

Sponsor(s)	: County Council	
First Reading	: June 7, 2022	I, Kaela Brinson, Council Clerk,
Committee Referral	: N/A	certify that this Ordinance was
Committee Consideration Date	: N/A	advertised for Public Hearing on
Committee Recommendation	: N/A	November 17, 2022.
Second Reading	: July 26, 2022	
Public Hearing	: December 6, 2022	
Third Reading	: December 6, 2022	
Effective Date	: Immediately	

**ORDINANCE NO. 22-O-10**

**COUNCIL-ADMINISTRATOR FORM OF GOVERNMENT FOR COLLETON COUNTY**

**[AN ORDINANCE AUTHORIZING PURSUANT TO TITLE 12, CHAPTER 44 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, THE EXECUTION AND DELIVERY OF A FEE-IN-LIEU OF AD VALOREM TAXES AGREEMENT, BY AND BETWEEN COLLETON COUNTY, SOUTH CAROLINA AND BOISE CASCADE BUILDING MATERIALS DISTRIBUTION, L.L.C. A COMPANY FORMERLY KNOWN TO THE COUNTY AS PROJECT WATERFALL, AS SPONSOR, TO PROVIDE FOR A FEE-IN-LIEU OF AD VALOREM TAXES INCENTIVE AND CERTAIN SPECIAL SOURCE REVENUE CREDITS; TO FURTHER AMEND THE MULTI-COUNTY INDUSTRIAL/BUSINESS PARK AGREEMENT BETWEEN COLLETON COUNTY, SOUTH CAROLINA AND HAMPTON COUNTY, SOUTH CAROLINA, PROVIDING FOR THE DEVELOPMENT OF A JOINTLY OWNED AND OPERATED INDUSTRIAL/BUSINESS PARK, SO AS TO INCLUDE PROPERTY IN COLLETON COUNTY AS PART OF THE PARK; AND OTHER RELATED MATTERS.]**

WHEREAS, Colleton County, South Carolina (the “County”), acting by and through its County Council (the “County Council”) is authorized by Title 12, Chapter 44 of the Code of Laws of South Carolina 1976, as amended (the “Act”), and Article VIII, Section 13 of the South Carolina Constitution (i) to enter into agreements with qualifying companies to encourage investment in projects constituting economic development property through which the economic development of the State of South Carolina (the “State”) will be promoted by inducing new and existing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ manpower and other resources of the State; (ii) to covenant with such industry to accept certain fee payments in lieu of *ad valorem* taxes (“FILOT”) with respect to such investment (“FILOT Payments”); (iii) to provide credits to qualifying companies to offset eligible infrastructure related expenses (each a “Special Source Revenue Credit” or “SSRC”) pursuant to Section 4-1-175, 4-29-68, and 12-44-70 of the Code of Laws of South Carolina 1976, as amended (“Infrastructure Credit Act”); (iv) to create a multi-county park with a contiguous county pursuant to Section 4-1-170 of the Code of Laws of South Carolina 1976, as amended (“MCIP Act”) and, the County has formed such a multi-county park with Hampton County, South Carolina (the “Park”) through that “Agreement for Development of Joint Industrial Park” dated December 11, 2007 (the “Park Agreement”); and (v) to make and execute contracts of the type hereinafter described pursuant to Section 4-9-30 of the Code of Laws of South Carolina 1976, as amended; and

WHEREAS, Boise Cascade Building Materials Distribution, L.L.C., a company formerly known to the County as Project Waterfall, a Delaware corporation, along with any other existing, or to-be-formed or acquired subsidiaries, or affiliated or related entities, as Sponsor (collectively, "Company"), contingent upon satisfaction of certain commitments made by and on behalf of the County, as set forth herein and be further set forth in future agreements, and, to the extent allowed by law, plans to establish a new distribution and warehouse related facility in the County through the acquisition, lease, construction and purchase of certain land, including the Project Property (defined below), buildings, furnishings, fixtures, apparatuses, and equipment (the "Project"), which will result in approximately \$9,000,000 in new investment in real and personal property ("Investment") and the creation of approximately 30 new jobs ("Jobs") in the County; and

WHEREAS, by its Resolution adopted on July 26, 2022, the County identified the Project, as required by the Act; and

WHEREAS, the Project will comprise one or more parcels of real property or a portion thereof, initially within such tax map parcels bearing Tax Map Numbers 061-00-00-053 and with improvements thereon, a more detailed description of which is set forth on the attached Exhibit A ("Project Property"); and

WHEREAS, the County desires to enlarge the boundaries of Park to include the Project Property and to ensure that the Project Property remains in the Park or any other multi-county park created by the County pursuant to the MCIP Act for no less than the duration of the Fee Agreement; and

WHEREAS, Sections 3(A) of the Park Agreement establishes the procedure for enlargement of the boundaries of the Park to include additional property; and

WHEREAS, pursuant to Section X of Ordinance No. 07-O-29, the County has the authority to amend the allocation of revenue received as fee-in-lieu of tax payments from the Park as it sees fit;

WHEREAS, in connection with the Project, the Company has requested the County to enter into an incentive agreement, to the extent and subject to the conditions provided in such agreements, to establish the commitments of (i) the Company and any Sponsor Affiliate(s) to make the Investment and create of the Jobs; and (ii) the County to provide the Incentives (defined below); and

WHEREAS, the County has determined: (i) to offer a FILOT arrangement and enter into a fee-in-lieu of *ad valorem* taxes agreement with the Company and, as applicable, any Sponsor Affiliate(s), the form of which is attached as Exhibit B ("Fee Agreement"), but with the principal terms as follows: 20-years, 6% assessment ratio, and a fixed millage rate equal to that millage rate in effect at the Project Property, for all taxing entities, on June 30, 2021, which the parties hereto believe to be .3537 for the entire term of the FILOT arrangement; (ii) to provide an annual Special Source Revenue Credit against those FILOT Payments to be made by the Company and any of the Sponsor Affiliates to the County for property tax years one (1) through five (5) in connection with the Project ("SSRCs") in the amount as follows: i) Fifty percent (50%) in Year 1; ii) Forty percent (40%) in Year 2; iii) Thirty percent (30%) in Year 3; and (iv) Twenty percent (20%) in Years 4

and 5; and (iii) any other incentives as may be further set forth in the Fee Agreement (collectively, the "Incentives"); and

WHEREAS, the parties recognize and acknowledge that the Company would not otherwise locate the Project in the County but for the delivery of the Incentives.

NOW, THEREFORE, BE IT ORDAINED BY THE COLLETON COUNTY COUNCIL DULY ASSEMBLED THAT:

**Section 1. Findings.** The County hereby finds and affirms, based on information provided by the Company: (i) the Project will benefit the general public welfare of the County by providing services, employment, recreation, or other public benefits not otherwise provided locally; (ii) the Project gives rise to no pecuniary liability of the County or any incorporated municipality and to no charge against its general credit or taxing power; (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; and (v) the Project will provide a substantial public benefit to the County.

**Section 2. Authorization to Execute and Deliver Fee Agreement; Approval of SSRCs.** The form, terms, and provisions of the Fee Agreement (which includes the provision of the SSRCs) presented to Council at this meeting and filed with the Clerk to County Council are hereby approved, and all of the terms, provisions, and conditions thereof are hereby incorporated herein by reference as if the Fee Agreement was set out in this Ordinance in its entirety. The Chairman of County Council and the Clerk to County Council be and they are hereby authorized, empowered, and directed to execute, acknowledge, and deliver the Fee Agreement in the name and on behalf of the County, and thereupon to cause the Fee Agreement to be delivered to the Company. The Fee Agreement attached hereto is in substantially final form; however, may be changed, amended or modified provided that it shall not materially adversely affect the rights of the County thereunder; and, shall be approved by the officials of the County executing the same upon the advice of the County Attorney, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein.

**Section 3. Park Boundaries.** The County Council approves the expansion of the Park boundaries to include the Project Property and the County Council agrees to ensure that the Project is incorporated into and remains in the Park for the term of the Fee Agreement. The Company may request, from time to time, that all or a portion of the Project Property be removed from the Park.

**Section 4. Allocation of Park Funds.** The County will provide that the annual allocation of the Fee Agreement payments generated by the Project will be distributed (after distribution of a portion of the Fee Agreement payment to Hampton County in accordance with the MCIP Agreement) as follows:

- (i) For five (5) years, to the County, for providing the SSRCs, an amount equal to the annual SSRC as outlined in the recitals of this Ordinance and provided in the Fee Agreement; and

(ii) Except as may otherwise be provided by ordinance of the County Council from time to time, the balance of the Fee Agreement payments to the County and the other overlapping taxing entities, in the same relative percentages as the relative millage rates imposed by such taxing entities for the applicable tax year.

**Section 5. *Further Acts.*** The County Council authorizes the County Administrator, other County staff, and the County Attorney, along with any designees and agents who any of these officials deems necessary and proper, in the name of and on behalf of the County (each an "Authorized Individual"), to take whatever further actions, and enter into whatever further agreements, as any Authorized Individual deems to be reasonably necessary and prudent to effect the intent of this Ordinance and induce the Company to locate the Project in the County.

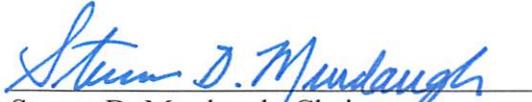
**Section 6. *General Repealer.*** All ordinances, resolutions, and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed.

**Section 7. *Severability.*** Should any part, provision, or term of this Ordinance be deemed unconstitutional or otherwise unenforceable by any court of competent jurisdiction, such finding or determination shall not affect the rest and remainder of the Ordinance or any part, provision or term thereof, all of which is hereby deemed separable.

This Ordinance takes effect and is in full force only after the County Council has approved this Ordinance following three readings and a public hearing.

*[signature page to follow]*

COLLETON COUNTY,  
SOUTH CAROLINA

  
Steven D. Murdaugh, Chairman  
Colleton County Council

(SEAL)

ATTEST:

  
Kaela Brinson, Clerk to Council  
Colleton County, South Carolina

  
Approved as to Form  
Sean Thornton, County Attorney

COUNCIL VOTE: *Unanimous*  
OPPOSED:

First Reading: June 7, 2022  
Second Reading: July 26, 2022  
Third Reading: December 6, 2022  
Public Hearing: December 6, 2022

**EXHIBIT A**

**PROJECT PROPERTY LEGAL DESCRIPTION**

All or a portion of that parcel of real property, with improvements thereon, located in Colleton County, South Carolina, consisting of approximately 45.9 acres, identified by tax number 061-00-00-053.

**EXHIBIT B**

**FEE AGREEMENT**

[Attached]