EXHIBIT C to CITY OF HARTSVILLE ORDINANCE 4346

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STATE OF	SOUTH CAROLINA
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COUNTY OF DARLINGTON

CITY OF HARTSVILLE

INTERGOVERNMENTAL AGREEMENT

THIS INTERGOVERNMENTAL AGREEMENT (this "Intergovernmental Agreement") is dated and effective as of ______, 2018 (the "Effective Date") and is by and between Darlington County, South Carolina, a county and political subdivision of the State of South Carolina ("Darlington County") and the City of Hartsville, South Carolina, a municipal corporation and political subdivision of the State of South Carolina (the "City" and together with Darlington County, the "Parties" and each individually, a "Party").

RECITALS

WHEREAS, the City desires to establish and encourage an economic development program in order to stimulate commercial redevelopment of a mixed-use commercial and multi-family housing project within an area along 4th Street in the City and designated as the Canal District and as more particularly shown on <u>Exhibit A</u> (the "Canal District"); and

WHEREAS, the City desires to provide or cause to be provided certain Infrastructure (as defined and described herein) to support the redevelopment of the Canal District and surrounding areas; and

WHEREAS, Lee County, South Carolina ("Lee County") and Darlington County (jointly the "Counties") are authorized pursuant to Article VIII, Section 13(D) of the Constitution of South Carolina 1895, as amended, and Section 4-1-170 of the Code of Laws of South Carolina, 1976, as amended (collectively, the "MCIP Law") to jointly develop a multi-county industrial or business park within the geographical boundaries of one or both of the member counties; and

WHEREAS, such a joint county business park located in the City (the "Park") may be utilized to assist the City in defraying the costs the Infrastructure; and

WHEREAS, at the request of the City, the Counties have entered into a "Master Agreement Governing the Canal District Business Park" (the "Master Agreement"), the provisions of which govern (i) the operation of the Park, including the sharing of expenses and revenues of the Park and the percentage of revenues allocated to each of the Counties, and (ii) the manner in which the revenue is to be distributed to each of the taxing entities within each of the Counties; and

WHEREAS, the City and Darlington County desire to enter into this Intergovernmental Agreement to: (i) establish the purposes for the Park; (ii) identify the location of the Park; (iii) determine the eligibility criteria for inclusion of property in the Park; (iv) confirm the commitment of the City to provide the Infrastructure for the Park; (v) ratify the methodology by which and the amount of fee-in-lieu-of *ad valorem* taxes ("Fees") attributable to the Park Property (as defined herein) shall be paid to the City; and (vi) provide the City's formal consent to the creation of the Park within its municipal boundaries; and

WHEREAS, the City and Darlington County each acting by and through their respective governing bodies have authorized the execution and delivery of this Intergovernmental Agreement.

NOW THEREFORE, in consideration of the mutual agreement, representations, and benefits contained in this Intergovernmental Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby contractually agree as follows:

1. **Binding Agreement**; Representations.

(A) This Intergovernmental Agreement serves as a written instrument setting forth the entire agreement between the Parties and shall be binding on the Parties, their successors and assigns.

(B) Each of the Parties represents and warrants that: (i) it has the full legal right, power, and authority to enter into this Intergovernmental Agreement and carry out and consummate all other transactions contemplated by this Intergovernmental Agreement; (ii) it has duly authorized the execution, delivery, and performance of its obligations under this Intergovernmental Agreement and the taking of any and all actions as may be required on its part to carry out, give effect to, and consummate the transactions contemplated by this Intergovernmental Agreement; and (iii) this Intergovernmental Agreement constitutes a legal, valid, and binding obligation of each respective Party, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally, and subject, as to enforceability, to general principles of equity regardless of whether enforcement is sought in a proceeding in equity or at law.

2. **Authorization/Purpose**. The MCIP Law provides that counties may jointly develop an industrial or business park with other counties within the geographical boundaries of one or more of the member counties, provided that the counties enter into a written agreement for the development and operation of the industrial or business park that includes certain provisions. The Master Agreement meets the requirements set forth in the MCIP Law and its provisions shall govern the operation of the Park.

3. **Consent of the City**. As required pursuant to Section 4-1-170(C) of the MCIP Law, and as acknowledged in the Master Agreement, in consideration for the agreements, representations, and benefits contained in this Intergovernmental Agreement, the City has consented to the creation of the Park. The City's consent is conditioned on the proper implementation of the provisions of this Intergovernmental Agreement.

4. **Master Agreement**. The Master Agreement is hereby incorporated herein as fully as if set forth verbatim in its entirety. That Master Agreement shall be the basis for all terms and provisions not otherwise specifically addressed or defined by this Intergovernmental Agreement, however, to the extent that the provisions of this Intergovernmental Agreement and the Master Agreement conflict with respect to any obligation, promise, or agreement between the City and Darlington County, the provisions of this Intergovernmental Agreement shall control. Darlington County covenants that it will take such action, or refrain from taking such action, as is necessary to ensure that the Master Agreement remains in full force and effect during the entirety of the term of this Intergovernmental Agreement. The City's consent to the creation of the Park is expressly conditioned upon the absence of any amendment to the Master Agreement without the express written consent of the City.

5. **Location of the Park**.

(A) A boundary map of the Canal District, which includes all properties constituting the Park (individually, or collectively, the "Park Property") is set forth in <u>Exhibit A</u> hereto; a detailed list of the Park Property is recited in the Master Agreement. Any parcels of the Park Property that are classified as an owner-occupied legal residence subject to an assessment-ratio of four percent as provided for in Section 1(3) of Article X of the South Carolina Constitution ("Residential Property") shall be temporarily removed from the Park for the period of time in which such parcel is determined to be Residential Property. A list of the parcels of Park Property classified as Residential Property that are categorized other than as Residential Property (the "Eligible Property") is also set forth in the Master Agreement and subject to adjustment as recited therein.

(B) Notwithstanding adjustments for the inclusion of Eligible Property as may be annual adjusted under the terms of the Master Agreement, Darlington County shall not consent to the enlargement or diminution of the boundaries of the Park through the addition or subtraction of the property located within the City without receiving the City's prior written consent to any such enlargement or diminution.

(C) The Eligible Properties shall be subject, beginning with payment of Fees received for the 2019 tax year, to the distribution of revenues provided for in the Master Agreement. It is specifically recognized that the Park may consist of non-contiguous properties.

6. **Eligibility for Inclusion in Fee Distribution**. Only the Eligible Property as of August 1 of each year shall be included within the Park for such year, and, subject to the Fee distribution set forth in the Master Agreement.

7. Collection and Distribution of Fees; Expenses.

(A) Darlington County shall distribute Fees in accordance with the Master Agreement.

(B) The City shall bear sole responsibility for all expenses and costs due and owing by Darlington County under Section 3.01 of the Master Agreement.

8. Infrastructure Related to the Canal District.

(A) Pursuant to the Master Agreement, the overall responsibility for the development of the Park and the collection and distribution of Fees is that of Darlington County.

(B) In consideration of the City's receipt of the distribution of Fees, the City shall use the funds to be distributed pursuant to Section 3.03(A)(i) of the Master Agreement exclusively to

pay the costs necessary to acquire or install, or cause the acquisition or installation, of certain infrastructure to serve the Canal District and the surrounding area, as described in <u>Exhibit B</u> hereto (the "Infrastructure"), which costs shall include all costs related to financing the costs of such Infrastructure; provided, however, the City shall, in its sole discretion, determine (i) whether to eliminate any specific element of the Infrastructure from the list set forth at <u>Exhibit B</u>, (ii) the specific elements of the Infrastructure that shall be acquired or installed at any given time, and (iii) the order in which elements of the Infrastructure shall be acquired or installed.

(C) In the sole discretion of the City, the City may finance the costs of the Infrastructure through all legally available options, including, but not limited to, Sections 4-1-175, 4-29-68 and 11-27-110 of the Code of Laws of South Carolina 1976, as amended.

(D) The City will provide Darlington County with a detailed annual accounting report setting forth the funds received by the City pursuant to the Master Agreement and all expenditures or disbursements of such funds. Upon written request, the City shall provide an accounting of all costs of financing the Infrastructure to Darlington County. The accounting shall be made available to Darlington County within three business days of such request.

9. **Term**. This Intergovernmental Agreement shall expire upon the later of (i) the last day of the year during which the City has paid the full costs of all elements of the Infrastructure, as listed in <u>Exhibit B</u> hereto, including the repayment of any bonds issued to defray the costs of such Infrastructure, or (ii) December 31, 2038.

10. **Records**. The Parties covenant and agree that, upon the request of either, the other will provide to the requesting Party copies of the records and distributions pertaining to Park Property, as such records become available in the normal course of City and Darlington County procedures.

11. **Severability**. In the event and to the extent, and only to the extent, that any provision or any part of a provision of this Intergovernmental Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable the remainder of that provision or any other provision or part of a provision of this Intergovernmental Agreement.

12. **Termination**. Subject, only, to the terms and provisions of Section 9 hereof, the City and Darlington County agree that this Intergovernmental Agreement may not be terminated, except by mutual written agreement, unless the Master Agreement should terminate prior to that time, in which case this Intergovernmental Agreement shall terminate concurrently with the Master Agreement.

13. **Limitations**. During the term of this Intergovernmental Agreement, Darlington County shall not adopt or enact any restrictive covenants or land use requirements on any parcels with the Park without the express written consent of the City.

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IN WITNESS WHEREOF, Darlington County has caused this Intergovernmental Agreement to be signed by the Chair of County Council, its corporate seal to be reproduced hereon and the same to be attested by the Clerk to County Council, as of the Effective Date.

DARLINGTON COUNTY, SOUTH CAROLINA

[SEAL]

Chair of County Council

ATTEST:

Clerk to County Council

IN WITNESS WHEREOF, the City has caused this Intergovernmental Agreement to be signed by its City Manager, its corporate seal to be reproduced hereon and the same to be attested by the City Clerk, as of the Effective Date.

CITY OF HARTSVILLE, SOUTH CAROLINA

[SEAL]

City Manager

ATTEST:

City Clerk

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EXHIBIT A

MAP OF THE CANAL DISTRICT

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EXHIBIT B

INFRASTRUCTURE FOR THE PARK

The City will undertake a variety of projects to serve the proposed Park in order to fulfill the objectives of Darlington County and the City as described in the foregoing Intergovernmental Agreement. As discussed in the Intergovernmental Agreement, the term "Infrastructure" encompasses and includes:

- 1. Engineering, architectural, consulting and other professional services related to any projects located in or around the Park;
- 2. Parks, greenspace, hardscaping, landscaping and greenway improvements located in or around the Park;
- 3. Infrastructure improvements, including water, sewer, electric, gas, storm-water, railways, sidewalks, roadways located in or around the Park;
- 4. Lighting and public access improvements located in or around the Park;
- 5. Surface parking, garage parking, on-street parking and other parking facilities to serve the Park and related areas;
- 6. Waterway, canal, waterworks features to benefit the Park and the development therein; and
- 7. Recreation improvements in and around the Park.