

STATE OF SOUTH CAROLINA) RESOLUTION 2023-05

CLARENDON COUNTY) A RESOLUTION OF
CLARENDON COUNTY, SOUTH CAROLINA

PROVIDING PRELIMINARY APPROVAL FOR CERTAIN INCENTIVES TO INDUCE A COMPANY IDENTIFIED AS PROJECT CLOVE, ACTING FOR ITSELF, ONE OR MORE CURRENT OR FUTURE AFFILIATES AND OTHER PROJECT SPONSORS (COLLECTIVELY, "COMPANY") TO ESTABLISH CERTAIN FACILITIES IN CLARENDON COUNTY, SOUTH CAROLINA ("COUNTY"), INCLUDING (1) NEGOTIATED FEE IN LIEU OF *AD VALOREM* TAX ARRANGEMENT; (2) MULTI-COUNTY INDUSTRIAL OR BUSINESS PARK ARRANGEMENT; (3) SPECIAL SOURCE REVENUE CREDIT; AND (4) OTHER RELATED MATTERS.

WHEREAS, Clarendon County, South Carolina ("County"), acting by and through its County Council ("County 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 with Negotiated FILOT Act, "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, with respect to a project; (iii) to permit investors to claim special source credits against their FILOT payments ("Special Source Revenue Credit") to reimburse such investors for expenditures in connection with certain infrastructure and other qualifying property related to a project; (iv) to create, in conjunction with one or more other counties, a multi-county industrial or business park to allow certain enhanced income tax credits to such investors and to facilitate the grant of a Special Source Revenue Credit;

WHEREAS, a company identified for the time being as Project Clove, 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 of a solar energy generation facility in the County ("Project"), which the Company expects will result in the investment of no less than \$90,000,000 in taxable property; and

WHEREAS, on the basis of the information supplied to it by the Company, the County has determined the Project would subserve the purposes of the Act and would be directly and substantially beneficial to the County, the taxing entities of the County and the citizens and residents of the County due to the employment and investment associated therewith, which contribute to the tax base and the economic welfare of the County, and, accordingly, the County wishes to induce the Company to undertake the Project by offering the FILOT and other incentives hereinafter described, subject, however, to final approval by ordinance of the County Council.

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

Section 1. As contemplated by Section 12-44-40(I) of the Code, based solely on information provided to the County by the Company, the County makes the following findings and determinations: (a) the Project will constitute a “project” within the meaning of the Negotiated FILOT Act; (b) the Project, and the County’s actions herein, will subserve the purposes of the Negotiated FILOT Act; (c) the Project is anticipated to benefit the general public welfare of the State and the County by providing services, employment, recreation, or other public benefits not otherwise provided locally; (d) the Project gives rise to no pecuniary liability of the County or incorporated municipality or a charge against its general credit or taxing power; (e) the purposes to be accomplished by the Project are proper governmental and public purposes; (f) the benefits of the Project are greater than the costs; and (g) the Project will have a substantial public benefit.

Section 2. Subject to the provisions of the Act and to final approval by the Council through adoption of an ordinance (“Approving Ordinance”), the County Council Chair and other officials of the County as may be designated by the Approving Ordinance are authorized, by and on behalf of the County, to enter into a fee in lieu of tax agreement with the Company containing the terms and conditions summarized in the proposed term sheet appended hereto as Attachment A, which is incorporated in this Resolution by reference as if fully set forth in this Resolution, and other terms and conditions as may be authorized by the Approving Ordinance. Capitalized terms utilized in Attachment A and not otherwise defined therein shall have the meanings ascribed to them in this Resolution.

Section 3. All orders, resolutions, and parts thereof in conflict herewith are to the extent of that conflict hereby repealed. This Resolution shall take effect and be in full force upon adoption by the Council.

[ONE SIGNATURE PAGE AND ONE ATTACHMENT FOLLOW]
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Adopted: December 11, 2023.



CLARENDON COUNTY, SOUTH CAROLINA

A handwritten signature in blue ink, appearing to read "D. Stewart, Jr.", written over a horizontal line.

Dwight L. Stewart, Jr., Chairman
Clarendon County Council

(SEAL)

ATTEST:

A handwritten signature in blue ink, appearing to read "Dorothy M. Levy", written over a horizontal line.

Dorothy M. Levy
Clerk to Council

ATTACHMENT A
PRELIMINARY TERM SHEET*
FEE IN LIEU OF TAX AGREEMENT
BY AND BETWEEN
CLARENDON COUNTY, SOUTH CAROLINA, AND A COMPANY
IDENTIFIED FOR THE TIME BEING AS PROJECT CLOVE
AND ONE OR MORE AFFILIATES OR OTHER PROJECT SPONSORS

Company Commitments:	\$90,000,000 aggregate, taxable investment
Basic FILOT Terms:	6% assessment ratio; fixed millage rate at the lower rate permitted under the Negotiated FILOT Act; 5-year investment period; 40-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 (Sumter)
SSRC:	Such that the Company shall pay \$3,200 per megawatt of alternating current generation output (which is anticipated to be \$240,000 based on an estimated 75.0MWac)

*Terms set forth in this Attachment are summary in nature and shall be set forth in greater detail, including, for example, Company's indemnifying County and any clawbacks, in the final fee in lieu of tax agreement.