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Pursuant to Ordinance #08-17, Any citizen of the County may sign to speak in person at the Council Meeting (before the Council Meeting's Regular Meeting start time) on the **Public Comments Sign in Sheet** on the Podium to address Council on matters pertaining to County Services and Operations. Presentations will be limited to three (3) minutes per person and total public input will be limited to 30 minutes. Written Public Comments may also be submitted by 1PM on the date of the Council Meeting by emailing your comment to: comments@jaspercountysc.gov.

To participate in a **Public Hearing for a specific agenda item**, you may either email written public comments to comments@jaspercountysc.gov by **1:00PM on Monday, November 6 2023**; or you can speak in person at the Council Meeting by signing in on the **Public Hearing Sign In Sheet** located outside the Council Chambers Doors prior to the start of the meeting. **Public Hearing Comments** shall be limited to **3 minutes per person**.

Instructions may also be found at the Jasper County website www.jaspercountysc.gov

FOR MORE INFORMATION, PLEASE CALL (843) 717-3696



JASPER COUNTY COUNCIL COUNCIL MEETING

Jasper County Clementa C. Pinckney Government Bldg.
358 3rd Avenue, Ridgeland, SC 29936

Monday, November 6, 2023

AGENDA

Workshop: 4:00PM

- Sales Tax Options
- Discussion of Ordinances
 - Article II Administration
 - Board of Assessors Appeals
 - Extraneous Boards and Commissions
 - Animal Ordinances
 - Noise Ordinance

5:30PM

1. Call to Order by Chairman Sauls

Clerk's Report of Compliance with the Freedom of Information Act.

In compliance with the Freedom of Information Act, notice of meetings and agendas were posted and furnished to all news media and persons requesting notification

2. Executive Session SECTION 30-4-70.

(a) A public body may hold a meeting closed to the public for one or more of the following reasons:

(1) Discussion of employment, appointment, compensation, promotion, demotion, discipline, or release of an employee, a student, or a person regulated by a public body or the appointment of a person to a public body – **County Administrator, County Attorney, and Clerk to Council Performance Evaluations**

(2) Discussion of negotiations incident to proposed contract arrangements and proposed purchase or sale of property, the receipt of legal advice where the legal advice related to pending, threatened, or potential claim or other matters covered by the attorney-client privilege, settlement of legal claims, or the position of the public agency in other adversary situations involving the assertion against the agency of a claim – **Opioid Plan MOU with New Life Center; Cameron Heddings v. Jasper County; Professional services contract Holt Consulting Company, LLC, Work Authorization # 23 Runway Length Justification Study; Exit 3; Ridgeland Fire Contract, Tax Map #s 087-00-05-008 and 087-00-05-009; Professional services Newkirk Environmental Inc.; Discussion of IGA – Hardeeville Ambulance Service pursuant to § 6-1-190;**

(5) Discussion of matters relating to the proposed location, expansion, or the provision of services encouraging location or expansion of industries or other businesses in the area served by a public body – [Prospect Update](#)

ANY EXECUTIVE SESSION MATTER ON WHICH DISCUSSION HAS NOT BEEN COMPLETED MAY HAVE DISCUSSION SUSPENDED FOR PURPOSES OF BEGINNING THE OPEN SESSION AT ITS SCHEDULED TIME, AND COUNCIL MAY RETURN TO EXECUTIVE SESSION DISCUSSION AFTER THE CONCLUSION OF THE OPEN SESSION AGENDA ITEMS. **PLEASE BE ADVISED THERE MAY BE VOTES BASED ON ITEMS FROM THE EXECUTIVE SESSION.**

3: Return to Open Session at 6:30PM

- 3.1 Action coming out of Executive Session

4. Pledge of Allegiance and Invocation:

5. Discussion of Consent Agenda and Agenda Items:

6. Approval of Agenda:

PRESENTATIONS AND PROCLAMATIONS

7. [Chairman Sauls](#) – Proclamation presentation to the Young Marines of the Marine Corps League for Jasper County’s Support of Red Ribbon Week 2023

8. [Michelle Gaston](#) – Update on the Beaufort Jasper Housing Trust

9. [Heather Rath](#): Presentation - Legislative Update

RESOLUTIONS

10. [Russell Wells](#) – Consideration of Resolution [#R-2023-21](#) approving the Memorandum of Understanding with the Town of Ridgeland – Fire Service Contract

11. [Ray Jones](#) – Consideration of Resolution [#R-2023-22](#) authorizing Jasper County, South Carolina to enter into an Intergovernmental Agreement with the City Of Hardeeville, South Carolina to Provide for the Utilization of a Percentage of Jasper County’s Tax Increment Financing Revenues And Other Related Matters.

12. [Russell Wells](#) – Consideration of Resolution [#R-2023-23](#) approving an IGA between Jasper County and the City of Hardeeville Regarding Emergency Transport/Ambulance Services.

PUBLIC HEARINGS, ORDINANCES AND ACTION ITEMS

13. **Mike Skinner** – Consideration of approval of Addendum #2 Scope and Fee Addition to March 30, 2023 Engagement Letter with Mauldin and Jenkins.

14. **Kim Burgess** – Consideration of the **1st reading** of an Ordinance Amending the Business License Ordinance of the County of Jasper to Update the Class Schedule as required by Act 176 of 2020.

15. **Ray Jones** – Consideration of the **1st reading** of an Ordinance Authorizing and Approving a Loan from the South Carolina Transportation Infrastructure Bank; An Intergovernmental Agreement among Jasper County, South Carolina, The City of Hardeeville, South Carolina and the South Carolina Transportation Infrastructure Bank; and other related matters. (Exit 3 Finance Document)

16. **David Tedder** – Consideration of the **1st reading** of an Ordinance Amending Section 9-96(3) as adopted by Ordinance No. 2022-39 to provide for the appointment of members to the Levy Fire Protection Board.

CITIZEN COMMENTS

17. Open Floor to the Public per Ordinance 08-17 Any citizen of the County may sign to speak in person at the Council Meeting (before the Council Meeting's 6:30PM start time on the Sign-In Sheet on the Podium), to address Council on matters pertaining to County Services and Operations. Presentations will be limited to **three (3) minutes per person** and total public input will be limited to **30 minutes**.

18. Administrator's Report

CONSENT AGENDA

19. **Wanda Simmons** – Consideration of Council Approval for the Re-appointment of Julie Mikols for a 4-year term to the Library Board of Trustees.

20. **Wanda Simmons** – Consideration of Council Approval for the Appointment of Brian Polston to the Board of Zoning Appeals.

21. **Kim Burgess** – Consideration of Council Approval for the Ratification of Contract Building Solutions LLC Change Order #1.

22. **Andrew Fulghum** – Consideration of Memorandum of Understanding between Jasper County and Lowcountry Council of Governments SC315/SC46 Bluffton Parkway Study Local Match.

23. Approval of the Minutes of 06.12.2023

END OF CONSENT AGENDA

24. Council Members Comments

25. Possible Return to Executive Session to Continue Discussion on Matters Regarding Agenda Item II.

*Council may act on any item appearing on the agenda including items discussed in executive session.

26. Adjournment:

In accordance with South Carolina Code of Laws, 1976, Section 30-4-80(d), as amended, notification of the meeting was posted on the County Council Building at a publicly accessible place and on the county website at least 24 hours prior to the meeting. A copy of the agenda was given to the local news media and posted at the meeting location twenty-four hours prior to the meeting.

Special Accommodations Available Upon Request to Individuals with Disabilities
(843) 717-3696

AGENDA

ITEM # 7



– PROCLAMATION –

WHEREAS, alcohol and drug abuse affect individuals, families, and communities across the nation; and

WHEREAS, it is imperative that visible, unified efforts by community members be launched to prevent drug abuse; and

WHEREAS, Red Ribbon Week offers citizens the opportunity to demonstrate their commitment to drug-free lifestyles; and

WHEREAS, Red Ribbon Week will be celebrated in communities across the nation on October 23-31; and

WHEREAS, businesses, government, law enforcement, military, media, health care providers, religious institutions, schools, organizations such as the Young Marines of the Marine Corps League and other community-based organizations will demonstrate their commitment to foster a healthy, drug-free lifestyle; and

WHEREAS, the community of Jasper County further commits to promoting the success of Red Ribbon Week;

NOW, THEREFORE, BE IT RESOLVED, the Jasper County Council of Jasper County, South Carolina, do hereby proclaim October 23-31, as RED RIBBON WEEK, and urge all citizens to join me in this special observance.

Dated this 6th day of November, 2023.

By: _____

L. Martin Sauls IV
Chairperson of the Jasper County Council

(SEAL)

AGENDA

ITEM # 8

AGENDA

ITEM # 9

AGENDA

ITEM # 10

STATE OF SOUTH CAROLINA

COUNTY OF JASPER

RESOLUTION/PROCLAMATION NUMBER #R-2023-21

A resolution of Jasper County Council approving an Intergovernmental Agreement regarding Fire Protection and Emergency Services between Jasper County, South Carolina and the Town of Ridgeland, and matters related thereto

Whereas, a regular meeting of the Jasper County Council was held in Jasper County Council Chambers on October ____, 2023 at 6:30 pm with a majority of County Council members being present and constituting a quorum to consider this Resolution; and

Whereas, the County Council of Jasper County, South Carolina desires to enter into a fire protection and emergency services agreement with the Town of Ridgeland, and in connection therewith has submitted an agreement to the Town of Ridgeland for its consideration, a copy of which is attached hereto and incorporated herein as Exhibit 'A'; and

Whereas, the Jasper County is authorized under South Carolina Code of Laws to enter into agreements with other governmental entities for the provision of governmental services; and

Whereas, all funds expended by the Jasper County to fulfill its obligations under the Agreement set forth in Exhibit 'A' shall be paid to the Town of Ridgeland, South Carolina in three (3) annual payments as set forth in Exhibit "A"; and

Whereas, the Agreement marked Exhibit 'A' attached hereto and made a part hereof, between Jasper County South Carolina and the Town of Ridgeland for Fire Protection and Emergency Service(s), be approved and accepted and is hereby approved and accepted in all respects.

Now Therefore, be it resolved by the Jasper County Council, the Council Duly assembled, that:

The Jasper County Council finds the best interests and public welfare of the citizens of Jasper County makes it desirable to enter into the Fire Protection and Emergency Service Agreement with the Town of Ridgeland, and hereby authorizes and approves the Fire Protection and Emergency Service Agreement attached hereto and incorporated by reference herein as **Exhibit 'A'**, to be executed by the Jasper County Administrator.

And be it further resolved that the Jasper County Administrator is delegated with the authority to negotiate and make further changes or amendments to the contract as approved for legal sufficiency by the Jasper County attorney provided the amount and duration of consideration approved by the resolution is not altered or amended without Jasper County Council approval.

GIVEN UNDER MY HAND THIS _____
DAY OF OCTOBER, 2023.

L. Martin Sauls, IV
Chairman, Jasper County Council

ATTEST:

Wanda Simmons, Clerk to Council

APPROVED AS TO FORM:

David L. Tedder
County Attorney

**INTERGOVERNMENTAL AGREEMENT
BETWEEN THE COUNTY OF JASPER AND THE TOWN OF RIDGELAND
REGARDING FIRE PROTECTION AND EMERGENCY SERVICES**

THIS AGREEMENT made and entered into this ____ day of October, 2023, by and between the County of Jasper, South Carolina and the Town of Ridgeland, South Carolina.

WHEREAS, Jasper County desires to provide for its citizens in the areas surrounding Ridgeland the increased fire protection and emergency services that are available through a fire and emergency services contract with the Town of Ridgeland, and provide further for mutual aid between the Town of Ridgeland and Ridgeland Rural Fire District; and

WHEREAS, both Jasper County and the Town of Ridgeland agree that it is in the best interests of their citizens to secure, by agreement, both a Fire and Emergency Services Agreement and Mutual Aid Agreement to provide supplemental fire and emergency services to each other; and

WHEREAS, both Jasper County and the Town of Ridgeland have consulted with each other in order to assess the long-term needs of the representative jurisdictions and the manpower and financial resources needed to provide the appropriate level of service; and

WHEREAS, Section 5-7-60 of the Code of Laws of South Carolina authorizes the municipality to perform many of its functions and provide many of its services in areas outside the corporate limits by contract and to make charges thereof; and

WHEREAS, Section 4-21-10 of the Code of laws of South Carolina provides authority for a governing body of a county to provide fire protection and ambulance services by contract with municipalities and for the charging of a service fee for services; and

WHEREAS, Section 6-1-330 of the Code of Laws of South Carolina provides authority for a local governing body to adopt service or user fees; and

THEREFORE, BE IT AGREED, in consideration of the foregoing premises and the considerations set forth below, that the Town of Ridgeland, South Carolina shall provide fire protection and emergency services to a portion of the Ridgeland Rural Fire District, as hereinafter described in Exhibit "A", and that Jasper County and the Town of Ridgeland will provide mutual aid to each other on the following terms and conditions.

Section 1: The Town of Ridgeland agrees to provide all fire protection services in the Ridgeland Rural Fire District, being provided on the date of execution of this Agreement upon the following terms and conditions recognizing that Jasper County Fire Rescue has been charged with provision of fire protection for the Jasper County Claude Dean Airport (hereinafter, Airport). This provision is in accordance with compliance assurances included with a grant received from the Federal Aviation Administration for Airport improvements.

Section 2. The Town of Ridgeland agrees that its Fire Department will provide Mutual Aid to the County for incidents located at the Airport and Jasper County agrees that it will provide Mutual Aid to the Town upon request.

Section 3. The term of this agreement shall end on June 30, 2027, at 23:59:59 hours.

Section 4. The Agreement shall take effect after its adoption by both Councils.

Section 5. The following terms and conditions are accepted by both Councils.

FIRE PROTECTION

a. When a call for fire services is received by the Jasper County dispatcher for a property or incident located within the Ridgeland Rural Fire District as depicted and/or described on the attached map and/or description (Exhibit A), the dispatcher will send a call tone out for the Town of Ridgeland Fire Department.

b. The Town of Ridgeland shall respond to the call for fire services by either utilizing the Jasper County Tanker leased and assigned to the Town or by using its own engines and equipment or both. It is further agreed that all existing equipment and supplies allocated to the Town of Ridgeland station within the Town of Ridgeland may also be used for the provision of fire service protection services within the Town corporate limits.

c. In order to provide proper inspection and maintenance on the Jasper County Tanker, the Town of Ridgeland agrees to provide ordinary maintenance and repairs (fuel, oil, tillers, etc.) for the tanker and Jasper County and the Town of Ridgeland will equally divide responsibility for any major repairs, (engine, pump, etc.).

d. Jasper County will lease the Tanker to the Town of Ridgeland for the sum of One (\$1.00) Dollar per year, and such lease shall be disclosed to the appropriate insurance carriers.

e. The Town of Ridgeland will garage keep the Tanker.

f. The 1% collected pursuant to the South Carolina Fireman's Insurance and Inspection Fund within the Ridgeland Rural Fire District shall be allocated to the Town of Ridgeland in accordance with Mathias v. Hair, et al., 2004 WL 726821, Opinion No 3547 (S.C. Ct. App.).

g. All Fire Marshal duties in the Ridgeland Rural Fire District will be the responsibility of the Town of Ridgeland Fire Department. In an effort to keep Jasper County Fire Rescue in the knowing of any new construction in the Ridgeland Rural Fire District, any time there are new building(s) constructed in the contracted district a list of these buildings and copies of pre-fire plans will be forwarded to Jasper County Fire Rescue.

MUTUAL AID

a. When a call for Fire Services is received by the Jasper County dispatcher for a property or incident located within the Town of Ridgeland or the Ridgeland Rural Fire District as depicted on the attached map and/or description (Exhibit A), the dispatcher will initially send a call tone for the Town of Ridgeland Fire Department and any appropriate Jasper County Fire Rescue resources as requested by the Town. Initial responsibility shall be the obligation of the Town of Ridgeland Fire Department.

b. In the event the Town of Ridgeland Fire Department has not been able to acknowledge it is responding to the call within two minutes, the dispatcher will send out a second tone out for the Town of Ridgeland Fire Department.

c. In the event the Town of Ridgeland Fire Department is engaged in responding to a call within the Town of Ridgeland or the Ridgeland Rural Fire District, or there is imminent threat to life or property requiring resources beyond those available to the Town of Ridgeland through its own resources, The Town of Ridgeland Fire Chief or other appropriate official in charge of providing fire protection for the Town may contact the Jasper County Dispatcher and request mutual aid from specified departments per mutual aid agreements that have already been established or the Jasper County Fire & Rescue.

d. When a call for fire service is received by the Jasper County dispatcher for a property or incident located within a portion of the Ridgeland Rural Fire District not covered by this agreement, the dispatcher will initially send a call tone for the Jasper County Fire & Rescue. Initial response responsibility shall be the obligation of the Jasper County Fire & Rescue.

e. In the event Jasper County Fire & Rescue has not been able to acknowledge it is responding to the call within two minutes, or if there is an imminent threat to life or property requiring additional response, The Jasper County Fire Chief or their designee may contact the Jasper County Dispatcher and request mutual aid from the Town of Ridgeland Fire Department.

EMERGENCY MEDICAL SERVICES

a. When a call for emergency medical services is received by the Jasper County dispatcher for an incident located in the Ridgeland Rural Fire District as shown on the attached Exhibit A, the dispatcher will initially send a call tone out for the Jasper County Fire and Rescue Department, unless the Emergency Services assigned for the Department are unavailable due to a previous response call, or there is a life- threatening incident requiring immediate response by the Town personnel, in which case the initial call tone out may be made to the Town of Ridgeland Fire and Rescue Department. Except as noted above, the initial response responsibility shall be the obligation of Jasper County Fire and Rescue.

b. In the event Jasper County cannot provide sufficient personnel and vehicles to the incident scene with its resources, the Town of Ridgeland shall provide back-up response equipment and personnel upon request.

c. When a call for emergency medical services is received by the Jasper County dispatcher for an incident located in the Town of Ridgeland, the dispatcher will initially send a call tone out for both the Town of Ridgeland Fire and Rescue Department and to the Jasper County Fire and Rescue Department.

d. In the event the Town of Ridgeland cannot provide sufficient personnel and vehicles to the

incident scene with its resources, Jasper County shall provide back-up response equipment and personnel upon request.

COMPENSATION AND INSURANCE

a. The Town of Ridgeland shall provide its customary pay to its volunteers, as well as remaining responsible for all insurance coverage, tort, vehicle, General liability, Worker's Compensation and any other required coverage for its personnel and equipment.

b. The Town of Ridgeland shall be responsible for compensating the Town of Ridgeland personnel, as well as responsibility for all insurance coverage, medical malpractice, tort, vehicle, general liability, Worker's Compensation, and any other required coverage for its personnel and equipment, as well as vehicle and general liability insurance coverage for the Jasper County Tanker.

c. In order to compensate the Town of Ridgeland for providing the services outlined above within the Ridgeland Rural Fire District, Jasper County shall pay the amounts set forth below for each year, annualized and prorated, payable as follows:

A. \$275,632.00 for fiscal year July 1, 2024 through June 30, 2025

B. \$283,900.00 for fiscal year July 1, 2025 through June 30, 2026

C. \$ 292,417.00 for fiscal year July 1, 2026 through June 30, 2027

I. 50% of the total budget shall be paid on July 1 of each year.

II. 25% of the total budget shall be advanced on October 1 of each year.

III. 25% of the total budget shall be advanced on February of each year.

d. The Town shall generate an invoice remitted to the County's Chief Financial Officer for each segment of the contract.

e. The Town of Ridgeland acknowledges these are public funds, and therefore shall maintain books and records of all amounts expended under this Agreement in such a manner as may be directed by the Town's auditors. Audits conducted by the Town's auditor on this account or accounts shall be provided to Jasper County.

TERMINATION DATE

This Agreement shall terminate on June 30, 2027, which is the end of the fiscal year for both governments. It is anticipated that Jasper County shall resume provision of primary coverage for the Ridgeland Rural Fire District commencing July 1, 2027.

MISCELLANEOUS

If a court shall finally determine that any aspect of this Agreement is void or unenforceable, it is the intention of the parties that it shall not thereby terminate, but shall be deemed amended to the extent required to make it valid and enforceable, and such provision or provisions shall be deemed severed from this Agreement and all other provisions shall remain in full force and effect.

IN WITNESS WHEREOF, the Town of Ridgeland and Jasper County, acting under the authority of their respective governing bodies, having caused this Agreement to be duly executed in duplicate, either of which is to be considered an original, thereby binding the Town and the County for the faithful and full performance of the terms and conditions of this Agreement, as of the date first written above.

TOWN OF RIDGELAND

JASPER COUNTY

By: Dennis Averkin
Town Administrator

By: Andrew Fulghum
County Administrator

AGENDA

ITEM # 11

SOUTH CAROLINA

)

)

RESOLUTION R-2023-22

JASPER COUNTY

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A RESOLUTION AUTHORIZING JASPER COUNTY, SOUTH CAROLINA TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF HARDEEVILLE, SOUTH CAROLINA TO PROVIDE FOR THE UTILIZATION OF A PERCENTAGE OF JASPER COUNTY’S TAX INCREMENT FINANCING REVENUES AND OTHER RELATED MATTERS

WHEREAS, Title 31, Chapter 6 of the Code of Laws of South Carolina, 1976, as amended (“*TIF Act*”), authorizes incorporated municipalities of the State of South Carolina (“*State*”) to provide incentives for redevelopment in areas which are agricultural areas or blighted areas or both, through the direct payment or financing of publicly-owned improvements pursuant to the provision of the TIF Act;

WHEREAS, the TIF Act authorizes the City of Hardeeville, South Carolina (“*City*”) to establish a redevelopment project area (as defined in the TIF Act) and adopt a redevelopment plan (as defined in the TIF Act) for the purpose of financing redevelopment projects, consisting of publicly-owned property and infrastructure improvements (as described in the TIF Act);

WHEREAS, the City has determined that there exist areas within the City that qualify under the TIF Act as agricultural areas or blighted areas or both, and that development and redevelopment in such areas would be encouraged through the City’s undertaking of certain redevelopment projects (as defined in the TIF Act) as set forth in the City’s proposed tax increment financing redevelopment plan attached here as **Exhibit A** (“*Redevelopment Plan*”), which will establish the boundaries of a designated redevelopment project area (“*TIF District*”) and identify certain projects to be undertaken within the TIF District (“*Projects*”);

WHEREAS, the City proposes to issue bonds, notes, or other evidence of indebtedness, secured by a portion of the property tax revenues generated in the TIF District in excess of the property tax revenues attributable to the initial equalized assessed value (as defined in the TIF Act) (“*TIF Revenues*”), in one or more series, within the meaning of the TIF Act (collectively, “*Obligations*”). The proceeds of the Obligations will be used in accordance with the Redevelopment Plan to construct the Projects or to refund outstanding Obligations;

WHEREAS, Jasper County, South Carolina (“*County*”) has previously objected to the Redevelopment Plan, but, pursuant to the provisions of the TIF Act, the County now desires to authorize limited participate in the Redevelopment Plan by agreeing to allow 35% of the annual TIF Revenues attributable to the County’s annual property tax millage imposed on real property located within the TIF District (“*County Portion*”) to be utilized to fulfill the purposes of the Redevelopment Plan; and

WHEREAS, the County desires to set forth the terms of its commitment of the County Portion in an intergovernmental agreement between the County and the City, the form of which is attached here as **Exhibit B** (“*IGA*”).

NOW, THEREFORE, BE IT RESOLVED by the County Council of Jasper County (“*County Council*”) as follows:

Section 1. County Council determines that the commitment of the County Portion and execution of the IGA and the transactions contemplated therein are proper governmental and public purposes and are anticipated to benefit the general public welfare of the County.

Section 2. County Council approves the form of the IGA and the transactions contemplated therein and authorizes the County Administrator and Chairman of County Council to negotiate execute and deliver the IGA, the final form, terms and provisions of which shall be approved by the County Administrator and Chairman of County Council, following receipt of advice from counsel to the County, with the execution of the IGA by the County Council Chair or the County Administrator to constitute conclusive evidence of the final approval thereof.

Section 3. County Council authorizes the County Administrator and the Chairman of County Council, following receipt of advice from counsel to the County, to take such further acts and negotiate, approve and execute whatever further instruments on behalf of the County as deemed necessary, desirable or appropriate to effect the transactions described in this Resolution.

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

Done in a meeting duly assembled this 6th day of November, 2023.

JASPER COUNTY, SOUTH CAROLINA

By: _____
Martin L. Sauls, IV, Chairman, County Council
Jasper County, South Carolina

[SEAL]

Attest:

By: _____
Wanda Simmons, Clerk to County Council
Jasper County, South Carolina

Reviewed for form and draftsmanship by Jasper County Attorney

David L. Tedder Date

Exhibit A
Redevelopment Plan

Redevelopment Plan

Exit 3 Redevelopment Project

Area

City of Hardeeville, South Carolina

October 2, 2023

REDEVELOPMENT PLAN

EXIT 3 REDEVELOPMENT PROJECT AREA

CITY OF HARDEEVILLE, SOUTH CAROLINA

Introduction

The redevelopment project area (the “Exit 3 Redevelopment Project Area”), consisting of approximately 1,608.30 acres within the City of Hardeeville, South Carolina (“City”) and more particularly described below and on **Exhibit A-1** attached hereto, currently is vacant land, classified by the Jasper County Property Assessor as Rural Agriculture. The proposed new Exit 3 interchange on 1-95 and the new RiverPort Parkway described in and contemplated by this Redevelopment Plan will enhance accessibility to the real property within the Exit 3 Redevelopment Project Area, will stimulate much-needed economic growth and development in the Exit 3 Redevelopment Project Area and surrounding areas, will provide multiple uses of real property located within the Exit 3 Redevelopment Project Area utilizing the redevelopment opportunities and techniques provided by the Act (as defined below) and will be a tool to address and improve many socioeconomic issues in the Exit 3 Redevelopment Project Area and surrounding areas.

This Redevelopment Plan is created under the authority of and in accordance with Title 31, Chapter 6 of the Code of Laws of South Carolina 1976, as amended (the “Act”) and sets forth the program to be undertaken to accomplish the objectives of improving those conditions within the Exit 3 Redevelopment Project Area which qualifies it as an “Agricultural area” and a “Blighted area” (each within the meaning of the Act) and includes estimated redevelopment project costs including long-term project maintenance, as applicable, the anticipated sources of funds to pay such costs, the nature and term of any obligations to be issued to finance such costs, the most recent equalized assessed valuation of the Exit 3 Redevelopment Project Area, an estimate as to the equalized assessed valuation after redevelopment, and the general land uses to apply in the Exit 3 Redevelopment Project Area. The duration of the plan is 25 years.

The adoption of this Redevelopment Plan itself does not authorize the City to issue obligations secured by incremental tax revenues generated from the real property within the Exit 3 Redevelopment Project Area. The issuance of such obligations will require City Council of the City (the “City Council”) to enact an ordinance approving such issuance.

Boundaries of the Exit 3 Redevelopment Project Area

The Exit 3 Redevelopment Project Area consists of approximately 1,608.30 acres within the City.

A map of the Exit 3 Redevelopment Project Area, a legal description of the Exit 3 Redevelopment Project Area, and a listing of real property parcels included within the Exit 3 Redevelopment Project Area are shown in **Exhibit A, Exhibit A-1 and Exhibit A-2**, attached hereto. The Exit 3 Redevelopment Project Area comprises approximately 5.6 percent of the total acreage of the City.

Current Conditions in the Exit 3 Redevelopment Project Area; Qualification as Agricultural and Blighted Areas

All parcels of real property within the Exit 3 Redevelopment Project Area are vacant and are classified by the Jasper County Property Assessor as Rural Agriculture. The Exit 3 Redevelopment Project Area is an “Agricultural area” and a “Blighted area” (each within the meaning of the Act) where redevelopment and sound growth are being impaired by:

1. obsolete platting;
2. lack of necessary transportation infrastructure;
3. lack of water or wastewater;
4. lack of storm drainage facilities;
5. inadequate electric and natural gas energy services; and
6. lack of modern communications infrastructure.

All real property within the Exit 3 Redevelopment Project Area currently is owned by SLF III-Hardeeville, LLC (the “Owner”). It is expected that either the Owner or certain of its successors and assigns (in such capacity, the “Developer”) will develop the Exit 3 Redevelopment Project Area.

Redevelopment Projects and Estimated Redevelopment and Ongoing Maintenance Costs

The proposed redevelopment projects within the Exit 3 Redevelopment Project Area are as follows (collectively, the “Redevelopment Projects”):

1. a new interchange at Exit 3 on I-95, including all related drainage and storm water and infrastructure (the “Exit #3 Proper Project”);
2. an approximately 1.5-mile stretch of RiverPort Parkway north of I-95, including all related drainage and storm water infrastructure (the “Parkway North Project”); and
3. an approximately 4-mile stretch of RiverPort Parkway south of I-95, including all related drainage and storm water infrastructure (the “Parkway South Project”).

The Redevelopment Projects will be publicly owned and will be located in the City. The majority of the Redevelopment Projects will be located within the Exit 3 Redevelopment Project Area. The City Council is making a specific finding that the portions of the Redevelopment Projects located outside of the Exit 3 Redevelopment Project Area benefit the Exit 3 Redevelopment Project Area.

It is expected that it will take approximately 5 years to complete the construction of the Redevelopment Projects. It is further expected that (1) the Developer will be responsible for, or assist with, the design, permitting and approvals of the Redevelopment Projects; (2) the South Carolina Department of Transportation will be responsible for the construction of Exit #3 Proper Project; (3) the City will be responsible for the construction of the Parkway North Project, and (4) the Developer will be responsible for the construction of the Parkway South Project.

The estimated costs of the Redevelopment Projects are \$99,893,373 and are more particularly shown on **Exhibit B** attached hereto (the estimated costs do not include the costs for the portion of Parkway South Project already completed).

The South Carolina Department of Transportation will be responsible for all long-term maintenance obligations with respect to the Exit #3 Proper Project, and the City will be responsible for all long-term maintenance obligations with respect to the Parkway North Project and the Parkway South Project. The average annual, combined long-term project maintenance cost for the Parkway North Project and the Parkway South Project is estimated by the City to be \$854,102 calculated over a 30-year term and assuming inflation.

Redevelopment Objectives

The redevelopment objectives of the City are summarized as follows and are described in more detail below:

1. To redevelop agricultural properties to provide multiple uses thereof in order to enhance the economy and tax base of local governments through the private development and redevelopment of the Exit 3 Redevelopment Project Area, thereby promoting the welfare of the public;
2. To promote the welfare of the public by creating new jobs and enhancing the economic health of the community through diversification of the economic base;
3. To promote and protect the health, safety, and welfare of the public by creating connectivity and improving transportation between the Exit 3 Redevelopment Project Area, the Port of Savannah, the future Jasper Ocean Terminal and surrounding economic development projects;
4. To promote and protect the health, safety, and welfare of the public by enhancing mobility and safety by means of alternative and more secure evacuation routes within the Exit 3 Redevelopment Project Area and surrounding areas; and
5. To promote and protect the health, safety, and welfare of the public by avoiding major traffic disruptions within the Exit 3 Redevelopment Project Area and surrounding areas in light of the projected insufficiency of Exit 5 of I-95 to accommodate anticipated traffic.

The Redevelopment Projects are necessary to accomplish the redevelopment objectives. It is anticipated that, as a result of the Redevelopment Projects, a combination of private investments and public investments will achieve the objectives.

Enhancement of the Economic and Tax Base and Job Creation

The Redevelopment Projects are expected to create positive economic outcomes for the City, Jasper County, South Carolina (the "County"), and neighboring communities along the I-95 corridor in South Carolina. On a broader scale, the Redevelopment Projects will improve intermodal activity associated with the Port of Savannah, the future Jasper Ocean Terminal, and surrounding economic development projects by improving the mobility of freight, passenger, and commercial traffic along the I-95 and US 17 corridors.

Specifically, the Redevelopment Projects are expected to improve reliability and reduce delay along the I-95 corridor associated with the expected increased traffic from the regional economic development projects and the future Jasper Ocean Terminal project, providing safe new infrastructure purposed with

supporting intermodal activity, moving of freight, eliminating bottleneck conditions and causing a ripple effect of improved travel.

The future Jasper Ocean Terminal project is expected to create more than 900 jobs directly and indirectly for the construction of the port and related infrastructure alone, generating more than \$210 million in wages. More than 1,000 indirect jobs are projected in the creation of the access road and new rail infrastructure for the project alone which would mean that nearly 2,000 newly created high paying jobs will impact the region upon early development. The Redevelopment Projects are material to the success of the Jasper Ocean Terminal project.

The City is experiencing a period of significant expansion and has had the highest growth percentage in the state over the last several years. The addition of Hardeeville Commerce Park, Waste Management, North Signal Capital, and the Jasper Ocean Terminal project, has heightened the expectation of job growth for those in the City and surrounding area communities. Not only will the Redevelopment Projects provide the workforce with shorter commutes, but household income will increase thereby improving the socioeconomic conditions for themselves and their families.

Independently, the Redevelopment Projects will have a beneficial economic impact on employment within the Exit 3 Redevelopment Project Area and surrounding areas within the City as quality jobs and wages will be created during the construction period. The Redevelopment Projects will generate temporary direct construction jobs for the building of the new Exit 3 interchange, bridges, and roadway. In addition to direct construction jobs, additional indirect and induced jobs will be created by firms that produce materials, equipment, and services needed for the construction of the Redevelopment Projects. Wages earned by direct and indirect workers will be spent in the local economy on goods and services, resulting in additional local job creation.

Mobility Enhancement

The Redevelopment Projects will (1) improve safety along each of the corridors, as they will help reroute traffic from industrial/commercial development along US 17 and projected traffic from the future Jasper Ocean Terminal location; and (2) reduce the congestion, safety and mobility along I-95 with a more modern and specifically designed interchange, better equipped to support the various types of vehicles egressing on and off the interstate near or around the City. Diverting traffic away from downtown Hardeeville and Exit 5 Interchange will help to relieve existing congestion and traffic problems along this poorly operating interchange.

The Redevelopment Projects will improve intermodal infrastructure for the Port of Savannah along with both regional and national freight mobility through the Interstate system and improvements to the existing rail services. The Redevelopment Projects are expected to improve local mobility for all modes of travel along the I-95 and US 17 corridors and not only improve conditions for outbound travel but also improve travel alternatives for visitors to enjoy the City and its surrounding area tourist attractions.

Without the Redevelopment Projects, major traffic disruption will negatively impact the Exit 3 Redevelopment Project Area and neighboring communities. Among the purposes of the Redevelopment Projects is to improve mobility and accessibility not only for freight across the region, but also local residents and visitors who need to travel safely and efficiently between home, work, school and daily

activities. The Redevelopment Projects will also link potential employees with increased employment opportunities and create additional services for the community.

Increased freight traffic can be reasonably expected as a result of the following:

- The South Carolina General Assembly recently approved Trucking Tax Credit legislation to encourage new manufacturers to utilize the Charleston Port.
- A significant part of the County, and all of the area within the City, has been identified as an Opportunity Zone. The Opportunity Zone program was designed to drive long term capital to rural and low-income urban communities by utilizing tax incentives to encourage private investment in these communities. Opportunity Zone investors have already made significant investments in the area.
- Strong commercial growth in the Savannah market, particularly in the areas of logistics, distribution and light warehousing, is encouraging imminent growth in this region.

Ultimately, the Redevelopment Projects will directly improve the efficiency and reliability of the surface transportation system within the Exit 3 Redevelopment Project Area, regionally and nationally as well as provide improved access from the Exit 3 Redevelopment Project Area and surrounding communities to key transportation infrastructure such as the Savannah/Hilton Head National Airport, Port of Savannah and CSX Railroad. By improving the connections between economic development properties and the future Jasper Ocean Terminal project with the interstate system, the Redevelopment Projects will aid in the reduction of anticipated congestion along the I-95 corridor as well as facilitate more efficient interstate access for the region.

Safety Outcomes

The Redevelopment Projects will provide a safer and more modern design allowing improved accessible alternatives for the I-95 corridor with the anticipation of the increased volumes of traffic associated with the economic development properties and the future Jasper Ocean Terminal project. The Parkway North Project is expected to include one rail grade separation component at crossing 632464A. This separation is a significant need as the master plan includes more than 2,000 acres just north of the crossing for the residential village growth and development. This development will increase the amount of traffic crossing the main CSX north and south trunk line. The new Exit 3 interchange will also reduce risks of various tractor trailer incidents as the result of congested or poorly designed interchanges. Additionally, the Redevelopment Projects will allow enhanced reliability in emergency vehicle response time to better serve the Exit 3 Redevelopment Project Area, the surrounding properties and the future Jasper Ocean Terminal project.

The improved accessibility on and off the Interstate system in the southern tip of South Carolina is also essential during emergency and mandatory evacuations from hurricanes targeting the east coast. Traffic problems were clearly noted during Hurricanes Matthew and Irma, where evacuees were slowed due to the increased congestion of traffic along I-95 crossing the Savannah River from Georgia into South Carolina. Even though the Redevelopment Projects will not relieve all congestion along the I-95 corridor as much of the problem is associated with widening I-95, the new Exit 3 interchange will provide quicker accessibility to US 17, US 321 and US 278 which serve as South Carolina Evacuation Routes.

Anticipated Sources of Funds to Pay the Costs of Redevelopment Projects

The anticipated sources of funds to pay the costs of the Redevelopment Projects are a combination of a grant made by South Carolina Transportation Infrastructure Bank (the "SCTIB") to the City and the County; a loan made by the SCTIB to the City and the County (the "SCTIB Loan") or the issuance of other obligations by the City; a cash contribution from Jasper County, utilizing Transportation Tax proceeds; and private investments and contributions as described in greater detail in the table below.

The proceeds of SCTIB grant are expected to be used to pay for a portion of the costs of the Exit # 3 Proper Project and the Parkway North Project.

The proceeds of the SCTIB Loan are expected to be used to pay for a portion of the costs of the Exit #3 Proper Project.

The proceeds of the cash contribution from Jasper County are expected to be used to pay for a portion of the costs of the Exit 3 Proper Project and the Parkway North Project.

The Developer is expected to (1) pay all pre-construction costs to obtain the necessary approvals and permits to construct the Redevelopment Projects; (2) provide or pay for the Parkway South Project; and (3) provide necessary easements and rights of way for the Redevelopment Projects.

Redevelopment Project Area Sources and Uses of Funds

The following table provides the expected sources and uses of funds for the Redevelopment Projects.

Table 1: Expected Sources and Uses of Funds

Sources of Funds or Contribution		Uses of Funds or Contribution	
Sources	Estimated Amount or Estimated Value	Uses	Estimated Cost or Estimated Value
Cash or Similar Contributions:		Redevelopment Projects:	
SCTIB Grant*	\$28,100,000	<u>Exit 3 Proper</u>	
SCTIB Loan**	\$18,240,000	Plans & Engineering Exit 3 Proper Project	\$3,400,000
Jasper County Cash Contribution	\$13,500,000	Land (estimated value)	\$1,008,000
City Contribution***	\$4,164,587	Construction Exit 3 Proper Project	<u>\$45,604,000</u>
Owner Cash Contribution	\$3,100,000	Exit 3 Proper Project total	\$50,012,000
Owner's Payment for Parkway South	\$29,104,786	<u>Parkway North Project</u>	
Total Cash or Similar Contributions	\$96,209,373	Land (estimated value)	\$1,200,000
		Construction Parkway North Project	<u>\$13,936,000</u>
Other:		Parkway North Project total	\$15,136,000
Owner Contribution of Land for Public ROW****	\$3,684,000	<u>Parkway South Project</u>	
		Design and Engineering Parkway South	\$1,819,049
		Land (estimated value)	\$1,476,000
		Construction Parkway South Project	<u>\$27,285,737</u>
		Parkway South Project total	\$30,580,786
		Costs relating to multiple Redevelopment Projects*****	\$4,164,587
Total Sources of Funds or Contributions	\$99,893,373	Total Uses of Funds or Contributions	\$99,893,373

*No portion of the proceeds of the SCTIB Grant or SCTIB Loan shall be used to fund the Parkway South Project or for payment for the public right of way.

**An additional up to \$9,860,000 in SCTIB Loan proceeds are available to pay for costs of the Exit #3 Proper Project to the extent that the total cost of the Exit #3 Proper Project (excluding the land contribution) is greater than the estimated amount specified in the table above, subject to the satisfaction of certain conditions.

***The City entered into a memorandum of understanding with Owner in October 2018 (which has been amended from time to time) for the reimbursement of certain City expenditures related to the Exit 3 Proper Project and the design and engineering for the Parkway North Project. To date, the City has been reimbursed a total of \$751,090 for certain payments that the City has made.

****The estimated value of the land to be contributed for the public right of way represents the value of the contributed real property expected to be specified in an amendment to the Development Agreement (defined below) by and between the City and SLF III-Hardeeville, LLC.

*****The City has entered into an agreement with Stantec, an engineering firm, to provide services relating to multiple Redevelopment Projects. The City has estimated that the total cost of these services from Stantec, a portion of which have been completed, will equal the amount shown.

Nature and Term of Any Obligations to be Issued to Finance Redevelopment Project Costs

The SCTIB Loan (together with any tax increment bonds or other obligation issued by the City to finance or refinance costs of any of the Redevelopment Projects, the “Obligations”) is expected to fund a portion of the costs of the Exit #3 Proper Project.

The maximum amount of the Obligations (without duplications for the amount of Obligations that refund previously issued Obligations) will not exceed \$37,500,000, and the maximum term of the Obligations will be 30 years; provided that the SCTIB Loan will mature no more than 15 years after the date of the first draw of proceeds under the SCTIB Loan.

It is anticipated that the SCTIB Loan will be secured, in part, by and be payable from the following and in the following order of priority: (1) first, 35% of the incremental tax revenues generated within the Exit 3 Redevelopment Project Area (“Pledged TIF Revenues”), (2) second, funds on deposit in a debt service reserve fund to be established in connection with the closing of the SCTIB Loan, which is anticipated to be in the initial amount of \$3,531,640, and (3) third, revenues generated from assessments levied on taxable property within the Exit 3 Municipal Improvement District (as described below) which the City anticipates creating prior to the closing of the SCTIB Loan and which will include the same property included within the Exit 3 Redevelopment Project Area.

The adoption of this Redevelopment Plan does not authorize the City to issue Obligations. The issuance of such Obligations will require City Council to enact an ordinance approving such issuance. In addition, prior the issuance of any Obligations, the City expects to establish an “improvement district” (containing the same property contained within the Exit 3 Redevelopment Project Area and to be known as the “Exit 3 Municipal Improvement District”) pursuant to Title 5, Chapter 37 of the Code of Laws of South Carolina 1976, as amended.

Most Recent Equalized Assessed Valuation of the Exit 3 Redevelopment Project Area and an Estimate of the Equalized Assessed Valuation of the Exit 3 Redevelopment Project Area after Redevelopment

The most recent equalized assessed value of the taxable real property within the Exit 3 Redevelopment Project Area is \$19,890^{1 2}, as shown in **Exhibit A-2**.

It is estimated by the Owner that upon completion of the redevelopment of the Exit 3 Redevelopment Project Area, the equalized assessed value of the taxable real property within the Exit 3 Redevelopment Project Area will be approximately \$52,800,000 (estimated in current dollars). However, there can be no assurance of what the equalized assessed valuation will be upon completion of such redevelopment.

¹ \$19,890 is the 2023 equalized assessed value according to the Jasper County Assessor property records. The most recent reassessment was as of December 31, 2020. The next reassessment is as of December 31, 2025.

² To be confirmed by County Auditor.

General Land Uses to Apply in the Exit 3 Redevelopment Project Area

New private investment in the Exit 3 Redevelopment Project Area provides the opportunity to leverage public investment into new jobs, businesses, and residents and produce long-term increases in the real property tax base of the City and County. The Developer and future owners will develop the property within the Exit 3 Redevelopment Project Area in accordance with all applicable zoning (including the terms of any applicable planned development district master plan, land use laws and that certain Second Amendment to and Partial Restatement of Development Agreement, to be dated on or about the effective date of the establishment of the Redevelopment Project Area, between the Owner and the City (as amended or modified from time to time, the “**Development Agreement**”).

Based on plans provided by the Developer, the current expectation is that the development of the Exit 3 Redevelopment Project Area will include approximately 1,520,000 square feet of general commercial facilities; approximately 877,500 square feet of flex space; approximately 300 single family homes; approximately 1,300 multi-family residential units; approximately 650 hotel rooms; and an RV park with approximately 535 spaces.

Financial Impact on Taxing Districts

At present, three local taxing jurisdictions, the City, the County and the Jasper County School District (the “School District” and together with the City and the County, the “Taxing Districts”), receive real property tax revenues from properties located within the Redevelopment Project Area.

The redevelopment of the Redevelopment Project Area is intended to attract new investment that will generate an enhanced tax base for the Taxing Districts.

After adoption of this Redevelopment Plan, the Taxing Districts will continue to receive property taxes from real properties in the Exit 3 Redevelopment Project Area. In particular, 100 percent of the collected tax revenues on the initial equalized assessed value of the Redevelopment Area will continue to be distributed to the Taxing District as if this Redevelopment Plan had not been adopted. Assuming no decreases in the tax millage rates or the assessed values of the properties in the Exit 3 Redevelopment Project Area, the Taxing Districts will not lose any existing real property tax revenue.

The real property tax revenues from the Exit 3 Redevelopment Project Area will be distributed as follows:

1. 100% of the tax revenues assessed and collected on the initial equalized assessed value of the Exit 3 Redevelopment Project Area will continue to be distributed to the Taxing District as if this Redevelopment Plan had not been adopted;
2. The collected tax revenues from the incremental assessed value of the Exit 3 Redevelopment Project Area, derived from the School District millage, the County millage and the City millage, (the “TIF Revenues”), will be utilized as follows:
 - A. As indicated above, the Pledged TIF Revenues (representing 35% of the TIF Revenues, as defined above) will be deposited in the “special tax allocation fund” and designated for payment of debt

service on or required reserves with respect to the Obligations, until such time as the Obligations have been fully retired and the Redevelopment Projects have been fully paid for;

B. 65% of the TIF Revenues shall be distributed to the applicable Taxing District during the term of the Redevelopment Plan.

To the extent that there are excess Pledged TIF Revenues in the special tax allocation fund (following the retirement of the Obligations and the payment of all Redevelopment Project costs), such excess funds will be distributed to the Taxing Districts based upon the Taxing Districts then current millage rates.

Each of the Taxing Districts are expected to benefit significantly in both the short-term and the long-term from the public investments made in the Exit 3 Redevelopment Project Area. Upon completion of the Redevelopment Projects and the repayment of the Obligations, the Exit 3 Redevelopment Project Area will be dissolved and all *ad valorem* tax revenues, including any increases as a result of all growth that has occurred within the Exit 3 Redevelopment Project Area, will accrue to each Taxing District the same manner tax revenues accrued prior the establishment of the Exit 3 Redevelopment Project Area.

Without the implementation of the Redevelopment Plan, the tax revenues within the Exit 3 Redevelopment Project Area would likely remain stagnant.

Displacement Impact

No business or residential displacements are expected as a result of this Redevelopment Plan.



EXHIBIT A

Exit 5

PURYSBURG RD

CSX RAILROAD 200 F

BOUNDARY OF THE REDEVELOPMENT PROJECT AREA

FUTURE RIVERPORT PARKWAY NORTH

17

SPEEDWAY BLVD - HWY 17

CSX RAILROAD 200 R/W

95

INTERSTATE 95

Exit 3

FUTURE INTERCHANGE EXIT 3

Exit 3

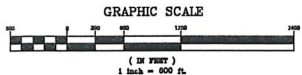
BOUNDARY OF THE REDEVELOPMENT PROJECT AREA

FUTURE RIVERPORT PARKWAY SOUTH

UNIMPL LANE ROAD (PUBLIC USE ONLY)

BOUNDARY OF THE REDEVELOPMENT PROJECT AREA

TOTAL AREA OF SHADED PARCEL = ±1,608 ACRES



SLF III, HARDEVILLE LLC

EXIT 3 REDEVELOPMENT PROJECT AREA HARDEVILLE, SOUTH CAROLINA

September 2023



50 Park of Commerce Way Savannah, GA 31405 • 912.234.5300 www.thomasandhutton.com

This map/outline is general plan of the development which is for discussion purposes only, does not bind or bind the owner/developer, and is subject to change and revision without prior written notice to the holder. Dimensions, boundaries and similar locations are for illustrative purposes only and are subject to an accurate survey and present description.

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Exhibit A-1 - Legal Description of the Property to be Included in the Exit 3 Redevelopment Project Area

ALL those certain pieces, parcels and tracts of land situate, lying and being in the City of Hardeeville, County of Jasper, State of South Carolina, consisting in the aggregate of approximately 1608.30 acres, and being shown and described as "PARCEL 1A" containing 200.58 acres, more or less, "PARCEL 4" containing 179.72 acres, more or less, "PARCEL 5" containing 31.27 acres, more or less, "PARCEL 6" containing 469.07 acres, more or less, "PARCEL 7" containing 163.77 acres, more or less, "PARCEL 8" containing 288.62 acres, more or less, "PARCEL 9" containing 27.57 acres, more or less, and "PARCEL 10" containing 247.70 acres, more or less, on a plat entitled "BOUNDARY PLAT THE HARDEEVILLE TRACT PARCEL 1A, PARCEL 4, PARCEL 5, PARCEL 6, PARCEL 7, PARCEL 8, PARCEL 9 and PARCEL 10 CITY OF HARDEEVILLE, JASPER COUNTY, SOUTH CAROLINA" prepared for SLF III- Hardeeville, LLC, by Robert K. Morgan, III, S.C.R.L.S. No. 26957, of Thomas & Hutton Engineering Co., Savannah, GA, dated September 23, 2020, and recorded November 4, 2020, in the Office of the Jasper County Register of Deeds in Plat Book 0037 at Pages 0269-0272, bearing Document No. 202000005316, reference to which is hereby craved for a more complete description.

BEING a portion of that real property conveyed to SLF III-HARDEEVILLE, LLC, a Texas limited liability company, by that certain limited warranty deed from JPR LAND CO., LLC, a South Carolina limited liability company, recorded in the Office of the Jasper County Register of Deeds in Book 645 at Page 96.

TMS No. 029-00-03-006 (Parcel 1A)

TMS No. 030-00-02-009 (Parcel 4)

TMS No. 030-00-02-015 (Parcel 5)

TMS No. 030-00-01-014 (Parcel 6)

TMS No. 030-00-01-015 (Parcel 7)

TMS No. 030-00-01-001 (Parcel 8)

TMS No. 030-00-01-017 (Parcel 9)

TMS No. 030-00-01-018 (Parcel 10)

Exhibit A-2 - Parcels within the Exit 3 Redevelopment Project Area

Real Property Parcels within the Exit 3 Redevelopment Project Area

Parcel	TMS No.	Owner Name	Acreage	Land	Improvement	Total	Taxable Value	Assessment Ratio	Total Assessment	TIF Acres
1A	029-00-03-006	SLF III Hardeeville, LLC	200.58	\$ 756,700	\$ -	\$ 756,700	\$ 37,300	6.0%	2,240	200.58
4	030-00-02-009	SLF III Hardeeville, LLC	179.72	683,000	-	683,000	33,500	6.0%	2,020	179.72
5	030-00-02-015	SLF III Hardeeville, LLC	31.27	59,300	-	59,300	4,100	6.0%	250	31.27
6	030-00-01-014	SLF III Hardeeville, LLC	469.07	1,343,400	-	1,343,400	116,200	6.0%	6,970	469.07
7	030-00-01-015	SLF III Hardeeville, LLC	163.77	562,800	-	562,800	29,200	6.0%	1,750	163.77
8	030-00-01-001	SLF III Hardeeville, LLC	288.62	1,056,400	-	1,056,400	54,900	6.0%	3,290	288.62
9	030-00-01-017	SLF III Hardeeville, LLC	27.57	173,500	-	173,500	5,600	6.0%	340	27.57
10	030-00-01-018	SLF III Hardeeville, LLC	247.70	1,042,500	-	1,042,500	50,500	6.0%	3,030	247.70
			1,608.30	\$ 5,677,600	\$ -	\$ 5,677,600	\$ 331,300		\$ 19,890	1,608.30

Note: The Jasper County Assessor has classified the parcels as Class Code 354, "Rural Agriculture."

Source: Tax parcel summaries as reflected at Jasper County, SC Assessor aPublic.net on September 26, 2023 (2023 values).

The last reassessment was as of December 31, 2020. The next reassessment will be as of December 31, 2025.

Exhibit B. Schedule of Estimated Costs of Redevelopment Projects

Redevelopment Projects:	Estimated Costs:	
<u>Exit 3 Proper</u>		
Plans & Engineering Exit 3 Proper Project	\$3,400,000	
Land (estimated value)	\$1,008,000	
Construction Exit 3 Proper Project	<u>\$45,604,000</u>	See Exhibit B-1
Exit 3 Proper Project total	\$50,012,000	
 <u>Parkway North Project</u>		
Land (estimated value)	\$1,200,000	
Construction Parkway North Project	<u>\$13,936,000</u>	See Exhibit B-2
Parkway North Project total	\$15,136,000	
 <u>Parkway South Project</u>		
Design and Engineering Parkway South	\$1,819,049	See Exhibit B-3
Land (estimated value)	\$1,476,000	
Construction Parkway South Project	<u>\$27,285,737</u>	See Exhibit B-3
Parkway South Project total	\$30,580,786	
 Costs relating to multiple Redevelopment Projects	 \$4,164,587	
 Total Estimated Costs	 <u><u>\$99,893,373</u></u>	

Exhibit B-1: Exit 3 Proper Project

See the cost estimate from Stantec on the following page.



**Interchange Improvements of I-95 Exit 3 Concept
 (Limits per map from Craig Winn of SCDOT on March 9, 2021)**

Engineer's Opinion of Probable Construction Cost

5/31/2023

SECTION	ITEM	QUANTITY	UNIT	UNIT PRICE	NET PRICE
1031000	MOBILIZATION	1.000	LS	\$2,000,000.00	\$2,000,000.00
1032010	BONDS AND INSURANCE	1.000	LS	\$400,000.00	\$400,000.00
1050800	CONSTRUCTION STAKES, LINES & GRADES	1.000	EA	\$150,000.00	\$150,000.00
1071000	TRAFFIC CONTROL	1.000	LS	\$1,500,000.00	\$1,500,000.00
1080300	CPM PROGRESS SCHEDULE	1.000	LS	\$20,000.00	\$20,000.00
1090200	AS-BUILT CONSTRUCTION PLANS	1.000	LS	\$30,000.00	\$30,000.00
2011000	CLEARING & GRUBBING WITHIN RIGHT OF WAY	1.000	LS	\$500,000.00	\$500,000.00
2025000	REMOVAL & DISPOSAL OF EXISTING ASPHALT PAVEMENT	10,600.000	SY	\$10.00	\$106,000.00
2031000	UNCLASSIFIED EXCAVATION	16,800.000	CY	\$20.00	\$336,000.00
2033000	BORROW EXCAVATION	686,500.000	CY	\$20.00	\$13,730,000.00
2034000	MUCK EXCAVATION	7,200.000	CY	\$25.00	\$180,000.00
3011080	CEMENT MODIFIED SUBBASE (8" UNIFORM)	0.000	SY	\$5.00	\$0.00
3050104	GRADED AGGREGATE BASE COURSE (4" UNIFORM)	10,700.000	SY	\$15.00	\$160,500.00
3069900	MAINTENANCE STONE	1,000.000	TON	\$60.00	\$60,000.00
3081090	CEMENT STAB. AGGR. BASE CR. (9" UNIF.)	27,500.000	SY	\$25.00	\$687,500.00
3100310	HOT MIX ASPHALT BASE COURSE - TYPE A	6,000.000	TON	\$80.00	\$480,000.00
4010005	PRIME COAT	648.000	GAL	\$5.00	\$3,240.00
4011004	LIQUID ASPHALT BINDER PG64-22	590.000	TON	\$800.00	\$472,000.00
4011008	LIQUID ASPHALT BINDER PG76-22	135.000	TON	\$100.00	\$13,500.00
4013100	MILLING EXISTING ASPHALT PAVEMENT 1.0"	0.000	SY	\$6.00	\$0.00
4020310	HOT MIX ASPHALT INTERMEDIATE COURSE TYPE A	4,500.000	TON	\$80.00	\$360,000.00
4030310	HOT MIX ASPHALT SURFACE COURSE TYPE A	2,700.000	TON	\$80.00	\$216,000.00
4030320	HOT MIX ASPHALT SURFACE COURSE TYPE B	1,800.000	TON	\$80.00	\$144,000.00
4030350	HOT MIX ASPHALT SURFACE COURSE TYPE D	300.000	TON	\$80.00	\$24,000.00
6520200	EXTRUDED PANEL SIGNS - GROUND MOUNTED EXTRUDED	315.000	SF	\$50.00	\$15,750.00
6573100	OVERHEAD SIGN STRUCTURE NO.(BRIDGE STRUCTURES)	12.000	EA	\$120,000.00	\$1,440,000.00
6573100	OVERHEAD SIGN STRUCTURE NO.(CANTILEVER STRUCTURES)	18.000	EA	\$100,000.00	\$1,800,000.00
7203210	CONCRETE CURB AND GUTTER(2'-0") VERTICAL FACE	4,499.000	LF	\$50.00	\$224,950.00
7206000	CONCRETE MEDIAN	4,100.000	SY	\$120.00	\$492,000.00
8058152	CONCRETE BARRIER WALL (TYPE-11B) 4' MAX.DIFF.IN RDWY.ELEV.	487.000	LF	\$400.00	\$194,800.00
	DEWATERING	1.000	LS	\$120,000.00	\$120,000.00
	DRAINAGE PIPE	2,660.000	LF	\$120.00	\$319,200.00
	DRAINAGE STRUCTURES	23.000	EA	\$6,000.00	\$138,000.00
	PAVEMENT MARKINGS AND SIGNING	1.000	LS	\$75,000.00	\$75,000.00
	TRAFFIC SIGNALS	3.000	EA	\$175,000.00	\$525,000.00
	EROSION CONTROL	1.000	LS	\$1,750,000.00	\$1,750,000.00
	BRIDGE DEMOLITION (I-95 OVERPASS)	1.000	LS	\$100,000.00	\$100,000.00
	BRIDGE CONSTRUCTION (INTERCHANGE OVERPASS)	45,730.000	SF	\$200.00	\$9,146,000.00
				SUBTOTAL =	\$37,913,440.00
				RIGHT-OF-WAY =	\$0.00
				UTILITY RELOCATIONS =	\$100,000.00
				WETLAND DELINEATION, PERMITTING & MITIGATION =	\$0.00
				CONSTRUCTION ENGINEERING AND INSPECTION (8%) =	\$3,040,000.00
				CONTINGENCIES (12%) =	\$4,550,000.00
				TOTAL PROJECT COST =	\$45,604,000.00

NOTES:

1. THIS COST ESTIMATE COVERS RIVERPORT PARKWAY FROM STATION 150+00 TO STATION 174+28.
2. TRAFFIC CONTROL PRICE ASSUMES PURRYSBURG ROAD CAN BE CLOSED FOR BRIDGE REMOVAL AND CONSTRUCTION.
3. CEI HAS BEEN REDUCED FROM THE TYPICAL 15% TO 8% DUE TO THE OVERLAP WITH THE I-95 WIDENING PROJECT.
4. PRICES WERE DETERMINED FROM AN EVALUATION OF BID EXPRESS VALUES FROM 2023.
5. SURVEYING AND ENGINEERING FEES WILL BE HANDLED SEPARATELY.
6. I-95 EXIT 3 INTERCHANGE ACCELERATION AND DECELERATION LANES TO BE BUILT BY SCDOT WITH THE I-95 WIDENING PROJECT.

Exhibit B-2: Riverport Parkway North

See the cost estimate from Stantec on the following page.

Riverport Parkway North

Concept Plan - Four Lane Divided Roadway Transition to Two Lanes

Engineer's Opinion of Probable Construction Cost

5/31/2023

ITEM	QUANTITY	UNIT	UNIT PRICE
MOBILIZATION	1.000	LS	\$700,000.00
BONDS AND INSURANCE	1.000	LS	\$140,000.00
CONSTRUCTION STAKES, LINES & GRADES	1.000	EA	\$40,000.00
TRAFFIC CONTROL	1.000	LS	\$20,000.00
TEMP PROGRESS SCHEDULE	1.000	LS	\$15,000.00
PRE-BUILT CONSTRUCTION PLANS	1.000	LS	\$20,000.00
CLEARING & GRUBBING WITHIN RIGHT OF WAY	1.000	LS	\$40,000.00
UNCLASSIFIED EXCAVATION	9.300	CY	\$25.00
NARROW EXCAVATION	166,900.000	CY	\$25.00
WIDE EXCAVATION	5,400.000	CY	\$25.00
MAINTENANCE STONE	200.000	TON	\$80.00
HOT MIX ASPHALT BASE COURSE - TYPE A	10,700.000	TON	\$80.00
LIQUID ASPHALT BINDER PG64-22	905.000	TON	\$800.00
MILLING EXISTING ASPHALT PAVEMENT 2.0"	100.000	SY	\$100.00
HOT MIX ASPHALT INTERMEDIATE COURSE TYPE A	3,760.000	TON	\$80.00
HOT MIX ASPHALT SURFACE COURSE TYPE B	3,760.000	TON	\$80.00
DEWATERING	1.000	LS	\$150,000.00
RAINAGE PIPE	200.000	LF	\$120.00
BOX CULVERT	1.000	EA	\$150,000.00
PAVEMENT MARKINGS AND SIGNING	1.000	LS	\$50,000.00
EROSION CONTROL	1.000	LS	\$600,000.00
RIDGE DEMOLITION (PURRYSBURG ROAD OVER CSX RR)	1.000	LS	\$40,000.00
RIDGE CONSTRUCTION (RIVERPORT PARKWAY OVER CREEK)	6,923.000	SF	\$200.00
RIDGE CONSTRUCTION (RIVERPORT PARKWAY RAILROAD OVERPASS)	10,920.000	SF	\$200.00

SUBTOTAL =

RIGHT-OF-WAY =

UTILITY RELOCATIONS =

WETLAND DELINEATION, PERMITTING & MITIGATION =

CONSTRUCTION ENGINEERING AND INSPECTION =

CONTINGENCIES (12%) =

TOTAL PROJECT COST =

STATEMENT OF WORK COVERS RIVERPORT PARKWAY FROM STATION 45+50 TO STATION 150+00.

CONSTRUCTION ENGINEERING AND INSPECTION WILL BE HANDLED SEPARATELY.

UNIT COSTS DETERMINED FROM AN EVALUATION OF BID EXPRESS VALUES FROM 2023.

PRELIMINARY ENGINEERING FEES WILL BE HANDLED SEPARATELY.

Exhibit B-3: Riverport Parkway South

See the cost estimate from Thomas and Hutton on the following two pages.

EARTHWORK, PAVING, GRADING AND DRAINAGE- FOR IMPROVEMENTS TO RIVERPORT PARKWAY SOUTH - 2 INITIAL LANES

ITEM	DESCRIPTION	QUANTITY	UNITS	UNIT PRICE	TOTAL
1	MOBILIZATION	1	LS	\$ 40,500.00	\$ 40,500.00
2	CLEARING FOR 150' RW	45.50	AC	\$ 8,000.00	\$ 364,000.00
3	BASE COURSE (10 IN.)	61,711	SY	\$ 18.00	\$ 1,110,798.00
4	BINDER SURFACE (2.25 IN.)	61,711	SY	\$ 14.00	\$ 863,954.00
5	WEARING SURFACE (1.75 IN.)	61,711	SY	\$ 11.00	\$ 678,821.00
6	PRIME COAT	61,711	SY	\$ 1.00	\$ 61,711.00
7	TACK COAT	61,711	SY	\$ 1.00	\$ 61,711.00
8					
9	4" CONDUIT	1250	LF	\$ 8.00	\$ 10,000.00
10	6" CONDUIT	1250	LF	\$ 12.00	\$ 15,000.00
11	EROSION CONTROL	1	LS	\$ 300,000.00	\$ 300,000.00
12	ROADWAY GRADING	213,311	SY	\$ 7.00	\$ 1,493,177.00
13	GRASSING	151,600	SY	\$ 0.70	\$ 106,120.00
14	REMOVE UNSUITABLE (MUCK)	71,104	CY	\$ 15.00	\$ 1,066,560.00
15	SELECT FILL FOR ROAD	142,208	CY	\$ 25.00	\$ 3,555,200.00
16	STORM DRAINAGE	JOB	LS	\$ 2,000,000.00	\$ 2,000,000.00
17	SANITARY SEWER	JOB	LS	\$ 660,000.00	\$ 660,000.00
18	WATER	JOB	LS	\$ 330,000.00	\$ 330,000.00
19	OUTFALL LAGOON/DITCHING	1	LS	\$ 750,000.00	\$ 750,000.00
20	6" SGD (PERFORATED W/ STONE AND FILTER FABRIC)	20,508	LF	\$ 20.00	\$ 410,160.00
21	STONE BACKFILL	280	CY	\$ 40.00	\$ 11,200.00
22	SAND BACKFILL	50	CY	\$ 10.00	\$ 500.00
23	TRAFFIC CONTROL	1	LS	\$ 704,000.00	\$ 704,000.00
24	4" WHITE SOLID LINE THERMOPLASTIC	19198	LF	\$ 0.60	\$ 11,518.80
25	4" YELLOW SOLID LINE THERMOPLASTIC	19198	LF	\$ 0.60	\$ 11,518.80
26	24" WHITE SOLID LINE 125 MIL	160	LF	\$ 6.50	\$ 1,040.00
27	WHITE SINGLE ARROWS TYPE 2	12	EA	\$ 75.00	\$ 900.00
28	YELLOW PAVEMENT MARKERS BI-DIR.	240	EA	\$ 6.50	\$ 1,560.00
29	PERMANENT SIGNING	1	LS	\$ 5,000.00	\$ 5,000.00
SUB-TOTAL EARTHWORK, PAVING, GRADING AND DRAINAGE					\$ 14,624,949.60
5% CONTINGENCY					\$ 731,247.48
7% ENGINEERING, PLANNING, PERMITTING, LEGAL AND SURVEYING					\$ 1,023,746.47
TOTAL: RIVERPORT PARKWAY SOUTH (PURRYSBURG ROAD - SOUTH OF I-95) (2 INITIAL LANES)					\$ 16,379,943.55
COST PER MILE					\$ 4,504,953.74
COST PER LINEAR FOOT					\$ 853.21

OPINIONS OF PROBABLE COST

Since the engineer has no control over the cost of labor, materials, equipment, the Contractor's methods of determining prices, or over competitive bidding or market conditions, his Opinions of Probable Construction Costs provided herein are to be made on the basis of his experience and qualifications. These opinions represent his best judgment as a design professional familiar with the construction industry.

* THIS ESTIMATE IS BASED UPON A CONCEPTUAL ROUTING FOR RIVERPORT PARKWAY SOUTH. NO DESIGN INFORMATION IS AVAILABLE AT THIS TIME.

EARTHWORK, PAVING, GRADING AND DRAINAGE- FOR IMPROVEMENTS TO RIVERPORT PARKWAY SOUTH - ADDITIONAL 2 LANES

ITEM	DESCRIPTION	QUANTITY	UNITS	UNIT PRICE	TOTAL
1	MOBILIZATION	1	LS	\$ 40,500.00	\$ 40,500.00
2	BASE COURSE (10 IN.)	61,711	SY	\$ 28.00	\$ 1,727,908.00
3	BINDER SURFACE (2.25 IN.)	61,711	SY	\$ 14.00	\$ 863,954.00
4	WEARING SURFACE (1.75 IN.)	61,711	SY	\$ 11.00	\$ 678,821.00
5	PRIME COAT	61,711	SY	\$ 1.00	\$ 61,711.00
6	TACK COAT	61,711	SY	\$ 1.00	\$ 61,711.00
7					
8	4" CONDUIT	1250	LF	\$ 8.00	\$ 10,000.00
9	6" CONDUIT	1250	LF	\$ 12.00	\$ 15,000.00
10	EROSION CONTROL	1	LS	\$ 350,000.00	\$ 350,000.00
11	ROADWAY GRADING	106,656	SY	\$ 7.00	\$ 746,592.00
12	GRASSING	44,945	SY	\$ 0.70	\$ 31,461.50
13	REMOVE UNSUITABLE (MUCK)	36,974	CY	\$ 15.00	\$ 554,610.00
14	SELECT FILL FOR ROAD	73,948	CY	\$ 25.00	\$ 1,848,700.00
15	STORM DRAINAGE	JOB	LS	\$ 2,000,000.00	\$ 2,000,000.00
16	SANITARY SEWER	JOB	LS	\$ 660,000.00	\$ 660,000.00
17	WATER	JOB	LS	\$ 330,000.00	\$ 330,000.00
18	OUTFALL LAGOONS/DITCHING	1	LS	\$ 250,000.00	\$ 250,000.00
19	6" SGD (PERFORATED W/ STONE AND FILTER FABRIC)	20,508	LF	\$ 20.00	\$ 410,160.00
20	STONE BACKFILL	280	CY	\$ 40.00	\$ 11,200.00
21	SAND BACKFILL	560	CY	\$ 10.00	\$ 5,600.00
22	TRAFFIC CONTROL	1	LS	\$ 672,000.00	\$ 672,000.00
23	4" WHITE SOLID LINE THERMOPLASTIC	19198	LF	\$ 0.60	\$ 11,518.80
24	4" YELLOW SOLID LINE THERMOPLASTIC	19198	LF	\$ 0.60	\$ 11,518.80
25	24" WHITE SOLID LINE 125 MIL	160	LF	\$ 6.50	\$ 1,040.00
26	WHITE SINGLE ARROWS TYPE 2	12	EA	\$ 75.00	\$ 900.00
27	YELLOW PAVEMENT MARKERS BI-DIR.	240	EA	\$ 6.50	\$ 1,560.00
28	PERMANENT SIGNING	1	LS	\$ 5,000.00	\$ 5,000.00
SUB-TOTAL EARTHWORK, PAVING, GRADING AND DRAINAGE					\$ 11,361,466.10
5% CONTINGENCY					\$ 568,073.31
7% ENGINEERING, PLANNING, PERMITTING, LEGAL AND SURVEYING					\$ 795,302.63
TOTAL: PURRYSBURG ROAD SOUTH OF I-95 (ADDITIONAL 2 LANES)					\$ 12,724,842.04
COST PER MILE					\$ 3,499,696.11
COST PER LINEAR FOOT					\$ 662.82

OPINIONS OF PROBABLE COST

Since the engineer has no control over the cost of labor, materials, equipment, the Contractor's methods of determining prices, or over competitive bidding or market conditions, his Opinions of Probable Construction Costs provided herein are to be made on the basis of his experience and qualifications. These opinions represent his best judgment as a design professional familiar with the construction industry.

* THIS ESTIMATE IS BASED UPON A CONCEPTUAL ROUTING FOR PURRYSBURG ROAD. NO DESIGN INFORMATION IS AVAILABLE AT THIS TIME.

Exhibit B

IGA

INTERGOVERNMENTAL AGREEMENT
FOR I-95 EXIT 3 AND RELATED PROJECTS
LOCATED IN JASPER COUNTY, SOUTH CAROLINA

This Intergovernmental Agreement is made and entered into as of _____, 2023 by and between JASPER COUNTY, SOUTH CAROLINA (the “County”) and the CITY OF HARDEEVILLE, SOUTH CAROLINA (the “City”), bodies politic and corporate and political subdivisions of the State of South Carolina (together, the “Project Sponsors” and individually, a “Project Sponsor”), and the SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE BANK, a body corporate and politic and an instrumentality of the State of South Carolina (the “Bank”), all of which also may be collectively referred to herein as the “Parties” or individually as a or the “Party,” as appropriate, concerning the construction of the “Exit #3 Proper Project” as defined herein, and the “Parkway North Project” as defined herein and the Parkway South Project as defined herein, all of which are located in the City of Hardeeville in Jasper County, South Carolina. The foregoing projects are described in more detail hereinbelow and in the Project Sponsors’ Application for Financial Assistance submitted to the Bank. This Intergovernmental Agreement is hereinafter referred to as this “Agreement.”

W I T N E S S E T H:

WHEREAS, the Bank was created for the purpose, among others, of selecting and assisting in financing major transportation projects by providing Financial Assistance to government units for constructing and improving highway facilities necessary for public purposes, including economic development, as is more fully set forth in the South Carolina Transportation Infrastructure Bank Act (“SCTIB Act”), S.C. Code Ann. §§ 11-43-110, et seq.;

WHEREAS, pursuant to the SCTIB Act, the Bank has all power necessary, useful, and appropriate to provide grants, loans and other Financial Assistance in a manner as the Board determines advisable and solicited applications for Financial Assistance pursuant to the authority granted in the SCTIB Act;

WHEREAS, by an Application submitted to the Bank on or about August 28, 2019, as supplemented by other submissions to the Bank, the Project Sponsors requested Financial Assistance for the Projects as defined herein;

WHEREAS, at a meeting on July 6, 2020, the Bank's Evaluation Committee reviewed applications for Financial Assistance and made recommendations to the Bank Board concerning those applications which included the Projects;

WHEREAS, at a meeting on July 7, 2020, the Bank Board reviewed and considered its available funding capacity, the project applications for funding, and the Evaluation Committee's recommendations, including the recommendation on the Projects;

WHEREAS, at the meeting on July 7, 2020, the Bank Board determined that the Projects were eligible and qualified for Financial Assistance and resolved to provide such assistance to the Projects subject to certain conditions specified in the Resolution approved by the Bank Board or contained within the Bank's Overall Operating Guidelines, Procedures and Standard Conditions for Financial Assistance;

WHEREAS, the SCDOT Commission reviewed and approved the Financial Assistance to be provided to the Projects by the Bank at its meeting on July 16, 2020;

WHEREAS, the Joint Bond Review Committee of the General Assembly ("JBRC") reviewed and approved the Financial Assistance to be provided to the Projects by the Bank at its meeting on August 11, 2020;

WHEREAS, the Parties agreed to the financial terms for the Projects on September 28, 2021;

WHEREAS, the Parties memorialized the financial terms of the Financial Assistance in a term sheet, dated January 15, 2022, agreed to by the Bank, the SCDOT, Jasper County, City of Hardeeville, and SLF III-Hardeeville, LLC; and

WHEREAS, the Parties now desire to set forth the respective responsibilities of the Parties for the Projects, including the funding of the Projects;

NOW, THEREFORE, in consideration of the mutual benefits, promises and obligations set forth herein, the sufficiency of which are hereby acknowledged and accepted by each Party hereto, the Parties hereby agree as follows:

ARTICLE 1
DEFINITIONS

For purpose of this Agreement, unless the context otherwise requires, the following terms shall have the following meanings:

“Account” means the account of the Bank maintained by the South Carolina State Treasurer (also referred to herein as State Treasurer’s Office) into which is deposited monies to fund Disbursements for Eligible Costs of the Projects.

“Act” means the South Carolina Transportation Infrastructure Bank Act, which is codified as S.C. Code Ann. §§ 11-43-110, et seq., as amended.

“Application” means the final Application for Financial Assistance submitted by the Project Sponsors to the Bank on August 28, 2019, as supplemented by other materials submitted by the Project Sponsors to the Bank prior to and after the date of the Application up to the date of this Agreement that were accepted and approved by the Bank Board.

“Bank Board” means the Board of Directors of the Bank.

“Budget” means the budget established by the Bank for the Projects.

“Contract(s)” means any contracts entered into by SCDOT or by the Project Sponsors or a Project Sponsor with a firm for construction, including materials and supplies, in connection with the Projects as authorized by this Agreement.

“Cost Overruns” or “Cost Overrun” means the actual cost of the Exit #3 Proper Project or the Parkway North Project, as applicable, that exceeds the amount of funds allocated separately to the respective Projects by this Agreement from the Grant, Loan, County PE Deposit, County Parkway North Deposit, Excess County Parkway North Deposit Funds, or Owner Parkway North Deposit. Cost Overruns also include the costs that exceed the total contract amount for either Project entered into pursuant to the terms of this Agreement, including a contract on the Exit #3 Proper Project entered into pursuant to Section 5.1 of this Agreement, to the extent those costs exceed the total contract amount for each respective Project.

“Development Agreement” means that certain Second Amendment to and Partial Restatement of Development Agreement dated of even date herewith between the Owner and the City, as amended from time to time.

“Disbursements” means (i) for the Parkway North Project the transfer or payment of monies pursuant to draw requests as set forth in this Agreement to reimburse the Project Sponsors for Eligible Costs of construction of that Project or for the payment of invoices approved by Bank for Eligible Costs of construction of that Project incurred pursuant to a Contract based on draw requests submitted to the Bank subject to the terms and conditions of this Agreement, including Article 6; and (ii) for the Exit #3 Proper Project as set forth in Section 6.3 of this Agreement, the transfer or payment of monies pursuant to draw requests to reimburse SCDOT for Eligible Costs of construction of that Project or for the payment of invoices approved by Bank for Eligible Costs of construction of that Project incurred pursuant to a Contract based on draw requests submitted to the Bank subject to the terms and conditions of SCDOT Intergovernmental Agreement and also the Loan Agreement with respect to Disbursements from the Loan.

“Eligible Cost(s)” (i) for the Parkway North Project has the same meaning as set forth in S.C. Code Ann. § 11-43-130(5) as applied to qualified projects to be funded from the state highway account of the Bank, but is limited on the Parkway North Project to Eligible Costs related to construction of that Project. For purposes of clarification, Eligible Costs under this Agreement related to construction of the Parkway North Project include the costs of construction engineering and inspections and costs paid from the County Parkway North Deposit or by the Project Sponsors

or the Owner. Eligible Costs for the Parkway North Project as applicable to the Bank's Financial Assistance only, do not include those costs set forth in Section 6.2 of this Agreement that are recognized in that section as not being Eligible Costs for that Project to be paid from the Bank's Financial Assistance; and (ii) for the Exit #3 Proper Project has the same meaning as set forth in S.C. Code Ann. § 11-43-130(5) as applied to qualified projects to be funded from the state highway account of the Bank, but is limited on the Exit #3 Proper Project to Eligible Costs related to construction of that Project. For purposes of clarification, Eligible Costs under this Agreement related to construction of the Exit #3 Proper Project include the costs of construction engineering and inspections and those deemed eligible costs for construction by the Federal Highway Administration, including demolition in the event the Project Sponsors or the Owner fail to legally obligate the funds to complete construction of the Exit 3 Proper Project to the satisfaction of the SCDOT and the Bank within sixty (60) days of SCDOT providing written notice to the Project Sponsors and Owners that demolition will be implemented. Notwithstanding the foregoing, Eligible Costs for the Exit #3 Proper Project include those costs for preliminary engineering, initial permitting and related costs being paid by a contribution from the County in the amount of \$3,400,000 for that Project (defined below as the County PE Deposit) or by contributions from the Project Sponsors if that cost exceeds the \$3,400,000. Eligible Costs for purposes of this Agreement and Loan Agreement do not include any costs incurred by the Owner with respect to the USACOE 404 wetland permit.

“Event of Default” means the breach by the Project Sponsors of a provision or obligation in this Agreement or in the Loan Agreement as set forth in Section 8.1 of this Agreement.

“Financial Assistance” for purposes of this Agreement includes the Grant and Loan approved by the Bank Board as contemplated by and described in the SCTIB Act.

“Exit #3 Proper Project” means the construction by SCDOT of a new interchange on Interstate 95 near mile marker 3, including related drainage and storm water infrastructure, as further described in the Application and approved by SCDOT which complies with the Interchange Justification Report.

“Exit #3 Proper Project Bid Date” means the date on which SCDOT receives bids from contractors on the Exit #3 Proper Project. Bid date is set currently for December 2024. SCDOT will provide written notification during the right of way plan approval process of the 120-day deadline date.

“Fiscal Year” means the fiscal year of the State of South Carolina that runs from July 1 to June 30.

“Grant” means the grant from the Bank not to exceed \$28,095,903 approved by the Bank Board for funding through draw requests the construction by SCDOT of the Exit #3 Proper Project and for funding through draw requests a portion of the construction by the Project Sponsors of the Parkway North Project.

“Interchange Justification Report” means the Interchange Justification Report approved by the Federal Highway Administration for the Exit #3 Proper Project.

“Loan” means a draw down loan from the Bank for the construction of the Exit #3 Proper Project in the initial principal amount of \$18,240,000, but which may be later increased to a total principal amount of not to exceed \$28,095,903 subject to the provisions in Section 3.1(a) of the Loan Agreement.

“Loan Agreement” means the Loan Agreement for Exit #3 Proper Project by and among the City, County, and Bank dated of even date herewith, as amended from time to time.

“Owner” has the meaning assigned to such term in the Development Agreement. The initial Owner is SLF III – Hardeeville, LLC, a Texas limited liability company, and any successors and assigns as Owner under the Development Agreement; provided any such successor or assign must assume all liabilities and obligations of the Owner pursuant to Section B of Article XXI of the Development Agreement.

“Owner Financial Assistance Obligations” means any financial or other obligations of the Owner contained in or relating to this Agreement, the Loan Agreement, the Development Agreement (solely to the extent such provisions or obligations in the Development Agreement

relate to the construction or funding of the Projects or the Parkway South Project or are express obligations to the Bank), or the Participation Agreement.

“Parkway North Project” means the construction by the City of certain improvements to an approximately 1.5 mile segment of Purrysburg Road, which is sometimes referred to as Riverport Parkway North, lying north of Interstate 95 that will intersect with the Exit #3 Proper Project, as further described in the Application that meets the standards, specifications and requirements of SCDOT and the Interchange Justification Report and does not impair or delay the completion of the Exit #3 Proper Project.

“Parkway South Project” means the construction by the Owner, in cooperation with the City, of an approximately four (4) mile segment of Purrysburg Road, which is sometimes referred to as Riverport Parkway South, lying south of Interstate 95 that will intersect with the Exit #3 Proper Project, as further described in the Application, that meets the standards, specifications and requirements of SCDOT and the Interchange Justification Report and does not impair or delay the completion of the Exit #3 Proper Project, and the costs of which will be paid by the Owner.

“Participation Agreement” means that certain Participation Agreement dated as of October 7, 2022, by and between the Owner and the County, as may be amended, modified or supplemented, from time to time.

“Projects” mean the Exit #3 Proper Project and the Parkway North Project. The term “Project” refers to either one of those two Projects as appropriate for the context of the provision in which the term is used.

“SCDOT” means the South Carolina Department of Transportation.

“SCDOT Intergovernmental Agreement” means the Intergovernmental Agreement entered into between SCDOT and the Bank relating to the construction of the Exit #3 Proper Project dated of even date herewith, as amended from time to time.

ARTICLE 2
TERM OF AGREEMENT

This Agreement shall be effective as of _____, 2023, and shall terminate, except for specific provisions set forth herein that are expressly stated to survive the termination of this Agreement, on the date the last of the following events occurs (i) the Bank makes the final Disbursement on the Projects; (ii) the final local financial contribution or other financial contribution or payment from any source other than the Bank for the Projects is received; (iii) the Bank receives the final payment or reimbursement due it from the Project Sponsors pursuant to the terms and provisions of this Agreement and the Loan Agreement; (iv) the Projects and the Parkway South Project, including all components, are fully open for public traffic and are declared completed by the Bank; or (v) the Loan Agreement is terminated. Provided, however, that this Agreement, including the Financial Assistance set forth herein, shall terminate if either or both of the Project Sponsors fail to consent to the costs of the procurement by SCDOT for the construction of the Exit #3 Proper Project as provided in Section 5.1.A of this Agreement.

ARTICLE 3
FUNDING AND RELATED COMMITMENTS OF PARTIES

Section 3.1 Bank

The total estimated costs of construction and administration for the Exit #3 Proper Project is \$45,604,000. The total estimated costs of the Parkway North Project is \$13,936,000.

Subject to the provisions, terms, and conditions in this Agreement, the Bank shall establish a Budget for the Projects within an Account(s) of the Bank. From revenues and funds of the Bank as determined by the Bank in its discretion, the Bank may deposit into the Account, or credit the Budget, in such increments as it determines, Financial Assistance in form of a Loan, which is expected to be in the amount of \$18,240,000 but may later be increased to a total Loan not to exceed \$28,095,903 based on the costs of the Exit #3 Proper Project and pursuant to the consent provisions set forth in Section 3.1(a) of the Loan Agreement, and a Grant for the Projects not to exceed \$28,095,903, as set forth below in this Section 3.1. The Bank may make Disbursements

from the Account, subject to the terms and conditions of this Agreement, including Article 6, to pay for Eligible Costs of the construction of the Projects incurred by the Project Sponsors or SCDOT pursuant to Contracts.

The Bank shall first disburse the Grant proceeds as needed and authorized by the Bank for the Projects. The portion of the Grant that may be drawn and disbursed on the Parkway North Project shall not exceed \$736,000 (the "Parkway North Grant Commitment") and shall be drawn on a three-way dollar for dollar matching basis from the Parkway North Grant Commitment and the County Parkway North Deposit (as such term is defined below) and Owner Parkway North Deposit (as such term is defined below) set forth in Sections 3.2 A and B, below, until the Parkway North Grant Commitment is expended. Prior to the final expenditure from the Parkway North Grant Commitment, the Project Sponsors, in cooperation with the Owner, shall determine if the funds needed to complete the Parkway North Project will exceed the total of the Parkway North Grant Commitment, the County Parkway North Deposit, Owner Parkway North Deposit and the Owner Parkway North Cost Overrun Deposit (as such term is defined below) set forth in Sections 3.2 A and B, below. In the event additional funds are needed to complete the Parkway North Project, the Project Sponsors shall provide the additional funds needed to complete the Parkway North Project which may include additional funds the Owner agrees to provide for the Parkway North Project pursuant to the Participation Agreement or the Development Agreement or both such documents.

Following the Bank's expenditure on the Parkway North Grant Commitment on the dollar-for-dollar basis set forth above, the sources of funding set forth above in Section 3.2 A and B, below must be fully expended on the respective Projects before the Bank will be obligated to pay or reimburse Eligible Costs on the Exit #3 Proper Project from the Loan.

After the remaining Grant funds have been fully expended on the Exit #3 Proper Project and the funding obligations of the County set forth in Sections 3.2 A, on the Exit #3 Proper Project have been fully expended, the Bank may then make Disbursements from the Loan on the Exit #3 Proper Project based only on draw requests from SCDOT. The Bank reserves the right, in its reasonable discretion, to alter the timing of the allocation of the expenditure of Grant proceeds and

Loan proceeds and the commencement of draws on the Loan based on the needs of SCDOT to fund the Exit #3 Proper Project and the status of the construction of the Projects and the Parkway South Project. Notwithstanding the foregoing, the Parties acknowledge that the County PE Deposit (as such term is defined below) may be drawn by SCDOT to pay for preliminary engineering, initial permitting and related costs for the Exit #3 Proper Project prior to the commencement of dollar for dollar matching draws on the Parkway North Project. Further notwithstanding the foregoing, the City and Owner may commence construction of all or a portion of the Parkway North Project after conveyance of those portions of Purrysburg Road described in Section 3.2.D of this Agreement to the City by SCDOT and prior to the Exit #3 Proper Project Bid Date. In that event, upon the first Disbursement of Grant proceeds on the Exit #3 Proper Project, Eligible Costs of the Parkway Project North incurred by the City or Owner may be submitted to the Bank pursuant to the provisions in Article 6 of this Agreement for payment or reimbursement from the Parkway Project North Grant Commitment, the County Parkway North Deposit, and the Owner Parkway North Deposit on the three-way dollar for dollar matching basis as set forth in this Section.

The Financial Assistance shall be used only for Eligible Costs for the construction of the respective Projects as authorized by this Agreement and the SCDOT Intergovernmental Agreement and shall be paid out only through Disbursements from the Account based on draw requests subject to the provisions, as applicable, of this Agreement, including Article 6, and the SCDOT Intergovernmental Agreement. All draw requests and Disbursements from the Loan must also comply with the Loan Agreement.

In addition to the other terms and conditions in this Agreement, in no event at any time shall the Bank be required to increase its Financial Assistance of any kind to the Projects, or to disburse, advance, transfer or pay from its own monies, in excess of \$28,095,903 from the Grant or \$28,095,903 from the Loan.

Any savings or reductions in the total cost of one or both of the respective Projects shall be credited against and reduce the amount of the Bank's Financial Assistance to that respective Project(s). The Bank may in its discretion apply any such savings or cost reductions to Cost Overruns on either Project. Furthermore, any additional state (other than the Bank's), county,

municipal, regional government or private funds of any kind or any Federal funds of any kind provided and secured for one or both of the Projects in any form other than those identified in the Application shall offset and reduce the amount of the Bank's Financial Assistance for that Project on a dollar for dollar basis unless those funds are needed, as determined by the Bank, to complete the Project in a manner consistent with its original scope or with an expanded or upgraded scope approved by the Bank or to cover increased costs of the Project approved by the Bank. Any unspent funds committed to or allocated for a Project from the Financial Assistance remaining after completion of that Project must be transferred or released to the Bank by the Project Sponsors unless this obligation is waived or modified by action of the Bank Board.

To the extent that Financial Assistance for a Project, or a portion of that Financial Assistance, to be provided by the Bank, is subject to an annual appropriation made by the General Assembly to the Bank as a matter of law, the provision by the Bank of that Financial Assistance, or portion thereof, for the Project in each Fiscal Year of the State is subject to an appropriation by the General Assembly to the Bank of funds sufficient to cover the Disbursements for that Project for that Fiscal Year that need to be made from such an appropriation. In the event the amount of any such appropriation required by law is not sufficient for that purpose, the Bank shall confer and work with the Project Sponsors to reduce or manage the amount of Financial Assistance used for the Project to an amount within the appropriation to the Bank for the Projects and all other sources of funds legally available to the Bank for the Project for that Fiscal Year. If the appropriation required by law and all other sources of funds legally available for the Projects to the Bank are insufficient as determined by the Bank to provide any Financial Assistance for the Projects for a Fiscal Year, the Financial Assistance from the Bank for the Projects may be suspended by the Bank Board until sufficient funds are appropriated by the General Assembly to the Bank and/or other sources of funds are legally available to the Bank for the Projects for such Financial Assistance to resume. The suspension of Financial Assistance under this section shall not constitute a termination of, or a default of an obligation under, this Agreement.

Section 3.2 Project Sponsors' and Owner's Commitments and Obligations

The provision and initial Disbursement of Financial Assistance from the Grant or Loan by the Bank is contingent and conditioned upon: (1) the City's creation, with the consent of the County and the Jasper County School District, and the continued enforceability and viability of a legally binding Tax Increment Financing District ("TIF") comprised at a minimum of the real property described in Exhibit A, attached to this Agreement and incorporated herein by reference, authorized by the Tax Increment Financing Law (S.C. Code Sections 31-6-10 et seq.) as described in the Application which provides for property tax collections pursuant thereto sufficient to cover the debt service and other obligations of the Project Sponsors on the Loan as set forth in the Loan Agreement; and (2) the City's creation and continued enforceability and viability of a legally binding Municipal Improvement District ("MID") comprised at a minimum of the real property described in Exhibit A, attached to this Agreement, and incorporated herein by reference, authorized by the Municipal Improvements Act of 1999 (S.C. Sections 5-37-10, et seq.) as described in the Application which provides for special assessments imposed thereunder as needed to supplement TIF revenues to cover the debt service on the Loan as provided in the Loan Agreement. Revenues from the TIF and the MID must be pledged to and used for the repayment of the Loan subject to the terms of the Loan Agreement.

The City is required to send to the Bank reports as to the TIF and MID on an annual basis, or sooner upon the request of the Bank, including the status of the TIF and MID, revenues resulting therefrom, anticipated changes in revenues, and other such reports as may be relevant to the sufficiency and viability of the TIF and MID as revenue sources sufficient to repay the Loan provided for in the Loan Agreement and for the completion of the Projects. Any costs related to these reports will be the responsibility of the Project Sponsors. The Bank may ask for more frequent reports on the TIF or MID accounts that are delinquent.

In addition to the other obligations and conditions set forth in this Agreement or the Loan Agreement, including those related to the TIF and the MID, the Project Sponsors or Owner, as applicable, must take the following actions which, except with respect to items E and, G below, must occur prior to the first Disbursement from the Grant:

A. The County must deposit a total of \$13,500,000 into one or more segregated accounts or subfunds of the Bank with the State Treasurer's Office that will be subject to Disbursements by the Bank for the Projects based on draw requests as provided for in this Agreement or the SCDOT Intergovernmental Agreement, including, but not limited to, \$3,400,000 for preliminary engineering, initial permitting and related costs for the Exit 3 Proper Project (the "County PE Deposit") and \$10,100,000 for costs of the Parkway North Project (the "County Parkway North Deposit"). These County required deposits may be made separately. The Parties acknowledge and agree that the (1) County PE Deposit has been made by the County and (2) the County Parkway North Deposit shall be made prior to the date of the first Disbursement from the Grant by the Bank. Notwithstanding anything to the contrary contained in this Agreement, the Loan Agreement, the Participation Agreement, the Development Agreement, the SCDOT Intergovernmental Agreement or any other documents or agreements related to the Financial Assistance or funds committed by the Project Sponsors or Owner to the Projects, (x) upon completion of the preliminary engineering and obtaining the initial permits for the Exit #3 Proper Project and the payment in full of all costs related thereto, the remaining amount of the County PE Deposit funds held by the State Treasurer's Office, if any, shall be deposited and added to the County Parkway North Deposit and used to pay for the costs of the Parkway North Project (such remaining amount of the County PE Deposit being referred to herein as the "Excess County PE Funds"), and (y) upon completion of the Parkway North Project and the payment in full of all costs related thereto, the remaining amount of the County Parkway North Deposit (including, for avoidance of doubt, any Excess County PE Funds then constituting part of the County Parkway North Deposit) shall be used to pay for the costs of the Exit #3 Proper Project (such remaining amount of the County Parkway North Deposit, including any remaining portion of the Excess County PE Funds, being referred to herein as the "Excess County Parkway North Deposit Funds").

B. The Owner must deposit not less than \$3,100,000 into a segregate fund or subfund of the Bank with the State Treasurer's Office that will be subject to Disbursements by the Bank for the Parkway North Project (the "Owner Parkway North Deposit") based on draw requests submitted pursuant to Article 6 of this Agreement. The Owner must deposit \$500,000 into an escrow account for the benefit of the Project Sponsors to pay Cost Overruns in excess of the

funding and contributions for the Parkway North Project provided for in this Agreement (the “Owner Parkway North Cost Overrun Deposit) which funds shall be released and made available to the City upon its request to cover Cost Overruns on the Parkway North Project. The foregoing deposits shall be made prior to the first Disbursement from the Grant by the Bank. Upon completion of the Parkway North Project and the payment in full of all costs of the Parkway North Project, any remaining Owner Parkway North Cost Overrun Deposit funds shall be promptly returned to the Owner.

C. The Owner must fully fund the initial Debt Service Reserve Fund Requirement as defined and more fully set forth in the Loan Agreement.

D. Prior to 120 days from the Exit #3 Proper Project Bid Date and within 30 days after the Owner’s receipt of the written request from the SCDOT, the Owner must convey by general warranty deeds all land needed by SCDOT for the Exit #3 Proper Project; provided, each such general warranty deed shall contain a reverter clause to the Owner or other grantor providing such land shall revert to the Owner or other grantor in the deed if (i) SCDOT rejects all bids for the Exit #3 Proper Project and permanently cancels the procurement in accordance with Section 5.1.A. of this Agreement or (ii) the Exit #3 Proper Project is abandoned, and such land is no longer needed by SCDOT for highway purposes; provided, if the Exit #3 Proper Project is not completed for any reason and SCDOT determines to retain title to such land, SCDOT shall compensate the Owner for such land in accordance with condemnation procedures and requirements under the laws of the State of South Carolina. Except as otherwise expressly provided in the preceding sentence, the respective conveyances to SCDOT shall be at no cost to SCDOT, Bank, the County, or the City. The descriptions and dimensions of these land for the Projects shall be determined by SCDOT after consultation with the City, County and Owner, but generally be as shown on the concept plans for Exit #3 Proper Project prepared by Stantec and previously approved by SCDOT. After this Agreement and the Loan Agreement are signed by the Parties, SCDOT will transfer to the City the state-owned sections of Purrysburg Road by quitclaim deed. This transfer will include the at grade section where the CSX railroad line crosses Purryburg Road and the bridge over I-95 and will be from Church Road to US 17, less and excepting the 1.62 mile County owned section located from MO 10.78 to MP 12.60 and any and all other sections of Purrysburg Road which are or may

be under the ownership or control of the County, which such County sections shall be transferred by the County to the City by way of quitclaim deed for no additional consideration. Prior to 120 days from the Exit #3 Proper Project Bid Date, the City shall convey by quitclaim deed to SCDOT that portion of Purrysburg Road which is within the Exit #3 Proper Project, as shown on the approved right of way plans.

E. The Owner must complete at its own cost the construction of Parkway South Project as described in the Application that meets the standards, specifications and requirements of SCDOT and the Interchange Justification Report.

F. The City shall deliver to the Bank a fully-executed Development Agreement which must include provisions, terms, conditions, and remedies that fully protect the interests of the Bank under this Agreement and the Loan Agreement, including those related to the Owner Financial Assistance Obligations, are enforceable by the Bank against the City and the Owner, and are subject to the prior review and approval of the Bank.

G. In connection with the assignment or transfer of any kind by the Owner of the Owner's development rights under the Development Agreement or the Owner Financial Assistance Obligations to another Owner as defined in the Development Agreement, the proposed assignee or transferee shall execute an assumption agreement of all Owner Financial Assistance Obligations. The form of the assumption agreement instrument shall be an Exhibit to the Development Agreement. The form and contents of the assumption agreement shall be subject to prior approval by the Bank. The Owner or the City shall provide the Bank a copy of the executed assumption agreement within 30 days of its execution. The transferring or assigning Owner shall be released from all Owner Financial Assistance Obligations upon completion of such transfer or assignment and assumption pursuant to this section. In the event of the failure of the Owner or such assignee or transferee to execute the assumption agreement approved by the Bank in accordance with this Section 3.2.G or the Owner fails to enforce or comply with or enforce the requirements in this Section 3.2.G, the aforesaid release of the Owner shall be void and of no effect. The foregoing provisions apply to all of the real property located within the TIF or MID identified in the above first paragraph of Section 3.2 of this Agreement.

H. The City shall have entered into a contract with a contractor for the construction of the Parkway North Project with the bonds and insurance required by Section 5.5 of this Agreement, and the Owner shall have entered into a contract with a contractor for the construction of the Parkway South Project with the bonds and insurance required by Section 5.5 of this Agreement.

Interest and other earnings earned on amounts deposited in the segregated accounts or subfunds described in items of Sections 3.2. A and B, above shall remain in each of those accounts until all costs and payments, including all costs and payments on the Projects, or all payments due or owed to the Bank pursuant to this Agreement, the Loan Agreement or other agreement related thereto are paid in full. After the foregoing conditions are fully satisfied, the interest and other earnings and any unspent or unobligated funds in those accounts shall be remitted to the County or Owner respectively from the account or subfund it funded, unless such funds must be applied to pay costs to complete the Projects, including Cost Overruns. With respect to the Owner's deposits set forth in Section 3.2. B above, the amount of that deposit that is not reimbursed to the Owner from the remittance from that account or subfund identified above in this paragraph shall be addressed in the Development Agreement.

The Project Sponsors shall provide additional funding to complete the Projects if (i) Cost Overruns occur; or (ii) any funds or contributions to be provided for the Projects from a source other than the Bank are not received. Notwithstanding the foregoing, the Bank acknowledges that the Project Sponsors and the Owner may negotiate among themselves regarding an alternative basis for the sharing of this obligation in the Participation Agreement, the Development Agreement, or both such documents, but this shall not affect the Project Sponsors' obligations to the Bank under this paragraph.

If the City Council of the City or County Council of the County, respectively, fail to appropriate or to otherwise authorize the payment and funding obligations in this Agreement, including, but not limited to, the County PE Deposit, County Parkway North Deposit, or the funding obligation in the preceding paragraph, such failure shall constitute an Event of Default under Section 8.1 of this Agreement. Provided, however, the Bank acknowledges that foregoing obligation in this paragraph does not constitute a pledge of their respective full faith, credit and

taxing power, but this acknowledgment does not affect or bar the rights of the Bank to recover damages and obtain other remedies under this Agreement from any legally available sources of funds in the possession of or available to either of the Project Sponsors.

Section 3.3 Summary of Allocation of Project Costs

Attached hereto as Exhibit B is a summary document entitled “Detail of Project Cost Allocations” to be used as an aid in the implementation of this Intergovernmental Agreement. In the event of a conflict between this Intergovernmental Agreement and Exhibit B, the provisions of this Intergovernmental Agreement shall govern.

ARTICLE 4

ADDITIONAL OBLIGATIONS OF THE PROJECT SPONSORS

Section 4.1 Additional Documents and Actions

A. At the request of the Bank, the Project Sponsors shall execute any other documents that the Bank determines are reasonably necessary to evidence or establish the Project Sponsors’ obligations to the Bank set forth in this Agreement.

B. The Project Sponsors acknowledge that the Bank in its discretion may raise funds for its commitment to the Projects and other qualified projects through the issuance of revenue bonds or other indebtedness as permitted under the Act. Accordingly, the Project Sponsors shall take such actions and enter into or provide such other documents or agreements, including amendments to this Agreement or other agreements that are consistent with the substance hereof, as may be reasonably necessary to comply with South Carolina laws and regulations associated with such bonds or indebtedness or to satisfy requirements for documentation and information reasonably imposed by the Bank, prospective purchasers of such bonds, holders of such bonds, bond insurers, rating agencies, lenders or regulatory agencies and their attorneys, advisors, and representatives; provided however, that such actions, documents and agreements are legally permissible and that no such action or document shall create any additional material obligation or increase any material obligation of the Project Sponsors.

C. At the request of the Bank, each Project Sponsor shall enter into and execute any amendments to this Agreement all in a form and with contents, provisions, and terms acceptable to the Bank, unless the amendment creates a new material obligation for that Project Sponsor or materially increases an existing obligation of that Project Sponsor.

D. The Project Sponsors shall promptly provide the Bank upon request by it copies of any and all contracts, agreements and documents relating to the Projects.

Section 4.2 Additional Warranties and Covenants of the Project Sponsors

In addition to other requirements and obligations contained within this Agreement, the Project Sponsors warrant, covenant, and acknowledge that:

A. The Project Sponsors have full power and authority to execute, deliver and perform and to enter into and carry out the transactions contemplated by the provisions in this Agreement, and the execution and performance of these provisions and transactions by the Project Sponsors does not and will not violate any applicable law and does not, and will not, conflict with or result in a default under any agreement or instrument to which the County or the City is a party or by which it is bound, a violation of which would cause a material adverse effect to the Bank. This Agreement has, by proper action, been duly authorized, executed and delivered by the Project Sponsors.

B. This Agreement is valid, binding, and enforceable as to the Project Sponsors in accordance with its terms, provided that neither Project Sponsor can give assurances regarding the enforceability of Section 4.2.F and Article 7 hereof, and the Project Sponsors shall perform their obligations as set forth in this Agreement in accordance with its terms.

C. The relevant TIF, MID, and other documents, instruments and agreements essential to providing the Project Sponsors' funding and payment obligations under this Agreement, including Section 3.2 of this Agreement, have all been lawfully executed by the Project Sponsors; the forgoing notwithstanding, the County makes no representation or warranty as to the lawful creation and maintenance of the TIF or the MID beyond the exercise of its full consent to the

creation and maintenance of the TIF and MID and to the use and pledge of a portion of the County's share of the TIF incremental revenues as security for the Loan and for the repayment of the Loan as more fully set forth in the Loan Agreement.

D. Following (a) the City's establishment of the TIF; (b) the City's securing of consent to the pledge of a portion of their respective TIF revenues by the County and the Jasper County School District; (c) the City's establishment of the MID; and (d) any required appropriation of funds by the Jasper County Council with respect to the County Parkway North Deposit, no further referenda, authorizations, consents or approvals of governmental bodies or agencies are required in connection with the execution and delivery by the Project Sponsors of this Agreement and the performance of their obligations under this Agreement, including those for the funding and payment obligations under this Agreement, inclusive of Section 3.2 of this Agreement, except with respect to any future appropriation of funds required to satisfy any financial obligation of the City and/or the County that may arise under this Agreement in the future. Provided, however, that the construction of the Projects may require permits and other approvals by governmental agencies other than the Project Sponsors and the Bank, and the Project Sponsors affirm that they will comply with applicable law.

E. No litigation at law or in equity, nor any proceeding before any governmental agency, authority or other tribunal involving the Project Sponsors is pending or, to the knowledge of the Project Sponsors threatened, in which any judgment or order may be or has been rendered, or is sought, that may have a material and adverse effect upon the operations or assets of the Project Sponsors or the Owner or would materially or adversely affect the validity of this Agreement, or the performance by the Project Sponsors or Owner of their obligations hereunder or the transactions contemplated hereby. The Project Sponsors promptly will notify the Bank in writing if any such litigation or proceeding is commenced or threatened at any time during the term of this Agreement.

F. To the maximum extent permitted by law, the Project Sponsors shall (i) defend, indemnify and hold the Bank harmless from and against any and all liabilities, claims, or actions arising out of or relating to the Projects, and (ii) shall take all actions necessary to effect the timely

and full collection and payment of all taxes and assessments owed by the owners of property in the TIF and MID described in Section 3.2 of this Agreement during the term of the Loan.

G. If requested by the Bank, the foregoing warranties and covenants contained in this Agreement shall be confirmed by a written opinion issued to the Bank by legal counsel for the Project Sponsors in a form and with conclusions satisfactory to the Bank, which will be subject to standard exceptions as to enforceability. Neither Project Sponsor can give assurances regarding the enforceability of Section 4.2.F and Article 7, except for the joint and severable liability provisions.

Section 4.3 Reimbursement of Bank

A. If the Bank determines at any time that any Disbursements or expenditures from the Grant, Loan, or other sources of the Bank were made by it on the Projects were for costs or expenses that were not Eligible Costs, were based on misstatements of fact by the Project Sponsors or third parties engaged by the Project Sponsors, were for the collection or recovery of payments owed to the Bank on the Loan, or were for work, services, or materials that do not meet the design and construction specifications and standards of SCDOT and that have not been corrected to meet those specifications and standards, unless such work, services or materials were procured by SCDOT, the Bank, at its option, may require the Project Sponsors to reimburse the Bank for all such costs and expenses and the Project Sponsors shall make such reimbursements to the Bank. In the event that the Project Sponsors do not pay the full amount of the reimbursement to the Bank within ninety (90) days of the date of the notification to the Project Sponsors by the Bank that such reimbursement is due the Bank, the Project Sponsors' obligation to reimburse the Bank shall be subject to the provisions of S.C. Code Ann. § 11-43-210 and Section 8.2 of this Agreement. In lieu of requiring the payment of such reimbursement(s) by the Project Sponsors, the Bank may in its discretion reduce the amount of the Grant described in Section 3.1 of this Agreement by the amount of the reimbursement due the Bank under this Section 4.3.A. The Project Sponsors are each jointly and severally liable to the Bank for the obligations set forth in this Section 4.3.A. Notwithstanding the foregoing, the Bank acknowledges that the Project Sponsors and the Owner may negotiate among themselves regarding an alternative basis for the sharing of this obligation

between them in the Participation Agreement, the Development Agreement, or both such documents, but this shall not affect the Project Sponsors' obligations to the Bank. This Section 4.3 shall survive the termination of this Agreement.

B. If the Bank Board determines that (i) the Project Sponsors by their own acts or omissions have abandoned the funding of the Exit #3 Proper Project or the commencement or completion of the Parkway North Project, or any component thereof, at any time, (ii) the Project Sponsors by their own acts or omissions have failed to provide funding for the Exit #3 Proper Project as required by this Agreement or pursue the commencement or completion of the Parkway North Project, including all components, with due diligence after having received one written warning notice from the Bank of such failure by the Project Sponsors no less than sixty (60) days prior to issuance of the notification for reimbursement and the Project Sponsors thereafter fail to commence and maintain funding of the Exit #3 Proper Project or pursuit of commencement or completion of the Parkway North Project, including all components, with due diligence during that sixty (60) day period, or (iii) the Project Sponsors by their own acts or omissions fail to complete and open to the public the Parkway North Project, including all components, prior to the date the Exit #3 Proper project is completed, the Project Sponsors shall reimburse the Bank fully for all Disbursements within ninety (90) days of the date the last Project Sponsor receives notification from the Bank that such reimbursement is due the Bank and stating the reason(s) for such reimbursement. Further, in that event, all Disbursements for the Projects shall cease, and the Bank shall have no further obligations to the Project Sponsors under this Agreement. If the Project Sponsors fail to make such reimbursements in full to the Bank within that ninety (90) day period, the Project Sponsors' obligation to reimburse the Bank shall be subject to the provisions of S.C. Code Ann. § 11-43-210 of the Act and Section 8.2 of this Agreement. In the event exigent circumstances prevent the Project Sponsors from commencing or completing the Parkway North Project by the date identified above, the Bank may in its discretion, but is not required to, grant an extension for the commencement or completion of those projects on such terms and conditions as it may determine.

C. The Project Sponsors shall reimburse the Bank promptly for all reasonable costs and expenses incurred by the Bank in responding to requests for records and information submitted

to it pursuant to the South Carolina Freedom of Information Act (“FOIA”) relating to the Project after the Bank provides the Project Sponsors a written itemization of such costs and expenses and a copy of the request. Prior to seeking reimbursement from the Project Sponsors, the Bank will make a reasonable effort to collect such costs and expenses from the person or entity requesting such records or information pursuant to the FOIA.

Section 4.4 Project Reporting

The Project Sponsors shall report in writing to the Bank at least quarterly on the status of the Projects, including, but not limited to, reports on the status of design, right-of-way acquisition, environmental approvals, construction, scheduled draw requests, costs to date, estimated costs to complete the Projects, changes to the Projects, and any other matters identified or requested by the Bank. The reports shall be in a form acceptable to the Bank. The obligation of the Project Sponsors to report on the Exit #3 Proper Project shall cease upon the Project Sponsors’ providing the Bank a letter from SCDOT confirming it has assumed responsibility for that Project.

The Project Sponsors shall report, or cause the Owner to report, in writing to the Bank at least quarterly on the status of the Parkway South Project, including, but not limited to, reports on the status of design, right-of-way acquisition, environmental approvals, construction, project changes, and any other matters identified or requested by the Bank. The reports shall be in a form acceptable to the Bank.

The Project Sponsors may agree between themselves that one of them will be responsible for the reporting required by this section with respect to the Projects.

Section 4.5 Amendments or Revisions to Development Agreement

The City shall not amend, modify or revise the Development Agreement, or allow such amendment, modification or revision, that in any way affects the obligations of the Project Sponsors or the Owner to the Bank under this Agreement, the Loan Agreement, or the Development Agreement as it relates to this Agreement or the Loan Agreement without first providing the Bank thirty (30) days prior written notice thereof and obtaining the prior written

consent of the Bank to the amendment, modification or revision. Any such amendment, modification or revision, whether or not approved or agreed to by the City, that does not receive the prior written consent of the Bank under this Section 4.5 is void and unenforceable. This Section 4.5 shall remain in effect until the Project Sponsors and Owner fully satisfy all of their obligations to the Bank under this Agreement, the Loan Agreement and the Development Agreement. The reference in this Section 4.5 to the obligations of the Owner includes the Owner Financial Assistance Obligations.

ARTICLE 5

PROJECT ADMINISTRATION AND RELATED MATTERS

Section 5.1 Project Administration.

A. Exit #3 Proper Project. SCDOT shall administer the Exit #3 Proper Project pursuant to an Agreement between the Bank and SCDOT. The Project Sponsors, after consultation with the Owner, reserve the right to review and consent to the costs of the Exit #3 Proper Project after the bids are received by SCDOT for the Exit #3 Proper Project. Concurrently, SCDOT reserves the right upon receipt to analyze the bids for responsiveness (irregularities) and will notify the City, the County, the Owner, and the Bank if irregularities are found. The City's and County's consent to the costs must be given to SCDOT within fifty (50) calendar days of the receipt of the bids by SCDOT. If such consent is not given in writing by the City and the County within that time, SCDOT shall reject all bids for the Exit #3 Proper Project and cancel the procurement. If the City, County, Owner, and Bank agree in writing, SCDOT will rebid the Exit #3 Proper Project a second time under mutually agreeable terms acceptable to it and the Parties. If such consent is not given on the first procurement or a second procurement (a rebid) is not successful for any reason, the City and County shall reimburse the Bank within thirty (30) calendar days of the cancellation of the first procurement or second procurement for all Disbursements made on the Projects from the Grant and the Loan, and the Bank shall cancel all Financial Assistance on the Projects and all monies remaining in the accounts held by the State Treasurer's Office pursuant to Section 3.2 A and B shall be released to the County and Owner, respectively. Prior to the remitting of such funds by the State Treasurer's Office, all payments due to SCDOT to close out all contracts related to

the preliminary engineering, initial permitting and related costs for the Exit #3 Proper Project shall be made. If consent is given by the City and County, the consent does not alter, amend or limit the funding responsibilities of the City and County set forth in the Loan Agreement or this Agreement including coverage by the City and County of any Cost Overruns. SCDOT will install signage on City right-of-way as part of the Exit #3 Proper Project as necessary and consistent with the traffic plan in the Interchange Justification Report, and any approval or consent required from the City for such installation will not be unreasonably withheld. The reimbursement and payment obligations set forth above in this Section 5.1.A shall survive the termination of this Agreement.

In addition to the foregoing, within the same fifty (50) calendar day period of time if the City and County consent to the costs of the successful bid that is in excess of \$45,604,000, the City and County also shall enter a binding obligation with the Bank in a form and with contents acceptable to the Bank to provide the funds to cover any and all costs of the Exit #3 Proper Project in excess of the estimated costs of \$45,604,000.

B. Parkway North Project. The City shall administer the Parkway North Project, which is a portion of Purrysburg Road. The design and construction of the Parkway North Project must conform with SCDOT standards, specifications, and requirements and with the traffic studies used for the approval of the Interchange Justification Report. The City shall be responsible for all engineering, right-of-way acquisition, and construction for the Parkway North Project and may perform all or any part of the work with its own forces or may contract out any of the work or services to private or governmental providers or contractors should it determine that such contracting out would be more efficient or would result in more timely completion of the Parkway North Project. The City shall enter into contracts in its own name. All rights-of-way shall be acquired in the name of the City, and the laws and procedures of the State of South Carolina for acquiring rights-of-way shall apply and be followed. SCDOT shall quitclaim to the City any portions of Purrysburg Road that it may own as set forth in Section 3.2.D of this Agreement. The City shall own and maintain the Parkway North Project and Purrysburg Road after completion of construction of the Parkway North Project. All work, services and materials used on the Parkway North Project shall conform with SCDOT standards, specifications, and requirements as if it were administering the Parkway North Project. The Project Sponsors shall complete the Parkway North

Project and open the Parkway North Project for public use upon such completion which must be no later than the date that the Exit #3 Proper Project is open to public use.

C. Parkway South Project. The Owner, in cooperation with the City, shall administer the Parkway South Project, which is a portion of Purrysburg Road. The design and construction of the Parkway South Project must conform with the standards, specifications, and requirements of SCDOT and the Interchange Justification Report. The Owner shall be responsible for all engineering, right-of-way acquisition, and construction for the Parkway South Project. The Owner shall enter into contracts in its own name. All rights-of-way shall be acquired in the name of City and the laws and procedures of the State of South Carolina for acquiring rights-of-way shall apply and be followed. SCDOT will quitclaim to the City any portions of Purrysburg Road that it may own as set forth in in Section 3.2.D of this Agreement. Prior to 120 days from the Exit #3 Proper Project Bid Date, the City shall convey to by quitclaim deed to SCDOT that portion of Purrysburg Road which is within the Exit #3 Proper Project, as shown on the approved right-of-way plans. The City shall own and maintain the Parkway South Project and Purrysburg Road (excluding the portion within the Exit #3 Proper Project) after completion of construction of the Parkway South Project. All work, services and materials used on the Parkway South Project shall conform with SCDOT standards, specifications, and requirements as if it were administering the Parkway South Project and the Interchange Justification Report. In addition to any other sections of this Agreement expressly made applicable to the Parkway South Project, the provisions of Sections 5.4, and 5.5 of this Agreement shall be applicable to the Parkway South Project. The Owner shall complete the Parkway South Project and open the Parkway South Project for public use upon such completion which must be no later than the date that the Exit #3 Proper Project is open to public use. The City shall be responsible to the Bank for ensuring that the Owner complies with all obligations in this Agreement that are applicable to the Parkway South Project. The Bank shall not provide Financial Assistance of any kind to the Parkway South Project.

Section 5.2 Scope of Projects

The scope of work of the Projects and the Parkway South Project shall be as set forth in the definition of each of those projects in Section 1 of this Agreement and shall comply with the

Interchange Justification Report. A material change in the scope of the Exit #3 Proper Project shall require the approval of the Bank Board, SCDOT and Project Sponsors and be stated in an amendment to this Agreement. For purposes of this Section 5.2, “material change” means a change in the scope of the Exit #3 Proper Project: (a) that requires a revision of the Record of Decision or other approvals issued by Federal Highway Administration for the Exit #3 Proper Project, the permit(s) issued by the U.S. Army Corps of Engineers for the Exit #3 Proper Project, or the permits, approvals or authorizations required for the Exit #3 Proper Project issued by other Federal or state agencies, including the Interchange Justification Report, but only if such changes alter the overall design or purpose of the Exit #3 Proper Project; (b) that does not comply with SCDOT’s standards, specifications and requirements or the Interchange Justification Report; or (c) that materially changes the overall design or scope of the Exit #3 Proper Project, which alone or together with other material changes as defined in Section 5.2, increases the costs of the Exit #3 Proper Project beyond the estimated costs of \$45,604,000 set forth in Section 3.1 of this Agreement or the higher cost of the Exit #3 Proper Project established by the process in Section 5.1 of this Agreement, whichever is applicable. Except as provided above in (a), (b), and (c) of this Section 5.2, change orders may be executed by SCDOT for items necessary to complete the Exit #3 Proper Project without the consent of the Project Sponsors or Bank. Notwithstanding the above provisions in Section 5.2, no consent from the Project Sponsors relating to increased costs for the Exit #3 Proper Project is required to implement or enforce the obligation of the Project Sponsors to pay for Cost Overruns for the Exit #3 Project as set forth in this Agreement so long as the Cost Overrun is not caused by one or more of the material changes set forth in (a), (b), or (c) above in this Section 5.2. The Bank acknowledges that the Project Sponsors and the Owner may negotiate among themselves an alternative basis for the sharing of the Cost Overrun obligations in the Participation Agreement, the Development Agreement or both such documents, but this shall not affect the Project Sponsors’ Cost Overrun obligations in this Agreement and the Loan Agreement.

Section 5.3 Ownership and Maintenance of Projects.

Upon completion and acceptance of the Exit #3 Proper Project by SCDOT, SCDOT shall maintain the Exit #3 Proper Project. The City shall own and be responsible for and provide

maintenance for the Parkway North Project, Parkway South Project, and Purrysburg Road after completion of the Parkway South Project and Parkway North Project and shall provide the Bank and SCDOT a written commitment confirming its obligations to maintain the Parkway North Project, Parkway South Project and Purrysburg Road.

The City and Owner, respectively, shall solicit contractor, construction and consultant services and materials needed to complete the Parkway North Project and Parkway South Project by the procurement methods they deem will result in the selection of the best qualified firms and vendors, the lowest responsible contract price, and the best value for the projects as long as the City or Owner, respectively, is authorized by law to employ such methods. Contract forms shall be design-build, design-bid-build, or any other form or combination of forms that are permissible by law that the City and Owner, respectively, determine will result in the most cost-effective, efficient, and timely delivery and completion of the Parkway North Project and Parkway South Project.

Section 5.4 Bonds and Insurance

The City and Owner, respectively, shall require that the contractor(s) for the Parkway North Project and Parkway South Project provide and maintain throughout the life of the construction the same types and amounts of payment bonds, performance bonds, and insurance coverages that SCDOT usually requires from contractors on comparable projects that it manages. To the extent available and at a cost not to exceed \$10,000, the Bank shall be made an additional obligee on the performance bond(s) for the Parkway South Project.

The City and Owner, respectively, shall require, or cause the general contractor to require, that subcontractors, engineering or design firms, and other vendors and providers on the Parkway North Project and Parkway South Project provide and maintain the same types, duration and amounts of payment bonds, performance bonds, and insurance coverages that SCDOT usually requires from subcontractors, engineering or design firms, and other vendors and providers on comparable projects it manages.

The City shall provide, or cause to be provided to, the Bank proof of such required bonds and insurance coverages prior to each respective contractor, subcontractor, engineering or design firm, vendor and provider commencing the provision of services or materials on the Parkway North Project and Parkway South Project. The City shall certify to the Bank in writing between July 1 and July 30 of each year during the life of the Parkway North Project and Parkway South Project that all such required bonds and insurance coverages remain in force. The City shall promptly notify the Bank in writing if any required bonds or insurance coverages lapse or are terminated. The Bank may decline to make payments or Disbursements for any services or materials provided by any contractor, subcontractor, firm, vendor or provider on the Parkway North Project on which any required bonds or insurance coverages have lapsed or been terminated until such lapse or termination is corrected to the satisfaction of the Bank.

Upon request, the City promptly shall provide, or cause to be provided to, the Bank copies of any required bonds and any certificates or policies for any required insurance coverages.

ARTICLE 6

CONDITIONS TO BANK'S DISBURSEMENTS AND DRAW REQUESTS

Section 6.1 Draw Requests on Parkway North Project

The Bank's obligation to make Disbursements for Eligible Costs of the Parkway North Project arises only upon the Bank's receipt, review and approval of a written draw request from the City, which draw request shall be in a form approved by the Bank, and is further conditioned upon all of the following conditions being met:

A. No lien or other interest may have attached to a Contract or the Parkway North Project, nor to any rights-of-way, real property or improvements related thereto.

B. Construction of the completed portions of the Parkway North Project described in the applicable Contract shall have been carried out substantially in accordance with the applicable plans, standards and specifications.

C. No event of default exists under this Agreement, the Loan Agreement, or any related agreement with the Bank, or any Contract.

D. No event or condition shall have occurred or arisen which prevents the Bank from obtaining funds sufficient to complete its Financial Assistance to the Parkway North Project, and no funding or payment obligations under this Agreement, including those in Section 3.2 of this Agreement, have failed to be provided on the schedule approved by the Bank.

E. The Project Sponsors have fulfilled all of the warranties, covenants and obligations set forth in this Agreement, including, but not limited to those in Section 3.2 of this Agreement that are conditions precedent or contingencies to Disbursements from the Grant.

F. The City shall have certified that the entire payment applied for in the draw request is for Eligible Costs of the Parkway North Project and that the design, work, and materials used in that portion of the Parkway North Project comply with the terms of applicable Contracts, the approved plans, and the applicable standards of SCDOT.

G. The following conditions have been met, satisfied, or otherwise agreed to:

- i. The Project Sponsors have entered into and executed all agreements, instruments, documents, provisions and terms deemed necessary by the Bank.
- ii. Any material change in scope of the Parkway North Project has been approved by Bank and SCDOT, this Agreement has been modified or amended as determined necessary by the Bank, and additional approvals from the JBRC or other governmental entities have been obtained as determined necessary by the Bank.
- iii. The Project Sponsors warrant that no litigation, nor any proceeding before any governmental agency involving either of them or the Owner is pending, or to the knowledge of the Project Sponsors, threatened, in which any potentially adverse outcome would have a materially adverse impact on the

ability of the Project Sponsors or Owner to meet their obligations under this Agreement, Loan Agreement or Development Agreement.

Section 6.2 Costs Not Paid or Reimbursed on Parkway North Project

The Bank will not make Disbursements for or pay or reimburse expenses, expenditures or costs from the Grant or Loan for the following purposes which are hereby deemed not to be Eligible Costs under this Agreement or for the Parkway North Project. This section shall survive the termination of this Agreement:

A. Any costs, expenses, expenditures, attorneys' fees, damages, awards, judgments or settlements arising from, or alleged to arise from, claims, or legal, judicial or administrative actions or proceedings of any kind, asserted under or related to any Federal, state, local or government agency law, ordinance, regulation or any permitting process; for condemnations; inverse condemnations; regulatory takings; physical takings; trespasses; nuisances of any kind; flooding; damages to real or personal property or interests of any kind; diminutions in real or personal property values; loss of road, street, highway or other access; environmental, wetlands, water, noise, visual, odor or similar damages or impacts; similar demands, assertions or allegations; or payments or obligations established under any compensation programs or plans established by the Project Sponsors, SCDOT or any other entity.

B. Any costs, expenses, expenditures, attorneys' fees, damages, awards, judgments or settlements arising from, or alleged to arise from, any claims, disputes, proceedings, or lawsuits of any kind, including disputes between the Project Sponsors and SCDOT.

C. Landscaping and beautification for the Project other than for required grassing or other erosion control measures or replacement or repair of trees, vegetation or landscaping affected by construction of the Parkway North Project.

D. Excessive or unreasonable attorneys', engineering or other professional fees or expenses based on the lesser amount of reasonable fees and expenses as determined by applicable

industry standards or what South Carolina state agencies, including SCDOT and the South Carolina Attorney General's Office, usually pay or authorize for such services, fees, and expenses.

E. Any costs that are not for the actual construction of the Parkway North Project such as permitting costs, right-of-way costs, or preliminary engineering costs.

Section 6.3 Exit #3 Proper Project

The procedures and provisions for Disbursements on draw requests submitted by SCDOT to the Bank on the Exit #3 Proper Project shall be set forth in the SCDOT Intergovernmental Agreement. The Bank or SCDOT will provide the Project Sponsors copies of the draw requests submitted by SCDOT. The Project Sponsors may in good faith object based on the provisions in this Agreement to a draw request by submitting a written explanation to the Bank and SCDOT within seven (7) days of the receipt of a copy of the draw request. The Bank with SCDOT's assistance shall review the objection in good faith and advise the Project Sponsors of their decision on the objection. The decision of the Bank and SCDOT on the objection is final.

ARTICLE 7

INDEMNIFICATION OF BANK

To the maximum extent permitted by the law of South Carolina, the Project Sponsors shall defend, indemnify and hold the Bank and its Board members, officers and employees harmless from and against any and all liabilities, claims, actions, damages, judgments and attorneys' fees and related expenses and costs in any way arising out of or relating to: (i) the design, location, construction, modification, funding, pursuit, implementation, completion or operation of the Projects, the Parkway South Project, or any portion or component thereof; (ii) this Agreement, the Loan Agreement, or any contract; or (iii) the selection, use or payment of persons or firms for design, construction, modification, or operation of the Projects, the Parkway South Project, or any portion or component thereof. In the event the Project Sponsors do not pay the full amount of any such indemnification to the Bank for any reason within ninety (90) days of the date of the notification to the Project Sponsors that such indemnification is due the Bank, the Project Sponsors' obligation to pay the Bank under this section shall be subject to the provisions of S.C.

Code Ann. § 11-43-210 and Section 8.2 of this Agreement. In lieu of requiring such payment by the Project Sponsors as described above, the Bank may in its discretion reduce the amount of the Grant or Loan by the amount of the costs and expenses incurred as a result of the matters described above in this section. The Projects Sponsors are each jointly and severally liable to the Bank for the obligations set forth in this section. This Article 7 shall survive the termination of this Agreement.

ARTICLE 8
BANK'S RIGHTS AND REMEDIES

Section 8.1 Events of Default as to the Project Sponsors

With the exception of the Owner's obligations with respect to the Parkway South Project, in the event either of the Project Sponsors or the Owner violate or fail to comply with any provision in or obligation under this Agreement (including other agreements and obligations incorporated herein) or the Loan Agreement and if such failure continues for a period of thirty (30) days after receipt of a written notice of such default from the Bank, such failure shall constitute an Event of Default by the Project Sponsors under this Agreement. The Events of Defaults of this Agreement also shall include those Events of Default in Section 7.1 of the Loan Agreement which is incorporated herein by reference. For the avoidance of doubt, the Owner's failure to perform any of its obligations with respect to the Parkway South Project shall not constitute an Event of Default by the Project Sponsors. For the avoidance of doubt, the Owner's failure to perform any of its obligations with respect to the Parkway South Project shall not constitute an Event of Default by the Project Sponsors. The failure by either Project Sponsor to appropriate funds to satisfy any of its obligations under this Agreement also shall constitute an Event of Default under this Agreement if not cured by that Project Sponsor within the thirty (30) day period described above in Section 8.1.

Section 8.2 Remedies as to the Project Sponsors

Whenever any Event of Default occurs, any one or more of the following remedies may be pursued by and shall be available to the Bank against the Project Sponsors in addition to those provided in other sections of this Agreement:

A. As to any Event of Default, any obligation, act or duty the Project Sponsor(s) or the Owner failed to perform shall be deemed a ministerial act and subject to the remedies of mandamus and mandatory injunction requiring the Project Sponsor(s) to perform the obligation or duty, and the Bank shall be deemed to have no adequate remedy at law for such Event of Default.

B. Among other rights and remedies available to the Bank following an Event of Default, the Bank shall have the right to cease making any further Disbursements under this Agreement or Loan Agreement with respect to the Projects until such Event of Default has been cured and the right to require the Project Sponsors to reimburse it for any or all Disbursements on the Projects. The Bank shall also have and may pursue any other remedies available under South Carolina law, including the enforcement of any remedies against any legally available funds of the Project Sponsors, except as such remedies may be expressly limited by the specific provisions of this Agreement which includes, but is not limited to, all funds appropriated or authorized in any way by the Project Sponsors for the Projects.

C. In addition to the remedies available to the Bank set forth in this Agreement for an Event of Default, the Bank also shall have the right to exercise the remedies set forth in Section 7.2.A. of the Loan Agreement.

D. The Project Sponsors shall pay the Bank the reasonable attorneys' fees and expenses incurred by the Bank in pursuing any remedy for an Event of Default.

E. In the event a Project Sponsor fails to make any payment or reimbursement to the Bank in full as required by this Agreement or the Loan Agreement, it acknowledges the authority of the State Treasurer under S.C. Code Ann. § 11-43-210 to withhold funds allotted or appropriated by the State of South Carolina to the Project Sponsor and to apply those funds to

make or complete any such payment in full to the Bank. The Project Sponsors agree that the current provisions of Section 11-43-210 are hereby incorporated into this Agreement verbatim as an independent and separate contractual obligation of the Project Sponsors and shall be enforceable against the Project Sponsors and survive even if S.C. Code Ann. § 11-43-210 is repealed or its application is reduced or amended by action of the General Assembly, or it is otherwise abrogated, or its application is reduced or modified by a court or court decision. The Bank will notify the Project Sponsors prior to requesting that the State Treasurer withhold such funds.

F. In consideration of the significant benefits to the City and County and their citizens from the Grant and Loan from the Bank for construction of the Projects on which each is a Project Sponsor, the City and County each acknowledges and agrees that it is jointly and severally liable to the Bank for the payment of all financial obligations arising under this Agreement, and that such liability is independent of and in addition to the obligations of the other Project Sponsor. The foregoing notwithstanding, the Bank acknowledges that the City, the County, and Owner may negotiate between themselves regarding an alternative basis for the sharing of any such liability between them in the Participation Agreement, the Development Agreement, or both such documents, but this alternative basis shall not affect the Project Sponsors' joint and several liability to the Bank. Each obligation, promise, covenant, representation, and warranty in this Agreement shall be deemed to have been made by, and binding upon, each Project Sponsor. The Bank may bring an action against either Project Sponsor, whether or not an action is brought against the other Project Sponsor, provided, however, nothing contained in this Section shall prevent either Project Sponsor from making the other a party to said action to the extent permitted by law or in equity.

Each Project Sponsor agrees that any release which may be given by the Bank to the other Project Sponsor will not release such Project Sponsor from its obligations under this Agreement.

Section 8.3 Remedies Cumulative; Non-waiver

All rights and remedies of the Bank provided for in this Agreement, the Loan Agreement or in any other related document as to any party are cumulative, shall survive the termination of this Agreement, and shall be in addition to any and all other related rights and remedies provided for or available to the Bank at law, including those contained in the Act, or in equity. The exercise

of, or the failure to exercise, any right or remedy by the Bank shall not in any way constitute a cure or waiver of an Event of Default or the waiver of any right or remedy available to the Bank, nor invalidate any act done pursuant to any notice of the occurrence of an Event of Default.

ARTICLE 9
GENERAL CONDITIONS AND PROVISIONS

Section 9.1 Waivers

No waiver of any Event of Default by the Bank hereunder shall be implied from any delay or omission by the Bank to take action on account of such Event of Default, and no express waiver shall affect any event of default other than the Event of Default specified in the waiver and it shall be operative only for the time and to the extent therein stated. Waivers of any covenants, terms or conditions contained herein must be in writing and shall not be construed as a waiver of any subsequent or other breach of the same covenant, term or condition. The consent or approval by a Party to or of any act by another Party requiring further consent or approval shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent or similar act. No single or partial exercise of any right or remedy of a Party hereunder shall preclude any further or later exercise thereof or the exercise of any other or different right or remedy by the Party.

Section 9.2 Benefit and Rights of Third Parties

This Agreement is made and entered into for the sole protection and benefit of the Parties, and their successors and assigns. Other than the Owner solely as set forth below in Section 9.12 below, no other persons, firms, entities, or parties shall have any rights, or standing to assert any rights, under this Agreement in any manner, including, but not limited to, any right to any Disbursements at any time, any right to require any Party to apply any portion of the amounts committed herein that have not been disbursed to the payment of any such claim, or any right to require any Party to exercise any right or power under this Agreement or arising from any Event of Default of any kind by either of the Project Sponsors. Nor shall any Party owe any duty or have any obligation whatsoever to any claimant for labor or services performed or materials or supplies furnished in connection with the Projects. Other than the owner, no other persons, firms,

entities, or parties shall, under any circumstances, be deemed to be a beneficiary of any conditions or obligations set forth in this Agreement, any or all of which may be freely waived in whole or in part by the Party at any time pursuant to Section 9.1 of this Agreement, if in its sole discretion, it deems it desirable to do so.

Section 9.3 No Liability of Bank

The Bank makes no representations and assumes no obligations or duties as to any person, firm, entity, or party, including the parties to this Agreement, concerning the quality of the design, construction, modification, completion or operation of the Projects, or any portion or component thereof, or the absence therefrom of defects of any kind. The Bank and its Board members, officers and employees shall not be liable in any manner to any person, firm, entity, or party, including the parties to this Agreement, for the design, location, construction, modification, completion, or operation of the Projects, or the failure to design, locate, modify, operate, complete, or construct the Projects or any portion or component thereof, generally or in any particular manner. The Bank shall not be liable in any manner on any Contract to which it is not a named party, the execution of which has not been properly and duly authorized by the Bank Board, and that has not been so executed by the Bank.

Section 9.4 Assignment

The terms hereof shall be binding upon and inure to the benefit of the successors and assigns of the Parties hereto; provided, however, the Project Sponsors shall not assign or delegate this Agreement, any of its respective rights, interest, duties or obligations under this Agreement, nor any Disbursements without the prior written consent of the Bank; and any such attempted assignment or delegation (whether voluntary or by operation by law) without said consent shall be void.

Section 9.5 Captions

The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Agreement nor the intent or meaning of any provision hereof.

Section 9.6 Notices

All notices required to be given hereunder, except as otherwise provided in this Agreement, shall be deemed effective when received by the other party, through certified mail, registered mail, personal delivery, or courier delivery. All such notices shall be addressed to the Parties as follows:

City of Hardeeville
Mr. Michael Czymbor
City Manager
205 Main Street
Hardeeville, SC 29927

Jasper County Andrew P. Fulghum
County Administrator
P.O. Box 1149
Ridgeland, SC 29936

Chairman
South Carolina Transportation Infrastructure Bank
955 Park Street, Room 120B
Columbia, SC 29201

Section 9.7 Amendments

Any amendment to this Agreement shall only be made through a written instrument duly authorized and signed by each party hereto.

Section 9.8 Savings Clause

Invalidation of any one or more of the provisions of this Agreement by any court of competent jurisdiction shall in no way affect any of the other provisions hereof, all of which shall remain, and is intended by the Parties to remain, in full force and effect. Notwithstanding the

foregoing sentence, in the event that a court invalidates or modifies any one or more provisions, in whole or in part, of this Agreement, the Bank may in its discretion terminate this Agreement by providing notification of such termination to the Project Sponsors, and upon providing such notification to the Project Sponsors, all of the Bank's obligations under this Agreement shall terminate immediately.

Section 9.9 Execution in Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument, and in making proof of this Agreement it shall not be necessary to produce or account for more than one such fully executed counterpart.

Section 9.10 Authority to Execute

By executing this Agreement, the undersigned each affirms and certifies that he or she has authority to bind his or her principal thereto and that all necessary acts have been taken to duly authorize this Agreement under applicable law.

Section 9.11 Agreement Controls

In the event of any conflicts between the provisions of this Agreement and the provisions of the Loan Agreement or the provisions of the Development Agreement relating to this Agreement or the Loan Agreement, the provisions of this Agreement shall control.

Section 9.12 Limited Third Party Beneficiary

Notwithstanding anything to the contrary contained herein, the Owner is a third-party beneficiary solely to Sections 3.2, 5.1, 5.2, and 6.3 of this Agreement, but only to the extent that the Project Sponsors have expressly stated rights under those Sections. No amendments or modifications to those Sections in this Agreement shall be made without first obtaining the written consent of the Owner which consent shall not be unreasonably withheld or delayed by the Owner.

A copy of any notices by any of the Parties under this Agreement shall be timely delivered to the Owner.

[Separate Signature Page for Each Party Follows]

SIGNATURE PAGE FOR THE CITY OF HARDEEVILLE

IN WITNESS WHEREOF, the City of Hardeeville has caused this Agreement to be executed on its behalf and its seal to be affixed hereto.

CITY OF HARDEEVILLE, SOUTH CAROLINA

By: _____

(SEAL)

Printed Name: _____

Title: _____

Attest:

By: _____

Printed Name: _____

Title: _____

Note: The execution of this Agreement was authorized and approved by Ordinance _____ adopted by the Hardeeville City Council on _____, 2023.

SIGNATURE PAGE FOR JASPER COUNTY

IN WITNESS WHEREOF, Jasper County has caused this Agreement to be executed on its behalf and its seal to be affixed hereto.

JASPER COUNTY, SOUTH CAROLINA

By: _____

(SEAL)

Printed Name: _____

Title: _____

Attest:

By:

Printed Name: _____

Title: _____

Note: The execution of this Agreement was authorized and approved by Ordinance _____ adopted by the Jasper County Council on _____, 2023.

SIGNATURE PAGE FOR BANK

IN WITNESS WHEREOF, the South Carolina Transportation Infrastructure Bank has caused this Agreement to be executed on its behalf and its seal to be affixed hereto.

SOUTH CAROLINA TRANSPORTATION
INFRASTRUCTURE BANK

(SEAL)

By:_____

John B. White, Jr.

Chairman

Attest:

Robert E. Tyson, Jr.

Secretary

Add and List Exhibits

A. Real Property Description of TIF and MID

AGENDA

ITEM # 12

**STATE OF SOUTH CAROLINA
COUNTY OF JASPER**

RESOLUTION R-2023-23

**A RESOLUTION
OF JASPER COUNTY COUNCIL**

TO AUTHORIZE THE JASPER COUNTY ADMINISTRATOR TO EXECUTE AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF HARDEEVILLE REGARDING THE PROVISION OF EMERGENCY TRANSPORT/AMBULANCE SERVICE PURSUANT TO § 6-1-190 OF THE CODE OF LAWS OF SOUTH CAROLINA AND MATTERS RELATED THERETO.

Whereas, Jasper County (hereinafter “County”) has traditionally provided for all Emergency Transport/Ambulance Services within the unincorporated areas and within the City of Hardeeville; and

Whereas, 2022 Act No. 164 (H.4601) Section 1, Effective May 13, 2022, codified in § 6-1-190 of the Code of Laws of South Carolina, 1976 (as amended), provided in subsection 6-1-190 (C) that “(C) Municipal governing bodies also are authorized to make provisions for ambulance service within the boundaries of the municipality. A municipality may not provide and maintain, license, franchise, or contract for ambulance service outside its corporate boundaries without the approval of the county governing body, in the case of unincorporated areas, or the municipal governing body if the area to be served lies within the boundaries of another municipality.”

Whereas, subsection 6-1-190 D) provides: “(D) A county may not provide and maintain, license, franchise, or contract for ambulance service within the boundaries of a municipality that has made provisions for ambulance service without the approval of the municipal governing body of the area to be served.”

Whereas, the City of Hardeeville (hereinafter “City”) desires to provide increased Emergency Transport and Ambulance services for its citizens and visitors in the City; and

Whereas, the City has obtained all required licenses and permissions to provide Emergency Transport/Ambulance Services from the State of South Carolina; and

Whereas, the County desires to continue to provide Emergency Transport/Ambulance Services within the City of Hardeeville, as augmented by the addition of City Emergency Transport/Ambulance service by the City; and

Whereas, the City and County acknowledge and agree that there may be times when an emergency medical incident may be served most efficiently and timely by the closest Emergency Transport/Ambulance vehicle, irrespective of municipal boundaries; and

Whereas, both the County and City agree that it is in the best interest to their citizens to secure, by agreement, both a fire protection services and mutual aid agreement to provide supplemental fire and emergency services to each other; and

Whereas, § 6-1-190 of the Code of Laws of South Carolina specifically authorizes the City and County to enter into agreements for Emergency Transport /Ambulance services to be provided by the County within the City, and for Emergency Transport /Ambulance services to be provided by the City within the County;

NOW THEREFORE BE IT RESOLVED by the Jasper County Council in council duly assembled and by the authority of the same:

1. Jasper County Council approves the attached Intergovernmental Agreement, and the County is hereby authorized, pursuant to § 6-1-190(D) to provide Emergency Transport /Ambulance Services within the City of Hardeeville, and the City is hereby authorized pursuant to § 6-1-190(C) to provide Emergency Transport/Ambulance Services within that portion of unincorporated Jasper County as described in Exhibit "1" of the Intergovernmental Agreement in accordance with the terms and conditions contained therein; and Council authorizes the County Administrator to execute on behalf of Jasper County the attached Intergovernmental Agreement with any such grammatical or non-substantial edits as the by the County Attorney mat recommend
- 2.
3. This Resolution shall take effect upon approval by Council.

L. Martin Sauls, IV
Chairman of Jasper County Council

ATTEST:

Wanda Simmons
Clerk to Council

Adopted: _____

It is required that the following Exhibit be attached before the second reading:

**Intergovernmental Agreement
Between the County of Jasper and the City of Hardeeville
Regarding Emergency Transport/Ambulance Services**

Reviewed for form and draftsmanship by the Jasper County Attorney.

David L. Tedder

Date

EXHIBIT "A"

**Intergovernmental Agreement
Between the County of Jasper and the City of Hardeeville
Regarding Emergency Transport/Ambulance Services**

**Intergovernmental Agreement
Between the County of Jasper and the City of Hardeeville
Regarding Emergency Transport/Ambulance Services**

This agreement is made and entered into as of this _ day of _____, 2023, by and between the County of Jasper, South Carolina and the City of Hardeeville, South Carolina.

Whereas, Jasper County (hereinafter “County”) has traditionally provided for all Emergency Transport/Ambulance Services within the unincorporated areas and within the City of Hardeeville; and

Whereas, 2022 Act No. 164 (H.4601) Section 1, Effective May 13, 2022, codified in § 6-1-190 of the Code of Laws of South Carolina, 1976 (as amended), provided in subsection 6-1-190 (C) that “(C) Municipal governing bodies also are authorized to make provisions for ambulance service within the boundaries of the municipality. A municipality may not provide and maintain, license, franchise, or contract for ambulance service outside its corporate boundaries without the approval of the county governing body, in the case of unincorporated areas, or the municipal governing body if the area to be served lies within the boundaries of another municipality.”

Whereas, subsection 6-1-190 D) provides: “(D) A county may not provide and maintain, license, franchise, or contract for ambulance service within the boundaries of a municipality that has made provisions for ambulance service without the approval of the municipal governing body of the area to be served.”

Whereas, the City of Hardeeville (hereinafter “City”) desires to provide increased Emergency Transport and Ambulance services for its citizens and visitors in the City; and

Whereas, the City has obtained all required licenses and permissions to provide Emergency Transport/Ambulance Services from the State of South Carolina; and

Whereas, the County desires to continue to provide Emergency Transport/Ambulance Services within the City of Hardeeville, as augmented by the addition of City Emergency Transport/Ambulance service by the City; and

Whereas, the City and County acknowledge and agree that there may be times when an emergency medical incident may be served most efficiently and timely by the closest Emergency Transport/Ambulance vehicle, irrespective of municipal boundaries; and

Whereas, both the County and City agree that it is in the best interest to their citizens to secure, by agreement, both a fire protection services and mutual aid agreement to provide supplemental fire and emergency services to each other; and

Whereas, § 6-1-190 of the Code of Laws of South Carolina specifically authorizes the City and County to enter into agreements for Emergency Transport /Ambulance services to be provided by the County within the City, and for Emergency Transport /Ambulance services to be provided by the City within the County;

Therefore, be it agreed, in consideration of the foregoing premises and the considerations set forth below, that and that the County is hereby authorized, pursuant to § 6-1-190(D) to provide Emergency Transport /Ambulance Services within the City, and the City is hereby authorized pursuant to § 6-1-190(C) to provide Emergency Transport/Ambulance Services within that portion of unincorporated Jasper County as described in Exhibit “1”, upon the following terms and conditions.

Section 1: County Service Within the City

- 1-1** The County will maintain delivery of Emergency Medical Transport/Ambulance Services within the City for all prehospital emergency medical transport/ambulance calls for service as currently provided, subject to the provisions of Section 1-2.
- 1-2** Upon implementation of the City’s Emergency Medical Transport/Ambulance Service, County Dispatch will initially call out for the City’s Emergency Transport/Ambulance vehicle for service calls within the City, unless the City’s vehicle is out of service, already engaged in a service call, or the call for service is located closer to a County Emergency Transport/Ambulance vehicle in service and the County’s response time would likely be more than five minutes less than the response time of the City vehicle.

Section 2. City Service Within the Unincorporated Area of the County

- 2-1** Upon implementation of the City’s Emergency Medical Transport/Ambulance Service, County Dispatch will initially call out for the County’s Emergency Transport/Ambulance vehicle for service calls within the County, unless the call for service within the area shown as Exhibit 1 is located closer to a City Emergency Transport/Ambulance vehicle in service and the City’s response time would likely be more than five minutes less than the response time of the County vehicle.

Section 3. Service Delivery Charges

- 3-1** Service Delivery Charges as authorized by the City shall be applicable to any calls the City responds to in the unincorporated area of the County under this Agreement, and County Service Delivery charges as authorized by the County shall be applicable to any calls the County responds to within the municipal limits of the City under this Agreement.
- 3-2** The City Manager and the County Administrator will provide by March 1st of each year an annual report to the City and County Councils detailing the number of and location of calls responded to by each of the Emergency Medical Transport/Ambulance Services and the service charges invoiced and paid under this Agreement during the calendar year. Every month during the term of this Agreement, each service shall submit the reports listed below by the fifteenth (15th) of the month following the month the report covers to the County EMS Compliance Officer:
 - a. Total call volume.
 - b. Call volume for each Working Ambulance.
 - c. Number of monthly transports.
 - d. Number of monthly transports for each Working Ambulance.
 - e. Average response time for each Working Ambulance (time of dispatch to time on scene).
 - f. Summary of each complaint received and resolution of the complaint.

Section 4. Licensing, Compensation and Insurance

- 4-1** It shall be the responsibility of each of the Emergency Medical Transport/Ambulance Services to obtain and maintain the required licensing and training to remain in good standing with both State and federal regulating agencies such that they can provide the Standard of Care to patients by SCDHEC Certified services by a Working Ambulance.
- 4-2** The City shall be responsible for compensating City personnel, as well as being responsible for all insurance coverages including tort, vehicle, general liability, Worker's Compensation, and any other required coverage for its personnel and equipment.
- 4-3** The County shall be responsible for compensating County personnel, as well as being responsible for all insurance coverages including tort, vehicle, general liability, Worker's Compensation, and any other required coverage for its personnel and equipment.

Section 5. Definitions

" Emergency Medical Transport/Ambulance Services" means emergency medical services which consist of the emergency medical care and transportation for a wounded, injured, sick, ill or incapacitated person in Aiken County to a place where hospital care is furnished.

SCDHEC" means the South Carolina Department of Health and Environmental Control.

"SCDHEC Certified" shall mean that:

- a. The service and ambulances are licensed by the SCDHEC Division of EMS;
- b. All ambulances comply with Working Ambulance and Standard Ambulance Set-Ups established by Aiken County EMS;
- c. Advanced Life Support (ALS) equipment has met the applicable requirements of this Agreement;
- d. Personnel certifications of staff have met the applicable requirements of this Agreement.

"Standard of Care" means the most current treatment standards published by the National Registry of Emergency Medical Technicians to promote appropriate care for patients. Provider must be in compliance with South Carolina State Protocol, Formulary and SCDHEC Regulation 61-7.

"Working Ambulance" means a Type 1 or Type 3 ambulance that is eligible to work 911 Calls in Jasper County under guidelines set by SCDHEC Regulation 61-7.

Section 6. Severability

Should any portion, section, or subsection of this agreement be held to be invalid by a court of competent jurisdiction, the fact shall not affect or invalidate any portion, section or subsection; and the remaining portions of this agreement shall remain in full force effect without regard to the section, portion, or subsection or power invalidated.

In the event of such invalidation, it is the intention of the parties that the agreement shall be deemed amended to the extent required to render the agreement valid and enforceable, and such provision(s) shall be deemed severed from this agreement and all other provisions shall remain in full force and effect.

Section 6. Term of Agreement and Renewals

The term of this agreement shall be for the earlier of two years, beginning the effective date provided for the above and ending on 730 calendar days from implementation of this agreement, or June 30, 2025 (the annual renewal date). Thereafter, this Agreement shall renew for a period of two years unless one of the parties provides written notice of termination or need for modification based on changes with service delivery capacity or need to update geography due to annexation to the other party ninety (90) days in advance of the annual renewal date.

Section 7. Authorization/Effective Date

Prior to execution of this Agreement, Hardeeville City Council and Jasper County Council formally authorized this Agreement in a public meeting called and convened in accordance with the South Carolina Freedom of Information Act. This Agreement shall take effect on the date of its execution by the last to sign of the County and City official authorized to do so by their Council's authorizing Resolution approving this Agreement.

In witness whereof, The City and County, acting under the authority of their respective governing bodies, have caused this agreement to be duly executed in duplicate, either of which is to be considered an original, thereby binding the City and County for the faithful and full performance of the terms and conditions of this agreement, as of the date first scribed above.

Jasper County

City of Hardeeville

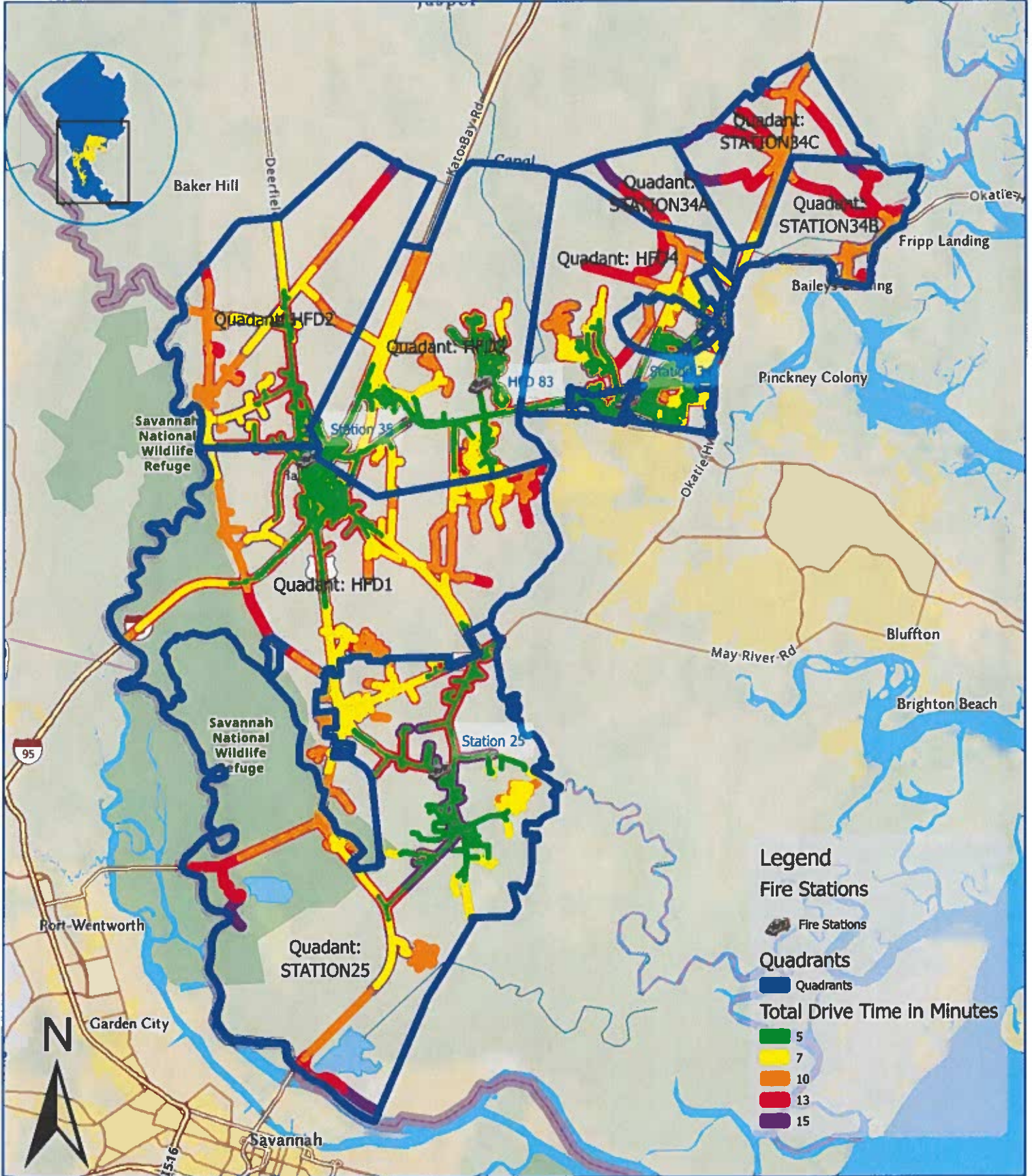
By: _____
Andrew P. Fulghum Date
County Administrator

By: _____
Michael J. Czymbor Date
City Manager

EXHIBIT 1

Area of Unincorporated Jasper for City Response (Section 2-1)

Ambulance Drivetime Analysis Map





Ambulance Drivetime Analysis Table

QUAD	StationName	TOTALDRIVETIMEDISSOLVE	FinalTextField	StationName	TOTALDRIVETIMEDISSOLVE	FinalTextField
HFD1	STA25	5	STA25 will cover 0.3 percent of quadrant HFD1 between minute 0 to 5.	STA35	13	STA35 will cover 18.0 percent of quadrant HFD3 between minute 10 to 13.
HFD1	STA25	7	STA25 will cover 3.6 percent of quadrant HFD1 between minute 5 to 7.	STA35	15	STA35 will cover 3.6 percent of quadrant HFD3 between minute 13 to 15.
HFD1	STA25	10	STA25 will cover 17.0 percent of quadrant HFD1 between minute 7 to 10.	HDV83	5	HDV83 will cover 29.0 percent of quadrant HFD3 between minute 0 to 5.
HFD1	STA25	13	STA25 will cover 25.0 percent of quadrant HFD1 between minute 10 to 13.	HDV83	7	HDV83 will cover 24.0 percent of quadrant HFD3 between minute 5 to 7.
HFD1	STA34	15	STA34 will cover 14.0 percent of quadrant HFD1 between minute 13 to 15.	HDV83	10	HDV83 will cover 17.0 percent of quadrant HFD3 between minute 7 to 10.
HFD1	STA34	10	STA34 will cover 4.1 percent of quadrant HFD1 between minute 7 to 10.	HDV83	13	HDV83 will cover 5.7 percent of quadrant HFD3 between minute 10 to 13.
HFD1	STA34	13	STA34 will cover 25.0 percent of quadrant HFD1 between minute 10 to 13.	HDV83	15	HDV83 will cover 0.4 percent of quadrant HFD3 between minute 13 to 15.
HFD1	STA34	15	STA34 will cover 22.0 percent of quadrant HFD1 between minute 13 to 15.	STA32	15	STA32 will cover 2.0 percent of quadrant HFD4 between minute 13 to 15.
HFD1	STA35	5	STA35 will cover 24.0 percent of quadrant HFD1 between minute 0 to 5.	STA25	15	STA25 will cover 0.4 percent of quadrant HFD4 between minute 13 to 15.
HFD1	STA35	7	STA35 will cover 14.0 percent of quadrant HFD1 between minute 5 to 7.	STA34	5	STA34 will cover 39.0 percent of quadrant HFD4 between minute 0 to 5.
HFD1	STA35	10	STA35 will cover 19.0 percent of quadrant HFD1 between minute 7 to 10.	STA34	7	STA34 will cover 25.0 percent of quadrant HFD4 between minute 5 to 7.
HFD1	STA35	13	STA35 will cover 11.0 percent of quadrant HFD1 between minute 10 to 13.	STA34	10	STA34 will cover 14.0 percent of quadrant HFD4 between minute 7 to 10.
HFD1	STA35	15	STA35 will cover 3.1 percent of quadrant HFD1 between minute 13 to 15.	STA34	13	STA34 will cover 7.4 percent of quadrant HFD4 between minute 10 to 13.
HFD1	HDV83	7	HDV83 will cover 3.6 percent of quadrant HFD1 between minute 5 to 7.	STA35	10	STA35 will cover 2.2 percent of quadrant HFD4 between minute 7 to 10.
HFD1	HDV83	10	HDV83 will cover 24.0 percent of quadrant HFD1 between minute 7 to 10.	STA35	13	STA35 will cover 16.0 percent of quadrant HFD4 between minute 10 to 13.
HFD1	HDV83	13	HDV83 will cover 27.0 percent of quadrant HFD1 between minute 10 to 13.	STA35	15	STA35 will cover 23.0 percent of quadrant HFD4 between minute 13 to 15.
HFD1	HDV83	15	HDV83 will cover 9.0 percent of quadrant HFD1 between minute 13 to 15.	HDV83	5	HDV83 will cover 3.6 percent of quadrant HFD4 between minute 0 to 5.
HFD2	STA25	15	STA25 will cover 7.4 percent of quadrant HFD2 between minute 13 to 15.	HDV83	7	HDV83 will cover 10.0 percent of quadrant HFD4 between minute 5 to 7.
HFD2	STA34	13	STA34 will cover 6.6 percent of quadrant HFD2 between minute 10 to 13.	HDV83	10	HDV83 will cover 33.0 percent of quadrant HFD4 between minute 7 to 10.
HFD2	STA34	15	STA34 will cover 14.0 percent of quadrant HFD2 between minute 13 to 15.	HDV83	13	HDV83 will cover 27.0 percent of quadrant HFD4 between minute 10 to 13.
HFD2	STA35	5	STA35 will cover 20.0 percent of quadrant HFD2 between minute 0 to 5.	HDV83	15	HDV83 will cover 7.9 percent of quadrant HFD4 between minute 13 to 15.
HFD2	STA35	7	STA35 will cover 18.0 percent of quadrant HFD2 between minute 5 to 7.	STA32	13	STA32 will cover 2.7 percent of quadrant STA34B between minute 10 to 13.
HFD2	STA35	10	STA35 will cover 25.0 percent of quadrant HFD2 between minute 7 to 10.	STA32	15	STA32 will cover 11.0 percent of quadrant STA34B between minute 13 to 15.
HFD2	STA35	13	STA35 will cover 9.3 percent of quadrant HFD2 between minute 10 to 13.	STA25	15	STA25 will cover 0.3 percent of quadrant STA34B between minute 13 to 15.
HFD2	STA35	15	STA35 will cover 5.3 percent of quadrant HFD2 between minute 13 to 15.	STA34	5	STA34 will cover 27.0 percent of quadrant STA34B between minute 0 to 5.
HFD2	HDV83	10	HDV83 will cover 5.8 percent of quadrant HFD2 between minute 7 to 10.	STA34	7	STA34 will cover 17.0 percent of quadrant STA34B between minute 5 to 7.
HFD2	HDV83	13	HDV83 will cover 21.0 percent of quadrant HFD2 between minute 10 to 13.	STA34	10	STA34 will cover 21.0 percent of quadrant STA34B between minute 7 to 10.
HFD2	HDV83	15	HDV83 will cover 18.0 percent of quadrant HFD2 between minute 13 to 15.	STA34	13	STA34 will cover 18.0 percent of quadrant STA34B between minute 10 to 13.
HFD3	STA25	13	STA25 will cover 2.6 percent of quadrant HFD3 between minute 10 to 13.	STA34	15	STA34 will cover 2.0 percent of quadrant STA34B between minute 13 to 15.
HFD3	STA25	15	STA25 will cover 16.0 percent of quadrant HFD3 between minute 13 to 15.	STA35	10	STA35 will cover 4.2 percent of quadrant STA34B between minute 7 to 10.
HFD3	STA34	5	STA34 will cover 2.1 percent of quadrant HFD3 between minute 0 to 5.	STA35	13	STA35 will cover 20.0 percent of quadrant STA34B between minute 10 to 13.
HFD3	STA34	7	STA34 will cover 12.0 percent of quadrant HFD3 between minute 5 to 7.	STA35	15	STA35 will cover 4.5 percent of quadrant STA34B between minute 13 to 15.
HFD3	STA34	10	STA34 will cover 38.0 percent of quadrant HFD3 between minute 7 to 10.	HDV83	5	HDV83 will cover 11.0 percent of quadrant STA34B between minute 0 to 5.
HFD3	STA34	13	STA34 will cover 18.0 percent of quadrant HFD3 between minute 10 to 13.	HDV83	7	HDV83 will cover 13.0 percent of quadrant STA34B between minute 5 to 7.
HFD3	STA34	15	STA34 will cover 5.1 percent of quadrant HFD3 between minute 13 to 15.	HDV83	10	HDV83 will cover 5.9 percent of quadrant STA34B between minute 7 to 10.
HFD3	STA35	5	STA35 will cover 10.0 percent of quadrant HFD3 between minute 0 to 5.	HDV83	13	HDV83 will cover 20.0 percent of quadrant STA34B between minute 10 to 13.
HFD3	STA35	7	STA35 will cover 20.0 percent of quadrant HFD3 between minute 5 to 7.	HDV83	15	HDV83 will cover 17.0 percent of quadrant STA34B between minute 13 to 15.
HFD3	STA35	10	STA35 will cover 22.0 percent of quadrant HFD3 between minute 7 to 10.			

The Table reflects the percentages by time grouping for each Station (StationName) responding within each quadrant(QUAD) by comparing the total road length within each quadrant to the length of the Drivetimes respective distance.

AGENDA

ITEM # 13

**Jasper County
Treasurer--Mauldin & Jenkins Addendum #2
9/18/2023**

	Scope of Work	Vendor	Date of Contract	Contract Amount	Balance of budget for FY23-24
	Budgeted Amount for FY23-24				48,000.00
(1)	Treasury operations audit and cash hand-off	Mauldin & Jenkins	3/30/2023	36,560.00	11,440.00
(2)	Liquidity and treasury analysis	three+one	7/17/2023	12,500.00	(1,060.00)
(3)	Addendum #1 scope change	Mauldin & Jenkins	9/18/2023	-	(1,060.00)
(4)	Addendum #2 scope and fee addition	Mauldin & Jenkins	9/18/2023	21,560.00	(22,620.00)

(4)

At the same time, that Mr. Skinner provided Addendum #1, he also presented a third agreement entitled Addendum #2 Scope and Fee Addition to March 30, 2023 Engagement Letter. Addendum #2 provides for the following additional services at a cost of \$21,560: 1) Assess the Treasurer's Department compliance with governing escheatment regulations and help the department quantify an amount eligible for escheatment; and 2) Assess Treasurer Department's policies and procedures related to returned checks, and if applicable, perform data analysis to assess any trends and/or quantification of associated dollar amounts. Addendum #2 is being brought forward to the Council for approval since it is a new contract and is not included in the budget for fiscal year 2024.

AGENDA

ITEM # 14

**STATE OF SOUTH CAROLINA
COUNTY OF JASPER**

ORDINANCE #2023-_____

**AN ORDINANCE
OF JASPER COUNTY COUNCIL**

An ordinance amending the business license ordinance of the county of jasper to update the class schedule as required by act 176 of 2020.

WHEREAS, Jasper County (the “County”) is authorized by S.C. Code Section 5-7-30 and Title 6, Chapter 1, Article 3 to impose a business license tax on gross income;

WHEREAS, by Act No. 176 of 2020, known as the South Carolina Business License Tax Standardization Act and codified at S.C. Code Sections 6-1-400 to -420 (the “Standardization Act”), the South Carolina General Assembly imposed additional requirements and conditions on the administration of business license taxes;

WHEREAS, the Standardization Act requires that by December thirty-first of every odd year, each municipality levying a business license tax must adopt, by ordinance, the latest Standardized Business License Class Schedule as recommended by the Municipal Association of South Carolina (the “Association”) and adopted by the Director of the Revenue and Fiscal Affairs Office;

WHEREAS, following the enactment of the Standardization Act, the Municipality enacted Ordinance No. 2021-26 on December 6, 2021, in order to comply with the requirements of the Standardization Act (the “Current Business License Ordinance”);

WHEREAS, the Jasper County Council (the “Council”) now wishes to amend the Current Business License Ordinance to adopt the latest Standardized Business License Class Schedule, as required by the Standardization Act, and to make other minor amendments as recommended by the Association;

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

SECTION 1. Amendments to Appendix A. Appendix A to the Current Business License Ordinance, the “Business License Rate Schedule,” is hereby amended as follows:

- (a) Class 8.3 is hereby amended by deleting the NAICS Codes and replacing them with NAICS 517111, 517112, 517122 – Telephone Companies.
- (b) Class 8.6 is hereby amended and restated in its entirety to read as follows: **“8.6 NAICS Code Varies – Billiard or Pool Tables.** A business that offers the use of billiard or pool tables shall be subject to business license taxation under its natural class for all gross income of the business excluding the gross income attributable to the billiard or pool tables. In

addition, the billiard or pool tables shall require their own separate business licenses pursuant to SC Code § 12-21-2746 and shall be subject to a license tax of \$5.00 per table measuring less than 3½ feet wide and 7 feet long, and \$12.50 per table longer than that.”

- [(c) The NAICS codes corresponding to Classes 9.41 and 9.42 have been eliminated. Businesses that were previously classified into 9.41 or 9.42 shall be required to apply and pay for a business license in their natural class.

SECTION 2. Amendments to Appendix B. Appendix B to the Current Business License Ordinance, the “Business License Class Schedule,” is hereby amended as follows:

- (a) Classes 1 through 8 in Appendix B to the Current Business License Ordinance, the “Business License Class Schedule,” are hereby amended and restated as set forth on the attached Exhibit A.
- (b) Class 9 in Appendix B to the Current Business License Ordinance, the “Business License Class Schedule,” shall remain in full force and effect as set forth in the Current Business License Ordinance.
- [(c) The NAICS codes corresponding to Classes 9.41 and 9.42 have been eliminated. Businesses that were previously classified into 9.41 or 9.42 shall be required to apply and pay for a business license in their natural class.

SECTION 3. Repeal, Effective Date. All ordinances in conflict with this ordinance are hereby repealed. This ordinance shall be effective with respect to the business license year beginning on May 1, 2024.

SECTION 4. This Ordinance shall take effect upon approval by Council.

L. Martin Sauls, IV

ATTEST:

Wanda Simmons
Clerk to Council

ORDINANCE: 2023-__

First Reading: 11.06.2023

Second Reading: _____

Public Hearing: _____

Adopted: _____

**Exhibit A: Amendment to Classes 1 – 8 in Appendix B of the
Current Business License Ordinance**

APPENDIX B

Classes 1 – 8: Business License Class Schedule by NAICS Codes

NAICS Sector/Subsector	Industry Sector	Class
11	Agriculture, forestry, hunting and fishing	1
21	Mining	2
22	Utilities	1
31 - 33	Manufacturing	3
42	Wholesale trade	1
44 - 45	Retail trade	1
48 - 49	Transportation and warehousing	1
51	Information	4
52	Finance and insurance	7
53	Real estate and rental and leasing	7
54	Professional, scientific, and technical services	5
55	Management of companies	7
56	Administrative and support and waste management and remediation services	3
61	Educational services	3
62	Health care and social assistance	4
71	Arts, entertainment, and recreation	3
721	Accommodation	1
722	Food services and drinking places	2
81	Other services	4
Class 8	Subclasses	
23	Construction	8.1
482	Rail Transportation	8.2
517111	Wired Telecommunications Carriers	8.3
517112	Wireless Telecommunications Carriers (except Satellite)	8.3
517122	Agents for Wireless Telecommunications Services	8.3
5241	Insurance Carriers	8.4
5242	Insurance Brokers for non-admitted Insurance Carriers	8.4
713120	Amusement Parks and Arcades	8.51
713290	Non-payout Amusement Machines	8.52
713990	All Other Amusement and Recreational Industries (pool tables)	8.6

2023 Class Schedule is based on a three-year average (2017 - 2019) of IRS statistical data.

JASPER COUNTY 202~~4~~2 BUSINESS LICENSE ORDINANCE

Section 8-31. License Required. Every person engaged or intending to engage in any business, calling, occupation, profession, or activity with the object of gain, benefit, or advantage, in whole or in part within the unincorporated areas of Jasper County, South ~~Carolina~~ Carolina (hereinafter "County") is required to pay an annual license tax for the privilege of doing business and obtain a business license as herein provided.

Section 8-32. Definitions. The following words, terms, and phrases, when used in this ordinance, shall have the meaning ascribed herein. Defined terms are not capitalized when used in this ordinance unless the context otherwise requires.

"Business" means any business, calling, occupation, profession, or activity engaged in with the object of gain, benefit, or advantage, either directly or indirectly.

"Charitable Organization" means an organization that is determined by the Internal Revenue Service to be exempt from Federal income taxes under 26 U.S.C. Section 501(c)(3), (4), (6), (7), (8), (10) or (19).

"Charitable Purpose" means a benevolent, philanthropic, patriotic, or eleemosynary purpose that does not result in personal gain to a sponsor, organizer, officer, director, trustee, or person with ultimate control of the organization.

"Classification" means that division of businesses by NAICS codes subject to the same license rate as determined by a calculated index of ability to pay based on national averages, benefits, equalization of tax burden, relationships of services, or other basis deemed appropriate by the Council.

"Council" means the County Council of Jasper County.

"County" means Jasper County, South Carolina.

"Domicile" means a principal place from which the trade or business of a licensee is conducted, directed, or managed. For purposes of this ordinance, a licensee may be deemed to have more than one domicile.

"Gross Income" means the gross receipts or gross revenue of a business, received or accrued, for one calendar or fiscal year collected or to be collected from business done within the unincorporated area of the County. If the licensee has a domicile within the County, business done within the County shall include all gross receipts or revenue received or accrued by such licensee. If the licensee does not have a domicile within the County, business done within the County shall include only gross receipts or revenue received or accrued within the unincorporated area of the County. In all cases, if the licensee pays a business license tax to another county or municipality, then the licensee's gross income for the purpose of computing the tax within the unincorporated area of the County must be reduced by the amount of revenues or receipts taxed in the other county or municipality and fully reported to the County. Gross income for business license tax purposes shall not include taxes collected for a governmental entity, escrow funds, or funds that are the property of a third party. The value of bartered goods

or trade-in merchandise shall be included in gross income. The gross receipts or gross revenues for business license purposes may be verified by inspection of returns and reports filed with the Internal Revenue Service, the South Carolina Department of Revenue, the South Carolina Department of Insurance, or other government agencies. In calculating gross income for certain businesses, the following rules shall apply:

- A. Gross income for agents shall be calculated on gross commissions received or retained, unless otherwise specified. If commissions are divided with other brokers or agents, then only the amount retained by the broker or agent is considered gross income.
- B. Except as specifically required by S.C. Code § 38-7-20, gross income for insurance companies shall be calculated on gross premiums written.
- C. Gross income for manufacturers of goods or materials with a location in the County shall be calculated on the lesser of (i) gross revenues or receipts received or accrued from business done at the location, (ii) the amount of income allocated and apportioned to that location by the business for purposes of the business's state income tax return, or (iii) the amount of expenses attributable to the location as a cost center of the business. Licensees reporting gross income under this provision shall have the burden to establish the amount and method of calculation by satisfactory records and proof. Manufacturers include those taxpayers reporting a manufacturing principal business activity code on their federal income tax returns.

"License Official" means a person designated to administer this ordinance. Notwithstanding the designation of a primary license official, the County may designate one or more alternate license officials to administer particular types of business licenses.

"Licensee" means the business, the person applying for the license on behalf of the business, an agent or legal representative of the business, a person who receives any part of the net profit of the business, or a person who owns or exercises control of the business.

"NAICS" means the North American Industry Classification System for the United States published under the auspices of the Federal Office of Management and Budget.

"Person" means any individual, firm, partnership, limited liability partnership, limited liability company, cooperative non-profit membership, corporation, joint venture, association, estate, trust, business trust, receiver, syndicate, holding company, or other group or combination acting as a unit, in the singular or plural, and the agent or employee having charge or control of a business in the absence of the principal.

Section 8-33. Purpose and Duration. The business license required by this ordinance is for the purpose of providing such regulation as may be required for the business subject thereto and for the purpose of raising revenue for the general fund through a privilege tax. The license year ending on April 30, 2022, shall commence on August 1, 2021 and shall run for a nine (9) month period. Thereafter, the license periods shall be established as follows. Except as set forth below for business licenses issued to contractors with respect to specific construction projects, each yearly license shall be issued for the twelve-month period of May 1 to April 30. A business license issued for a construction contract may, at the request of the licensee, be stated to expire at the

completion of the construction project; *provided*, any such business license may require that the licensee file, by each April 30 during the continuation of the construction project, a statement of compliance, including but not limited to a revised estimate of the value of the contract. If any revised estimate of the final value of such project exceeds the amount for which the business license was issued, the licensee shall be required to pay a license fee at the then-prevailing rate on the excess amount. The provisions of this ordinance and the rates herein shall remain in effect from year to year as amended by the Council.

Section 8-34. Business License Tax, Refund.

- A. The required business license tax shall be paid for each business subject hereto according to the applicable rate classification on or before the due date of the 30th day of April in each year, except for those businesses in Rate Class 8 for which a different due date is specified. Late payments shall be subject to penalties as set forth in Section 12 hereof, except that admitted insurance companies may pay before June 1 without penalty.
- B. A separate license shall be required for each place of business and for each classification or business conducted at one place. If gross income cannot be separated for classifications at one location, the business license tax shall be computed on the combined gross income for the classification requiring the highest rate. The business license tax must be computed based on the licensee's gross income for the calendar year preceding the due date, for the licensee's twelve-month fiscal year preceding the due date, or on a twelve-month projected income based on the monthly average for a business in operation for less than one year. The business license tax for a new business must be computed on the estimated probable gross income for the balance of the license year. A business license related to construction contract projects may be issued on a per-project basis, at the option of the taxpayer. No refund shall be made for a business that is discontinued.
- C. A licensee that submits a payment greater than the amount owed may request a refund. To be considered, a refund request must be submitted in writing to the County before the June 1 immediately following the April 30 on which the payment was due and must be supported by adequate documentation supporting the refund request. The County shall approve or deny the refund request, and if approved shall issue the refund to the business, within thirty days after receipt of the request.

Section 8-35. Registration Required.

- A. The owner, agent, or legal representative of every business subject to this ordinance, whether listed in the classification index or not, shall register the business and make application for a business license on or before the due date of each year; *provided*, a new business shall be required to have a business license prior to operation within the unincorporated area of the County. A license for a bar (NAICS 722410) must be issued in the name of the individual who has been issued the corresponding state alcohol, beer, or wine permit or license and will have actual control and management of the business.
- B. Application shall be on the then-current standard business license application as established and provided by the Director of the South Carolina Revenue and Fiscal Affairs

Office and shall be accompanied by all information about the applicant, the licensee, and the business deemed appropriate to carry out the purpose of this ordinance by the license official. Applicants may be required to submit copies of portions of state and federal income tax returns reflecting gross receipts and gross revenue figures.

- C. The applicant shall certify under oath that the information given in the application is true, that the gross income is accurately reported (or estimated for a new business) without any unauthorized deductions, and that all assessments, personal property taxes on business property, and other monies due and payable to the County have been paid.
- D. The County shall allow application, reporting, calculation, and payment of business license taxes through the business license tax portal hosted and managed by the South Carolina Revenue and Fiscal Affairs Office, subject to the availability and capability thereof. Any limitations in portal availability or capability do not relieve the applicant or licensee from existing business license or business license tax obligations.

Section 8-36. Deductions, Exemptions, and Charitable Organizations.

- A. No deductions from gross income shall be made except income earned outside of the County on which a license tax is paid by the business to some other county or municipality and fully reported to the County, taxes collected for a governmental entity, or income which cannot be included for computation of the tax pursuant to state or federal law. Properly apportioned income from business in interstate commerce shall be included in the calculation of gross income and is not exempted. The applicant shall have the burden to establish the right to exempt income by satisfactory records and proof.
- B. No person shall be exempt from the requirements of the ordinance by reason of the lack of an established place of business within the County, unless exempted by state or federal law. The license official shall determine the appropriate classification for each business in accordance with the latest issue of NAICS. No person shall be exempt from this ordinance by reason of the payment of any other tax, unless exempted by state law, and no person shall be relieved of liability for payment of any other tax or fee by reason of application of this ordinance.
- C. Wholesalers are exempt from business license taxes unless they maintain warehouses or distribution establishments within the County. A wholesale transaction involves a sale to an individual who will resell the goods and includes delivery of the goods to the reseller. It does not include a sale of goods to a user or consumer.
- D. A charitable organization shall be exempt from the business license tax on its gross income unless it is deemed a business subject to a business license tax on all or part of its gross income as provided in this section. A charitable organization, or any affiliate of a charitable organization, that reports income from for-profit activities or unrelated business income for federal income tax purposes to the Internal Revenue Service shall be deemed a business subject to a business license tax on the part of its gross income from such for-profit activities or unrelated business income.

- E. A charitable organization shall be deemed a business subject to a business license tax on its total gross income if (1) any net proceeds of operation, after necessary expenses of operation, inure to the benefit of any individual or any entity that is not itself a charitable organization as defined in this ordinance, or (2) any net proceeds of operation, after necessary expenses of operation, are used for a purpose other than a charitable purpose as defined in this ordinance. Excess benefits or compensation in any form beyond fair market value to a sponsor, organizer, officer, director, trustee, or person with ultimate control of the organization shall not be deemed a necessary expense of operation.

Section 8-37. False Application Unlawful. It shall be unlawful for any person subject to the provisions of this ordinance to make a false application for a business license or to give or file, or direct the giving or filing of, any false information with respect to the license or tax required by this ordinance.

Section 8.38. Display and Transfer.

- A. All persons shall display the license issued to them on the original form provided by the license official in a conspicuous place in the business establishment at the address shown on the license. A transient or non-resident shall carry the license upon his person or in a vehicle used in the business readily available for inspection by any authorized agent of the County.
- B. A change of address must be reported to the license official within ten (10) days after removal of the business to a new location and the license will be valid at the new address upon written notification by the license official and compliance with zoning and building codes. Failure to obtain the approval of the license official for a change of address shall invalidate the license and subject the licensee to prosecution for doing business without a license. A business license shall not be transferable, and a transfer of controlling interest shall be considered a termination of the old business and the establishment of a new business requiring a new business license, based on old business income.

Section 8-39. Administration of Ordinance. The license official shall administer the provisions of this ordinance, collect business license taxes, issue licenses, make or initiate investigations and audits to ensure compliance, initiate denial or suspension and revocation procedures, report violations to the county attorney, assist in prosecution of violators, produce forms, undertake reasonable procedures relating to the administration of this ordinance, and perform such other duties as may be duly assigned. Nothing herein shall be deemed to prohibit the County from entering into such contractual arrangements, as may be allowed by law, with outside entities for any or all of the administrative functions of the license official, who, in such instances, will supervise the activities of the contracting entity(ies).

Section 8-40. Inspection and Audits.

- A. For the purpose of enforcing the provisions of this ordinance, the license official or other authorized agent of the County is empowered to enter upon the premises of any person subject to this ordinance to make inspections and to examine and audit books and records. It shall be unlawful for any such person to fail or refuse to make available the necessary books and records. In the event an audit or inspection reveals that the licensee has filed false information, the costs of the audit shall be added to the correct business license tax and late penalties in addition to other penalties provided herein. Each day of failure to pay the proper amount of business license tax shall constitute a separate offense.
- B. The license official shall have the authority to make inspections and conduct audits of businesses to ensure compliance with the ordinance. Financial information obtained by inspections and audits shall not be deemed public records, and the license official shall not release the amount of business license taxes paid or the reported gross income of any person by name without written permission of the licensee, except as authorized by this ordinance, state or federal law, or proper judicial order. Statistics compiled by classifications are public records.

Section 8-41. Assessments, Payment under Protest, Appeal.

- A. Assessments, payments under protest, and appeals of assessment shall be allowed and conducted by the County pursuant to the provisions of S.C. Code § 6-1-410, as amended. In preparing an assessment, the license official may examine such records of the business or any other available records as may be appropriate and conduct such investigations and statistical surveys as the license official may deem appropriate to assess a business license tax and penalties as provided herein.
- B. The license official shall establish a uniform local procedure consistent with S.C. Code § 6-1-410 for hearing an application for adjustment of assessment and issuing a notice of final assessment.

Section 8-42. Delinquent License Taxes, Partial Payment.

- A. For non-payment of all or any part of the correct business license tax, the license official shall impose and collect a late penalty of five (5%) percent of the unpaid tax for each month or portion thereof after the due date until paid. Penalties shall not be waived. If any business license tax remains unpaid for sixty (60) days after its due date, the license official shall report it to the county attorney for appropriate legal action.
- B. Partial payment may be accepted by the license official to toll imposition of penalties on the portion paid; *provided*, however, no business license shall be issued or renewed until the full amount of the tax due, with penalties, has been paid.

Section 8-43. Notices. The license official may, but shall not be required to, mail written notices that business license taxes are due. If notices are not mailed, there shall be published a notice of the due date in a newspaper of general circulation within the County three (3) times prior to the

due date in each year. Failure to receive notice shall not constitute a defense to prosecution for failure to pay the tax due or grounds for waiver of penalties.

Section 8-44. Denial of License. The license official may deny a license to an applicant when the license official determines:

- A. The application is incomplete or contains a misrepresentation, false or misleading statement, or evasion or suppression of a material fact;
- B. The activity for which a license is sought is unlawful or constitutes a public nuisance *per se* or *per accidens* accident;
- C. The applicant, licensee, prior licensee, or the person in control of the business has been convicted within the previous ten years of an offense under a law or ordinance regulating business, a crime involving dishonest conduct or moral turpitude related to a business or a subject of a business, or an unlawful sale of merchandise or prohibited goods;
- D. The applicant, licensee, prior licensee, or the person in control of the business has engaged in an unlawful activity or nuisance related to the business or to a similar business in the County or in another jurisdiction;
- E. The applicant, licensee, prior licensee, or the person in control of the business is delinquent in the payment to the County of any tax or fee;
- F. A licensee has actual knowledge or notice, or based on the circumstances reasonably should have knowledge or notice, that any person or employee of the licensee has committed a crime of moral turpitude on the business premises, or has permitted any person or employee of the licensee to engage in the unlawful sale of merchandise or prohibited goods on the business premises and has not taken remedial measures necessary to correct such activity; or
- G. The license for the business or for a similar business of the licensee in the County or another jurisdiction has been denied, suspended, or revoked in the previous license year.

A decision of the license official shall be subject to appeal as herein provided. Denial shall be written with reasons stated.

Section 8.45. Suspension or Revocation of License. When the license official determines:

- A. A license has been mistakenly or improperly issued or issued contrary to law;
- B. A licensee has breached any condition upon which the license was issued or has failed to comply with the provisions of this ordinance;
- C. A licensee has obtained a license through a fraud, misrepresentation, a false or misleading statement, or evasion or suppression of a material fact in the license application;
- D. A licensee has been convicted within the previous ten years of an offense under a law or ordinance regulating business, a crime involving dishonest conduct or moral turpitude related to a business or a subject of a business, or an unlawful sale of merchandise or prohibited goods;
- E. A licensee has engaged in an unlawful activity or nuisance related to the business; or

F. A licensee is delinquent in the payment to the County of any tax or fee.

\The license official may give written notice to the licensee or the person in control of the business within the County by personal service or mail that the license is suspended pending a single hearing before Council or its designee for the purpose of determining whether the suspension should be upheld and the license should be revoked.

The written notice of suspension and proposed revocation shall state the time and place at which the hearing is to be held, and shall contain a brief statement of the reasons for the suspension and proposed revocation and a copy of the applicable provisions of this ordinance.

Section 8-46. Appeals to Council or its Designee.

- A. Except with respect to appeals of assessments under Section 11 hereof, which are governed by S.C. Code § 6-1-410, any person aggrieved by a determination, denial, or suspension and proposed revocation of a business license by the license official may appeal the decision to the Council or its designee by written request stating the reasons for appeal, filed with the license official within ten (10) days after service by mail or personal service of the notice of determination, denial, or suspension and proposed revocation.
- B. A hearing on an appeal from a license denial or other determination of the license official and a hearing on a suspension and proposed revocation shall be held by the Council or its designee within ten (10) business days after receipt of a request for appeal or service of a notice of suspension and proposed revocation. The hearing shall be held upon written notice at a regular or special meeting of the Council, or, if by designee of the Council, at a hearing to be scheduled by the designee. The hearing may be continued to another date by agreement of all parties. At the hearing, all parties shall have the right to be represented by counsel, to present testimony and evidence, and to cross-examine witnesses. The proceedings shall be recorded and transcribed at the expense of the party so requesting. The rules of evidence and procedure prescribed by ~~Council~~Council, or its designee shall govern the hearing. Following the hearing, the Council by majority vote of its members present, or the designee of Council if the hearing is held by the designee, shall render a written decision based on findings of fact and conclusions on application of the standards herein. The written decision shall be served, by personal service or by mail, upon all parties or their representatives and shall constitute the final decision of the County.
- C. Timely appeal of a decision of Council or its designee does not effectuate a stay of that decision. The decision of the Council or its designee shall be binding and enforceable unless overturned by an applicable appellate court after a due and timely appeal.

Section 8-47. Consent, franchise, or license required for use of streets.

- A. It shall be unlawful for any person to construct, install, maintain, or operate in, on, above, or under any street or public place under control of the County any line, pipe, cable, pole, structure, or facility for utilities, communications, cablevision, or other purposes without

a consent agreement or franchise agreement issued by the Council by ordinance that prescribes the term, fees, and conditions for use.

- B. The annual fee for use of streets or public places authorized by a consent agreement or franchise agreement shall be set by the ordinance approving the agreement and shall be consistent with limits set by state law. Existing franchise agreements shall continue in effect until expiration dates in the agreements. Franchise and consent fees shall not be in lieu of or be credited against business license taxes unless specifically provided by the franchise or consent agreement.

Section 8-48. Confidentiality. Except in accordance with proper judicial order or as otherwise provided by law, no official or employee of the County may divulge or make known in any manner the amount of ~~income~~income, or any financial particulars set forth or disclosed in any report or return required under this ordinance. Nothing in this section shall be construed to prohibit the publication of statistics so classified as to prevent the identification of particular reports or returns. Any license data may be shared with other public officials or employees in the performance of their duties, whether or not those duties relate to enforcement of this ordinance.

Section 8-49. Violations. Any person violating any provision of this ordinance shall be deemed guilty of an offense and shall be subject to a fine of up to \$500.00 or imprisonment for not more than thirty (30) days or both, upon conviction. Each day of violation shall be considered a separate offense. Punishment for violation shall not relieve the offender of liability for delinquent taxes, penalties, and costs provided for in this ordinance.

Section 8-50. Severability. A determination that any portion of this ordinance is invalid or unenforceable shall not affect the remaining portions. To the extent of any conflict between the provisions of this ordinance and the provisions of the South Carolina Business License Tax Standardization Act, as codified at S.C. Code §§ 6-1-400 *et seq.*, the standardization act shall control.

Section 8-51. Classification and Rates.

- A. The business license tax for each class of businesses subject to this ordinance shall be computed in accordance with the current business license rate schedule, designated as Appendix A to this ordinance, which may be amended from time to time by the Council.
- B. The current business license class schedule is attached hereto as Appendix B. Hereafter, no later than December 31 of each odd year, the County shall adopt, by ordinance, the latest standardized business license class schedule as recommended by the Municipal Association of South Carolina and adopted by the Director of the South Carolina Revenue and Fiscal Affairs Office. Upon adoption by the County, the revised business license class schedule shall then be appended to this ordinance as a replacement Appendix B.
- C. The classifications included in each rate class are listed with NAICS codes, by sector, sub-sector, group, or industry. The business license class schedule (Appendix B) is a tool for classification and not a limitation on businesses subject to a business license tax. The classification in the most recent version of the business license class schedule adopted by the Council that most specifically identifies the subject business shall be applied to the

business. The license official shall have the authority to make the determination of the classification most specifically applicable to a subject business.

- D. A copy of the class schedule and rate schedule shall be filed in the office of the County Clerk to Council.

APPENDIX A: BUSINESS LICENSE RATE SCHEDULE

RATE CLASS	INCOME: \$0 - \$2,000 BASE RATE	INCOME OVER \$2,000 RATE PER \$1,000 OR FRACTION THEREOF
1	\$20.00	\$0.50
2	\$25.00	\$0.60
3	\$30.00	\$0.70
4	\$35.00	\$0.80
5	\$40.00	\$0.90
6	\$45.00	\$1.00
7	\$50.00	\$1.10
8.1	\$50.00	\$0.60
8.2	Set by state statute	
<u>8.3</u>	<u>MASC Telecommunications</u>	
<u>8.4</u>	<u>MASC Insurance</u>	
8.51	\$12.50 + \$12.50 per machine	
8.52	\$12.50 + \$180.00 per machine	
8.6	\$50.00	\$0.55
	plus \$5.00 -OR- \$12.50 per table based on size pursuant to § 12-21-2746	
9.30	\$50.00	\$0.75
9.41	\$100.00	\$0.1.00
9.70	\$200.00	\$0.2.00
9.91	\$500.00	\$2.00

NON-RESIDENT RATES

Unless otherwise specifically provided, all taxes and rates shall be doubled for nonresidents and itinerants having no fixed principal place of business within the County.

DECLINING RATES

Declining Rates apply in all Classes for gross income in excess of \$1,000,000, unless otherwise specifically provided for in this ordinance.

<u>Gross Income in \$ Millions Millions of additional \$1,000</u>	<u>Percent of Class Rate for each</u>
0 - 7	100%
7 - 10	50% for this increment
10 – 20	35% for this increment
20 – 50	15% for this increment
OVER 50	10% for this increment

CLASS 8 and CLASS 9 RATES

Each NAICS number designates a separate subclassification. The businesses in this section are treated as separate and individual subclasses due to provisions of state law, regulatory requirements, service burdens, tax equalization considerations, and other factors that are deemed sufficient to require individually determined rates. In accordance with state law, the County also may provide for reasonable subclassifications for rates, described by an NAICS sector, subsector, or industry, that are based on particularized considerations as needed for economic stimulus or for the enhanced or disproportionate demands on county services or infrastructure.

Non-resident rates do not apply except where indicated.

8.1 NAICS 230000 – Contractors, Construction, All Types [Non-resident rates apply].

Resident rates, for contractors having a permanent place of business within the County:

Minimum on first \$2,000	\$ 50.00 PLUS
Each additional 1,000.....	\$ 0.60

Non-resident rates apply to contractors that do not have a permanent place of business within the County. A trailer at the construction site or structure in which the contractor temporarily resides is not a permanent place of business under this ordinance.

No contractor shall be issued a business license until all state and county qualification examination and trade license requirements have been met. Each contractor shall post a sign in plain view on each job identifying the contractor with the job.

Sub-contractors shall be licensed on the same basis as general or prime contractors for the same job. No deductions shall be made by a general or prime contractor for value of work performed by a sub-contractor.

No contractor shall be issued a business license until all performance and indemnity bonds required by the Building Code have been filed and approved. Zoning permits must be obtained when required by the Zoning Ordinance.

Each prime contractor shall file with the License Official a list of ~~sub-contractors~~subcontractors furnishing labor or materials for each project.

For licenses issued on a per-job basis, the total tax for the full amount of the contract shall be paid prior to commencement of work and shall entitle the contractor to complete the job without regard to the normal license expiration date. An amended report shall be filed for each new job and the appropriate additional license fee per \$1,000 of the contract amount shall be paid prior to commencement of new work. Only one base tax shall be paid in a license year. Licensees holding a per-job license shall file, by each April 30 during the continuation of the construction project, a statement of compliance, including but not limited to a revised estimate of the value of the contract. If any revised estimate of the final value of such project exceeds the amount for

which the business license was issued, the licensee shall be required to pay a license fee at the then-prevailing rate on the excess amount.

8.2 NAICS 482 – Railroad Companies (See S.C. Code § 12-23-210).

8.3 NACIS 517111, 517112, 517122 – Telephone Companies. With respect to “retail telecommunications services” as defined in S. C. Code 58-9-2200, the County participates in a collections program administered by the Municipal Association of South Carolina. The County has approved participation in the collections program by separate ordinance (the “Telecommunications Collections Ordinance”). The rates, terms, conditions, dates penalties, appeals process, and other details of the business license applicable to retail telecommunications services are set forth in the Telecommunications Collections Ordinance.

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8.4 NAICS 5241 – Insurance Companies. Independent agents, brokers, and their employees are subject to a business license tax based on their natural class. With respect to insurers subject to license fees and taxes under Chapter 7 of Title 38 and to brokers under Chapter 45 of Title 38, the County participates in a collections program administered by the Municipal Association of South Carolina. The County has approved participation in the collections program by separate ordinance (the “Insurers and Brokers Collections Ordinance”). The rates, terms, conditions, dates, penalties, appeals process, and other details of the business license applicable to insurers and brokers are set forth in the Insurers and Brokers Collections Ordinance.

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8.51 NAICS 713120 – Amusement Machines, coin operated (except gambling). Music machines, juke boxes, kiddie rides, video games, pin tables with levers, and other amusement machines with or without free play feature licensed by SC Department of Revenue pursuant to S.C. Code §12-21-2720(A)(1) and (A)(2) **[Type I and Type II]**.

For operation of all machines (not on gross income), pursuant to S.C. Code §12-21-2746:

Per Machine	\$12.50 PLUS
Business license	\$12.50

Distributors that sell or lease machines and are not licensed by the state as an operator pursuant to §12-21-2728 are not subject to Subclass 8.51.

8.52 NAICS 713290 – Amusement Machines, coin operated, non-payout. Amusement machines of the non-payout type or in-line pin game licensed by SC Department of Revenue pursuant to S.C. Code §12-21-2720(A)(3) **[Type III]**.

For operation of all machines (not on gross income), pursuant to S.C. Code §12-21-2720(C):

Per Machine	\$180.00 PLUS
Business license	\$12.50

Distributors that sell or lease machines and are not licensed by the state as an operator pursuant to §12-21-2728 are not subject to Subclass 8.52.

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8.6 NAICS 713990 – Billiard or Tables -Pool Rooms, all types. A business that offers the use of billiard or pool tables shall be subject to business license taxation under its natural class for all gross income of the business excluding the gross income attributable to the billiard or pool tables. In addition, the billiard or pool tables shall require their own separate business licenses pursuant to SC Code § 12-21-2746 and shall be subject to a license tax of \$5.00 per table measuring less than 3½ feet wide and 7 feet long, and \$12.50 per table longer than that.”

~~(A) Pursuant to SC Code § 12-21-2746, license tax of \$5.00 per table measuring less than 3½ feet wide and 7 feet long, and \$12.50 per table longer than that; PLUS, (B) with respect to gross income from the entire business in addition to the tax authorized by state law for each table:~~

~~Minimum on first \$2,000 — \$50.00 PLUS
Per \$1,000, or fraction, over \$2,000..... \$0.75~~

9.3 NAICS 4411, 4412 – Automotive, Motor Vehicles, Boats, Farm Machinery or Retail.

(except auto supply stores - see 4413)

Minimum on first \$2,000 \$50.00 PLUS
Per \$1,000, or fraction, over \$2,000..... \$0.75

One sales lot not more than 400 feet from the main showroom may be operated under this license provided that proceeds from sales at the lot are included in gross receipts at the main office when both are operated under the same name and ownership.

Gross receipts for this classification shall include value of trade-ins. Dealer transfers or internal repairs on resale items shall not be included in gross income.

~~**NAICS 454390 – Peddlers, Solicitors, Canvassers, Door-To-Door Sales.**~~

~~Direct retail sales of merchandise. [Non-resident rates apply]~~

~~**9.41** Regular activities [more than two sale periods of more than three days each per year]~~

~~Minimum on first \$2,000 \$100.00 PLUS
Per \$1,000, or fraction, over \$2,000..... \$1.00~~

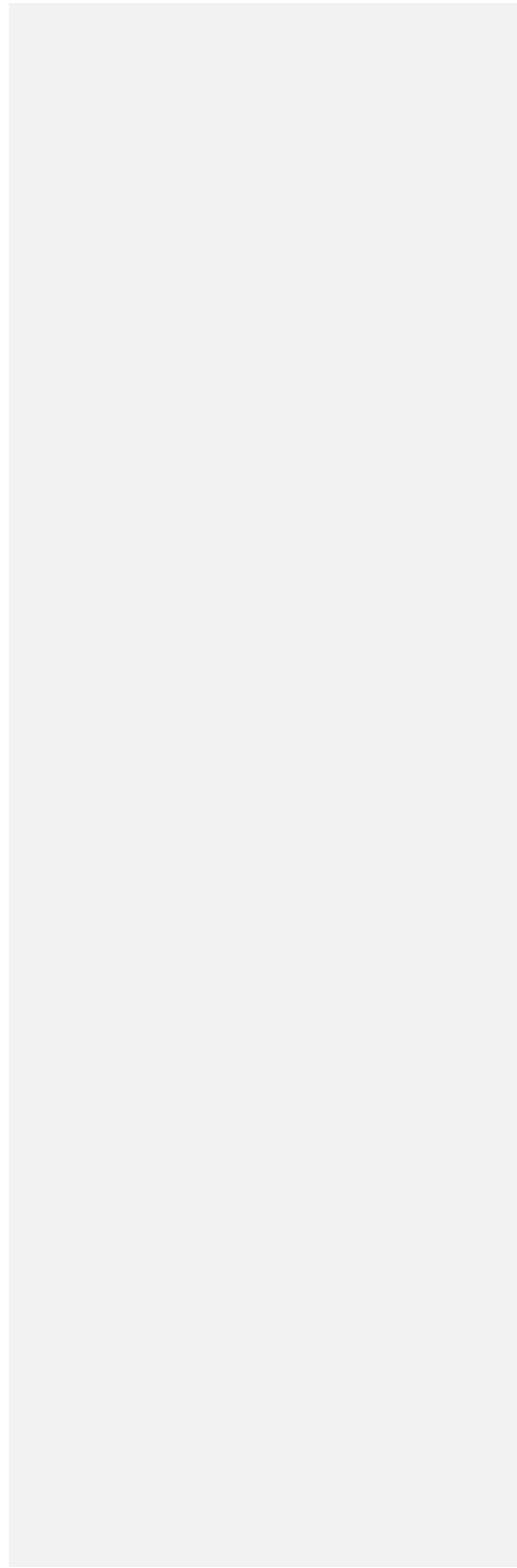
9.7 NAICS 722410 – Drinking Places, bars, lounges, cabarets (Alcoholic beverages consumed on premises).

Minimum on first \$2,000 \$200.00 PLUS
Per \$1,000, or fraction, over \$2,000..... \$2.00

LicenseA license must be issued in the name of the individual who has been issued a State alcohol, beer or wine permit or license and will have actual control and management of the business.

9.91 NAICS 7115 – Adult Exotic Dancers, other Sexually Oriented Businesses.

Minimum on first \$2,000	\$500.00 PLUS
Per \$1,000, or fraction, over \$2,000.....	\$2.00



Business License Class Schedule by NAICS Code

Appendix B

2021 BUSINESS LICENSE CLASS SCHEDULE BY NAICS CODE

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NAICS Sector/Subsector	Industry Sector	Class
11	Agriculture, forestry, hunting and fishing	2.00
21	Mining	4.00
31	Manufacturing	2.00
32	Manufacturing	2.00
33	Manufacturing	2.00
42	Wholesale trade	1.00
44	Retail trade	1.00
45	Retail trade	1.00
48	Transportation and warehousing	2.00
49	Transportation and warehousing	2.00
51	Information	4.00
52	Finance and insurance	7.00
53	Real estate and rental and leasing	7.00
54	Professional, scientific, and technical services	5.00
55	Management of companies	7.00
56	Administrative and support and waste management and remediation services	4.00
61	Educational services	4.00
62	Health care and social assistance	4.00
71	Arts, entertainment, and recreation	3.00
721	Accommodation	3.00
722	Food services and drinking places	1.00
81	Other services	5.00
-	-	-
Class 8	Mandatory or Recommended Subclasses	-
23	Construction	8.10
482	Rail Transportation	8.20
517311	Wired Telecommunications Carriers	8.30
517312	Wireless Telecommunications Carriers (except Satellite)	8.30
5241	Insurance Carriers	8.40
5242	Insurance Brokers for non-admitted Insurance Carriers	8.40

713120	Amusement Parks and Arcades	8.51
713290	Nonpayout Amusement Machines	8.52
713990	All Other Amusement and Recreational Industries (pool tables)	8.60
-	-	-
Class 9	Subclasses	-
4411	Automobile Dealers	9.31
4412	Other Motor Vehicle Dealers	9.30
454390	Other Direct Selling Establishments (Regular Peddlers)	9.41
722410	Drinking Places (Alcoholic Beverages)	9.70
7115	Adult Adult Exotic Dancers, other Sexually Oriented Businesses	9.91

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Note: Class Schedule is based on 2017 IRS data.

APPENDIX B

Classes 1 – 8: Business License Class Schedule by NAICS Codes

<u>NAICS Sector/Subsector</u>	<u>Industry Sector</u>	<u>Class</u>
<u>11</u>	<u>Agriculture, forestry, hunting, and fishing</u>	<u>1</u>
<u>21</u>	<u>Mining</u>	<u>2</u>
<u>22</u>	<u>Utilities</u>	<u>1</u>
<u>31 - 33</u>	<u>Manufacturing</u>	<u>3</u>
<u>42</u>	<u>Wholesale trade</u>	<u>1</u>
<u>44 - 45</u>	<u>Retail trade</u>	<u>1</u>
<u>48 - 49</u>	<u>Transportation and warehousing</u>	<u>1</u>
<u>51</u>	<u>Information</u>	<u>4</u>
<u>52</u>	<u>Finance and insurance</u>	<u>7</u>
<u>53</u>	<u>Real estate and rental and leasing</u>	<u>7</u>

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<u>54</u>	<u>Professional, scientific, and technical services</u>	<u>5</u>
<u>55</u>	<u>Management of companies</u>	<u>7</u>
<u>56</u>	<u>Administrative and support and waste management and remediation services</u>	<u>3</u>
<u>61</u>	<u>Educational services</u>	<u>3</u>
<u>62</u>	<u>Health care and social assistance</u>	<u>4</u>
<u>71</u>	<u>Arts, entertainment, and recreation</u>	<u>3</u>
<u>721</u>	<u>Accommodation</u>	<u>1</u>
<u>722</u>	<u>Food services and drinking places</u>	<u>2</u>
<u>81</u>	<u>Other services</u>	<u>4</u>
-	-	-
Class 8	Subclasses	
<u>23</u>	<u>Construction</u>	<u>8.1</u>
<u>482</u>	<u>Rail Transportation</u>	<u>8.2</u>
<u>517111</u>	<u>Wired Telecommunications Carriers</u>	<u>8.3</u>
<u>517112</u>	<u>Wireless Telecommunications Carriers (except Satellite)</u>	<u>8.3</u>
<u>517122</u>	<u>Agents for Wireless Telecommunications Services</u>	<u>8.3</u>
<u>5241</u>	<u>Insurance Carriers</u>	<u>8.4</u>
<u>5242</u>	<u>Insurance Brokers for non-admitted Insurance Carriers</u>	<u>8.4</u>
<u>713120</u>	<u>Amusement Parks and Arcades</u>	<u>8.51</u>
<u>713290</u>	<u>Non-payout Amusement Machines</u>	<u>8.52</u>
<u>713990</u>	<u>All Other Amusement and Recreational Industries (pool tables)</u>	<u>8.6</u>
-	-	-
Class 9	Subclasses	
<u>4411</u>	<u>Automobile Dealers</u>	<u>9.30</u>

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<u>4412</u>	<u>Other Motor Vehicle Dealers</u>	<u>9.30</u>
<u>722410</u>	<u>Drinking Places (Alcoholic Beverages)</u>	<u>9.70</u>
<u>7115</u>	<u>Adult Exotic Dancers, other Sexually Oriented Businesses</u>	<u>9.91</u>

2023 Class Schedule is based on a three-year average (2017 - 2019) of IRS statistical data.

This appendix will be updated every odd year based on the latest available IRS statistics. The 2021 Business License Class Schedule may be accessed at:

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JASPER COUNTY 2024 BUSINESS LICENSE ORDINANCE

Section 8-31. License Required. Every person engaged or intending to engage in any business, calling, occupation, profession, or activity with the object of gain, benefit, or advantage, in whole or in part within the unincorporated areas of Jasper County, South Carolina (hereinafter “County”) is required to pay an annual license tax for the privilege of doing business and obtain a business license as herein provided.

Section 8-32. Definitions. The following words, terms, and phrases, when used in this ordinance, shall have the meaning ascribed herein. Defined terms are not capitalized when used in this ordinance unless the context otherwise requires.

“*Business*” means any business, calling, occupation, profession, or activity engaged in with the object of gain, benefit, or advantage, either directly or indirectly.

“*Charitable Organization*” means an organization that is determined by the Internal Revenue Service to be exempt from Federal income taxes under 26 U.S.C. Section 501(c)(3), (4), (6), (7), (8), (10) or (19).

“*Charitable Purpose*” means a benevolent, philanthropic, patriotic, or eleemosynary purpose that does not result in personal gain to a sponsor, organizer, officer, director, trustee, or person with ultimate control of the organization.

“*Classification*” means that division of businesses by NAICS codes subject to the same license rate as determined by a calculated index of ability to pay based on national averages, benefits, equalization of tax burden, relationships of services, or other basis deemed appropriate by the Council.

“*Council*” means the County Council of Jasper County.

“*County*” means Jasper County, South Carolina.

“*Domicile*” means a principal place from which the trade or business of a licensee is conducted, directed, or managed. For purposes of this ordinance, a licensee may be deemed to have more than one domicile.

“*Gross Income*” means the gross receipts or gross revenue of a business, received or accrued, for one calendar or fiscal year collected or to be collected from business done within the unincorporated area of the County. If the licensee has a domicile within the County, business done within the County shall include all gross receipts or revenue received or accrued by such licensee. If the licensee does not have a domicile within the County, business done within the County shall include only gross receipts or revenue received or accrued within the unincorporated area of the County. In all cases, if the licensee pays a business license tax to another county or municipality, then the licensee’s gross income for the purpose of computing the tax within the unincorporated area of the County must be reduced by the amount of revenues or receipts taxed in the other county or municipality and fully reported to the County. Gross income for business license tax purposes shall not include taxes collected for a governmental entity, escrow funds, or funds that are the property of a third party. The value of bartered goods or trade-in merchandise shall be included in gross income. The gross receipts or gross revenues

for business license purposes may be verified by inspection of returns and reports filed with the Internal Revenue Service, the South Carolina Department of Revenue, the South Carolina Department of Insurance, or other government agencies. In calculating gross income for certain businesses, the following rules shall apply:

- A. Gross income for agents shall be calculated on gross commissions received or retained, unless otherwise specified. If commissions are divided with other brokers or agents, then only the amount retained by the broker or agent is considered gross income.
- B. Except as specifically required by the S.C. Code § 38-7-20, gross income for insurance companies shall be calculated on gross premiums written.
- C. Gross income for manufacturers of goods or materials with a location in the County shall be calculated on the lesser of (i) gross revenues or receipts received or accrued from business done at the location, (ii) the amount of income allocated and apportioned to that location by the business for purposes of the business's state income tax return, or (iii) the amount of expenses attributable to the location as a cost center of the business. Licensees reporting gross income under this provision shall have the burden of establishing the amount and method of calculation by satisfactory records and proof. Manufacturers include those taxpayers reporting a manufacturing principal business activity code on their federal income tax returns.

“License Official” means a person designated to administer this ordinance. Notwithstanding the designation of a primary license official, the County may designate one or more alternate license officials to administer particular types of business licenses.

“Licensee” means the business, the person applying for the license on behalf of the business, an agent or legal representative of the business, a person who receives any part of the net profit of the business, or a person who owns or exercises control of the business.

“NAICS” means the North American Industry Classification System for the United States published under the auspices of the Federal Office of Management and Budget.

“Person” means any individual, firm, partnership, limited liability partnership, limited liability company, cooperative non-profit membership, corporation, joint venture, association, estate, trust, business trust, receiver, syndicate, holding company, or other group or combination acting as a unit, in the singular or plural, and the agent or employee having charge or control of a business in the absence of the principal.

Section 8-33. Purpose and Duration. The business license required by this ordinance is for the purpose of providing such regulation as may be required for the business subject thereto and for the purpose of raising revenue for the general fund through a privilege tax. The license year ending on April 30, 2022, shall commence on August 1, 2021, and shall run for a nine (9) month period. Thereafter, the license periods shall be established as follows. Except as set forth below for business licenses issued to contractors with respect to specific construction projects, each yearly license shall be issued for the twelve-month period of May 1 to April 30. A business license issued for a construction contract may, at the request of the licensee, be stated to expire at the completion of the construction project; *provided*, any such business license may require that the

licensee file, by each April 30 during the continuation of the construction project, a statement of compliance, including but not limited to a revised estimate of the value of the contract. If any revised estimate of the final value of such project exceeds the amount for which the business license was issued, the licensee shall be required to pay a license fee at the then-prevailing rate on the excess amount. The provisions of this ordinance and the rates herein shall remain in effect from year to year as amended by the Council.

Section 8-34. Business License Tax, Refund.

- A. The required business license tax shall be paid for each business subject hereto according to the applicable rate classification on or before the due date of the 30th day of April in each year, except for those businesses in Rate Class 8 for which a different due date is specified. Late payments shall be subject to penalties as set forth in Section 12 hereof, except that admitted insurance companies may pay before June 1 without penalty.
- B. A separate license shall be required for each place of business and for each classification or business conducted at one place. If gross income cannot be separated for classifications at one location, the business license tax shall be computed on the combined gross income for the classification requiring the highest rate. The business license tax must be computed based on the licensee's gross income for the calendar year preceding the due date, for the licensee's twelve-month fiscal year preceding the due date, or on a twelve-month projected income based on the monthly average for a business in operation for less than one year. The business license tax for a new business must be computed on the estimated probable gross income for the balance of the license year. A business license related to construction contract projects may be issued on a per-project basis, at the option of the taxpayer. No refund shall be made for a business that is discontinued.
- C. A licensee that submits a payment greater than the amount owed may request a refund. To be considered, a refund request must be submitted in writing to the County before the June 1 immediately following the April 30 on which the payment was due and must be supported by adequate documentation supporting the refund request. The County shall approve or deny the refund request, and if approved shall issue the refund to the business, within thirty days after receipt of the request.

Section 8-35. Registration Required.

- A. The owner, agent, or legal representative of every business subject to this ordinance, whether listed in the classification index or not, shall register the business and make application for a business license on or before the due date of each year; *provided*, a new business shall be required to have a business license prior to operation within the unincorporated area of the County. A license for a bar (NAICS 722410) must be issued in the name of the individual who has been issued the corresponding state alcohol, beer, or wine permit or license and will have actual control and management of the business.
- B. Application shall be on the then-current standard business license application as established and provided by the Director of the South Carolina Revenue and Fiscal Affairs Office and shall be accompanied by all information about the applicant, the licensee, and

the business deemed appropriate to carry out the purpose of this ordinance by the license official. Applicants may be required to submit copies of portions of state and federal income tax returns reflecting gross receipts and gross revenue figures.

- C. The applicant shall certify under oath that the information given in the application is true, that the gross income is accurately reported (or estimated for a new business) without any unauthorized deductions, and that all assessments, personal property taxes on business property, and other monies due and payable to the County have been paid.
- D. The County shall allow application, reporting, calculation, and payment of business license taxes through the business license tax portal hosted and managed by the South Carolina Revenue and Fiscal Affairs Office, subject to the availability and capability thereof. Any limitations in portal availability or capability do not relieve the applicant or licensee from existing business license or business license tax obligations.

Section 8-36. Deductions, Exemptions, and Charitable Organizations.

- A. No deductions from gross income shall be made except income earned outside of the County on which a license tax is paid by the business to some other county or municipality and fully reported to the County, taxes collected for a governmental entity, or income which cannot be included for computation of the tax pursuant to state or federal law. Properly apportioned income from business in interstate commerce shall be included in the calculation of gross income and is not exempted. The applicant shall have the burden to establish the right to exempt income by satisfactory records and proof.
- B. No person shall be exempt from the requirements of the ordinance by reason of the lack of an established place of business within the County, unless exempted by state or federal law. The license official shall determine the appropriate classification for each business in accordance with the latest issue of NAICS. No person shall be exempt from this ordinance by reason of the payment of any other tax, unless exempted by state law, and no person shall be relieved of liability for payment of any other tax or fee by reason of application of this ordinance.
- C. Wholesalers are exempt from business license taxes unless they maintain warehouses or distribution establishments within the County. A wholesale transaction involves a sale to an individual who will resell the goods and includes delivery of the goods to the reseller. It does not include a sale of goods to a user or consumer.
- D. A charitable organization shall be exempt from the business license tax on its gross income unless it is deemed a business subject to a business license tax on all or part of its gross income as provided in this section. A charitable organization, or any affiliate of a charitable organization, that reports income from for-profit activities or unrelated business income for federal income tax purposes to the Internal Revenue Service shall be deemed a business subject to a business license tax on the part of its gross income from such for-profit activities or unrelated business income.
- E. A charitable organization shall be deemed a business subject to a business license tax on its total gross income if (1) any net proceeds of operation, after necessary expenses of

operation, inure to the benefit of any individual or any entity that is not itself a charitable organization as defined in this ordinance, or (2) any net proceeds of operation, after necessary expenses of operation, are used for a purpose other than a charitable purpose as defined in this ordinance. Excess benefits or compensation in any form beyond fair market value to a sponsor, organizer, officer, director, trustee, or person with ultimate control of the organization shall not be deemed a necessary expense of operation.

Section 8-37. False Application Unlawful. It shall be unlawful for any person subject to the provisions of this ordinance to make a false application for a business license or to give or file, or direct the giving or filing of, any false information with respect to the license or tax required by this ordinance.

Section 8.38. Display and Transfer.

- A. All persons shall display the license issued to them on the original form provided by the license official in a conspicuous place in the business establishment at the address shown on the license. A transient or non-resident shall carry the license upon his person or in a vehicle used in the business readily available for inspection by any authorized agent of the County.
- B. A change of address must be reported to the license official within ten (10) days after removal of the business to a new location and the license will be valid at the new address upon written notification by the license official and compliance with zoning and building codes. Failure to obtain the approval of the license official for a change of address shall invalidate the license and subject the licensee to prosecution for doing business without a license. A business license shall not be transferable, and a transfer of controlling interest shall be considered a termination of the old business and the establishment of a new business requiring a new business license, based on old business income.

Section 8-39. Administration of Ordinance. The license official shall administer the provisions of this ordinance, collect business license taxes, issue licenses, make or initiate investigations and audits to ensure compliance, initiate denial or suspension and revocation procedures, report violations to the county attorney, assist in prosecution of violators, produce forms, undertake reasonable procedures relating to the administration of this ordinance, and perform such other duties as may be duly assigned. Nothing herein shall be deemed to prohibit the County from entering into such contractual arrangements, as may be allowed by law, with outside entities for any or all of the administrative functions of the license official, who, in such instances, will supervise the activities of the contracting entity(ies).

Section 8-40. Inspection and Audits.

- A. For the purpose of enforcing the provisions of this ordinance, the license official or other authorized agent of the County is empowered to enter upon the premises of any person subject to this ordinance to make inspections and to examine and audit books and records. It shall be unlawful for any such person to fail or refuse to make available the necessary books and records. In the event an audit or inspection reveals that the licensee has filed false information, the costs of the audit shall be added to the correct business license tax and late penalties in addition to other penalties provided herein. Each day of failure to pay the proper amount of business license tax shall constitute a separate offense.
- B. The license official shall have the authority to make inspections and conduct audits of businesses to ensure compliance with the ordinance. Financial information obtained by inspections and audits shall not be deemed public records, and the license official shall not release the amount of business license taxes paid or the reported gross income of any person by name without written permission of the licensee, except as authorized by this ordinance, state or federal law, or proper judicial order. Statistics compiled by classifications are public records.

Section 8-41. Assessments, Payment under Protest, Appeal.

- A. Assessments, payments under protest, and appeals of assessment shall be allowed and conducted by the County pursuant to the provisions of S.C. Code § 6-1-410, as amended. In preparing an assessment, the license official may examine such records of the business or any other available records as may be appropriate and conduct such investigations and statistical surveys as the license official may deem appropriate to assess a business license tax and penalties as provided herein.
- B. The license official shall establish a uniform local procedure consistent with S.C. Code § 6-1-410 for hearing an application for adjustment of assessment and issuing a notice of final assessment.

Section 8-42. Delinquent License Taxes, Partial Payment.

- A. For non-payment of all or any part of the correct business license tax, the license official shall impose and collect a late penalty of five (5%) percent of the unpaid tax for each month or portion thereof after the due date until paid. Penalties shall not be waived. If any business license tax remains unpaid for sixty (60) days after its due date, the license official shall report it to the county attorney for appropriate legal action.
- B. Partial payment may be accepted by the license official to toll imposition of penalties on the portion paid; *provided*, however, no business license shall be issued or renewed until the full amount of the tax due, with penalties, has been paid.

Section 8-43. Notices. The license official may, but shall not be required to, mail written notices that business license taxes are due. If notices are not mailed, there shall be published a notice of the due date in a newspaper of general circulation within the County three (3) times prior to the

due date in each year. Failure to receive notice shall not constitute a defense to prosecution for failure to pay the tax due or grounds for waiver of penalties.

Section 8-44. Denial of License. The license official may deny a license to an applicant when the license official determines:

- A. The application is incomplete or contains a misrepresentation, false or misleading statement, or evasion or suppression of a material fact;
- B. The activity for which a license is sought is unlawful or constitutes a public nuisance *per se* or *per accident*;
- C. The applicant, licensee, prior licensee, or the person in control of the business has been convicted within the previous ten years of an offense under a law or ordinance regulating business, a crime involving dishonest conduct or moral turpitude related to a business or a subject of a business, or an unlawful sale of merchandise or prohibited goods;
- D. The applicant, licensee, prior licensee, or the person in control of the business has engaged in an unlawful activity or nuisance related to the business or to a similar business in the County or in another jurisdiction;
- E. The applicant, licensee, prior licensee, or the person in control of the business is delinquent in the payment to the County of any tax or fee;
- F. A licensee has actual knowledge or notice, or based on the circumstances reasonably should have knowledge or notice, that any person or employee of the licensee has committed a crime of moral turpitude on the business premises, or has permitted any person or employee of the licensee to engage in the unlawful sale of merchandise or prohibited goods on the business premises and has not taken remedial measures necessary to correct such activity; or
- G. The license for the business or for a similar business of the licensee in the County or another jurisdiction has been denied, suspended, or revoked in the previous license year.

A decision of the license official shall be subject to appeal as herein provided. Denial shall be written with reasons stated.

Section 8.45. Suspension or Revocation of License. When the license official determines:

- A. A license has been mistakenly or improperly issued or issued contrary to law;
- B. A licensee has breached any condition upon which the license was issued or has failed to comply with the provisions of this ordinance;
- C. A licensee has obtained a license through a fraud, misrepresentation, a false or misleading statement, or evasion or suppression of a material fact in the license application;
- D. A licensee has been convicted within the previous ten years of an offense under a law or ordinance regulating business, a crime involving dishonest conduct or moral turpitude related to a business or a subject of a business, or an unlawful sale of merchandise or prohibited goods;
- E. A licensee has engaged in an unlawful activity or nuisance related to the business; or

F. A licensee is delinquent in the payment to the County of any tax or fee.

\The license official may give written notice to the licensee or the person in control of the business within the County by personal service or mail that the license is suspended pending a single hearing before Council or its designee for the purpose of determining whether the suspension should be upheld and the license should be revoked.

The written notice of suspension and proposed revocation shall state the time and place at which the hearing is to be held, and shall contain a brief statement of the reasons for the suspension and proposed revocation and a copy of the applicable provisions of this ordinance.

Section 8-46. Appeals to Council or its Designee.

A. Except with respect to appeals of assessments under Section 11 hereof, which are governed by S.C. Code § 6-1-410, any person aggrieved by a determination, denial, or suspension and proposed revocation of a business license by the license official may appeal the decision to the Council or its designee by written request stating the reasons for appeal, filed with the license official within ten (10) days after service by mail or personal service of the notice of determination, denial, or suspension and proposed revocation.

B. A hearing on an appeal from a license denial or other determination of the license official and a hearing on a suspension and proposed revocation shall be held by the Council or its designee within ten (10) business days after receipt of a request for appeal or service of a notice of suspension and proposed revocation. The hearing shall be held upon written notice at a regular or special meeting of the Council, or, if by designee of the Council, at a hearing to be scheduled by the designee. The hearing may be continued to another date by agreement of all parties. At the hearing, all parties shall have the right to be represented by counsel, to present testimony and evidence, and to cross-examine witnesses. The proceedings shall be recorded and transcribed at the expense of the party so requesting. The rules of evidence and procedure prescribed by Council, or its designee shall govern the hearing. Following the hearing, the Council by majority vote of its members present, or the designee of Council if the hearing is held by the designee, shall render a written decision based on findings of fact and conclusions on application of the standards herein. The written decision shall be served, by personal service or by mail, upon all parties or their representatives and shall constitute the final decision of the County.

C. Timely appeal of a decision of Council or its designee does not effectuate a stay of that decision. The decision of the Council or its designee shall be binding and enforceable unless overturned by an applicable appellate court after a due and timely appeal.

Section 8-47. Consent, franchise, or license required for use of streets.

A. It shall be unlawful for any person to construct, install, maintain, or operate in, on, above, or under any street or public place under control of the County any line, pipe, cable, pole, structure, or facility for utilities, communications, cablevision, or other purposes without

a consent agreement or franchise agreement issued by the Council by ordinance that prescribes the term, fees, and conditions for use.

- B. The annual fee for use of streets or public places authorized by a consent agreement or franchise agreement shall be set by the ordinance approving the agreement and shall be consistent with limits set by state law. Existing franchise agreements shall continue in effect until expiration dates in the agreements. Franchise and consent fees shall not be in lieu of or be credited against business license taxes unless specifically provided by the franchise or consent agreement.

Section 8-48. Confidentiality. Except in accordance with proper judicial order or as otherwise provided by law, no official or employee of the County may divulge or make known in any manner the amount of income, or any financial particulars set forth or disclosed in any report or return required under this ordinance. Nothing in this section shall be construed to prohibit the publication of statistics so classified as to prevent the identification of particular reports or returns. Any license data may be shared with other public officials or employees in the performance of their duties, whether or not those duties relate to enforcement of this ordinance.

Section 8-49. Violations. Any person violating any provision of this ordinance shall be deemed guilty of an offense and shall be subject to a fine of up to \$500.00 or imprisonment for not more than thirty (30) days or both, upon conviction. Each day of violation shall be considered a separate offense. Punishment for violation shall not relieve the offender of liability for delinquent taxes, penalties, and costs provided for in this ordinance.

Section 8-50. Severability. A determination that any portion of this ordinance is invalid or unenforceable shall not affect the remaining portions. To the extent of any conflict between the provisions of this ordinance and the provisions of the South Carolina Business License Tax Standardization Act, as codified at S.C. Code §§ 6-1-400 *et seq.*, the standardization act shall control.

Section 8-51. Classification and Rates.

- A. The business license tax for each class of businesses subject to this ordinance shall be computed in accordance with the current business license rate schedule, designated as Appendix A to this ordinance, which may be amended from time to time by the Council.
- B. The current business license class schedule is attached hereto as Appendix B. Hereafter, no later than December 31 of each odd year, the County shall adopt, by ordinance, the latest standardized business license class schedule as recommended by the Municipal Association of South Carolina and adopted by the Director of the South Carolina Revenue and Fiscal Affairs Office. Upon adoption by the County, the revised business license class schedule shall then be appended to this ordinance as a replacement Appendix B.
- C. The classifications included in each rate class are listed with NAICS codes, by sector, sub-sector, group, or industry. The business license class schedule (Appendix B) is a tool for classification and not a limitation on businesses subject to a business license tax. The classification in the most recent version of the business license class schedule adopted by the Council that most specifically identifies the subject business shall be applied to the

business. The license official shall have the authority to make the determination of the classification most specifically applicable to a subject business.

- D. A copy of the class schedule and rate schedule shall be filed in the office of the County Clerk to Council.

APPENDIX A: BUSINESS LICENSE RATE SCHEDULE

RATE CLASS	INCOME: \$0 - \$2,000	INCOME OVER \$2,000
	BASE RATE	RATE PER \$1,000 OR FRACTION THEREOF
1	\$20.00	\$0.50
2	\$25.00	\$0.60
3	\$30.00	\$0.70
4	\$35.00	\$0.80
5	\$40.00	\$0.90
6	\$45.00	\$1.00
7	\$50.00	\$1.10
8.1	\$50.00	\$0.60
8.2	Set by state statute	
8.3	MASC Telecommunications	
8.4	MASC Insurance	
8.51	\$12.50 + \$12.50 per machine	
8.52	\$12.50 + \$180.00 per machine	
8.6	\$50.00	\$0.55
	plus \$5.00 -OR- \$12.50 per table based on size pursuant to § 12-21-2746	
9.30	\$50.00	\$0.75
9.41	\$100.00	\$0.1.00
9.70	\$200.00	\$0.2.00
9.91	\$500.00	\$2.00

NON-RESIDENT RATES

Unless otherwise specifically provided, all taxes and rates shall be doubled for nonresidents and itinerants having no fixed principal place of business within the County.

DECLINING RATES

Declining Rates apply in all Classes for gross income in excess of \$1,000,000, unless otherwise specifically provided for in this ordinance.

<u>Gross Income in \$ Millions of</u>	<u>Percent of Class Rate for each additional \$1,000</u>
0 - 7	100%
7 - 10	50% for this increment
10 – 20	35% for this increment
20 – 50	15% for this increment
OVER 50	10% for this increment

CLASS 8 and CLASS 9 RATES

Each NAICS number designates a separate subclassification. The businesses in this section are treated as separate and individual subclasses due to provisions of state law, regulatory requirements, service burdens, tax equalization considerations, and other factors that are deemed sufficient to require individually determined rates. In accordance with state law, the County also may provide for reasonable subclassifications for rates, described by an NAICS sector, subsector, or industry, that are based on particularized considerations as needed for economic stimulus or for the enhanced or disproportionate demands on county services or infrastructure.

Non-resident rates do not apply except where indicated.

8.1 NAICS 230000 – Contractors, Construction, All Types [Non-resident rates apply].

Resident rates, for contractors having a permanent place of business within the County:

Minimum on first \$2,000	\$ 50.00 PLUS
Each additional 1,000.....	\$ 0.60

Non-resident rates apply to contractors that do not have a permanent place of business within the County. A trailer at the construction site or structure in which the contractor temporarily resides is not a permanent place of business under this ordinance.

No contractor shall be issued a business license until all state and county qualification examination and trade license requirements have been met. Each contractor shall post a sign in plain view on each job identifying the contractor with the job.

Sub-contractors shall be licensed on the same basis as general or prime contractors for the same job. No deductions shall be made by a general or prime contractor for value of work performed by a sub-contractor.

No contractor shall be issued a business license until all performance and indemnity bonds required by the Building Code have been filed and approved. Zoning permits must be obtained when required by the Zoning Ordinance.

Each prime contractor shall file with the License Official a list of sub-contractors furnishing labor or materials for each project.

For licenses issued on a per-job basis, the total tax for the full amount of the contract shall be paid prior to commencement of work and shall entitle the contractor to complete the job without regard to the normal license expiration date. An amended report shall be filed for each new job and the appropriate additional license fee per \$1,000 of the contract amount shall be paid prior to commencement of new work. Only one base tax shall be paid in a license year. Licensees holding a per-job license shall file, by each April 30 during the continuation of the construction project, a statement of compliance, including but not limited to a revised estimate of the value of the contract. If any revised estimate of the final value of such project exceeds the amount for

which the business license was issued, the licensee shall be required to pay a license fee at the then-prevailing rate on the excess amount.

8.2 NAICS 482 – Railroad Companies (See S.C. Code § 12-23-210).

8.3 NAICS 517111, 517112, 517222 – Telephone Companies. With respect to “retail telecommunications services” as defined in S. C. Code 58-9-2200, the County participates in a collections program administered by the Municipal Association of South Carolina. The County has approved participation in the collections program by separate ordinance (the “Telecommunications Collections Ordinance”.) The rates, terms, conditions, dates penalties, appeals process, and other details of the business license applicable to retail telecommunications services are set forth in the Telecommunications Collections Ordinance.

8.4 NAICS 5241 – Insurance Companies. Independent agents, brokers, and their employees are subject to a business license tax based on their natural class. With respect to insurers subject to license fees and taxes under Chapter 7 of Title 38 and to brokers under Chapter 45 of Title 38, the County participates in a collections program administered by the Municipal Association of South Carolina. The County has approved participation in the collections program by separate ordinance (the “Insurers and Brokers Collections Ordinance”.) The rates, terms, conditions, dates, penalties, appeals process, and other details of the business license applicable to insurers and brokers are set forth in the Insurers and Brokers Collections Ordinance.

8.51 NAICS 713120 – Amusement Machines, coin operated (except gambling). Music machines, juke boxes, kiddie rides, video games, pin tables with levers, and other amusement machines with or without free play feature licensed by SC Department of Revenue pursuant to S.C. Code §12-21-2720(A)(1) and (A)(2) **[Type I and Type II]**.

For operation of all machines (not on gross income), pursuant to S.C. Code §12-21-2746:

Per Machine \$12.50 PLUS
Business license \$12.50

Distributors that sell or lease machines and are not licensed by the state as an operator pursuant to §12-21-2728 are not subject to Subclass 8.51.

8.52 NAICS 713290 – Amusement Machines, coin operated, non-payout. Amusement machines of the non-payout type or in-line pin game licensed by SC Department of Revenue pursuant to S.C. Code §12-21-2720(A)(3) **[Type III]**.

For operation of all machines (not on gross income), pursuant to S.C. Code §12-21-2720(C):

Per Machine \$180.00 PLUS
Business license \$12.50

Distributors that sell or lease machines and are not licensed by the state as an operator pursuant to §12-21-2728 are not subject to Subclass 8.52.

8.6 NAICS 713990 – Billiard or Tables. A business that offers the use of billiard or pool tables shall be subject to business license taxation under its natural class for all gross income of the business excluding the gross income attributable to the billiard or pool tables. In addition, the billiard or pool tables shall require their own separate business licenses pursuant to SC Code § 12-21-2746 and shall be subject to a license tax of \$5.00 per table measuring less than 3½ feet wide and 7 feet long, and \$12.50 per table longer than that.”

9.3 NAICS 4411, 4412 – Automotive, Motor Vehicles, Boats, Farm Machinery or Retail.

(except auto supply stores - see 4413)

Minimum on first \$2,000 \$50.00 PLUS
 Per \$1,000, or fraction, over \$2,000..... \$0.75

One sales lot not more than 400 feet from the main showroom may be operated under this license provided that proceeds from sales at the lot are included in gross receipts at the main office when both are operated under the same name and ownership.

Gross receipts for this classification shall include value of trade-ins. Dealer transfers or internal repairs on resale items shall not be included in gross income.

9.7 NAICS 722410 – Drinking Places, bars, lounges, cabarets (Alcoholic beverages consumed on premises).

Minimum on first \$2,000 \$200.00 PLUS
 Per \$1,000, or fraction, over \$2,000..... \$2.00

A license must be issued in the name of the individual who has been issued a State alcohol, beer or wine permit or license and will have actual control and management of the business.

9.91 NAICS 7115 – Adult Exotic Dancers, other Sexually Oriented Businesses.

Minimum on first \$2,000 \$500.00 PLUS
 Per \$1,000, or fraction, over \$2,000..... \$2.00

APPENDIX B

Classes 1 – 8: Business License Class Schedule by NAICS Codes

NAICS Sector/Subsector	Industry Sector	Class
11	Agriculture, forestry, hunting and fishing	1
21	Mining	2
22	Utilities	1
31 - 33	Manufacturing	3
42	Wholesale trade	1
44 - 45	Retail trade	1
48 - 49	Transportation and warehousing	1
51	Information	4
52	Finance and insurance	7
53	Real estate and rental and leasing	7
54	Professional, scientific, and technical services	5
55	Management of companies	7
56	Administrative and support and waste management and remediation services	3
61	Educational services	3
62	Health care and social assistance	4
71	Arts, entertainment, and recreation	3
721	Accommodation	1
722	Food services and drinking places	2
81	Other services	4

Class 8	Subclasses	
23	Construction	8.1
482	Rail Transportation	8.2
517111	Wired Telecommunications Carriers	8.3
517112	Wireless Telecommunications Carriers (except Satellite)	8.3
517122	Agents for Wireless Telecommunications Services	8.3
5241	Insurance Carriers	8.4
5242	Insurance Brokers for non-admitted Insurance Carriers	8.4
713120	Amusement Parks and Arcades	8.51
713290	Non-payout Amusement Machines	8.52
713990	All Other Amusement and Recreational Industries (pool tables)	8.6
Class 9	Subclasses	
4411	Automobile Dealers	9.30
4412	Other Motor Vehicle Dealers	9.30
722410	Drinking Places (Alcoholic Beverages)	9.70
7115	Adult Exotic Dancers, other Sexually Oriented Businesses	9.91

2023 Class Schedule is based on a three-year average (2017 - 2019) of IRS statistical data.

AGENDA

ITEM # 15

STATE OF SOUTH CAROLINA
COUNTY COUNCIL FOR JASPER COUNTY
ORDINANCE NO. _____

**AUTHORIZING AND APPROVING A LOAN FROM THE SOUTH CAROLINA
TRANSPORTATION INFRASTRUCTURE BANK; AN
INTERGOVERNMENTAL AGREEMENT AMONG JASPER COUNTY, SOUTH
CAROLINA, THE CITY OF HARDEEVILLE, SOUTH CAROLINA AND THE
SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE BANK; AND
OTHER RELATED MATTERS.**

WHEREAS, the South Carolina Transportation Infrastructure Bank (“*Bank*”) was created for the purpose, among others, of selecting and assisting in financing major transportation projects by providing Financial Assistance to government units for constructing and improving highway facilities necessary for public purposes, including economic development, as is more fully set forth in the South Carolina Transportation Infrastructure Bank Act, codified at Section 11-43-110, *et seq* of the Code of Laws of South Carolina 1976, as amended (“*SCTIB Act*”);

WHEREAS, pursuant to the SCTIB Act, the Bank has all power necessary, useful, and appropriate to provide grants, loans and other Financial Assistance in a manner as the Bank determines advisable;

WHEREAS, by an application submitted to the Bank on or about August 28, 2019, as amended and supplemented from time to time (“*Application*”), Jasper County, South Carolina (“*County*”) and the City Of Hardeeville, South Carolina (“*City*,” and together with the County, “*Project Sponsors*”) requested a loan from the Bank in the principal amount not to exceed \$28,095,903 (“*Loan*”) as evidenced by a Loan Agreement by and among the Bank and the Project Sponsors, the form of which is attached here as **Exhibit A** (“*Loan Agreement*”) provided that amounts drawn under the Loan shall not exceed \$18,240,000 without the approval of the Project Sponsors;

WHEREAS, the Application also requested a grant from the Bank in an amount not to exceed \$28,095,903 (“*Grant*,” and together with the Loan, “*Financial Assistance*”) as provided for in an intergovernmental agreement between the Bank and the Project Sponsors, the form of which is attached here as **Exhibit B** (“*IGA*,” and together with the Loan Agreement, “*Financing Documents*”);

WHEREAS, the Financial Assistance will be used for (i) the construction of a new interchange on I-95 near mile marker 3, including related drainage and storm water infrastructure (“*Exit #3 Proper Project*”) and (ii) the construction of certain improvements to an approximately 1.5 mile segment of Purrysburg Road, which is sometimes referred to as Riverport Parkway North, lying north of I-95 that will intersect with the Exit #3 Proper Project (“*Parkway North Project*,” and together with the Exit #3 Proper Project, “*Projects*”);

WHEREAS, the City will create a redevelopment project area pursuant to Title 31, Chapter 6 of the Code of Laws of South Carolina, 1976, as amended (“*TIF Act*”) for the redevelopment of approximately 1,608.30 acres located within the City (“*TIF District*”) and a municipal improvement district pursuant to Title 5, Chapter 37 of the Code of Laws of South Carolina 1976, as amended (“*MID Act*”) for the improvement of the same property included in the TIF District (“*MID District*”);

WHEREAS, the Loan was conditioned on a contribution from the County in the amount of \$13,500,000 (“*County Contribution*”) from which \$10,100,000 will partially fund construction of the Parkway North Project and \$3,400,000 will, on behalf of the South Carolina Department of Transportation, offset all or a portion of the cost of preliminary engineering work for the Exit #3 Proper Project.

WHEREAS, the Loan will be secured by and payable from the following and in the following order of priority: (i) first, 35% of the property tax revenues generated in the TIF District in excess of the property tax revenues attributable to the initial equalized assessed value (as defined in the TIF Act) (“**TIF Revenues**”), (ii) second, in the event of a shortfall of the TIF revenues, from draws on the debt service reserve fund established under the Loan Agreement and funded by, SLF III – Hardeeville, LLC, a Texas limited liability company (“**Developer**”) and (iii) third, revenues from municipal assessments to be levied and collected in any given year by the City to replenish the debt service reserve fund created in the Loan Agreement as provided for in the MID Act.

WHEREAS, the IGA obligates the Project Sponsors to pay cost overruns on the Projects, but provides for the negotiation of an alternate sharing of such obligation;

WHEREAS, the Developer has previously agreed to reimburse the County for any liability occurred under the Financing Documents beyond the County Contribution pursuant to a participation agreement dated October 7, 2022, between the Developer and the County (“**Participation Agreement**”); and

WHEREAS, the Developer’s obligations under the Participation Agreement are secured by a first priority mortgage recorded in the office of the Jasper County Register of Deeds at Book 1111, Page 742.

NOW, THEREFORE, BE IT ORDAINED by the County Council of Jasper County (“**County Council**”) as follows:

Section 1. County Council determines that the execution of the Financing Documents and the transactions contemplated therein are proper governmental and public purposes and are anticipated to benefit the general public welfare of the County.

Section 2. County Council approves the form of the Loan Agreement and the transactions contemplated therein and authorizes the County Administrator and Chairman of County Council to negotiate execute and deliver the Loan Agreement, the final form, terms and provisions of which shall be approved by the County Administrator and Chairman of County Council, following receipt of advice from counsel to the County, with the execution of the Loan Agreement by the County Council Chair or the County Administrator to constitute conclusive evidence of the final approval thereof.

Section 3. County Council approves the form of the IGA and the transactions contemplated therein and authorizes the County Administrator and Chairman of County Council to negotiate execute and deliver the IGA, the final form, terms and provisions of which shall be approved by the County Administrator and Chairman of County Council, following receipt of advice from counsel to the County, with the execution of the IGA by the County Council Chair or the County Administrator to constitute conclusive evidence of the final approval thereof.

Section 4. County Council authorizes the County Administrator and the Chairman of County Council, following receipt of advice from counsel to the County, to take such further acts and negotiate, approve and execute whatever further instruments on behalf of the County as deemed necessary, desirable or appropriate to effect the transactions described in this Ordinance.

Section 5. This Ordinance is effective after its third and final reading by the County Council.

Done in a meeting duly assembled this 6th day of November, 2023.

JASPER COUNTY, SOUTH CAROLINA

By: _____
Martin L. Sauls, IV, Chairman, County Council
Jasper County, South Carolina

[SEAL]

Attest:

By: _____
Wanda Simmons, Clerk to County Council
Jasper County, South Carolina

First Reading:
Second Reading:
Public Hearing:
Third Reading:

Reviewed for form and draftsmanship by Jasper County Attorney

David L. Tedder Date

EXHIBIT A
LOAN AGREEMENT

LOAN AGREEMENT
FOR I-95 EXIT #3 PROJECT
IN JASPER COUNTY, SOUTH CAROLINA

BY AND AMONG

THE CITY OF HARDEEVILLE, SOUTH CAROLINA
and
JASPER COUNTY, SOUTH CAROLINA

and

THE SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE BANK

DATED AS OF [_____, 2023]

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LOAN AGREEMENT
FOR I-95 EXIT #3 PROJECT
IN JASPER COUNTY, SOUTH CAROLINA

This Loan Agreement is made and entered into as of _____, 2023 by and among **JASPER COUNTY, SOUTH CAROLINA** (the “County”) and the **CITY OF HARDEEVILLE, SOUTH CAROLINA** (the “City”), bodies politic and corporate and political subdivisions of the State of South Carolina (together, the “Project Sponsors”), and the **SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE BANK**, a body corporate and politic and an instrumentality of the State of South Carolina (the “Bank”), which shall be collectively referred to herein as the “Parties,” or individually as “Party” concerning the construction of the “Projects” (as defined herein) and in the Application (as defined herein) for Financial Assistance (as defined herein) submitted to the Bank, and this Loan Agreement is hereinafter referred to as the “Loan Agreement”.

WITNESSETH

WHEREAS, the Bank was created for the purpose, among others, of selecting and assisting in financing major transportation projects by providing Financial Assistance to government units for constructing and improving highway facilities necessary for public purposes, including economic development, as is more fully set forth in the SCTIB Act (defined herein);

WHEREAS, pursuant to the SCTIB Act, the Bank has all power necessary, useful, and appropriate to provide grants, loans and other Financial Assistance in a manner as the Bank Board (as defined herein) determines advisable; routinely provides such Financial Assistance; and solicited applications for Financial Assistance pursuant to the authority granted in the SCTIB Act;

WHEREAS, by an Application submitted to the Bank on or about August 28, 2019, as supplemented by other submissions to the Bank, the Project Sponsors requested Financial Assistance for the Projects;

WHEREAS, at a meeting on July 6, 2020, the Bank’s Evaluation Committee reviewed applications for Financial Assistance and made recommendations to the Bank Board concerning those applications, which included the Projects;

WHEREAS, at a meeting on July 7, 2020, the Bank Board reviewed and considered its available funding capacity, the project applications for funding, and the Evaluation Committee’s recommendations, including the recommendation on the Projects;

WHEREAS, at the meeting on July 7, 2020, the Bank Board determined that the Projects were eligible and qualified for funding and resolved to provide funding to the Projects subject to certain conditions specified in the Resolution approved by the Bank Board or contained within the Bank’s Operating Guidelines, Procedures and Standard Conditions for Financial Assistance;

WHEREAS, the SCDOT Commission reviewed and approved the Financial Assistance to be provided to the Projects by the Bank at its meeting on July 16, 2020;

WHEREAS, the Joint Bond Review Committee of the General Assembly reviewed and approved the Financial Assistance to be provided to the Projects by the Bank at its meeting on August 11, 2020; and

WHEREAS, the Parties now desire to set forth the respective responsibilities of the parties for the Projects, including the funding of the Projects;

NOW, THEREFORE, in consideration of the mutual benefits, promises and obligations set forth herein, the sufficiency of which are hereby acknowledged and accepted by each party hereto, the Parties hereby agree as follows:

ARTICLE I DEFINITIONS

Section 1.1 Definitions.

For purpose of this Loan Agreement, unless the context otherwise requires, the following terms shall have the following meanings:

“Account” means the account of the Bank maintained by the South Carolina State Treasurer into which is deposited monies to fund Disbursements for Eligible Costs of the Projects as requested by the Bank.

“Act” or “SCTIB Act” means the South Carolina Transportation Infrastructure Bank Act, which is codified as South Carolina Code Annotated §§ 11-43-110, *et seq.*, as amended.

“Application” means the final Application for Financial Assistance submitted by the Project Sponsors to the Bank on August 28, 2019, as supplemented by other materials submitted by the Project Sponsors to the Bank prior to and after the date of the Application up to the date of this Loan Agreement that were accepted and approved by the Bank.

“Assessments” means Assessments as defined in the Assessment Roll.

“Assessment Roll” means that certain Assessment Roll for the Exit #3 Municipal Improvement District established by ordinance enacted by the City on _____, 2023.

Assessment Year means Assessment Year as defined in the Assessment Roll.

“Bank Board” means the governing body of the Bank.

“Budget” means the budget established by the Bank for the Exit #3 Proper Project.

“Carry-over Amount” means the excess, if any, of (a) the amount of interest on the Draw down Note that would have accrued with respect to the related six month interest period at the rate of 3.5% per annum; over (b) the amount of interest actually paid from the Pledged TIF Revenues, together with the unpaid portion of any such excess interest from prior interest periods as more fully described in Section 3.3(F) and (H) of this Loan Agreement.

“Contract” means any contracts entered into by or on behalf of SCDOT with any other person or firm for engineering, design, construction, materials or similar purposes for the Exit #3 Proper Project.

“Debt Service Reserve Fund” means the segregated fund established with the State Treasurer of South Carolina, as bond trustee of the Bank, to prevent a default in the required payments of principal and interest on the Draw-down Note.

“Debt Service Reserve Fund Requirement” means the cash deposit made by the Owner in a segregated account with the State Treasurer of South Carolina, as trustee of the Bank, prior to the first disbursement of Grant proceeds in the amount of the maximum annual debt service on the Loan, initially assumed to be \$[3,531,640] based upon a loan in the nominal amount of \$18,240,000 (which such Debt Service Reserve Fund Requirement is subject to an upward adjustment in the event the principal on the Loan exceeds said amount).

“Determination Date” means Determination Date as defined in the Assessment Roll.

“Development Agreement” means that certain Second Amendment to and Partial Restatement of Development Agreement dated of even date herewith between the Owner and the City, as amended or modified from time to time, together with all exhibits, supplements and schedules relating thereto.

“Disbursements” means the transfer or payment of monies to the SCDOT for Eligible Costs of construction of the Exit #3 Proper Project or for the payment of draw requests approved by Bank for Eligible Costs of construction of the Exit #3 Proper Project incurred pursuant to a Contract.

“Draw-down Note” means the promissory note issued by the Project Sponsors to evidence the Loan authorized by this Loan Agreement, all as more fully described in Section 3.3 hereof a form of which is attached here to as Exhibit A.

“Eligible Cost(s)” has the same meaning as set forth in S.C. Code Ann. § 11-43-130(5) as applied to qualified projects to be funded from the state highway account of the Bank, but is limited on the Exit #3 Proper Project to Eligible Costs related to construction of the Exit #3 Proper Project. For purposes of clarification, Eligible Costs under this Loan Agreement related to construction include the costs of construction engineering and inspections (CE&I) and those deemed eligible costs for construction by the Federal Highway Administration. Eligible Costs for purposes of this Loan Agreement do not include any costs incurred by the Owner with respect to the USACOE 404 wetland permit.

“Exit #3 Proper Project” means, for the purposes of this Loan Agreement, the construction of a new interchange on I-95 near mile marker 3, including related drainage and storm water infrastructure, all as further described in the Application, as updated and revised to date, and the scope of work for construction set forth in the Application.

“Event of Default” means the breach by the Project Sponsors of a provision or obligation in this Loan Agreement set forth in Section 7.1 hereof.

“Financial Assistance” means a Loan in the principal amount not to exceed \$28,095,903 for the Exit #3 Proper Project only as provided in this Loan Agreement as approved by the Bank and a Grant for both Projects in an amount not to exceed \$28,095,903 as approved by the Bank as provided in the IGA.

“Grant” means the grant from the Bank not to exceed \$28,095,903 approved by the Bank Board for funding through draw requests the construction by SCDOT of the Exit #3 Proper Project and funding for a portion of the construction by the Project Sponsors of the Parkway North Project.

“IGA” means the Intergovernmental Agreement between the Bank and the Project Sponsors dated as of _____, 2023 related to the Projects.

“Interest Payment Date” means each April 1 and October 1, commencing on the earlier of April 1 or October 1 after the first draw on the Draw-down Note.

“Loan” means the loan authorized by this Loan Agreement for funding the Exit #3 Proper Project, in an amount not exceeding \$28,095,903, as more fully described herein.

“Local Government Match” means the contribution by the County in the amount of \$13,500,000, which shall be deposited in a segregated account with the State Treasurer of South Carolina, as bond trustee of the Bank and drawn down by the Bank as directed by written instrument submitted by the Bank to the State Treasurer for approved costs of the Projects as set forth in the IGA.

“MID Act” means the Municipal Improvements Act of 1999, codified as Title 5, Chapter 37 of the Code of Laws of South Carolina 1976, as amended and as authorized by the MID Act.

“MID Revenues” means all of the special assessment revenues required to be levied and collected in any given year, as provided for in the Assessment Roll, as described further in Section 3.3 hereof.

“Owner” has the meaning assigned to such term in the Development Agreement. The initial Owner is SLF III – Hardeeville, LLC, a Texas limited liability company, and any successors and assigns as Owner under the Development Agreement; provided any such successor or assign must assume all liabilities and obligations of the Owner under the Development Agreement with respect to the Owner Contribution.

“Owner Contribution” means the contribution by the Owner (i) in the amount of \$3,100,000, which shall be deposited in a segregated account with the State Treasurer of South Carolina, as bond trustee of the Bank and drawn down by the Bank as directed by written instrument submitted by the Bank to the State Treasurer from the Account for approved costs of the Parkway North Project, (ii) in an amount necessary to fully fund the Debt Service Reserve Fund as provided in Section 3.3(C) hereof, (iii) in the amount necessary to complete the Parkway North Project as described in the IGA to the extent those costs exceed the other sources of funding for the Parkway North Project as set forth in this Loan Agreement or the IGA, (iv) in an amount necessary to complete the Parkway South Project as set forth in the IGA, and (v) in an amount necessary to complete the Exit #3 Proper Project to the extent those costs exceed the sources of funding for the Exit #3 Proper Project as set forth in the Development Agreement. It also includes \$500,000 the Owner must deposit into an escrow account for the benefit of the Project Sponsors to cover costs of the Parkway North Project in excess of the other sources of funding as set forth in this Loan Agreement or the IGA.

“Parkway North Project” means the construction by the Project Sponsors of certain improvements to an approximately 1.5 mile segment of Purrysburg Road, which is sometimes referred to as Riverport Parkway North, lying north of I-95 that will intersect with the Exit #3 Proper Project, as further described in the Application, that meets SCDOT’s standards, specifications and requirements and does not impair or delay the completion of the Exit #3 Proper Project.

“Parkway South Project” means the construction of an approximately four (4) mile segment of Purrysburg Road, which is sometimes referred to as Riverport Parkway South, lying south of I-95 that will intersect with the Exit #3 Proper Project, as described in the Application, that meets the SCDOT’s and the City’s standards, specifications and requirements and does not impair or delay the completion of the Exit #3 Proper Project, and the costs of which will be paid by the Owner.

“Participation Agreement” means the Participation Agreement between the City, the County and the Owner dated _____, 2023, as amended or modified from time to time.

“Pledged TIF Revenues” means 35% of the gross incremental tax revenues, pledged to pay debt service on the Loan, as provided in Section 3.3 hereof and as authorized by the TIF Act and the Redevelopment Plan Exit #3 Redevelopment Project Area, City of Hardeeville, South Carolina, dated _____, 2023.

“Principal Payment Date” means each October 1, commencing with the first October 1 that is five years after the first draw on the Draw-down Note.

“Projects” means the construction of the Exit #3 Proper Project and construction of certain improvements for the Parkway North Project. The term “Project” refers to either one of those two Projects as appropriate for the context of the provision in which the term is used.

“SCDOT” means the South Carolina Department of Transportation.

“TIF Act” means Title 31, Chapter 6 of the Code of Laws of South Carolina 1976, as amended.

“TIF Year” means the 12-month period commencing on October 2 and ending on the next succeeding October 1.

ARTICLE II TERM OF LOAN AGREEMENT

Section 2.1 Term of Loan Agreement.

This Loan Agreement shall be effective as of **[DATE OF LOAN AGREEMENT]**, and shall terminate, except for specific provisions set forth herein that are expressly stated to survive the termination of this Loan Agreement or in the event of early termination as provided for herein, on the date that the Loan is refinanced from any source other than funds of the Bank or, in the absence of such refinancing, then on the last of the following events occurs: (i) the Bank makes the final Disbursement on the Exit #3 Proper Project; (ii) the final local financial contribution or financial contribution from any source other than the Bank for the Projects is received; (iii) the Bank receives the final payment or reimbursement due it from the Project Sponsors pursuant to the terms and provisions of this Loan Agreement; (iv) the Projects, including all components, are fully open for public traffic and are declared completed by the Bank; or (v) the Draw-down Note has been paid in full.

ARTICLE III
FUNDING COMMITMENTS OF PARTIES

Section 3.1 Funding Commitments of Parties.

A. *Bank.* Subject to the provisions, terms, and conditions in this Loan Agreement, the Bank shall establish a Budget for the Exit #3 Proper Project within the Account. From revenues and funds of the Bank as determined by the Bank in its discretion, the Bank shall deposit into the Account, or credit the Budget, in such increments as it determines, a loan for the Exit #3 Proper Project not to exceed \$28,095,903; provided, however, the principal amount drawn under the Loan shall not exceed \$18,240,000 unless: (i) the Project Sponsors and the Owner consent in writing, (ii) the Bank shall have approved in writing (such approval not to be unreasonably withheld or delayed) the revised amortization schedule and all mechanics related to the Debt Service Reserve Fund and (iii) the Project Sponsors are not in default on the Loan Agreement, Loan or IGA. Pursuant to the IGA, the Bank shall provide a Grant for the Projects not to exceed \$28,095,903, for a total Financial Assistance amount not to exceed \$56,191,806. The Bank shall make Disbursements from the Account, subject to Article 6 of the IGA, to pay for Eligible Costs of the Exit #3 Proper Project incurred by the SCDOT on Contracts. The Bank shall first disburse the Grant proceeds for the Projects and, only once the Grant has been fully exhausted, then provide Disbursements pursuant to the Draw-down Note for the Exit #3 Proper Project; provided, in accordance with the IGA the Excess County Parkway North Deposit Funds (as such term is defined in the IGA), if any, shall be fully exhausted prior to any subsequent disbursement of proceeds from the Loan. This Financial Assistance shall be used only for Eligible Costs for construction of the Projects and shall be paid out through Disbursements from the Account, subject to the provisions of this Loan Agreement and the IGA. Attached hereto as Exhibit B is a document entitled "Detail of Project Cost Allocations" to be used as an aid in summarizing the funding sources for the costs of the Projects as of the date of this Loan Agreement.

In no event at any time shall the Bank be required to increase its Financial Assistance, grants, credits, disbursements, or contributions to the Projects beyond \$56,191,806; to disburse, advance, transfer or pay from its own monies in excess of \$56,191,806 for the Projects; increase its grant to the Projects beyond \$28,095,903; or increase its loan to the Exit #3 Proper Project beyond \$28,095,903.

The eighth paragraph of Section 3.1 of the IGA related to savings or reductions in cost, is incorporated herein by reference.

The ninth paragraph of Section 3.1 of the IGA related to annual appropriations made by the General Assembly, is incorporated herein by reference.

B. *Local Government Match.* Jasper County shall, subject to the appropriation of funds by Jasper County Council and prior to any disbursement of Grant proceeds, deposit \$13,500,000 into a segregated account with the State Treasurer of South Carolina, as bond trustee of the Bank. The Local Government Match shall be drawn down from time to time for approved costs of the Projects in the manner directed in the IGA and any applicable escrow agreement.

C. The Project Sponsors shall provide funding to complete the Parkway North Project if the costs exceed \$13,936,000 and any Project savings from the Parkway North Project or additional funding sources (other than from the Bank) are insufficient to complete said Project. The foregoing notwithstanding, the Bank acknowledges that the City, the County, and the Owner may negotiate among themselves an

alternative basis for providing any needed additional funding for the Parkway North Project in the Development Agreement, the Participation Agreement, or both such documents. Any alternative arrangement shall not affect the Project Sponsors' obligation to the Bank under this Section 3.1(C).

D. *Owner Contributions.* The Owner shall, prior to any disbursement of Grant proceeds (i) deposit \$[3,531,640] into the Debt Service Reserve Fund, (ii) deposit \$3,100,000 into the Account established for the Parkway North Project (iii) deposit \$500,000 into an escrow account for the benefit of the Project Sponsors to cover costs in excess of the funding and contributions for the Parkway North Project as more fully set forth in the IGA and (iv) agree to complete and fully fund the construction of the Parkway South Project.

Section 3.2 Project Sponsors and Owner's Commitments and Obligations.

Section 3.2 of the IGA imposing conditions upon the initial disbursement of financial assistance from the Grant or Loan is incorporated herein by reference.

A. The Project Sponsors will deliver to the Bank written opinions of the Jasper County Attorney or retained counsel and the Hardeeville City Attorney or retained counsel as to the following matters (or as may be otherwise approved by the Bank's counsel):

(i) this Loan Agreement including the Draw-down Note and all documents referenced herein to which the respective Project Sponsor is a party have been duly authorized, executed and delivered by the Project Sponsors and constitute valid and binding obligations of the respective Project Sponsors, enforceable in accordance with their terms, except as such enforcement may be limited by equitable principles and by laws affecting the enforcement of creditors' rights generally, but expresses no opinion on the indemnity provisions in the Loan Agreement; and

(ii) as of the date of the first disbursement, neither of the Project Sponsors is a party to any litigation which, if adversely determined, would (a) impair the right of the Project Sponsors to pursue the construction of the Projects as presently contemplated; or (b) materially adversely affect the ability of the City to receive and collect the Pledged TIF Revenues and the MID Revenues.

Section 3.3 Security for and Payment of the Loan.

A. Once the Grant proceeds, the Local Government Match, the Owner Contributions and, if applicable, Excess County Parkway North Deposit Funds have been fully expended and draws commence on the Draw-down Note (it being acknowledged that Excess County Parkway North Deposit Funds will be exhausted prior to any subsequent draws on the Draw-down Note if such Excess County Parkway North Deposit Funds become available after draws on the Draw-down Note have commenced), have been fully expended and draws commence on the Draw-down Note, debt service on the Draw-down Note will be paid from a pledge of (i) the Pledged TIF Revenues, (ii) in the event of a shortfall of Pledged TIF Revenues, from draws on the Debt Service Reserve Fund, and (iii) the MID Revenues.

B. All of the Pledged TIF Revenues shall be deposited as collected into a special tax allocation fund to be held by the City.

C. The Debt Service Reserve Fund shall be established with the State Treasurer, as bond trustee of the Bank. The Owner shall deposit cash therein in the amount of \$[3,531,640], intended to cover

maximum annual debt service on the Loan in the nominal amount of \$18,240,000, prior to the first disbursement of Grant proceeds; further provided that a loan in excess of said amount if authorized pursuant to Sections 3.1(A) and 3.3(F), shall require an additional cash deposit by the Project Sponsors into the Debt Service Reserve Fund in an amount sufficient to cover the additional maximum annual debt service. Except when the amount on deposit in the Debt Service Reserve Fund is less than the Debt Service Reserve Fund Requirement, all interest earned by the State Treasurer on the Debt Service Reserve Fund, and all other amounts on deposit in excess of the Debt Service Reserve Fund Requirement, shall promptly be remitted, as directed by written instrument submitted by the Bank to the State Treasurer, to the Owner or the Project Sponsors annually once the audited financial statements of the Bank are available during such time as no event of default exists under this Loan Agreement.

If Pledged TIF Revenues available in the **[City of Hardeeville Exit #3 Assessment Fund]** held by the City are less than the Regular Interest Payments due on the April 1st Interest Payment Date, as calculated **[seventeen]** days (or such other day as specified by the City, from time to time, in writing) prior to such April 1st Interest Payment Date, an amount equal to such deficiency shall be withdrawn on such calculation date from the Debt Service Reserve Fund and transferred to an account designed by the State Treasurer in order to pay such Regular Interest Payments. If Pledged TIF Revenues available in the **[City of Hardeeville Exit #3 Assessment Fund]** held by the City are less than the sum of the Regular Interest Payments plus scheduled principal payments due on the October 1st Interest Payment Date, as calculated **[sixty-two]** days (or such other day as specified by the City, from time to time, in writing) prior to such October 1st Interest Payment Date, an amount equal to such deficiency shall be withdrawn on such calculation date from the Debt Service Reserve Fund and transferred to an account designated by the State Treasurer in order to pay such Regular Interest Payments and scheduled principal payments.

D. Assessments that generate the MID Revenues shall be billed and collected on an annual basis in accordance with the Assessment Roll. Assessments that generate the MID Revenues that shall be billed pursuant to the Assessment Roll are as follows:

(i) for any Assessment Year prior to the final maturity date of the Draw-down Note, Assessments that generate the MID Revenues equal to the amount by which the Debt Service Reserve Fund Requirement exceeds the amount on deposit in the Debt Service Reserve Fund on the Determination Date shall be billed; and

(ii) for the Assessment Year for the final maturity date of the Draw-down Note, Assessments that generate the MID Revenues equal to the amount by which the sum of (a) Regular Interest Payments, (b) all principal outstanding on such final maturity date and (c) all remaining Carry-over Amounts due that exceed the sum of (I) the estimated amount of Pledged TIF Revenues expected to be available for debt service in the final year of Draw-down Note, including Pledged TIF Revenues then available, if any, and Pledged TIF Revenues expected to be billed and collected prior to the final maturity date of the Draw-down Note and (II) the amount estimated to be available in the Debt Service Reserve Fund, shall be billed.

Within the calendar year of a withdrawal from the Debt Service Reserve Fund specified in Section 3.3(C) above, Assessments that generate the MID Revenues shall be levied in an amount equal to the amount necessary to replenish the Debt Service Reserve Fund to the Debt Service Reserve Fund Requirement (and the Owner shall have no independent obligation to replenish the Debt Service Reserve Fund to the extent are collected). In the event that principal drawn down on the Draw-down Note exceeds

\$18,240,000, the Project Sponsors shall deposit in the Debt Service Reserve Fund an amount equal to maximum annual debt service on such additional principal drawn, which such amount shall also be subject to the replenishment methodology using Assessments that generate the MID Revenues set forth above.

Additionally, the City will bill and collect Assessments that generate the MID Revenues in accordance with the Assessment Roll for administrative expenses of the Exit #3 Municipal Improvement District. Such Assessments that generate the MID Revenues shall not secure or be utilized to pay debt service on the Loan or to fund the Debt Service Reserve Fund.

The foregoing notwithstanding, the Bank acknowledges that the City, the County, and the Owner may negotiate among themselves an alternative basis for the funding of any additional deposits into the Debt Service Reserve Fund in the Development Agreement, the Participation Agreement, or both such documents. Any alternative arrangement shall not affect the Project Sponsors' obligation to the Bank under this Section 3.3. **[The County expressly acknowledges and agrees that (i) the amount "\$14,800,000" as it appears in Sections 3(d) and 5(e) of the Participation Agreement is hereby amended to read "\$18,240,000", and (ii) Exhibit A to the Participation Agreement is hereby amended to read exactly like Exhibit B to this Loan Agreement.]**

In addition to the foregoing, amounts on deposit in the Debt Service Reserve Fund may be used on the final maturity date of the Draw-down Note to pay any amounts due under the Draw-down Note on such maturity date to the extent of the deficiency in available Pledged TIF Revenues. The requirement to maintain the Debt Service Reserve Fund shall not terminate until all amounts due and payable under the Draw-down Note have been paid in full. All funds on deposit in the Debt Service Reserve Fund shall be remitted to the Owner or Project Sponsors, as the case may be, within 60 days of the date the Draw-down Note is paid in full.

E. Loan Principal shall not exceed \$28,095,903 and is to be drawn and used as permitted only for Eligible Costs of construction for the Exit #3 Proper Project as set forth in this Loan Agreement and the IGA.

F. Principal of the Loan, drawn down from time to time, will bear interest at the rate of 3.5% per annum. The obligation to make interest payments on an Interest Payment Date during the first five years after the date of the first draw on the Draw-down Note will be payable only from Pledged TIF Revenues generated and collected during such years. Interest accruing after the fifth year following the date of the first draw on the Draw-down Note shall be due and payable in full on each Interest Payment Date ("Regular Interest Payments"). On each Interest Payment Date, Regular Interest Payments shall be payable in full. The Carry-over Amounts shall be payable on each Principal Payment Date in an amount equal to the lesser of (i) the amount by which Pledged TIF Revenues on deposit as of the then ended TIF Year exceeds the sum of Regular Interest Payments in such TIF Year plus scheduled principal payments in such TIF Year, and (ii) the then outstanding Carry-over Amounts. Any deferred but unpaid portion of the Carry-over Amounts will be "carried over" to the next TIF Year and similar procedures shall be followed until the final maturity date of the Draw-down Note. All remaining deferred and unpaid Carry-over Amounts shall be payable in full at the final maturity date of the Draw-down Note together with all remaining principal and any Regular Interest Payments. Failure to pay Carry-over Amounts to the extent that there are no Pledged TIF Revenues available to pay such Carry-over Amounts will not constitute an Event of Default under this Loan Agreement unless such amounts remain unpaid as of the final maturity date. Failure to pay scheduled principal payments and Regular Interest Payments shall constitute an Event

of Default under this Loan Agreement. The Parties agree that a pro-forma debt service schedule shall be attached to the Draw-down Note at the time of the execution of the IGA, the Loan Agreement and the Draw-down Note and a final debt service schedule shall be attached to the Draw-down Note prior to the first draw thereon, and, if applicable, upon the completion of the Exit #3 Proper Project. Such final debt service schedule shall be amended in the event that principal drawn down on the Draw-down Note is less or greater than \$18,240,000.

G. So long as the Draw-down Note shall be outstanding, the City will, on or before the 15th calendar day prior to each Interest Payment Date or Principal Payment Date, as applicable, transfer or cause to be transferred Pledged TIF Revenues or other legally available moneys which the City in its sole discretion determines to apply for such purpose, to the State Treasurer as trustee of the Bank with written instructions for allocation on the relevant Interest Payment Date and/or Principal Payment Date, as applicable.

H. Scheduled principal payments of the Draw-down Note shall be paid on each Principal Payment Date (with each such payment reduced pro rata to the extent the full amount of such proceeds of the Loan are not drawn). Principal may be prepaid in whole or in part at any time after the full payment of Carry-over Amounts from any available sources, without a prepayment penalty or prepayment fee, and any partial prepayments (whether optional or mandatory) shall be applied to principal in any order as determined by the City and the County. After all Carry-over Amounts have been paid in full and after the payment or provisions for payment of Regular Interest Payments and scheduled principal payments have been provided for, available Pledged TIF Revenues shall be used to prepay principal at par. The Bank shall have and will maintain a first priority security interest in the Grant, the Local Government Match, the Owner Contribution and the Loan proceeds until such proceeds are expended on the Projects.

I. The Loan will have a 15-year term commencing on the date of the first draw on the Draw-down Note.

J. From the date of the first draw on the Draw-down Note, the Pledged TIF Revenues, the Debt Service Reserve Fund and the MID Revenues (exclusive of the MID Revenues explicitly specified in the Assessment Roll to be used for administrative expenses of the Exit #3 Municipal Improvement District) must be pledged to (and used for) retirement of the Loan. The Bank shall have a perfected security interest in and a first priority lien upon all such sources specified in the preceding sentence.

K. Once all amounts under the Loan have been paid in full, the City shall have no further obligation to transfer Pledged TIF Revenues to the Bank, and the Pledged TIF Revenues may be distributed in any manner approved by the relevant taxing entities as authorized by applicable laws and ordinances.

L. The terms of this Loan Agreement, the Draw-down Note, the documents evidencing Pledged TIF Revenues and MID Revenues will be approved by Ordinances of the City Council and County Council, as applicable, acceptable to the Bank and will be accompanied by opinions of counsel to the City and County, as applicable, to the effect that the Loan and related Draw-down Note, the documents evidencing Pledged TIF Revenues and MID Revenues are legally binding and enforceable obligations of the City and County, as applicable. For the avoidance of doubt, the creation and maintenance of the Redevelopment Plan Exit #3 Redevelopment Project Area and Exit #3 Municipal Improvement District are the sole responsibility of the City, subject to any consent from the County and the School District as required

by applicable law and subject to the joint and several liability of the County on the Draw-down Note and this Loan Agreement.

M. The Bank's Financial Assistance for the Exit #3 Proper Project shall be remitted to SCDOT as draw requests are submitted and approved by the Bank in connection with the completion of work on the Exit #3 Proper Project from time to time.

N. SCDOT will, pursuant to a separate agreement with the Bank, enter construction and other contracts with respect to the Exit #3 Proper Project. The Project Sponsors shall be responsible for all costs of the Exit #3 Proper Project in excess of the amounts allocable to the Exit #3 Proper Project as set forth in Exhibit B derived from proceeds of the Grant, the Local Government Match and the Loan. The foregoing notwithstanding, the Bank acknowledges that the City, the County, and the Owner may negotiate among themselves an alternative basis for providing any needed additional funding for the Exit #3 Proper Project in the Development Agreement, the Participation Agreement, or both such documents. Any alternative arrangement shall not affect the Project Sponsors' obligation to the Bank under this Section 3.3(N).

O. Each of the City and the County are jointly and severally liable for obligations owed the Bank under this Loan Agreement. The amounts due to the Bank shall be subject to the Bank's statutory right to intercept under Section 11-43-210 of the South Carolina Code against the County and City. The foregoing notwithstanding, the Bank acknowledges that the City, the County, and the Owner may negotiate between themselves regarding an alternative basis for the sharing of any such liability in the Development Agreement, the Participation Agreement, or both such documents but this alternative basis shall not affect the City's and the County's joint and several liability to the Bank.

P. This Loan Agreement and the Draw-down Note shall be subject to the Bank's Standard Terms and Conditions.

Q. Section 5.1(A) of the IGA related to review and consent to the costs of the Exit #3 Proper Project, is incorporated herein by reference.

R. The Assessment Roll is attached hereby as Exhibit C and may not be amended without the prior written consent of the Parties.

ARTICLE IV ADDITIONAL OBLIGATIONS OF THE PROJECT SPONSORS

Section 4.1 Additional Documents and Actions.

A. At the request of the Bank, the Project Sponsors shall execute any other documents that the Bank determines are reasonably necessary to evidence or establish the Project Sponsors' obligations to the Bank set forth in this Loan Agreement.

B. The Project Sponsors acknowledge that the Bank in its discretion may raise funds for its commitment to the Projects and other qualified projects through the issuance of revenue bonds or other indebtedness as permitted under the Act. Accordingly, the Project Sponsors shall take such actions and enter into or provide such other documents or agreements, including amendments to this Loan Agreement or other agreements that are consistent with the substance hereof, as may be reasonably necessary to comply with South Carolina laws and regulations associated with such bonds or indebtedness or to satisfy

requirements for documentation and information reasonably imposed by the Bank, prospective purchasers of such bonds, holders of such bonds, bond insurers, rating agencies, lenders or regulatory agencies and their attorneys, advisors, and representatives; provided however, that such actions, documents and agreements are legally permissible and that no such action or document shall create any additional material obligation or increase any material obligation of the Project Sponsors or create or increase any obligations of the Owner.

C. At the request of the Bank, the Project Sponsors shall enter into and execute any amendments to this Loan Agreement all in a form and with contents, provisions and terms acceptable to the Bank.

D. The Project Sponsors shall promptly provide, or cause to be provided, the Bank upon request by it copies of any and all contracts, agreements and documents relating to the Exit #3 Proper Project.

Section 4.2 Additional Warranties and Covenants of the Project Sponsors.

Section 4.2 of the IGA related to additional warranties and covenants of the Project Sponsors, is incorporated herein by reference.

Section 4.3 Financial Information.

A. The City and the County will provide, or cause to be provided, the following financial information in form and content reasonably acceptable to the Bank and such additional information as requested by the Bank from time to time:

(a) Within 180 days of the fiscal year end, their annual financial statements certified and dated by an authorized financial officer. These financial statements must be audited (with an opinion satisfactory to the Bank) by a Certified Public Accountant.

(b) Promptly upon receipt, copies of any management letters and correspondence relating to management letters, sent or received.

(c) Unless otherwise included in the annual financial statements, a three-year look-back at assessed values, property tax collection record, and special tax allocation fund balances

(d) Financial projections of the Pledged TIF Revenues and the MID Revenues covering a time period acceptable to the Bank and specifying the assumptions used in creating the projections. The projections shall be provided to the Bank no less often than 180 days after the end of each fiscal year.

B. The City will also provide, or cause to be provided, such additional information as requested by the Bank from time to time.

ARTICLE V
PROJECT ADMINISTRATION AND RELATED MATTERS

Article 5 of the IGA related to Project administration and related matters, is incorporated herein by reference.

ARTICLE VI
INDEMNIFICATION OF BANK

Article 7 of the IGA related to Indemnification of the Bank, is incorporated herein by reference.

ARTICLE VII
BANK'S RIGHTS AND REMEDIES

Section 7.1 Events of Default as to the Project Sponsors.

A. In the event the Project Sponsors shall fail to pay, when due, any installment of principal or Regular Interest Payments, such failure shall constitute an Event of Default;

B. In the event the Project Sponsors shall fail to pay when, if and as due, any Carry-over Amount, such failure shall constitute an Event of Default;

C. In the event the City or the County violate or fail to comply with any other provision in or obligation under this Loan Agreement (including other agreements and obligations incorporated herein) and if such failure continues for a period of thirty (30) days after receipt of a written notice of such default from the Bank, such failure shall constitute an Event of Default hereunder.

Such events include, without limitation, the following:

- (i) failure by the County to make the Local Government Match in a timely manner;
- (ii) failure by the Owner to make the Owner Contributions in a timely manner;
- (iii) failure by the City or the County to use the Grant or Loan proceeds for 'Eligible Costs' as defined in the Loan Agreement;
- (iv) failure by the County Treasurer to timely deposit the Pledged TIF Revenues into the special tax allocation fund;
- (v) failure by the City to timely notify the State Treasurer's office to withdraw amounts from the Debt Service Reserve Fund to meet shortfalls in Pledged TIF Revenues as provided in Section 3.3 hereof;
- (vi) failure by the City to timely impose the required MID Assessments to replenish the Debt Service Reserve Fund;
- (vii) failure to attach to the Loan Agreement a final debt service schedule prior to the first draw on the Drawn-down Note or to attached the amended debt service schedule authorized herein;

(viii) failure to prepay principal of the Draw-down Note when sufficient Pledged TIF Revenues are available to do so;

(ix) failure by the City to deliver a bond counsel opinion acceptable to the Bank;

(x) failure by the County to deliver an enforceability opinion acceptable to the Bank as set forth in Section 3.2 hereof;

(xi) failure by the City to complete the Parkway North Project; or failure by the Project Sponsors to provide sufficient funds to complete the Exit #3 Proper Project; and

(xii) failure by the Project Sponsors to reimburse the Bank within 30 days of the cancellation of the procurement for the Exit #3 Proper Project or make any other payments to the Bank or for the Projects required under this Loan Agreement or the IGA.

Section 7.2 Remedies as to the Project Sponsors.

Whenever any Event of Default occurs, any one or more of the following remedies may be pursued by and shall be available to the Bank against the Project Sponsors in addition to those provided in other sections of this Loan Agreement:

A. As to any failure to pay, when due, any Regular Interest Payment or scheduled principal payment, the Bank shall have the right to declare all such payments of interest and principal and all such future payments of interest and principal for the remainder of the Loan term to be immediately due and payable.

B. As to any Event of Default, any obligation or duty the Project Sponsors failed to perform shall be deemed a ministerial act and subject to the pursuit of the remedies of mandamus and mandatory injunction requiring the Project Sponsors to perform the obligation or duty, and the Bank shall be deemed to have no adequate remedy at law for such Event of Default.

C. Among other rights and remedies available to the Bank following an uncured Event of Default, the Bank shall have the right to cease making any further Disbursements under this Loan Agreement with respect to the Exit #3 Proper Project until such Event of Default has been cured and the right to require the Project Sponsors to reimburse it for any or all Disbursements on the Exit #3 Proper Project. The Bank shall also have and may pursue any other remedies available under South Carolina law, including the enforcement of any remedies against any legally available funds of the Project Sponsors, except as such remedies may be expressly limited by the specific provisions of this Loan Agreement, and to cease making payments of any kind on the Parkway North Project.

D. The Project Sponsors shall reimburse the Bank the reasonable attorneys' fees and expenses incurred by the Bank in pursuing any remedy for an Event of Default.

E. In the event the City or the County fails to make any payment or reimbursement to the Bank in full as required by this Loan Agreement, it acknowledges the authority of the State Treasurer under S.C. Code Ann. § 11-43-210 to withhold funds allotted or appropriated by the State to the City or the County and to apply those funds to make or complete any such payment in full to the Bank. The Project Sponsors agree that the current provisions of Section 11-43-210 are hereby incorporated into this Loan Agreement

verbatim as an independent and separate contractual obligation of the Project Sponsors and shall be enforceable against the Project Sponsors and survive even if S.C. Code Ann. § 11-43-210 is repealed or its application is reduced or amended by action of the General Assembly, or it is otherwise abrogated, or its application is reduced or modified by a court or court decision. The Bank will notify the Project Sponsors in writing at least 30 days prior to requesting that the State Treasurer withhold such funds.

Section 7.3 Remedies Cumulative; Non-waiver.

All rights and remedies of the Bank provided for in this Loan Agreement or in any other related document as to any party are cumulative, shall survive the termination of this Loan Agreement, and shall be in addition to any and all other related rights and remedies provided for or available to the Bank at law, including those contained in the Act, or in equity. The exercise of, or the failure to exercise, any right or remedy by the Bank shall not in any way constitute a cure or waiver of an Event of Default or the waiver of any right or remedy available to the Bank, nor invalidate any act done pursuant to any notice of the occurrence of an Event of Default.

Section 8.2(F) of the IGA related to Joint and Several Liability, is incorporated herein by reference.

ARTICLE VIII
GENERAL CONDITIONS AND PROVISIONS

Article 9 of the IGA providing General Conditions and Provisions, is incorporated herein by reference.

Notwithstanding anything to the contrary contained herein, the Owner is a third-party beneficiary of Sections 3.1(C), 3.3(C), 3.3(D), 3.3(N) and 3.3(Q) of this Loan Agreement. A copy of any notices delivered by any of the Parties under this Loan Agreement and any amendments to this Loan Agreement and the IGA shall be timely delivered to the Owner.

ARTICLE IX
NO PLEDGE OF FULL FAITH AND CREDIT

THE DRAW-DOWN NOTE AUTHORIZED BY THIS LOAN AGREEMENT IS PAYABLE FROM THE SOURCES DESCRIBED HEREIN. THE FULL FAITH, CREDIT, AND TAXING POWER OF THE PROJECT SPONSORS ARE NOT PLEDGED TO THE PAYMENT OF THE DRAW-DOWN NOTE. THE FOREGOING PROVISIONS IN THIS SECTION DO NOT AFFECT OR BAR THE RIGHTS OF THE BANK TO RECOVER DAMAGES AND OTHER REMEDIES UNDER THIS LOAN AGREEMENT OR THE IGA FROM ANY LEGALLY AVAILABLE SOURCES OF FUNDS IN THE POSSESSION OF OR AVAILABLE TO EITHER OF THE PROJECT SPONSORS.

[SEPARATE SIGNATURE PAGES FOR EACH PARTY FOLLOW]

SIGNATURE PAGE FOR THE CITY OF HARDEEVILLE

IN WITNESS WHEREOF, the City of Hardeeville has caused this Loan Agreement to be executed on its behalf and its seal to be affixed hereto.

CITY OF HARDEEVILLE, SOUTH CAROLINA

By: _____

Printed Name: _____

Title: _____

ATTEST:

By: _____

Printed Name: _____

Title: _____

(SEAL)

Note: The City of Hardeeville City Council authorized the execution of this Loan Agreement by adoption of Ordinance _____ on _____, 2023.

SIGNATURE PAGE FOR JASPER COUNTY

IN WITNESS WHEREOF, Jasper County has caused this Loan Agreement to be executed on its behalf and its seal to be affixed hereto.

JASPER COUNTY, SOUTH CAROLINA

By: _____

Printed Name: _____

Title: _____

ATTEST:

By: _____

Printed Name: _____

Title: _____

(SEAL)

Note: The Jasper County Council authorized the execution of this Loan Agreement by adoption of Ordinance _____ on _____, 2023.

SIGNATURE PAGE FOR THE BANK

IN WITNESS WHEREOF, the South Carolina Transportation Infrastructure Bank has caused this Loan Agreement to be executed on its behalf and its seal to be affixed hereto.

**SOUTH CAROLINA TRANSPORTATION
INFRASTRUCTURE BANK**

By: _____

Printed Name: _____

Title: _____

ATTEST:

By: _____

Printed Name: _____

Title: _____

(SEAL)

EXHIBIT A

FORM OF DRAW-DOWN NOTE

\$28,095,903

_____, 2023

FOR VALUE RECEIVED, THE CITY OF HARDEEVILLE, SOUTH CAROLINA (the “City”) and JASPER COUNTY, SOUTH CAROLINA (the “County”), both bodies politic and corporate and political subdivisions of the State of South Carolina (together, the “Project Sponsors”), hereby promise, jointly and severally, to pay to the order of the South Carolina Transportation Infrastructure Bank, an instrumentality of the State of South Carolina (the “Bank”), but only from the sources and in the manner described herein, the principal sum of TWENTY-EIGHT MILLION NINETY-FIVE THOUSAND NINE HUNDRED THREE DOLLARS (\$28,095,903) (or so much thereof as may be drawn down from time to time evidenced by the Schedule of Advances attached hereto).

This Note is issued pursuant to a Loan Agreement dated as of even date herewith, between the Project Sponsors and the Bank (as amended or modified from time to time, the “Loan Agreement”). Certain terms used as defined terms in this Note shall have the meanings ascribed thereto in the Loan Agreement.

This Note shall be dated as of the date of its delivery and shall bear interest from such date as limited by the following paragraph, at the rate of 3.5% per annum, payable as provided herein.

The obligation to make interest payments during the first five years of this Note will be payable only from Pledged TIF Revenues generated and collected during such years. Interest accruing after the 5th year following the date of the first draw on this Note shall be due and payable in full on each Interest Payment Date (“Regular Interest Payments”). On each Interest Payment Date, Regular Interest Payments shall be payable in full. The Carry-over Amounts shall be payable as set forth in the Loan Agreement. Failure to pay scheduled principal payments and Regular Interest Payments shall constitute an Event of Default under the Loan Agreement.

Principal of this Note shall be payable over a 10-year term commencing on the initial Principal Payment Date in accordance with the Amortization Schedule attached hereto.

Payment of principal, interest and Carry-over Amounts on this Note are secured by a pledge of and first priority lien on the Pledged TIF Revenues and, in the event of a shortfall in Pledged TIF Revenues, then solely from a draw upon the Debt Service Reserve Fund and a pledge of all of the MID Revenues (exclusive of the MID Revenues explicitly specified in the Assessment Roll to be used for administrative expenses of the Exit #3 Municipal Improvement District). The Debt Service Reserve Fund, the Pledged TIF Revenues and the MID Revenues shall remain in effect until this Note is paid in full. In the event the principal amount drawn on this Note exceeds \$18,240,000, the Debt Service Reserve Fund Requirement shall be subject to upward adjustment and set forth in the Loan Agreement.

This Note may be prepaid in full or in part at any time to the Bank, at the outstanding principal amount thereof to be prepaid and Regular Interest Payments to the date of such prepayment.

THIS NOTE IS PAYABLE FROM THE SOURCES OF REVENUE DESCRIBED IN THE LOAN AGREEMENT. THE FULL FAITH, CREDIT, AND TAXING POWER OF THE PROJECT SPONSORS ARE NOT PLEDGED TO THE PAYMENT OF THIS NOTE. THE FOREGOING LIMITATION DOES NOT AFFECT OR BAR THE RIGHTS OF THE BANK TO RECOVER DAMAGES AND OTHER REMEDIES UNDER THE LOAN AGREEMENT OR THE IGA FROM LEGALLY AVAILABLE SOURCES OF FUNDS IN THE POSSESSION OF OR AVAILABLE TO EITHER OF THE PROJECT SPONSORS.

It is hereby certified and recited that all acts, conditions and things required to exist, have happened and have been performed in regular and due form and time as required by the Constitution and laws of the State of South Carolina applicable thereto, and that the issuance of this Note does not violate any constitutional or statutory limitation of indebtedness.

[Remainder of page intentionally blank]

IN WITNESS WHEREOF, the Project Sponsors have executed this Note by the manual signatures of the Mayor of the City and the County Administrator of the County, all as of the ____ day of _____, 2023.

CITY OF HARDEEVILLE, SOUTH CAROLINA

By: _____

Mayor

JASPER COUNTY, SOUTH CAROLINA

By: _____

County Administrator

SCHEDULE 1

Schedule of Advances

[Date of First Draw] _____

SCHEDULE 2

Amortization Schedule

[A pro-forma debt service schedule (assuming the principal amount to be drawn shall be \$18,240,000 and with principal payments commencing in the 6th year following the first draw under the Draw-down Note) shall be attached to this Draw-down Note at the time of execution of the IGA, the Loan Agreement and this Draw-down Note.]

[A final debt service schedule shall be attached to this Draw-down Note prior to the first draw, and, if applicable, upon the completion of the Exit #3 Proper Project. Such final debt service schedule shall be amended in the event that principal drawn down on this Draw-down Note is less than or greater than \$18,240,000.]

SCHEDULE 3

Form of Draw Request

EXHIBIT B

DETAIL OF PROJECT COST ALLOCATIONS

Spreadsheet Data Taken from Excel
Created at Meeting on September 28, 2021
As Revised August 18, 2023 Based on Updated Costs
As of the date of this Loan Agreement

	<u>Jasper County</u>	<u>SIB Grant</u>	<u>SIB Loan*</u>	<u>Owner</u>	<u>Total</u>
Preliminary Engineering*	\$ 3,400,000	\$ 0	\$ 0	\$ 0	\$ 3,400,000
Parkway North Project	10,100,000	736,000	0	3,100,000**	13,936,000
Exit #3 Proper Project	0	27,359,903	18,240,000	0	45,599,903
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	\$13,500,000	\$28,095,903	\$18,240,000	\$3,100,000	\$62,935,903

* For Exit #3 Proper Project only

** Does not include Owner Parkway North Project cost overrun deposit of \$500,000

Note: Owner is obligated to fund and construct the Parkway South Project.

EXHIBIT C
ASSESSMENT ROLL FOR
EXIT #3 MUNICIPAL IMPROVEMENT DISTRICT

EXHIBIT B

IGA

INTERGOVERNMENTAL AGREEMENT
FOR I-95 EXIT 3 AND RELATED PROJECTS
LOCATED IN JASPER COUNTY, SOUTH CAROLINA

This Intergovernmental Agreement is made and entered into as of _____, 2023 by and between JASPER COUNTY, SOUTH CAROLINA (the “County”) and the CITY OF HARDEEVILLE, SOUTH CAROLINA (the “City”), bodies politic and corporate and political subdivisions of the State of South Carolina (together, the “Project Sponsors” and individually, a “Project Sponsor”), and the SOUTH CAROLINA TRANSPORTATION INFRASTRUCTURE BANK, a body corporate and politic and an instrumentality of the State of South Carolina (the “Bank”), all of which also may be collectively referred to herein as the “Parties” or individually as a or the “Party,” as appropriate, concerning the construction of the “Exit #3 Proper Project” as defined herein, and the “Parkway North Project” as defined herein and the Parkway South Project as defined herein, all of which are located in the City of Hardeeville in Jasper County, South Carolina. The foregoing projects are described in more detail hereinbelow and in the Project Sponsors’ Application for Financial Assistance submitted to the Bank. This Intergovernmental Agreement is hereinafter referred to as this “Agreement.”

W I T N E S S E T H:

WHEREAS, the Bank was created for the purpose, among others, of selecting and assisting in financing major transportation projects by providing Financial Assistance to government units for constructing and improving highway facilities necessary for public purposes, including economic development, as is more fully set forth in the South Carolina Transportation Infrastructure Bank Act (“SCTIB Act”), S.C. Code Ann. §§ 11-43-110, et seq.;

WHEREAS, pursuant to the SCTIB Act, the Bank has all power necessary, useful, and appropriate to provide grants, loans and other Financial Assistance in a manner as the Board determines advisable and solicited applications for Financial Assistance pursuant to the authority granted in the SCTIB Act;

WHEREAS, by an Application submitted to the Bank on or about August 28, 2019, as supplemented by other submissions to the Bank, the Project Sponsors requested Financial Assistance for the Projects as defined herein;

WHEREAS, at a meeting on July 6, 2020, the Bank's Evaluation Committee reviewed applications for Financial Assistance and made recommendations to the Bank Board concerning those applications which included the Projects;

WHEREAS, at a meeting on July 7, 2020, the Bank Board reviewed and considered its available funding capacity, the project applications for funding, and the Evaluation Committee's recommendations, including the recommendation on the Projects;

WHEREAS, at the meeting on July 7, 2020, the Bank Board determined that the Projects were eligible and qualified for Financial Assistance and resolved to provide such assistance to the Projects subject to certain conditions specified in the Resolution approved by the Bank Board or contained within the Bank's Overall Operating Guidelines, Procedures and Standard Conditions for Financial Assistance;

WHEREAS, the SCDOT Commission reviewed and approved the Financial Assistance to be provided to the Projects by the Bank at its meeting on July 16, 2020;

WHEREAS, the Joint Bond Review Committee of the General Assembly ("JBRC") reviewed and approved the Financial Assistance to be provided to the Projects by the Bank at its meeting on August 11, 2020;

WHEREAS, the Parties agreed to the financial terms for the Projects on September 28, 2021;

WHEREAS, the Parties memorialized the financial terms of the Financial Assistance in a term sheet, dated January 15, 2022, agreed to by the Bank, the SCDOT, Jasper County, City of Hardeeville, and SLF III-Hardeeville, LLC; and

WHEREAS, the Parties now desire to set forth the respective responsibilities of the Parties for the Projects, including the funding of the Projects;

NOW, THEREFORE, in consideration of the mutual benefits, promises and obligations set forth herein, the sufficiency of which are hereby acknowledged and accepted by each Party hereto, the Parties hereby agree as follows:

ARTICLE 1
DEFINITIONS

For purpose of this Agreement, unless the context otherwise requires, the following terms shall have the following meanings:

“Account” means the account of the Bank maintained by the South Carolina State Treasurer (also referred to herein as State Treasurer’s Office) into which is deposited monies to fund Disbursements for Eligible Costs of the Projects.

“Act” means the South Carolina Transportation Infrastructure Bank Act, which is codified as S.C. Code Ann. §§ 11-43-110, et seq., as amended.

“Application” means the final Application for Financial Assistance submitted by the Project Sponsors to the Bank on August 28, 2019, as supplemented by other materials submitted by the Project Sponsors to the Bank prior to and after the date of the Application up to the date of this Agreement that were accepted and approved by the Bank Board.

“Bank Board” means the Board of Directors of the Bank.

“Budget” means the budget established by the Bank for the Projects.

“Contract(s)” means any contracts entered into by SCDOT or by the Project Sponsors or a Project Sponsor with a firm for construction, including materials and supplies, in connection with the Projects as authorized by this Agreement.

“Cost Overruns” or “Cost Overrun” means the actual cost of the Exit #3 Proper Project or the Parkway North Project, as applicable, that exceeds the amount of funds allocated separately to the respective Projects by this Agreement from the Grant, Loan, County PE Deposit, County Parkway North Deposit, Excess County Parkway North Deposit Funds, or Owner Parkway North Deposit. Cost Overruns also include the costs that exceed the total contract amount for either Project entered into pursuant to the terms of this Agreement, including a contract on the Exit #3 Proper Project entered into pursuant to Section 5.1 of this Agreement, to the extent those costs exceed the total contract amount for each respective Project.

“Development Agreement” means that certain Second Amendment to and Partial Restatement of Development Agreement dated of even date herewith between the Owner and the City, as amended from time to time.

“Disbursements” means (i) for the Parkway North Project the transfer or payment of monies pursuant to draw requests as set forth in this Agreement to reimburse the Project Sponsors for Eligible Costs of construction of that Project or for the payment of invoices approved by Bank for Eligible Costs of construction of that Project incurred pursuant to a Contract based on draw requests submitted to the Bank subject to the terms and conditions of this Agreement, including Article 6; and (ii) for the Exit #3 Proper Project as set forth in Section 6.3 of this Agreement, the transfer or payment of monies pursuant to draw requests to reimburse SCDOT for Eligible Costs of construction of that Project or for the payment of invoices approved by Bank for Eligible Costs of construction of that Project incurred pursuant to a Contract based on draw requests submitted to the Bank subject to the terms and conditions of SCDOT Intergovernmental Agreement and also the Loan Agreement with respect to Disbursements from the Loan.

“Eligible Cost(s)” (i) for the Parkway North Project has the same meaning as set forth in S.C. Code Ann. § 11-43-130(5) as applied to qualified projects to be funded from the state highway account of the Bank, but is limited on the Parkway North Project to Eligible Costs related to construction of that Project. For purposes of clarification, Eligible Costs under this Agreement related to construction of the Parkway North Project include the costs of construction engineering and inspections and costs paid from the County Parkway North Deposit or by the Project Sponsors

or the Owner. Eligible Costs for the Parkway North Project as applicable to the Bank's Financial Assistance only, do not include those costs set forth in Section 6.2 of this Agreement that are recognized in that section as not being Eligible Costs for that Project to be paid from the Bank's Financial Assistance; and (ii) for the Exit #3 Proper Project has the same meaning as set forth in S.C. Code Ann. § 11-43-130(5) as applied to qualified projects to be funded from the state highway account of the Bank, but is limited on the Exit #3 Proper Project to Eligible Costs related to construction of that Project. For purposes of clarification, Eligible Costs under this Agreement related to construction of the Exit #3 Proper Project include the costs of construction engineering and inspections and those deemed eligible costs for construction by the Federal Highway Administration, including demolition in the event the Project Sponsors or the Owner fail to legally obligate the funds to complete construction of the Exit 3 Proper Project to the satisfaction of the SCDOT and the Bank within sixty (60) days of SCDOT providing written notice to the Project Sponsors and Owners that demolition will be implemented. Notwithstanding the foregoing, Eligible Costs for the Exit #3 Proper Project include those costs for preliminary engineering, initial permitting and related costs being paid by a contribution from the County in the amount of \$3,400,000 for that Project (defined below as the County PE Deposit) or by contributions from the Project Sponsors if that cost exceeds the \$3,400,000. Eligible Costs for purposes of this Agreement and Loan Agreement do not include any costs incurred by the Owner with respect to the USACOE 404 wetland permit.

“Event of Default” means the breach by the Project Sponsors of a provision or obligation in this Agreement or in the Loan Agreement as set forth in Section 8.1 of this Agreement.

“Financial Assistance” for purposes of this Agreement includes the Grant and Loan approved by the Bank Board as contemplated by and described in the SCTIB Act.

“Exit #3 Proper Project” means the construction by SCDOT of a new interchange on Interstate 95 near mile marker 3, including related drainage and storm water infrastructure, as further described in the Application and approved by SCDOT which complies with the Interchange Justification Report.

“Exit #3 Proper Project Bid Date” means the date on which SCDOT receives bids from contractors on the Exit #3 Proper Project. Bid date is set currently for December 2024. SCDOT will provide written notification during the right of way plan approval process of the 120-day deadline date.

“Fiscal Year” means the fiscal year of the State of South Carolina that runs from July 1 to June 30.

“Grant” means the grant from the Bank not to exceed \$28,095,903 approved by the Bank Board for funding through draw requests the construction by SCDOT of the Exit #3 Proper Project and for funding through draw requests a portion of the construction by the Project Sponsors of the Parkway North Project.

“Interchange Justification Report” means the Interchange Justification Report approved by the Federal Highway Administration for the Exit #3 Proper Project.

“Loan” means a draw down loan from the Bank for the construction of the Exit #3 Proper Project in the initial principal amount of \$18,240,000, but which may be later increased to a total principal amount of not to exceed \$28,095,903 subject to the provisions in Section 3.1(a) of the Loan Agreement.

“Loan Agreement” means the Loan Agreement for Exit #3 Proper Project by and among the City, County, and Bank dated of even date herewith, as amended from time to time.

“Owner” has the meaning assigned to such term in the Development Agreement. The initial Owner is SLF III – Hardeeville, LLC, a Texas limited liability company, and any successors and assigns as Owner under the Development Agreement; provided any such successor or assign must assume all liabilities and obligations of the Owner pursuant to Section B of Article XXI of the Development Agreement.

“Owner Financial Assistance Obligations” means any financial or other obligations of the Owner contained in or relating to this Agreement, the Loan Agreement, the Development Agreement (solely to the extent such provisions or obligations in the Development Agreement

relate to the construction or funding of the Projects or the Parkway South Project or are express obligations to the Bank), or the Participation Agreement.

“Parkway North Project” means the construction by the City of certain improvements to an approximately 1.5 mile segment of Purrysburg Road, which is sometimes referred to as Riverport Parkway North, lying north of Interstate 95 that will intersect with the Exit #3 Proper Project, as further described in the Application that meets the standards, specifications and requirements of SCDOT and the Interchange Justification Report and does not impair or delay the completion of the Exit #3 Proper Project.

“Parkway South Project” means the construction by the Owner, in cooperation with the City, of an approximately four (4) mile segment of Purrysburg Road, which is sometimes referred to as Riverport Parkway South, lying south of Interstate 95 that will intersect with the Exit #3 Proper Project, as further described in the Application, that meets the standards, specifications and requirements of SCDOT and the Interchange Justification Report and does not impair or delay the completion of the Exit #3 Proper Project, and the costs of which will be paid by the Owner.

“Participation Agreement” means that certain Participation Agreement dated as of October 7, 2022, by and between the Owner and the County, as may be amended, modified or supplemented, from time to time.

“Projects” mean the Exit #3 Proper Project and the Parkway North Project. The term “Project” refers to either one of those two Projects as appropriate for the context of the provision in which the term is used.

“SCDOT” means the South Carolina Department of Transportation.

“SCDOT Intergovernmental Agreement” means the Intergovernmental Agreement entered into between SCDOT and the Bank relating to the construction of the Exit #3 Proper Project dated of even date herewith, as amended from time to time.

ARTICLE 2
TERM OF AGREEMENT

This Agreement shall be effective as of _____, 2023, and shall terminate, except for specific provisions set forth herein that are expressly stated to survive the termination of this Agreement, on the date the last of the following events occurs (i) the Bank makes the final Disbursement on the Projects; (ii) the final local financial contribution or other financial contribution or payment from any source other than the Bank for the Projects is received; (iii) the Bank receives the final payment or reimbursement due it from the Project Sponsors pursuant to the terms and provisions of this Agreement and the Loan Agreement; (iv) the Projects and the Parkway South Project, including all components, are fully open for public traffic and are declared completed by the Bank; or (v) the Loan Agreement is terminated. Provided, however, that this Agreement, including the Financial Assistance set forth herein, shall terminate if either or both of the Project Sponsors fail to consent to the costs of the procurement by SCDOT for the construction of the Exit #3 Proper Project as provided in Section 5.1.A of this Agreement.

ARTICLE 3
FUNDING AND RELATED COMMITMENTS OF PARTIES

Section 3.1 Bank

The total estimated costs of construction and administration for the Exit #3 Proper Project is \$45,604,000. The total estimated costs of the Parkway North Project is \$13,936,000.

Subject to the provisions, terms, and conditions in this Agreement, the Bank shall establish a Budget for the Projects within an Account(s) of the Bank. From revenues and funds of the Bank as determined by the Bank in its discretion, the Bank may deposit into the Account, or credit the Budget, in such increments as it determines, Financial Assistance in form of a Loan, which is expected to be in the amount of \$18,240,000 but may later be increased to a total Loan not to exceed \$28,095,903 based on the costs of the Exit #3 Proper Project and pursuant to the consent provisions set forth in Section 3.1(a) of the Loan Agreement, and a Grant for the Projects not to exceed \$28,095,903, as set forth below in this Section 3.1. The Bank may make Disbursements

from the Account, subject to the terms and conditions of this Agreement, including Article 6, to pay for Eligible Costs of the construction of the Projects incurred by the Project Sponsors or SCDOT pursuant to Contracts.

The Bank shall first disburse the Grant proceeds as needed and authorized by the Bank for the Projects. The portion of the Grant that may be drawn and disbursed on the Parkway North Project shall not exceed \$736,000 (the "Parkway North Grant Commitment") and shall be drawn on a three-way dollar for dollar matching basis from the Parkway North Grant Commitment and the County Parkway North Deposit (as such term is defined below) and Owner Parkway North Deposit (as such term is defined below) set forth in Sections 3.2 A and B, below, until the Parkway North Grant Commitment is expended. Prior to the final expenditure from the Parkway North Grant Commitment, the Project Sponsors, in cooperation with the Owner, shall determine if the funds needed to complete the Parkway North Project will exceed the total of the Parkway North Grant Commitment, the County Parkway North Deposit, Owner Parkway North Deposit and the Owner Parkway North Cost Overrun Deposit (as such term is defined below) set forth in Sections 3.2 A and B, below. In the event additional funds are needed to complete the Parkway North Project, the Project Sponsors shall provide the additional funds needed to complete the Parkway North Project which may include additional funds the Owner agrees to provide for the Parkway North Project pursuant to the Participation Agreement or the Development Agreement or both such documents.

Following the Bank's expenditure on the Parkway North Grant Commitment on the dollar-for-dollar basis set forth above, the sources of funding set forth above in Section 3.2 A and B, below must be fully expended on the respective Projects before the Bank will be obligated to pay or reimburse Eligible Costs on the Exit #3 Proper Project from the Loan.

After the remaining Grant funds have been fully expended on the Exit #3 Proper Project and the funding obligations of the County set forth in Sections 3.2 A, on the Exit #3 Proper Project have been fully expended, the Bank may then make Disbursements from the Loan on the Exit #3 Proper Project based only on draw requests from SCDOT. The Bank reserves the right, in its reasonable discretion, to alter the timing of the allocation of the expenditure of Grant proceeds and

Loan proceeds and the commencement of draws on the Loan based on the needs of SCDOT to fund the Exit #3 Proper Project and the status of the construction of the Projects and the Parkway South Project. Notwithstanding the foregoing, the Parties acknowledge that the County PE Deposit (as such term is defined below) may be drawn by SCDOT to pay for preliminary engineering, initial permitting and related costs for the Exit #3 Proper Project prior to the commencement of dollar for dollar matching draws on the Parkway North Project. Further notwithstanding the foregoing, the City and Owner may commence construction of all or a portion of the Parkway North Project after conveyance of those portions of Purrysburg Road described in Section 3.2.D of this Agreement to the City by SCDOT and prior to the Exit #3 Proper Project Bid Date. In that event, upon the first Disbursement of Grant proceeds on the Exit #3 Proper Project, Eligible Costs of the Parkway Project North incurred by the City or Owner may be submitted to the Bank pursuant to the provisions in Article 6 of this Agreement for payment or reimbursement from the Parkway Project North Grant Commitment, the County Parkway North Deposit, and the Owner Parkway North Deposit on the three-way dollar for dollar matching basis as set forth in this Section.

The Financial Assistance shall be used only for Eligible Costs for the construction of the respective Projects as authorized by this Agreement and the SCDOT Intergovernmental Agreement and shall be paid out only through Disbursements from the Account based on draw requests subject to the provisions, as applicable, of this Agreement, including Article 6, and the SCDOT Intergovernmental Agreement. All draw requests and Disbursements from the Loan must also comply with the Loan Agreement.

In addition to the other terms and conditions in this Agreement, in no event at any time shall the Bank be required to increase its Financial Assistance of any kind to the Projects, or to disburse, advance, transfer or pay from its own monies, in excess of \$28,095,903 from the Grant or \$28,095,903 from the Loan.

Any savings or reductions in the total cost of one or both of the respective Projects shall be credited against and reduce the amount of the Bank's Financial Assistance to that respective Project(s). The Bank may in its discretion apply any such savings or cost reductions to Cost Overruns on either Project. Furthermore, any additional state (other than the Bank's), county,

municipal, regional government or private funds of any kind or any Federal funds of any kind provided and secured for one or both of the Projects in any form other than those identified in the Application shall offset and reduce the amount of the Bank's Financial Assistance for that Project on a dollar for dollar basis unless those funds are needed, as determined by the Bank, to complete the Project in a manner consistent with its original scope or with an expanded or upgraded scope approved by the Bank or to cover increased costs of the Project approved by the Bank. Any unspent funds committed to or allocated for a Project from the Financial Assistance remaining after completion of that Project must be transferred or released to the Bank by the Project Sponsors unless this obligation is waived or modified by action of the Bank Board.

To the extent that Financial Assistance for a Project, or a portion of that Financial Assistance, to be provided by the Bank, is subject to an annual appropriation made by the General Assembly to the Bank as a matter of law, the provision by the Bank of that Financial Assistance, or portion thereof, for the Project in each Fiscal Year of the State is subject to an appropriation by the General Assembly to the Bank of funds sufficient to cover the Disbursements for that Project for that Fiscal Year that need to be made from such an appropriation. In the event the amount of any such appropriation required by law is not sufficient for that purpose, the Bank shall confer and work with the Project Sponsors to reduce or manage the amount of Financial Assistance used for the Project to an amount within the appropriation to the Bank for the Projects and all other sources of funds legally available to the Bank for the Project for that Fiscal Year. If the appropriation required by law and all other sources of funds legally available for the Projects to the Bank are insufficient as determined by the Bank to provide any Financial Assistance for the Projects for a Fiscal Year, the Financial Assistance from the Bank for the Projects may be suspended by the Bank Board until sufficient funds are appropriated by the General Assembly to the Bank and/or other sources of funds are legally available to the Bank for the Projects for such Financial Assistance to resume. The suspension of Financial Assistance under this section shall not constitute a termination of, or a default of an obligation under, this Agreement.

Section 3.2 Project Sponsors' and Owner's Commitments and Obligations

The provision and initial Disbursement of Financial Assistance from the Grant or Loan by the Bank is contingent and conditioned upon: (1) the City's creation, with the consent of the County and the Jasper County School District, and the continued enforceability and viability of a legally binding Tax Increment Financing District ("TIF") comprised at a minimum of the real property described in Exhibit A, attached to this Agreement and incorporated herein by reference, authorized by the Tax Increment Financing Law (S.C. Code Sections 31-6-10 et seq.) as described in the Application which provides for property tax collections pursuant thereto sufficient to cover the debt service and other obligations of the Project Sponsors on the Loan as set forth in the Loan Agreement; and (2) the City's creation and continued enforceability and viability of a legally binding Municipal Improvement District ("MID") comprised at a minimum of the real property described in Exhibit A, attached to this Agreement, and incorporated herein by reference, authorized by the Municipal Improvements Act of 1999 (S.C. Sections 5-37-10, et seq.) as described in the Application which provides for special assessments imposed thereunder as needed to supplement TIF revenues to cover the debt service on the Loan as provided in the Loan Agreement. Revenues from the TIF and the MID must be pledged to and used for the repayment of the Loan subject to the terms of the Loan Agreement.

The City is required to send to the Bank reports as to the TIF and MID on an annual basis, or sooner upon the request of the Bank, including the status of the TIF and MID, revenues resulting therefrom, anticipated changes in revenues, and other such reports as may be relevant to the sufficiency and viability of the TIF and MID as revenue sources sufficient to repay the Loan provided for in the Loan Agreement and for the completion of the Projects. Any costs related to these reports will be the responsibility of the Project Sponsors. The Bank may ask for more frequent reports on the TIF or MID accounts that are delinquent.

In addition to the other obligations and conditions set forth in this Agreement or the Loan Agreement, including those related to the TIF and the MID, the Project Sponsors or Owner, as applicable, must take the following actions which, except with respect to items E and, G below, must occur prior to the first Disbursement from the Grant:

A. The County must deposit a total of \$13,500,000 into one or more segregated accounts or subfunds of the Bank with the State Treasurer's Office that will be subject to Disbursements by the Bank for the Projects based on draw requests as provided for in this Agreement or the SCDOT Intergovernmental Agreement, including, but not limited to, \$3,400,000 for preliminary engineering, initial permitting and related costs for the Exit 3 Proper Project (the "County PE Deposit") and \$10,100,000 for costs of the Parkway North Project (the "County Parkway North Deposit"). These County required deposits may be made separately. The Parties acknowledge and agree that the (1) County PE Deposit has been made by the County and (2) the County Parkway North Deposit shall be made prior to the date of the first Disbursement from the Grant by the Bank. Notwithstanding anything to the contrary contained in this Agreement, the Loan Agreement, the Participation Agreement, the Development Agreement, the SCDOT Intergovernmental Agreement or any other documents or agreements related to the Financial Assistance or funds committed by the Project Sponsors or Owner to the Projects, (x) upon completion of the preliminary engineering and obtaining the initial permits for the Exit #3 Proper Project and the payment in full of all costs related thereto, the remaining amount of the County PE Deposit funds held by the State Treasurer's Office, if any, shall be deposited and added to the County Parkway North Deposit and used to pay for the costs of the Parkway North Project (such remaining amount of the County PE Deposit being referred to herein as the "Excess County PE Funds"), and (y) upon completion of the Parkway North Project and the payment in full of all costs related thereto, the remaining amount of the County Parkway North Deposit (including, for avoidance of doubt, any Excess County PE Funds then constituting part of the County Parkway North Deposit) shall be used to pay for the costs of the Exit #3 Proper Project (such remaining amount of the County Parkway North Deposit, including any remaining portion of the Excess County PE Funds, being referred to herein as the "Excess County Parkway North Deposit Funds").

B. The Owner must deposit not less than \$3,100,000 into a segregate fund or subfund of the Bank with the State Treasurer's Office that will be subject to Disbursements by the Bank for the Parkway North Project (the "Owner Parkway North Deposit") based on draw requests submitted pursuant to Article 6 of this Agreement. The Owner must deposit \$500,000 into an escrow account for the benefit of the Project Sponsors to pay Cost Overruns in excess of the

funding and contributions for the Parkway North Project provided for in this Agreement (the “Owner Parkway North Cost Overrun Deposit) which funds shall be released and made available to the City upon its request to cover Cost Overruns on the Parkway North Project. The foregoing deposits shall be made prior to the first Disbursement from the Grant by the Bank. Upon completion of the Parkway North Project and the payment in full of all costs of the Parkway North Project, any remaining Owner Parkway North Cost Overrun Deposit funds shall be promptly returned to the Owner.

C. The Owner must fully fund the initial Debt Service Reserve Fund Requirement as defined and more fully set forth in the Loan Agreement.

D. Prior to 120 days from the Exit #3 Proper Project Bid Date and within 30 days after the Owner’s receipt of the written request from the SCDOT, the Owner must convey by general warranty deeds all land needed by SCDOT for the Exit #3 Proper Project; provided, each such general warranty deed shall contain a reverter clause to the Owner or other grantor providing such land shall revert to the Owner or other grantor in the deed if (i) SCDOT rejects all bids for the Exit #3 Proper Project and permanently cancels the procurement in accordance with Section 5.1.A. of this Agreement or (ii) the Exit #3 Proper Project is abandoned, and such land is no longer needed by SCDOT for highway purposes; provided, if the Exit #3 Proper Project is not completed for any reason and SCDOT determines to retain title to such land, SCDOT shall compensate the Owner for such land in accordance with condemnation procedures and requirements under the laws of the State of South Carolina. Except as otherwise expressly provided in the preceding sentence, the respective conveyances to SCDOT shall be at no cost to SCDOT, Bank, the County, or the City. The descriptions and dimensions of these land for the Projects shall be determined by SCDOT after consultation with the City, County and Owner, but generally be as shown on the concept plans for Exit #3 Proper Project prepared by Stantec and previously approved by SCDOT. After this Agreement and the Loan Agreement are signed by the Parties, SCDOT will transfer to the City the state-owned sections of Purrysburg Road by quitclaim deed. This transfer will include the at grade section where the CSX railroad line crosses Purryburg Road and the bridge over I-95 and will be from Church Road to US 17, less and excepting the 1.62 mile County owned section located from MO 10.78 to MP 12.60 and any and all other sections of Purrysburg Road which are or may

be under the ownership or control of the County, which such County sections shall be transferred by the County to the City by way of quitclaim deed for no additional consideration. Prior to 120 days from the Exit #3 Proper Project Bid Date, the City shall convey by quitclaim deed to SCDOT that portion of Purrysburg Road which is within the Exit #3 Proper Project, as shown on the approved right of way plans.

E. The Owner must complete at its own cost the construction of Parkway South Project as described in the Application that meets the standards, specifications and requirements of SCDOT and the Interchange Justification Report.

F. The City shall deliver to the Bank a fully-executed Development Agreement which must include provisions, terms, conditions, and remedies that fully protect the interests of the Bank under this Agreement and the Loan Agreement, including those related to the Owner Financial Assistance Obligations, are enforceable by the Bank against the City and the Owner, and are subject to the prior review and approval of the Bank.

G. In connection with the assignment or transfer of any kind by the Owner of the Owner's development rights under the Development Agreement or the Owner Financial Assistance Obligations to another Owner as defined in the Development Agreement, the proposed assignee or transferee shall execute an assumption agreement of all Owner Financial Assistance Obligations. The form of the assumption agreement instrument shall be an Exhibit to the Development Agreement. The form and contents of the assumption agreement shall be subject to prior approval by the Bank. The Owner or the City shall provide the Bank a copy of the executed assumption agreement within 30 days of its execution. The transferring or assigning Owner shall be released from all Owner Financial Assistance Obligations upon completion of such transfer or assignment and assumption pursuant to this section. In the event of the failure of the Owner or such assignee or transferee to execute the assumption agreement approved by the Bank in accordance with this Section 3.2.G or the Owner fails to enforce or comply with or enforce the requirements in this Section 3.2.G, the aforesaid release of the Owner shall be void and of no effect. The foregoing provisions apply to all of the real property located within the TIF or MID identified in the above first paragraph of Section 3.2 of this Agreement.

H. The City shall have entered into a contract with a contractor for the construction of the Parkway North Project with the bonds and insurance required by Section 5.5 of this Agreement, and the Owner shall have entered into a contract with a contractor for the construction of the Parkway South Project with the bonds and insurance required by Section 5.5 of this Agreement.

Interest and other earnings earned on amounts deposited in the segregated accounts or subfunds described in items of Sections 3.2. A and B, above shall remain in each of those accounts until all costs and payments, including all costs and payments on the Projects, or all payments due or owed to the Bank pursuant to this Agreement, the Loan Agreement or other agreement related thereto are paid in full. After the foregoing conditions are fully satisfied, the interest and other earnings and any unspent or unobligated funds in those accounts shall be remitted to the County or Owner respectively from the account or subfund it funded, unless such funds must be applied to pay costs to complete the Projects, including Cost Overruns. With respect to the Owner's deposits set forth in Section 3.2. B above, the amount of that deposit that is not reimbursed to the Owner from the remittance from that account or subfund identified above in this paragraph shall be addressed in the Development Agreement.

The Project Sponsors shall provide additional funding to complete the Projects if (i) Cost Overruns occur; or (ii) any funds or contributions to be provided for the Projects from a source other than the Bank are not received. Notwithstanding the foregoing, the Bank acknowledges that the Project Sponsors and the Owner may negotiate among themselves regarding an alternative basis for the sharing of this obligation in the Participation Agreement, the Development Agreement, or both such documents, but this shall not affect the Project Sponsors' obligations to the Bank under this paragraph.

If the City Council of the City or County Council of the County, respectively, fail to appropriate or to otherwise authorize the payment and funding obligations in this Agreement, including, but not limited to, the County PE Deposit, County Parkway North Deposit, or the funding obligation in the preceding paragraph, such failure shall constitute an Event of Default under Section 8.1 of this Agreement. Provided, however, the Bank acknowledges that foregoing obligation in this paragraph does not constitute a pledge of their respective full faith, credit and

taxing power, but this acknowledgment does not affect or bar the rights of the Bank to recover damages and obtain other remedies under this Agreement from any legally available sources of funds in the possession of or available to either of the Project Sponsors.

Section 3.3 Summary of Allocation of Project Costs

Attached hereto as Exhibit B is a summary document entitled “Detail of Project Cost Allocations” to be used as an aid in the implementation of this Intergovernmental Agreement. In the event of a conflict between this Intergovernmental Agreement and Exhibit B, the provisions of this Intergovernmental Agreement shall govern.

ARTICLE 4

ADDITIONAL OBLIGATIONS OF THE PROJECT SPONSORS

Section 4.1 Additional Documents and Actions

A. At the request of the Bank, the Project Sponsors shall execute any other documents that the Bank determines are reasonably necessary to evidence or establish the Project Sponsors’ obligations to the Bank set forth in this Agreement.

B. The Project Sponsors acknowledge that the Bank in its discretion may raise funds for its commitment to the Projects and other qualified projects through the issuance of revenue bonds or other indebtedness as permitted under the Act. Accordingly, the Project Sponsors shall take such actions and enter into or provide such other documents or agreements, including amendments to this Agreement or other agreements that are consistent with the substance hereof, as may be reasonably necessary to comply with South Carolina laws and regulations associated with such bonds or indebtedness or to satisfy requirements for documentation and information reasonably imposed by the Bank, prospective purchasers of such bonds, holders of such bonds, bond insurers, rating agencies, lenders or regulatory agencies and their attorneys, advisors, and representatives; provided however, that such actions, documents and agreements are legally permissible and that no such action or document shall create any additional material obligation or increase any material obligation of the Project Sponsors.

C. At the request of the Bank, each Project Sponsor shall enter into and execute any amendments to this Agreement all in a form and with contents, provisions, and terms acceptable to the Bank, unless the amendment creates a new material obligation for that Project Sponsor or materially increases an existing obligation of that Project Sponsor.

D. The Project Sponsors shall promptly provide the Bank upon request by it copies of any and all contracts, agreements and documents relating to the Projects.

Section 4.2 Additional Warranties and Covenants of the Project Sponsors

In addition to other requirements and obligations contained within this Agreement, the Project Sponsors warrant, covenant, and acknowledge that:

A. The Project Sponsors have full power and authority to execute, deliver and perform and to enter into and carry out the transactions contemplated by the provisions in this Agreement, and the execution and performance of these provisions and transactions by the Project Sponsors does not and will not violate any applicable law and does not, and will not, conflict with or result in a default under any agreement or instrument to which the County or the City is a party or by which it is bound, a violation of which would cause a material adverse effect to the Bank. This Agreement has, by proper action, been duly authorized, executed and delivered by the Project Sponsors.

B. This Agreement is valid, binding, and enforceable as to the Project Sponsors in accordance with its terms, provided that neither Project Sponsor can give assurances regarding the enforceability of Section 4.2.F and Article 7 hereof, and the Project Sponsors shall perform their obligations as set forth in this Agreement in accordance with its terms.

C. The relevant TIF, MID, and other documents, instruments and agreements essential to providing the Project Sponsors' funding and payment obligations under this Agreement, including Section 3.2 of this Agreement, have all been lawfully executed by the Project Sponsors; the forgoing notwithstanding, the County makes no representation or warranty as to the lawful creation and maintenance of the TIF or the MID beyond the exercise of its full consent to the

creation and maintenance of the TIF and MID and to the use and pledge of a portion of the County's share of the TIF incremental revenues as security for the Loan and for the repayment of the Loan as more fully set forth in the Loan Agreement.

D. Following (a) the City's establishment of the TIF; (b) the City's securing of consent to the pledge of a portion of their respective TIF revenues by the County and the Jasper County School District; (c) the City's establishment of the MID; and (d) any required appropriation of funds by the Jasper County Council with respect to the County Parkway North Deposit, no further referenda, authorizations, consents or approvals of governmental bodies or agencies are required in connection with the execution and delivery by the Project Sponsors of this Agreement and the performance of their obligations under this Agreement, including those for the funding and payment obligations under this Agreement, inclusive of Section 3.2 of this Agreement, except with respect to any future appropriation of funds required to satisfy any financial obligation of the City and/or the County that may arise under this Agreement in the future. Provided, however, that the construction of the Projects may require permits and other approvals by governmental agencies other than the Project Sponsors and the Bank, and the Project Sponsors affirm that they will comply with applicable law.

E. No litigation at law or in equity, nor any proceeding before any governmental agency, authority or other tribunal involving the Project Sponsors is pending or, to the knowledge of the Project Sponsors threatened, in which any judgment or order may be or has been rendered, or is sought, that may have a material and adverse effect upon the operations or assets of the Project Sponsors or the Owner or would materially or adversely affect the validity of this Agreement, or the performance by the Project Sponsors or Owner of their obligations hereunder or the transactions contemplated hereby. The Project Sponsors promptly will notify the Bank in writing if any such litigation or proceeding is commenced or threatened at any time during the term of this Agreement.

F. To the maximum extent permitted by law, the Project Sponsors shall (i) defend, indemnify and hold the Bank harmless from and against any and all liabilities, claims, or actions arising out of or relating to the Projects, and (ii) shall take all actions necessary to effect the timely

and full collection and payment of all taxes and assessments owed by the owners of property in the TIF and MID described in Section 3.2 of this Agreement during the term of the Loan.

G. If requested by the Bank, the foregoing warranties and covenants contained in this Agreement shall be confirmed by a written opinion issued to the Bank by legal counsel for the Project Sponsors in a form and with conclusions satisfactory to the Bank, which will be subject to standard exceptions as to enforceability. Neither Project Sponsor can give assurances regarding the enforceability of Section 4.2.F and Article 7, except for the joint and severable liability provisions.

Section 4.3 Reimbursement of Bank

A. If the Bank determines at any time that any Disbursements or expenditures from the Grant, Loan, or other sources of the Bank were made by it on the Projects were for costs or expenses that were not Eligible Costs, were based on misstatements of fact by the Project Sponsors or third parties engaged by the Project Sponsors, were for the collection or recovery of payments owed to the Bank on the Loan, or were for work, services, or materials that do not meet the design and construction specifications and standards of SCDOT and that have not been corrected to meet those specifications and standards, unless such work, services or materials were procured by SCDOT, the Bank, at its option, may require the Project Sponsors to reimburse the Bank for all such costs and expenses and the Project Sponsors shall make such reimbursements to the Bank. In the event that the Project Sponsors do not pay the full amount of the reimbursement to the Bank within ninety (90) days of the date of the notification to the Project Sponsors by the Bank that such reimbursement is due the Bank, the Project Sponsors' obligation to reimburse the Bank shall be subject to the provisions of S.C. Code Ann. § 11-43-210 and Section 8.2 of this Agreement. In lieu of requiring the payment of such reimbursement(s) by the Project Sponsors, the Bank may in its discretion reduce the amount of the Grant described in Section 3.1 of this Agreement by the amount of the reimbursement due the Bank under this Section 4.3.A. The Project Sponsors are each jointly and severally liable to the Bank for the obligations set forth in this Section 4.3.A. Notwithstanding the foregoing, the Bank acknowledges that the Project Sponsors and the Owner may negotiate among themselves regarding an alternative basis for the sharing of this obligation

between them in the Participation Agreement, the Development Agreement, or both such documents, but this shall not affect the Project Sponsors' obligations to the Bank. This Section 4.3 shall survive the termination of this Agreement.

B. If the Bank Board determines that (i) the Project Sponsors by their own acts or omissions have abandoned the funding of the Exit #3 Proper Project or the commencement or completion of the Parkway North Project, or any component thereof, at any time, (ii) the Project Sponsors by their own acts or omissions have failed to provide funding for the Exit #3 Proper Project as required by this Agreement or pursue the commencement or completion of the Parkway North Project, including all components, with due diligence after having received one written warning notice from the Bank of such failure by the Project Sponsors no less than sixty (60) days prior to issuance of the notification for reimbursement and the Project Sponsors thereafter fail to commence and maintain funding of the Exit #3 Proper Project or pursuit of commencement or completion of the Parkway North Project, including all components, with due diligence during that sixty (60) day period, or (iii) the Project Sponsors by their own acts or omissions fail to complete and open to the public the Parkway North Project, including all components, prior to the date the Exit #3 Proper project is completed, the Project Sponsors shall reimburse the Bank fully for all Disbursements within ninety (90) days of the date the last Project Sponsor receives notification from the Bank that such reimbursement is due the Bank and stating the reason(s) for such reimbursement. Further, in that event, all Disbursements for the Projects shall cease, and the Bank shall have no further obligations to the Project Sponsors under this Agreement. If the Project Sponsors fail to make such reimbursements in full to the Bank within that ninety (90) day period, the Project Sponsors' obligation to reimburse the Bank shall be subject to the provisions of S.C. Code Ann. § 11-43-210 of the Act and Section 8.2 of this Agreement. In the event exigent circumstances prevent the Project Sponsors from commencing or completing the Parkway North Project by the date identified above, the Bank may in its discretion, but is not required to, grant an extension for the commencement or completion of those projects on such terms and conditions as it may determine.

C. The Project Sponsors shall reimburse the Bank promptly for all reasonable costs and expenses incurred by the Bank in responding to requests for records and information submitted

to it pursuant to the South Carolina Freedom of Information Act (“FOIA”) relating to the Project after the Bank provides the Project Sponsors a written itemization of such costs and expenses and a copy of the request. Prior to seeking reimbursement from the Project Sponsors, the Bank will make a reasonable effort to collect such costs and expenses from the person or entity requesting such records or information pursuant to the FOIA.

Section 4.4 Project Reporting

The Project Sponsors shall report in writing to the Bank at least quarterly on the status of the Projects, including, but not limited to, reports on the status of design, right-of-way acquisition, environmental approvals, construction, scheduled draw requests, costs to date, estimated costs to complete the Projects, changes to the Projects, and any other matters identified or requested by the Bank. The reports shall be in a form acceptable to the Bank. The obligation of the Project Sponsors to report on the Exit #3 Proper Project shall cease upon the Project Sponsors’ providing the Bank a letter from SCDOT confirming it has assumed responsibility for that Project.

The Project Sponsors shall report, or cause the Owner to report, in writing to the Bank at least quarterly on the status of the Parkway South Project, including, but not limited to, reports on the status of design, right-of-way acquisition, environmental approvals, construction, project changes, and any other matters identified or requested by the Bank. The reports shall be in a form acceptable to the Bank.

The Project Sponsors may agree between themselves that one of them will be responsible for the reporting required by this section with respect to the Projects.

Section 4.5 Amendments or Revisions to Development Agreement

The City shall not amend, modify or revise the Development Agreement, or allow such amendment, modification or revision, that in any way affects the obligations of the Project Sponsors or the Owner to the Bank under this Agreement, the Loan Agreement, or the Development Agreement as it relates to this Agreement or the Loan Agreement without first providing the Bank thirty (30) days prior written notice thereof and obtaining the prior written

consent of the Bank to the amendment, modification or revision. Any such amendment, modification or revision, whether or not approved or agreed to by the City, that does not receive the prior written consent of the Bank under this Section 4.5 is void and unenforceable. This Section 4.5 shall remain in effect until the Project Sponsors and Owner fully satisfy all of their obligations to the Bank under this Agreement, the Loan Agreement and the Development Agreement. The reference in this Section 4.5 to the obligations of the Owner includes the Owner Financial Assistance Obligations.

ARTICLE 5

PROJECT ADMINISTRATION AND RELATED MATTERS

Section 5.1 Project Administration.

A. Exit #3 Proper Project. SCDOT shall administer the Exit #3 Proper Project pursuant to an Agreement between the Bank and SCDOT. The Project Sponsors, after consultation with the Owner, reserve the right to review and consent to the costs of the Exit #3 Proper Project after the bids are received by SCDOT for the Exit #3 Proper Project. Concurrently, SCDOT reserves the right upon receipt to analyze the bids for responsiveness (irregularities) and will notify the City, the County, the Owner, and the Bank if irregularities are found. The City's and County's consent to the costs must be given to SCDOT within fifty (50) calendar days of the receipt of the bids by SCDOT. If such consent is not given in writing by the City and the County within that time, SCDOT shall reject all bids for the Exit #3 Proper Project and cancel the procurement. If the City, County, Owner, and Bank agree in writing, SCDOT will rebid the Exit #3 Proper Project a second time under mutually agreeable terms acceptable to it and the Parties. If such consent is not given on the first procurement or a second procurement (a rebid) is not successful for any reason, the City and County shall reimburse the Bank within thirty (30) calendar days of the cancellation of the first procurement or second procurement for all Disbursements made on the Projects from the Grant and the Loan, and the Bank shall cancel all Financial Assistance on the Projects and all monies remaining in the accounts held by the State Treasurer's Office pursuant to Section 3.2 A and B shall be released to the County and Owner, respectively. Prior to the remitting of such funds by the State Treasurer's Office, all payments due to SCDOT to close out all contracts related to

the preliminary engineering, initial permitting and related costs for the Exit #3 Proper Project shall be made. If consent is given by the City and County, the consent does not alter, amend or limit the funding responsibilities of the City and County set forth in the Loan Agreement or this Agreement including coverage by the City and County of any Cost Overruns. SCDOT will install signage on City right-of-way as part of the Exit #3 Proper Project as necessary and consistent with the traffic plan in the Interchange Justification Report, and any approval or consent required from the City for such installation will not be unreasonably withheld. The reimbursement and payment obligations set forth above in this Section 5.1.A shall survive the termination of this Agreement.

In addition to the foregoing, within the same fifty (50) calendar day period of time if the City and County consent to the costs of the successful bid that is in excess of \$45,604,000, the City and County also shall enter a binding obligation with the Bank in a form and with contents acceptable to the Bank to provide the funds to cover any and all costs of the Exit #3 Proper Project in excess of the estimated costs of \$45,604,000.

B. Parkway North Project. The City shall administer the Parkway North Project, which is a portion of Purrysburg Road. The design and construction of the Parkway North Project must conform with SCDOT standards, specifications, and requirements and with the traffic studies used for the approval of the Interchange Justification Report. The City shall be responsible for all engineering, right-of-way acquisition, and construction for the Parkway North Project and may perform all or any part of the work with its own forces or may contract out any of the work or services to private or governmental providers or contractors should it determine that such contracting out would be more efficient or would result in more timely completion of the Parkway North Project. The City shall enter into contracts in its own name. All rights-of-way shall be acquired in the name of the City, and the laws and procedures of the State of South Carolina for acquiring rights-of-way shall apply and be followed. SCDOT shall quitclaim to the City any portions of Purrysburg Road that it may own as set forth in Section 3.2.D of this Agreement. The City shall own and maintain the Parkway North Project and Purrysburg Road after completion of construction of the Parkway North Project. All work, services and materials used on the Parkway North Project shall conform with SCDOT standards, specifications, and requirements as if it were administering the Parkway North Project. The Project Sponsors shall complete the Parkway North

Project and open the Parkway North Project for public use upon such completion which must be no later than the date that the Exit #3 Proper Project is open to public use.

C. Parkway South Project. The Owner, in cooperation with the City, shall administer the Parkway South Project, which is a portion of Purrysburg Road. The design and construction of the Parkway South Project must conform with the standards, specifications, and requirements of SCDOT and the Interchange Justification Report. The Owner shall be responsible for all engineering, right-of-way acquisition, and construction for the Parkway South Project. The Owner shall enter into contracts in its own name. All rights-of-way shall be acquired in the name of City and the laws and procedures of the State of South Carolina for acquiring rights-of-way shall apply and be followed. SCDOT will quitclaim to the City any portions of Purrysburg Road that it may own as set forth in in Section 3.2.D of this Agreement. Prior to 120 days from the Exit #3 Proper Project Bid Date, the City shall convey to by quitclaim deed to SCDOT that portion of Purrysburg Road which is within the Exit #3 Proper Project, as shown on the approved right-of-way plans. The City shall own and maintain the Parkway South Project and Purrysburg Road (excluding the portion within the Exit #3 Proper Project) after completion of construction of the Parkway South Project. All work, services and materials used on the Parkway South Project shall conform with SCDOT standards, specifications, and requirements as if it were administering the Parkway South Project and the Interchange Justification Report. In addition to any other sections of this Agreement expressly made applicable to the Parkway South Project, the provisions of Sections 5.4, and 5.5 of this Agreement shall be applicable to the Parkway South Project. The Owner shall complete the Parkway South Project and open the Parkway South Project for public use upon such completion which must be no later than the date that the Exit #3 Proper Project is open to public use. The City shall be responsible to the Bank for ensuring that the Owner complies with all obligations in this Agreement that are applicable to the Parkway South Project. The Bank shall not provide Financial Assistance of any kind to the Parkway South Project.

Section 5.2 Scope of Projects

The scope of work of the Projects and the Parkway South Project shall be as set forth in the definition of each of those projects in Section 1 of this Agreement and shall comply with the

Interchange Justification Report. A material change in the scope of the Exit #3 Proper Project shall require the approval of the Bank Board, SCDOT and Project Sponsors and be stated in an amendment to this Agreement. For purposes of this Section 5.2, “material change” means a change in the scope of the Exit #3 Proper Project: (a) that requires a revision of the Record of Decision or other approvals issued by Federal Highway Administration for the Exit #3 Proper Project, the permit(s) issued by the U.S. Army Corps of Engineers for the Exit #3 Proper Project, or the permits, approvals or authorizations required for the Exit #3 Proper Project issued by other Federal or state agencies, including the Interchange Justification Report, but only if such changes alter the overall design or purpose of the Exit #3 Proper Project; (b) that does not comply with SCDOT’s standards, specifications and requirements or the Interchange Justification Report; or (c) that materially changes the overall design or scope of the Exit #3 Proper Project, which alone or together with other material changes as defined in Section 5.2, increases the costs of the Exit #3 Proper Project beyond the estimated costs of \$45,604,000 set forth in Section 3.1 of this Agreement or the higher cost of the Exit #3 Proper Project established by the process in Section 5.1 of this Agreement, whichever is applicable. Except as provided above in (a), (b), and (c) of this Section 5.2, change orders may be executed by SCDOT for items necessary to complete the Exit #3 Proper Project without the consent of the Project Sponsors or Bank. Notwithstanding the above provisions in Section 5.2, no consent from the Project Sponsors relating to increased costs for the Exit #3 Proper Project is required to implement or enforce the obligation of the Project Sponsors to pay for Cost Overruns for the Exit #3 Project as set forth in this Agreement so long as the Cost Overrun is not caused by one or more of the material changes set forth in (a), (b), or (c) above in this Section 5.2. The Bank acknowledges that the Project Sponsors and the Owner may negotiate among themselves an alternative basis for the sharing of the Cost Overrun obligations in the Participation Agreement, the Development Agreement or both such documents, but this shall not affect the Project Sponsors’ Cost Overrun obligations in this Agreement and the Loan Agreement.

Section 5.3 Ownership and Maintenance of Projects.

Upon completion and acceptance of the Exit #3 Proper Project by SCDOT, SCDOT shall maintain the Exit #3 Proper Project. The City shall own and be responsible for and provide

maintenance for the Parkway North Project, Parkway South Project, and Purrysburg Road after completion of the Parkway South Project and Parkway North Project and shall provide the Bank and SCDOT a written commitment confirming its obligations to maintain the Parkway North Project, Parkway South Project and Purrysburg Road.

The City and Owner, respectively, shall solicit contractor, construction and consultant services and materials needed to complete the Parkway North Project and Parkway South Project by the procurement methods they deem will result in the selection of the best qualified firms and vendors, the lowest responsible contract price, and the best value for the projects as long as the City or Owner, respectively, is authorized by law to employ such methods. Contract forms shall be design-build, design-bid-build, or any other form or combination of forms that are permissible by law that the City and Owner, respectively, determine will result in the most cost-effective, efficient, and timely delivery and completion of the Parkway North Project and Parkway South Project.

Section 5.4 Bonds and Insurance

The City and Owner, respectively, shall require that the contractor(s) for the Parkway North Project and Parkway South Project provide and maintain throughout the life of the construction the same types and amounts of payment bonds, performance bonds, and insurance coverages that SCDOT usually requires from contractors on comparable projects that it manages. To the extent available and at a cost not to exceed \$10,000, the Bank shall be made an additional obligee on the performance bond(s) for the Parkway South Project.

The City and Owner, respectively, shall require, or cause the general contractor to require, that subcontractors, engineering or design firms, and other vendors and providers on the Parkway North Project and Parkway South Project provide and maintain the same types, duration and amounts of payment bonds, performance bonds, and insurance coverages that SCDOT usually requires from subcontractors, engineering or design firms, and other vendors and providers on comparable projects it manages.

The City shall provide, or cause to be provided to, the Bank proof of such required bonds and insurance coverages prior to each respective contractor, subcontractor, engineering or design firm, vendor and provider commencing the provision of services or materials on the Parkway North Project and Parkway South Project. The City shall certify to the Bank in writing between July 1 and July 30 of each year during the life of the Parkway North Project and Parkway South Project that all such required bonds and insurance coverages remain in force. The City shall promptly notify the Bank in writing if any required bonds or insurance coverages lapse or are terminated. The Bank may decline to make payments or Disbursements for any services or materials provided by any contractor, subcontractor, firm, vendor or provider on the Parkway North Project on which any required bonds or insurance coverages have lapsed or been terminated until such lapse or termination is corrected to the satisfaction of the Bank.

Upon request, the City promptly shall provide, or cause to be provided to, the Bank copies of any required bonds and any certificates or policies for any required insurance coverages.

ARTICLE 6

CONDITIONS TO BANK'S DISBURSEMENTS AND DRAW REQUESTS

Section 6.1 Draw Requests on Parkway North Project

The Bank's obligation to make Disbursements for Eligible Costs of the Parkway North Project arises only upon the Bank's receipt, review and approval of a written draw request from the City, which draw request shall be in a form approved by the Bank, and is further conditioned upon all of the following conditions being met:

A. No lien or other interest may have attached to a Contract or the Parkway North Project, nor to any rights-of-way, real property or improvements related thereto.

B. Construction of the completed portions of the Parkway North Project described in the applicable Contract shall have been carried out substantially in accordance with the applicable plans, standards and specifications.

C. No event of default exists under this Agreement, the Loan Agreement, or any related agreement with the Bank, or any Contract.

D. No event or condition shall have occurred or arisen which prevents the Bank from obtaining funds sufficient to complete its Financial Assistance to the Parkway North Project, and no funding or payment obligations under this Agreement, including those in Section 3.2 of this Agreement, have failed to be provided on the schedule approved by the Bank.

E. The Project Sponsors have fulfilled all of the warranties, covenants and obligations set forth in this Agreement, including, but not limited to those in Section 3.2 of this Agreement that are conditions precedent or contingencies to Disbursements from the Grant.

F. The City shall have certified that the entire payment applied for in the draw request is for Eligible Costs of the Parkway North Project and that the design, work, and materials used in that portion of the Parkway North Project comply with the terms of applicable Contracts, the approved plans, and the applicable standards of SCDOT.

G. The following conditions have been met, satisfied, or otherwise agreed to:

- i. The Project Sponsors have entered into and executed all agreements, instruments, documents, provisions and terms deemed necessary by the Bank.
- ii. Any material change in scope of the Parkway North Project has been approved by Bank and SCDOT, this Agreement has been modified or amended as determined necessary by the Bank, and additional approvals from the JBRC or other governmental entities have been obtained as determined necessary by the Bank.
- iii. The Project Sponsors warrant that no litigation, nor any proceeding before any governmental agency involving either of them or the Owner is pending, or to the knowledge of the Project Sponsors, threatened, in which any potentially adverse outcome would have a materially adverse impact on the

ability of the Project Sponsors or Owner to meet their obligations under this Agreement, Loan Agreement or Development Agreement.

Section 6.2 Costs Not Paid or Reimbursed on Parkway North Project

The Bank will not make Disbursements for or pay or reimburse expenses, expenditures or costs from the Grant or Loan for the following purposes which are hereby deemed not to be Eligible Costs under this Agreement or for the Parkway North Project. This section shall survive the termination of this Agreement:

A. Any costs, expenses, expenditures, attorneys' fees, damages, awards, judgments or settlements arising from, or alleged to arise from, claims, or legal, judicial or administrative actions or proceedings of any kind, asserted under or related to any Federal, state, local or government agency law, ordinance, regulation or any permitting process; for condemnations; inverse condemnations; regulatory takings; physical takings; trespasses; nuisances of any kind; flooding; damages to real or personal property or interests of any kind; diminutions in real or personal property values; loss of road, street, highway or other access; environmental, wetlands, water, noise, visual, odor or similar damages or impacts; similar demands, assertions or allegations; or payments or obligations established under any compensation programs or plans established by the Project Sponsors, SCDOT or any other entity.

B. Any costs, expenses, expenditures, attorneys' fees, damages, awards, judgments or settlements arising from, or alleged to arise from, any claims, disputes, proceedings, or lawsuits of any kind, including disputes between the Project Sponsors and SCDOT.

C. Landscaping and beautification for the Project other than for required grassing or other erosion control measures or replacement or repair of trees, vegetation or landscaping affected by construction of the Parkway North Project.

D. Excessive or unreasonable attorneys', engineering or other professional fees or expenses based on the lesser amount of reasonable fees and expenses as determined by applicable

industry standards or what South Carolina state agencies, including SCDOT and the South Carolina Attorney General's Office, usually pay or authorize for such services, fees, and expenses.

E. Any costs that are not for the actual construction of the Parkway North Project such as permitting costs, right-of-way costs, or preliminary engineering costs.

Section 6.3 Exit #3 Proper Project

The procedures and provisions for Disbursements on draw requests submitted by SCDOT to the Bank on the Exit #3 Proper Project shall be set forth in the SCDOT Intergovernmental Agreement. The Bank or SCDOT will provide the Project Sponsors copies of the draw requests submitted by SCDOT. The Project Sponsors may in good faith object based on the provisions in this Agreement to a draw request by submitting a written explanation to the Bank and SCDOT within seven (7) days of the receipt of a copy of the draw request. The Bank with SCDOT's assistance shall review the objection in good faith and advise the Project Sponsors of their decision on the objection. The decision of the Bank and SCDOT on the objection is final.

ARTICLE 7

INDEMNIFICATION OF BANK

To the maximum extent permitted by the law of South Carolina, the Project Sponsors shall defend, indemnify and hold the Bank and its Board members, officers and employees harmless from and against any and all liabilities, claims, actions, damages, judgments and attorneys' fees and related expenses and costs in any way arising out of or relating to: (i) the design, location, construction, modification, funding, pursuit, implementation, completion or operation of the Projects, the Parkway South Project, or any portion or component thereof; (ii) this Agreement, the Loan Agreement, or any contract; or (iii) the selection, use or payment of persons or firms for design, construction, modification, or operation of the Projects, the Parkway South Project, or any portion or component thereof. In the event the Project Sponsors do not pay the full amount of any such indemnification to the Bank for any reason within ninety (90) days of the date of the notification to the Project Sponsors that such indemnification is due the Bank, the Project Sponsors' obligation to pay the Bank under this section shall be subject to the provisions of S.C.

Code Ann. § 11-43-210 and Section 8.2 of this Agreement. In lieu of requiring such payment by the Project Sponsors as described above, the Bank may in its discretion reduce the amount of the Grant or Loan by the amount of the costs and expenses incurred as a result of the matters described above in this section. The Projects Sponsors are each jointly and severally liable to the Bank for the obligations set forth in this section. This Article 7 shall survive the termination of this Agreement.

ARTICLE 8

BANK'S RIGHTS AND REMEDIES

Section 8.1 Events of Default as to the Project Sponsors

With the exception of the Owner's obligations with respect to the Parkway South Project, in the event either of the Project Sponsors or the Owner violate or fail to comply with any provision in or obligation under this Agreement (including other agreements and obligations incorporated herein) or the Loan Agreement and if such failure continues for a period of thirty (30) days after receipt of a written notice of such default from the Bank, such failure shall constitute an Event of Default by the Project Sponsors under this Agreement. The Events of Defaults of this Agreement also shall include those Events of Default in Section 7.1 of the Loan Agreement which is incorporated herein by reference. For the avoidance of doubt, the Owner's failure to perform any of its obligations with respect to the Parkway South Project shall not constitute an Event of Default by the Project Sponsors. For the avoidance of doubt, the Owner's failure to perform any of its obligations with respect to the Parkway South Project shall not constitute an Event of Default by the Project Sponsors. The failure by either Project Sponsor to appropriate funds to satisfy any of its obligations under this Agreement also shall constitute an Event of Default under this Agreement if not cured by that Project Sponsor within the thirty (30) day period described above in Section 8.1.

Section 8.2 Remedies as to the Project Sponsors

Whenever any Event of Default occurs, any one or more of the following remedies may be pursued by and shall be available to the Bank against the Project Sponsors in addition to those provided in other sections of this Agreement:

A. As to any Event of Default, any obligation, act or duty the Project Sponsor(s) or the Owner failed to perform shall be deemed a ministerial act and subject to the remedies of mandamus and mandatory injunction requiring the Project Sponsor(s) to perform the obligation or duty, and the Bank shall be deemed to have no adequate remedy at law for such Event of Default.

B. Among other rights and remedies available to the Bank following an Event of Default, the Bank shall have the right to cease making any further Disbursements under this Agreement or Loan Agreement with respect to the Projects until such Event of Default has been cured and the right to require the Project Sponsors to reimburse it for any or all Disbursements on the Projects. The Bank shall also have and may pursue any other remedies available under South Carolina law, including the enforcement of any remedies against any legally available funds of the Project Sponsors, except as such remedies may be expressly limited by the specific provisions of this Agreement which includes, but is not limited to, all funds appropriated or authorized in any way by the Project Sponsors for the Projects.

C. In addition to the remedies available to the Bank set forth in this Agreement for an Event of Default, the Bank also shall have the right to exercise the remedies set forth in Section 7.2.A. of the Loan Agreement.

D. The Project Sponsors shall pay the Bank the reasonable attorneys' fees and expenses incurred by the Bank in pursuing any remedy for an Event of Default.

E. In the event a Project Sponsor fails to make any payment or reimbursement to the Bank in full as required by this Agreement or the Loan Agreement, it acknowledges the authority of the State Treasurer under S.C. Code Ann. § 11-43-210 to withhold funds allotted or appropriated by the State of South Carolina to the Project Sponsor and to apply those funds to

make or complete any such payment in full to the Bank. The Project Sponsors agree that the current provisions of Section 11-43-210 are hereby incorporated into this Agreement verbatim as an independent and separate contractual obligation of the Project Sponsors and shall be enforceable against the Project Sponsors and survive even if S.C. Code Ann. § 11-43-210 is repealed or its application is reduced or amended by action of the General Assembly, or it is otherwise abrogated, or its application is reduced or modified by a court or court decision. The Bank will notify the Project Sponsors prior to requesting that the State Treasurer withhold such funds.

F. In consideration of the significant benefits to the City and County and their citizens from the Grant and Loan from the Bank for construction of the Projects on which each is a Project Sponsor, the City and County each acknowledges and agrees that it is jointly and severally liable to the Bank for the payment of all financial obligations arising under this Agreement, and that such liability is independent of and in addition to the obligations of the other Project Sponsor. The foregoing notwithstanding, the Bank acknowledges that the City, the County, and Owner may negotiate between themselves regarding an alternative basis for the sharing of any such liability between them in the Participation Agreement, the Development Agreement, or both such documents, but this alternative basis shall not affect the Project Sponsors' joint and several liability to the Bank. Each obligation, promise, covenant, representation, and warranty in this Agreement shall be deemed to have been made by, and binding upon, each Project Sponsor. The Bank may bring an action against either Project Sponsor, whether or not an action is brought against the other Project Sponsor, provided, however, nothing contained in this Section shall prevent either Project Sponsor from making the other a party to said action to the extent permitted by law or in equity.

Each Project Sponsor agrees that any release which may be given by the Bank to the other Project Sponsor will not release such Project Sponsor from its obligations under this Agreement.

Section 8.3 Remedies Cumulative; Non-waiver

All rights and remedies of the Bank provided for in this Agreement, the Loan Agreement or in any other related document as to any party are cumulative, shall survive the termination of this Agreement, and shall be in addition to any and all other related rights and remedies provided for or available to the Bank at law, including those contained in the Act, or in equity. The exercise

of, or the failure to exercise, any right or remedy by the Bank shall not in any way constitute a cure or waiver of an Event of Default or the waiver of any right or remedy available to the Bank, nor invalidate any act done pursuant to any notice of the occurrence of an Event of Default.

ARTICLE 9
GENERAL CONDITIONS AND PROVISIONS

Section 9.1 Waivers

No waiver of any Event of Default by the Bank hereunder shall be implied from any delay or omission by the Bank to take action on account of such Event of Default, and no express waiver shall affect any event of default other than the Event of Default specified in the waiver and it shall be operative only for the time and to the extent therein stated. Waivers of any covenants, terms or conditions contained herein must be in writing and shall not be construed as a waiver of any subsequent or other breach of the same covenant, term or condition. The consent or approval by a Party to or of any act by another Party requiring further consent or approval shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent or similar act. No single or partial exercise of any right or remedy of a Party hereunder shall preclude any further or later exercise thereof or the exercise of any other or different right or remedy by the Party.

Section 9.2 Benefit and Rights of Third Parties

This Agreement is made and entered into for the sole protection and benefit of the Parties, and their successors and assigns. Other than the Owner solely as set forth below in Section 9.12 below, no other persons, firms, entities, or parties shall have any rights, or standing to assert any rights, under this Agreement in any manner, including, but not limited to, any right to any Disbursements at any time, any right to require any Party to apply any portion of the amounts committed herein that have not been disbursed to the payment of any such claim, or any right to require any Party to exercise any right or power under this Agreement or arising from any Event of Default of any kind by either of the Project Sponsors. Nor shall any Party owe any duty or have any obligation whatsoever to any claimant for labor or services performed or materials or supplies furnished in connection with the Projects. Other than the owner, no other persons, firms,

entities, or parties shall, under any circumstances, be deemed to be a beneficiary of any conditions or obligations set forth in this Agreement, any or all of which may be freely waived in whole or in part by the Party at any time pursuant to Section 9.1 of this Agreement, if in its sole discretion, it deems it desirable to do so.

Section 9.3 No Liability of Bank

The Bank makes no representations and assumes no obligations or duties as to any person, firm, entity, or party, including the parties to this Agreement, concerning the quality of the design, construction, modification, completion or operation of the Projects, or any portion or component thereof, or the absence therefrom of defects of any kind. The Bank and its Board members, officers and employees shall not be liable in any manner to any person, firm, entity, or party, including the parties to this Agreement, for the design, location, construction, modification, completion, or operation of the Projects, or the failure to design, locate, modify, operate, complete, or construct the Projects or any portion or component thereof, generally or in any particular manner. The Bank shall not be liable in any manner on any Contract to which it is not a named party, the execution of which has not been properly and duly authorized by the Bank Board, and that has not been so executed by the Bank.

Section 9.4 Assignment

The terms hereof shall be binding upon and inure to the benefit of the successors and assigns of the Parties hereto; provided, however, the Project Sponsors shall not assign or delegate this Agreement, any of its respective rights, interest, duties or obligations under this Agreement, nor any Disbursements without the prior written consent of the Bank; and any such attempted assignment or delegation (whether voluntary or by operation by law) without said consent shall be void.

Section 9.5 Captions

The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Agreement nor the intent or meaning of any provision hereof.

Section 9.6 Notices

All notices required to be given hereunder, except as otherwise provided in this Agreement, shall be deemed effective when received by the other party, through certified mail, registered mail, personal delivery, or courier delivery. All such notices shall be addressed to the Parties as follows:

City of Hardeeville
Mr. Michael Czymbor
City Manager
205 Main Street
Hardeeville, SC 29927

Jasper County Andrew P. Fulghum
County Administrator
P.O. Box 1149
Ridgeland, SC 29936

Chairman
South Carolina Transportation Infrastructure Bank
955 Park Street, Room 120B
Columbia, SC 29201

Section 9.7 Amendments

Any amendment to this Agreement shall only be made through a written instrument duly authorized and signed by each party hereto.

Section 9.8 Savings Clause

Invalidation of any one or more of the provisions of this Agreement by any court of competent jurisdiction shall in no way affect any of the other provisions hereof, all of which shall remain, and is intended by the Parties to remain, in full force and effect. Notwithstanding the

foregoing sentence, in the event that a court invalidates or modifies any one or more provisions, in whole or in part, of this Agreement, the Bank may in its discretion terminate this Agreement by providing notification of such termination to the Project Sponsors, and upon providing such notification to the Project Sponsors, all of the Bank's obligations under this Agreement shall terminate immediately.

Section 9.9 Execution in Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same instrument, and in making proof of this Agreement it shall not be necessary to produce or account for more than one such fully executed counterpart.

Section 9.10 Authority to Execute

By executing this Agreement, the undersigned each affirms and certifies that he or she has authority to bind his or her principal thereto and that all necessary acts have been taken to duly authorize this Agreement under applicable law.

Section 9.11 Agreement Controls

In the event of any conflicts between the provisions of this Agreement and the provisions of the Loan Agreement or the provisions of the Development Agreement relating to this Agreement or the Loan Agreement, the provisions of this Agreement shall control.

Section 9.12 Limited Third Party Beneficiary

Notwithstanding anything to the contrary contained herein, the Owner is a third-party beneficiary solely to Sections 3.2, 5.1, 5.2, and 6.3 of this Agreement, but only to the extent that the Project Sponsors have expressly stated rights under those Sections. No amendments or modifications to those Sections in this Agreement shall be made without first obtaining the written consent of the Owner which consent shall not be unreasonably withheld or delayed by the Owner.

A copy of any notices by any of the Parties under this Agreement shall be timely delivered to the Owner.

[Separate Signature Page for Each Party Follows]

SIGNATURE PAGE FOR THE CITY OF HARDEEVILLE

IN WITNESS WHEREOF, the City of Hardeeville has caused this Agreement to be executed on its behalf and its seal to be affixed hereto.

CITY OF HARDEEVILLE, SOUTH CAROLINA

By: _____

(SEAL)

Printed Name: _____

Title: _____

Attest:

By: _____

Printed Name: _____

Title: _____

Note: The execution of this Agreement was authorized and approved by Ordinance _____ adopted by the Hardeeville City Council on _____, 2023.

SIGNATURE PAGE FOR JASPER COUNTY

IN WITNESS WHEREOF, Jasper County has caused this Agreement to be executed on its behalf and its seal to be affixed hereto.

JASPER COUNTY, SOUTH CAROLINA

By: _____

(SEAL)

Printed Name: _____

Title: _____

Attest:

By:

Printed Name: _____

Title: _____

Note: The execution of this Agreement was authorized and approved by Ordinance _____ adopted by the Jasper County Council on _____, 2023.

SIGNATURE PAGE FOR BANK

IN WITNESS WHEREOF, the South Carolina Transportation Infrastructure Bank has caused this Agreement to be executed on its behalf and its seal to be affixed hereto.

SOUTH CAROLINA TRANSPORTATION
INFRASTRUCTURE BANK

(SEAL)

By: _____

John B. White, Jr.

Chairman

Attest:

Robert E. Tyson, Jr.

Secretary

Add and List Exhibits

A. Real Property Description of TIF and MID

EXHIBIT C
IMPROVEMENT PLAN

AGENDA

ITEM # 16

**STATE OF SOUTH CAROLINA
JASPER COUNTY**

ORDINANCE #2023 - _____

**AN ORDINANCE OF
JASPER COUNTY COUNCIL**

Amending Section 9-96(3) of the Jasper County Code of Ordinances as adopted by Ordinance No. 2022-39 to provide for the appointment of Members to the Levy Fire Protection Board, and matters related thereto.

WHEREAS, on _____, 2022, the Jasper County Council passed Ordinance O-2022-39, recorded in Book _____, Page _____ of the Jasper County Register of Deeds, which ordinance approved, among other things, a methodology as codified in Section 9-96(3) of the Jasper County Code of Ordinances by which the initial Board of the Levy Fire Protection Board would include three (3) members appointed by County Council from the Levy Fire Protection District service area, and for the purposes of the initial appointment, two (2) of the three (3) appointed members would be former board members of the Levy Volunteer Fire Department; and

WHEREAS, subsequently Jasper County, despite its efforts, has not been able to obtain former members of the Levy Volunteer Fire Department who are available to serve; and

WHEREAS, Jasper County has obtained the applications of three citizens from within the Levy Fire Protection District area willing to serve, and has obtained the consent of the Levy Volunteer Fire Department Board to ratify the appointment of these citizens without the requirement that two (2) of the three (3) be former Levy Volunteer Fire Department members; and

WHEREAS, in order to memorialize these matters, Council has determined to adopt an amendment to Section 9-96(3) as adopted in Ordinance 2022-39, deleting the requirement that for purposes of the initial appointees, at least two (2) of the three (3) Appointed Members shall be former board members of Levy VFD; and

WHEREAS, it is further desirable to amend this subsection to clarify that the two *ex officio* members of the Levy Fire Protection District Board are voting members;

NOW, THEREFORE, BE IT ORDAINED, by the Jasper County Council, duly assembled and with authority of same, that the above premises be incorporated by reference; and:

1. Section 9-96 (3) of the Jasper County Code of Ordinances shall be amended to read as follows:

(3) The Levy Fire Protection District shall initially be operated as a commission under the authority of the County called the “Levy Fire Protection District Board” (the “Board”). The Board shall initially consist of five (5) voting members. Three (3) members of the Board shall be appointed by the County Council from the Levy Fire Protection District service area (the “Appointed Members”). The Chair of the County Council, or his/her designee, the Council member representing the area containing the Levy Fire Protection District shall also serve on the Board in a voting *ex-officio* capacity. Other than the *ex officio* members, who shall serve for a period of time conforming to their respective positions, the Appointed Members shall serve staggered terms. The initial Appointed Members shall serve terms as follows: one Appointed Member shall serve an initial term until June 30, 2023, one Appointed Member shall serve an initial term until June 30, 2024; and one Appointed Member shall serve an initial term until June 30, 2025. As the terms of the initial Appointed Members expire, Appointed Members will be appointed to serve three-year terms thereafter. All Appointed Members of the Board may serve for successive terms of appointment, but in no event may any Appointed Member serve more than three consecutive terms. All Appointed Members shall serve until a qualified successor is appointed to serve. Any vacancy of an Appointed member, regardless of how such vacancy occurs, shall be filled by Council for the remainder of such member’s term. The Board shall organize and arrange meetings as necessary and shall further make arrangements to elect necessary officers, including a chair to preside over meetings.

2. If any section, clause, paragraph, sentence or phrase of this ordinance, or application thereof any person or circumstances shall for any reason be held to be invalid or unconstitutional, the invalid section, clause paragraph, sentence, phrase or application shall in no way affect the remainder of this ordinance: and it is hereby declared to be the intention of the County Council that the remainder of this ordinance would have passed notwithstanding the invalidity or unconstitutionality of any section, clause paragraph, sentence or phrase thereof.

3. This ordinance shall take effect upon approval by Council.

Martin L. Sauls, IV
Chairman

ATTEST:

Wanda Simmons
Clerk to Council

ORDINANCE: # 2023-__

First Reading: _____

Public Hearing: _____

Second Public Hearing: _____

Second Reading: _____

Third Reading: _____

Adopted: _____

Reviewed for form and draftsmanship by the Jasper County Attorney.

David Tedder

Date