

AN ORDINANCE

AUTHORIZING THE EXECUTION AND DELIVERY OF A SPECIAL SOURCE CREDIT AGREEMENT BY AND BETWEEN CHARLESTON COUNTY AND GHP MAIN LLC, A DELAWARE LIMITED LIABILITY COMPANY, INCLUDING ANY RELATED OR AFFILIATED ENTITIES AND ANY SPONSOR AFFILIATES, WHEREBY CHARLESTON COUNTY WILL ENTER INTO A SPECIAL SOURCE CREDIT ARRANGEMENT WITH THE COMPANY; PROVIDING FOR THE ALLOCATION OF FEES-IN-LIEU OF TAXES PAYABLE UNDER THE AGREEMENT FOR DEVELOPMENT FOR A JOINT COUNTY INDUSTRIAL PARK WITH COLLETON COUNTY; AND OTHER MATTERS RELATING THERETO

WHEREAS, Charleston County, South Carolina (the "County"), acting by and through its County Council (the "County Council") is authorized by Article VIII, Section 13 of the South Carolina Constitution (the "Constitution") and the Code of Laws of South Carolina 1976, as amended (the "Code"), specifically Title 4, Chapter 1 of the Code, including Sections 4-1-170 and 4-1-175 thereof, (the "MCIP Act"), to provide for payments in lieu of taxes ("PILOT Payments") with respect to property situated or having a situs in a multi-county business or industrial park created under the MCIP Act, and to provide certain enhanced tax credits to such investors; and

WHEREAS, in order to promote the economic welfare of the citizens of the County and Colleton County ("the Partner County" and collectively with the County, the "Counties") by providing employment and other benefits to the citizens of the Counties, the Counties entered into an Agreement for Development for Joint County Industrial Park effective as of September 1, 1995 (the "Original Agreement"), to develop jointly an industrial and business park (the "Park"), as provided by Article VIII, Section 13 of the South Carolina Constitution and in accordance with the MCIP Act; and

WHEREAS, the Original Agreement was initially approved by Charleston County Council Ordinance 972, adopted September 19, 1995; was further amended from time-to-time to add or remove property to the Park; and, in particular, was substantively amended by (i) that First Modification to Agreement for Development for Joint County Industrial Park, effective December 31, 2006 (the "First Modification"), which First Modification was approved by Charleston County Council Ordinance 1475, enacted December 5, 2006; and by Colleton County Council Ordinance 06-O-20 enacted January 2, 2007; and (ii) the Second Modification to Agreement for Development of Joint Industrial Park, dated as of December 31, 2014 (the "Second Modification"), which Second Modification was approved by Charleston County Council Ordinance 1828, enacted on September 9, 2014, and by Colleton County Ordinance 14-O-13, enacted on December 11, 2014; and

WHEREAS, the Original Agreement, as amended, is referred to herein as the "MCIP Agreement," and

WHEREAS, the MCIP Agreement contemplates the inclusion and removal of additional parcels within the Park from time to time; and

WHEREAS, the MCIP Act and Section 12-44-70 of the Code authorize the County to provide special source revenue credit ("Special Source Revenue Credit") financing secured by and payable solely from revenues of the County derived from PILOT Payments for the purposes set forth in Section 4-29-68 of the Code, including the defraying of the cost of designing, acquiring, constructing, improving, or expanding the infrastructure serving the County and for improved and

unimproved real estate, and personal property, including but not limited to machinery and equipment, used in the operation of a facility or commercial enterprise in order to enhance the economic development of the County (collectively, "Infrastructure"); and

WHEREAS, GHP Main LLC, a Delaware limited liability company, (the "Company"), intends to acquire, construct, renovate, furnish, and equip the expansion of existing facilities in the County (the "Project") located at 860 Main Road, Johns Island, in the County (the "Project Site"); and

WHEREAS, the Project, when completed, will represent an anticipated investment by the Company of twelve million seven hundred thousand dollars (\$12,700,000.00) (consisting of \$5,400,000.00 to acquire certain real property and \$7,300,000.00 in real property improvements), all to be located at the Project Site within the County (the "Investment"); and

WHEREAS, the County is authorized to include the Project Site within a multi-county industrial and business park pursuant to the MCIP Act; and

WHEREAS, the Project is located entirely within Charleston County and will be included in and subject to the multi-county park arrangements as described herein; and

WHEREAS, the County desires to provide Special Source Revenue Credits to the Company with respect to Infrastructure comprising the Project against PILOT Payments for the Project (the "Infrastructure Credits") for the purpose of inducing the Company to invest its funds to acquire, construct, renovate, furnish, equip, and expand the Project, all as set forth more fully in that certain Special Source Credit Agreement by and between the County and the Company (the "Credit Agreement") attached hereto as **Exhibit A**; and

WHEREAS, the Credit Agreement above referred to, which is now before this meeting, is in appropriate form and is an appropriate instrument to be executed and delivered or approved by the County for the purposes intended.

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

Section 1. Infrastructure Credits. The County will provide to the Company the Infrastructure Credits as follows:

(a) The County will provide the Company Infrastructure Credits against payments in lieu of taxes as provided in an amount equal to 83% of each annual Fee Payment to be made by the Company during years 1-6 of the Credit Agreement not to exceed a total of \$750,000, as more fully described in the Credit Agreement.

(b) The County will provide the Company Infrastructure Credits against payments in lieu of taxes as provided in an amount of \$50,000 during year 7 of the Credit Agreement, as more fully described in the Credit Agreement.

Section 2. Execution of the Credit Agreement. The form, terms, and provisions of the Credit Agreement presented to the meeting at which this Ordinance received third reading and filed with the Clerk of the County Council be and hereby are approved, and all of the terms, provisions, and conditions thereof are hereby incorporated herein by reference as if such Credit Agreement were set out in this Ordinance in its entirety. The Chairman of the County Council and the Clerk of the County Council be and they are hereby authorized and directed to execute and deliver the Credit Agreement in the name and on behalf of the County, and thereupon to

cause the Credit Agreement to be delivered to the Company. The Credit Agreement is to be in substantially the form before the meeting of County Council at which this Ordinance received third reading and hereby approved, or with any changes therein as shall not materially adversely affect the rights of the County thereunder, by the officials of the County executing the same, their execution thereof to constitute conclusive evidence of their approval of all changes therein from the form of Credit Agreement presented to said meeting.

Section 3. Multi-County Park Incentive. By separate resolution (the "MCIP Resolution") of the County Council, the County will use its commercially reasonable efforts to designate the Project Site as being within the "Park" pursuant to the Constitution, the MCIP Act, and the terms of the MCIP Agreement.

Section 4. Allocation of MCIP PILOT Revenues.

(a) The County hereby agrees to maintain such designation of the Project Site for a term of at least 7 years to fund the Infrastructure Credits, subject to earlier termination as provided in the Credit Agreement.

(b) Pursuant to the terms of the MCIP Act and the MCIP Agreement, the County hereby provides that for the term of the Credit Agreement commencing with the first tax year in which the PILOT Payments are generated by the Project and payable to the County in accordance with the terms of the MCIP Agreement will be distributed as follows:

(1) After deducting any amounts distributed to the Partner County, to the County an amount equal to the total Infrastructure Credits to be provided in such year pursuant to the Credit Agreement; and

(2) After making the allocations under paragraph (1) of this subsection (b), the balance is to be distributed among the taxing districts in Charleston County in accordance with the applicable provisions of Section 9 of the MCIP Agreement.

Section 5. Miscellaneous.

(a) The Chairman and all other appropriate officials of the County are hereby authorized to execute, deliver, and receive any other agreements and documents as may be required by the County in order to carry out, give effect to, and consummate the transactions authorized by this Ordinance.

(b) This Ordinance shall be construed and interpreted in accordance with the laws of the State of South Carolina.

(c) This Ordinance shall become effective immediately upon approval following third reading by the County Council.


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

(e) All ordinances, resolutions, and parts thereof in conflict herewith are, to the extent of the conflict, hereby repealed.

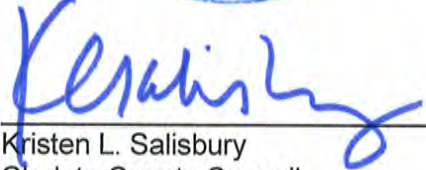
ENACTED in meeting duly assembled this 13th of August 2024.



CHARLESTON COUNTY, SOUTH CAROLINA

By: 
Herbert R. Sass, III
Chairman, County Council of
Charleston County, South Carolina

ATTEST:


Kristen L. Salisbury
Clerk to County Council
Charleston County, South Carolina

First Reading: June 18, 2024
Second Reading: July 23, 2024
Third Reading: August 13, 2024
Public Hearing: August 13, 2024