

**CLARENDON COUNTY ORDINANCE NO. 2010-08**

**AUTHORIZING THE COUNTY TO EXECUTE AND DELIVER  
AN AMENDED AND RESTATED FEE IN LIEU OF TAX  
AGREEMENT WITH PROJECT PALMETTO;  
AND OTHER RELATED MATTERS.**

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**WHEREAS, Clarendon County** (“County”), a public body corporate and politic under the laws of the State of South Carolina and **Grant Clarendon LP**, entered into an agreement entitled “**Fee in Lieu of Tax and Incentive Agreement**” on October 1, 2007 (“Fee Agreement”) to provide for payments of fees-in-lieu of *ad valorem* taxes (“FILOT” Payments”) for a project qualifying under the provisions of Title 12, Chapter 44 of the Code of Laws of South Carolina 1976, as amended (“Act”);

**WHEREAS, GP Palmetto Holding LLC and GP Palmetto Holding II LLC** (collectively, “Company”) is acquiring an indirect ownership of Grant Clarendon LP, so that Grant Clarendon LP, will continue its legal existence as a partnership entity;

**WHEREAS,** Grant Clarendon LP has changed its name to GP Clarendon LP;

**WHEREAS,** based on information provided by the Company, the Fee Agreement is an “asset” of GP Clarendon LP, and the Fee Agreement will continue in full force and effect following the acquisition;

**WHEREAS,** the County and the Company have: (a) prepared an amended and restated Fee Agreement (“Amended FILOT”) to clarify the Fee Agreement’s terms and (b) presented the Amended FILOT, a copy of which is attached as Exhibit A, to this meeting for consideration by the County Council;

**WHEREAS,** the County and the Company desire to enter into the Amended FILOT, concerning the manufacturing facility in the County, which consists of certain land, plant and buildings, and other improvements and machinery, apparatuses, equipment, and other personal property for the purpose of wood production and related activities (all of which constitute a project under the Act, collectively, “Project”);

**WHEREAS,** based on information provided by the Company, the Project is expected to provide significant economic benefits to the County and surrounding areas;

**WHEREAS,** the County has, by an Inducement Resolution adopted, on April 21, 2005 (“Resolution”), previously taken official action to identify the Project, for purposes of applicable fee-in-lieu of taxes statutes and otherwise;

**WHEREAS,** as further inducement to the Company, the County has agreed to continue the inclusion of the Project in one or more multi-county business or industrial parks as provided for by Section 4-1-170 of the Code of Laws of South Carolina 1976, as amended, and Article VIII, Section 13 of the Constitution of the State of South Carolina of 1895, as amended (collectively, “MCIP Law”);

**WHEREAS,** under the provisions of Sections 4-1-175 of the Code of Laws of South Carolina, 1976, as amended, and Section 12-44-70 of the Act (collectively, “Infrastructure Law”), the Act and the MCIP Law, the County is authorized to use revenues received from the FILOT Payments for the purpose of defraying a portion of the cost of designing, acquiring, constructing, improving or expanding the infrastructure serving the Project;

**WHEREAS**, the Company has requested the County to use a portion of the FILOT Payments for the purpose of defraying the costs of designing, acquiring, constructing, improving or expanding the infrastructure serving the Project (collectively, “Infrastructure”); and

**WHEREAS**, the County Council, based on information provided by the Company, having found that the Infrastructure will serve the County and, as a direct result of the Infrastructure’s acquisition, assist the County in its economic development efforts by inducing the Company to locate the Project in the County, proposes to provide a Credit (as defined in the Amended FILOT) against the FILOT Payments.

**THE COUNTY COUNCIL OF CLARENDON COUNTY, SOUTH CAROLINA, ORDAINS:**

**Section 1.** Pursuant to the Act, particularly Section 12-44-40(H) and (I), based on information provided by the Company, the County Council makes the following findings:

(a) The Project constitutes a “project” as that term is referred to and defined in Section 12-44-30 of the Act;

(b) It is anticipated that the Project will benefit the general public welfare of the County by providing services, employment and other public benefits not otherwise adequately provided locally;

(c) The purposes to be accomplished by the Project are proper governmental and public purposes;

(d) It is anticipated that the cost of planning, designing, constructing and expanding the Project will require expenditures of not less than \$200 million;

(e) The benefits of the Project to the public are greater than the costs to the public;

(f) Neither the Project nor any documents or agreements entered into by the County in connection therewith will give rise to any pecuniary liability of the County or incorporated municipality or to any charge against its general credit or taxing power; and

(g) Having evaluated the purposes to be accomplished by the Project as proper governmental and public purposes, the anticipated dollar amount and nature of the investment to be made, and the anticipated costs and benefits to the County, the County has determined that the Project is properly classified as economic development property.

**Section 2.** The form and terms of the Amended FILOT, as Exhibit A, that is before this meeting is approved and all of the Amended FILOT’s terms are incorporated in this Ordinance by reference as if the Amended FILOT was set out in this Ordinance in its entirety.

**Section 3.** Pursuant to Section 12-44-130 of the Act, the Company may request the addition of one or more Sponsor Affiliates to the Amended FILOT. Following each request, if the proposed Sponsor Affiliate agrees to be bound by the Amended FILOT, then following approval of the proposed Sponsor Affiliate by subsequent County Council resolution, the proposed Sponsor Affiliate shall be eligible for the benefits under, and become a party to, the Amended FILOT.

**Section 4.** The consummation of all transactions contemplated by the Amended FILOT is approved.

**Section 5.** The Chairman of the County Council is authorized and directed to execute the Amended FILOT, reflecting the terms of this Ordinance with other terms that are typical for these types of transactions in the County, subject to the approval of any revisions, which are not materially adverse to the County, by the County Administrator and the County Attorney, and the Clerk of the County Council

is authorized and directed to attest the Amended FILOT; and the County Administrator is further authorized and directed to deliver the Amended FILOT to the Company.

**Section 6.** The County Administrator (and his designated appointees) is authorized and directed, in the name of and on behalf of the County, to take whatever further actions and execute whatever further documents as the County Administrator (and his designated appointees) deems to be reasonably necessary and prudent to effect the intent of this Ordinance.

**Section 7.** The provisions of this Ordinance are separable. If any part of this Ordinance is, for any reason, unenforceable then the validity of the remainder of this Ordinance is unaffected.

**Section 8.** Any prior ordinance, including Ordinance No. 2007-13, resolution or order, the terms of which are in conflict with this Ordinance, is, only to the extent of that conflict, repealed.

**Section 9.** This Ordinance is effective after its third reading and public hearing.

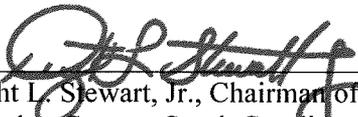
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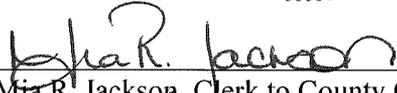
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CLARENDON COUNTY, SOUTH CAROLINA



(SEAL)  
ATTEST:

  
Dwight L. Stewart, Jr., Chairman of County Council  
Clarendon County, South Carolina

  
Mia R. Jackson, Clerk to County Council  
Clarendon County, South Carolina

READINGS:

First Reading: June 7, 2010  
Second Reading: June 14, 2010  
Public Hearing: June 14, 2010  
Third Reading: June 21, 2010

**EXHIBIT A**  
**[FORM OF]**  
**AMENDED AND RESTATED FEE AGREEMENT**