean the period commencing on the Commencement Date and ending on the last day of the eight (8th) property tax year following the Commencement Date plus a five (5) year extension for a total of thirteen (13) years; provided, if the requirements of Section 12-44-30(13) of the Act are satisfied, the Investment Period will consist of ten (10) years plus one five (5) year extension, and provided further, that if the Enhanced FILOT Requirements are not met, then the Investment Period shall end on the last day of the fifth (5th) property tax year following the Commencement date plus a five (5) year extension for a total of ten (10) years.

“Multi-County Park” shall mean that multi-county industrial/business park established pursuant to a qualifying Multi-County Park Act agreement between the County and York County, dated December 31, 2012 (“MCIP Agreement”), and any amendments thereto, or any successor multi-county industrial/business park agreement thereto.

“Multi-County Park Act” shall mean Title 4, Chapter 1 of the Code, as amended through the date hereof.

“Negotiated FILOT Payments” shall mean any fee in lieu of tax payments due pursuant to an agreement entered into between the Company and the County under the Act, including those under Section 4.1 hereof, with respect to that portion of the Project consisting of Economic Development Property.

“Non-negotiated FILOT Payments” shall mean any fee in lieu of tax payments which are made pursuant to the Multi-County Park Act and which are Non-negotiated FILOT Payments.

“Performance SSRC” shall mean the SSRC described in section 4.2(a).i hereof and in clauses (i) through (vi) of Section 4.2(b).ii hereof.

“Phase” or “Phases” in respect of the Project shall mean the Real Property, Building and Equipment placed in service during each year of the Investment Period.

“Phase Termination Date” shall mean with respect to each Phase of the Project the last day of the property tax year that is no later than the thirty-ninth (39th) year following the first property tax year in which an applicable piece of economic development property is placed in service as provided in Section 12-44-30(21) of the Act for an Enhanced FILOT Investment, plus an extension of ten (10) years for a total of forty-nine (49) years; provided, that if the Enhanced FILOT Requirements are not met, then the Phase Termination Date shall mean with respect to each Phase of the Project, the last day of the property tax year that is not later than the twenty-ninth (29th) year following the first property tax year in which an applicable piece of economic development property is placed in service, plus an extension of ten (10) years for a total of thirty nine (39) years.

“Project” shall mean the Real Property, Improvements, and the Equipment, together with the acquisition and installation thereof as acquired, in Phases.

“Project Commitment” shall mean the investment in taxable real and personal property of at least \$400,000,000 and the creation of not less than 400 new, full-time jobs in the County by the last day of the eighth property tax year following the property tax year in which Economic Development Property is first placed in service.

“Qualifying Infrastructure Costs” shall mean the costs of the Infrastructure.

“Real Property” shall mean the land identified on Exhibit A, together with all and singular rights, members, hereditaments and appurtenances belonging or in any way incident or appertaining thereto to the extent such become a part of the Project under this Fee Agreement, all improvements hereafter situated thereon and all fixtures hereafter attached thereto, to the extent such improvements and fixtures become part of the Project under this Fee Agreement.

“Replacement Property” shall mean any property which is placed in service as a replacement for any item of Equipment which is scrapped or sold by the Sponsor and treated as a Removed Component hereunder regardless of whether such property serves the same function as the property it is replacing and regardless of whether more than one piece of property replaces any item of Equipment, but only to the extent that such property may be included in the calculation of the FILOT pursuant to Section 4.1 hereof and Section 12-44-60 of the Code.

“Retroactive Tax Payment” shall mean the payment due if the Sponsor fails to meet the Act Minimum Investment Requirement in an amount equal to the difference between ad valorem property taxes on the Real Property, Improvements, and the Equipment subject to payments in lieu of taxes under this Fee Agreement computed as if this Fee Agreement had not been in effect for such retroactive period and FILOT Payments made under this Fee Agreement for that retroactive period, taking into account exemptions and/or abatements from property taxes that would have been available to the Sponsor, including but not limited to any exemption and/or abatement provided pursuant to Section 12-37-220(A)(7) of the Code

“Special Source Revenue Credit” or “SSRC” shall mean the special source revenue credit granted by the County pursuant to the Multi-County Park Act, including Section 4-1-175 thereof, and, by incorporation, Section 4-29-68 of the Code, and by Article VIII, Section 13 of the South Carolina Constitution, as further described in Section 4.2 hereof.

“SSRC Term” shall mean a term of 50 years commencing in the property tax year following the

year when the first phase of the Project is placed in service, provided, that if the Sponsor does not meet the Enhanced FILOT Requirements, the SSRC Term shall mean a term of 40 years commencing in the property tax year following the year when the first phase of the Project is placed in service.

“SSRC Extension Term” shall mean an additional term of 10 years commencing in the property tax year following the year when the SSRC Term ends, provided, that if the Sponsor does not meet the Enhanced FILOT Requirements, then the SSRC Term shall mean a term of 20 years commencing in the property tax year following the year when the SSRC Term ends.

“Sponsor” shall mean [], previously identified as Project 2038, Project Magma, and Project ECO, a[n] [] corporation duly qualified to transact business in the State and any surviving, resulting, or transferee entity in any merger, consolidation, or transfer of assets; or any assignee hereunder which is designated by the Sponsor and approved or ratified by the County.

“Sponsor Affiliate” means an entity that participates in the investment at the Project and, following receipt of any required County approval pursuant to Section 9.1 of this Fee Agreement, joins this Fee Agreement by delivering a Joinder Agreement, the form of which is attached as Exhibit B to this Fee Agreement.

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

ARTICLE II REPRESENTATIONS AND WARRANTIES

Section 2.1. Representations of the County. The County hereby represents and warrants to the Sponsor as follows:

(a) The County is a body politic and corporate and a political subdivision of the State which acts through the County Council as its governing body and by the provisions of the Act is authorized and empowered to enter into the transactions contemplated by this Fee Agreement and to carry out its obligations hereunder. The County has duly authorized the execution and delivery of this Fee Agreement and any and all other agreements described herein or therein.

(b) Based on representations by the Sponsor, County Council evaluated the Project based on all relevant criteria including the purposes the Project is to accomplish, the anticipated dollar amount and nature of the investment resulting from the Project, and the anticipated costs and benefits to the County and following the evaluation, the County determined 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 or a charge against its general credit or taxing power; (iii) the purposes to be accomplished by the Project are proper governmental and public purposes; and (iv) the benefits of the Project are greater than the costs.

(c) Based on representations by the Sponsor, the Project constitutes a “project” within the meaning of the Act.

(d) By proper action of the County Council, the County has duly authorized the execution and delivery of this Agreement and any and all actions necessary and appropriate to consummate the transactions contemplated hereby.

(e) This Agreement has been duly executed and delivered on behalf of the County.

(f) The County agrees to use its best efforts to cause the Real Property to be located within the Multi-

County Park, and the County will diligently take all reasonable acts to ensure that the Project will continuously be included with the boundaries of the Multi-County Park or another multi-county park for a term of sixty (60) years in order that the maximum tax benefits afforded by the laws of the State of South Carolina for projects in the County located within multi-county industrial parks will be available to the Sponsor.

(g) No actions, suits, proceedings, inquiries, or investigations known to the undersigned representatives of the County are pending or threatened against or affecting the County in any court or before any governmental authority or arbitration board or tribunal, which could materially adversely affect the transactions contemplated by this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement.

(h) The Multicounty Park is validly authorized and approved by the County and, to the best of the County's knowledge, the Multi-County Park is validly authorized and approved by York County, South Carolina. The MCIP Agreement has been authorized and executed by the County and by York County, South Carolina, and the County has not challenged or terminated and has no knowledge of York County having terminated or challenged the validity of the Multi-County Park.

Section 2.2. Representations of the Sponsor. The Sponsor hereby represents and warrants to the County as follows:

(a) The Sponsor is duly organized and in good standing under the laws of the State of [], has power to enter into this Fee Agreement, and by proper company action has duly authorized the execution and delivery of this Fee Agreement.

(b) The Sponsor's execution and delivery of this Fee Agreement and its compliance with the provisions hereof will not result in any material default, not waived, or cured, under any company restriction or any material agreement or instrument to which the Sponsor is now a party or by which it is bound.

(c) The Sponsor intends to operate the Project as a "project" within the meaning of the Act as in effect on the date hereof. The Sponsor intends to develop, construct, install and operate, as applicable, certain facilities on the Real Property to conduct its manufacturing, containerization, distribution, and any other legal activities and functions with respect thereto, and for such other purposes permitted under the Act as the Sponsor may deem appropriate.

(d) The availability of the payment in lieu of taxes with regard to the Economic Development Property authorized by the Act has, together with other incentives offered, induced the Sponsor to undertake the Project in the County.

(e) The Sponsor plans and intends to achieve its Project Commitment by the end of the Investment Period.

(f) The income tax year of the Sponsor, and accordingly the property tax year, for federal income tax purposes, ends on December 31.

(g) The Sponsor has retained legal counsel to confirm or has had a reasonable opportunity to consult legal counsel to confirm, its eligibility for the FILOT and other incentives granted by this Fee Agreement and has not relied on the County, its officials, employees, or legal representatives with respect to any question of eligibility or applicability of the FILOT and other incentives granted by this Fee Agreement.

ARTICLE III THE PROJECT

Section 3.1. The Project. Pursuant to the Act, the Sponsor and the County hereby agree that the property comprising the Project shall be Economic Development Property as defined under the Act and

therefore exempt from ad valorem taxation.

Section 3.2. Diligent Completion. The Sponsor agrees to use its reasonable efforts to cause the acquisition, construction, and installation of the Project to be completed as soon as practicable.

Section 3.3. Multi-County Park. By December 31, 2021, the County will use its reasonable efforts to cause the Real Property to be placed in the Multi-County Park (if not already in the Multi-County Park) and to be maintained in the Multi-County Park or in some other multicounty industrial or business park within the meaning of the Multi-County Park Act for at least as long as the SSRC is to be provided to the Sponsor under this Fee Agreement.

Section 3.4. Leased Property. To the fullest extent that State law allows or is revised or construed to permit leased assets including a building, or personal property to be installed in a building, to constitute Economic Development Property, then any property leased by the Sponsor is, at the election of the Sponsor, deemed to be Economic Development Property for purposes of this Fee Agreement.

ARTICLE IV PAYMENTS IN LIEU OF TAXES AND SPECIAL SOURCE REVENUE CREDIT

Section 4.1. Negotiated FILOT Payments. The Project is exempt from ad valorem taxation, but the Sponsor is required to make payments in lieu of *ad valorem* taxes to the County with respect to the Project. Inasmuch as the Sponsor anticipates the Project will involve an initial investment of sufficient sums to qualify to enter into a negotiated fee in lieu of tax arrangement under Section 12-44-50(A)(1) of the Act, the County and the Sponsor have negotiated the amount of the payments in lieu of taxes in accordance therewith. In accordance therewith, the Sponsor shall make payments in lieu of *ad valorem* taxes on all the Equipment, Improvements and Real Property which collectively comprise the Project and are placed in service, as follows: the Sponsor shall make payments in lieu of *ad valorem* taxes with respect to each Phase of the Project placed in service, said payments to be made annually and to be due and payable and subject to penalty assessments on the same dates and in the same manner as prescribed by the County for *ad valorem* taxes, less the SSRC. The amount of such equal annual payments in lieu of taxes shall be determined by the following procedure (subject, in any event, to the required procedures under the Act):

Step 1: The fair market value of the Phase calculated as set forth in the Act (for the Real Property and Improvements portion of the Phase, the County and the Sponsor have elected to use the fair market value established in the first year of the Phase Exemption Period), multiplied by

Step 2: an assessment ratio of 4% to the fair market value as determined for each year in Step 1 to establish the taxable value of each Phase of the Project in the year it is placed in service and in each of the forty-nine (49) years thereafter or such longer period of years that the annual fee payment is permitted to be made by the Sponsor under the Act, as amended.

Step 3: Use a locked millage rate of 462.6 mills, which is the millage rate as of June 30, 2021, and which is the lowest allowable millage rate under the FILOT Statute, to determine the amount of the payments in lieu of taxes which would be due in each year of the Fee Term on the payment dates prescribed by the County for such payments or such longer period of years that the annual fee payment is permitted to be made by the Sponsor under the Act, as amended.

Step 4: Reduce the calculated amounts determined in the previous Steps by the SSRC as described in Section 4.2 herein. The SSRC shall be applied as a reduction of the amount due and will be shown on the bill sent by the County to the Sponsor.

The Sponsor shall be entitled to an Investment Period of 13 years under this Fee Agreement as provided in the FILOT Statute (or such longer period as the Sponsor may qualify for based on its investment and job creation under the FILOT Statute).

After expiration of the Investment Period under this Fee Agreement, the Sponsor may request the County from time to time to enter into an Additional FILOT Agreement for additional future investments after the expiration of the applicable investment period, such request for one or more Additional FILOT Agreements to contain terms at least as favorable as those contained in this Fee Agreement (taking into consideration the amount of the existing investment and jobs created, and the anticipated new investment and jobs), which requests for Additional FILOT Agreements the County agrees timely to consider taking into consideration the amount of the existing investment and jobs created and the anticipated new investment and jobs, but in no event is the County required to enter into any Additional FILOT Agreements.

In the event that the Act and/or the above-described payments in lieu of taxes are declared invalid or unenforceable, in whole or in part, for any reason, the parties express their intentions that such payments and this Fee Agreement be reformed so as to most closely effectuate the legal, valid, and enforceable intent thereof and so as to afford the Sponsor with the benefits to be derived hereof, it being the intention of the County to offer the Sponsor an inducement in the amounts and duration contemplated by this Fee Agreement to locate the Project in the County. If the Project is deemed to be subject to *ad valorem* taxation, the payment in lieu of *ad valorem* taxes to be paid to the County by the Sponsor shall become equal to the amount which 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 Project was and had not been Economic Development Property under the Act. In such event, any amount determined to be due and owing to the County from the Sponsor with respect to a year or years for which payments in lieu of *ad valorem* taxes have been previously remitted by the Sponsor to the County hereunder, shall be reduced by the total amount of payments in lieu of *ad valorem* taxes made by the Sponsor with respect to the Project pursuant to the terms hereof.

To the extent permitted by law, because the Negotiated FILOT Payments agreed to herein are intended to be paid by the Sponsor to the County in lieu of taxes, it is agreed that said Negotiated FILOT Payments shall not, as to any year, be in any amount greater than what would otherwise be payable by the Sponsor to the County in property taxes if the Sponsor had not entered into a fee-in-lieu of taxes arrangement with the County.

If the Sponsor fails to meet the Act Minimum Investment Requirement, then the Fee Agreement shall terminate, and the Sponsor shall owe the County the Retroactive Tax Payment. The repayment obligations arising under this Section survives termination of this Fee Agreement.

If the Sponsor fails to meet the Enhanced FILOT Requirements, then the County agrees that the Sponsor may, pursuant to Section 12-44-100 of the Act, continue to make the Negotiated FILOT Payments and remains entitled to the SSRC provided for herein, but (i) the assessment ratio in step 1 of Section 4.1 hereof shall be adjusted from 4% to 6%; (ii) the Sponsor shall owe the County the Enhanced Fee Retroactive Tax Payment independent of, and in addition to, any claw back payments under section 4.3 hereof.

If the Sponsor reaches the Enhanced FILOT Requirements but then fails to maintain the applicable Enhanced FILOT Requirements, the assessment ratio in step 1 of Section 4.1 hereof shall be adjusted from 4% to 6% going forward, but not retroactively.

Section 4.2. Special Source Revenue Credit. The County hereby grants to the Sponsor, subject to the provisions herein, and the Sponsor hereby accepts from the County, a SSRC, in reimbursement of investment in Qualifying Infrastructure Costs to be applied to its FILOT Payments. In no event may the Sponsor's aggregate SSRC claimed pursuant to this Section exceed the aggregate amount of Qualifying Infrastructure Costs.

If the Sponsor meets and maintains the Enhanced FILOT Requirements, then it is the intent of the parties to provide the Sponsor with a 4% assessment ratio and a fixed millage rate of 462.6 mills for a term of 60 years for its Project through a combination of FILOT Payments and SSRCs provided pursuant to the

Act and the Multi-County Park Act and that sections 4.1 and 4.2 and the remaining sections of this Fee Agreement be interpreted to accomplish this purpose. Should Sponsor not meet or maintain the Enhanced FILOT Requirements, then it is further the intent of the parties to provide the Sponsor with a 6% assessment ratio and a fixed millage rate of 462.6 mills for a term of 60 years for its Project (or such term as may be remaining in case of a failure to maintain the Enhanced FILOT Requirements during the 60-year term) through a combination of FILOT Payments and SSRCs provided pursuant to the Act and the Multi-County Park Act and that sections 4.1 and 4.2 and the remaining sections of this Fee Agreement be interpreted to accomplish this purpose, subject to the retroactive and prospective repayment and adjustment provisions provided by the Act for the failure by a sponsor to meet or maintain the Enhanced FILOT Requirements and the provisions of Section 4.3 of this Fee Agreement.

The SSRC commences with the property tax year after the year in which the first phase of the Project is placed in service and shall remain effective:

- (i) during the SSRC Term; and
- (ii) during the SSRC Extension Term.

The SSRC shall be comprised of three components:

- i. First, a SSRC to be applied against the Sponsor's Annual Initial Negotiated FILOT Payments under this Agreement on the Project equal to (i) 65% for the first five (5) years of the term of this Agreement, (ii) 55% for years 6-10 of this Agreement, (iii) 45% for years 11-30 of this Agreement, (iv) 35% for years 31-40 of this Agreement, and (v) 30% for years 41-50 of this Agreement. For years 51 to 60 there shall be no Annual Initial Negotiated FILOT Payments and there shall be no SSRC under this first component of the SSRC. For clarity, should Sponsor not meet the Enhanced FILOT Requirements, the SSRC against Sponsor's Annual Initial Negotiated FILOT Payments for years 41-50 of this Agreement shall not apply as the Annual Initial Negotiated FILOT payments will have ended.
- ii. Second, a SSRC for the SSRC Term for any Non-negotiated FILOT payments (i.e., payments that are not Annual Initial FILOT Payments or payments pursuant to any Additional FILOT Agreements which payments are therefore payments that are made solely as a result of the Project's location in the Multi-County Park) in an amount sufficient to provide for a Non-negotiated FILOT Payment equal to a fee in lieu of taxes payment based on an assessment ratio of 4% and a fixed millage rate of 462.6 for the SSRC Term; and an SSRC of (i) 65% for the first five (5) years of the term of the SSRC Term, (ii) 55% for years 6-10 of the SSRC Term, (iii) 45% for years 11-30 of the SSRC Term, (iv) 35% for years 31-40 of the SSRC Term, and (v) 30% for years 41-50 of the SSRC Term. For clarity, should Sponsor not reach the Enhanced FILOT Requirements, this second component of the SSRC shall be modified by changing the assessment ratio from 4% to 6% retroactively and prospectively and should Sponsor not maintain the Enhanced FILOT Requirements once reached, prospectively only.
- iii. Third, a SSRC for the SSRC Extension Term for any Non-negotiated FILOT payments (i.e., payments that are not Annual Initial FILOT Payments or payments pursuant to any Additional FILOT Agreements which payments are therefore payments that are made solely as a result of the Project's location in the Multi-County Park) in an amount sufficient to provide for a Non-negotiated FILOT Payment equal to a fee in lieu of taxes payment based on an assessment ratio of 4% and a fixed millage rate of 462.6 for the SSRC Extension Term. For clarity, should Sponsor not reach the Enhanced FILOT Requirements, this third

component of the SSRC shall be modified by changing the assessment ratio from 4% to 6% retroactively and prospectively and should Sponsor not maintain the Enhanced FILOT Requirements once reached, prospectively only. In addition, an SSRC of 30% for years 1-10 of the SSRC Extension Term shall apply.

Section 4.3. Claw Back. If the Sponsor fails to meet the following performance criteria on the dates set forth below, then the Sponsor shall be obligated to repay a prorated portion of the Performance SSRCs received for the applicable measuring period described below with such prorated portion to be calculated by determining the average achievement percentage of the job and investment requirements as of such date as further described below:

(i) create 400 or more new, full-time jobs and invest \$400 million or more measured as of the end of the eight (8th) property tax year following the Commencement Date;

(ii) create an additional 100 or more new, full-time jobs (for a cumulative job creation of at least 500) and invest an additional \$100 million or more (for a cumulative investment of at least \$500 million) during the period commencing with the measuring date of the previous subsection (i) and ending at the end of the thirtieth (30th) property tax year following the Commencement Date;

(iii) create at least an additional 200 or more full-time jobs (for a cumulative job creation of at least 700) and invest at least an additional \$200 million (for a cumulative investment of at least \$700 million) or more during the period commencing with the measuring date of the previous paragraph (ii) and ending at the end of the fortieth (40th) property tax year following the Commencement Date;

(iv) create at least an additional 200 or more full-time jobs (for a cumulative job creation of at least 900) and invest at least an additional \$200 million or more (for a cumulative investment of at least \$900 million) during the period commencing with the measuring date of the previous paragraph (iii) and ending at the end of the fiftieth (50th) property tax year following the Commencement Date; and

(v) create at least an additional 300 or more full-time jobs (for a cumulative job creation of at least 1200) and invest at least an additional \$600 million or more (for a cumulative investment of at least \$1.5 billion) during the period commencing with the measuring date of the previous paragraph (iv) by the end of the sixtieth (60th) property tax year following the Commencement Date.

Investment shall be measured based on gross cost without regard to depreciation and any capital expenditures funded or reimbursed by grants or other incentives shall count towards the minimum investment requirement as long as such property is reported, as taxable, by the Sponsor on its annual property tax or FILOT returns. The investment and job creation requirements in the previous sections (i) through (v) shall be referred to as the **Contract Minimum Investment Requirement** and the **Contract Minimum Jobs Requirement**, respectively. The claw back shall be calculated using the following formula:

Repayment Amount = Total Performance SSRC Received over applicable measuring period x
Claw Back Percentage

Claw Back Percentage = 100% - Overall Achievement Percentage

Overall Achievement Percentage = (Investment Achievement Percentage + Jobs Achievement Percentage) / 2

Investment Achievement Percentage = Actual Investment Achieved / Contract Minimum Investment Requirement [may not exceed 100%]

Jobs Achievement Percentage = Actual New, Full-Time Jobs Created / Contract Minimum Jobs Requirement [may not exceed 100%]

In calculating each achievement percentage, only the investment made or new jobs achieved up to the Contract Minimum Investment Requirement and the Contract Minimum Jobs Requirement will be counted and, if the Sponsor meets an average of 90% of the job and investment goals, then the claw back reimbursement obligation under this Fee Agreement will not apply.

For example, and by way of example only, if the County granted \$100,000 in SSRCs, and \$410,000,000 had been invested at the Project and 200 jobs had been created by the end of the measuring period under section 4.3, the Repayment Amount would be calculated as follows:

Jobs Achievement Percentage = 200/[Contract Minimum Jobs Requirement] = 50%

Investment Achievement Percentage = \$400,000,000/[\$[Contract Minimum Investment Requirement]] = 100%

Overall Achievement Percentage = (50% + 100%)/2 = 75% (is less than 90%)

Claw Back Percentage = 100% - 75% = 25%

Repayment Amount = \$100,000 x 25% = \$25,000

Any such reimbursement shall be paid by the Sponsor through an increase in FILOT payments (or in case FILOT payments are no longer made by the Sponsor, ad valorem tax payments) for any reimbursement occurring, commencing in the year after the end of the applicable measuring period in ten (10) equal annual installments.

Section 4.4. Payments in Lieu of Taxes on Replacement Property. If the Sponsor elects to replace any Removed Components (as defined below) and to substitute such Removed Components with Replacement Property as a part of the Project, then, pursuant and subject to Section 12-44-60 of the Act, the Sponsor shall make statutory payments in lieu of *ad valorem* taxes with regard to such Replacement Property as follows (subject in all events to the applicable provisions of the Act):

(a) to the extent that the income tax basis of the Replacement Property (the “**Replacement Value**”) is less than or equal to the original income tax basis of the Removed Components (the “**Original Value**”) the amount of the payments in lieu of taxes to be made by the Sponsor with respect to such Replacement Property shall be calculated in accordance with Section 4.1 hereof; provided, however, in making such calculations, the original cost to be used in Step 1 of Section 4.1 shall be equal to the lesser of (x) the Replacement Value and (y) the Original Value, and the number of annual payments to be made with respect to the Replacement Property shall be equal to the remainder of the term of this Fee Agreement; and

(b) to the extent that the Replacement Value exceeds the Original Value of the Removed Components (the “**Excess Value**”), the payments in lieu of taxes to be made by the Sponsor with respect to the Excess Value shall be equal to the payment that would be due if the property were not Economic Development Property but subject to the provisions of Section 4.2 hereof.

Section 4.5. Reductions in Payments in Lieu of Taxes Upon Removal, Condemnation or Casualty. In the event of a Diminution of Value of any Phase of the Project, the payment in lieu of taxes with regard to that Phase of the Project shall be reduced in the same proportion as the amount of such Diminution of Value bears to the original fair market value of that Phase of the Project as determined pursuant to Step 1 of Section 4.1 hereof. For the avoidance of doubt, the SSRC shall remain applicable to such adjusted FILOT

Payment.

Section 4.6. Place and Allocation of Payments in Lieu of Taxes. The Sponsor shall make the above-described payments in lieu of taxes directly to the County in accordance with applicable law.

Section 4.7. Removal of Equipment. The Sponsor shall be entitled to remove the following types of components or Phases of the Project from the Project with the result that said components or Phases (the "**Removed Components**") shall no longer be subject to the terms of this Fee Agreement: (a) components or Phases of the Project or portions thereof which the Sponsor, in its sole discretion, determines to be inadequate, obsolete, uneconomic, worn-out, damaged, unsuitable, undesirable or unnecessary; or (b) components or Phases of the Project or portions thereof which the Sponsor, in their sole discretion, elects to remove pursuant to Section 4.8(c) or Section 4.9(b)(iii) hereof. To the extent that the SSRC is used as payment for personal property, including machinery and equipment, and the Removed Component is removed from the Project at any time during the life of the Negotiated FILOT Payment for said Removed Component, the amount of the Negotiated FILOT Payment on the Removed Component for the year in which the Removed Component was removed from the Project also shall be due for the two years immediately following the removal. To the extent that any SSRCs were used for both real property and personal property or infrastructure and personal property, all amounts will be presumed to have been first used for personal property. Notwithstanding the foregoing, if the Removed Component is removed from the Project but is replaced with qualifying Replacement Property, then the Removed Component will not be considered to have been removed from the property.

Section 4.8. Damage or Destruction of Project.

(a) *Election to Terminate.* In the event the Project is damaged by fire, explosion, or any other casualty, the Sponsor shall be entitled to terminate all or part of this Fee Agreement. In the property tax year in which the damage or casualty occurs and continues, the Sponsor is obligated to make FILOT Payments with respect to the damaged Economic Development Property only to the extent property subject to *ad valorem* taxes would have been subject to such taxes under the same circumstances for the period in question. If there has been only partial damage of the Project due to any of such casualties and the Sponsor elects to terminate this Agreement and the Sponsor has not met the Act Minimum Investment Requirement at the time of such termination, the Sponsor shall owe the County the Retroactive Tax Payment, but to the extent permitted by law if the Sponsor has met the Act Minimum Investment Requirement within the time period required under the Act, it shall owe no Retroactive Tax Payment.

(b) *Election to Rebuild.* In the event the Project is damaged by fire, explosion, or any other casualty, and if the Sponsor does not elect to terminate this Fee Agreement, then the Sponsor may in its sole discretion commence to restore the Project with such reductions or enlargements in the scope of the Project, changes, alterations and modifications (including the substitution and addition of other property) as may be desired by the Sponsor. All such restorations and replacements shall be considered, to the extent permitted by law, substitutions of the destroyed portions of the Project and shall be considered part of the Project for all purposes hereof, including, but not limited to any amounts due by the Sponsor to the County under Sections 4.1 and 4.2 hereof.

(c) *Election to Remove.* In the event the Sponsor 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 Project shall be treated as Removed Components.

Section 4.9. Condemnation.

(a) *Complete Taking.* If at any time during the term of this Fee Agreement title to or temporary use of the entire Project 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, or by voluntary transfer under threat of such taking, or in the event that title to a portion of the Project shall be taken rendering continued occupancy and use of the Project commercially infeasible in the judgment of the Sponsor, the

Sponsor shall have the option to terminate this Fee Agreement as of the time of vesting of title 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 Project or transfer in lieu thereof, the Sponsor may elect: (i) to terminate this Fee Agreement; provided, however, that if the Sponsor has not met the Act Minimum Investment Requirement at the time of such termination, the Sponsor shall owe the County the Retroactive Tax Payment, but to the extent permitted by law if the Sponsor has met the Act Minimum Investment Requirement within the time period required under the Act, it shall owe no Retroactive Tax Payment; (ii) to repair and restore the Project, with such reductions or enlargements in the scope of the Project, changes, alterations and modifications (including the substitution and addition of other property) as may be desired by the Sponsor; or (iii) to treat the portions of the Project so taken as Removed Components.

Section 4.10. Merger of Sponsor with Related Party. The County agrees that, without again obtaining the approval of the County, the Sponsor may merge with or be acquired by a related party so long as the surviving company has an equal or greater net asset value of the Sponsor and the merged entity assumes all duties and liabilities of the Sponsor set forth in this Fee Agreement.

Section 4.11. Indemnification Covenants.

(a) Except as provided in paragraph (d) below, the Sponsor shall indemnify and save the County, its employees, elected officials, officers and agents (each, an "*Indemnified Party*") harmless against and from all liability or claims arising from the County's execution of this Fee Agreement, performance of the County's obligations under this Fee Agreement or the administration of its duties pursuant to this Fee Agreement, or otherwise by virtue of the County having entered into this Fee Agreement.

(b) The County is entitled to use counsel of its choice and the Sponsor shall reimburse the County for all of its costs, including attorneys' fees, incurred in connection with the response to or defense against such liability or claims as described in paragraph (a), above. The County shall provide a statement of the costs incurred in the response or defense, and the Sponsor shall pay the County within 30 days of receipt of the statement. The Sponsor may request reasonable documentation evidencing the costs shown on the statement. However, the County is not required to provide any documentation which may be privileged or confidential to evidence the costs.

(c) The County may request the Sponsor to resist or defend against any claim on behalf of an Indemnified Party. On such request, the Sponsor shall resist or defend against such claim on behalf of the Indemnified Party, at the Sponsor's expense. The Sponsor is entitled to use counsel of its choice, manage, and control the defense of or response to such claim for the Indemnified Party; provided the Sponsor is not entitled to settle any such claim without the consent of that Indemnified Party.

(d) Notwithstanding anything herein to the contrary, the Sponsor is not required to indemnify any Indemnified Party against or reimburse the County for costs arising from any claim or liability (i) occasioned by the acts of that Indemnified Party, which are unrelated to the execution of this Fee Agreement, performance of the County's obligations under this Fee Agreement, or the administration of its duties under this Fee Agreement, or otherwise by virtue of the County having entered into this Fee Agreement; (ii) resulting from that Indemnified Party's own negligence, bad faith, fraud, deceit, or willful misconduct; (iii) any violation of law by such Indemnified Party, excluding a violation of the validity of the incentives contemplated by the IA not as a result of a failure to comply with procedural requirements imposed upon the County in authorizing or administering such incentives; or (iii) in excess of \$350,000.

(e) An Indemnified Party may not avail itself of the indemnification or reimbursement of costs provided in this Section unless it provides the Sponsor with prompt notice, reasonable under the circumstances, of the existence or threat of any claim or liability, including, without limitation, copies of any citations, orders, fines, charges, remediation requests, or other claims or threats of claims, in order to afford the Sponsor notice, reasonable under the circumstances, within which to defend or otherwise respond

to a claim.

Section 4.12. Confidentiality/Limitation on Access to Project. The County acknowledges and understands that the Sponsor utilizes confidential and proprietary “state-of-the-art” trade equipment and techniques and that a disclosure of any information relating to such equipment or techniques, including but not limited to disclosures of financial or other information concerning the Sponsor’s operations would result in substantial harm to the Sponsor. The Sponsor may clearly label any Confidential Information delivered to the County pursuant to this Fee Agreement as confidential information (“**Confidential Information**”). Therefore, subject to the provisions of Section 4.12 hereof, the County agrees that, except as required by law and pursuant to the County’s police powers and except as deemed reasonably necessary by the County in the performance of its duties as tax assessor and collector, and/or its duties as Auditor, neither the County nor any employee, agent or contractor of the County: (i) shall request or be entitled to receive any such Confidential Information; (ii) shall request or be entitled to inspect the Project or any property associated therewith; provided, however, that if an Event of Default shall have occurred and be continuing hereunder, the County shall be entitled to inspect the Project provided they shall comply with the remaining provisions of this Section; or (iii) shall disclose or otherwise divulge any such Confidential Information to any other person, firm, governmental body or agency, or any other entity unless specifically required to do so by State law. Prior to disclosing any confidential or proprietary information or allowing inspections of the Project or any property associated therewith, the Sponsor may require the execution of reasonable, individual, confidentiality and non-disclosure agreements by any officers, employees or agents of the County or any supporting or cooperating governmental agencies who would gather, receive or review such information or conduct or review the results of any inspections.

Section 4.13. Records and Reports. The Sponsor agrees to maintain or cause to be maintained and will make available to the County for inspection upon request of the County such books and records with respect to the Project as will permit the identification of the Equipment placed in service in each property tax year during the Investment Period, the amount of investment with respect thereto, and to comply with all reporting requirements of the State of South Carolina and the County applicable to property subject to payments in lieu of taxes under the Act, including without limitation the reports required by Section 12-44-90 of the Act (collectively, “**Filings**”).

Notwithstanding any other provision of this Section 4.12, the Sponsor may designate as Confidential Information any Filings delivered to the County segments thereof that the Sponsor believes contain proprietary, confidential, or trade secret matters. The County shall conform, to the extent permitted by law, with all reasonable, written requests made by the Sponsor with respect to maintaining confidentiality of such designated segments.

Section 4.14. Payment of Administrative Expenses. The Sponsor will reimburse the County from time to time for its Administrative Expenses promptly upon written request therefor, but in no event later than 60 days after receiving written notice from the County including a general statement of the amount and nature of the Administration Expense and requesting the payment of the same. The payment by the Sponsor of the County’s Administration Expenses shall not be construed as prohibiting the County from engaging, at its discretion, the counsel of the County’s choice. In no event shall the Sponsor’s reimbursement of these expenses exceed \$30,000.

Section 4.15. Collection and Enforcement Rights of County. The parties acknowledge that, as provided in Section 12-44-90 of the Code, the County’s right to receive payments in lieu of taxes hereunder shall be the same as its rights conferred under Title 12 of the Code relating to the collection and enforcement of *ad valorem* property taxes and, for purposes of this application, payments in lieu of taxes due hereunder shall be considered a property tax.

Section 4.16. Assignment and Subletting. This Fee Agreement may be assigned, in whole or in part and the Project may be subleased as a whole or in part by the Sponsor so long as such assignment or sublease is made in compliance with Section 12-44-120 of the Act; provided, however, that the County hereby expressly consents to any such assignment of this Fee Agreement, in whole or in part, by the Sponsor to

any entity, now existing or to be formed in the future, which own and control, are owned and controlled by, or are under common ownership and control with, the Sponsor, provided, however, the Sponsor notifies the County within thirty days following such assignment; and provided further that in connection with any assignment or subleasing by the Sponsor in which the Sponsor requests the release of the Sponsor from this Fee Agreement, the consent of the County shall be required, which consent shall not be unreasonably withheld. The County hereby consents to transfers not requiring its consent under the Act, and to the extent any required or further consent is requested, the County may do so by passage of a resolution.

Section 4.17. County's Estoppel Certificates for Sponsor's Financing Transactions. The County agrees to deliver, and hereby authorizes the County Administrator to execute and deliver on behalf of the County without further action required on the part of the County Council, all at the expense of the Sponsor, respectively, any estoppel certificates, acknowledgements or other documents certifying, to the County Administrator's knowledge, the full force and effect of this Fee Agreement and the absence of any default hereunder and acknowledging the continuing validity of this Fee Agreement after its transfer required in any financing related transfers authorized by Section 12-44-120 of the Act, as may be reasonably requested by the Sponsor or any lender of the Sponsor from time to time in connection with any financing arrangement or financing related transfers made by the Sponsor as contemplated under Section 12-44-120 of the Act.

Section 4.18. Sponsor's Continuing Obligations After Termination by Sponsor. In the event the Sponsor terminates this Fee Agreement, the Sponsor shall continue to be obligated to the County for its indemnification covenants under Section 4.10, the payment of outstanding Administrative Expenses under Section 4.13, and any outstanding payments in lieu of taxes under Article IV or retroactive payments required under this Fee Agreement or the Act.

Section 4.19. 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 Sponsor to make, upon levy, the payments in lieu of taxes described in Section 4.1 hereof; provided, however, that the Sponsor shall be entitled to all redemption rights granted by applicable statutes; or
- (b) Failure by the Sponsor to perform any of the other material terms, conditions, obligations or covenants of the Sponsor hereunder, which failure shall continue for a period of ninety (90) days after written notice from the County to the Sponsor specifying such failure and requesting that it be remedied, unless the Sponsor has instituted corrective action within the 90-day period and is diligently pursuing corrective action until the default is corrected, in which case the 90-day period is extended to include the period during which the Sponsor is diligently pursuing corrective action; or
- (c) A representation or warranty made by the Sponsor which is materially incorrect when made or deemed made; or
- (d) A representation or warranty made by the County which is materially incorrect when made or deemed made; or
- (e) Failure by the County to perform any of the other material terms, conditions, obligations, or covenants of the County hereunder, which failure shall continue for a period of ninety (90) days after written notice from the Sponsor to the County specifying such failure and requesting that it be remedied, unless the County has instituted corrective action within the 90-day period and is diligently pursuing corrective action until the default is corrected, in which case the 90-day period is extended to include the period during which the County is diligently pursuing corrective action.

Section 4.20. Remedies on Default. Whenever any Event of Default with respect to the Sponsor shall have occurred and shall be continuing, the County, after having given written notice to the Sponsor of such default and after the expiration of a thirty (30) day cure period the County shall grant to the Sponsor (which

cure period shall not be applicable in the case of the Sponsor's failure to make any payments due under this Fee Agreement), may take any one or more of the following remedial actions:

- (a) Terminate the Fee Agreement; or
- (b) Take whatever action at law or in equity may appear necessary or desirable to collect the other amounts due and thereafter to become due or to enforce performance and observance of any obligation, agreement, or covenant of the Sponsor under this Fee Agreement.

Whenever any Event of Default with respect to the County shall have occurred and shall be continuing, the Sponsor, after having given written notice to the County of such default and after the expiration of a thirty (30) day cure period the Sponsor shall grant to the County, may take any one or more of the following remedial actions:

- (a) bring an action for specific enforcement; or
- (b) take such other action as is appropriate, including legal action, to recover its damages, including reasonable attorneys fees, to the extent allowed by law.

Section 4.21. Remedies Not Exclusive. No remedy conferred upon or reserved to the County or the Sponsor under this Fee Agreement is intended to be exclusive of any other available remedy or remedies, but each and every remedy shall be cumulative and shall be in addition to every other lawful remedy now or hereafter existing. No delay or omission to exercise any right or power accruing upon any continuing default hereunder shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 4.22. Reimbursement of Legal Fees and Other Expenses. If a party is required to employ attorneys or incur other reasonable expenses for the collection of payments due under this Fee Agreement or for the enforcement of performance or observance of any obligation or agreement, the prevailing party is entitled to reimbursement of the reasonable fees of such attorneys and other reasonable expenses so incurred, which shall not be subject to the limitation of Section 4.11.

ARTICLE V MISCELLANEOUS

Section 5.1. 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 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:

AS TO THE COUNTY: Chester County, South Carolina
 Attn: Chester County Supervisor
 Post Office Box 580
 Chester, South Carolina 29706

WITH COPIES TO: (does not constitute notice)
 Joan E. Winters
 The Winters Law Firm
 105 Main Street
 Chester, South Carolina 29706

(does not constitute notice)
Michael E. Kozlarek
Kozlarek Law LLC

Post Office Box 565
Greenville, South Carolina 29602

AS TO THE SPONSOR: Project Magma
c/o J.M. Mullis, Inc.
3753 Tyndale Drive, Suite 101
Memphis, TN 38125

WITH COPIES TO: (does not constitute notice)
Nelson Mullins Riley & Scarborough LLP
Meridian, 17th Floor
1320 Main Street
Columbia, SC 29201
Attention: Edward Kluiters

Section 5.2. Binding Effect. This Fee Agreement and each document contemplated hereby or related hereto shall be binding upon and inure to the benefit of the Sponsor and the County and their respective successors and assigns. In the event of the dissolution of the County or the consolidation of any party 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 5.3. 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 5.4. 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 5.5. 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 5.6. Amendments. The provisions of this Fee Agreement may only be modified or amended in writing by an agreement or agreements entered into between the parties.

Section 5.7. Further Assurance. From time to time the County agrees to execute and deliver to the Sponsor such additional instruments as the Sponsor may reasonably request to effectuate the purposes of this Fee Agreement. To the extent County Council is required to take official action to effectuate the purposes of this Fee Agreement, County Council agrees to do so by resolution unless an ordinance is required by law.

Section 5.8. Severability.

(a) If any provision of this Fee Agreement is declared illegal, invalid or unenforceable for any reason, it is the intent of the parties that the remaining provisions hereof shall be unimpaired and such illegal, invalid or unenforceable provision shall be reformed, including by reducing any applicable term thereof, so as to most closely effectuate the legal, valid and enforceable intent thereof and so as to afford the Sponsor with the maximum benefits to be derived from this Fee Agreement, it being the intention of the County to offer the Sponsor the strongest inducement possible to locate the Project in the County.

(b) If the inclusion of property as Economic Development Property or any other issue is unclear under this Fee Agreement, then the parties intend that the interpretation of this Fee Agreement be done 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, which is not in excess of the benefits contemplated by

this Fee Agreement, to the extent not inconsistent with any of the explicit terms of this Fee Agreement. It is expressly agreed that the Sponsor may add Economic Development Property, whether real or personal, by including such property on the Sponsor's PT-300 Schedule S or successor form during the Investment Period to the fullest extent permitted by law.

(c) The County agrees that in case the FILOT incentive described in this Fee Agreement is found to be invalid and the Sponsor does not realize the economic benefit it is intended to receive from the County under this Fee Agreement as an inducement to locate in the County, the County agrees to provide an infrastructure credit and/or a special source revenue credit pursuant to the Multi-County Park Act, including Section 4-1-175 thereof, and, by incorporation, Section 4-29-68 of the Code, and by Article VIII, Section 13 of the South Carolina Constitution, to the Sponsor to the maximum extent permitted by law, which is not in excess of the benefits contemplated by this Fee Agreement, to the extent not inconsistent with any of the explicit terms of this Fee Agreement, to allow the Sponsor to recoup all or a portion of the loss of the economic benefit resulting from such invalidity.

Section 5.9. Limited Obligation. ANY OBLIGATION OF THE COUNTY CREATED BY OR ARISING OUT OF THIS FEE AGREEMENT SHALL BE A LIMITED OBLIGATION OF THE COUNTY, PAYABLE BY THE COUNTY SOLELY FROM THE PROCEEDS DERIVED UNDER THIS FEE AGREEMENT AND SHALL NOT UNDER ANY CIRCUMSTANCES BE DEEMED TO CONSTITUTE A GENERAL OBLIGATION OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION.

Section 5.10. Force Majeure. Except for payments in lieu of taxes under this Fee Agreement the due dates of which are statutorily mandated, the Sponsor shall not be responsible for any delays or non-performance caused in whole or in part, directly or indirectly, by strikes, accidents, pandemics, freight embargoes, fire, floods, inability to obtain materials, conditions arising from government orders, acts or regulations, war or national emergency, or acts of God.

Section 5.11 No Double Payment; Future Changes in Legislation. Notwithstanding anything contained in this Fee Agreement to the contrary, and except as expressly required by law, the Sponsor is not required to make a FILOT Payment in addition to a regular *ad valorem* property tax payment in the same year with respect to the same piece of Economic Development Property. The Sponsor is not required to make a FILOT Payment on Economic Development Property in cases where, absent this Fee Agreement, *ad valorem* property taxes would otherwise not be due on such property.

Section 5.12. Sponsor Affiliates. The Sponsor may designate Sponsor Affiliates from time to time, including at the time of execution of this Fee Agreement, pursuant to and subject to the provisions of Section 12-44-130 of the Act. To designate a Sponsor Affiliate, the Sponsor must deliver written notice to the County identifying the Sponsor Affiliate and, to the extent required by the Act, requesting the County's approval of the Sponsor Affiliate. Except with respect to a Sponsor Affiliate designated at the time of execution of this Fee Agreement, which may be approved in the County Council ordinance authorizing the execution and delivery of this Fee Agreement, approval of the Sponsor Affiliate may be given by resolution of County Council; provided, however, that the County hereby expressly consents to any future designation by the Sponsor as a Sponsor Affiliate (i) any entity, now existing or to be formed in the future, which own and control, are owned and controlled by, or are under common ownership and control with, the Sponsor, provided, however, the Sponsor notifies the County within thirty days following such designation; and (ii) any third party that the Sponsor may elect to involve in the construction or financing of the Project, provided, however, the Sponsor notifies the County within thirty days following such designation. The Sponsor Affiliate's joining in the investment at the Project will be effective on delivery of a Joinder Agreement, the form of which is attached as Exhibit B, executed by the Sponsor Affiliate to the County.

Section 5.13. Termination; Termination by Sponsor.

(a) Unless first terminated under any other provision of this Fee Agreement, this Fee Agreement terminates on the Final Termination Date.

(b) The Sponsor is authorized to terminate the provisions of Section 4.1 and/or 4.2 hereof with respect to the Negotiated FILOT Payments at any time with respect to all or part of the Project by providing the County with 30 days' notice.

(c) The Sponsor is authorized to terminate the entire Fee Agreement at any time with respect to all or part of the Project by providing the County with 30 days' notice.

(d) Any monetary obligations due and owing at the time of termination and any provisions which are intended to survive termination, survive such termination.

(e) In the year following termination, all Economic Development Property is subject to *ad valorem* taxation or such other taxation or payment in lieu of taxation that would apply absent this Fee Agreement. The Sponsor's obligation to make FILOT Payments under this Fee Agreement terminates to the extent of and in the year following the year the Sponsor terminates this Fee Agreement pursuant to this Section.

Section 5.14. State Law Considerations. The authorization, execution, and delivery of this Fee Agreement and any obligations of the County under this Fee Agreement are subject any law that may relate to the FILOT Payments or SSRCs, or both, and State law generally. This Fee Agreement and any obligations of the County under this Fee Agreement are not intended to violate State law in any respect.

Section 5.15. Counterparts; Electronic Signatures. This Fee Agreement may be executed in any number of counterparts, and all of the counterparts together constitute one and the same instrument. Each party hereto also agrees that electronic signatures, whether digital or encrypted, of the parties to this Fee Agreement are intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic signature means any electronic sound, symbol, or process attached to or logistically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or email signatures.

[ONE SIGNATURE PAGE AND TWO EXHIBITS FOLLOW]
[REMAINDER OF PAGE INTENTIONALLY BLANK]

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 its Interim Chairman/Supervisor and to be attested by the Clerk to County Council; and the Sponsor has caused this Fee Agreement to be executed by its duly authorized officer, all as of the day and year first above written.

CHESTER COUNTY, SOUTH CAROLINA

Interim Chairman/Supervisor
Chester County Council

(SEAL)

ATTEST:

Clerk to Council

[PROJECT MAGMA]

By: _____

Its: _____

CHESTER COUNTY
FISCAL YEAR 2021-2022

AN ORDINANCE

NO.: 2021-4

TO ESTABLISH OPERATING AND CAPITAL BUDGETS FOR THE OPERATION OF THE COUNTY GOVERNMENT OF CHESTER COUNTY, SOUTH CAROLINA FOR THE FISCAL YEAR COMMENCING JULY 1, 2021; TO PROVIDE FOR THE LEVY OF TAXES FOR CHESTER COUNTY FOR THE FISCAL YEAR COMMENCING JULY 1, 2021; TO PROVIDE FOR THE EXPENDITURE OF TAX REVENUES AND OTHER COUNTY FUNDS; TO PROVIDE FOR OTHER COUNTY PURPOSES; TO AUTHORIZE THE COUNTY TO BORROW MONEY IN ANTICIPATION OF TAXES AND TO PROVIDE FOR THE REPAYMENT OF SUMS BORROWED BY THE COUNTY GOVERNING BODY; TO PROVIDE FOR THE PAYMENT OF TORT CLAIMS AND WORKER'S COMPENSATION CLAIMS AGAINST CHESTER COUNTY; TO PROVIDE FOR CERTAIN FISCAL AND OTHER MATTERS RELATING TO COUNTY GOVERNMENT.

		GENERAL FUND				Department
		Personnel	Operating	Capital	Allocations	Totals
101	County Council	128,577	35,400			163,977
102	Delegation	22,807	2,200			25,007
105	County Supervisor	196,098	11,180			207,278
106	Finance	278,967	7,400			286,367
110	Human Resources	116,882	39,100			155,982
115	Purchasing Department	107,013	6,125			113,138
120	County Treasurer	257,695	56,755			314,450
125	Delinquent Tax Collector	91,901	68,910			160,811
130	Auditor	144,503	6,490			150,993
135	Tax Assessor	328,293	42,095			370,388
140	Planning and Zoning	209,213	281,200			490,413
145	Economic Development	381,648	92,210			473,858
150	Coroner	136,835	68,900			205,735
155	Registration and Election	126,718	80,525			207,243
160	County Garage	96,219	186,200			282,419
170	Building Maintenance	486,549	516,180			1,002,729
175	Airport				40,000	40,000
176	Information Technology	107,014	277,775			384,789
177	Utilities		900,000			900,000
179	Postage		45,000			45,000
180	Bond Insurance		3,000			3,000
181	Property and Liability Insurance		723,960			723,960
182	Worker's Compensation Insurance		569,933			569,933
183	Unemployment Benefits		10,000			10,000
185	Employee Health Insurance		1,571,938			1,571,938
186	Audit Expense		65,000			65,000
187	Catawba Regional		39,769			39,769
188	SC Association Of Counties		8,898			8,898
189	Grant Matching Funds		311,943			311,943
190	Contingent Fund		80,000			80,000
194	Copier Lease		125,000			125,000
199	Code Enforcement	41,415	4,560			45,975
210	GIS		41,000		9,030	50,030
215	QSI		167,260			167,260
220	Medical Services		245,673			245,673
250	Attorney Services	18,993	86,500			105,493
255	Clerk of Court	317,271	97,484			414,755
260	Family Court	163,160	87,950			251,110
265	Probate Judge	259,107	23,329			282,436
275	Chester Magistrate	388,819	60,250			449,069

CHESTER COUNTY
FISCAL YEAR 2021-2022

	Personnel	Operating	Capital	Allocations	Department Totals
291	Court of Appeals		5,000		5,000
292	Circuit Court		1,300		1,300
295	Public Defender			122,571	122,571
299	Solicitor			196,953	196,953
301	Sheriff's Department	3,155,617	593,486	31,585	3,780,688
340	Detention Center	1,962,355	488,131		2,450,486
345	Fire Coordinator	105,023	12,000		117,023
350	Rural Fire Department		465,668	15,000	480,668
355	Emergency Management	104,917	30,265		135,182
360	E911	951,030	207,457		1,158,487
365	Animal Control	281,186	96,300		377,486
370	Chester County Rescue Squad			12,000	12,000
375	Great Falls Rescue Squad			12,000	12,000
401	Road Department	170,183	94,150		264,333
402	Public Works	118,387	8,500		126,887
405	Litter Control	85,533	3,450		88,983
501	E.M.S.	2,598,409	346,600	332,000	3,277,009
505	Veteran's Affairs	131,528	6,060		137,588
510	Department of Social Services			36,000	36,000
515	D.H.E.C.			38,300	38,300
530	Senior Services			16,200	16,200
540	Chester Lancaster Disabilities			4,050	4,050
545	Soil and Water Conservation			11,000	11,000
555	Indigent Patients			74,236	74,236
560	Keystone			5,000	5,000
601	Recreation	55,762	6,000	31,216	92,978
615	Clemson Extension			12,150	12,150
625	Great Falls Hometown Association			12,000	12,000
626	Palmetto Citizens Against Sexual Assault			5,000	5,000
627	Summer Feeding Program			10,000	10,000
629	Catawba Community Mental Health Center			3,000	3,000
630	Fort Lawn Community Center			4,050	4,050
	Total Personnel	14,125,627			
	Total Operating		9,411,459		
	Total Capital		378,585		
	Total County Allocations			654,756	
TOTAL GENERAL FUND					24,570,427
MILLAGE FUNDS					
	Solid Waste Collection				815,017
	Lando Fire District				125,000
	Chester Fire District				2,004,270
	Library Operations				790,000
	York Tech				248,478
	Lewis Fire District				80,000
	Fort Lawn Fire District				90,500
	Richburg Fire District				195,978
TOTAL MILLAGE FUNDS					4,349,243
SPECIAL REVENUE FUNDS					
	E-911 Funds				270,350
	C-Funds				1,440,300
	Victims Assistance Fund				74,087
	Courthouse Improvements				75,000
	Local Recovery Funds				3,131,510
	County Local ATAX				306,000
TOTAL SPECIAL REVENUE FUNDS					5,297,247
ENTERPRISE FUND					
	Solid Waste Disposal				1,203,982
	Gateway Conference Center				199,450
TOTAL ENTERPRISE FUND					1,403,432
DEBT SERVICE FUND					
	Lando Fire District Debt Service				88,178
	Fort Lawn Fire District Debt Service				45,711
	Chester County Debt Service Retirement				1,887,175
	Chester Fire District Debt Service				112,500
	Richburg Fire District Debt Service				147,624
TOTAL DEBT SERVICE FUNDS					2,281,188
TOTAL APPROPRIATIONS					\$ 37,901,537

CHESTER COUNTY
FISCAL YEAR 2021-2022

SECTION 2: For the purposes of meeting the appropriation made in this ordinance the following receipts and anticipated revenues of Chester County are hereby allotted for such purposes, together with all other income not specifically allocated to other purposes. It is estimated that the following special revenues will accrue to Chester County during the fiscal year:

GENERAL FUND

PROPERTY TAX	
Real and Personal	9,348,574
Vehicle Taxes	1,540,961
Delinquent Tax Collections	740,000
Local Option Taxes	2,950,000
Homestead Exemption	1,119,898
Manufacturers Reimbursement	582,120
P.I.L.O.T.	175,000
Fee-in-Lieu of Taxes	2,616,898
Merchants Inventory	90,000
	<u>19,163,451</u>
LICENSES, FEES, FINES AND PERMITS	
Magistrates	250,000
Clerk of Court - Fines and Fees	220,000
Family Court	119,000
Vehicle Decal Fees	25,000
Tax Collector	95,000
Probate Judge	70,000
Zoning Fees	12,000
Building Permits	350,000
	<u>1,141,000</u>
INTERGOVERNMENTAL	
Local Government Revenue	1,483,257
Accommodations Tax - State Allocation	30,000
Salary Supplement - Elected Officials	6,300
Operating Transfer In	70,000
Sheriff Local Sources	5,000
	<u>1,594,557</u>
OTHER INCOME	
EMS Fees	1,500,000
Franchise Fees	19,924
D.S.S.	28,700
Interest Income	50,000
Rentals	35,000
National Forest Fund	40,795
Appropriation of Fund Balance	870,000
Miscellaneous	127,000
	<u>2,671,419</u>
TOTAL GENERAL FUND	<u>24,570,427</u>

MILLAGE FUNDS

PROPERTY TAXES	
Chester Fire District	2,004,270
Lando Fire District	125,000
Lewis Fire District	80,000
Fort Lawn Fire District	90,500
Richburg Fire District	195,978
Library Operations	790,000
Solid Waste Collection	815,017
York Tech	248,478
TOTAL MILLAGE FUNDS	<u>4,349,243</u>

CHESTER COUNTY
FISCAL YEAR 2021-2022

SPECIAL REVENUE FUNDS

E-911 Funds	270,350
C-Funds	1,440,300
Victims Assistance Fund	74,087
Courthouse Improvements	75,000
Local Recovery Funds	3,131,510
County Local ATAX	306,000
TOTAL SPECIAL REVENUE FUNDS	<u>5,297,247</u>

ENTERPRISE FUND

USER FEES	
Solid Waste Disposal	1,203,982
Gateway Conference Center	199,450
TOTAL ENTERPRISE FUND	<u>1,403,432</u>

DEBT SERVICE FUND

Lando Fire District Debt Service	88,178
Fort Lawn Fire Debt Service	45,711
Chester County Debt Service Retirement	1,887,175
Chester Fire District Debt Service	112,500
Richburg Fire District Debt Service	147,624
TOTAL DEBT SERVICE FUND	<u>2,281,188</u>
TOTAL REVENUE	<u>\$ 37,901,537</u>

To further meet the appropriations provided by this ordinance, The Chester County Auditor is authorized and directed to levy upon taxable property in Chester County, South Carolina, and the Chester County Treasurer is directed to collect a tax necessary to meet all budget requirements, except as provided for by other revenue sources, for the operation of the county government for the fiscal year beginning July 1, 2021 through June 30, 2022.

SECTION 3: All County purchases shall be made in accordance with the Ordinance establishing a centralized purchasing system for the procurement of goods and services required by Chester County in conformity with purchasing policies and procedures established and approved by the County governing body. The appropriations provided in the ordinance shall not in any case be exceeded, and any contracts which may be made, or which may in any manner provide for the expenditures of funds in excess of those provided in this ordinance shall not be binding upon Chester County. Any person, firm, corporation or other organization selling supplies or commodities or rendering services to Chester County is charged with the duty of ascertaining in advance whether or not the appropriations for that purchase are sufficient to pay for the furnishing of such supplies, commodities or services.

SECTION 4: No money appropriated for any specific purpose under the provisions of this ordinance shall be used for any other purpose than that specified; provided however, that the Chester County Supervisor may reallocate budgeted but unexpended funds within any county office, department, board, commission or institution receiving County funds; provided, further that the Chester County Council or a majority thereof may in its discretion by proper resolution transfer or reallocate budgeted but unexpended funds from one County office, department, board, commission, or institution to another. Any reallocation of unexpended funds for salary adjustments must be approved by Chester County Council. Also, any reallocation of unexpended funds that obligates future budgets must be approved by Chester County Council. Any amount appropriated in this ordinance may be discontinued at any time by appropriate action of a majority of the County governing body.

SECTION 5: The County is hereby empowered to borrow in anticipation of tax or other revenues for County purposes any sum not exceeding the amount anticipated to be received from taxes and other revenues during the current or succeeding fiscal year, and not only to pledge the taxes or other revenues anticipated in the current or succeeding fiscal year, but to pledge, also, the full faith and credit of Chester County for repayment of any sums so borrowed. Such sums shall be borrowed from any banking institution or lending agency and shall be payable at such time, upon such items and in such sums as may be negotiated between the County and the lender.

SECTION 6: The Chester County Attorney shall represent all agencies, boards and officials and subdivisions in Chester County, which are subject to the budgetary controls of the County Council. Said attorney shall not represent any organization, agency or individual in any matter coming before the County Council. In legal matters in which the County Attorney requests authority to associate other counsel, and such authority is approved by the County governing body, County funds may be expended as compensation for such associate counsel.

SECTION 7: An independent annual audit of all financial records and transactions of the County shall be made by a Certified Public Accountant or Firm of public accounts who have no personal interest, direct or indirect in the fiscal affairs of the County government of Chester County or any of its officers. The County Council may, without requiring competitive bids, designate such accountant or firm annually or for a period not exceeding one year; provided that such designation

shall be made not later than thirty (30) days after the beginning of such fiscal year. Unless included in the Annual County audit, an annual audit of each agency, board, bureau or commission of Chester County, funded in whole or in part by County funds shall be made. Copies of the annual audit and such other audits as are required by this section shall be filed in the office of the Clerk of Court for Chester County and provided for the Chester County Supervisor and every member of the County governing body. The audit reports shall be made available for public inspection.

SECTION 8: When employees are required to travel on official business, the County shall pay reasonable amounts for transportation, meals and lodging. If the employee's personal vehicle is utilized, the employee shall be reimbursed at the current published IRS rate. Meal expenses will be reimbursed but may not exceed \$35.00 for a twenty-four hour period for in state travel, \$50.00 for out of state travel, and \$50.00 for Myrtle Beach and Hilton Head, South Carolina.

SECTION 9: The Chester County Tax Collector may call upon the Chester County Sheriff or any deputy or constable of the County to render such aid and assistance as may be necessary in the ejection of any occupant or tenant in possession of any property at any time when ejection shall be lawful and proper in the discharge of the duties of the office of Tax Collector. Such aid and assistance shall be rendered without cost other than those provided by law.

SECTION 10: The fiscal and budgetary year of Chester County Government shall commence on the first day of July of each year and shall end on the 30th day of June the following year. All offices, departments, boards, commissions, agencies, or institutions receiving County funds shall make a full, detailed annual fiscal report to the County Council at the end of each fiscal year. The County Council may from time to time make supplemental appropriations, which shall specify the source of funds for such appropriations. The County governing body or the County Supervisor may require reports, estimates and statistics from any County agency or department as may be necessary in the preparation of annual budgets or supplemental appropriations. The Chester County Finance Office shall provide a monthly report of revenues, expenditures and cash balances to the County Council.

SECTION 11: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in the Lando Fire District in Chester County, South Carolina, and the County Treasurer is directed to collect a tax of \$125,000 which shall be utilized for the support of the Lando Fire District. The total amount appropriated for the Lando Fire District is \$125,000.

SECTION 12: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in Chester County, South Carolina, and the County Treasurer is directed to collect a tax of \$88,178 which shall be applied to the retirement of Lando Fire District bonded indebtedness. The total amount appropriated for the Lando Fire District bond retirement is \$88,178.

SECTION 13: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in the Lewis Fire District in Chester County, South Carolina, and the County Treasurer is directed to collect a tax of \$80,000 which shall be utilized for the support of the Lewis Fire District. The total amount appropriated for the Lewis Fire District is \$80,000.

SECTION 14: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in the Fort Lawn Fire District in Chester County, South Carolina, and the County Treasurer is directed to collect a tax of \$90,500 which shall be utilized for the support of the Fort Lawn Fire District. The total amount appropriated for the Fort Lawn Fire District is \$90,500.

SECTION 15: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in Chester County, South Carolina, and the County Treasurer is directed to collect a tax of \$45,711 which shall be applied to the retirement of Fort Lawn Fire District bonded indebtedness. The total amount appropriated for the Fort Lawn Fire District bond retirement is \$45,711.

SECTION 16: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in the Chester Fire District, in Chester County, South Carolina, and the County Treasurer is directed to collect a tax of \$2,004,270 which shall be utilized for the support of the Chester Fire District. The total amount appropriated for the Chester Fire District is \$2,004,270.

SECTION 17: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in Chester County, South Carolina, and the County Treasurer is directed to collect a tax of \$112,500 which shall be applied to the retirement of Chester Fire District bonded indebtedness. The total amount appropriated for the Chester Fire District bond retirement is \$112,500.

SECTION 18: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in the Richburg Fire District, in Chester County, South Carolina, and the County Treasurer is directed to collect a tax of \$195,978 which shall be utilized for the support of the Richburg Fire District. The total amount appropriated for the Richburg Fire District is \$195,978.

SECTION 19: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in Chester County, South Carolina, and the County Treasurer is directed to collect a tax of \$147,624 which shall be applied to the retirement of Richburg Fire District bonded indebtedness. The total amount appropriated for the Richburg Fire District bond retirement is \$147,624.

SECTION 20: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in the unincorporated area of Chester County, South Carolina, and the Chester County Treasurer is directed to collect a tax of \$815,017 which shall be utilized for the support of Solid Waste Collection. The total amount appropriated for Solid Waste Collection is \$815,017.

SECTION 21: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in Chester County, South Carolina, and the County Treasurer is directed to collect a tax of \$1,887,175 which shall be applied to the retirement of Chester County bonded indebtedness. The total amount appropriated for the Chester County bond retirement is \$1,887,175.

SECTION 22: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in Chester County, South Carolina, and the County Treasurer is directed to collect a tax of \$790,000 which shall be utilized for the support of the Chester County Library. The total amount appropriated for the Chester County Library is \$790,000.

SECTION 23: In addition to the other taxes levied, assessed and collected under Section 2 of this ordinance, the Chester County Auditor is authorized and directed to levy upon taxable property in Chester County, South Carolina, and the County Treasurer is directed to collect a tax of \$248,478 which shall be utilized for the support of the York Technical College campus in Chester County. The total amount appropriated for the York Technical College campus is \$248,478.

SECTION 24: Agencies, boards and commissions which are partially funded by other counties and/or other governmental units must certify to the County the amount of funds appropriated by the other counties and/or other governmental units prior to receiving any of the funds appropriated by this ordinance.

SECTION 25: Funds appropriated under this ordinance from the General Fund to any Department, Board or Agency, or for any other purpose, but unexpended during the fiscal year, shall revert to the General Fund of Chester County at the end of the fiscal year.

SECTION 26: Building permit fees will be based on the current scale of the International Building Codes or the actual cost of construction when the applicant can show detailed estimated cost to meet the approval of the building official. The minimum permit fee for a building permit, electrical permit, gas permit, plumbing permit, mechanical permit, transfer permit, refund permit and re-inspection permit shall be \$30.00. The minimum fee for a mobile home permit shall be \$200.00, which shall include a \$5.00 mobile home license fee. Other planning and zoning fees are listed under SECTION 27 of this ordinance.

SECTION 27: All taxes, fees, charges and assessments not otherwise allocated by law shall be deposited in the Chester County general fund with other general fund revenues. All such taxes, fees, charges and assessments shall be appropriated and allocated by the Chester County Council in the manner as other general revenues.

BUILDING		FEE (\$)
911 Address Stakes		20.00
Manufactured Homes (Minimum Fee)		205.00
Residential Plan Review		½ cost of permit
Commercial/Industrial Plan Review		½ cost of permit
Residential Re-inspection Fee		\$50.00
Commercial Re-Inspection Fee		\$100.00
ZONING		
Commercial Zoning Compliance Letters		35.00
Residential Zoning Compliance		20.00
Manufactured Zoning Compliance		20.00
Home Occupation Letter		35.00
Commercial/Industrial Zoning Site Plan Review		300.00
Zoning Site Plan Re-Review		75.00
Site Review		35.00
Certificate of Occupancy Zoning Site Review		35.00
Rezoning	Per Parcel	150.00
	PUD	500.00
Special Exception		150.00
Variance		150.00
New Communication Towers		1000.00
Zoning Ordinance Book		35.00
Comprehensive Plan Book		35.00
Zoning Maps		35.00
Flood Plain Review	Residential	25.00
	Commercial	50.00
	Industrial	100.00
LAND DEVELOPMENT		
Variance, Flag Lot, Easement, Street Access and Private Rural Community Drive		150.00
Plat Approval (Five Sealed Copies)		20.00
Each additional Plat Approval (per sealed copy)		5.00
Sketch Plan Review		100.00
Preliminary Plat Approval (per lot)		20.00
Final Plat Approval (per lot)		10.00
Land Development Book		35.00
Grading	3 acres or less	90.00
	4 to 11 acres	120.00
	12 to 51 acres	205.00
	52 to 99 acres	340.00
	Over 100 acres	475.00
Culvert	Single	350.00
	Multi-Family	650.00
	Commercial/Industrial	650.00
Stop Sign		75.00
Speed Limit Sign		75.00
End of County Maintenance Sign		75.00
Street Name Sign		100.00

PARKS AND RECREATION	FEE (\$)
John Keziah Park (Blackstock) \$25 Refundable Deposit	75.00
Baton Rouge/Wilksburg Park (West Chester) \$25 Refundable Deposit	100.00
Gayle Ball Field (Chester) \$25 Refundable Deposit	75.00
Chester Baseball Complex (Clubhouse) \$25 Refundable Deposit	200.00
Chester War Memorial Building \$300 Refundable Deposit	800.00
Great Falls War Memorial Building \$200 Refundable Deposit	600.00
THE GATEWAY CONFERENCE CENTER	
Pricing for Sunday – Thursday	
Grand Ballroom (A, B & C), 9,390 sq. ft.	4,800.00
Petite Ballroom (A & B), 6,031 sq. ft.	2,400.00
Ballroom A, 3,462 sq. ft.	1,366.00
Ballroom B, 2,569 sq. ft.	1,126.00
Ballroom C, 3,969 sq. ft.	2,400.00
Grand Salon, 2,852 sq. ft.	1,200.00
Salon A, 1,406 sq. ft., (\$204/4 hours-\$51 per hour)	600.00
Salon B, 1,446 sq. ft., (\$228/4 hours-\$57 per hour)	750.00
Grand Meeting Room, 3,064 sq. ft.	1,350.00
Petite Meeting Room (A & B), 2,128 sq. ft.	1,260.00
Meeting Room A, 1,073 sq. ft., (\$228/4 hours-\$57 per hour)	660.00
Meeting Room B, 1,055 sq. ft., (\$204/4 hours-\$51 per hour)	600.00
Meeting Room C, 936 sq. ft.	450.00
L&C Conference Room, 396 sq. ft.	210.00
*** In addition to the rental charge, there will be a \$500 deposit per day, per room.	
Pricing for Friday & Saturday	
Grand Ballroom (A, B & C), 9,390 sq. ft.	6,000.00
Petite Ballroom (A & B), 6,031 sq. ft.	3,000.00
Ballroom A, 3,462 sq. ft.	1,782.00
Ballroom B, 2,569 sq. ft.	1,407.00
Ballroom C, 3,969 sq. ft.	3,000.00
Grand Salon, 2,852 sq. ft.	1,500.00
Salon A, 1,406 sq. ft., (\$255/4 hours-\$64 per hour)	750.00
Salon B, 1,446 sq. ft., (\$285/4 hours-\$71 per hour)	938.00
Grand Meeting Room, 3,064 sq. ft.	1,688.00
Petite Meeting Room (A & B), 2,128 sq. ft.	1,575.00
Meeting Room A, 1,073 sq. ft., (\$285/4 hours-\$71 per hour)	825.00
Meeting Room B, 1,055 sq. ft., (\$255/4 hours-\$64 per hour)	750.00
Meeting Room C, 936 sq. ft.	563.00
L&C Conference Room, 396 sq. ft.	263.00
***In addition to the rental charge, there will be a \$500 deposit per day, per room.	
THE GATEWAY CONFERENCE CENTER	
Projectors (per projector)	100.00
Grand Ballroom	300.00
Grand Salon	200.00
Grand Meeting	300.00
Podium with microphone	25.00
Podium with computer	65.00
Handheld or lapel microphone	25.00
XLR input	25.00
A/V rack	125.00
Weekend A/V Tech (unscheduled) (rate per hour)	150.00
A/V Tech (scheduled) (rate per hour)	100.00

THE GATEWAY CONFERENCE CENTER (continued)	
Sweetheart / Cake table (per table)	7.50
Cocktail Table (per table)	10.00
Mouthwash dispensers (per dispenser)	25.00
THE TAX ASSESOR'S OFFICE	
Price per copy of property tax record	0.25
Price per copy of homeowner or business owner property tax record	0.00
Price for digital parcels for entire Chester County	5,500.00
TREASURER'S OFFICE	
Copy Card Access	1.00
Price per copy	0.25
Credit Card Convenience Fee	2% of Total
Vehicle Decal Fee	1.00
Duplicate Receipt	1.00
LANDFILL	
Price per ton	48.00
CHESTER COUNTY DETENTION CENTER	
Inmate housing to municipalities (suspended 5/20/19)	52.00
CHESTER COUNTY CORONER'S OFFICE	
Coroner's Report	50.00
Autopsy Report	100.00
Photographs (Per Photo)	2.00
CD/Photographs	25.00
Toxicology Report	50.00
Cremation Report	20.00

SECTION 28: This ordinance shall take effect on July 1, 2021. Adopted this 21st day of June 2021.

Dr. Wylie Frederick, Chairman

Mike Vaughn, Council Member (District 2)

Brad Jordan, Council Member (District 1)

Joe Branham, Vice Chairman (District 3)

Pete Wilson, Council Member (District 4)

Mary A. Guy, Council Member (District 5)

William Killian, Council Member (District 6)

ATTEST:

By: _____

Karen Lee
Clerk to County Council
Chester County, South Carolina

First Reading: May 17th, 2021
Second Reading: June 7th, 2021
Public Hearing: June 21st, 2021
Third Reading: June 21st, 2021

SOUTH CAROLINA)
)
CHESTER COUNTY)

RESOLUTION 2021-11 OF
CHESTER COUNTY, SOUTH CAROLINA

**IDENTIFYING THE CAPITAL PROJECTS AS PART OF A
PROGRAM OF GENERAL OBLIGATION BORROWING; AND
OTHER RELATED MATTERS.**

THE CHESTER COUNTY, SOUTH CAROLINA, COUNTY COUNCIL RESOLVES:

SECTION 1. According to the requirements of Section 20 of the County’s Ordinance, enacted by the County Council (“Council”) of Chester County, South Carolina (“County”), on April 18, 2016 (“Bond Ordinance”), the Council adopts the following:

(a) The assessed valuation of all property in the County as of June 30, 2020, for purposes of computation of the Bonded Debt Limit, is not less than \$137,437,592.00. Eight percent of this assessed valuation is \$10,995,007 (“County’s Bonded Debt Limit”). As of the date of this Resolution, the County has outstanding no more than \$5,486,100 of general obligation indebtedness subject to the County’s Bonded Debt Limit. As of the adoption of this Ordinance, the difference between the County’s Bonded Debt Limit and the principal amount of the outstanding general obligation indebtedness subject to the County’s Bonded Debt Limit (“Available Debt Limit”) is the amount of general obligation indebtedness which the County may incur without a referendum, which is no less than: \$5,508,907;

(b) The list of capital projects (with approximate costs) to be funded is attached to this Resolution as Exhibit A; and

(c) Including the series of bonds to be issued to fund the capital projects listed on Exhibit A plus costs of issuance related to the bonds, the calendar year 2021 aggregate par amount of bonds issued according to the Bond Ordinance does not exceed the lesser of: (1) \$2,500,000 and (2) the County’s Available Debt Limit in general obligation bonds.

SECTION 2. All resolutions and parts thereof in conflict herewith are, to the extent of such conflict, repealed.

RESOLVED: June 7, 2021

CHESTER COUNTY, SOUTH CAROLINA

Interim Chairman/Supervisor
Chester County Council

(SEAL)
ATTEST:

Clerk to Council

Resolution 2021-11

EXHIBIT A

\$1,575,000

(AVAILABLE FUNDS FOR PROJECTS, DOES NOT INCLUDE COSTS OF ISSUANCE)

<u>DEPARTMENT</u>	<u>PROJECT°</u>	<u>COST</u>
106 - FINANCE	DOCUMENT MANAGEMENT SYSTEM	43,325.00
150 - CORONER	4X4 EXTENDED CAB TRUCK (43,358.30 - 14,000 FROM CORONER ACCOUNT)	29,359.00
155 - VOTER REGISTRATION	GENERATOR FOR VOTER REGISTRATION BUILDING	35,000.00
155 - VOTER REGISTRATION	SECURITY AND PANIC ALARMS	15,000.00
160 - COUNTY GARAGE	VEHICLE LIFT WITH JACKS	15,500.00
170 - BUILDING MAINTENANCE	NEW ZERO-TURN MOWERS (4 @ 10,000)	40,000.00
170 - BUILDING MAINTENANCE	UTILITY BED WORK TRUCKS (4 TRUCK @ 35,000 PER TRUCK)	140,000.00
176 - IT	UPGRADE HOST SERVERS	15,000.00
176 - IT	COMPUTER HARDWARE UPGRADES	25,000.00
301 - SHERIFF'S DEPT	REPLACEMENT PATROL CARS (5 @ 55,223 PER VEHICLE)	276,115.00
301 - SHERIFF'S DEPT	ESTABLISH LAW ENFORCEMENT OFFICE IN RICHBURG AREA	57,101.00
340 - DETENTION CENTER	REPLACE TRAINING EQUIPMENT	10,000.00
340 - DETENTION CENTER	REPLACE PLUMBING FIXTURES AND PARTS	12,000.00
340 - DETENTION CENTER	REPLACE/REPAIR BATHROOM	10,000.00
340 - DETENTION CENTER	REPLACE HVAC CONTROL SYSTEM	60,000.00
345 - FIRE COORDINATOR	(2) SWIFTWATER RAPID TEAM BOATS AND EQUIPMENT	30,000.00
350 - RURAL FIRE	NEW FIRE ENGINE (NORTH CHESTER)	537,000.00
350 - RURAL FIRE	EXTRACTOR/WASHER FOR TURNOUT GEAR (LANDO)	8,100.00
350 - RURAL FIRE	(3) SET OF TURNOUT GEAR, (4) PAGERS (NORTH CHESTER)	7,000.00
350 - RURAL FIRE	DARLEY AGE PUMP (RICHBURG)	9,500.00
350 - RURAL FIRE	1,000 GPM PUMP (SOUTH CHESTER)	20,000.00
401 - ROADS	TRACTOR WITH BOOM MOWER	160,000.00
501 - EMS	POWER LOAD FOR NEW AMBULANCE	20,000.00

°and related equipment and any other capital items that do not exceed, individually or in aggregate, 1% of the Bond's par amount.

CCMA21-12: Michael D. Cannon of M C Real Estate, LLC request Tax Map # 125-00-00-010-000 located on Colonels Point Parkway be rezoned from ID-2 (Limited Industrial) to ID-3 (General Industrial)

Robert Long, director of Chester County Economic Development. This is an economic development project. I've been working with Mr. Cannon over six months now. Colonels Point Industrial Park is an Industrial Park that is truly designed for small industrial users. The particular site he is looking at is already defined by two existing buildings. It's about 3 acres. The remaining acreage in that park is about 50 acres. It's not been subdivided even though its already defined. It is part of the bigger tract that is zoned ID-2. Mr. Cannon is interested in building a 10,000 square foot facility as a recycling operation. He will be taking used oil and grease from restaurants. All he is doing is taking it, he warms it up. Cleans it. Filters it. Then puts it back into containers and sells it. He is not making any kind of product such as bio diesel or anything like that. This is a fairly straight forward operation. Based on his NAICS code is the reason we need to do the ID-3 rezone. One thing I am excited about, this is not a huge project, but it's an important project. All projects are important to us as a community. One thing I am excited about is he is looking to build some additional space. For his use, he only needs about 5,000 feet of space. He is proposing to build a 10,000 corporate space meaning there will 5,000 square foot space for other industrial users. I can tell you now, the vacancy rate across the board for industrial space is very limited, with the exception of larger spaces such as the former Katherine Plant and also the former Superior Essex. Those have their own issues with low ceiling height and so forth. For folks looking for smaller space, they have no options. In fact, I have an active project in Rock Hill now that's been trying to grow and expand and looking to come here to Chester. I just don't have any options for them. This may be an opportunity here with this project. He has a very successful operation. He is an entrepreneur. He has several operations one of which is in the Columbia area, another in the Greenville-Spartanburg area. He has never had any issues with the neighbors about odor or anything associated with that. More importantly, he is now a resident of Chester County. He has moved and built here. This is an expansion. This is not a relocation of his other operations.

Commissioner Howell asked if you are rezoning the whole property? Mr. Long said no. We are looking to subdivide. He wants the 3 acres zoned to ID-3. Obviously, the owner of the property doesn't want to rezone the entire thing, the whole 50 acres. Its basically just to rezone the 3 acres and then of course he would move forward with the purchase of the property once he knows he has the proper zoning. Commissioner Howell asked if he needed the full 3 acres to build his small warehouse? Mr. Long said between the setbacks and parking it's fairly narrow. I think 10,000 is all the area would support, plus you know tie parking and so forth. Commissioner Howell then said, this property backs up to the school, correct? Mr. Long said no, he is actually on the other side. The middle school is actually a little further towards the interstate. He is actually between Outokumpu and one of the other business there. I don't believe that he backs up to the school. Commissioner Raines said it is fairly close to the High School. Commissioner Walley then states that she does not like what's happening. I think he needs to present first, and then if he wants to tell us in favor of it he can talk afterwards. Mr. Long said I will turn it over to Mr. Cannon.

Mike Cannon of 512 Pond View Lane, Richburg, SC stepped to the podium. I am the owner operator of Providence Environmental. We are a pump and haul operation. We are backing trucks. I have a business with three components to it. Government contracting. Grease trap. Oil water separator service. And used cooking oil. I bought a used cooking oil business about 5 years ago from some gentleman in Spartanburg called Panacea Biofuels. They didn't make any biofuel, but they collected used cooking oil which is a raw material for the bio diesel industry. The objective of used cooking oil, everyone has been to a restaurant and eaten fried food. Cooking oil gets old. You take it out back and put it in a bin. Someone has to come around and pick it up, and that's us. We have I think 400 restaurants across the state. We collect it. Bring it to our shop where we consolidate it. Give it a little bit of heat. Oil floats to the top. Water floats to the bottom. We send the water, via vacuum truck, to a permitted disposal site in Bishopville, SC and the oil is filtered and sold to a broker which it could go anywhere. This operation, which I would like to put near my home, just because I'm getting older, and I would like to be able to go to work 5 minutes from my house rather than all the way to Greenville-Spartanburg. We generate no waste in Chester County. Waste that is generated is trucked off site to permitted disposal site in Bishopville, SC. That's the long and short of it. Its not a very big operation. One guy runs the operation. That dewateres the used cooking oil. I have a driver and a half that is going around the state picking up.

Commissioner Raines asked how many gallons would you process per day? Mr. Cannon said, raw, per day 1,500 or so. We try to ship out a 6,000-gallon tanker. If I get one every 10 days, I am happy. So, the raw oil coming in, roughly is about 50% water in it. In order to make 6,000 gallons of finished product I have to bring in 12,000 gallons. Our truck is a non CLD truck. It's a short six wheel. Anyone can drive it. He fills it once a day. If he is in Columbia, he fills up twice. It's not a high-volume operation. Chairman Raines asked once or twice a day raw product. Mr. Cannon said yes. Chairman Raines asked if operation would be 24-hours a day. Mr. Cannon said no sir. Currently we run 8-5 or 8-4.

Vice Chairman Smith asked which state agency regulates biofuel? Mr. Cannon said I'm not in biofuel. Vice Chairman Smith said, the business you're in is there a state or federal agency? Mr. Cannon said the business I am in, I'm regulated by DHEC on the grease trap side. On the used cooking oil side, I'm not aware of anybody that regulates that. It's really considered a waste. Our biggest problem that we have is theft. Because its commodity. It has value. We have people that come around and cut our locks and steal. We can't get the backing of law enforcement because they think people are stealing garbage. Vice Chairman Smith asked if you have annual inspection from DHEC? Mr. Cannon said well I have, in Richland County, a storm water walk through. We pass with flying colors. I'm well respected by DHEC. I hold permits in North Carolina, Virginia, Georgia and of course South Carolina. Commissioner Walley asked, leaving your facility, would be what type of truck? Mr. Cannon said it's an 18-wheeler, 63,000-gallon tanker. Commissioner Walley asked how often would you say that would be traveling out of your facility? Mr. Cannon said if I could do it once a week, I would be happy. But reality, once every 10 days. Commissioner Walley said just one truck every ten days? Mr. Cannon said leaving the facility, yes. We will pick up oil every day. Commissioner Walley said so you're moving your whole thing from Wellford to Richburg. Mr. Cannon said yes mam. That's a one-person operation. When I bought the business, four years ago, it was a multi-tenant operation there. Chairman Raines said you will have the same amount of waste. Another tanker with your waste? You're saying you have a tanker of the finished product every day, will you have the same with the waste? Mr. Cannon said the waste is consolidated in the same manner as the finished product. So, I misspoke, it would really be two. You take the finished product off, but then you have to take the waste off. Two tractor trailers every ten days. Commissioner Howell asked the tanker that you're bring in, is it an open container truck or closed container? Mr. Cannon said it is a closed container. It's vacuum trucks.

Chairman Raines asked if there any other questions. There were none. Chairman Raines asked if any member of the public would like to speak in opposition of this request. There were none. Chairman Raines asked if any member of the public would like to speak in favor of this request. There were none.

Chairman Raines asked Mr. Long if there was anything that he would like to add. Commissioner Walley apologized for interrupting earlier. Mr. Long said the parcel is already defined roughly as 3 acres. But it is part of the 50 acres track that's never been subdivided. That bigger track is zoned ID-2. Because of the NAICS code they do need ID-3. They are looking to rezone the 3 acres to ID-3. And I'm excited about the extra space to give us a small amount of space, 5,000 square feet, that we can market, and I've already got some projects that would be great fits for it. Commissioner Walley said repeat that sentence again for me. Mr. Long said he is building more space than he needs. He is building a 10,000 square foot building and would only occupy half the space so there will be at least 5,000 square feet that's going to be marketable for other tenants. Commissioner asked if it would be one building split into or two separate buildings. Mr. Long said it will be one building divided. A small industrial flex building. Commissioner Walley asked does he see expanding his business to need the rest of that building? Mr. Long said I guess it really depends on how well his business goes. Theoretically, he is leasing the space. If his business grows fantastically, and he needs the space. He could just not renew the lease to his tenant and take over the space. I don't think that's his plan. I think his plan is that 5,000 is greatly large enough for the foreseeable future for his operation. Chairman Raines said this is just an opportunity for other business to move in. Mr. Long said yes, and I have one active project right now that is looking for right at 5,000 square feet.

Commissioner Howell said on exhibit A on this paper we have, Lewisville High School backs up to this property. We were told just now by this gentleman that this property did not back up to the school. Mr. Long said I apologize. Chairman Raines said I understood that he was under the misconception that we were talking about the middle school. Mr. Long said that is correct. Commissioner Howell asked Chairman Raines if he would entertain a reverter clause for this property if it ever quits being this waste oil? Chairman Raines said yes that is something we can consider; it is heavier industrial. Chairman Raines explained the reverter clause to Mr. Cannon that we conditionally approve the rezoning. Mr. Cannon said I was actually going to suggest that. I'm 56 years old. My objective is to bring the operation over here. Build something that I can rent when I am finished. That's why I spoke with Robert initially. Have a marketable piece of property that I can lease when I retire. Chairman Raines said so you are good with the reverter clause. Mr. Cannon again said yes. Chairman Raines said the only sticky part of that I can think of is if he has his business inside of his building and another business in the other side. If he ceases to operate, both businesses would revert back to ID-2, regardless of what the other half was. Commissioner Walley said so the whole 3 acres would revert back. Chairman Raines said yes. Then at that point they could come back. Reapply and we could consider what they are doing.

Commissioner Howell made a motion to approve the rezone with the reverter clause if the business cease to exist, the zoning will revert back to ID-2; seconded by Vice Chairman Smith. Vote was 6-0 to approve.



Chester County, South Carolina
 Department of Planning, Building & Zoning
 1476 J.A. Cochran Bypass
 Chester, SC 29706

Zoning Map Amendment (Rezoning) Application

Fee: \$150.00

Meeting Date: 4.20.21 Case # CCMA21-12 Invoice # 3730

The applicant hereby requests that the property described to be rezoned from IP2 to ID3

Please give your reason for this rezoning request:

MC Real Estate LLC will design/build a plant to convert used cooking oil from restaurants to a feedstock for the biodiesel industry

Copy of plat must be presented with the application request

Designation of Agent (complete only if owner is not applicant): I (we) hereby appoint the person named as applicant as my (our) agent to represent me (us) in this request for rezoning. A Corporate Resolution letter or a permission letter must be presented at the time of application request. NAICS CODE: 562998

Property Address Information

Property address: Colonels Pt. Parkway Richburg SC
 Tax Map Number: 125-00-00-010-000 Acres: 3

Any structures on the property: yes _____ no X . If you checked yes, draw locations of structures on plat or blank paper.

PLEASE PRINT:

Applicant (s): Michael D. Cannon for MC Real Estate, LLC
 Address: PO Box 7216 Columbia SC 29231
 Telephone: _____ work _____
 E-Mail Address: _____

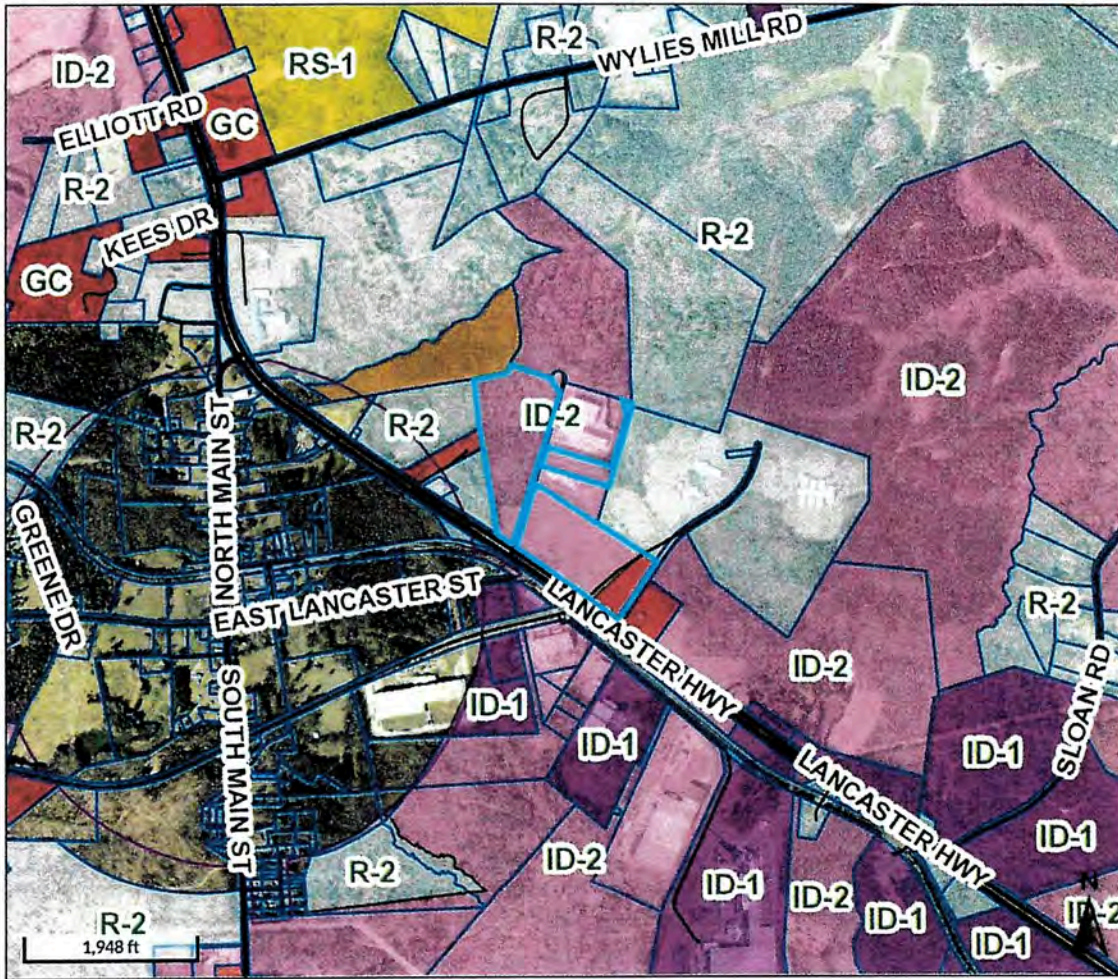
Owner(s) if other than applicant(s): See letter
 Address: _____
 Telephone: _____ cell _____ work _____
 E-Mail Address: _____

I (we) hereby agree that this information I (we) have presented is correct. Insufficient information may result in a denial of your request.

Owner's signature: [Signature] Date: 03/03/2021
 Applicant signature: [Signature] Date: 3-1-2021

CANCELLATION MAY RESULT IN AN ADDITIONAL FEE OF \$150.00. SOMEONE MAY REPRESENT YOU AT THE MEETING.

CCMA21-13 behind this.
 Michael R. Mills agent for JAH Properties



Overview



Legend

Roads

- Secondary Road
- SC Highway
- Municipals
- Parcels

Chester County Zoning

- AG
- EDD
- GC
- ID-1
- ID-2
- ID-3
- LC
- R-1
- R-2
- R-3
- R-4
- RG-1
- RG-2
- RIV
- RS-1

Town of Great Falls Zoning

- C-1
- C-2
- I-1
- R-1
- R-2
- R-3
- County Boundary

Parcel ID 125-00-00-010-000

Sec/Twp/Rng n/a

Property Address

District 04

Brief Tax Description BROWN RB-03

(Note: Not to be used on legal documents)

Alternate ID n/a

Class AC

Acreage 50.381

Owner Address L & C LAND HOLDINGS, INC

164 SKIPPER ST

FORT MILL SC 29715

CCMA21-13: Michael R. Mills, agent for JAH Properties LLC request Tax Map # 087-00-00-001-000 (portion of) located along Darby Road, Chester SC be rezoned from R2 (Rural Two) to RS-1 (Single Family)

The applicant nor a representative for the applicant was present for the meeting.

Chairman Raines asked if anyone wished to speak in favor or in opposition to this rezoning request.

Director Levister said they are requesting to rezone 6.38 acres. The owner owns both R2 and RS-1. He wants to combine them to make one tax map number. That's the whole purpose so he can combine both properties together.

Vice Chairman Smith made a motion to approve the rezone as requested; seconded by Commissioner Howell. Vote was 6-0 to approve.



Chester County, South Carolina
 Department of Planning, Building & Zoning
 1476 J.A. Cochran Bypass
 Chester, SC 29706

Zoning Map Amendment (Rezoning) Application

Fee: \$150.00

Meeting Date: 4.20.21 Case # CCMA21-13 Invoice # 3731

The applicant hereby requests that the property described to be rezoned from R2 to RS-1

Please give your reason for this rezoning request:

To be able to combine Parcel "B" of 2.38 acres (Zoned R2) with Parcel "A" of 4.00 acres (Zoned RS-1) upon conveyance to new owner.

Copy of plat must be presented with the application request

Designation of Agent (complete only if owner is not applicant): I (we) hereby appoint the person named as applicant as my (our) agent to represent me (us) in this request for rezoning. A Corporate Resolution letter or a permission letter must be presented at the time of application request. NAICS CODE: _____

Property Address Information

Property address: Darby Road, Near Lowrys
 Tax Map Number: 087-00-00-001-000 (portion) Acres: 2.38

Any structures on the property: yes _____ no . If you checked yes, draw locations of structures on plat or blank paper.

PLEASE PRINT:

Applicant (s): Michael R. Mills as Agent for JAH Properties, LLC
 Address P. O. Box 12, Jenkinsville, SC 29065
 Telephone: _____
 E-Mail Address: _____

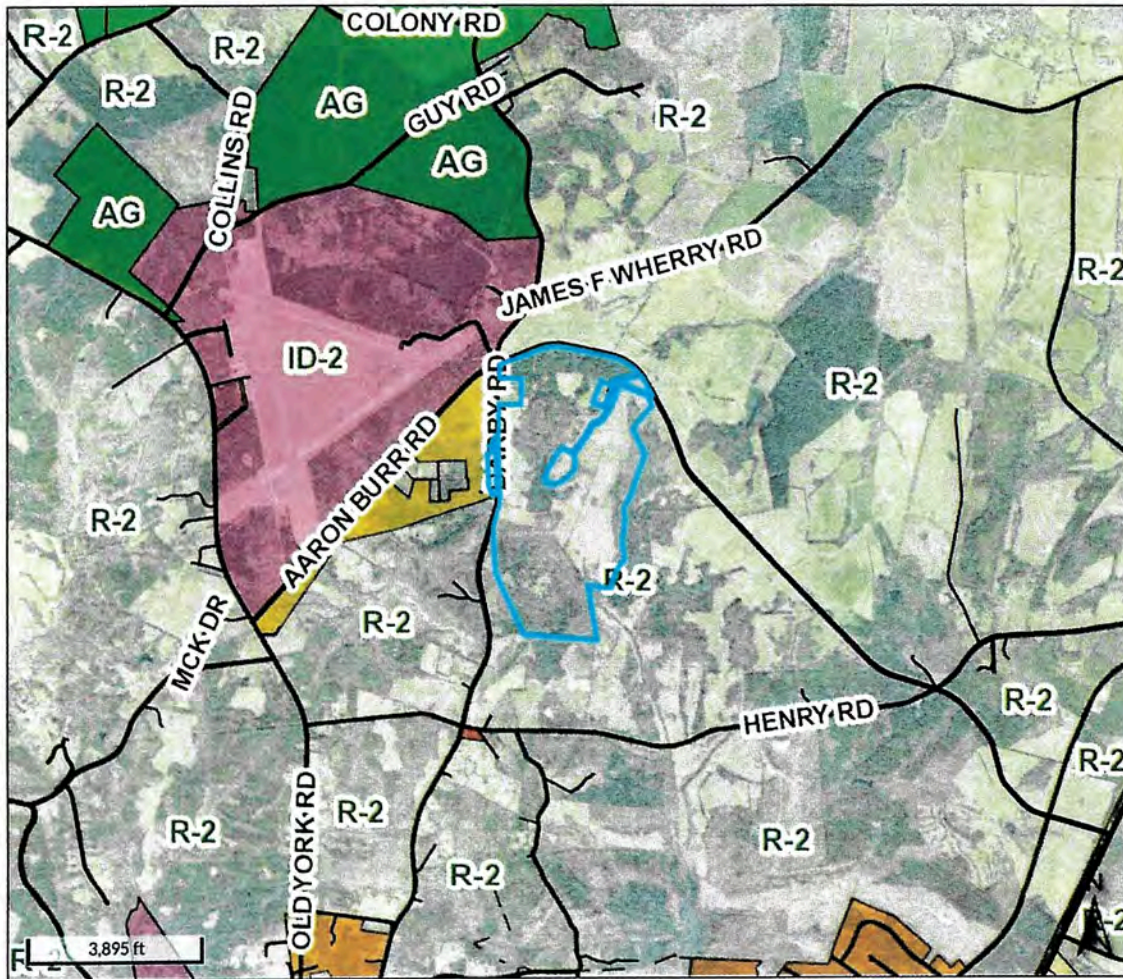
Owner(s) if other than applicant(s): JAH Properties, LLC
 Address: 1124 Torrington Circle, Rock Hill, SC 29732
 Telephone: _____
 E-Mail Address: _____

I (we) hereby agree that this information I (we) have presented is correct. Insufficient information may result in a denial of your request.

Owner's signature: _____ Date: _____

Applicant signature:  Date: 03/16/2021

CANCELLATION MAY RESULT IN AN ADDITIONAL FEE OF \$150.00. SOMEONE MAY REPRESENT YOU AT THE MEETING.



Overview



Legend

- Roads**
- Secondary Road
 - SC Highway
 - Municipals
 - Parcels
- Chester County Zoning**
- AG
 - EDD
 - GC
 - ID-1
 - ID-2
 - ID-3
 - LC
 - R-1
 - R-2
 - R-3
 - R-4
 - RG-1
 - RG-2
 - RIV
 - RS-1
- Town of Great Falls Zoning**
- C-1
 - C-2
 - I-1
 - R-1
 - R-2
 - R-3
 - County Boundary

Parcel ID 087-00-00-001-000
 Sec/Twp/Rng n/a
 Property Address 2162 AARON BURR RD
 District 06
 Brief Tax Description PARCEL II
 (Note: Not to be used on legal documents)

Alternate ID n/a
 Class LA
 Acreage 355.214

Owner Address JAH PROPERTIES LLC
 1124 TORRINGTON CIR
 ROCK HILL SC 29732

Draft

STATE OF SOUTH CAROLINA)
CHESTER COUNTY) LEASE AGREEMENT BY AND BETWEEN
CHESTER COUNTY AND THE TOWN OF GREAT FALLS

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This Lease Agreement made and entered into at Great Falls, South Carolina this ____ day of _____, 2021. pursuant to ~~resolution an Ordinance~~ passed and adopted upon its final reading by the Chester County Council Meeting duly assembled on the ____ day of _____, 2021 and pursuant to an Ordinance passed and adopted upon its final reading by the Great Falls Town Council meeting duly assembled on the ____ day of _____, 2021, said Town Council and County Council both being bodies politic existing and organized under the Laws of the State of ~~S.C.~~ South Carolina by and between the Town of Great Falls, hereinafter known as Lessor and Chester County hereinafter known as Lessee.

WITNESSETH:

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The intent of this agreement is for the County of Chester to lease as specified herein, all identified recreation property whether real, personal, or mixed owned by the Town of Great Falls.

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The term of this Lease ~~Contract and~~ Agreement shall be twenty-five (25) years and the County hereby agrees to pay unto the Town of Great Falls the sum of one (\$1.00) dollar per year until the conclusion of this lease term. Both parties understand that this agreement is the best interest of the citizens of the Town of Great Falls and County of Chester and in ~~in~~ furtherance of this objective, the County covenants to maintain the services and programs currently offered to the citizens of Great Falls and further expand upon those programs and services as presented ~~at~~ at the time of the signing of this instrument.

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The real property covered under this Lease Contract and Agreement is ~~attached to~~ described in this instrument ~~as under~~ "Exhibit A" and is incorporated herein by reference. These are currently the facilities the Town of Great Falls either owns **or** leases. Upon signing this contract, the County agrees to maintain all current programs and /or services offered in these facilities

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Commented [JW1]: If you are leasing them from a third party, do you have the ability to sub-lease to the County? We would need a copy of those leases.

Draft

and covenants to expand these services and programs as envisioned by both parties. Upon the signing of this instrument the County covenants to conform to all restrictions and/ obligations in any ~~lease~~ agreements and deed restrictions, ~~and agrees to hold the Town harmless therefrom.~~

Commented [JW2]: Again, need to see the leases. We cannot agree to that which we have not seen.

Commented [JW3]: County cannot indemnify. Not enforceable

~~The~~ county agrees to abide by whatever deed restrictions or lease restrictions affecting the facilities subject to this ~~lease~~ ~~agreement~~ between the County and Town. The County hereby assumes any and all liability regarding these restrictions as well as any rent monies due for property surrounding any of these facilities.

Commented [JW4]: Same here. Need to know what we are agreeing to.

The County agrees to be solely responsible for ~~all taxes and~~ insurance on the property covered under this lease agreement.

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The County agrees to be solely responsible for all the upkeep and maintenance of all facilities and property owned by the Town covered in this lease agreement. This covenant includes but it is not limited to, all repairs including ordinary wear and tear and grounds upkeep. All ~~betterments~~ ~~improvements~~ become property of the Town ~~provided they are de minimus at and~~ the conclusion of the lease, unless otherwise agreed on during its term. The County shall enter into discussion with the Town for any improvement that is above de minimus prior to making such improvements.

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~~The County hereby agrees to assume any and all liability for all property and/or programs contained in this lease agreement and further agrees to indemnify the City and hold the Town harmless therefrom.~~

The County shall be solely responsible for the funding and budgeting of the Recreation Department and shall also solely be responsible for the purchasing, upkeep and maintenance and wear and tear of all equipment and /or facilities associated with the Recreation Department. Should appropriations not be budgeted for such purpose, this Lease Agreement shall become void ab initio.

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This lease agreement operates to consolidate recreation with the County of Chester. It is the understanding and agreement of the parties hereto that this is clear “net” lease obligation, the County to bear all [reasonable](#) expenses and make all payments consistent with the principal of the “net “ lease; and the County hereby assumes and agrees to perform all duties and obligations with relation to ~~R~~recreation Department , the [deminimus](#) improvements thereon, and the appurtenances thereto and the use, operation , and maintenance thereof, even though such duties and obligations would otherwise be construed to be those of the Town of Great Falls.

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The County shall have the same right as the Town has as owner under all guaranties and warranties of the facilities [and the Town shall assign such guaranties and warranties to the County.](#)

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The county agrees and covenants to pay all utility charges, including but not limiting to water, gas, electricity, sewage or removal of waste material used on or arising from the use of the [defined](#) facilities [in Exhibit A](#) under this ~~L~~lease ~~a~~Agreement and to pay the same monthly or as they shall become due. [Deposits on utility accounts, if any, will remain on account with the utility company.](#)

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The County may not assign or sublet this Lease Agreement without the ~~expressed~~ written approval of the Town. The parties hereto agree that if any of premises, property or equipment is partially or totally destroyed or damaged by fire or other hazard, that the County shall promptly repair and/restore such facilities, property, or equipment as soon as it is practical. All insurance covering such hazards shall be borne solely by the County.

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This Lease Contract and Agreement may not be altered or rescinded without 2/3 vote of either council [except as provided herein-](#)

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In the event either party to this contract [wishes to withdraw from the Agreement with or without reasons, becomes disillusioned over the operation of the agreement,](#) such party may withdraw from the agreement upon giving the other party at least ninety (90) days [written](#)

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notice, ~~and both parties do agree to the same, by 2/3 vote, of their respective council.~~which withdrawal shall be ratified by a 2/3 vote of each parties' council.

IN WITNESSETH WHEREOF, the said parties have hereunto set their hands and seals the day and year first above written.

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EXHIBIT A

FACILITIES

1. DAVID MINORS PARK-25 ACRES
(OWN)

- 1 WALKING TRAIL
- 3 STORAGE BUILDINGS
- 1 PICNIC SHELTER
- 1 CONCESSION BUILDING-RESTROOMS
- 2 LIGHTED TENNIS COURTS
- 1 MULTIPURPOSE OUTSIDE PLAY COURT
- 1 BASKETBALL COURT
- 1 CONCESSION STAND-STORAGE BUILDING
- 1 PLAYGROUND
- 1 LOG CABIN

2. REPUBLIC PARK-10 ACRES

(OWN)

- 1 LIGHTED BALL FIELD
- 1 STORAGE BUILDING
- 2 CONCESSION STANDS
- 1 LIGHTED BASKETBALL COURT

3. SUNSET PARK- 4 ACRES

(OWN)

- 1 MEETING BUILDING
- 1 PLAYGROUND
- 1 LIGHTED OUTSIDE BASKETBALL COURT

Commented [JW5]: Will need Tax Map Number to get property description for all three parks.

















U.S. Department of Justice
Office of Justice Programs
Bureau of Justice Assistance



BJA FY 21 Comprehensive Opioid, Stimulant, and Substance Abuse Site-based Program

CROSSAP

Assistance Listing Number # 16.838
Grants.gov Opportunity Number: O-BJA-2021-94008
Solicitation Release Date: May 04, 2021 5:00 PM
Version: 5
Grants.gov Deadline: June 07, 2021 11:59 PM
Application JustGrants Deadline: June 21, 2021 11:59 PM

Overview

The U.S. Department of Justice (DOJ), Office of Justice Programs (OJP), Bureau of Justice Assistance (BJA) is seeking applications for funding to develop, implement, or expand comprehensive programs in response to illicit opioids, stimulants, or other substances of abuse. This program furthers the Department's mission by providing resources to support state, local, tribal, and territorial efforts to reduce violent crime and drug abuse and enhance public safety while supporting victims.

This solicitation incorporates the [OJP Grant Application Resource Guide](#) by reference. The OJP Grant Application Resource Guide provides guidance to applicants for the preparation and submission to OJP of applications for funding. If this solicitation expressly modifies any provision in the OJP Grant Application Resource Guide, the applicant is to follow the guidelines in this solicitation as to that provision.

Solicitation Categories

Competition ID	Category	Number of Awards	Dollar Amount for Award	Performance Start Date	Performance Duration (Months)
C-BJA-2021-00092-PROD	1	100	\$1,200,000.00	10/1/21 12:00 AM	36
C-BJA-2021-00093-PROD	2	10	\$6,000,000.00	10/1/21 12:00 AM	36

Eligible Applicants:

Other

Other

See Eligibility Section

BJA will consider applications under which two or more entities would carry out the federal award; however, only one entity may be the applicant. Any others must be proposed as subrecipients (subgrantees). For additional information on subawards, see the [OJP Grant Application Resource Guide](#).

BJA may elect to fund applications submitted under this FY 2021 solicitation in future fiscal years, dependent on, among other considerations, the merit of the applications and on the availability of appropriations.

Contact Information

For technical assistance with submitting the SF-424 and SF- LLL in Grants.gov, contact the Grants.gov Customer Support Hotline at 800-518-4726, 606-545-5035, at [Grants.gov customer support webpage](#), or email at support@grants.gov. The Grants.gov Support

Hotline operates 24 hours a day, 7 days a week, except on federal holidays.

For technical assistance with submitting the **full application** in DOJ's Justice Grants System (JustGrants), contact the JustGrants Service Desk at 833-872-5175 or JustGrants.Support@usdoj.gov. The JustGrants Service Desk operates 5 a.m. to 9 p.m. eastern time, Monday-Friday, and 9 a.m. to 5 p.m. Saturday, Sunday, and federal holidays.

An applicant that experiences unforeseen Grants.gov or JustGrants technical issues beyond its control that prevent it from submitting its application by the deadline must email the National Criminal Justice Reference Service Response Center (Response Center) at grants@ncjrs.gov **within 24 hours after the application deadline** to request approval to submit its application after the deadline.

For assistance with any other requirements of this solicitation, contact the Response Center by telephone at 800-851-3420 or TTY: 301-240-6310 (hearing impaired only) or by email at grants@ncjrs.gov. Response Center hours of operation are 10 a.m. to 6 p.m. eastern time Monday through Friday, and 10 a.m. to 8 p.m. eastern time on the solicitation close date.

Submission Information

In FY 2021, applications will be submitted to DOJ in a **NEW** two-step process.

Step 1: Applicants will submit an **SF-424** and an **SF-LLL** in Grants.gov at <https://www.grants.gov/web/grants/register.html>. To register in Grants.gov, applicants will need to obtain a Data Universal Numbering System (DUNS) and System for Award Management (SAM) registration or renewal.

Step 2: Applicants will submit the **full application** including attachments in JustGrants at [JustGrants.usdoj.gov](https://www.justgrants.usdoj.gov).

To be considered timely, the full application must be submitted in JustGrants by the JustGrants application deadline.

OJP encourages applicants to review the "How to Apply" section in the [OJP Grant Application Resource Guide](#).

Contents

Contact information	1
Program Description	5
Overview	5
Statutory Authority	5
Specific Information	5
Goals, Objectives, Deliverables, and Timeline	5
Evidence-Based Programs or Practices	6
Information Regarding Potential Evaluation of Programs and Activities	6
OJP Priority Areas	6
Federal Award Information	6
Awards, Amounts and Durations	7
Continuation Funding Intent	7
Availability of Funds	7
Types of Awards	7
Financial Management and System of Internal Controls	7
Budget Information	7
Cost Sharing or Matching Requirement	8
Pre-agreement Costs (also known as Pre-award Costs)	8
Limitation on Use of Award Funds for Employee Compensation: Waiver	8
Prior Approval, Planning, and Reporting of Conference/Meeting/Training Costs	8
Costs Associated with Language Assistance (if applicable)	8
Eligibility Information	8
Application and Submission Information	9
Information to Complete the Application for Federal Assistance (SF-424)	9
Standard Applicant Information (JustGrants 424 and General Agency Information)	9
Proposal Abstract	9
Proposal Narrative	9
Goals, Objectives, Deliverables, and Timeline	11
Budget and Associated Documentation	11
Budget Worksheet and Budget Narrative (Web-based Form)	11
Indirect Cost Rate Agreement (if applicable)	11
Financial Management Questionnaire (including applicant disclosure of high-risk status)	11
Disclosure of Process Related to Executive Compensation	12
Additional Application Components	12
Timeline Form	12
Letters of Support	12
Research and Evaluation Independence and Integrity Statement	12
Documentation of Advancing DOJ Priorities (if applicable)	12
Documentation of High-Poverty Areas or Persistent-Poverty Counties (if applicable)	12
Disclosures and Assurances	12
Disclosure of Lobbying Activities	12
DOJ Certified Standard Assurances	12
Applicant Disclosure of Duplication in Cost Items	12
DOJ Certifications Regarding Lobbying; Debarment, Suspension and Other Responsibility Matters; and Drug-Free Workplace Requirements	12
Applicant Disclosure and Justification – DOJ High Risk Grantees (if applicable)	12
How to Apply	12
Submission Dates and Time	13
Application Review Information	13
Review Criteria	13
Review Process	13
Federal Award Administration Information	14
Federal Award Notices	14
Administrative, National Policy, and Other Legal Requirements	14

Information Technology (IT) Security Clauses	14
General Information about Post-Federal Award Reporting Requirements	14
Federal Awarding Agency Contact(s)	14
Other Information	14
Freedom of Information and Privacy Act (5 U.S.C. 552 and 5 U.S.C. 552a)	14
Provide Feedback to OJP	14
Performance Measures	14
Application Checklist	14
	16

Program Description

Overview

The Department of Justice is committed to advancing work that promotes civil rights, increases access to justice, supports crime victims, protects the public from crime and evolving threats, and builds trust between law enforcement and the community.

The Comprehensive Opioid, Stimulant, and Substance Abuse Program (COSSAP) was developed as part of the Comprehensive Addiction and Recovery Act (CARA) legislation. COSSAP's purpose is to provide financial and technical assistance to states, units of local government, and Indian tribal governments to develop, implement, or expand comprehensive efforts to identify, respond to, treat, and support those impacted by illicit opioids, stimulants, and other drugs of abuse.

Statutory Authority

34 USC 10701; Public Law 116-260, 134 Stat. 1182, 1259. Any awards under this solicitation would be made under statutory authority provided by a full-year appropriations act for FY 2021.

Specific Information

Our nation's addiction crisis is a public safety and public health emergency that threatens the wellbeing of individuals and families struggling with substance abuse, and impacts the safety and health of communities. This crisis impacts first responders, the criminal justice system, child welfare and foster care, and behavioral health systems.

Goals, Objectives, Deliverables, and Timeline

COSSAP aims to reduce the impact of opioids, stimulants, and other substances on individuals and communities, including a reduction in the number of overdose fatalities, as well as mitigate the impacts on crime victims by supporting comprehensive, collaborative initiatives. Note that grantees are prohibited from using federal funds to support activities that violate the Controlled Substances Act.

Category 1: Local applications

The objective of Category 1 is to encourage and support the development of comprehensive, locally driven responses to opioids, stimulants, and other substances of abuse that expand access to supervision, treatment, and recovery support services across the criminal justice system; support law enforcement and other first responder diversion programs for nonviolent drug offenders; promote education and prevention activities; and address the needs of children impacted by substance abuse.

Allowable Uses of Category 1 Funds

Category 1 grant funds may be used to develop, implement, or expand a combination of the allowable use activities described below, or be concentrated on one, so long as the proposed budget is appropriate and justified.

- Prebooking or postbooking treatment alternative-to-incarceration programs that serve individuals at high risk for overdose or substance abuse.
- Law enforcement and other first responder diversion programs. A variety of multidisciplinary overdose prevention, response, and diversion and referral models, led by law enforcement and other first responders, have emerged in communities throughout the nation. Examples of such models include the Law Enforcement Assisted Diversion (LEAD) model and the Police Assisted Addiction and Recovery Initiative (PAARI).
- Education and prevention programs to connect law enforcement agencies with K-12 students. Applicants are strongly encouraged to implement programs informed by data and evidence and child and adolescent development.
- Embedding social services with law enforcement in order to rapidly respond to drug overdoses where children are impacted.
- Comprehensive, real-time, regional information collection, analysis, and dissemination.
- Naloxone for law enforcement and other first responders.
- Identifiable and accessible take-back programs for unused controlled substances found in the home and used by hospitals and long-term care facilities.
- Evidence-based treatment such as medication-assisted treatment (MAT) as well as recovery support services including transitional or recovery housing and peer recovery support services.
- Court-based intervention programs or family court programming to prioritize and expedite treatment and recovery services to individuals at high risk for overdose. Funding is available under other BJA solicitations to implement or enhance an adult drug court and/or a veterans treatment court. As such, implementing or enhancing these court models is not an allowable funding activity under this solicitation.

Additional program information may be found at www.cossapresources.org.

Category 2: Applications from states on behalf of county, local, municipal, or tribal communities

The objective of Category 2 is to support states in their efforts to implement and enhance one or more of the allowable activities detailed under Category 1 in a **minimum of six** geographically diverse counties, localities, or regions.

The state may retain up to \$800,000 in total (not annually) for administrative purposes and to support the mandatory deliverables. In addition to the \$800,000 that may be retained for administrative expenses, a portion of the funds may be used to support an independent evaluation of project activities. The balance of the funds must be subawarded to local communities, regions, or tribal entities.

Deliverables for Category 2

- Select a minimum of six geographically diverse localities or regions within the state and provide subawards to them within 9 months of the grant award.
- Implement one or more of the allowable activities detailed under Category 1.
- Support a robust planning period for the sites, if needed, to support implementation efforts at each of the sites.
- Coordinate cross-site training and peer-to-peer learning.

If the proposed project is solely for program evaluation or includes an evaluation component, provide a copy of any evaluation report prior to the close of the grant period.

Applicants applying for funding under Categories 1 or 2 must agree to work closely with a researcher selected by BJA who may conduct a site-specific or cross-site evaluation in future years.

Program-specific Priority Areas

In FY 2021, and in addition to the "Priority Areas" discussed below, priority consideration will be given to applicants that demonstrate the state, or regions within the state, has been disproportionately impacted by the abuse of illicit opioids, stimulants, or other substances as evidenced, in part, by:

- A high rate of primary treatment admissions for heroin, opioids, and stimulants.
- High rates of overdose deaths.
- A lack of accessibility to treatment providers and facilities and to emergency medical services.

To receive priority consideration, applicants must include a clear and complete description in the program narrative.

Priority consideration is one of many factors that OJP considers in making funding decisions and is not a guarantee of an award.

The Goals, Objectives, and Deliverables are directly related to the performance measures that demonstrate the results of the work completed, as discussed under the Application and Submission Information section.

Evidence-Based Programs or Practices

OJP strongly emphasizes the use of data and evidence in policymaking and program development in criminal justice, juvenile justice, and crime victim services. For additional information and resources on evidence-based programs or practices, see the [OJP Grant Application Resource Guide](#).

Information Regarding Potential Evaluation of Programs and Activities

OJP may conduct or support an evaluation of the programs and activities funded under this solicitation. For additional information, see the [OJP Grant Application Resource Guide](#) section entitled "Information Regarding Potential Evaluation of Programs and Activities."

OJP Priority Areas

The Department of Justice is committed to advancing work that promotes civil rights, increases access to justice, supports crime victims, protects the public from crime and evolving threats, and builds trust between law enforcement and the community. In FY 2021, OJP will give priority consideration in award decisions to applications that demonstrate ways in which their projects will advance one or more of these areas.

To receive priority consideration for advancing one or more of the Department's priorities, the applicant must provide a sufficient narrative explanation as an attachment, that specifies how the project will advance the promotion of civil rights, access to justice, support to crime victims, protecting the public from crime and evolving threats, or building trust between law enforcement and the community.

In addition, OJP will give priority consideration, if applicable, to applicants that demonstrate that the individuals who are intended to benefit from the requested grant reside in high-poverty areas or persistent-poverty counties.

To receive priority consideration under the poverty priority, the applicant must provide information to demonstrate that the individuals who are intended to benefit from the requested grant reside in high-poverty areas or persistent-poverty counties. For purposes of this priority consideration, the term "high-poverty area" means any census tract with a poverty rate of at least 20 percent as measured by the 2013–2017 5-year data series available from the American Community Survey of the Census Bureau (applicants may search by census tract at <https://www.census.gov/acs/www/data/data-tables-and-tools/narrative-profiles/2017/>) and the term "persistent-poverty counties" means any county that has had 20 percent or more of its population living in poverty over the past 30 years, as measured by the 1990 and 2000 decennial censuses and the most recent Small Area Income and Poverty Estimates (applicants may search by county at <https://www.census.gov/data/tables/time-series/dec/census-poverty.html> and at <https://www.census.gov/programs-surveys/saipe.html>).

Priority consideration is one of many factors that OJP considers in making funding decisions and is not a guarantee of an award..

Federal Award Information

Solicitation Category

Competition ID Enter to sort	Category	Number of Awards	Dollar Amount for Award	Performance Start Date	Performance Duration (Months)
C-BJA-2021-00092-PROD	1	100	\$1,200,000.00	10/1/21 12:00 AM	36
C-BJA-2021-00093-PROD	2	10	\$6,000,000.00	10/1/21 12:00 AM	36

Awards, Amounts and Durations

Period of Performance Start Date

10/1/21 12:00 AM

Additional Award Information

Category 1: Locally Driven Responses to the Opioid Epidemic broken down in the following subcategories:

Subcategory 1a – An urban area or large county with a population greater than 500,000. Awards are up to \$1,200,000

Subcategory 1b – A suburban area or medium-size county with a population between

100,000 and 500,000. Awards are up to \$900,000

Subcategory 1c – A rural area or small county or tribal area with a population of fewer

than 100,000 or a federally recognized Indian tribe. Awards are up to \$600,000

Category 2: Statewide Implementation, Enhancement, and Evaluation Projects. Awards are up to \$6,000,000.

Anticipated Total Amount to be Awarded Under Solicitation

\$163,000,000.00

Continuation Funding Intent

BJA may, in certain cases, provide additional funding in future years to awards made under this solicitation, through continuation awards. OJP will consider, among other factors, OJP's strategic priorities, a recipient's overall management of the award, and progress of award funded work, when making continuation award decisions.

Availability of Funds

This solicitation, and awards (if any are made) under this solicitation, are subject to the availability of appropriated funds and to any modifications or additional requirements that may be imposed by the agency or by law. In addition, nothing in this solicitation is intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

Types of Awards

BJA expects to make awards under this solicitation as grants. See the "Administrative, National Policy, and Other Legal Requirements" section of the [OJP Grant Application Resource Guide](#) for a brief discussion of important statutes, regulations, and award conditions that apply to many (or in some cases, all) OJP grants (and cooperative agreements).

Financial Management and System of Internal Controls

Award recipients and subrecipients (including recipients or subrecipients that are pass-through entities) must, as described in the Part 200 Uniform Requirements as set out at 2 C.F.R. 200.303, comply with standards for financial and program management. The "Part 200 Uniform Requirements" means the DOJ regulation at 2 C.F.R. Part 2800, which adopts (with certain modifications) the provisions of 2 C.F.R. Part 200. See [OJP Grant Application Resource Guide](#) for additional information.

Budget Information

The budget must explicitly describe how the proposed budget items directly apply to the program design and will assist the applicant in meeting the program objectives.

If an applicant proposes to fund recovery or transitional housing, no more than 30 percent of the total budget may be used for this purpose. For guidance on recovery housing, please see the [U.S. Department of Housing and Urban Development's Policy Brief](#). Per the Substance Abuse and Mental Health Services Administration, transitional housing typically involves a temporary residence for up to 24 months with wrap-around services to help people stabilize their lives.

Transportation services may be included in the budget. These services may be provided to individuals who are engaged with the courts and have community corrections appointments, treatment- and/or recovery support-related appointments and activities, and require other necessary services to support treatment and recovery and who have no other means of obtaining transportation. Forms of transportation

services may include public transportation, ride services, or a licensed and insured driver who is affiliated with an eligible program provider. If such costs are included, the applicant should be able to certify that they are nonredeemable, nontransferable, and that their use by participants is auditable. The applicant must have written policies for determining eligibility, tracking distribution, and ensuring that passes are only used for transportation related to program activities.

In addition to the unallowable costs identified in the [DOJ Grants Financial Guide](#), award funds may not be used for the following:

- Prizes, rewards, entertainment, trinkets, or any other monetary incentives
- Client stipends
- Gift cards
- Purchase vehicles
- Food and beverages

Federal funds may also not be used to replace (supplant) nonfederal dollars that are appropriated for the same purpose. For a definition of supplanting, visit <https://ojp.gov/grants101/definitions.htm>

Cost Sharing or Matching Requirement

This solicitation does not require a match.

Pre-agreement Costs (also known as Pre-award Costs)

See the [OJP Grant Application Resource Guide](#) information on Pre-agreement Costs (also known as Pre-award Costs).

Limitation on Use of Award Funds for Employee Compensation: Waiver

See the [OJP Grant Application Resource Guide](#) information on Limitation on Use of Award Funds for Employee Compensation; Waiver.

Prior Approval, Planning, and Reporting of Conference/Meeting/Training Costs

See the [OJP Grant Application Resource Guide](#) for information on Prior Approval, Planning, and Reporting of Conference/Meeting/Training Costs.

Costs Associated with Language Assistance (if applicable)

See the [OJP Grant Application Resource Guide](#) for information on Costs Associated with Language Assistance.

Eligibility Information

- City or township governments
- County governments
- Native American tribal governments (Federally recognized)

Jurisdictions without a county or local government-based addiction service system may designate the State Administering Agency (SAA) to serve as the primary applicant in Category

1. Applicants should ensure they apply under the appropriate subcategory below, based on the population of the proposed project area:

Subcategory 1a – An urban area or large county with a population greater than 500,000.

Subcategory 1b – A suburban area or medium-size county with a population between 100,000 and 500,000.

Subcategory 1c – A rural area or small county or tribal area with a population of fewer than 100,000 or a federally recognized Indian tribe. A rural area is defined as:

(a) Any area or community, respectively, no part of which is within an area designated as a standard metropolitan statistical area by the Office of Management and Budget.

(b) Any area or community, respectively, that is (i) within an area designated as a metropolitan statistical area or considered as part of a metropolitan statistical area and (ii) located in a rural census tract.

(c) Any federally recognized Indian tribe.

Category 2: State Applications

- State governments

U.S. Department of Justice
Office of Community Oriented Policing Services



FY 21 COPS Office Hiring Program Solicitation

Assistance Listing #:	16.710
Grants.gov Opportunity Number:	O-COPS-2021-97003
Solicitation Release Date:	May 07, 2021 8:30 AM
Grants.gov Deadline:	June 15, 2021 7:59 PM
Application JustGrants Deadline:	June 22, 2021 7:59 PM

Overview

The U.S. Department of Justice, Office of Community Oriented Policing Services (COPS Office, www.cops.usdoj.gov) announces a competitive solicitation for applications for the COPS Office FY 2021 COPS Hiring Program (CHP). This program furthers the COPS Office's goal of advancing public safety through community policing by funding additional full-time career law enforcement positions to meet law enforcement agencies' community policing strategies.

Eligible Applicants:

City or township governments, County governments, Native American tribal governments (Federally recognized), State governments

Other

Eligible applicants are limited to local, state, and tribal law enforcement agencies that have primary law enforcement authority. See additional eligibility details under the Eligibility section of this solicitation.

Contact Information

Applications must be submitted through both Grants.gov and the JustGrants system.

For technical assistance with Grants.gov, call the Grants.gov customer service hotline at 800-518-4726, send questions via email to support@Grants.gov, or consult the Grants.gov Organization Applicant User Guide at <https://www.grants.gov/help/html/help/index.htm>.

For technical support with JustGrants, please contact JustGrants Support via e-mail at: JustGrants.Support@usdoj.gov or by phone 833-872-5175.

For programmatic assistance with the requirements of this program please call the COPS Office Response Center at 800-421-6770 or send questions via email to AskCopsRC@usdoj.gov.

Submission Information

The complete application package (this solicitation, including links to additional documents) is available on Grants.gov and on the COPS website <https://cops.usdoj.gov/>.

General Information

Completing an application under this program is a two-step process. Applicants must first register via www.grants.gov and complete an SF 424, the government wide standard application form for federal assistance and the SF-LLL Lobbying Certification Form. The remainder of the application will be completed through the JustGrants System at <https://justicegrants.usdoj.gov/>. See **How to Apply** and **Submission Dates and Times** on page 13.

Applicants are strongly recommended to register immediately on www.grants.gov. Any delays in registering with Grants.gov or submitting the SF-424 may result in insufficient time for processing your application through JustGrants. For technical assistance with submitting the SF-424, please contact the Grants.gov Customer Service Hotline at 800-518-4726, email support@grants.gov, or consult the Grants.gov Applicant User Guide at <https://www.grants.gov/help/html/help/index.htm>.

For any attachments, please use appropriately descriptive file names (e.g., Program Narrative, Budget Narrative, Memoranda of Understanding, etc.).

See instructions on JustGrants for information on allowable file types for uploading (e.g., .pdf, .doc).

Contents

Contact Information	1
Program Description	4
Type of award	5
Federal Award Information	5
Awards, Amounts and Durations	5
Federal Award Information	5
Length of award	5
Cost sharing or match	5
Eligibility Information	5
Application and Submission Information	6
Information to Complete the Application for Federal Assistance (SF-424)	8
Disclosure of Lobbying Activities	8
Standard Applicant Information (JustGrants 424 and General Agency Information)	8
Data Requested with Application	8
Budget and Associated Documentation	8
Budget Worksheet and Budget Narrative Form	8
Budget Worksheet and Budget Narrative (Web-based Form)	10
Budget and Associated Documentation	10
Budget Worksheet and Budget Narrative Form	10
Memoranda of Understanding (MOUs) and Other Supportive Documents	11
Additional Application Components	12
Letters of Support	12
Disclosures and Assurances	12
DOJ Certified Standard Assurances	12
Disclosure of Lobbying Activities	12
DOJ Certified Standard Assurances	12
Applicant Disclosure of Duplication in Cost Items	13
DOJ Certifications Regarding Lobbying; Debarment, Suspension and Other Responsibility Matters; and Drug-Free Workplace Requirements; Law Enforcement and Community Policing	13
How to Apply	13
Submission Dates and Time	13
Application Review Information	14
Review Process	15
Federal Award Administration Information	16
Federal Award Notices	16
Administrative and National Policy Requirements	16
Monitoring, Evaluation and Reporting Requirements	16
Federal Awarding Agency Contact(s)	16
COPS Other Information	17
Public Reporting Burden - Paper Work Reduction Act Notice	17
Performance Measures	17
Application Checklist	17
Survey Questions	18

Program Description

The Office of Community Oriented Policing Services (COPS Office) is the component of the U.S. Department of Justice responsible for advancing the practice of community policing by the nation's state, local, territorial, and tribal law enforcement agencies through information and grant resources. The COPS Office has invested more than \$14 billion to advance community policing, including grants awarded to more than 13,000 state, local and tribal law enforcement agencies to fund the hiring and redeployment of more than 134,000 officers. COPS Office information resources, covering a wide range of community policing topics such as school and campus safety, violent crime, and officer safety and wellness, can be downloaded via the COPS Office's home page, www.cops.usdoj.gov.

The goal of the COPS Hiring Program (CHP) is to provide funding directly to law enforcement agencies to hire and/or rehire additional career law enforcement officers in an effort to increase their community policing capacity and crime prevention efforts. Anticipated outcomes of COPS Hiring Program awards include engagement in planned community partnerships, implementation of projects to analyze and assess problems, implementation of changes to personnel and agency management in support of community policing, and increased capacity of agency to engage in community policing activities.

Applicants will be expected to describe their community policing strategy and request the number of newly hired and/or rehired full-time sworn career law enforcement officer positions necessary to support that strategy. COPS Office funding must be used to reorient the mission and activities of law enforcement agencies toward the community or enhance their involvement in community policing.

Community policing is a philosophy that promotes organizational strategies that support the systematic use of partnerships and problem-solving techniques to proactively address the immediate conditions that give rise to public safety issues such as nonviolent crime, violent crime, and fear of crime.

The Department of Justice is committed to advancing work that promotes civil rights, increases access to justice, supports crime victims, protects the public from crime and evolving threats, and builds trust between law enforcement and the community. Law enforcement plays a vital role in each of these areas, through developing and maintaining meaningful relationships with all segments of their communities, and working in partnership with those communities to provide effective crime prevention, intervention, and response services and resources. For all Fiscal Year 2021 COPS Office grant solicitations, applicants should consider these priorities when applying for COPS Office funding to advance community policing, and address these strategic planning priorities within their applications as applicable.

FY 2021 CHP awards will cover up to 75 percent of the entry-level salary and fringe benefits for each approved position for a three-year period, based on the applicant's current entry level salary levels for full-time officers. There is a minimum 25 percent local cash match (cost share) requirement, unless a waiver is approved. The maximum federal share per officer position is \$125,000 over the three-year period, unless a local match waiver is approved. Any additional costs for higher than entry-level salaries and fringe benefits will be the responsibility of the recipient agency.

Funding under this program will support three years of officer or deputy salaries within a five-year period of performance to accommodate time needed for recruitment and hiring. Agencies must retain each CHP-funded position for 12 months following the three years of funding for that position. The additional officer positions should be added to your agency's law enforcement budget with state and/or local funds over and above the number of locally funded officer positions that would have existed in the absence of the award. Absorbing CHP-funded positions through attrition (rather than adding the extra positions to your budget with additional funding) does not meet the retention requirement.

The COPS Office will fund as many positions as possible for successful applicants; however, the number of officer positions requested by an agency may be reduced based on the availability of funding and other programmatic considerations.

Funding under this program may be used to do the following:

- Hire new officers, which includes filling existing officer vacancies that are no longer funded in your agency's budget. These positions must be in addition to your current budgeted (funded) level of sworn officer positions, and the officers must be hired on or after the official award start date on the notice of award.
- Rehire officers laid off by any jurisdiction as a result of state, local, or Bureau of Indian Affairs (BIA) budget reductions. The rehired officers must be rehired on or after the official award start date on the notice of award. Documentation must be maintained showing the date(s) that the positions were laid off and rehired.
- Rehire officers who are (at the time of application) currently scheduled to be laid off by your jurisdiction on a specific future date as a result of state, local, or BIA budget reductions. Recipients will be required to continue funding the positions with local funding until the date(s) of the scheduled layoffs. The dates of the scheduled layoffs and the number of positions affected must be identified in the CHP application. The recipient may rehire the officers with CHP funding on or immediately after the date of the scheduled layoff. Unless required by a recipient jurisdiction, the agency is not required to formally complete the administrative steps associated with the layoff of the individual officers it is seeking to rehire so long as the agency can document that a final, approved budget decision was made to lay off those individual officers on the identified layoff date. Documentation must be maintained detailing the dates and reason(s) for the layoffs. Furthermore, agencies awarded will be required to maintain documentation that demonstrates that the scheduled layoffs are occurring for local economic reasons unrelated to the availability of CHP award funds; such