

SOUTH CAROLINA

)
)
)

A RESOLUTION: 10-19

NEWBERRY COUNTY

COMMITTING TO NEGOTIATE A FEE-IN-LIEU OF *AD VALOREM* TAXES AGREEMENT BETWEEN NEWBERRY COUNTY AND VALMONT INDUSTRIES, INC.; IDENTIFYING THE PROJECT; AND OTHER MATTERS RELATED THERETO

WHEREAS, Newberry County, South Carolina ("County"), acting by and through its County Council ("County Council") is authorized pursuant to the provisions of Title 12, Chapter 44, Code of Laws of South Carolina, 1976, as amended ("Act") to encourage manufacturing and commercial enterprises to locate in the State of South Carolina ("South Carolina" or "State") or to encourage manufacturing and commercial enterprises now located in the State to expand their investments and thus make use of and employ the manpower, products, and other resources of the State by entering into an agreement with a sponsor, as defined in the Act, that provides for the payment of a fee-in-lieu of *ad valorem* tax ("FILOT Payments") with respect to economic development property, as defined in the Act;

WHEREAS, Valmont Industries, Inc., a corporation organized and existing under the laws of the State of Delaware ("Sponsor"), desires to invest capital in the County in order to expand its manufacturing facility in the County ("Project");

WHEREAS, the Project is anticipated to result in an investment of approximately \$13,050,000 in taxable real and personal property and the creation of approximately 50 new, full-time equivalent jobs; and

WHEREAS, as an inducement to the Sponsor locate the Project in the County, the Sponsor has requested that the County negotiate an agreement ("Agreement"), which provides for FILOT Payments with respect to the portion of the Project which constitutes economic development property, as defined in the Act.

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

Section 1. This Resolution is an inducement resolution for this Project for purposes of the Act.

Section 2. County Council agrees to enter into the Agreement, which provides for FILOT Payments with respect to the portion of the Project which constitutes economic development property, and may contain the terms and conditions summaries in the proposed terms sheet attached hereto as Exhibit A ("Proposed Terms"). The Proposed Terms are intended to be preliminary and may be amended the by subsequent ordinance of the County to be adopted in accordance with South Carolina law and the rules and procedures of the County.

Section 3. County Council identifies and reflects the Project by this Resolution, therefore permitting expenditures made in connection with the Project before the date of this Resolution to qualify as economic development property, subject to the terms and conditions of the Agreement and the Act.

Section 4. This Resolution is effective after its approval by the County Council.

RESOLVED: August 21, 2019

NEWBERRY COUNTY, SOUTH CAROLINA

Chair, Newberry County Council

(SEAL)
ATTEST:

Clerk to County Council

EXHIBIT A

**PRELIMINARY TERM SHEET*
FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT
BY AND BETWEEN**

**NEWBERRY COUNTY, SOUTH CAROLINA, AND VALMONT INDUSTRIES, INC. AND ONE OR
MORE CURRENT OR FUTURE AFFILIATES OR OTHER PROJECT SPONSORS**

- Company Commitments:** Approximately \$13,050,000 aggregate investment; 50 new, full-time equivalent jobs; compliance period ends 5 years from the "Commencement Date" as such term is defined in the Negotiated FILOT Act
- Basic FILOT Terms:** 6% assessment ratio; fixed millage rate, which will be the lowest millage rate in effect at the Project for all taxing entities within which the Project is located on either June 30, 2018, or June 30, 2019; 5-year investment period ends 5 years from the "Commencement Date" as such term is defined in the Negotiated FILOT Act; 20-year payment period for each annual increment of investment during investment period
- Multi-County Park:** All property of Company in County to be designated as part of a multi-county industrial or business park, to extent not already so designated
- Credit:** 40% SSRC against the first 10 FILOT payments

*Terms set forth in this Attachment are preliminary and summary in nature and shall be set forth in greater detail in the final fee in lieu of tax and incentive agreement and its approving ordinance.