

# Lancaster County Council Regular Meeting Agenda

Monday, April 24, 2017

County Administration Building, County Council Chambers  
101 N. Main Street  
Lancaster, SC 29720

1. **Call to Order Regular Meeting – Chairman Steve Harper** 6:00 p.m.
2. **Welcome and Recognition – Chairman Steve Harper**
3. **Pledge of Allegiance and Invocation – Council Member Jack Estridge**
4. **Approval of the agenda** *[deletions and additions of non-substantive matter]*
5. **Special Presentations**
  - a. Presentation by the Indian Land VFW – Presented by Mr. Jim Taylor
  - b. Needs Assessment Public Hearing and Midway Project close out hearing – ***Grazier Rhea, Catawba Regional Council of Governments – pgs. 5-18***
6. **Citizen Comments** *[Speakers are allowed approximately 3 minutes. If there are still people on the list who have not spoken at the end of thirty (30) minutes, Council may extend the citizen comments section or delay it until a later time in the agenda]*
7. **Consent Agenda**
  - a. Minutes of the April 10, 2017 regular meeting – ***pgs. 19-23***
8. **Non-Consent Agenda**
  - a. **Resolution 0958-R2017 regarding Amending the Fee-In-Lieu of Tax And Incentive Agreement For Lancaster Real Estate Group, LLC**  
Resolution Title: A Resolution Authorizing The Execution And Delivery Of An Amendment To the Fee-In-Lieu Of Tax And Incentive Agreement By And Between Lancaster County And Lancaster Real Estate Group, LLC, So As To Extend The Investment Period. – ***(Favorable Recommendation – Administration Committee) – John Weaver/Jamie Gilbert – pgs. 24-31***
  - b. **Resolution 0959-R2017 regarding Fee Agreement with Project DON**  
Resolution Title: A Resolution To State The Commitment Of Lancaster County To Enter Into A Fee Agreement With Project DON, And/Or Its Designee Or Nominee; To Provide The General Terms Of The Fee Agreement Including The Provision Of Special Source Revenue Credits; To Identify The Project For Purposes Of The Fee In Lieu Of Tax Simplification Act; To State The Commitment Of Lancaster County To Place Project Property In A Multi-County Park. – ***John Weaver/Jamie Gilbert – pgs. 32-36***

- c. **2<sup>nd</sup> Reading of Ordinance 2017-1437 regarding the rezoning of property owned by Thomas Wheeler**  
 Ordinance Title: An Ordinance To Amend The Official Zoning Map Of Lancaster County So As To Rezone ± 21.146 Acre Portion Of Property Of Mr. Thomas Wheeler, Located At 2402 Flat Creek Road From GB, General Business District To RN, Rural Neighborhood District. – *Planning Commission recommended approval by a vote of 7-0. Passed 6-0 at the April 10, 2017 County Council Meeting. – Penelope Karagounis – pgs. 37-47*
- d. **2<sup>nd</sup> Reading of Ordinance 2017-1438 regarding amending the text of the UDO – Chapter 6**  
 Ordinance Title: An Ordinance To Amend The Text Of The Lancaster County Unified Development Ordinance, Chapter 6, Subdivision And Infrastructure Standards, Section 6.9.2A.2-Improvement Guarantees, Types Of Guarantees. – *Planning Commission recommended approval by a vote of 7-0. Passed 6-0 at the April 10, 2017 County Council Meeting. – Penelope Karagounis – pgs. 48-58*
- e. **2<sup>nd</sup> Reading of Ordinance 2017-1434 regarding Fee Agreement Between Lancaster County CompuCom Systems, Inc. And TKC Bailes Ridge Parkway, LLC**  
 Ordinance Title: An Ordinance To Authorize The Execution And Delivery Of A Fee Agreement By And Among Lancaster County CompuCom Systems, Inc. And TKC Bailes Ridge Parkway, LLC, Providing For The Payment Of A Fee-In-Lieu Of Taxes And The Provision Of Special Source Revenue Credits; To Express The Intention Of Council To Provide Monies To The Economic Development Fund. – *Passed 6-0 at the April 10, 2017 County Council Meeting. - John Weaver – pgs. 59-99*
- f. **2<sup>nd</sup> Reading of Ordinance 2017-1439 regarding Fee Agreement Between Lancaster County And Movement Mortgage, LLC And TKC CCII, LLC**  
 Ordinance Title: An Ordinance To Authorize The Execution And Delivery Of A Fee Agreement By And Among Lancaster County And Movement Mortgage, LLC And TKC CCII, LLC, Providing For The Payment Of A Fee-In-Lieu Of Taxes And The Provision Of Special Source Revenue Credits; To Express The Intention Of Council To Provide Monies To The Economic Development Fund. – *Passed 6-0 at the April 10, 2017 County Council Meeting. - John Weaver – pgs. 100-141*
- g. **1<sup>st</sup> Reading of Ordinance 2017-1440 regarding Amendment to Fee Agreement for Rico Industries, Inc., And Rico SC Realty, LLC**  
 Ordinance Title: An Ordinance To Authorize The Execution And Delivery Of An Amendment To The Fee Agreement Among Lancaster County, South Carolina, Rico Industries, Inc., And Rico SC Realty, LLC – *(Favorable Recommendation – Administration Committee) – John Weaver/Jamie Gilbert – pgs. 142-150*

**h. 1<sup>st</sup> Reading of Ordinance 2017-1441 regarding Fee Agreement with Company Known As Project DON**

Ordinance Title: An Ordinance To Authorize The Execution And Delivery Of A Fee Agreement By And Among Lancaster County And A Company Known To The County As Project DON, Providing For The Payment Of A Fee-In-Lieu Of Taxes And The Provision Of Special Source Revenue Credits; To Express The Intention Of Council To Provide Monies To The Economic Development Fund. – *John Weaver/Jamie Gilbert – pgs. 151-182*

**9. Discussion and Action Items**

**a. Committee Reports**

1. I&R Committee – Committee Chair Larry Honeycutt
2. Public Safety – Committee Chair Brian Carnes
3. Administration Committee – Committee Chair Charlene McGriff

**b. Nominations for appointments to the Historical Commission and the Airport Commission**

- District 2 – Nominations by Council Member Charlene McGriff – *pgs. 183-185*

**c. Serve as lead entity for the annual Council of Governments Planning Grant – *John Weaver – pg. 186***

**d. Amendment to the Airport engineering contract for alternate design related to airport lighting – *(Favorable Recommendation – I&R Committee) – John Weaver/Paul Moses – pgs. 187-191***

**e. Amend the display of County Ordinary tax millage on the property tax bills – *John Weaver – pgs. 192-200***

**f. Fleet Operations building – *(Favorable Recommendation – I&R Committee) – John Weaver/Jeff Catoe – pgs. 201-207***

**g. Information update on amendment to plans for improvements to Kershaw parks – *John Weaver/Hal Hiott – pgs. 208-209***

**h. Information on updated Capital Improvement Plan – *John Weaver – pgs. 210-263***

**i. Information update on “Lancaster Safe & Thriving Community Project” grant - *John Weaver – pgs. 264-298***

**j. Legal briefing on Ordinance 650 – *John Weaver***

**10. Status of items tabled, recommitted, deferred or held**

None at this time.

**11. Miscellaneous Reports and Correspondence**

- a. Certificate of Achievement in Financial Reporting – *pgs. 299-301*
- b. Quarterly Grant Updates from the Council of Governments – *pgs. 302-306*
- c. Charter Communications – *pgs. 307-310*

**12. Citizens Comments *[if Council delays until end of meeting]***

**13. Executive Session**

**14. Calendar of Events – *pg. 311***

**15. Adjournment**

*Anyone requiring special services to attend this meeting should contact 285-1565 at least 24 hours in advance of this meeting.*

*Lancaster County Council agendas are posted at the Lancaster County Administration Building and are available on the Website: [www.mylancastersc.org](http://www.mylancastersc.org)*

## Agenda Item Summary

Ordinance # / Resolution#:	Discussion/ Action Item
Contact Person / Sponsor:	Steve Willis
Department:	Administration
Date Requested to be on Agenda:	April 24, 2017

**Issue for Consideration:**

Priority needs List for 2017

**Points to Consider:**

The projects listed are generally for Community Development Block Grant eligibility; however Council in the past has added a few items in the Transportation area so that they would be listed in the event transportation grant funding became available.

For the CDBG items I recommend no change this year as we have a number of grant projects open in the target areas.

For the transportation items I do recommend one wording change to item 11. The suggested change is:

11. Improve transportation between the City of Lancaster and ~~Buford Community (SC 9 South)~~, the Chesterfield County line on SC 9 South, a segment of the South Carolina Department of Transportation Strategic Freight Network.

The reason for the suggested wording change is that the US Federal Highway Administration is pushing for funding to be applied to the Strategic Freight Network. We need to make sure this goal of Council is properly identified as being part of this network.

**Funding and Liability Factors:**

While CDBG does require a local match, that is only needed at the time a grant is awarded. There is no funding requirement to simply place an item on the list.

**Council Options:**

Approve or amend the list.

**Staff Recommendation:**

Amend item 11 as indicated to identify this highway route as part of the SCDOT Strategic Freight Network.

**Committee Recommendation:**

Not applicable as this is coming from the COG.



**MEMORANDUM**

**TO:** Lancaster County Council

**FROM:** Catawba Regional Council of Governments

**DATE:** April 11, 2017

**SUBJECT:** Needs Assessment Process

In order to apply for Community Development Block Grant funds, Lancaster County must complete a Needs Assessment. A Needs Assessment Public Hearing will be held on Monday, April 24, 2017 at 6:00 p.m. during the regularly scheduled County Council meeting in the Council Chambers.

At this hearing, Catawba Regional Council of Governments staff will present the past identified community needs and receive comments concerning the current needs, especially as they relate to the low and moderate income persons in Lancaster County.

Attached is a list of prioritized needs from Lancaster County's 2016 Needs Assessment. This can be used as a guide to identify Lancaster County's community needs for 2017, which will be updated after the hearing on April 24, 2017.

Also attached is an overview of the proposed use of Community Development Block Grant funds for the 2017-2018 program year. The next funding round for the Community Development Block Grant program is September 15, 2017 and applications must be requested by August 15, 2017. The eligible programs under this round are Community Enrichment, Neighborhood Revitalization and Special Projects. Infrastructure applications will be due in April 2018. Business Development and Ready to Go Public Facilities applications may be submitted at anytime during the year.

For additional information, please contact Grazier Rhea or Kimberly Herndon, with Catawba Regional Council of Governments, at 803-327-9041.

LANCASTER COUNTY  
PRIORITIZED COMMUNITY NEEDS  
FEBRUARY 2016

Lancaster County held a Needs Assessment Public Hearing on Monday, January 25, 2016. Lancaster County Council adopted the following list at their meeting of February 8, 2016.

1. Upgrade and extension of water and sewer services for low and moderate income areas, including the Poovey Farms area, the Kings Circle area, the Kershaw Mill area, remaining areas in the Erwin Farms and Midway Neighborhoods, the Dobson School area, and the Emerald Estates area.
2. Upgrade facilities for the Department of Social Services, Health Department and other public agencies serving low and moderate income persons.
3. Renovation and preservation of the Lancaster historic jail.
4. Neighborhood revitalization activities in low and moderate income areas, including the Midway area, Dobson School area, Kershaw Mill area, Erwin Farm area, and Emerald Estates area to include the following:
  - Clearance and clean-up
  - Infrastructure upgrades to include, but not limited to, transportation, sidewalks, transit, water, sewer, gas, electrical, and communications to include Internet/ wireless/ broadband.
  - Housing rehabilitation
  - Activities to increase affordable housing
  - Job training and educational opportunities
  - Socioeconomic assistance
  - Franchised curbside solid waste collection in target areas
5. Upgrade library facilities throughout Lancaster County to meet community needs and expand workforce training and development.
6. Development of greenways and trails, including the Lindsay Pettus Greenway.
7. Promote economic development and job creation activities through provision of infrastructure to potential and expanding businesses and industries and through the provision of Workforce Development Training to residents and industries through direct county grant match funding and provision of in-kind services.
8. Construct permanent EMS and fire stations where needed to replace mobile and/or inadequate facilities.
9. Improve transportation between Lancaster's three municipalities, City of Lancaster, Town of Heath Springs, and Town of Kershaw, including highway (US 521) and rail (L&C Railway) modes of transportation.
10. Add turning lanes for the Andrew Jackson middle and high schools and the Buford elementary and middle schools.
11. Improve transportation between the City of Lancaster and Buford Community (SC 9 South).

12. Locate recreational, social service agency and county agency facilities in the northern panhandle of the county. This would put these services within closer proximity to the people who use them and eliminate the need for driving into the City of Lancaster.
13. Seek funding to address housing needs, to include rehabilitation, affordable housing and down payment and closing cost assistance.
14. Undertake activities to promote fair housing opportunities for all citizens.

## MEMORANDUM

**TO:** County Council

**FROM:** Steve Willis, County Administrator *SW*

**TODAY'S DATE:** April 24, 2017 – part of Council Package

**DUE DATE:** N/A

**SUBJECT:** **Community Development Block Grants for 2017**

I am sure that Grazier will cover with you that we could not apply for any grants in the spring cycle as we have the maximum number of grants at this time. Once these close out we will be eligible again in the spring cycle for 2018.

For the fall cycle we will hopefully be eligible for a Community Enrichment grant. I am exploring two options with staff at this time. If Council would like to explore another area please let me know but we need to make sure we submit the strongest application.

1. Sheriff Barry Faile and Zoning Official Kenneth Cauthen will identify vacant/dilapidated structures to demolish in support of crime prevention efforts in our targeted LMI neighborhoods.
2. Should we acquire a new facility for DSS we would apply for grant funds for ADA improvements and energy efficiency improvements for the facility.

Thanks.

SW

cc: Grazier Rhea, Catawba Council of Governments



## **COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING 2017 – 2018**

The following is a summary of the proposed uses of CDBG funds for the 2017-2018 program year. These program uses are subject to change prior to final adoption by the SC Department of Commerce.

The Community Development Block Grant Small Cities Program is administered in South Carolina by the SC Department of Commerce, Office of Grants Administration. The State CDBG program will receive \$18.8 million from the U.S. Department of Housing and Urban Development (HUD) in 2016.

State CDBG grants are awarded to eligible local governments that are not “entitlement areas”. All local governments in the Catawba Region, with the exception of the City of Rock Hill, are eligible to apply.

All CDBG projects must address one of the three following national objectives:

- Benefit low and moderate income persons
- Eliminate slums and blight
- Address urgent community needs that pose a serious threat to the health or welfare of the community.

Three key goals for the CDBG program are to provide decent housing, economic opportunities and suitable living environment. Each project must meet one of the following outcomes identified by HUD:

- Affordability
- Accessibility
- Sustainability

The primary CDBG grant programs are Community Development, Business Development and Regional Planning. There will be \$15.7 million allocated for Community Development Programs, which includes five subcategories of Community Infrastructure, Community Enrichment, Neighborhood Revitalization, Special Projects and “Ready to Go”. Following is a description of each of program.

## **I. Community Development**

### **A. Community Infrastructure**

**Funds Available:** \$10,534,846

**Grant Maximum:** \$750,000 (A waiver may be considered for a project addressing an urgent and compelling need, regional solution or system-wide improvements)

**Grant Minimum:** \$50,000

**Match:**

10% of the total CDBG request, which can come from a variety of sources, including the local government, other non-Commerce grants, loans, waiver of fees, public or private investments and documented volunteer or in-kind contributions.

**Eligible Activities:**

Water, sewer, roads or drainage activities.

**Outcome:**

Contribute to the creation of healthy and sustainable residential communities through addressing one or more of the priorities listed in order of importance:

1. Significant improvements to existing infrastructure to address health concerns, meet required quality standards and ensure community sustainability.
2. Projects that result in more viable regional infrastructure solutions or that provide new access to services near business centers where it is cost effective to address documented health threat.
3. Upgrades to infrastructure to address quality standards where there are only general health concerns or provide new services that are not near business centers when it is cost effective to address a documented health threat.

**Application Requests due: Wednesday, March 15, 2017**

**Applications due: Friday April 14, 2017**

**B. Community Enrichment**

**Funds Available:** \$3,000,000

**Grant Maximum:** \$500,000

**Grant Minimum:** \$50,000

**Match:**

10% of the total CDBG request, which can come from a variety of sources, including the local government, other non-Commerce grants, loans, waiver of fees, public or private investments and documented volunteer or in-kind contributions.

**Eligible Activities:**

- **First Priority – Increasing Economic Competitiveness**
  - Brownfield projects or demolition of obsolete buildings.
  - Downtown streetscape improvements where there is significant business activity and substantial prior investments. Projects must include a plan for retail/small business support.
  - Planning for regional infrastructure, hazard mitigation, resiliency and sustainability for eligible public infrastructure and facilities, brownfields clean up and redevelopment, or master drainage studies.
- **Second Priority – Education and Workforce Development**
  - Libraries – facilities or services (fixed or mobile) to provide expanded library services or computer equipment with broadband capability to enhance skills training and education.
  - Publically owned facilities (except operating school facilities) that offer extended educational opportunities for adult literacy, or to serve at risk LMI children or youth.
  - Transportation-oriented public facilities or services to serve LMI workforce populations.
- **Third Priority – Safe and Healthy Communities**
  - Public safety facilities and services in LMI areas - police substations or other public improvements designed to address crime prevention.
  - Demolition of vacant, dilapidated structures to address and support crime prevention efforts in a targeted LMI neighborhood.
  - Fire substations or fire trucks serving LMI residential areas that provide a significant improvement in service for in town locations or near business centers.
  - Health clinic facilities or equipment in underserved areas or multi-service centers for health or related social services.
  - Public facilities modifications to ensure accessibility for disabled persons or for energy efficiency improvements for CDBG eligible public facilities that will significantly reduce operating burdens and promote sustainability (i.e., replacing windows, upgrading HVAC, etc.)

Equipment for public service activities must be for new or expanded services and generally associated with a significant capital investment in facilities. Only major pieces of equipment that have a durable life of five years will be considered for funding.

**Outcome:**

This program is designed to fund facilities, services and other activities that strengthen existing communities and support a high quality of life within the following state priority areas:

1. Increasing economic competitiveness
2. Education and workforce development
2. Safe and healthy communities

**Application Requests due: Tuesday, August 15, 2017 at 5:00 p.m.**

**Applications due: Friday, September 15, 2017 at 5:00 p.m.**

**C. Neighborhood Revitalization Program**

**Funds Available:** \$1,270,119

**Grant Maximum:** \$500,000

**Grant Minimum:** \$50,000

**Match:**

10% of the total CDBG request, which can come from a variety of sources, including the local government, other non-Commerce grants, loans, waiver of fees, public or private investments and documented volunteer or in-kind contributions.

**Planning Phase**

The targeted neighborhood must submit a locally funded revitalization plan (or a previously CDBG Village Renaissance Plan) that identifies community needs and prioritizes activities designed to revitalize the neighborhood with CDBG and other funds. This plan must be approved by the Department of Commerce and should set out a realistic plan for implementation of CDBG eligible and other activities in two possible consecutive implementation phases. The plan must be submitted to the Department of Commerce with the application.

The plan shall include the following:

- Comprehensive needs assessment (qualitative and quantitative) and prioritization.
- Comprehensive strategies for revitalization.
- Specific actions to prepare for implementation.

- Maps illustrating existing conditions, problems and proposed solutions.
- Roles and responsibilities-neighborhood and local government involvement and commitment in planning and implementation.
- Time frame for implementation of all strategies, including phased activities.

### **Implementation Phases**

Implementation of comprehensive neighborhood revitalization project must involve multiple activities including a public safety component. Activities must be described in the plan and may include:

- Infrastructure - water, sewer, roads, drainage
- Public facilities- sidewalks, security lighting and cameras, police or fire substations, technology, multi-service centers designed to address crime risk factors, walking trails, green space, landscaping
- Housing - infrastructure or other activities to support affordable or workforce housing; limited exterior only improvements including facades, minor repairs, energy efficiency improvements, handicap accessibility
- Demolition and clearance of vacant and dilapidated properties
- Public services - crime watch program, drug or gang education, awareness or prevention programs.

All implementation phases will be competitively selected with no guarantee of funding and must comply with applicable program threshold requirements.

**Application Requests due: Tuesday, August 15, 2017**

**Applications due: Friday, September 15, 2017**

### **D. Special Projects Program**

**Funds Available:** \$300,000

**Grant Maximum:** \$150,000

**Grant Minimum:** \$50,000

#### **Match:**

10% of the total CDBG request, which can come from a variety of sources, including the local government, other non-Commerce grants, loans, waiver of fees, public or private investments and documented volunteer or in-kind contributions.

#### **Outcome:**

This program is designed to meet community development needs that are not typically funded through the other CDBG programs or one of the other HUD partner programs.

**Eligible Activities:**

These funds will be used for alternative grant activities that meet community development need of eligible municipalities. Special projects could historic preservation, innovation, energy conservation, parks, and trails/greenways.

Projects should have significant leveraging, impact and community support while still meeting a National Objective and all other requirements. Consideration for funding will be based on State priorities listed below and the Community Development Selection Criteria:

- First Priority
  - Projects that impact economic development or increase economic competitiveness.
- Second Priority
  - Projects that address public health and safety or improve the long-term sustainability of the community.
- Third Priority
  - Projects that address energy conservation or historic preservation.

**Application Requests due: Tuesday, August 15, 2017 at 5:00 p.m.**

**Applications due: Friday, September 15, 2017 at 5:00 p.m.**

**E. Ready to Go” Public Facilities Program**

**Funds Available:** \$600,000

**Grant Maximum:** \$500,000

**Grant Minimum:** \$50,000

**Match:**

10% of the total CDBG request, which can come from a variety of sources, including the local government, other non-Commerce grants, loans, waiver of fees, public or private investments and documented volunteer or in-kind contributions.

**Eligible Activities:**

Activities must be eligible under the Community Infrastructure or Community Enrichment Program. CDBG funds are for construction costs only. Activities leading up to bidding must be complete prior to application submission. This includes project design, environmental review, acquisition and permits. The project must be ready to bid within 60 days of grant award.

**Outcome:**

This program is designed to stimulate the local economy by addressing urgent or compelling community needs, encouraging the timely implementation of CDBG eligible public projects, and being cost effective.

**Applications will be accepted on an ongoing basis, based on funding availability.**

Program clarifications:

- Projects must address an urgent and compelling need
- The project requires an upfront investment of local and other funds for planning, project design and permitting that is substantially equivalent to the required 10% local match.
- Projects must be eligible public facility improvements and CDBG pays only for construction and administration.

**II. Business Development Program**

**Funds Available:** \$2,000,000

**Grant Maximum:**

- Job creation/retention \$10,000/job
- Area economic development \$500,000
- Local goods and services:
  - Service area less than 20% poverty or 70% LMI \$350/job
  - Service area equal/more than 20% poverty or 70% LMI \$1,000/job

**Grant Minimum:** \$50,000

**Match:**

10% local match or other equivalent contribution required. Projects to assist businesses in the provision of goods and services must have a minimum of 25% leveraging including a 10% match from the local government.

**Eligible Activities:**

Infrastructure to assist new or expanding businesses that will result in the creation or retention of jobs, 51% of which must be available to low and moderate income persons.

**Outcome:**

Provision of financial resources for local governments to pursue opportunities that create new jobs, retain existing employment, stimulate private investment, and revitalize or facilitate the competitiveness of the local economy.

**General Program Requirements:**

- A unit of local government may apply for a third project if they have no more than two open grants that have not exceeded a 30 month grant period.
- A unit of local government is limited to one Neighborhood Revitalization project.
- A unit of local government is limited to one open Ready to Go projects.
- A unit of local government may not have more than one project for the same general target area/neighborhood open at the same time

Catawba Regional Council of Governments' staff is available to assist local governments with the development of potential CDBG projects and application preparation. If you are interested in submitting a CDBG application, contact *Grazier Rhea* or *Kimberly Herndon* at (803) 327-9041.

### NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on Monday, April 24, 2017 at 6:00 p.m. in the Lancaster County Council Chambers, Lancaster County Administrative Building, 101 North Main Street, Lancaster SC, Lancaster County will hold a public hearing to solicit public input on community needs and priorities for housing, public facilities, and economic development. At this public hearing, Lancaster County will provide the results of its needs assessment and the activities which might be undertaken to meet identified needs, including the estimated amount proposed to be used for activities that will benefit persons of low and moderate income.

Lancaster County will also review the program performance and accomplishments conducted under the Midway Neighborhood Revitalization Project - Phase I (CDBG #4-NR-14-004). This project consisted of revitalization activities in the Midway Neighborhood, which included sewer and sidewalk upgrades, demolition of 4 dilapidated structures, clearance of 3 lots and a public safety component. The total project cost was \$610,045, which included \$500,000 from CDBG funds and \$110,045 from local funds. The CDBG amount represented 82 percent of the total project cost, which consisted of \$335,736 for sewer facilities, \$69,692 for street improvements, \$52,117 for clearance activities, \$110,500 for engineering and \$42,000 for administration.

This public hearing and the matters to be discussed are subject to the provisions of Lancaster County's Citizens Participation Plan, developed in anticipation of participation in the State of South Carolina's Community Development Block Grant (CDBG) Program, providing for the participation of the citizens of Lancaster County in the planning and implementation of community and economic development projects which will involve CDBG funds.

The Citizens Participation Plan is available for review in the office of the Lancaster County Administrator, from 8:30 a.m. to 5:00 p.m. Monday through Friday. Persons with questions or comments concerning the public hearing or the Citizens Participation Plan may contact Steve Willis, County Administrator, P.O. Box 1809, Lancaster, SC 29721 (Telephone: 803-416-9300).

Lancaster County does not discriminate on the basis of age, color, religion, sex, national origin, familial status or disability in the admission or access to, or treatment or employment in its federally assisted programs or activities. Stephen Yeargin, Building Official, Lancaster County, P.O. Box 1809, Lancaster, SC 29721 (Telephone: 803-285-1969), has been designated to coordinate compliance with the nondiscrimination requirements contained in the U.S. Department of Housing and Urban Development's regulations. Assistance will be provided to accommodate the special needs of disabled persons, upon request. A 72-hour notice for assistance is requested.



Members of Lancaster County Council  
*Steve Harper, District 5, Chairman*  
*Charlene McGriff, District 2, Vice Chairwoman*  
*Larry Honeycutt, District 4, Secretary*  
*Brian Carnes, District 7*  
*Jack Estridge, District 6*  
*Terry Graham, District 1*  
*Billy Mosteller, District 3*

## **Minutes of the Lancaster County Council Regular Meeting**

101 N. Main Street, Lancaster, SC 29720

Monday, April 10, 2017

Council Members present were Brian Carnes, Terry Graham, Steve Harper, Larry Honeycutt, Charlene McGriff and Billy Mosteller. Council Member Jack Estridge was absent. Also present were Steve Willis, John Weaver, Sherrie Simpson, Chelsea Gardner, Penelope Karagounis, Kimberly Hill, the press and spectators. A quorum of Lancaster County Council was present for the meeting.

The following press were notified of the meeting by e-mail or by fax in accordance with the Freedom of Information Act: *Lancaster News, Kershaw News Era, The Rock Hill Herald, Fort Mill Times, Cable News 2, Channel 9* and the local Government Channel. The agenda was also posted in the lobby of the County Administration Building and on the county website the required length of time.

### **Call to Order regular meeting**

Chairman Steve Harper called the regular meeting of Council to order at 5:58 p.m.

### **Welcome and Recognition/Pledge of Allegiance and Invocation**

Chairman Steve Harper welcomed everyone to the meeting and announced the press notification was met. Brian Carnes led the Pledge of Allegiance to the American Flag and delivered the invocation.

### **Approval of the agenda**

Charlene McGriff moved to amend the agenda and requested that Item 9b (Legal briefing on Ordinance 650) be moved and heard at the next County Council meeting on April 24, 2017. Seconded by Billy Mosteller. Passed by unanimous vote of 6-0.

Brian Carnes moved to approve the agenda as amended. Seconded by Billy Mosteller. Passed by unanimous vote of 6-0.

## Special Presentations

Chairman Steve Harper presented a Thumbs Up Award to Mandy Catoe, *Lancaster News*, for outstanding news reporting.

## Citizens Comments

Sara Phillips, 2045 Robert H. Kirk Road, Lancaster, SC, spoke regarding the overpopulation of cats and Trap/Neuter/Return. She provided a handout attached as Schedule A.

Joe and Kristina Dillon, 469 Deer Run Road, spoke in favor of the rezoning of the property owned by Joe Dillon From GB, General Business District to LI, Light Industrial District (agenda item 8a).

Ned Blackmon, 816 Greenbriar Drive, Lancaster, SC, spoke regarding trucks and vans being parked in a residential district and a possible commercial business in a residential district. He provided a handout attached as Schedule B.

Tom Wheeler, 2402 Flatcreek Road, spoke in favor of the rezoning of the property owned by Thomas Wheeler From GB, General Business District to RN, Rural Neighborhood District (agenda item 8b).

## Consent Agenda

Larry Honeycutt moved to approve consent agenda items a. and b. Seconded by Charlene McGriff. Passed by unanimous vote of 6-0.

- a. Minutes of the following meetings:
  - March 27, 2017 regular county council meeting
- b. **3rd Reading of Ordinance 2017-1435 regarding amending Chapter 8 regarding Flood Damage Prevention of the new UDO**  
Ordinance Title: An Ordinance To Amend Chapter 8, Natural Resources Protection, Section 8.17 Applicability, Subsection A. Flood Damage Prevention Of The Lancaster County Unified Development Ordinance, Relating To Insert The Effective Date For The Flood Insurance Study (FIS).

**DRAFT**

**Non-Consent Agenda**

**1st Reading of Ordinance 2017-1436 regarding the rezoning of property owned by Joe D. Dillon**

Ordinance Title: An Ordinance To Amend The Official Zoning Map Of Lancaster County So As To Rezone Property Owned By Joe D. Dillon, Located At 4597 Old Hickory Road From GB, General Business District to LI, Light Industrial District.

Penelope Karagounis stated that the Planning Commission recommended a denial of the rezoning application of Joe D. Dillon. She stated that one property owner submitted a letter against the rezoning request.

Larry Honeycutt asked Penelope Karagounis if the Planning Staff can help this business. The two options to help would be as follows: (1) for the RV storage, the UDO Advisory Committee would need to amend the conditions in the table of uses for the RV/outdoor storage, and (2) for the auto body shop, Mr. Dillon would have to go through the process to obtain a conditional use permit. Terry Graham stated that Lancaster County has businesses that have been in operation for many years and the new UDO changed them to a non-conforming use. He stated that a solution is needed for this situation. Penelope Karagounis stated that she can take the information before the UDO Advisory Council. Steve Harper stated that the UDO Advisory Council needs to look at outdoor storage. Charlene McGriff stated that County Council needs to have follow-up from the Planning Department regarding these issues of rezoning.

Larry Honeycutt moved to deny the 1<sup>st</sup> Reading of Ordinance 2017-1436. Seconded by Charlene McGriff. Ordinance 2017-1436 was denied by a vote of 6-0.

**1st Reading of Ordinance 2017-1437 regarding the rezoning of property owned by Thomas Wheeler**

Ordinance Title: An Ordinance To Amend The Official Zoning Map Of Lancaster County So As To Rezone ± 21.146 Acre Portion Of Property Of Mr. Thomas Wheeler, Located At 2402 Flat Creek Road From GB, General Business District To RN, Rural Neighborhood District.

Brian Carnes moved to approve the 1<sup>st</sup> Reading of Ordinance 2017-1437. Seconded by Billy Mosteller. Passed by unanimous vote of 6-0.

**1st Reading of Ordinance 2017-1438 regarding amending the text of the UDO – Chapter 6**

Ordinance Title: An Ordinance To Amend The Text Of The Lancaster County Unified Development Ordinance, Chapter 6, Subdivision And Infrastructure Standards, Section 6.9.2A.2-Improvement Guarantees, Types Of Guarantees.

Charlene McGriff moved to approve the 1<sup>st</sup> Reading of Ordinance 2017-1438. Seconded by Terry Graham. Passed by unanimous vote of 6-0.

**1<sup>st</sup> Reading of Ordinance 2017-1434 regarding Fee Agreement Among Lancaster County CompuCom Systems, Inc. And TKC Bailes Ridge Parkway, LLC**

Ordinance Title: An Ordinance To Authorize The Execution And Delivery Of A Fee Agreement By And Among Lancaster County CompuCom Systems, Inc. And TKC Bailes Ridge Parkway, LLC, Providing For The Payment Of A Fee-In-Lieu Of Taxes And The Provision Of Special Source Revenue Credits; To Express The Intention Of Council To Provide Monies To The Economic Development Fund.

Brian Carnes moved to approve the 1<sup>st</sup> Reading of Ordinance 2017-1434. Seconded by Larry Honeycutt. Passed by unanimous vote of 6-0.

**1<sup>st</sup> Reading of Ordinance 2017-1439 regarding Fee Agreement Among Lancaster County And Movement Mortgage, LLC And TKC CCII, LLC**

Ordinance Title: An Ordinance To Authorize The Execution And Delivery Of A Fee Agreement By And Among Lancaster County And Movement Mortgage, LLC And TKC CCII, LLC, Providing For The Payment Of A Fee-In-Lieu Of Taxes And The Provision Of Special Source Revenue Credits; To Express The Intention Of Council To Provide Monies To The Economic Development Fund.

Brian Carnes moved to approve the 1<sup>st</sup> Reading of Ordinance 2017-1439. Seconded by Billy Mosteller. Passed by unanimous vote of 6-0.

**Discussion and Action Items**

**Nomination for re-appointment to the Board of Assessment Appeals.**

Larry Honeycutt moved to approve the re-appointment of Ira Bell to the Board of Assessment Appeals for District 6. Seconded by Terry Graham. Passed by unanimous vote of 6-0.

**Executive Session**

Larry Honeycutt moved to go into Executive Session to hear an economic development discussion: Project DON. Seconded by Charlene McGriff. Passed by unanimous vote of 6-0.

Brian Carnes moved to come out of Executive Session. Seconded by Larry Honeycutt. Passed by unanimous vote of 6-0.

Attorney John Weaver noted that Council received one economic development briefing during Executive Session. He stated that during Executive Session no votes were taken and no decisions were made.

**DRAFT**

*Economic Development Discussion: Project DON. SC Code 30-4-70(a)(5).*

Charlene McGriff moved that the economic development project discussed in Executive Session should not be brought before the Administration Committee, but the matter should proceed to full Council at the next meeting. Seconded by Brian Carnes. Passed by unanimous vote of 6-0.

**Adjournment**

Larry Honeycutt moved to adjourn the meeting. Seconded by Billy Mosteller. Passed by unanimous vote of 6-0. The County Council meeting was adjourned at 7:01 p.m.

Respectfully Submitted:

Approved by Council, April 24, 2017

Sherrie Simpson  
Clerk to Council

\_\_\_\_\_  
Larry Honeycutt, Secretary

## Agenda Item Summary

Ordinance # / Resolution#: 0958 – R2017  
Contact Person / Sponsor: Jamie Gilbert / John Weaver  
Department: Economic Development  
Date Requested to be on Agenda:  
Administration Committee: April 10, 2017  
County Council: April 24, 2017

*JW*

**Issue for Consideration:** Whether or not it is appropriate to amend the existing FILOT and Incentive Agreement with Lancaster Real Estate Group, Inc. so as to extend the investment period from five (5) years to seven (7) years. Lancaster Real Estate Group, Inc. is the real property owner/partner of Red Ventures.

**Points to Consider:** The Company has requested to extend the Investment Period for the Project from 5 to 7 years so that certain investments made in 2015 may be covered by the Fee Agreement.

**Funding and Liability Factors:** N/A

**Council Options:** Approve or reject the Resolution

**Recommendation:** The Economic Development Director supports the terms of the Amendment and recommends approval of the Resolution.

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF LANCASTER )

RESOLUTION NO. 0958-R2017

**A RESOLUTION**

**AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDMENT TO THE FEE-IN-LIEU OF TAX AND INCENTIVE AGREEMENT BY AND BETWEEN LANCASTER COUNTY AND LANCASTER REAL ESTATE GROUP, LLC, SO AS TO EXTEND THE INVESTMENT PERIOD.**

WHEREAS, Lancaster County, South Carolina (the "County"), acting by and through its County Council (the "Council") and pursuant to Title 12, Chapter 44, Code of Laws of South Carolina 1976, as amended (the "Act"), entered into a Fee-In-Lieu of Tax and Incentive Agreement, dated December 7, 2009 (the "Fee Agreement"), with Lancaster Real Estate Group, LLC (the "Company") concerning certain investments by the Company in the County (the "Project"); and

WHEREAS, the incentives provided in the Fee Agreement for the Project, include, but are not limited to, an Investment Period of five years and twenty annual fee-in-lieu of tax ("FILOT") payments for each phase of the Project; and

WHEREAS, both the Fee Agreement and the Act allow the parties to the Fee Agreement to extend the Investment Period by passage of a resolution to that effect; and

WHEREAS, Company has requested the County to approve the extension of the Investment Period from five to seven years so that certain investments made by the Company in 2015 will be covered by the Fee Agreement, including the provision providing for twenty annual FILOT payments for that phase of the Project; and

WHEREAS, is the purpose of this resolution to approve an amendment to the Fee Agreement that extends the Investment Period from five to seven years and addresses matters related to the extension of the Investment Period.

NOW, THEREFORE, BE IT RESOLVED, by the Council of Lancaster County, South Carolina:

**SECTION 1. Approval and Execution of First Amendment.**

The form, terms, and provisions of the First Amendment to the Fee in Lieu of Tax and Incentive Agreement (the "First Amendment"), attached hereto as Exhibit A, are approved, and all of the terms, provisions, and conditions thereof are incorporated herein by reference as if the First Amendment was set out in this resolution in its entirety. The Council Chair and Council Secretary are authorized, empowered, and directed to execute and acknowledge the First Amendment in the name of and on behalf of the County, and thereupon to cause the First Amendment to be delivered to the Company. The First Amendment is to be in substantially the form as attached to this resolution and hereby approved, 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, upon the advice of counsel to the County, such officer's

execution thereof to constitute conclusive evidence of such officer's approval of any and all changes or revisions therein from the form of the First Amendment attached to this resolution.

**SECTION 2. Findings.**

Council makes the following findings:

- (a) the Project will continue to constitute a "project" as said term is referred to and defined in Section 12-44-30(16) of the Act, and the First Amendment will promote the purposes enumerated in the Act, and in all respects conform to the provisions and requirements of the Act;
- (b) the Project will continue to benefit the general public welfare of the County by providing or maintaining services, employment, recreation, and other public benefits not otherwise provided locally;
- (c) neither the Project, the First Amendment, nor any documents or agreements entered into by the County in connection therewith will constitute or give rise to any pecuniary liability of the County or an incorporated municipality or a charge against its general credit or taxing power;
- (d) the purposes to be accomplished by the Project and the First Amendment are proper governmental and public purposes; and
- (e) the inducement of the expansion of the Project within the County and State is of paramount importance, and the benefits of the Project to the public will be greater than the costs.

**SECTION 3. Authority to Act.**

The Council Chair, Council Secretary, Clerk to Council, County Administrator, County Attorney and all other appropriate officials of the County are authorized and directed to do any and all things necessary to effect the execution and delivery of the First Amendment and the performance of all obligations of the County under and pursuant to the First Amendment.

**SECTION 4. Severability.**

If any section, subsection or clause of this resolution is held to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections and clauses shall not be affected.

**SECTION 5. Controlling Provisions.**

To the extent this resolution contains provisions that conflict with other orders, resolutions, and parts thereof, the provisions contained in this resolution supersede all other orders, resolutions and parts thereof and this resolution is controlling.

**SECTION 6. Effective Date.**

This resolution is effective upon its adoption.

SIGNATURES FOLLOW ON NEXT PAGE

**AND IT IS SO RESOLVED**

Dated this \_\_\_\_ day of April, 2017.

LANCASTER COUNTY, SOUTH CAROLINA

\_\_\_\_\_  
Steve Harper, Chair, County Council

\_\_\_\_\_  
Larry Honeycutt, Secretary, County Council

ATTEST:

\_\_\_\_\_  
Sherrie Simpson, Clerk to Council

**Exhibit A to Resolution No. 0958-R2017**

**First Amendment  
to the  
Fee in Lieu of Tax and Incentive Agreement  
between  
Lancaster County, South Carolina and Lancaster Real Estate Group, LLC**

This FIRST AMENDMENT OF FEE-IN-LIEU OF TAX AND INCENTIVE AGREEMENT (the "Fee Amendment") is made and entered into as of April 24, 2017, by and between LANCASTER COUNTY, SOUTH CAROLINA ("County"), a body politic and corporate and political subdivision of the State of South Carolina, and LANCASTER REAL ESTATE GROUP, LLC, a limited liability corporation organized in the State of North Carolina and authorized to do business in the State of South Carolina (the "Company").

**RECITALS**

WHEREAS, pursuant to Title 12, Chapter 44 of the Code of Laws of South Carolina 1976, as amended (the "Act"), the County and the Company entered into a Fee in Lieu of Tax and Incentive Agreement dated as of December 9, 2009 (the "Fee Agreement"), for the purpose of, among other things, providing to the Company incentives in the form of a fee in lieu of tax arrangement and special source credits in connection with the "Project," as defined in the Fee Agreement;

WHEREAS, the Company has requested the County to extend the Investment Period for the Project from five to seven years so that certain investments made in 2105 may be covered by the Fee Agreement;

WHEREAS, pursuant to the Act and Resolution No. 0958-R2017, the County approved this First Amendment to the Fee Agreement for the purpose of extending the Investment Period from five to seven years; and

WHEREAS, the County and Company now desire to enter into this First Amendment for the purpose of extending the Investment Period as defined in the Fee Agreement and to address other matters in the Fee Agreement affected by the extension of the Investment Period..

**FIRST AMENDMENT**

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the County and the Company agree:

**Section 1.** *Incorporation of Recitals.* The above recitals are incorporated into this First Amendment as if the recitals were set out in this First Amendment in their entirety.

**Section 2.** *Investment Period.* The definition of "Investment Period," as contained in Article I of the Fee Agreement, is amended to read:

**"Investment Period"** means the period for completion of the Project, beginning on the first day that Economic Development Property is purchased or acquired and ending seven (7) years after the Commencement Date, unless extended by resolution of the Council."

Section 3. *Waiver of Extension of Number of FILOT Payments.* (A) Section 5.1A of the Fee Agreement provides that “[f]or each Phase of the Project, the annual Negotiated FILOT Payments shall be payable for a consecutive period of up to twenty (20) years or, if the Investment Period is extended in accordance with Section 12-44-30(13) of the Act, up to an aggregate of thirty (30) years.”

(B) Section 11.10 of the Fee Agreement provides that “[e]ither party may waive compliance by the other party with any term or condition of this Agreement only in a writing signed by the waiving party.”

(C) Pursuant to Section 11.10 of the Fee Agreement, County and Company waive the extension of the number of annual Negotiated FILOT Payments from twenty (20) to thirty (30), as provided in Section 5.1A of the Fee Agreement because of the extension of the Investment Period provided in Section 2 of this First Amendment. County and Company agree that it is the intention of the County and Company for the number of Negotiated FILOT Payments to remain at twenty (20) after the extension of the Investment Period provided in Section 2 of this First Amendment.

Section 4. *Payment of Expenses.* Upon submission of appropriate documentation of the expenditure, Company agrees to reimburse the County, not later than June 30, 2017, for the County’s reasonable unreimbursed actual costs incurred related to this First Amendment. The cost reimbursement is limited to County payments to third-party vendors, including, but not limited to, payments for attorney’s fees.

Section 5. *Representations and Warranties.* (A) Company represents and warrants, as the basis for the undertakings on its part contained in this First Amendment, that it (i) is a limited liability company organized and existing and in good standing under the laws of North Carolina, (ii) is authorized to do business in South Carolina, (iii) has all requisite power to enter into this First Amendment, and (iv) by proper action has been duly authorized to execute and deliver this First Amendment.

(B) County represents and warrants, as the basis for the undertakings on its part contained in this First Amendment, that it (i) is a body politic and corporate and a political subdivision of the State of South Carolina, (ii) is authorized by the Act to enter into this First Amendment, (iii) has approved this First Amendment in accordance with the procedural requirements of the Act and any other applicable state law, and (iv) has authorized its officials to execute and deliver this First Amendment.

Section 6. *Multiple Counterparts.* This First Amendment may be executed in multiple counterparts, each of which shall be an original but all of which shall constitute but one and the same instrument.

Section 7. *Fee Agreement.* Except as specifically provided in this First Amendment, the Fee Agreement shall remain unchanged and in full force and effect.

SIGNATURE PAGES FOLLOW ON NEXT PAGE.

IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this First Amendment to be effective as of the date first written above.

LANCASTER COUNTY, SOUTH CAROLINA

\_\_\_\_\_  
Steve Harper, Chair, County Council

\_\_\_\_\_  
Larry Honeycutt, Secretary, County Council

[SEAL]

ATTEST:

\_\_\_\_\_  
Sherrie Simpson, Clerk to County Council

LANCASTER REAL ESTATE GROUP, LLC,  
a North Carolina limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this First Amendment to be effective as of the date first written above.

LANCASTER COUNTY, SOUTH CAROLINA

\_\_\_\_\_  
Steve Harper, Chair, County Council

\_\_\_\_\_  
Larry Honeycutt, Secretary, County Council

[SEAL]

ATTEST:

\_\_\_\_\_  
Sherrie Simpson, Clerk to County Council

LANCASTER REAL ESTATE GROUP, LLC,  
a North Carolina limited liability company

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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## Agenda Item Summary

Ordinance # / Resolution#: 0959-R2017 & O2017-1441

Contact Person / Sponsor: Jamie Gilbert / John Weaver

Department: Economic Development

Date Requested to be on Agenda: April 24, 2017

**Issue for Consideration:** Whether or not it is appropriate for Council to consider, through the passage of the Inducement Resolution and 1<sup>st</sup> Reading of the accompanying Ordinance certain tax incentives for Project Don, a company whose name will be disclosed publically prior to final approval of the incentive package.

**Points to Consider:** The company has pledged a capital investment of \$6.233 Million Dollars and the creation of no less than 18 new, full-time jobs. The investment period is for five (5) years. The assessment ration will be six (6%) and the millage rate set at 313.0 for the twenty (20) year Fee Agreement.

**Funding and Liability Factors:** N/A

**Council Options:** Pass the Inducement Resolution and the Ordinance if you favor the tax incentives and reject the local legislation if you oppose the incentives.

**Recommendation:** The Director of Economic Development has recommended passage of the Resolution and ordinance.

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF LANCASTER )

RESOLUTION NO. 0959-R2017

**A RESOLUTION**

**TO STATE THE COMMITMENT OF LANCASTER COUNTY TO ENTER INTO A FEE AGREEMENT WITH PROJECT DON, AND/OR ITS DESIGNEE OR NOMINEE; TO PROVIDE THE GENERAL TERMS OF THE FEE AGREEMENT INCLUDING THE PROVISION OF SPECIAL SOURCE REVENUE CREDITS; TO IDENTIFY THE PROJECT FOR PURPOSES OF THE FEE IN LIEU OF TAX SIMPLIFICATION ACT; TO STATE THE COMMITMENT OF LANCASTER COUNTY TO PLACE PROJECT PROPERTY IN A MULTI-COUNTY PARK.**

**WHEREAS**, Lancaster County, South Carolina (the "County"), acting by and through its County Council (the "County Council") is authorized and empowered under and pursuant to the provisions of the Fee in Lieu of Tax Simplification Act, codified as Title 12, Chapter 44, Code of Laws of South Carolina 1976, as amended (the "Act"), to enter into a fee in lieu of tax agreement (the "Fee Agreement") with respect to a project which requires the industry to make a payment of a fee in lieu of taxes, through which powers the industrial development of the State of South Carolina and the County will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State of South Carolina and the County and thus to utilize and employ the manpower, products, and natural resources of the State of South Carolina to benefit the general public welfare of the County by providing services, employment, and other public benefits not otherwise provided locally; and

**WHEREAS**, Project Don, on its own or together with one or more of its subsidiaries, affiliates, successors, assigns, sponsors, lessors, and others (collectively, the "Company"), desires to invest capital in the County in order to construct and install a manufacturing facility in the County (the "Project"), provided that approvals of various incentives contemplated for the Project are formalized by the State and/or County; and

**WHEREAS**, the Project is anticipated to result in an investment of at least \$6,233,000 and the creation of at least 18 new, full-time jobs; and

**WHEREAS**, the Company has requested that the County enter into a Fee Agreement, thereby providing for fee-in-lieu of tax ("FILOT") payments ("FILOT Payments") and special source revenue credits ("SSRCs") with respect to the Project; and

**WHEREAS**, the County has determined on the basis of the information supplied to it by the Company that the Project would be a "project" and "economic development property" as such terms are defined in the Act and that the Project would serve the purposes of the Act; and

**WHEREAS**, pursuant to the authority of Section 4-1-170 of the Code of Laws of South Carolina 1976, as amended and Article VIII, Section 13(D) of the South Carolina Constitution (collectively, the "MCP Laws"), the County is authorized to create a multi-county park (an "MCP Park") pursuant to a qualifying agreement with one or more contiguous South Carolina counties (the "Park Agreement"); and

**WHEREAS**, the County intends by this Resolution to commit itself, as it relates to the Project, to: (i) enter into a negotiated fee-in-lieu of tax agreement with the Company under the Act; (ii) provide

for SSRCs against the FILOT Payments to be made by the Company in connection with the foregoing fee-in-lieu of tax arrangements; and (iii) locate the Project in an MCP Park.

**NOW, THEREFORE, BE IT RESOLVED** by the Council of Lancaster County, South Carolina:

1. The adoption of this Resolution is an official action by the County Council to identify, reflect and induce the Project under the Act. For purposes of the Act, this Resolution is an "Inducement Resolution." For purposes of Section 12-44-110 of the Act, this Resolution constitutes preliminary approval by the County prior to the execution of a fee agreement.

2. The County commits to enter into a negotiated FILOT arrangement with the Company for the Project, the terms of which shall be set forth in a Fee Agreement in form and manner satisfactory to the County and the Company containing substantially the following terms:

- a. an investment period, as defined in the Act, of five (5) years (the "Investment Period"); and
- b. the Company's commitment to invest at least six million two hundred thirty-three thousand dollars (\$6,233,000.00) in economic development property for the Project, not later than the end of the Investment Period (the "Investment Commitment"); and
- c. the Company's commitment to create, not later than the end of the Investment Period, and thereafter to maintain for as long as the Company is receiving a special source revenue credit, at least eighteen (18) new full-time jobs (*i.e.*, at least thirty (30) hours per week), with health care benefits and an hourly wage rate not less than ninety-four percent (94%) of the County's average hourly wage rate as published by the South Carolina Department of Revenue (the "Jobs Commitment"). The initial average hourly wage rate is set at sixteen dollars and forty-two cents (\$16.42), which is ninety-four percent (94%) of seventeen dollars and forty-seven cents (\$17.47), and will be adjusted periodically beginning in year six of the Fee Agreement to ninety-four percent (94%) of the then current average hourly wage rate for the County as published by the South Carolina Department of Revenue. The Company and County will agree upon the number of new full-time jobs that must be created in each year prior to the year in which the eighteen (18) new full-time jobs must be created and those annual numbers are included in the Jobs Commitment; and
- d. calculation of FILOT Payments using an assessment ratio of six percent (6%) and a millage rate of 313.0 fixed for the term of the Fee Agreement; and
- e. a term of twenty (20) years for the Fee Agreement and for each phase of the Project; and
- f. a special source revenue credit equal to (i) fifty percent (50%) of the FILOT Payments for the first seven (7) consecutive years of the Project, and (ii) thirty percent (30%) of the FILOT Payments for the succeeding three (3) consecutive years of the Project. In any year in which the Company fails to meet the Jobs Commitment, the annual special source revenue credit in the following year shall be reduced in the same proportion that the Company failed to meet the Jobs Commitment; and
- g. for year eleven of the Fee Agreement, and for each year thereafter, the Company's agreement that the FILOT Payments shall be calculated using the then current millage

rate and the assessment ratio applicable to each class of economic development property if the property were subject to *ad valorem* taxes if in the prior year the Company failed to maintain an employment base of at least fifteen (15) full-time jobs (*i.e.*, at least thirty (30) hours per week), with health care benefits, or failed to maintain investment in the Project for economic development property, without regard to depreciation or other diminution in value, of not less than two million five-hundred thousand dollars (\$2,500,000.00); and

- h. the Company's agreement that the Fee Agreement is automatically terminated in the event the company fails to achieve an investment in economic development property for the Project of at least two million five-hundred thousand dollars (\$2,500,000.00) by the end of the Investment Period; and
- i. the Company's commitment to reimburse the County for its administrative expenses associated with the review, negotiation and preparation of all documentation and authorizing proceedings, including attorney's fees, for the Project.

3. Council shall use its best efforts to adopt a new Park Agreement or amend an existing Park Agreement to include the land on which the Project is located, to the extent that the land, or any portion thereof, is not currently subject to a Park Agreement. The period of time for inclusion of the land in an MCP Park shall be for the same period that the Fee Agreement is effective.

4. (A) The County shall use its best efforts to (i) assist the Company in locating potential grants from the state and utilities for any public infrastructure costs associated with the Project, (ii) assist the Company in applying for state economic development incentives that flow through the County, and (iii) assist the Company in securing job training through the ReadySC program.

(B) As used in this Section 4, "best efforts" include, without limitation, filing all required and necessary documents and applications relating to the grants or assistance, formally recommending approval of the grants or assistance and making the grants or assistance available at the commencement of the construction of the Project if provided by the granting or assisting entity and giving the Company written evidence of the grants or assistance when approved.

5. Council's commitments and agreements contained in Sections 3 and 4 are subject to the exercise of discretion by granting or approving entities other than the County and the exercise of that discretion is not controlled by the County.

6. Council shall approve the Fee Agreement, and any other agreement or document contemplated by this Resolution in accordance with South Carolina law and the rules and procedures of the Council.

7. County Council finds 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 and to no charge against the general credit or taxing power of either the County or any incorporated municipality, (iii) the purposes to be accomplished by the Project are proper governmental and public purposes, and (iv) the benefits of the Project to the public are greater than the costs to the public.

8. To the extent this Resolution contains provisions that conflict with other orders, resolutions, and parts thereof, the provisions contained in this Resolution supersede all other orders, resolutions and parts thereof and this Resolution is controlling.

9. This Resolution takes effect upon its adoption.

**AND IT IS SO RESOLVED**

Dated this \_\_\_\_ day of \_\_\_\_\_, 2017

LANCASTER COUNTY, SOUTH CAROLINA

[SEAL]

\_\_\_\_\_  
Steve Harper, Chair, County Council

\_\_\_\_\_  
Larry Honeycutt, Secretary, County Council

Attest:

\_\_\_\_\_  
Sherrie M. Simpson, Clerk to Council

## Agenda Item Summary

Ordinance # / Resolution#: 2017-1437  
Contact Person / Sponsor: Andy Rowe  
Department: Planning  
Date Requested to be on Agenda: 4/10/17

### **Issue for Consideration:**

Rezoning application of Thomas Wheeler to rezone a  $\pm 21.146$  acre portion of a  $\pm 34.393$  acre tract of property from GB, General Business District, to RN, Rural Neighborhood District. The applicant wishes to rezone the southern portion of the property to build a home on the site.

### **Points to Consider:**

The property has one adjacent parcel to the north zoned LDR, Low Density Residential District, and one adjacent parcel to the north zoned RN, Rural Neighborhood District. Adjacent parcels to the south and west are all zoned RN, Rural Neighborhood District. Adjacent parcels to the east are zoned RN, Rural Neighborhood District and INS, Institutional District. Majority if the property is surrounded by residential homes.

The Future Land Use Map identifies this property as Transitional. Transitional is a community type that is described as a walkable neighborhood that comprises a mix of uses including commercial and residential as defined by the *Lancaster County Comprehensive Plan 2014-2024*. However, the Future Land Use Map does not distinguish between residential and commercial uses for individual properties.

By rezoning the southern portion of the property from commercial to residential makes this property conform more to the area considering the high number of residential homes in the immediate area. The applicant will be required to provide a survey identifying the proposed subdivided  $\pm 21.146$  portion of property if County Council approves the rezoning request. The County will need the survey platted and recorded before 3<sup>rd</sup> reading.

### **Funding and Liability Factors:**

N/A

### **Council Options:**

To approve, deny, or table the rezoning request.

### **Recommendation:**

The Planning Department recommended approval of this rezoning request. The rezoning request if approved would conform to the Future Land Use Map and would match the residentially zoned parcels surrounding the property.

At the Lancaster County Planning Commission meeting on Tuesday, March 21, 2017 the Commission voted to **approve** the rezoning application of Thomas Wheeler by a vote of (7-0). At the above referenced meeting several citizens spoke at the public hearing. Majority of the citizens did not have a problem with the applicant placing a home on the property.



**Section 4.      Conflicting Provisions.**

To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Lancaster County Code or other County ordinances, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

**Section 5.      Effective Date.**

This ordinance is effective upon third reading.

And it is so ordained, this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

**LANCASTER COUNTY, SOUTH CAROLINA**

\_\_\_\_\_  
Steve Harper, Chair, County Council

\_\_\_\_\_  
Larry Honeycutt, Secretary, County Council

ATTEST:

\_\_\_\_\_  
Sherrie Simpson, Clerk to Council

First Reading: 4-10-17      Passed 6-0  
Second Reading: 4-24-17  
Third Reading: 5-8-17      (Tentative)

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## **PLANNING STAFF REPORT: RZ-017-005**

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### **I. Facts**

#### **A. General Information**

*Proposal:* Rezoning application of Thomas Wheeler to rezone a ± 21.146 portion of a ± 34.393 acre tract of property from GB, General Business District, to RN, Rural Neighborhood District. The applicant states he wishes to rezone the southern portion of the property to place a home on the site.

*Property Location:* The property is located at 2402 Flat Creek Road in Lancaster County, SC.

*Legal Description:* Portion of Tax Map 80, Parcel 94.00

*Zoning Classification:* Current: GB, General Business District.

*Voting District:* District 5 – Steve Harper

#### **B. Site Information**

*Site Description:* The parcel is currently occupied by an abandoned house and utility building on the northern portion of the property and wooded to the rear of the property. A church borders the property to the east.

#### **C. Vicinity Data**

*Surrounding Conditions:* The property has one adjacent parcel to the north zoned LDR, Low Density Residential District, and one adjacent parcel to the north zoned RN, Rural Neighborhood District. Adjacent parcels to the south and west are all zoned RN, Rural Neighborhood District. Adjacent parcels to the east are zoned RN, Rural Neighborhood District and INS, Institutional District. Majority if the property is surrounded by residential homes.

#### **D. Exhibits**

1. Rezoning Application
2. Vicinity Map
3. Zoning Map
4. Future Land Use Map
5. Proposed Property Map
6. Tax Inquiry Sheet
7. UDO- Section: 2.3 - Districts
8. UDO- Section: 2.5.3 - Use Table

Date of 1<sup>st</sup> Reading: 4-10-17  
\_\_ Approved \_\_ Denied \_\_ No Action

Date of 2<sup>nd</sup> Reading: 4-24-17  
\_\_ Approved \_\_ Denied \_\_ No Action

Date of 3<sup>rd</sup> Reading: 5-8-17  
Approved \_\_ Denied \_\_ No Action

## II. Findings

### Code Considerations:

#### 2.3 DISTRICTS:

##### **General Business District (GB)**

The General Business District is generally located on thoroughfares and provides opportunities for the provision of offices, services, and retail goods in proximity to generally auto-dependent, community neighborhoods. The regulations for this district are intended to accommodate the predominately auto-oriented pattern of existing development while encouraging the transition to pedestrian-friendly, mixed-use areas that avoid strip commercial development.

##### **Rural Neighborhood District (RN)**

The Rural Neighborhood District is established to protect the residential character of communities and neighborhoods in the rural area at a density of 1.0 dwelling unit per acre. The district is intended to promote rural living, protect farmland, and to maintain the low density residential.

### **UNIFIED DEVELOPMENT ORDINANCE | Adopted 11.28.2016**

## III. Conclusions

The Future Land Use Map identifies this property as Transitional. Transitional is a community type that is described as a walkable neighborhood that comprises a mix of uses including commercial and residential as defined by the *Lancaster County Comprehensive Plan 2014-2024*. However, the Future Land Use Map does not distinguish between residential and commercial uses for individual properties. By rezoning the southern portion of the property from commercial to residential makes this property conform more to the area considering the high number of residential homes in the immediate area. The applicant will be required to provide a survey identifying the proposed subdivided ± 21.146 portion of property if County Council approves the rezoning request. The County will need the survey platted and recorded before 3<sup>rd</sup> reading.

## IV. Recommendation

Based on the information above the planning staff is recommending that the rezoning request for the property located at 2402 Flat Creek Road be **approved**. This rezoning request if approved would conform to the Future Land Use Map and would match the residentially zoned parcels surrounding the property.

Date of 1<sup>st</sup> Reading: 4-10-17  
 Approved  Denied  No Action

Date of 2<sup>nd</sup> Reading: 4-24-17  
 Approved  Denied  No Action

Date of 3<sup>rd</sup> Reading: 5-8-17  
 Approved  Denied  No Action

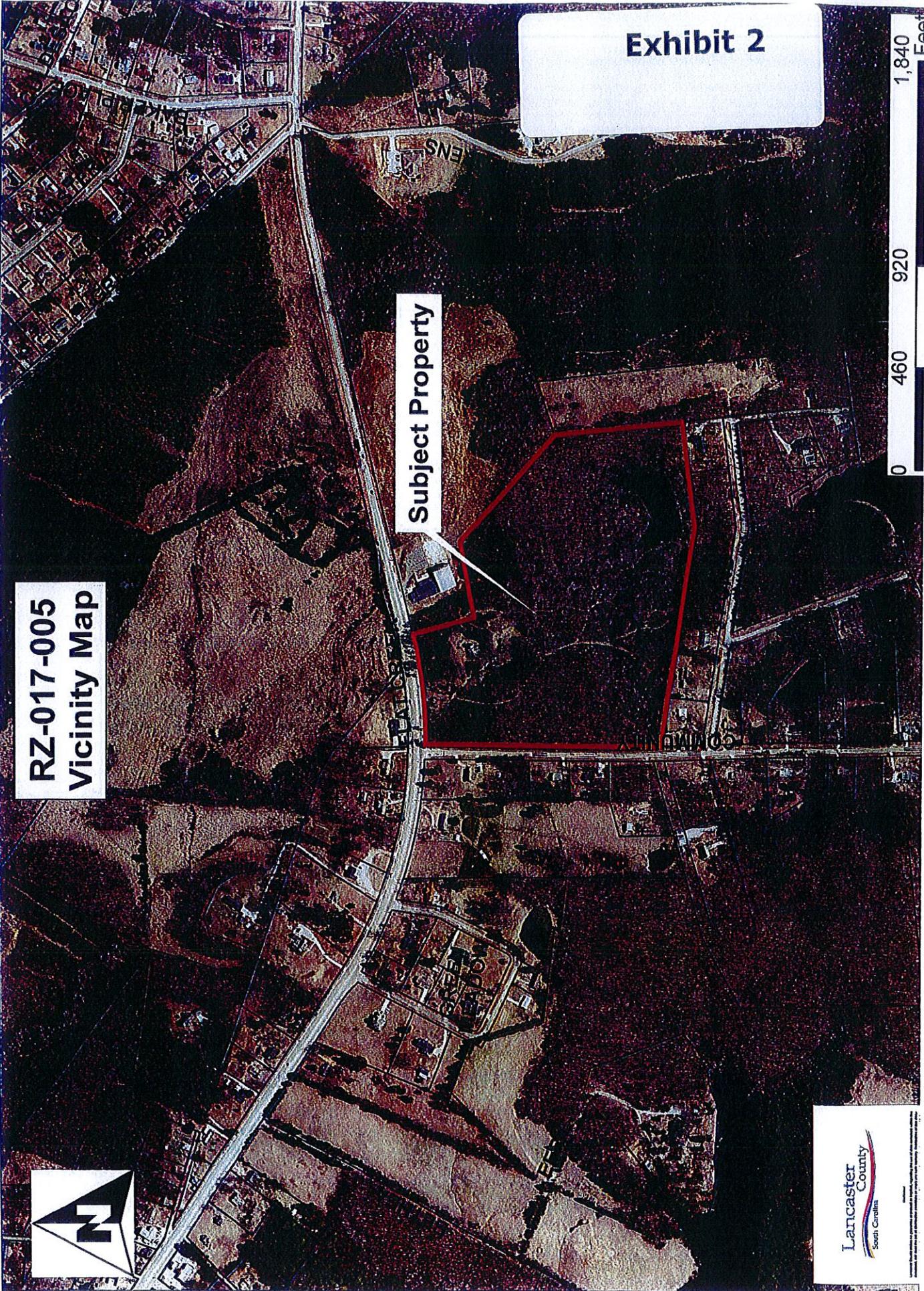
**V. Recommendation from Planning Commission Meeting:**

At the Lancaster County Planning Commission meeting on Tuesday, March 21, 2017 the Commission voted to **approve** the rezoning application of Thomas Wheeler by a vote of (7-0). At the above referenced meeting several citizens spoke at the public hearing. Majority of the citizens did not have a problem with the applicant placing a home on the property.

# Exhibit 2

RZ-017-005  
Vicinity Map

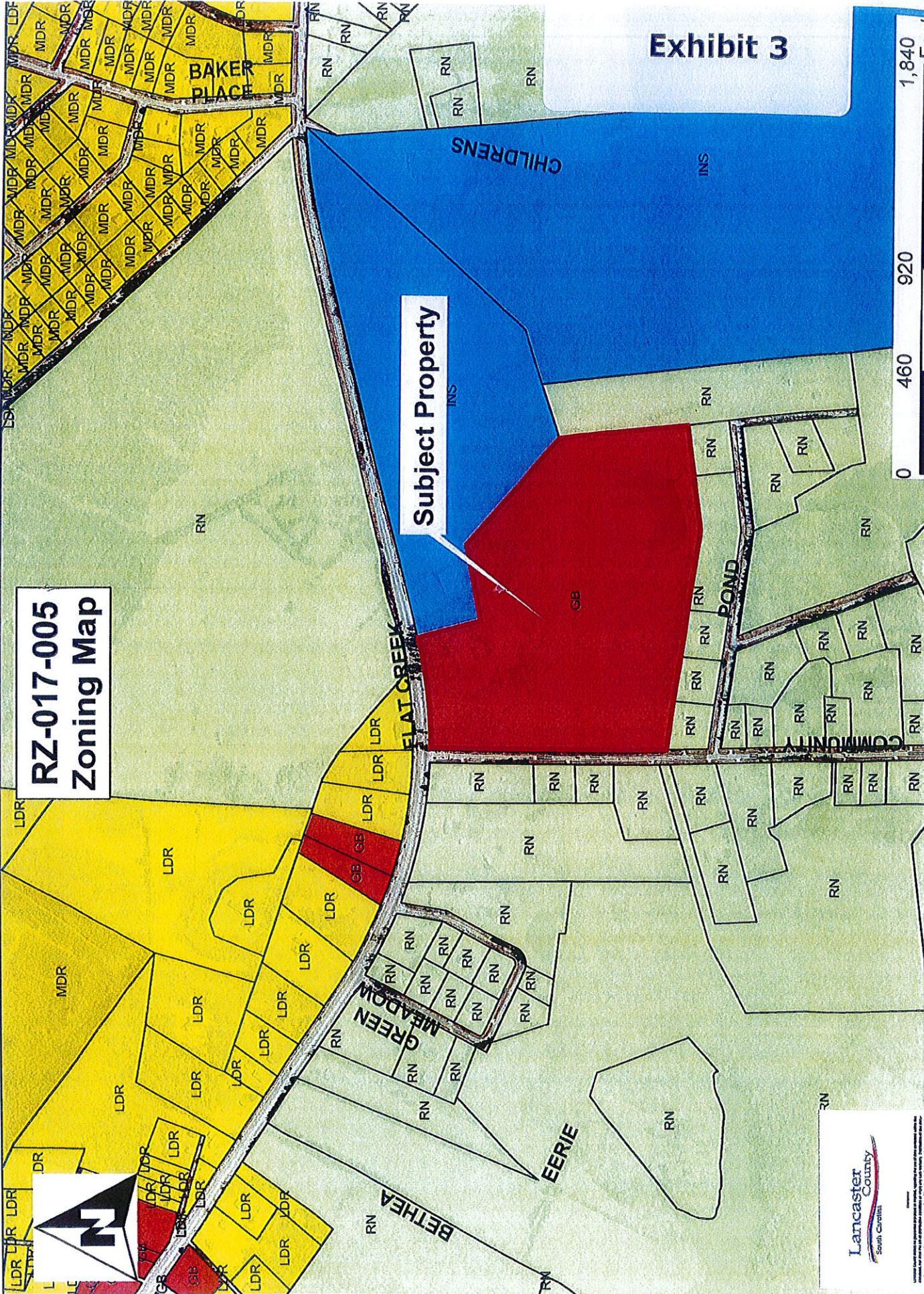
Subject Property



# Exhibit 3

## RZ-017-005 Zoning Map

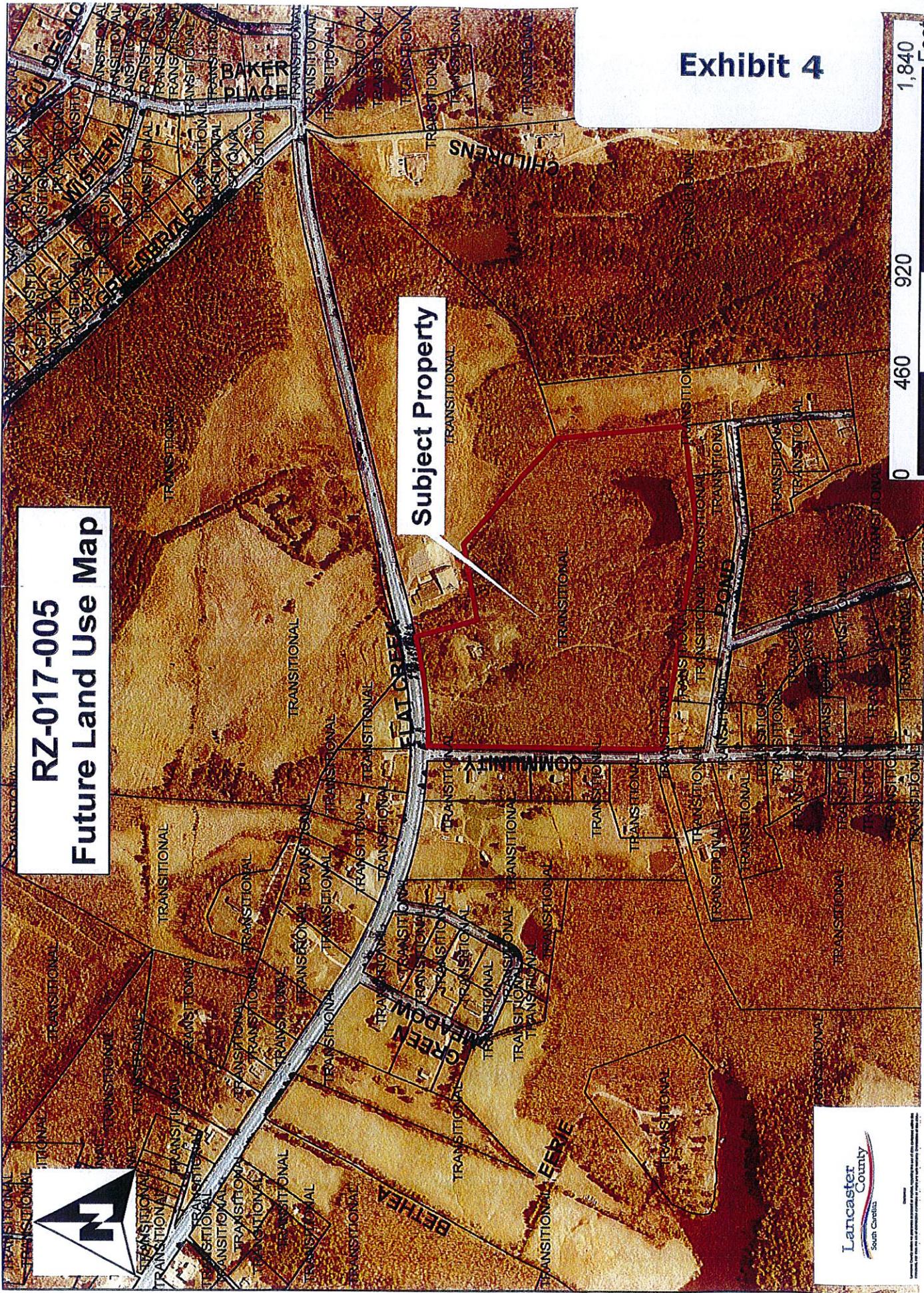
Subject Property



# RZ-017-005 Future Land Use Map

Subject Property

## Exhibit 4

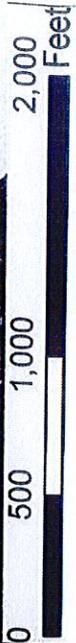


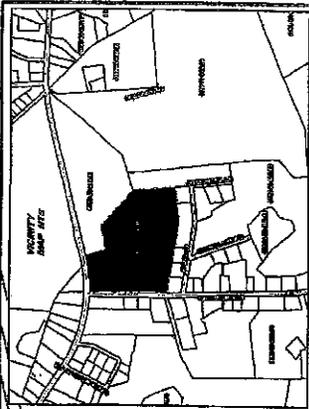


**RZ-017-005  
Proposed Property Map**

**PROPOSED +/- 21.146 AC PORTION  
TO BE REZONED TO RN**

**Exhibit 5**





Plat Of Property Of  
**Thomas A. Wheeler &  
 Katherine E. Wheeler**  
 Located In  
 Antioch Community  
 3 Miles East Of  
 Lancaster, South Carolina  
 Lancaster County

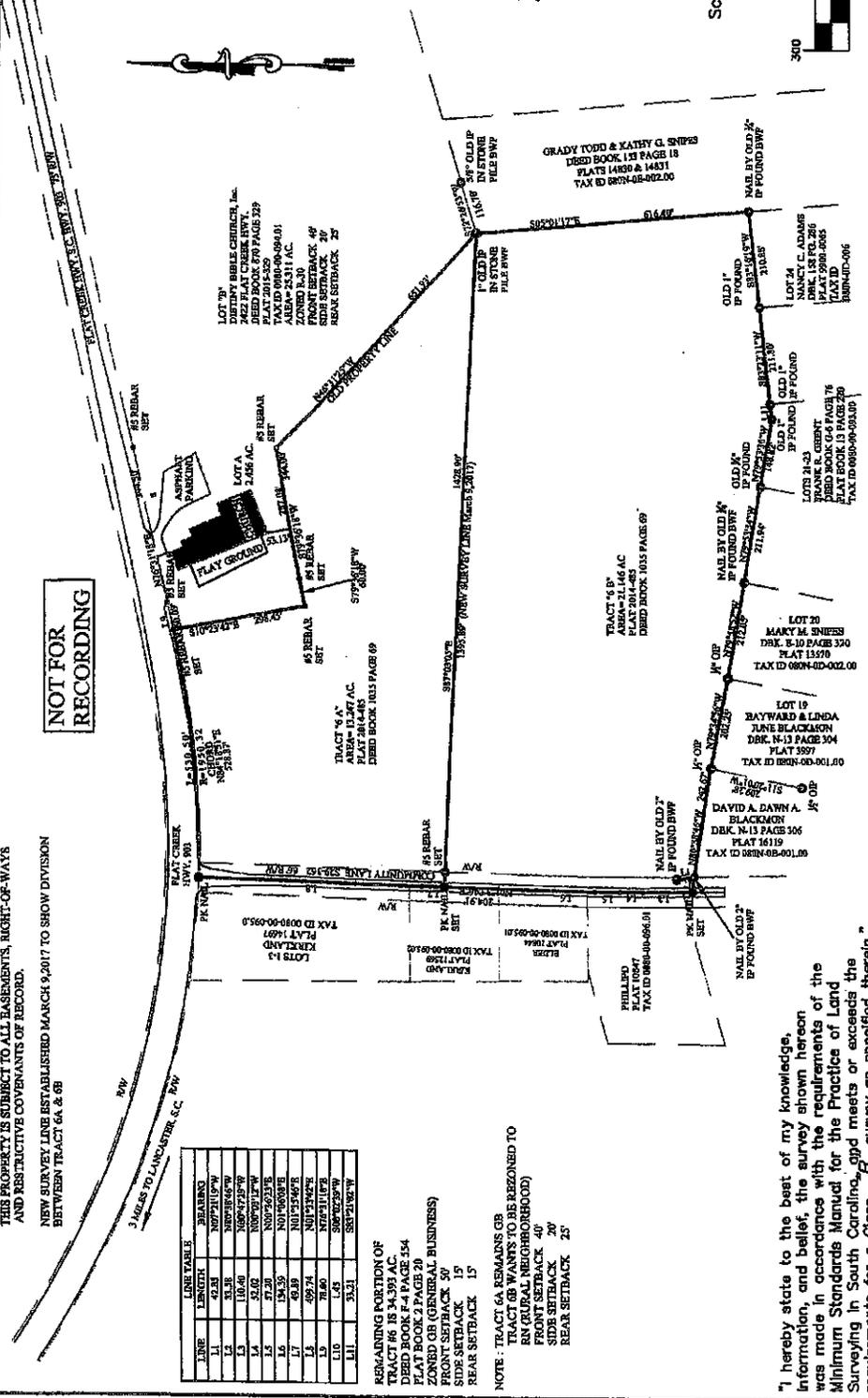
Scale 1" = 300' RevDate 03/10/2017  
 RevDate 02/19/2015

GRAPHIC SCALE



( IN FEET )  
 1 inch = 300 ft.

Survey By: **J. C. Crumpler**  
 S.C. Reg. No. 6574  
 207 Chesterfield Avenue  
 Lancaster, South Carolina  
 1-803-283-9818



**NOT FOR RECORDING**

THIS PROPERTY IS SUBJECT TO ALL EASEMENTS, RIGHT-OF-WAYS  
 AND RESTRICTIVE COVENANTS OF RECORD.  
 NEW SURVEY LINE ESTABLISHED MARCH 9, 2017 TO SHOW DIVISION  
 BETWEEN TRACT 6A & 6B

LINE	LENGTH	BEARINGS
L1	42.81	N89°21'47"W
L2	10.46	N89°52'57"W
L3	10.46	N89°52'57"W
L4	52.62	N00°01'17"E
L5	71.20	N00°42'13"E
L6	124.39	N01°00'01"W
L7	63.49	N01°53'46"E
L8	497.74	N01°34'26"E
L9	78.80	N75°11'16"E
L10	1.45	S89°52'29"W
L11	33.21	S87°19'32"W

REMAINING PORTION OF  
 TRACT 6A REMAINS OR  
 REZONED TO  
 TRACT 6A (NEIGHBORHOOD)  
 DEED BOOK 4 PAGE 154  
 PLAT BOOK 2 PAGE 20  
 ZONED OR (GENERAL BUSINESS)  
 FRONT SETBACK 50'  
 SIDE SETBACK 15'  
 REAR SETBACK 15'

I hereby state to the best of my knowledge,  
 information, and belief, the survey shown hereon  
 was made in accordance with the requirements of the  
 Minimum Standards Manual for the Practice of Land  
 Surveying in South Carolina, and meets or exceeds the  
 requirements for a Class B survey as specified therein."

NOTE: This lot does not lie  
 within any designated  
 flood area and there  
 are no encroachments  
 or projections other  
 than as shown on this  
 plat.

DRAWN BY:	JCC	RevDate	02/19/2015
CHECKED BY:	JCC	DATE	03/09/2017
JOB NO.:	14-06-2	TAX ID	0080-00-094-00
		SHEET	1 of 1

*J. C. Crumpler*

## Agenda Item Summary

Ordinance # / Resolution#: 2017-1438  
Contact Person / Sponsor: Andy Rowe  
Department: Planning  
Date Requested to be on Agenda: 4-10-17

### **Issue for Consideration:**

The following is a proposed text amendment to the Lancaster County Unified Development Ordinance by Lancaster County to amend the text of Chapter 6, Subdivision and Infrastructure Standards, Section 6.9.2A.2-Improvement Guarantees, Types of Guarantees.

### **Points to Consider:**

The text amendment is to amend Chapter 6, Subdivision and Infrastructure Standards, Section 6.9.2A.2-Improvement Guarantees, Types of Guarantees. The proposed text amendment if adopted would allow residential and commercial developers to have banking relationships with institutions beyond 100 miles of Lancaster County.

### **Funding and Liability Factors:**

### **Council Options:**

To approve or deny the text request.

### **Recommendation:**

The Planning Staff recommended that the text amendment be **approved** with the addition that all letter of credits be accepted from banks only within the United States, and letters of credit must contain the project name and phase. Staff would note that these two issues have caused confusion in the past and staff believes these issues should be resolved with this text amendment since we are adding text concerning letters of credit.

At the Lancaster County Planning Commission meeting on Tuesday, March 21, 2017 the Commission voted to **approve** the application by a vote of (7-0) with the condition that the word "located" on the top line and then through "and" just before payable be deleted. It should read payable to Lancaster County. The Planning Commission also added that the bank be a U.S. bank only and must contain the development or subdivision name and phase.

### **Proposed Text:**

6.9.2 Guarantees

#### A. Types of Guarantees

2. A letter of credit duly executed by a U.S. bank payable to Lancaster County wherein the letter of credit contains the following, or similar, language: Drawings may also be presented to us by facsimile transmission to facsimile number xxx-xxx-xxxx (each such drawing, a "fax drawing"); provided, however, that a fax drawing will not be effectively presented until you confirm by telephone our receipt of such fax drawing by calling xxx-xxx-xxxx. If you present a fax drawing under this letter of credit, you do not need to present the original of any drawing documents. Such letters of credit must include the development or subdivision name and phase.

Proposed Text from Planning Commission:

6.9.2 Guarantees

A. Types of Guarantees

2a. A letter of credit duly executed by a **U.S. bank payable to Lancaster County** wherein the letter of credit contains the following, or similar, language: Drawings may also be presented to us by facsimile transmission to facsimile number xxx-xxx-xxxx (each such drawing, a “fax drawing”); provided, however, that a fax drawing will not be effectively presented until you confirm by telephone our receipt of such fax drawing by calling xxx-xxx-xxxx. If you present a fax drawing under this letter of credit, you do not need to present the original of any drawing documents. **Such letters of credit must include the development or subdivision name and phase.**



**Section 3.      Conflicting Provisions.**

To the extent this ordinance contains provisions that conflict with provisions contained in the Lancaster County Code or other County ordinances, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

**Section 4.      Effective Date.**

This ordinance is effective upon third reading.

AND IT IS SO ORDAINED, this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

**LANCASTER COUNTY, SOUTH CAROLINA**

\_\_\_\_\_  
Steve Harper, Chair, County Council

\_\_\_\_\_  
Larry Honeycutt, Secretary, County Council

ATTEST:

\_\_\_\_\_  
Sherrie M. Simpson, Clerk to Council

First Reading:      April 10, 2017    Passed 6-0  
Second Reading:    April 24, 2017  
Third Reading:      May 8, 2017    (Tentative)

## **PLANNING STAFF REPORT: UDO-TA-017-004**

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### **I. Facts:**

#### **A. General Information**

The following is a proposed text amendment to the Lancaster County Unified Development Ordinance by Lancaster County to amend the text of Chapter 6, Subdivision and Infrastructure Standards, Section 6.9.2A.2- Improvement Guarantees, Types of Guarantees.

#### **Current Text:**

A letter of credit duly executed by a bank located within 100 miles of Lancaster County and payable to the county.

#### **Proposed Text:**

#### **6.9.2 Guarantees**

##### **A. Types of Guarantees**

2a. A letter of credit duly executed by a bank located beyond 100 miles of Lancaster County and payable to the County wherein the letter of credit contains the following, or similar, language: Drawings may also be presented to us by facsimile transmission to facsimile number xxx-xxx-xxxx (each such drawing, a "fax drawing"); provided, however, that a fax drawing will not be effectively presented until you confirm by telephone our receipt of such fax drawing by calling xxx-xxx-xxxx. If you present a fax drawing under this letter of credit, you do not need to present the original of any drawing documents.

#### **B. Exhibits**

1. Text Amendment Application
2. Chapter 6, Subdivision and Infrastructure Standards, Section 6.9.2A.2- Improvement Guarantees, Types of Guarantees.
3. Proposed Text

### **II. Findings:**

The text amendment is to amend Chapter 6, Subdivision and Infrastructure Standards, Section 6.9.2A.2- Improvement Guarantees, Types of Guarantees. The proposed text amendment if adopted would allow residential and commercial developers to have banking relationships with institutions beyond 100 miles of Lancaster County.

Date of 1<sup>st</sup> Reading: 4-10-17  
\_\_ Approved \_\_ Denied \_\_ No Action

Date of 2<sup>nd</sup> Reading: 4-24-17  
\_\_ Approved \_\_ Denied \_\_ No Action

Date of 3<sup>rd</sup> Reading: 5-8-17  
Approved \_\_ Denied \_\_ No Action

### **III. Recommendation:**

By approving this text amendment, developers will be allowed to have flexibility in using banking institutions beyond 100 miles of Lancaster County. It is the recommendation of the Planning Staff that the above text amendment be **approved** with the addition that all letter of credits be accepted from banks only within the United States, and letters of credit must contain the project name and phase. Staff would note that these two issues have caused confusion in the past and staff believes these issues should be resolved with this text amendment since we are adding text concerning letters of credit.

### **IV. Recommendation from Planning Commission Meeting:**

At the Lancaster County Planning Commission meeting on Tuesday, March 21, 2017 the Commission voted to **approve** the application by a vote of (7-0) with the condition that the word "located" on the top line and then through "and" just before payable be deleted. It should read payable to Lancaster County. The Planning Commission also added that the bank be a U.S. bank only and must contain the development or subdivision name and phase.

#### **Proposed Text from Planning Commission:**

##### **6.9.2 Guarantees**

##### **A. Types of Guarantees**

2a. A letter of credit duly executed by a **U.S. bank payable to Lancaster County** wherein the letter of credit contains the following, or similar, language: Drawings may also be presented to us by facsimile transmission to facsimile number xxx-xxx-xxxx (each such drawing, a "fax drawing"); provided, however, that a fax drawing will not be effectively presented until you confirm by telephone our receipt of such fax drawing by calling xxx-xxx-xxxx. If you present a fax drawing under this letter of credit, you do not need to present the original of any drawing documents. **Such letters of credit must include the development or subdivision name and phase.**

set forth in Chapter 6 of the UDO. However, the Planning Commission may alter this requirement if the developer demonstrates that the connection would be difficult to provide because of topographical reasons; and

- b. Where an undeveloped adjacent parcel exists, a stub out or cross-access easement for future stub out, shall be required to allow for connection to future parking and/or shared driveways; and
- c. Where a developed adjacent parcel exists, existing stub outs shall be utilized.

## 6.9 IMPROVEMENT GUARANTEES

### 6.9.1 GENERAL

- A. Before recordation of a final plat of a subdivision, the Administrator must be satisfied that all improvements required by this ordinance have been constructed.
- B. In lieu of the completion of the improvements required by this section, the County may enter into a financial guarantee agreement with the developer whereby the developer shall agree to complete all required improvements except water and sewer.
- C. The financial guarantee or surety will be subject to the following conditions:
  - 1. The guarantee shall be in an amount equal to 125 percent of the cost of construction of the outstanding improvements based on an estimate by the Administrator.
  - 2. The improvements will be completed within 12 months after approval of the financial guarantee and upon receipt of the corresponding security documents. The guarantee shall include with an automatic renewal, unless Lancaster County is notified in writing not less than 60 days prior to expiration that it will not renew. The financial guarantee may be amended by the Administrator, as required.

### 6.9.2 GUARANTEES

- A. **Types of Guarantees:** To secure this agreement, the developer shall provide, subject to the approval of the Administrator, either one or a combination of the following guarantees:
  - 1. The deposit of a certified check,
  - 2. A letter of credit duly executed by a bank located within 100 miles of Lancaster County and payable to the County, or,
  - 3. Another form of surety, together with an assignment of such security payable to Lancaster County, as approved by the Finance Director.
- B. **Default by Developer:** In the event such improvements are not completed as required by the ordinance, the County shall proceed with the work and hold the owner and the guarantor jointly responsible for the costs thereof by redeeming such portion of the financial guarantee as may be necessary to complete the required improvements.
- C. **Release of Financial Guarantee:** Upon completion of the improvements, the County shall release any assignment placed upon such account, certificate or other surety.

### 6.9.3 WARRANTY AGAINST DEFECTS

The developer shall be responsible for the maintenance and repair of all new streets, stormwater structures controls and other required utilities and warranty such improvements for a minimum of 2 years from the approval date of the final plat.

- A. **Significant Failures Reset Warranty Period:** If a significant failure of the warranted improvements occurs, including pavement, trench, or subgrade failure of streets, at any time

New Proposed Text:

6.9.2 Guarantees

A. Types of Guarantees

2a. A letter of credit duly executed by a **U.S. bank payable to Lancaster County** wherein the letter of credit contains the following, or similar, language: Drawings may also be presented to us by facsimile transmission to facsimile number xxx-xxx-xxxx (each such drawing, a “fax drawing”); provided, however, that a fax drawing will not be effectively presented until you confirm by telephone our receipt of such fax drawing by calling xxx-xxx-xxxx. If you present a fax drawing under this letter of credit, you do not need to present the original of any drawing documents. **Such letters of credit must include the development or subdivision name and phase.**

**UDO-TA-017-004 – Proposed text amendment to the Lancaster County Unified Development Ordinance by Lancaster County to amend the text of Chapter 6, Subdivision and Infrastructure Standards, Section 6.9.2A.2 – Improvement Guarantees, Types of Guarantees.**

Andy Rowe – Presented the report.

Jerry Holt – I missed the point then with the significance that this applied to the banks that were over 100 miles. What about those that are within the 100 mile radius?

Penelope Karagounis – This text amendment was brought to our attention by the County Council. There were some issues with some of the large developments that are outside of the 100 miles like Lennar and also the TDON development that they are working on subdivisions for. Their line of credits are more than 100 miles. We are still taking the ones that are within 100 miles. This is just allowing flexibility.

Jerry Holt – Why wouldn't we eliminate the beyond 100 miles and say that it is required of all banks issuing a letter of credit regardless of how far they are from Lancaster?

Steve Willis – This was brought by council and I don't really think council would have concern over the 100 mile limit. The big thing we were looking at is it's not that big a deal if we have to put somebody in a vehicle and drive to Charlotte or drive to Columbia and present the letters of credits which is what we had to do on most of the others. It is a problem if we have to put somebody on a plane and go to the Mercantile Bank of Spokane Washington. That is why we originally looked at a 100 mile limitation. Several developers said that with the banking relationships they have; that is problematic for them. We are simply looking at an alternative that would allow us to use electronic signatures and electronic presentations and work with the developers but still protect the County so we are not having to put people on planes to go present letters of credit. I would defer to the commission and the planning staff, a 100 miles is still fine and we'll put somebody in a car if we have too.

Charles Deese – I was a little bit concerned when I read the first line. It says a letter of credit duly executed by a bank located beyond a 100 miles of Lancaster County. The way that is written they've got to be at least 100 miles away from here before they can write it.

Penelope Karagounis – That is something that I can mention to Mr. Weaver since he came up with this.

Jerry Holt – We should have a single standard for the requirements for the letter of credit as long as they are within the United States, I can certainly understand that. But with that, regardless of the distance there should be one standard that we require.

Penelope Karagounis – I think what Mr. Weaver and County Council intended with this issue that has come up; currently in the UDO it says "within a 100 miles" so I think that is why he changed the within and just put beyond. Maybe he just needs to take out....

Steve Willis – I don't think anyone would have a problem with changing that.

Penelope Karagounis – That could be in a form of a motion with also what Andy has said regarding staff recommends also to add as an amendment because it was not on the documents that I received from County Council from Steve Harper that we need to have a bank that is from the US. It needs to state the name of the development and also the phase for each letter of credit. If you want to make that as a formal motion to delete as Mr. Barnett said, beyond a 100 miles of Lancaster County and then....

Jerry Holt – I would delete beginning with the word “located” on the top line and then through “and” just before “payable”. It is executed by a bank payable to the County. Or payable to Lancaster County since we are taking that piece out.

Jim Barnett – Is that all one motion or are you just discussing it?

Penelope Karagounis – I think he is discussing it right now.

Jerry Holt – What were the other amendments?

Penelope Karagounis – What Mr. Rowe stated about the amendment. We received the text amendment from the County Attorney and County Council and it has this language. Staff would like to make the recommendation if you all agree to also amend that text by saying that it needs to be within a US Bank and also please state on the letter of credit the development name and phase that the letter of credit is being issued for.

Andy Rowe – Exactly.

Penelope Karagounis – If you all agree with that.

Charles Deese – Do I have a motion?

Jerry Holt made a motion to approve with the condition that as displayed we remove the words beginning with located after bank on the first line of the slide and then through the and on the second line where it picks up again payable; further that we add the conditions that were recommended by the Planning staff that it directs that it must be a bank that is located in the US. Also, the letter of credit specify the name of the development and the phase that the letter of credit is being issued for. Jim Barnett seconded the motion.

Penelope Karagounis – Our issue is that they are referring to letter of credit numbers so we have to look and try and figure it out. If it is on the front page and states that it is from the Bridgemill subdivision Phase 1, we know as each development gets closed out we can close those letter of credits and return their money back for each phase that has been built out. That is the issue that the planners are having, the banks are giving them numbers and they are not specifically stating the subdivision name and what phase.

Jerry Holt – The letter of credit needs to contain the information regarding the development or the subdivision name and the project and the phase. Worded such that it matches the planning department, so you can tweak whatever it needs to say before it goes to the council.

Penelope Karagounis – Basically what Mr. Rowe had at the end of his staff report is what we are going to be adding for those two additions. All letter of credits be accepted from banks only within the United States, and letters of credit must contain the project name and phase.

Jerry Holt – Ok, so then my motion includes the proposed additions; Jim Barnett seconded the motion.

Charles Deese – The motion is to start with “located” on the first line of 2.A down to not including the word payable (delete) and in its place add “a bank in the United States of America”. Also add to that the amendments presented by the planning department.

VOTE: 7 AFFIRMATIVE 0 NEGATIVE MOTION CARRIED

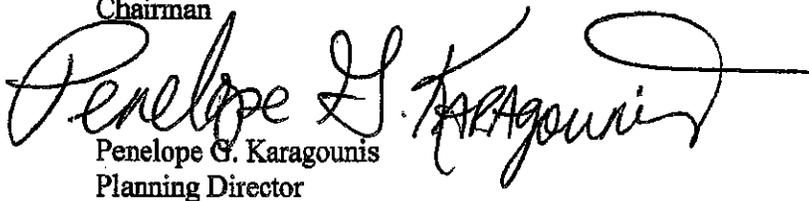
Penelope Karagounis – It will go to County Council probably on April 10, 2017.

Jim Barnett made a motion to adjourn and Rosa Sansbury seconded the motion.

VOTE: UNANIMOUS MOTION CARRIED

Respectfully Submitted,

Charles Deese  
Chairman

  
Penelope G. Karagounis  
Planning Director

## Agenda Item Summary

Ordinance # / Resolution#: 2017 - 1434  
Contact Person / Sponsor: Jamie Gilbert / John Weaver  
Department: Economic Development / County Attorney  
Date Requested to be on Agenda: County Council – April 10, 2017

JLW

**Issue for Consideration:** Whether or not it is appropriate for County Council to consider the passage of this ordinance that authorizes a Fee Agreement between the county and Compucom Systems, Inc. as Sponsor and TKC Bailes Ridge Parkway, LLC, a Sponsor Affiliate?.

**Points to Consider:** On September 26, 2016, Council approved Resolution No. 0934 – R2016, an Inducement Resolution (attached) that committed Lancaster County to a FILOT with Project 2016-5 (Compucom) that included, among other things:

- a. An investment of at least Thirty Six Million (\$36,000,000.00) Dollars;
- b. At least seven hundred (700) new full-time jobs;
- c. An initial average wage of \$17.47;
- d. a seven (7) year Investment Period
- e. A thirty (30) year Fee Agreement;
- f. An initial Special Source Revenue Credit for five (5) consecutive years equal to fifty (50%) of the FILOT payments.

The ordinance being considered by Council formalizes, memorializes and expands the terms and conditions outlined in the Inducement Resolution.

**Funding and Liability Factors:** N/A

**Council Options:** Approve or reject the ordinance.

**Recommendation:** The Director of Economic Development recommends Council's approval of the Ordinance and the Fee Agreement.

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF LANCASTER )

RESOLUTION NO. 0934-R2016

**A RESOLUTION**

**TO STATE THE COMMITMENT OF LANCASTER COUNTY TO ENTER INTO A FEE AGREEMENT WITH PROJECT 2016-5, AND/OR ITS DESIGNEE OR NOMINEE; TO PROVIDE THE GENERAL TERMS OF THE FEE AGREEMENT INCLUDING THE PROVISION OF SPECIAL SOURCE REVENUE CREDITS; TO IDENTIFY THE PROJECT FOR PURPOSES OF THE FEE IN LIEU OF TAX SIMPLIFICATION ACT; TO STATE THE COMMITMENT OF LANCASTER COUNTY TO PLACE PROJECT PROPERTY IN A MULTI-COUNTY PARK; AND TO PROVIDE FOR OTHER MATTERS RELATED THERETO.**

WHEREAS, Lancaster County, South Carolina (the "County"), acting by and through its County Council (the "County Council") is authorized and empowered under and pursuant to the provisions of the Fee in Lieu of Tax Simplification Act, codified as Title 12, Chapter 44, Code of Laws of South Carolina 1976, as amended (the "Act"), to enter into a fee in lieu of tax agreement (the "Fee Agreement") with respect to a project which requires the industry to make a payment of a fee in lieu of taxes, through which powers the industrial development of the State of South Carolina and the County will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State of South Carolina and the County and thus to utilize and employ the manpower, products, and natural resources of the State of South Carolina to benefit the general public welfare of the County by providing services, employment, and other public benefits not otherwise provided locally; and

WHEREAS, Project 2016-5, on its own or together with one or more of its subsidiaries, affiliates, successors, assigns, sponsors, lessors, and others (collectively, the "Company"), desires to invest capital in the County in order to construct and install one or more facilities in the County (the "Project"), provided that approvals of various incentives contemplated for the Project are formalized by the State and/or County; and

WHEREAS, the Project is anticipated to result in an investment of at least \$36,000,000 and the creation of at least 700 new, full-time jobs; and

WHEREAS, the Company has requested that the County enter into a Fee Agreement, thereby providing for fee-in-lieu of tax ("FILOT") payments ("FILOT Payments") and special source revenue credits ("SSRCs") with respect to the Project; and

WHEREAS, the County has determined on the basis of the information supplied to it by the Company that the Project would be a "project" and "economic development property" as such terms are defined in the Act and that the Project would serve the purposes of the Act; and

WHEREAS, pursuant to the authority of Section 4-1-170 of the Code of Laws of South Carolina 1976, as amended and Article VIII, Section 13(D) of the South Carolina Constitution

(collectively, the "MCP Laws"), the County is authorized to create a multi-county park (an "MCP Park") pursuant to a qualifying agreement with one or more contiguous South Carolina counties (the "Park Agreement"); and

**WHEREAS**, the County intends by this Resolution to commit itself to: (i) enter into a negotiated fee-in-lieu of tax agreement with the Company under the Act; (ii) provide for SSRCs against the FILOT Payments to be made by the Company in connection with the foregoing fee-in-lieu of tax arrangements; and (iii) locate the Project in an MCP Park.

**NOW, THEREFORE, BE IT RESOLVED** by the Council of Lancaster County, South Carolina:

1. The adoption of this Resolution is an official action by the County Council to identify, reflect and induce the Project under the Act. For purposes of the Act, this Resolution is an "Inducement Resolution." For purposes of Section 12-44-110 of the Act, this Resolution constitutes preliminary approval by the County prior to the execution of a fee agreement.

2. The County commits to enter into a negotiated FILOT arrangement with the Company for the Project, the terms of which shall be set forth in a Fee Agreement in form and manner satisfactory to the County and the Company containing substantially the following terms:

- a. an investment period of seven (7) years (the "Investment Period"); and
- b. the Company's commitment to invest at least thirty-six million dollars (\$36,000,000.00) in economic development property for the Project, not later than the end of the Investment Period (the "Investment Commitment"); and
- c. the Company's commitment to create, not later than the earlier of either the fifth year following the issuance of an occupancy permit for the main building of the Project or the end of the Investment Period, and thereafter to maintain for as long as the Company is receiving a special source revenue credit, at least seven hundred (700) new full-time jobs (*i.e.*, at least thirty (30) hours per week), with health care benefits and an hourly wage rate not less than the County's average hourly wage rate as published by the South Carolina Department of Revenue (the "Jobs Commitment"). The initial average hourly wage rate is seventeen dollars and forty-seven cents (\$17.47) and will be adjusted periodically beginning in year six of the Fee Agreement. The Company and County will agree upon the number of new full-time jobs that must be created in each year prior to the year in which the seven hundred (700) new full-time jobs must be created and the annual number is included in the Jobs Commitment; and
- d. calculation of FILOT Payments using an assessment ratio of six percent (6%) and a fixed millage rate of 301.1 mills (the millage rate applicable as of June 30, 2016) for the entire term of the Fee Agreement; and
- e. a term of thirty (30) years for the Fee Agreement and for each phase of the Project; and

- f. a special source revenue credit equal to fifty percent (50%) of the FILOT Payments for five (5) consecutive years beginning not later than the fifth year of the Investment Period and a special source revenue credit equal to twenty-five percent (25%) of the FILOT Payments for five (5) consecutive years beginning in the year immediately following the year in which the fifty percent (50%) special source revenue credit ends. If, in the event Company were to add, at a minimum, nine hundred (900) full-time jobs with health-care benefits and an hourly wage rate not less than the County's average hourly wage rate as stated above by the end of the fifth year of the Investment Period, then the County agrees to increase the applicable special source revenue credit beginning in the sixth year of the Investment Period from twenty-five percent (25%) to fifty percent (50%) for a period of five (5) consecutive years. In any year in which the Company fails to meet the Jobs Commitment, the annual special source revenue credit shall be reduced in the same proportion that the Company failed to meet the Jobs Commitment; and
- g. for year eleven of the Fee Agreement, and for each year thereafter, the Company must maintain an investment in economic development property of not less than eighteen million dollars (\$18,000,000.00) and an employment base of at least three hundred fifty (350) full-time jobs (*i.e.*, at least thirty (30) hours per week), with health care benefits and an hourly wage rate not less than the County's average hourly wage rate as published by the South Carolina Department of Revenue. Consequences for failing to maintain the investment and jobs level shall be set in the Fee Agreement; and
- h. the Company's commitment to reimburse the County for its administrative expenses associated with the review, negotiation and preparation of all documentation and authorizing proceedings, including attorney's fees, for the Project and for its administrative expenses associated with the annual computation of the special source revenue credits.

3. Council shall use its best efforts to adopt a new Park Agreement or amend an existing Park Agreement to include the land on which the Project is located, to the extent that the land, or any portion thereof, is not currently subject to a Park Agreement. The period of time for inclusion of the land in an MCP Park shall be for the same period that the Fee Agreement is effective.

4. (A) The County shall use its best efforts to (i) assist the Company in locating potential grants from the state and utilities for any public infrastructure costs associated with the Project, (ii) assist the Company in applying for state economic development incentives that flow through the County, and (iii) assist the Company in securing job training through the ReadySC program.

(B) As used in this Section 4, "best efforts" include, without limitation, filing all required and necessary documents and applications relating to the grants or assistance, formally recommending approval of the grants or assistance and making the grants or assistance available at the commencement of the construction of the Project if provided by the granting or assisting entity and giving the Company written evidence of the grants or assistance when approved.

5. Council's commitments and agreements contained in Sections 3 and 4 are subject to the exercise of discretion by granting or approving entities other than the County and the exercise of that discretion is not controlled by the County.

6. Council shall approve the Fee Agreement, and any other agreement or document contemplated by this Resolution in accordance with South Carolina law and the rules and procedures of the Council.

7. County Council finds 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 and to no charge against the general credit or taxing power of either the County or any incorporated municipality, (iii) the purposes to be accomplished by the Project are proper governmental and public purposes, and (iv) the benefits of the Project to the public are greater than the costs to the public.

8. To the extent this Resolution contains provisions that conflict with other orders, resolutions, and parts thereof, the provisions contained in this Resolution supersede all other orders, resolutions and parts thereof and this Resolution is controlling.

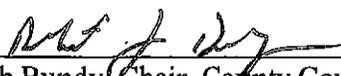
9. This Resolution takes effect upon its adoption.

**AND IT IS SO RESOLVED**

Dated this 26 day of September, 2016.

LANCASTER COUNTY, SOUTH CAROLINA

[SEAL]

  
\_\_\_\_\_  
Bob Bundy, Chair, County Council

  
\_\_\_\_\_  
Steve Harper, Secretary, County Council

Attest:

  
\_\_\_\_\_  
Debbie C. Hardin, Clerk to Council

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STATE OF SOUTH CAROLINA            )  
  )  
COUNTY OF LANCASTER                )        **ORDINANCE NO. 2017-1434**

**AN ORDINANCE**

**TO AUTHORIZE THE EXECUTION AND DELIVERY OF A FEE AGREEMENT BY AND AMONG LANCASTER COUNTY COMPUCOM SYSTEMS, INC. AND TKC BAILES RIDGE PARKWAY, LLC, PROVIDING FOR THE PAYMENT OF A FEE-IN-LIEU OF TAXES AND THE PROVISION OF SPECIAL SOURCE REVENUE CREDITS; TO EXPRESS THE INTENTION OF COUNCIL TO PROVIDE MONIES TO THE ECONOMIC DEVELOPMENT FUND.**

Be it ordained by the Council of Lancaster County, South Carolina:

**Section 1.        Findings.**

The Lancaster County Council finds that:

(a) Lancaster County, South Carolina (the “County”) acting by and through its County Council (the “Council”) is authorized and empowered pursuant to the provisions of Title 12, Chapter 44 of the Code of Laws of South Carolina 1976 (the “Code”), as amended (the “Act”) to enter into fee-in-lieu of tax agreements with any industry, with said agreements identifying certain properties of such industries as economic development property, through which powers the industrial development of the State of South Carolina (the “State”) and the County will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate, remain, and expand in the State and the County and thus utilize and employ the manpower, products, and natural resources and benefit the general public welfare of the State and County by providing services, employment, or other public benefits not otherwise adequately provided locally;

(b) the County is authorized by Sections 4-1-175 and 4-29-68 of the Code, as amended, and Section 12-44-70 of the Act to provide special source revenue credits for the purpose of defraying 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 machinery and equipment, used in the operation of a manufacturing facility or commercial enterprise in order to enhance the economic development of the County;

(c) CompuCom Systems, Inc., a Delaware corporation (the “Sponsor”), is considering investing, through itself and/or one or more existing or to be formed affiliated entities and/or one or more unrelated parties, including TKC Bailes Ridge Parkway, LLC, a North Carolina limited liability company (the “Sponsor Affiliate”), in personal property and certain real estate improvements located in the County which would constitute a project within the meaning of the Act and which are eligible for inclusion as economic development property, the cost of which is estimated to be at least Thirty Six Million Dollars (\$36,000,000.00) over seven (7) years (the “Project”);

(d) pursuant to Resolution No. 0934-R2016, adopted September 26, 2016, the Council approved an Inducement Resolution providing for, among other things, the agreement of the County to enter into a fee-in-lieu of tax incentive with the Sponsor and the provision of special source revenue credits;

(e) the Sponsor and Sponsor Affiliate have caused to be prepared and presented to the Council the form of the Fee Agreement by and among the County, the Sponsor and the Sponsor Affiliate (the "Fee Agreement"), which provides, generally, for fee-in-lieu of tax payments utilizing a six percent (6%) assessment ratio and fixed millage rate as of June 30, 2016 (which is understood to be 301.1 mills) for a period of thirty (30) years for the Project or each component thereof placed in service during the initial investment period and any investment period extension to which the County, the Sponsor and the Sponsor Affiliate agree, and for special source revenue credits equal to fifty percent (50%) of the fee-in-lieu of tax payments for Years One through Five and twenty-five percent (25%) for Years Six through Ten; and

(f) it appears that the Fee Agreement, which is attached to this ordinance, is in appropriate form and is an appropriate instrument to be executed and delivered by the County for the purposes intended.

**Section 2.      Approval of Fee Agreement.**

Subject to the provisions of Section 4 of this ordinance, and, in order to promote industry, develop trade, and utilize and employ the manpower, products, and natural resources of the State by assisting the Sponsor and Sponsor Affiliate to expand or locate an industrial facility in the State, the Fee Agreement is hereby authorized, ratified, and approved.

**Section 3.      Statutory Findings.**

Council makes the following additional findings:

(a) The Project will constitute a "project" as the 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 upon all criteria prescribed by law, including the anticipated dollar amount and nature of the investment to be made.

(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 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.

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

**Section 4. Approval and Execution of Fee Agreement.**

The form, terms, and provisions of the Fee Agreement, attached hereto as Exhibit A, are approved, and all of the terms, provisions, and conditions thereof are incorporated herein by reference as if the Fee Agreement was set out in this ordinance in its entirety. The Council Chair and Council Secretary are authorized, empowered, and directed to execute and acknowledge the Fee Agreement in the name of and on behalf of the County, and thereupon to cause the Fee Agreement to be delivered to the Sponsor and the Sponsor Affiliate. The Fee Agreement is to be in substantially the form as attached to this ordinance and hereby approved, 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, upon the advice of counsel to the County, such officer's execution thereof to constitute conclusive evidence of such officer's approval of any and all changes or revisions therein from the form of the Fee Agreement attached to this ordinance.

**Section 5. Economic Development Fund.**

(A) Council finds that (i) by passage of Ordinance No. 2014-1260, Council created an Economic Development Fund with the intent to make monies available to the fund from new revenues to the County derived from new and expanded businesses and industry, and (ii) the ability to make monies available to the Economic Development Fund can be difficult because of complexities and legalities applicable to fee-in-lieu of tax arrangements and multi-county parks.

(B) It is the intent of Council, in the annual County budget, to appropriate monies to the Economic Development Fund based on the new revenue that the County receives pursuant to the Fee Agreement. Specifically, it is Council's intent to appropriate from the General Fund of the County an amount based on the following formula: Seven percent (7%) times the amount of money received pursuant to the Fee Agreement by the County after distribution to other taxing entities in the most recently completed tax year.

**Section 6. Authority to Act.**

The Council Chair, Council Secretary, Clerk to Council, County Administrator, County Attorney and all other appropriate officials of the County are authorized and directed to do any and all things necessary 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. Severability.**

If any section, subsection or clause of this ordinance is held to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections and clauses shall not be affected.

**Section 8. Controlling Provisions.**

To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Lancaster County Code or other County ordinances, resolutions or orders, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

**Section 9. Effective Date.**

This ordinance is effective upon Third Reading.

**AND IT IS SO ORDAINED,**

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2017

LANCASTER COUNTY, SOUTH CAROLINA

\_\_\_\_\_  
Steve Harper, Chair, County Council

\_\_\_\_\_  
Larry Honeycutt, Secretary, County Council

ATTEST:

\_\_\_\_\_  
Sherrie Simpson, Clerk to Council

First Reading: April 10, 2017 Passed 6-0  
Second Reading: April 24, 2017  
Public Hearing: May 8, 2017 (Tentative)  
Third Reading: May 8, 2017 (Tentative)

**Exhibit A to Ordinance No. 2017-1434**

**Fee Agreement**

**Lancaster County, CompuCom Systems, Inc. and TKC Bailes Ridge Parkway, LLC**

See attached.

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April 3, 2017

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FEE AGREEMENT

by and among

LANCASTER COUNTY, SOUTH CAROLINA,

COMPUCOM SYSTEMS, INC.

and

TKC BAILES RIDGE PARKWAY, LLC

Dated as of May 8, 2017

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FEE AGREEMENT

This FEE AGREEMENT is dated as of May 22, 2017, by and among Lancaster County, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina, CompuCom Systems, Inc., a Delaware corporation ("Sponsor"), and TKC Bailes Ridge Parkway, LLC, a North Carolina limited liability company ("Sponsor Affiliate") (collectively, Sponsor and Sponsor Affiliate are the "Companies").

WITNESSETH:

WHEREAS, the County, acting by and through its County Council (the "County Council"), is authorized and empowered under and pursuant to the provisions of Title 12, Chapter 44 (the "Act") of the Code of Laws of South Carolina 1976, as amended (the "Code") and Sections 4-1-170, 4-1-172, and 4-1-175 of the Code and Article VIII, Section 13(D) of the South Carolina Constitution (the "Multi-County Park Act"): (i) to enter into agreements with certain investors 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 manufacturing and commercial enterprises to locate and remain in the State of South Carolina and thus utilize and employ the workforce, 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; and

WHEREAS, the Companies propose to locate certain of their business operations in the County (the "Project"); and

WHEREAS, the Companies anticipate that the Project will result in an investment of Thirty-Six Million Dollars (\$36,000,000.00) in the County and the creation of at least seven hundred (700) new, full-time jobs; and

WHEREAS, the County Council approved on September 26, 2016 Resolution No. 0934-R2016 (the "Inducement Resolution"), an inducement resolution to identify, reflect and induce the Project under the Act and to state the commitment of the County to, among other things, enter into this Agreement; and

WHEREAS, as a result of the Companies locating certain operations in the County, the Companies requested that the County complete the FILOT arrangement referred to in the Inducement Resolution by entering into this Agreement with the Companies pursuant to the Act, and the Companies elect to enter into such FILOT arrangement with the County in an effort to encompass the terms surrounding the Project and allowing the Companies to make FILOT payments pursuant to the Act; and

WHEREAS, it is presently anticipated, but not required, that Sponsor Affiliate will initially own that portion of the Project comprised of the Land (as defined herein) and certain real property improvements now or hereafter constructed thereon; and

WHEREAS, it is presently anticipated, but not required, that Sponsor will hereafter own, that portion of the Project composed of personal property now or hereafter located on the Land; and

WHEREAS, for the Project, the parties have determined that Sponsor is a Project Sponsor, and that the Project constitutes Economic Development Property within the meaning of the Act; and

WHEREAS, for the purposes set forth above, the County has determined that it is in the best interests of the County to enter into this Agreement with the Companies, subject to the terms and conditions herein set forth.

NOW, THEREFORE, in consideration of the respective representations and agreements hereinafter contained, and the sum of One Dollar (\$1.00) in hand, duly paid by the Companies to the County, the receipt and sufficiency of which are hereby acknowledged, the County and the Companies agree as follows:

## ARTICLE I

### DEFINITIONS AND RECAPITULATION

#### Section 1.01. Statutorily Required Recapitulation; Summary Agreement.

(a) Pursuant to Section 12-44-55(B) of the Act, the County and the Companies agree to waive the recapitulation requirements of Section 12-44-55 of the Act. Subsection (b) of this section is inserted for convenience only and does not constitute a part of this Agreement or a summary compliant with Section 12-44-55 of the Act.

(b) Summary of Agreement.

1. Legal name of each initial party to this Agreement:

CompuCom Systems, Inc., a Delaware corporation  
TKC Bailes Ridge Parkway, LLC, a North Carolina limited liability  
company  
Lancaster County, South Carolina

2. County, street address, parcel number or other location identifier of the Project and property to be subject to this Agreement:

Portion of Parcel Id. 0007-00-025.00  
Old Lancaster Highway  
Indian Land, SC 29707

3. Minimum investment agreed upon: \$36,000,000.00

4. Length and term of this Agreement: Thirty (30) years for each annual increment of investment in the Project during the Investment Period.
5. Assessment ratio applicable for each year of this Agreement: 6%, except as otherwise provided in the Agreement
6. Millage rate applicable for each year of this Agreement: 301.1, the millage rate in effect on June 30, 2016, except as otherwise provided in the Agreement.
7. Statements
  - (a) The Project is to be located in a multi-county park;
  - (b) Disposal of property, subject to payments-in-lieu-of-taxes, is allowed;
  - (c) Special Source Revenue Credits shall be provided for the qualifying Economic Development Property in amounts equal to fifty percent (50%) of the Negotiated FILOT for years one through five (beginning in the year in which such portion of the Project is placed in service, but not later than the fifth year of the Investment Period) and twenty-five (25%) of the Negotiated FILOT for years six through ten. Notwithstanding the foregoing, in the event that the Companies create, collectively with any Co-Investors, at least 900 (instead of the 700 contained in the Jobs Commitment) new, full-time jobs (*i.e.*, at least thirty (30) hours per week), with health care benefits and in compliance with the Wage Requirements prior to the end of the fifth year of the Investment Period, then the twenty-five percent (25%) Special Source Revenue Credits is increased to fifty percent (50%).
  - (d) Payment will not be modified using a net present value calculation; and
  - (e) Replacement property provisions will apply.

**Section 1.02. Definitions.** In addition to the words and terms elsewhere defined in this Agreement, the following words and terms as used herein and in the preambles hereof shall have the following meanings, unless the context or use indicates another or different meaning or intent.

“*Act*” or “*Simplified FILOT Act*” shall mean Title 12, Chapter 44 of the Code, as amended through the date hereof.

“*Administration Expense*” shall mean the reasonable and necessary out-of-pocket expenses, including attorneys’ fees, incurred by the County with respect to: (i) the preparation, review, approval and execution of this Agreement, (ii) the preparation, review, approval and execution of other documents related to this Agreement and any multi-county park documents; and (iii) the fulfillment of its obligations under this Agreement and any multi-county park

documents, and in the implementation and administration of the terms and provisions of the documents after the date of execution thereof.

“*Affiliate*” shall mean any Person directly or indirectly controlling, controlled by, or under common control with such other Person. For purposes of this definition, “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of the Person, whether through the ownership of voting securities, by contract, or otherwise.

“*Agreement*” shall mean this Fee Agreement by and among the County and the Companies, as originally executed and from time to time supplemented or amended as permitted herein or by the Act, and dated as of May 22, 2017.

“*Co-Investors*” shall mean the Companies, any other Sponsor or Sponsor Affiliate within the meaning of Sections 12-44-30(19) and (20) of the Act, any Affiliate of the Companies or of any such other Sponsor or Sponsor Affiliate, any developer in a build-to-suit arrangement or other leasing arrangement with respect to the Project, any lessor of Equipment or other property comprising a part of the Project, and any financing entity or other third party investing in, or providing funds for, the Project. The Companies shall notify the County in writing of the identity of any other Sponsor, Sponsor Affiliate or other Co-Investor and shall, to the extent the Companies and any such other Sponsor, Sponsor Affiliate, or other Co-Investor intend to extend the benefits of the Negotiated FILOT to property owned by any such Sponsor, Sponsor Affiliate, or other Co-Investor, comply with any additional notice requirements, or other applicable provisions, of the Act. As of the original execution and delivery of this Agreement, the Companies are the only Co-Investors.

“*Code*” shall mean the Code of Laws of South Carolina 1976, as amended through the date hereof, unless the context clearly requires otherwise.

“*Companies*” shall mean Sponsor and Sponsor Affiliate, collectively.

“*Company*” shall mean each of Sponsor and Sponsor Affiliate.

“*Confidential Information*” shall have the meaning set forth in Section 4.02(d) hereof.

“*County*” shall mean Lancaster County, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina, and its successors and assigns.

“*County Council*” shall mean the governing body of the County and its successors.

“*Department of Revenue*” shall mean the South Carolina Department of Revenue.

“*Economic Development Property*” shall mean each item of real and tangible personal property comprising the Project, except Non-Qualifying Property, within the meaning of that term as defined and used in Sections 12-44-30(6) and 12-44-40(C) of the Code.

“*Equipment*” shall mean all machinery, equipment, furnishings, and other personal property acquired by a Company or any Co-Investor and installed as part of the Project during the Investment Period in accordance with this Agreement.

“*Event of Default*” shall mean an Event of Default as defined in Section 11.01 hereof.

“*Existing Property*” shall mean property proscribed from becoming Economic Development Property pursuant to Section 12-44-110 of the Code, including, without limitation, property which has been subject to *ad valorem* taxes in the State prior to the execution and delivery of this Agreement and property included in the Project as part of the repair, alteration, or modification of such previously taxed property; provided, however, that Existing Property shall not include: (a) property acquired or constructed by a Company or any Co-Investor during the Investment Period which has not been placed in service in this State prior to the Investment Period notwithstanding that *ad valorem* taxes have heretofore been paid with respect to such property; or (b) modifications which constitute an expansion of Existing Property.

“*Filings*” shall have the meaning set forth in Section 4.02(c) hereof.

“*FILOT*” shall mean the fee-in-lieu of taxes, which a Company or any Co-Investor is obligated to pay to the County pursuant to Section 5.01 hereof.

“*FILOT Payments*” shall mean the payments to be made by any Company or Co-Investor to Section 5.01 hereof.

“*FILOT Revenues*” shall mean the revenues received by the County from the Companies’ payment of the FILOT.

“*Indemnified Party*” shall have the meaning ascribed to it in Section 8.03 hereof.

“*Investment Commitment*” shall mean the agreement and commitment of the Companies, together with any Co-Investors, to make investments with respect to the Project as set forth in Section 4.01(a) hereof.

“*Investment Period*” shall mean the period beginning with the first day that Economic Development Property is purchased or acquired and ending on the date that is seven years from the end of the property tax year in which this Agreement is executed by the Companies and the County, unless extended by agreement of the County and the Companies pursuant to Section 12-44-30(13) of the Code.

“*Jobs Commitment*” shall mean the agreement and commitment of the Companies, together with any Co-Investors, to create and maintain New Full-Time Jobs with respect to the Project as set forth in Section 4.01(b) hereof.

“*Land*” shall mean the real estate upon which the Project is to be located, as described in Exhibit A attached hereto and incorporated herein by reference, as Exhibit A may be supplemented from time to time in accordance with the provisions hereof.

“*Multi-County Park*” shall mean the multi-county park established pursuant to the Agreement for the Development of a Joint Industrial and Business Park (Lancaster and Chester Counties), dated December 5, 2005, and authorized and approved by Lancaster County Ordinance No. 701 and Chester County Ordinance No. 12-05-05-I, as amended by the party counties, and any successor multi-county park arrangement in which the Land is included.

“*Multi-County Park Act*” shall mean Sections 4-1-170, 4-1-172, and 4-1-175 of the Code and Article VIII, Section 13(D) of the South Carolina Constitution, as amended through the date hereof.

“*Negotiated FILOT*” shall have the meaning set forth in Section 5.01(b)(i)(2) hereof.

“*Negotiated FILOT Payment*” shall mean the FILOT payment due pursuant to Section 5.01(b) hereof with respect to that portion of the Project consisting of Economic Development Property.

“*New Full-Time Job*” means a new, full-time job (*i.e.*, at least thirty (30) hours per week), with health care benefits. As used in this definition and as applicable to the Project, “*New Full-Time Job*” includes only those jobs created for the Project in or after the first year in which Economic Development Property is purchased or acquired for the Project.

“*Non-Qualifying Property*” shall mean that portion of the Project consisting of: (i) property as to which the Companies or any Co-Investors incurred expenditures prior to the Investment Period or, except as to Replacement Property, after the end of the Investment Period; (ii) Existing Property; and (iii) any Released Property or other property which fails or ceases to qualify for Negotiated FILOT Payments, including without limitation property as to which the Companies have terminated the Negotiated FILOT pursuant to Section 4.03(a)(iii) hereof.

“*Person*” shall mean and include any individual, association, unincorporated organization, corporation, partnership, limited liability company, joint venture, or government or agency or political subdivision thereof.

“*Project*” shall mean, collectively herein, the Project, and shall include the Land, buildings and other improvements on the Land to the extent placed thereon by or on behalf of the Companies or any Co-Investors, including water, sewer treatment and disposal facilities, and other machinery, apparatus, equipment, office facilities, and furnishings which are necessary, suitable, or useful, including the Equipment, and any Replacement Property.

“*Project Commitments*” shall mean, collectively, the Investment Commitment and the Jobs Commitment.

“*Released Property*” shall mean any portion of the Project removed, scrapped, traded in, sold, or otherwise disposed of pursuant to Section 4.03 hereof, any portion of the Project stolen, damaged, destroyed, or taken by condemnation or eminent domain proceedings as described in Article VII hereof, and any infrastructure which any Company or Co-Investor dedicates to the public use (within the meaning of that phrase as used in Section 12-6-3420(C) of the Code).

“*Replacement Property*” shall mean all property installed in or on the Land in substitution of, or as replacement for, any portion of the Project, but only to the extent that such property may be included in the calculation of the Negotiated FILOT pursuant to Section 5.01(g) hereof and Section 12-44-60 of the Code.

“*Special Source Revenue Credits*” shall mean the Special Source Revenue Credits described in Section 5.01 hereof.

“*Sponsor*” shall mean CompuCom Systems, Inc., a Delaware corporation, and any surviving, resulting, or transferee entity in any merger, consolidation, or transfer of assets permitted under Section 8.02 or Article IX hereof; or any assignee hereunder which is designated by the Sponsor and approved or ratified by the County. Except as required by law, the County’s subsequent approval or ratification of an assignee hereunder shall not be required if the subsequent Assignee is Sponsor or Sponsor Affiliate.

“*Sponsor Affiliate*” shall mean TKC Bailes Ridge Parkway, LLC, a North Carolina limited liability company, and any surviving, resulting, or transferee entity in any merger, consolidation, or transfer of assets permitted under Section 8.02 or Article IX hereof, or affiliated or related entities as qualified under Section 12-44-30(20) of the Code; provided, however, that such affiliate or related entity must be approved by the County as a sponsor affiliate and must agree in writing to be bound by this Agreement.

“*State*” shall mean the State of South Carolina.

“*Term*” shall mean the term of this Agreement, as set forth in Section 10.01 hereof.

“*Transfer Provisions*” shall mean the provisions of Section 12-44-120 of the Code, as amended through the date hereof.

“*Wage Requirements*” means Seventeen Dollars and Forty-Seven Cents (\$17.47) per hour and, for purposes of satisfying the Wage Requirement, it is applicable in Years 1 through 5 with Year 1 being the first year following the year in which Economic Development Property is first placed in service (the “Initial Hourly Wage”). The County shall change the Initial Hourly Wage at the end of the first five-year period (and at the end of every five-year period thereafter, if applicable) to the Department of Revenue’s then most recently published average hourly wage and the changed Wage Requirement shall apply to the subsequent five-year period. The County shall provide notice to the Sponsor and Sponsor Affiliate of any adjustment to the Wage Requirement.

Section 1.03. References to Agreement. The words “hereof”, “herein”, “hereunder”, and other words of similar import refer to this Agreement as a whole.

## ARTICLE II

### REPRESENTATIONS AND WARRANTIES

Section 2.01. Representations and Warranties by County. The County represents and warrants that: (i) it is a body politic and corporate and a political subdivision of the State; (ii) it is authorized by the Act to enter into this Agreement; (iii) it has approved this Agreement in accordance with the procedural requirements of the Act and any other applicable state law; and (iv) it has authorized its officials to execute and deliver this Agreement.

Section 2.02. Representations and Warranties by Sponsor. The Sponsor makes the following representations and warranties to the County as the basis for the undertakings on its part herein contained:

(a) Sponsor is a corporation, validly existing and in good standing under the laws of Delaware and authorized to do business in the State; has all requisite power to enter into this Agreement; and by proper action has been duly authorized to execute and deliver this Agreement.

(b) The agreements with the County with respect to the FILOT and Special Source Revenue Credits have been instrumental in inducing Sponsor to locate its portion of the Project within Lancaster County and the State.

(c) Except as otherwise disclosed to the County, no actions, suits, proceedings, inquiries, or investigations known to the undersigned representatives of Sponsor are pending or threatened against or affecting Sponsor 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.

(d) The income tax year of Sponsor, and accordingly the property tax year, for federal income tax purposes is a 52/53 week fiscal year ending on the Saturday closest to December 31.

(e) No event has occurred and no condition currently exists with respect to Sponsor, which would constitute a Default or an "Event of Default" as defined herein.

(f) Sponsor intends to operate its portion of the Project as a part of its technology based sales and marketing businesses and the Project constitutes a "project" and "economic development property" as provided under the Act.

Section 2.03. Representations and Warranties by Sponsor Affiliate. Sponsor Affiliate makes the following representations and warranties to the County as the basis for the undertakings on its part herein contained:

(a) Sponsor Affiliate is a limited liability company, validly existing and in good standing under the laws of North Carolina and authorized to do business in the State; has all

requisite power to enter into this Agreement; and by proper action has been duly authorized to execute and deliver this Agreement.

(b) The agreements with the County with respect to the FILOT and the Special Source Revenue Credits have been instrumental in inducing Sponsor Affiliate to locate its portion of the Project within Lancaster County and the State.

(c) The income tax year of Sponsor Affiliate, and accordingly the property tax year, for federal income tax purposes is a 52/53 week fiscal year ending on the Saturday closest to December 31.

(d) Except as otherwise disclosed to the County, no actions, suits, proceedings, inquiries, or investigations known to the undersigned representatives of Sponsor Affiliate are pending or threatened against or affecting Sponsor Affiliate 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.

### ARTICLE III

#### UNDERTAKINGS OF THE COUNTY

Section 3.01. Agreement to Accept FILOT Payments. The County hereby agrees to accept FILOT Payments made by the Companies and any Co-Investor in accordance with Section 5.01 hereof in lieu of *ad valorem* taxes with respect to the Project until this Agreement expires or is sooner terminated.

Section 3.02. No Warranties by County. Each Company acknowledges that the County has made no warranties or representations, either express or implied, as to the condition or state of the Project or as to the design or capabilities of the Project or that it will be suitable for such Company's purposes or needs. No representation of the County is hereby made with regard to compliance by the Project or any Person with laws regulating: (i) the construction or acquisition of the Project; (ii) environmental matters pertaining to the Project; (iii) the offer or sale of any securities; or (iv) the marketability of title to any property.

Section 3.03. Invalidity. The parties acknowledge that the intent of this Agreement is to afford the Companies and any Co-Investors the benefits of the Negotiated FILOT Payments in consideration of the Companies' decision to locate the Project within Lancaster County and that this Agreement has been entered into in reliance upon the enactment of the Simplified FILOT Act. In the event that, for any reason, the Act and/or the Negotiated FILOT or any portion thereof is, by a court of competent jurisdiction following allowable appeals, declared invalid or unenforceable in whole or in part, or the portion of the Project consisting of Economic Development Property is deemed not to be eligible for a Negotiated FILOT pursuant to the Act in whole or in part, each Company and the County express their intentions that such payments be reformed so as to afford the Companies benefits commensurate with those intended under this Agreement as then permitted by law, including without limitation

any benefits afforded under the Code, to the extent allowed by law. Absent the legal authorization to effect such reformation, the Companies and the County agree that there shall be due hereunder, with respect to the portion of the Economic Development Property affected by such circumstances, *ad valorem* taxes and that, to the extent permitted by law, each Company shall be entitled: (1) to enjoy the five-year exemption from *ad valorem* taxes (or fees in lieu of taxes) provided by Article X, Section 3 of the Constitution of the State, and any other exemption allowed by law; (2) to enjoy all allowable depreciation; and (3) to receive other tax credits which would be due if such Company or Co-Investor were obligated to pay *ad valorem* taxes hereunder. To the extent that under such circumstances the Negotiated FILOT Payments hereunder are required by law to be subject to retroactive adjustment, then there shall be due and payable by such Company or Co-Investor to the County with respect to the portion of the Economic Development Property in question an amount equal to the difference between the Negotiated FILOT Payments theretofore actually paid and the amount which would have been paid as *ad valorem* taxes, together with, but only if required by law, interest on such deficiency as provided in Section 12-54-25(D) of the Code. Each Company agrees that if this Agreement is reformed as provided in this Section or if retroactive adjustments are made, then under no circumstances shall the County be required to refund or pay any monies to the Companies or any Co-Investors.

In addition to and notwithstanding the foregoing paragraph, the County shall not be obligated to perform any of its obligations or promises under this Section 3.03 unless the Companies have otherwise complied with or provides satisfactory evidence to the County that it intends to comply with its obligations and responsibilities under this Agreement.

Section 3.04. Multi-County Park Status. The County agrees to maintain the Land in the Multi-County Park until the date this Agreement is terminated. If it becomes necessary to remove the Land from the Multi-County Park prior to the termination of this Agreement, the County agrees to use its best efforts to place the Land in another multi-county park established pursuant to the Multi-County Park Act and to maintain the multi-county park designation until the date this Agreement is terminated. The parties acknowledge and agree that the County's agreement to place and maintain the Land in a multi-county park may be subject to the exercise of discretion by a governmental entity other than the County and the exercise of that discretion is not controlled by the County.

#### ARTICLE IV

#### INVESTMENT AND JOBS COMMITMENT BY COMPANIES IN PROJECT; MAINTENANCE AND MODIFICATION OF PROJECT

Section 4.01. Investment and Job Creation by Companies in Project.

(a) For the Project, the Companies agree and commit to invest, collectively with any Co-Investors, at least Thirty-Six Million Dollars (\$36,000,000.00) in Economic Development Property by the end of the Investment Period (the "Investment Commitment"). The investment amount shall not include any amount paid by any Company for real estate improvements on the Land existing as of the date of this Agreement. Investments made by Sponsor, Sponsor Affiliate

or any Co-Investor in Economic Development Property shall be included in any determination whether the Companies have fulfilled their commitment made in this subsection (a) to invest in the Project.

(b) For the Project, together with any Sponsor Affiliates and any Co-Investors, the Sponsor agrees and commits to the creation and maintenance of the number of New Full-Time Jobs, paying an average hourly wage rate not less than the Wage Requirement, by year as follows: (i) Year 1 – not less than 140; (ii) Year 2 – not less than 280; (iii) Year 3 – not less than 420; (iv) Year 4 – not less than 560; (v) Years 5 through 10 – not less than 700 (the “Jobs Commitment”). As used in this subsection (b), the “Year” number refers to the year following the year in which Economic Development Property is first placed in service with Year 1 being the first year. The number of New Full-Time Jobs shall be based on the average number of New Full-Time Jobs for each month during the year.

#### Section 4.02. Reporting and Filing.

(a) Each Company agrees to provide a copy of Form PT-443 filed with the Department of Revenue no later than thirty (30) days after execution and delivery of this Agreement to the Auditor, Treasurer and Assessor of the County and any multi-county park partner county and the Economic Development Director of the County. Each year during the term of this Agreement, each Company shall deliver to the Auditor, Treasurer and Assessor of the County and any multi-county park partner county and the Economic Development Director of the County a copy of their most recent annual filings made with the Department of Revenue with respect to the Project, no later than thirty (30) days following delivery thereof to the Department of Revenue.

(b) (1) Sponsor agrees, as soon as reasonably practicable following the end of each tax year of the Sponsor, to submit to the County Economic Development Director a certification on Sponsor letterhead listing the amount of capital investment and aggregate New Full-Time Jobs maintained by the Companies and all Co-Investors at the end of such tax year.

(2) For purposes of determining compliance with the Jobs Commitment and determining whether the Enhanced Credit is applicable, Sponsor agrees to provide the County Economic Development Director a copy of Sponsor’s (i) most recently filed Quarterly Report Form submitted to the South Carolina Coordinating Council for Economic Development with respect to Job Development Credits awarded in connection with the Project, within thirty days of the filing of the form with the state, and (ii) most recently filed Department of Revenue Form SC SCH. TC 4 (New Jobs Credit). Sponsor agrees to redact any personally identifying information and proprietary and confidential information prior to submitting either form to the County Economic Development Director. In lieu of providing either the Job Development Credit form or New Jobs Credit form, or both, Sponsor and the County Economic Development Director may agree on an alternative method for the Sponsor to demonstrate compliance with the Jobs Commitment and to determine whether the Enhanced Credit is applicable.

(c) (1) Each Company agrees to maintain such books and records with respect to the Project as will permit the identification of those portions of the Project placed in service in each

property tax year during the Investment Period, the amount of investment with respect thereto and its computations of all FILOT Payments made hereunder and will comply with all reporting requirements of the State and the County applicable to property subject to FILOT Payments under the Act, including the reports described in subsection (a) of this section (collectively, "Filings").

(2) Each Company agrees that the County and its authorized agents have the right at all reasonable times and upon prior reasonable notice to enter upon and examine and inspect the Project and to have access to and examine and inspect all the of Companies' books and records pertaining to the Project and the Filings. The right of examination and inspection shall be exercised only upon reasonable and necessary terms and conditions prescribed by any Company to protect such Company's confidentiality and proprietary rights. Any such entrance upon and examination and inspection of the Project and Filings shall be at the County's expense.

(d) The County acknowledges and understands that the Companies and Co-Investors may have and maintain at the Project certain confidential and proprietary information, including, but not limited to, trade secrets, financial, sales or other information concerning the Companies' and Co-Investors' operations and processes ("Confidential Information") and that any disclosure of the Confidential Information could result in substantial harm to the Companies and Co-Investors and could have a significant detrimental impact on the Companies' employees and also upon the County. Except as required by law, including, without limitation, court orders, the County agrees to use reasonable efforts to keep confidential, and to cause employees, agents and representatives of the County to keep confidential, the Confidential Information which may be obtained from the Companies, Co-Investors and their respective agents or representatives, when the Confidential Information is clearly marked and identified as Confidential Information and known to the County to be Confidential Information. The County shall not knowingly and willfully disclose and shall cause all employees, agents and representatives of the County not to knowingly and willfully disclose the marked and identified Confidential Information to any person or entity other than in accordance with the terms of this Agreement. If a demand is made for the release, under color of law, to a third party of any Confidential Information, the County shall notify the Companies and give the Companies the opportunity to contest the release.

#### Section 4.03 Modification of Project.

As long as no Event of Default exists hereunder, the Companies and any Co-Investor shall have the right at any time and from time to time during the Term hereof to undertake any of the following:

(i) Each Company and Co-Investor may, at its own expense, add to the Project any real and personal property as such Company or Co-Investor in its discretion deems useful or desirable.

(ii) In any instance where any Company or Co-Investor, in its discretion, determines that any items included in the Project have become inadequate, obsolete, worn out, unsuitable, undesirable, or unnecessary for operations at the Project, such Company or Co-Investor may remove such items or portions from the Project and sell, trade in, exchange, or

otherwise dispose of them (as a whole or in part) without the consent of the County; as such may be permitted under the Simplified FILOT Act.

(iii) Each Company and Co-Investor may, at any time in its discretion by written notice to the County, remove any real or personal property from the Negotiated FILOT (as defined in Section 5.01) set forth in this Agreement, and thereafter such property will be considered Non-Qualifying Property and will be subject to FILOT Payments as set forth in Section 5.01(b)(i)(1) hereof.

## ARTICLE V

### PAYMENTS IN LIEU OF TAXES

#### Section 5.01. Payments in Lieu of *Ad Valorem* Taxes.

(a) In accordance with the Act, the parties hereby agree that, during the Term of the Agreement, the Companies and any Co-Investors shall pay annually, with respect to the applicable portions of the Project, a FILOT in the amount calculated as set forth in this Section, to be collected and enforced in accordance with Section 12-44-90 of the Act.

(b) The FILOT Payment due with respect to each property tax year shall equal:

(i) For the Project:

- (1) With respect to any portion of the Project consisting of Non-Qualifying Property, as long as such property is located in the Multi-County Park, a payment equal to the *ad valorem* taxes that would otherwise be due on such Non-Qualifying Property if it were taxable giving effect to all credits, exemptions, rebates and abatement that would be available if such undeveloped land or Non-Qualifying Property were taxable; and
- (2) With respect to those portions of the Project consisting of Economic Development Property, for each of the thirty consecutive years following the year in which such portion of the Project is placed in service, a payment calculated each year as set forth in paragraphs (c) and (d) of this Section 5.01 (a "Negotiated FILOT").

(c) The Negotiated FILOT Payments shall be calculated with respect to each property tax year based on: (1) the fair market value (determined in accordance with Section 12-44-50(A)(1)(c) of the Code) of the improvements to real property and Equipment included within the Project theretofore placed in service (less, for Equipment, depreciation allowable for property tax purposes as provided in Section 12-44-50(A)(1)(c) of the Code), (2) a fixed millage rate of 301.1 mills, the millage rate in effect on June 30, 2016, for the entire Term of this Agreement, and (3) an assessment ratio of six percent (6%). All such calculations shall take into account all

deductions for depreciation or diminution in value allowed by the Code or by the tax laws generally, as well as tax exemptions which would have been applicable if such property were subject to *ad valorem* taxes, except the exemption allowed pursuant to Section 3(g) of Article X of the Constitution of the State of South Carolina and the exemptions allowed pursuant to Sections 12-37-220(B)(32) and (34) of the Code.

(d) Special Source Revenue Credits shall be given to the Economic Development Property in amounts equal to (i) fifty percent (50%) of the Negotiated FILOT Payments for each of years one through five following the year in which such portion of the Project is placed in service, but beginning not later than the fifth year of the Investment Period; and (ii) twenty-five (25%) of the Negotiated FILOT Payments for each of years six through ten following the year in which such portion of the Project is placed in service; *provided, however*, that in the event the Companies create, collectively with any Co-Investors, at least nine hundred (900) (instead of the seven hundred (700) contained in the Jobs Commitment) by the end of the fifth year of the Investment Period, then the Special Source Revenue Credits provided pursuant to this clause (ii) shall be increased to fifty percent (50%) of the Negotiated FILOT Payments for each of years six through ten in which the nine hundred (900) New Full-Time Jobs are maintained (the "Enhanced Credit"). The provisions of Section 4.02(b)(2) apply for purposes of determining whether the Enhanced Credit is applicable.

(e) The FILOT payments are to be recalculated:

(i) to reduce such payments in the event any Company or Co-Investor disposes of any part of the Project within the meaning of Section 12-44-50(B) of the Code and as provided in Section 4.03 hereof, by the amount applicable to the Released Property;

(ii) to increase such payments, based on the methodology set forth in Section 5.01(c) hereof, in the event any Company or Co-Investor adds property (other than Replacement Property) to the Project; or

(iii) to adjust such payments if a Company elects to convert any portion of the Project from the Negotiated FILOT to the FILOT required by Section 5.01(b)(i)(1) above, as permitted by Section 4.03(a)(iii).

(f) To the extent permitted by law, because the FILOT Payments agreed to herein are intended to be paid by the Companies or any Co-Investor to the County in lieu of taxes, it is agreed that said FILOT Payments shall not, as to any year, be in any amount greater than what would otherwise be payable by the Companies or any Co-Investor to the County in property taxes if the Companies had not entered into a fee-in-lieu of taxes arrangement with the County (except it is not intended that said FILOT Payments would necessarily be less than such property taxes to the extent that the constitutional abatement of property taxes would otherwise apply).

(g) Upon any Company's or any Co-Investor's installation of any Replacement Property for any portion of the Project removed under Section 4.03 hereof and sold, scrapped, or

disposed of by any Company or Co-Investor, such Replacement Property shall become subject to Negotiated FILOT Payments to the fullest extent allowed by law, subject to the following rules:

(i) Replacement Property does not have to serve the same function as the Economic Development Property it is replacing. Replacement Property is deemed to replace the oldest property subject to the FILOT, whether real or personal, which is disposed of in the same property tax year as the Replacement Property is placed in service. Replacement Property qualifies for Negotiated FILOT Payments up to the original income tax basis of the Economic Development Property which it is replacing. More than one piece of property can replace a single piece of property. To the extent that the income tax basis of the Replacement Property exceeds the original income tax basis of the Economic Development Property which it is replacing, the excess amount is subject to payments equal to the *ad valorem* taxes which would have been paid on such property but for this Agreement. Replacement property is entitled to the FILOT payment for the period of time remaining on the thirty-year FILOT period for the property which it is replacing.

(ii) The new Replacement Property which qualifies for the Negotiated FILOT payment shall be recorded using its income tax basis, and the Negotiated FILOT Payment shall be calculated using the millage rate and assessment ratio provided on the original property subject to FILOT payment.

(h) In the event that the Act or the FILOT or any portion thereof, are declared, by a court of competent jurisdiction following allowable appeals, invalid or unenforceable, in whole or in part, for any reason, the Companies and the County express their intentions that such payments be reformed so as to afford the Companies and Co-Investors the maximum benefit then permitted by law, including, without limitation, the benefits afforded under Section 12-44-50 of the Code and, specifically, that the Companies may, at the Companies' expense, exercise the rights granted by Section 12-44-160 of the Code. If the Project is deemed not to be eligible for a Negotiated FILOT pursuant to the Act in whole or in part, the Companies and the County agree that the Companies shall pay an alternate fee-in-lieu of tax calculated in the manner set forth in Section 5.01(b)(i)(1) hereof. In such event, the Companies and any Co-Investors shall be entitled, to the extent permitted by law: (1) to enjoy the five-year exemption from *ad valorem* taxes (or fees in lieu of taxes) provided by Section 3(g) of Article X of the Constitution of the State of South Carolina, and any other exemption allowed by law; and (2) to enjoy all allowable depreciation. The Companies agree that if the FILOT Payments or this Agreement is reformed pursuant to this subsection (h), that under no circumstance shall the County be required to refund or pay any monies to the Companies.

(i) For the Project, this Agreement is automatically terminated in the event that the investment in the Project in land, buildings, and personal property, including machinery and equipment, by Sponsor or Sponsor Affiliate, collectively with any Co-Investors, does not exceed Five Million Dollars (\$5,000,000.00) by the end of the applicable Investment Period. If terminated pursuant to this subsection (i), the Negotiated FILOT Payments shall revert retroactively to payments equivalent to what the *ad valorem* taxes would have been with respect

to the property absent this Agreement. At the time of termination, the Companies shall pay to the County an additional fee equal to the difference between the total amount of property taxes that would have been paid by the Companies had the project been taxable, taking into account exemptions from property taxes that would have been available to the Companies, and the total amount of fee payments actually made by the Companies. This additional amount is subject to interest as provided in Section 12-54-25. The Companies agree, if the Negotiated FILOT Payments revert to payments equivalent to what the *ad valorem* taxes would be pursuant to this subsection (i), that under no circumstance shall the County be required to refund or pay any monies to any Company or Co-Investor.

(j) (1) The Companies agree that a portion of the Special Source Revenue Credits for a year shall be reduced, prospectively, for such year to the extent that the Companies, collectively with any Co-Investors, fail to meet the Jobs Commitment, in a percentage amount equal to (A) the amount by which the number of jobs satisfying the Jobs Commitment at the Project at the end of such year is less than the number of jobs contained in the Jobs Commitment for such year, *divided by* (B) the number of jobs contained in the Jobs Commitment for such year. For example, and by way of example only, if, at the end of Year 3, the Jobs Commitment provides for the maintenance of not less than 420 jobs satisfying the Jobs Commitments, the actual number of jobs satisfying the Jobs Commitment is 210, and the Special Source Revenue Credit to which the Companies would otherwise be entitled for Year 4 is Five Hundred Thousand Dollars (\$500,000.00), then the reduction of the Special Source Revenue Credit pursuant to this subsection (j)(1) would be calculated as follows:

**Jobs Commitment at the end of Year 3: 420 New Full-Time Jobs**

**Jobs Maintained at the Project at the end of Year 3: 210 New Full-Time Jobs**

**Special Source Revenue Credit reduction for Year 4:**

$$[420 - 210] / 420 = 210 / 420 = 50.0\%$$

$$50.0\% \times \$500,000.00 = \$250,000.00$$

As an additional example, and by way of example only, if, at the end of Year 5, the Jobs Commitment provides for the maintenance of not less than 700 jobs satisfying the Jobs Commitment, the actual number jobs satisfying the Jobs Commitment is 630, and the Special Source Revenue Credit to which the Companies would otherwise be entitled for Year 6 is One Million Dollars (\$1,000,000.00), then the reduction of the Special Source Revenue Credit pursuant to this subsection (j)(1) would be calculated as follows:

**Jobs Commitment at the end of Year 5: 700 New Full-Time Jobs**

**Jobs Maintained at the Project at the end of year 5: 630 New Full-Time Jobs**

**Special Source Revenue Credit reduction for Year 6:**

$$[700 - 630] / 700 = 70 / 700 = 10\%$$

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10% x \$1,000,000.00: **\$100,000.00**

(k) Beginning with the year following the end of the tenth (10<sup>th</sup>) tax year after Economic Development Property is first placed in service, and for each year thereafter, Sponsor and Sponsor Affiliate agree that the FILOT Payment due for the Economic Development Property shall be calculated, notwithstanding the provisions of Section 5.01(c), using the then current millage rate and the assessment ratios that would be applicable to the Economic Development Property if it were subject to *ad valorem* taxes, if Sponsor in the immediately prior year

(i) failed to maintain investment in the Project for Economic Development Property, without regard to depreciation or other diminution in value, of not less than Eighteen Million Dollars (\$18,000,000.00), or

(ii) failed to maintain for the Project at least 350 New Full-Time Jobs paying an average hourly wage rate not less than the Wage Requirement.

As an example of the calculation set forth in this subsection (k), and by way of example only, assume that in Year 13 the investment level set in this subsection (k) has not been maintained, that the millage rate applicable for tax bills to be sent in Year 14 is 350, and all of the Economic Development Property would have a 10.5% assessment ratio applied if the property were subject to *ad valorem* taxation, then the FILOT Payment for Year 14 would be computed using the millage rate of 350 (instead of 301.1) and the 10.5% assessment ratio (instead of 6%). As an additional example, and by way of example only, assume that in Year 22 the investment level set in this subsection (k) has been maintained, but that the maintained number of New Full-Time Jobs paying an average hourly wage not less than the Wage Requirement was 300, that the millage rate applicable for tax bills to be sent in Year 23 is 375, and all of the Economic Development Property would have a 10.5% assessment ratio applied if the property were subject to *ad valorem* taxation, then, the FILOT Payment for Year 23 would be computed using the millage rate of 375 (instead of 301.1) and the 10.5% assessment ratio (instead of 6%).

(l) Unless otherwise provided by the Act, any amounts due to the County under this Section 5.01 by virtue of the application of Section 5.01(h)-(k) hereof shall be paid within ninety (90) days, following written notice thereof from the County to the Companies.

(m) Notwithstanding any other provision of this Fee Agreement, the Companies acknowledge and agree that County's obligation to provide the FILOT incentive and the Special Source Revenue Credits ends, and this Fee Agreement is terminated, if the Sponsor ceases operations. For purposes this Section 5.01(m), "**ceases operations**" means closure of the facility. The Companies agree that if this Agreement is terminated pursuant to this Section 5.01(m), that under no circumstance shall the County be required to refund or pay any monies to the Companies.

## ARTICLE VI

### PAYMENTS BY COMPANIES

Section 6.01. Defaulted Payments. In the event any Company or Co-Investor should fail to make any of the payments required under this Agreement, the item or installment so in default shall continue as an obligation of such Company or Co-Investor until the amount in default shall have been fully paid. The Companies agree that the collection and enforcement of the defaulted payment shall be as provided in Section 12-44-90 of the Code.

## ARTICLE VII

### CASUALTY AND CONDEMNATION

Section 7.01. Adjustments in the Event of Damage and Destruction or Condemnation. In the event that the Project or any portion thereof is damaged or destroyed, lost or stolen, or the subject of condemnation proceedings, any Company or Co-Investor, in its sole discretion, may determine whether or not to repair or replace the same. The parties hereto agree that if the Companies decide not to repair or replace all or any portion of the Project pursuant to this Section, the FILOT required pursuant to Section 5.01 hereof shall be abated in the same manner and in the same proportion as if *ad valorem* taxes were payable with respect to the Project.

## ARTICLE VIII

### PARTICULAR COVENANTS AND AGREEMENTS

Section 8.01. Use of Project for Lawful Activities. During the Term of this Agreement, each Company shall use the Project for any lawful purpose that is authorized pursuant to the Act.

Section 8.02. Assignment. The County agrees that, to the maximum extent allowable under the Act (or any amendments thereto), each Company may assign (including, without limitation, absolute, collateral, and other assignments) all or a part of its rights or obligations under this Agreement, and any lease agreement, lease purchase agreement, or fee agreement, as the case may be, or any other agreement related hereto or thereto, or transfer any and all assets of such Company, to one or more Affiliates without adversely affecting the benefits of such Company or its assignees pursuant to any such agreement or the Act. Such Company shall provide the County and the Department of Revenue with notice of any such assignment, transfer, or investment in accordance with the Act, and the County agrees, upon the request of such Company, to take all further action necessary to implement such assignment, transfer, or investment in accordance with the provisions of the Act. To the extent that the Act may require the consent, approval or ratification of or by the County for the assignment of this Agreement, in whole or in part, the County agrees to not unreasonably withhold its consent, approval or ratification and further agrees to consider such assignment in the form of a Resolution of Council.

**Section 8.03. Indemnification.** Each Company releases the County, including the members of the governing body of the County, and the employees, officers, attorneys and agents of the County (herein collectively referred to as the “Indemnified Parties” and each, an “Indemnified Party”) from, agrees that the Indemnified Parties shall not be liable for, and agrees to hold the Indemnified Parties harmless against, any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to this Agreement, the Project or the use thereof, except for that occasioned by grossly negligent or intentional acts of an Indemnified Party. Each Company further agrees to indemnify and save harmless Indemnified Parties against and from any and all costs, liabilities, expenses, and claims arising from any breach or default on the part of the Companies in the performance of any covenant or agreement on the part of the Companies to be performed pursuant to the terms of this Agreement or arising from any act or negligence of, or negligent failure to act where there is a duty to do so by any Company, or any of their agents, attorneys, contractors, servants, employees, or licensees, and from and against all cost, liability, and expenses incurred in or in connection with any such claim or action or proceeding brought thereon.

All covenants, stipulations, promises, agreements, and obligations of the County contained herein shall be deemed to be covenants, stipulations, promises, agreements, and obligations of the County and not of any member of the County Council or any officer, agent, attorney, servant, or employee of the County in his or her individual capacity, and no recourse shall be had for the payment of any moneys hereunder or the performance of any of the covenants and agreements of the County herein contained or for any claims based thereon against any member of the governing body of the County or any officer, attorney, agent, servant, or employee of the County.

Notwithstanding the fact that it is the intention of the Indemnified Parties hereto that none of them shall incur any pecuniary liability by reason of the terms of this Agreement, any related agreements or the undertakings required of the County hereunder by reason of the performance of any act requested of the County by any Company, including all claims, liabilities, or losses arising in connection with the violation of any statutes or regulations pertaining to the foregoing, nevertheless, if any Indemnified Party shall incur any such pecuniary liability, then in such event the Sponsor shall indemnify and hold them harmless against all claims by or on behalf of any Person, firm, or corporation or other legal entity arising out of the same and all costs and expenses incurred in connection with any such claim or in connection with any action or proceeding brought thereon, provided, however, that nothing herein shall absolve the Indemnified Parties from, or entitle the Indemnified Parties to indemnification from, any obligation such Indemnified Party has specifically agreed to undertake (including, without limitation, the obligation to place and maintain the Land within a multi-county park). If any action, suit, or proceeding is brought against any Indemnified Party to which such Indemnified Party is entitled to indemnification, such Indemnified Party shall promptly notify the Companies, and the Companies shall have the sole right and duty to assume, and shall assume, the defense thereof, at its expense, with full power to litigate, compromise, or settle the same in its sole discretion; provided the Companies shall obtain the prior written consent of the County to settle any such claim unless such claim is for monetary damages for which the Companies have the ability to, and do, pay. Notwithstanding the foregoing, if the Indemnified Party is the County, in the event the County reasonably believes there are defenses available to it that are not being

pursued or that the counsel engaged by the Companies reasonably determines that a conflict of interest exists between the County and the Companies, the County may, in its sole discretion, hire independent counsel to pursue its own defense, and the Companies shall be liable for the reasonable cost of such counsel.

The indemnity specified in this Section shall be in addition to any heretofore extended by the Companies to any Indemnified Party and shall survive the termination of this Agreement with respect to liability arising out of any event or act occurring prior to such termination.

Section 8.04. Sponsors and Sponsor Affiliates. Sponsor or Sponsor Affiliate may designate from time to time other Sponsors or Sponsor Affiliates pursuant to the provisions of Sections 12-44-30(19) or (20), respectively, and Section 12-44-130 of the Simplified FILOT Act, which Sponsors or Sponsor Affiliates shall be Persons who join with the Companies and make investments with respect to the Project, or who participate in the financing of such investments, who agree to be bound by the terms and provisions of this Agreement and who shall be Affiliates of Sponsor, Sponsor Affiliate or other Sponsors or Sponsor Affiliates, or other Persons described in Section 8.02 hereof. All other Sponsors or Sponsor Affiliates who otherwise meet the requirements of Section 12-44-30 (19) or (20) and Section 12-44-130 of the Simplified FILOT Act must be approved by the County in writing. To the extent that the aggregate investment in the Project by the end of the Investment Period by all Sponsors and Sponsor Affiliates exceeds Five Million Dollars (\$5,000,000.00), to the extent permitted by Section 12-44-30(19) of the Simplified FILOT Act, all investment by such Sponsors and Sponsor Affiliates during the Investment Period shall qualify for the FILOT pursuant to Section 5.01 of this Agreement (subject to the other conditions set forth therein) regardless of whether each such entity invested amounts equal to the Investment Commitment by the end of the Investment Period. Sponsor or Sponsor Affiliate shall provide the County and the Department of Revenue with written notice of any other Sponsor or Sponsor Affiliate designated pursuant to this Section 8.04 within ninety (90) days after the end of the calendar year during which any such Sponsor or Sponsor Affiliate has placed in service Economic Development Property to be used in connection with the Project, all in accordance with Section 12-44-130(B) of the Simplified FILOT Act. The parties agree that, if any Sponsor or Sponsor Affiliate ceases to become party to this Agreement, the Agreement shall continue to remain in effect with respect to any remaining Sponsors or Sponsor Affiliates.

Section 8.05. Chamber of Commerce Membership. During any year in which Special Source Revenue Credits are awarded to Sponsor pursuant to the terms of this Agreement, Sponsor shall maintain membership in good standing with the Lancaster County Chamber of Commerce.

## ARTICLE IX

### FINANCING ARRANGEMENTS; CONVEYANCES; ASSIGNMENTS

Section 9.01. Conveyance of Liens and Interests; Assignment. Each Company or Co-Investor may at any time: (a) transfer all or any of its rights and interests hereunder or with respect to the Project to any Person; or (b) enter into any lending, financing, security, or similar

arrangement or succession of such arrangements with any financing entity with respect to the Agreement or the Project, including without limitation any sale, leaseback, or other financing lease arrangement; provided that, in connection with any of the foregoing transfers: (i) except in connection with any transfer to Sponsor or Sponsor Affiliate or their Affiliated entities, or transfers pursuant to clause (b) above (as to which such transfers the County hereby consents), such Company shall first obtain the prior written consent or subsequent ratification of the County, which consent or ratification shall not be unreasonably withheld, conditioned or delayed and may be given by resolution of County Council; (ii) except where a financing entity, which is the income tax owner of all or part of the Project, is the transferee pursuant to clause (b) above and such transferee or financing entity assumes in writing the obligations of such Company hereunder, or where the County consents in writing, no such transfer shall affect or reduce any of the obligations of such Company hereunder, but all obligations of such Company hereunder shall continue in full force and effect as the obligations of a principal and not of a guarantor or surety; (iii) such Company, transferee, or financing entity shall, within sixty (60) days thereof, furnish or cause to be furnished to the County and the Department of Revenue a true and complete copy of any such transfer agreement; and (iv) such Company and the transferee shall comply with all other requirements of the Transfer Provisions.

Each Company acknowledges that such a transfer of an interest under this Agreement or in the Project may cause the Project to become ineligible for a Negotiated FILOT or result in penalties under the Act absent compliance by the Companies with the Transfer Provisions.

Section 9.02. Relative Rights of County and Financing Entities as Secured Parties. The parties acknowledge the application of the provisions of Section 12-44-90 of the Act, and that the County's right to receive FILOT Payments hereunder shall be the same as its rights conferred under Title 12, Chapter 49 and 54, among others, of the Code relating to the collection and enforcement of *ad valorem* property taxes. The County's rights under this Agreement, except for its rights to receive FILOT Revenues, shall be subordinate to the rights of any secured party or parties under any financing arrangements undertaken by the Companies with respect to the Project pursuant to Section 9.01 hereof, such subordination to be effective without any additional action on the part of the County; provided, however, that the County hereby agrees, at the Companies' expense, to execute such agreements, documents, and instruments as may be reasonably required by such secured party or parties to effectuate or document such subordination.

## ARTICLE X

### TERM; TERMINATION

Section 10.01. Term. Unless sooner terminated pursuant to the terms and provisions herein contained, this Agreement shall be and remain in full force and effect for a term commencing on the date on which the Companies execute this Agreement, and ending at midnight on the last day of the property tax year in which the last Negotiated FILOT Payment is due hereunder. The Project has a term of thirty (30) years, as calculated pursuant to the respective dates when the relevant portions of the Project are placed in service, and as discussed in greater detail in this Agreement. The County's rights to receive indemnification and payment

of Administration Expenses pursuant hereto shall survive the expiration or termination of this Agreement.

Section 10.02. Termination. The County and the Companies may agree to terminate this Agreement at any time, or the Sponsor or Sponsor Affiliate may, at its option, terminate this Agreement at any time with respect to its portion of the Project, upon providing the County thirty (30) days' notice of such termination, in which event the applicable portion of the Project shall be subject to *ad valorem* taxes from the date of termination. In the event that this Agreement is fully terminated by the operation of this Section 10.02 at any time during the initial Investment Period prior to the Companies' meeting the Investment Commitment, amounts due to the County as a result thereof shall be calculated as provided in Section 5.01(j) hereof. The County's rights to receive payment for such *ad valorem* taxes and its rights to enforce the terms of this Agreement shall survive termination of this Agreement.

## ARTICLE XI

### EVENTS OF DEFAULT AND REMEDIES

Section 11.01. Events of Default by Companies. Any one or more of the following events (herein called an "Event of Default", or collectively, "Events of Default") shall constitute an Event of Default by the Companies, but in each case, only with respect to the defaulting entity:

- (a) if default shall be made in the due and punctual payment of any FILOT Payments, indemnification payments, or Administration Expenses, which default shall not have been cured within thirty (30) days following receipt of written notice thereof from the County; or
- (b) if default shall be made by any Company in the due performance of or compliance with any of the terms hereof, including payment, other than those referred to in the foregoing paragraph (a), and such default shall continue for ninety (90) days after the County shall have given the Companies written notice of such default, provided, such Company shall have such longer period of time as necessary to cure such default if such Company proceeds promptly to cure such default and thereafter to prosecute the curing of such default with due diligence.

The failure of the Companies, collectively with any Co-Investors, to meet the Project Commitments set forth herein shall not be deemed to be an Event of Default under this Agreement.

Section 11.02. Remedies on Event of Default by Company. Upon the occurrence of any Event of Default and the expiration of any applicable cure periods, the County may exercise any of the following remedies, any of which may be exercised at any time during the periods permitted under the following clauses:

(a) terminate this Agreement, solely with respect to the defaulting entity, by delivery of written notice to the Companies not less than thirty (30) days prior to the termination date specified therein;

(b) have access to and inspect, examine, and make copies of the books, records, and accounts of the defaulting entity pertaining to the construction, acquisition, or maintenance of the Project; or

(c) take whatever action at law or in equity as may appear necessary or desirable to collect the amounts then due and thereafter to become due or to enforce observance or performance of any covenant, condition, or agreement of the defaulting entity under this Agreement.

Section 11.03. Default by County. Upon the default of the County in the performance of any of its obligations hereunder, any Company may take whatever action at law or in equity as may appear necessary or desirable to enforce its rights under this Agreement, including without limitation, a suit for mandamus or specific performance. Provided, however, that anything herein to the contrary notwithstanding, any financial obligation the County may incur hereunder, including for the payment of money, shall not be deemed to constitute a pecuniary liability or a debt or general obligation of the County.

## ARTICLE XII

### MISCELLANEOUS

Section 12.01. Rights and Remedies Cumulative. Each right, power, and remedy of the County or of the Companies provided for in this Agreement shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Agreement or now or hereafter existing at law or in equity, in any jurisdiction where such rights, powers and remedies are sought to be enforced; and the exercise by the County or by the Companies of any one or more of the rights, powers or remedies provided for in this Agreement or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by the County or by the Companies of any or all such other rights, powers or remedies.

Section 12.02. Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns as permitted hereunder.

Section 12.03. Administration Expenses. (a) The Companies agree to reimburse the County from time to time for its Administration Expenses promptly upon written request therefore, but in no event later than thirty (30) days after receiving the written request from the County. The written request shall include a description of the nature of the Administration Expenses.

(b) The Companies agree to reimburse the County for expenses incurred by the County for accountants and similar experts used by the County in the computation, preparation and verification of the annual FILOT Payments and any Special Source Revenue Credits, *provided, however*, the maximum annual reimbursement pursuant to this subsection is capped at Five Hundred Dollars (\$500.00).

Section 12.04. Rules of Construction. The County and the Companies acknowledge and agree that each has been represented by legal counsel of its choice throughout the negotiation and drafting of this Agreement, that each has participated in the drafting hereof and that this Agreement will not be construed in favor of or against either party solely on the basis of such party's drafting or participation in the drafting of any portion of this Agreement.

Section 12.05. Notices; Demands; Requests. All notices, demands and requests to be given or made hereunder to or by the County or the Companies shall be in writing and shall be deemed to be properly given or made if sent by United States first class mail, postage prepaid or via facsimile or other commonly-used electronic transmission or reputable courier service, addressed as follows or to such other persons and places as may be designated in writing by such party.

(a) As to the County:

Lancaster County  
Attn: Steve Willis, County Administrator  
101 N. Main St. (29720)  
P.O. Box 1809 (29721-1809)  
Lancaster, South Carolina  
Telephone: (803) 416-9300  
Fax: (803) 285-3361  
Email: [swillis@lancastercountysc.net](mailto:swillis@lancastercountysc.net)

with a copy (which shall not constitute notice) to:

Mr. Jamie Gilbert  
Economic Development Director, Lancaster County  
P.O. Box 1809  
Lancaster, South Carolina 29721  
Telephone: (803) 286-3633  
Fax: (803) 416-9497  
Email: [jgilbert@lancastercountysc.net](mailto:jgilbert@lancastercountysc.net)

(b) As to the Sponsor:

CompuCom Systems, Inc.  
Attn: Finance Director  
3800 Arco Corporate Dr.  
Charlotte, NC 28273

Email: [Kwang.Elder@CompuCom.com](mailto:Kwang.Elder@CompuCom.com)

With a copy (which shall not constitute notice) to:

Womble Carlyle Sandridge & Rice, LLP  
Attn: Ms. Stephanie L. Yarbrough  
5 Exchange Street  
Charleston, South Carolina 29401  
Phone: (843) 720-4621  
Email: [styarbrough@wcsr.com](mailto:styarbrough@wcsr.com)

As to the Sponsor Affiliate

The Keith Corporation  
Attn: Brendan Pierce  
5935 Carnegie Blvd.  
Suite 200  
Charlotte, NC 28209  
Email: [bpierce@thekeithcorp.com](mailto:bpierce@thekeithcorp.com)

With a copy (which shall not constitute notice) to:

The Keith Corporation  
Attn: Keith R. Beuley  
5935 Carnegie Blvd.  
Suite 200  
Charlotte, NC 28209  
Email: [ken@thekeithcorp.com](mailto:ken@thekeithcorp.com)

**Section 12.06. Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina.

**Section 12.07. Entire Understanding.** This Agreement expresses the entire understanding and all agreements of the parties hereto with each other, and neither party hereto has made or shall be bound by any agreement or any representation to the other party which is not expressly set forth in this Agreement or in certificates delivered in connection with the execution and delivery hereof.

**Section 12.08. Severability.** In the event that any clause or provision of this Agreement shall be held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any of the remaining provisions hereof.

**Section 12.09. Headings and Table of Contents; References.** The headings of the Agreement and any Table of Contents annexed hereto are for convenience of reference only and shall not define or limit the provisions hereof or affect the meaning or interpretation hereof. All references in this Agreement to particular articles or Sections or paragraphs of this Agreement are references to the designated articles or Sections or paragraphs of this Agreement.

Section 12.10. Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original but all of which shall constitute one and the same instrument.

Section 12.11. Amendments. Subject to the limitations set forth in the Act, this Agreement may be amended, or the rights and interest of the parties hereunder surrendered, only by a writing signed by all parties.

Section 12.12. Waiver. Either party may waive compliance by the other party with any term or condition of this Agreement only in a writing signed by the waiving party.

Section 12.13. Force Majeure. The Companies shall not be responsible for any delays or non-performance caused in whole or in part, directly or indirectly, by strikes, accidents, freight embargoes, labor shortages, fire, floods, inability to obtain materials, conditions arising from government orders or regulations, war or national emergency, acts of God, and any other cause, similar or dissimilar, beyond the Companies' reasonable control.

***[SIGNATURE PAGE TO FOLLOW]***

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 the Council Chair and Council Secretary and to be attested by the Clerk to Council; and the Companies have caused this Fee Agreement to be executed by its duly authorized officer, all as of the day and year first above written.

**LANCASTER COUNTY, SOUTH CAROLINA**

By: \_\_\_\_\_  
Name: Steve Harper  
Title: Chair, County Council

By: \_\_\_\_\_  
Name: Larry Honeycutt  
Title: Secretary, County Council

**ATTEST:**

By: \_\_\_\_\_  
Sherrie Simpson, Clerk to Council

***[Companies signatures follow on next page.]***



**COMPUCOM SYSTEMS, INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**TKC BAILES RIDGE PARKWAY, LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

*[The remainder of this page is intentionally left blank.]*

## EXHIBIT A

### Land

Being 19,400 acres known as Future Tract 19-A of the Bailes Ridge Business Park as recorded in Lancaster County Register of Deeds in Plat Book \_ Page \_ and located in Indian Land Township, Lancaster County, South Carolina

Commencing from a found mag nail in the northern right of way of Bailes Parkway as recorded in Lancaster County Register of Deeds in Plat Book 2015 Page 108 with SCGS (NAD 83/2011) grid coordinates N=1,151,158.37, E=2,038,267.32 and a combine factor = 1.00003893, thence S47°01'19"W 107.26' to a set mag nail a common corner to Tract 19-B, being the Point of Beginning, thence with Bailes Parkway southern right of way the following 12 courses and distances, 1) a curve to the left with a radius of 640.00', a length of 76.42' and chord bearing and distance of S84°51'26"E 76.37' to a found mag nail, 2) S 88°16'41"E 303.29' to a found mag nail, 3) a curve to the right with a radius of 30.00', a length of 31.42' and a chord bearing and distance of S58°16'41"E 30.00' to a found rebar with a cap, 4) a curve to the left with a radius of 110.00', a length of 57.60' and a chord bearing and distance of S43°16'41"E 56.94' to a found rebar with a cap, 5) a curve to the right having a radius of 30.00', a length of 31.42' and a chord bearing and distance of S28°16'41"E 30.00' to a found mag nail, 6) S01°43'18"W 34.72' to a found rebar with cap, 7) S88°16'41"E 80.00' to a found rebar with cap, 8) N01°43'19"E 34.72' to a found pk nail, 9) a curve to the right with a radius of 30.00', a length of 31.42' and a chord bearing and distance of N31°43'19"E 30.00' to a found pk nail, 10) a curve to the left with a radius of 110.00', a length of 57.60' and a chord bearing and distance of N46°43'19"E 56.94' to a found pk nail, 11) a curve to the right with a radius of 30.00', a length of 31.42' and a chord bearing and distance of N51°43'19"E 30.00' to a found rebar with cap, 12) S88°16'41"E 34.72' to a found rebar with cap, a common corner to Bailes Investments Associates, LLC as recorded in Deed Book 164 Page 328, thence creating a common line S88°16'41"E 88.94' to a found 1/2" pipe a common corner to Lancaster County as recorded in Deed Book 411 Page 163, thence with the common line of Lancaster County the following 29 courses and distances, 1) S26°34'39"W 53.98' to a set #4 rebar, 2) S44°19'29"W 55.12' to a set #4 rebar, 3) S12°58'26"W 72.85' to a set #4 rebar, 4) S08°18'20"W 84.76' to a set #4 rebar, 5) S39°24'09"E 49.14' to a set #4 rebar, 6) S24°17'52"E 75.95' to a found rebar with cap, 7) S33°56'58"W 57.49' to a found rebar with cap, 8) S05°52'35"E 36.31' to a found rebar with cap, 9) S25°47'42"W 55.30' to a found rebar with cap, 10) S07°56'35"W 67.07' to a found rebar with cap, 11) S43°35'45"W 80.58' to a found rebar with cap, 12) S10°40'36"W 48'67" to a found rebar with cap, 13) S06°43'09"W 53.85' to a found rebar with cap, 14) S30°33'08"E 54.71' to a found rebar with cap, 15) S67°31'46"W 92.25' to a found rebar with cap, 16) S19°53'30"W 37.80' to a found rebar with cap, 17) S30°53'36"W 49.73' to a found rebar with cap, 18) S23°43'22"W 87.12' to a found rebar with cap, 19) S27°50'09"E 75.57' to a found rebar with cap, 20) S33°13'04"W 83.48' to a found rebar with cap, 21) S00°09'25"E 77.56' to a found rebar with cap, 22) S59°48'09"W 108.62' to a found rebar with cap, 23) S03°54'48"W 124.21' to a found rebar with cap, 24) S13°11'38"W 4.54' to a found

rebar with cap, 25)  $S60^{\circ}42'02''W$  55.48' to a found rebar with cap, 26)  $N79^{\circ}06'43''W$  67.86' to a found rebar with cap, 27)  $S66^{\circ}18'06''W$  65.56' to a found rebar with cap, 28)  $S88^{\circ}52'36''W$  63.32' to a found rebar with cap, 29)  $S83^{\circ}42'47''W$  72.62' to a found rebar with cap a common corner to Tract 20, thence with the following 5 division line, 1)  $N11^{\circ}54'00''E$  474.69' to a set #4 rebar, 2)  $N77^{\circ}18'17''W$  384.19' to a set #4 rebar a common corner to Tract 19-B, 3)  $N12^{\circ}29'47''E$  462.94' to a set #4 rebar, 4)  $S77^{\circ}57'38''E$  53.00' to a set #4 rebar, 5)  $N12^{\circ}29'47''E$  444.84' to the Point of Beginning. Containing 19.400 Acres.

Portion of Parcel Id. 0007-00-025.00

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## Agenda Item Summary

Ordinance # / Resolution#: 2017 - 1439

Contact Person / Sponsor: Jamie Gilbert / John Weaver

Department: Economic Development / County Attorney

Date Requested to be on Agenda: County Council – April 10, 2017

**Issue for Consideration:** Whether or not it is appropriate for County Council to consider the passage of this ordinance that authorizes a Fee Agreement between the county and Movement Mortgage, LLC, as Sponsor and TKC CCII, LLC, a Sponsor Affiliate?.

**Points to Consider:** On October 10, 2016, Council approved Resolution No. 0938 – R2016, an Inducement Resolution (attached) that committed Lancaster County to a FILOT with Movement Mortgage that included, among other things:

- a. An investment of at least Eighteen Million Five Hundred Thousand (\$18,500,000.00) Dollars;
- b. At least seven hundred (700) new full-time jobs;
- c. An initial average wage of \$17.47; a seven (7) year Investment Period
- d. A thirty (30) year Fee Agreement;
- e. A Special Source Revenue Credit of ten (10) years equal to fifty (50%) of the FILOT payments.

The ordinance being considered by Council formalizes and memorializes the terms and conditions outlined in the Inducement Resolution.

**Funding and Liability Factors:** N/A

**Council Options:** Approve or reject the ordinance.

**Recommendation:** The Director of Economic Development recommends Council's approval of the Ordinance and the Fee Agreement.

STATE OF SOUTH CAROLINA

)

RESOLUTION NO. 0938-R2016

COUNTY OF LANCASTER

)

**A RESOLUTION**

**TO STATE THE COMMITMENT OF LANCASTER COUNTY TO ENTER INTO A FEE AGREEMENT WITH PROJECT 2016-10, AND/OR ITS DESIGNEE OR NOMINEE; TO PROVIDE THE GENERAL TERMS OF THE FEE AGREEMENT INCLUDING THE PROVISION OF SPECIAL SOURCE REVENUE CREDITS; TO IDENTIFY THE PROJECT FOR PURPOSES OF THE FEE IN LIEU OF TAX SIMPLIFICATION ACT; TO STATE THE COMMITMENT OF LANCASTER COUNTY TO PLACE PROJECT PROPERTY IN A MULTI-COUNTY PARK; AND TO PROVIDE FOR OTHER MATTERS RELATED THERETO.**

WHEREAS, Lancaster County, South Carolina (the "County"), acting by and through its County Council (the "County Council") is authorized and empowered under and pursuant to the provisions of the Fee in Lieu of Tax Simplification Act, codified as Title 12, Chapter 44, Code of Laws of South Carolina 1976, as amended (the "Act"), to enter into a fee in lieu of tax agreement (the "Fee Agreement") with respect to a project which requires the industry to make a payment of a fee in lieu of taxes, through which powers the industrial development of the State of South Carolina and the County will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State of South Carolina and the County and thus to utilize and employ the manpower, products, and natural resources of the State of South Carolina to benefit the general public welfare of the County by providing services, employment, and other public benefits not otherwise provided locally; and

WHEREAS, the County has previously entered into a Fee Agreement with respect to a previously announced investment and job creation project with Project 2016-10 ("Prior Project"); and

WHEREAS, Project 2016-10, on its own or together with one or more of its subsidiaries, affiliates, successors, assigns, sponsors, lessors, and others (collectively, the "Company"), desires to invest additional capital in the County in order to construct and install one or more additional facilities in the County (the "Additional Project"), provided that approvals of various incentives contemplated for the Additional Project are formalized by the State and/or County; and

WHEREAS, the Additional Project is anticipated to result in an investment of at least \$18,500,000 and the creation of at least 700 new, full-time jobs; and

WHEREAS, the Company has requested that the County enter into a Fee Agreement, thereby providing for fee-in-lieu of tax ("FILOT") payments ("FILOT Payments") and special source revenue credits ("SSRCs") with respect to the Additional Project; and

WHEREAS, the County has determined on the basis of the information supplied to it by the Company that the Additional Project would be a "project" and "economic development property" as such terms are defined in the Act and that the Additional Project would serve the purposes of the Act; and

WHEREAS, pursuant to the authority of Section 4-1-170 of the Code of Laws of South Carolina 1976, as amended and Article VIII, Section 13(D) of the South Carolina Constitution (collectively, the "MCP Laws"), the County is authorized to create a multi-county park (an "MCP Park") pursuant to a qualifying agreement with one or more contiguous South Carolina counties (the "Park Agreement"); and

WHEREAS, the County intends by this Resolution to commit itself, as it relates to the Additional Project, to: (i) enter into a negotiated fee-in-lieu of tax agreement with the Company under the Act; (ii) provide for SSRCs against the FILOT Payments to be made by the Company in connection with the foregoing fee-in-lieu of tax arrangements; and (iii) locate the Additional Project in an MCP Park.

NOW, THEREFORE, BE IT RESOLVED by the Council of Lancaster County, South Carolina:

1. The adoption of this Resolution is an official action by the County Council to identify, reflect and induce the Additional Project under the Act. For purposes of the Act, this Resolution is an "Inducement Resolution." For purposes of Section 12-44-110 of the Act, this Resolution constitutes preliminary approval by the County prior to the execution of a fee agreement.

2. The County commits to enter into a negotiated FILOT arrangement with the Company for the Additional Project, the terms of which shall be set forth in a Fee Agreement in form and manner satisfactory to the County and the Company containing substantially the following terms:

- a. an investment period of seven (7) years (the "Investment Period"); and
- b. the Company's commitment to invest at least eighteen million five hundred thousand dollars (\$18,500,000.00) in economic development property for the Additional Project, not later than the end of the Investment Period (the "Investment Commitment"); and
- c. the Company's commitment to create, not later than the earlier of either the fifth year following the issuance of an occupancy permit for the main building of the Additional Project or the end of the Investment Period, and thereafter to maintain for as long as the Company is receiving a special source revenue credit, at least seven hundred (700) new full-time jobs (*i.e.*, at least thirty (30) hours per week), with health care benefits and an hourly wage rate not less than the County's average hourly wage rate as published by the South Carolina Department of Revenue (the "Jobs Commitment"). The initial average hourly wage rate is seventeen dollars and forty-seven cents (\$17.47) and will be adjusted periodically beginning in year six of the Fee Agreement. The Company and County will agree upon the number of new full-time jobs that must be created in each year prior to the year in which the seven hundred (700) new full-time jobs must be created and the annual number is included in the Jobs Commitment; and
- d. the Company's commitment to create, under the Fee Agreement for the Prior Project and the Fee Agreement for the Additional Project, by the end of the fifth year of the Investment Period for the Fee Agreement for the Additional Project and to maintain in years six through ten of the Additional Project a total of eight hundred (800) full time jobs with health care benefits and an hourly wage rate of seventeen dollars and forty-seven cents (\$17.47) (the "Total Jobs Commitment"); and
- e. calculation of FILOT Payments using an assessment ratio of six percent (6%) and a millage rate fixed for the term of the Fee Agreement at the lower of the cumulative property tax millage rate for all taxing entities within which the Additional Project is located on either June thirtieth of the year preceding the calendar year in which the Fee Agreement is executed or the millage rate in effect on June thirtieth of the calendar year in which the Fee Agreement is executed; and

- f. a term of thirty (30) years for the Fee Agreement and for each phase of the Additional Project; and
- g. a special source revenue credit equal to fifty percent (50%) of the FILOT Payments for ten (10) consecutive years beginning not later than the fifth year of the Investment Period. In any year in which the Company fails to meet the Jobs Commitment or the Total Jobs Commitment, the annual special source revenue credit shall be reduced in the same proportion that the Company failed to meet the Jobs Commitment or Total Jobs Commitment; and
- h. for year eleven of the Fee Agreement, and for each year thereafter, the Company's agreement that the Fee Agreement is suspended for the then current year if the Company fails to maintain an investment in economic development property for the Additional Project of not less than nine million two-hundred fifty thousand dollars (\$9,250,000.00) and for the Prior Project of not less than ten million six hundred thousand dollars (\$10,600,000.00) or fails to maintain under the Fee Agreement for the Additional Project an employment base of at least six hundred fifty (650) full-time jobs (*i.e.*, at least thirty (30) hours per week), with health care benefits and an hourly wage rate not less than the County's average hourly wage rate as published by the South Carolina Department of Revenue; and
- i. the Company's commitment to reimburse the County for its administrative expenses associated with the review, negotiation and preparation of all documentation and authorizing proceedings, including attorney's fees, for the Project and for its administrative expenses associated with the annual computation of the special source revenue credits.

3. Council shall use its best efforts to adopt a new Park Agreement or amend an existing Park Agreement to include the land on which the Project is located, to the extent that the land, or any portion thereof, is not currently subject to a Park Agreement. The period of time for inclusion of the land in an MCP Park shall be for the same period that the Fee Agreement is effective.

4. (A) The County shall use its best efforts to (i) assist the Company in locating potential grants from the state and utilities for any public infrastructure costs associated with the Project, (ii) assist the Company in applying for state economic development incentives that flow through the County, and (iii) assist the Company in securing job training through the ReadySC program.

(B) As used in this Section 4, "best efforts" include, without limitation, filing all required and necessary documents and applications relating to the grants or assistance, formally recommending approval of the grants or assistance and making the grants or assistance available at the commencement of the construction of the Project if provided by the granting or assisting entity and giving the Company written evidence of the grants or assistance when approved.

5. Council's commitments and agreements contained in Sections 3 and 4 are subject to the exercise of discretion by granting or approving entities other than the County and the exercise of that discretion is not controlled by the County.

6. Council shall approve the Fee Agreement, and any other agreement or document contemplated by this Resolution in accordance with South Carolina law and the rules and procedures of the Council.

7. County Council finds 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 and to no charge against the general credit or taxing power of either the County or any incorporated municipality, (iii) the purposes to be accomplished by the Project are proper governmental and public purposes, and (iv) the benefits of the Project to the public are greater than the costs to the public.

8. To the extent this Resolution contains provisions that conflict with other orders, resolutions, and parts thereof, the provisions contained in this Resolution supersede all other orders, resolutions and parts thereof and this Resolution is controlling.

9. This Resolution takes effect upon its adoption.

SIGNATURES FOLLOW ON NEXT PAGE.

Adopted this 10<sup>th</sup> day of October, 2016.

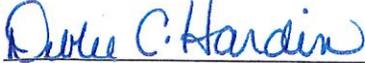
LANCASTER COUNTY, SOUTH CAROLINA

[SEAL]

  
\_\_\_\_\_  
Bob Bundy, Chair, County Council

  
\_\_\_\_\_  
Steve Harper, Secretary, County Council

Attest:

  
\_\_\_\_\_  
Debbie C. Hardin, Clerk to Council

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STATE OF SOUTH CAROLINA            )  
  )  
COUNTY OF LANCASTER                )        **ORDINANCE NO. 2017-1439**

**AN ORDINANCE**

**TO AUTHORIZE THE EXECUTION AND DELIVERY OF A FEE AGREEMENT BY AND AMONG LANCASTER COUNTY AND MOVEMENT MORTGAGE, LLC AND TKC CCII, LLC, PROVIDING FOR THE PAYMENT OF A FEE-IN-LIEU OF TAXES AND THE PROVISION OF SPECIAL SOURCE REVENUE CREDITS; TO EXPRESS THE INTENTION OF COUNCIL TO PROVIDE MONIES TO THE ECONOMIC DEVELOPMENT FUND.**

Be it ordained by the Council of Lancaster County, South Carolina:

**Section 1.        Findings.**

The Lancaster County Council finds that:

(a) Lancaster County, South Carolina (the “County”) acting by and through its County Council (the “Council”) is authorized and empowered pursuant to the provisions of Title 12, Chapter 44 of the Code of Laws of South Carolina 1976 (the “Code”), as amended (the “Act”) to enter into fee-in-lieu of tax agreements with any industry, with said agreements identifying certain properties of such industries as economic development property, through which powers the industrial development of the State of South Carolina (the “State”) and the County will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate, remain, and expand in the State and the County and thus utilize and employ the manpower, products, and natural resources and benefit the general public welfare of the State and County by providing services, employment, or other public benefits not otherwise adequately provided locally;

(b) the County is authorized by Sections 4-1-175 and 4-29-68 of the Code, as amended, and Section 12-44-70 of the Act to provide special source revenue credits for the purpose of defraying 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 machinery and equipment, used in the operation of a manufacturing facility or commercial enterprise in order to enhance the economic development of the County;

(c) Movement Mortgage, LLC (the “Sponsor”) is considering investing, through itself and/or one or more existing or to be formed affiliated entities and/or one or more unrelated parties, including TKC CCII, LLC (the “Sponsor Affiliate”), in personal property and certain real estate improvements located in the County which would constitute a project within the meaning of the Act and which are eligible for

inclusion as economic development property, the cost of which is estimated to be at least Eighteen Million, Five Hundred Thousand Dollars (\$18,500,000.00) over seven (7) years (the "Project");

(d) pursuant to Resolution No. 0938-R2016, adopted October 10, 2016, the Council approved an Inducement Resolution providing for, among other things, the agreement of the County to enter into a fee-in-lieu of tax incentive with the Sponsor and the provision of special source revenue credits;

(e) the Sponsor and Sponsor Affiliate have caused to be prepared and presented to the Council the form of the Fee Agreement by and among the County, the Sponsor and the Sponsor Affiliate (the "Fee Agreement"), which provides for fee-in-lieu of tax payments utilizing a six percent (6%) assessment ratio and fixed millage rate as of June 30, 2016 (which is understood to be 301.1 mills) for a period of thirty (30) years for the Project or each component thereof placed in service during the initial investment period and any investment period extension to which the County, the Sponsor and the Sponsor Affiliate agree, and for special source revenue credits equal to fifty percent (50%) of the fee-in-lieu of tax payments for ten consecutive years beginning not later than the fifth year of the investment period; and

(f) it appears that the Fee Agreement, which is attached to this ordinance, is in appropriate form and is an appropriate instrument to be executed and delivered by the County for the purposes intended.

**Section 2. Approval of Fee Agreement.**

Subject to the provisions of Section 4 of this ordinance, and, in order to promote industry, develop trade, and utilize and employ the manpower, products, and natural resources of the State by assisting the Sponsor and Sponsor Affiliate to expand or locate an industrial facility in the State, the Fee Agreement is hereby authorized, ratified, and approved.

**Section 3. Statutory Findings.**

Council makes the following additional findings:

(a) The Project will constitute a "project" as the 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 upon all criteria prescribed by law, including the anticipated dollar amount and nature of the investment to be made.

(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 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.

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

**Section 4. Approval and Execution of Fee Agreement.**

The form, terms, and provisions of the Fee Agreement, attached hereto as Exhibit A, are approved, and all of the terms, provisions, and conditions thereof are incorporated herein by reference as if the Fee Agreement was set out in this ordinance in its entirety. The Council Chair and Council Secretary are authorized, empowered, and directed to execute and acknowledge the Fee Agreement in the name of and on behalf of the County, and thereupon to cause the Fee Agreement to be delivered to the Sponsor and the Sponsor Affiliate. The Fee Agreement is to be in substantially the form as attached to this ordinance and hereby approved, 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, upon the advice of counsel to the County, such officer's execution thereof to constitute conclusive evidence of such officer's approval of any and all changes or revisions therein from the form of the Fee Agreement attached to this ordinance.

**Section 5. Economic Development Fund.**

(A) Council finds that (i) by passage of Ordinance No. 2014-1260, Council created an Economic Development Fund with the intent to make monies available to the fund from new revenues to the County derived from new and expanded businesses and industry, and (ii) the ability to make monies available to the Economic Development Fund can be difficult because of complexities and legalities applicable to fee-in-lieu of tax arrangements and multi-county parks.

(B) It is the intent of Council, in the annual County budget, to appropriate monies to the Economic Development Fund based on the new revenue that the County receives pursuant to the Fee Agreement. Specifically, it is Council's intent to appropriate from the General Fund of the County an amount based on the following formula: Seven percent (7%) times the amount of money received pursuant to the Fee Agreement by the County after distribution to other taxing entities in the most recently completed tax year.

**Section 6. Authority to Act.**

The Council Chair, Council Secretary, Clerk to Council, County Administrator, County Attorney and all other appropriate officials of the County are authorized and directed to do any and all things necessary 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. Severability.**

If any section, subsection or clause of this ordinance is held to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections and clauses shall not be affected.

**Section 8. Controlling Provisions.**

To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Lancaster County Code or other County ordinances, resolutions or orders, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

**Section 9. Effective Date.**

This ordinance is effective upon Third Reading.

**AND IT IS SO ORDAINED**

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2017

LANCASTER COUNTY, SOUTH CAROLINA

\_\_\_\_\_  
Steve Harper, Chair, County Council

\_\_\_\_\_  
Larry Honeycutt, Secretary, County Council

ATTEST:

\_\_\_\_\_  
Sherrie Simpson, Clerk to Council

First Reading:        April 10, 2017    Passed 6-0  
Second Reading:     April 24, 2017  
Public Hearing:        May 8, 2017    (Tentative)  
Third Reading:        May 8, 2017    (Tentative)

**Exhibit A to Ordinance No. 2017-1439**

**Fee Agreement  
Lancaster County, Movement Mortgage, LLC and TKC CCI, LLC**

See attached.

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FEE AGREEMENT

by and among

LANCASTER COUNTY, SOUTH CAROLINA,

MOVEMENT MORTGAGE, LLC, as Sponsor

and

TKC CCII, LLC, as Sponsor Affiliate

Dated as of May 22, 2017

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## FEE AGREEMENT

This FEE AGREEMENT is dated as of May 22, 2017, by and among Lancaster County, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina (the "County"), Movement Mortgage, LLC, a Delaware limited liability company, or affiliated or related entities (the "Sponsor") and TKC CCII, LLC, a North Carolina limited liability company, or affiliated or related entities (the "Sponsor Affiliate" and together with the Sponsor referred to herein as the "Companies").

### WITNESSETH:

WHEREAS, the County, acting by and through its County Council (the "County Council"), is authorized and empowered under and pursuant to the provisions of Title 12, Chapter 44 (the "Act") of the Code of Laws of South Carolina 1976, as amended (the "Code") and Sections 4-1-170, 4-1-172, and 4-1-175 of the Code and Article VIII, Section 13(D) of the South Carolina Constitution (the "Multi-County Park Act"): (i) to enter into agreements with certain investors 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 manufacturing and commercial enterprises to locate and remain in the State of South Carolina and thus utilize and employ the workforce, 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; and

WHEREAS, the Sponsor proposes to make new taxable investments in the County (the "Project"); and

WHEREAS, the Sponsor Affiliate owns the property where the Project will be located and improvements made thereon and thereto; and

WHEREAS, the Sponsor anticipates that the Project will result in the creation of approximately 700 new, full time jobs and, and the Companies anticipate that the Project will result in an investment of approximately \$18,500,000.00 in the County; and

WHEREAS, the County Council approved on October 10, 2016 Resolution No. 0938 – R2016 (the "Inducement Resolution"), an inducement resolution to identify, reflect and induce the Project under the Act and to state the commitment of the County to, among other things, enter into this Agreement; and

WHEREAS, as a result of the Sponsor making new and taxable investments in the County and the Companies requested that the County complete the FILOT arrangement referred to in the Inducement Resolution by entering into this Fee Agreement with the Companies pursuant to the Act, and the Companies elect to enter into such FILOT arrangement with the County in an effort to encompass the terms surrounding the Project and allowing the Sponsor to make FILOT payments pursuant to the Act; and

WHEREAS, it is presently anticipated, but not required, that Sponsor Affiliate will initially own that portion of the Project comprised of the Land (as defined herein) and certain real property improvements now or hereafter constructed thereon; and

WHEREAS, it is presently anticipated, but not required, that Sponsor will hereafter own that portion of the Project composed of personal property now or hereafter located on the Land; and

WHEREAS, for the Project, the parties have determined that the Companies are a Project Sponsor, and that the Project constitutes Economic Development Property within the meaning of the Act; and

WHEREAS, for the purposes set forth above, the County has determined that it is in the best interests of the County to enter into this Agreement with the Companies, subject to the terms and conditions herein set forth.

NOW, THEREFORE, in consideration of the respective representations and agreements hereinafter contained, and the sum of One Dollar (\$1.00) in hand, duly paid by the Companies to the County, the receipt and sufficiency of which are hereby acknowledged, the County and the Companies agree as follows:

## ARTICLE I

### DEFINITIONS AND RECAPITULATION

#### Section 1.01. Statutorily Required Recapitulation; Summary Agreement.

(a) Pursuant to Section 12-44-55(B) of the Act, the County and the Companies agree to waive the recapitulation requirements of Section 12-44-55 of the Act. Subsection (b) of this section is inserted for convenience only and does not constitute a part of this Agreement or a summary compliant with Section 12-44-55 of the Act.

(b) Summary of Agreement.

1. Legal name of each initial party to this Agreement:

Movement Mortgage, LLC, a Delaware corporation (Sponsor)  
TKC CCII, LLC, a North Carolina limited liability company (Sponsor  
Affiliate)  
Lancaster County, South Carolina

2. County, street address, parcel number or other location identifier of the Project and property to be subject to this Agreement:

Parcel Id. No. 0007-00-025.06  
Old Bailes Ridge Road  
Indian Land, SC 29707

- Lancaster County
3. Minimum investment agreed upon:  
\$18,500,000.00
  4. Length and term of this Agreement:  
Thirty (30) years for each annual increment of investment in the Project during the Investment Period.
  5. Assessment ratio applicable for each year of this Agreement:  
6%, except as otherwise provided in the Agreement
  6. Millage rate applicable for each year of this Agreement: 301.1, the millage rate in effect on June 30, 2016, except as otherwise provided in the Agreement
  7. Statements
    - (a) The Project is to be located in a multi-county park;
    - (b) Disposal of property, subject to Payments-in-Lieu-of-Taxes is allowed;
    - (c) Special Source Revenue Credits shall be provided for the qualifying Economic Development Property in amounts equal to fifty percent (50%) of the Negotiated FILOT Payments for ten consecutive years, beginning not later than the fifth year of the Investment Period, subject to reduction if the Jobs Commitment or Total Jobs Commitment is unmet;
    - (d) Payment will not be modified using a net present value calculation; and
    - (e) Replacement property provisions will apply.

Section 1.02. Definitions. In addition to the words and terms elsewhere defined in this Agreement, the following words and terms as used herein and in the preambles hereto shall have the following meanings, unless the context or use indicates another or different meaning or intent.

“*Act*” or “*Simplified FILOT Act*” shall mean Title 12, Chapter 44 of the Code, as amended through the date hereof.

“*Administration Expense*” shall mean the reasonable and necessary out-of-pocket expenses, including attorneys’ fees, incurred by the County with respect to: (i) the preparation, review, approval and execution of this Agreement, (ii) the preparation, review, approval and execution of other documents related to this Agreement and any multi-county park documents; and (iii) the fulfillment of its obligations under this Agreement and any multi-county park documents, and in the implementation and administration of the terms and provisions of the documents after the date of execution thereof.

“*Affiliate*” shall mean any person or entity directly or indirectly controlling, controlled by, or under common control with such other person or entity. For purposes of this definition, “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of the person or entity, whether through the ownership of voting securities, by contract, or otherwise.

“*Agreement*” shall mean this Fee Agreement by and among the County and the Companies, as originally executed and from time to time supplemented or amended as permitted herein or by the Act, and dated as of May 22, 2017.

“*Co-Investors*” shall mean the Companies, any other Sponsor or Sponsor Affiliate within the meaning of Sections 12-44-30(19) and (20) of the Act, any Affiliate of the Companies or of any such other Sponsor or Sponsor Affiliate, any developer in a build-to-suit arrangement or other leasing arrangement with respect to the Project, any lessor of Equipment or other property comprising a part of the Project, and any financing entity or other third party investing in, or providing funds for, the Project. The Companies shall notify the County in writing of the identity of any other Sponsor, Sponsor Affiliate or other Co-Investor and shall, to the extent the Companies and any such other Sponsor, Sponsor Affiliate, or other Co-Investor intend to extend the benefits of the Negotiated FILOT to property owned by any such Sponsor, Sponsor Affiliate, or other Co-Investor, comply with any additional notice requirements, or other applicable provisions, of the Act. As of the original execution and delivery of this Agreement, the Companies are the only Co-Investors.

“*Code*” shall mean the Code of Laws of South Carolina 1976, as amended through the date hereof, unless the context clearly requires otherwise.

“*Company*” or “*Companies*” shall mean, individually or collectively as the context may require, Sponsor or Sponsor Affiliate and any surviving, resulting, or transferee entity in any merger, consolidation, or transfer of assets permitted under Section 8.02 or Article IX hereof; or any assignee hereunder which is designated by the Companies and approved or ratified by the County. Except as required by law or as otherwise required by this Agreement, the County’s subsequent approval or ratification of an assignee hereunder shall not be required if the subsequent assignee is an Affiliate of the assignor.

“*Confidential Information*” shall have the meaning set forth in Section 4.02(d) hereof.

“*County*” shall mean Lancaster County, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina, and its successors and assigns.

“*County Council*” shall mean the governing body of the County and its successors.

“*Department of Revenue*” shall mean the South Carolina Department of Revenue.

“*Economic Development Property*” shall mean each item of real and tangible personal property comprising the Project, except Non-Qualifying Property, within the meaning of that term as defined and used in Sections 12-44-30(6) and 12-44-40(C) of the Code.

“*Equipment*” shall mean all machinery, equipment, furnishings, and other personal property acquired by the Companies and installed as part of the Project during the Investment Period in accordance with this Agreement.

“*Event of Default*” shall mean an Event of Default as defined in Section 11.01 hereof.

“*Existing Property*” shall mean property proscribed from becoming Economic Development Property pursuant to Section 12-44-110 of the Code, including, without limitation, property which has been subject to *ad valorem* taxes in the State prior to the execution and delivery of this Agreement and property included in the Project as part of the repair, alteration, or modification of such previously taxed property; provided, however, that Existing Property shall not include: (a) property acquired or constructed by the Companies or Co-Investors during the Investment Period which has not been placed in service in this State prior to the Investment Period notwithstanding that *ad valorem* taxes have heretofore been paid with respect to such property; or (b) modifications which constitute an expansion of Existing Property.

“*Filings*” shall have the meaning set forth in Section 4.02(c) hereof.

“*FILOT*” shall mean the fee-in-lieu of taxes, which the Companies are obligated to pay to the County pursuant to Section 5.01 hereof.

“*FILOT Payments*” shall mean the payments to be made by the Companies pursuant to Section 5.01 hereof.

“*FILOT Revenues*” shall mean the revenues received by the County from the Companies’ payment of the FILOT.

“*Indemnified Party*” shall have the meaning ascribed to it in Section 8.03 hereof.

“*Investment Commitment*” shall mean the agreement and commitment of the Companies to make capital investments with respect to the Project as set forth in Section 4.01(a) of this Agreement.

“*Investment Period*” shall mean the period beginning with the first day that Economic Development Property is purchased or acquired and ending on the date that is seven years from the end of the property tax year in which this Agreement is executed by the Companies and the County, unless extended by agreement of the County and the Companies pursuant to Section 12-44-30(13) of the Code.

“*Jobs Commitment*” shall mean the agreement and commitment of the Companies to create and maintain jobs with respect to the Project as set forth in Section 4.01(b)(1) of this Agreement.

“*Land*” shall mean the real estate upon which the Project is to be located, as described in Exhibit A attached hereto and incorporated herein by reference, as Exhibit A may be supplemented from time to time in accordance with the provisions hereof.

“*Multi-County Park*” shall mean the multi-county park established pursuant to the Agreement for the Development of a Joint Industrial and Business Park (Lancaster and Chester Counties), dated December 5, 2005, and authorized and approved by [Lancaster County Ordinance No. 701] and Chester County Ordinance No. 12-05-05-I, as amended by the party counties, and any successor multi-county park arrangement in which the Land is included.

“*Multi-County Park Act*” shall mean Sections 4-1-170, 4-1-172, and 4-1-175 of the Code and Article VIII, Section 13(D) of the South Carolina Constitution, as amended through the date hereof.

“*Negotiated FILOT*” shall have the meaning set forth in Section 5.01(b)(i)(2) hereof.

“*Negotiated FILOT Payment*” shall mean the FILOT payment due pursuant to Section 5.01(b) hereof with respect to that portion of the Project consisting of Economic Development Property.

“*New Full-Time Job*” means a new, full-time job (*i.e.*, at least thirty (30) hours per week), with health care benefits. As used in this definition and as applicable to the Project, “*New Full-Time Job*” includes only those jobs created for the Project in or after the first year in which Economic Development Property is purchased or acquired for the Project. As used in this definition and as applicable to the Prior Project, “*New Full-Time Job*” includes only those jobs created for the Prior Project in or after the first year in which Economic Development Property is purchased or acquired for the Prior Project.

“*Non-Qualifying Property*” shall mean that portion of the Project consisting of: (i) property as to which the Companies incurred expenditures prior to the Investment Period or, except as to Replacement Property, after the end of the Investment Period; (ii) Existing Property; and (iii) any Released Property or other property which fails or ceases to qualify for Negotiated FILOT Payments, including without limitation property as to which the Companies have terminated the Negotiated FILOT pursuant to Section 4.03(a)(iii) hereof.

“*Person*” shall mean and include any individual, association, unincorporated organization, corporation, partnership, limited liability company, joint venture, or government or agency or political subdivision thereof.

“*Prior Project*” shall mean the “*Project*” as defined in that certain Fee Agreement by and among Lancaster County, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina and Movement Mortgage, Inc. a Delaware limited liability company and TKC CCII, LLC a North Carolina limited liability company, dated November 23, 2015.

“*Project*” shall mean, collectively herein, the Project, and shall include the Land, the buildings and other improvements on the Land to the extent placed thereon by the Companies including water, sewer treatment and disposal facilities, and other machinery, apparatus, equipment, office facilities, and furnishings which are necessary, suitable, or useful, including the Equipment; and any Replacement Property.

“*Released Property*” shall mean any portion of the Project removed, scrapped, traded in, sold, or otherwise disposed of pursuant to Section 4.03 hereof, any portion of the Project stolen, damaged, destroyed, or taken by condemnation or eminent domain proceedings as described in Article VII hereof, and any infrastructure which the Companies dedicate to the public use (within the meaning of that phrase as used in Section 12-6-3420(C) of the Code).

“*Replacement Property*” shall mean all property installed in or on the Land in substitution of, or as replacement for, any portion of the Project, but only to the extent that such property may be included in the calculation of the Negotiated FILOT pursuant to Section 5.01(g) hereof and Section 12-44-60 of the Code.

“*Special Source Revenue Credits*” shall mean the Special Source Revenue Credits described in Section 5.01 hereof.

“*Sponsor*” shall mean Movement Mortgage, LLC, a Delaware limited liability company and any surviving, resulting, or transferee entity in any merger, consolidation, or transfer of assets permitted under Section 8.02 or Article IX hereof; or any assignee hereunder which is designated by the Sponsor and approved or ratified by the County. Except as required by law, the County’s subsequent approval or ratification of an assignee hereunder shall not be required if the subsequent Assignee is Sponsor or Sponsor Affiliate.

“*Sponsor Affiliate*” shall mean TKC CCII, LLC, a North Carolina limited liability company, and any surviving, resulting, or transferee entity in any merger, consolidation, or transfer of assets permitted under Section 8.02 or Article IX hereof, or affiliated or related entities of any Sponsor or Sponsor Affiliate as qualified under Section 12-44-30(20) of the Code; provided, however, that such affiliate or related entity must be approved by the County as a sponsor affiliate and must agree in writing to be bound by this Agreement.

“*State*” shall mean the State of South Carolina.

“*Term*” shall mean the term of this Agreement, as set forth in Section 10.01 hereof.

“*Total Jobs Commitment*” shall mean the agreement and commitment of the Companies to create and maintain jobs with respect to the Project as set forth in Section 4.01(b)(2) of this Agreement.

“*Transfer Provisions*” shall mean the provisions of Section 12-44-120 of the Code, as amended through the date hereof.

“*Wage Requirement*” means Seventeen Dollars and Forty-Seven Cents (\$17.47) per hour and, for purposes of satisfying the Wage Requirement, it is applicable in Years 1 through 5 with Year 1 being the first year following the year in which Economic Development Property is first placed in service (the “Initial Hourly Wage”). The County shall change the Initial Hourly Wage at the end of the first five-year period (and at the end of every five-year period thereafter, if applicable) to the Department of Revenue’s then most recently published average hourly wage and the changed Wage Requirement shall apply to the subsequent five-year period. The County

shall provide notice to the Sponsor and Sponsor Affiliate of any adjustment to the Wage Requirement.

Section 1.03. References to Agreement. The words “hereof,” “herein,” “hereunder” and other words of similar import refer to this Agreement as a whole.

## ARTICLE II

### REPRESENTATIONS AND WARRANTIES

Section 2.01. Representations and Warranties by County. The County represents and warrants that (i) it is a body politic and corporate and a political subdivision of the State, (ii) it is authorized by the Act to enter into this Agreement, (iii) it has approved this Agreement in accordance with the procedural requirements of the Act and any other applicable state law, and (iv) it has authorized its officials to execute and deliver this Agreement.

Section 2.02. Representations and Warranties by Sponsor. The Sponsor makes the following representations and warranties to the County as the basis for the undertakings on its part herein contained:

(a) Movement Mortgage, LLC is a limited liability company, validly existing and in good standing under the laws of the State of Delaware and authorized to do business in the State; has all requisite power to enter into this Agreement; and by proper action has been duly authorized to execute and deliver this Agreement.

(b) The agreements with the County with respect to the FILOT and Special Source Revenue Credits have been instrumental in inducing the Sponsor to locate the Project within Lancaster County and the State.

(c) Except as otherwise disclosed to the County, no actions, suits, proceedings, inquiries, or investigations known to the undersigned representatives of the Sponsor are pending or threatened against or affecting the Sponsor 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.

(d) The income tax year of the Sponsor, and accordingly the property tax year, for federal income tax purposes is January 1<sup>st</sup> through December 31<sup>st</sup>.

(e) No event has occurred and no condition currently exists with respect to the Sponsor, which would constitute a Default or an “Event of Default” as defined herein.

(f) The Sponsor intends, with the Project, to make new, taxable investments in the County, and the Project constitutes a “project” and “economic development property” as provided under the Act.

Section 2.03. Representations and Warranties by Sponsor Affiliate. The Sponsor Affiliate makes the following representations and warranties to the County as the basis for the undertakings on its part herein contained:

(a) TKC CCII, LLC is a limited liability company validly existing and in good standing under the laws of the State of North Carolina and authorized to do business in the State; has all requisite power to enter into this Agreement; and by proper action has been duly authorized to execute and deliver this Agreement.

(b) The agreements with the County with respect to the FILOT have been instrumental in inducing Sponsor Affiliate to locate its portion of the Project within Lancaster County and the State.

(c) Except as otherwise disclosed to the County, no actions, suits, proceedings, inquiries, or investigations known to the undersigned representatives of the Sponsor Affiliate are pending or threatened against or affecting the Sponsor Affiliate 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.

### ARTICLE III

#### UNDERTAKINGS OF THE COUNTY

Section 3.01. Agreement to Accept FILOT Payments. The County hereby agrees to accept FILOT Payments made by the Companies and any Co-Investor in accordance with Section 5.01 hereof in lieu of *ad valorem* taxes with respect to the Project until this Agreement expires or is sooner terminated.

Section 3.02. No Warranties by County. The Companies acknowledge that the County has made no warranties or representations, either express or implied, as to the condition or state of the Project or as to the design or capabilities of the Project or that it will be suitable for the Companies' purposes or needs. No representation of the County is hereby made with regard to compliance by the Project or any Person with laws regulating: (i) the construction or acquisition of the Project; (ii) environmental matters pertaining to the Project; (iii) the offer or sale of any securities; or (iv) the marketability of title to any property.

Section 3.03. Invalidity. The parties acknowledge that the intent of this Agreement is to afford the Companies and any Co-Investor the benefits of the Negotiated FILOT Payments in consideration of the Companies' decision to locate the Project within Lancaster County and that this Agreement has been entered into in reliance upon the enactment of the Simplified FILOT Act. In the event that, for any reason, the Act and/or the Negotiated FILOT or any portion thereof is, by a court of competent jurisdiction following allowable appeals, declared invalid or unenforceable in whole or in part, or the portion of the Project consisting of Economic Development Property is deemed not to be eligible for a Negotiated FILOT pursuant to the Act in whole or in part, any Company and the County express their intentions that such payments be

reformed so as to afford the Companies benefits commensurate with those intended under this Agreement as then permitted by law, including without limitation any benefits afforded under the Code, to the extent allowed by law. Absent the legal authorization to effect such reformation, the Companies and the County agree that there shall be due hereunder, with respect to the portion of the Economic Development Property affected by such circumstances, *ad valorem* taxes and that, to the extent permitted by law, each Company shall be entitled: (1) to enjoy the five-year exemption from *ad valorem* taxes (or fees in lieu of taxes) provided by Article X, Section 3 of the Constitution of the State, and any other exemption allowed by law; (2) to enjoy all allowable depreciation; and (3) to receive other tax credits which would be due if such Company or Co-Investor were obligated to pay *ad valorem* taxes hereunder. To the extent that under such circumstances the Negotiated FILOT Payments hereunder are required by law to be subject to retroactive adjustment, then there shall be due and payable by such Company or Co-Investor to the County with respect to the portion of the Economic Development Property in question an amount equal to the difference between the Negotiated FILOT Payments theretofore actually paid and the amount which would have been paid as *ad valorem* taxes, together with, but only if required by law, interest on such deficiency as provided in Section 12-54-25(D) of the Code. Each Company agrees that if this Agreement is reformed as provided in this Section or if retroactive adjustments are made, then under no circumstances shall the County be required to refund or pay any monies to the Companies or any Co-Investors.

In addition to and notwithstanding the foregoing paragraph, the County shall not be obligated to perform any of its obligations or promises under this Section 3.03 unless the Companies have otherwise complied with or provides satisfactory evidence to the County that it intends to comply with its obligations and responsibilities under this Agreement.

Section 3.04. Multi-County Park Status. The County agrees to maintain the Land in the Multi-County Park until the date this Agreement is terminated. If it becomes necessary to remove the Land from the Multi-County Park prior to the termination of this Agreement, the County agrees to use its best efforts to place the Land in another multi-county park established pursuant to the Multi-County Park Act and to maintain the multi-county park designation until the date this Agreement is terminated. The parties acknowledge and agree that the County's agreement to place and maintain the Land in a multi-county park may be subject to the exercise of discretion by a governmental entity other than the County and the exercise of that discretion is not controlled by the County.

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ARTICLE IV

INVESTMENT AND JOBS COMMITMENTS BY SPONSOR AND SPONSOR AFFILIATE  
IN PROJECT; MAINTENANCE  
AND MODIFICATION OF PROJECT

Section 4.01. Investment and Jobs Commitments by Sponsor and Sponsor  
Affiliate.

(a) For the Project, together with any Sponsor Affiliates and any Co-Investors, the Sponsor agrees and commits to a total investment of at least Eighteen Million Five Hundred Thousand Dollars (\$18,500,000.00) in Economic Development Property, at the Project by not later than the end of the Investment Period (the "Investment Commitment"). The investment amount shall not include any amount paid by the Companies for real estate improvements on the Land existing as of the date of this Agreement. Investments made by Sponsor Affiliate and any Co-Investors in Economic Development Property for the Project shall be included in the determination whether Sponsor has fulfilled its commitment made in this subsection (a) to invest in the Project.

(b) (1) For the Project, together with any Sponsor Affiliates and any Co-Investors, the Sponsor agrees and commits to the creation and maintenance of the number of New Full-Time Jobs, paying an average hourly wage rate not less than the Wage Requirement, by year as follows: (i) Year 1 – not less than 100; (ii) Year 2 – not less than 200; (iii) Year 3 – not less than 300; (iv) Year 4 – not less than 400; (v) Year 5 – not less than 500; (vi) Year 6 – not less than 600; and (vii) Years 7 through 10 – not less than 700 (the "Jobs Commitment"). As used in this subsection (b), the "Year" number refers to the year following the year in which Economic Development Property is first placed in service with Year 1 being the first year. The number of New, Full-Time Jobs shall be based on the average number of New Full-Time Jobs for each month during the year.

(2) In addition to the Jobs Commitment, Sponsor, together with any Sponsor Affiliates and any Co-Investors, agrees and commits to create, under the Fee Agreement for the Prior Project and this Agreement for the Project, by the end of the fifth year of the Investment Period a combined total of at least 800 New Full-Time Jobs paying an average hourly wage of Seventeen Dollars and Forty-Seven Cents (\$17.47) and to maintain in Years 6 through 10 a combined total of at least 800 New Full-Time Jobs paying an average hourly wage of Seventeen Dollars and Forty-Seven Cents (\$17.47) for the Project and Prior Project (the "Total Jobs Commitment").

Section 4.02. Reporting and Filing.

(a) The Companies agree to provide a copy of Form PT-443 filed with the Department of Revenue no later than thirty (30) days after execution and delivery of this Agreement to the Auditor, Treasurer and Assessor of the County and any multi-county park partner county and the Economic Development Director of the County. Each year during the term of this Agreement, the Companies shall deliver to the Auditor, Treasurer and Assessor of

the County and any multi-county park partner county and the Economic Development Director of the County a copy of their most recent annual filings made with the Department of Revenue with respect to the Project, no later than thirty (30) days following delivery thereof to the Department of Revenue.

(b) (1) Sponsor agrees, as soon as reasonably practicable following the end of each tax year of the Sponsor, to submit to the County Economic Development Director a certification on Sponsor letterhead listing the amount of capital investment and aggregate New Full-Time Jobs maintained by the Companies and all Co-Investors at the end of such tax year.

(2) For purposes of determining compliance with the Jobs Commitment and the Total Jobs Commitment, Sponsor agrees to provide the County Economic Development Director a copy of Sponsor's (i) most recently filed Quarterly Report Form submitted to the South Carolina Coordinating Council for Economic Development with respect to Job Development Credits awarded in connection with the Project, within thirty days of the filing of the form with the state, and (ii) most recently filed Department of Revenue Form SC SCH. TC 4 (New Jobs Credit). Sponsor agrees to redact any personally identifying information and proprietary and confidential information prior to submitting either form to the County Economic Development Director. In lieu of providing either the Job Development Credit form or New Jobs Credit form, or both, Sponsor and the County Economic Development Director may agree on an alternative method for the Sponsor to demonstrate compliance with the Jobs Commitment and Total Jobs Commitment.

(c) (1) Each Company agrees to maintain such books and records with respect to the Project as will permit the identification of those portions of the Project placed in service in each property tax year during the Investment Period, the amount of investment with respect thereto and its computations of all FILOT Payments made hereunder and will comply with all reporting requirements of the State and the County applicable to property subject to FILOT Payments under the Act, including the reports described in subsection (a) of this section (collectively, "Filings").

(2) Each Company agrees that the County and its authorized agents have the right at all reasonable times and upon prior reasonable notice to enter upon and examine and inspect the Project and to have access to and examine and inspect all the of Companies' books and records pertaining to the Project and the Filings. The right of examination and inspection shall be exercised only upon reasonable and necessary terms and conditions prescribed by any Company to protect such Company's confidentiality and proprietary rights. Any such entrance upon and examination and inspection of the Project and Filings shall be at the County's expense.

(d) County acknowledges and understands that the Companies and Co-Investors may have and maintain at the Project certain confidential and proprietary information, including, but not limited to, trade secrets, financial, sales or other information concerning the Companies' and Co-Investors' operations and processes ("Confidential Information") and that any disclosure of the Confidential Information could result in substantial harm to the Companies and Co-Investors and could have a significant detrimental impact on the Sponsor's and Sponsor Affiliate's employees and also upon the County. Except as required by law, including, without limitation,

court orders, the County agrees to use reasonable efforts to keep confidential, and to cause employees, agents and representatives of the County to keep confidential, the Confidential Information which may be obtained from the Companies and Co-Investors, its agents or representatives, when the Confidential Information is clearly marked and identified as Confidential Information and known to the County to be Confidential Information. The County shall not knowingly and willfully disclose and shall cause all employees, agents and representatives of the County not to knowingly and willfully disclose the marked and identified Confidential Information to any person or entity other than in accordance with the terms of this Agreement. If a demand is made for the release, under color of law, to a third party of any Confidential Information, the County shall notify the Companies and give the Companies the opportunity to contest the release.

Section 4.03 Modification of Project.

(a) As long as no Event of Default exists hereunder, the Companies and any Co-Investor shall have the right at any time and from time to time during the Term hereof to undertake any of the following:

(i) The Companies and any Co-Investors may, at their own expense, add to the Project any real and personal property as the Companies and Co-Investors in their discretion deem useful or desirable.

(ii) In any instance where the Companies and any Co-Investors in their discretion determine that any items included in the Project have become inadequate, obsolete, worn out, unsuitable, undesirable, or unnecessary for operations at the Project, the Companies and any Co-Investors may remove such items or portions from the Project and sell, trade in, exchange, or otherwise dispose of them (as a whole or in part) without the consent of the County; as such may be permitted under the Simplified FILOT Act.

(iii) The Companies and any Co-Investors may, at any time in their discretion by written notice to the County, remove any real or personal property from the Negotiated FILOT (as defined in Section 5.01) set forth in this Agreement, and thereafter such property will be considered Non-Qualifying Property and will be subject to FILOT Payments as set forth in Section 5.01(b)(i)(1) hereof.

ARTICLE V

PAYMENTS IN LIEU OF TAXES

Section 5.01. Payments in Lieu of *Ad Valorem* Taxes.

(a) In accordance with the Act, the parties hereby agree that, during the Term of the Agreement, the Companies and any Co-Investors shall pay annually, with respect to the applicable portion of the Project, a FILOT in the amount calculated as set forth in this Section, to be collected and enforced in accordance with Section 12-44-90 of the Act.

- (b) The FILOT Payment due with respect to each property tax year shall equal:
- (i) For the Project:
- (1) With respect to any portion of the Project consisting of Non-Qualifying Property, as long as such property is located in the Multi-County Park, a payment equal to the *ad valorem* taxes that would otherwise be due on such Non-Qualifying Property if it were taxable giving effect to all credits, exemptions, rebates and abatement that would be available if such undeveloped land or Non-Qualifying Property were taxable; and
- (2) With respect to those portions of the Project consisting of Economic Development Property, for each of the thirty consecutive years following the year in which such portion of the Project is placed in service, a payment calculated each year as set forth in paragraphs (c) and (d) of this Section 5.01 (a “Negotiated FILOT”).

(c) The Negotiated FILOT Payments shall be calculated with respect to each property tax year based on: (1) the fair market value (determined in accordance with Section 12-44-50(A)(1)(c) of the Code) of the improvements to real property and Equipment included within the Project theretofore placed in service (less, for Equipment, depreciation allowable for property tax purposes as provided in Section 12-44-50(A)(1)(c) of the Code), (2) a fixed millage rate of 301.1, mills, the millage rate in effect on June 30, 2016, for the entire Term of this Agreement and (3) an assessment ratio of six percent (6%). All such calculations shall take into account all deductions for depreciation or diminution in value allowed by the Code or by the tax laws generally, as well as tax exemptions which would have been applicable if such property were subject to *ad valorem* taxes, except the exemption allowed pursuant to Section 3(g) of Article X of the Constitution of the State of South Carolina and the exemptions allowed pursuant to Sections 12-37-220(B)(32) and (34) of the Code.

(d) Special Source Revenue Credits shall be given to the Economic Development Property in amounts equal to fifty percent (50%) of the Negotiated FILOT Payments for ten consecutive years, beginning not later than the fifth year of the Investment Period.

- (e) The FILOT payments are to be recalculated:
- (i) to reduce such payments in the event the Companies or any Co-Investors dispose of any part of the Project within the meaning of Section 12-44-50(B) of the Code and as provided in Section 4.03 hereof, by the amount applicable to the Released Property;
- (ii) to increase such payments in the event the Companies or any Co-Investors add property (other than Replacement Property) to the Project; or

(iii) to adjust such payments if the Companies elect to convert any portion of the Project from the Negotiated FILOT to the FILOT required by Section 5.01(b)(i)(1) above, as permitted by Section 4.03(a)(iii).

(f) To the extent permitted by law, because the FILOT Payments agreed to herein are intended to be paid by the Companies or any Co-Investor to the County in lieu of taxes, it is agreed that said FILOT Payments shall not, as to any year, be in any amount greater than what would otherwise be payable by the Companies or any Co-Investor to the County in property taxes if the Companies had not entered into a fee-in-lieu of taxes arrangement with the County (except it is not intended that said FILOT Payments would necessarily be less than such property taxes to the extent that the constitutional abatement of property taxes would otherwise apply).

(g) Upon the Companies' or any Co-Investor's installation of any Replacement Property for any portion of the Project removed under Section 4.03 hereof and sold, scrapped, or disposed of by the Companies or any Co-Investor, such Replacement Property shall become subject to Negotiated FILOT Payments to the fullest extent allowed by law, subject to the following rules:

(i) Replacement Property does not have to serve the same function as Economic Development Property it is replacing. Replacement Property is deemed to replace the oldest property subject to the FILOT, whether real or personal, which is disposed of in the same property tax year as the Replacement Property is placed in service. Replacement Property qualifies for Negotiated FILOT Payments up to the original income tax basis of Economic Development Property which it is replacing. More than one piece of property can replace a single piece of property. To the extent that the income tax basis of the Replacement Property exceeds the original income tax basis of the Economic Development Property which it is replacing, the excess amount is subject to payments equal to the *ad valorem* taxes which would have been paid on such property but for this Agreement. Replacement property is entitled to the FILOT payment for the period of time remaining on the thirty-year FILOT period for the property which it is replacing.

(ii) The new Replacement Property which qualifies for the Negotiated FILOT payment shall be recorded using its income tax basis, and the Negotiated FILOT Payment shall be calculated using the millage rate and assessment ratio provided on the original property subject to FILOT payment.

(h) In the event that the Act or the FILOT or any portion thereof, are declared, by a court of competent jurisdiction following allowable appeals, invalid or unenforceable, in whole or in part, for any reason, the Companies and the County express their intentions that such payments be reformed so as to afford the Companies and Co-Investors the maximum benefit then permitted by law, including, without limitation, the benefits afforded under Section 12-44-50 of the Code and, specifically, that the Companies may, at the Companies' expense, exercise the rights granted by Section 12-44-160 of the Code. If the Project is deemed not to be eligible for a Negotiated FILOT pursuant to the Act in whole or in part, the Companies and the County agree that the Companies shall pay an alternate fee-in-lieu of tax calculated in the manner set forth in

Section 5.01(b)(i)(1) hereof. In such event, the Companies and any Co-Investor shall be entitled, to the extent permitted by law: (1) to enjoy the five-year exemption from *ad valorem* taxes (or fees in lieu of taxes) provided by Section 3(g) of Article X of the Constitution of the State of South Carolina, and any other exemption allowed by law; and (2) to enjoy all allowable depreciation. The Companies agree that if the FILOT Payments or this Agreement is reformed pursuant to this subsection (h), that under no circumstance shall the County be required to refund or pay any monies to the Companies.

(i) For the Project, this Agreement is automatically terminated in the event that the investment in the Project in land, buildings, and personal property, including machinery and equipment, by the Companies and any Co-Investor does not exceed Five Million Dollars (\$5,000,000.00) by the end of the applicable Investment Period. If terminated pursuant to this subsection (i), the Negotiated FILOT Payments shall revert retroactively to payments equivalent to what the *ad valorem* taxes would have been with respect to the property absent this Agreement. At the time of termination, the Companies shall pay to the County an additional fee equal to the difference between the total amount of property taxes that would have been paid by the Companies had the project been taxable, taking into account exemptions from property taxes that would have been available to the Companies, and the total amount of fee payments actually made by the Companies. This additional amount is subject to interest as provided in Section 12-54-25. The Companies agree, if the Negotiated FILOT Payments revert to payments equivalent to what the *ad valorem* taxes would be pursuant to this subsection (i), that under no circumstance shall the County be required to refund or pay any monies to any Company or Co-Investor.

(j) (1) The Companies agree that the Special Source Revenue Credits for a year shall be reduced, prospectively, for such year to the extent that the Companies, collectively with any Co-Investors, fail to meet the Jobs Commitment, in a percentage amount equal to (A) the amount by which the number of jobs satisfying the Jobs Commitment at the Project at the end of such year is less than the number of jobs contained in the Jobs Commitment for such year, *divided by* (B) the number of jobs contained in the Jobs Commitment for such year. For example, and by way of example only, if, at the end of Year 3, the Jobs Commitment provides for the maintenance of not less than 300 jobs satisfying the Jobs Commitment, the actual number of jobs satisfying the Jobs Commitment is 240, and the Special Source Revenue Credit to which the Companies would otherwise be entitled for Year 4 is Five Hundred Thousand Dollars (\$500,000.00), then the reduction of the Special Source Revenue Credit pursuant to this subsection (j)(1) would be calculated as follows:

**Jobs Commitment at the end of Year 3: 300 New Full-Time Jobs**

**Jobs Maintained at the end of Year 3: 240 New Full-time Jobs**

**Special Source Revenue Credit reduction for Year 4:**

$$[240 - 300] / 300 = 60 / 300 = 20\%$$

$$20\% \times \$500,000.00: \mathbf{\$100,000.00}$$

As an additional example, and by way of example only, if at the end of Year 7, the Jobs Commitment provides for the maintenance of not less than 700 jobs satisfying the Jobs Commitment, the actual number of jobs satisfying the Jobs Commitment is 630, and the Special Source Revenue Credit to which the Companies would otherwise be entitled for Year 8 is One Million Dollars (\$1,000,000.00), then the reduction of the Special Source Revenue Credit pursuant to this subsection (j)(1) would be calculated as follows:

**Jobs Commitment at the end of Year 7: 700 New Full-Time Jobs**

**Jobs Maintained at the end of Year 7: 630 New Full-Time Jobs**

**Special Source Revenue Credit reduction for Year 8:**

$$[700 - 630] / 700 = 70 / 700 = 10\%$$

$$10\% \times \$1,000,000.00: \mathbf{\$100,000.00}$$

(2) Notwithstanding the provisions of subsection (j)(1), the Companies agree that the Special Source Revenue Credits for a year shall be reduced, prospectively, for such year to the extent that the Companies, collectively with any Co-Investors, fail to meet the Total Jobs Commitment, in a percentage amount equal to (A) the amount by which the number of jobs satisfying the Total Jobs Commitment at the Project at the end of such year is less than the number of jobs contained in the Total Jobs Commitment for such year, *divided by* (B) the number of jobs contained in the Total Jobs Commitment for such year. For example, and by way of example only, if, at the end of Year 6, the Total Jobs Commitment provides for the maintenance of not less than 800 jobs satisfying the Total Jobs Commitment, the actual number of jobs satisfying the Jobs Commitment is 730, and the Special Source Revenue Credit to which the Companies would otherwise be entitled for Year 7 is One Million Dollars (\$1,000,000.00), then the reduction of the Special Source Revenue Credit pursuant to this subsection (j)(1) would be calculated as follows:

**Total Jobs Commitment at the end of Year 6: 800 New Full-Time Jobs**

**Total Jobs Maintained at the end of Year 6: 730 New Full-Time Jobs**

**Special Source Revenue Credit reduction for Year 7:**

$$[800 - 730] / 800 = 70 / 800 = 11.49\%$$

$$11.49\% \times \$1,000,000.00: \mathbf{\$114,900.00}$$

(k) Beginning with the year following the end of the tenth (10<sup>th</sup>) tax year after Economic Development Property is first placed in service, and for each year thereafter, Sponsor and Sponsor Affiliate agree that the FILOT Payment due for the Economic Development Property shall be calculated, notwithstanding the provisions of Section 5.01(c), using the then current millage rate and the assessment ratios that would be applicable to the Economic

Development Property if it were subject to *ad valorem* taxes, if Sponsor in the immediately prior year

(i) failed to maintain investment in the Project for Economic Development Property, without regard to depreciation or other diminution in value, of not less than Nine Million Two-Hundred Fifty Thousand Dollars (\$9,250,000.00) and investment in the Prior Project for Economic Development Property, without regard to depreciation or other diminution in value, of not less than Ten Million Six Hundred Thousand Dollars (\$10,600,000.00), or

(ii) failed to maintain for the Project at least 650 New, Full-Time Jobs paying an average hourly wage rate not less than the Wage Requirement.

As an example of the calculation set forth in this subsection (k), and by way of example only, assume that in Year 13 one or both of the investment levels set in this subsection (k) have not been maintained, that the millage rate applicable for tax bills to be sent in Year 14 is 350, and all of the Economic Development Property would have a 10.5% assessment ratio applied if the property were subject to *ad valorem* taxation, then the FILOT Payment for Year 14 would be computed using the millage rate of 350 (instead of 301.1) and the 10.5% assessment ratio (instead of 6%). As an additional example, and by way of example only, assume that in Year 22 both of the investment levels set in this subsection (k) have been maintained, but that the maintained number of New, Full-Time Jobs paying an average hourly wage not less than the Wage Requirement was 600, that the millage rate applicable for tax bills to be sent in Year 23 is 375, and all of the Economic Development Property would have a 10.5% assessment ratio applied if the property were subject to *ad valorem* taxation, then, the FILOT Payment for Year 23 would be computed using the millage rate of 375 (instead of 301.1) and the 10.5% assessment ratio (instead of 6%).

(l) Unless otherwise provided by the Act, any amounts due to the County under this Section 5.01 by virtue of the application of Section 5.01(h)-(k) hereof shall be paid within ninety (90) days, following written notice thereof from the County to the Companies.

(m) Notwithstanding any other provision of this Fee Agreement, the Companies acknowledge and agree that County's obligation to provide the FILOT incentive and the Special Source Revenue Credits ends, and this Fee Agreement is terminated, if the Sponsor ceases operations. For purposes of this Section 5.01(m), "**ceases operations**" means closure of the facility. The Companies agree that if this Agreement is terminated pursuant to this section, that under no circumstance shall the County be required to refund or pay any monies to the Companies.

## ARTICLE VI

### PAYMENT OF EXPENSES BY SPONSOR

Section 6.01. Defaulted Payments. In the event the Companies or any Co-Investor should fail to make any of the payments required under this Agreement, the item or installment so in default shall continue as an obligation of the Companies or any Co-Investor

until the amount in default shall have been fully paid. The Companies agree that the collection and enforcement of the defaulted payment shall be as provided in Section 12-44-90 of the Code.

## ARTICLE VII

### CASUALTY AND CONDEMNATION

Section 7.01. Adjustments in the Event of Damage and Destruction or Condemnation. In the event that the Project or any portion thereof is damaged or destroyed, lost or stolen, or the subject of condemnation proceedings, the Companies or any Co-Investor, in their sole discretion, may determine whether or not to repair or replace the same. The parties hereto agree that if the Companies decide not to repair or replace all or any portion of the Project pursuant to this Section, the FILOT required pursuant to Section 5.01 hereof shall be abated in the same manner and in the same proportion as if *ad valorem* taxes were payable with respect to the Project.

## ARTICLE VIII

### PARTICULAR COVENANTS AND AGREEMENTS

Section 8.01. Use of Project for Lawful Activities. During the Term of this Agreement, the Companies shall use the Project for any lawful purpose authorized pursuant to the Act.

Section 8.02. Assignment. The County agrees that, to the maximum extent allowable under the Act (or any amendments thereto), the Companies may assign (including, without limitation, absolute, collateral, and other assignments) all or a part of its rights or obligations under this Agreement, and any lease agreement, lease purchase agreement, or fee agreement, as the case may be, or any other agreement related hereto or thereto, or transfer any and all assets of the Companies, to one or more Affiliates without adversely affecting the benefits of the Companies or their assignees pursuant to any such agreement or the Act. The Companies shall provide the County and the Department of Revenue with notice of any such assignment, transfer, or investment in accordance with the Act, and the County agrees, upon the request of the Companies, to take all further action necessary to implement such assignment, transfer, or investment in accordance with the provisions of the Act. To the extent that the Act may require the consent, approval or ratification of or by the County for the assignment of this Agreement, in whole or in part, the County agrees to not unreasonably withhold its consent, approval or ratification and further agrees to consider such assignment in the form of a Resolution of Council.

Section 8.03. Indemnification of the County. Each Company releases the County, including the members of the governing body of the County, and the employees, officers, attorneys and agents of the County (herein collectively referred to as the "Indemnified Parties" and each an "Indemnified Party") from, agrees that the Indemnified Parties shall not be liable for, and agrees to hold the Indemnified Parties harmless against, any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever

pertaining to this Agreement, the Project or the use thereof, except for that occasioned by grossly negligent or intentional acts of an Indemnified Party. The Companies further agree to indemnify and save harmless Indemnified Parties against and from any and all costs, liabilities, expenses, and claims arising from any breach or default on the part of the Companies in the performance of any covenant or agreement on the part of the Companies to be performed pursuant to the terms of this Agreement or arising from any act or negligence of, or negligent failure to act where there is a duty to do so by, the Companies, or any of their agents, attorneys, contractors, servants, employees, or licensees, and from and against all cost, liability, and expenses incurred in or in connection with any such claim or action or proceeding brought thereon.

All covenants, stipulations, promises, agreements, and obligations of the County contained herein shall be deemed to be covenants, stipulations, promises, agreements, and obligations of the County and not of any member of the County Council or any officer, agent, attorney, servant, or employee of the County in his or her individual capacity, and no recourse shall be had for the payment of any moneys hereunder or the performance of any of the covenants and agreements of the County herein contained or for any claims based thereon against any member of the governing body of the County or any officer, attorney, agent, servant, or employee of the County.

Notwithstanding the fact that it is the intention of the Indemnified Parties hereto that none of them shall incur any pecuniary liability by reason of the terms of this Agreement, any related agreements or the undertakings required of the County hereunder by reason of the performance of any act requested of the County by the Companies, including all claims, liabilities, or losses arising in connection with the violation of any statutes or regulations pertaining to the foregoing, nevertheless, if any Indemnified Party shall incur any such pecuniary liability, then in such event the Companies shall indemnify and hold them harmless against all claims by or on behalf of any Person, firm, or corporation or other legal entity arising out of the same and all costs and expenses incurred in connection with any such claim or in connection with any action or proceeding brought thereon, provided, however, that nothing herein shall absolve the Indemnified Parties from, or entitle the Indemnified Parties to indemnification from, any obligation such Indemnified Party has specifically agreed to undertake (including, without limitation, the obligation to place and maintain the Land within a multi-county park). If any action, suit, or proceeding is brought against any Indemnified Party to which such Indemnified Party is entitled to indemnification, such Indemnified Party shall promptly notify the Companies, and the Companies shall have the sole right and duty to assume, and shall assume, the defense thereof, at its expense, with full power to litigate, compromise, or settle the same in their sole discretion; provided the Companies shall obtain the prior written consent of the County to settle any such claim unless such claim is for monetary damages for which the Companies have the ability to, and do, pay. Notwithstanding the foregoing, if the Indemnified Party is the County, in the event the County reasonably believes there are defenses available to it that are not being pursued or that the counsel engaged by the Companies reasonably determines that a conflict of interest exists between the County and the Companies, the County may, in its sole discretion, hire independent counsel to pursue its own defense, and the Companies shall be liable for the reasonable cost of such counsel.

The indemnity specified in this Section shall be in addition to any heretofore extended by the Companies to any Indemnified Party and shall survive the termination of this Agreement with respect to liability arising out of any event or act occurring prior to such termination.

Section 8.04. Sponsors and Sponsor Affiliates. Sponsor or Sponsor Affiliate may designate from time to time other Sponsors or Sponsor Affiliates pursuant to the provisions of Sections 12-44-30(19) or (20), respectively, and Section 12-44-130 of the Simplified FILOT Act, which Sponsors or Sponsor Affiliates shall be Persons who join with the Companies and make investments with respect to the Project, or who participate in the financing of such investments, who agree to be bound by the terms and provisions of this Agreement and who shall be Affiliates of Sponsor, Sponsor Affiliate or other Sponsors or Sponsor Affiliates, or other Persons described in Section 8.02 hereof. All other Sponsors or Sponsor Affiliates who otherwise meet the requirements of Section 12-44-30 (19) or (20) and Section 12-44-130 of the Simplified FILOT Act must be approved by the County in writing. To the extent that the aggregate investment in the Project by the end of the Investment Period by all Sponsors and Sponsor Affiliates exceeds \$5,000,000.00, to the extent permitted by Section 12-44-30(19) of the Simplified FILOT Act, all investment by such Sponsors and Sponsor Affiliates during the Investment Period shall qualify for the FILOT pursuant to Section 5.01 of this Agreement (subject to the other conditions set forth therein) regardless of whether each such entity invested amounts equal to the Investment Commitment by the end of the Investment Period. Sponsor or Sponsor Affiliate shall provide the County and the Department of Revenue with written notice of any other Sponsor or Sponsor Affiliate designated pursuant to this Section 8.04 within ninety (90) days after the end of the calendar year during which any such Sponsor or Sponsor Affiliate has placed in service Economic Development Property to be used in connection with the Project, all in accordance with Section 12-44-130(B) of the Simplified FILOT Act. The parties agree that, if any Sponsor or Sponsor Affiliate ceases to become party to this Agreement, the Agreement shall continue to remain in effect with respect to any remaining Sponsors or Sponsor Affiliates.

Section 8.05. Chamber of Commerce Membership. During any year in which Special Source Revenue Credits are awarded to Sponsor pursuant to the terms of this Agreement, Sponsor shall maintain membership in good standing with the Lancaster County Chamber of Commerce.

## ARTICLE IX

### FINANCING ARRANGEMENTS; CONVEYANCES; ASSIGNMENTS

Section 9.01. Conveyance of Liens and Interests; Assignment. The Companies and any Co-Investors may at any time: (a) transfer all or any of its rights and interests hereunder or with respect to the Project to any Person; or (b) enter into any lending, financing, security, or similar arrangement or succession of such arrangements with any financing entity with respect to the Agreement or the Project, including without limitation any sale, leaseback, or other financing lease arrangement; provided that, in connection with any of the foregoing transfers: (i) except in connection with any transfer to the Companies, any of the Affiliates of the Companies, or transfers pursuant to clause (b) above (as to which such transfers the County hereby consents), the Companies shall first obtain the prior written consent or subsequent

ratification of the County, which consent or ratification shall not be unreasonably withheld, conditioned or delayed and may be given by resolution of County Council; (ii) except where a financing entity, which is the income tax owner of all or part of the Project, is the transferee pursuant to clause (b) above and such transferee or financing entity assumes in writing the obligations of the Companies hereunder, or where the County consents in writing, no such transfer shall affect or reduce any of the obligations of the Companies hereunder, but all obligations of the Companies hereunder shall continue in full force and effect as the obligations of a principal and not of a guarantor or surety; (iii) the Companies, transferee, or financing entity shall, within sixty (60) days thereof, furnish or cause to be furnished to the County and the Department of Revenue a true and complete copy of any such transfer agreement; and (iv) the Companies and the transferee shall comply with all other requirements of the Transfer Provisions.

The Companies acknowledge that such a transfer of an interest under this Agreement or in the Project may cause the Project to become ineligible for a Negotiated FILOT or result in penalties under the Act absent compliance by the Companies with the Transfer Provisions.

Section 9.02. Relative Rights of County and Financing Entities as Secured Parties. The parties acknowledge the application of the provisions of Section 12-44-90 of the Act, and that the County's right to receive FILOT Payments hereunder shall be the same as its rights conferred under Title 12, Chapter 49 and 54, among others, of the Code relating to the collection and enforcement of *ad valorem* property taxes. The County's rights under this Agreement, except for its rights to receive FILOT Revenues, shall be subordinate to the rights of any secured party or parties under any financing arrangements undertaken by the Companies with respect to the Project pursuant to Section 9.01 hereof, such subordination to be effective without any additional action on the part of the County; provided, however, that the County hereby agrees, at the Sponsor's expense, to execute such agreements, documents, and instruments as may be reasonably required by such secured party or parties to effectuate or document such subordination.

## ARTICLE X

### TERM; TERMINATION

Section 10.01. Term. Unless sooner terminated pursuant to the terms and provisions herein contained, this Agreement shall be and remain in full force and effect for a term commencing on the date on which the Companies execute this Agreement, and ending at midnight on the last day of the property tax year in which the last Negotiated FILOT Payment is due hereunder. The Project has a term of thirty (30) years, as calculated pursuant to the respective dates when the relevant portions of the Project are placed in service, and as discussed in greater detail in this Agreement. The County's rights to receive indemnification and payment of Administration Expenses pursuant hereto shall survive the expiration or termination of this Agreement.

Section 10.02. Termination. The County and the Companies may agree to terminate this Agreement at any time, or the Companies, may, at their option, terminate this

Agreement at any time upon providing the County thirty (30) days' notice of such termination, in which event the Project shall be subject to *ad valorem* taxes from the date of termination. In the event that this Agreement is terminated by the operation of this Section 10.02 at any time during the initial Investment Period prior to the Companies' meeting the Investment Commitment, amounts due to the County as a result thereof shall be calculated as provided in Section 5.01(j) hereof. The County's rights to receive payment for such *ad valorem* taxes and its rights to enforce the terms of this Agreement shall survive termination of this Agreement.

## ARTICLE XI

### EVENTS OF DEFAULT AND REMEDIES

Section 11.01. Events of Default by Companies. Any one or more of the following events (herein called an "Event of Default", or collectively "Events of Default") shall constitute an Event of Default by a Company, but solely with respect to such defaulting company:

(a) if default shall be made by a Company in the due and punctual payment of any FILOT Payments, indemnification payments, or Administration Expenses, which default shall not have been cured within thirty (30) days following receipt of written notice thereof from the County; or

(b) if default shall be made by a Company in the due performance of or compliance with any of the terms hereof, including payment, other than those referred to in the foregoing paragraph (a), and such default shall continue for ninety (90) days after the County shall have given such Company written notice of such default, provided, that such Company shall have such longer period of time as necessary to cure such default if such Company proceeds promptly to cure such default and thereafter to prosecute the curing of such default with due diligence.

The failure of the Companies, collectively with any Co-Investors, to meet the Investment Commitment and/or the Jobs Commitment set forth herein shall not be deemed to be an Event of Default under this Agreement.

Section 11.02. Remedies on Event of Default. Upon the occurrence of any Event of Default and the expiration of any applicable cure periods, the County may exercise any of the following remedies, any of which may be exercised at any time during the periods permitted under the following clauses:

(a) terminate this Agreement, solely with respect to the defaulting entity, by delivery of written notice to the Companies not less than thirty (30) days prior to the termination date specified therein;

(b) have access to and inspect, examine, and make copies of the books, records, and accounts of the defaulting entity pertaining to the construction, acquisition, or maintenance of the Project; or

(c) take whatever action at law or in equity as may appear necessary or desirable to collect the amounts then due and thereafter to become due or to enforce observance or performance of any covenant, condition, or agreement of the defaulting entity under this Agreement.

Section 11.03. Default by the County. Upon the default of the County in the performance of any of its obligations hereunder, the Companies may take whatever action at law or in equity as may appear necessary or desirable to enforce its rights under this Agreement, including without limitation, a suit for mandamus or specific performance. Provided, however, that anything herein to the contrary notwithstanding, any financial obligation the County may incur hereunder, including for the payment of money, shall not be deemed to constitute a pecuniary liability or a debt or general obligation of the County.

## ARTICLE XII

### MISCELLANEOUS

Section 12.01. Rights and Remedies Cumulative. Each right, power, and remedy of the County or of the Companies provided for in this Agreement shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Agreement or now or hereafter existing at law or in equity, in any jurisdiction where such rights, powers and remedies are sought to be enforced; and the exercise by the County or by the Companies of any one or more of the rights, powers or remedies provided for in this Agreement or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by the County or by the Companies of any or all such other rights, powers or remedies.

Section 12.02. Administration Expenses.

(a) The Sponsor agrees to reimburse the County from time to time for its Administration Expenses promptly upon written request therefore, but in no event later than thirty (30) days after receiving the written request from the County. The written request shall include a description of the nature of the Administration Expenses.

(b) The Sponsor agrees to reimburse the County for expenses incurred by the County for accountants and similar experts used by the County in the computation, preparation and verification of the annual FILOT Payments and any Special Source Revenue Credits, *provided, however,* the maximum annual reimbursement pursuant to this subsection is capped at five hundred dollars (\$500.00).

Section 12.03. Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns as permitted hereunder.

Section 12.04. Rules of Construction. The County and the Companies acknowledge and agree that each has been represented by legal counsel of its choice throughout

the negotiation and drafting of this Agreement, that each has participated in the drafting hereof and that this Agreement will not be construed in favor of or against either party solely on the basis of such party's drafting or participation in the drafting of any portion of this Agreement.

Section 12.05. Notices; Demands; Requests. All notices, demands and requests to be given or made hereunder to or by the County or the Companies shall be in writing and shall be deemed to be properly given or made if sent by United States first class mail, postage prepaid or via facsimile or other commonly-used electronic transmission or reputable courier service, addressed as follows or to such other persons and places as may be designated in writing by such party.

(a) As to the County:

Lancaster County  
Attn: Steve Willis, County Administrator  
101 N. Main St. (29720)  
P.O. Box 1809 (29721-1809)  
Lancaster, South Carolina  
Telephone: (803) 416-9300  
Fax: (803) 285-3361  
Email: [swillis@lancastercountysc.net](mailto:swillis@lancastercountysc.net)

with a copy (which shall not constitute notice) to:

Mr. Jamie Gilbert  
Economic Development Director, Lancaster County  
P.O. Box 1809  
Lancaster, South Carolina 29721  
Telephone: (803) 286-3633  
Fax: (803) 416-9497  
Email: [jgilbert@lancastercountysc.net](mailto:jgilbert@lancastercountysc.net)

(b) As to the Sponsor:

Mr. Eric Mager  
Director of Financial Performance and Analysis  
8024 Calvin Hall Road  
Indian Land, SC 29707  
Telephone: (980) 263-2508  
Email: [eric.mager@movement.com](mailto:eric.mager@movement.com)

with a copy (which shall not constitute notice) to:

Ms. Stephanie L. Yarbrough  
Womble Carlyle Sandridge & Rice, LLP  
5 Exchange Street

Charleston, South Carolina 29401  
Phone: (843) 720-4621  
Email: [styarbrough@wcsr.com](mailto:styarbrough@wcsr.com)

(c) as to the Sponsor Affiliate

The Keith Corporation  
Attn: Brendan Pierce  
5935 Carnegie Blvd.  
Suite 200  
Charlotte, NC 28209  
Email: [bpierce@thekeithcorp.com](mailto:bpierce@thekeithcorp.com)

with a copy (which shall not constitute notice) to:

The Keith Corporation  
Attn: Keith R. Beuley  
5935 Carnegie Blvd.  
Suite 200  
Charlotte, NC 28209  
Email: [ken@thekeithcorp.com](mailto:ken@thekeithcorp.com)

Section 12.06. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina.

Section 12.07. Entire Understanding. This Agreement expresses the entire understanding and all agreements of the parties hereto with each other, and neither party hereto has made or shall be bound by any agreement or any representation to the other party which is not expressly set forth in this Agreement or in certificates delivered in connection with the execution and delivery hereof.

Section 12.08. Severability. In the event that any clause or provisions of this Agreement shall be held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any of the remaining provisions hereof.

Section 12.09. Headings and Table of Contents; References. The headings of the Agreement and any Table of Contents annexed hereto are for convenience of reference only and shall not define or limit the provisions hereof or affect the meaning or interpretation hereof. All references in this Agreement to particular articles or Sections or paragraphs of this Agreement are references to the designated articles or Sections or paragraphs of this Agreement.

Section 12.10. Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original but all of which shall constitute one and the same instrument.

Section 12.11. Amendments. Subject to the limitations set forth in the Act, this Agreement may be amended, or the rights and interest of the parties hereunder surrendered, only by a writing signed by all parties.

Section 12.12. Waiver. Either party may waive compliance by the other party with any term or condition of this Agreement only in a writing signed by the waiving party.

Section 12.13. Force Majeure. The Companies shall not be responsible for any delays or non-performance caused in whole or in part, directly or indirectly, by strikes, accidents, freight embargoes, labor shortages, fire, floods, inability to obtain materials, conditions arising from government orders or regulations, war or national emergency, acts of God, and any other cause, similar or dissimilar, beyond the Companies' reasonable control.

*[Signature pages follow]*

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 the Council Chair and Council Secretary and to be attested by the Clerk to Council; and the Companies have caused this Fee Agreement to be executed by its duly authorized officer, all as of the day and year first above written.

**LANCASTER COUNTY, SOUTH CAROLINA**

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Name: Steve Harper  
Title: Chair, County Council

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Name: Larry Honeycutt  
Title: Secretary, County Council

**ATTEST:**

---

Sherrie Simpson, Clerk to Council

*[Companies' signatures follow on next page.]*

**MOVEMENT MORTGAGE, LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_  
Name: Eric Mager  
Title: Director of Financial Performance and Analysis

**TKC CCII, LLC,**  
a North Carolina limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A**

**PROPERTY DESCRIPTION  
LANCASTER COUNTY**

That certain parcel and tract of Land lying and being situated in Bailes Ridge Business Park, Lancaster County, South Carolina and being more particularly described as follows:

All that certain piece, parcel or tract of land situate, lying and being on the southwestern side of SC Highway No. 160 and the northwestern side of Calvin Hall Road, in the County of Lancaster, State of South Carolina and being shown and designated as Tract 17, containing 11.819 acres, more or less, as shown on plat of survey entitled "Record Plat – 29.178 acres, Bailes Parkway & Calvin Hall Road of Bailes Ridge Business Park" prepared by Yarbrough-Williams & Houle, Inc. dated February 11, 2015, recorded in the Office of the Clerk of Court for Lancaster County in Plat Book 2015 at Page 108, on February 23, 2015, reference to which is hereby craved for a metes and bounds description thereof.

Parcel Id. No. 0007-00-025.06

## Agenda Item Summary

Ordinance # / Resolution#: 2017 - 1440

Contact Person / Sponsor: Jamie Gilbert / John Weaver

Department: Economic Development / County Attorney

Date Requested to be on Agenda: Administration Committee – April 10, 2017

County Council – April 24, 2017

JW

**Issue for Consideration:** Whether or not it is appropriate for County Council to consider the passage of this ordinance that authorizes a first amendment to the original Fee Agreement.

**Points to Consider:** See attached letter from the company's President dated December 28, 2016. Provided that the company meets the requirements noted in Section 2 of the first amendment relating to both capital investment and job creation, the Investment Period authorized by the Fee Agreement will be extended by an additional five (5) years, 2017 through 2021.

**Funding and Liability Factors:** N/A

**Council Options:** Approve or reject the ordinance and the terms of the amendment.

**Recommendation:** The Director of Economic Development recommends Council's approval of the amendment.



December 28, 2016

sent via email & USPS  
[swillis@lanastercountysc.net](mailto:swillis@lanastercountysc.net)

Mr. Steve Willis  
101 N. Main Street  
Lancaster, SC 29720

Dear Mr. Willis,

Rico Industries, Inc. has been doing business in Lancaster County since July 2000 and broke-ground on its new facility on March 1, 2011. Since March 1, 2011, Rico has invested over \$6,300,000 and created 67 new full time jobs since then (for a total of 132 current active employees; see attached). I have attached a copy of our 2016 property tax return and our most current payroll register for your information. We have therefore met the requirements under Section 4.2(b) of the Fee Agreement dated as of March 1, 2011, among Lancaster County, Rico Industries, and Rico SC Realty, LLC

Our business continues to grow and we anticipate additional investments and jobs to be created at our facility in Lancaster County. For this reason, we request that Lancaster County extend the investment period under our Fee Agreement by an additional five years so that the additional investments can be included in the fee in lieu of taxes incentive that was offered by the county in order to induce us to locate there. This letter therefore constitutes an application pursuant to S.C. Code Ann. 12-44-30(13) for an extension of the investment period.

We look forward to hearing back from you.

Sincerely yours,

Cary Schack  
President

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STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF LANCASTER )

ORDINANCE NO. 2017-1440

AN ORDINANCE

TO AUTHORIZE THE EXECUTION AND DELIVERY OF AN AMENDMENT TO THE FEE AGREEMENT AMONG LANCASTER COUNTY, SOUTH CAROLINA, RICO INDUSTRIES, INC., AND RICO SC REALTY, LLC.

Be it ordained by the Council of Lancaster County, South Carolina:

**Section 1.** Findings.

The Lancaster County Council finds that:

(a) Lancaster County, South Carolina (hereinafter referred to as the "County"), acting by and through its Council (the "Council"), is empowered under and pursuant to the provisions of the Fee in Lieu of Tax Simplification Act, codified as Chapter 44, Title 12 of the Code of Laws of South Carolina 1976, as amended (the "Act"), to enter into fee agreements with industries in connection with the acquisition, enlargement or improvement of industrial and commercial enterprises within the State of South Carolina (the "State");

(b) the County has previously entered into that certain Fee Agreement among the County, Rico Industries, Inc. ("RI"), and Rico SC Realty, LLC ("RLLC") dated as of March 1, 2011, as amended, modified and supplemented from time to time (the "Fee Agreement");

(c) in recognition of the substantial investment by RI and RLLC (collectively, "Rico") in land, improvements and business personal property in the County (collectively, the "Project") during the term of the Fee Agreement, and at the request of Rico, the County desires to provide further assistance to Rico, and in connection therewith to make certain amendments to the Fee Agreement pursuant to the terms of a First Amendment to the Fee Agreement to be entered into among the County and Rico (the "First Amendment"); and

(d) it appears that the First Amendment, which is attached to this ordinance, is in appropriate form and is an appropriate instrument to be approved, executed and delivered by the County for the purposes intended.

**Section 2. Statutory Findings.**

Council makes the following additional findings:

(a) the Project will continue to constitute a “project” as said term is referred to and defined in Section 12-44-30(16) of the Act, and the First Amendment will promote the purposes enumerated in the Act, and in all respects conform to the provisions and requirements of the Act;

(b) the Project will continue to benefit the general public welfare of the County by providing or maintaining services, employment, recreation, and other public benefits not otherwise provided locally;

(c) neither the Project, the First Amendment, nor any documents or agreements entered into by the County in connection therewith will constitute or give rise to any pecuniary liability of the County or an incorporated municipality or a charge against its general credit or taxing power;

(d) the purposes to be accomplished by the Project and the First Amendment are proper governmental and public purposes; and

(e) the inducement of the expansion of the Project within the County and State is of paramount importance, and the benefits of the Project to the public will be greater than the costs.

**Section 3. Approval and Execution of First Amendment.**

The form, terms, and provisions of the First Amendment, attached hereto as Exhibit A, are approved, and all of the terms, provisions, and conditions thereof are incorporated herein by reference as if the First Amendment was set out in this ordinance in its entirety. The Council Chair and Council Secretary are authorized, empowered, and directed to execute and acknowledge the First Amendment in the name of and on behalf of the County, and thereupon to cause the First Amendment to be delivered to Rico. The First Amendment is to be in substantially the form as attached to this ordinance and hereby approved, 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, upon the advice of counsel to the County, such officer’s execution thereof to constitute conclusive evidence of such officer’s approval of any and all changes or revisions therein from the form of the First Amendment attached to this ordinance.

**Section 4. Authority to Act.**

The Council Chair, Council Secretary, Clerk to Council, County Administrator, County Attorney and all other appropriate officials of the County are authorized and directed to do any and all things necessary to effect the execution and delivery of the Amendments and the performance of all obligations of the County under and pursuant to the First Amendment.

**Section 5. Severability.**

If any section, subsection or clause of this ordinance is held to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections and clauses shall not be affected.

**Section 6. Controlling Provisions.**

To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Lancaster County Code or other County ordinances, resolutions or orders, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

**Section 7. Effective Date.**

This ordinance is effective upon Third Reading.

**AND IT IS SO ORDAINED**

Dated this \_\_\_\_ day of \_\_\_\_, 2017

LANCASTER COUNTY, SOUTH CAROLINA

\_\_\_\_\_  
Steve Harper, Chair, County Council

\_\_\_\_\_  
Larry Honeycutt, Secretary, County Council

ATTEST:

\_\_\_\_\_  
Sherrie Simpson, Clerk to Council

First Reading: April 24, 2017  
Second Reading: May 8, 2017 Tentative  
Public Hearing: May 22, 2017 Tentative  
Third Reading: May 22, 2017 Tentative

**Exhibit A to Ordinance No. 2017-1440**

**First Amendment to Fee Agreement  
Among  
Lancaster County and Rico Industries, Inc., and Rico SC Realty, LLC**

See attached.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

**FIRST AMENDMENT TO THE FEE AGREEMENT  
AMONG  
LANCASTER COUNTY, SOUTH CAROLINA, RICO INDUSTRIES, INC.,  
AND RICO SC REALTY, LLC**

This FIRST AMENDMENT TO THE FEE AGREEMENT among LANCASTER COUNTY, SOUTH CAROLINA, RICO INDUSTRIES, INC., AND RICO SC REALTY, LLC (the "First Amendment"), is made as of this \_\_\_ day of \_\_\_\_\_, 2017, by and among RICO INDUSTRIES, INC. ("RI"), RICO SC REALTY, LLC ("RLLC"), and LANCASTER COUNTY, SOUTH CAROLINA (the "County").

RECITALS

WHEREAS, RI and RLLC (collectively, the "Company") and the County, acting by and through its County Council (the "County Council"), previously entered into a fee in lieu of tax agreement dated as of March 1, 2011 (the "Fee Agreement") pursuant to Title 12, Chapter 44 of the Code of Laws of South Carolina 1976, as amended (the "Act"), in order to provide for the payment of a fee in lieu of taxes with respect to the Company's proposed manufacturing facilities in the County (the "Project"); and

WHEREAS, the Company is contemplating an additional investment of at least \$350,000 (the "Additional Investment") in the Project, as the Fee Agreement defines that term, which is anticipated to result in the creation of at least 15 new full-time jobs (the "Additional Jobs"), all over a five (5) year period; and

WHEREAS, the Company applied to the County prior to the expiration of the Investment Period (as defined in the Fee Agreement) for a five (5) year extension of the Investment Period in order to include the Additional Investment in the Fee Agreement; and

WHEREAS, the Company has invested significant capital and has created valuable jobs meeting the minimum investment and minimum job requirements pursuant to Section 4.2(b) of the Fee Agreement that have provided significant benefits to the County; and

WHEREAS, by passage of Ordinance No. 2017-\_\_\_\_, the County Council approved this First Amendment.

FIRST AMENDMENT

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the County and the Company hereby agree as follows:

1. The definition of "Investment Period," as contained in Section 1.1 of the Fee Agreement, is amended to read:

“Investment Period’ shall mean the period beginning with the first day of any purchase or acquisition of Economic Development Property and ending ten years after the Commencement Date, provided that the Company and County may agree to a later date if authorized by the Act.”

2. Section 4.2(b) of the Fee Agreement is amended to read:

“If the Company does not invest at least \$4,350,000 in the Project (excluding the value of real property contributed by the County to the Company) or create at least 45 new full-time jobs (calculated by reference to the Company’s FORM SC SCH. TC4 “NEW JOBS CREDIT” line 3 “monthly average of full time employees”) (collectively, “New Jobs”), including jobs transferred from outside of the County, in connection with the Project by the end of the Investment Period, then the Company shall pay to the County a pro-rata portion of the Infrastructure Credits received pursuant to Section 4.1(c) during years five through ten of the Investment Period (2017–2021) based on the average of the following proportions: (i) the proportion the investment level achieved (excluding the value of real property contributed by the County to the Company) is to \$4,350,000, not to exceed 100%; and (ii) the proportion the number of New Jobs is to 45, not to exceed 100%. The amount due pursuant to this subsection (b) shall be collected and enforced in accordance with Section 12-44-90 of the Act. The Company agrees that if this Fee Agreement is terminated pursuant to this subsection, under no circumstance shall the County be required to refund or pay any monies to the Company.

For purposes of calculating New Jobs under this Agreement, the County and the Company agree that the Company’s base employment is 91 full-time jobs as of calendar year 2010 (“Base Employment”) and any New Jobs are only those New Jobs created in excess of such Base Employment in subsequent years.”

3. Section 4.2(c) of the Fee Agreement is amended to read:

“After expiration of the Investment Period, the Company agrees that if in any year the Company fails to maintain an investment of at least \$4,350,000 (excluding the value of real property contributed by the County to the Company) in the Project and fails to maintain at least 45 New Jobs, including jobs transferred from outside of the County, in connection with the Project, then the annual Payment in Lieu of Taxes due for the Economic Development Property for the following year shall be calculated, notwithstanding the provisions of Section 4.1(a), using the then current millage rate and the assessment ratios that would be applicable to the Economic Development Property if it were subject to *ad valorem* taxation. The Fee Agreement shall, however, not terminate, unless the Company fails to maintain these requirements for three consecutive years, in which case this Fee Agreement is terminated on a prospective basis and no repayment obligation to the County shall arise if the Fee Agreement is terminated pursuant to this subsection (c).”

4. Except as amended hereby, the Fee Agreement shall otherwise remain in full force and effect.

IN WITNESS WHEREOF, LANCASTER COUNTY, SOUTH CAROLINA, RICO INDUSTRIES, INC., AND RICO SC REALTY, LLC each pursuant to due authority, have duly executed this First Amendment to the Fee Agreement, all as of the date first above written.

**LANCASTER COUNTY, SOUTH CAROLINA**

\_\_\_\_\_  
Steve Harper, Chair, County Council

\_\_\_\_\_  
Larry Honeycutt, Secretary, County Council

ATTEST:

\_\_\_\_\_  
Sherrie Simpson, Clerk to Council

**RICO INDUSTRIES, INC.**

By: \_\_\_\_\_

Its: \_\_\_\_\_

**RICO SC REALTY, LLC**

By: \_\_\_\_\_

Its: \_\_\_\_\_

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STATE OF SOUTH CAROLINA            )  
  )  
COUNTY OF LANCASTER                )        **ORDINANCE NO. 2017-1441**

**AN ORDINANCE**

**TO AUTHORIZE THE EXECUTION AND DELIVERY OF A FEE AGREEMENT BY AND AMONG LANCASTER COUNTY AND A COMPANY KNOWN TO THE COUNTY AS PROJECT DON, PROVIDING FOR THE PAYMENT OF A FEE-IN-LIEU OF TAXES AND THE PROVISION OF SPECIAL SOURCE REVENUE CREDITS; TO EXPRESS THE INTENTION OF COUNCIL TO PROVIDE MONIES TO THE ECONOMIC DEVELOPMENT FUND.**

Be it ordained by the Council of Lancaster County, South Carolina:

**Section 1.     Findings.**

The Lancaster County Council finds that:

(a) Lancaster County, South Carolina (the "County") acting by and through its County Council (the "Council") is authorized and empowered pursuant to the provisions of Title 12, Chapter 44 of the Code of Laws of South Carolina 1976 (the "Code"), as amended (the "Act") to enter into fee-in-lieu of tax ("FILOT") agreements with any industry, with said agreements identifying certain properties of such industries as economic development property, through which powers the industrial development of the State of South Carolina (the "State") and the County will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate, remain, and expand in the State and the County and thus utilize and employ the manpower, products, and natural resources and benefit the general public welfare of the State and County by providing services, employment, or other public benefits not otherwise adequately provided locally;

(b) the County is authorized by Sections 4-1-175 and 4-29-68 of the Code, as amended, and Section 12-44-70 of the Act to provide special source revenue credits for the purpose of defraying 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 machinery and equipment, used in the operation of a manufacturing facility or commercial enterprise in order to enhance the economic development of the County;

(c) Project Don, a \_\_\_\_\_ [entity] (the "Sponsor") is considering investing, through itself and/or one or more existing or to be formed affiliated entities, in personal property and certain real estate improvements located in the County which would constitute a project within the meaning of the Act and which are eligible for inclusion as economic development property, the cost of which is estimated to be at least Six Million, Two Hundred Thirty-Three Thousand Dollars (\$6,233,000.00) (the "Project");

(d) pursuant to Resolution No. 0959-R2017, adopted April 24, 2017, the Council approved an Inducement Resolution providing for, among other things, the agreement of the County to enter into a fee-in-lieu of tax incentive with the Sponsor and the provision of special source revenue credits;

(e) the Sponsor has caused to be prepared and presented to the Council the form of the Fee Agreement by and between the County and the Sponsor (the "Fee Agreement"), which provides for fee-in-lieu of tax payments utilizing a six percent (6%) assessment ratio and fixed millage rate of 313.0 mills for a period of twenty (20) years for the Project or each component thereof placed in service during the Investment Period (as defined in the Fee Agreement), including any extension to the Investment Period to which the County and the Sponsor agree, and also provides for special source revenue credits equal to (i) fifty percent (50%) of the fee-in-lieu of tax payments for the first seven (7) consecutive years of the Project and (ii) thirty percent (30%) of the fee-in-lieu of tax payments for the succeeding three (3) consecutive years of the Project; and

(f) it appears that the Fee Agreement, which is attached to this ordinance, is in appropriate form and is an appropriate instrument to be executed and delivered by the County for the purposes intended.

**Section 2.      Approval of Fee Agreement.**

Subject to the provisions of Section 4 of this ordinance, and, in order to promote industry, develop trade, and utilize and employ the manpower, products, and natural resources of the State by assisting the Sponsor to expand or locate an industrial facility in the State, the Fee Agreement is hereby authorized, ratified, and approved.

**Section 3.      Statutory Findings.**

Council makes the following additional findings:

(a) The Project will constitute a "project" as the 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 upon all criteria prescribed by law, including the anticipated dollar amount and nature of the investment to be made.

(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 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.

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

**Section 4. Approval and Execution of Fee Agreement.**

The form, terms, and provisions of the Fee Agreement, attached hereto as Exhibit A, are approved, and all of the terms, provisions, and conditions thereof are incorporated herein by reference as if the Fee Agreement was set out in this ordinance in its entirety. The Council Chair and Council Secretary are authorized, empowered, and directed to execute and acknowledge the Fee Agreement in the name of and on behalf of the County, and thereupon to cause the Fee Agreement to be delivered to the Sponsor. The Fee Agreement is to be in substantially the form as attached to this ordinance and hereby approved, 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, upon the advice of counsel to the County, such officer's execution thereof to constitute conclusive evidence of such officer's approval of any and all changes or revisions therein from the form of the Fee Agreement attached to this ordinance.

**Section 5. Economic Development Fund.**

(A) Council finds that (i) by passage of Ordinance No. 2014-1260, Council created an Economic Development Fund with the intent to make monies available to the fund from new revenues to the County derived from new and expanded businesses and industry, and (ii) the ability to make monies available to the Economic Development Fund can be difficult because of complexities and legalities applicable to fee-in-lieu of tax arrangements and multi-county parks.

(B) It is the intent of Council, in the annual County budget, to appropriate monies to the Economic Development Fund based on the new revenue that the County receives pursuant to the Fee Agreement. Specifically, it is Council's intent to appropriate from the General Fund of the County an amount based on the following formula: Seven percent (7%) times the amount of money received pursuant to the Fee Agreement by the County after distribution to other taxing entities in the most recently completed tax year.

**Section 6. Authority to Act.**

The Council Chair, Council Secretary, Clerk to Council, County Administrator, County Attorney and all other appropriate officials of the County are authorized and directed to do any and all things necessary 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. Severability.**

If any section, subsection or clause of this ordinance is held to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections and clauses shall not be affected.

**Section 8. Controlling Provisions.**

To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Lancaster County Code or other County ordinances, resolutions or orders, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

**Section 9.      Effective Date.**

This ordinance is effective upon Third Reading.

**AND IT IS SO ORDAINED**

Dated this \_\_\_\_ day of \_\_\_\_\_, 2017.

LANCASTER COUNTY, SOUTH CAROLINA

\_\_\_\_\_  
Steve Harper, Chair, County Council

\_\_\_\_\_  
Larry Honeycutt, Secretary, County Council

ATTEST:

\_\_\_\_\_  
Sherrie M. Simpson, Clerk to Council

First Reading:            April 24, 2017  
Second Reading:        May 8, 2017    (Tentative)  
Public Hearing:            May 8, 2017    (Tentative)  
Third Reading:            May 22, 2017   (Tentative)

**Exhibit A to Ordinance No. 2017-1441**

**Fee Agreement**

See attached.

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FEE AGREEMENT

by and between

LANCASTER COUNTY, SOUTH CAROLINA,

and

[PROJECT DON]

Dated as of May 22, 2017

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## FEE AGREEMENT

This FEE AGREEMENT (this "Agreement") is dated as of May 22, 2017, by and between LANCASTER COUNTY, SOUTH CAROLINA, a body politic and corporate and a political subdivision of the State of South Carolina (the "County") and Project Don, a \_\_\_\_\_ [entity] ("Sponsor" and "Company" and, together with any subsequently joined Sponsor Affiliate(s), the "Companies").

### WITNESSETH:

WHEREAS, the County, acting by and through its County Council (the "Council"), is authorized and empowered under and pursuant to the provisions of Title 12, Chapter 44 (the "Act") of the Code of Laws of South Carolina 1976, as amended (the "Code") and Sections 4-1-170, 4-1-172, and 4-1-175 of the Code and Article VIII, Section 13(D) of the South Carolina Constitution (the "Multi-County Park Act"): (i) to enter into agreements with certain investors 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 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 (a "FILOT"); 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; and

WHEREAS, the Companies propose to locate a manufacturing business in the County (the "Project"); and

WHEREAS, the Companies anticipate that the Project will result in the creation of at least eighteen (18) new, full-time jobs and an investment of at least \$6,233,000 in the County; and

WHEREAS, the County Council approved on April 24, 2017, Resolution No. [NUMBER]-R2017 (the "Inducement Resolution") to identify, reflect and induce the Project under the Act and to state the commitment of the County to, among other things, enter into this Agreement; and

WHEREAS, as a result of the Companies locating the Project in the County, the Companies requested that the County complete the FILOT arrangement referred to in the Inducement Resolution by entering into this Agreement with the Companies pursuant to the Act, and the Companies elect to enter into such FILOT arrangement with the County in an effort to implement the terms of the Project and allow the Companies to make FILOT payments pursuant to the Act; and

WHEREAS, it is presently anticipated, but not required, that Sponsor will initially own that portion of the Project comprised of the Land (as defined herein), certain real property improvements, and personal property now or hereafter constructed thereon; and

WHEREAS, for the Project, the parties have also determined that Sponsor is a Project Sponsor, and that the Project constitutes Economic Development Property within the meaning of the Act; and

WHEREAS, for the purposes set forth above, the County has determined that it is in the best interests of the County to enter into this Agreement with the Companies, subject to the terms and conditions herein set forth.

NOW, THEREFORE, in consideration of the respective representations and agreements hereinafter contained, and the sum of \$1.00 in hand, duly paid by the Companies to the County, the receipt and sufficiency of which are hereby acknowledged, the County and the Companies agree as follows:

## ARTICLE I

### DEFINITIONS AND RECAPITULATION

#### Section 1.01. Statutorily Required Recapitulation.

(a) Pursuant to Section 12-44-55(B) of the Act, the County and the Companies agree to waive the recapitulation requirements of Section 12-44-55 of the Act. Subsection (b) of this section is inserted for convenience only and does not constitute a part of this Agreement or a summary compliant with Section 12-44-55 of the Act.

(b) Summary of Agreement.

1. Legal name of each initial party to this Agreement:  
[Project Don]; Lancaster County, South Carolina
2. County, street address, parcel number or other location identifier of the Project and property to be subject to this Agreement:  
  
Lancaster County  
s/o Old Camden Road, Lancaster  
Portion of Parcel No. 0081-00-031.00
3. Minimum investment agreed upon: \$6,233,000
4. Length and term of this Agreement: 20 years for each annual increment of investment in the Project during the Investment Period.
5. Assessment ratio applicable for each year of this Agreement: 6%, except as otherwise provided in the Agreement
6. Millage rate applicable for each year of this Agreement: 313.0 mills, except as otherwise provided in the Agreement.

7. Statements

- (a) The Project is to be located in a multi-county park;
- (b) Disposal of property subject to payments-in-lieu-of-taxes is allowed;
- (c) Special Source Revenue Credits shall be given to the Economic Development Property in amounts equal to (i) 50% of Negotiated FILOT Payments for each of the first seven (7) consecutive years of the Project, and (ii) 30% of Negotiated FILOT Payments for each of the succeeding three (3) consecutive years of the Project.
- (d) Payment will not be modified using a net present value calculation; and
- (e) Replacement property provisions will apply.

Section 1.02. Definitions. In addition to the words and terms elsewhere defined in this Agreement, the following words and terms as used herein and in the preambles hereto shall have the following meanings, unless the context or use indicates another or different meaning or intent.

“*Act*” or “*Simplified FILOT Act*” shall mean Title 12, Chapter 44 of the Code, as amended through the date hereof.

“*Administration Expense*” shall mean the reasonable and necessary out-of-pocket expenses, including attorneys’ fees, incurred by the County with respect to: (i) the preparation, review, approval and execution of this Agreement, (ii) the preparation, review, approval and execution of other documents related to this Agreement and any multi-county park documents; and (iii) the fulfillment of its obligations under this Agreement and any multi-county park documents.

“*Affiliate*” shall mean any person or entity directly or indirectly controlling, controlled by, or under common control with such other person or entity. For purposes of this definition, “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of the person or entity, whether through the ownership of voting securities, by contract, or otherwise.

“*Agreement*” shall mean this Fee Agreement by and among the County and the Companies, as originally executed and from time to time supplemented or amended as permitted herein, and dated as of May 22, 2017.

“*Code*” shall mean the Code of Laws of South Carolina 1976, as amended through the date hereof, unless the context clearly requires otherwise.

“*Company*” shall mean the Sponsor.

“*Companies*” shall mean the Sponsor together with any subsequently joined Sponsor Affiliate(s).

“*County*” shall mean Lancaster County, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina, and its successors and assigns.

“*County Council*” shall mean the governing body of the County and its successors.

“*Department of Revenue*” shall mean the South Carolina Department of Revenue.

“*Economic Development Property*” shall mean each item of real and tangible personal property comprising the Project, except Non-Qualifying Property, within the meaning of that term as defined and used in Sections 12-44-30(6) and 12-44-40(C) of the Code and in this Agreement.

“*Equipment*” shall mean all machinery, equipment, furnishings, and other personal property acquired by Sponsor and installed as part of the Project during the Investment Period in accordance with this Agreement.

“*Event of Default*” shall mean an Event of Default as defined in Section 11.01 hereof.

“*Existing Property*” shall mean property proscribed from becoming Economic Development Property pursuant to Section 12-44-110 of the Code, including, without limitation, property which has been subject to *ad valorem* taxes in the State prior to the execution and delivery of this Agreement and property included in the Project as part of the repair, alteration, or modification of such previously taxed property; provided, however, that Existing Property shall not include: (a) property acquired or constructed by Sponsor during the Investment Period which has not been placed in service in this State prior to the Investment Period notwithstanding that *ad valorem* taxes have heretofore been paid with respect to such property; or (b) modifications which constitute an expansion of Existing Property.

“*FILOT*” shall mean the fee-in-lieu of taxes, which Sponsor is obligated to pay to the County pursuant to Section 5.01 hereof.

“*FILOT Payments*” shall mean the payments to be made by Sponsor pursuant to Section 5.01 hereof.

“*FILOT Revenues*” shall mean the revenues received by the County from the payment of the FILOT.

“*Investment Commitment*” shall mean the agreement of the Companies to make investments with respect to the Project as set forth in Section 4.01(a) of this Agreement.

“*Investment Period*” shall mean the period beginning with the first day that Economic Development Property is purchased or acquired and ending on the date that is five years from the end of the property tax year in which this Agreement is executed by the Companies and the County, unless extended by agreement of the County and the Companies pursuant to Section 12-44-30(13) of the Code.

“*Jobs Commitment*” shall mean the commitment of Sponsor to create jobs with respect to the Project as set forth in Section 4.01(b) of this Agreement.

“*Land*” shall mean the real estate upon which the Project is to be located, as described in Exhibit A attached hereto. Additional real estate may be included in Exhibit A by amendment as provided in the Section 12.12 of this Agreement.

“*Multi-County Park*” means the multi-county park established pursuant to the Multi-County Park Act and the Amended and Restated Master Multi-County Park Agreement between Chesterfield County, South Carolina and Lancaster County, South Carolina, Originally Dated as of December 9, 2013 and Effective July 1, 2014, as Amended and Restated as of November 9, 2015 with Exhibits Updated Through December 12, 2016, and as may be further amended and updated by the party counties, and any successor multi-county park arrangement in which the Land is included.

“*Multi-County Park Act*” shall mean Sections 4-1-170, 4-1-172, and 4-1-175 of the Code and Article VIII, Section 13(D) of the South Carolina Constitution, as amended through the date hereof.

“*Negotiated FILOT Payment*” shall mean the FILOT due pursuant to Section 5.01(b) hereof with respect to that portion of the Project consisting of Economic Development Property.

“*New Full-Time Job*” means a new, full-time job (*i.e.*, at least thirty (30) hours per week), with health care benefits. As used in this definition and as applicable to the Project, “New Full-Time Job” includes only those jobs created for the Project in or after the first year in which Economic Development Property is purchased or acquired for the Project.

“*Non-Qualifying Property*” shall mean that portion of the Project consisting of: (i) property as to which Sponsor incurred expenditures prior to the Investment Period or, except as to Replacement Property, after the end of the Investment Period; (ii) Existing Property; (iii) any Released Property or other property which fails or ceases to qualify for Negotiated FILOT Payments, including without limitation property as to which the Companies have terminated the Negotiated FILOT pursuant to Section 4.03(a)(iii) hereof; and (iv) property that would otherwise qualify as Economic Development Property, but is primarily used as retail space, hotels or restaurants; provided, however, that restaurants located on the Project that primarily serve employees of the Companies or their Affiliates and the families and guests of such employees shall not be deemed to be “Non-Qualifying Property.” The Companies agree that the real estate improvements on the Land as of the date of this Agreement shall constitute Non-Qualifying Property for purposes of this Agreement.

“*Person*” shall mean and include any individual, association, unincorporated organization, corporation, partnership, limited liability company, joint venture, or government or agency or political subdivision thereof.

“*Project*” shall mean, collectively herein, the Project, and shall include the buildings and other improvements on the Land to the extent placed thereon by or on behalf of the Companies, including water, sewer treatment and disposal facilities, and other machinery, apparatus,

equipment, office facilities, and furnishings which are necessary, suitable, or useful, including the Equipment, and any Replacement Property.

“*Project Commitment*” shall mean the (i) Investment Commitment, and (ii) Jobs Commitment.

“*Released Property*” shall mean any portion of the Project removed, scrapped, traded in, sold, or otherwise disposed of pursuant to Section 4.03 hereof, any portion of the Project stolen, damaged, destroyed, or taken by condemnation or eminent domain proceedings as described in Article VII hereof, and any infrastructure which any Company dedicates to the public use (within the meaning of that phrase as used in Section 12-6-3420(C) of the Code).

“*Replacement Property*” shall mean all property installed in or on the Land in substitution of, or as replacement for, any portion of the Project, but only to the extent that such property may be included in the calculation of the Negotiated FILOT pursuant to Section 5.01(g) hereof and Section 12-44-60 of the Code.

“*Special Source Revenue Credits*” shall mean the Special Source Revenue Credits described in Section 5.01 hereof.

“*Sponsor Affiliate*” shall mean any entity who agrees to be bound by the terms and provisions of this Agreement and is approved by the County in writing pursuant to the provisions of Section 8.04 of this Agreement.

“*State*” shall mean the State of South Carolina.

“*Streamlined FILOT Act*” shall mean Title 4, Chapter 12 of the Code, as amended through the date hereof.

“*Term*” shall mean the term of this Agreement, as set forth in Section 10.01 hereof.

“*Transfer Provisions*” shall mean the provisions of Section 12-44-120 of the Code, as amended through the date hereof.

“*Wage Requirement*” means Sixteen Dollars and Forty-Two Cents (\$16.42) per hour, which is ninety-four percent (94%) of Seventeen Dollars and Forty-Seven Cents (\$17.47), and, for purposes of satisfying the Wage Requirement, it is applicable in Years 1 through 5 with Year 1 being the first year in which Special Source Revenue Credits are taken (the “Initial Hourly Wage”). The County shall change the Initial Hourly Wage at the end of the first five-year period (and at the end of every five-year period thereafter, if applicable) to ninety-four percent (94%) of the Department of Revenue’s then most recently published average hourly wage for the County and the changed Wage Requirement shall apply to the subsequent five-year period. The County shall provide notice to the Sponsor and Sponsor Affiliate of any adjustment to the Wage Requirement.

Section 1.03. References to Agreement. The words “hereof”, “herein”, “hereunder”, and other words of similar import refer to this Agreement as a whole.

## ARTICLE II

### REPRESENTATIONS AND WARRANTIES

Section 2.01. Representations and Warranties by County. The County represents and warrants that: (i) it is a body politic and corporate and a political subdivision of the State; (ii) it is authorized by the Act to enter into this Agreement; (iii) it has approved this Agreement in accordance with the procedural requirements of the Act and any other applicable state law; and (iv) it has authorized its officials to execute and deliver this Agreement.

Section 2.02. Representations and Warranties by Sponsor. The Sponsor makes the following representations and warranties as the basis for the undertakings on its part herein contained:

(a) Sponsor is a [ENTITY], validly existing and in good standing under the laws of [STATE] and authorized to do business in the State; has all requisite power to enter into this Agreement; and by proper action has been duly authorized to execute and deliver this Agreement.

(b) The agreements with the County with respect to the FILOT have been instrumental in inducing Sponsor to locate its portion of the Project within Lancaster County and the State.

(c) Except as otherwise disclosed to the County, no actions, suits, proceedings, inquiries, or investigations known to the undersigned representatives of Sponsor are pending or threatened against or affecting Sponsor 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.

(d) The income tax year of Sponsor for federal and state income tax purposes ends December 31.

(e) No event has occurred and no condition currently exists with respect to Sponsor, which would constitute a Default or an "Event of Default" as defined herein.

(f) Sponsor intends to operate the Project as a part of its manufacturing business. The Project constitutes a "project" and "economic development property" as provided under the Act

### ARTICLE III

#### UNDERTAKINGS OF THE COUNTY

Section 3.01. Agreement to Accept FILOT Payments. The County hereby agrees to accept FILOT Payments made by the Companies in accordance with Section 5.01 hereof in lieu of *ad valorem* taxes with respect to the Project until this Agreement expires or is sooner terminated.

Section 3.02. No Warranties by County. Each Company acknowledges that the County has made no warranties or representations, either express or implied, as to the condition or state of the Project or as to the design or capabilities of the Project or that it will be suitable for such Company's purposes or needs. No representation of the County is hereby made with regard to compliance by the Project or any Person with laws regulating: (i) the construction or acquisition of the Project; (ii) environmental matters pertaining to the Project; (iii) the offer or sale of any securities; or (iv) the marketability of title to any property.

Section 3.03. Invalidity. The parties acknowledge that the intent of this Agreement is to afford the Companies the benefits of the Negotiated FILOT Payments in consideration of the Companies' decision to locate the Project within Lancaster County and that this Agreement has been entered into in reliance upon the enactment of the Simplified FILOT Act. In the event that, for any reason, the Act and/or the Negotiated FILOT or any portion thereof is, by a court of competent jurisdiction following allowable appeals, declared invalid or unenforceable in whole or in part, or the portion of the Project consisting of Economic Development Property is deemed not to be eligible for a Negotiated FILOT pursuant to the Act in whole or in part, any Company and the County express their intentions that such payments be reformed so as to afford the Companies benefits commensurate with those intended under this Agreement as then permitted by law, including without limitation any benefits afforded under the Code, to the extent allowed by law. Absent the legal authorization to effect such reformation, the Companies and the County agree that there shall be due hereunder, with respect to the portion of the Economic Development Property affected by such circumstances, *ad valorem* taxes and that, to the extent permitted by law, each Company shall be entitled: (1) to enjoy the five-year exemption from *ad valorem* taxes (or fees in lieu of taxes) provided by Article X, Section 3 of the Constitution of the State, and any other exemption allowed by law; (2) to enjoy all allowable depreciation; and (3) to receive other tax credits which would be due if such Company were obligated to pay *ad valorem* taxes hereunder. To the extent that under such circumstances the Negotiated FILOT Payments hereunder are required by law to be subject to retroactive adjustment, then there shall be due and payable by such Company to the County with respect to the portion of the Economic Development Property in question an amount equal to the difference between the Negotiated FILOT Payments theretofore actually paid and the amount which would have been paid as *ad valorem* taxes, together with, but only if required by law, interest on such deficiency as provided in Section 12-54-25(D) of the Code. Each Company agrees that if this Agreement is reformed as provided in this Section or if retroactive adjustments are made, then under no circumstances shall the County be required to refund or pay any monies to the Companies.

In addition to and notwithstanding the foregoing paragraph, the County shall not be obligated to perform any of its obligations or promises under this Section 3.03 unless the Companies have otherwise complied with or provided satisfactory evidence to the County that it intends to comply with its obligations and responsibilities under this Agreement.

Section 3.04. Multi-County Park Status. The County agrees to maintain the Land in the Multi-County Park until the date this Agreement is terminated. If it becomes necessary to move the Land from one multi-county park to another prior to the termination of this Agreement, the County agrees to use its best efforts to place the Land in a multi-county park established pursuant to the Multi-County Park Act and to maintain the multi-county park designation until the date this Agreement is terminated. The parties acknowledge and agree that the County's agreement to place and maintain the Land in a multi-county park may be subject to the exercise of discretion by a governmental entity other than the County and the exercise of that discretion is not controlled by the County.

#### ARTICLE IV

#### INVESTMENT BY COMPANIES IN PROJECT; MAINTENANCE AND MODIFICATION OF PROJECT

Section 4.01. Investment by Companies in Project. (a) For the Project, the Companies agree and commit to invest at least Six Million Two Hundred Thirty-Three Thousand Dollars (\$6,233,000) in Economic Development Property by the end of the Investment Period. The investment amount shall not include any amount paid by any Company for real estate improvements on the Land existing as of the date of this Agreement. Investments made by Sponsor and Sponsor Affiliates in Economic Development Property shall be included in any determination whether the Companies have fulfilled their commitment made in this Section to invest in the Project

(b) For the Project, together with any Sponsor Affiliates, the Sponsor agrees and commits to the creation and maintenance of the number of New Full-Time Jobs, paying an average hourly wage rate not less than the Wage Requirement, by year as follows: (i) Year 1 – not less than 2; (ii) Year 2 – not less than 6; (iii) Year 3 – not less than 8; (iv) Year 4 – not less than 12; (v) Years 5 through 10 – not less than 18 (the “Jobs Commitment”). As used in this subsection (b), the “Year” number refers to the year that corresponds with the earlier of either the year following the year in which Economic Development Property is first placed in service or the first year Special Source Revenue Credits are taken, with Year 1 being the first year. The number of New Full-Time Jobs shall be based on the average number of New Full-Time Jobs for each month during the year.

#### Section 4.02. Reporting and Filing.

(a) Each Company agrees to provide a copy of Form PT-443 filed with the Department of Revenue no later than thirty (30) days after execution and delivery of this Agreement to the Auditor, Treasurer and Assessor of the County and any multi-county park partner county and the Economic Development Director of the County. Each year during the

term of this Agreement, each Company shall deliver to the Auditor, Treasurer and Assessor of the County and any multi-county park partner county and the Economic Development Director of the County a copy of their most recent annual filings made with the Department of Revenue with respect to the Project, no later than thirty (30) days following delivery thereof to the Department of Revenue.

(b) (1) Sponsor agrees, as soon as reasonably practicable following the end of each tax year of the Sponsor, to submit to the County Economic Development Director a certification on Sponsor letterhead listing the amount of capital investment and aggregate New Full-Time Jobs maintained by the Companies at the end of such tax year.

(2) For purposes of determining compliance with the Jobs Commitment, Sponsor agrees to provide the County Economic Development Director a copy of Sponsor's (i) most recently filed Quarterly Report Form submitted to the South Carolina Coordinating Council for Economic Development with respect to Job Development Credits awarded in connection with the Project, within thirty days of the filing of the form with the state, and (ii) most recently filed Department of Revenue Form SC SCH. TC 4 (New Jobs Credit). Sponsor agrees to redact any personally identifying information and proprietary and confidential information prior to submitting either form to the County Economic Development Director. In lieu of providing either the Job Development Credit form or New Jobs Credit form, or both, Sponsor and the County Economic Development Director may agree on an alternative method for the Sponsor to demonstrate compliance with the Jobs Commitment.

(c) (1) Each Company agrees to maintain such books and records with respect to the Project as will permit the identification of those portions of the Project placed in service in each property tax year during the Investment Period, the amount of investment with respect thereto and its computations of all FILOT Payments made hereunder and will comply with all reporting requirements of the State and the County applicable to property subject to FILOT Payments under the Act, including the reports described in subsection (a) and (b) of this section (collectively, "Filings").

(2) Each Company agrees that the County and its authorized agents have the right at all reasonable times and upon prior reasonable notice to enter upon and examine and inspect the Project and to have access to and examine and inspect all the of Companies' books and records pertaining to the Project and the Filings. The right of examination and inspection shall be exercised only upon reasonable and necessary terms and conditions prescribed by any Company to protect such Company's confidentiality and proprietary rights. Any such entrance upon and examination and inspection of the Project and Filings shall be at the County's expense.

(d) The County acknowledges and understands that the Companies may have and maintain at the Project certain confidential and proprietary information, including, but not limited to, trade secrets, financial, sales or other information concerning the Companies' operations and processes ("Confidential Information") and that any disclosure of the Confidential Information could result in substantial harm to the Companies and could have a significant detrimental impact on the Companies' employees and also upon the County. Except as required by law, including, without limitation, court orders, the County agrees to use its best

reasonable efforts to keep confidential, and to cause employees, agents and representatives of the County to keep confidential, the Confidential Information which may be obtained from the Companies, their agents or representatives, when the Confidential Information is clearly marked and identified as Confidential Information and known to the County to be Confidential Information. The County shall not knowingly and willfully disclose and shall cause all employees, agents and representatives of the County not to knowingly and willfully disclose the marked and identified Confidential Information to any person or entity other than in accordance with the terms of this Agreement. If a demand is made for the release, under color of law, to a third party of any Confidential Information, the County shall notify the Companies and give the Companies the opportunity to contest the release.

Section 4.03 Modification of Project.

(a) As long as no event of default exists hereunder, the Companies shall have the right at any time and from time to time during the Term hereof to undertake any of the following:

(i) Each Company may, at its own expense, add to the Project any real and personal property as such Company in its discretion deems useful or desirable.

(ii) In any instance where a Company, in its discretion, determines that any items included in the Project have become inadequate, obsolete, worn out, unsuitable, undesirable, or unnecessary for operations at the Project, such Company may remove such items or portions from the Project and sell, trade in, exchange, or otherwise dispose of them (as a whole or in part) without the consent of the County; as such may be permitted under the Simplified FILOT Act.

(iii) Each Company may, at any time in its discretion by written notice to the County, remove any real or personal property from the Negotiated FILOT (as defined in Section 5.01) set forth in this Agreement, and thereafter such property will be considered Non-Qualifying Property and will be subject to FILOT Payments as set forth in Section 5.01(b)(i)(1) hereof.

ARTICLE V

PAYMENTS IN LIEU OF TAXES

Section 5.01. Payments in Lieu of *Ad Valorem* Taxes.

(a) In accordance with the Act, the parties hereby agree that, during the Term of the Agreement, the Companies shall pay annually, with respect to the Project, a FILOT in the amount calculated as set forth in this Section, to be collected and enforced in accordance with Section 12-44-90 of the Act.

(b) The FILOT Payment due with respect to each property tax year shall equal:

(i) For the Project:

- (1) With respect to any portion of the Project consisting of Non-Qualifying Property, as long as such property is located in the Multi-County Park, a payment equal to the *ad valorem* taxes that would otherwise be due on such Non-Qualifying Property if it were taxable giving effect to all credits, exemptions, rebates and abatement that would be available if such undeveloped land or Non-Qualifying Property were taxable; and
- (2) With respect to those portions of the Project consisting of Economic Development Property, for each of the twenty consecutive years following the year in which such portion of the Project is placed in service, a payment calculated each year as set forth in paragraphs (c) and (d) of this Section 5.01 (a "Negotiated FILOT").

(c) The Negotiated FILOT Payments shall be calculated with respect to each property tax year based on: (1) the fair market value (determined in accordance with Section 12-44-50(A)(1)(c) of the Code) of the improvements to real property and Equipment included within the Project theretofore placed in service (less, for Equipment, depreciation allowable for property tax purposes as provided in Section 12-44-50(A)(1)(c) of the Code), (2) a fixed millage rate equal to 313.0 mils, for the entire term of this Agreement, and (3) an assessment ratio of six percent (6%). All such calculations shall take into account all deductions for depreciation or diminution in value allowed by the Code or by the tax laws generally, as well as tax exemptions which would have been applicable if such property were subject to *ad valorem* taxes, except the exemption allowed pursuant to Section 3(g) of Article X of the Constitution of the State of South Carolina and the exemptions allowed pursuant to Sections 12-37-220(B)(32) and (34) of the Code.

(d) Special Source Revenue Credits shall be granted to the Economic Development Property in amounts equal to (i) 50% of Negotiated FILOT Payments for each of the first seven (7) consecutive years of the Project and (ii) 30% of Negotiated FILOT Payments for each of the succeeding three (3) consecutive years of the Project.

(e) The FILOT payments are to be recalculated:

(i) to reduce such payments in the event a Company disposes of any part of the Project within the meaning of Section 12-44-50(B) of the Code and as provided in Section 4.03 hereof, by the amount applicable to the Released Property;

(ii) to increase such payments, based on the methodology set forth in Section 5.01(c) hereof, in the event a Company adds property (other than Replacement Property) to the Project; or

(iii) to adjust such payments if a Company elects to convert any portion of the Project from the Negotiated FILOT to the FILOT required by Section 5.01(b)(i)(1) above, as permitted by Section 4.03(a)(iii).

(f) To the extent permitted by law, because the FILOT Payments agreed to herein are intended to be paid by the Companies to the County in lieu of taxes, it is agreed that said FILOT Payments shall not, as to any year, be in any amount greater than what would otherwise be payable by the Companies to the County in property taxes if the Companies had not entered into a fee-in-lieu of taxes arrangement with the County (except it is not intended that said FILOT Payments would necessarily be less than such property taxes to the extent that the constitutional abatement of property taxes would otherwise apply).

(g) Upon any Company's installation of any Replacement Property for any portion of the Project removed under Section 4.03 hereof and sold, scrapped, or disposed of by any Company, such Replacement Property shall become subject to Negotiated FILOT Payments to the fullest extent allowed by law, subject to the following rules:

(i) Replacement Property does not have to serve the same function as the Economic Development Property it is replacing. Replacement Property is deemed to replace the oldest property subject to the FILOT, whether real or personal, which is disposed of in the same property tax year as the Replacement Property is placed in service. Replacement Property qualifies for Negotiated FILOT Payments up to the original income tax basis of the Economic Development Property which it is replacing. More than one piece of property can replace a single piece of property. To the extent that the income tax basis of the Replacement Property exceeds the original income tax basis of the Economic Development Property which it is replacing, the excess amount is subject to payments equal to the *ad valorem* taxes which would have been paid on such property but for this Agreement. Replacement property is entitled to the FILOT payment for the period of time remaining on the twenty-year FILOT period for the property which it is replacing.

(ii) The new Replacement Property which qualifies for the Negotiated FILOT payment shall be recorded using its income tax basis, and the Negotiated FILOT Payment shall be calculated using the millage rate and assessment ratio provided on the original property subject to FILOT payment.

(h) In the event that the Act or the FILOT or any portion thereof, are declared, by a court of competent jurisdiction following allowable appeals, invalid or unenforceable, in whole or in part, for any reason, the Companies and the County express their intentions that such payments be reformed so as to afford the Companies the maximum benefit then permitted by law, including, without limitation, the benefits afforded under Section 12-44-50 of the Code and, specifically, that the Companies may, at the Companies' expense, exercise the rights granted by Section 12-44-160 of the Code. If the Project is deemed not to be eligible for a Negotiated FILOT pursuant to the Act in whole or in part, the Companies and the County agree that the Companies shall pay an alternate fee-in-lieu of tax calculated in the manner set forth in Section 5.01(b)(i)(1) hereof. In such event, the Companies shall be entitled, to the extent permitted by law: (1) to enjoy the five-year exemption from *ad valorem* taxes (or fees in lieu of taxes) provided by Section 3(g) of Article X of the Constitution of the State of South Carolina, and any other exemption allowed by law; and (2) to enjoy all allowable depreciation. The Companies agree that if the FILOT Payments or this Agreement is reformed pursuant to this subsection (h),

that under no circumstance shall the County be required to refund or pay any monies to the Companies.

(i) For the Project, this Agreement is automatically terminated in the event that the investment in the Project in land, buildings, and personal property, including machinery and equipment, by Sponsor does not exceed Two Million Five Hundred Thousand Dollars (\$2,500,000.00) by the end of the applicable Investment Period (“**Act Minimum Investment Requirement**”). If terminated pursuant to this subsection (i), the Negotiated FILOT Payments shall revert retroactively to payments equivalent to what the *ad valorem* taxes would have been with respect to the property absent this Agreement. At the time of termination, the Companies shall pay to the County an additional fee equal to the difference between the total amount of property taxes that would have been paid by the Companies had the project been taxable, taking into account exemptions from property taxes that would have been available to the Companies, and the total amount of fee payments actually made by the Companies. This additional amount is subject to interest as provided in Section 12-54-25. The Companies agree, if the Negotiated FILOT Payments revert to payments equivalent to what the *ad valorem* taxes would be pursuant to this subsection (i), that under no circumstance shall the County be required to refund or pay any monies to any Company.

(j) The Companies agree that a portion of the Special Source Revenue Credits for a year shall be reduced to the extent that the Companies fail to meet the Jobs Commitment in the prior year, in a percentage amount equal to (A) the amount by which the number of jobs satisfying the Jobs Commitment at the Project at the end of such year is less than the number of jobs contained in the Jobs Commitment for such year, *divided by* (B) the number of jobs contained in the Jobs Commitment for such year. For example, and by way of example only, if, at the end of Year 3, the Jobs Commitment provides for the maintenance of not less than 8 jobs satisfying the Jobs Commitments, the actual number of jobs satisfying the Jobs Commitment is 6, and the Special Source Revenue Credit to which the Companies would otherwise be entitled for Year 4 is Fifty Thousand Dollars (\$50,000.00), then the reduction of the Special Source Revenue Credit pursuant to this subsection (j)(1) would be calculated as follows:

**Jobs Commitment at the end of Year 3: 8 New Full-Time Jobs**

**Jobs Maintained at the Project at the end of Year 3: 6 New Full-Time Jobs**

**Special Source Revenue Credit reduction for Year 4:**

$$[8 - 6] / 8 = 2 / 8 = 25.0\%$$

$$25.0\% \times \$50,000.00 = \mathbf{\$12,500.00}$$

As an additional example, and by way of example only, if, at the end of Year 5, the Jobs Commitment provides for the maintenance of not less than 18 jobs satisfying the Jobs Commitment, the actual number jobs satisfying the Jobs Commitment is 12, and the Special Source Revenue Credit to which the Companies would otherwise be entitled for Year 6 is One Hundred Thousand Dollars (\$100,000.00), then the reduction of the Special Source Revenue Credit pursuant to this subsection (j)(1) would be calculated as follows:

**Jobs Commitment at the end of Year 5: 18 New Full-Time Jobs**

**Jobs Maintained at the Project at the end of year 5: 12 New Full-Time Jobs**

**Special Source Revenue Credit reduction for Year 6:**

$$[18 - 12] / 18 = 6 / 18 = 33.33\%$$

$$33.33\% \times \$100,000.00: \mathbf{\$33,333.33}$$

(k) Beginning with the year following the end of the tenth (10<sup>th</sup>) tax year after Economic Development Property is first placed in service, and for each year thereafter, Sponsor and Sponsor Affiliate agree that the FILOT Payment due for the Economic Development Property shall be calculated, notwithstanding the provisions of Section 5.01(c), using the then current millage rate and the assessment ratios that would be applicable to the Economic Development Property if it were subject to *ad valorem* taxes, if Sponsor in the immediately prior year

(i) failed to maintain investment in the Project for Economic Development Property, without regard to depreciation or other diminution in value, of not less than Two Million Five Hundred Thousand Dollars (\$2,500,000.00), or

(ii) failed to maintain for the Project at least 15 New Full-Time Jobs.

As an example of the calculation set forth in this subsection (k), and by way of example only, assume that in Year 13 the investment level set in this subsection (k) has not been maintained, that the millage rate applicable for tax bills to be sent in Year 14 is 350, and all of the Economic Development Property would have a 10.5% assessment ratio applied if the property were subject to *ad valorem* taxation, then the FILOT Payment for Year 14 would be computed using the millage rate of 350 (instead of 313) and the 10.5% assessment ratio (instead of 6%). As an additional example, and by way of example only, assume that in Year 19 the investment level set in this subsection (k) has been maintained, but that the maintained number of New Full-Time Jobs was 10, that the millage rate applicable for tax bills to be sent in Year 20 is 375, and all of the Economic Development Property would have a 10.5% assessment ratio applied if the property were subject to *ad valorem* taxation, then, the FILOT Payment for Year 20 would be computed using the millage rate of 375 (instead of 313) and the 10.5% assessment ratio (instead of 6%).

(l) Unless otherwise provided by the Act, any amounts due to the County under this Section 5.01 by virtue of the application of subsections (h) through (k) shall be paid within 90 days, following written notice thereof from the County to the Companies.

(m) Notwithstanding any other provision of this Agreement, the Companies acknowledge and agree that County's obligation to provide the FILOT incentive and the Special Source Revenue Credits ends, and this Agreement is terminated, if the Companies cease operations. For purposes of this Section 5.01(l), "**cease operations**" means permanent closure of the facility. The Companies agree that if this Agreement is terminated pursuant to this Section

5.01(l), that under no circumstance shall the County be required to refund or pay any monies to the Companies.

## ARTICLE VI

### PAYMENTS BY COMPANIES

Section 6.01. Defaulted Payments. In the event any Company should fail to make any of the payments required under this Agreement, the item or installment so in default shall continue as an obligation of such Company until the amount in default shall have been fully paid. The Companies agree that the collection and enforcement of the defaulted payment shall be as provided in Section 12-44-90 of the Code.

## ARTICLE VII

### CASUALTY AND CONDEMNATION

Section 7.01. Adjustments in the Event of Damage and Destruction or Condemnation. In the event that the Project or any portion thereof is damaged or destroyed, lost or stolen, or the subject of condemnation proceedings, any Company, in its sole discretion, may determine whether or not to repair or replace the same. The parties hereto agree that if the Companies decide not to repair or replace all or any portion of the Project pursuant to this Section, the FILOT required pursuant to Section 5.01 hereof shall be abated in the same manner and in the same proportion as if *ad valorem* taxes were payable with respect to the Project.

## ARTICLE VIII

### PARTICULAR COVENANTS AND AGREEMENTS

Section 8.01. Use of Project for Lawful Activities. During the Term of this Agreement, each Company shall use the Project for the purposes identified in Section 2.02(f) of this Agreement and for any lawful purpose that is authorized pursuant to the Act.

Section 8.02. Assignment. The County agrees that, to the maximum extent allowable under the Act (or any amendments thereto), each Company may assign (including, without limitation, absolute, collateral, and other assignments) all or a part of its rights or obligations under this Agreement, and any lease agreement, lease purchase agreement, or fee agreement, as the case may be, or any other agreement related hereto or thereto, or transfer any and all assets of such Company, to one or more Related Entities (as defined in Section 9.01 below) without adversely affecting the benefits of such Company or its assignees pursuant to any such agreement or the Act. Such Company shall provide the County and the Department of Revenue with notice of any such assignment, transfer, or investment in accordance with the Act, and the County agrees, upon the request of such Company, to take all further action necessary to implement such assignment, transfer, or investment in accordance with the provisions of the Act. To the extent that the Act may require the consent, approval or ratification of or by the County for the assignment of this Agreement, in whole or in part, the County agrees to not unreasonably withhold its consent, approval or ratification.

Section 8.03. Indemnification. Sponsor releases the County, including the members of the governing body of the County, and the employees, officers, attorneys and agents of the County (herein collectively referred to as the "Indemnified Parties") from, agree that the Indemnified Parties shall not be liable for, and agree to hold the Indemnified Parties harmless against, any loss or damage to property or any injury to or death of any person that may be occasioned by any cause whatsoever pertaining to this Agreement, the Project or the use thereof, except for that occasioned by grossly negligent or intentional acts of an Indemnified Party. Sponsor further agrees to indemnify and save harmless Indemnified Parties against and from any and all costs, liabilities, expenses, and claims arising from any breach or default on the part of the Companies in the performance of any covenant or agreement on the part of the Companies to be performed pursuant to the terms of this Agreement or arising from any act or negligence of, or negligent failure to act where there is a duty to do so by any Company, or any of their agents, attorneys, contractors, servants, employees, or licensees, and from and against all cost, liability, and expenses incurred in or in connection with any such claim or action or proceeding brought thereon.

All covenants, stipulations, promises, agreements, and obligations of the County contained herein shall be deemed to be covenants, stipulations, promises, agreements, and obligations of the County and not of any member of the County Council or any officer, agent, attorney, servant, or employee of the County in his or her individual capacity, and, no recourse shall be had for the payment of any moneys hereunder or the performance of any of the covenants and agreements of the County herein contained or for any claims based thereon against any member of the governing body of the County or any officer, attorney, agent, servant, or employee of the County.

Notwithstanding the fact that it is the intention of the Indemnified Parties hereto that none of them shall incur any pecuniary liability by reason of the terms of this Agreement, any related agreements or the undertakings required of the County hereunder by reason of the performance of any act requested of the County by any Company, including all claims, liabilities, or losses arising in connection with the violation of any statutes or regulations pertaining to the foregoing, nevertheless, if any Indemnified Party shall incur any such pecuniary liability, then in such event the Sponsor shall indemnify and hold them harmless against all claims by or on behalf of any Person, firm, or corporation or other legal entity arising out of the same and all costs and expenses incurred in connection with any such claim or in connection with any action or proceeding brought thereon, provided, however, that nothing herein shall absolve the Indemnified Parties from, or entitle the Indemnified Parties to indemnification from, any obligation such Indemnified Party has specifically agreed to undertake (including, without limitation, the obligation to place and maintain the Land within a multi-county park). If any action, suit, or proceeding is brought against any Indemnified Party to which such Indemnified Party is entitled to indemnification, such Indemnified Party shall promptly notify the Companies, and the Companies shall have the sole right and duty to assume, and shall assume, the defense thereof, at its expense, with full power to litigate, compromise, or settle the same in its sole discretion; provided the Companies shall obtain the prior written consent of the County to settle any such claim unless such claim is for monetary damages for which the Companies have the ability to, and do, pay. Notwithstanding the foregoing, if the Indemnified Party is the County, in the event the County reasonably believes there are defenses available to it that are not being

pursued or that the counsel engaged by the Companies reasonably determines that a conflict of interest exists between the County and the Companies, the County may, in its sole discretion, hire independent counsel to pursue its own defense, and the Companies shall be liable for the reasonable cost of such counsel.

The indemnity specified in this Section shall be in addition to any heretofore extended by the Companies to any Indemnified Party and shall survive the termination of this Agreement with respect to liability arising out of any event or act occurring prior to such termination.

Section 8.04. Sponsors and Sponsor Affiliates. Sponsor may designate from time to time other Sponsors or Sponsor Affiliates pursuant to the provisions of Sections 12-44-30(19) or (20), respectively, and Section 12-44-130 of the Simplified FILOT Act, which Sponsors or Sponsor Affiliates shall be Persons who join with the Companies and make investments with respect to the Project, or who participate in the financing of such investments, who agree to be bound by the terms and provisions of this Agreement and who shall be Affiliates of Sponsor, Sponsor Affiliate or other Sponsors or Sponsor Affiliates, or other Persons described in Section 8.02 hereof. All other Sponsors or Sponsor Affiliates who otherwise meet the requirements of Section 12-44-30 (19) or (20) and Section 12-44-130 of the Simplified FILOT Act must be approved by the County in writing. To the extent that the aggregate investment in the Project by the end of the Investment Period by all Sponsors and Sponsor Affiliates exceeds \$5,000,000, to the extent permitted by Section 12-44-30(19) of the Simplified FILOT Act, all investment by such Sponsors and Sponsor Affiliates during the Investment Period shall qualify for the FILOT pursuant to Section 5.01 of this Agreement (subject to the other conditions set forth therein) regardless of whether each such entity invested amounts equal to the Act Minimum Investment Requirement by the end of the Investment Period. Sponsor shall provide the County and the Department of Revenue with written notice of any other Sponsor or Sponsor Affiliate designated pursuant to this Section 8.04 within ninety (90) days after the end of the calendar year during which any such Sponsor or Sponsor Affiliate has placed in service Negotiated FILOT Property to be used in connection with the Project, all in accordance with Section 12-44-130(B) of the Simplified FILOT Act.

## ARTICLE IX

### FINANCING ARRANGEMENTS; CONVEYANCES; ASSIGNMENTS

Section 9.01. Conveyance of Liens and Interests; Assignment. Each Company may at any time: (a) transfer all or any of its rights and interests hereunder or with respect to the Project to any Person; or (b) enter into any lending, financing, security, or similar arrangement or succession of such arrangements with any financing entity with respect to the Agreement or the Project, including without limitation any sale, leaseback, or other financing lease arrangement; provided that, in connection with any of the foregoing transfers: (i) except in connection with any transfer to Sponsor or Sponsor Affiliate (collectively, the "Related Entities"), or transfers pursuant to clause (b) above (as to which such transfers the County hereby consents), such Company shall first obtain the prior written consent or subsequent ratification of the County; (ii) except where a financing entity, which is the income tax owner of all or part of the Project, is the transferee pursuant to clause (b) above and such transferee or

financing entity assumes in writing the obligations of such Company hereunder, or where the County consents in writing, no such transfer shall affect or reduce any of the obligations of such Company hereunder, but all obligations of such Company hereunder shall continue in full force and effect as the obligations of a principal and not of a guarantor or surety; (iii) such Company, transferee, or financing entity shall, within 60 days thereof, furnish or cause to be furnished to the County and the Department of Revenue a true and complete copy of any such transfer agreement; and (iv) such Company and the transferee shall comply with all other requirements of the Transfer Provisions.

Each Company acknowledges that such a transfer of an interest under this Agreement or in the Project may cause the Project to become ineligible for a Negotiated FILOT or result in penalties under the Act absent compliance by the Companies with the Transfer Provisions.

Section 9.02. Relative Rights of County and Financing Entities as Secured Parties. The parties acknowledge the application of the provisions of Section 12-44-90 of the Act, and that the County's right to receive FILOT Payments hereunder shall be the same as its rights conferred under Title 12, Chapter 49 and 54, among others, of the Code relating to the collection and enforcement of *ad valorem* property taxes. The County's rights under this Agreement, except for its rights to receive FILOT Revenues, shall be subordinate to the rights of any secured party or parties under any financing arrangements undertaken by the Companies with respect to the Project pursuant to Section 9.01 hereof, such subordination to be effective without any additional action on the part of the County; provided, however, that the County hereby agrees, at the Companies' expense, to execute such agreements, documents, and instruments as may be reasonably required by such secured party or parties to effectuate or document such subordination.

## ARTICLE X

### TERM; TERMINATION

Section 10.01. Term. Unless sooner terminated pursuant to the terms and provisions herein contained, this Agreement shall be and remain in full force and effect for a term commencing on the date on which the Companies execute this Agreement, and ending at midnight on the last day of the property tax year in which the last Negotiated FILOT Payment is due hereunder. The Project has a term of twenty years, as calculated pursuant to the respective dates when the relevant portions of the Project are placed in service, and as discussed in greater detail in this Agreement. The County's rights to receive indemnification and payment of Administration Expenses pursuant hereto shall survive the expiration or termination of this Agreement.

Section 10.02. Termination. The County and the Companies may agree to terminate this Agreement at any time, or the Sponsor may, at its option, terminate this Agreement at any time upon providing the County 30 days' notice of such termination, in which event the Project shall be subject to *ad valorem* taxes from the date of termination. In the event that this Agreement is terminated by the operation of this Section 10.02 at any time during the initial Investment Period prior to the Companies' meeting the Project Commitment, amounts due

to the County as a result thereof, if any, shall be calculated as provided in Section 5.01(j) hereof. The County's rights to receive payment for such *ad valorem* taxes and its rights to enforce the terms of this Agreement shall survive termination of this Agreement.

## ARTICLE XI

### EVENTS OF DEFAULT AND REMEDIES

Section 11.01. Events of Default by Companies. (a) Any one or more of the following events (herein called an “Event of Default”, or collectively “Events of Default”) shall constitute an Event of Default by the Companies:

(1) if default shall be made in the due and punctual payment of any FILOT Payments, indemnification payments, or Administration Expenses, which default shall not have been cured within 30 days following receipt of written notice thereof from the County;

(2) if default shall be made by any Company in the due performance of or compliance with any of the terms hereof, including payment, other than those referred to in the foregoing paragraph (a), and such default shall continue for 90 days after the County shall have given the Companies written notice of such default, provided, such Company shall have such longer period of time as necessary to cure such default if such Company proceeds promptly to cure such default and thereafter to prosecute the curing of such default with due diligence; and provided further, that no Event of Default shall exist under this paragraph (b) during any period when there is pending, before any judicial or administrative tribunal having jurisdiction, any proceeding in which such Company has contested the occurrence of such default; or

(3) a cessation of operations at the Project.

(b) The failure of the Companies to meet any Project Commitment set forth herein shall not be deemed to be an Event of Default under this Agreement.

Section 11.02. Remedies on Event of Default by Company. Upon the occurrence of any Event of Default, the County may exercise any of the following remedies, any of which may be exercised at any time during the periods permitted under the following clauses:

(a) terminate this Agreement by delivery of written notice to the Companies not less than 30 days prior to the termination date specified therein;

(b) have access to and inspect, examine, and make copies of the books, records, and accounts of the Companies pursuant to Section 4.02(c); or

(c) take whatever action at law or in equity as may appear necessary or desirable to collect the amounts then due and thereafter to become due or to enforce observance or performance of any covenant, condition, or agreement of the Companies under this Agreement.

Section 11.03. Default by County. Upon the default of the County in the performance of any of its obligations hereunder, any Company may take whatever action at law or in equity as may appear necessary or desirable to enforce its rights under this Agreement, including without limitation, a suit for mandamus or specific performance. Provided, however, that anything herein to the contrary notwithstanding, any financial obligation the County may

incur hereunder, including for the payment of money, shall not be deemed to constitute a pecuniary liability or a debt or general obligation of the County.

## ARTICLE XII

### MISCELLANEOUS

Section 12.01. Rights and Remedies Cumulative. Each right, power, and remedy of the County or of the Companies provided for in this Agreement shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for in this Agreement or now or hereafter existing at law or in equity, in any jurisdiction where such rights, powers and remedies are sought to be enforced; and the exercise by the County or by the Companies of any one or more of the rights, powers or remedies provided for in this Agreement or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by the County or by the Companies of any or all such other rights, powers or remedies.

Section 12.02. Successors and Assigns. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns as permitted hereunder.

Section 12.03. Intentionally Omitted.

Section 12.04. Administration Expenses. (a) The Companies agree to reimburse the County from time to time for its Administration Expenses promptly upon written request therefore, but in no event later than thirty (30) days after receiving the written request from the County. The written request shall include a description of the nature of the Administration Expenses.

(b) The Companies agree to reimburse the County for expenses incurred by the County for accountants and similar experts used by the County in the computation, preparation and verification of the annual Fee Payments and any special source revenue credits, *provided, however*, the maximum annual reimbursement pursuant to this subsection is capped at Five Hundred and No/100 dollars (\$500.00).

Section 12.05. Rules of Construction. The County and the Companies acknowledge and agree that each has been represented by legal counsel of its choice throughout the negotiation and drafting of this Agreement, that each has participated in the drafting hereof and that this Agreement will not be construed in favor of or against either party solely on the basis of such party's drafting or participation in the drafting of any portion of this Agreement.

Section 12.06. Notices; Demands; Requests. All notices, demands and requests to be given or made hereunder to or by the County or the Companies shall be in writing and shall be deemed to be properly given or made if sent by United States first class mail, postage prepaid or via facsimile or other commonly-used electronic transmission or reputable courier service, addressed as follows or to such other persons and places as may be designated in writing by such party.

(a) As to the County:

County of Lancaster, South Carolina  
ATTN: Steve Willis, County Administrator  
101 N. Main St. (29720)  
P.O. Box 1809 (29721-1809)  
Lancaster, South Carolina  
Phone: (803) 416-9300  
Email: [swillis@lancastercountysc.net](mailto:swillis@lancastercountysc.net)

With a copy to (which shall not constitute notice):

Mr. Jamie Gilbert  
Economic Development Director, Lancaster County  
P.O. Box 1809  
Lancaster, South Carolina 29721  
Telephone: (803) 286-3633  
Fax: (803) 416-9497  
Email: [jgilbert@lancastercountysc.net](mailto:jgilbert@lancastercountysc.net)

(b) As to the Sponsor:

[PROJECT DON]  
ATTN: [NAME]  
[ADDRESS]  
[CITY], South Carolina [ZIP]  
Telephone: [NUMBER]  
Email: [ADDRESS]

With a copy, in each case, to (which shall not constitute notice):

George Pretty  
Parker Poe Adams & Bernstein LLP  
Three Wells Fargo Center  
401 South Tryon Street, Suite 3000  
Charlotte, North Carolina 28202  
Phone: (704) 335-9073  
Email: [georgepretty@parkerpoe.com](mailto:georgepretty@parkerpoe.com)

Section 12.07. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina.

Section 12.08. Entire Understanding. This Agreement expresses the entire understanding and all agreements of the parties hereto with each other, and neither party hereto has made or shall be bound by any agreement or any representation to the other party which is

not expressly set forth in this Agreement or in certificates delivered in connection with the execution and delivery hereof.

Section 12.09. Severability. In the event that any clause or provision of this Agreement shall be held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any of the remaining provisions hereof.

Section 12.10. Headings and Table of Contents; References. The headings of the Agreement and any Table of Contents annexed hereto are for convenience of reference only and shall not define or limit the provisions hereof or affect the meaning or interpretation hereof. All references in this Agreement to particular articles or Sections or paragraphs of this Agreement are references to the designated articles or Sections or paragraphs of this Agreement.

Section 12.11. Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original but all of which shall constitute one and the same instrument.

Section 12.12. Amendments. Subject to the limitations set forth in the Act, this Agreement may be amended, or the rights and interest of the parties hereunder surrendered, only by a writing signed by both parties.

Section 12.13. Waiver. Either party may waive compliance by the other party with any term or condition of this Agreement only in a writing signed by the waiving party.

Section 12.14. Force Majeure. The Companies shall not be responsible for any delays or non-performance caused in whole or in part, directly or indirectly, by strikes, accidents, freight embargoes, labor shortages, fire, floods, inability to obtain materials, conditions arising from government orders or regulations, war or national emergency, acts of God, and any other cause, similar or dissimilar, beyond the Companies' reasonable control.

***[SIGNATURE PAGE TO FOLLOW]***

IN WITNESS THEREOF, the County, acting by and through the County Council, has caused this Fee Agreement to be executed in its name and behalf by the Council Chair and Council Secretary and to be attested by the Clerk to Council; and the Companies have caused this Fee Agreement to be executed by its duly authorized officer, all as of the day and year first above written.

**LANCASTER COUNTY, SOUTH CAROLINA**

---

Steve Harper, Chair, County Council

---

Larry Honeycutt, Secretary, County Council

ATTEST:

---

Sherrie M. Simpson, Clerk to Council

[PROJECT DON]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT A**

All that piece or parcel of land lying in Lancaster County, South Carolina and shown as Tract C (9.625 Acres) on that certain Plat of Survey and Subdivision Plan for KCH Real Estate, LLC prepared by Enfinger & Associates, dated March 2, 2017 and recorded in Plat Book 2017 at Page \_\_\_\_\_.

**Portion of Parcel No. 0081-00-031.00**

LANCASTER COUNTY BOARDS & COMMISSIONS  
APPLICATION FOR SERVICE



Name Cathie Ghent Catoe County Council District \_\_\_\_\_

Mailing Address 3033 Stonebridge Lane City/Zip Lancaster, SC 29720

Street Address 3033 Stonebridge Lane, Lancaster, SC 29720 Registered Voter yes  no \_\_\_\_\_

Tel. Number (home) \_\_\_\_\_ (work) \_\_\_\_\_ (other) \_\_\_\_\_

Email: catoe4@comporium.net

Occupation Business/Financial Manager Place of employment SC Dept of Social Services - Lancaster

Address 1837 Pageland Hwy, Lancaster, SC 29720 Normal working hours 8:30-5:00  
*(most meetings are scheduled after 6:00 pm - lack of attendance can be reason for replacement on a commission)*

**Name of Board or Commission in which you are interested**

1st choice Historical Commission 2nd choice \_\_\_\_\_

3rd choice \_\_\_\_\_

**Reason for interest**

I am currently an Advisor on the Lancaster Historical Commission and have been asked to move up to a Commissioner

**Why do you feel you are qualified to serve on these boards? In addition, note education, areas of expertise, skills & interests. (continue on separate sheet if needed)**

I have been conducting family research for over 7 years now and have been with the Lancaster Historical Commission about 2 years. I feel I have provided useful research, assistance and knowledge for the Lancaster HC during this time and would like to offer more services in the future.

Do you presently serve any State, County or Municipal Boards? No If yes, list \_\_\_\_\_

Have you ever served on a county board? yes If yes, list Lancaster Historical Commission

**Additional pertinent information**

Applicant's signature Cathie Ghent Catoe Date 4-6-2017  
*Receipt of application does not guarantee an appointment. Applicants will be notified of appointments by mail.*

Return completed application to Sherrie Simpson, Lancaster County Council Office, P.O. Box 1809, Lancaster, SC 29721  
Form Revised 1-20-17

LANCASTER COUNTY BOARDS & COMMISSIONS

APPLICATION FOR SERVICE

Name SAM RIVARD County Council  
District #4

Mailing Address LANCASTER City/Zip 29720

Street Address 417 SOMERSET DR. Registered  
Voter yes  no

Tel. Number (home) \_\_\_\_\_ (work) \_\_\_\_\_

Email: Sam.Rivard@gmail.com

Occupation SELF EMPLOYED Place of employment Home

Address \_\_\_\_\_ Normal working hours \_\_\_\_\_

*(most meetings are scheduled after 6:00 pm - lack of attendance can be reason for replacement on a commission)*

Name of Board or Commission in which you are interested

1st choice Airport Commission 2nd choice \_\_\_\_\_

3rd choice \_\_\_\_\_

Reason for interest

CIVIC DUTY, LOVE OF AVIATION.

Why do you feel you are qualified to serve on these boards? In addition, note education, areas of expertise, skills & interests. (continue on separate sheet if needed)

Qualification: 20+ YEARS of BUSINESS EXPERIENCE, COLLEGE DEGREE.  
Expertise: PROBLEM SOLVING, PROJECT MANAGEMENT, SIGN MANUFACTURING.  
Skills: PILOT, CARPENTRY, GOLF AVIATIONS

Do you presently serve any State, County or Municipal Boards? NO If yes,  
list \_\_\_\_\_

Have you ever served on a county board? NO If yes,  
list \_\_\_\_\_

*Additional pertinent information*

Applicant's signature Sam Leland Date 4.14.2017

*Receipt of application does not guarantee an appointment. Applicants will be notified of appointments by mail.*

Return completed application to Sherrie Simpson, Lancaster County Council Office, P.O. Box 1809,  
Lancaster, SC 29721  
Form Revised 1-20-17

## Agenda Item Summary

Ordinance # / Resolution#:	Discussion Item
Contact Person / Sponsor:	Steve Willis
Department:	Admin
Date Requested to be on Agenda:	April 24, 2017 Council Meeting

**Issue for Consideration:**

The Catawba Regional Council of Governments has requested that we once again serve as the lead entity for the annual Council of Governments Planning Grant.

**Points to Consider:**

We have served in this capacity for many years.

**Funding and Liability Factors:**

We serve as the lead entity and there is no local funding match.

**Council Options:**

Approve the annual request or reject the request.

**Staff Recommendation:**

I recommend that we once again serve as the lead entity for the Council of Governments.

**Committee Recommendation:**

Recommend approval.

## Agenda Item Summary

Ordinance # / Resolution#:	Discussion/ Action Item
Contact Person / Sponsor:	Paul Moses
Department:	Airport
Date Requested to be on Agenda:	April 24, 2017

**Issue for Consideration:**

Amendment to Airport engineering contract for alternate design related to airport lighting.

**Points to Consider:**

The Airport Manager and Commission are recommending that additional lighting be designed for the heavy aircraft apron expansion. Concerns were raised that the existing lighting would be inadequate for the expanded apron.

Attached are the Change Order documents for review.

**Funding and Liability Factors:**

The total cost for the change order is \$23,592. Of this the FAA will pay 90%, the state 5%, and our local match of 5% comes to \$1,180.

Kim advises there will be no problem covering this amount in our grant match account (the overall project is an FAA grant).

**Council Options:**

Approve or reject the change order.

**Staff Recommendation:**

Approve the change order.

**Committee Recommendation:**

Recommended for approval by both the I&R Committee and the Airport Commission.

**LANCASTER COUNTY AIRPORT COMMISSION**

**Work Authorization for Professional Services**

SC1201-05  
\_\_\_\_\_  
(Project Identification No.)

Five (5) – Amendment #1  
\_\_\_\_\_  
(Work Authorization No.)

It is agreed to undertake the following work in accordance with the provisions of our Prime Agreement for Professional Services dated February 10, 2014.

**Description of Assignment:**

Amendment #1 to Task Order Number 5 will include lighting design services to address apron flood lighting. In addition, the amendment will include bidding phase services.

**Period of Services:**

Holt Consulting will provide design services in accordance with the attached Scope of Work, to be completed within 120 days from the Notice to Proceed.

**Basis of Compensation:**

The OWNER shall compensate the CONSULTANT for the Basic and Special Services, described herein, on a lump sum basis in the following amount: \$23,592.00, as shown in Attachment B, Fee Breakdown.

Agreed as to the scope of services, period of services, and budget\*:

**LANCASTER COUNTY  
AIRPORT COMMISSION**

**HOLT CONSULTING COMPANY, LLC**

BY: \_\_\_\_\_

BY: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

\*Budget will not be exceeded without a Supplemental Work Authorization.

Attachments: Attachment A – Scope of Work  
Attachment B – Fee Breakdown

## Attachment A

### Lancaster County Airport Aircraft Apron Expansion

#### Scope of Services – Amendment #1 to Task Order No. 5

##### ***Project Description***

The Lancaster County Airport intends to construct a new apron expansion located just north of the aircraft terminal that would accommodate heavier GA aircraft parking. The apron expansion will be approximately 220' wide x 240' long (Base Bid) and 220' wide x 400' long (Base Bid and Additive Bid) to allow parking and maneuvering of several large aircraft at a time. Design and permitting phase services of the apron expansion were included in Task Order Number 5.

During a review meeting, the Airport Manager raised concerns with the adequacy of existing flood lighting. Since the apron is expanding, there is not sufficient lighting for parked aircraft that will be using the new apron. Amendment #1 to Task Order Number 5 will include lighting design services to address the apron flood lighting. In addition, the amendment will include bidding phase services for the project since it is anticipated that funds will be available for construction.

The project will include the following Civil Engineering Services:

##### General

- Project Management
- Client Meetings and Correspondence
- Quality Control

##### Design

- Lighting Design
  - Exterior Apron Floodlighting
  - Photometric calculations
  - Lighting controls for energy-efficient use of lighting

##### Documentation

- Drawings
- Specifications
- Engineer's Cost Estimate
- Engineer's Report

This scope does not include:

- Utility Design (beyond the lighting design specified herein)
- Construction Phase Services

## Attachment A

### ***Other Provisions***

- The Airport will provide Holt Consulting and the sub-consultants access to the site and all available information pertinent to this project. This includes access to as-built drawings, and documents on existing conditions within the project limits.
- The Airport may negotiate additional contract(s) with Holt Consulting for services beyond the scope of this project.

### ***Bidding***

Holt Consulting will assist the Airport with bidding services. The bidding services are based on a standard 30 day bid period.

### ***Schedule***

Estimated Notice-To-Proceed Date: April, 2017

The total duration for additional lighting design and bidding is 120 days.

**ATTACHMENT B  
FEE BREAKDOWN  
LANCASTER COUNTY AIRPORT COMMISSION  
LANCASTER COUNTY AIRPORT  
AIRCRAFT APRON EXPANSION  
DESIGN AND PERMITTING  
AMENDMENT #1 TO TASK ORDER NO. 5**

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<b>TASK</b>	<b>COST</b>
<b>Basic Services</b>	
Apron Lighting Design	\$11,987.73
<b>Special Services</b>	
Bidding Phase Services	\$11,604.27
<hr/>	
<b>Total Amendment #1 to Task Order No. 5 Amount</b>	<b><u>\$23,592.00</u></b>

*Note: A total of \$8,576.00 of Amendment #1 to Task Order No. 5 is for Certified DBE subconsultants, resulting in a 36.35% DBE percentage.*

## Agenda Item Summary

Ordinance # / Resolution#: Discussion Item  
Contact Person / Sponsor: Steve Willis  
Department: Admin  
Date Requested to be on Agenda: April 24, 2017

**Issue for Consideration:**

Amending the way we display County Ordinary tax millage on the property tax bills.

**Points to Consider:**

We currently pay for unfunded state mandates within our County Ordinary tax millage. I propose we break this out to clearly display what the unfunded state mandates cost us. This would be a change in the display and NOT an increase in tax millage above the capped limitation.

We are currently shorted \$1.2 million in the Local Government Fund. That will worsen by just under \$150,000 in this year's state budget. This alone is just over 4 mils at the current millage rate.

The amount we will pay in additional Retirement System payments, not total Retirement System payments, will exceed \$2 million by the end of the 5 year phase in period. Obviously that number will fluctuate depending upon future staffing levels and salary changes. At the current mil value this would work out to somewhere between 8 to 10 mils but could go higher.

The citizens need to see just how much of their county tax millage is going towards paying unfunded state mandates. I would propose this be limited to unfunded mandates and should the Local Government Fund be restored in future years we would deduct such from this displayed millage.

We are still bound by the state tax caps. In calculating the annual limitation we must insure we combine the County Ordinary and Unfunded State Mandate millages to avoid exceeding our limitations. As always, the unfunded mandates impact how much you can do for the Sheriff, EMS, Parks and Recreation, etc.

County Auditor Cheryl Morgan advises we have space on the bills to do this.

**Funding and Liability Factors:**

N/A

**Council Options:**

Accept or reject the Committee's recommendation. If approved staff will coordinate this with the Auditor's Office.

**Staff Recommendation:**

Amend the millage display to clearly show what the Unfunded State Mandates cost our citizens.

**Committee Recommendation:**

Recommend approval.

Attached is my property tax bill from last year.

For the purpose of this example the following assumptions are made:

The unfunded mandate is the shortage in the Local Government Fund is \$1,200,000. It is not an exactly even number in real life and for the coming year the shortage in the Local Government Fund will likely exceed this amount.

Last years mil value was just under \$300,000 but for ease in calculation we will assume it was exactly \$300,000.

A \$1.2 million unfunded mandate with a mil value of \$300,000 equals a shortfall of 4 tax mils.

If this change is approved the following lines would change:

The Line marked as **COUNTY** would decrease from \$629.14 (83 mils) to \$598.82 (79 mils)

There would be a new line named **UNFUNDED STATE MANDATES** that would have a value of \$30.32 (4 mils).

Over time as we have further LGF cuts and new mandates such as the greatly increased retirement system costs this line would grow significantly.

**LANCASTER COUNTY S.C.**  
**PROPERTY TAX NOTICE - TAX YEAR 2016**

LANCASTER COUNTY

**CARRIE W. HELMS**  
 COUNTY TREASURER  
 P.O. BOX 729  
 LANCASTER, S.C. 29721

RECEIPT # 045163-16-3	TAX DISTRICT	ASSESSMENT VALUE	TAX LEVY	PROPERTY TAX
LANCASTER COUNTY	01	7,580	489.40	3709.65
	COUNTY	CITY	TOTAL	
PROPERTY TAX	2,372.54	1,337.11	3,709.65	
LESS HOMESTEAD EXEMPTION			0.00	
LESS SCHOOL TAX CREDIT	1,133.21		1,133.21	
LESS L.O.S.T.	132.27	758.00	890.27	
PLUS FIRE FEE			0.00	
PLUS ASSESSMENT FEES			0.00	
NET AMOUNT DUE	1,107.06			
<b>PAY THIS AMOUNT BY: 01/17/2017 ==&gt;</b>				<b>1,686.17</b>

NAME WILLIS JOHN STEPHEN & LISA PAR
RECEIPT # 045163-16-3
TAX MAP # 0067N-0C-019.00
PROPERTY DESCRIPTION
522 BRIARWOOD DR DB 381 23
Taxable Appraisal Prior Year Taxes:
<b>GROSS TAXES DUE:</b> 3,709.65 LESS HOMESTEAD EXEMPTION 0.00 LESS SCHOOL TAX CREDIT 1,133.21 LESS L.O.S.T. 890.27 PLUS FEES 0.00
<b>PAY THIS AMOUNT BY 01/17/2017 1,686.17</b>

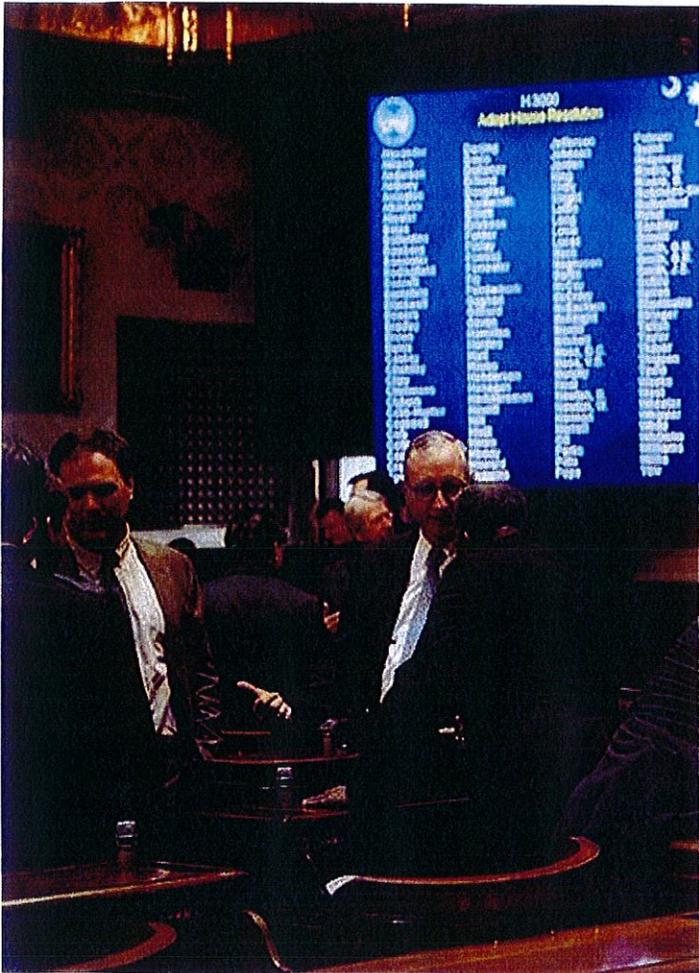
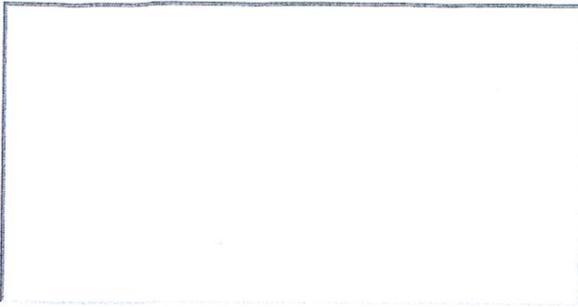
APPROVED BY BOARD OF EDUCATION	LEVY MILLS	TAX	PERSONAL PROPERTY			
SCHOOL		1,648.65				
APPROVED BY COUNTY COUNCIL	LEVY MILLS	TAX	APPRaisal			
COUNTY USC-LANCASTER CAPITAL IMPROVEMENT COURT SECURITY FIRE FEE ASSESSMENT FEES		629.14 32.59 34.87 27.29				
APPROVED BY CITY COUNCIL	LEVY MILLS	TAX	RATIO			
MUNICIPAL TAX			7,580			
ASSESSED VALUE						
7,580						
DESCRIPTION OF REAL OR PERSONAL PROPERTY						
522 BRIARWOOD DR DB 381 23 0067N-0C-019.00						
CLASS	ACRES/LOTS	LAND APPRAISAL	# BLDGS	BLDGS APPRAISAL	RATIO	ASSESSED VALUE
R	0/1	30800	1	158700		7580

PENALTY AMOUNTS DUE AFTER JANUARY 17, 2017	
After JANUARY 17,2017 Plus 3%	0.00
After FEBRUARY 1,2017 Plus 10%	0.00
After MARCH 16,2017 Plus 15%	0.00

15% Penalty added after March 16th to unpaid taxes (including Fire Fees) will be forwarded to the Delinquent Tax Collector and will be subject to additional penalties and costs. Contact the Delinquent Tax Collector's Office for current tax amounts due before paying.

- Please check here if you would like a receipt mailed. Receipts are available on our website [www.mylancastersctax.org](http://www.mylancastersctax.org)
- Check here if a change of address is being returned

CURRENT NAME AND ADDRESS WILLIS JOHN STEPHEN & LISA PAR  522 BRIARWOOD RD  LANCASTER SC, 29720	NOTICE # 045163-16-3	ADDRESS CHANGE (RETURN THIS PORTION ONLY IF CHANGING ADDRESS)
	TAX MAP # 0067N-0C-019.00	ADDRESS _____ CITY _____ STATE _____ ZIP _____ _ HOME ADDRESS _ MAILING ADDRESS _ BOTH



SC House members await the start of the day's session.  
Tim Dominick - tdominick@thestate.com

CINDI ROSS SCOPPE

MARCH 18, 2017 5:47 PM

# How our deadbeat

# Legislature is shorting cities and counties — again

CINDI ROSS

SCOPPE

*Associate Editor*

COLUMBIA, SC — TWO EXTRAORDINARY things happened in the House the other day: Representatives rejected an opportunity to take a slap at the environment, and even more surprisingly, they rejected an opportunity to take yet another slap at local governments.

The vehicle they chose not to board for both trips was H. 3529, which would have banned cities and counties from banning plastic bags, which coastal communities are doing because of the devastating damage the bags can do to sea creatures that swallow them. If you haven't seen any pictures, you should. Or maybe you shouldn't; it's pretty gruesome.



Cindi Ross Scoppe

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## **Effort to prevent plastic bag bans crashes in Legislature**

**This business-friendly bill is friendly to some businesses — but not most**

**SC towns, counties and schools to pay for shoring up pensions**

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For cities and counties, this was a significant win — which is defined in the State House as the absence of a loss. And it came just one week after House Labor, Commerce and Industry Chairman Bill Sandifer was forced to at least temporarily back away from his business license bill that, among other things, would force cities and counties to give 25 percent discounts to out-of-state businesses. Seriously.

But that doesn't mean the environment has turned friendly for local governments. Rep. Cezar McKnight summed up the general attitude with a tongue-in-cheek amendment to the plastic bag bill. "Notwithstanding another provision of law," he proposed to write into state law, "no county, municipality, or other local government may enact any ordinance, regulation, or other law." About *anything*.

Thank goodness the amendment was ruled out of order. It might have passed.

You can sometimes make a legitimate case for insisting on a statewide policy instead of letting cities and counties create a patchwork of contradictory laws. We wouldn't let them write

their own open-records laws or ethics laws, for instance; those do need to be one-size-fits-all, or at least adhere to a minimum statewide standard. The legitimacy of other one-size mandates can be less clear.

But here's one thing that is clearly not legitimate: ordering cities and counties to perform services for the state, but refusing to pay for that work. The standard word for people who do that sort of thing is deadbeat.

It's bad enough to short state agencies. Recall when the Legislature kept forcing the Corrections Department to lock up more prisoners for longer periods yet refused to allocate more money for the additional guards who were needed (but could not be hired) to keep the prisons safe. Or when the Legislature refused to provide enough money for the Medicaid agency to provide the services it was required by federal and state law to provide — and also prohibited it from implementing cost-savings measures. While those are irresponsible policy choices, they are clearly choices the Legislature has a legitimate right to make.

But cities and counties are run by elected officials, many of whom represent more people than House members do. And under our state constitution, they are responsible for running city and county governments.

State law requires cities and counties to provide such state services as running election and voter registration offices and jails and providing security at the courthouse and indigent defense for people charged with state crimes. State law also requires the Legislature to provide cities

and counties with an amount of money equal to 4.5 percent of the previous year's state budget. That's supposed to pay for providing those services.

That means they should be getting \$313 million this year, but they're only getting \$223 million. That's just 71 percent of what the law requires and the lowest portion the Legislature has provided since ... ever. It's a smaller percent than the Legislature provided at the depths of the recession.

That will change next year if the House gets its way. Under the budget the House passed this week, local governments would receive ... less. Not just less as a portion of the legal mandate: 65 percent. Less in total dollars: just \$213 million.

Some legislators apparently think it's OK to reduce the Local Government Fund because they're picking up part of the cost cities and counties otherwise would have to pay to shore up the State Retirement System. But it was legislators' decision to make government agencies pick up more of the cost for the fix rather than splitting it evenly with employees — perhaps a legitimate decision, but one cities and counties had no say about, even though they employ a quarter of those employees.

Further reducing reimbursements to local governments would be bad enough if our deadbeat Legislature allowed the duly elected representatives of cities and counties to levy taxes as they and their constituents saw fit. But as you might have guessed from the Sandifer tax-breaks-for-Wal-Mart bill, it doesn't.

Beyond mandating tax give-aways, the Legislature limits both the type of taxes local governments can collect and how much they can increase them. So it's often illegal for local officials to raise taxes enough to make up for the money the Legislature is required but refuses to provide them. So they have to reduce services.

Returning the power of fiscal autonomy to cities and counties wouldn't excuse the Legislature's refusal to pay its bills. But at least it would give our local officials the option of providing the level of service that the people who live in the cities and counties are willing to pay for.

*Ms. Scoppe writes editorials and columns for The State. Reach her at [cscoppe@thestate.com](mailto:cscoppe@thestate.com) or (803) 771-8571 or follow her on Twitter or like her on Facebook @CindiScoppe.*

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**SUGGESTED  
FOR YOU**

**COMMENTS**

## Agenda Item Summary

Ordinance # / Resolution#: Discussion Item  
Contact Person / Sponsor: Jeff Catoe/ Steve Willis  
Department: Public Services/ Administration  
Date Requested to be on Agenda: April 24, 2017

**Issue for Consideration:**

Fleet Operations building.

**Points to Consider:**

After reviewing several different design concepts, the I&R Committee is now ready to present for Council discussion the following design:

A standalone facility with adequate space for work on fire apparatus in addition to our motor vehicle fleet and heavy equipment.

Attached are schematic drawings (both base and expanded for fire apparatus work, as well as cost estimate materials.

We need to note that the price includes some site work that would be done regardless of locations, such as concrete apron work around the building, but does not include a price for land acquisition if applicable or grading.

We propose to utilize existing county property so there would be no cost for that and to the maximum extent possible we would utilize Public Works forces to perform the grading. As we saw with the Indian Land Recycling facility, the cost savings could be several hundred thousand dollars.

**Funding and Liability Factors:**

The cost estimates are attached and of course vary depending upon the option selected. I think everyone agrees that given the deplorable condition of our current facility we are to the point of discussing which option to pursue, not whether or not to proceed.

**Council Options:**

This is for discussion on building options at this point. Once that is determined staff would develop financial options for Council's consideration.

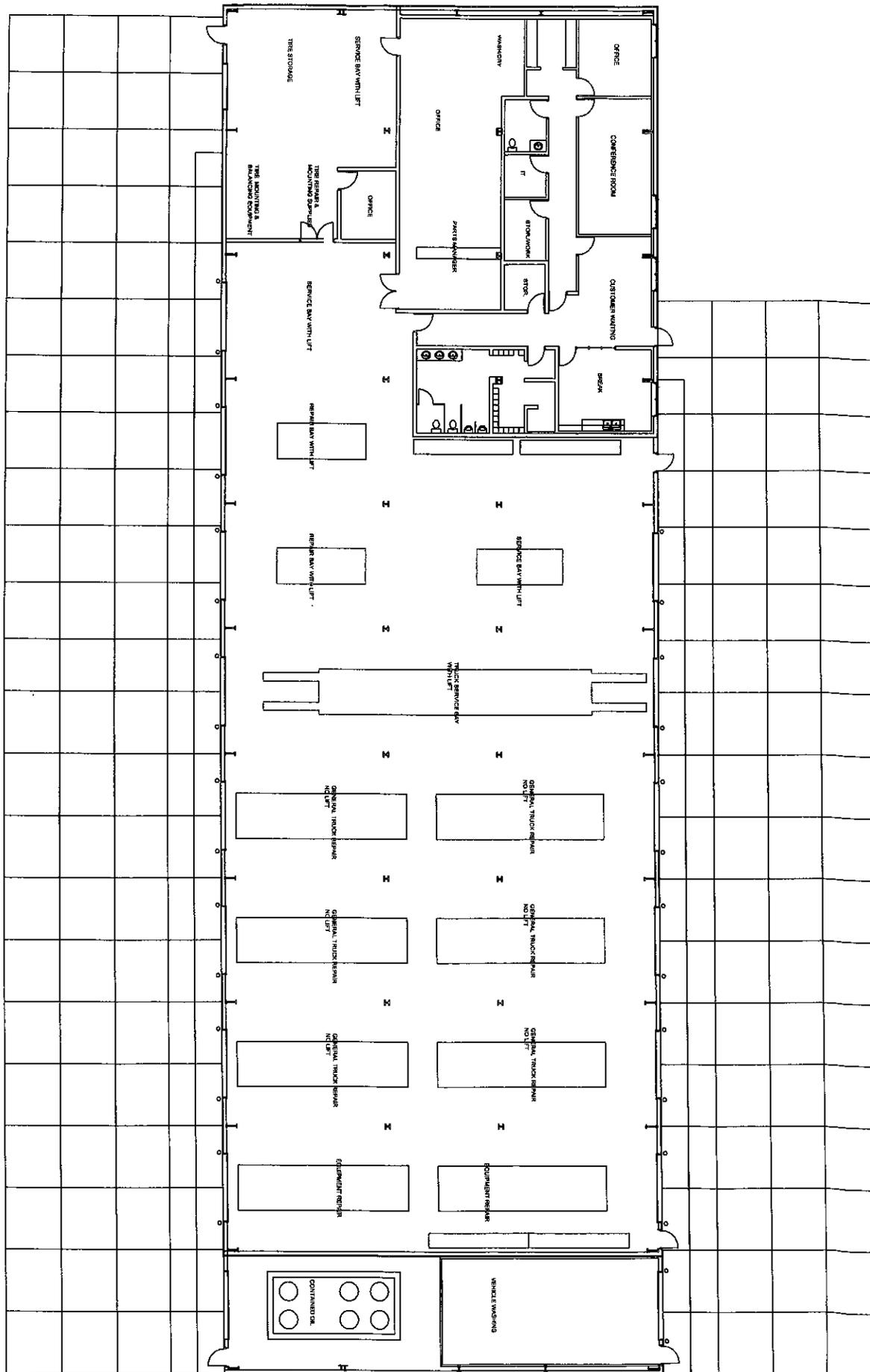
**Staff Recommendation:**

Approve the desired building layout so that financial options could be developed. We would revisit the future use of the existing facility (renovation for Building Maintenance) with I&R as part of this process.

**Committee Recommendation:**

I&R is forwarding this to full Council for discussion on the desired building option.





Comparison Report  
LC Vehicle Maint Facility



Item	Description	Takeoff Qty		LC Vehicle		LC Vehicle		Total	
		LC Vehicle Maint Facility 03312017	LC Vehicle Maint Facility 03312017	LC Vehicle Maint Facility 02222017	LC Vehicle Maint Facility 02222017	LC Vehicle Maint Facility 03312017	LC Vehicle Maint Facility 03312017		
<b>GENERAL REQUIREMENTS</b>									
1000.000	80 Final Cleanup (Sub)	16,065.00	SF	23,704.00	SF	1,671	2,250	2,465	
	100 Dumpster	18.00	ea	18.00	ea	6,552	6,552	6,552	
	10 Engineer and/or Architect Fee	1.00	ls	1.00	ls	156,000	156,000	156,000	
	10 Superintendent	39.00	wk	39.00	wk	64,896	64,896	64,896	
	20 Asst. Superintendent	16.00	wk	16.00	wk	3,120	3,120	3,120	
	40 Project Manager	16.00	wk	16.00	wk	24,960	24,960	24,960	
	5 Chapter 17 Special Inspections	1.00	LS	1.00	LS	15,600	15,600	15,600	
	10 Temp Electricity	9.00	mo	9.00	mo	2,808	2,808	2,808	
	40 Temp Phone	9.00	mo	9.00	mo	1,404	1,404	1,404	
	60 Temp Water	9.00	mo	9.00	mo	468	468	468	
	80 Temp Toilet	9.00	mo	9.00	mo	2,434	2,434	2,434	
	10 Tool Trailers	9.00	mo	9.00	mo	1,217	1,217	1,217	
	10 Cups & Ice	9.00	mo	9.00	mo	328	328	328	
	30 Job Photographs	9.00	mo	9.00	mo	1,170	1,170	1,170	
	40 Blue Prints	6.00	SET	6.00	SET	1,872	1,872	1,872	
	1 Office Trailer	9.00	LS	9.00	LS	2,808	2,808	2,808	
	9 Procure Project Management	9.00	ea	9.00	ea	338	338	338	
	10 Job Sign	1.00	ea	1.00	ea	16,380	16,380	16,380	
	10 Tools & Equipment	9.00	mo	9.00	mo	1,872	1,872	1,872	
	50 Oil & Gas	9.00	mo	9.00	mo	234	234	234	
	30 First Aid Equip	9.00	mo	9.00	mo	1,217	1,217	1,217	
	10 Field Office Power Charges	9.00	mo	9.00	mo	7,800	7,800	7,800	
	20 Final HVAC	3.00	mo	3.00	mo	1,872	1,872	1,872	
	6 Xerox machine	9.00	mo	9.00	mo	2,808	2,808	2,808	
	2 Printing Cost	9.00	mo	9.00	mo	1,872	1,872	1,872	
	20 Field Office Supplies	9.00	mo	9.00	mo	2,808	2,808	2,808	
	1 Postage and Shipping	9.00	mo	9.00	mo	1,872	1,872	1,872	
	80 Holding Tank	9.00	mo	9.00	mo	2,340	2,340	2,340	
	80 Daily Cleanup	39.00	wk	39.00	wk	749	749	749	
	20 Drug Testing	18.00	ea	18.00	ea	12,979	12,979	12,979	
	10 Permit	1.00	ls	1.00	ls	936	936	936	
	40 Mobile Phone - Supervision	9.00	mo	9.00	mo	5,200	5,200	5,200	
	40 Mobile Phone - PM	4.00	mo	4.00	mo	1,123	1,123	1,123	
	40 Field Phone/Computer Setup	1.00	ea	1.00	ea	270	270	270	
	10 Set Up/Demobilize Field Operations	1.00	ea	1.00	ea	520	520	520	
						1,560	1,560	1,560	
						<b>350,785</b>	<b>353,364</b>	<b>350,990</b>	
<b>GENERAL REQUIREMENTS</b>									
2000.000	30 Fine Grade Building Pad	3,010.00	SY	3,010.00	SY	2,817	2,817	2,817	
	30 Fine Grade Walks, Drive & Apron Substone	2,194.00	SY	2,194.00	SY	9,127	9,127	9,127	
	140 Site Water Piping	200.00	LF	200.00	LF	10,400	10,400	10,400	
	90 Domestic and Fire Services	1.00	ls	1.00	ls	5,720	5,720	5,720	
	90 Backflow Preventer in Hot Box	1.00	ls	1.00	ls	17,680	17,680	17,680	
	90 Tapping Sleeve & Valve	1.00	ls	1.00	ls	4,680	4,680	4,680	
	80 FDC & Piping	1.00	ls	1.00	ls	3,120	3,120	3,120	
	100 Fire Hydrant	1.00	LS	1.00	LS	4,326	4,326	4,326	
	160 Site Sanitary Sewer Piping	200.00	lf	200.00	lf	12,668	12,668	12,668	
	90 Sanitary Sewer Service	1.00	ls	1.00	ls	1,560	1,560	1,560	
	30 Heavy Duty Concrete Paving	18,000.00	SF	23,280.00	SF	140,400	160,992	181,584	
	90 Pavement Markings & Signage Allowance	1,750.00	SF	1,750.00	SF	4,098	4,098	4,098	
	130 Concrete Sidewalks	16,065.00	SF	18,938.00	SF	63,370	63,370	63,370	
	20 Gravel At Slab	201.50	CY	327.31	CY	69,035	69,035	79,491	
	20 Fine Grade Walks & Drives	6,000.00	SF	4,766.00	SF	1,263	2,052	2,352	
						5,200	3,429	4,131	

**Comparison Report**  
LC Vehicle Maint Facility



Item	Description	Takeoff Qty		Total Amount	
		LC Vehicle Maint Facility 03312017	LC Vehicle Maint Facility 03312017	LC Vehicle Maint Facility 02222017	LC Vehicle Maint Facility 03312017
<b>30000.000</b>	<b>SITWORK</b>			<b>292,485</b>	<b>310,411</b>
	<b>CONCRETE</b>				<b>350,144</b>
c 30	Wall Conc 3000 psi	45.60 cy	45.60 cy	3,116	3,116
	20 Strip/Oil Forms-Walls	2,400.00 sf	2,400.00 sf	984	984
	220 Rub. Cut. & Patch	2,400.00 sf	2,400.00 sf	18,918	18,918
	10 Keyway Not @ Footing	150.00 lf	150.00 lf	12	12
	12 Pour Strip (1x1)	150.00 lf	150.00 lf	29	29
	10 Snaptie 12 in.	456.00 ea	456.00 ea	18	18
	10 Waterstop - Rubber	150.00 lf	150.00 lf	237	237
	S.O.G. Conc-4000 psi	297.50 cy	297.50 cy	125	125
w 30	Wiremesh 6x6 10/10	17,671.50 sf	17,671.50 sf	29,919	29,919
	10 Screeds	16,065.00 sf	16,065.00 sf	925	1,060
	10 CS 309 Curing Compound	17,675.00 sf	17,675.00 sf	210	231
	10 Trowel Finish	16,065.00 sf	17,675.00 sf	210	265
	10 EdgeForm (Any Depth, LF)	655.50 lf	655.50 lf	105	132
	50 Strip/Oil Forms-EdgeForms	655.50 sf	655.50 sf	334	357
's 30	Walk Conc 3000 psi	148.15 cy	48.84 cy	6,420	6,868
SW300	WWMA Sheets 6x6 10/10	6,600.00 sf	4,766.00 sf	6,081	7,302
	10 Screeds	6,600.00 sf	3,956.00 sf	504	364
	10 CS 309 Curing Compound	6,600.00 sf	3,956.00 sf	126	76
	20 BroerFlat Finish	6,600.00 sf	4,766.00 sf	126	91
	80 EdgeForm 2x8 Random Length	460.00 lf	460.00 lf	63	46
	50 Strip/Oil Forms-EdgeForms	460.00 sf	460.00 sf	211	211
	<b>CONCRETE</b>			<b>6,586</b>	<b>6,586</b>
				<b>84,834</b>	<b>74,960</b>
<b>50000.000</b>	<b>METALS</b>				
	10 Steel Stairs	1.00 ls	2.00 ls	15,600	31,200
	90 Stair Railing	100.00 lf	100.00 lf	5,200	5,200
	10 Bollards	26.00 ea	32.00 ea	10,192	11,648
	5 Structural Framing	6,000.00 sf	3,956.00 sf	224,640	146,113
	<b>METALS</b>			<b>255,632</b>	<b>196,161</b>
					<b>226,487</b>
<b>60000.000</b>	<b>WOOD &amp; PLASTICS</b>				
	10 Wood Blocking	60.00 bf	60.00 bf	171	171
	10 Millwork	150.00 lf	150.00 lf	58,500	58,500
	<b>WOOD &amp; PLASTICS</b>			<b>58,671</b>	<b>58,671</b>
<b>70000.000</b>	<b>THERMAL &amp; MOISTURE PROT</b>				
	30 Moistop Vapor Barrier	18,866.25 sf	17,675.00 sf	551	577
	80 Gutter & Downspouts	400.00 lf	440.00 lf	4,992	5,491
	80 Caulk & Sealants	38,000.00 sf	17,675.00 sf	2,506	2,954
	40 Insulation		40,400.00 sf	26,874	28,888
	<b>THERMAL &amp; MOISTURE PROT</b>			<b>34,922</b>	<b>37,396</b>
<b>80000.000</b>	<b>DOORS &amp; WINDOWS</b>				
	40 Doors/Frames/Hardware Allowance	23.00 ea	23.00 ea	31,096	31,096
	20 Aluminum Windows	1,440.00 sf	1,440.00 sf	50,170	50,170
	20 Pricorak LS 10' Units	18.00 ea	20.00 ea	26,208	29,120
	<b>DOORS &amp; WINDOWS</b>			<b>107,474</b>	<b>110,366</b>
<b>90000.000</b>	<b>FINISHES</b>				
	20 Drywall	9,000.00 sf	16,304.00 sf	46,800	84,781
					70,652

Comparison Report  
LC Vehicle Maint Facility



Item	Description	Takeoff QTY		Amount		Total	
		LC Vehicle Maint Facility 03222017	LC Vehicle Maint Facility 03312017	LC Vehicle Maint Facility 02222017	LC Vehicle Maint Facility 03292017	LC Vehicle Maint Facility 03312017	LC Vehicle Maint Facility 03312017
<b>90000.000</b>	<b>FINISHES</b>						
2	Perception 2x2 ACT	2,750.00 SF	3,861.00 SF	7,150	7,150	9,519	
80	Resilient Flooring	2,750.00 sf	2,750.00 sf	5,720	5,720	5,720	
90	Carpet	175.00 sy	175.00 sy	5,005	5,005	5,005	
100	Seal Concrete Floor	16,065.00 sf	18,938.00 sf	10,025	11,028	11,817	
100	Painting	4,650.00 sf	4,650.00 sf	12,090	12,090	12,090	
100	Painting Metal	1.00 ls	1.00 ls	5,200	7,800	7,800	
	<b>FINISHES</b>			<b>91,990</b>	<b>133,575</b>	<b>122,603</b>	
<b>100000.000</b>	<b>SPECIALTIES</b>						
20	Toilet Accessories-Lab/Water	3.00 set	3.00 set	1,404	1,404	1,404	
	<b>SPECIALTIES</b>			<b>1,404</b>	<b>1,404</b>	<b>1,404</b>	
<b>110000.000</b>	<b>EQUIPMENT</b>						
60	Colling Overhead Door	13.00 ea	17.00 ea	26,364	30,420	34,476	
70	Equipment Lift - Light Duty	2.00 ea	2.00 ea	20,800	20,800	20,800	
90	Relocate Existing Lift	2.00 ea	2.00 ea	20,800	20,800	20,800	
100	Overhead Crane	1.00 ls	1.00 ls	141,440	141,440	141,440	
	<b>EQUIPMENT</b>			<b>209,404</b>	<b>213,460</b>	<b>217,516</b>	
<b>120000.000</b>	<b>FURNISHINGS</b>						
10	Window Covering - In Office	9.00 ea	9.00 ea	1,638	1,638	1,638	
	<b>FURNISHINGS</b>			<b>1,638</b>	<b>1,638</b>	<b>1,638</b>	
<b>130000.000</b>	<b>SPECIAL CONSTRUCTION</b>						
20	Metal Building Sub	16,065.00 sf	18,938.00 sf	278,182	306,060	327,930	
	<b>SPECIAL CONSTRUCTION</b>			<b>278,182</b>	<b>306,060</b>	<b>327,930</b>	
<b>140000.000</b>	<b>CONVEYING SYSTEMS</b>						
50	Elevator Hydraulic	1.00 ea	1.00 ea		130,000		
	<b>CONVEYING SYSTEMS</b>				<b>130,000</b>		
<b>150000.000</b>	<b>MECHANICAL</b>						
10	Plumbing (Lump Sum)	1.00 ls	1.00 ls	31,200	31,200	31,200	
11	HVAC (Soft)	16,065.00 sf	18,938.00 sf	91,892	101,101	108,325	
310	Fire Protection Piping	16,065.00 sf	18,938.00 sf	22,555	24,816	26,589	
10	Fire Pump Allowance	1.00 ls	1.00 ls	46,800	46,800	46,800	
	<b>MECHANICAL</b>			<b>192,447</b>	<b>203,917</b>	<b>212,914</b>	
<b>160000.000</b>	<b>ELECTRICAL</b>						
11	Electrical (Soft)	16,065.00 sf	18,938.00 sf	167,076	183,820	196,955	
210	Generators	1.00 ea	1.00 ea	156,000	156,000	156,000	
	<b>ELECTRICAL</b>			<b>323,076</b>	<b>339,820</b>	<b>352,955</b>	
	<b>Total</b>			<b>2,282,344</b>	<b>2,479,224</b>	<b>2,451,264</b>	



## Agenda Item Summary

Ordinance # / Resolution#:	Information Item
Contact Person / Sponsor:	Hal Hiott
Department:	Parks and Recreation
Date Requested to be on Agenda:	April 24, 2017

**Issue for Consideration:**

Amendment to plans for improvements to Kershaw parks.

**Points to Consider:**

Due to septic tank concerns the Parks and Recreation Commission and staff have amended the plans for improvements in the Kershaw area. Restroom facilities will be dropped, in favor of using portable toilets (an operational expense, not a capital expense).

In lieu of the restroom facilities, a playground, similar to Springdale but on a smaller scale due to pricing, is proposed for the Kershaw Recreational Complex.

A copy of the new project list, as voted on by the Commission, is attached as information.

\*Note – the fencing and dugout work at Boan Field was already approved by County Council and that work has been completed.

**Funding and Liability Factors:**

No change in the bottom line budget.

**Council Options:**

This will be in the annual budget ordinance for Council consideration.

**Staff Recommendation:**

At this point this is just information but we did want to make Council aware of this.

**Committee Recommendation:**

Sent as information from the I&R Committee.

**Kershaw Upgrades list**

**Approved by the Recreation Commission on 3/14/17**

**Total funds available from sale of Property \$50,425.00**

**SDPRT approved the sale as long as funds were used for improvements in the Kershaw area because of grant funds from SDPRT that were used in purchase of the property.**

<b>Projects approved by Commission</b>	<b>Real Cost</b>
<b>New fence and dugouts at Boan Baseball/softball field (older field)</b>	<b>\$11,200</b>
<b>Fence along trailer Park at Mullinax soccer field</b>	<b>\$ 5,900</b>
<b>Irrigation at Mullinax soccer field</b>	<b>\$ 7,500</b>
<b>Playground at AJ Recreation Complex</b>	<b>\$25,825</b>
<b>Total</b>	<b>\$50,425</b>

## Agenda Item Summary

Ordinance # / Resolution#: Information at this time – Ordinance in May  
Contact Person / Sponsor: Steve Willis  
Department: Administration  
Date Requested to be on Agenda: April 24, 2017 as Information

**Issue for Consideration:**

Updated Capital Improvement Plan

**Points to Consider:**

This is the same CIP as presented in 2016; however, it has been modified so that only items above \$100,000 are included. This was pursuant to the revised capitalization threshold Ordinance as adopted by County Council.

In the past we have adopted an updated CIP once every five years. Our plan moving forward is to update the CIP annually as part of the overall budget process.

As always, this document in no way authorizes any funding for any item. Only the annual budget ordinance can do that. This document is for planning purposes only.

**Funding and Liability Factors:**

None – no funding is authorized.

**Council Options:**

When presented in Ordinance form Council may approve, amend, or deny the CIP.

**Staff Recommendation:**

Approve.

**Committee Recommendation:**

This is coming to Council for review since we have new members. It was reviewed by our Admin Committee last year but I wanted to make sure that everyone had an opportunity to review it prior to it coming to Council on first reading.



# CAPITAL IMPROVEMENTS PROGRAM 2017 – 2026

Recommended for Approval by the  
Lancaster County Planning Commission  
October 18, 2016

Adopted by the  
Lancaster County Council  
**INSERT DATE HERE**

**THIS DOCUMENT IS FOR PLANNING PURPOSES ONLY.  
NO FUNDING AUTHORIZATION IS APPROVED BY THE ADOPTION OF THIS DOCUMENT.**

# ACKNOWLEDGEMENTS

## County Administration & Agency Heads

Steve Willis, County Administrator

Paul Moses, Airport Manager

Brad Carnes, Assessor

Clay Catoe, Emergency Medical Service

Veronica Thompson, Finance

Darren Player, Fire Service / Emergency Management

Rita Vogel, Library

Jeff Catoe, Public Works

Hal Hiott, Parks & Recreation

Barry Faile, Sheriff

## Technical assistance provided by:

Robby Moody, AICP, Senior Planner



## County Council

Terry Graham, District 1

Charlene McGriff, District 2, Vice Chairwoman

Billy Mosteller, District 3

Larry Honeycutt, District 4, Secretary

Steve Harper, District 5, Chairman

Jack Estridge, District 6

Brian Carnes, District 7

## Planning Commission

Rosa Sansbury, District 1

Vedia Hatfield, District 2

Charles Keith Deese, District 3, Chairman

James Barnett, District 4

Tommy Dabney, District 5

Shelia Hinson, District 6

Jerry Holt, District 7, Vice Chairman

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**LANCASTER COUNTY  
CAPITAL IMPROVEMENTS PROGRAM 2017-2026  
DETAILED SUMMARY**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Airport</b>	\$ 16,830,000	\$ -	\$ -	\$ -	\$ 1,500,000	\$ -	\$ 13,330,000
Heavy Aircraft Apron	\$ 1,500,000	\$ -	\$ -	\$ -	\$ 1,500,000	\$ -	\$ -
Terminal	\$ 7,830,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,830,000
Maintenance Hangar/Shop	\$ 1,900,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,900,000
8-unit Shade Port with 8-unit T-Hangar	\$ 3,600,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,600,000
<b>Assessor / GIS</b>	\$ 100,000	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -
Software upgrade	\$ 100,000	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -
<b>Emergency/Medical Services</b>	\$ 8,066,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 6,066,000
Ambulances	\$ 5,000,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 2,500,000
EMS Stations Construction / Relocation	\$ 3,066,000	\$ -	\$ 511,000	\$ -	\$ -	\$ -	\$ 2,555,000
<b>Finance</b>	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -
Financial Management Software	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -
<b>Fire Services/Emergency Management</b>	\$ 21,385,199	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,385,199
Fire Apparatus Countywide Purchase	\$ 6,635,199	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,635,199
Burn Training Facility Building	\$ 5,750,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,750,000
Fire Station Construction / Renovation - (NEW)	\$ 16,300,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,300,000
Ladder Truck Replacement	\$ 800,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 800,000
Aerial Fire Apparatus - (NEW)	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
Emergency Operations Center - Roof Replacement	\$ 287,740	\$ -	\$ -	\$ -	\$ 287,740	\$ -	\$ -
Mobile Command Post for Emergency Services	\$ 900,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 900,000
<b>Library</b>	\$ 614,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 614,000
Library Improvements	\$ 8,000,000	\$ 8,000,000	\$ -	\$ -	\$ -	\$ -	\$ -
Del Webb Library at Indian Land (Addition)	\$ 614,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 614,000

**LANCASTER COUNTY  
CAPITAL IMPROVEMENTS PROGRAM 2017-2026  
DETAILED SUMMARY**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Public Works - Roads &amp; Bridges</b>	<b>\$ 8,435,000</b>	<b>\$ 1,500,000</b>	<b>\$ 3,025,500</b>	<b>\$ -</b>	<b>\$ 140,000</b>	<b>\$ -</b>	<b>\$ 1,205,000</b>
Water Tanker Truck (NEW)	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Lowboy Trailer	\$ 110,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 110,000
Dump Truck - Tandem Axle	\$ 715,000	\$ 155,000	\$ -	\$ -	\$ 140,000	\$ -	\$ 420,000
120 M Style Motorgrader	\$ 400,000	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000
Boom Mower Tractor	\$ 250,000	\$ -	\$ 125,000	\$ -	\$ -	\$ -	\$ 125,000
Vacuum Truck (NEW)	\$ 400,000	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000
Public Works Complex Development	\$ 3,500,000	\$ -	\$ 3,500,000	\$ -	\$ -	\$ -	\$ -
<b>Public Works - Solid Waste / Recycling</b>	<b>\$ 2,030,000</b>	<b>\$ 165,000</b>	<b>\$ 150,000</b>	<b>\$ 350,000</b>	<b>\$ -</b>	<b>\$ 350,000</b>	<b>\$ 1,015,000</b>
Knuckleboom	\$ 330,000	\$ 165,000	\$ -	\$ -	\$ -	\$ -	\$ 165,000
Roll-off Application Refuse Truck	\$ 300,000	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ 150,000
Improvements at Convenience Centers - Countywide	\$ 1,400,000	\$ -	\$ -	\$ 350,000	\$ -	\$ 350,000	\$ 700,000
<b>Parks &amp; Recreation</b>	<b>\$ 22,415,000</b>	<b>\$ -</b>	<b>\$ 112,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 22,925,000</b>
Lancaster County Sports Complex	\$ 17,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,000,000
Indian Land - Gym / Playground / Picnic / Practice	\$ 5,498,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,498,500
Recreation Center Flooring	\$ 112,000	\$ -	\$ -	\$ 112,000	\$ -	\$ -	\$ -
Buford - Parking Lot / Walking Track	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000
Springdale - Parking Lot	\$ 131,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 131,400
<b>Sheriff</b>	<b>\$ 26,921,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 26,921,000</b>
Detention Center	\$ 26,921,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,921,000
<b>Total Departmental Requests</b>	<b>\$ 21,220,500</b>	<b>\$ 6,620,000</b>	<b>\$ 5,276,500</b>	<b>\$ 102,000</b>	<b>\$ 2,427,400</b>	<b>\$ 350,000</b>	<b>\$ 102,355,099</b>

**LANCASTER COUNTY  
CAPITAL IMPROVEMENTS PROGRAM 2017-2026  
DETAILED SUMMARY**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Projected Revenues</b>							
Governmental Fund	\$ 6,162,000	\$ -	\$ 100,000	\$ 112,000	\$ -	\$ -	\$ 5,950,000
Capital Fund	\$ 29,419,439	\$ 820,000	\$ -	\$ 850,000	\$ 502,740	\$ 850,000	\$ 26,396,699
G.O. Bond	\$ 44,071,000	\$ -	\$ 1,175,000	\$ -	\$ -	\$ -	\$ 42,896,000
Capital Sales Tax	\$ 8,000,000	\$ 8,000,000	\$ -	\$ -	\$ -	\$ -	\$ -
Community / Private Funding or Future Impact Fees	\$ 13,295,750	\$ -	\$ 883,250	\$ -	\$ 500,000	\$ -	\$ 11,912,500
FAA Grant	\$ 10,947,000	\$ -	\$ -	\$ -	\$ 1,350,000	\$ -	\$ 9,597,000
Fire Millage	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,000
Fund Balance and Debt Service	\$ 3,500,000	\$ -	\$ 3,500,000	\$ -	\$ -	\$ -	\$ -
Indian Land Fee	\$ 2,682,750	\$ -	\$ 127,750	\$ -	\$ -	\$ -	\$ 2,555,000
Park & Recreation Development Fund (PARD)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Park Development Fund	\$ 131,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 131,400
SC Aeronautics Grant	\$ 1,091,500	\$ -	\$ -	\$ -	\$ 75,000	\$ -	\$ 1,016,500
Unspecified Grants	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000
<b>Total Revenues</b>	<b>\$ 127,200,639</b>	<b>\$ 8,820,000</b>	<b>\$ 3,795,000</b>	<b>\$ 917,000</b>	<b>\$ 2,427,740</b>	<b>\$ 850,000</b>	<b>\$ 102,352,099</b>

## AIRPORT – DEPARTMENTAL SUMMARY

The Federal Aviation Administration (FAA) has approved a Capital Improvements Program for the Lancaster County-McWhirter Field Airport which includes the following projects:

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Airport</b>							
Heavy Aircraft Apron Terminal	\$ 1,500,000	\$ -	\$ -	\$ -	\$ 1,500,000	\$ -	\$ -
Maintenance Hangar/Shop	\$ 7,830,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,830,000
8-unit Shade Port with 8-unit T-Hangar	\$ 1,900,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,900,000
	\$ 3,600,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,600,000
<b>Capital Expenditures</b>							
Capital Revenues	\$ 14,830,000	\$ -	\$ -	\$ -	\$ 1,500,000	\$ -	\$ 13,330,000
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ 2,791,500	\$ -	\$ -	\$ -	\$ 75,000	\$ -	\$ 2,716,500
FAA Grant	\$ 10,947,000	\$ -	\$ -	\$ -	\$ 1,350,000	\$ -	\$ 9,597,000
SC Aeronautics Grant	\$ 1,091,500	\$ -	\$ -	\$ -	\$ 75,000	\$ -	\$ 1,016,500
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Project Title:** Heavy Aircraft Apron **AIRPORT**  
**Location:** McWhirter Field Paul Moses, Airport Manager  
**Type:** Facility Upgrade  
**Priority:** Mid-range

**Description and Justification:**

The current aircraft parking apron at McWhirter Field has a pavement condition number (PCN) value ranging from 7 to 11 (from SCAC Pavement Study). Runway 6-24 has a PCN of 15 resulting from the concrete overlay completed a few years ago. With this pavement strength and a length of 6000 feet, the runway allows LKR to serve heavier general aviation aircraft such as the Falcon 50, Falcon 900, Falcon 2000, Citation X and Challenger CL-604.

Strengthening of the apron would be expensive, since much of the work would require reconstruction due to grade restraints at hangar doors and pavement tie points. Therefore, a new apron is proposed north of the terminal apron for use by the larger, heavier aircraft and limit the usage of the existing apron to lighter aircraft with Aircraft Classification Number (ACN) values at or below the PCN values for the existing pavements. This new apron would be approximately 300' X 300' to allow parking and maneuvering of several large aircraft simultaneously. In addition, since McWhirter Field is approached by corporate jet owners inquiring about a hangar site, this apron can accommodate two 100' X 100' corporate hangars. The project would include pre-design testing and surveying, preparation of a documented categorical exclusion checklist (as there are no apparent environmental issues), design, bidding and land disturbance permitting. Construction of this apron is planned for 2019/2020, provided discretionary funding is available for such.

**Project Costs and Financing Plan:** Lancaster County Capital Fund \$75,000  
 FAA Grant \$1,350,000  
 SC Aeronautics Grant \$75,000

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Heavy Aircraft Apron</b>							
Capital Expenditures	\$ 1,500,000	\$ -	\$ -	\$ -	\$ 1,500,000	\$ -	\$ -
Capital Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Governmental Fund	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000	\$ -	\$ -
Capital Fund	\$ 1,350,000	\$ -	\$ -	\$ -	\$ 1,350,000	\$ -	\$ -
FAA Grant	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000	\$ -	\$ -
SC Aeronautics Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:**  
Minimal impact anticipated.

**Project Title:** Terminal **AIRPORT**  
**Location:** McWhirter Field Paul Moses, Airport Manager  
**Type:** Facility Upgrade  
**Priority:** Long-range

**Description and Justification:**  
 Once the new heavy aircraft apron is constructed, the existing terminal area will be effectively "built out" due to environmental constraints, utility easements and FAA setbacks in this area. Therefore, the outer years involve implementing a new terminal area according to the Airport Layout Plan. In addition to providing additional developable property for McWhirter Field expansion, the new terminal area is more co-located with the Lancaster County Air-Rail Business Park.

**Project Costs and Financing Plan:** Lancaster County Capital Fund \$2,441,500  
 FAA Grant \$4,647,500  
 SC Aeronautics Grant \$741,500

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Terminal</b>	\$ 7,830,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,830,000
Capital Expenditures							
Capital Revenues							
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ 2,441,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,441,500
FAA Grant	\$ 4,647,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,647,000
SC Aeronautics Grant	\$ 741,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 741,500
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:** T.B.D.

**Project Title:** Maintenance Hangar/Shop **AIRPORT**  
**Location:** McWhirter Field Paul Moses, Airport Manager  
**Type:** Facility Upgrade  
**Priority:** Long-range

**Description and Justification:**  
 The maintenance hangar/shop project will support increased future demand resulting from the apron and terminal projects. The new maintenance hangar will be roughly the same size as current building (8,000 s.f.). Existing maintenance building/shop and associated pavements would be demolished and moved approximately 100 feet farther away from the runway centerline.

**Project Costs and Financing Plan:** Lancaster County Capital Fund \$95,000  
 FAA Grant \$1,710,000  
 SC Aeronautics Grant \$95,000

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Maintenance Hangar/Shop</b>	\$ 1,900,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,900,000
Capital Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Revenues	\$ 95,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 95,000
Governmental Fund	\$ 1,710,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,710,000
Capital Fund	\$ 95,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 95,000
FAA Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
SC Aeronautics Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:** T.B.D.

**Project Title:** 8-unit Shade Port with 8-unit T-Hangar **AIRPORT**  
**Location:** McWhirter Field Paul Moses, Airport Manager  
**Type:** Facility Upgrade  
**Priority:** Long-range

**Description and Justification:**  
 Construction of the shade port and T-hangar will support increased future demand at McWhirter Field. The existing shade port will be demolished and replaced along with a new 8-unit T-Hangar based on Erect-A-Tube 36' wide standard T-Hangar design with 12' tall x 41.5' wide bi-fold doors. The new T-Hangar would be roughly the same footprint as old shade port.

**Project Costs and Financing Plan:** Lancaster County Capital Fund \$180,000  
 FAA Grant \$3,240,000  
 SC Aeronautics Grant \$185,000

Costs are based on a similar 10-unit T-Hangar project at Pelion Airport in 2013.

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>8-unit Shade Port with 8-unit T-Hangar</b>	\$ 3,600,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,600,000
Capital Expenditures							
Capital Revenues							
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ 180,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 180,000
FAA Grant	\$ 3,240,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,240,000
SC Aeronautics Grant	\$ 180,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 180,000
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:** T.B.D.

**Project Title:** Software Upgrade  
**Location:** Assessor's Office  
**Type:** Equipment  
**Priority:** Short-range

**ASSESSOR**  
 Brad Carnes, Director

**Description and Justification:**

Due to constant changes in State Law concerning the valuation of real property, our software provider is diligently working to provide an improved package to accommodate our needs. The main goals of the Assessor's office are to generate accurate and fair property valuations and provide that data for tax billing purposes to the Auditor.

**Project Costs and Financing Plan:**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	2021/2026
<b>Software upgrade</b>	\$ 100,000	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -
Capital Expenditures	\$ 100,000	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -
Capital Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unspecified Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:** None anticipated.

# EMERGENCY MEDICAL SERVICE DEPARTMENTAL SUMMARY

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Emergency Medical Services</b>							
Ambulances	\$ 5,000,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 2,500,000
EMS Stations Construction / Relocation	\$ 3,066,000	\$ -	\$ 511,000	\$ -	\$ -	\$ -	\$ 2,555,000
Capital Expenditures	\$ 8,066,000	\$ 500,000	\$ 1,011,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 5,055,000
Capital Revenues							
Community / Private Funding or Future Impact Fees	\$ 1,383,250	\$ -	\$ 883,250	\$ -	\$ 500,000	\$ -	\$ -
Capital Fund	\$ 4,000,000	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ 500,000	\$ 2,500,000
Fire Millage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Indian Land Fee	\$ 2,682,750	\$ -	\$ 127,750	\$ -	\$ -	\$ -	\$ 2,555,000
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**EMERGENCY MEDICAL SERVICE**

**Project Title:** Ambulances (Replacement)

Clay Catoe, Director

**Location:** Countywide

**Type:** Equipment

**Priority:** On-going

**Description and Justification:**

The Emergency Medical Service serves approximately 1,200 customers per month. Over the next fiscal year, 100 more customers are anticipated per month, with an additional 800 new customers projected over the 10-year CIP. This project will purchase two (2) new ambulances per year to keep the EMS fleet current without having to replace all units at one time.

**Project Costs and Financing Plan:**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Ambulances</b>	\$ 5,000,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 2,500,000
Capital Expenditures	\$ 1,000,000	\$ -	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ -
Capital Revenues	\$ 4,000,000	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ 500,000	\$ 2,500,000
Community / Private Funding or Future Impact Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fire Millage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unspecified Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:**

Each ambulance costs approximately \$7,500 per year to operate; \$3,000 for general maintenance and \$4,500 for fuel. The total operating cost for the current fleet of 12 ambulances is \$90,000. Replacement vehicles represent a \$0 net impact.

**EMERGENCY MEDICAL SERVICE**

**Project Title:** EMS Stations Construction / Relocation

Clay Catoe, Director

**Location:** Countywide

**Type:** Facility upgrade

**Priority:** On-going

**Description and Justification:**

This project will begin to allow us to locate EMS stations strategically based upon coverage area and ISO criteria, rather than where someone donated land. We must relocate some stations to provide adequate coverage zones to best serve our population. We simply cannot afford to continue the current practice because it has led to some areas with over-coverage and others with under-coverage. The costs outlined here presume upgrades/relocations of existing stations. If new stations are warranted, personnel costs will have to be taken into consideration.

The base cost per station (\$511,000) is based on the Buford EMS Station, with little room for contingencies.

**Project Costs and Financing Plan:** \$511,000 X 6 EMS Stations = \$3,066,000

	Total Project Estimate						Five Year
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/2026	
<b>EMS Stations Construction/Relocation</b>							
Capital Expenditures	\$ 3,066,000	\$ 511,000	\$ -	\$ -	\$ -	\$ -	\$ 2,555,000
Capital Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Community / Private Funding or Future Impact Fees	\$ 383,250	\$ 383,250	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fire Millage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Indian Land Fee	\$ 2,682,750	\$ 127,750	\$ -	\$ -	\$ -	\$ -	\$ 2,555,000
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

<b>Construction Budget per EMS Station</b>	<b>Amount</b>
A. Planning, Engineering and Design (10% of C.1.)	\$30,000
B. Land Acquisition (varies based on location)	\$100,000
C. Construction (Sum of C.1. and C.2. below)	\$315,000
1. Construction Cost (1,000 s.f. with brick front façade and metal sides - \$135 per s.f.)	\$300,000
2. Construction Contingency (5% of C.1.)	\$15,000
D. Equipment (Furnishings, Vehicles, etc.)	\$30,000
E. Consultant Study (if needed)	\$0
F. Inflation (C.1. + C.2. x 2%) (per year)	\$36,000
<b>Total Project Estimate</b>	<b>\$511,000</b>

**Projected Operating Budget Impact:**

<b>Operating Expenses</b>	<b>Amount</b>
electricity	\$4,000
water	\$1,200
insurance	\$200
natural gas	\$1,000
phone	\$2,400
cable/internet	\$1,800
trash	\$400
<b>TOTAL Operating Expenses</b>	<b>\$11,000</b>

**Project Title:** Financial Management Software

**FINANCE**

**Location:** Countywide

Veronica Thompson, Director

**Type:** Software

**Priority:** Immediate

**Description and Justification:**

The current financial management software vendor has been used since 1999. The vendor was bought by another company about 2 years ago. The software package has been updated on an ongoing basis throughout the years but the service has been sub-par for the past few years. Also since 1999, the County has grown and processes have changed. Staff and other users have expressed a need for a more robust system that will allow our processes to be more efficient.

**Project Costs and Financing Plan:**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Finance</b>							
Financial Management Software	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -
Capital Expenditures	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -
Capital Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -
G.O. Bond	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:** None anticipated.

# FIRE SERVICE / EMERGENCY MANAGEMENT DEPARTMENTAL SUMMARY

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Fire Service / Emergency Management</b>							
Fire Apparatus Countywide Purchase	\$ 6,635,199	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,635,199
Burn Training Facility Building	\$ 5,750,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,750,000
Fire Station Construction / Renovation - (NEW)	\$ 16,300,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,300,000
Ladder Truck Replacement	\$ 800,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 800,000
Aerial Fire Apparatus - (NEW)	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
Emergency Operations Center - Roof Replacement	\$ 287,740	\$ -	\$ -	\$ -	\$ 287,740	\$ -	\$ -
Mobile Command Post for Emergency Services	\$ 900,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 900,000
<b>Capital Expenditures</b>	<b>\$ 31,672,939</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 287,740</b>	<b>\$ -</b>	<b>\$ 31,385,199</b>
<b>Capital Revenues</b>							
Governmental Fund	\$ 5,750,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,750,000
Capital Fund	\$ 19,722,939	\$ -	\$ -	\$ -	\$ 287,740	\$ -	\$ 19,435,199
Fire Millage	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,000
Community / Private Funding or Future Impact Fees	\$ 5,800,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,800,000
<b>Operating Expenditures</b>	<b>\$ 100,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>
<b>Operating Revenues</b>	<b>\$ 288,467</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 288,467</b>
<b>Operating Budget Impact</b>	<b>\$ 188,467</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 188,467</b>

**Project Title:** Fire Apparatus Countywide Purchase **FIRE SERVICE / EMERGENCY MANAGEMENT**  
**Location:** Countywide **Darren Player, Director**  
**Type:** Equipment  
**Priority:** Long-range

**Description and Justification:**

Lancaster County Fire Commission has implemented a 7 year replacement/upgrade program for fire apparatus. The previous purchase of fire apparatus took place in 2008 using a general obligation bond. This same method should be used to continue the program. This will be the second tier purchase of a plan to guarantee that no county fire apparatus exceeds 21 years in age. All residents of Lancaster County benefit due to the fact the County Fire Service now has a countywide ISO rating. As apparatus is replaced with modern, new technology laden vehicles, the efficiency of firefighting is increased tremendously. After the next purchase, a Compressed Air Foam System (CAFS) equipped engine will be first out in all fire department districts. This technology increases the effectiveness of firefighting while decreasing needed water capacity as well as sparing the firefighter some of the weight involved in the fire hose. The Fire Commission Apparatus and Equipment Committee will make a recommendation to the full Commission prior to the issuance of bid documents.

**Project Costs and Financing Plan:**

The current cost estimate for this equipment is \$9.8 million. Since this project will not be realized until year 6 at the earliest, a 5% annual inflation rate has been added and results in a future cost of \$11.1 million in FY2021/22.

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	2021/2026	Five Year
<b>Fire Apparatus Countywide Purchase</b>								
Capital Expenditures	\$ 6,635,199	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,635,199
Capital Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Governmental Fund	\$ 6,635,199	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,635,199
Capital Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fire Millage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unspecified Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:** Maintenance is included in the existing Fire Commission budget. As new apparatus is purchased, older apparatus is removed from the fleet so there is no net increase of number of pieces of apparatus with the purchase.

**FIRE SERVICE / EMERGENCY MANAGEMENT**

**Project Title:** Burn Training Facility Building

**Location:** 1941 Pageland Hwy (general area)

**Type:** Construction

**Priority:** Long-range

Darren Player, Director

**Description and Justification:**

Currently no live fire training facility exists in Lancaster County. The construction of such a facility will assist in training of volunteers and career personnel by having such a facility in close proximity to the training. This will alleviate the current requirement of traveling to Columbia to the SC Fire Academy or to Rock Hill to the York County Fire Training Facility for refresher burns and ongoing live fire training. The model priced is from Fire Facilities Inc. This facility would be constructed on land already owned by Lancaster County in the general area of the existing Sheriff's Office. This facility is configured in such a way to be amenable to Law Enforcement tactical training as well. The presence of a fire training facility burn building in county also allows Insurance Service Organization (ISO) points credit this county cannot currently accrue.

Lancaster County Emergency Management / Fire Service, Lancaster County EMS, Lancaster County Sheriff's Department, Lancaster Fire Department, and Lancaster Police Department will all benefit from this project since the burn facility will be configured with a 4-story training tower. The entire population of Lancaster County will benefit due to increased access to a training facility by all emergency service agencies. The burn facility itself, while two story in parts and a single story in other parts can be configured to both serve as a live fire training facility for the Fire Service and also tactical response facility for Law Enforcement. A local burn training facility lends ISO points to the county and the city of Lancaster due to its local proximity. This project will add a safety factor for everyday operations to the Volunteer and Career County Fire Service due to the countywide availability and accessibility of the facility. The logistics of training will become much easier for all agencies involved.

**Project Costs and Financing Plan:**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Burn Training Facility Building</b>	\$ 5,750,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,750,000
Capital Expenditures	\$ 5,750,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,750,000
Capital Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fire Millage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unspecified Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact: T.B.D.**

**Project Title:** Fire Station Construction / Renovation (NEW) **FIRE SERVICE / EMERGENCY MANAGEMENT**

**Location:** Countywide **Darren Player, Director**

**Type:** Equipment

**Priority:** Long-term

**Description and Justification:**

Construction of new fire station facilities in areas of the county not currently served by a station with placement within five (5) road miles or less from a given taxed structure(s). Once this need is addressed and completed, County Council would assist with renovation of existing fire stations to allow for placement of modern fire apparatus as well as other station use efficiency modifications. A standardized station building layout would be designed and used throughout the county where new station construction would take place.

This project would fund renovations, additions, and if necessary new station buildings for fire departments throughout the county. Some of the existing fire department buildings will not be able to accept modern fire apparatus when the next apparatus purchase takes place. Residents and businesses across Lancaster County would benefit from this project.

**Project Costs and Financing Plan:**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	2021/2026	Five Year
<b>Fire Station Construction / Renovation (NEW)</b>								
Capital Expenditures	\$ 16,300,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,300,000
Capital Revenues								
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ 10,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,500,000
Fire Millage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Community / Private Funding or Future Impact Fees	\$ 5,800,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,800,000
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:** T.B.D.

**FIRE SERVICE / EMERGENCY MANAGEMENT**

**Project Title:** Ladder Truck Replacement  
**Location:** Central Lancaster County  
**Type:** Equipment  
**Priority:** Long-range

Darren Player, Director

**Description and Justification:**

Lancaster County Fire Commission partially funded the purchase of the current Lancaster FD Ladder truck in 1997/1998. This truck will be replaced in 2022 and the anticipated cost-share to be partially funded by Lancaster County Fire Commission, allowing access and response of this apparatus to county fire incidents, will be \$400,000.00.

The purchase of a ladder truck to serve county structures in the central portion of the county would be in excess of one million dollars. Funding a portion of the Lancaster FD Ladder truck allows access and use of the apparatus without having to purchase a county owned apparatus saving approximately \$600,000.00.

**Project Costs and Financing Plan:**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	2021/2026	Five Year
<b>Ladder Truck Replacement</b>								
Capital Expenditures	\$ 800,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 800,000
Capital Revenues								
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,000
Fire Millage	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,000
Unspecified Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:** None anticipated.

**Project Title:** Aerial Fire Apparatus **FIRE SERVICE / EMERGENCY MANAGEMENT**

**Location:** Kershaw/Rich Hill/Flat Creek/Heath Springs Fire Districts **Darren Player, Director**

**Type:** Equipment

**Priority:** Long-range

**Description and Justification:**

When buildings are built that are more than 35 feet in height, ISO requires the presence of aerial fire apparatus. The aerial apparatus carries maximum ISO credit up to 2.5 miles from the fire station (road miles). After 2.5 road miles from the station, ISO credit diminishes rapidly. This situation facilitates the need for aerial apparatus in these fire districts—Kershaw/Rich Hill/Flat Creek/Heath Springs—to keep the ISO rating stable. Lancaster County has permitted the construction of multiple story buildings that exceed the 35-foot height threshold in several fire districts which has had a direct impact on the local ISO rating of these fire districts.

**Project Costs and Financing Plan:**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Aerial Fire Apparatus (NEW)</b>	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
Capital Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Revenues	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000,000
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fire Millage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unspecified Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:** T.B.D.

**Project Title:** EOC - Roof Replacement **FIRE SERVICE / EMERGENCY MANAGEMENT**

**Location:** Emergency Operations Center **Darren Player, Director**

**Type:** Maintenance

**Priority:** Mid-range

**Description and Justification:**

The Emergency Operations Center Building was purchased from the City of Lancaster and was originally constructed by Duke Energy in the early 1980s. The standing seam lapped metal roof was installed at that time and other than intermittent repairs, remains as constructed with years of wear. Leaks occur and are repaired as needed with total roof replacement anticipated by 2020. The cost estimate was prepared by Hall Building Information Group with a full building exterior needs assessment. The use of the building as an EOC should continue for many years after this project is completed. Normal maintenance and upkeep will apply throughout the years of use and should be absorbed in normal budget items for maintenance. Interior upgrades will be planned and budgeted in normal budget cycles.

**Project Costs and Financing Plan:**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Emergency Operations Center Roof Replacement</b>							
Capital Expenditures	\$ 287,740	\$ -	\$ -	\$ -	\$ 287,740	\$ -	\$ -
Capital Revenues							
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ 287,740	\$ -	\$ -	\$ -	\$ 287,740	\$ -	\$ -
Unspecified Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:**

**Project Title:** Mobile Command Post-Emergency Services **FIRE SERVICE / EMERGENCY MANAGEMENT**

**Location:** Countywide  
**Type:** Equipment  
**Priority:** Long-range

Darren Player, Director

**Description and Justification:**

A mobile command post is an apparatus configured to allow for command and control of incident scenes at all locations throughout Lancaster County, no matter how remote. The mobile command is essential to properly command a scene, document necessary activities and relay over communications technology on board to remote agencies that may be assisting or supporting. The mobile command post will provide an atmosphere controlled environment for decision making regardless of weather and other environmental circumstances.

**Project Costs and Financing Plan:**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Mobile Command Post for Emergency Services</b>							
Capital Expenditures	\$ 900,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 900,000
Capital Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Governmental Fund Capital Fund	\$ 900,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 900,000
Unspecified Grant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:** T.B.D.

**LIBRARY - DEPARTMENTAL SUMMARY**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Library</b>							
Library Improvements	\$ 8,000,000	\$ 8,000,000	\$ -	\$ -	\$ -	\$ -	\$ -
Del Webb Library at Indian Land (Addition)	\$ 614,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 614,000
<b>Capital Expenditures</b>	\$ 8,614,000	\$ 8,000,000	\$ -	\$ -	\$ -	\$ -	\$ 614,000
<b>Capital Revenues</b>							
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Sales Tax	\$ 8,000,000	\$ 8,000,000	\$ -	\$ -	\$ -	\$ -	\$ -
G.O. Bond	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Community / Private Funding or Future Impact Fees	\$ 614,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 614,000
<b>Operating Expenditures</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Operating Revenues</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Operating Budget Impact</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Project Title:** Library Improvements  
**Location:** Lancaster  
**Type:** Construction  
**Priority:** Short-range

**LIBRARY**  
 Rita Vogel, Director

**Description and Justification:**

The Main Library (Lancaster) serves approximately 20,640 customers per month. Over the next fiscal year, 100 more customers are anticipated per month, with an additional 1,000 new customers projected over the 10-year CIP. The 40-year-old library building is inadequate to provide modern library services.

The Kershaw Branch Library serves approximately 2,900 customers per month. Over the next fiscal year, 50 more customers are anticipated per month, with an additional 75 new customers projected per month over the 10-year CIP. Located in a remodeled school band room in 1997, this library has outgrown the present facility.

The Indian Land Branch Library (Del Webb) is our newest branch and serves approximately 7,000 customers per month. Over the next fiscal year, 500 more customers are anticipated per month, with an additional 700 new customers projected per month over the 10-year CIP. This branch needs an air/sound lock entry between front entrance and circulation desk.

**Project Costs and Financing Plan:** Capital Sales Tax proceeds of \$8,000,000 will be used for this project.

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year	
							2021/2026	
<b>Headquarters Library</b>								
Capital Expenditures	\$ 8,000,000	\$ 8,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ 8,000,000	\$ 8,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
G.O. Bond	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unspecified Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:** T.B.D.

**Project Title:** Del Webb Library at Indian Land (Minor alternations/additions) **LIBRARY**  
**Location:** Indian Land **Rita Vogel, Director**  
**Type:** Construction  
**Priority:** Long-range

**Description and Justification:**  
 The library serves approximately 7,000 customers per month. Over the next fiscal year, 500 more customers are anticipated per month, with an additional 700 new customers projected per month over the 10-year CIP. This project will install air/sound lock entry between front entrance and circulation desk. This improvement will create an enclosed foyer to relieve noise and airflow problems affecting services.

**Project Costs and Financing Plan:** Community/Private funding or future impact fees (if adopted) will be used to fund this project.

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Del Webb Library at Indian Land Addition</b>	\$ 614,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 614,000
Capital Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
G.O. Bond	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Community / Private Funding or Future Impact Fees</b>	\$ 614,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 614,000
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:** None anticipated.

# PUBLIC WORKS – ROADS & BRIDGES DEPARTMENTAL SUMMARY

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Public Works - Roads &amp; Bridges</b>							
Water Tanker Truck (NEW)	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Lowboy Trailer	\$ 110,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 110,000
Dump Truck - Tandem Axle	\$ 715,000	\$ 155,000	\$ -	\$ -	\$ 140,000	\$ -	\$ 420,000
120 M Style Motorgrader	\$ 400,000	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000
Boom Mower Tractor	\$ 250,000	\$ -	\$ 125,000	\$ -	\$ -	\$ -	\$ 125,000
Vacuum Truck (NEW)	\$ 400,000	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000
Public Works Complex Development	\$ 3,500,000	\$ -	\$ 3,500,000	\$ -	\$ -	\$ -	\$ -
<b>Capital Expenditures</b>	\$ 5,525,000	\$ 155,000	\$ 4,025,000	\$ -	\$ 140,000	\$ -	\$ 1,205,000
<b>Capital Revenues</b>							
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ 1,175,000	\$ 155,000	\$ -	\$ -	\$ 140,000	\$ -	\$ 880,000
G.O. Bond	\$ 850,000	\$ -	\$ 525,000	\$ -	\$ -	\$ -	\$ 325,000
Fund Balance and Debt Service	\$ 3,500,000	\$ -	\$ 3,500,000	\$ -	\$ -	\$ -	\$ -
MS4 Fee	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unspecified Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Operating Expenditures</b>	\$ 114,750	\$ -	\$ 12,750	\$ 12,750	\$ 12,750	\$ 12,750	\$ 63,750
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ (114,750)	\$ -	\$ (12,750)	\$ (12,750)	\$ (12,750)	\$ (12,750)	\$ (63,750)

**PUBLIC WORKS – ROADS & BRIDGES**  
 Jeff Catoe, Director

**Project Title:** Water Tanker Truck (NEW)  
**Location:** Countywide  
**Type:** Equipment  
**Priority:** Long-range

**Description and Justification:**  
 This request will replace a 1971 model truck. The new vehicle has the capability to serve double-duty as a brine truck for de-icing roadways in the winter.

**Project Costs and Financing Plan:**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Water Tanker Truck (NEW)</b>	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Capital Expenditures							
Capital Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Governmental Fund	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Capital Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
G.O. Bond	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unspecified Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:**

This vehicle costs approximately \$12,750 per year to operate; \$6,500 for general maintenance and \$6,250 for fuel. Replacement vehicles represent a \$0 net impact.

**PUBLIC WORKS – ROADS & BRIDGES**  
 Jeff Catoe, Director

**Project Title:** Lowboy Trailer  
**Location:** Countywide  
**Type:** Equipment  
**Priority:** On-going

**Description and Justification:**  
 This request will replace a 1989 model trailer that is no longer DOT compliant for use on the road.

**Project Costs and Financing Plan:**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Lowboy Trailer</b>	\$ 110,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 110,000
Capital Expenditures							
Capital Revenues							
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ 110,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 110,000
G.O. Bond	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unspecified Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:**  
 Annual maintenance is cost less than \$500. Replacement equipment represents a \$0 net impact.

**PUBLIC WORKS – ROADS & BRIDGES**

**Project Title:** Dump Truck - Tandem Axle

Jeff Catoe, Director

**Location:** Countywide

**Type:** Equipment

**Priority:** Short-term

**Description and Justification:**

The request for FY2016/17 will replace a 2001 model truck that can become a spare to be used during maintenance of the new truck or periods of peak activity. The current spare is also a 2001 model with higher mileage/hours of use. The FY2019/20 request replaces a 2006 model truck.

**Project Costs and Financing Plan:**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Dump Truck - Tandem Axle</b>	\$ 715,000	\$ 155,000	\$ -	\$ -	\$ 140,000	\$ -	\$ 420,000
Capital Expenditures							
Capital Revenues							
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ 715,000	\$ 155,000	\$ -	\$ -	\$ 140,000	\$ -	\$ 420,000
G.O. Bond	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unspecified Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:**

This vehicle costs approximately \$12,750 per year to operate; \$6,500 for general maintenance and \$6,250 for fuel. Replacement vehicles represent a \$0 net impact.

**PUBLIC WORKS – ROADS & BRIDGES**

**Project Title:** 120 M Style Motorgrader

Jeff Catoe, Director

**Location:** Countywide

**Type:** Equipment

**Priority:** Short-term

**Description and Justification:**

This request will replace a 1989 model that is has exceeded its useful life.

**Project Costs and Financing Plan:**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>120 M Style Motorgrader</b>							
Capital Expenditures	\$ 400,000	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000
Capital Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ 400,000	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000
G.O. Bond	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unspecified Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:**

This vehicle costs approximately \$12,750 per year to operate; \$6,500 for general maintenance and \$6,250 for fuel. Replacement equipment represents a \$0 net impact.

**PUBLIC WORKS – ROADS & BRIDGES**

Jeff Catoe, Director

**Project Title:** Boom Mower Tractor

**Location:** Countywide

**Type:** Equipment

**Priority:** Short-term

**Description and Justification:**

This project will replace one mower and add one mower to the current fleet of two mowers. Road maintenance includes the cutting of all shoulders, tree and underbrush growth within road rights-of-way. Presently, two mowers attempt to maintain approximately 800 miles of right-of-way to keep travel ways open and safe. Public calls for service increase the workload during the summer months and limited equipment and staff are unable to meet demand without adding this equipment.

**Project Costs and Financing Plan:**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Boom Mower Tractor</b>							
Capital Expenditures	\$ 250,000	\$ -	\$ 125,000	\$ -	\$ -	\$ -	\$ 125,000
Capital Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ 250,000	\$ -	\$ 125,000	\$ -	\$ -	\$ -	\$ 125,000
G.O. Bond	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unspecified Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:**

This equipment costs approximately \$12,750 per year to operate; \$6,500 for general maintenance and \$6,250 for fuel. Replacement equipment represents a \$0 net impact, and the figures above reflect the new equipment only.

**PUBLIC WORKS – ROADS & BRIDGES**

Jeff Catoe, Director

**Project Title:** Vacuum Truck  
**Location:** Countywide  
**Type:** Equipment  
**Priority:** Short-term

**Description and Justification:**  
 Stormwater management is a responsibility that necessitates proper maintenance of storm drains, catch basins and curbs. This new equipment will be the primary tool for meeting these obligations.

**Project Costs and Financing Plan:**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Vacuum Truck (NEW)</b>							
Capital Expenditures	\$ 400,000	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000
Capital Revenues							
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000
G.O. Bond	\$ 200,000	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -
Unspecified Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ 114,750	\$ -	\$ 12,750	\$ 12,750	\$ 12,750	\$ 12,750	\$ 63,750
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ (114,750)	\$ -	\$ (12,750)	\$ (12,750)	\$ (12,750)	\$ (12,750)	\$ (63,750)

**Projected Operating Budget Impact:**

This vehicle costs approximately \$12,750 per year to operate; \$6,500 for general maintenance and \$6,250 for fuel.

**Project Title:** Public Works Complex Development

**Location:** Pageland Highway

**Type:** Construction

**Priority:** Short-term

**Project Manager:** Jeff Catoe, Director

**Description and Justification:**

Additional office space is needed immediately to support solid waste recycling coordination, documents and files recording and general storage. Additional upgrades need to include a training and conference room, break room with kitchen facilities, and more lobby area for public to use since increased visits and official visits by different groups. This project will involve the demolition of all current structures with the exception of the historic Chain Gang Barracks. This structure would be retained for storage.

**New construction includes:**

- A Vehicle Maintenance Garage with large bays suitable for handling heavy equipment. Two bays will be dedicated to the Fire Service. Space for offices, lockers, parts storage and mechanical needs.
- An office space for Roads and Bridges, Solid Waste and Building Maintenance. Space for offices, lockers, equipment storage, and mechanical needs, along with warehouse space.
- Truck storage facilities will be constructed. This would include pole barns for sheltering equipment and electrical connections for Kussmaul components. Wash racks for trucks and equipment will be a new addition.
- A large convenience site capable of handling all types of product disposal. This facility will become the main convenience site and will be open 6 days per week.

**Project Costs and Financing Plan:**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Public Works Complex Development</b>							
Capital Expenditures	\$ 3,500,000	\$ -	\$ 3,500,000	\$ -	\$ -	\$ -	\$ -
Capital Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ 3,500,000	\$ -	\$ 3,500,000	\$ -	\$ -	\$ -	\$ -
Fund Balance and Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unspecified Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

This is a general estimate based on the projected uses and floor space needed. These costs are not based on an engineering or architectural study, but web-based research of similar facilities.

Construction Budget	Amount
A. Planning, Engineering and Design (10% of C.1.)	\$280,000
B. Land Acquisition	\$0
C. Construction (Sum of C.1. and C.2. below)	\$2,968,000
1. Construction Cost	\$2,800,000
2. Construction Contingency (6% of C.1.)	\$168,000
D. Equipment (Furnishings, Vehicles, etc.)	\$250,000
E. Consultant Study (if needed)	\$0
F. Inflation (C.1. + C.2. x 2%) (per year)	\$0
<b>Total Project Estimate</b>	<b>\$3,498,000</b>

**Departments Impacted:**  
PW-Roads and Bridges, PW-Solid Waste, Vehicle Maintenance and Building Maintenance.

**Projected Operating Budget Impact:** T.B.D.

**PUBLIC WORKS – SOLID WASTE / RECYCLING  
DEPARTMENTAL SUMMARY**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Public Works - Solid Waste / Recycling</b>							
Knuckleboom	\$ 330,000	\$ 165,000	\$ -	\$ -	\$ -	\$ -	\$ 165,000
Roll-off Application Refuse Truck	\$ 300,000	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ 150,000
Improvements at Convenience Centers - Countywide	\$ 1,400,000	\$ -	\$ -	\$ 350,000	\$ -	\$ 350,000	\$ 700,000
<b>Capital Expenditures</b>	<b>\$ 2,030,000</b>	<b>\$ 165,000</b>	<b>\$ 150,000</b>	<b>\$ 350,000</b>	<b>\$ -</b>	<b>\$ 350,000</b>	<b>\$ 1,015,000</b>
<b>Capital Revenues</b>							
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ 1,730,000	\$ 165,000	\$ -	\$ 350,000	\$ -	\$ 350,000	\$ 865,000
G.O. Bond	\$ 300,000	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ 150,000
Unspecified Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Operating Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Operating Revenues</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Operating Budget Impact</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**PUBLIC WORKS – SOLID WASTE / RECYCLING**

**Project Title:** Knuckleboom

**Location:** Countywide

**Type:** Equipment

**Priority:** Short-term

Jeff Catoe, Director

**Description and Justification:**

This request will replace a 2006 model that will have exceeded its useful life.

**Project Costs and Financing Plan:**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Knuckleboom</b>	\$ 330,000	\$ 165,000	\$ -	\$ -	\$ -	\$ -	\$ 165,000
Capital Expenditures							
Capital Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Governmental Fund	\$ 330,000	\$ 165,000	\$ -	\$ -	\$ -	\$ -	\$ 165,000
Capital Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
G.O. Bond	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unspecified Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:**

This equipment costs approximately \$12,750 per year to operate; \$6,500 for general maintenance and \$6,250 for fuel. Replacement equipment represents a \$0 net impact.

**Project Title:** Roll-off Application Refuse Truck **PUBLIC WORKS – SOLID WASTE / RECYCLING**

**Location:** Countywide **Jeff Catoe, Director**

**Type:** Vehicle

**Priority:** Short-term

**Description and Justification:**

This request will replace a 2003 model truck with over 400,000 miles of service.

**Project Costs and Financing Plan:**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Roll-off Application Refuse Truck</b>							
Capital Expenditures	\$ 300,000	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ 150,000
Capital Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ 300,000	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ 150,000
G.O. Bond	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unspecified Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:**

This vehicle costs approximately \$12,750 per year to operate; \$6,500 for general maintenance and \$6,250 for fuel. Replacement vehicles represent a \$0 net impact.

**Project Title:** Improvements at Convenience Centers      **PUBLIC WORKS – SOLID WASTE / RECYCLING**

**Location:** Countywide      Jeff Catoe, Director

**Type:** Construction

**Priority:** On-going

**Description and Justification:**  
 This project will provide upgrades, safeguards and expansion of the collection/disposal centers.

**Project Costs and Financing Plan:**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Improvements at Convenience Centers - Countywide</b>							
Capital Expenditures	\$ 1,400,000	\$ -	\$ -	\$ 350,000	\$ -	\$ 350,000	\$ 700,000
Capital Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Governmental Fund	\$ 1,400,000	\$ -	\$ -	\$ 350,000	\$ -	\$ 350,000	\$ 700,000
Capital Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
G.O. Bond	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unspecified Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:**  
 T.B.D.

## PARKS & RECREATION – DEPARTMENTAL SUMMARY

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year
							2021/2026
<b>Parks &amp; Recreation</b>							
Lancaster County Sports Complex	\$ 17,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,000,000
Indian Land - Gym / Playground / Picnic / Practice	\$ 5,498,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,498,500
Recreation Center Flooring	\$ 112,000	\$ -	\$ -	\$ 112,000	\$ -	\$ -	\$ -
Buford - Parking Lot / Walking Track	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000
Springdale - Parking Lot	\$ 131,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 131,400
<b>Capital Expenditures</b>	<b>\$ 22,941,900</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 112,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 22,829,900</b>
<b>Capital Revenues</b>							
Governmental Fund	\$ 312,000	\$ -	\$ -	\$ 112,000	\$ -	\$ -	\$ 200,000
Park Development Fund	\$ 131,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 131,400
Park & Recreation Development Fund (PARD)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Community / Private Funding or Future Impact Fees	\$ 5,498,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,498,500
G.O. Bond	\$ 15,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,500,000
Unspecified Grants	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000
<b>Operating Expenditures</b>	<b>\$ 500,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 500,000</b>
<b>Operating Revenues</b>	<b>\$ 500,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 500,000</b>
<b>Operating Budget Impact</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**PARKS & RECREATION**

Hal Hiott, Director

**Project Title:** Lancaster County Sports Complex

**Location:** Lancaster

**Type:** Construction

**Priority:** Long-term

**Description and Justification:**

Approximately 2,500 customers per week are currently served by this facility. Over the 10-year CIP, 2,500 more customers per week are anticipated to need services. This project will construct a ball field complex to support regular season games and travel tourism games. Two (2) four-field clover leaf design field complexes, two (2) central scoring/offices/restroom/concession towers, lighted play fields and soccer fields, tennis complex, playground, picnic shelter, perimeter walking trail, paved parking lots and maintenance storage area. The old Dixie Youth fields are landlocked and cannot be expanded. We will fail to meet the current Level-of-Service in approximately two years without making these improvements.

**Project Costs and Financing Plan:**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Lancaster County Sports Complex</b>							
Capital Expenditures	\$ 17,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,000,000
Capital Revenues							
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Park Development Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Park & Recreation Development Fund (PAR)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Community / Private Funding	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000
G.O. Bond	\$ 15,500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,500,000
Unspecified Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:** T.B.D.

**PARKS & RECREATION**

**Project Title:** Indian Land - Gym / Playground / Picnic / Practice

Hal Hiott, Director

**Location:** Indian Land

**Type:** Construction

**Priority:** Long-term

**Description and Justification:**

Approximately 2,000 customers per week are currently served by this facility. Over the 10-year CIP, 1,500 more customers are anticipated to need services. This project will construct a 36,000 s.f. gymnasium in partnership with the Council on Aging, including 19 acres of land, a parking lot, picnic shelter, playground, practice fields and multipurpose fields. We will fail to meet the current Level-of-Service in approximately 12 months without making these improvements.

**Project Costs and Financing Plan:**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Indian Land - Gym / Playground / Picnic / Practice</b>	\$ 5,498,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,498,500
Capital Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Park Development Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Park & Recreation Development Fund (PARD)	\$ 5,498,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,498,500
Community / Private Funding or Future Impact Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
G.O. Bond	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unspecified Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000
Operating Revenues	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:**

Expenditures and revenues are expected to balance at \$100,000 per year; therefore, the net operating impact is \$0.

**PARKS & RECREATION**

**Project Title:** Recreation Center Flooring  
**Location:** Lancaster, Indian Land, Buford and Andrew Jackson  
**Type:** Construction  
**Priority:** Mid-range  
 Hal Hlott, Director

**Description and Justification:**  
 Recreation Centers are aging and are in need of upgrades to flooring and HVAC systems. Currently, we serve 5,000 customers per week at these facilities. Over the next fiscal year, 100 more customers are anticipated per month, with an additional 2,500 new customers per month projected over the 10-year CIP.

**Project Costs and Financing Plan:**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Recreation Center Flooring</b>							
Capital Expenditures	\$ 112,000	\$ -	\$ -	\$ 112,000	\$ -	\$ -	\$ -
Capital Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Governmental Fund	\$ 112,000	\$ -	\$ -	\$ 112,000	\$ -	\$ -	\$ -
Park Development Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Park & Recreation Development Fund (PARD)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Community / Private Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
G.O. Bond	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unspecified Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:**

T.B.D.

**PARKS & RECREATION**

**Project Title:** Buford - Parking Lot / Walking Track

Hal Hiott, Director

**Location:** Buford

**Type:** Construction

**Priority:** Long-term

**Description and Justification:**

The existing parking lot has a gravel surface. This project will provide an all-weather surface and improve the safety and appearance of the facility. Approximately 1,000 customers per week are currently served by this facility. Over the 10-year CIP, 100 more customers per month are anticipated to need services. The Community Needs Assessment indicated the need for more walking trails.

**Project Costs and Financing Plan:**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Buford - Parking Lot/Walking Track</b>							
Capital Expenditures	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000
Capital Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Governmental Fund	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000
Park Development Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Park & Recreation Development Fund (PARD)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Community / Private Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
G.O. Bond	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unspecified Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:**

Repaving should occur on a 10-year cycle. Annual inspections will determine the need for patchwork, based on weather and impact. No additional costs associated with the new track. Trash pick-up, mowing and edging in and around the track would fall in with current maintenance duties. Annual inspections will determine the need for repairs.

**PARKS & RECREATION**  
Hal Hiott, Director

**Project Title:** Springdale - Parking Lot  
**Location:** Lancaster  
**Type:** Construction  
**Priority:** Long-term

**Description and Justification:**  
There is an available 16-acre tract adjacent to the Springdale Recreation Complex that would accommodate future parking and programming needs. The useful life of the parking lot has been exceeded and the surface needs to be replaced. This project will provide an all-weather surface and improve the safety and appearance of the facility. Approximately 4,000 customers per month are currently served by this facility. Over the 10-year CIP, 100 more customers are anticipated to need services on a weekly basis and failure to meet the current Level-of-Service will occur in approximately two years without making these improvements.

**Project Costs and Financing Plan:**

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	2021/2026	Five Year
<b>Springdale - Parking Lot</b>								
Capital Expenditures	\$ 131,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 131,400
Capital Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Park Development Fund	\$ 131,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 131,400
Park & Recreation Development Fund (PARD)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Community / Private Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
G.O. Bond	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unspecified Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Budget Impact	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Projected Operating Budget Impact:**

Repaving should occur on a 10-year cycle. Annual inspections will determine the need for patchwork, based on weather and impact.

**Project Title:** Detention Center  
**Location:** T.B.D.  
**Type:** Construction  
**Priority:** Long-range

**SHERIFF**  
 Barry Faile, Sheriff

**Description and Justification:**

The Lancaster County Detention Center serves as a housing and holding facility for persons incarcerated by the following agencies: Lancaster County Sheriff's Office, SC Department of Probation & Parole, Lancaster Police Department, SC Highway Patrol, SC Department of Natural Resources and SC Department of Juvenile Justice. Federal agencies also use the facility on an infrequent basis. All of these agencies benefit directly from this facility. Based on the increase in the average daily jail population, the existing facility will fail to meet future needs.

This new facility will replace the current Detention Center with a modern "pod" based design, which affects the manpower needs to monitor and control inmates. The current facility is a linear design which has significant areas of sparsely controlled areas. The new facility would have a wing dedicated to Magistrate's Court. This would allow for bond hearings, probable cause hearings, etc. to be done on-site without the risks of transporting the inmates to a separate Magistrate's Court facility. The new court would incorporate modern security measures to protect the court staff and public from harm.

**Project Costs and Financing Plan:**

Various jail space cost estimates varied widely; the average figure is approximately \$60,000 per bed.

Construction Budget	Amount
A. Planning, Engineering and Design (10% of C.1.)	\$2,100,000
B. Land Acquisition	\$251,000
C. Construction (Sum of C.1. and C.2. below)	\$22,050,000
1. Construction Cost	\$21,000,000
2. Construction Contingency (5% of C.1.)	\$1,050,000
D. Equipment (Furnishings, Vehicles, etc.)	\$0
E. Consultant Study (if needed)	\$0
F. Inflation (C.1. + C.2. x 2%) (per year)	\$2,520,000
<b>Total Project Estimate</b>	<b>\$26,921,000</b>

	Total Project Estimate	2016/17	2017/18	2018/19	2019/20	2020/21	Five Year 2021/2026
<b>Detention Center</b>							
Capital Expenditures	\$ 26,921,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,921,000
Capital Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Governmental Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Fund	\$ 26,921,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,921,000
G.O. Bond	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unspecified Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	\$ 2,810,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,810,500
Operating Revenues	\$ 365,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 365,000
Operating Budget Impact	\$ 2,445,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,445,500

**Projected Operating Budget Impact:**

The proposed facility will be constructed to house 300 inmates to accommodate future growth. The pod system is most likely more cost effective to build; however, to supervise the pod system it will require more manpower. This is because direct supervision places an officer in each pod. Currently we do not have personnel in the housing units. Direct supervision is the national trend in modern correctional facilities. Currently we have 6 correctional officers per shift (28 total). Assuming we did not have a population increase, we may be able to effectively and safely run the facility with 4 additional correctional officers per shift (10 total). An example of the manpower needs comes from York County Sheriff's Office which is a 300 bed facility with direct supervision – each shift is staffed with 25 correctional officers.

Operating expenditures are difficult to estimate since there are several variables that have not or cannot be determined. First, the number of inmates varies. On a monthly basis, we average 140 inmates per day. Again it is important to understand that other than the additional officers to provide direct supervision, the following figures are estimates based on the inmate population increase. If inmate population does not increase then these numbers will not increase. It is also important to understand that these figures include increases to personnel, training, equipment, and many other line items if the inmate population increases. As the number of inmates grows, safety regulations require that the number of correctional officers and related expenses must also increase.

Another unknown would be the contracting of the facility to house federal inmates. If we were able to arrange to house federal inmates in unoccupied areas of the jail, we could use those funds as a source of revenue. The per day reimbursement rate for housing a federal inmate is approximately \$75. Previous estimates show that it costs Lancaster County approximately \$55 a day to house an inmate. Under this scenario, roughly \$20 of revenue per federal inmate per day would be generated. If 50 federal inmates were housed here each year, we could potentially generate net revenue of \$365,000 annually.

	Year 1	Year 2	Year 3	Year 4	Year 5	Years 6-10
Estimated Daily Inmates	140	150	170	190	200	250
Annual Operating Expenditures	\$2,810,500	\$3,011,250	\$3,412,750	\$3,814,250	\$4,015,000	\$25,093,750
Estimated Daily Federal Inmates	50	50	50	50	50	50
Annual Operating Revenue	\$365,000	\$365,000	\$365,000	\$365,000	\$365,000	\$1,825,000
Annual Operating Budget Impact	<b>(\$2,445,500)</b>	<b>(\$2,646,250)</b>	<b>(\$3,047,750)</b>	<b>(\$3,449,250)</b>	<b>(\$3,650,000)</b>	<b>(\$23,268,750)</b>

## Agenda Item Summary

Ordinance # / Resolution#:	Discussion/ Information Item
Contact Person / Sponsor:	Steve Willis
Department:	Administration
Date Requested to be on Agenda:	April 24, 2017

**Issue for Consideration:**

This is for information only. This is part 2 of a previous Council discussion item.

**Points to Consider:**

This is a community grant where we would serve as the fiscal pass through agency if the grant is approved.

There is no local cash match required.

The goals are to reduce youth violence, especially gang related incidents, and to improve relationships between law enforcement and the community.

This would involve a wide variety of community groups, headed up by the Sheriff.

The grant materials are attached as information. Council Vice-Chair McGriff has been active in the development of the overall program.

**Funding and Liability Factors:**

There is no local cash match from Lancaster County.

**Council Options:**

Since there is no cash match no action by Council is required; however, we want to keep County Council in the loop on projects such as this one.

**Staff Recommendation:**

Proceed with the grant.

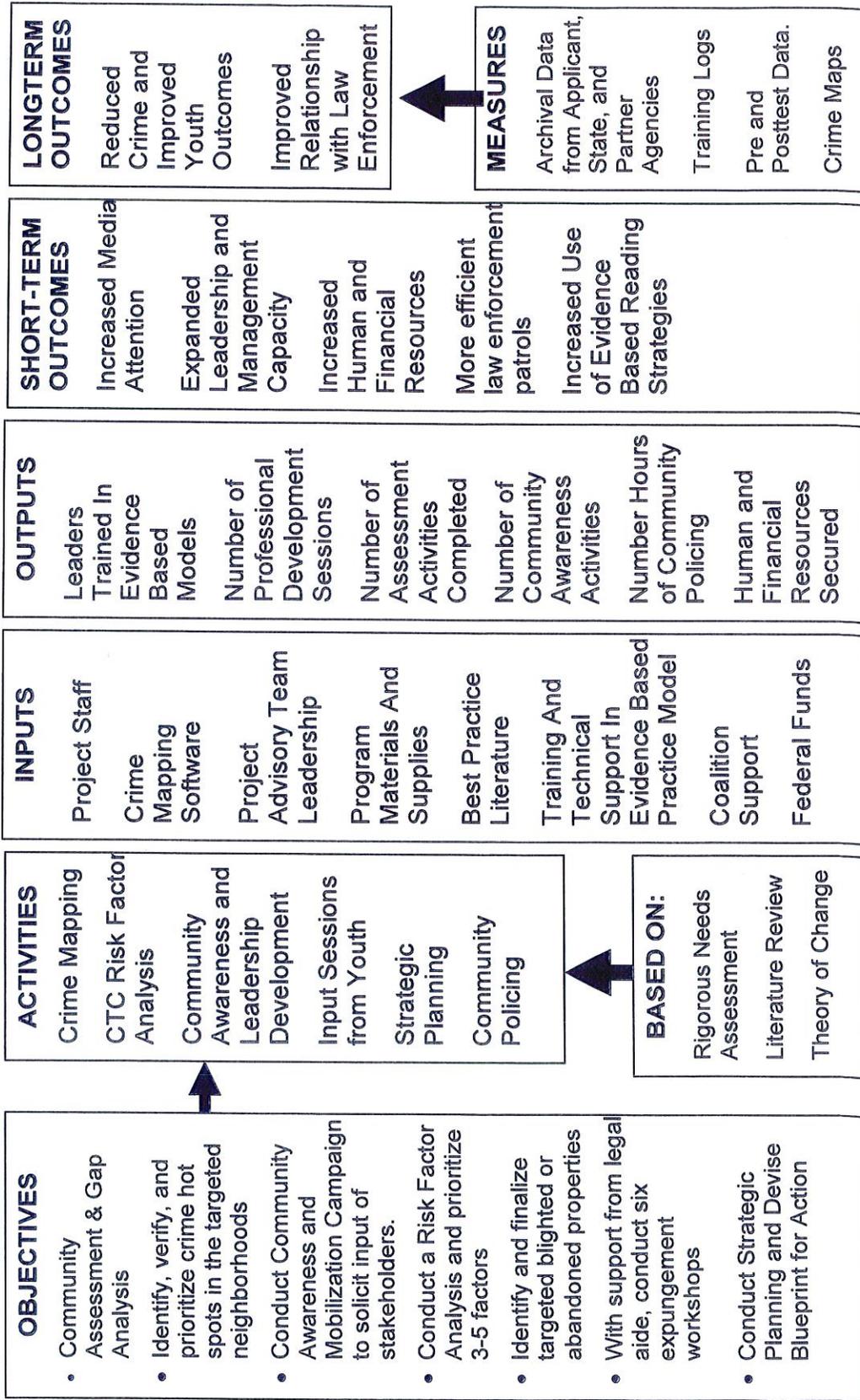
**Committee Recommendation:**

This particular program did not go through Committee as it had been discussed as part of the overall project.

**APPLICANT DISCLOSURE OF PENDING APPLICATIONS**

The applicant for the proposed project has no other existing or pending applications related to the same scope or approach. The county currently maintains an existing Federal grant in review to provide domestic violence and sexual assault investigation and victim services.

**LANCASTER SAFE AND THRIVING COMMUNITY LOGIC MODEL**

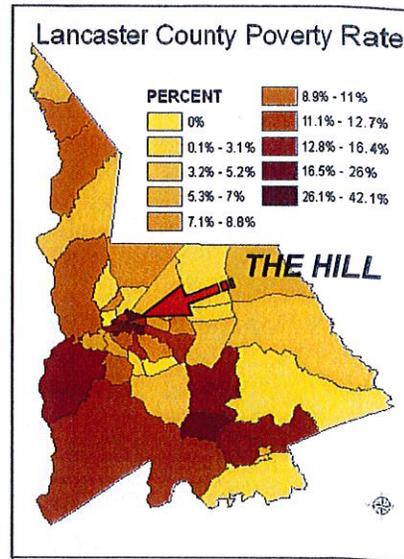


I. STATEMENT OF THE PROBLEM

Section One – Description of the Community and Target Area

A. Geographic Area, Size, Nature of Population & How / Why Targeted

Lancaster, South Carolina, is a 549 square mile rural area of 85,842 residents, situated adjacent to Charlotte, North Carolina. Although unknown to most, the county gained national notoriety during the global recession, when Forbes Magazine published the top 10 most vulnerable towns in America. Lancaster topped the list. Forbes cited unemployment of 12%, twice the national average, double the U.S. poverty rate, and 30% of adults lacking a high school diploma. Sadly, this is not the first time the area received negative national attention. In 2015, a state report ranked the Most Dangerous Cities in South Carolina. Lancaster was second. That a small town would gain such notoriety should not be surprising. Although public perception associates violence, dropout, and gang affiliation with large urban centers, the rate of these problems in many rural towns is staggering, often exceeding larger cities or boroughs. Such is the case in Lancaster.



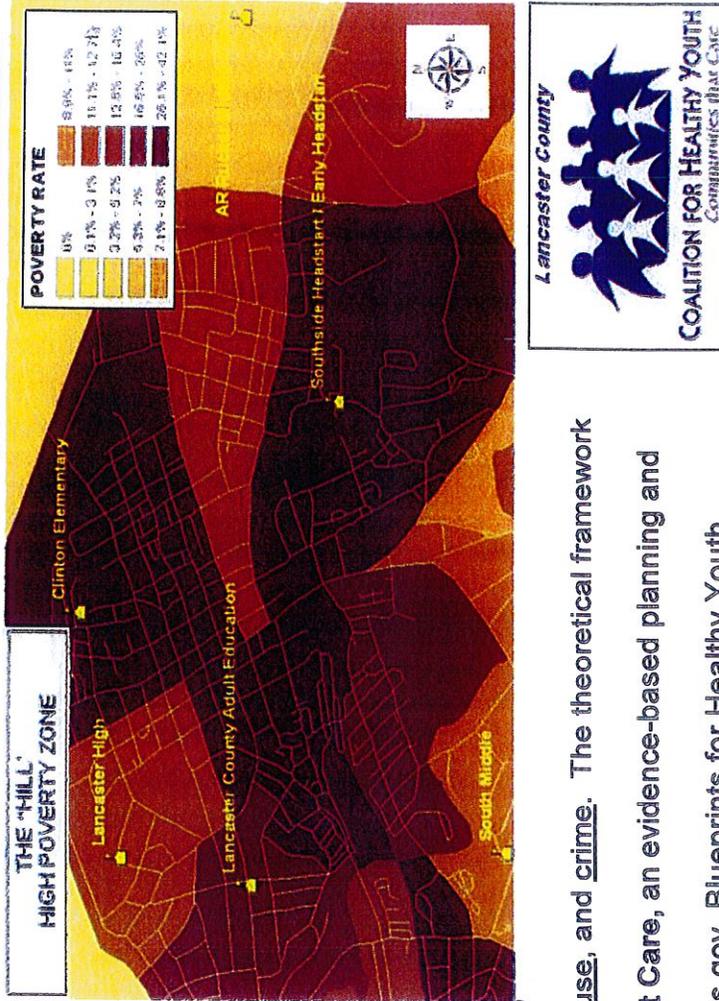
Lancaster County, SC	
Total Population	85,842
White	72%
African American	23%
Hispanic/Other	5%

The area most affected, and primary focus of the proposed project, is located in a cluster of neighborhoods known as “The Hill,” five block groups spread out over two census tracks, and home to 5,460 residents—the primary source of drug trafficking in the county, as well as prostitution, and site of a large public housing complex. Although still poor, at one time The Hill was a vibrant community, still held in high regard by older

African-Americans —now home to the most minority isolated schools, with highest poverty (66%) and lowest graduation rate (74%) in the county, in addition to the highest rates of murder, burglary, sexual assault, and second highest for assault and robbery (See charts in Section 2A; Page 7).

The story of how and why this area is targeted began in 1998, with the formation of the Coalition for Healthy Youth, a network of 40 public, private, civic, and faith based partners who came together to address violence, substance abuse, and crime. The theoretical framework guiding the coalition has been Communities That Care, an evidence-based planning and mobilization system recognized by Crime Solutions.gov, Blueprints for Healthy Youth

Development, the Center for the Study and Prevention of Violence, and National Registry of Evidence Based Programs and Practices. This approach has received national attention for its capacity to guide development of effective prevention programs targeting violence, dropout, substance abuse, teen pregnancy or gang affiliation. According to the model, certain environmental variables, (**RISK FACTORS**), are posited to increase the likelihood that a youth will engage in the problem. The more Risk Factors, the greater likelihood the problem will occur. Likewise, other variables (**PROTECTIVE FACTORS**)



serve to insulate youth. Prevention activities are then planned to address the unique combination of risk and protective factors in a community, to either reduce risk or increase protection. To date, researchers have identified nineteen (19) risk factors, organized into four domains. Community, Family, School and Individual/Peer:

COMMUNITY RISK FACTORS	
Availability of Alcohol and Drugs	Availability of Firearms
Media Portrayals of Violence	Transitions and Mobility
Low Neighborhood Attachment	Extreme Economic Deprivation
Community Laws and Norms Favorable Toward Substance Use, Firearms, & Crime	
FAMILY RISK FACTORS	
Family History of the Problem Behavior	Family Management Problems
Favorable Attitude Towards the Problem	Family Conflict
SCHOOL RISK FACTORS	
Early and Persistent Antisocial Behavior	Lack of Commitment to School
Academic Failure	
INDIVIDUAL/PEER RISK FACTORS	
Early Initiation of the Problem Behavior	Alienation and Rebelliousness
Favorable Attitudes Toward the Behavior	Friends Who Engage in the Behavior

Since 1998, the Coalition has employed this framework, collecting and analyzing Risk Factor Prevalence data to identify community problems and select appropriate evidence based intervention strategies to ameliorate these concerns. Typically, this include archival data sources, youth and household surveys, telephone polls, community forums, stakeholder interviews, neighborhood canvassing, and GIS Mapping.

The results of this analysis reveal a disturbing pattern of social distress in the target area (The Hill), with a devolution that has been both dramatic and sudden. Over the past century, textile manufacturing dominated the local economy, including what was once the largest finishing plant in the U.S. These jobs required little education and spawned a culture where educational achievement was viewed to have little value. Unfortunately, in 2005 all mills and finishing plants were closed, and the jobs provided

are gone. Poor, undereducated, with almost non-existent business infrastructure, the future outlook for this area is dismal, and will be detailed in Section 2A.

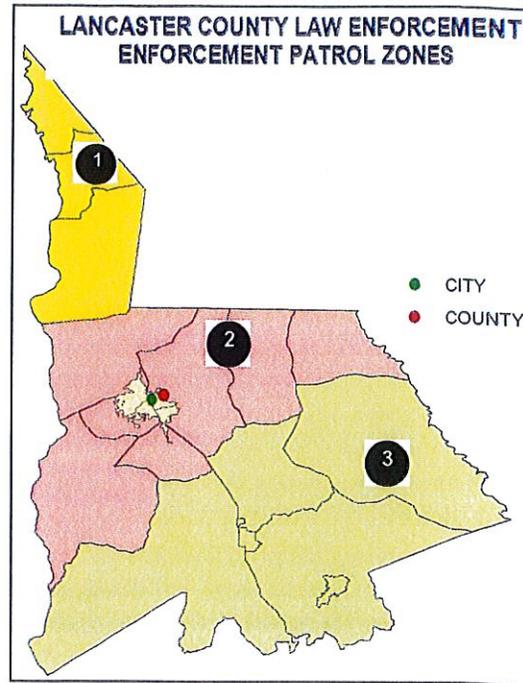
Life on The Hill stands in stark contrast to households located only twenty miles to the north (Indian Land), just across the border from Charlotte. Over the past ten years, affluent retirees drawn to South Carolina for lower property taxes have settled in to this area making Lancaster the fastest growing county in the state, and 26<sup>th</sup> in the nation. A segmentation analysis reveals a startling disparity between these areas, with average income for the Hill 67% less than Indian Land, and . In fact, 27% of target homes reported an income of less than \$10,000 during the last census. It was the this level of poverty, distress, crime, and problem youth behaviors (Section 2A) that led to prioritization of The Hill as focus for the proposed Safe and Thriving Community Project.

#### **B. Community Context, Governmental Structure, Major Agencies & Partners**

The proposed project involves an extensive partnership, with Lancaster County serving as applicant, on behalf of the network of required partners as outlined in the RFP. The county has a Council/Administrator form of government, with seven elected districts. The District Two representative, which serves The Hill, initiated the effort, involving the entire council and all partners. The Sheriff's Office falls under the administrative control of the county, with the sheriff appointed by election every four years.

Law enforcement is provided by two bodies in the county, the Sheriff's Office that serves the entire county, and the Police Department that serves the city of Lancaster. Both entities work closely together, sharing a training facility, data management system, and 911 call center. Patrols are divided into three regions, each further divided into zones as outlined in the map. Region Two which includes The Hill represents the bulk

of enforcement (Section 2A), and houses the central offices of both the police and sheriff's office. Region Two (Indian Land) includes the aforementioned affluent area and constitutes the bulk of property crimes and auto thefts, while Region Three is highly rural, with crime rates comparable to similar areas in the state.



As indicated earlier, the Lancaster Coalition for Healthy Youth represents a network of over 40 public, private, civic and faith based entities that have worked together for almost 20 years, employing the Communities That Care model to drive prevention and intervention. This group, represented below is comprised of every public agency in the county and majority of non-profit organizations. Only two of the required partners as outlined in the RFP (Public Housing and Economic Development) were not already active members of the coalition, but have now joined as a result of the proposed Safe and Thriving Community project. (See Memorandum of Understanding)

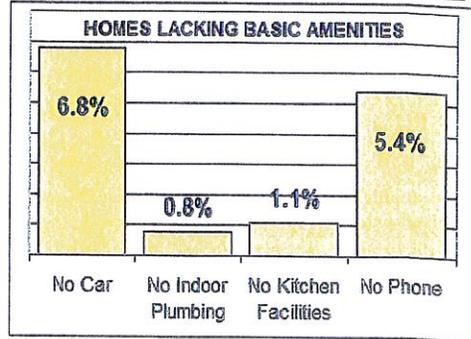
LANCASTER COUNTY COALITION FOR HEALTHY YOUTH		
Lancaster Sheriff's Dept.	Lancaster Police Dept.	County Council
City of Lancaster	Juvenile Drug Court	Alcohol & Drug Services
Dept. of Social Services	PCASA Rape Crisis	NAACP
Lancaster School District	Univ. of SC-Lancaster	Partners for Youth
DC Development	Guardian Ad-Litem	County Council
Adult Literacy Center	Catawba Mental Health	Hope on the Hill
Faith, Hope & Victory Church	Christian Services	Health Department
6th Circuit Solicitor	Communities in Schools	Hope Center Church
The Children's Council	United Way	Catawba Care
Learn TV	Foster Care Outreach	Community Powerhouse

Section Two – Description of the Community Strengths, Gaps, & Need

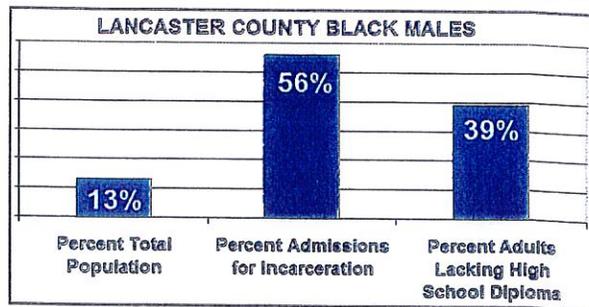
**A. Crime, Violence, & Local Data Related To The Health, Social Service, Education, Justice, & Economic Statistics and Comparison to National Data.**

Although the proposed project will involve a rigorous data collection framework, project leaders have begun to secure indicator data for use during the 3 month planning phase.

As indicated earlier, Lancaster first received attention during the aforementioned Forbes report, citing unemployment twice the U.S. average, double the poverty rate, and homes lacking indoor plumbing and other basic amenities.

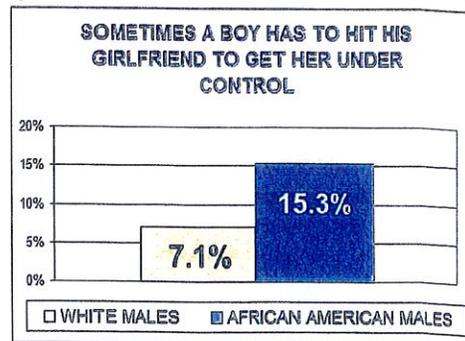


Unfortunately, residents of The Hill, predominantly African American, suffer disproportionately on every single social indicator (poverty, employment, health,



and education). Almost 40% of Black men in Lancaster do not have a high school diploma and one-third is unemployed. While comprising only 13% of the population, a staggering 56% of Lancaster prison admissions are Black, as are 36 % of sex offenders.

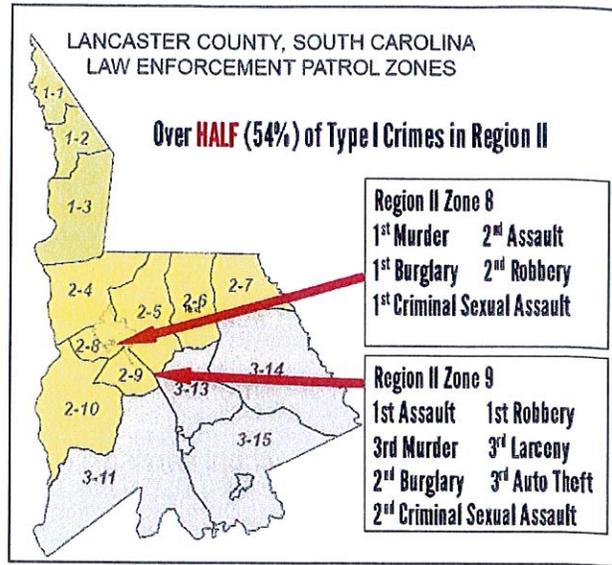
Black males are also three times more likely to be a victim of violent crime. Student surveys reveal that Black males are more likely to normalize relationship violence compared to whites.



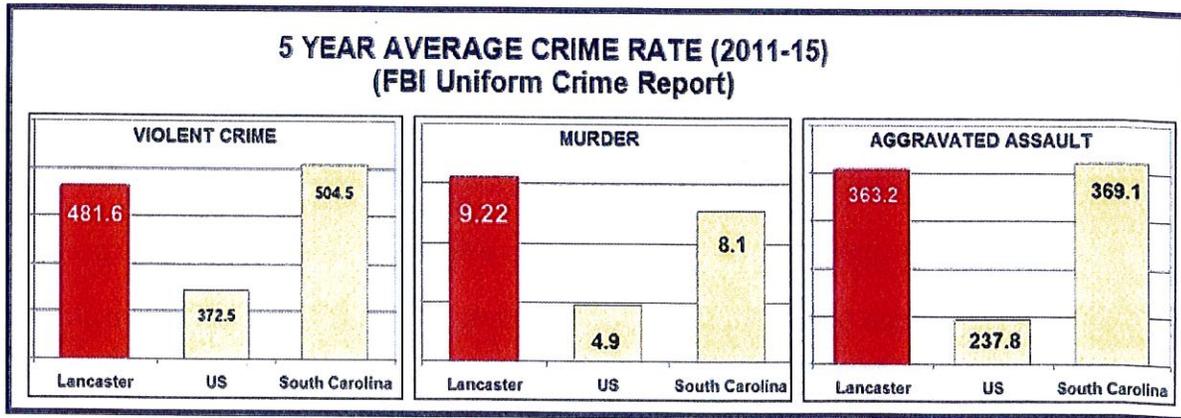
The crime map of 2015 data on the next page reveals that overwhelming majority of major crimes occur in the two zones targeted by the project, ranking first for murder, assault, robbery and sexual assault.

The 5-Year Average Crime Rate data required within the RFP and listed below shows that Lancaster exceeds the national average for violent crime, murder, and aggravated assault.

Much of this appears to be related to drugs and gangs. In fact, in the past five years the solicitor's office has



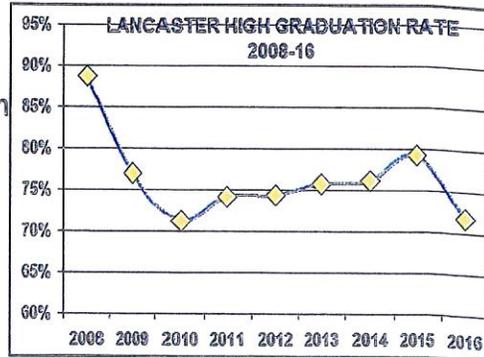
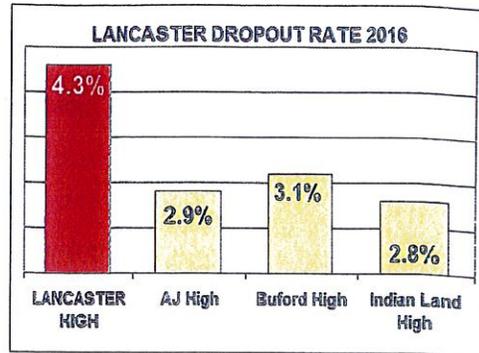
seen a staggering 800% increase in drug- related cases. In 2011, drug offenses represented only 10% of all cases prosecuted, but now accounts for over 40%. One in four probation violations are drug related, and a third test positively for drugs each year.



Drug related crime has paralleled an explosion in the incidence and prevalence of gang affiliation. Around 2010, the Lancaster Sheriff's Department became alarmed at the level of crime associated with gang affiliation. Gang activity has been growing at a staggering level, in part due to Lancaster County's proximity to Charlotte, North Carolina (i.e., across the county border). At present time, the Sheriffs Office reports the presence of at least twelve different gangs, comprised of about 250 members. Since

2005, law enforcement officials attribute a 200% increase in school related violence, vandalism, and drug trafficking to gang involvement. This year alone there have been sixty-six gang related arrests, and at this rate, will end the year with over 250 incidents.

Finally, the link between academic failure and crime has been well documented. Sadly, student performance at the school serving The Hill (Lancaster High) paints a dismal picture. Of the four high schools in the county, Lancaster High has seen a 100% increase in dropout since 2014, and almost double the state average (2.5%). The school also has the lowest graduation rate (71%) in the county, over 18% lower than the next largest school in the district.



Not surprising, reported substance abuse for these youth is serious and begins early, with Lancaster surpassing the national average, with 66% of youth having used alcohol in their lifetime and 32% in the past 30 days. Over 17% report of Lancaster high school seniors having sold drugs, 37% used marijuana, and 7% had used cocaine.

**B. Community Strengths and Resources, Including Current Community Leadership Efforts As Well As Public Resources and Agency Efforts.**

While the range of problems described may seem overwhelming, what is now occurring in this community is nothing short of staggering. Two years ago, the coalition began an effort to reclaim The Hill. The plan was ambitious and involved three steps: 1) mobilize volunteers to send an immediate message to that The Hill is an important asset and together we can reclaim it's historic past; 2) engage residents in voicing concerns and

needed resources; and 3) secure human and financial capital to address these gaps.

Although cautious at first, residents quickly understood that the project meant business.

Over the course of six months, 400

volunteers, including law enforcement, descended on the area and helped collect over 30 tons of garbage. Materials were donated and teams organized to paint houses, repair porches, and plant gardens.

Next, a group of 40 volunteers spent three weeks canvassing the neighborhood, knocking on the door of every home in

the zone, over 1,500 households. These trained field workers met with residents to discuss needs or concerns. Top concerns identified included education and job training, assistance with criminal record expungement, and more community oriented policing. Finally, individuals, businesses and foundations pledged over \$2 million dollars to support education, health, and employment services to these residents.



### **C. Identified Gaps and Needs As Defined By The Community and The Collaborative Body Overseeing The Proposed Strategic Planning Process.**

While the work of the coalition provides a solid foundation for the proposed Safe and Thriving Communities project, much is yet to be done. Although the proposed project will employ a rigorous community profile assessment (described later), several elements have already emerged as a priority for inclusion in the strategic planning process.

These include:

- **Community Oriented Policing Model** - following much discussion and input, every law enforcement officer in the jurisdiction participated in a day-long training on effective community oriented policing strategies. Further training and analysis in this element is a key priority of the project planning team.
- **Pro-social Support for Gang Affiliated Youth or those At-Risk for Affiliation** - a youth development model that has received state and national attention (Community Powerhouse) for its capacity to transition gang affiliate youth into college and career has been piloted at the high school serving The Hill, with great success. Further analysis has been prioritized to expand this intervention throughout the area.
- **Criminal Record Expungement Clinics**- one of the first concerns identified in initial meetings was the need to assist eligible individuals with expunging criminal offenses to reduce employment barriers.
- **Evidence Based Reduction Strategies** - a preliminary review and analysis of research related to youth violence reduction reveal a number of promising models. One, Cure Violence, was positively received by Coalition members, including faith based. The tentative plan is to secure training in the model to be employed once the federal grant has lapsed.

## II. GOALS, OBJECTIVES, AND PERFORMANCE MEASURES.

The proposed program is consonant with the parameters of the Safe and Thriving Communities core elements. The charts on the next pages outlines two project goals and 15 objectives, aligned with specific action strategies with each element detailed later in the narrative. While several evidence based strategies are described, the final framework will be amended and approved at the conclusion of the planning phase.

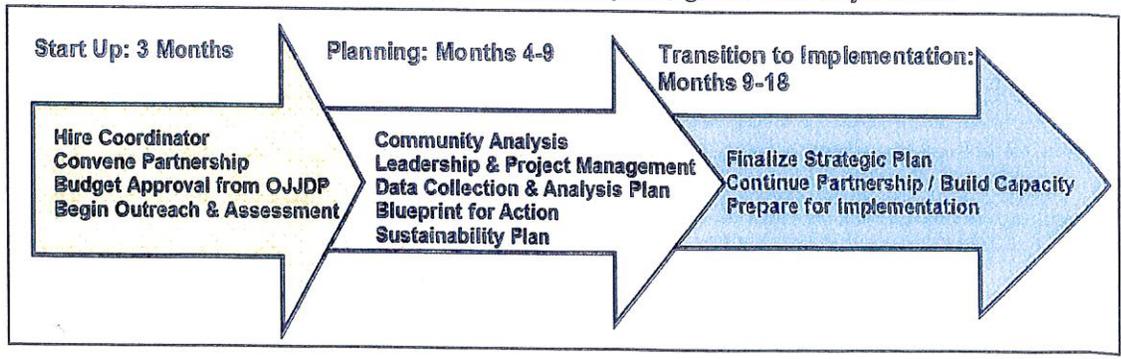
<b>ONE</b>	<p><b>GOAL 1: REDUCE AND SUSTAIN REDUCTIONS IN YOUTH VIOLENCE, INCREASING SAFETY, WELL-BEING AND DEVELOPMENT OF YOUTH, ESPECIALLY GANG AFFILIATED.</b></p> <p>Conduct and update a Community Assessment to identify norms related to youth violence.  <b>STRATEGY:</b> <u>Survey of target youth grades 7-12, Household survey of 28,000 homes, 10 community forums.</u></p>
<b>TWO</b>	<p>During the 9 month planning phase, identify, verify, and prioritize crime hot spots within the targeted neighborhoods.  <b>STRATEGY:</b> <u>Archival Data Analysis and Review, GIS Crime Mapping</u></p>
<b>THREE</b>	<p>Conduct Community Awareness and Mobilization Campaign to solicit input and involvement of stakeholders.  <b>STRATEGY:</b> <u>Learn TV (six public information announcement, six 30-minute broadcasts), social media, faith outreach</u></p>
<b>FOUR</b>	<p>Conduct discussions to solicit input from youth, gang affiliated and at-risk, and formulate plans for support services  <b>STRATEGY:</b> <u>Community Powerhouse</u></p>
<b>FIVE</b>	<p>Expand and Enhance Partnership Relations to Include new public, private, civic, business and faith based resources.  <b>STRATEGY:</b> <u>Revised MOU, Financial and Human Resource Inventory for Sustainability</u></p>
<b>SIX</b>	<p>Identify all relevant programmatic resources available to address targeted risk factors.  <b>STRATEGY:</b> <u>Resource Inventory Survey, Interviews with public and private service providers University</u></p>
<b>SEVEN</b>	<p>Conduct Environment Assessment of local policies, statutes, physical assets, risks, geographic features and resources.  <b>STRATEGY:</b> <u>Crime Prevention Through Environmental Design (CPTED)</u></p>
<b>EIGHT</b>	<p>Aggregate new and updated data and conduct a Risk Factor Analysis and prioritize 3-5 factors driving youth violence.  <b>STRATEGY:</b> <u>Communities That Care Model</u></p>
<b>NINE</b>	<p>Secure Strategic Planning Partner with prior experience in relevant projects and conduct a three day planning session.  <b>STRATEGY:</b> <u>Procurement and Literature Review</u></p>
<b>TEN</b>	<p>Use the Community Assessment &amp; Gap Analysis, Develop a comprehensive set of strategies to address crime drivers  <b>STRATEGY:</b> <u>Blueprint for Action</u></p>
<b>Eleven</b>	<p>Submit Preliminary and Final Strategic Plan to Program Officers, including Approved Blueprint for Action.  <b>STRATEGY:</b> <u>Participation in Federal Training, Completion of Planning Activities</u></p>

<b>GOAL 2: IMPROVE RELATIONSHIPS BETWEEN POLICE AGENCIES AND COMMUNITY MEMBERS</b>	
<b>ONE</b>	Conduct a minimum of three community engagement forums in each enforcement zone during the planning phase. <b>STRATEGY:</b> <u>Community Enforcement Liaison Officers</u> , trained in engagement and community based patrols
<b>TWO</b>	Identify and finalize targeted blighted or abandoned properties in high crime areas and conduct planned demolition and neighborhood cleanup. <b>STRATEGY:</b> <u>YouthBuild in partnership with DC Development and Construction.</u>
<b>THREE</b>	With assistance from Faith Community Partners, plan and implement an evidence based crime reduction model employing a public health framework. <b>STRATEGY:</b> <u>Cure Violence, Faith Partners, Community</u>
<b>FOUR</b>	With support from legal aide, conduct six expungement workshops to assist first time offender of a prior criminal conviction seeking the record be sealed or erased. <b>STRATEGY:</b> <u>Expungement Clinic</u>

**III. PROJECT DESIGN AND IMPLEMENTATION.**

**Description of Strategy for Planning, Major Activities, & Operational Steps Taken**

The overall project design was not made adventitiously. In addition to proposing the most rigorous needs assessment ever conducted in Lancaster, the project includes an ambitious awareness and mobilization protocol, and rigorous strategic planning effort led by a network of stakeholders with an amazing record of past success. Consonant with the Safe and Thriving Communities RFP, the proposed project has been established that meets the required timeline--and falls into three distinct phases as outlined below. The entire process is aligned with an established logic model and guided by the aforementioned implementation plan, goals and objectives.



**PHASE I: Start-Up (Months 1-3)**

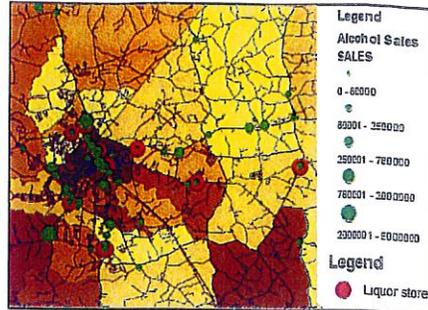
The individuals and organizations behind the proposed project are fully committed to addressing the problems in The Hill. As such, significant progress has already been achieved. First, the partnership, including all mandated members, has already convened and active. Second, members have already been trained and experienced in an evidence based planning framework (Communities That Care), a training process that originally took almost four months. Community outreach is also in full swing, with two forums already hosted by law enforcement to discuss hot button topics including implicit bias, perceptions of racism, the use of body-cams, and police shootings. Likewise, job descriptions for the Project Coordinator and Law Enforcement Community Liaison positions have been established, assessment protocol set, survey instruments designed, and review of literature conducted related to youth violence, community mobilization, evidence based prevention strategies, and community policing. To that end, the following activities will be completed at the onset:

**Risk Factor Assessment** - The last Risk Factor Assessment was conducted in 2012 and will replicated using new instrumentation. First, every student (grade 7-12) will be surveyed, with questions targeting all 19 identified risk factors in the Communities That Care Model. To track community norms, a similar household survey will be mailed to all 28,000 homes. Customized telephone robo-calls, social media, church bulletin inserts, and newspaper editorials will be employed to promote the survey. The Risk Factor Analysis will be enhanced by updating an existing archival database comprised of over 100 indicators related to health, education, employment, and crime.

**Resource and Gap Analysis** - Using an existing United Way Resource Guide, every youth serving agency will be interviewed to asses current services—including program

structure, theoretical framework, evidence base, capacity, client demographics, staffing, intake procedures, and funding source. Specific attention will be placed on access and appropriateness for target youth from The Hill.

**GIS Mapping** - A key assessment element will involve an examination of crime data through Digital Crime Mapping. The technology mapping of crime hot spots,



overlaid with datasets such as demographics, locations of bars or schools, and devise policing strategies, allocate patrols, or dispatch emergencies. All data from the sheriff and police since 2104 will be analyzed to determine geographic and seasonal patterns.

**Community Forums** - In addition to forums already conducted, the plan calls for ten additional sessions to be conducted at churches, schools, community center, and recreation center. One unique element involves



the use of an electronic Audience Response System that allows individuals to respond to PowerPoint questions anonymously using a remote control transponder.

This approach was employed during a workshop with every law enforcement officer to discuss racial profiling and high-profile shootings. In addition to forums, project leaders have formulated a list of 75 community stakeholders, which will be interviewed to assess norms related to youth violence and strategies to ameliorate these concerns.

**Youth Input and Mobilization** - The assessment will also solicit direct input from youth (16-24) with a history of gang affiliation. A youth development model that has received national attention (Community Powerhouse) for its capacity to transition such youth into college and career has been involved in planning and will recruit participants to serve as a Youth Council, for a small stipend, to provide input and feedback to the overall project.

**Environmental Scans** - The last assessment element will involve an environmental scan of potential elements that may attract criminals and exposure to risks, such as:

Street Lighting	Vacant Homes/Lots	Public Parks	Gas Stations
ATMs and Banks	Alcohol Outlets	Local Businesses	College Campus

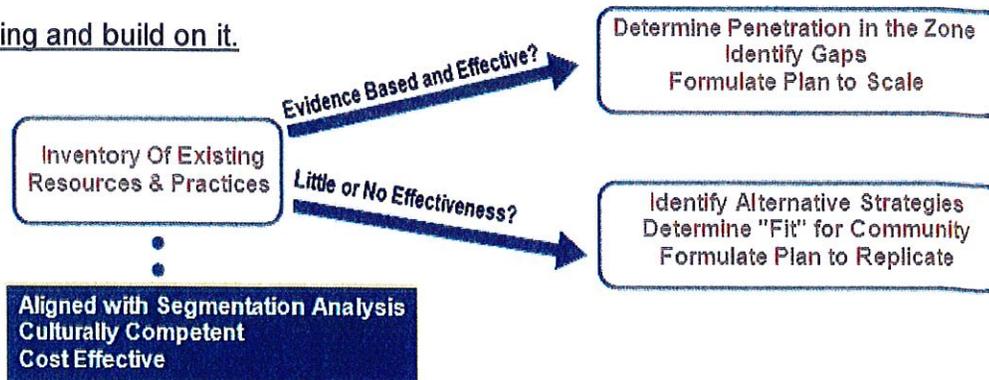
Each element will be included in GIS maps, aligned with crime data. Also, the plan calls for a review of city, county, and school district policies related to youth violence.

**PHASE II: Planning (Months 4-9)**

There are several key deliverable to be produced during this phase and include the Community Assessment Report, Resource Gap Analysis, Crime Mapping Analysis, and Policy Review, all to be incorporated into the Blueprint for Action. The Communities that Care model leads stakeholders through a review and prioritization of risk factor data to be targeted by interventions. This process is represented below, and differs from strategic planning, which answers the question "how and when do we do all of this?"



A priority of this model is also building on local resources to increase capacity, embrace evidence based service delivery models, and facilitate sustainability. "Risk" addresses the problem, and "Protection" focuses on strengths and resources. In other words, find what's working and build on it.



The Project Advisory Team will be organized into subcommittees (see Organizational chart on page 28) to coordinate the aforementioned elements, with the entire team meeting bi-weekly during the first six months, and subcommittees meeting weekly. All activities may be adjusted, dependent on input received during required Federal grant meetings. The schedule for delivery of all deliverables, including the Interim and Final Strategic Plan is summarized in the table below:

SUMMARY OF PROJECT DELIVERABLES	TIMEFRAME
Community Partnership with all Required Constituents	Completed
Community Assessment, Risk Factor Analysis, Data Collection Plan	Months 1-4
Identification of Resource Gaps and Analysis	Months 3-4
Project Leadership and Management Plan	Months 5-7
Preliminary Strategic Plan	Month 9
Final Strategic Plan and Blueprint for Action	Month 15
Sustainability Plan	Months 12-15

**Engagement and Mobilization** - A review of literature related to violence prevention highlights the importance of involving the target community in planning,  facilitating transparency, trust, and ownership. This is one reason for the aforementioned door to door canvassing and revitalization activities. Phase II will continue and expand these activities, with additional canvassing, forums, and media saturation campaign. An important element in this will involve a local public access cable station--the only station transmitting the entire area. Learn TV has agreed to produce and broadcast six public service announcements and six 30-minute programs focused on youth violence. Using a mobile studio, target youth, stakeholders and staff will be responsible for writing, producing, and post-production, with youth actively involved, both behind and in front of the camera.

**Strategic Planning** - As all assessment elements and reports have been compiled, the Project Advisory Team will begin development of the Interim Strategic Plan as per the schedule outline earlier. While there are a number of talented consultants in the state, project leaders conceded that the optimal resource would be an individual or firm experienced with law enforcement and youth violence prevention. Three firms have been identified, including one quite familiar with the Cure Violence model program. Final selection will be made after interviews. The foci of the Strategic Plan will include a detailed and systematic approach for addressing following?

**1. What are the most prevalent risk factors in the target neighborhood, and which specific evidence based intervention strategies are currently available or could be adopted in the target neighborhood? What are optimal steps to implementation?**

**2. What are the most salient variables related to violence in the target neighborhoods, which may include environmental (lighting, traffic patterns, vacant or blighted homes, etc.), policies (noise ordinances, criminal history screening during pre-employment), and enforcement (timing and location of patrol substations, staffing levels, training, and community perceptions). What strategies can be employed to ameliorate?**

**3. What are the optimal steps required to implement Cure Violence with fidelity?** What existing resources can be employed to assist with the intervention, how can the project be aligned with available funding streams, and who are the most important stakeholders to drive implementation of the effort?

**4. What financial & human resources are needed to transition to implementation?** What is long range funding available through public and private sources? What is the potential ROI (Return on Investment) for public or private funding?

**PHASE III: Transition to Implementation (Months 9-18)**

Once the Interim

Strategic Plan has been submitted and feedback received from OJJDP, the final report will be expanded with additional detail, updated with any information secured since submission, and revised with new input from community stakeholders including the Youth Council. The focus during this phase will include the following objectives:

**Project Partnership Membership Expansion** - determining additional individuals, especially from the target neighborhoods, to join and lead ongoing implementation.

This will include the development of new subcommittees, less focused on assessment and shifted to implementation, management, community awareness and evaluation.

**Leadership and Management Training**- the move towards implementation will require strong oversight, which project leaders have elected to address through two mechanisms. First, Results Based Accountability (RBA), widely employed by business, government, and non-profits around the globe, provides an organizational framework for data driven decision making, assisting organizations to move beyond talking to tracking specific indicators in real time. Efforts to Outcomes is an internet-based case management database, which builds on RBA to measure program outcomes, drawing data from all relevant sources, and organized into Safe and Thriving Communities Report Card, a data dashboard that allows for longitudinal tracking and accountability.

**Moving Towards Direct Service**- Two areas have already been identified as important to reducing youth violence. First, community forums have highlighted the need for expungement clinics to seal or erase certain convictions, eliminating a potential employment barrier. Second, the aforementioned Community Powerhouse has received national attention for its capacity to transition gang affiliated youth into college

and career. Both of these will be introduced to the community during this phase.

**Exit Interviews with Consultants and Subcommittee Chairs** - One of the last actions to be taken prior to submission of the final Strategic Plan will involve exit interviews with key contributors to highlight lessons learned, potential future obstacles, and need for additional training or support.

**Sustainability** - On key to sustainability and full scale implementation of the proposed project is the current position of The Hill as a priority within the community. Last year, a network of business leaders and elected officials determined that future economic development for the area is linked to two concerns: school quality and crime. The Coalition assisted in development of rigorous educational support plan, from preschool to college, that has already begun to see benefits. The proposed Thriving Communities project will address the other priority element. Over \$2 million dollars in pledges has been secured from business leaders foundations to address education and crime. Lancaster County is fortunate to have five major foundations with sole funding responsibility for the region, an important resource to the proposed project.

However, the coalition has learned that sustainability is not simply a matter of dollars. A significant key is to build towards institutionalization of efforts through the development of a shared vision of success, that clearly defines the desired results to be secured, and provide transparent data detailing progress. Sustainability also includes effective and cost efficient management, avoiding duplication of effort, and ongoing engagement with community stakeholders.

#### **Identification of the Collaborative Body That Meets the Eligibility Requirements**

The strength of the proposed project is the longstanding and prolific partnership that has

worked together for almost 20 years, and comprised of every public agency and almost all non-profit organizations in the community. Data driven, with attention to evidence

based intervention strategies that are culturally competent, the coalition has had a prolific impact on the including formation of a Fatherhood Engagement Program that has reconnected 500 absent fathers back into lives

<b>GOVERNMENTAL PARTNERS</b>	
Lancaster County Administrator	City of Lancaster Mayor
<b>LAW ENFORCEMENT PARTNERS</b>	
Lancaster County Sheriff's	Lancaster Police Chief
<b>SCHOOL DISTRICT PARTNER</b>	
Lancaster County Schools Superintendent	
<b>PUBLIC HEALTH</b>	
Catawba Public Health Department Director	
<b>HOUSING</b>	
Caroline Courts Public Housing Director	
<b>BEHAVIORAL / MENTAL HEALTH</b>	
Counseling Services of Lancaster / Alcohol and Drug Addiction Services	
<b>ECONOMIC DEVELOPMENT</b>	
Lancaster County Economic Development Director	
<b>CHILD WELFARE / FOSTER CARE</b>	
Lancaster Social Services Department Director	Foster Care Outreach Director

of their children; an award winning Truancy Prevention project that reduced the number of truancy petitions to family court by 90%; a minority achievement gap initiative that produced a 60% increase in Black student enrollment in rigorous Advanced Placement courses; and an aggressive fundraising campaign that raised \$1.5 million dollars to fund college scholarships to low-income students. Since the Thriving Communities project mandates specific constituents required for the grant, the table above summarizes only those entities, although the full coalition has been fully involved in the project. The proposed project has been a textbook exercise in partnership and mobilization. Because the area is rural, with less bureaucratic insulation, it has been easier to secure participation, input, and agreement from stakeholders in the community. Most important, the project has been driven by representatives of the target neighborhoods.

### **Identification of a Lead Agency and Dedicated Administrative Budget and Staff**

The capacity and qualifications of the Lead Agency (County of Lancaster), including fiscal oversight, are well established and described later in the narrative.

To Support the Initiative, a full time Project Coordinator will be hired to oversee the grant project, operating under the direct supervision of the Lancaster County Sheriff, County Council District Two Representative, and Project Advisory Team. A rigorous program implementation and management framework has been devised that articulate each key task, responsible party, and target date spanning the entire 18 month tenure of the grant. Tasks include planning, management, data collection, training, reporting, subcontract management, and ongoing monitoring of all activities, with feedback mechanisms to allow for programmatic adjustments throughout the process. A Project Advisory Team has also been described earlier, along with the meeting framework to oversee the implementation process.

### **Proposed Capacity Development Activities to Support Strategic Planning**

As indicated earlier, the move towards implementation will require strong oversight, which project leaders have elected to address through two mechanisms. First, Results Based Accountability (RBA), widely employed by business, government, and non-profits around the globe, provides an organizational framework for data driven decision making, assisting organizations to move beyond talking to tracking specific indicators in real time. Efforts to Outcomes is an internet-based case management database, that builds on RBA to measure program outcomes, drawing data from all relevant sources, and organized into Safe and Thriving Communities Report Card, a data dashboard that allows for longitudinal tracking and accountability. Key stakeholders and subcommittee

chairs will participate in training in both of these elements, which will be embedded in the Blueprint for Action.

#### **Identification of Any Known Training and Technical Needs**

In addition to the training reference in the previous section, newer members of the Coalition will participate in a refresher update on The Community That Cares planning process. Likewise, the GIS mapping software employed has been recently modified by the publisher, which will require some professional development to move forward.

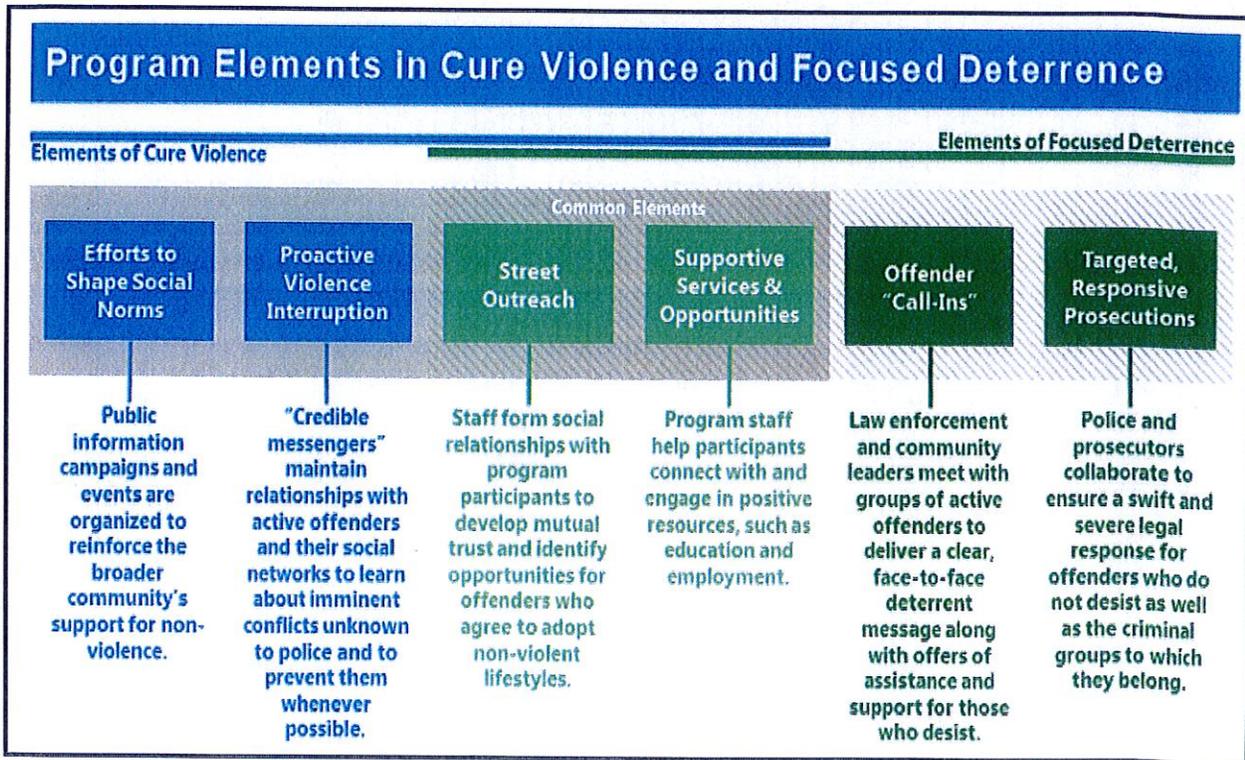
For the planning period, given projected needs, deliverables, and timelines to successfully compete for potential implementation funds and position themselves for full implementation by the end of the project period.

#### **Applicants May Also Propose To Allocate A Limited Amount Of Award Funds To Support Capacity-Building Activities During The Last Quarter**

During early stages of planning, the Coalition began a review of literature related to evidence based intervention strategies. After much discussion, one model emerged with extensive independent evaluations, all demonstrated statistically significant reductions in violence. This model, Cure Violence, (formally known as Cease Fire) is unique in that it addresses the problem from a public health model, similar to a disease like tuberculosis. Subject of the award winning documentary, The Interrupters, the Cure Violence Model has been replicated in over 50 sites and treats violence as a learned behavior that can be prevented using disease control methods in three stages:

- 1) Interrupt transmission
- 2) Identify and change the thinking of highest potential transmitters
- 3) Change group norms

The program model has comparable features focused deterrence strategies employed in some jurisdictions, but differs with regards to the public health approach and use of grassroots messengers from the community to help defuse conflict and modify community norms. The approach has been named an evidence based model by [Crime Solutions.gov](#), [Blueprints for Healthy Youth Development](#), and the [Center for the Study and Prevention of Violence](#). Funds are designated to send a team of key leaders to receive training in the Cure Violence model by the program developers.



**Timeline of Major Tasks Associated with Goals and Objectives of the Project**

A timeline chart has been included with key tasks, responsible party, and timeframe, and organized for each of the three project phases. In addition, major deliverables are highlighted as recommended within the Safe and Thriving Communities RFP.

ACTIVITY	RESPONSIBLE PARTY	QUARTER					
		1	2	3	4	5	6
<b>START UP ( Months 1-3 )</b>							
Notification of funding	OJDP						
Convene Partnership -Review grant implementation plan	County Administrator, Coalition						
Recruit, hire and train Coordinator & Enforcement Liaison	Sheriff, County Administrator						
Finalize data collection protocol, instrumentation, analysis	Evaluation Consultant/ Coalition						
Submit Budget to OJDP for Approval as Required	Coordinator, Finance Director						
Update Archival Data System-Local, State & National Sources	Evaluation Consultant						
Interview Existing Resources / Gap Analysis, Effectiveness	Assessment Team /Evaluator						
Orientation Technical Assistance Meeting in DC	Coordinator, Sheriff, Evaluator						
Field Test Youth & Household Surveys, Distribute & Analyze	Assessment Team /Evaluator						
Conduct Community Forums and Field Canvassing	Coordinator, Enforcement Liaison						
GIS Mapping of Crime Patterns, Resources	Crime Mapping Dept/Evaluator						
Finalize Learn TV broadcast schedule, Production Begins	Learn TV Producer						
Youth Engagement Sessions Begin	Powerhouse Director/Coordinator						
Community Assessment and Gap Analysis Complete	Assessment Team / Coalition						
Review Assessment and Conduct Analysis	Coalition, Coordinator, Evaluator						
Conduct and Discuss Subcommittee Summary Reports	Subcommittee Chairs, Coalition						
Review Evidence Based Service Delivery Models for Fit	Strategies Team, Coordinator						
Project Leadership and Management Plan Established	Coordinator, Enforcement Liaison						
Conduct Policy Analysis and Community Policing Protocol	Coordinator, Sheriff, Police Chief						
Formulate Community Blueprint for Action / Fund Analysis	Coalition, Coordinator, Evaluator						
National Meeting as Required	Coordinator, Sheriff, Evaluator						
Devise and Initiate Sustainability Plan	Coordinator, Coalition						
Interview Planning Consultants and Finalize Subcontract	Coordinator, Enforcement Liaison						
Conduct Pre-Planning with Consultant Team	Coordinator, Enforcement Liaison						
Disseminate Blueprint, Assessment Report & Gap Analysis	Coordinator, Awareness Team						
Conference Call with Federal Program Officer/Status Update	Coordinator, Enforcement Liaison						
Conduct Strategic Planning -Submit Interim Report	Planning Consultant, Coalition						
<b>PLANNING (Months 4-9)</b>							

ACTIVITY	RESPONSIBLE PARTY	QUARTER					
		1	2	3	4	5	6
TRANSITION TO IMPLEMENTATION (9-18)							
Make adjustments to Blueprint, Assessment Report	Coalition, Program Coordinator						
Monitor Sustainability Plan Progress / Make Adjustments	Planning Consultant, Coalition						
Determine Project Partnership Membership Expansion	Subcommittee Chairs, Coalition						
Secure Non-Profit Partner to support future fundraising	Subcommittee Chairs, Coalition						
Leadership and Management Training	Planning Consultant, Coalition						
Conduct Expungement Clinics	Coordinator, Enforcement Liaison						
Powerhouse Expansion Plan Finalized	Powerhouse Director/Coordinator						
Identify Resources Needed for Transition to Implementation	Subcommittee Chairs, Coalition						
Schedule and Conduct Training in Evidence Based Model	Cure Violence of Chicago						
Finalize Policing Schedule, Location, and Staffing	Coordinator, Sheriff, Police Chief						
Conduct Exit Interview with Consultants and Subcommittees	Planning Consultant, Coalition						
Finalize and Approve Strategic Plan	Planning Consultant, Coalition						
Conduct 1st Annual Safe & Thriving Community Report Card	Planning Consultant, Coalition						
Submit Final Strategic Plan to OJJDP	Coalition, Program Coordinator						

SUMMARY OF PROJECT DELIVERABLES	TIMEFRAME
Community Partnership with all Required Constituents	Completed
Community Assessment, Risk Factor Analysis, Data Collection Plan	Months 1-4
Identification of Resource Gaps and Analysis	Months 3-4
Project Leadership and Management Plan	Months 5-7
Preliminary Strategic Plan	Month 9
Final Strategic Plan and Blueprint for Action	Month 15
Sustainability Plan	Months 12-15

#### IV. CAPABILITIES AND COMPETENCIES

##### Experience and Capability of Applicant Organization and Contractors

The applicant agency for the proposed project is the County of Lancaster, and well suited to coordinate the overall effort. The County has managed state and federal grants, more recently from the Department of Justice' Office of Violence Against Women. The Finance Director manages subcontract awards and monitors expenditures under the guidance of the County Manager, reviewed and approved by the entire county council. The required Financial Management and Internal Control's System documentation has been completed in the application, and complies with standard accounting practices.

**Barry Faile, Lancaster County Sheriff** - The proposed project is fortunate to be headed by the Principal Investigator, Sheriff Barry Faile, one of the most trusted community leaders in South Carolina. Over the course of his extensive career, Sheriff Faile has earned a reputation for a laser focus on community engagement. During his tenure, he formed one of the first Victim's Advocate Units in South Carolina, created countywide Crime Watch patrols, organized a Violent Crime Task Force, secured national certification for the office, and awarded over \$4 million dollars in grants to combat crime. More recently, he co-authored a research student (Journal of Primary Prevention) describing a mobilization effort similar to the Thriving Communities project to address alcohol related crashes and underage drinking. Sheriff Faile will co-chair the Advisory Team, along with the next individual:

**Charlene McGriff, District Two Representative** - Ms. McGriff is one of the most honored and distinguished leaders in the county. She is the founder of Palmetto CASA,

first non-profit organization in the region to address domestic violence and sexual assault. In addition, she has an extensive record of public service and distinction of being the first African American female elected to the county school board, a position held for 10 years, and more recently elected to the Lancaster County Council, serving the target neighborhood described as The Hill. Ms. McGriff has over fifteen years experience in grants management, staff supervision and training, project management, and budgeting. She was the inspiration for the proposed project and has agreed to co-chair the Advisory Team, along with Sheriff Faile.

**Dr. Paul N. McKenzie, Director, SE Center for Strategic Community Development**

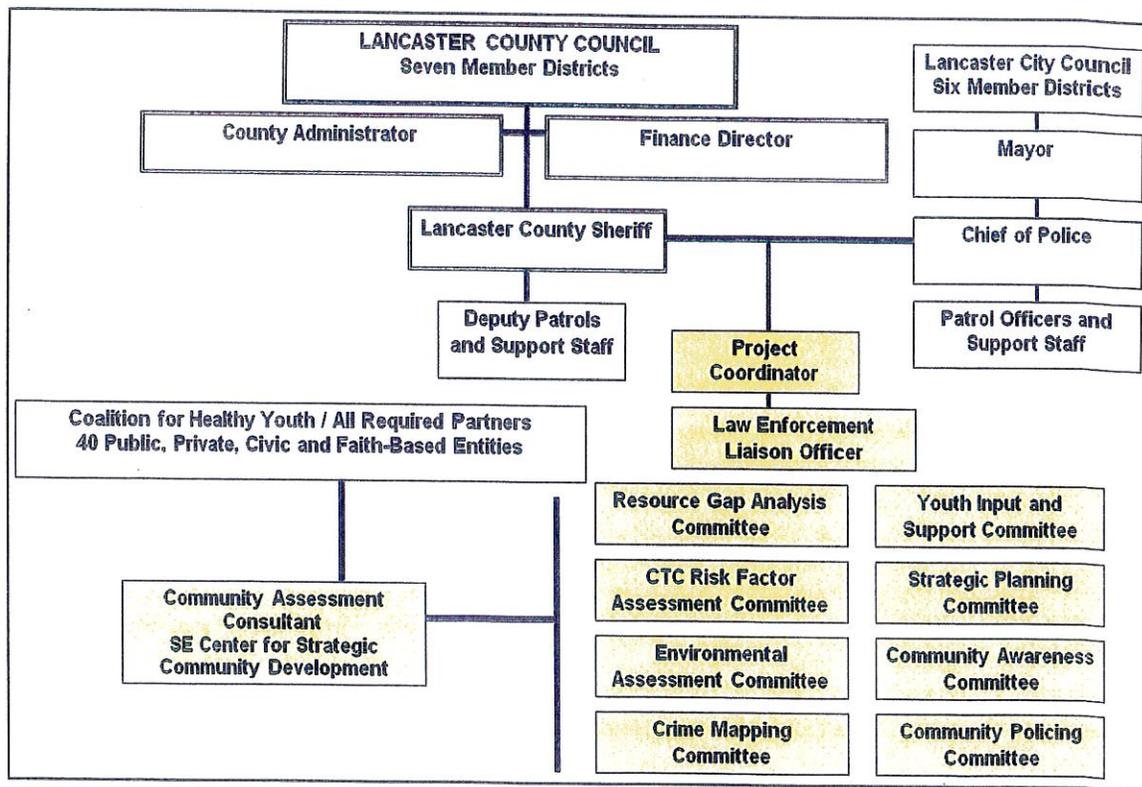
Dr. McKenzie is a social scientist with over twenty years of evaluation experience, including over 30 federal projects. He is the founder of the Institute for Adolescent Addictions, selected as a model program by the Texas Commission on Alcohol and Drug Abuse; and Euphrasia Center, named one of fifteen most promising female offender programs in the nation. He has agreed to lead the community needs assessment process, GIS mapping, and gap analysis, serve as Evaluation Partner, and assist with program monitoring and impact.

**Management and staffing patterns, Roles and Responsibilities, Percentage of Time Dedicated to Effort and Organizational Chart**

The proposed project will be led by the aforementioned Advisory Council, which will be responsible for overseeing all aspects of program development, implementation, and evaluation over 18 months. This includes assisting with staff hiring, needs and resource assessment, evidence based model selection and review, and ensuring community linkages. During year one, the group will meet bi-weekly during the first six months, and monthly thereafter. Two positions will be hired for the project—a full time Project

Coordinator, who will be responsible for community awareness, data collection, policy and literature review, scheduling activities, communications, reporting, monitoring subcontracts and partnership operation. This individual will be joined by a Law Enforcement Liaison Officer, who will assist with community policing strategy development and training, liaison with crime watch groups, community awareness, data collection, and partnership operation.

The overall management structure of the project is represented in the organizational chart. Likewise, a table summarizes the roles and responsibilities of key participants, including ascribed level of effort.

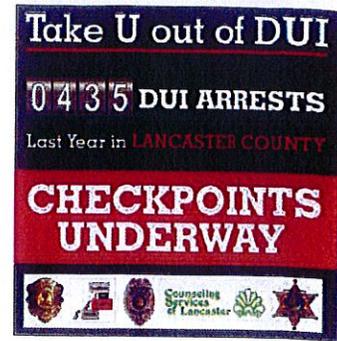


<b>PARTNER</b>	<b>ROLE</b>
County of Lancaster (2%)	Applicant agency, fiscal agent, procurement, governance
County Administrator (15%)	Assist with Hiring Project Coordinator, Co-Facility Advisory Team, Assist with Reporting
Sheriff (15%)	Hire Enforcement Liaison officer, Co-Facilitate Advisory Team, Assist with Hiring Project Coordinator
Police Chief (15%)	Hire Enforcement Liaison officer, Co-Facilitate Advisory Team, Assist with Hiring Project Coordinator
Project Coordinator (100%)	Assist with community awareness, data collection, policy and literature review, scheduling activities, communications, reporting, manage subcontracts and partnership operation.
Law Enforcement Liaison Officer (100%)	Assist with community policing strategy development and training, liaison with crime watch groups, community awareness, data collection, and partnership operation.
Assessment Consultant (Evaluation) (15%)	Coordinate overall assessment including GIS mapping, survey development, archival data collection, gap analysis and Risk Factor analysis. Serve on Advisory Team. Assist with development of Blueprint for Action, & Strategic Planning.
Strategic Planning Consultant (Est 44 hours)	Lead Advisory Team and Stakeholders in development of Interim and Final Plan for submission to Program Officer.
Project Advisory Team Members / Coalition (12-20 hours per month)	In addition to Advisory Team, serve on one or more subcommittees, assist with review and approval of community assessment, strategic planning, Blueprint for Action, awareness, sustainability, and leadership development

**Demonstrated History and Readiness to Lead Collaborative Of Size and Scope**

The proposed Safe and Thriving Communities Project is not the first Cross-Sector endeavor conducted by Lancaster County. In 2005, the county facilitated rigorous analysis sexual assault cases, from investigation, through prosecution and treatment. A Cross-Sector committee was devised that reviewed over 1,500 pages of research on best practices, conducted cases studies, and made recommendations to streamline the process and ensure successful evidence collection and processing, forensic medical examinations, and victim support throughout the process.

More recently, in 2012 the Sheriff's Office, Police Department, and Highway Patrol assisted the Coalition in a community-wide effort to address alcohol related traffic crashes and underage drinking. Working with the Pacific Institute for Research and Evaluation (PIRE), the project created a massive data system, community awareness campaign, policy review, media saturation, and targeted enforcement activities. Over the next three years, the results were stunning--safety safety checkpoints increased 89%, DUI arrests increased 32%, and crashes decreased 35%. Likewise, high school seniors that reported drinking alcohol in the past 30 days decreased 5.8% and binge drinking lowered over 18%. The results of this project are now being published in the Journal of Primary Prevention, the first such research ever conducted by a law enforcement agency in the state.



DUI Crashes	Pre Mean 2011	Post Mean 2013	T test P=	% Change	Forecast: 5-Month Mean Linear Estimate	Change Using Linear Estimate (Post-Pre/Pre)
<b>Lancaster County</b>						
Five month Mean (Aug-Dec)	9.6	6.2	.055	-.357		
Post Five-Month Mean using Linear Estimate					13.446	+.401
<b>South Carolina</b>						
Five month mean (Aug-Dec)	399.6	430.8	0.1395	+0.078		
Post Five Month Month Mean Linear Estimate					468.36	+.137

**BUDGET JUSTIFICATION**

CATEGORY	JUSTIFICATION	1st 6 Months	12 Months	TOTAL
<b>PERSONNEL</b>				
Project Coordinator	One full time position oversee all aspects of project planning and implementation, including assistance with data collection, reporting, subcontract management, scheduling, and assistance with community engagement activities.	\$22,500	\$45,000	\$67,500
Community Oriented Enforcement Liaisons	One full-time officer, to conduct community meetings or forums, assist with data collection, and interface with community organizations in the network. \$43,000 average scale salary per year.	\$21,500	\$43,000	\$64,500
	<b>TOTAL PERSONNEL:</b>	<b>\$44,000</b>	<b>\$88,000</b>	<b>\$132,000</b>
<b>FRINGE</b>				
	Includes FICA (7.65%), state retirement (16.39%) and health (\$8,715 per position). All benefits are provided as per county policy.			
	<b>TOTAL FRINGE:</b>	<b>\$19,293</b>	<b>\$38,586</b>	<b>\$57,879</b>
<b>TRAVEL</b>				
Travel to technical assistance	As per recommendations in the RFP, funds to send three individuals to two meetings. Includes airfare (\$600), hotel (\$900), per-diem (\$40 per day x 4 days) and ground transportation (\$50) or \$1,710 per person x 4 individuals x two trips.	\$6,840	\$6,840	\$13,680
Other travel to project related training	Funds to send Planning Team to site visit of evidence based program (Cure Violence). Includes airfare (\$600), hotel (\$6500), per-diem (\$40 x 3 days) and ground transportation (\$50) or \$1,420 per person x 12 individuals.	\$0	\$17,040	\$17,040
	<b>TOTAL TRAVEL:</b>	<b>\$6,840</b>	<b>\$23,880</b>	<b>\$30,720</b>

CATEGORY	JUSTIFICATION	1st 6 Mo	12 Mo	TOTAL
<b>SUPPLIES</b>				
Training Supplies	Includes mailing supplies, markers, easel pads, and printing.	\$1,000	\$2,000	\$3,000
Office Supplies	General office photocopying paper, file folders, labels, legal pads, printer cartridges, and diskettes.	\$500	\$1,000	\$1,500
	<b>TOTAL SUPPLIES</b>	<b>\$1,500</b>	<b>\$3,000</b>	<b>\$4,500</b>
<b>CONTRACTUAL</b>				
Strategic Planning Support	Cost for on site training and support during Strategic Planning, includes five full days support (\$1,500 x 3 = \$4,500), one year online support (\$1,500), plus travel (\$1,710 x two facilitators = \$3,420). Process started in first at beginning of first 6 months, bulk completed early in last 12 months.	\$1,884	\$7,536	\$9,420
Data Collection Support	Costs for Research Team to conduct community needs assessment, including survey development and administration, community forums, development of archival database of risk factor indicators, and community mapping. Includes staff (10% - \$8,463), fringe (23%), supplies (\$500), and mapping software (\$685). Bulk of work completed in first six months, completed early in last second 12 months.	\$8,161	\$3,478	\$11,639
Mobilization and Input (Community Powerhouse)	Costs to secure input from individuals with history of gang affiliation or at high risk for such involvement. Includes food costs and participation incentives for panel of 20 individuals. \$25 per meeting x two meetings a month x 20 individuals x 18 months. Includes food, gift cards, and movie passes.	\$3,000	\$15,000	\$18,000
	<b>TOTAL CONTRACTUAL:</b>	<b>\$13,045</b>	<b>\$26,014</b>	<b>\$39,059</b>
	<b>TOTAL COSTS</b>	<b>\$86,178</b>	<b>\$179,480</b>	<b>\$265,658</b>

**SUBJECT: Certificate of Achievement in Financial Reporting**

Attached is the letter and press release we just received for this year's Certificate of Achievement in Financial Reporting from the Government Finance Officers Association. This is the highest honor for financial reporting. Our report far exceeds a mere financial audit.

This is the 18<sup>th</sup> year in a row that the Finance Department has received this award.

SW



Government Finance Officers Association  
203 North LaSalle Street, Suite 2700  
Chicago, Illinois 60601-1210  
312.977.9700 fax: 312.977.4806

March 29, 2017

Steve Willis  
County Administrator  
County of Lancaster  
PO Box 1809  
Lancaster, SC 29721-1809

Dear Mr. Willis:

We are pleased to notify you that your comprehensive annual financial report (CAFR) for the fiscal year ended 2016 qualifies for GFOA's Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

When a Certificate of Achievement is awarded to a government, an Award of Financial Reporting Achievement (AFRA) is also presented to the individual(s) or department designated by the government as primarily responsible for its having earned the Certificate. This award has been sent to the submitter as designated on the application.

We hope that you will arrange for a formal presentation of the Certificate and Award of Financial Reporting Achievement, and that appropriate publicity will be given to this notable achievement. A sample news release is enclosed to assist with this effort.

We hope that your example will encourage other government officials in their efforts to achieve and maintain an appropriate standard of excellence in financial reporting.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd Buikema". The signature is written in a cursive, flowing style.

Todd Buikema  
Acting Director, Technical Services Center



GOVERNMENT FINANCE OFFICERS ASSOCIATION  
**NEWS RELEASE**

**FOR IMMEDIATE RELEASE**

03/29/2017

**For more information contact:**

**Todd Buikema, Acting Director/TSC**

**Phone: (312) 977-9700**

**Fax: (312) 977-4806**

**E-mail: [tbuikema@gfoa.org](mailto:tbuikema@gfoa.org)**

(Chicago, Illinois)--The Certificate of Achievement for Excellence in Financial Reporting has been awarded to **County of Lancaster** by Government Finance Officers Association of the United States and Canada (GFOA) for its comprehensive annual financial report (CAFR). The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

An Award of Financial Reporting Achievement has been awarded to the individual(s) or department designated by the government as primarily responsible for preparing the award-winning CAFR.

The CAFR has been judged by an impartial panel to meet the high standards of the program, which includes demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the CAFR.

*Government Finance Officers Association is a major professional association servicing the needs of nearly 19,000 appointed and elected local, state, and provincial-level government officials and other finance practitioners. It provides top quality publications, training programs, services, and products designed to enhance the skills and performance of those responsible for government finance policy and management. The association is headquartered in Chicago, Illinois, with offices in Washington, D.C.*

**SUBJECT: Quarterly Grant Updates from the Council of Governments**

Attached are quarterly reports from the following grants:

Council of Governments Planning Grant (*we are the lead agency but the grant covers all 4 counties*)

Midway CDBG

Erwin Farm CDBG

Poovey Farm CDBG

Please advise if you have any questions.

SW

**Q-1  
CDBG Quarterly Status Report**

11/2012

Grantee: Lancaster County Report for 1/5 4/5 7/5 10/5 Year  
 Grant Number: 4-RP-15-003 Quarter:     2017  
 Project Title: 2015 Catawba Region Planning  
 Grant Period: 6/2016 – 6/2017

Complete Annual  
EO-2 - Direct Benefit  
projects only  
(on back)

1. Activity Completion Percentage: Include each activity in the approved application budget and percentage complete.

Budgeted Activity	% Complete
CDBG Planning Activities	70
Administration	70

2. Progress Information: Describe specific activities undertaken and quantify what progress has occurred during the quarter by budgeted activity.

**CDBG Planning Activities -- Continued planning activities to benefit LMI persons in the Catawba Region. See attached list.**

**Administration -- Requested funds and financial activities.**

3. Problems Encountered this Quarter: If there are problems, explain what they are and what is being done to address them.  
 No problems encountered this quarter.

4. Is project substantially in compliance with the Work Plan (or most recent P-1 Schedule)?  Yes  No  
 If no, explain delays and attach a revised P-1 Schedule.

5. Does the Grantee need technical assistance?  Yes  No  
 If yes, briefly indicate need:

6. Have any CDBG contracts or subcontracts been awarded since the last quarterly report?  Yes  No  
 If yes, attach the Contract and Subcontract Activity Report (EO-1)  
 If yes, attach the Labor Standards Report

7. Have any Section 3 residents been hired or Section 3 businesses been awarded contracts this quarter?  Yes  No  
 If yes, attach the Grantee Section 3 Report

*ONLY Complete Question #8 for Economic Development Projects*

8. Number of Jobs Created this Quarter: \_\_\_\_\_ Date Hiring to be Complete: \_\_\_\_\_

*The information on this report is correct and appropriately documented in project files, and all expenditures have been in accordance with applicable grant terms and conditions, unless otherwise noted. I understand that failure to submit accurate and timely reports may result in a "stop payment" being placed on the grant.*

Grazier Rhea, Community Development Director

*Grazier Rhea*

April 6, 2017

Typed Name & Title

Signature

Date

Catawba Regional Council of Governments

Agency

803-327-9041

Phone

# Q-1 CDBG Quarterly Status Report

11/2012

Grantee: Lancaster County Report for 1/5 4/5 7/5 10/5 Year  
 Grant Number: 4-NR-14-004 Quarter:     2017  
 Project Title: Midway Neighborhood Revitalization I  
 Grant Period: 11/2014 to 6/2016

**Complete Annual  
EO-2 - Direct Benefit  
projects only  
(on back)**

1. **Activity Completion Percentage:** Include each activity in the approved application budget and percentage complete.

Budgeted Activity	% Complete
Clearance	100
Sewer Facilities	95
Street Improvements	100
Other Activities	100
Engineering	95
Administration	90

2. **Progress Information:** Describe specific activities undertaken and quantify what progress has occurred during the quarter by budgeted activity.

**Clearance-** The demolition of 3 houses has been completed and the clearance of 4 lots has been completed.  
**Sewer Facilities-** Sewer upgrade construction is almost completed. Waiting on approval of a change order to cover quantity changes and additional work. Once the change order is approved, final work will be completed and the final pay request will be processed.  
**Street Improvements-** Sidewalk upgrades have been completed.  
**Other Activities (Public Safety Measures)** – A public safety meeting was held on March 29, 2017 for the Midway residents.  
**Engineering-** Overseeing construction. Meetings held with City staff and administrator about project.  
**Administration-** Monitored sewer and sidewalk construction, conducted employee interviews and reviewed payrolls. Meetings held with City staff and project engineers. Meetings held with asbestos inspector, the demolition contractor and the Lancaster County building inspector about the project. Inspected demolition work and worked with Lancaster County Public Works Department to report in-kind work involved in clearing 4 lots. Submitted change order for sewer and sidewalk contract to State. Submitted Request for Budget Revision/Project Period Extension to State. Submitted revised Subrecipient Agreement to State because the budget and project period changed.

3. **Problems Encountered this Quarter:** If there are problems, explain what they are and what is being done to address them.  
 No problems encountered this quarter.

4. **Is project substantially in compliance with the Work Plan (or most recent P-I Schedule)?**  Yes  No  
 If no, explain delays and **attach** a revised P-I Schedule.
5. **Does the Grantee need technical assistance?**  Yes  No  
 If yes, briefly indicate need:
6. **Have any CDBG contracts or subcontracts been awarded since the last quarterly report?**  Yes  No  
 If yes, **attach** the Contract and Subcontract Activity Report (EO-1)  
 If yes, **attach** the Labor Standards Report
7. **Have any Section 3 residents been hired or Section 3 businesses been awarded contracts this quarter?**  Yes  No  
 If yes, **attach** the Grantee Section 3 Report

*ONLY Complete Question #8 for Economic Development Projects*

8. **Number of Jobs Created this Quarter:** \_\_\_\_\_ **Date Hiring to be Complete:** \_\_\_\_\_  
*The information on this report is correct and appropriately documented in project files, and all expenditures have been in accordance with applicable grant terms and conditions, unless otherwise noted. I understand that failure to submit accurate and timely reports may result in a "stop payment" being placed on the grant.*

Grazier Rhea, Community Development Director

*Grazier Rhea*

April 4, 2017

Typed Name & Title

Signature

Date

Catawba Regional Council of Governments

803-327-9041

Agency

Phone

**Q-1**  
**CDBG Quarterly Status Report**

11/2012

Grantee: Lancaster County Report for 1/5  4/5  7/5  10/5  Year 2017  
 Grant Number: 4-CI-15-021 Quarter:      
 Project Title: Erwin Farms – Basin 18 Sewer Project  
 Grant Period: 7/2015 to 12/2017

Complete Annual  
EO-2 - **Direct Benefit**  
projects only  
(on back)

**1. Activity Completion Percentage:** Include each activity in the approved application budget and percentage complete.

Budgeted Activity	% Complete
Sewer Facilities	50
Engineering	60
Administration	60

**2. Progress Information:** Describe specific activities undertaken and quantify what progress has occurred during the quarter by budgeted activity.

**Sewer Facilities** – State approved contract on 2/24/17. A pre-construction conference was held on 3/1/17. Construction will begin 4/10/17.

**Engineering** – Provided additional materials to the State for contract approval. Prepared contract documents, Notice of Award and Notice to Proceed. Conducted pre-construction conference and communicated with contractor about items need.

**Administration** – Responded to the State’s request for additional information needed for contract approval. Submitted Project Period Extension Request to extend project period to 12/2017. Submitted Budget Revision Request to add additional local funds needed for construction contract. Meetings were held with the City of Lancaster staff and the project engineers about the project. Attended pre-construction conference, reviewed CDBG requirements with contractor and provided contractor with all required program and Davis Bacon forms.

**3. Problems Encountered this Quarter:** If there are problems, explain what they are and what is being done to address them.  
No problems encountered this quarter.

**4. Is project substantially in compliance with the Work Plan (or most recent P-1 Schedule)?**  Yes  No  
 If no, explain delays and attach a revised P-1 Schedule.

**5. Does the Grantee need technical assistance?**  Yes  No  
If yes, briefly indicate need:

**6. Have any CDBG contracts or subcontracts been awarded since the last quarterly report?**  Yes  No  
 If yes, attach the Contract and Subcontract Activity Report (EO-1)  
 If yes, attach the Labor Standards Report

**7. Have any Section 3 residents been hired or Section 3 businesses been awarded contracts this quarter?**  Yes  No  
 If yes, attach the Grantee Section 3 Report

*ONLY Complete Question #8 for Economic Development Projects*

**8. Number of Jobs Created this Quarter:** \_\_\_\_\_ **Date Hiring to be Complete:** \_\_\_\_\_  
*The information on this report is correct and appropriately documented in project files, and all expenditures have been in accordance with applicable grant terms and conditions, unless otherwise noted. I understand that failure to submit accurate and timely reports may result in a "stop payment" being placed on the grant.*

Grazier Rhea, Community Development Director  
 \_\_\_\_\_  
 Typed Name & Title

*Grazier Rhea*  
 \_\_\_\_\_  
 Signature

April 5, 2017  
 \_\_\_\_\_  
 Date

Catawba Regional Council of Governments  
 \_\_\_\_\_  
 Agency

803-327-9041  
 \_\_\_\_\_  
 Phone

**Q-1  
CDBG Quarterly Status Report**

11/2012

Grantee: Lancaster County Report for 1/5 4/5 7/5 10/5 Year  
 Grant Number: 4-CI-16-011 Quarter:     2017  
 Project Title: Poovey Farms – Basin 23 Sewer Project  
 Grant Period: 6/2016 to 6/2018

Complete Annual  
EO-2 - Direct Benefit  
projects only  
(on back)

1. **Activity Completion Percentage:** Include each activity in the approved application budget and percentage complete.

Budgeted Activity	% Complete
Sewer Facilities	25
Engineering	35
Administration	30

2. **Progress Information:** Describe specific activities undertaken and quantify what progress has occurred during the quarter by budgeted activity.

**Sewer Facilities** – Engineering design completed. The final bid document review is underway and it is anticipated that bids will be advertised by the first of May 2017.

**Engineering** – Design work has been completed. They are in the final bid document review stage and plan to advertise the bids by the first of May 2017. Meetings with City of Lancaster staff and administrator about project.

**Administration** – Provided required forms for the bid documents. Reviewed the bid documents and had conversations and correspondence the project engineers about the bid specifications and documents. Meetings with Lancaster City staff and engineers.

3. **Problems Encountered this Quarter:** If there are problems, explain what they are and what is being done to address them.  
 No problems were encountered this quarter.

4. **Is project substantially in compliance with the Work Plan (or most recent P-1 Schedule)?**  Yes  No  
 If no, explain delays and **attach** a revised P-1 Schedule.

5. **Does the Grantee need technical assistance?**  Yes  No  
 If yes, briefly indicate need:

6. **Have any CDBG contracts or subcontracts been awarded since the last quarterly report?**  Yes  No  
 If yes, **attach** the Contract and Subcontract Activity Report (EO-1)  
 If yes, **attach** the Labor Standards Report

7. **Have any Section 3 residents been hired or Section 3 businesses been awarded contracts this quarter?**  Yes  No  
 If yes, **attach** the Grantee Section 3 Report

*ONLY Complete Question #8 for Economic Development Projects*

8. **Number of Jobs Created this Quarter:** \_\_\_\_\_ **Date Hiring to be Complete:** \_\_\_\_\_  
*The information on this report is correct and appropriately documented in project files, and all expenditures have been in accordance with applicable grant terms and conditions, unless otherwise noted. I understand that failure to submit accurate and timely reports may result in a "stop payment" being placed on the grant.*

Grazier Rhea, Community Development Director  
 \_\_\_\_\_  
 Typed Name & Title

*Grazier Rhea*  
 \_\_\_\_\_  
 Signature

April 5, 2017  
 \_\_\_\_\_  
 Date

Catawba Regional Council of Governments  
 \_\_\_\_\_  
 Agency

803-327-9041  
 \_\_\_\_\_  
 Phone



April 4, 2017

Mr. Steve Willis  
County Administrator  
County of Lancaster  
101 N. Main Street., 2nd Floor  
Lancaster, SC 29721

Re: Charter Communications - Upcoming Changes

Dear Mr. Willis:

I am writing to you as part of our ongoing efforts to keep you apprised of developments affecting Charter Communications subscribers in your area.

Effective on April 19, 2017, the following Cox multi-cast stations will be added: Get TV on Channel 1295 and Escape on Channel 1296.

We remain committed to providing an excellent experience for our customers, in your community and in each of the communities we serve. If you have any questions about this change, please feel free to contact me at (704) 378-2739 or via email at [michael.tanck@charter.com](mailto:michael.tanck@charter.com)

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael E. Tanck".

Michael E. Tanck  
Director of Government Affairs  
Charter Communications



April 5, 2017

Mr. Steve Willis  
County Administrator  
County of Lancaster  
101 N. Main Street., 2nd Floor  
Lancaster, SC 29721

Re: Charter Communications - Upcoming Changes

Dear Mr. Willis:

I am writing to you as part of our ongoing efforts to keep you apprised of developments affecting Charter Communications subscribers in your area.

Effective on April 1, 2017, QVC Plus has been rebranded as QVC 2.

We remain committed to providing an excellent experience for our customers, in your community and in each of the communities we serve. If you have any questions about this change, please feel free to contact me at (704) 378-2739 or via email at [michael.tanck@charter.com](mailto:michael.tanck@charter.com).

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael E. Tanck".

Michael E. Tanck  
Director of Government Affairs  
Charter Communications



April 6, 2017

Mr. Steve Willis  
County Administrator  
County of Lancaster  
101 N. Main Street., 2nd Floor  
Lancaster, SC 29721

Re: Charter Communications - Upcoming Changes

Dear Mr. Willis:

I am writing to you as part of our ongoing efforts to keep you apprised of developments affecting Charter Communications subscribers in your area.

Effective on May 4, 2017, Spectrum Sports channels 77 and 323 will cease operations. Our plan is to reallocate those resources to strengthen our local news operations and shows around local sports. We will continue to cover the Carolina Panthers on Spectrum News.

We remain committed to providing an excellent experience for our customers, in your community and in each of the communities we serve. If you have any questions about this change, please feel free to contact me at (704) 378-2739 or via email at [michael.tanck@charter.com](mailto:michael.tanck@charter.com).

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael E. Tanck".

Michael E. Tanck  
Director of Government Affairs  
Charter Communications



April 4, 2017

Mr. Steve Willis  
County Administrator, Lancaster  
101 N. Main St., 2nd Floor  
Lancaster SC 29721

Dear Mr. Willis:

On or around May 4, 2017, the following changes will be made to the channel lineup for your community:

Spectrum Sports (Channel 77 and Channel 323) will cease operations and be removed.

Customers with questions are encouraged to call **1-888-GET CHARTER**. Should you need my assistance or have any questions related to this change, please do not hesitate to contact me at 803-251-5320 or via email at [ben.breazeale@charter.com](mailto:ben.breazeale@charter.com).

Sincerely,

A handwritten signature in black ink that reads "Ben Breazeale".

Ben Breazeale  
Sr. Director, State Gov't Affairs-South Region  
Charter Communications

# MEETINGS & FUNCTIONS – 2017

DAY/DATE	TIME	FUNCTION/LOCATION
Monday, April 24 <sup>th</sup>	6:00 p.m.	Council Meeting Council Chambers, Administration Building
Thursday, May 4 <sup>th</sup>	4:30 p.m.	Council Committee of the Whole Council Chambers, Administration Building
Monday, May 8 <sup>th</sup>	6:00 p.m.	Council Meeting Council Chambers, Administration Building
Tuesday, May 9 <sup>th</sup>	3:00 p.m.	Infrastructure and Regulation Committee (I&R) Council Conference Room
Tuesday, May 9 <sup>th</sup>	5:00 p.m.	Administration Committee Council Chambers, Administration Building
Tuesday, May 9 <sup>th</sup>	5:00 p.m.	Public Safety Committee Council Conference Room
Monday, May 22 <sup>nd</sup>	6:00 p.m.	Council Meeting Council Chambers, Administration Building

## LANCASTER COUNTY STANDING MEETINGS

- The Tuesday following 1<sup>st</sup> Council meeting (most of the time it is the 2<sup>nd</sup> Tuesday)  
..... 5:00 p.m. ... Public Safety Committee
- The Tuesday following the 1<sup>st</sup> Council meeting (most of the time it is the 2<sup>nd</sup> Tuesday)  
..... 3:00 p.m. ... Infrastructure and Regulation Committee
- The Tuesday following the 1<sup>st</sup> Council meeting (most of the time it is the 2<sup>nd</sup> Thursday)  
..... 5:00 p.m. ... Administration Committee
- 1<sup>st</sup> Thursday of each month ..... 7:00 p.m. ... Fire Commission, Covenant Street EOC Building
- 3<sup>rd</sup> Monday of each month ..... 6:30 p.m. ... Zoning Appeals Board, County Council Chambers
- 2<sup>nd</sup> Tuesday of each month ..... 6:30 p.m. ... Recreation Commission, 260 S. Plantation
- Last Tuesday of each month (Every other month – Beginning with Feb.) 6:00 p.m. Library Board, Carolinian Room, Library
- 2<sup>nd</sup> Wed (Jan/March/May/July/Sept/Nov) ..... 11:45 a.m. ... Health & Wellness Comm., various locations
- 2<sup>nd</sup> Tuesday ..... 6:00 p.m. ... Historical Commission, Library Conference Room
- 3<sup>rd</sup> Thursday of each month ..... 6:30 p.m. ... Community Relations Commission, County Council Chambers
- 1<sup>st</sup> Thursday of each month ..... 5:00 p.m. ... Planning Commission work session, County Council Chambers
- 3<sup>rd</sup> Tuesday of each month ..... 6:30 p.m. ... Planning Commission, County Council Chambers