

Council Members

District 1: Terry Graham
District 2: Charlene McGriff
District 3: Billy Mosteller, Secretary
District 4: Jose Luis
District 5: Steve Harper, Chair
District 6: Allen Blackmon
District 7: Brian Carnes, Vice-Chair

**County Administrator**

Dennis E. Marstall

County Attorney

Ginny L. Merck-Dupont

Clerk to Council

Sherrie Simpson

September 11, 2023

5:15 PM

**101 North Main Street
Lancaster, SC 29720**

**LANCASTER COUNTY COUNCIL
County Council Chambers, County Administration
Building, 101 North Main Street, Lancaster, SC 29720**

AGENDA

1. Call to Order / Executive Session / Items Requiring a Vote Following Executive Session

a. Two Items:

1. Receipt of legal advice subject to the attorney-client privilege regarding the Issuance of Installment Purchase Revenue Bonds.
2. Receipt of legal advice subject to the attorney-client privilege regarding an Economic Development discussion: Project E3.

2. Welcome and Recognition - Chairman Steve Harper - 6:00 p.m.

3. Pledge of Allegiance and Invocation - Council Member Allen Blackmon

4. Approval of the Agenda

[deletion and additions of non-substantive matter]

5. Citizens Comments

*[Lancaster County Council welcomes comments and input from citizens who may not be able to attend Council meetings in person. Written comments may be submitted via mail to ATTN: Sherrie Simpson, Post Office Box 1809, Lancaster, SC, 29721, by email to Sherrie Simpson at ssimpson@lancastersc.net or by online submission by selecting the "Citizens Comments" quick link located on the County website homepage at <https://www.mylancastersc.org/>. Comments must be no longer than approximately 3 minutes when read aloud. Comments received will be acknowledged during the Citizens Comments portion of the meeting. Comments will need to be received prior to 4:00 p.m. on the day of the meeting. Please use the same link above in order to submit input/comments for Public Hearings. *Please note that any handouts presented to Council or Council Boards and Commissions become an official part of the record and a copy is attached to the legal minutes for the meeting.]*

6. Consent Agenda

[Items listed under the Consent Agenda have previously been discussed by Council and approved

unanimously. As such, these items are normally voted on as a group through a single vote rather than with a Council vote for each individual item. However, any Council member may remove any item on the Consent Agenda for individual discussion and vote]

- a. Approval of Minutes from the February 12, 2020 Lancaster County Trail Advisory Committee Meeting
- b. Approval of Minutes from the August 16, 2023 County Council Committee of the Whole Meeting
- c. Approval of Minutes from the August 28, 2023 County Council Regular Meeting
- d. 3rd Reading of Ordinance 2023-1862 regarding Rezoning Property Located at 165 Brooklyn Avenue from MDR To NB (Applicant Barby Barchu)
Ordinance Title: An Ordinance To Amend The Official Zoning Map Of Lancaster County To Rezone Approximately 0.30 Acres (TM# 0081H-0C-013.00) Located At 165 Brooklyn Ave, From Medium Density Residential (MDR) District To Neighborhood Business (NB) District. - ***Planning Department Case Number: RZ-2023-0739. The Planning Commission recommended approval by a vote of 6-0 and staff also recommended approval of the rezoning request. Passed 7-0 at the August 14, 2023 County Council Meeting. Passed 7-0 at the August 28, 2023 County Council Meeting. - Allison Hardin***
- e. 3rd Reading of Ordinance 2023-1863 regarding Rezoning Property Located at 1743 Lynwood Drive from INS to MDR (Applicants Ronald Woods and Rev. Matthew Alexander on behalf of Grace-Lynwood United Methodist Church)
Ordinance Title: An Ordinance To Amend The Official Zoning Map Of Lancaster County To Rezone Approximately 5.819 Acres (TM# 0087G-0C-004.00) Located At 1743 Lynwood Dr, From Institutional (INS) District To Medium Density Residential (MDR) District. - ***Planning Department Case Number: RZ-2023-0831. The Planning Commission recommended approval by a vote of 6-0 and staff also recommended approval of the rezoning request. Passed 7-0 at the August 14, 2023 County Council Meeting. Passed 7-0 at the August 28, 2023 County Council Meeting. - Allison Hardin***
- f. 3rd Reading of Ordinance 2023-1867 regarding Amending the County Code Relating to Parliamentary Procedures for Council Meetings
Ordinance Title: An Ordinance To Amend The Lancaster County Code, Relating To Parliamentary Procedures For Council Meetings To Provide For The Committee Of The Whole And Ad Hoc Committees In Order To Comport With Existing Lancaster County Practices And Procedures. - ***Passed 7-0 at the August 14, 2023 County Council Meeting. Passed 7-0 at the August 28, 2023 County Council Meeting. - Dennis Marstall / Ginny Merck-Dupont***

7. Non-Consent Agenda

- a. 1st Reading of Ordinance 2023-1874 regarding Approval of the Issuance of Certain Installment Purchase Revenue Bonds
Ordinance Title: An Ordinance Authorizing Lancaster County, South Carolina, To Enter Into A Base Lease And Conveyance Agreement And An Installment Purchase And Use Agreement Each Between The County And Lancaster County Public Facilities Corporation; Approving The Form And Terms Of A Trust Agreement Between Lancaster County Public Facilities Corporation And Regions Bank, As Trustee, In Connection With The Issuance Of Certain Installment Purchase Revenue Bonds (Lancaster County Project) In One Or More Series; Consenting To The Issuance Of Such Installment Purchase Revenue Bonds; Providing For An Exemption From The County's Procurement Code; Delegating Authority To The Chairman Of County Council And The County Administrator, Or Either Of Them Acting Alone, To Approve And Determine Certain Matters; And Other Matters Relating Thereto. - ***Dennis Marstall / Frannie Heizer / Brian Nurick***
- b. Public Hearing and 3rd Reading of Ordinance 2023-1846 regarding Establishing a Policy and Procedure for Naming Rights
Ordinance Title: An Ordinance Establishing A Policy And Procedure For Naming County-Owned

Properties Or Structures. - ***At the April 11, 2023 Council Meeting, 1st Reading was Postponed until the June 12, 2023 County Council Meeting. At the June 12, 2023 Council Meeting, 1st Reading was Postponed until the August 14, 2023 County Council Meeting. 1st Reading Passed 7-0 at the August 14, 2023 County Council Meeting. 2nd Reading Passed 7-0 at the August 28, 2023 County Council Meeting. - Dennis Marstall / Chris Clouden***

- c. Public Hearing and 3rd Reading of Ordinance 2023-1868 regarding Amending the Lancaster County Code Related to the Residency Requirement for Certain Management Positions
Ordinance Title: An Ordinance To Amend The Lancaster County Code Related To The Residency Requirement For Certain Management Positions - ***Passed 7-0 at the August 14, 2023 County Council Meeting. Passed 7-0 at the August 28, 2023 County Council Meeting. - Dennis Marstall***
- d. 2nd Reading of Ordinance 2023-1873 regarding an Easement for Duke Energy Located on Aviation Boulevard
Ordinance Title: An Ordinance To Approve An Easement Grant To Duke Energy Carolinas, LLC Upon Real Property Owned By Lancaster County And Located At 286 Aviation Boulevard Bearing Tax Parcel Number 0066-00-027.00 And To Authorize County Officials To Take Such Actions As Are Necessary To Effectuate The Grant Of The Easements And To Effectuate The Purposes Of This Ordinance. - ***Passed 6-1 at the August 28, 2023 County Council Meeting (Allen Blackmon Opposed). - Dennis Marstall***
- e. Resolution 1244-R2023 regarding an Inducement Resolution for Economic Development Project E3
Resolution Title: A Resolution To State The Commitment Of Lancaster County To Enter Into A Fee Agreement With Project E3 Including The Provision Of Special Source Revenue Credits; To Express The Willingness Of Lancaster County To Enter Into A Conveyance Agreement With Project E3 For The Conveyance To Project E3 Of Certain Property; To Provide The General Terms Of The Fee Agreement; And To Provide That This Resolution Is An Inducement Resolution For Purposes Of The Fee In Lieu Of Tax Simplification Act; And To State The Commitment Of Lancaster County To Place Property Owned Or Leased By Project E3 In A Multi-County Park. - ***At the August 28, 2023 County Council Meeting, the Resolution was Postponed until the September 11, 2023 County Council Meeting. - Brian Fulk***
- f. 1st Reading of Ordinance 2023-1866 regarding Approval of a Fee In Lieu of Tax and Incentive Agreement with Project E3 Providing for the Payment of a Fee-In-Lieu of Taxes and the Provision of Special Source Revenue Credits
Ordinance Title: An Ordinance To Authorize And Approve The Execution And Delivery Of A Fee In Lieu Of Tax And Incentive Agreement Between Lancaster County, South Carolina And Project E3 Providing For The Payment Of A Fee-In-Lieu Of Taxes And The Provision Of Special Source Revenue Credits; To Express The Intention Of Council To Provide Monies To The Economic Development Fund; To Approve A Property Conveyance Agreement Relating To The Conveyance Of Approximately 16.62 Acres Of Real Property Owned By Lancaster County And Located In The Lancaster Business Park To Project E3 Or An Entity To Be Designated By It; And To Provide For Other Matters Related Thereto. - ***At the August 28, 2023 County Council Meeting, the 1st Reading was Postponed until the September 11, 2023 County Council Meeting. - Brian Fulk***
- g. Public Hearing and 1st Reading of Ordinance 2023-1869 regarding Rezoning Property Located at 2458 Mineral Mining Road, Kershaw, from Light Industrial (LI) to Agricultural Residential (AR) District (Applicants Charles and Ruth Strunk)
Ordinance Title: An Ordinance To Amend The Official Zoning Map Of Lancaster County To Rezone Approximately 6.60 Acres (TM# 0098-00-037.01) Located At 2458 Mineral Mining Road, Kershaw, From Light Industrial (LI) District To Agricultural Residential (AR) District. - ***Planning Department Case Number: RZ-2023-1197. The Planning Commission recommended approval by a vote of 5-2; however, the Planning staff recommended denial of the rezoning request. - Ashley Davis***
- h. Public Hearing and 1st Reading of Ordinance 2023-1871 regarding Amending the Unified Development Ordinance (UDO) related to Chapter 2, 5, and Chapter 10 to add Auction House as a

Conditional Use

Ordinance Title: An Ordinance To Amend The Unified Development Ordinance (“UDO”) Chapters 2, 5, And 10 To Include A New Use Definition For “Auction,” To Create “Auction” As A Conditional Use, And To Establish The Conditions For The Use, On The Effective Date Of This Ordinance - ***Planning Department Case Number: UDO-TA-2023-1163. The Planning Commission recommended approval by a vote of 6-1. - Ashley Davis***

- i. 1st Reading of Ordinance 2023-1875 regarding Amending the Fiscal Year 2023-2024 Budget

Ordinance Title: An Ordinance To Amend Ordinance No. 2023-1849, Relating To The Appropriation Of Funds And The Approval Of A Detailed Budget For Lancaster County For The Fiscal Year Beginning July 1, 2023 And Ending June 30, 2024 (FY 2023-2024), To Further Provide For Revenues And Expenditures During The Fiscal Year; And To Provide For Matters Related Thereto. - ***Dennis Marstall***

8. **Discussion and Action Items**

- a. Public Notice and Citizen Comment Period for the U.S. Department of Justice Grant for the Lancaster County Sheriff's Department
- b. Nomination and Approval of Appointments to the Indian Land Consolidated Fire Commission
- Richard Vander Kaay to fill an initial term that would end on 12/31/2024 (Previous Pleasant Valley Fire District Fee Board Member)
 - Heather Burford to fill an initial term that would end on 12/31/2024
 - Mark Edward Scheiring to fill an initial term that would end on 12/31/2024 (Previous Indian Land Fire District Fee Board Member)
 - Brian Endres to fill an initial term that would end on 12/31/2026 (Previous Pleasant Valley Fire District Fee Board Member)

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

- a. HELD UNTIL SEPTEMBER 25, 2023 MEETING - 2nd Reading of Ordinance 2023-1864 regarding Amending the Unified Development Ordinance Related to Section 6.5 Street Classification and Design)

Ordinance Title: An Ordinance To Amend The Unified Development Ordinance (“UDO”) Sections 4.4.1 (Cluster Subdivision Overlay District), 6.14 (Road Construction Standards), And 10.4 (Definitions), All Pertaining To Street Definition And Design, On The Effective Date Of This Ordinance - ***Planning Department Case Number: UDO-TA-2023-0975. The Planning Commission recommended approval by a vote of 5-0 and the Planning staff also recommended approval of the text amendment. Passed 7-0 at the August 14, 2023 County Council Meeting. At the August 28, 2023 County Council Meeting, the 2nd Reading was Postponed to the September 25, 2023 County Council Meeting. - Allison Hardin***

10. **Adjournment**

Anyone requiring special services to attend this meeting should contact 285-1565 at least 24 hours in advance of this meeting. Lancaster County Council agendas are posted at the Lancaster County Administration Building and are available on the Website: www.mylancastersc.org

Meetings are live streamed and can be found by using the following link:

<https://www.youtube.com/@LancasterCoSCGov/streams>

Agenda Item Summary

Ordinance # / Resolution #: N/A

Contact Person / Sponsor: Sherrie Simpson / Clerk to Council / Administration

Department: County Clerk

Date Requested to be on Agenda: 9/11/2023

Council Action Requested:

Approve or amend the minutes from the February 12, 2020, Lancaster County Trail Advisory Committee meeting.

Points to Consider:

The draft minutes from the February 12, 2020, Lancaster County Trail Advisory Committee meeting are attached for Council's review and consideration.

Please note that this Committee is no longer active and has not been active since COVID. Therefore, the final meeting minutes have never been approved but need to be finalized. When the final minutes for the other Committee meetings (Public Safety, Infrastructure and Regulation, and Administration) that are no longer active were approved, these were inadvertently left off.

Funding and Liability Factors:

There are no funding or liability factors regarding approval of minutes.

Recommendation:

Approve the minutes as written.

ATTACHMENTS:

Description	Upload Date	Type
Draft Minutes from the 2-12-2020 Trail Advisory Committee Meeting	9/7/2023	Backup Material

Council Members

District 7: Brian Carnes - Chair

District 1: Terry Graham

District 6: Allen Blackmon

**County Attorney**

John K. DuBose III

Clerk to Council

Sherrie Simpson

February 12, 2020**6:30 PM****101 North Main Street
Lancaster, SC 29720**

**LANCASTER COUNTY
Trail Advisory Committee
County Council Chambers, County Administration Building, 101 North Main Street,
Lancaster, SC 29720**

MINUTES

Committee members present at the Trail Advisory Committee meeting were Council Member Brian Carnes, Council Member Terry Graham, Council Member Allen Blackmon, David Basri, Lauren Thomas, Development Services Director Rox Burhans, Evan Freeman, and John Irvin.; however, Committee members Bret Baronak, Bob Bundy, Beth Kuhn, Hal Hiott, Sherri Gregory, and Edgar Carpenter were absent from the meeting. Also present at the Committee meeting was Clerk to Council Sherrie Simpson and County Administrator Steve Willis. A quorum of the Lancaster County Trail Advisory Committee was present for the meeting.

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

Call to Order - Committee Chair Brian Carnes

Committee Chair Brian Carnes called the Trail Advisory Committee meeting to order at approximately 6:35 p.m.

Approval of the Agenda

David Basri moved to approve the agenda. Seconded by Lauren Thomas. There was no further discussion. The motion to approve the agenda passed by a vote of 8-0.

Citizens Comments

There were no citizens who came forward to speak during Citizens Comments.

Approval of Minutes

David Basri moved to approve the minutes from the January 15, 2020 Trail Advisory Committee meeting. Seconded by Allen Blackmon. There was no further discussion. The Committee approved the January 15, 2020 Trail Advisory Committee minutes by a vote of 8-0.

Discussion/Action Items

a. Report from Carolina Thread Trail Board Meeting - Bret Baronak

Rox Burhans stated that since the last meeting, he had been informally working with a subgroup of this Committee and Bret, Director of The Carolina Thread Trail and Bart, the Executive Director for The Carolina Thread Trail organization and Catawba Land Conservancy to explore the concept of forming a sub-chapter of the Carolina Thread Trail organization which is a non-profit organization. Rox mentioned that everyone agreed that a consultation with the full Thread Trail Board should take place. The meeting with the Board took place February 11, 2020.

Bart Landess, Executive Director for the Catawba Land Conservancy and The Carolina Thread Trail, stated that when the idea was discussed at the February 11, 2020, meeting, the Board unanimously approved the current system that was placed before them. He noted that there were now 300 miles of trails on the ground in this 15 County region; however, he noted that it was continuing to grow and that currently they were getting more miles of trails. He explained that having a system of concerned citizens and volunteers would be very important as more trails arise in the County.

Allen Blackmon asked if there was a hard dollar cost for maintaining the trails and if the volunteer system reduced that cost. He asked about the use of Trail Masters.

Bart stated that volunteers do help with daily maintenance costs for the trails. He stated that the objective is to have a system in place so people have a method to report issues on the trails and to be a part of a group that works together. Bart explained that the Trail Masters are different because that group learns some engineering and takes a two day, certified program. He noted that Trail Masters help lead volunteer work days, among other duties for the Thread Trail.

Steve Willis provided an update on the flood on Twelve Mile Creek. He explained that the County has not been able to assess the damage yet. The Committee discussed trails being in flood plains, as well as that if the County required trails, then developers would have elevated costs which would need to be balanced against the residents desire for trails.

b. Report from the Infrastructure and Regulation (I & R) Committee meeting - Rox Burhans

Rox Burhans stated that he and David Basri attended the Infrastructure and Regulation (I & R) Committee meeting to report on the Trail Advisory Committee's progress and see if the I & R Committee had any feedback for them.

David Basri provided and reviewed a handout regarding possible proposed Affiliate Bylaws and that handout is attached as Schedule A to the written minutes in the Clerk to Councils office. The Committee discussed parks versus trails and miles of actual trails versus the pace of new trails.

Steve Willis explained that the Planning Commission would be considering a proposed text amendment in March that would amend the Unified Development Ordinance (UDO) and eliminate the requirement to build the trails south of Highway 5. He noted that the requirement to reserve the right of way would remain and that there would be no change north of Highway 5.

Rox Burhans indicated that if the Committee was going to make a motion in regards to support or to oppose the text amendment, then he would have to recuse himself from that vote because his department would be crafting the text amendment and preparing the staff report.

Evan Freeman made the motion that the Trail Advisory Committee recommend to the Planning Commission to reject the proposed change to the UDO as described. John Irvin seconded the motion. The motion Passed by a vote of 4-0. For: Evan Freeman, John Irvin, David Basri, and Lauren Thomas. Opposed: None. Abstained: Terry Graham, Brian Carnes, Allen Blackmon, and Rox Burhans.

Adjournment

Terry Graham moved to adjourn the Trail Advisory Committee meeting. The motion was seconded by Evan Freeman. The motion to adjourn passed by a vote of 8-0. There being no further business, the Trail Advisory Committee meeting adjourned at approximately 7:47 p.m.

DRAFT

Agenda Item Summary

Ordinance # / Resolution #: N/A

Contact Person / Sponsor: Donna Greene / Deputy Clerk to Council

Department: County Clerk

Date Requested to be on Agenda: 9/11/2023

Council Action Requested:

Approve or amend the minutes from the August 16, 2023, County Council Committee of the Whole meeting.

Points to Consider:

The draft minutes from the August 16, 2023, County Council Committee of the Whole meeting are attached for Council's review and consideration.

Funding and Liability Factors:

There are no funding or liability factors regarding approval of minutes.

Recommendation:

Approve the minutes as written.

ATTACHMENTS:

Description	Upload Date	Type
Draft Minutes from the 8-16-2023 Committee of the Whole Meeting	9/7/2023	Backup Material

Council Members

District 1: Terry Graham
District 2: Charlene McGriff
District 3: Billy Mosteller, Secretary
District 4: Jose Luis
District 5: Steve Harper, Chair
District 6: Allen Blackmon
District 7: Brian Carnes, Vice-Chair

**County Administrator**

Dennis E. Marstall

County Attorney

Ginny L. Merck-Dupont

Clerk to Council

Sherrie Simpson

August 16, 2023

4:00 PM

**101 North Main Street
Lancaster, SC 29720**

**LANCASTER COUNTY COUNCIL
COMMITTEE OF THE WHOLE
County Council Chambers, County Administration
Building, 101 North Main Street, Lancaster, SC 29720**

MINUTES

Council Members Present: Allen Blackmon, Brian Carnes, Terry Graham, Steve Harper, Jose Luis, Charlene McGriff, and Billy Mosteller.

Staff Members/Others present: Dennis Marstall, County Administrator; Ginny Merck-Dupont, County Attorney; Sherrie Simpson, Clerk to Council; Allison Hardin, Development Services Division Director; Veronica Thompson, Financial Services Division Director; Jeff Catoe, Public Services Division Director; Brenda Thompson, Communications and Marketing Director; Carrie Helms, Treasurer; Wanda Kilpatrick, Town of Heath Springs Administrator; Deborah Truesdale, Town of Heath Springs Council Member; the press; various elected officials; various Department Heads; various employees and citizens.

A quorum of Lancaster County Council was present for the meeting. The following press were notified of the meeting by e-mail in accordance with the Freedom of Information Act: *The Lancaster News*, *Kershaw News Era*, *The Rock Hill Herald*, Cable News 2, Channel 9 and the local government channel. The agenda was posted in the lobby of the County Administration Building and also on the County website the required length of time. The power point presentation utilized during the meeting is attached to the written minutes in the Clerk to Council's office.

Call to Order - Chairman Steve Harper

Chairman Steve Harper called the Committee of the Whole Meeting to order at approximately 4:00 p.m.

Welcome and Recognition - Chairman Steve Harper

Chairman Steve Harper welcomed everyone to the meeting. He recognized Town of Heath Springs Councilmember Deborah Truesdale and Town Administrator Wanda Kilpatrick.

Pledge of Allegiance and Invocation - Council Member Jose Luis

Council Member Jose Luis led the Pledge of Allegiance to the American Flag and delivered the Invocation.

Approval of Agenda

Brian Carnes moved to approve the agenda. Seconded by Charlene McGriff. Motion Passed 7-0.

Citizens Comments

The following citizens signed up for and spoke during Citizens Comments:

1. Deborah Truesdale, Heath Springs, SC, waited to speak until Item 6b, Reeves Park: Town of Heath Springs Request to convey ownership, was called.

The following citizens submitted electronic, written comments for Citizens Comments: None

Discussion and Action Items

Draft Investment Policies - Veronica Thompson

Dennis Marstall began the discussion by stating that the State statute limits how funds can be invested. Carrie Helms provided Council with an update on current and proposed investment policies via the County power point presentation. Veronica Thompson reviewed the best practices from the Government Finance Officers Association (GFOA) for investment policies.

There was discussion regarding the current policy being too general; the process of changing banks, if needed; operational funds versus investment funds; the Treasurer's role versus the Chief Financial Officer's role; and discussion on how the Treasurer conducts the annual review. Veronica also stated that the County was exploring other payment methods for the future and exploring software packages to assist with cashflow statements. She stated the Enterprise Resource Program (ERP) system assessment would help with integration. She stated that Council could see the annual report on investment returns.

Dennis Marstall explained that the next step would be to put these proposed policies into ordinance form for a future meeting. Allen Blackmon and Terry Graham requested a paper copy and everyone else requested an electronic version of the meeting's power point presentation.

Reeves Park: Town of Heath Springs' Request to Convey Ownership - Dennis Marstall

Dennis Marstall stated that the Town of Heath Springs sent a letter and would like to convey ownership of Reeves Park to Lancaster County. He stated Council would need to decide if they want to take ownership of the Park. He noted that no information was provided in regards to possible maintenance costs for the Park. Mr. Marstall stated that Lancaster County would not have resources to maintain this park for approximately three (3) years.

Charlene McGriff stated Council had already passed the new budget and there were no funds for this project. She expressed her concerns that excepting the park would set a precedent for the County taking responsibility for other municipal parks.

Deborah Truesdale, Town of Heath Springs Council member, came forward and stated this Park was a diamond in the rough and was still being used by the children within the community. There was discussion about applying for a State Parks and Recreation Development (PARC) grant; however the timeline to apply for these grants has passed for this year. Council discussed that the Town of Heath Springs could possibly plan to have fundraising events and bring this project back to Council for the next budget year for consideration.

Planning for the Future - Infrastructure Funding Strategies Dennis Marstall

Dennis Marstall stated that this item was discussed in January. He noted that he wanted Council to discuss the item again since the County needed to consider how to plan for the future in regards to growth.

Jeff Catoe reviewed the County power point presentation regarding development of a transportation sales tax proposal. Council and staff discussed that the County could possibly impose a penny sales program along with a transportation penny sales tax program on a referendum to let the voters decide in 2024. He stated the projects could be more broad, but prioritization would be the wisest way to move forward. He also informed Council that the County could also use the transportation tax as matching funds for projects; however, in order to do that, the County would need to have the funds already established.

Dennis Marstall stated that Council would need a greenlight resolution to move forward and would need pricing for projects across the County. He stated Council could create an ADHOC Committee, although it was not absolutely necessary. He stated Council would need to determine whether they wanted a long term strategy versus a short term strategy, and whether the County wanted this item on the November 2024 ballot. There was discussion regarding an ADHOC committee and whether it would present to the Committee of the Whole or during Council meeting. Chairman Harper stated he would like to see this item moved forward.

Dennis Marstall reviewed the County power point presentation on the development of an infrastructure investment fund that developers could contribute to in order to help fund future needed projects in the County.

Amending Model Rules of Procedure for County Council

Dennis Marstall stated that our County Council adopted a new set of Rules of Procedure in 2020 to address the COVID-19 crisis that would allow for public meetings while dealing with the COVID crisis. He stated that now a number of those rules need to be amended to address the way County Council currently does business and conducts meetings. He stated items such as rules for abstaining and what defined a quorum were removed. Mr. Marstall provided a handout titled Potential Council Rules of Procedure Amendments with 13 areas that should be reviewed. The handout is attached as Schedule A to the written minutes in the Clerk to Council's Office.

Adjournment

Terry Graham moved to adjourn. Seconded by Jose Luis. Motion Passed 7-0.

There being no further business to discuss, the Committee of the Whole meeting adjourned at approximately 5:35 p.m.

Agenda Item Summary

Ordinance # / Resolution #: N/A

Contact Person / Sponsor: Sherrie Simpson / Clerk to Council / Administration

Department: County Clerk

Date Requested to be on Agenda: 9/11/2023

Council Action Requested:

Approve or amend the minutes from the August 28, 2023, County Council regular meeting.

Points to Consider:

The draft minutes from the August 28, 2023, County Council regular meeting are attached for Council's review and consideration.

Funding and Liability Factors:

There are no funding or liability factors regarding approval of minutes.

Recommendation:

Approve the minutes as written.

ATTACHMENTS:

Description	Upload Date	Type
Draft Minutes from the 8-28-2023 County Council Regular Meeting	9/6/2023	Backup Material

Council Members

District 1: Terry Graham
District 2: Charlene McGriff
District 3: Billy Mosteller, Secretary
District 4: Jose Luis
District 5: Steve Harper, Chair
District 6: Allen Blackmon
District 7: Brian Carnes, Vice-Chair

**County Administrator**

Dennis E. Marstall

County Attorney

Ginny L. Merck-Dupont

Clerk to Council

Sherrie Simpson

August 28, 2023

6:00 PM

**101 North Main Street
Lancaster, SC 29720**

**LANCASTER COUNTY COUNCIL
County Council Chambers, County Administration
Building, 101 North Main Street, Lancaster, SC 29720**

MINUTES

Council Members Present: Allen Blackmon, Brian Carnes, Terry Graham, Steve Harper, Jose Luis, Charlene McGriff, and Billy Mosteller.

Absent: None.

Staff Members/Others present: Dennis Marstall, County Administrator; Ginny Merck-Dupont, County Attorney; Sherrie Simpson, Clerk to Council; Allison Hardin, Development Services Division Director; Veronica Thompson, Financial Services Division Director; Clay Catoe, Emergency Medical Services Director; Brenda Thompson, Communications and Marketing Director; Sheriff Barry Faile, Lancaster County Sheriff's Office; Brian Fulk, Economic Development Director; the press; various elected officials; various Department Heads; various employees and citizens.

A quorum of Lancaster County Council was present for the meeting. The following press were notified of the meeting by e-mail in accordance with the Freedom of Information Act: *The Lancaster News*, *Kershaw News Era*, *The Rock Hill Herald*, Cable News 2, Channel 9 and the local government channel. The agenda was posted in the lobby of the County Administration Building and also on the County website the required length of time. The power point presentation utilized during the meeting is attached to the written minutes in the Clerk to Council's office.

Call to Order Regular Meeting - Chairman Steve Harper

Chairman Steve Harper called the regular meeting of County Council to order at approximately 6:00 p.m.

Due to the storm and lack of internet, the live stream would not work. Therefore, the meeting was recorded and the audio of the meeting placed on youtube.

Welcome and Recognition - Chairman Steve Harper

Chairman Steve Harper welcomed everyone to the meeting, especially all of the 6 year olds in the audience that won the World Series championship.

Pledge of Allegiance and Invocation - Council Member Billy Mosteller

Billy Mosteller led the Pledge of Allegiance to the American Flag and delivered the Invocation.

Approval of the Agenda

Brian Carnes moved to approve the agenda. Seconded by Allen Blackmon. Motion Passed 7-0.

Citizens Comments

The following citizens signed up for and spoke during Citizens Comments: None.

The following citizens submitted electronic, written comments for Citizens Comments:

1. Janet Chymczuk, no address given, wrote in regarding concerns about traffic at the Indian Land elementary school. A copy of her comments were provided to Council and a copy of her written comments are attached as Schedule A to the written minutes in the Clerk to Council's office.

Special Presentations

Council recognized the Dixie Boys 6 and Under team for winning the World Series. They presented each team member and coach with a Council proclamation.

The Honorable Brandon Newton and Sheriff Faile recognized Officer Sheron Adams for winning the South Carolina Sheriff's Association 2023 Detention Officer of the Year.

Consent Agenda

Billy Mosteller moved to approve Consent Agenda Item **7a., 7b., 7c., 7d., 7e., 7f., 7g., and 7h.** [which are the same as Items **a., b., c., d., e., f., g., and h.** listed below]. Seconded by Charlene McGriff. All of the Consent Agenda items passed by a vote of 7-0.

- a. **Approval of Minutes from the August 14, 2023 County Council Regular Meeting**
- b. **3rd Reading of Ordinance 2023-1859 regarding Rezoning Property Located at 1993 Beacon Road from Rural Neighborhood (RN) to Agricultural Residential (AR) District (Applicants Dylan & Tammy Ellis)**
Ordinance Title: An Ordinance To Amend The Official Zoning Map Of Lancaster County To Rezone Approximately 4.77 Acres (TM# 0089-00-086.01) Located At 1993 Beacon Rd, From Rural Neighborhood (RN) District To Agricultural Residential (AR) District. - *Planning Department Case Number: RZ-2023-0596.*
- c. **3rd Reading of Ordinance 2023-1860 regarding Rezoning Property at the Corner of Mackey and Douglas Roads from Medium Density Residential (MDR) to Manufactured Housing (MH) District (Applicant Teresa Johnson)**
Ordinance Title: An Ordinance To Amend The Official Zoning Map Of Lancaster County To Rezone Approximately 1.0 Acre (TM# 0103f-0F-006.03) Located At The Corner Of Mackey And Douglas Roads, From Medium Density Residential (MDR) District To Manufactured Housing (MH) District. - *Planning Department Case Number: RZ-2023-0629.*
- d. **3rd Reading of Ordinance 2023-1861 regarding the Conveyance of the Old Library and Old Jail to the Historical Preservation Society**

Ordinance Title: An Ordinance Authorizing Lancaster County To Sell And Convey County Owned Property Located At 107 South French Street, 208 West Gay Street And 210 West Gay Street And Containing .55 Acres, More Or Less, By Donation, Being Shown On The Lancaster County Tax Maps As Parcel Number 0068P-0Q-009.00.

e. **2nd Reading of Ordinance 2023-1846 regarding Establishing a Policy and Procedure for Naming Rights**

Ordinance Title: An Ordinance Establishing A Policy And Procedure For Naming County-Owned Properties Or Structures.

f. **2nd Reading of Ordinance 2023-1862 regarding Rezoning Property Located at 165 Brooklyn Avenue from MDR To NB (Applicant Barby Barchu)**

Ordinance Title: An Ordinance To Amend The Official Zoning Map Of Lancaster County To Rezone Approximately 0.30 Acres (TM# 0081H-0C-013.00) Located At 165 Brooklyn Ave, From Medium Density Residential (MDR) District To Neighborhood Business (NB) District. - *Planning Department Case Number: RZ-2023-0739.*

g. **2nd Reading of Ordinance 2023-1863 regarding Rezoning Property Located at 1743 Lynwood Drive from INS to MDR (Applicants Ronald Woods and Rev. Matthew Alexander on behalf of Grace-Lynwood United Methodist Church)**

Ordinance Title: An Ordinance To Amend The Official Zoning Map Of Lancaster County To Rezone Approximately 5.819 Acres (TM# 0087G-0C-004.00) Located At 1743 Lynwood Dr, From Institutional (INS) District To Medium Density Residential (MDR) District. - *Planning Department Case Number: RZ-2023-0831.*

h. **2nd Reading of Ordinance 2023-1868 regarding Amending the Lancaster County Code Related to the Residency Requirement for Certain Management Positions**

Ordinance Title: An Ordinance To Amend The Lancaster County Code Related To The Residency Requirement For Certain Management Positions

Non-Consent Agenda

Resolution 1245-R2023 regarding Approving the Annual Assessment Roll for the Edgewater Improvement District

Resolution Title: Approving The Updated 2023 Assessment Roll For The Edgewater Improvement District, Lancaster County, South Carolina.

Brian Carnes moved to approve Resolution 1245-R2023. Seconded by Charlene McGriff. Motion Passed 7-0.

Resolution 1246-R2023 regarding Approving the Annual Assessment Roll for the Edgewater II Improvement District

Resolution Title: Approving The Updated 2023 Assessment Roll For The Edgewater II Improvement District, Lancaster County, South Carolina.

Charlene McGriff moved to approve Resolution 1246-R2023. Seconded by Terry Graham. Motion Passed 7-0.

Resolution 1247-R2023 regarding Approving the Annual Assessment Roll for the Sun City Carolina Lakes Improvement District

Resolution Title: Approving The Updated 2023 Assessment Roll For The Sun City Carolina Lakes Improvement District, Lancaster County, South Carolina.

Terry Graham moved to approve Resolution 1247-R2023. Seconded by Allen Blackmon. Motion Passed 7-0.

Resolution 1248-R2023 regarding Approving the Annual Assessment Roll For Bond Area 1 Of The Walnut Creek Improvement District

Resolution Title: Approving The Updated 2023 Assessment Roll For Bond Area 1 Of The Walnut Creek Improvement District, Lancaster County, South Carolina.

Brian Carnes moved to approve Resolution 1248-R2023. Seconded by Billy Mosteller. Motion Passed 7-0.

Resolution 1249-R2023 regarding Approving the Annual Assessment Roll For Bond Area 2 Of The Walnut Creek Improvement District

Resolution Title: Approving The Updated 2023 Assessment Roll For Bond Area 2 Of The Walnut Creek Improvement District, Lancaster County, South Carolina.

Charlene McGriff moved to approve Resolution 1249-R2023. Seconded by Terry Graham. Motion Passed 7-0.

Resolution 1250-R2023 regarding Approving the Annual Assessment Roll For Bond Area 3 Of The Walnut Creek Improvement District

Resolution Title: Approving The Updated 2023 Assessment Roll For Bond Area 3 Of The Walnut Creek Improvement District, Lancaster County, South Carolina.

Charlene McGriff moved to approve Resolution 1250-R2023. Seconded by Brian Carnes. Motion Passed 7-0.

Resolution 1251-R2023 regarding the Levy and Collection of Debt Service Millage in Reid Pointe Special Tax District

Resolution Title: Authorizing The Levy And Collection Of Debt Service Millage In The Reid Pointe Special Tax District

Billy Mosteller moved to approve Resolution 1251-R2023. Seconded by Charlene McGriff. Motion Passed 7-0.

3rd Reading of Ordinance 2023-1845 regarding Codifying Rules for Parks and Recreation Facilities

Ordinance Title: An Ordinance To Amend The Lancaster County Code Related To Rules And Regulations For Lancaster County Parks And Recreation Areas/Facilities.

Charlene McGriff moved to approve the 3rd Reading of Ordinance 2023-1845. Seconded by Terry Graham.

Dennis Marstall explained that this Ordinance would provide staff with the ability to publish rules so that they can enforce them if necessary and to work with the Sheriff's office, if necessary, to enforce them. Council and staff discussed that deputies would use ordinance summonses when dealing with violations of this Ordinance. Jose Luis noted his concerns that the language in the Ordinance was too broad and subjective and could be abused. Council and staff discussed the fact that staff would create signs on which the rules would be written and then posted.

3rd Reading of Ordinance 2023-1845 Passed by a vote of 6-1. Ayes: Graham, McGriff, Mosteller, Harper, Blackmon, Carnes; Nays: Luis.

2nd Reading of Ordinance 2023-1864 regarding Amending the Unified Development Ordinance Related to Section 6.5 Street Classification and Design)

Ordinance Title: An Ordinance To Amend The Unified Development Ordinance ("UDO") Sections 4.4.1 (Cluster Subdivision Overlay District), 6.14 (Road Construction Standards), And 10.4 (Definitions), All Pertaining To Street Definition And Design, On The Effective Date Of This Ordinance - *Planning Department Case Number: UDO-TA-2023-0975.*

Brian Carnes moved to approve the 2nd Reading of Ordinance 2023-1864. Seconded by Charlene McGriff.

Allison Hardin provided an overview of the text amendment via the County power point presentation. She provided and reviewed a handout of the ordinance entitled "Amended Language Since 1st Reading," and that handout is attached as Schedule B to the written minutes in the Clerk to Council's office.

Council and staff discussed the number of lots that should be allowed off of a gravel road, the subdivision of property versus a neighborhood/subdivision and how the Ordinance would impact the southern end of the County versus the northern end of the County. Allison Hardin asked that Council postpone the 2nd Reading of the

Ordinance so that the Planning staff could bring additional information back to Council.

Allen Blackmon moved to postpone the 2nd Reading of Ordinance 2023-1864 until the September 25, 2023, Council meeting. Seconded by Billy Mosteller. The motion to postpone Passed 7-0.

Jose Luis pointed out a scrivener's error in Section 6.14.1(A.), where "....creating more than twenty (2)..." should say "....creating more than twenty (20)..."

2nd Reading of Ordinance 2023-1867 regarding Amending the County Code Relating to Parliamentary Procedures for Council Meetings

Ordinance Title: An Ordinance To Amend The Lancaster County Code, Relating To Parliamentary Procedures For Council Meetings To Provide For The Committee Of The Whole And Ad Hoc Committees In Order To Comport With Existing Lancaster County Practices And Procedures.

Brian Carnes moved to approve the 2nd Reading of Ordinance 2023-1867. Seconded by Charlene McGriff.

Dennis Marstall explained that the Ordinance had been changed based on the motion from the last Council meeting. Council discussed among themselves whether the Chairman alone should be able to extend a Committee's existence or if it should take a vote of Council to extend a Committee's existence. There were no motions made to change the wording of the Ordinance.

The 2nd Reading of Ordinance 2023-1867 Passed by a vote of 7-0.

Resolution 1244-R2023 regarding an Inducement Resolution for Economic Development Project E-3

Resolution Title: A Resolution To State The Commitment Of Lancaster County To Enter Into A Fee Agreement With Project E3 Including The Provision Of Special Source Revenue Credits; To Express The Willingness Of Lancaster County To Enter Into A Conveyance Agreement With Project E3 For The Conveyance To Project E3 Of Certain Property; To Provide The General Terms Of The Fee Agreement; And To Provide That This Resolution Is An Inducement Resolution For Purposes Of The Fee In Lieu Of Tax Simplification Act; And To State The Commitment Of Lancaster County To Place Property Owned Or Leased By Project E3 In A Multi-County Park.

Jose Luis moved to approve Resolution 1244-R2023. Seconded by Terry Graham.

Brian Fulk provided an overview of the Economic Development Project E3. He noted that the company sold and distributed recycling equipment. Council and staff discussed the conveyance of the property and the potential protections and parameters put in place so the County could get the land back, if needed. Council and staff also discussed the fair market value of the land, that the property is cleared but not graded, that stormwater issues still need to be dealt with on the property, and whether the Resolution and Ordinance should be postponed so that staff could provide Council with additional information regarding protections for the County regarding the land conveyance.

Jose Luis withdrew his original motion to approve Resolution 1244-R2023.

Terry Graham moved to postpone Resolution 1244-R2023 and the 1st Reading of Ordinance 2023-1866 until the next Council meeting, or until September 11, 2023. Seconded by Charlene McGriff. The motion to postpone both items Passed by a vote of 7-0.

1st Reading of Ordinance 2023-1866 regarding Approval of a Fee In Lieu of Tax and Incentive Agreement with Project E3 Providing for the Payment of a Fee-In-Lieu of Taxes and the Provision of Special Source Revenue Credits

Ordinance Title: An Ordinance To Authorize And Approve The Execution And Delivery Of A Fee In Lieu Of Tax And Incentive Agreement Between Lancaster County, South Carolina And Project E3 Providing For The Payment

Of A Fee-In-Lieu Of Taxes And The Provision Of Special Source Revenue Credits; To Express The Intention Of Council To Provide Monies To The Economic Development Fund; To Approve A Property Conveyance Agreement Relating To The Conveyance Of Approximately [] Acres Of Real Property Owned By Lancaster County And Located In [] To Project E3 Or An Entity To Be Designated By It; And To Provide For Other Matters Related Thereto. -

Please see the discussion and vote under Resolution 1244-R2023 where Council unanimously voted to postpone both the Resolution and Ordinance for Project E3 until the September 11, 2023 Council meeting.

1st Reading of Ordinance 2023-1873 regarding an Easement for Duke Energy Located on Aviation Boulevard

Ordinance Title: An Ordinance To Approve An Easement Grant To Duke Energy Carolinas, LLC Upon Real Property Owned By Lancaster County And Located At 286 Aviation Boulevard Bearing Tax Parcel Number 0066-00-027.00 And To Authorize County Officials To Take Such Actions As Are Necessary To Effectuate The Grant Of The Easements And To Effectuate The Purposes Of This Ordinance.

Charlene McGriff moved to approve the 1st Reading of Ordinance 2023-1873. Seconded by Billy Mosteller.

Dennis Marstall provided an overview of the easement request from Duke Energy Carolinas, LLC. There was no discussion from Council.

The 1st Reading of Ordinance 2023-1873 Passed by a vote of 6-1. Ayes: Graham, McGriff, Mosteller, Luis, Harper, Carnes; Nays: Blackmon.

Resolution 1252-R2023 regarding Approval of the Grant Match for the Airport Terminal Project

Resolution Title: A Resolution To Direct County Staff To Take Appropriate Action To Move Forward With The Bipartisan Infrastructure Law – Airport Terminal Project Grant Match Award, To Execute Such Other Documents As May Be Necessary And Convenient, And To Take Any Other Action As May Be Needed To Carry Into Effect This Resolution.

Brian Carnes moved to approve Resolution 1252-R2023. Seconded by Charlene McGriff.

Dennis Marstall provided an overview of the Airport Terminal project grant and the amount of the grant match required from the County. He explained that Council would receive additional information about the project and possible additional grant monies that could be received for the project at the Committee of the Whole (COW) meeting in September. Council and staff discussed that Council needed the total project costs at this meeting and that Council should have the total project costs without escalation so that they could make informed decisions regarding the grant.

Resolution 1252-R2023 Passed by a vote of 5-2. Ayes: Graham, McGriff, Mosteller, Harper, Canes; Nays: Luis, Blackmon.

Discussion and Action Items

Appointment to the Rock Hill Fort Mill Area Transportation Study (RFATS) Board - Chairman Steve Harper

- Jose Luis

Steve Harper asked if Jose Luis would accept appointment to the Rock Hill Fort Mill Area Transportation Study (RFATS) Board and Jose Luis said that he would accept the appointment.

Executive Session

Three Items:

1. Receipt of legal advice subject to the attorney-client privilege regarding a potential contractual matter relating to land acquisition.
2. Receipt of legal advice subject to the attorney-client privilege regarding a potential contractual matter relating to the disposal of property.
3. Receipt of legal advice subject to the attorney-client privilege related to County facilities' needs.

Charlene McGriff moved to go into Executive Session. Seconded by Jose Luis. The motion to go into Executive Session Passed 7-0. At approximately 7:23 p.m., Council went into Executive Session to discuss the items listed above.

Items Requiring a Vote Following Executive Session

Council came out of Executive Session and Steve Harper called the Council meeting back to order at approximately 8:07 p.m. Allen Blackmon moved to come out of Executive Session. Seconded by Brian Carnes. The motion to come out of Executive Session Passed 7-0.

Upon returning to open session, Ginny Merck-Dupont noted, for the record, that during Executive Session, Council discussed three (3) items: (1) receipt of legal advice subject to the attorney-client privilege regarding a potential contractual matter relating to land acquisition.; (2) receipt of legal advice subject to the attorney-client privilege regarding a potential contractual matter relating to the disposal of property; and (3) receipt of legal advice subject to the attorney-client privilege related to County facilities' needs. She stated that, during Executive Session, no motions were made and no votes were taken.

Adjournment

Brian Carnes moved to adjourn the Council meeting. Seconded by Jose Luis. The motion to adjourn Passed 7-0.

There being no further business, the regular meeting of Council adjourned at approximately 8:08 p.m.

Agenda Item Summary

Ordinance # / Resolution #: Ordinance 2023-1862 / Planning Case Number: RZ-2023-0739

Contact Person / Sponsor: M. Blaszyk / Planning

Department: Planning

Date Requested to be on Agenda: 9/11/2023

Council Action Requested:

Application by Barby Barchu to rezone .30 acres at 165 Brooklyn Avenue, Lancaster (TM# 0081H-0C-013.00) from Medium Density Residential (MDR) to Neighborhood Business (NB) District, in order to re-establish the existing vacant business use.

Points to Consider:

Barby Barchue operated a neighborhood convenience store on Brooklyn Ave as a non-conforming use until a few years ago. Barby experienced a number of break-ins that forced him to close down his store for longer than 6 months.

This rezoning would allow Mr. Barchue to reopen his store and bring it under conformity of the UDO.

Funding and Liability Factors:

N/A

Recommendation:

Planning Commission recommended approval of RZ-2023-0739 at their July Regular Meeting.

Staff also recommends approval.

ATTACHMENTS:

Description	Upload Date	Type
Ordinance 2023-1862	8/9/2023	Ordinance
Staff Report	7/11/2023	Exhibit
Application	6/22/2023	Exhibit
Location Map	7/11/2023	Exhibit
Plat	6/22/2023	Exhibit

STATE OF SOUTH CAROLINA

)

ORDINANCE NO. 2023-1862

COUNTY OF LANCASTER

)

AN ORDINANCE

TO AMEND THE OFFICIAL ZONING MAP OF LANCASTER COUNTY TO REZONE APPROXIMATELY 0.30 ACRES (TM# 0081H-0C-013.00) LOCATED AT 165 BROOKLYN AVE, FROM MEDIUM DENSITY RESIDENTIAL (MDR) DISTRICT TO NEIGHBORHOOD BUSINESS (NB) DISTRICT.

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

Section 1. Findings and Determinations.

The Council finds and determines that:

(a) Barby Barchu applied to rezone a 0.30-acre parcel of real property (TM# 0081H-0C-013.00) owned by Mr. Barchu, being located at 165 Brooklyn Ave, Lancaster, from Medium Density Residential (MDR) District to Neighborhood Business (NB) District.

(b) On July 18, 2023, the Lancaster County Planning Commission held a public hearing on the proposed rezoning and, by a 6-0 vote, recommended approval of the rezoning request.

(c) The Future Land Use Category of the subject property is Urban, which corresponds to the Community Type of Walkable Neighborhood w/ additional intensity. The adopted Comprehensive Plan states that the “The Community Type “Walkable Neighborhood” is synonymous with the Place Type “Mixed-Use Neighborhood.” This is due to its very specific characteristics that set it apart from most other Place Types by virtue of its deliberately structured mix of dwelling types in a development context that often operates through the separation of uses, densities and/or land value. This Place Type and Community Type has its roots in the traditional character of American communities during the early part of the 20th century and has been revived in recent decades as a relevant option for future development.” The requested NB District is consistent with the Urban Future Land Use Category and the Comprehensive Plan.

Section 2. Rezoning.

The Official Zoning Map is amended by changing the zoning district classification from Medium Density Residential (MDR) District to Neighborhood Business (NB) District, for the following property as identified by tax map numbers or other appropriate identifiers:

Tax Map No. (TM# 0081H-0C-013.00), located at 165 Brooklyn Ave, Lancaster.

Section 3. Severability.

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

Section 4. Conflicting Provisions.

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

Section 5. Effective Date.

This ordinance is effective upon Third Reading.

AND IT IS SO ORDAINED

Dated this _____ day of _____, 2023.

LANCASTER COUNTY, SOUTH CAROLINA

Steve Harper, Chair, County Council

Billy Mosteller, Secretary, County Council

ATTEST:

Sherrie Simpson, Clerk to Council

First Reading: August 14, 2023
Public Hearing: August 14, 2023
Second Reading: August 28, 2023
Third Reading: September 11, 2023

Approved as to form:

Virginia Merck-Dupont, County Attorney

PROPOSAL: Request to rezone 0.3 acres of property

PROPERTY LOCATION: 165 Brooklyn Avenue, Lancaster (TM# 0081H-OC-013.00)

CURRENT ZONING DISTRICT: Medium Density Residential (MDR) District

PROPOSED ZONING DISTRICT: Neighborhood Business (NB) District

APPLICANT: Barby Barchu

COUNCIL DISTRICT: District 2, Charlene McGriff

STATUTORY NOTICES: Hearing notice published 7/1/2023 in The Lancaster News
Signs posted 6/29/2023
Mailed notices 6/29/2023
Posted agenda in lobby 7/11/2023

OVERVIEW:

Proposal/Site information

The applicant has requested to rezone a parcel 0.3 acres in size. The intent is to re-establish an existing convenience store, which was a grandfathered non-conforming use after 2016 County zoning. The owner had to close the business for a period of time greater than 6 months and lost its grandfathered status. Rezoning will allow the owner to re-open his business.

Summary of Adjacent Zoning and Uses

The properties are surrounded predominantly by NB and MDR zoned properties. There is an NB parcel within 20 feet to the east across Todd Street, and another adjacent to that parcel.

Adjacent Property	Jurisdiction	Zoning District	Use
North	Lancaster County	MDR	Residential
South	Lancaster County	MDR	Residential
East	Lancaster County	NB	Vacant
West	Lancaster County	MDR	Residential

ANALYSIS & FINDINGS:

Zoning Districts

As previously noted, the subject property is currently in the MDR District. Pursuant to UDO Chapter 2.3, the MDR District “...established to maintain previously developed or approved single-family residential subdivisions and their related recreational, religious, and educational facilities at a density of 2.5 dwelling units per acre. Intended to act as a transitional zoning district between rural and urban development, these regulations are further intended to discourage any use which would be detrimental to the predominately residential nature of the areas included within the district.”

Requested NB

Pursuant to UDO Chapter 2.3, “the requested NB District *is generally located on thoroughfares and provides opportunities for the provision of neighborhood services that serve as an acceptable transition to generally auto-dependent neighborhoods.*”

RELATIONSHIP TO PUBLIC PLANS

The Future Land Use Category of the subject properties is Urban, which corresponds to the Community Type of Walkable Neighborhood w/ additional intensity. The adopted Comprehensive Plan states that the “The Community Type “Walkable Neighborhood” is synonymous with the Place Type “Mixed-Use Neighborhood.” This is due to its very specific characteristics that set it apart from most other Place Types by virtue of its deliberately structured mix of dwelling types in a development context that often operates through the separation of uses, densities and/or land value. This Place Type and Community Type has its roots in the traditional character of American communities during the early part of the 20th century, and has been revived in recent decades as a relevant option for future development.” The Comprehensive Plan further establishes several possible land use considerations representing typical development in this category which are depicted in the table below.

The Urban Future Land Use Category extends from just beyond the limits of The City of Lancaster, Town of Heath Springs, and Town of Kershaw. The Urban Future Land Use Category and Walkable Neighborhood w/ additional intensity Community Type are intended to be Synonyms.

The requested NB District is consistent with the Future Land Use Category and the Comprehensive Plan.

Suburban Single-Family/Multi-Family Neighborhood: Land Use Considerations		
Single-Family Detached Home	Neighborhood Commercial	Government Building
Single-Family Attached Home (Town Home / Duplex)	Restaurant	Church
Condominium / Apartment	Professional Office	School

INFRASTRUCTURE CONSIDERATIONS

Transportation

There are no issues with traffic generated from this request at this time. A TIA will be required in the future if the proposed use crosses the threshold for trips generated.

Public Utilities

Water and sewer service is provided by the City of Lancaster.

Public Schools

There are no capacity concerns for the schools within this area pertaining to this change.

PHOTOS OF PROJECT AREA:



An ariel view of the subject property



Facing subject parcel off the corner of Brooklyn Ave and Todd Street.

STAFF RECOMMENDATION:

Staff recommends **Approval** of the request to rezone 0.3 acres (TM# 0081H-OC-013.00) from Medium Density Residential (MDR) District to Neighborhood Business (NB) District, pursuant to the following findings of fact:

1. That the subject project consists of the following parcel: TM# 0081H-OC-013.00
2. That the subject property is currently zoned MDR District and proposed to be rezoned NB District;
3. That the subject property has a Future Land Use designation of Urban, and a Community Type of Walkable Neighborhood; and
4. That the proposed NB District is generally consistent with the surrounding area which is comprised of MDR and NB Districts.

ATTACHMENTS:

1. Rezoning Application
2. Recorded Plat
3. Location Map/ Zoning Map

STAFF CONTACT:

Matthew Blaszyk, Planner
mblaszyk@lancastersc.net | 803-416-9380



Planning Department

P.O. Box 1809, 101 N. Main Street, Lancaster, SC 29721
Phone: 803.285.6005, planning@lanastercountysc.net
www.mylanastersc.org

ZONING MAP AMENDMENT APPLICATION

SUBMITTAL REQUIREMENTS

- Completed Application
- Signatures of Applicant and Property Owner
- Deed and survey plat or boundary survey
- Fees associated with review

GENERAL INFORMATION

Property Address 165 Brooklyn Avenue
City Lancaster State SC Zip 29720 Tax Parcel ID 0081H-0C-013.00
Current Zoning MDR Current Use vacant/commercial structure
Proposed Zoning NB Total Acres approx .30 acres
Project Description Rezone from MDR to NB to allow continuation of former commercial use of structure. Business was closed for 3 years and lost non-conforming use.
New commercial tenancy requires change in zoning

Surrounding Property Description NB zoning to east and further along Brooklyn Avenue. Largely MDR surrounding on other sides of property.

CONTACT INFORMATION

Applicant Name BarbyBarchu
Address 305 Cedar Street
City Lancaster State SC Zip 29720 Phone 704-963-5732
Fax _____ Email barbybarchu@gmail.com
Property Owner Name Barby & Lou Barchu
Address same
City _____ State _____ Zip _____ Phone _____
Fax _____ Email _____

I hereby certify that I have read this application and the information supplied herein is true and correct to the best of my knowledge. I agree to comply with all applicable County ordinances and state laws related to the use and development of the land. I further certify that I am the property owner, or his/her authorized agent, or the subject property. I understand that falsifying any information herein may result in rejection or denial of this request.

XX Burby H. Barichue
Applicant

~~04~~ 21-2023
Date

XX Burby H. Barichue
Property Owner(s)

~~04~~ 21-2023
Date

Attach owner's notarized written authorization with property information if the applicant is not the owner.

LANCASTER COUNTY OFFICE USE ONLY

Application Number _____ Date Received _____ Receipt Number _____

Amount Paid _____ Check Number _____ Cash Amount _____

Received By _____ Planning Commission Meeting Date _____

SCHEDULE/PROCESS 1. Submit Application

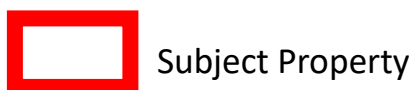
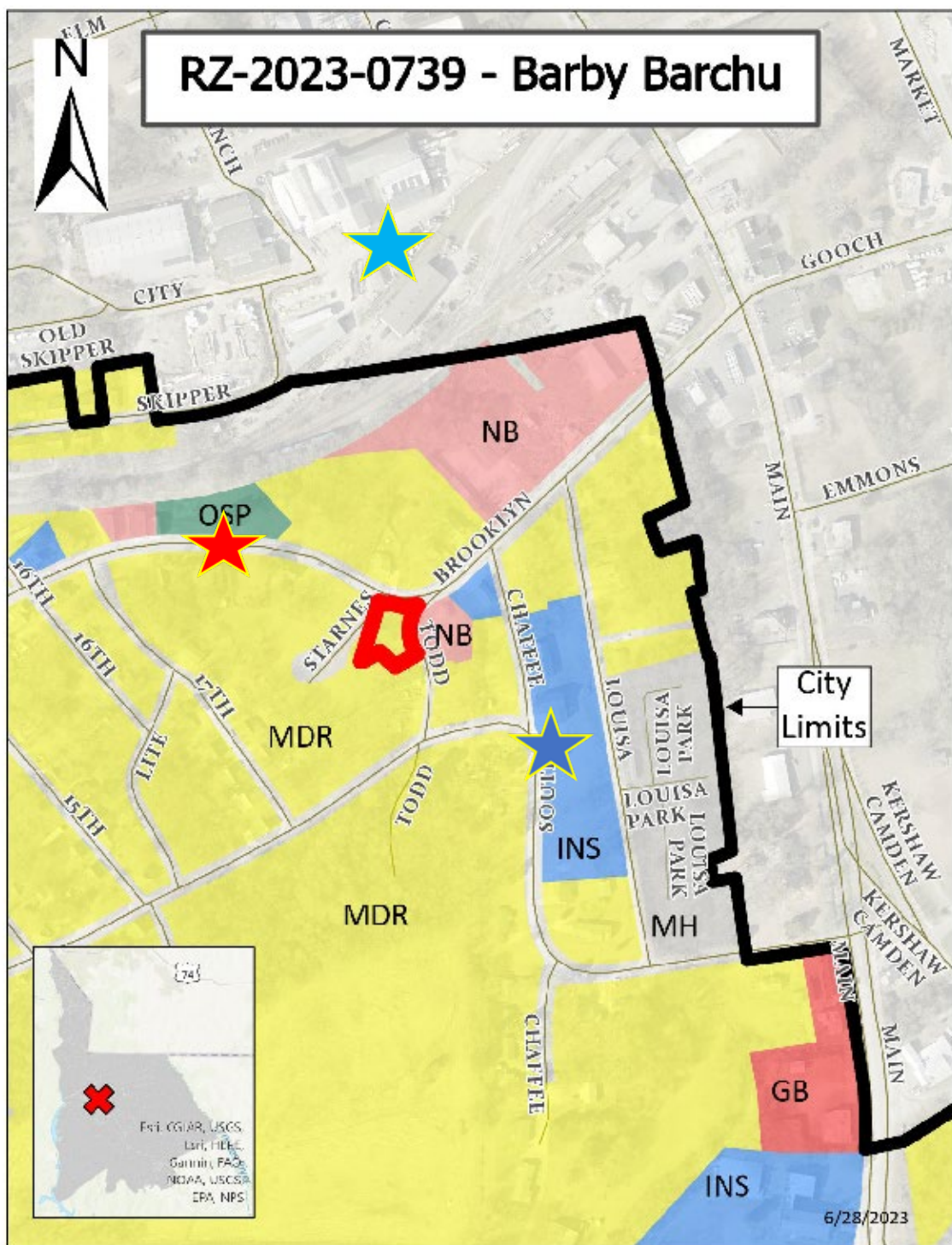
- The deadline for this application is at least 45 days prior to the Planning Commission meeting, held every third Tuesday of the month.
- Once an application is submitted, it is placed on the Planning Commission agenda for the following month.
- An application withdrawal should be made in writing and received prior to public notice in order to receive a refund.
- Rezoning Application Fee – single parcel \$435.00
- Rezoning Application Fee – multi parcel \$610.00

2. Planning Commission

- Conducts a public hearing on the application to receive input from Lancaster County citizens, applicant, and other interested parties.
- Reviews the application to ensure it is consistent with the Lancaster County Unified Development Ordinance, Comprehensive Plan, and all adopted County plans.
- Makes a recommendation to the County Council.

3. County Council

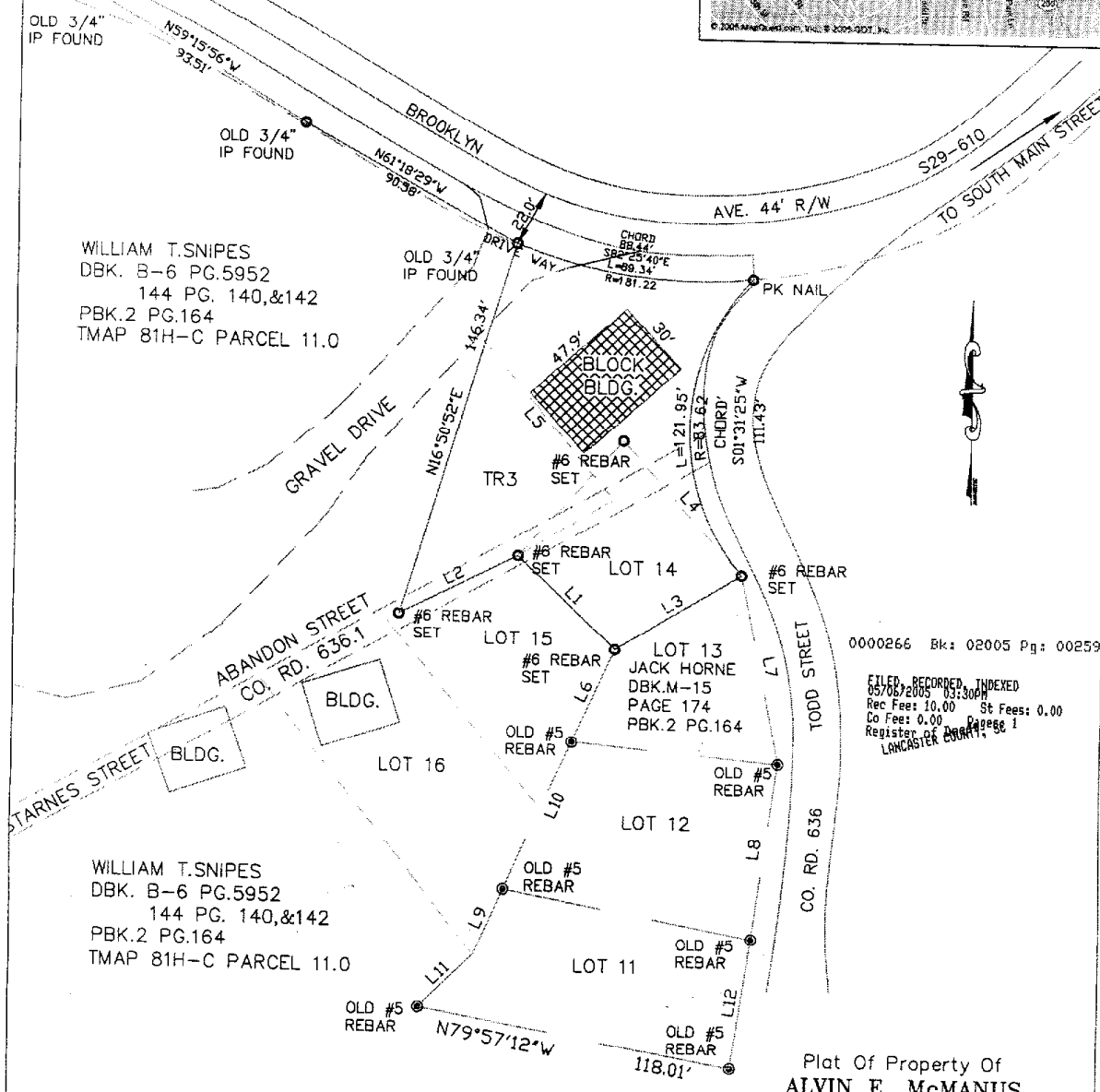
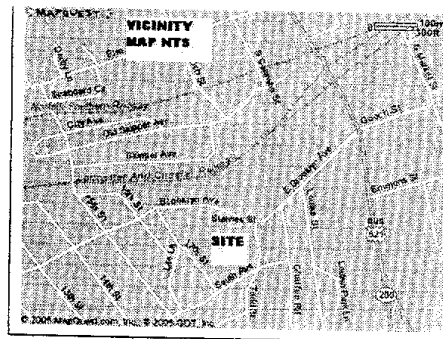
- Approves, denies, or submits application to the Planning Commission for further study.
- Action requires three readings for approval.
- Subsequent to final County Council action on rezoning, notice of action will be provided to the applicant, owner, and adjacent property owners.
- If applicant would like to request a special presentation, please notify the County Clerk @ (803) 416-9307 before 5:00pm on the first Monday of the month to make arrangements.



- Proposal:**
Rezoning MDR to NB
- Lifeline Ministries International
- Stafford Belk Park
- Builder's Supply Co.

AREA= 0.270 AC.
 DEED REFERENCE:
 DEED BOOK Z-3 PAGE 187 (LOT 14)
 DEED BOOK G-3 PAGE 247 (TR.3)
 DEED BOOK C-3 PAGE 340

LINE TABLE		
LINE	LENGTH	BEARING
L1	50.40	N46°12'26"W
L2	49.62	S62°39'31"W
L3	55.00	S58°02'34"W
L4	66.50	S41°41'00"E
L5	75.90	S39°49'30"E
L6	38.00	S24°02'34"W
L7	72.15	N11°38'33"W
L8	66.57	N08°11'30"E
L9	27.16	N24°02'34"E
L10	61.04	S24°02'34"W
L11	28.22	S45°02'28"W
L12	48.86	N08°09'57"E



0000266 Bk: 02005 Pg: 00259
 FILED, RECORDED, INDEXED
 05/06/2005 03:30PM
 Rec Fee: 10.00 St Fees: 0.00
 Co Fee: 0.00 Page 1
 Register of Deeds
 LANCASTER COUNTY

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

Ordinance #415 -
 This plat does not create any new lots, easements, right-of-ways or property lines.

Plat Of Property Of
ALVIN E. McMANUS
 Located At
 165 Brooklyn Ave.
 Lancaster, South Carolina
 Lancaster County

Scale 1" = 40' Date 03/31/05

GRAPHIC SCALE



(IN FEET)
 1 inch = 40 ft.

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

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

OWN BY:	JCC	DATE:	03/31/2005
LOKED BY:	JCC	TAX MAP	81H-C PARCEL 10&13
P. NO.:	05-3-4	SHEET	1 OF 1

J. C. Crumpler

Agenda Item Summary

Ordinance # / Resolution #: Ordinance 2023-1863 / Planning Case Number: RZ-2023-0831

Contact Person / Sponsor: M. Blaszyk / Planning

Department: Planning

Date Requested to be on Agenda: 9/11/2023

Council Action Requested:

Application by Ronald Woods and Rev. Matthew Alexander on behalf of Grace-Lynwood United Methodist Church to rezone 5.819 acres at 1743 Lynwood Drive (TM# 087G-0C-004.00) from Institutional (INS) to Medium Density Residential (MDR) District, in order to market the property for residential use.

Points to Consider:

The Church on the site was torn down a few years ago. All that remain is the former parsonage and a small storage building.

Since the land is currently zoned Institutional, only an employee of the Church can live on the property.

Rezoning of the property would allow for the property to be placed on the market as a residential property.

Funding and Liability Factors:

N/A

Recommendation:

Planning Commission recommended approval at their July Regular Meeting.

Staff also recommends approval.

ATTACHMENTS:

Description	Upload Date	Type
Ordinance 2023-1863	8/9/2023	Ordinance
Staff Report	7/11/2023	Exhibit
Application	6/22/2023	Exhibit
Location Map	7/11/2023	Exhibit
Plat	6/22/2023	Exhibit

STATE OF SOUTH CAROLINA

)

ORDINANCE NO. 2023-1863

COUNTY OF LANCASTER

)

AN ORDINANCE

TO AMEND THE OFFICIAL ZONING MAP OF LANCASTER COUNTY TO REZONE APPROXIMATELY 5.819 ACRES (TM# 0087G-0C-004.00) LOCATED AT 1743 LYNWOOD DR, FROM INSTITUTIONAL (INS) DISTRICT TO MEDIUM DENSITY RESIDENTIAL (MDR) DISTRICT.

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

Section 1. Findings and Determinations.

The Council finds and determines that:

(a) Ronald Woods and Rev. Matthew Alexander, on behalf of Grace-Lynwood United Methodist Church, applied to rezone a 5.819-acre parcel of real property (TM# 0087G-0C-004.00) owned by the church, being located at 1743 Lynwood Dr, Lancaster, from Institutional (INS) District to Medium Density Residential (MDR) District.

(b) On July 18, 2023, the Lancaster County Planning Commission held a public hearing on the proposed rezoning and, by a 6-0 vote, recommended approval of the rezoning request.

(c) The Future Land Use Category of the subject property is Urban, which corresponds to the Community Type of Walkable Neighborhood w/ additional intensity. The adopted Comprehensive Plan states that the “The Community Type “Walkable Neighborhood” is synonymous with the Place Type “Mixed-Use Neighborhood.” This is due to its very specific characteristics that set it apart from most other Place Types by virtue of its deliberately structured mix of dwelling types in a development context that often operates through the separation of uses, densities and/or land value. This Place Type and Community Type has its roots in the traditional character of American communities during the early part of the 20th century and has been revived in recent decades as a relevant option for future development.” The requested MDR District is consistent with the Urban Future Land Use Category and the Comprehensive Plan.

Section 2. Rezoning.

The Official Zoning Map is amended by changing the zoning district classification from Institutional (INS) District to Medium Density Residential (MDR) District, for the following property as identified by tax map numbers or other appropriate identifiers:

Tax Map No. (TM# 0087G-0C-004.00), located at 1743 Lynwood Dr, Lancaster.

Section 3. Severability.

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

Section 4. Conflicting Provisions.

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

Section 5. Effective Date.

This ordinance is effective upon Third Reading.

AND IT IS SO ORDAINED

Dated this _____ day of _____, 2023.

LANCASTER COUNTY, SOUTH CAROLINA

Steve Harper, Chair, County Council

Billy Mosteller, Secretary, County Council

ATTEST:

Sherrie Simpson, Clerk to Council

First Reading: August 14, 2023
Public Hearing: August 14, 2023
Second Reading: August 28, 2023
Third Reading: September 11, 2023

Approved as to form:

Virginia Merck-Dupont, County Attorney

PROPOSAL: Request to rezone 5.819 acres of property

PROPERTY LOCATION: 1743 Lynwood Drive (TM# 0087G-OC-004.00)

CURRENT ZONING DISTRICT: Institutional (INS) District

PROPOSED ZONING DISTRICT: Medium Density Residential (MDR) District

APPLICANT: Ronald Woods and Rev. Matthew Alexander
on behalf of Grace-Lynwood United Methodist Church

COUNCIL DISTRICT: District 2, Charlene McGriff

STATUTORY NOTICES: Hearing notice published 7/1/2023 in The Lancaster News
Signs posted 6/29/2023
Mailed notices 6/29/2023
Posted agenda in lobby 7/11/2023

OVERVIEW:

Proposal

The applicant has requested to rezone a parcel 5.819 acres in size. The intent is to allow the property to be marketed as a residential property. There is a home on site which was the parsonage and storage building for the church formerly located at this parcel, which has since been demolished.

Site Information

The parcel proposed to be rezoned is currently zoned for Institutional use, but the church formerly on site has been demolished. The owners wish to market the home solely as residential use.

Summary of Adjacent Zoning and Uses

The properties are surrounded predominantly by MDR and GB zoned properties. There are MDR parcels located across the street and GB parcels directly adjacent to the site.

Adjacent Property	Jurisdiction	Zoning District	Use
North	Lancaster County	GB	Vacant
South	Lancaster County	MDR	Residential
East	Lancaster County	GB	Vacant
West	Lancaster County	MDR	Residential

ANALYSIS & FINDINGS:

Zoning Districts

As previously noted, the subject property is currently in the INS District. Pursuant to UDO Chapter 2.3, INS District is “...intended to allow for the continued and future use, expansion, and new development of academic and religious campuses, governmental and health facilities, and public and private utility infrastructure. The goal is to promote the many varied uses associated with such institutions while

maintaining the overall design integrity of the campus setting and minimizing any adverse impacts on the neighboring residential areas. In the attempt to meet this goal numerous requirements are included, such as but not limited to buffers, landscaping, outdoor lighting, parking, signage, building height, setbacks, open space, and the like.”

Requested MDR

UDO Chapter 2.3 describes the requested MDR District as “...established to maintain previously developed or approved single-family residential subdivisions and their related recreational, religious, and educational facilities at a density of 2.5 dwelling units per acre. Intended to act as a transitional zoning district between rural and urban development, these regulations are further intended to discourage any use which would be detrimental to the predominately residential nature of the areas included within the district.”

RELATIONSHIP TO PUBLIC PLANS

The Future Land Use Category of the subject properties is Urban, which corresponds to the Community Type of Walkable Neighborhood w/ additional intensity. The adopted Comprehensive Plan states that the “The Community Type “Walkable Neighborhood” is synonymous with the Place Type “Mixed-Use Neighborhood.” This is due to its very specific characteristics that set it apart from most other Place Types by virtue of its deliberately structured mix of dwelling types in a development context that often operates through the separation of uses, densities and/or land value. This Place Type and Community Type has its roots in the traditional character of American communities during the early part of the 20th century, and has been revived in recent decades as a relevant option for future development.” The Comprehensive Plan further establishes several possible land use considerations representing typical development in this category which are depicted in the table below.

The Urban Future Land Use Category extends from just beyond the limits of The City of Lancaster, Town of Heath Springs, and Town of Kershaw. The Urban Future Land Use Category and Walkable Neighborhood w/ additional intensity Community Type are intended to be Synonyms.

The requested MDR District is consistent with the Future Land Use Category and the Comprehensive Plan.

Suburban Single-Family/Multi-Family Neighborhood: Land Use Considerations		
Single-Family Detached Home	Neighborhood Commercial	Government Building
Single-Family Attached Home (Town Home / Duplex)	Restaurant	Church
Condominium / Apartment	Professional Office	School

INFRASTRUCTURE CONSIDERATIONS

Transportation

There are no issues with traffic generated from this request at this time.

Public Utilities

The LCWSD is currently providing water and sewer access to the site.

Public Schools

There are no capacity concerns for the schools within this area pertaining to this change.

PHOTOS OF PROJECT AREA:



An ariel view of the subject property



Facing residence off Lynwood Drive



Facing former church site and residence off Lynwood Drive

STAFF RECOMMENDATION:

Staff recommends **Approval** of the request to rezone 5.819 acres (TM# 0087G-0C-004.00) from Institutional District (INS) to Medium Density Residential (MDR) District pursuant to the following findings of fact:

1. That the subject project consists of the following parcel: TM# 0087G-0C-004.00;
2. That the subject property is currently zoned INS District and proposed to be rezoned MDR District;
3. That the subject property has a Future Land Use designation of Urban, and a Community Type of Walkable Neighborhood; and
4. That the proposed MDR District is generally consistent with the surrounding area which is comprised of MDR and GB Districts.

ATTACHMENTS:

1. Rezoning Application
2. Recorded Plat
3. SCDHEC Permit
4. Location Map/ Zoning Map

STAFF CONTACT:

Matthew Blaszyk, Planner
mblaszyk@lancastersc.net | 803-416-9380



Planning Department

P.O. Box 1809, 101 N. Main Street, Lancaster, SC 29721
Phone: 803.285.6005, planning@lanastercountysc.net
www.mylanastercsc.org

ZONING MAP AMENDMENT APPLICATION

SUBMITTAL REQUIREMENTS

- Completed Application
- Signatures of Applicant and Property Owner
- Deed and survey plat or boundary survey
- Fees associated with review

GENERAL INFORMATION

Property Address _____

City _____ State _____ Zip _____ Tax Parcel ID _____

Current Zoning _____ Current Use _____

Proposed Zoning _____ Total Acres _____

Project Description _____

Surrounding Property Description _____

CONTACT INFORMATION

Applicant Name _____

Address _____

City _____ State _____ Zip _____ Phone _____

Fax _____ Email _____

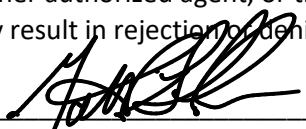
Property Owner Name _____

Address _____

City _____ State _____ Zip _____ Phone _____

Fax _____ Email _____

I hereby certify that I have read this application and the information supplied herein is true and correct to the best of my knowledge. I agree to comply with all applicable County ordinances and state laws related to the use and development of the land. I further certify that I am the property owner, or his/her authorized agent, or the subject property. I understand that falsifying any information herein may result in rejection or denial of this request.


Applicant

Date


Property Owner(s)

Date

Attach owner's notarized written authorization with property information if the applicant is not the owner.

LANCASTER COUNTY OFFICE USE ONLY

Application Number _____ Date Received _____ Receipt Number _____

Amount Paid _____ Check Number _____ Cash Amount _____

Received By _____ Planning Commission Meeting Date _____

SCHEDULE/PROCESS 1. Submit Application

- The deadline for this application is at least 45 days prior to the Planning Commission meeting, held every third Tuesday of the month.
- Once an application is submitted, it is placed on the Planning Commission agenda for the following month.
- An application withdrawal should be made in writing and received prior to public notice in order to receive a refund.
- Rezoning Application Fee – single parcel \$435.00
- Rezoning Application Fee – multi parcel \$610.00

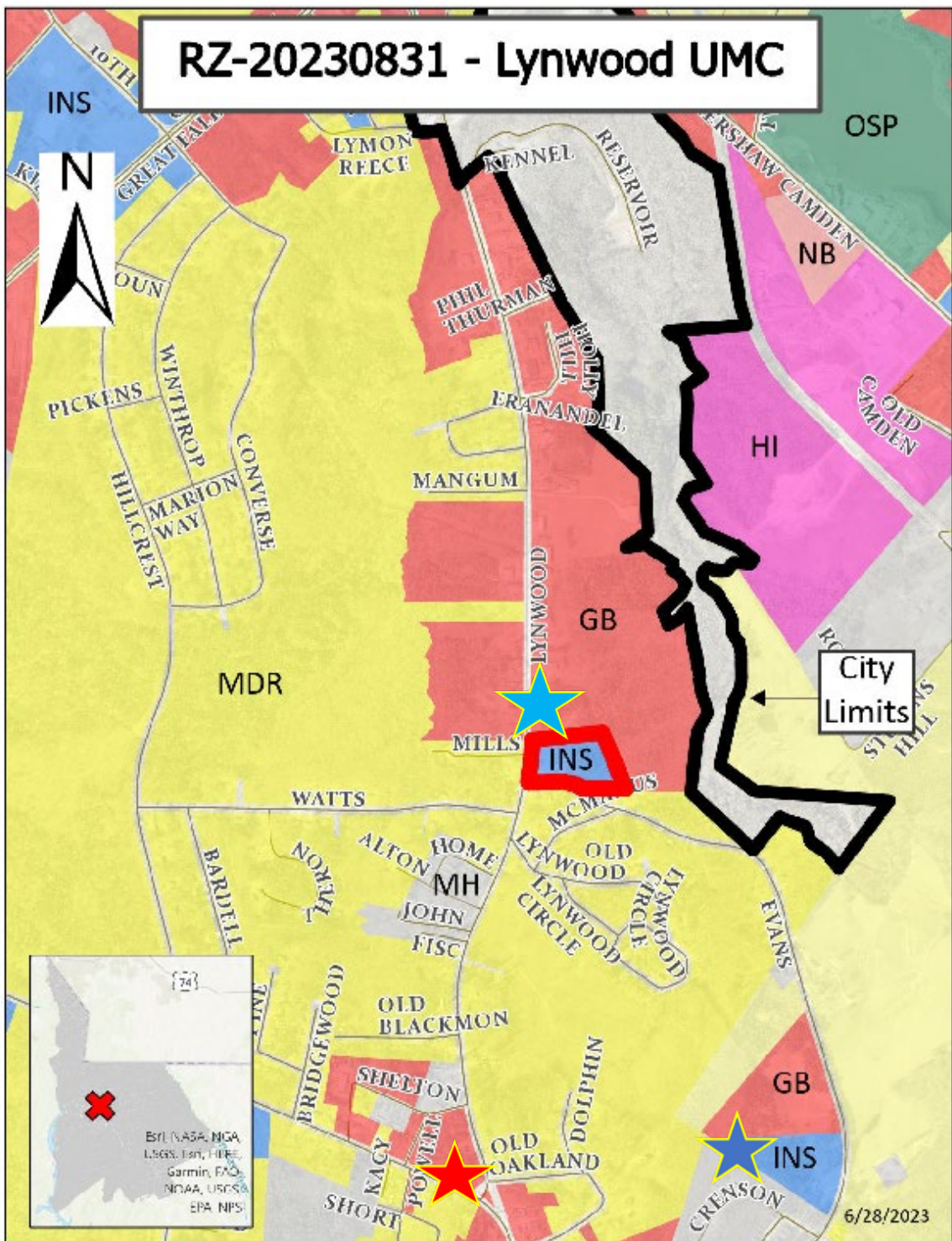
2. Planning Commission

- Conducts a public hearing on the application to receive input from Lancaster County citizens, applicant, and other interested parties.
- Reviews the application to ensure it is consistent with the Lancaster County Unified Development Ordinance, Comprehensive Plan, and all adopted County plans.
- Makes a recommendation to the County Council.

3. County Council

- Approves, denies, or submits application to the Planning Commission for further study.
- Action requires three readings for approval.
- Subsequent to final County Council action on rezoning, notice of action will be provided to the applicant, owner, and adjacent property owners.
- If applicant would like to request a special presentation, please notify the County Clerk @ (803) 416-9307 before 5:00pm on the first Monday of the month to make arrangements.

RZ-20230831 - Lynwood UMC



Lancaster
County
South Carolina

Proposal:

Rezoning INS to MDR



Subject Property



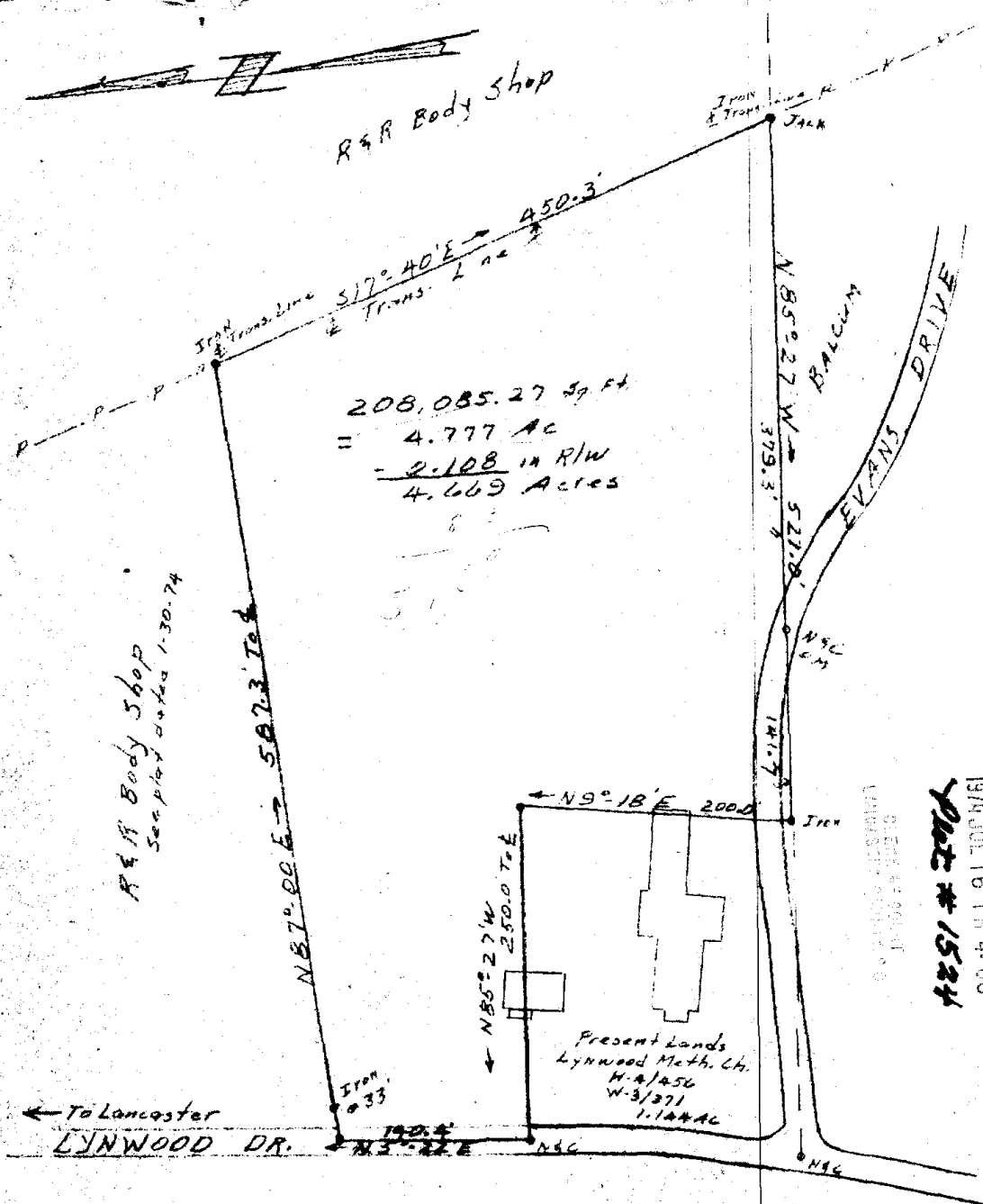
Beacon Baptist Church



Y & J Express Gas Station



Martin's Machine Co. Inc.



STATE OF SOUTH CAROLINA
 COUNTY OF LANCASTER
 PROPERTY TO BE CONVEYED TO
LYNWOOD METHODIST CHURCH

Located south of Lancaster, near intersection of Lynwood Drive and Evans Drive. Being a portion of the lands shown on plat of R & R Body Shop, by Jack Smith, dated 1-30-74.

Scale: 1" = 100'

13 June 1974

Jack Smith
 Jack Smith, RLS
 100 Forest Drive
 Lancaster, S. C.

Agenda Item Summary

Ordinance # / Resolution #: Ordinance 2023-1867

Contact Person / Sponsor: Dennis Marstall / County Administrator and Ginny Merck-Dupont / County Attorney

Department: Administration

Date Requested to be on Agenda: 9/11/2023

Council Action Requested:

The second reading reflected the Council's discussion and amendments during first reading to only establish the Committee of the Whole and Ad Hoc Committee(s), as deemed necessary by the Chair.

Whether to amend the Lancaster County Code Relating to Parliamentary Procedures for Council Meetings to Reinstate Certain Standing Committees and Provide for Procedures Relative to Same in Order to Comport with Existing Lancaster County Practices and Procedures.

Points to Consider:

During the height of the COVID Pandemic, County Council adjusted its rules of procedure on August 10, 2020 in order to more efficiently govern the County in the context of COVID protocols and public safety. The changes included providing for remote meetings and electronic voting, but also tweaked several processes of meeting procedures from meeting notices and public comments to general debate and updated Roberts Rules of Order.

It has been discovered that several sections of the Code pertaining to Council's rules of procedure for Council meetings were inadvertently deleted during the updating process for COVID. Such omissions include any references to standing committees of the Council and how they are created. Further, there is no codified structure for the Committee of the Whole and how it is to operate or function.

The draft ordinance re-establishes the Committee Structure as a function of the County Council, and the process and procedures for how the committees will operate. The Ordinance language incorporates what was in the County Code related to the Committee Structure prior to August 2020 and includes some tweaks such as formally re-establishing the Administration Committee, formally creating the Committee of the Whole, and outlines how ad hoc committees may be formed.

These rules are solely at the Council discretion and direction, so when this omission was found in the County Code, Administration felt the need to inform County Council of this situation and recommend a potential remedy.

Funding and Liability Factors:

Not applicable.

Recommendation:

Amend the Code relating to Parliamentary Procedure and Council Committees.

ATTACHMENTS:

Description	Upload Date	Type
Ordinance 2023-1867	8/22/2023	Ordinance

STATE OF SOUTH CAROLINA

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ORDINANCE NO. 2023- 1867

COUNTY OF LANCASTER

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~~Indicates Matter Stricken~~

Indicates New Matter

AN ORDINANCE

TO AMEND THE LANCASTER COUNTY CODE, RELATING TO PARLIAMENTARY PROCEDURES FOR COUNCIL MEETINGS TO PROVIDE FOR THE COMMITTEE OF THE WHOLE AND AD HOC COMMITTEES IN ORDER TO COMPORT WITH EXISTING LANCASTER COUNTY PRACTICES AND PROCEDURES.

WHEREAS, the Lancaster County Council wishes to amend the ordinance which organized and set forth the rules and regulations for the transaction of business of the Lancaster County Council

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

Section 1. Chapter 2, Article II, is hereby amended to add the following Section 2-61, 2-62 and 2-63 as follows:

Section 2-61. Committee of the Whole.

A Committee of the Whole may be convened by the council chair, and include all members of council, to receive information regarding unique, special or complex matters.

Section 2-63. Ad Hoc Committees.

The council chair may appoint ad hoc committees composed of council members, a combination of council members and citizens, or citizen members only to study and advise council on a specific issue. Such committees shall function for a specific time period and shall be dissolved at the end of the time period or when their business is finished, whichever is earliest. The time period for the existence of such committees may be extended for a time certain by action of county council.

Section 2. If any section, subsection or clause of this ordinance is held to be unconstitutional or otherwise invalid, the validity of the remaining sections, subsections and clauses shall not be affected.

Section 3. To the extent this ordinance contains provisions that conflict with provisions contained elsewhere in the Lancaster County Code, other County ordinances, or the

adopted bylaws and rules of procedure for existing boards and commission, the provisions contained in this ordinance supersede all other provisions and this ordinance is controlling.

Section 4. This ordinance is effective upon Third Reading.

AND IT IS SO ORDAINED

Dated this _____ day of _____, 2023.

LANCASTER COUNTY, SOUTH CAROLINA

Steve Harper
Chair, County Council

Billy Mosteller
Secretary, County Council

ATTEST:

Sherrie Simpson, Clerk to Council

First Reading: August 14, 2023
Second Reading: August 28, 2023
Third Reading: September 11, 2023

Approved as to form:

Virginia L. Merck-Dupont, County Attorney

Agenda Item Summary

Ordinance # / Resolution #: Ordinance 2023-1874

Contact Person / Sponsor: Dennis Marstall / Administration

Department: Administration

Date Requested to be on Agenda: 9/11/2023

Council Action Requested:

This Ordinance will authorize the County to enter into certain transactions with the Lancaster County Public Facilities Corporation, a South Carolina nonprofit corporation in order to undertake the acquisition, improvement, construction and equipping of certain new county facilities consisting of a detention center and a regional park.

Points to Consider:

County Council has been discussing its desire over the past two years to build a new Detention Facility, which was also supported as part of the Capital Projects Sales Tax 3 ballot initiative, as well as a Regional Park.

The designs and funding projections have been reviewed, with Council input provided for both projects.

In order to proceed to final design and bid stage for both projects, the financing plan needs to be finalized.

Through advice of Bond Counsel and the County's Financial Advisor, the most economical structure to fund both projects at once, recognizing they have different funding streams, is to utilize the Installment Purchase Revenue Bond structure. This funding structure has previously been successfully utilized by the County when it constructed the County Courthouse.

The financing structure call for the creation of a public facilities corporation which agrees to cause to be issued and sold its Installment Purchase Revenue Bonds, in one or more series, for the purposes of defraying the costs of the 2023 Projects.

This type of financing structure will not over extend the amount of borrowing capacity currently available to the County through the General Obligation bonding financing option.

After reviewing various financing alternatives with regard to the 2023 Projects, it has been determined that this finance plan is the most efficient and expeditious manner in which to finance the following 2023 projects: (1) not exceeding \$76,000,000 available for the Detention Center and (2) a not exceeding \$26,730,000 for the Regional Park.

Bond Council will be Burr Forman, Financial Advisor will be Compass Municipal Advisors, LLC, the Trustee will be Regions Bank, and the Underwriter/Purchaser will be Piper Sandler & Co.

Funding and Liability Factors:

The total project cost for the detention center is anticipated to be \$90 million dollars and the total project cost for the Regional Park is anticipated to be \$34,730,000.

The funding source for the Detention Center is \$30,133,800 from Capital Project Sales Tax 3 funds, plus \$14 million in excess funds generated from Capital Projects Sales Tax 2 funds. It is anticipated that County Council will direct any excess funds generated from Capital Projects Sales Tax 3 to the Detention Center Project, as well as include final payoff for the Detention Center as part of a potential Capital Projects Sales Tax 4 initiative, if needed.

Given the anticipated Detention Center Project is \$90 million and there is \$14 million cash on hand from Capital Project Sales Tax 3, the financing amount needed for this project is \$76 million.

The funding source for the Regional Park is the county's hospitality tax. The county has \$8 million cash on hand that has been generated from the hospitality tax, and the anticipated annual revenue from the hospitality tax is projected to be sufficient to make the annual bond payments for the project.

Given the anticipated Regional Park project is \$34,730,000 and there is \$8 million cash on hand, the financing needed for this project is \$26,730,000.

Combined the two projects will need financing of \$102,730,000 and with bond financing and underwriting costs of potentially \$1,100,000 the total bonds issuance will be \$103,830,000 or just over 1% of the total project funding amount.

The bonds will be structured to be paid off over twenty years, with an option to pay them off early, if desired based on revenue from the funding streams.

Recommendation:

Approval of the Ordinance.

ATTACHMENTS:

Description	Upload Date	Type
Ordinance 2023 - 1874 Installment Purchase and Use Agreement	9/7/2023	Ordinance
Exhibit D to Ordinance 2023-1874 - Form of Base Lease And Conveyance Agreement	9/5/2023	Exhibit
Exhibit E to Ordinance 2023-1874 - Form of Installment Purchase And Use Agreement	9/5/2023	Exhibit
Exhibit F to Ordinance 2023-1874 - Form of Trust Agreement	9/5/2023	Exhibit
Exhibit G -- Installment Purchase Revenue Bonds	9/7/2023	Exhibit
Funding Profoma	9/7/2023	Backup Material
Bonding Finance Schedule	9/7/2023	Backup Material

STATE OF SOUTH CAROLINA

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ORDINANCE 2023-1874

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COUNTY OF LANCASTER

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AN ORDINANCE AUTHORIZING LANCASTER COUNTY, SOUTH CAROLINA, TO ENTER INTO A BASE LEASE AND CONVEYANCE AGREEMENT AND AN INSTALLMENT PURCHASE AND USE AGREEMENT EACH BETWEEN THE COUNTY AND LANCASTER COUNTY PUBLIC FACILITIES CORPORATION; APPROVING THE FORM AND TERMS OF A TRUST AGREEMENT BETWEEN LANCASTER COUNTY PUBLIC FACILITIES CORPORATION AND REGIONS BANK, AS TRUSTEE, IN CONNECTION WITH THE ISSUANCE BY THE CORPORATION OF NOT EXCEEDING \$103,830,000 PRINCIPAL AMOUNT OF ITS INSTALLMENT PURCHASE REVENUE BONDS (LANCASTER COUNTY PROJECT) IN ONE OR MORE SERIES; CONSENTING TO THE ISSUANCE OF SUCH INSTALLMENT PURCHASE REVENUE BONDS; PROVIDING FOR AN EXEMPTION FROM THE COUNTY'S PROCUREMENT CODE; DELEGATING AUTHORITY TO THE CHAIRMAN OF COUNTY COUNCIL AND THE COUNTY ADMINISTRATOR, OR EITHER OF THEM ACTING ALONE, TO APPROVE AND DETERMINE CERTAIN MATTERS; AND OTHER MATTERS RELATING THERETO.

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

Section 1. Findings and Determinations

The Lancaster County Council finds that:

(a) Lancaster County, South Carolina (the "County") acting by and through its County Council (the "Council"), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended (the "S.C. Code"), and specifically Section 4-9-30(2) thereof, to acquire, lease, sell, or otherwise dispose of real and personal property.

(b) In order to undertake the acquisition, improvement, construction and equipping of certain new county facilities consisting of a detention center which the County anticipates will cost approximately \$90,000,000 (the "Detention Center") and a regional park which the County anticipates will cost approximately \$34,730,000 (the "Regional Park"), all as described on Exhibit B hereof, as the same may be amended from time to time (collectively, the "2023 Projects"), it is proposed that the County enter into certain transactions with Lancaster County Public Facilities Corporation, a South Carolina nonprofit corporation (the "Corporation"), specifically the Base Lease and Conveyance Agreement and the Installment Purchase and Use Agreement (as such terms are defined in Section 2 hereof) under which:

(i) the County will lease certain parcels of real property upon which the 2023 Projects will be located (the "2023 Real Property," as more particularly defined in Section 2 hereof), and will convey any existing improvements thereon (the "Conveyed Improvements"), to the Corporation for the Base Lease Term (as defined in the Base Lease and Conveyance Agreement);

(ii) the Corporation will agree to cause to be issued and sold not exceeding \$103,830,000 principal amount of its Installment Purchase Revenue Bonds (Lancaster County Project), in one or more series (the "New Bonds") pursuant to a Trust Agreement between the Corporation and Regions Bank, as trustee (the "Trustee");

(iii) the Corporation will use the proceeds from the sale of the New Bonds for the purposes of defraying the costs of the 2023 Projects (e.g., not exceeding \$76,000,000 of such proceeds would be available for the Detention Center and not exceeding \$26,730,000 of such proceeds would be available for the Regional Park) and for such other purposes as are provided in the Installment Purchase and Use Agreement and the Trust Agreement;

(iv) the County intends to use (a) approximately \$14,000,000 of surplus collections on hand from its recently completed capital projects sales tax (“Sales Tax #2”) to defray a portion of the cost of the Detention Center, and (b) approximately \$8,000,000 of hospitality tax collections on hand to defray a portion of the costs of the Regional Park during the term of the New Bonds;

(v) the Corporation will sell to the County the 2023 Facilities (which are generally defined in the Installment Purchase and Use Agreement to mean the 2023 Projects and the Conveyed Improvements) and, upon payment by the County of Base Payments (as defined in the Installment Purchase and Use Agreement), title to an undivided interest in the 2023 Facilities equal to the percentage of the Purchase Price (as defined in the Installment Purchase and Use Agreement) represented by such payment will transfer from the Corporation to the County without further action by either party;

(vi) subject to an Event of Nonappropriation (as defined in the Installment Purchase and Use Agreement), the County will pay to the Trustee as assignee of the Corporation, Base Payments and Additional Payments (as defined in the Installment Purchase and Use Agreement) in such amounts and at such times as will be specified in the Installment Purchase and Use Agreement; and

(vii) the County intends to use a portion of the initial collections from its current capital projects sales tax (“Sales Tax #3”) in an amount not to exceed \$30,133,800, to make a portion of the Base Payments under the Installment Purchase and Use Agreement (e.g., those allocable to the Detention Center) and, to the extent there are surplus collections from Sales Tax #3, the County may elect to use all or a portion of such surplus collections in connection with such Base Payments or otherwise with respect to the New Bonds allocable to the Detention Center.

(c) Pursuant to the Trust Agreement and the Assignment Agreement (as defined in Section 3 hereof), the Corporation’s right to receive the Base Payments and certain other payments as provided in the Trust Agreement and the Installment Purchase and Use Agreement (with certain exceptions as provided therein), and rights in and to the 2023 Facilities, the Installment Purchase and Use Agreement, the Base Lease and Conveyance Agreement and the property rights evidenced thereby, the 2023 Real Property will be assigned to the Trustee.

(d) The Installment Purchase and Use Agreement and the Trust Agreement will grant certain rights to the Trustee upon the occurrence of an Event of Default (as defined in such agreements) or an Event of Nonappropriation under the Installment Purchase and Use Agreement, including the right of the Trustee to propose a division of the 2023 Facilities and the right to pursue or direct the Trustee to pursue (as applicable) any remedies granted under such agreements.

(e) The 2023 Projects are necessary in order for the County to provide adequate and appropriate public facilities to citizens and residents of the County. The Council has considered various financing alternatives with regard to the 2023 Projects and has concluded that the plan of finance authorized

and approved by this Ordinance is the most efficient and expeditious manner in which to finance the 2023 Projects. Administrative officials of the County in consultation with Bond Counsel and the Financial Advisor have thoroughly reviewed the plan of finance. In order to finance the cost of the 2023 Projects, the County has determined to approve the respective agreements described in this Ordinance and to enter into certain of such agreements.

(f) It is now in the best interest of the County for the Council to approve the issuance and sale by the Corporation of the New Bonds for the purposes of (i) defraying a portion of the costs associated with the acquisition and construction of the 2023 Projects (e.g., not exceeding \$76,000,000* of the sale proceeds of the New Bonds would be available for the Detention Center and not exceeding \$26,730,000* of the sale proceeds of the New Bonds would be available for the Regional Park); (ii) funding a debt service reserve fund (the “Reserve Fund”), if any, in an amount equal to the applicable reserve requirement; (iii) paying the premium of the Bond Insurance Policy, if any; and (iv) paying certain costs and expenses relating to the issuance of the New Bonds.

Section 2. Definitions.

The terms defined in this Section for all purposes of this Ordinance shall have the respective meanings as set forth in this Section. The term:

“2023 Facilities” shall have the meaning ascribed in the Installment Purchase and Use Agreement, as described in the recitals hereof.

“2023 Projects” means the acquisition, improvement, construction and equipping of certain new county facilities all as described on Exhibit B hereof, as the same may be amended from time to time.

“2023 Real Property” means the respective parcels of real property upon which certain improvements (including the Conveyed Improvements and certain of the 2023 Projects), fixtures and personal property are located and comprising a portion of the 2023 Facilities, situated in the County and described in Exhibit C hereof, as the same may be amended from time to time.

“Assignment Agreement” means the Assignment Agreement from the Corporation to the Trustee dated as of a date as may be determined by the Chairman of the Council and the County Administrator, or either one of them acting alone, as amended or supplemented from time to time.

“Base Lease and Conveyance Agreement” means the Base Lease and Conveyance Agreement between the County and the Corporation dated as of a date as may be determined by the Chairman of the Council and the County Administrator, or either one of them acting alone, as amended and supplemented from time to time.

“Council” means the County Council of the County.

“Bond Counsel” means Burr & Forman LLP.

“Bond Insurance Policy” shall mean the municipal bond insurance policy or similar guarantee to be issued by the Bond Insurer, if any.

“Bond Insurer” means the municipal bond insurance company selected by the Corporation to insure the payment of the New Bonds, if any.

“Code” means the Internal Revenue Code of 1986, as amended from time to time, or any successor internal revenue laws of the United States enacted by the Congress of the United States in replacement thereof. References to the Code and sections of the Code include relevant applicable regulations, temporary regulations and proposed regulations thereunder and any successor provisions to those sections, regulations, temporary regulations or proposed regulations.

“Conveyed Improvements” shall have the meaning set forth in the Installment Purchase and Use Agreement, as described in the recitals hereof.

“Corporation” means Lancaster County Public Facilities Corporation, a South Carolina non profit corporation, and its successors and assigns.

“County” means Lancaster County, South Carolina.

“Financial Advisor” means Compass Municipal Advisors, LLC.

“Installment Purchase and Use Agreement” means the Installment Purchase and Use Agreement between the County and the Corporation dated as of a date as may be determined by the Chairman of the Council and the County Administrator, or either one of them acting alone, as amended or supplemented from time to time.

“New Bonds” means the Lancaster County Public Facilities Corporation, Installment Purchase Revenue Bonds (Lancaster County Project), in one or more series, which are issued in a principal amount not exceeding \$103,830,000 principal amount.

“Ordinance” means this Ordinance No. 2023-1874 of the Council.

“Purchase Agreement” means the Bond Purchase Agreement relating to the New Bonds between the Underwriter/Purchaser and the Corporation dated as of a date as may be determined by the parties thereto.

“Trust Agreement” means the Trust Agreement between the Corporation and the Trustee dated as of a date as may be determined by the parties thereto pursuant to which the New Bonds will be issued.

“Trustee” means Regions Bank, its successors and assigns.

“Underwriter/Purchaser” means Piper Sandler & Co., or an affiliate related thereto.

Section 3. Approval of Issuance of New Bonds and Plan of Finance.

The County hereby approves the Corporation, its purposes and activities and the issuance and sale by the Corporation of its New Bonds in substantial conformance to the documents described herein and presented to the Council at the meeting of the Council at which this Ordinance was adopted.

For the purposes of the financing contemplated by the Installment Purchase and Use Agreement and the Trust Agreement, the Council does hereby approve (i) the County’s leasing the 2023 Real Property and

conveying the Conveyed Improvements to the Corporation pursuant to the Base Lease and Conveyance Agreement; (ii) the County's purchasing the 2023 Facilities from the Corporation pursuant to the Installment Purchase and Use Agreement; (iii) the Trust Agreement and the Assignment Agreement; (iv) the 2023 Projects; and (v) the Corporation's use of the proceeds of the New Bonds to fund, together with other available moneys of the County, the 2023 Projects, to fund the Reserve Fund, if any, which may be satisfied through the purchase of a municipal debt service reserve surety policy or similar guarantee that may be issued by the Bond Insurer (the "Reserve Surety"), and to pay certain costs of issuance of the New Bonds, including the premium for the Bond Insurance Policy and/or the Reserve Surety, if any; provided, that the references to "2023" in the definitions and capitalized terms included in this Ordinance and in the agreements authorized by this Ordinance may be modified to reflect the calendar year in which the New Bonds are issued, if other than 2023.

The County, for the purposes of the financing contemplated by the Base Lease and Conveyance Agreement, the Installment Purchase and Use Agreement and the Trust Agreement, represents that it currently owns the 2023 Real Property and all of such 2023 Real Property is or will be located within the geographic boundaries of the County.

Pursuant to the Base Lease and Conveyance Agreement, the County will lease the 2023 Real Property and will convey the Conveyed Improvements to the Corporation for the Base Lease Term. Pursuant to the Installment Purchase and Use Agreement, the Corporation will sell the 2023 Facilities to the County and upon payment by the County of Base Payments, title to an undivided interest in the 2023 Facilities equal to the percentage of the Purchase Price represented by such payment will transfer from the Corporation to the County without further action by either party.

Pursuant to the Trust Agreement, the Corporation's right to receive the Base Payments and rights to receive certain of the Additional Payments, as provided in the Trust Agreement and in the Installment Purchase and Use Agreement (with certain exceptions as provided in the Trust Agreement and the Installment Purchase and Use Agreement), will be assigned to the Trustee. The New Bonds will be authenticated and delivered by the Trustee pursuant to the Trust Agreement.

The net proceeds from the sale of the New Bonds to the Registered Owners of the New Bonds (the "Registered Owners") will be disbursed in accordance with the provisions of the Trust Agreement for the purposes set forth in Section 1(g) above.

The County will accept title to the property financed by the New Bonds, including any additions to such property, when the New Bonds are discharged.

Section 4. Approval of the Base Lease and Conveyance Agreement.

The form, terms and provisions of the Base Lease and Conveyance Agreement, a copy of which has been presented to Council at the meeting during which this Ordinance was enacted and which is attached hereto as Exhibit D, be and hereby are approved. The Chairman of the Council and the County Administrator, or either of them acting alone, be and is hereby authorized, empowered and directed to execute, acknowledge and deliver, and the Clerk to the Council is hereby authorized, empowered and directed to attest the Base Lease and Conveyance Agreement in the name and on behalf of the County, and thereupon to cause the Base Lease and Conveyance Agreement to be delivered to the Corporation and to cause the Base Lease and Conveyance Agreement (or memoranda thereof) to be recorded in the office of the Register of Deeds for Lancaster County. The Chairman of the Council and the County Administrator, or either of them acting alone, with advice from the County's attorneys, are hereby delegated the authority to

approve such changes or revisions in the form, terms and provisions of the Base Lease and Conveyance Agreement as may be appropriate for the financing plan contemplated thereby. The execution thereof shall constitute conclusive evidence of approval of any and all changes or revisions therein from the form of Base Lease and Conveyance Agreement now before this meeting. Any amendment to the Base Lease and Conveyance Agreement shall be executed in the same manner.

Section 5. Approval of the Installment Purchase and Use Agreement.

The form, terms and provisions of the Installment Purchase and Use Agreement, a copy of which has been presented to Council at the meeting during which this Ordinance was enacted and which is attached hereto as Exhibit E, be and hereby are approved. The Chairman of the Council and the County Administrator, or either of them acting alone, be and is hereby authorized, empowered and directed to execute, acknowledge and deliver, and the Clerk to the Council is hereby authorized, empowered and directed to attest the Installment Purchase and Use Agreement in the name and on behalf of the County, and thereupon to cause the Installment Purchase and Use Agreement to be delivered to the Corporation and to cause the Installment Purchase and Use Agreement (or memoranda thereof) to be recorded in the office of the Registrar of Deeds for Lancaster County. The Chairman of the Council and the County Administrator, or either of them acting alone, with advice from the County's attorney, are delegated the authority to approve such changes or revisions in the form, terms and provisions of the Installment Purchase and Use Agreement as may be appropriate for the financing plan contemplated thereby. The execution thereof shall constitute conclusive evidence of approval of any and all changes or revisions therein from the form of Installment Purchase and Use Agreement now before this meeting. Any amendment to the Installment Purchase and Use Agreement shall be executed in the same manner.

Section 6. Approval of the Trust Agreement.

The form, terms and provisions of the Trust Agreement, a copy of which has been presented to Council at the meeting during which this Ordinance was enacted and which is attached hereto as Exhibit E, are hereby approved. The County does hereby approve and consent to the Trust Agreement with such changes in the form, terms and provisions thereof as the Chairman of the Council and the County Administrator, or either one of them acting alone, shall approve.

Section 7. Sale of the New Bonds.

With the advice of the County's Financial Advisor and Bond Counsel, the New Bonds shall be sold by the Corporation in a public offering or in a private offering or private placement transaction, and such sale may be conducted to or with the assistance of the Underwriter/Purchaser. In connection therewith, the Chairman of the Council and the County Administrator, or either one of them acting alone, are hereby authorized and directed to take such actions in connection with the preparation, publication and/or distribution of information, offering documents (and to "deem final" preliminary versions of such offering documents for purposes of complying with the requirements set forth in Rule 15c2-12 of the Securities and Exchange Commission, promulgated under the Securities Exchange Act of 1934, as amended), private placement memoranda or requests for proposals (as applicable), to solicit interest and receive offers from financial institutions and institutional investors to purchase the New Bonds in a private offering, and to accept such offer which is in the best interest of the Corporation and the County.

Section 8. Approval of the Purchase Agreement.

The form of the Purchase Agreement, a copy of which has been presented to Council at the meeting during which this Ordinance was enacted, is attached hereto as Exhibit G. The Chairman of the Council and the County Administrator, or either of them acting alone, is hereby authorized, empowered and directed to execute, acknowledge and deliver the Certificate of the County which is attached as an exhibit to the Purchase Agreement in the name of and on behalf of the County. The Chairman of the Council and the County Administrator, or either of them acting alone, with the advice from the County's attorneys, is hereby delegated the authority to approve such changes or revisions in the form, terms and provisions of the Certificate of the County as may be appropriate for the financing plan contemplated thereby. The execution thereof shall constitute conclusive evidence of approval of any and all changes or revisions therein from the form of the Certificate of the County now before this meeting.

Section 9. Trustee, Registrar and Paying Agent.

The County hereby consents to the appointment by the Corporation of Regions Bank, as Trustee, Registrar and Paying Agent under the terms and conditions provided in the Trust Agreement.

Section 10. Exemption from Procurement Policy.

Pursuant to Chapter 2, Article VI of the Lancaster County Code of Ordinances, the Council has adopted a procurement code (the "Procurement Code") which provides for the procedures to be followed in the procurement of certain services and the sale or lease of certain property. The Council hereby finds that the services to be provided in connection with the plan of finance and the contracts to be entered into including but not limited to the Base Lease and Conveyance Agreement and the Installment Purchase and Use Agreement, are outside of the scope of the Procurement Code and are not covered by the terms and conditions of the Procurement Code. The Council also finds that the lease and conveyance of County property as provided in the Base Lease and Conveyance Agreement and the purchase of ownership interests in the 2023 Facilities pursuant to the Installment Purchase and Use Agreement are outside the scope of the Procurement Code. To the extent that any one or more of the actions undertaken and contracts entered into as may be necessary to implement the plan of finance approved herein, would be within the scope of the Procurement Code, such actions and contracts are hereby exempted from compliance with the Procurement Code. To the extent necessary, if any, this exemption shall be an amendment to the Procurement Code.

Section 11. Authorization.

The Chairman of the Council, the Vice Chairman of the Council, the Clerk to Council, the County Administrator and the Finance Director of the County, are fully empowered and authorized to take such further action and to execute and deliver such additional documents as may be necessary to effect the execution and delivery of the Base Lease and Conveyance Agreement, the Installment Purchase and Use Agreement, the Trust Agreement, the Assignment Agreement and the Certificate of the County which is attached as an exhibit to the Purchase Agreement in accordance with the terms and conditions therein set forth, and the transactions contemplated hereby and thereby. Additionally, the County Administrator is hereby authorized and empowered to execute any documents necessary for the purchase of real property upon which the Project is to be located and to negotiate and execute all other contracts and documents necessary to carry out and complete the Project. The actions of such officers in executing and delivering any of such documents, in such form as the Chairman and Vice Chairman of the Council and the County Administrator, or any of them acting alone, shall approve, is hereby fully authorized. The Chairman and Vice Chairman of the Council and the County Administrator, or any of them acting alone, is fully empowered and authorized to enter into any investment agreements, repurchase agreements or forward delivery agreements or other contracts with respect to funds to be deposited in the Reserve Fund or the

Project Fund (as defined in the Trust Agreement). The County Administrator is hereby authorized and empowered to execute and deliver any documents necessary for the Corporation to purchase the Bond Insurance Policy from the Bond Insurer, if any, with respect to the New Bonds. The authorization conferred herein shall extend to and include, but not be limited to, the documents and certificates reasonably expected to be necessary for the closing of the financing transaction, including, but not limited to, deeds or other instruments of conveyance, a general certificate of the County, a certificate as to the official statement, any designation of County representatives, and such other documents required to be executed in connection with the Bond Insurance Policy with respect to the New Bonds.

Pursuant to the exemptions set forth in the County's Procurement Policy relating to professional services normally obtained on a fee basis, the Council hereby approves Burr & Forman LLP, as bond counsel, disclosure counsel and counsel to the Corporation; Piper Sandler & Co., Inc., or an affiliate related thereto, as Underwriter/Purchaser, Regions Bank, as Trustee, and Compass Municipal Advisors, LLC, as Financial Advisor; each with respect to the New Bonds.

Section 12. Federal Tax Covenant.

The County agrees and covenants that it will comply with all applicable portions of the Code as in effect or hereafter amended, including Sections 103 and 141 through 150 thereof, and the regulations of the Treasury Department thereunder, to maintain the exclusion from gross income for federal income tax purposes of the interest on the New Bonds, including without limitation the proper use and expenditure of proceeds of the New Bonds, the observation of the applicable investment limitations provided in the Code.

Section 13. Notice of Public Hearing.

The Council hereby ratifies and approves the publication of a notice of public hearing, in the form attached hereto as Exhibit A, regarding the Base Lease and Conveyance Agreement the Installment Purchase and Use Agreement and this Ordinance, such notice having been published in *The Lancaster News* on September 20, 2023, and such hearing having been held on October 9, 2023.

Section 14. Severability.

If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 15. Conflicting Provisions

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

Section 16. Effective Date

This ordinance is effective upon third reading.

[Signatures follow on next page]

AND IT IS SO ORDAINED

Dated this ____ day of _____, 2023.

LANCASTER COUNTY, SOUTH CAROLINA

Steve Harper, Chair, County Council

Billy Mosteller, Secretary, County Council

ATTEST:

Sherrie Simpson, Clerk to Council

First Reading: September 11, 2023 (Tentative)
Second Reading: September 25, 2023 (Tentative)
Third Reading: October 9, 2023 (Tentative)
Public Hearing: October 9, 2023 (Tentative)

Approved as to form:

Virginia L. Merck-Dupont, County Attorney

EXHIBIT A

FORM OF NOTICE OF PUBLIC HEARING

Notice is hereby given that a public hearing will be held by the County Council of Lancaster County, South Carolina (the "County"), in County Council chambers located at 101 North Main Street, Lancaster, South Carolina 29720, at 6:00 p.m. on Monday, October 9, 2023, or at such other location within the County Administration building as proper notice on the main entrance to the said County Administration building might specify.

The purpose of the public hearing is to consider an ordinance authorizing the County to enter into a Base Lease and Conveyance Agreement (the "Base Lease") and an Installment Purchase and Use Agreement each between the County and Lancaster County Public Facilities Corporation (the "Corporation"); approving the form and terms of a Trust Agreement between the Corporation and Regions Bank, as trustee, in connection with the issuance of certain installment purchase revenue bonds (Lancaster County Project) in one or more series; consenting to the issuance of such installment purchase revenue bonds; approving the form of a preliminary official statement with respect to such installment purchase revenue bonds; providing for an exemption from the County's Procurement Code; delegating authority to the Chairman of County Council and the County Administrator, or either of them acting alone, to approve and determine certain matters; and other matters relating thereto.

Pursuant to the Ordinance referenced above, the County will lease certain real property owned by it and convey the improvements currently on or to be constructed on the property to the Corporation. The real property which is the subject of the Base Lease consists of the new Detention Center site, to be located at 1656 Pageland Highway, Lancaster, South Carolina 29720, and the new County Regional Park site, which is an 84.279 acre parcel (TMS# 0044-00-024.01) located on Roselyn Avenue, Lancaster, South Carolina 29720, which is within or adjacent to the proposed Roselyn residential development, and is located generally west of US. Highway 521 (Charlotte Highway), south of W. North Corner Road and east of Old Hickory Road. The Base Lease will be entered into in order to facilitate the issuance of the above-described bonds in an amount sufficient to finance not exceeding \$76,000,000 of the costs of acquisition, construction and equipping of a new detention center and not exceeding \$26,730,000 of the costs of acquisition, construction and equipping of a new regional park through the installment purchase of the described property.

At the public hearing all taxpayers and residents of the County and any other interested persons who appear will be given an opportunity to express their views for or against the Ordinance and the issuance of the Bonds.

CHAIRMAN, COUNTY COUNCIL,
LANCASTER COUNTY, SOUTH CAROLINA

EXHIBIT B

2023 Projects

Acquisition, construction and equipping of a new detention center to be located at 1656 Pageland Highway, Lancaster, South Carolina 29720 (“Detention Center”), and a new regional park to be located on an 84.279 acre parcel (TMS# 0044-00-024.01) located on Roselyn Avenue, Lancaster, South Carolina 29720, which is within or adjacent to the proposed Roselyn residential development, and is located generally west of US. Highway 521 (Charlotte Highway), south of W. North Corner Road and east of Old Hickory Road (“Regional Park”). The County anticipates the Detention Center will cost approximately \$90,000,000 and the Regional Park will cost approximately \$34,730,000.

EXHIBIT C

2023 Real Property

Any one or more of those pieces, parcels or lots of land excluding all improvements located or to be located thereon and being more particularly described as follows:

[Insert legal descriptions for property at 1656 Pageland Highway, Lancaster, South Carolina 29720, on which the new detention center will be located, and an 84.279 acre parcel (TMS# 0044-00-024.01) located on Roselyn Avenue, Lancaster, South Carolina 29720, which is within or adjacent to the proposed Roselyn residential development, and is located generally west of US. Highway 521 (Charlotte Highway), south of W. North Corner Road and east of Old Hickory Road, on which the new Regional Park will be located.]

EXHIBIT D

Form of Base Lease and Conveyance Agreement

EXHIBIT E

Form of Installment Purchase and Use Agreement

EXHIBIT F

Form of Trust Agreement

EXHIBIT G

Form of Purchase Agreement

EXHIBIT D

FORM OF BASE LEASE AND CONVEYANCE AGREEMENT

between

LANCASTER COUNTY, SOUTH CAROLINA
as lessor

and

LANCASTER COUNTY PUBLIC FACILITIES CORPORATION
as lessee

Dated _____, 2023

All rights, title and interest of Lancaster County Public Facilities Corporation in this Base Lease and Conveyance Agreement have been assigned to Regions Bank, as Trustee (the “Trustee”) under the Trust Agreement dated of even date herewith (the “Trust Agreement”), and are subject to the security interest of the Trustee.

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BASE LEASE AND CONVEYANCE AGREEMENT

THIS BASE LEASE AND CONVEYANCE AGREEMENT dated _____, 2023 (the “Base Lease”) made and entered into by and between Lancaster County, South Carolina, a political subdivision of the State of South Carolina (the “County”), as lessor, and Lancaster County Public Facilities Corporation, a nonprofit corporation duly organized under the laws of the State of South Carolina (the “Corporation”), as lessee,

WITNESSETH

WHEREAS, the Corporation is a nonprofit corporation formed under the provisions of Title 33, Chapter 31 of Code of Laws of South Carolina 1976, as amended; and

WHEREAS, the County is a political subdivision of the State (as defined herein) and is authorized under the provisions of Section 4-9-30, Code of Laws of South Carolina 1976, as amended (the “Act”), to enter into this Base Lease; and

WHEREAS, the County desires to lease the 2023 Real Property and convey the Conveyed Improvements (as such terms are defined herein) to the Corporation so that the Corporation may provide funds for the acquisition, construction and equipping of the 2023 Projects (as defined herein) which, together with certain improvements (including the Conveyed Improvements), fixtures and personal property located on the 2023 Real Property, are defined herein as the “2023 Facilities” and are to be sold to the County under the terms of an Installment Purchase and Use Agreement dated of even date herewith (the “Purchase and Use Agreement”) between the Corporation and the County and provide funds to the County in the form of Base Lease Rent to provide for the costs of the Ancillary Projects (as defined in the Purchase and Use Agreement); and

WHEREAS, the payments to be made under the Purchase and Use Agreement and the rights of the Corporation thereto (except for certain reserved rights as provided therein) are to be assigned to Regions Bank, as trustee (the “Trustee”) pursuant to the terms of a Trust Agreement dated of even date herewith (the “Trust Agreement”), between the Corporation and the Trustee, in order to secure and provide a source of payment for the Series 2023 Bonds (as described in the Trust Agreement), the proceeds of which are to be used to defray the costs of the 2023 Projects; and

WHEREAS, the County desires to enter into this Base Lease in order to achieve the foregoing purposes;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements, including the payment of the Base Lease Rent (as hereinafter defined) herein set forth, the County and the Corporation do hereby covenant and agree as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

SECTION 1.1. Definitions of Words and Terms. Capitalized terms not otherwise defined herein have the meanings set forth in the Trust Agreement or the Purchase and Use Agreement, as the context would allow. In addition, the following terms shall have the meanings set forth below:

“2023 Facilities” has the meaning in the Purchase and Use Agreement.

“2023 Real Property” means the real property described in Exhibit A hereto, as the same may be amended, modified or supplemented from time to time pursuant hereto.

“Act” means Section 4-9-30, Code of Laws of South Carolina 1976, as amended.

“Additional Real Property” means any real property in addition to the 2023 Real Property that is or will become the site of Additional Facilities (as defined in the Trust Agreement) and made subject to this Base Lease.

“Base Lease” means this Base Lease and Conveyance Agreement dated of even date herewith, between the County and the Corporation, as the same may be amended, modified or supplemented from time to time.

“Base Lease Rent” means those items referred to as such in Section 3.4 of this Base Lease.

“Base Lease Term” means the term of this Base Lease which ends on the earlier of (i) December 1, ____, or (ii) the date on which the Series 2023 Bonds are discharged within the meaning of paragraph (d) under Section 3.19 of the Trust Agreement.

“Conveyed Improvements” means those certain improvements presently existing on the 2023 Real Property, as described in Exhibit B hereto, as the same may be amended to include those certain improvements existing on real property (including Additional Real Property) which becomes 2023 Real Property in the future, at the time of such amendment.

“Corporation” means Lancaster County Public Facilities Corporation, a nonprofit corporation formed under the laws of the State of South Carolina, and its successors and assigns.

“Corporation Representative” means the person or persons at the time designated to act on behalf of the Corporation in matters relating to this Base Lease, the Purchase and Use Agreement and the Trust Agreement as evidenced by a written certificate furnished to the County and the Trustee containing the specimen signature of such person or persons and signed on behalf of the Corporation by its President or any Vice President. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Corporation Representative.

“Council” means the County Council of the County, as the governing body of the County, and any successor body.

“Counsel” means an attorney duly admitted to practice law before the highest court of any state and, without limitation, may include legal counsel for either the County or the Corporation.

“County” means Lancaster County, South Carolina.

“Event of Default” means (a) with respect to the Purchase and Use Agreement, any Event of Default as defined in Section 8.1 of the Purchase and Use Agreement, and (b) with respect to the Trust Agreement, any Event of Default as defined in Section 7.1 of the Trust Agreement.

“Fiscal Year” means the 12-month period adopted by the County as its fiscal year for financial reporting purposes. Currently, such Fiscal Year for the County begins on July 1 of each year.

“Installment Payments” means those payments required to be made by the County by Sections 4.1, 4.2 and 4.4 of the Purchase and Use Agreement.

“Ordinance” means the Ordinance enacted by the Council on _____, authorizing the County's execution and delivery of this Base Lease and the Purchase and Use Agreement and consenting to the Trust Agreement.

“Purchase and Use Agreement” shall mean the Installment Purchase and Use Agreement dated of even date herewith between the Corporation and the County, as the same may be amended, modified or supplemented from time to time.

“Series 2023 Bonds” means \$_____ principal amount Lancaster County Public Facilities Corporation Installment Purchase Revenue Bonds (Lancaster County Project) Series 2023.

“State” means the State of South Carolina.

“Trust Agreement” means the Trust Agreement dated of even date herewith by and between the Corporation and the Trustee, as the same may be amended, modified or supplemented from time to time.

“Trust Estate” means the Trust Estate described in the Granting Clauses of the Trust Agreement.

“Trustee” means Regions Bank, a banking association or corporation organized and existing under the laws of the State of Alabama, and its successor or successors and any other trustee which at any time may be substituted in its place pursuant to and at the time serving as trustee under the Trust Agreement.

SECTION 1.2. Rules of Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words importing the singular number shall include the plural and vice versa, and words importing person shall include firms, associations and corporations, including public bodies, as well as natural persons.

The table of contents hereto and the headings and captions herein are not a part of this document.

SECTION 1.3. Accounting Terms. Accounting terms used herein and not otherwise specifically defined shall have the meaning ascribed to such terms by accounting principles generally accepted in the United States as from time to time in effect.

ARTICLE II REPRESENTATIONS

SECTION 2.1. Representations by the County. The County represents, warrants and covenants as follows:

- (a) The County is a political subdivision of the State.
- (b) The conveyance of title to the Conveyed Improvements and the demise and lease of the 2023 Real Property by the County to the Corporation, as provided in this Base Lease, in order to allow the Corporation to pay the Base Lease Rent and to provide for the construction of the 2023 Projects and the Ancillary Projects and the sale of the 2023 Facilities to the County pursuant to the Purchase and Use Agreement have been undertaken to enable the County to provide suitable public facilities in the County.
- (c) The Council has full power and authority to enact the Ordinance and the County has full power and authority to enter into the transactions contemplated by this Base Lease and to carry out its obligations hereunder.
- (d) Neither the execution and delivery of this Base Lease, nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the County is now a party or by which the County is bound.
- (e) The County has not made, done, executed or suffered, and warrants that it will not make, do, execute or suffer, any act or thing whereby the County's interests in the 2023 Real Property and the 2023 Facilities shall be or may be impaired, changed or encumbered in any manner whatsoever except as permitted by this Base Lease or the Purchase and Use Agreement.
- (f) The County has good and marketable title and is the fee owner of the 2023 Real Property existing on the date hereof. Prior to the conveyance of the Conveyed Improvements to the Corporation pursuant to Section 3.1 hereof, any improvements on the 2023 Real Property existing on the date hereof are free and clear of all liens, encumbrances and restrictions (including, without limitation, leases) other than Permitted Encumbrances.

SECTION 2.2. Representations by the Corporation. The Corporation represents, warrants and covenants as follows:

- (a) The Corporation is a nonprofit corporation duly incorporated under the laws of the State and has corporate power to enter into this Base Lease, the Purchase and Use Agreement and the Trust Agreement. By proper corporate action the officers of the Corporation have been duly authorized to execute and deliver this Base Lease, the Purchase and Use Agreement and the Trust Agreement.
- (b) The execution and delivery of this Base Lease, the Purchase and Use Agreement and the Trust Agreement and the consummation of the transactions herein and therein contemplated will not conflict with or constitute a breach of or default under the Corporation's articles of incorporation or bylaws or any bond, debenture, note or other evidence of indebtedness of the Corporation, or any contract, agreement, or instrument to which the Corporation is a party or by which it is bound.
- (c) To provide funds to defray the cost of the 2023 Projects and to pay the initial payment of the Base Lease Rent to defray the cost of the Ancillary Projects, the Corporation will enter into the Trust

Agreement pursuant to which it will issue the Series 2023 Bonds payable from and secured by the Installment Payments under the Purchase and Use Agreement.

ARTICLE III LEASE OF THE REAL PROPERTY AND CONVEYANCE OF IMPROVEMENTS

SECTION 3.1. Transfer of Conveyed Improvements and Lease of the 2023 Real Property.

The County hereby demises and leases to the Corporation and the Corporation hereby leases from the County the 2023 Real Property for a Base Lease term which ends on the expiration of the Base Lease Term for the rentals and other consideration set forth in Section 3.4 hereof and in accordance with the provisions of this Base Lease. The County hereby conveys the Conveyed Improvements to the Corporation and the Corporation hereby accepts such conveyance from the County. The parties hereto agree to amend Exhibit A to this Base Lease, from time to time, to specifically reference any Additional Real Property (including Additional Real Property) owned or acquired by the County which may become subject to this Base Lease, by execution of a Supplement to Base Lease and Conveyance Agreement, in substantially the form of Exhibit C attached hereto.

SECTION 3.2. Purchase of the 2023 Facilities. Pursuant to the terms of the Purchase and Use Agreement, the Corporation will acquire and construct the 2023 Projects and will convey title to the 2023 Facilities (including but not limited to the 2023 Projects) to the County, but subject to the terms of the Trust Agreement and the reservation of certain rights under this Base Lease.

SECTION 3.3. Assignments, Subleases and Mortgages. Except as contemplated by the Trust Agreement or permitted by the Purchase and Use Agreement, the Corporation may not (a) mortgage or otherwise encumber or assign its rights under this Base Lease, (b) lease, assign, transfer or otherwise dispose of its interest in the 2023 Real Property or the 2023 Facilities or any portion thereof or (c) remove, modify or alter the 2023 Real Property or the 2023 Facilities, without the consent of the County.

SECTION 3.4. Rent and Other Consideration. As and for rental hereunder and in consideration for the leasing of the 2023 Real Property to the Corporation hereunder, the Corporation agrees (a) to pay to the County (1) from the proceeds of the Series 2023 Bonds an aggregate sum of up to \$_____ (representing an initial payment of the Base Lease Rent), from time to time, which the County hereby covenants will be used for the construction of all or a portion of the Ancillary Projects pursuant to the procedures set forth in Section 5.3(d) of the Trust Agreement, and (2) an annual Base Lease Rent of One Dollar per year (collectively, the amounts referenced in this clause (a) are defined herein as the "Base Lease Rent") and (b) to fulfill its obligations with respect to the 2023 Facilities as provided in the Purchase and Use Agreement. The initial payment of Base Lease Rent referenced in clause (a)(1) of the foregoing sentence and all investment earnings thereon must be used to provide tangible real or tangible personal property.

SECTION 3.5. Taxes and Insurance. The County shall pay and have responsibility for all taxes on and insurance of the 2023 Real Property and the 2023 Facilities. All insurance shall provide that the proceeds shall be payable to the County, the Corporation or the Trustee as their interests may appear.

SECTION 3.6. Granting of Easements, Rights of Way, Releases and Substitutions of Property. From time to time during the term hereof and so long as there is not an existing Event of Default under the Purchase and Use Agreement and there has not occurred an Event of Nonappropriation that has not been waived by the Corporation or the Trustee, the Corporation, at the request of the County, may execute such instruments as are necessary to provide for the granting of easements or rights of way

for road construction, utilities or in such other instances as the County certifies are not inconsistent or incompatible with the continued use of the balance of the 2023 Real Property for their intended purposes. Such instruments may include a termination of this Base Lease with respect to such portion of the 2023 Real Property as is affected thereby or an acceptance or acknowledgment of the right of the grantee of any such easement or right-of-way to continue to use such property notwithstanding the exercise of any rights or remedies afforded to the Corporation hereunder or under the Purchase and Use Agreement. Any request from the County hereunder shall be accompanied by copies of any instruments proposed to be executed together with a certificate from the County to the effect that (a) the continued use of the 2023 Real Property affected thereby will not be impaired or hampered thereby; (b) access to 2023 Real Property for ingress and egress will be adequate for the purposes for which the 2023 Real Property is intended to be used; and (c) the value of the 2023 Real Property to the County will not be significantly diminished thereby.

The Corporation may also terminate this Base Lease with respect to any portion of the 2023 Real Property deemed excess or unneeded for the continued operation of the 2023 Facilities and the related facilities for the purposes for which they were designed or are then being used, and release its interest in such portion to the County, upon receipt by the Corporation of the following: (a) a plat showing the location of the 2023 Facilities and related facilities and the portion of the 2023 Real Property deemed excess or unneeded; (b) an amendment to Exhibit A hereto revising the description of the affected parcel of property; (c) a certificate from an engineer or architect stating that the remaining 2023 Real Property will be adequate for the continued operation of the 2023 Facilities and related facilities for the purpose for which they were designed or are then being used including a certification that there will be adequate access to the remaining 2023 Real Property for ingress and egress; and (iv) a certification from the County that the portion of the 2023 Real Property being released from the provisions hereof is excess to or unneeded for the continued operation of the 2023 Facilities and related facilities for the purposes for which they were designed or are then being used.

Notwithstanding the foregoing paragraph, the Corporation may also terminate this Base Lease with respect to any portion of the 2023 Real Property and release its interest in such portion to the County, if the remaining 2023 Real Property subject to this Base Lease (and accompanying 2023 Facilities owned or deemed owned by the Corporation pursuant to the Purchase and Use Agreement) have an insured value in excess of 100% of the outstanding principal amount of the Bonds, upon receipt by the Corporation of the following: (a) a plat showing the location of the 2023 Facilities and related facilities and the portion of the 2023 Real Property to be released; (b) an amendment to Exhibit A hereto revising the description of the affected parcel of property; (c) a certificate from an engineer or architect stating that the remaining 2023 Real Property will be adequate for the continued operation of the 2023 Facilities and related facilities for the purpose for which they were designed or are then being used including a certification that there will be adequate access to the remaining 2023 Real Property for ingress and egress; and (d) a certificate from the County (which may be based on information from its insurer) as to the then-current insured values of all of the 2023 Real Property (including the 2023 Real Property to be released) and 2023 Facilities and demonstrating that the insured values of the 2023 Real Property and 2023 Facilities, after termination of such released portion of the 2023 Real Property contemplated hereby, will be in excess of 100% of the outstanding principal amount of the Bonds.

With respect to any particular item of 2023 Real Property, the County may substitute another item of 2023 Real Property under the conditions set forth in Section 5.1(c) of the Purchase and Use Agreement. The County shall not be obligated to compensate the Corporation for the removal of any property or for any conveyance or grant of an easement or right-of-way under the provisions hereof and any consideration paid in connection therewith shall be turned over to the County so long as there is not an existing Event of Default under the Purchase and Use Agreement and no Event of Nonappropriation

has occurred that has not been waived by the Trustee. The Corporation shall have no obligation or responsibility to prepare or record any instrument authorized hereunder.

ARTICLE IV TERMINATION

SECTION 4.1. Termination.

(a) This Base Lease shall terminate upon the completion of the Base Lease Term; provided, however, in the event the County exercises the option to purchase the 2023 Facilities as provided in Section 9.1 of the Purchase and Use Agreement and satisfies the conditions thereof, then this Base Lease shall be considered terminated through merger of the leasehold interest with the interest of the County and, provided further, that upon any partition of the 2023 Facilities pursuant to Section 2.4 of the Purchase and Use Agreement, this Base Lease shall be terminated with respect to that portion of the 2023 Real Property (the "County Real Property") relating to any County Facilities (as defined in the Purchase and Use Agreement) and the County Real Property shall no longer be subject to this Base Lease and the Corporation shall have no interest therein.

(b) The Corporation agrees, upon any termination or completion of the Base Lease Term or the exercise by the County of its option to purchase as provided in Section 9.1 of the Purchase and Use Agreement, to quit and surrender the 2023 Real Property and that all title and interest in the 2023 Facilities and the 2023 Real Property shall vest in the County free and clear of the encumbrance of this Base Lease and any other encumbrances except Permitted Encumbrances. The Corporation agrees, upon any partition of the 2023 Facilities provided for in Section 2.4 of the Purchase and Use Agreement, to quit and surrender the County Real Property and that all title and interest in the County Facilities and the County Real Property shall vest in the County free and clear of the encumbrance of this Base Lease and any other encumbrances except Permitted Encumbrances.

If an Event of Default under the Purchase and Use Agreement occurs or if the County fails to continue the Purchase and Use Agreement for the entire term thereof for any reason, the Corporation shall have the right to possession of the portion of the 2023 Real Property (the "Corporation Real Property") relating to the Corporation Facilities (as defined in the Purchase and Use Agreement) as the result of a partition as provided for in Section 2.4 of the Purchase and Use Agreement for the remainder of the Base Lease Term and shall have the right to sublease the Corporation Facilities or transfer its leasehold interest in the Corporation Real Property and in this Base Lease upon whatever terms and conditions it deems prudent; provided that the Corporation Facilities shall always be operated for a civic or public purpose and in compliance with all applicable governmental rules, regulations and orders. Both parties acknowledge that the County has an insurable interest in the Corporation Facilities but not in any additions, alterations, furnishings and fixtures provided in connection with the use of the Corporation Facilities by the Corporation or any person to whom the Corporation enters into a lease, license or other such agreement providing for occupancy temporary or long-term. Therefore, the County's obligation to provide insurance and pay taxes under the provisions of Section 3.5 hereof shall be limited to the 2023 Real Property and the 2023 Facilities as they existed as of the Partition Date (as defined in the Purchase and Use Agreement) and the Corporation shall provide the County with adequate public liability and comprehensive risk insurance covering any use of the Corporation Facilities, and shall pay all taxes relating to any additions, alterations, furnishings and fixtures located therein for the remainder of the Base Lease Term and will furnish the County with evidence thereof. In the event that the Corporation shall receive a payment for the transfer of its leasehold interest or total rental payments for subleasing that are, after the payment of the Corporation's expenses in connection therewith, including fees and expenses of the Trustee, in excess of the principal amount of the Outstanding Series 2023 Bonds at the time of termination or default and the interest and premium, if any, due and to become due thereon (with amounts

so received to be credited first to such interest and then to principal), then such excess shall be paid to the County by the Corporation, its assigns or its lessee.

SECTION 4.2. Default by the Corporation. The County shall not have the right to exclude the Corporation from the 2023 Real Property or the 2023 Facilities or to take possession of the 2023 Real Property or the 2023 Facilities (except pursuant to the Purchase and Use Agreement) or to terminate this Base Lease prior to the termination of the Base Lease Term notwithstanding any default by the Corporation hereunder; except that if, upon exercise of the option to purchase the Corporation's entire interest in the 2023 Facilities granted to the County in Article IX of the Purchase and Use Agreement and after the payment of the purchase price specified therein and the other sums payable under the Purchase and Use Agreement, the Corporation fails to convey its interest in the 2023 Facilities to the County pursuant to said option, then the County shall have the right to terminate this Base Lease, such termination to be effective 30 days after delivery of written notice of such termination to the Corporation. However, in the event of any default by the Corporation hereunder, the County may maintain an action, if permitted in equity, for specific performance.

SECTION 4.3. Quiet Enjoyment. Subject to the Purchase and Use Agreement, the Corporation at all times during the term of this Base Lease shall peaceably and quietly have and enjoy the 2023 Real Property and the 2023 Facilities.

SECTION 4.4. No Merger. Except as expressly provided herein, no union of the interests of the County and the Corporation herein or in the Purchase and Use Agreement shall result in a merger of this Base Lease and the title to the 2023 Facilities.

SECTION 4.5. Waiver of Personal Liability. All liabilities under this Base Lease on the part of the Corporation are fully corporate liabilities of the Corporation as a corporation, and, to the extent permitted by law, the County hereby releases each and every incorporator, member, director and officer of the Corporation of and from any personal or individual liability under this Base Lease, including without limitation the obligation to make payment of the Base Lease Rent. No incorporator, member, director or officer of the Corporation shall at any time or under any circumstances be individually or personally liable under this Base Lease for anything done or omitted to be done by the Corporation hereunder.

SECTION 4.6. Maintenance of Premises. Subject to the provisions of the Purchase and Use Agreement, the Corporation covenants that it will maintain or cause to be maintained the 2023 Real Property, and will not cause, permit or suffer to be caused or permitted waste thereto. At the conclusion of the term hereof, the 2023 Real Property shall be returned to the County, together with the 2023 Facilities and any other improvements thereto, in substantially the condition thereof as of the date hereof or the date the Additional Real Property is added hereto, subject to normal wear and tear. Except as contemplated under the Purchase and Use Agreement, the Corporation shall not make or consent to any other improvements, modifications or alterations to the 2023 Real Property or the 2023 Facilities or any portion thereof, or remove any part thereof without the prior written consent of the County. Prior to an Event of Nonappropriation that has not been waived, in the event of any damage, destruction or condemnation of any of the 2023 Real Property, the provisions of Article VII of the Purchase and Use Agreement shall be deemed to apply with respect to the 2023 Real Property in like manner as provided therein with respect to 2023 Facilities, and the net proceeds from any insurance policies, performance bonds or condemnation awards shall be applied in the same manner for the benefit of 2023 Real Property as are Net Proceeds under Section 7.2 of the Purchase and Use Agreement. After an Event of Nonappropriation that has not been waived, in the event of any damage, destruction or condemnation of any of the 2023 Real Property, the proceeds of any insurance or condemnation awards allocable to the Corporation's interest in the 2023 Real Property shall be applied as directed by the Trustee either in the manner provided in Section 7.2 of

the Purchase and Use Agreement or to the retirement of any Series 2023 Bonds and the balance, if any, remaining thereafter to such use as the County may direct.

ARTICLE V CONTROL OF 2023 REAL PROPERTY AND 2023 FACILITIES DURING BASE LEASE TERM

SECTION 5.1. Control of 2023 Real Property and 2023 Facilities During Base Lease Term. Subject to the Purchase and Use Agreement term and Section 4.6 hereof, during the Base Lease Term, the Corporation shall have complete control over the 2023 Real Property and the 2023 Facilities and their operation.

ARTICLE VI MISCELLANEOUS

SECTION 6.1. Covenants Running with the 2023 Real Property. All covenants, promises, conditions and obligations herein contained or implied by law are covenants running with the 2023 Real Property and shall attach and bind and inure to the benefit of the County and the Corporation and their respective heirs, legal representatives, successors and assigns, except as otherwise provided herein.

SECTION 6.2. Binding Effect. This Base Lease shall inure to the benefit of and shall be binding upon the County, the Corporation and their respective successors and assigns.

SECTION 6.3. Severability. In the event any provision hereof shall be determined to be invalid or unenforceable, the validity and effect of the other provisions hereof shall not be affected thereby.

SECTION 6.4. Amendment, Changes and Modifications. This Base Lease may not be effectively amended, changed, modified, altered or terminated without the prior written consent, if and to the extent required by Article XI of the Trust Agreement, of the Trustee, other than (a) as provided in Section 3.1 hereof, to reference any Additional Real Property (including Additional Real Property) or (b) as provided in Section 3.6 hereof in connection with the granting of easements, releases, substitutions and additions of property; provided, that the Trustee shall be entitled to rely without independent investigation upon the certificates, opinions and other documents delivered to it pursuant to such sections.

SECTION 6.5. Execution in Counterparts. This Base Lease may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute but one and the same instrument.

SECTION 6.6. Applicable Law. This Base Lease shall be governed by and construed in accordance with the laws of the State.

SECTION 6.7. Captions. The Section and Article headings herein are for convenience only and in no way define, limit or describe the scope or intent of any of the provisions hereof.

SECTION 6.8. Notices. It shall be sufficient service of any notice, request, complaint, demand or other paper required by this Base Lease to be given to or filed with the County, the Corporation or the Trustee if the same is given or filed in the manner and at the addresses specified in the Trust Agreement.

SECTION 6.9. Successors and Assigns. All covenants, promises and agreements contained in this Base Lease by or on behalf of or for the benefit of the County or the Corporation, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

SECTION 6.10. Civic or Public Purpose. Notwithstanding anything in this Base Lease to the contrary, during the term of this Base Lease, neither the Corporation nor any assignee of the Corporation's interest hereunder nor any sublessee of the Corporation shall operate the 2023 Facilities for any purpose which is not a civic or public purpose or which is not in compliance with all applicable governmental rules, regulations and orders.

[Signature pages follow]

WITNESS the due execution of this Base Lease effective as of the date first above written.

LESSOR:

(SEAL)

LANCASTER COUNTY, SOUTH CAROLINA

WITNESSES:

By: _____
Chairman, County Council

Attest: _____
Clerk, County Council

(SEAL)

LESSEE:

LANCASTER COUNTY PUBLIC FACILITIES
CORPORATION

WITNESSES:

By: _____
President

Attest: _____
Secretary/Treasurer

STATE OF SOUTH CAROLINA)
)
COUNTY OF LANCASTER)

PROBATE

Personally appeared before me the undersigned witness who on oath says, that (s)he saw the within named Lancaster County Public Facilities Corporation, by its duly authorized officer, sign, seal and as its act and deed deliver the within Base Lease and Conveyance Agreement, and that (s)he, together with the other witness whose signature appears above, witnessed the execution thereof.

Witness

SWORN TO AND SUBSCRIBED BEFORE ME
this ____ day of _____, 2023.

Printed Name: _____
Notary Public for South Carolina
My Commission Expires: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF LANCASTER)

PROBATE

PERSONALLY appeared before me the undersigned witness, who, upon first being duly sworn, deposes and says: that (s)he saw Lancaster County, South Carolina by its duly authorized officers, sign the foregoing Base Lease and Conveyance Agreement, and that (s)he, with the other subscribing witness, witnessed the execution thereof.

Witness

SWORN TO AND SUBSCRIBED BEFORE ME
this ____ day of _____, 2023.

Printed Name: _____
Notary Public for South Carolina
My Commission Expires: _____

EXHIBIT A

LEGAL DESCRIPTION OF THE 2023 REAL PROPERTY

All those pieces, parcels or lots of land excluding all improvements located or to be located thereon and being more particularly described as follows:

[To be provided]

EXHIBIT B

CONVEYED IMPROVEMENTS

All existing improvements located on the 2023 Real Property.

EXHIBIT C

**FORM OF SUPPLEMENT TO BASE LEASE AND CONVEYANCE AGREEMENT
(ADDITIONAL REAL PROPERTY)**

THIS SUPPLEMENT TO BASE LEASE AND CONVEYANCE AGREEMENT (this “Supplement”) dated _____, 200____, by and between the Lancaster County, South Carolina, a political subdivision duly existing under the laws of the State of South Carolina, as lessor (the “County”), and Lancaster County Public Facilities Corporation, a South Carolina nonprofit corporation duly organized and existing under the laws of the State of South Carolina, as lessee (the “Corporation”).

WITNESSETH

WHEREAS, the County and the Corporation have entered into that certain Base Lease and Conveyance Agreement dated _____, 2023 (the “Base Lease”), and pursuant to Section 3.1(a) thereof, enter into this Supplement for the purposes set forth herein (with all capitalized terms used in this Supplement having the meanings set forth in the Base Lease).

NOW, THEREFORE, for and inconsideration of the mutual promises and covenants herein contained, the parties hereto hereby agree as follows:

1. Addition of Additional Real Property. The Base Lease is hereby amended to delete Exhibit A attached thereto and replace it in its entirety with Exhibit A-1 attached hereto.

Except as amended herein, the Base Lease shall remain in full force and effect.

WITNESSES:

CORPORATION:

LANCASTER COUNTY PUBLIC FACILITIES
CORPORATION

By: _____
Its: _____

By: _____
Its: _____

COUNTY:

LANCASTER COUNTY, SOUTH CAROLINA

By: _____
Its: _____

By: _____
Its: _____

EXHIBIT E

FORM OF INSTALLMENT PURCHASE AND USE AGREEMENT

between

**LANCASTER COUNTY PUBLIC FACILITIES CORPORATION
as Seller**

and

**LANCASTER COUNTY, SOUTH CAROLINA
as Buyer**

**\$_____ Installment Purchase Revenue Bonds
(Lancaster County Project) Series 2023**

Dated _____, 2023

All rights, title and interest of Lancaster County Public Facilities Corporation in this Installment Purchase and Use Agreement (with certain exceptions) have been assigned to Regions Bank, as Trustee (the “Trustee”) under the Trust Agreement dated of even date herewith (the “Trust Agreement”), and are subject to the security interest of the Trustee.

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INSTALLMENT PURCHASE AND USE AGREEMENT

This INSTALLMENT PURCHASE AND USE AGREEMENT dated _____, 2023 (the "Purchase and Use Agreement"), is made and entered into by and between Lancaster County Public Facilities Corporation (together with its successors and assigns, the "Corporation"), a nonprofit corporation formed under the laws of the State of South Carolina (the "State"), as seller, and Lancaster County, South Carolina (the "County"), a political subdivision organized under the laws of the State, as buyer.

WITNESSETH

WHEREAS, the Corporation is a nonprofit corporation formed under the provisions of Title 33, Chapter 31, Code of Laws of South Carolina 1976, as amended; and

WHEREAS, the County is a political subdivision of the State and is authorized under the provisions of Section 4-9-30, Code of Laws of South Carolina 1976, as amended (the "Act"), to enter into this Purchase and Use Agreement; and

WHEREAS, the Corporation and the County have entered into a Base Lease and Conveyance Agreement dated of even date herewith (the "Base Lease") pursuant to which the County is leasing the 2023 Real Property and conveying the Conveyed Improvements (as such terms are defined in the Base Lease), to the Corporation so that the Corporation may provide for (i) the acquisition, construction, renovation and equipping from the proceeds of the Series 2023 Bonds of certain public facilities (the "2023 Projects"); and (ii) the payment to the County of the Base Lease Rent (as defined in the Base Lease) which will provide for the acquisition and construction of all or a portion of certain new real property and facilities which are not subject to the Base Lease or this Purchase and Use Agreement (the "Ancillary Projects", as more particularly defined herein); and

WHEREAS, in order to provide funds to defray costs of the 2023 Projects and the payment of the Base Lease Rent, the Corporation will provide for the issuance of \$_____ of its Installment Purchase Revenue Bonds (Lancaster County Project) Series 2023, dated _____, 2023 (the "Series 2023 Bonds") under and by the terms of a Trust Agreement dated of even date herewith (the "Trust Agreement") by and between the Corporation and Regions Bank, as trustee (the "Trustee"); and

WHEREAS, the County has agreed to make certain payments (the "Installment Payments") for the acquisition of the 2023 Facilities (as defined herein) and, pending such acquisition thereof, shall be entitled to the use and occupancy of the 2023 Real Property and the 2023 Facilities and certain other matters; and

WHEREAS, the rights to receive Installment Payments are being assigned by the Corporation to the Trustee under the Trust Agreement as security and the source of payment for the Series 2023 Bonds;

NOW, THEREFORE, for and in consideration of the undertaking of the Corporation to acquire, improve, construct and equip the 2023 Projects, to pay the initial payment of the Base Lease Rent to the County for the costs of the Ancillary Projects, the undertaking of the County to pay the Installment Payments hereunder, the mutual covenants and agreements of the parties hereto, and other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the Corporation and the County, intending to be legally bound, do hereby agree as follows:

ARTICLE I DEFINITIONS

SECTION 1.1. Definitions. Capitalized terms not otherwise defined herein shall have the meanings provided therefor in the Trust Agreement or as set forth below.

“2023 Facilities” means the Conveyed Improvements and other improvements constructed on the 2023 Real Property and the 2023 Projects, including fixtures and any future additions, modifications and substitutions to any facilities thereon and any personal property financed with the proceeds of the Series 2023 Bonds. The 2023 Facilities shall also mean Additional Facilities, if any, funded with the proceeds of Additional Bonds, but does not include Additional Ancillary Projects.

“2023 Projects” means the acquisition, construction, renovation and equipping of new or existing public facilities as described on Exhibit A hereof (including reimbursement thereof to the County), as the same may be amended from time to time.

“2023 Real Property” means the respective parcels of real property, situated in the County and described in Exhibit B hereof, as the same may be amended, modified or supplemented from time to time pursuant hereto, and upon which the 2023 Facilities are located.

“2020 Sales and Use Tax” means a one percent sales and use tax imposed by the County for the purpose of constructing, acquiring and equipping a new detention center at a cost not to exceed \$30,133,800, as approved in a referendum held in November, 2020.

“Acquisition and Construction Contracts” means any acquisition or construction contract between the County, on behalf of the Corporation, and any contractor or other person or between any contractor or subcontractor and other person (under which contract the County has rights thereunder) with respect to any of the 2023 Projects to be financed with Bond Proceeds.

“Additional Ancillary Projects” means real property or improvements acquired, developed and constructed with proceeds of Additional Bonds, but not made subject to the Base Lease or this Purchase and Use Agreement.

“Additional Facilities” means any public facilities of the County in addition to the 2023 Facilities proposed to be acquired, improved, renovated or constructed by the Corporation with the proceeds of Additional Bonds and made subject to this Purchase and Use Agreement.

“Additional Payments” means that portion of the Installment Payments specified in Sections 4.1, 4.2 and 4.4 hereof as Additional Payments.

“Additional Real Property” means any real property in addition to the 2023 Real Property that is or will become the site of Additional Facilities.

“Ancillary Projects” means the acquisition and construction of all or a portion of certain new real property and facilities described on Exhibit A hereof or any other real property or facility or lawful purpose which is identified in writing by the County to the Trustee (provided that the Trustee shall be entitled to receive and conclusively rely upon an opinion of Bond Counsel stating that the use of the Base Lease Rent for the payment of such other facility or lawful purpose will not adversely affect the tax-exempt status of the Series 2023 Bonds), which are not subject to the Base Lease or this Purchase and Use Agreement.

"Available Sources" means any legally available source being lawfully appropriated by the Council, including but not limited to net collections from the 2020 Sales and Use Tax, general fund monies and proceeds of general obligation debt.

"Base Lease" means the Base Lease and Conveyance Agreement dated of even date herewith, between the County and the Corporation, as the same may be amended, modified or supplemented from time to time.

"Base Payments" means that portion of the Installment Payments specified in Section 4.1 hereof as Base Payments.

"Bond Fund" means the fund of such name established pursuant to Section 5.5 of the Trust Agreement.

"Bond Proceeds" means the gross proceeds received from the issuance and sale of the Series 2023 Bonds.

"Completion Date" means the date on which the Corporation and the County provide the final requisition to the Trustee pursuant to Section 3.4(b) hereof.

"Conveyed Improvements" means those certain improvements presently existing on the 2023 Real Property, as more particularly described in Exhibit B-1 hereof, as the same may be amended to include those certain improvements existing on real property (including Additional Real Property) which becomes 2023 Real Property in the future, at the time of such amendment.

"Corporation Facilities" means that portion of the 2023 Facilities allocated to the Corporation as the result of a partition under the provisions of Section 2.4 hereof.

"Council" means the County Council of the County, as the governing body of the County, and any successor body.

"County Facilities" means that portion of the 2023 Facilities allocated to the County as the result of a partition under the provisions of Section 2.4 hereof.

"Environmental Laws" means all federal, state and local laws, rules, regulations, ordinances, programs, permits, guidances, orders and consent decrees relating to health, safety and environmental matters, including, but not limited to, the Resource Conservation and Recovery Act, as amended, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, the Toxic Substances Control Act, as amended, the Clean Water Act, as amended, the Clean Air Act, as amended, the Superfund Amendments and Reauthorization Act of 1986, as amended, state and federal superfund and environmental cleanup programs and laws and U.S. Department of Transportation regulations.

"Event of Default" means the events set forth in Section 8.1 of this Purchase and Use Agreement.

"Event of Nonappropriation" means the County's failure, for any reason, to specifically budget and appropriate moneys that may be lawfully used to pay, or enact an ordinance authorizing the issuance of general obligation bonds for the purpose of paying, all Installment Payments due under this Purchase and Use Agreement, by September 15 of the then current Fiscal Year or the County shall have provided written notice of its intention to do the same by June 30 of the previous Fiscal Year. The existence or nonexistence of an Event of Nonappropriation shall be deemed to occur on (a) September 15 of a year in

which no such budget or ordinance shall have been adopted or enacted (as applicable), or (b) any earlier date on which the County gives official, specific written notice to the Corporation and the Trustee that the County will not appropriate funds that may be lawfully used in the next succeeding Fiscal Year for payment of Installment Payments; provided, however, that an Event of Nonappropriation may be waived as provided for in Section 4.7 herein.

“Facilities Component” means an entire building or other facility including the main building or buildings and any related auxiliary buildings comprising the 2023 Facilities together with the portion of the 2023 Real Property on which such building or other facility is located.

“Fiscal Year” means the fiscal year of the County, currently beginning on each July 1 and ending on the succeeding June 30.

“Force Majeure” means, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies or terrorism; orders or restraints of any kind of the government of the United States of America or of the State or any of their departments, agencies or officials of any civil or military authority; insurrection; riots; landslides; earthquakes; flood; fire; storms; droughts; explosion; breakage or accidents to machinery, transmission pipes or canals; or any other cause or event not within the control of the party seeking the benefit of force majeure and not due to its own negligence.

“Hazardous Material” means and includes any pollutant, contaminant, or hazardous, toxic or dangerous waste, substance or material (including without limitation petroleum products, asbestos-containing materials and lead), the generation, handling, storage, transportation, disposal, treatment, release, discharge or emission of which is subject to any Environmental Law.

“Installment Payments” means the payments to be paid by the County pursuant to Sections 4.1, 4.2 and 4.4 hereof including Base Payments and Additional Payments.

“Net Proceeds” when used with respect to any proceeds from policies of insurance required hereby or any condemnation award, or any proceeds resulting from any liquidation of any part of the 2023 Facilities, or any proceeds resulting from any default under, or recovery under performance and payment bonds related to, any Acquisition or Construction Contract relating to the 2023 Projects, means the amount remaining after deducting from the gross proceeds thereof all expenses, including, without limitation, reasonable attorney's fees and costs, incurred in the collection of such proceeds or award.

“Partition Consultant” means a person, firm or corporation, who or which is experienced in public finance and in the valuation of public facilities and is not a full-time employee of the County or the Corporation.

“Partition Date” shall have the meaning given such term in Section 2.4 hereof.

“Permitted Encumbrances” means, as of any particular time, (i) liens for taxes and assessments not then delinquent, or liens which may remain unpaid pursuant to the provisions of Sections 4.1 and 4.2, respectively, of this Purchase and Use Agreement; (ii) the Security Documents; (iii) utility, access and other easements and rights-of-way, restrictions and exceptions which does not interfere with or impair the use of the 2023 Real Property or the 2023 Facilities, including rights or privileges in the nature of easements; (iv) any financing statements filed to perfect security interests pursuant to this Purchase and Use Agreement or the Trust Agreement; and (v) the matters described on Exhibit C hereto.

“Project Fund” means the fund of such name established pursuant to Section 5.2 of the Trust Agreement.

“Purchase and Use Agreement” means this Installment Purchase and Use Agreement dated _____, 2023, between the Corporation and the County, as the same may be amended, modified or supplemented from time to time.

“Purchase Option Price” means an amount equal to the amount required to defease or otherwise discharge the Series 2023 Bonds under the Trust Agreement plus the amount of any Additional Payments which are due or accrued hereunder at the time which any purchase option hereunder is exercised.

“Purchase Price” means the sum of all Base Payments to be made hereunder which Purchase Price may be recalculated in the event of any prepayment of Base Payments provided for in Section 9.1 hereof.

“Security Documents” means this Purchase and Use Agreement, the Base Lease, the Trust Agreement, financing statements, if any, and any other instruments or documents providing security for the Holders of the Series 2023 Bonds.

“Series 2023 Bonds” means any or all of the \$_____ of the Corporation's Installment Purchase Revenue Bonds (Lancaster County Project) Series 2023, dated of even date herewith, authorized by and secured under the Trust Agreement.

“State” means the State of South Carolina.

“Trust Agreement” means the Trust Agreement dated of even date herewith, between the Corporation and the Trustee, as the same may be amended, modified or supplemented from time to time.

“Waiver Period” means the period of time commencing on the date an Event of Nonappropriation is deemed to occur and ending on and including the date on the earlier of (i) the next following December 1 or (ii) the date on which the applicable Reserve Sub-Account (if any) of the Reserve Account becomes fully depleted by the Trustee pursuant to the provisions of a Supplemental Agreement (as defined in the Trust Agreement); provided, however, that a Reserve Sub-Account is deemed to be fully depleted when insufficient funds remain therein to make the payments required to be made to the Holders of the applicable Series of Bonds on the subsequent Bond Payment Date).

SECTION 1.2. Terms Defined in the Trust Agreement. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Trust Agreement unless the context clearly indicates to the contrary.

SECTION 1.3. County Representations, Warranties and Covenants. The County makes the following representations, warranties and covenants:

(a) The County is a political subdivision of the State and has full power and legal right to enter into this Purchase and Use Agreement and the Base Lease and to perform its obligations hereunder and thereunder. The County's actions in making and performing its obligations under this Purchase and Use Agreement and the Base Lease have been duly authorized by all necessary governmental action and will not violate or conflict with any law or governmental rule or regulation, or any mortgage, agreement, instrument or other document by which the County or its properties are bound.

(b) The County is a “political subdivision” within the meaning of Section 103(c)(1) of the Code.

(c) The County will take such action as is necessary to assure that the 2023 Projects are completed, furnished and occupied by the County. In the event the amounts available from the proceeds from the Series 2023 Bonds appear to be insufficient for such purpose, the County will use its best efforts to take one or more of the following steps: (i) cooperate with the Corporation to make such modifications or changes in the 2023 Projects as will allow the cost thereof to be funded within the amount available from such Bond Proceeds; (ii) make arrangements with the Corporation for the sale of Additional Bonds; or (iii) provide for the payment of such costs from other sources legally available to the County.

(d) The County will take such action as is necessary to ensure that the proceeds of the Series 2023 Bonds are applied as set forth in the Trust Agreement.

(e) Except as provided in the last paragraph under Section 2.1 hereof, no portion of the 2023 Real Property, the 2023 Facilities or the Ancillary Projects will be used in the trade or business of a person who is not a “political subdivision” within the meaning of Section 103(c)(1) of the Code, without the written approval of Bond Counsel.

(f) The amounts, if any, spent by the County from its own funds to pay costs of the acquisition, renovation, improvement and construction of the 2023 Projects or the Ancillary Projects for which it intends to reimburse itself from Bond Proceeds were not expended more than 60 days prior to the date of the enactment by the Council of an ordinance authorizing the financing of the 2023 Projects and the Ancillary Projects, and expressing the intent to enter into this Purchase and Use Agreement, except with respect to certain preliminary expenditures for architectural, engineering, surveying, soil testing and similar costs. No site preparation or similar costs incident to the commencement of construction were incurred prior to 60 days prior to the date of enactment of an ordinance by the Council relating to the issuance of the Series 2023 Bonds.

(h) Except as disclosed in the Official Statement for the Series 2023 Bonds, there are no proceedings pending or, to the knowledge of the County, threatened against or affecting the County, in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would materially and adversely affect the properties, operations, prospects or condition (financial or otherwise) of the County, or the corporate existence or powers or ability of the County to enter into and perform its obligations under this Purchase and Use Agreement or the Base Lease.

(h) The execution and delivery of this Purchase and Use Agreement and the Base Lease (collectively, the “County Agreements”), and the consummation of the transactions provided for herein and therein, and compliance by the County with the provisions of the County Agreements:

(i) are within the governmental powers and have been duly and validly authorized by all necessary governmental and other action on the part of the County; and

(ii) do not and will not conflict with or result in any material breach of any of the terms, conditions or provisions of, or constitute a default under, any indenture, loan agreement or other agreement or instrument, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the County (other than this Purchase and Use Agreement) or any governmental restriction to which the County is a party or by which the County, its properties or operations may be bound or with the giving of notice or the passage of time or both would constitute such a breach or default or result in the creation or imposition of any such lien, charge or encumbrance, which breach, default, lien, charge or encumbrance could reasonably be expected to materially and adversely affect the validity or the enforceability of the County Agreements or the County’s ability to perform fully its obligations under the County Agreements; nor will such action result, in any material respect, in any violation of any laws, ordinances, governmental rules or

regulations or court or other governmental orders to which the County, its properties or operations are subject.

(i) No event has occurred and no condition exists that constitutes an Event of Default or which, upon the execution and delivery of this Purchase and Use Agreement, and/or the passage of time or giving of notice or both, would constitute an Event of Default. The County is not in violation in any material respect, and has not received notice of any claimed material violation (except such violations as do not, and shall not, have any material adverse effect on the transactions herein contemplated and the compliance by the County with the terms hereof, or the Security Documents), of any terms of any court order, statute, regulation, ordinance, agreement, or other instrument to which it is a party or by which it, its properties or its operations may be bound.

(j) This Purchase and Use Agreement is a legal, valid and binding obligation and agreement of the County, enforceable against the County in accordance with its terms except as such enforceability may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally and by general principles of equity; anything herein to the contrary notwithstanding, this Purchase and Use Agreement is subject in its entirety to the right of the County to terminate this Purchase and Use Agreement and all the terms and provisions hereof by failing to budget and appropriate moneys specifically to pay Installment Payments, as provided in Sections 2.2, 4.6 and 4.7 hereof.

(k) The use and the operation of the 2023 Real Property and the 2023 Facilities in the manner contemplated will not conflict in any material respect with any zoning, water or air pollution or other ordinance, order, law, rule, or regulation applicable to the 2023 Real Property and the 2023 Facilities including, without limitation, Environmental Laws. The County has caused or will cause the 2023 Projects to be designed in accordance with all applicable federal, state and local laws or ordinances (including rules and regulations) relating to zoning, planning, building, safety and environmental quality. The County will operate or will cause the 2023 Real Property and the 2023 Facilities to be operated in compliance with the requirements of all such laws, ordinances, rules and regulations, including, without limitation, Environmental Laws. The County further covenants and agrees to comply in all material respects with and materially conform to, or use its reasonable efforts to cause other persons whose obligations it is to so comply by contract or pursuant to law to comply in all material respects with and materially conform to, all present and future laws, statutes, codes, ordinances, orders, judgments, decrees, injunctions, rules, regulations and every applicable governmental authority, including Environmental Laws applicable to the 2023 Real Property and the 2023 Facilities, and all covenants, restrictions and conditions now or hereafter of record which may be applicable to the use, manner of use, occupancy, possession, operation, maintenance, alteration, repair or reconstruction of the 2023 Real Property and the 2023 Facilities, including building and zoning codes and ordinances (collectively, the "Legal Requirements"), provided that the County shall not be in default hereunder so long as the County promptly after receiving an actual written notice of any noncompliance, files a copy thereof with the Trustee and the County commences and uses its diligent efforts to cause compliance with such Legal Requirements, as long as the failure to comply and conform does not subject the 2023 Real Property or the 2023 Facilities to any material danger of being forfeited or lost as a result thereof. The County possesses or will possess, and the County hereby agrees to maintain and obtain in the future, all necessary licenses and permits, or rights thereto, to operate the 2023 Facilities as proposed to be operated, and all such licenses, permits or other approvals required in connection with the operation of the 2023 Facilities have been duly obtained and are in full force and effect except for any such licenses, permits or other approvals that are not yet required and that will be duly obtained not later than the time required or the failure to obtain which will not materially and adversely affect the operation of the 2023 Facilities. The County covenants and agrees to do all things necessary to preserve and keep in full force and effect its franchises, rights, powers and privileges as the same relate to the 2023 Facilities.

(l) The County has approved the creation, existence, governance, purposes and activities of the Corporation and the issuance by the Corporation of the Series 2023 Bonds.

(m) The County has not terminated any lease, lease-purchase agreement or installment purchase agreement by nonappropriation.

(n) The officer of the County at any time charged with the responsibility for formulating budget proposals shall include in the budget proposals for review and consideration by the Council in any Fiscal Year in which this Purchase and Use Agreement shall be in effect, provision for all Installment Payments required for such Fiscal Year under this Purchase and Use Agreement.

(o) To its knowledge, Hazardous Materials have not at any time been generated, used, treated, recycled, stored on, or transported to or from, or released, deposited or disposed of on the portion of the 2023 Real Property other than in material compliance at all times with all applicable Environmental Laws.

SECTION 1.4. Corporation Representations, Warranties and Covenants. The Corporation makes the following representations, warranties and covenants:

(a) The Corporation is a duly organized and validly existing nonprofit corporation created under the laws of the State, has the requisite power to carry on its present and proposed activities, and has full power, right and authority to enter into this Purchase and Use Agreement, the Trust Agreement and the Base Lease and to perform each and all of the obligations of the Corporation provided therein.

(b) The Corporation has taken or caused to be taken all requisite corporate action to authorize the execution and delivery of, and the performance of its obligations under, this Purchase and Use Agreement, the Base Lease, the Trust Agreement and each of the Acquisition and Construction Contracts to which it is or will be a party.

(c) By proper corporate action the officers of the Corporation have been duly authorized to execute and deliver this Purchase and Use Agreement, the Base Lease, the Trust Agreement and each of the Acquisition and Construction Contracts to which it is or will be a party.

(d) The execution and delivery by the Corporation of this Purchase and Use Agreement, the Base Lease and the Trust Agreement and the consummation by the Corporation of the transactions contemplated hereby and thereby have not and will not conflict with or constitute a breach of or default under the Corporation's articles of incorporation or bylaws or any bond, debenture, note or other evidence of indebtedness of the Corporation, or any contract, agreement, or instrument to which the Corporation is a party or by which it is bound.

(e) Each of this Purchase and Use Agreement, the Base Lease, the Trust Agreement and each Acquisition and Construction Contract to which the Corporation is or will be a party has been or will be duly executed and delivered by the Corporation and constitutes or will constitute a legal and valid obligation of the Corporation, enforceable against the Corporation in accordance with its terms, except as enforcement may be limited by laws affecting creditors' rights generally and except as equitable remedies may be limited by judicial discretion.

(f) Other than as disclosed in the Official Statement for the Series 2023 Bonds, there is no litigation pending and served on the Corporation that challenges the Corporation's authority to execute, deliver or perform its obligations under this Purchase and Use Agreement and the Corporation has disclosed any threatened litigation with respect to such matters of which the Corporation is aware.

(g) The Corporation is in material compliance with all applicable laws, regulations and ordinances, including but not limited to those applicable to the Corporation's activities in connection with this Purchase and Use Agreement.

(h) The Corporation is a South Carolina nonprofit, public benefit corporation, no part of the net income of which inures to the benefit of any private individual or organization.

(i) To finance the 2023 Projects, to pay the Base Lease Rent to the County and for such other purposes contemplated hereby and by the Trust Agreement, the Corporation will enter into the Trust Agreement pursuant to which it will issue the Series 2023 Bonds payable from and secured by the Installment Payments under this Purchase and Use Agreement.

ARTICLE II

INSTALLMENT SALE OF 2023 FACILITIES, USE OF 2023 REAL PROPERTY AND TERM THEREOF

SECTION 2.1. Installment Sale of 2023 Facilities; Use of 2023 Real Property and 2023 Facilities; Term. The Corporation hereby agrees to sell the 2023 Facilities to the County in accordance with the provisions hereof. On the date hereof, the Corporation has a valid leasehold interest in the 2023 Real Property and holds fee title to all remaining portions of the 2023 Facilities. Upon each payment of Base Payments from funds other than (i) amounts constituting Bond Proceeds (including income from the investment of such amounts) or (ii) payments made from a Reserve Sub-Account (if any) of the Reserve Account established for a series of the Bonds, title to an undivided interest in the 2023 Facilities equal to that percentage of the Purchase Price represented by such payment will transfer from the Corporation to the County without further action by either party hereto.

Any prepayment of Base Payments which is used to redeem the Series 2023 Bonds will result in a recalculation of the Purchase Price to take account of such prepayment and, upon the making of such prepayment, the County shall be credited with an undivided interest in the 2023 Facilities equal to that percentage of the total Purchase Price, as adjusted, represented by the total of all Base Payments made, including the prepayment on such date.

Subject to the provisions of Article VIII hereof, the County shall have the exclusive right to occupy and use the 2023 Real Property and the 2023 Facilities during the term hereof. Subject to the provisions of Sections 2.2 and 2.3 hereof, this Purchase and Use Agreement shall be for a term beginning with the date of execution and delivery hereof, and ending on December 1, _____.

During the term hereof, the County may permit other civic or charitable organizations or agencies of the State or any political subdivision thereof to use portions of the 2023 Real Property and the 2023 Facilities subject to the following limitations: (i) no agreement may be for a term in excess of one year; (ii) the 2023 Real Property and the 2023 Facilities shall not be used in any manner that interferes with the use of such property by the County for the purposes for which it was designed or is then being used; (iii) any such agreement shall expressly terminate upon the occurrence of an Event of Default or an Event of Nonappropriation hereunder; and (iv) the County shall monitor all such use to ensure continued compliance with the provisions of the Federal Tax Certificate relating to the Series 2023 Bonds and Section 5.3 hereof.

SECTION 2.2. Termination. The term of this Purchase and Use Agreement shall terminate upon the earliest of any of the following events:

(a) The occurrence of an Event of Nonappropriation, such occurrence to be determined in accordance with the definition of such term given in this Purchase and Use Agreement, which Event of Nonappropriation is not thereafter duly waived;

(b) The purchase by the County of the 2023 Facilities as provided in Article IX of this Purchase and Use Agreement;

(c) The occurrence of an Event of Default under and termination of this Purchase and Use Agreement by the Corporation or Trustee under Article VIII of this Purchase and Use Agreement; or

(d) December 1, _____, which date constitutes the last day of the term hereof, or such later date as all Installment Payments due hereunder shall be paid.

Termination of the term of this Purchase and Use Agreement shall terminate all obligations of the County under this Purchase and Use Agreement, including its obligations to pay future Installment Payments and other amounts that have not been appropriated (excluding, however, amounts payable under Section 2.3 hereof and other amounts specifically provided for herein), subject to identification as provided in Section 2.4 hereof, shall terminate the County's rights of possession under this Purchase and Use Agreement of the Corporation Facilities (except to the extent of any conveyance pursuant to Article IX of this Purchase and Use Agreement); but all other provisions of this Purchase and Use Agreement, including all obligations of the Corporation with respect to the Holders of the Bonds and the receipt and disbursement of funds and all rights and remedies of the Corporation specifically provided herein, shall be continuing until the Trust Agreement is discharged as provided therein. Notwithstanding the foregoing, termination of the term of this Purchase and Use Agreement shall not impair the County's rights as landlord or the Corporation's rights as tenant under the Base Lease, except as provided in the Base Lease.

SECTION 2.3. Holdover Terms. In the event the County fails to deliver possession to the Corporation of the Corporation Facilities or any part thereof pursuant to Section 2.4 hereof, the County shall be unconditionally liable for the payment of all Installment Payments, including Additional Payments, for successive six month periods commencing on the Bond Payment Date following the last due date of Base Payments hereunder until the County delivers possession of the Corporation Facilities to the Corporation. The obligations of the County under this Section 2.3 shall not in any manner constitute a pledge of the full faith, credit or taxing power of the County within the meaning of any State constitutional or statutory provision.

SECTION 2.4. Surrender of Possession Upon Termination; Partition of Undivided Interests. Upon (a) the occurrence of an Event of Default or an Event of Nonappropriation which results in termination hereof or (b) termination of all rights of the County hereunder, and at the written direction of the County and the Corporation shall proceed to partition the 2023 Facilities so that the percentage of undivided interests in the title to the 2023 Facilities will be converted, to the extent feasible, into like percentages of title to entire Facilities Components in accordance with Exhibit E hereof and the following provisions. The date upon which the Trustee gives such written direction shall be the "Partition Date."

Division of 2023 Facilities. Within a reasonable time after the Partition Date (but in no event longer than 60 days after the Partition Date), the County and the Corporation shall propose a division of 2023 Facilities or, in the event the County and the Corporation notify the Trustee in writing that they are unable to agree on a proposed division or they have not proposed a division of the 2023 Facilities within the time period provided by the previous sentence, the Trustee and the Partition Consultant, if selected, shall

propose a division of the 2023 Facilities within a reasonable time after the Partition Date. In all events, Trustee may, with the advice of counsel, select a Partition Consultant to assist, consult with and make recommendations to the Trustee in the division of the 2023 Facilities. The Trustee and the Partition Consultant, if selected, shall endeavor, to the extent practicable, to allocate the 2023 Facilities between the County and the Corporation in a fair and equitable fashion taking into account the following factors: (1) entire Facilities Components, if possible, will be assigned to each of the County and the Corporation; (2) if portions of the 2023 Facilities and Facilities Components will be assigned to each of the Corporation and the County, the Trustee and the Partition Consultant, if selected, and upon consultation with the Holders of a majority in principal amount of the Bonds, shall propose such partition as will, in the aggregate, best protect the interests of the Holders (subject to the provisions of this Section 2.4); and (3) the deletion, reduction or release (without exchange or substitution) of any Released Property pursuant to Section 5.1(c) hereof or pursuant to the last two paragraphs of Section 3.6 of the Base Lease shall be taken into account for purposes of determining the portions of the 2023 Facilities to be allocated between the Corporation and the County.

Valuation of Facilities Components and 2023 Facilities. For purposes of any partition, the 2023 Facilities will be valued based on insured values at the time of partition, although the percentage of the 2023 Facilities being purchased on an annual basis is set forth on Exhibit D hereof, subject to adjustment as stated on Exhibit D. In allocating the 2023 Facilities to the percentage of undivided interests in the entire 2023 Facilities to be conveyed to the County or retained by the Corporation, such insured values (at time of partition) and percentages set forth on Exhibit D hereof shall be used rather than the current market or other valuation of Facilities Components associated therewith.

Partial Divisions. In the event that the Trustee and the Partition Consultant, if selected, are unable to devise a partition that results in complete Facilities Components being assigned to the County or the Corporation, then such partition shall be made so as to provide the County's and the Corporation's respective interests to be allocated to Facilities Components in a manner consistent with other provisions of this Section 2.4. The portion of a Facilities Component which is property allocated to the County but is not a complete Facilities Component shall be designated as a "County Partial Facilities Component." With respect to a County Partial Facilities Component, the County may (i) continue to occupy the entire Facilities Component which includes a County Partial Facilities Component if it agrees to make payments (as specified in Section 2.3) in amounts to be determined by the Trustee and the Partition Consultant, if selected, as the proper charge for use of the Corporation's interest in such Facilities Component (the "Corporation Partial Facilities Component"); (ii) purchase the Corporation's interest in such Corporation Partial Facilities Component by the payment of the amount determined by the Trustee and the Partition Consultant, if selected; or (iii) cede occupancy rights in the County Partial Facilities Component to the Corporation for the duration of the term of the Base Lease. In determining the purchase price if the County elects to purchase the Corporation's interest in a Corporation Partial Facilities Component, the Trustee and the Partition Consultant, if selected, shall determine the prepayment amount that would be required under the second paragraph of Section 2.1 to result in a complete allocation of such Facilities Component to the County. In setting the payments to be made by the County if it chooses to continue to occupy the entire Facilities Component the Trustee and the Partition Consultant, if selected, shall set a payment that is not less than the amount of total Base Payments allocable to such Facilities Component that would have been payable from and after the Partition Date if this Purchase and Use Agreement or the rights of the County hereunder had not been terminated.

Partition Report; Finality. The Trustee and the Partition Consultant, if selected, shall make a report regarding the division of the 2023 Facilities as soon as practicable after the Partition Date. In the discretion of the Trustee the partition report shall be final and binding upon all parties.

Instruments of Conveyance. Within a reasonable time (but in no event sooner than 30 days or later than 60 days) after the partition report becomes final, the County and the Corporation shall exchange deeds or other instruments vesting title to such of the 2023 Facilities as is required to effect such partition; provided, however, that any conveyance deed or other instrument made by the Corporation shall be made in the manner and subject to the conditions set forth in Section 9.2 hereof. Immediately thereafter, the County shall deliver up or cause to be delivered up peaceable possession of the Corporation Facilities to the Corporation, together with the related portion of the 2023 Real Property, without delay, in good repair and operating condition, excepting reasonable wear and tear; provided, however, that in the event of a partial division, the terms relating to County Partial Facilities Components described above shall control. Any Facilities Component delivered to the Corporation in connection with such partition shall remain, at all times, subject to the terms of the Base Lease.

ARTICLE III THE 2023 PROJECTS; FINANCING

SECTION 3.1. Purchase and Installation or Construction of the 2023 Projects. The Corporation and the County acknowledge that the County will be responsible for any and all Acquisition and Construction Contracts necessary or appropriate for the purchase and installation, or for any renovation, construction, installation, restoration, and reconstruction, to be performed in connection with the completion of the 2023 Projects and the County shall be the agent of the Corporation for all such purposes. The County may install machinery, equipment and other tangible personal property in the 2023 Facilities and on the 2023 Real Property and all such machinery, equipment and other tangible personal property not acquired nor financed from Bond Proceeds will remain the sole property of the County.

SECTION 3.2. Administration of Acquisition and Construction Contracts. The County shall be responsible for preparing, administering, amending and enforcing the Acquisition and Construction Contracts to be entered into with respect to the 2023 Projects and the 2023 Real Property and for litigating or settling all claims thereunder. The County and the Corporation, as their interests may appear, will be entitled to the benefit of all warranties, guaranties and indemnities provided under the Acquisition and Construction Contracts and by law.

SECTION 3.3. Notices and Permits. The Corporation shall cooperate with the County in order to give or cause to be given all notices and shall comply or cause compliance with all laws, ordinances, municipal rules and regulations and requirements of public authorities applying to or affecting the conduct of any work relating to the 2023 Projects. The County will defend and save the Corporation, the Trustee and their respective members, directors, officers, agents and employees harmless from all liabilities, damages or fines due to failure to comply therewith.

SECTION 3.4. Disbursements from the Project Fund.

(a) The balance of the Bond Proceeds (net of any Underwriter's discount and net original issue [premium][discount]) shall be deposited by the Trustee into the Project Fund. Thereafter, disbursements from the Project Fund shall be made for costs of the 2023 Projects, to pay the Base Lease Rent to the County and for such other purposes contemplated by Section 5.3 of the Trust Agreement.

(b) As provided in Section 5.3(c) of the Trust Agreement, the final requisition from the Project Fund shall contain, among other things, a certification by the Corporation and the County stating that the 2023 Projects (and with respect to the County's certification only, the Ancillary Projects) have been substantially completed in accordance with the applicable Acquisition and Construction Contracts (or with respect to the Ancillary Projects, and all applicable construction contracts) and other terms and

conditions of the Purchase and Use Agreement and the 2023 Projects and the Ancillary Projects (as applicable) comply in all material respects with all applicable governmental regulations. Upon receipt of such final requisition, the Trustee shall apply any balance then remaining in the Project Fund in the manner provided in Section 5.4 of the Trust Agreement. As used in this paragraph, “substantial completion” of the 2023 Projects and the Ancillary Projects shall mean completion such that a certificate of occupancy could be issued notwithstanding the fact that certain minor items of work remain to be done.

SECTION 3.5. Defaults Under Acquisition and Construction Contracts. In the event of any material default by a supplier, contractor or subcontractor under any of the Acquisition and Construction Contracts, or in the event of a material breach of warranty with respect to any property, fixtures, materials, workmanship or performance under any Acquisition and Construction Contract, the County and the Corporation shall promptly proceed, and may do so in conjunction with others, to pursue diligently such remedies as are available against the applicable supplier, contractor or subcontractor and/or against any surety of any bond securing the performance of the Acquisition and Construction Contracts. The Net Proceeds of any amounts recovered by way of damages, refunds, adjustments or otherwise in connection with the foregoing, remaining after deduction of expenses incurred in such recovery (including without limitation, attorney's fees and costs), and after reimbursement to the County or the Corporation of any amounts theretofore paid by either of them, and not previously reimbursed, for correcting or remedying the default or breach of warranty which gave rise to the proceedings against the contractor or surety, shall be paid into the Project Fund if received before the Completion Date, or if received thereafter, shall be deposited as otherwise provided in Section 7.2 of this Purchase and Use Agreement or otherwise applied as provided in Section 7.3 of this Purchase and Use Agreement.

SECTION 3.6. Worker's Compensation Insurance. The County and the Corporation shall take such steps as are necessary to ensure that worker's compensation insurance is in force with respect to any Acquisition and Construction Contracts.

SECTION 3.7. Contractor's Performance and Payment Bonds. The County and the Corporation shall take such steps as are necessary to ensure that performance and payment bonds regarding contractor's performance and payment are provided in the same manner as would be applicable to any contracts of the County.

The Net Proceeds of any amounts recovered by way of damages, refunds, adjustments or otherwise in connection with the performance and payment bonds remaining after deduction of expenses incurred in such recovery (including without limitation, attorney's fees and costs), and after reimbursement to the County and the Corporation of any amounts theretofore paid by either of them, and not previously reimbursed, for correcting or remedying the default or breach of warranty which gave rise to the proceedings against the contractor or surety, shall be paid into the Project Fund if received before the Completion Date, or if received thereafter, shall be deposited as otherwise provided in Section 7.2 of this Purchase and Use Agreement or otherwise applied as provided in Section 7.3 of this Purchase and Use Agreement.

SECTION 3.8. Contractor's General Public Liability and Property Damage Insurance. The County and the Corporation shall take such steps as are necessary to ensure that comprehensive general public and property damage liability insurance with respect to the 2023 Projects are provided in the same manner as would be applicable to any contracts of the County. The Net Proceeds of any insurance policies required by this section or any amounts recovered by way of damages, refunds, adjustments, proceeds or otherwise in connection with the foregoing, remaining after deduction of expenses incurred in such recovery (including without limitation, attorney's fees and costs), and after reimbursement to the County or the Corporation of any amounts not to exceed \$100,000 theretofore paid by the County or the Corporation and not previously reimbursed to the County or the Corporation for actions taken by the

County or the Corporation to restore damaged portions of the 2023 Facilities to a condition necessary to secure the 2023 Facilities and prevent further loss shall be paid into the Project Fund before the Completion Date or, if received thereafter, shall either be deposited as provided in Section 7.2 of this Purchase and Use Agreement or otherwise applied as provided in Section 7.3 of this Purchase and Use Agreement; provided, however, such deposit shall not exceed the amount necessary to fulfill the obligations of the County under this Purchase and Use Agreement as determined by the Trustee.

ARTICLE IV INSTALLMENT PAYMENTS; ASSIGNMENT TO TRUSTEE

SECTION 4.1. Installment Payments.

(a) Installment Payments to Constitute a Current Expense of County. The Corporation and the County understand and intend that the obligation of the County to pay Installment Payments hereunder shall constitute a current expense of the County and are dependent upon lawful appropriations of funds being made from Available Sources by the Council to pay Installment Payments due in each fiscal year hereunder, and shall not in any way be construed to be a debt of the County in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by the County, nor shall anything contained herein constitute a pledge of the Available Sources, general tax revenues, funds, moneys or credit of the County.

(b) Payment of Base Payments. Subject to an Event of Nonappropriation as described in Section 4.7 hereof, on or before the 15th day prior to each Bond Payment Date during the period this Purchase and Use Agreement is in effect, the County shall pay to the Trustee as assignee of the Corporation, Base Payments (exclusively from Available Sources specifically budgeted and appropriated for such purpose in lawful money of the United States of America), which payments shall be made to the Trustee as assignee of this Purchase and Use Agreement, in the amounts set forth on Exhibit D hereto; provided, that nothing herein shall constitute a pledge of the Available Sources, general tax revenues, funds, moneys or credit of the County. Each payment of Base Payments shall be in consideration for the conveyance of title to an undivided interest in the 2023 Facilities as and to the extent provided in Section 2.1 hereof. As further consideration for the receipt of Base Payments, the County shall be entitled to the use and occupancy of all of the 2023 Real Property and the 2023 Facilities during the applicable Fiscal Year in which such payments are or will be made.

(c) Payment of Additional Payments. The County agrees to pay, subject to the provisions of Section 4.7 hereof, the following amounts as Additional Payments together with such other sums as are provided for herein:

(i) The amounts provided for in Sections 4.2 and 4.4 hereof to the parties referred to therein;

(ii) Upon receipt of written notice from the Trustee pursuant to the terms of any Supplemental Agreement (as defined in the Trust Agreement) of a transfer from a subaccount of the Reserve Account established for a particular series of Bonds (as defined in the Trust Agreement) to the applicable subaccount of the Facilities Purchase Account, within the period of time specified in such Supplemental Agreement, or payment to the issuer or provider of an instrument or surety bond issued to satisfy, in whole or in part, any Reserve Requirement relating to such series of Bonds, of an amount equal to the amount so transferred from the applicable subaccount of the Reserve Account to the applicable subaccount of the Facilities Purchase Account;

(iii) Within the period of time specified in a Supplemental Agreement, the amount of moneys necessary to re-establish a subaccount of the Reserve Account established for a particular series of Bonds at the applicable Reserve Requirement as may be required pursuant to such Supplemental Agreement;

(iv) All reasonable costs and expenses incurred or to be paid by the Corporation or the Trustee, as the case may be, under the terms of this Purchase and Use Agreement or the Trust Agreement, including without limitation the amounts specified in Section 4.4 hereof and amounts payable by the Corporation pursuant to or contemplated by repurchase, forward delivery or other investment agreements which are Permitted Investments under the Trust Agreement;

(v) Amounts required to pay premiums on insurance for the 2023 Real Property or the 2023 Facilities if such amounts are not paid directly by the County to the applicable insurer;

(vi) Amounts owed to a bond insurer (if any) as provided for in the Trust Agreement; and

(vii) Amounts, if any, budgeted by the Corporation for deposit into the Repair and Replacement Fund, in accordance with Section 5.4 of the Trust Agreement.

The Corporation may, but shall be under no obligation to, advance moneys (i) to pay taxes, assessments and other governmental charges with respect to the 2023 Real Property and the 2023 Facilities, (ii) for the discharge of mechanic's and other liens relating to the 2023 Real Property and the 2023 Facilities, (iii) to obtain and maintain insurance for the 2023 Real Property and the 2023 Facilities and pay premiums therefor, and (iv) generally, to make payments and incur expenses in the event that the County fails to do so as required by this Purchase and Use Agreement or the Base Lease. As provided in Section 6.11 of the Trust Agreement, the Trustee may, but shall not be required to, take any such action. Any such advances shall continue to be due as Additional Payments hereunder.

(d) Credits. The County shall be entitled to a credit against payments of Base Payments in the amount of any deposits in the Bond Fund provided for in the Trust Agreement. In addition to the credit provided in the preceding sentence, the amount payable by the County as Base Payments will be reduced by the amount of money in the applicable subaccount of the Facilities Purchase Account to be credited against those payments and representing Base Payments, including without limitation accrued interest on the Series 2023 Bonds to the extent such amounts will be used to make payments on the Series 2023 Bonds. In this connection, if applicable, when amounts remaining in a subaccount of the Reserve Account equal or exceed the remainder of the applicable Base Payments due, such amounts shall be transferred to the applicable subaccount of the Facilities Purchase Account as and when needed for payment of such Base Payments.

(e) Continuation of Term by County. The County has no reason to believe, as of the date hereof, that it will not continue making Installment Payments through the entire term of this Purchase and Use Agreement, and reasonably believes that it will pay the Installment Payments due or coming due hereunder in order to continue to use the 2023 Real Property and the 2023 Facilities. The County presently intends to maintain its capacity to issue general obligation debt that does not require voter approval, in amounts and at times, together with other Available Sources, sufficient to make Base Payments when due; provided, however, that the County makes no representation or warranty as to its ability to issue general obligation debt in the future. The representations and covenants contained herein are subject to the ability of the County to terminate this Purchase and Use Agreement and all obligations hereunder as provided in Section 4.7 hereof.

SECTION 4.2. Installment Payments Not Subject to Reduction, Offset or Other Credits.

(a) The County and the Corporation intend that this Purchase and Use Agreement shall yield, net, the Base Payments specified in Section 4.1 hereof during the term of this Purchase and Use Agreement, and that all costs, expenses, liabilities and obligations of any kind and nature whatsoever including, without limitation, any ad valorem taxes or other taxes levied against holders of real or personal property, insurance premiums, utility charges and assessments and all operation, maintenance, repair and upkeep expenses relating to the 2023 Real Property and the 2023 Facilities and the use of the 2023 Real Property and the 2023 Facilities which do not constitute Base Payments, or other obligations relating to the 2023 Real Property and the 2023 Facilities which may arise or become due during the term of this Purchase and Use Agreement and which the Corporation except for this Purchase and Use Agreement or the terms of the Base Lease would ordinarily be required to pay as owner of the 2023 Real Property and the 2023 Facilities (regardless of whether the County as owner would be so required to pay) shall either be paid under the provisions of the Base Lease or be included in the Installment Payments and paid by the County as Additional Payments. The County acknowledges that, under the provisions of the Base Lease, it has retained responsibility for the payment of taxes and insurance on the 2023 Real Property and the 2023 Facilities and the property associated therewith and the obligations of the County under the Base Lease are not subject to the limitations of Section 4.6 hereof.

(b) All payments of Additional Payments referred to in Section 4.2(a) above shall be made by the County in immediately available funds on a timely basis directly to the person or entity to which such payments are owed; provided, however, subject to the terms of the Security Documents, that the County shall not be required to pay, discharge or remove any tax, lien, or assessment, or any mechanic's, laborer's or materialman's lien or encumbrance, or any other imposition or charge against the 2023 Real Property and the 2023 Facilities or any part thereof, or comply with any law, ordinance, order, rule, regulation or requirement, as long as the County shall, after prior written notice to the Corporation and the Trustee, at the County's expense, contest the same or the validity thereof in good faith, by action or inaction which shall operate to prevent the collection of the tax, lien, assessment, encumbrance, imposition or charge so contested, or the enforcement of such law, ordinance, order, rule, regulation or requirement, as the case may be, and the sale of the 2023 Facilities or any part thereof to satisfy the same or to enforce such compliance; provided further, that the County shall have given reasonable security as may be demanded by the Corporation, the Trustee, or both, to insure such payment and prevent any sale or forfeiture of the 2023 Facilities or any part thereof by reason of such nonpayment or noncompliance.

SECTION 4.3. Prepayment of Installment Payments. The County may prepay Installment Payments in whole or in part as provided in, and under the conditions prescribed under, Sections 7.3 and 9.1 hereof, or at any time that the County so determines for the purpose of providing for the redemption of Series 2023 Bonds as provided in Section 4.1(a) of the Trust Agreement or the purchase of Series 2023 Bonds as provided in Section 4.4 of the Trust Agreement. The County shall notify the Trustee in writing of the dates on which the Series 2023 Bonds corresponding to any prepayment hereunder are to be redeemed or purchased (as applicable) and the amount to be so redeemed or purchased on each such date, all in accordance with the provisions of the Trust Agreement. The Trustee may request such reasonable information and reports as may be necessary to establish the sufficiency of the payments to be made at the time of such prepayment or purchase, respectively.

SECTION 4.4. Administrative Expenses. Subject to the provisions of Section 4.7 hereof, the County shall pay as Additional Payments (i) the periodic fees and reasonable expenses from time to time of the Trustee and any Paying Agent incurred in administering the Trust Agreement and the Series 2023 Bonds, (ii) any expenses incurred by the Corporation, including but not limited to Administrative Fees and any other fees for legal, financial and accounting services and premiums for directors' and officers' insurance, and (iii) any reasonable expenses, including Administrative Fees and reasonable attorney's

fees, incurred by the Trustee to compel full and punctual performance of this Purchase and Use Agreement in accordance with the terms hereof.

SECTION 4.5. Assignment of Purchase and Use Agreement, Manner of Payment. As security for and the source of payment of the Series 2023 Bonds, pursuant to the Trust Agreement, the Corporation has assigned to the Trustee all of its right, title and interest in and to this Purchase and Use Agreement, except for the right of the Corporation to receive indemnity against claims and payment of its fees and expenses pursuant to Sections 4.2, 4.4 and 5.5 hereof. The County consents and agrees to the assignment of this Purchase and Use Agreement as provided herein. The County covenants to fully perform, in timely fashion, all of its covenants, agreements and obligations under this Purchase and Use Agreement, and to make all payments required by the County under this Purchase and Use Agreement (other than payment for indemnity and fees and expenses of the Corporation) directly to the Trustee, all without set-off, defense or counterclaim by reason of any dispute which the County may have with the Corporation or the Trustee.

SECTION 4.6. Limited and Special Obligation of County. UPON THE OCCURRENCE OF AN EVENT OF NONAPPROPRIATION, THIS PURCHASE AND USE AGREEMENT MAY BE TERMINATED AS OF THE END OF THE LAST FISCAL YEAR WHICH IS NOT AFFECTED BY SUCH EVENT OF NONAPPROPRIATION, AND THE COUNTY SHALL NOT BE OBLIGATED TO MAKE PAYMENT OF THE INSTALLMENT PAYMENTS PROVIDED FOR IN THIS PURCHASE AND USE AGREEMENT BEYOND THE END OF SUCH FISCAL YEAR (EXCEPT AS OTHERWISE PROVIDED HEREIN). If this Purchase and Use Agreement is terminated under this Section 4.6 or as provided in Section 4.7 or Section 2.2, the County agrees to peaceful delivery of that portion of the 2023 Facilities to be retained by the Corporation or its assigns as provided in Section 2.4 hereof.

The obligations of the County to make Installment Payments required under this Article IV and other sections hereof, and to perform and observe the covenants and agreements contained herein, shall be absolute and unconditional in all events, except as expressly provided under this Purchase and Use Agreement. Notwithstanding any dispute involving the County and any of the Corporation, any contractor, subcontractor, or supplier of materials or labor, or any other person, the County shall make all Installment Payments when due and shall not withhold any Installment Payments pending final resolution of such dispute, nor shall the County assert any defense or right of set-off, recoupment, or counterclaim against its obligation to make such payments required under this Purchase and Use Agreement. The County's obligation to make Installment Payments during the term of this Purchase and Use Agreement shall not be abated through accident or unforeseen circumstances. The County agrees not to suspend, reduce, abrogate, diminish, postpone, modify, discontinue, withhold, or abate any portion of the payments required pursuant to this Purchase and Use Agreement by reason of any defects, malfunctions, breakdowns, or infirmities of the 2023 Real Property or the 2023 Facilities, failure of the Corporation to complete the acquisition, construction, or installation of the 2023 Projects, failure of the County to occupy or to use the 2023 Facilities as contemplated in this Purchase and Use Agreement or otherwise, any change or delay in the time of availability of the 2023 Real Property or the 2023 Facilities, any acts or circumstances which may impair or preclude the use or possession of the 2023 Real Property or the 2023 Facilities, any defect in the title, design, operation, merchantability, fitness, or condition of the 2023 Real Property or the 2023 Facilities or in the suitability of the 2023 Facilities for the County's purposes or needs, failure of consideration, the invalidity of any provision of this Purchase and Use Agreement, any acts or circumstances that may constitute an eviction or constructive eviction, destruction of or damage to the 2023 Real Property or the 2023 Facilities, the taking by eminent domain of title to or the use of all or any part of the 2023 Real Property or the 2023 Facilities, commercial frustration of purpose, any change in the tax or other laws of the United States of America or of the State or any political subdivision of either thereof or in the rules or regulations of any governmental authority, or any failure of the

Corporation to perform and observe any agreement, whether express or implied, or any duty, liability, or obligation arising out of or connected with this Purchase and Use Agreement. Nothing contained in this paragraph shall be construed to release the Corporation from the performance of any of the agreements on its part herein contained. In the event the Corporation should fail to perform any such agreement on its part, the County may institute such action against the Corporation as the County may deem necessary to compel performance so long as such action does not abrogate the County's obligations under this Purchase and Use Agreement. The County may, however, at its own cost and expense and in its own name or in the name of the Corporation, prosecute or defend any action or proceeding or take any other action involving third persons which the County deems reasonably necessary in order to secure or protect its right of possession, occupancy, and use under this Purchase and Use Agreement, and in such event the Corporation hereby agrees to cooperate fully with the County and to take all action necessary to effect the substitution of the County for the Corporation in any such action or proceeding if the County shall so request. It is the intention of the parties that the payments required by this Purchase and Use Agreement will be paid in full when due without any delay or diminution whatsoever, SUBJECT ONLY TO THE SPECIAL AND LIMITED NATURE OF THE COUNTY'S OBLIGATION TO PAY INSTALLMENT PAYMENTS HEREUNDER AS SET FORTH ABOVE.

THE OBLIGATIONS OF THE COUNTY UNDER THIS PURCHASE AND USE AGREEMENT SHALL NOT CONSTITUTE A PLEDGE OF THE FULL FAITH, CREDIT OR TAXING POWER OF THE COUNTY WITHIN THE MEANING OF ANY STATE CONSTITUTIONAL OR STATUTORY PROVISION.

SECTION 4.7. Event of Nonappropriation. The County shall promptly notify the Corporation and the Trustee of the occurrence of any Event of Nonappropriation (but in no event later than three business days after the occurrence thereof). Upon the occurrence of an Event of Nonappropriation, the following provisions shall apply:

(a) If the County delivers official, specific written notice to the Corporation and the Trustee that it will not appropriate funds from any Available Source in the next succeeding Fiscal Year for payment of Installment Payments, the Trustee shall immediately give written notice to the County, the Bond Insurer, and the Corporation stating that an Event of Nonappropriation has occurred; but any failure of the Trustee to give such written notice shall not prevent the Trustee from declaring an Event of Nonappropriation or from taking any remedial action which would otherwise be available to the Trustee.

(b) Subject to Article VIII hereof and the provisions of subsections (c) and (d) hereof, this Purchase and Use Agreement will be terminated pursuant to Section 2.2.

(c) Subject to Article VIII hereof and the provisions of subsection (d) hereof, the Corporation, with the prior written consent of at least 25% in principal amount of the Holders, or the Trustee may waive any Event of Nonappropriation which is cured by the County within a reasonable time if the Waiver Period has not expired and in the Trustee's judgment such waiver is in the best interest of the Holders of the Bonds; for the avoidance of doubt, the Trustee shall be entitled to rely upon advice of its counsel or the direction of the Holders of a majority in aggregate principal amount of the Bonds then outstanding.

(d) Subject to Article VIII hereof and notwithstanding the provisions of subsection (c) hereof, the Trustee shall waive any Event of Nonappropriation (but only an Event of Nonappropriation which occurs pursuant to clause (a) of the second paragraph of the definition thereof) which is cured by the County's specifically budgeting and appropriating, prior to expiration of the Waiver Period, moneys sufficient to pay Installment Payments coming due hereunder for such Fiscal Year that may be lawfully used to make such payment.

If an Event of Nonappropriation occurs and is not waived, the County shall not be deemed to be in default under this Purchase and Use Agreement and shall not be obligated to make payment of any future Installment Payments due hereunder or any other payments provided for herein which accrue after the beginning of the Fiscal Year with respect to which there has occurred an Event of Nonappropriation; provided, however, that, subject to the limitations of Section 4.6 hereof and this Section 4.7, the County shall continue to be liable for Installment Payments (a) accrued prior to the beginning of such Fiscal Year and due hereunder, and (b) allocable to any period during which the County shall continue to occupy the Corporation Facilities.

The County, in all events, shall cooperate with the Corporation and the Trustee in making the partition required under Section 2.4 hereof and shall vacate and deliver over to the Trustee the Corporation Facilities by the later of (a) the expiration of the Fiscal Year during which an Event of Nonappropriation occurs if such Event of Nonappropriation occurs by specific written notice thereof or the September 16 following the September 15 on which the County shall fail to enact an ordinance authorizing the issuance of general obligation bonds for the purpose of paying the Installment Payments hereunder or fail to specifically budget and appropriate monies that may be lawfully used therefor or (b) when required by the last paragraph of Section 2.4 hereof.

The Trustee shall, upon the occurrence of an Event of Nonappropriation, be entitled to all moneys then on hand and being held in all funds created under the Trust Agreement for the benefit of the Holders of the Series 2023 Bonds. After the expiration of the Fiscal Year during which an Event of Nonappropriation occurs, if such occurs by notice, or the September 16 following the September 15 on which the County fails to specifically budget and appropriate sufficient moneys to pay, or enact an ordinance authorizing the issuance of general obligation bonds for the purpose of paying, the Installment Payments hereunder, the Trustee may or shall, as the case may be, proceed to exercise its remedies, liquidate its interest in this Purchase and Use Agreement or lease the 2023 Facilities as provided in Section 8.2 of this Purchase and Use Agreement, provided, however, that the 2023 Facilities shall always be operated for a civic or a public purpose as provided in Section 6.10 of the Base Lease. All property, funds and rights acquired by the Trustee by reason of an Event of Nonappropriation as provided herein, less any moneys due and owing to the Trustee for services performed as Trustee, shall be held by the Trustee for the benefit of the Holders of the Bonds as set forth in the Trust Agreement.

Notwithstanding anything in this Purchase and Use Agreement to the contrary, in the event that the Trustee shall receive a payment for the transfer of its interest in this Purchase and Use Agreement, or total rental payments for leasing that are, after the payment of the Corporation's expenses in connection therewith, including attorneys' and other fees and expenses of the Trustee, and all other amounts which are payable hereunder, in excess of the principal amount of the Outstanding Series 2023 Bonds at the time of the Event of Nonappropriation and the interest due and to become due thereon (with amounts so received to be credited first to such interest and then to principal), then such excess shall be paid to the County by the Trustee, its assigns or its lessee.

ARTICLE V
COVENANTS OF THE COUNTY

SECTION 5.1. Maintenance and Operation of 2023 Real Property and 2023 Facilities; Transfers.

(a) Subject to Sections 4.6 and 4.7 herein, the County covenants and represents that during the term of this Purchase and Use Agreement, it shall, at its own cost or expense, operate the 2023 Real Property and the 2023 Facilities in a sound and economical manner, in compliance with all present and future laws and governmental regulations applicable thereto, and maintain, preserve and keep the 2023 Real Property and the 2023 Facilities in good repair, working order and condition, and that it shall from time to time make or cause to be made all necessary and proper repairs and renewals so that at all times the operation of the 2023 Real Property and the 2023 Facilities may be properly and advantageously conducted. This covenant shall not prevent the County from discontinuing operation of the 2023 Real Property and the 2023 Facilities at any time.

(b) Except as otherwise provided in this Section 5.1 and Section 2.1 hereof and the Base Lease, prior to payment of the Series 2023 Bonds in full, the County shall not sell, transfer, lease, sublease or otherwise dispose of all or any portion of the 2023 Real Property and the 2023 Facilities, or its interests under this Purchase and Use Agreement, except to another political subdivision of the State, which assumes in writing all obligations of the County under this Purchase and Use Agreement and shall enter into no such transaction without the written consent of the Trustee.

(c) Notwithstanding any other provision hereof to the contrary, the County may provide for the exchange of any asset comprising the 2023 Facilities, including the portion of the 2023 Real Property related thereto (the “Released Facility”), for another County facility and the real estate on which such facility (the “Exchange Facility”) is located, or the deletion or modification of any Released Facility from the definition of “2023 Facilities” hereunder, if: (i) the County provides the Trustee evidence (including but not limited to an appraisal, certificate of insurance or otherwise) of the respective insured values of the Released Facility and the Exchange Facility, if applicable; (ii) the County certifies to the Trustee that, as applicable, (A) the exchange, deletion or modification is necessary or desirable to the County and the reasons therefor (including but not limited to facilitating the sale or other disposition of the Released Facility, the conversion of its use to another purpose other than use by the County as a public facility or otherwise), (B) after taking into account the deletion, modification or exchange of the Released Facility, the insured value of the 2023 Facilities owned by or allocated to the Corporation shall be in excess of 100% of the outstanding principal amount of the Bonds, (C) the proposed Exchange Facility (if any) has a value equal to or greater than the proposed Released Facility, and (D) the Exchange Facility (if any) is necessary or desirable to the operations of the County and the remaining useful life of such Exchange Facility is not less than the remaining useful life of the Released Facility; and (iii) the Trustee receives an opinion of Bond Counsel to the effect that the proposed exchange, deletion or modification will not adversely affect the federal income tax treatment of interest paid to the Holders of the Series 2023 Bonds. The Corporation and/or the County hereby agrees to provide prompt notice of an exchange of an Exchange Facility for a Released Facility hereunder or the deletion or modification of a Released Facility permitted hereby, to Moody's and S&P, if then rating the Bonds.

(d) Tracts of the 2023 Real Property or portions thereof may be released or substituted from time to time pursuant to the provisions of Section 3.6 of the Base Lease. Upon the release or substitution of any tract of the 2023 Real Property or portion thereof from the Base Lease, such 2023 Real Property shall also be released from or substituted under the provisions of this Purchase and Use Agreement, and Exhibit B shall be amended to reflect such release or substitution. The requirements of subsections (b) and (c)

above shall not apply to the release of any tract of the 2023 Real Property pursuant to the provisions of Section 3.6 of the Base Lease.

(e) The Base Lease may be amended from time to time as provided therein to provide for the lease by the City to the Corporation of any After Acquired Property and Additional Real Property acquired or made available by the City after the date of the Base Lease and this Purchase and Use Agreement. Upon the lease of such After Acquired Property or Additional Real Property by the City to the Corporation pursuant to the Base Lease, Exhibits A and B hereto shall be amended to include such After Acquired Property or Additional Real Property and identify any Permitted Encumbrances related thereto.

SECTION 5.2. Liens on 2023 Real Property and the 2023 Facilities. The County shall not create, incur or suffer to exist any lien, charge or encumbrance on the 2023 Real Property or the 2023 Facilities or its rights under this Purchase and Use Agreement other than any Permitted Encumbrance.

SECTION 5.3. Representations and Covenants Regarding Tax Exempt Status of Series 2023 Bonds.

(a) Neither the Corporation nor the County shall take any action (including but not limited to any use of the 2023 Real Property and the 2023 Facilities or the Ancillary Projects) or permit any action to be taken on its behalf, or cause or permit any circumstance within its control to arise or continue, if such action or circumstance, or its expectation on the date of this Purchase and Use Agreement would cause the interest paid on the Series 2023 Bonds to be includable in the gross income of the recipients thereof for federal income tax purposes.

(b) The County covenants to the Corporation, the Trustee and the Holders of the Series 2023 Bonds that, notwithstanding any other provision of this Purchase and Use Agreement or any other instrument, it will neither make nor cause to be made any investment or other use of the proceeds of the Series 2023 Bonds or amounts on deposit in any of the funds or accounts held under the Trust Agreement or under any other document related to the Series 2023 Bonds which would cause the Series 2023 Bonds to be “arbitrage bonds” under Section 148 of the Code and the regulations thereunder, and that it will comply with the requirements of such Section and regulations throughout the term of the Series 2023 Bonds.

(c) The County shall take all actions necessary on its part to enable compliance with the rebate provisions of Section 148(f) of the Code in order to preserve the federal income tax status of payments of interest with respect to the Series 2023 Bonds. The County shall ensure that the Corporation retains a consultant experienced in the calculation and determination of rebate payments and liability under Section 148(f) of the Code to provide the reports required under the Federal Tax Certificate for the Series 2023 Bonds.

(d) The County will accept title to the 2023 Facilities upon the discharge of the Series 2023 Bonds.

SECTION 5.4. Reports and Opinions; Inspections.

(a) The County shall permit the Corporation and the Trustee to examine, visit and inspect, at any reasonable time, the 2023 Real Property and the 2023 Facilities, and any accounts, books and records, including its receipts, disbursements, contracts, investments and any other matters relating thereto and to its financial standing, and to supply such reports and information as the Trustee may reasonably request.

(b) The Corporation shall give the Trustee prompt notice of any failure of the County to make the payments required to be made pursuant to Section 4.1(b) when due.

SECTION 5.5. Immunity of Corporation and Trustee. In the exercise of the powers of the Corporation and the Trustee and their members, directors, officers, employees and agents under the Trust Agreement or this Purchase and Use Agreement including (without limiting the foregoing) the application of moneys and the investment of funds, neither the Corporation nor the Trustee shall be accountable to the County for any action taken or omitted with respect to the 2023 Facilities or the Ancillary Projects or this Purchase and Use Agreement by either of them or their members, directors, officers, employees and agents in good faith and believed by it or them to be authorized or within the discretion or rights or powers conferred under this Purchase and Use Agreement. The Corporation and the Trustee and their members, officers, employees and agents shall be protected in its or their acting upon any paper or documents believed by it or them to be genuine, and it or they may conclusively rely upon the advice of counsel and may (but need not) require further evidence of any fact or matter before taking any action. No recourse shall be had by the County for any claims based on the Trust Agreement or this Purchase and Use Agreement against any member, director, officer, employee or agent of the Corporation or the Trustee alleging personal liability on the part of such person. To the extent permitted by law, the County shall defend the Corporation and any of its members, directors, officers, employees or agents and save them harmless against any liability, including expenses and legal or other fees, intended to be precluded by this Section 5.5 resulting from acts or omissions of the County or from acts or omissions of the Corporation or any of their members, directors, officers, employees or agents in connection with any acts taken pursuant to this Purchase and Use Agreement, except for fraud, deceit, or acts taken in bad faith or which are negligent.

SECTION 5.6. Compliance with Laws. With respect to the 2023 Real Property and the 2023 Facilities and any additions, alterations, or improvements thereto, the County will at all times comply with all applicable requirements of federal and state laws and with all applicable lawful requirements of any agency, board, or commission created under the laws of the State or of any other duly constituted public authority; provided, however, that the County shall be deemed in compliance with this Section 5.6 so long as it is contesting in good faith any such requirement by appropriate legal proceedings.

SECTION 5.7. [Reserved].

SECTION 5.8. Filing of Budget with Trustee. During the term of this Purchase and Use Agreement, the County shall file with the Trustee, within 15 days after the beginning of each Fiscal Year, a copy of the annual budget of the County for that Fiscal Year.

SECTION 5.9. Alterations of the 2023 Real Property and the 2023 Facilities; Removals. The County, in its discretion and at its expense, may remodel or make such additions, modifications and improvements to the 2023 Facilities as it may deem to be desirable; provided, that no such additions, modifications or improvements shall adversely affect the structural integrity or strength of, or materially interfere with the use and operations of, the 2023 Real Property and the 2023 Facilities.

In this connection, the County may remove any items of personal property constituting a part of the 2023 Facilities financed by a source of funds other than Bond Proceeds, provided that such removal of the personal property shall not materially diminish the value of the 2023 Facilities.

In the case of any removal as provided above or any removal of County property not constituting 2023 Facilities, the County shall repair any damage resulting from such removal.

SECTION 5.10. Continuing Disclosure. The County covenants to provide the information required by Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended ("15c2-12"), as an Obligated Person (as defined in 15c2-12) in compliance with the provisions of the Continuing Disclosure Certificate attached hereto as Exhibit F (the "Disclosure Undertaking"). In the event of a

failure by the County or any dissemination agent appointed thereby to comply with any provisions of the Disclosure Undertaking, the rights of the Holders of the 2023 Bonds to enforce the provisions of the Disclosure Undertaking shall be limited solely to a right, by action in mandamus or specific performance, to compel performance of the parties' obligations under the Disclosure Undertaking.

Any failure by a party to perform in accordance with the Disclosure Undertaking shall not constitute a default on the Series 2023 Bonds or under any other document relating to the Series 2023 Bonds, and all rights and remedies shall be limited to those expressly stated in the Disclosure Undertaking.

The County hereby covenants, so long as required pursuant to Section 11-1-85 of the South Carolina Code, to file with a central repository for availability in the secondary bond market an annual independent audit within 30 days of its receipt and event-specific information within 30 days of an event adversely affecting more than five percent of tax revenues or the County's tax base.

ARTICLE VI INSURANCE

SECTION 6.1. Types of Insurance and Coverage Requirements.

(a) During the term hereof, the County shall maintain all-risk fire, extended coverage, vandalism, and malicious mischief insurance on the 2023 Real Property and the 2023 Facilities with such deductible provisions as are consistent with similar insurance obtained by the County with respect to other property owned by it. Such insurance shall (1) name the Corporation, the County and the Trustee as loss payees or additional insureds, as their interests may appear, be maintained for the term of this Purchase and Use Agreement; and (2) be in an amount at least equal to the replacement value of the 2023 Real Property and the 2023 Facilities.

(b) The County shall, to the extent required by law or good business practice, maintain for the term of this Purchase and Use Agreement, general liability insurance, worker's compensation insurance, disability insurance, and any other form of insurance, covering loss resulting from injury, sickness, disability or death of employees in amounts at least equal to those carried by institutions of similar size and nature.

(c) The County shall maintain, for the term of this Purchase and Use Agreement, general liability insurance against loss or losses from liabilities imposed by law or assumed in any written contract and arising from the death or bodily injury of persons or damage to the property of others caused by accident or occurrence (including contractual liability endorsement), with limits of not less than \$800,000 per occurrence and not less than \$1,000,000 in the aggregate for claims made in any one year on account of injury of any one person, and \$250,000 for property damage per occurrence with an aggregate property damage limitation of not less than \$500,000, excluding liability imposed upon the County by any applicable worker's compensation law. Such insurance shall name the Corporation, the County and the Trustee as additional insureds or loss payees, as their interests may appear.

(d) All policies of insurance required hereunder shall be written by the South Carolina Association of Counties Insurance Trust, the South Carolina Insurance Reserve Fund or any governmental or quasi-governmental entity that provides insurance coverage for political subdivisions (or any of their successors), or any companies rated not lower than "A" by A. M. Best Company or in one of the two highest rating categories by S&P or Moody's, in each case qualified to do business in the State and each policy shall provide at least 30 days prior written notice to the Corporation and the Trustee before such policy is canceled. The County may provide any part or all of the insurance required hereby under the terms of a policy insuring other facilities or risks or any "blanket" policy. The County covenants that it

will take all action, or cause the same to be taken, which may be necessary to enable recovery under the aforesaid insurance policies.

(e) All policies of insurance required hereby shall be open to inspection by the Corporation and the Trustee at all reasonable times. Certificates of insurance describing such policies shall be furnished by the County to the Corporation and the Trustee when such policies are required to be obtained by this Section 6.1 and at least 10 days prior to the expiration of each of such policies. The County shall certify that it is in compliance with the provisions hereof at or prior to the execution and delivery of this Purchase and Use Agreement. If any change shall be made in such insurance as to either amount or type of coverage, a description and notice of such change shall be furnished immediately to the Corporation and the Trustee by the County or it shall cause the same to be so furnished. In the event that the County fails to maintain any insurance as provided in this Section, the Trustee may, upon such notice to the County as is reasonable under the circumstances, procure and maintain such insurance at the expense of the County (reimbursable as provided hereinbefore), but the Trustee shall not be under an obligation to do so.

SECTION 6.2. Self-Insurance Approval. If, at the time of execution of this Purchase and Use Agreement, the County self-insures or at any time hereafter desires to self-insure to the extent permitted by law, the entry into such self-insurance program shall require the written approval of the Corporation.

ARTICLE VII DAMAGE, DESTRUCTION AND CONDEMNATION; USE OF NET PROCEEDS

SECTION 7.1. Damage, Destruction and Condemnation. If, during the term of this Purchase and Use Agreement, (i) the 2023 Facilities, the Ancillary Projects or any portion thereof shall be destroyed (in whole or in part), or be damaged by fire or other casualty, or (ii) title to, or the temporary or permanent use of, the 2023 Real Property, the 2023 Facilities, the Ancillary Projects or any portion thereof or the estate of the County or the Corporation in the 2023 Real Property, the 2023 Facilities, the Ancillary Projects or any portion thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, or (iii) a material defect in construction or installation of the 2023 Facilities, the Ancillary Projects or any portion thereof shall become apparent, or (iv) title to or the use of all or any portion of the 2023 Real Property, the 2023 Facilities or the Ancillary Projects shall be lost by reason of a defect in title thereto, then the County shall be obligated, subject to the option provided in Section 7.3 hereof and the provisions of Sections 4.6 and 4.7 hereof, to continue to pay the amounts specified as Installment Payments under this Purchase and Use Agreement.

SECTION 7.2. Obligation to Repair or Replace the 2023 Facilities and the Ancillary Projects. Subject to the provisions of Section 7.3 hereof, the County, the Corporation and the Trustee shall cause the Net Proceeds of any insurance policies, performance bonds or condemnation awards made available by reason of any occurrence described in Section 7.1 hereof, to be deposited as provided in Sections 3.5, 3.7 or 3.8, as the case may be, hereof prior to the Completion Date or, after the Completion Date, in a separate trust fund designated as the "Net Proceeds Fund" which the Trustee is hereby directed to establish in such event. Except as set forth in Section 7.3 hereof, all Net Proceeds so deposited shall be applied to the prompt repair, restoration, modification, improvement or replacement of the 2023 Real Property, the 2023 Facilities, the Ancillary Projects by the County upon receipt of requisitions by the Trustee signed by an authorized official of the County stating with respect to each payment to be made: (i) the requisition number; (ii) the name and address of the person, firm or corporation to whom payment is due; (iii) the amount to be paid; and (iv) that each obligation mentioned therein has been properly incurred, is properly payable from the Net Proceeds held in the separate trust fund and has not been the

basis of any previous withdrawal and specifying in reasonable detail the nature of the obligation, accompanied by a bill or a statement of account for such obligation. In carrying out any of the provisions of this Section 7.2, the County shall have all power and authority granted under Article III of this Purchase and Use Agreement; and the Trustee shall cooperate with the County in the administration of such fund and shall not unreasonably withhold its approval of requisitions required by this Section 7.2. The balance of any such Net Proceeds remaining after such repair, restoration, modification, improvement or replacement has been completed shall be applied to any lawful and authorized purpose of the County as directed in writing by the County. Any repair, restoration, modification, improvement or replacement paid for in whole or in part out of such Net Proceeds shall be included as part of the 2023 Facilities or the Ancillary Projects under this Purchase and Use Agreement and the Trust Agreement.

If the Net Proceeds (plus any amounts withheld from such Net Proceeds by reason of any deductible clause) shall be insufficient to pay in full the cost of any repair, restoration, modification, improvement or replacement of the 2023 Real Property, the 2023 Facilities or the Ancillary Projects referred to above, the County shall be responsible, subject to the option contained in Section 7.3 hereof, for the completion of the work and the payment of any cost in excess of the amount of the Net Proceeds. In this connection, the County agrees that, if by reason of any such insufficiency of the Net Proceeds, the County shall make any payments pursuant to the provisions of this paragraph, the County shall not be entitled to any reimbursement therefor from the Trustee or the Holders of the Series 2023 Bonds, nor shall the County be entitled to any diminution of any Installment Payments payable under this Purchase and Use Agreement.

SECTION 7.3. Discharge of Obligation to Repair or Replace the 2023 Real Property, the 2023 Facilities and the Ancillary Projects. If, as a result of the occurrence of an event described in Section 7.1 hereof, (a) any part of the 2023 Real Property, the 2023 Facilities or the Ancillary Projects is totally destroyed or is damaged to such an extent that the rebuilding or repairing of such part of the 2023 Facilities or Ancillary Projects (as applicable) would be impracticable, (b) there is discovered a material defect in the construction of the 2023 Facilities, the Ancillary Projects or any portion thereof that renders the 2023 Real Property, the 2023 Facilities, the Ancillary Projects or such portion unusable by the County for its intended purposes, (c) all or substantially all of the 2023 Real Property, the 2023 Facilities or the Ancillary Projects is taken by eminent domain or (d) the County is deprived of the use of any part of the 2023 Real Property, the 2023 Facilities or the Ancillary Projects by reason of a defect in title thereto, the County may elect to apply the Net Proceeds of applicable insurance policies, performance bonds or condemnation awards as a prepayment of Installment Payments and the discharge of its obligations with respect to Sections 7.1 and 7.2 hereof. Such an election may be made by written notice to the Corporation and the Trustee within 90 days of the occurrence of an event described in (a) through (d) above. Upon any such prepayment, the amount thereof shall be applied to redeem Series 2023 Bonds at the earliest practicable date pursuant to Section 4.1(b)(1) of the Trust Agreement, the Purchase Price shall be recalculated to take account of such prepayment, title to the affected part of the 2023 Real Property or the 2023 Facilities (if applicable) shall be deemed transferred to the County and in the event of any future partition under Section 2.4 hereof, such affected part of the 2023 Facilities (if applicable) shall be automatically assigned to the County. If at any time the amount to be applied as a prepayment hereunder shall exceed the redemption price of the Series 2023 Bonds, the Series 2023 Bonds shall be redeemed, title to all the 2023 Facilities shall be transferred to the County and any amounts not required for the redemption of the Series 2023 Bonds and payment of other expenses and amounts under the Trust Agreement shall be paid to the County.

SECTION 7.4. Cooperation of the Parties. The Corporation, the County and the Trustee shall cooperate fully with each other in filing any proof of loss with respect to any insurance policy or performance bond covering the events described in Section 7.1 of this Purchase and Use Agreement, in making the Net Proceeds available in accordance with Section 7.2 or 7.3 hereof and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the 2023 Real Property,

the 2023 Facilities, the Ancillary Projects or any portion thereof and in the enforcement of all warranties relating to the 2023 Real Property, the 2023 Facilities or the Ancillary Projects. The Corporation hereby designates the County as its agent for the purpose of making collections under such policies, such amounts to be held in trust and applied in accordance herewith. In no event shall the Corporation voluntarily settle, or consent to the settlement of, any proceeding arising out of any insurance claim, performance or payment bond claim, prospective or pending condemnation proceeding with respect to the 2023 Real Property, the 2023 Facilities or any portion thereof without the written consent of the County and the Trustee.

ARTICLE VIII DEFAULTS AND REMEDIES

SECTION 8.1. Events of Default. Each of the following events is hereby defined as, and declared to be and shall constitute, an “Event of Default”:

(a) failure by the County to make any payment required to be made pursuant to Section 4.1(b) hereof within five (5) days after the same is due (provided, however, that an Event of Nonappropriation shall not result in an Event of Default under this provision); or

(b) failure by the County to timely comply with the provisions of Section 2.4 hereof relating to partition and vacating of 2023 Facilities at the times required; or

(c) failure by the County to make any payment required to be made pursuant to Section 4.1(c), 4.2 or 4.4 hereof or under the provisions of the Base Lease within 10 days after the same is due; or

(d) failure by the County to observe and perform any other covenant, condition or agreement on its part to be observed or performed under this Purchase and Use Agreement for a period of 30 days after written notice specifying such failure and requesting that it be remedied is given to the County by the Trustee; or

(e) if any of the representations and warranties of the County hereunder shall prove to be false or misleading in any material respect as of the date such representations and warranties were made; or

(f) the failure by the County promptly to stay or lift any execution, garnishment or attachment of such consequence as will, in the reasonable judgment of the Trustee, materially impair its ability to carry out its obligations under this Purchase and Use Agreement (provided that the County shall not be in default so long as it is diligently prosecuting a bona fide appeal from any such execution, garnishment or attachment); or

(g) if the County shall (i) apply for or consent to the appointment of a receiver, trustee, or the like of the County or of property of the County, or (ii) admit in writing the inability of the County to pay its debts generally as they become due, or (iii) make a general assignment for the benefit of creditors, or (iv) be adjudicated a bankrupt or insolvent, or (v) commence a voluntary case under the United States Bankruptcy Code or file a voluntary petition seeking reorganization, an arrangement with creditors or an order for relief or seeking to take advantage of any insolvency law or (vi) fail to controvert in a timely or appropriate manner, or acquiesce in writing to, any petition filed against it in an involuntary case under the United States Bankruptcy Code.

The foregoing provisions of this Section 8.1 are subject to the following provision: If, by reason of Force Majeure, the County shall be unable in whole or in part to carry out any agreement on its part herein contained, other than the obligations on the part of the County contained in Articles IV and VI of

this Purchase and Use Agreement, the County shall not be deemed in default during the continuance of such inability. The County agrees, however, to remedy, as promptly as legally and reasonably possible, the cause or causes preventing the County from carrying out its agreement, provided that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the County.

SECTION 8.2. Remedies. Whenever any Event of Default referred to in Section 8.1 of this Purchase and Use Agreement shall have happened and be continuing, the Corporation (with written notice promptly given to the Trustee) and the Trustee may terminate the term of this Purchase and Use Agreement and shall give notice to the County to vacate the Corporation Facilities within 31 days from the date of such notice. Whenever an Event of Nonappropriation shall be deemed to occur, the term of this Purchase and Use Agreement shall terminate pursuant to Section 2.2(a) and the County shall vacate and deliver over to the Trustee possession of the Corporation Facilities by the time specified in the third paragraph of Section 4.7 hereof.

Subject to the terms of the Base Lease, the Trustee may also (i) take whatever action at law or in equity which may appear necessary or desirable to enforce its rights in and to the 2023 Real Property and the 2023 Facilities under this Purchase and Use Agreement, the Security Documents and the Trust Agreement, subject, however, to the limitations set forth herein, and (ii) exercise all the rights and remedies of a secured party under the South Carolina Uniform Commercial Code.

In addition, the Trustee may, or at the direction of the Holders of the majority in aggregate principal amount of the Outstanding Bonds shall, without any further demand or notice, and subject to the terms of the Base Lease, including without limitation, the provisions in Section 4.1 of the Base Lease which provide that the Corporation Facilities shall always be operated for a civic or public purpose, take one or both of the following additional remedial steps:

- (i) The Trustee may liquidate its interest in this Purchase and Use Agreement or sell or assign its interest in the Base Lease; or
- (ii) The Trustee may relet or assign its rights to the Corporation Facilities under such terms and conditions as it deems appropriate for the benefit of the Holders of the Bonds.

Notwithstanding anything in this Purchase and Use Agreement to the contrary, (1) in the event of a termination of the County's interest in any portion of the 2023 Facilities and subsequent thereto the Trustee shall receive a payment for the transfer of its interest in this Purchase and Use Agreement or total rental payments for leasing that are, after the payment of the Corporation's expenses in connection therewith, including fees and expenses of the Trustee, in excess of the principal amount of the Outstanding Bonds at the time of the Event of Default or Event of Nonappropriation and the interest due and to become due thereon (with amounts so received to be credited first to such interest and then to principal), then such excess shall be paid to the County by the Trustee, its assigns or its lessee and (2) the Trustee shall not be permitted to sell, lease or otherwise dispose of any interest in the Corporation Facilities following an Event of Nonappropriation until the Waiver Period has expired, unless such action is expressly subject to the rights of the Corporation, Trustee or the County, as the case may be, to waive such Event of Nonappropriation.

SECTION 8.3. Limitations on Remedies. A judgment requiring a payment of money may be entered against the County by reason of an Event of Default or Event of Nonappropriation only as to the County's liabilities described in Section 10.1 of this Purchase and Use Agreement.

SECTION 8.4. Cumulative Rights. No remedy conferred upon or reserved to the Corporation or the Trustee by this Purchase and Use Agreement is intended to be exclusive of any other available

remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Purchase and Use Agreement or now or hereafter existing at law or in equity or by statute. No waiver by the Corporation or the Trustee of any breach by the County of any of its obligations, agreements or covenants hereunder shall be deemed a waiver of any subsequent breach, or a waiver of any other obligation, agreement or covenant, and no delay or failure by the Corporation or the Trustee to exercise any right or power shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised by the Corporation or the Trustee from time to time and as often as may be deemed expedient.

SECTION 8.5. Discontinuance of Proceedings. In case the Corporation or the Trustee shall have proceeded to enforce any right under this Purchase and Use Agreement and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Corporation or the Trustee, then and in every such case the County, the Corporation and the Trustee shall be restored respectively to their several positions and rights hereunder and all rights, remedies and powers of the County, the Corporation and the Trustee shall continue as though no such proceeding had been taken.

ARTICLE IX CONVEYANCE OF THE 2023 FACILITIES

SECTION 9.1. Optional Purchase of the 2023 Facilities.

(a) Purchase in Full. The County is hereby granted the option to terminate this Purchase and Use Agreement and to purchase the Corporation's interest in the 2023 Facilities not theretofore acquired by the County at any time upon payment by the County of the then applicable Purchase Option Price; provided, however, that no such termination shall relieve the County from its obligation to pay Administrative Expenses as provided in Section 4.4 hereof until the Series 2023 Bonds have been fully discharged and the Trust Agreement terminated. The County shall notify the Corporation and the Trustee of its intention to exercise this option, on or before the 45th day preceding the date of such purchase or such later date as may be acceptable to the Trustee, but in no event later than the 30th day preceding the date of such purchase, and shall provide funds for such prepayment or such other assurance thereof as may be acceptable to the Trustee. Upon the payment of the Purchase Option Price, the Corporation shall transfer and convey all its remaining interest in the 2023 Facilities to the County in the manner provided in Section 9.2 hereof.

(b) Partial Prepayment of Installment Payments and Purchase. From and after December 1, _____, the County is also granted the option to prepay Installment Payments on the due date of any Base Payments hereunder for the purpose of having such prepayments credited towards the purchase price of the 2023 Facilities. The County shall notify the Corporation and the Trustee of its intention to exercise this option, on or before the 45th day preceding the date of such prepayment or such later date as may be acceptable to the Trustee, but in no event later than the 30th day preceding the date of such prepayment, and shall provide funds for such prepayment or such other assurance thereof as may be acceptable to the Trustee.

SECTION 9.2. Manner of Conveyance. (a) Complete Conveyance. At the closing of any purchase or other conveyance of all of the 2023 Facilities pursuant to Section 9.1 of this Purchase and Use Agreement, or at the conclusion of the term hereof by the payment of all amounts due hereunder, the Corporation and the Trustee shall execute and deliver to the County all necessary documents assigning, transferring and conveying all interest to the 2023 Facilities by an instrument terminating the Base Lease and this Purchase and Use Agreement and quit claim or special warranty deed, as the case may be, in the form as mutually agreed to by the Trustee, the Corporation and the County, subject to the following:

(i) Permitted Encumbrances, other than this Purchase and Use Agreement and the Trust Agreement;

(ii) all liens, encumbrances and restrictions created or suffered to exist by the Corporation and the Trustee as required or permitted by this Purchase and Use Agreement or the Trust Agreement or arising as a result of any action taken or permitted to be taken by the Corporation or the Trustee as required or permitted by this Purchase and Use Agreement or the Trust Agreement; and

(iii) any lien or encumbrance created by action or inaction of or consented to by the County.

(b) Partial Conveyance Resulting from Partition. Upon any conveyance under Section 2.4 hereof, the Corporation and the Trustee shall execute and deliver to the County all necessary documents assigning, transferring and conveying all interest in the County Facilities by an instrument terminating the Base Lease and this Purchase and Use Agreement with respect to the County Facilities and quit claim or special warranty deed, as the case may be, in the form as mutually agreed to by the Trustee, the Corporation and the County, subject to the following:

(i) Permitted Encumbrances, other than this Purchase and Use Agreement and the Trust Agreement;

(ii) all liens, encumbrances and restrictions created or suffered to exist by the Corporation and the Trustee as required or permitted by this Purchase and Use Agreement or the Trust Agreement or arising as a result of any action taken or permitted to be taken by the Corporation or the Trustee as required or permitted by this Purchase and Use Agreement or the Trust Agreement; and

(iii) any lien or encumbrance created by action or inaction of or consented to by the County.

Neither the Trustee nor the Corporation shall be responsible for the recordation of any deed or other instrument for such purposes.

(c) Partial Conveyance Resulting from Prepayment. Any conveyance resulting from a partial prepayment under Section 9.1(b) hereof shall be made in the manner as all other conveyances with respect to payments on each Bond Payment Date

ARTICLE X MISCELLANEOUS

SECTION 10.1. Limitation of Liability of the Corporation and the County. Notwithstanding any other provision of this Purchase and Use Agreement, in the event of any default by either the Corporation or the County hereunder or under the Trust Agreement, any liability of the Corporation or the County shall be enforceable only out of its respective interest in the Base Lease and under this Purchase and Use Agreement and the moneys to be paid by the County through the later of the end of the Fiscal Year as to which Base Payments have been appropriated for or the conclusion of any holdover term as provided in Section 2.3 hereof, and there shall be no recourse for any claim based on this Purchase and Use Agreement, the Trust Agreement or the Bonds, against any other property of the Corporation or the County or against any officer or employee, past, present or future, of the Corporation or the County or any successor body as such, either directly or through the Corporation or the County or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or otherwise, and the liability of the Corporation and the County shall be limited to its interests in the Base Lease and interests under this Purchase and Use Agreement and the moneys to be paid by the County hereunder through the later of the end of the Fiscal Year as to which Base Payments

have been appropriated therefor or the conclusion of any holdover term as provided in Section 2.3 hereof, and the lien of any judgment shall be restricted thereto, and there shall be no other recourse by the County against the Corporation or the Corporation against the County or any of the property now or hereafter owned by it or either of them.

SECTION 10.2. Surrender of Possession Upon Termination. Upon termination hereof or upon termination of all rights of the County hereunder, either by reason of an Event of Default or an Event of Nonappropriation, the County covenants that it will deliver up or cause to be delivered up peaceable possession of such of the 2023 Facilities as are determined under Section 2.4 hereof to be Corporation Facilities together with the related portion of the 2023 Real Property without delay, upon demand made by the Corporation or the Trustee, in good repair and operating condition, excepting reasonable wear and tear and damage, injury or destruction by fire or other casualty which, under the terms hereof, shall not have been repaired, reconstructed or replaced.

SECTION 10.3. Notices. Notices hereunder shall be given to the addresses shown below or to such other address as shall be filed in writing with the parties hereto as follows:

If to the County:

Lancaster County, South Carolina
Attn: County Administrator
Post Office Box 1809
Lancaster, South Carolina 29721-1809

If to the Corporation:

Lancaster County Public Facilities Corporation
Post Office Box 7391
Columbia, South Carolina 29202
(with copy to the County as described above)

If to the Trustee:

Regions Bank
1180 W. Peachtree Street, Suite 1200
Atlanta GA 30309
Attention: Corporate Trust Services

Duplicate copies of each notice, request, complaint, demand or other instrument or document given hereunder by the Corporation, the County or the Trustee to one or more of the others also shall be given to the others. The foregoing parties may designate, by notice given hereunder, any further or different addresses to which any subsequent notice, request, complaint, demand or other instrument or document shall be sent.

SECTION 10.4. Assignments. Except as expressly provided in the Trust Agreement, this Purchase and Use Agreement may not be assigned by either of the parties hereto without the written consent of the other party hereto and the written consent of the Trustee. Except as provided in Section 8.2 hereof and the provisions of Articles VI and VII of the Trust Agreement, the Trustee shall not be permitted to further assign its interest in this Purchase and Use Agreement. Any assignment in contravention hereof shall be void.

SECTION 10.5. Severability. In case any provision of this Purchase and Use Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, by any court or administrative body of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision

hereof and this Purchase and Use Agreement shall be construed as if such provision had never been contained herein.

SECTION 10.6. Amendments. The County and the Corporation may, with the prior consent of the Trustee pursuant to Section 11.1 of the Trust Agreement, but without the consent of the Holders of any Bonds, enter into any amendments hereto at any time for any of the following purposes:

- (a) To cure any ambiguity, defect or omission herein or in any amendment hereto; or
- (b) To grant to or confer upon the Corporation any additional rights, remedies, powers, authority or security that lawfully may be granted to or conferred upon it; or
- (c) To add to the covenants and agreements of the County herein contained, or to surrender any right or power herein reserved to or conferred upon the County; or
- (d) To increase the Base Payments hereunder to enable the County to proceed to acquire and install additional assets in addition to the 2023 Facilities or modify the Base Payments hereunder in connection with the issuance of Additional Bonds under the Trust Agreement or the redemption, refunding or defeasance of a series of Bonds; or
- (e) To reflect a change in applicable law; or
- (f) To make any amendments required by Moody's or Standard and Poor's as a condition to rating the Bonds.

The County and the Corporation may, with notice to but without the prior consent of the Trustee, and without the consent of the Holder of any Bond, enter into any amendments hereto at any time and from time to time (i) to add additional property (including Additional Real Property) to the description of the 2023 Real Property described in Exhibit B hereto, consistent with amendments made pursuant to Section 3.1 of the Base Lease, (ii) under the conditions specified in Section 5.1(c) hereof, to add, delete or modify 2023 Real Property in connection with a release or substitution (as applicable) of other 2023 Real Property, (iii) to release property from the description of the 2023 Real Property described in Exhibit B hereto, consistent with a termination of the Base Lease pursuant to Section 3.6 of the Base Lease, or (iv) to revise the description of Permitted Encumbrances specified in Exhibit C hereto in connection with any of the foregoing amendments.

Notwithstanding anything herein to be the contrary, the parties hereto may execute such amendment or supplement to this Purchase and Use Agreement as may be necessary or desirable (with the advice of Bond Counsel) to correct the legal description of the 2023 Real Property or Permitted Encumbrances applicable thereto in connection with such an amendment to the Base Lease and cause such supplement or a short form and summary thereof to be recorded in appropriate official records.

All other amendments must be approved, if and to the extent required by the Trust Agreement, by the Trustee and the Holders of the Bonds.

SECTION 10.7. Successors and Assigns. All covenants, promises and agreements contained in this Purchase and Use Agreement by or on behalf of or for the benefit of the County or the Corporation, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

SECTION 10.8. Applicable Law. This Purchase and Use Agreement shall be governed by, and interpreted under, the laws of the State of South Carolina.

SECTION 10.9. Recordation. At the option of the Corporation this Purchase and Use Agreement or a short form and summary hereof may be recorded in appropriate official records.

WITNESS the due execution of this Purchase and Use Agreement effective as of the day and the year first mentioned above.

(SEAL)

LANCASTER COUNTY,
SOUTH CAROLINA

WITNESSES:

By: _____
Chairman, County Council

Attest: _____
Clerk to Council

(SEAL)

LANCASTER COUNTY PUBLIC FACILITIES
CORPORATION

WITNESSES:

By: _____
President

Attest: _____
Secretary/Treasurer

STATE OF SOUTH CAROLINA)
)
COUNTY OF LANCASTER) PROBATE

PERSONALLY appeared before me the undersigned witness, who, on oath says that (s)he saw Lancaster County, South Carolina, by its duly authorized officer, sign, seal and as its act and deed, deliver the foregoing Installment Purchase and Use Agreement and that (s)he together with the other witness subscribed above, witnessed the execution thereof.

Witness

SWORN TO AND SUBSCRIBED BEFORE ME
this ____ day of _____, 2023

Printed Name: _____
Notary Public for South Carolina
My Commission Expires: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF LANCASTER) PROBATE

PERSONALLY appeared before me the undersigned witness, who, on oath says that (s)he saw Lancaster County Public Facilities Corporation by its duly authorized officer, sign, seal and as its act and deed, deliver the foregoing Installment Purchase and Use Agreement, and that (s)he together with the other witness subscribed above, witnessed the execution thereof.

Witness

SWORN TO AND SUBSCRIBED BEFORE ME
this ____ day of _____, 2023

Printed Name: _____
Notary Public for South Carolina
My Commission Expires: _____

EXHIBIT A

DESCRIPTION OF THE 2023 PROJECTS AND THE ANCILLARY PROJECTS

The proceeds of the Series 2023 Bonds are expected to be applied to defray the costs of the following projects:

<u>2023 Projects</u>	<u>Cost</u>
Construction of Detention Center	
Construction of Regional Park	
<u>Ancillary Projects</u>	<u>Cost</u>
Acquisition of Land Adjacent to Regional Park	

Note: All construction amounts are estimated. To the extent less than all of the \$_____ initial payment of Base Lease Rent is expended on the Ancillary Projects, the remaining amounts may be used to finance a portion of the 2023 Projects, pursuant to the procedures set forth in Section 5.3(d) of the Trust Agreement.

EXHIBIT B

LEGAL DESCRIPTION OF THE 2023 REAL PROPERTY

All those pieces, parcels or lots of land excluding all improvements located or to be located thereon and being more particularly described as follows:

[To be provided]

EXHIBIT B-1

CONVEYED IMPROVEMENTS

All existing improvements located on the 2023 Real Property.

EXHIBIT C
PERMITTED ENCUMBRANCES

[To be provided]

EXHIBIT D

BASE PAYMENTS SCHEDULE

Year

May 16

November 15

EXHIBIT E

VALUATION OF 2023 FACILITIES*

<u>Name of Facility</u>			<u>Assigned Value as of Date of Execution and Delivery of Agreement*</u>		
New Detention Center					
New Regional Park					
<u>Payment Date</u>	<u>Base Payments Allocated to Purchase Price</u>	<u>Percentage of 2023 Facilities Purchased*</u>	<u>Payment Date</u>	<u>Base Payments Allocated to Purchase Price</u>	<u>Percentage of 2023 Facilities Purchased*</u>

* Assuming completion of 2023 Projects as of date of execution and delivery of this Agreement. After the Completion Date, the assigned values of the 2023 Facilities and the percentages thereof being purchased shall be recalculated based upon final construction costs of the 2023 Facilities.

EXHIBIT F

FORM OF TRUST AGREEMENT

between

LANCASTER COUNTY PUBLIC FACILITIES CORPORATION

and

**REGIONS BANK,
as Trustee**

**\$ _____
Lancaster County Public Facilities Corporation
Installment Purchase Revenue Bonds
(Lancaster County Project) Series 2023**

Dated _____, 2023

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(This Index is not a part of the Trust Agreement but rather is for convenience of reference only)

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TRUST AGREEMENT

This TRUST AGREEMENT dated _____, 2023 (the "Trust Agreement") is made by and between LANCASTER COUNTY PUBLIC FACILITIES CORPORATION (the "Corporation"), a nonprofit corporation organized and existing under the laws of the State of South Carolina, with its principal place of business located in Lancaster, South Carolina, and REGIONS BANK, as trustee (the "Trustee"), a national banking association duly organized and validly existing under the laws of the United States, with a corporate trust office located in Atlanta, Georgia.

WITNESSETH:

WHEREAS, Lancaster County, South Carolina (the "County") is simultaneously herewith entering into a Base Lease and Conveyance Agreement dated of even date herewith (the "Base Lease") with the Corporation, pursuant to which it has leased and will lease certain real property as more particularly described in Exhibit A attached to the Base Lease, as such Exhibit A may be amended from time to time (the "2023 Real Property"), and has conveyed or will convey the Conveyed Improvements (as defined in the Base Lease) described on Exhibit B attached to the Base Lease, to the Corporation; and

WHEREAS, the Corporation is simultaneously herewith entering into an Installment Purchase and Use Agreement dated of even date herewith (the "Purchase and Use Agreement") with the County pursuant to which (1) the Corporation has agreed to make certain improvements comprising the 2023 Projects (as defined herein), which 2023 Projects will be located on the 2023 Real Property (the 2023 Projects are hereinafter included in the definition of 2023 Facilities as defined in the Purchase and Use Agreement), and (2) the County has agreed to purchase the 2023 Facilities from the Corporation under the provisions of the Purchase and Use Agreement in consideration for which the County will be entitled to occupy the 2023 Facilities pending completion of the payment therefor; and

WHEREAS, the Corporation has agreed to pay the County the Base Lease Rent (as defined in the Base Lease) which is expected to be used to acquire or construct all or a portion of the Ancillary Projects (as defined herein), which Ancillary Projects will not be located on the 2023 Real Property and will not be subject to either the Base Lease or the Purchase and Use Agreement; and

WHEREAS, in order to defray the costs of the 2023 Projects and to pay the Base Lease Rent, the Corporation will issue \$_____ of its Installment Purchase Revenue Bonds (Lancaster County Project) Series 2023, dated of even date herewith (the "Series 2023 Bonds"), pursuant to the terms of this Trust Agreement; and

WHEREAS, the Corporation desires to enter into this Trust Agreement in order to issue the Series 2023 Bonds and prescribe the terms and conditions thereof and the security therefor and to provide for the issuance of one or more series of Additional Bonds (the "Additional Bonds" and, together with the Series 2023 Bonds, the "Bonds") to be secured under the terms hereof on a parity with the Series 2023 Bonds; and

WHEREAS, the Bonds are and will be secured by this Trust Agreement, and the Corporation and the Trustee are each authorized to execute and deliver this Trust Agreement and to do or cause to be done all acts provided or required herein to be performed on their respective parts; and

WHEREAS, as the source of payment and security for the Bonds, the rights of the Corporation (except for the hereinafter defined Reserved Rights) under the Purchase and Use Agreement, including certain of the payments to be made by the County thereunder, are being assigned to the Trustee hereunder; and

WHEREAS, the Trustee has accepted the trusts created by this Trust Agreement, and in evidence thereof has joined in the execution hereof;

NOW, THEREFORE, THIS TRUST AGREEMENT WITNESSETH, that to secure the payment of the principal of, premium, if any, and interest on the Bonds, to secure the performance and observance of all the covenants, agreements, obligations and conditions contained therein and herein; and to declare the terms and conditions upon and subject to which the Bonds are and are intended to be executed, delivered, held, secured and enforced; and in consideration of the premises and the acceptance by the Trustee of the trusts created herein and of the purchase and acceptance of the Bonds by the Holders thereof, and for other good and valuable consideration, the receipt of which is acknowledged, the Corporation has executed and delivered this Trust Agreement and absolutely assigns hereby and grants a security interest herein to the Trustee, and its successors in trust and assigns, all of the following described collateral, whether presently owned or subsequently acquired by the Corporation (the "Trust Estate"):

Granting Clause First

All right, title and interest of the Corporation in and to the Revenues (as defined herein), including, without limitation, all Installment Payments (as defined in the Purchase and Use Agreement) and other amounts receivable by or on behalf of the Corporation under the Purchase and Use Agreement; subject to certain reserved rights described in Sections 4.2, 4.4, 4.5 and 5.5 of the Purchase and Use Agreement, as described and referenced in Section 4.5 thereof (the "Reserved Rights").

Granting Clause Second

All of the Corporation's right, title, and interest in and to the 2023 Facilities, the Purchase and Use Agreement (except for the Reserved Rights), the Base Lease and the property rights evidenced thereby in the 2023 Real Property, including all of the right, title, and interest of the Corporation in and to (a) all of the rents, issues, profits, revenues, income, receipts, moneys, royalties, rights, and benefits of and from the 2023 Real Property, and from and in connection with the Corporation's ownership of the 2023 Facilities, including, without limiting the generality of the foregoing, rents and revenues under any and all leases of the 2023 Real Property or the 2023 Facilities or any agreement for the operation or management of the 2023 Real Property or the 2023 Facilities, and (b) all leases of all or part of the 2023 Facilities or the 2023 Real Property hereafter made, executed, or delivered, whether oral or written, together with any and all renewals, extensions, and modifications thereof and any guarantees of the lessees' obligations thereof and any and all tenant contracts, rental agreements, franchise agreements, management contracts, construction contracts, and other contracts, licenses, and permits now or hereafter affecting the 2023 Facilities, the 2023 Real Property or any part thereof.

Granting Clause Third

All of the Corporation's rights with respect to any contracts for the construction or acquisition of the 2023 Projects, including without limitation the Acquisition and Construction Contracts (as defined in the Purchase and Use Agreement); any insurance or condemnation proceeds with respect to the 2023 Facilities, the 2023 Real Property or any portion thereof and the proceeds of any other collateral granted hereunder or assigned hereby as security for the Bonds.

Granting Clause Fourth

All moneys and investments in the funds and accounts (including Other Funds and Accounts) created pursuant to this Trust Agreement (except such funds and accounts as may be created by the Trustee exclusively for the payment of arbitrage rebate related to the Bonds) and all income thereon.

TO HAVE AND TO HOLD unto the Trustee and its successors in that trust and its and their assigns forever;

BUT IN TRUST, NEVERTHELESS, and subject to the provisions hereof, and subject to the Bonds provided for herein and the Purchase and Use Agreement, except as provided otherwise herein, for the equal and proportionate benefit, security and protection of all present and future Holders of the Bonds executed and delivered under and secured by this Trust Agreement; for the enforcement of the payment of Base Payments (as defined herein) by the County when payable, according to the true intent and meaning thereof and of this Trust Agreement; and to secure the performance and observance of, and compliance with the covenants, agreements, obligations, terms and conditions of, this Trust Agreement, in each case, without preference, priority or distinction, as to lien or otherwise, of any one Bond over any other Bond by reason of series designation, number, date of the Bond or of authorization, sale, execution, delivery or maturity thereof, or otherwise, so that each of the Bonds shall have the same right, lien and privilege under this Trust Agreement as all other Bonds and shall be secured equally and ratably hereby, it being intended that the lien and security of this Trust Agreement shall take effect from the date hereof, without regard to the date of the actual execution, delivery, sale or disposition of the Bonds as though upon that date all of the Bonds were actually executed, sold and delivered to purchasers for value; provided, however, that the amounts on deposit in the subaccounts, if any, of the Facilities Purchase Account and Reserve Account established for a particular series of Bonds shall be available solely for the benefit of such series (and for no other series) of Bonds; and provided, further, that

(i) if the principal of the Bonds and premium, if any, and the interest due or to become due with respect thereto shall be well and truly paid, at the times and in the manner to which reference is made in the Bonds, according to the true intent and meaning thereof, or the Outstanding Bonds of a particular series shall have been paid and discharged in accordance with Article IX hereof; and

(ii) if all of the covenants, agreements, obligations, terms and conditions of the Corporation under this Trust Agreement shall have been kept, performed and observed and there shall have been paid to the Trustee, as such and as the Paying Agent (as defined herein), all sums of money due or to become due to it in accordance with the terms and provisions hereof, then, this Trust Agreement and the rights assigned hereby shall cease, determine and be void with respect to the Bonds, except as provided in Section 9.2 hereof with respect to the survival of certain provisions hereof; otherwise, this Trust Agreement shall be and remain in full force and effect.

It is declared that all Bonds executed and delivered hereunder and secured hereby are to be executed, authenticated and delivered, and that all property assigned hereby is to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, obligations, trusts, uses and purposes provided in this Trust Agreement. The Corporation and the Trustee have each agreed and covenanted, and agree and covenant with each other and with each and all Holders, as follows:

ARTICLE I DEFINITIONS

SECTION 1.1. Definitions. Capitalized terms not otherwise defined herein shall have the meanings provided therefor in the Purchase and Use Agreement or the Base Lease, as the context would allow. In addition, the following terms shall have the meanings set forth below:

"2023 Facilities" shall have the meaning set forth in the Purchase and Use Agreement.

"2023 Facilities Purchase Sub-Account" means the subaccount by that name established in the Facilities Purchase Account of the Bond Fund.

"2023 Projects" shall have the meaning set forth in the Purchase and Use Agreement.

"2023 Real Property" shall have the meaning set forth in the Recitals hereof.

"Additional Ancillary Projects" means improvements acquired, developed and constructed with proceeds of Additional Bonds, but not made subject to the Base Lease or the Purchase and Use Agreement.

"Additional Bonds" means any Bonds issued pursuant to this Trust Agreement after the issuance of the Series 2023 Bonds and secured by the Trust Estate on a parity with the Series 2023 Bonds under the terms of this Trust Agreement.

"Additional Facilities" means any public facilities of the County in addition to the 2023 Facilities proposed to be acquired, constructed or improved by the Corporation with the proceeds of Additional Bonds and made subject to the Purchase and Use Agreement and the Base Lease.

"Additional Payments" shall have the meaning set forth in the Purchase and Use Agreement.

"Additional Real Property" means any real property in addition to the 2023 Real Property that is or will become the site of Additional Facilities.

"Administrative Fee" means any program or other similar fees (including but not limited to annual facilities review fees) charged by the program administrator of the South Carolina Association of Government Organizations or any other reasonable fees and expenses of the Corporation or the Trustee (including legal fees and expenses), in each case in connection with the Bonds, this Trust Agreement, the Purchase and Use Agreement or the Base Lease.

"Ancillary Projects" shall have the meaning set forth in the Purchase and Use Agreement.

"Authorized Financial Representative" means such person designated by the Corporation and the County as being authorized to act as the Corporation's agent to provide directions with respect to the investment or reinvestment of amounts held by the Trustee or Custodian, as applicable, in funds and accounts established under this Trust Agreement, which designation may be evidenced by a written certificate or letter signed by any officer of the Corporation and the Chairman or Vice Chairman of the Council or the County Administrator delivered to the Trustee or Custodian, as applicable, and may be revoked, rescinded or replaced by a similar certificate or letter at any time.

"Base Lease" means the Base Lease and Conveyance Agreement dated of even date herewith, between the County and the Corporation, as the same may be amended, modified and supplemented from time to time.

"Base Payments" shall have the meaning set forth in the Purchase and Use Agreement.

"Beneficial Owner" means any purchaser who acquires a beneficial ownership interest in an Initial Bond held by the Securities Depository. In determining any Beneficial Owner, the County, the Corporation, the Trustee and the Paying Agent may rely exclusively upon written representations made by and information given to the County, the Corporation, the Trustee and the Paying Agent, as the case may be, by the Securities Depository or its Participants with respect to any Initial Bond held by the Securities Depository or its Participants in which a beneficial ownership interest is claimed.

"Bond" or "Bonds" means the Series 2023 Bonds and any Additional Bonds issued and secured under the terms hereof.

"Bond Counsel" means a firm of nationally recognized bond counsel experienced in matters of tax-exempt finance as shall be acceptable to the Trustee.

"Bond Fund" means the Bond Fund established pursuant to Section 5.5 hereof.

"Bond Payment Date" means June 1 and December 1 of each year, on and after June 1, 2024, while there are any unpaid or Outstanding Bonds.

"Book-Entry Form" or "Book-Entry System" means with respect to the Bonds, a form or system, as applicable, under which (i) the ownership of beneficial interests in the Bonds may be transferred only through a book-entry and (ii) physical Bonds in fully registered form are registered only in the name of a Securities Depository or its nominee as Holder, with the physical Bonds "immobilized" in the custody of the Securities Depository. The book-entry maintained by the Securities Depository is the record that identifies the owners of participatory interests in the Bonds, when subject to the Book-Entry System.

"Business Day" shall mean any day of the week other than Saturday, Sunday or a day which shall be in the State or the state in which the principal office of the Trustee is located a legal holiday or a day on which banking corporations are authorized or obligated by law or executive order to close or a day on which the New York Stock Exchange is closed.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, or any successor internal revenue laws of the United States enacted by the Congress of the United States in replacement thereof. References to the Code and sections of the Code include relevant applicable regulations, temporary regulations and proposed regulations thereunder and any successor provisions to those sections, regulations, temporary regulations or proposed regulations.

"Corporation" means Lancaster County Public Facilities Corporation, a nonprofit corporation formed under the laws of the State, and its successors and assigns.

"Corporation Representative" means the person or persons at the time designated to act on behalf of the Corporation in matters relating to the Base Lease, the Purchase and Use Agreement and this Trust Agreement as evidenced by a written certificate furnished to the County and the Trustee containing the specimen signature of such person or persons and signed on behalf of the Corporation by its President or any Vice President. Such certificate may designate an alternate or alternates, each of whom shall be entitled to perform all duties of the Corporation Representative.

"Council" means the County Council of the County, as the governing body of the County, and any successor body.

"Counsel" means an attorney duly admitted to practice law before the highest court of any state and, without limitation, may include legal counsel for either the County or the Corporation.

"County" means Lancaster County, South Carolina.

"County Representative" means the person or persons at the time designated to act on behalf of the County in matters relating to the Base Lease, the Purchase and Use Agreement or this Trust Agreement as evidenced by a written certificate furnished to the Corporation and the Trustee containing the specimen signature of such person or persons and signed on behalf of the County by the Chairman or Vice Chairman of the Council or the County Administrator. Such certificate may designate an alternate or alternates each of whom shall be entitled to perform all duties of the County Representative.

"Custodian" shall have the meaning set forth in Section 5.2 hereof.

"Defeasance Obligations" means (a) cash; or (b) Permitted Investments that are (1) Government Obligations (provided that, with respect to Government Obligations of agencies, only securities which are fully guaranteed as to the timely payment of principal and interest by the United States of America issued by the following agencies may be eligible: (A) U.S. Export-Import Bank; direct obligations or fully guaranteed certificates of beneficial ownership, (B) Farmers Home Administration: certificates of beneficial ownership; (C) Federal Financing Bank; (D) General Services Administration: participation certificates; (E) U.S. Maritime Administration: guaranteed Title XI financing; (F) U.S. Department of Housing and Urban Development: project notes; (G) Local Authority bonds; (H) New Communities Debentures - U.S. government guaranteed debentures; or (I) U.S. Public Housing notes and bonds - U.S. government guaranteed public housing bonds), or (2) senior lien bonds or debentures issued by any Federal Home Loan Bank or consolidated bonds or debentures issued as senior obligations by the Federal Home Loan Bank Board; or (c) any legally permissible combination of any of the foregoing. Defeasance Obligations must be noncallable.

"Event of Default" means an Event of Default under Section 7.1 hereof.

"Event of Nonappropriation" shall have the meaning set forth in the Purchase and Use Agreement.

"Extraordinary Services" and "Extraordinary Expenses" means all services rendered and all reasonable expenses properly incurred by the Trustee under this Trust Agreement, other than Ordinary Services and Ordinary Expenses.

"Facilities Purchase Account" means the account of such name within the Bond Fund established pursuant to Section 5.5 hereof.

"Favorable Opinion of Bond Counsel" means, with respect to any requested action under this Trust Agreement, a written legal opinion of Bond Counsel, addressed to the Corporation, the Trustee and the County, to the effect that such action is authorized or permitted under this Trust Agreement and will not impair the exclusion of interest on the Series 2023 Bonds from gross income for purposes of federal income taxation (subject to customary exceptions).

"Federal Tax Certificate" means the Federal Tax Certificate dated the date of the initial delivery of the Series 2023 Bonds of the County and the Corporation.

"Financed Facilities" has the meaning given to such term in Section 3.19 hereof.

"Fiscal Year" shall have the meaning set forth in the Purchase and Use Agreement.

"Government Obligations" means any of the following:

(a) direct obligations of the United States of America or agencies thereof or obligations, the payment of principal or interest on which, in the opinion of the Attorney General of the United States, is fully and unconditionally guaranteed by the United States of America;

(b) non-callable U.S. Treasury Certificates, Notes and Bonds (including State and Local Government Series – "SLGS"); and

(c) non-callable direct obligations of the U.S. Treasury which have been stripped by the U.S. Treasury; and

(d) prerefunded municipal bonds which are rated "Aaa" by Moody's or "AAA" by S&P.

"Holder" or "Holder of a Bond" or "Bondholder" means the Person in whose name a Bond is registered on the Register.

"Initial Bonds" means bonds initially issued under the Book-Entry System as provided in Section 3.18 hereof.

"Installment Payments" means the amounts required to be paid to the Corporation by the County pursuant to Sections 4.1, 4.2 and 4.4 of the Purchase and Use Agreement.

"Moody's" means Moody's Investors Service Inc., or its successors or assigns.

"Ordinary Services" and "Ordinary Expenses" means those services normally rendered, and those expenses normally incurred, by a trustee, registrar or paying agent under instruments similar to this Trust Agreement.

"Other Funds and Accounts" shall have the meaning set forth in Section 5.5(f) hereof.

"Outstanding," when used with reference to the Bonds, means, as of the applicable date, all the Bonds which have been executed and delivered, or which are being delivered by the Trustee under this Trust Agreement, except:

(a) Bonds cancelled upon surrender, exchange or transfer, or cancelled because of payment or redemption on or prior to that date;

(b) Bonds, or the portions thereof, for the payment, redemption or purchase for cancellation of which sufficient money has been deposited and credited with the Trustee pursuant to the provisions of this Trust Agreement on or prior to that date for that purpose (whether upon or prior to the maturity date of those Bonds);

(c) Bonds or the portion thereof, which are deemed to have been paid and discharged or caused to have been paid and discharged pursuant to the provisions of this Trust Agreement; and

(d) Bonds in lieu of which others have been executed and delivered under Section 3.12 of this Trust Agreement.

"Participant" means any bank, brokerage house or other financial institution for whom, from time to time, the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository.

"Paying Agent" means the Trustee acting in that capacity.

"Permitted Investments" means (a) any one or more of the investments now or hereafter permitted by applicable State law, including but not limited to Sections 6-5-10 or 11-1-60, Code of Laws of South Carolina 1976, as amended and in effect from time to time (with respect to the investment of funds of a political subdivision); and (b) the South Carolina Pooled Investment Fund or similar State administered pool investment fund or as otherwise may be limited pursuant to a Supplemental Agreement; provided, however, that for purposes of clarification, Permitted Investments may include the following securities but may also be modified in a Supplemental Agreement with respect to a particular series of Bonds:

(a) Government Obligations, which are also:

(i) direct obligations (other than an obligation subject to variation in principal repayment) of the United States of America ("United States Treasury Obligations"),

(ii) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by the United States of America,

(iii) obligations fully and unconditionally guaranteed as to timely payment of principal and interest by any agency or instrumentality of the United States of America when such obligations are backed by the full faith and credit of the United States of America, or

(iv) evidences of ownership of proportionate interests in future interest and principal payments on obligations described above held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying government obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated;

(b) Federal Housing Administration debentures;

(c) The listed obligations of government-sponsored agencies which are not backed by the full faith and credit of the United States of America:

(i) Federal Home Loan Mortgage Corporation (FHLMC) obligations,

(ii) Participation certificates (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts) - Senior Debt obligations,

(iii) Farm Credit Banks (formerly: Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives) - Consolidated system-wide bonds and note,

(iv) Federal Home Loan Banks (FHL Banks) - Consolidated debt obligations,

- (v) Federal National Mortgage Association (FNMA) Senior debt obligations and mortgage-backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts),
- (vi) Student Loan Marketing Association (SLMA) Senior debt obligations (excluded are securities that do not have a fixed par value and/or whose terms do not promise a fixed dollar amount at maturity or call date),
- (vii) Financing Corporation (FICO) - Debt obligations, and
- (viii) Resolution Funding Corporation (REFCORP) - Debt obligations;
- (d) Unsecured certificates of deposit, time deposits, and bankers' acceptances (having maturities of not more than 30 days) of any bank the short-term obligations of which at the time of investment are rated "A-1" or better by S&P, including the Trustee or its affiliates;
- (e) Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks which have capital and surplus of at least \$5 million, including the Trustee or its affiliates;
- (f) Commercial paper (having original maturities of not more than 270 days) rated (at the time of purchase) "A-1+" by S&P and "Prime-1" by Moody's;
- (g) Money market funds rated (at the time of purchase) "AAm" or "AAm-G" by S&P, or better, including those offered by the Trustee or its affiliates;
- (h) State Obligations;
- (i) Pre-refunded municipal obligations rated "AAA" by S&P and "Aaa" by Moody's meeting the following requirements:
 - (i) (A) the municipal obligations are not subject to redemption prior to maturity or (B) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions,
 - (ii) the municipal obligations are secured by cash or United States Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations,
 - (iii) the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations ("Verification"),
 - (iv) the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligation,
 - (v) no substitution of a United States Treasury Obligation shall be permitted except with another United States Treasury Obligation and upon delivery of a new Verification, and

(vi) the cash or United States Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent;

(j) Repurchase agreements with (1) any domestic bank, or domestic branch of a foreign bank, the long term debt of which is rated at least “A-” or “A3” by S&P and Moody's; or (2) any broker-dealer with “retail customers” or a related affiliate thereof which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least “A-” or “A3” by S&P and Moody's, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation; or (3) any other entity rated “A-” or “A3” or better by S&P and Moody's, provided that:

(i) The market value of the collateral is maintained at levels and upon such conditions as would be acceptable to S&P and Moody's to maintain, if applicable, an “A-” or “A3” rating in an “A-” or “A3”-rated (as applicable) structured financing (with a market value approach) or, if not applicable, at levels satisfactory to the Corporation;

(ii) The Trustee or a third party acting solely as agent therefor or for the Corporation (the “Holder of the Collateral”) has possession of the collateral or the collateral has been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferor's books);

(iii) The repurchase agreement states and an opinion of counsel is rendered at the time such collateral is delivered that, to the extent permitted by law in effect in the State, including the Uniform Commercial Code as adopted by the State (the “UCC”), the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

(iv) All other requirements, if any, of S&P or Moody's (as applicable) in respect of repurchase agreements are met; and

(v) The repurchase agreement provides that if during its term the provider's rating by either Moody's or S&P is withdrawn or suspended or falls below “A-” by S&P and “A3” by Moody's, as appropriate, the provider must, at the direction of the Corporation or the Trustee, within ten days of receipt of such direction, repurchase all collateral and terminate the agreement, with no penalty or premium to the Corporation or Trustee.

Notwithstanding the above, if a repurchase agreement has a term of 270 days or less (with no evergreen provision), collateral levels need not be as specified in (i) above, so long as such collateral levels are 103% or better and the provider is rated at least “A” by S&P or Moody's, respectively;

(k) Investment agreements with a domestic or foreign bank or corporation (other than a life or property casualty insurance company) the long-term debt of which, or, in the case of a guaranteed corporation the long-term debt, or, in the case of a monoline municipal bond insurance company, claims paying ability, of the guarantor is rated at least “AA” by S&P or “Aa” by Moody's; provided that, by the terms of the investment agreement:

(i) interest payments are to be made to the Trustee at times and in amounts as necessary to pay debt service (or, if the investment agreement is for the construction fund, construction draws) on such Series of Bonds;

(ii) the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven days' prior notice; and the Corporation and the Trustee agree to give or cause to be given notice in accordance with the terms of the investment agreement so as to receive funds thereunder with no penalty or premium paid;

(iii) the investment agreement states that is the unconditional and general obligation of, and is not subordinated to any other obligation of, the provider thereof or, if the provider is a bank, the agreement or the opinion of counsel states that the obligation of the provider to make payments thereunder ranks pari passu with the obligations of the provider to its other depositors and its other unsecured and unsubordinated creditors;

(iv) the Corporation or the Trustee receives the opinion of domestic counsel (which opinion is addressed to the Corporation) that such investment agreement is legal, valid, binding and enforceable upon the provider in accordance with its terms and of foreign counsel (if applicable) in form and substance acceptable, and addressed to, the Corporation;

(v) the investment agreement provides that if during its term

(A) the provider's rating by either S&P or Moody's falls below "AA-" and "Aa3," as appropriate, the provider will, at its option, within ten days of receipt of publication of such downgrade, either (i) collateralize the investment agreement by delivering or transferring in accordance with applicable State and federal laws (other than by means of entries on the provider's books) to the Corporation, the Trustee or the Holder of the Collateral, collateral free and clear of any third-party liens or claims the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to S&P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach); or (ii) repay the principal of and accrued but unpaid interest on the investment, and

(B) the provider's rating by either S&P or Moody's is withdrawn or suspended or falls below "A-" and "A3," as appropriate, the provider must, at the direction of the Corporation or the Trustee, within ten days of receipt of such direction, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium to the Corporation or Trustee;

(vi) the investment agreement shall state and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement, at the time such collateral is delivered, that, to the extent permitted by law in effect in the State, including the UCC, the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

(vii) the investment agreement must provide that if during its term

(A) the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the Corporation or the Trustee, be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Corporation or Trustee, as appropriate, and

(B) the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc. ("event of insolvency"), the provider's

obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the Corporation or Trustee, as appropriate.

"Person" or words importing "persons" means firms, associations, partnerships (including without limitation, general and limited partnerships), joint ventures, societies, estates, trusts, corporations, public or governmental bodies, other legal entities and natural persons.

"Principal Office" used with respect to the Trustee in its capacity as Trustee or Paying Agent, means the designated office of the Trustee, initially its corporate trust office located in Atlanta, Georgia, at which the Trustee conducts corporate trust business.

"Project Fund" means the account created pursuant to Section 5.2 hereof.

"Purchase and Use Agreement" means the Installment Purchase and Use Agreement dated of even date herewith, between the Corporation, as seller, and the County, as buyer, as the same may be amended, modified or supplemented from time to time.

"Purchase Option Price" shall have the meaning set forth in the Purchase and Use Agreement.

"Record Date" means either a Regular Record Date or a Special Record Date as the case may be.

"Register" means the books kept and maintained by the Trustee for registration and transfer of Bonds pursuant to Section 3.13 hereof.

"Regular Record Date" means, with respect to any Bond, the fifteenth day next preceding a Bond Payment Date applicable to such Bond.

"Repair and Replacement Fund" means the Repair and Replacement Fund established pursuant to Section 5.6 hereof.

"Reserve Account" means, with respect to a series of Additional Bonds, the account of such name, if any, within the Bond Fund established pursuant to Section 5.5 hereof.

"Reserve Requirement" means, with respect to a series of Additional Bonds, such reserve requirement set forth in the Supplemental Agreement authorizing the issuance of such series of Additional Bonds.

"Reserve Surety" shall have the meaning set forth in Section 5.5(g) hereof.

"Reserved Rights" means the Issuer's rights pursuant to Sections 4.2, 4.4 and 4.5 of the Purchase and Use Agreement, to receive indemnification and other payments and its right to receive certain notices thereunder.

"Revenues" means, with respect to the Bonds, (i) the Installment Payments under the Purchase and Use Agreement, (ii) all other moneys received or to be received by the Trustee under the Purchase and Use Agreement from the lease, sale or other disposition of the 2023 Facilities or the 2023 Real Property, (iii) any monies and investments in the Bond Fund (including the Facilities Purchase Account and the Reserve Account) and the Repair and Replacement Fund, and (iv) all income and profit from the investment of the foregoing moneys.

"S&P" means S&P Global Ratings, or its successors or assigns.

"Securities Depository" means any securities depository that is a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, operating and maintaining, with its Participants or otherwise, a Book-Entry System to record ownership of beneficial interests in the Bonds, and to effect transfers of the Bonds, in Book-Entry Form, and includes and means, initially, The Depository Trust Company (a limited purpose trust company), New York, New York.

"Securities Depository Nominee" means, with respect to any Securities Depository, such Securities Depository or the nominee of such Securities Depository in whose name the Bonds shall be registered on the Register during the time such Bonds are held under a Book-Entry System through such Securities Depository.

"Series 2023 Bond" or "Series 2023 Bonds" means \$_____ Installment Purchase Revenue Bonds (Lancaster County Project) Series 2023, of the Corporation, dated of even date herewith and authorized by and secured under this Trust Agreement.

"Special Record Date" means, with respect to any Bond, the date established by the Trustee in connection with the payment of overdue interest on that Bond pursuant to Section 3.5 hereof.

"State" means the State of South Carolina.

"State Obligations" means:

(i) direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of such state, subdivision or agency thereof, the unsecured general obligation debt of which is rated "A3" by Moody's and "A" by S&P, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated,

(ii) direct general short-term obligations of any state agency or subdivision or agency thereof described in (i) above and rated "A-1+" by S&P and "MIG-1" by Moody's, and

(iii) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or other subdivision or political unit thereof, rated "AA" or better by S&P and "Aa" or better by Moody's.

"Supplemental Agreement" means any agreement supplemental to this Trust Agreement entered into between the Corporation and the Trustee in accordance with Article VIII hereof.

"Trust Agreement" means this Trust Agreement dated _____, 2023, by and between the Corporation and the Trustee, as the same may be amended, modified or supplemented by any Supplemental Agreement.

"Trust Estate" means the Trust Estate described in the Granting Clauses hereto.

"Trustee" means Regions Bank, or any successor Trustee that may become the Trustee pursuant to the applicable provisions of this Trust Agreement.

"Underwriter" means Piper Sandler & Co., as underwriter of the Series 2023 Bonds.

SECTION 1.2. Interpretation. Any reference to a section or provision of the Constitution of the State, or to a section, provision or chapter of the Code of Laws of South Carolina 1976, as amended, or to any statute of the United States of America, includes that section, provision or chapter as amended, modified, revised, supplemented or superseded from time to time; provided, that no amendment, modification, revision, supplement or superseding section, provision or chapter shall be applicable solely by reason of this paragraph, if it constitutes in any way an impairment of the rights or obligations of the County, the Corporation, the Holders, or the Trustee under this Trust Agreement, the Bonds, the Base Lease, the Purchase and Use Agreement or any other instrument or document entered into in connection with any of the foregoing, including without limitation, any alteration of the obligation to pay principal, premium, if any, or interest on the Bonds in the amount and manner, at the times, and from the sources provided in this Trust Agreement, except as permitted herein.

Unless the context indicates otherwise, words implying the singular number include the plural number, and vice versa. The terms "hereof," "hereby," "herein," "hereto," "hereunder," "hereinafter" and similar terms refer to this Trust Agreement; and the term "hereafter" means after, and the term "heretofore" means before the date of this Trust Agreement. Words of any gender generally include the correlative words of the other gender, unless the sense indicates otherwise.

References to sections, articles or exhibits, unless otherwise indicated, are to sections and articles of or exhibits to this Trust Agreement.

SECTION 1.3. Captions and Headings. The captions and headings in this Trust Agreement are solely for convenience of reference and in no way define, limit or describe the scope or intent of any Articles, Sections, subsections, paragraphs, subparagraphs or clauses hereof.

ARTICLE II RECITALS AND REPRESENTATIONS

SECTION 2.1. Base Lease and Purchase and Use Agreement. The Corporation and the County are simultaneously herewith entering into (i) the Base Lease under which the County is leasing its interest in the 2023 Real Property, and is conveying its interest in the Conveyed Improvements owned by it, to the Corporation and (ii) the Purchase and Use Agreement under the terms of which the County has arranged with the Corporation for the acquisition and installation, construction and reconstruction, and for the sale to and use and occupancy by the County, of the 2023 Facilities.

SECTION 2.2. Installment Payments. Under the Purchase and Use Agreement, the County is obligated to pay to the Corporation or its assigns during the term thereof Installment Payments for the purchase of the 2023 Facilities, subject to the occurrence of an Event of Nonappropriation as set forth in Section 4.7 of the Purchase and Use Agreement, and subject to the County's right to exercise its purchase option as set forth in Section 9.1 of the Purchase and Use Agreement.

SECTION 2.3. Assignment and Conveyance.

(a) For the purpose of securing the payment of the Bonds, the Corporation has assigned, and granted a security interest in, the Trust Estate to the Trustee under the granting clauses hereto. The Corporation hereby represents and confirms that it has full legal power and authority to assign the Trust Estate as enumerated in the granting clauses hereto and that no assignment thereof has been made except to the Trustee. Notwithstanding anything in this Trust Agreement to the contrary, the Corporation shall be required to take any action required of it pursuant to the Purchase and Use Agreement, the Base Lease

and any other contracts or agreements for which the Corporation's rights thereunder have been assigned to the Trustee as part of the Trust Estate, unless the Trustee is acting on behalf of the Corporation pursuant such assignment.

(b) The Corporation and the Trustee intend for this Trust Agreement to be a security agreement within the meaning of the Uniform Commercial Code as adopted by the State (the "UCC"). The intent of the Corporation is to provide to the Trustee, to the fullest extent that the Trust Estate now or hereafter may be subject to a security interest under the UCC, the security interest in the Trust Estate including all presently-owned, or after-acquired property constituting all or a portion of the Trust Estate. The Corporation agrees to prepare, execute (as applicable) and file all initial financing statements necessary to perfect this security interest or other statutory liens held by the Trustee, to the extent required by applicable law. The Trustee shall prepare and file any restatements, extensions, continuations, renewals or amendments thereof, in such form as the Trustee may require to continue the perfection of this security interest or other statutory liens held by the Trustee, to the extent required by applicable law, and to the extent the pertinent facts necessitating any such restatements, extensions, continuations, renewals or amendments thereof are known to a responsible office of the Trustee, and the Trustee shall provide copies of any such restatements, extensions, continuations, renewals or amendments so filed to the Corporation. With respect to any of the Trust Estate in which a security interest is not perfected by the filing of a financing statement, the Corporation consents and agrees to undertake, and the Trustee agrees to cooperate fully with the Corporation, to perfect the security interest granted to the Trustee in the Trust Estate. During the term of the Purchase and Use Agreement, the Trustee may exclusively rely on the County to operate the 2023 Facilities and the 2023 Real Property in accordance with all laws, ordinances, rules and regulations, including without limitation, Environmental Laws (as defined in the Purchase and Use Agreement).

(c) The Corporation and the Trustee intend for this Trust Agreement to be a collateral assignment of all rents, leases, issues and profits created by, or arising out of any right, title or interest of the Corporation in the Trust Estate, including without limitation, all leases, rents, issues, and profits arising out of the Base Lease, the Purchase and Use Agreement, and any future lease or leases now or hereinafter entered into by the Corporation.

SECTION 2.4. Powers and Trusts Granted. All acts, conditions and things required by law to exist, happen and be performed precedent to and in connection with the execution and entering into of this Trust Agreement have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly empowered to execute and enter into this Trust Agreement.

SECTION 2.5. Other Security Documents. The Corporation shall cause this Trust Agreement (or an assignment agreement of the Corporation in favor of the Trustee, in lieu hereof) and any financing statements relating hereto, to be filed, in such manner and at such places as may be required by law fully to protect the security of the Holders of the Bonds and the right, title and interest of the Trustee in and to the 2023 Facilities, the 2023 Real Property and the Trust Estate created by this Trust Agreement or any part thereof. The Corporation will cause the Base Lease, the Purchase and Use Agreement and any related instruments or documents, to be recorded and filed in the manner and in the places which may be required by law in order to preserve and protect fully the security of the Holders and the rights of the Trustee hereunder. The Corporation shall execute or cause to be executed any and all further instruments as may be necessary for such protection of the interests of the Holders of the Bonds until the principal of and interest of the Bonds issued hereunder shall have been paid. The Trustee shall execute or join in the execution of any such further or additional instrument and file or join in the filing thereof at such time or times and in such place or places as may be requested by the Corporation in

writing to perfect and to preserve the Trust Estate created by this Trust Agreement or any part thereof until the Bonds shall have been paid or discharged in the manner hereinafter provided.

ARTICLE III AUTHORIZATION AND TERMS OF BONDS

SECTION 3.1. Principal Amount of Bonds; Designation of Bonds; Conditions to Delivery.

(a) Pursuant to the provisions of this Trust Agreement, there are hereby authorized to be issued one or more series of revenue bonds of the Corporation. Upon the execution and delivery hereof, there are hereby authorized an initial series of Bonds in the aggregate principal amount of \$_____ to be designated "Lancaster County Public Facilities Corporation, Installment Purchase Revenue Bonds (Lancaster County Project) Series 2023." Any Additional Bonds shall be designated "Lancaster County Public Facilities Corporation, Installment Purchase Revenue Bonds (Lancaster County Project)" with such further and other designation as may be necessary to identify such series of Additional Bonds.

(b) Upon the execution and delivery of this Trust Agreement, and satisfaction of the conditions established by this Trust Agreement and the Purchase and Use Agreement for delivery of the Series 2023 Bonds, the Corporation shall execute and the Trustee shall authenticate and deliver the Series 2023 Bonds to, or to the order of, the Underwriter.

(c) Before the Trustee authenticates and delivers any of the Series 2023 Bonds, the Trustee shall have received a request and authorization from the County and the Corporation, signed on their behalf by a County Representative and a Corporation Representative, respectively, to authenticate and deliver the Series 2023 Bonds to, or on the order of, the Underwriter upon payment to the Trustee of the amount specified therein, which amount shall be deposited as provided in Section 5.1 hereof. Executed copies of the following shall be submitted with the request:

- (i) This Trust Agreement;
- (ii) The Base Lease;
- (iii) The Purchase and Use Agreement; and
- (iv) The Federal Tax Certificate.

(d) The Bonds and the interest thereon and redemption premium, if any, shall be an obligation of the Corporation, and shall be secured by and payable from the Trust Estate. The Bonds do not and shall not be deemed to constitute or create an indebtedness, liability or obligation of the County within the meaning of any State constitutional provision or statutory limitation or a pledge of the full faith and credit or taxing power of the County. The Bonds and the interest thereon are payable from and secured by the Trust Estate as described in and subject to limitations set forth in this Trust Agreement for the equal and ratable benefit of the Holders, from time to time, of the Bonds.

SECTION 3.2. Purposes. The Series 2023 Bonds are authorized for the principal purposes of defraying a portion of the cost of acquisition, construction, renovation and equipping of the 2023 Projects, paying the Base Lease Rent for use by the County to defray the costs of the Ancillary Projects, and paying certain costs and expenses relating to the issuance of the Series 2023 Bonds.

SECTION 3.3. Maturity Schedule; Date; Interest Rates. The Series 2023 Bonds shall mature on December 1 in the years and principal amounts set forth below and shall bear interest (calculated on the basis of a 360-day year consisting of twelve 30-day months) at the interest rates per annum set forth below, payable on each Bond Payment Date.

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
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SECTION 3.4. Provisions Relating to Additional Bonds; Conditions for Issuance.

(a) Authorization for Additional Bonds. Additional Bonds may be issued hereunder and secured by the Trust Estate on a parity with the Series 2023 Bonds under the conditions set forth herein.

(b) Purposes for Additional Bonds. Subject to the provisions of applicable law, Additional Bonds may be issued for the purposes of providing funds (i) to refund any of the Series 2023 Bonds or any Additional Bonds theretofore issued, (ii) for the purpose of paying the cost of completing the 2023 Projects or the Ancillary Projects and (iii) for the purpose of paying the cost of Additional Facilities or Additional Ancillary Projects.

(c) Conditions to the Issuance of All Additional Bonds. Prior to issuing any Additional Bonds, there shall have been executed and delivered (i) a Supplemental Agreement authorizing such Additional Bonds and prescribing the terms and details thereof and the purposes for the issuance of such Additional Bonds; (ii) an amendment or supplement to the Purchase and Use Agreement modifying the existing schedule of Installment Payments due thereunder or otherwise providing for Installment Payments thereunder sufficient to provide for the payment of the Additional Bonds, extending the term of the Purchase and Use Agreement, if needed, to the final maturity of such Additional Bonds, and making any changes required to make Additional Real Property subject thereto; (iii) an amendment or supplement to the Base Lease extending the term thereof by at least the same amount of time as any extension to the term of the Purchase and Use Agreement, and making any changes required to make Additional Real Property subject thereto; and (iv) a Favorable Opinion of Bond Counsel. There shall also be provided to the Trustee certified copies of resolutions adopted by the Board of Directors of the Corporation and an ordinance enacted by the Council authorizing the issuance of the Additional Bonds and the execution and delivery of the documents to which each is a party. No Additional Bonds may be issued hereunder if at the time there is an Event of Default or an Event of Nonappropriation unless upon the issuance of such Additional Bonds, no other Bonds will be Outstanding hereunder.

(d) Other Provisions Relating to Additional Bonds. The details of any Additional Bonds, including any Reserve Requirement relating thereto and the payment provisions thereof shall be specified in the Supplemental Agreement hereto providing for the issuance thereof. Such Supplemental Agreement

shall include provisions establishing the separate accounts and subaccounts of the Bond Fund and other funds and accounts for such series of Additional Bonds.

SECTION 3.5. Payment of Principal and Interest.

(a) Each of the Series 2023 Bonds shall be authenticated, as provided in Section 3.10 hereof, on such date as it shall be delivered and shall bear interest from the later of the date hereof, or the date to which interest has been paid immediately preceding the authentication date thereof, unless the authentication date thereof is a Bond Payment Date, in which event, each such Series 2023 Bonds shall bear interest from the earlier of such authentication date or the date to which interest has been paid or, in the event no interest has been paid, from the date hereof. Additional Bonds shall be authenticated and bear interest as provided in the Supplemental Agreement prescribing the terms and conditions thereof.

(b) Subject to the provisions of Section 3.18 hereof, the principal of and premium, if any, on the Bonds shall be paid in immediately available funds by check or draft drawn upon the Trustee to the Holders thereof upon presentation and surrender thereof when due at the designated corporate trust office of the Trustee; provided, that any Holder in an aggregate principal amount of not less than \$1,000,000 may, by prior written instructions filed with the Trustee prior to the close of business on the applicable Record Date (which instructions shall remain in effect until revoked by subsequent written instructions), request that principal and premium payments be made by wire transfer or other means acceptable to the Trustee to an account in the continental United States. Subject to the provisions of Section 3.18 hereof, the interest on the Bonds shall be paid by check or draft drawn upon the Trustee and mailed to the Holders in whose names the Bonds are registered on the Record Date; provided that any Holder in an aggregate principal amount of not less than \$1,000,000 may, by prior written instructions filed with the Trustee prior to the close of business on the applicable Record Date (which instructions shall remain in effect until revoked by subsequent written instructions), request that interest payments for any period be made by wire transfer or other means acceptable to the Trustee to an account in the continental United States.

(c) Any interest on any Bond which is payable, but is not punctually paid or duly provided for, on any Bond Payment Date (herein called "Defaulted Interest") shall forthwith cease to be payable to the Owner of such Bond on the relevant Regular Record Date by virtue of having been such Owner. The Trustee may elect to make payment of any Defaulted Interest to the persons in whose names such Bonds (or their respective predecessor Bonds) are registered at the close of business on a Special Record Date (as defined below) for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Trustee shall determine the amount of Defaulted Interest proposed to be paid on each such Bond and the date of the proposed payment, shall fix a date (a "Special Record Date") for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment, and shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed first class, postage prepaid, to each Owner not less than five days prior to such Special Record Date at his address as it appears on the Register not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the Persons in whose names such Bonds (or their respective predecessor Bonds) are registered on such Special Record Date.

SECTION 3.6. Denomination; Numbering. The Series 2023 Bonds shall be issued in denominations of \$5,000 or any integral multiple thereof. The Series 2023 Bonds shall be numbered by the Trustee consecutively from 1 upward, preceded by the letter "R". Additional Bonds shall be in such denominations and be numbered in the manner provided in the Supplemental Agreement providing therefor.

SECTION 3.7. Paying Agent. As long as there is any Outstanding Bond under this Trust Agreement, the Corporation shall cause the Trustee to serve as Paying Agent therefor. Notices and demands to or upon the Trustee and the Corporation in respect of the Bonds may be served, at the designated corporate trust office of the Trustee. The Bonds shall be presented for registration of transfers and exchanges in accordance with the provisions of this Trust Agreement at the designated corporate trust office of the Trustee.

SECTION 3.8. Form of Bonds. The Series 2023 Bonds, together with the certificate of authentication and assignment to appear thereon, shall be in substantially the form attached hereto as Exhibit A with necessary and appropriate variations, omissions and insertions as permitted or required by this Trust Agreement. Additional Bonds shall be in such form as is provided in the Supplemental Agreement pursuant to which such Additional Bonds are issued.

SECTION 3.9. Execution of Bonds. The Bonds shall be executed in the name of and on behalf of the President or Vice President of the Corporation and the same shall be attested by the Secretary of the Corporation or such other officer as may be designated by the Board of Directors of the Corporation. Such officers may employ facsimiles of their signatures. In case any officer whose signature or facsimile signature shall appear on the Bonds shall cease to be such officer before the delivery of any Bond such signatures or such facsimiles shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office.

SECTION 3.10. Authentication. Only such Bonds as shall have endorsed thereon a certificate of authentication duly executed by the Trustee shall be entitled to any right or benefit under this Trust Agreement. No Bond shall be valid or obligatory for any purpose unless and until such certificate of authentication shall have been duly executed by the Trustee, and such executed certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Trust Agreement. The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by any authorized signatory of the Trustee.

SECTION 3.11. Medium of Payment. The Bonds shall be payable with respect to principal, interest and premium, if any, in lawful money of the United States of America.

SECTION 3.12. Mutilated, Lost, Stolen or Destroyed Bonds. In the event any Bond is mutilated, lost, stolen or destroyed, the Corporation may execute and the Trustee may authenticate a new Bond of like date, maturity and denomination as that mutilated, lost, stolen or destroyed Bond; provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the Corporation and to the Trustee evidence of such loss, theft or destruction satisfactory to the Corporation and the Trustee together with indemnity satisfactory to them. In the event any such Bond shall have matured, instead of issuing a duplicate Bond, the Corporation may pay the same. The Corporation and the Trustee may charge the Holder of such Bond with their reasonable fees and expenses in this connection.

SECTION 3.13. Transfer and Registration; Persons Treated as Owners.

(a) As long as there shall be any Outstanding Bonds, the Corporation shall cause books for the registration and transfer of Bonds to be kept which books constitute the Register. The Register shall be kept by the Trustee at its designated corporate trust office. The transfer of each Bond may be registered only upon the Register kept by the Trustee for that purpose by the Holder thereof in person or by his duly authorized attorney upon surrender thereof together with a written instrument of transfer satisfactory to the Trustee, duly executed by the Holder or his duly authorized attorney. Upon the registration of transfer of any Bond, the Trustee will authenticate and deliver, subject to the provisions of Section 3.15 hereof, in the name of the transferee, a new Bond or Bonds of the same series, maturity, interest rate and aggregate principal amount as the surrendered Bond.

(b) The Corporation and the Trustee may deem and treat the person in whose name any Bond shall be registered upon the Register as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of, premium, if any, and interest on such Bond and for all other purposes, and all such payments so made to any such Holder or, upon his order, shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Corporation nor the Trustee shall be affected by any notice to the contrary.

SECTION 3.14. Interchangeability of Bonds. Bonds, upon surrender thereof at the designated corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the Holder or his duly authorized attorney, may, at the option of the Holder and upon payment by such Holder of any charges made pursuant to Section 3.15 hereof; be exchanged for an equal aggregate principal amount of Bonds of any other authorized denominations.

SECTION 3.15. Regulations With Respect to Exchanges and Transfer. In all cases in which the privilege of exchanging or transferring Bonds is exercised, the Corporation shall execute and the Trustee shall authenticate and deliver Bonds in accordance with the provisions of this Trust Agreement. All Bonds surrendered in any such exchanges or transfers shall forthwith be cancelled and destroyed and shall not be reissued. All Bonds so destroyed shall thereafter no longer be considered Outstanding Bonds for any purposes of this Trust Agreement. There shall be no charge to the Holder for such exchange or transfer of Bonds except that the Trustee may make a charge sufficient to reimburse itself for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer. Neither the Corporation nor the Trustee shall be required to issue, exchange or transfer (i) any Bond during the 15 days immediately preceding any Bond Payment Date, (ii) any Bond during a period beginning at the opening of business 15 days immediately preceding any selection of Bonds to be redeemed and ending at the close of business on the date of the mailing of notice of such redemption or (iii) any Bonds called for redemption in whole or in part.

SECTION 3.16. Cancellation and Destruction of Mutilated, Paid or Surrendered Bonds. Upon the surrender of mutilated Bonds pursuant to Section 3.12 hereof or Bonds paid or surrendered, the same shall be cancelled and destroyed and shall not be reissued. The Trustee shall cancel and destroy any Bond certificates it has received in accordance with retention policy in effect at the time, and a counterpart of the certificate evidencing such destruction (or other evidence satisfactory to the Corporation) shall be furnished by the Trustee to the Corporation. All Bonds so destroyed shall thereafter no longer be considered Outstanding Bonds for any purposes of this Trust Agreement.

SECTION 3.17. [Reserved]

SECTION 3.18. Book-Entry System. Notwithstanding anything to the contrary herein, so long as any series of the Bonds are being held under a Book-Entry System pursuant to this Section 3.18, payment of principal and premium (if any) of and interest on such Bonds and transfers of beneficial ownership of such Bonds will be effected pursuant to rules and procedures established by the Securities Depository. The Series 2023 Bonds shall be initially issued under a Book-Entry System and shall be held thereunder except as provided in this Section 3.18. The Series 2023 Bonds shall be initially issued in the form of a separate, authenticated, fully registered Series 2023 Bond for each maturity and interest rate in a principal amount equal to the amount of such maturity and interest rate, and shall be registered on the Register in the name of the Securities Depository Nominee. So long as the Book-Entry System is in effect, the Securities Depository Nominee will be recognized as the Holder of the Series 2023 Bonds for the purposes of (i) paying the principal of, premium, if any, or interest on the Series 2023 Bonds, (ii) selecting the Series 2023 Bonds or portions thereof to be redeemed, (iii) giving any notice permitted or required to be given to Holders under this Trust Agreement, (iv) registering the transfer of Series 2023 Bonds, and (v) requesting any consent or other action to be taken by the Holders, and for all other purposes whatsoever, and neither the Trustee nor the Corporation shall be affected by any notice to the contrary. Neither the Trustee nor the Corporation shall have any responsibility or obligation to any Participant, any beneficial owner of Series 2023 Bonds or any other person claiming a beneficial ownership interest in the Series 2023 Bonds under or through the Securities Depository or any Participant, or any other person which is not shown on the Register as being a Holder of Series 2023 Bonds with respect to (i) the accuracy of any records maintained by the Securities Depository or any Participant, (ii) the payment to the Securities Depository, any Participant or any beneficial owner of Series 2023 Bonds of any amount in respect of the principal of, premium, if any, or interest on the Bonds, (iii) any notice which is permitted or required to be given to Holders under this Trust Agreement, (iv) the selection by the Securities Depository or any Participant or any other person to receive payment in the event of a partial redemption of the Series 2023 Bonds or (v) any other action taken by the Securities Depository as Holder of the Series 2023 Bonds. So long as the Book-Entry System is in effect, the Trustee shall pay all principal of and premium, if any, and interest on the Series 2023 Bonds only to the Securities Depository or the Securities Depository Nominee, as the case may be, and all such payments shall be valid and effectual to fully satisfy and discharge the obligations with respect to the principal of and premium, if any, and interest on the Series 2023 Bonds to the extent of the sum or sums so paid.

In the event that the Corporation determines that it is in the best interest of the Corporation not to continue the Book-Entry System or that the interest of the beneficial owners of the Series 2023 Bonds may be adversely affected if the Book-Entry System is continued, then the Corporation shall notify the Securities Depository and the Trustee of such determination and the Securities Depository shall immediately notify the Participants of the availability, through the Securities Depository, of physical Series 2023 Bonds. In such event, the Corporation shall execute and the Trustee shall authenticate, register and deliver physical Series 2023 Bonds as requested by the Securities Depository or any Participant or beneficial owner of Series 2023 Bonds in appropriate authorized denominations in exchange for the Series 2023 Bonds registered in the name of Securities Depository Nominee. The Securities Depository may determine to discontinue providing its services as such with respect to the Series 2023 Bonds at any time by giving notice to the Corporation and the Trustee and discharging its responsibilities with respect thereto under applicable laws or the Corporation may determine that the Securities Depository is incapable of discharging its duties as such and may so notify the Securities Depository. In either such event, the Corporation shall either (i) engage the services of another Securities Depository or (ii) deliver physical Series 2023 Bonds in the manner described above; provided, however, that the discontinuation of the Book Entry System of registration and transfer with respect to the Series 2023 Bonds or the replacement of the Securities Depository or any successor depository shall be subject to the applicable rules and procedures of the Securities Depository or such successor depository on file or otherwise approved by the Securities and Exchange Commission.

Notwithstanding any other provision of this Trust Agreement to the contrary, so long as the Series 2023 Bonds are registered in the name of Cede & Co., as Securities Depository Nominee, all payments with respect to the principal of, premium, if any, and interest on the Bonds and all notices with respect to the Series 2023 Bonds shall be made and given, respectively, to The Depository Trust Company, New York, New York, as provided in the Blanket Letter of Representations of the Corporation dated January 19, 2009.

In connection with any notice or other communication to be provided to the Holders by the Corporation or the Trustee with respect to any consent or other action to be taken by the Holders, the Corporation or the Trustee, as the case may be, shall establish a record date for such consent or other action and give the Securities Depository notice of such record date not less than 15 days in advance of such record date to the extent possible.

SECTION 3.19. Tax Covenants of Corporation. The Corporation will not take or permit, or omit to take or cause to be taken, any action that would adversely affect the exclusion from gross income for federal income tax purposes of the interest evidenced by or paid on the Series 2023 Bonds and, if it should take or permit, or omit to take or cause to be taken, any such action, the Corporation will take or cause to be taken all lawful actions within its power necessary to rescind or correct such actions or omissions promptly on having knowledge thereof. The Corporation acknowledges that the continued exclusion of interest evidenced by or paid on the Series 2023 Bonds from a Holder's gross income for federal income tax purposes depends, in part, on compliance with the arbitrage limitations imposed by Section 148 of the Code. To that end, the Corporation covenants that it will comply with the Federal Tax Certificate dated of even date herewith, of the Corporation and the County (the "Federal Tax Certificate"), relating to the Series 2023 Bonds.

The Corporation acknowledges that the Series 2023 Bonds are being issued by the Corporation, acting on behalf of the County, within the meaning of Revenue Ruling 63-20, 1963-1 C.B. 24 ("Revenue Ruling 63-20") and Treasury Regulation Section 1.103-1(b), and covenants to comply with all provisions of Revenue Ruling 63-20 and all of the applicable provisions of Revenue Procedure 82-26, 1982-1 C.B. 476 ("Revenue Procedure 82-26"). For purposes of this Section 3.19, "Financed Facilities" means the assets financed or refinanced with the Series 2023 Bonds (which, without limiting the foregoing, includes the 2023 Facilities and the Ancillary Projects). The Corporation therefore represents, warrants and covenants as follows:

(a) The Corporation is organized under the general nonprofit laws of the State as a nonprofit organization, the articles of incorporation of the Corporation provide that the Corporation is not organized for profit. The activities and purposes of the Corporation are those permitted under the general nonprofit corporation laws of the State, the Corporation will engage only in activities and for purposes that are permitted under the general nonprofit corporation laws of the State and the Financed Facilities are located entirely within the geographic boundaries of the County.

(b) The articles of incorporation of the Corporation provide that income of the Corporation will not inure to any private person. In fact, income of the Corporation does not inure to any private person, and upon dissolution of the Corporation, the Corporation's net assets shall be distributed to the County. The Corporation shall not amend or modify its articles of incorporation or bylaws to modify any of its stated purposes or activities, or with respect to any other provision, without the advice of Bond Counsel.

(c) Prior to a termination (if any) of the Purchase and Use Agreement pursuant to Section 2.2 thereof which gives rise to a partition of the 2023 Facilities pursuant to Section 2.4 thereof, the County shall have exclusive beneficial possession and use of the Financed Facilities, including any improvements and additions thereto, equivalent to at least 95% of the fair rental value of the Financed Facilities for the

term of the Series 2023 Bonds, including any other obligations issued by the Corporation either to make improvements to the Financed Facilities or to refund a prior issue of the Corporation's obligations related to the Financed Facilities.

(d) The County presently has or shall obtain fully unencumbered fee simple title, subject to Permitted Encumbrances, to the Financed Facilities no later than such time as the Series 2023 Bonds are discharged. For purposes of this paragraph and the definition of "Base Lease Term" as such term is defined in the Base Lease, the Series 2023 Bonds will be discharged when (i) cash is available at the place of payment on the date that the Series 2023 Bonds are due (whether at maturity or upon prior call for redemption) and (ii) interest ceases to accrue on the Series 2023 Bonds. Upon discharge of the Series 2023 Bonds the Corporation will convey to the County such fee simple title and exclusive possession and use of the Financed Facilities, including any additions thereto (to the extent the County does not already have such title, possession and use), without demand or further action on its part. In this regard, all leases, management contracts and similar encumbrances (other than Permitted Encumbrances), if any, relating to the Financed Facilities shall terminate upon discharge of the Series 2023 Bonds.

(e) While the Purchase and Use Agreement is in effect, in the event the Corporation defaults in its payments under the Series 2023 Bonds, the County has the exclusive option to purchase the 2023 Facilities and any additions thereto (to the extent the County does not already have title to, possession and use thereof) for the amount of the Outstanding Series 2023 Bonds and accrued interest to the date of default. The County must, if at all, exercise its option not more than 90 days from the date it is notified by the Corporation (or the Trustee on behalf of the Corporation) of such default and, if elected, must have 90 days from the date of exercise of such option to purchase such property.

(f) All of the original proceeds of the Series 2023 Bonds shall be used to provide tangible real and tangible personal property. Proceeds are considered to provide tangible property only if the proceeds are (i) used to finance costs that a taxpayer must charge to the property's capital account, may elect to charge to the property's capital account instead of deducting, or may elect to deduct instead of charging to the property's capital account and (ii) used to fund a reasonably required reserve fund for the Series 2023 Bonds within the meaning of Revenue Procedure 82-26. The preceding sentence does not apply to a de minimis amount, less than \$5,000, that is included in the Series 2023 Bonds solely for the purpose of rounding the dollar amount of the issue. If excess proceeds remain on hand after the completion of construction or reconstruction of the Financed Facilities, the requirements of this paragraph will be considered met if (i) the face amount of the Series 2023 Bonds (taking into account estimated investment proceeds) was based on reasonable estimates of the cost of the Financed Facilities at the time the Series 2023 Bonds were issued, and the excess proceeds are used and invested in the manner described in Section 3.052 of Revenue Procedure 82-26. For purposes of this paragraph, "original proceeds" are amounts (after payment of all expenses of issuing the Series 2023 Bonds) received at any time as a result of the sale of the Series 2023 Bonds and "investment proceeds" are amounts (net of administrative costs) that result from the investment of any proceeds of the Series 2023 Bonds. However, investment proceeds do not include amounts earned after the date that (i) construction, reconstruction or acquisition of the Financed Facilities is completed, or (ii) all of the proceeds (less amounts used to fund a reasonably required reserve fund) have been spent on the construction, reconstruction or acquisition of the Financed Facilities, whichever occurs later.

(g) The Council enacted an ordinance on _____, which date is within one year prior to the issue date of the Series 2023 Bonds, approving the purposes and activities of the Corporation, the 2023 Projects and the Ancillary Projects and the issuance of the Series 2023 Bonds by the Corporation for the purposes of financing the costs of the 2023 Projects and the Ancillary Projects, and stating that the County will accept title to the Financed Facilities, including any additions or improvements thereto (to the

extent the County does not already have title to, possession and use thereof), no later than such time as the Series 2023 Bonds are discharged.

(h) The proceeds of fire or other casualty insurance policies received in connection with the damage or destruction to the Financed Facilities, including any improvements, will be used, subject to the provisions of Section 4.1(b)(1) of this Trust Agreement regarding special optional redemption of the Series 2023 Bonds, to rebuild the Financed Facilities (as applicable) or to redeem the Series 2023 Bonds or, if all of the Series 2023 Bonds have been paid or defeased under this Trust Agreement, will be remitted to the County.

(i) In the event of any division of the 2023 Facilities pursuant to Section 2.4 of the Purchase and Use Agreement, the Corporation agrees that, unless (i) it obtains an opinion of Bond Counsel to the effect that such action is unnecessary to preserve the exclusion from gross income of interest on any Series 2023 Bonds, or (ii) the Corporation or the Trustee is directed by the owners of a majority of the beneficial ownership interests of the Series 2023 Bonds, it will timely undertake to satisfy the requirements of the Code and the Treasury Regulations relating to a change in use of the 2023 Facilities. Regulations governing such remedial action are now contained in Section 1.141-12 of the Treasury Regulations.

ARTICLE IV REDEMPTION OR PURCHASE OF BONDS

SECTION 4.1. Redemption of Bonds.

(a) Optional Redemption of Series 2023 Bonds. In the event the County exercises its option pursuant to Section 9.1 of the Purchase and Use Agreement to purchase the Corporation's interest in the 2023 Facilities and pay the amount required to defease and redeem the Series 2023 Bonds or to prepay Base Payments or in the event the County makes a voluntary prepayment under Section 4.3 of the Purchase and Use Agreement, the Series 2023 Bonds may be redeemed by the Corporation in whole or in part at any time on and after December 1, ____, at a redemption price equal to 100% of the principal amount of the Series 2023 Bonds to be redeemed plus accrued interest to the redemption date.

The Series 2023 Bonds shall be redeemed in accordance with this paragraph (a) only by written notice from the County or the Corporation to the Trustee of the redemption of the Series 2023 Bonds and directing the Trustee to give notice thereof to the Holders in accordance with Section 4.2 hereof. Such notice shall specify the redemption date on which the Series 2023 Bonds are to be redeemed, and shall be given to the Trustee at least 45 days prior to the redemption date or such shorter period as shall be acceptable to the Trustee. Prior to the giving of notice by the Trustee to the Holders as provided in Section 4.2 hereof, there shall be deposited with the Trustee funds which, in addition to any other moneys available therefor and held by the Trustee, will be sufficient to redeem at the redemption price thereof all of the redeemable Series 2023 Bonds for which notice of redemption has been given; provided that the Trustee may accept such other assurance from the County or the Corporation as it deems appropriate as to the availability of such funds or may condition any such notice on the receipt of funds at or prior to the date set for redemption.

(b) Special Optional Redemption of Series 2023 Bonds. (1) In the event the County elects to prepay Installment Payments pursuant to the provisions of Section 7.3 of the Purchase and Use Agreement, the Series 2023 Bonds shall be subject to redemption in whole or in part on any date (as selected by the Trustee at the direction of the Corporation), at a price equal to 100% of the principal amount of the Series 2023 Bonds so redeemed, without premium, plus accrued interest to the date of redemption.

(2) The Series 2023 Bonds shall be redeemed in accordance with this paragraph (b) only by written notice from the County or the Corporation to the Trustee of the redemption of the Series 2023 Bonds and directing the Trustee to give notice thereof to the Holders in accordance with Section 4.2 hereof. Such notice shall specify the redemption date on which the Series 2023 Bonds are to be redeemed, and shall be given to the Trustee at least 45 days prior to the redemption date or such shorter period as shall be acceptable to the Trustee. Prior to the giving of notice by the Trustee to the Holders as provided in Section 4.2 hereof, there shall be deposited with the Trustee funds which, in addition to any other moneys available therefor and held by the Trustee, will be sufficient to redeem at the redemption price thereof all of the redeemable Series 2023 Bonds for which notice of redemption has been given; provided that the Trustee may accept such other assurance from the County or the Corporation as it deems appropriate as to the availability of such funds or may condition any such notice on the receipt of funds at or prior to the date set for redemption.

(c) Partial Redemption of Series 2023 Bonds. If less than all of the Series 2023 Bonds are called for redemption, the Series 2023 Bonds to be redeemed will be selected in the manner that the Corporation shall determine as set forth in a certificate of the Corporation filed with the Trustee. If less than all Series 2023 Bonds of any one maturity and interest rate are called for redemption, the Trustee shall select the Series 2023 Bonds to be redeemed randomly, each \$5,000 portion of the principal being counted as one Series 2023 Bond for this purpose; provided, however, that so long as the only registered owner of the Series 2023 Bonds is Cede & Co., such selection shall be made by DTC.

(d) Redemption of Additional Bonds. Provisions relating to the circumstances upon which Bonds other than Series 2023 Bonds may be redeemed shall be as set forth in the Supplemental Agreement providing for the issuance thereof.

SECTION 4.2. Notice of Redemption. Notice of redemption of the Bonds may only be given if funds for such redemption are irrevocably deposited with the Trustee prior to rendering notice of redemption to the Bondholders, or in the alternative, the notice given by the Trustee to Bondholders expressly states that such redemption is conditioned upon the deposit of funds sufficient for the redemption by the Corporation and that failing such deposit no redemption shall take place. The notice of the call for redemption of Bonds shall identify (i) the CUSIP number or numbers, if any, of the Bonds to be redeemed; (ii) the numbers assigned to such Bonds, and in the case of Bonds called in part only, the amounts being redeemed; (iii) the date of the notice; (iv) the redemption date; (v) the redemption price; (vi) the address of the Trustee where such Bonds are to be presented, with the name and telephone number of a contact person, if available; (vii) the issue date of the Bonds; and (viii) the maturity date of the Bonds being redeemed. Notice shall be given by the Trustee by first class mail, postage prepaid, at least 30 days, but not more than 60 days, prior to the date fixed for redemption to the Holder of each Bond subject to redemption at the Holder's address shown on the Register on the 15th day preceding that mailing; provided such notice shall be given by facsimile or by certified or registered mail, return receipt requested to each person who holds Bonds in the aggregate principal amount of not less than \$100,000.

Failure to receive any notice by mailing or otherwise or any defect in such notice regarding any Bond, however, shall not affect the validity of the proceedings for the redemption of any other Bond.

SECTION 4.3. Payment of Redeemed Bonds. Notice having been mailed, the Bonds called for redemption shall become due and payable on the redemption date, and upon presentation and surrender thereof at the place or places specified in that notice, shall be paid at the redemption price plus interest accrued to the redemption date.

If money for the redemption of all of the Bonds to be redeemed is held by the Trustee on the redemption date so as to be available therefor on that date, and if notice of redemption has been deposited

in the mail as aforesaid, then from and after the redemption date those Bonds called for redemption shall no longer be entitled to payment of any sum other than the redemption price.

All moneys deposited in the Bond Fund and held by the Trustee for the redemption of particular Bonds shall be held in trust for the account of the Holders thereof and shall be paid to them, respectively, upon presentation and surrender of those Bonds.

SECTION 4.4. Purchase of Bonds. At the written direction of the County, the Trustee shall, if and to the extent practicable, attempt to purchase Bonds at such time, in such manner and at such price, not to exceed the then applicable redemption price (or if no redemption is then permitted, the price at which such Bonds may first be redeemed or paid at maturity) for such Bonds, as may be specified by the County (or the Authorized Financial Representative on its behalf). The Trustee may purchase Bonds with any amounts provided to it by the County pursuant to Section 4.3 of the Purchase and Use Agreement or otherwise deposited to the applicable Facilities Purchase Account of the Bond Fund, provided that all regularly scheduled payments on the Bonds then due and payable have first been satisfied. Any accrued interest due to the holder of any Bond so purchased may be paid from funds held by the Trustee for the payment of interest due on such Bonds on the next ensuing Bond Payment Date. Unless directed otherwise by the County (or the Authorized Financial Representative on its behalf), the Trustee shall cancel any such Bonds so purchased. Prior to effecting any purchase hereunder, the Trustee shall be entitled to receive, upon request, a Favorable Opinion of Bond Counsel.

ARTICLE V PROVISIONS AS TO FUNDS AND PAYMENTS

SECTION 5.1. Deposit of Money. In order to assure that the Base Lease Rent and the costs of the 2023 Projects and the Ancillary Projects will be paid without delay and that the 2023 Facilities will be available for purchase and occupancy by the County without delay, there shall be deposited with the Trustee the proceeds received from the sale of the Series 2023 Bonds, representing the principal amount of the Series 2023 Bonds, plus net original issue premium, if any, and less Underwriter's discount (e.g., \$_____), into the Project Fund.

SECTION 5.2. Creation of Project Fund. There is hereby created as a separate account in the custody of the Trustee or another bank, depository or trust company (each, a "Custodian") a trust fund designated as the "Project Fund." Pending disbursement pursuant to this Trust Agreement, the proceeds of the sale of the Series 2023 Bonds deposited in the Project Fund pursuant to Section 5.1 hereof, together with any other moneys and Permitted Investments held to the credit thereof, shall be held as security for the payment of the Series 2023 Bonds.

SECTION 5.3. Disbursements From and Records of Project Fund.

(a) Moneys in the Project Fund shall be disbursed for the costs of the 2023 Projects, the initial payment of the Base Lease Rent, and for the payment of issuance costs of the Series 2023 Bonds, all in accordance with the provisions of this Section 5.3. The Trustee or the Custodian, as applicable, shall cause to be kept and maintained adequate records pertaining to the Project Fund and all investments and disbursements of moneys in the Project Fund. After the 2023 Projects and the Ancillary Projects have been substantially completed and a final requisition is filed with the Trustee or the Custodian, as applicable, in accordance with Section 3.4 of the Purchase and Use Agreement, the Trustee or the Custodian, as applicable, shall retain copies of the records pertaining to the Project Fund and disbursements therefrom for inspection upon request of the Corporation or the County.

(b) All disbursements from the Project Fund, except those pertaining to the initial payment of the Base Lease Rent as provided in subsection (d) below, shall be made by the Trustee or Custodian, as applicable, upon the receipt of a requisition in substantially the form set forth in Exhibit B hereto signed by a Corporation Representative and a County Representative. The Trustee or Custodian, as applicable, shall be entitled to rely on each requisition as conclusive evidence of the County's compliance with the procedure described herein. The Trustee shall have no duty to review or investigate the accuracy of the requisition for other than the form and format.

Disbursements from the Project Fund pertaining to payment of costs of issuance of the Series 2023 Bonds and the Base Lease Rent shall be made by the Trustee or Custodian, as applicable, upon written direction of the Corporation, together with an invoice or other evidence of the amounts payable thereunder.

(c) Upon the substantial completion of the 2023 Projects and the Ancillary Projects (funded pursuant to subsection (d) hereof), the Corporation shall submit to the Trustee or Custodian, as applicable, a final requisition in substantially the form set forth in Exhibit C hereto signed by a Corporation Representative and a County Representative in the total amount remaining owing for costs of the 2023 Projects, including all applicable retainages. Upon the receipt of the final requisition, the Trustee or Custodian, as applicable, shall promptly disburse the amounts requested therein.

(d) The Trustee is authorized to pay to or at the direction of the County from time to time the aggregate sum of not exceeding \$_____ as an initial payment of Base Lease Rent under the Base Lease at such times as it receives a written request therefor from a County Representative. The County certifies that all amounts received by it pursuant to this Section 5.3(d) and all "investment proceeds" thereon (net of administrative costs) shall be used to provide tangible real and tangible personal property consistent with the provisions of Section 3.19(g) hereof will be applied to pay the costs of the Ancillary Projects. The only source of payment of such portion of Base Lease Rent shall be amounts in the Project Fund. If the County delivers written notice to the Trustee stating that less than all of the initial payment of the Base Lease Rent was applied to the payment of the Ancillary Projects, such remaining amounts shall be applied for the payment of costs of the 2023 Projects pursuant to the procedures specified in subsection (b) above, and the County shall not be entitled to receipt of any additional Bond Proceeds for the payment of Base Lease Rent.

SECTION 5.4. Completion of 2023 Projects and the Ancillary Projects. As soon as practicable after the filing with the Trustee or Custodian, as applicable, of the final requisition referred to in Section 5.3(c) hereof, the Trustee or Custodian, as applicable, shall remove any balance then remaining in the Project Fund (other than the amounts required to be retained by the Trustee, as applicable, as described in the said requisition), and the Project Fund shall be closed.

SECTION 5.5. Creation of Bond Fund, Facilities Purchase Account and Reserve Account.

(a) There is hereby created in the custody of the Trustee a separate trust fund to be designated the "Bond Fund." Within the Bond Fund there shall be established a Facilities Purchase Account and a Reserve Account. There shall be deposited in the Bond Fund (and credited, as required by this Trust Agreement or the Purchase and Use Agreement, to appropriate Accounts and subaccounts therein), amounts sufficient to pay the principal and premium, if any, of and interest on the Series 2023 Bonds from the Base Payments to be made by the County to the Trustee under the terms of the Purchase and Use Agreement. Upon the issuance of the Series 2023 Bonds, one subaccount (the 2023 Facilities Purchase Sub-Account) shall be created in the Facilities Purchase Account of the Bond Fund for the benefit of the Series 2023 Bonds; however, no subaccount shall be initially created or funded in the Reserve Account of

the Bond Fund for the benefit of the Series 2023 Bonds. Upon the issuance of any series of Additional Bonds hereunder, (i) a separate subaccount shall be created in the Facilities Purchase Account for purposes of making payment on each series of Bonds with the intent being that the Series 2023 Bonds and any Additional Bonds shall only be payable from the subaccounts of the Facilities Purchase Account established with respect to such series of Bonds upon the issuance thereof, and (ii) a separate subaccount may be created in the Reserve Account of the Bond Fund to provide for any Reserve Requirement with respect to such Additional Bonds with the intent being that any Additional Bonds (as applicable) shall only be payable from the subaccounts of the Reserve Account established with respect to such series of Bonds upon the issuance thereof.

(b) The Bond Fund (and the Accounts and subaccounts therein) and the moneys and Permitted Investments therein shall be used solely and exclusively for the payment of principal of, premium, if any, and interest on the Bonds as the same become due, except as otherwise provided in this Trust Agreement.

(c) The Trustee shall set aside from moneys in the Bond Fund amounts sufficient to make timely payments of the principal of, premium, if any, and interest on the Bonds.

(d) Amounts due with respect to a particular series of Bonds, except as provided in the remainder of this Section 5.5, shall be payable as they become due in the following order, (i) first, from amounts in the applicable subaccount of the Facilities Purchase Account; (ii) second, from the moneys available from the applicable subaccount of the Reserve Account; (iii) third, from other Revenues to the extent available; and (iv) fourth, from any other source lawfully available to the Trustee, including without limitation, proceeds from the leasing of the 2023 Facilities or the 2023 Real Property in accordance with the terms of the Purchase and Use Agreement and the Base Lease.

(e) A Supplemental Agreement may provide for matters relating to the creation and maintenance of, and application of amounts on deposit in, the applicable subaccount of the Reserve Account established with respect to a series of Bonds, and other provisions related to any insurance policy, letter of credit or other credit facility credited thereto.

(f) Notwithstanding anything herein to the contrary, the Trustee shall be entitled to create such other funds and accounts (collectively, "Other Funds and Accounts") as may be necessary or desirable in connection with the administration of its duties hereunder, including but not limited to such funds and accounts as may be established for the deposit of moneys related to the payment of arbitrage rebate in connection with the Bonds; provided, however, that (1) the Corporation and the Trustee shall be entitled to enter into such additional agreements relating to the funding, use, investment and disbursement of amounts in the Other Funds and Accounts notwithstanding any other provisions of this Trust Agreement; and (2) with the advice of Bond Counsel, the Corporation, or the Authorized Financial Representative on its behalf, shall be entitled to direct the transfer of amounts from the Bond Fund or the Other Funds and Accounts to one or more accounts related to the payment of arbitrage rebate in connection with the Bonds and direct the use of such accounts for such purpose.

SECTION 5.6. Creation of Repair and Replacement Fund. There is hereby created as a separate account in the custody of the Trustee a trust fund to be designated the "Repair and Replacement Fund." The Trustee shall deposit into the Repair and Replacement Fund as and when received that portion of the Additional Payments so budgeted by the Corporation; provided, however, that the amount so deposited may not in any event cause the amounts to be deposited or credited to the applicable subaccounts of the Facilities Purchase Accounts of the Bond Fund on such Bond Payment Date to be less than the amounts then due with respect to the applicable series of Bonds. Moneys in the Repair and Replacement Fund shall be used, upon written direction of the Corporation Representative to the Trustee, (a) to build up a reserve for the depreciation of the 2023 Facilities or otherwise for the purpose of restoring or

replacing depreciated or obsolete items of the 2023 Facilities, (b) to build up a reasonable reserve for improvements, betterments, and extensions to the 2023 Facilities, other than those necessary to maintain the 2023 Facilities in good repair and working order and (c) to pay any accrued and unpaid Administrative Fees. Moneys in this fund shall be used solely for such purposes, but may be transferred at the written direction of the Corporation Representative whenever necessary to the Bond Fund to pay the principal or premium, if any, of or interest on any Bonds or to replenish any Reserve Account established therefor.

SECTION 5.7. Investments. Subject in all events to the provisions set forth in Section 5.5(f) hereof:

(a) Moneys in the Project Fund, the Bond Fund and the Repair and Replacement Fund shall be invested and reinvested by the Trustee or Custodian, as applicable, in Permitted Investments at the written direction of the Authorized Financial Representative; provided, however, that in the absence of such written direction, funds shall be invested in _____. Any investments of moneys held to the credit of such funds and accounts shall mature, be available or be redeemable at the option of the owner or holder, or, in the case of a forward delivery agreement, repurchase agreement or similar contract, be available thereunder, not later than the respective dates when the money held to the credit of those Funds and Accounts will be required for the purpose intended.

(b) Subject to any written direction from the Authorized Financial Representative, from time to time, the Trustee or Custodian, as applicable, may sell investments and reinvest the proceeds therefrom in Permitted Investments maturing or redeemable or available as required hereunder. The Trustee or Custodian, as applicable, may enter into transactions for the purchase or sale of Permitted Investments with itself or any bank, trust company or savings and loan association affiliated with the Trustee or Custodian, as applicable. The Trustee or Custodian, as applicable, shall sell or redeem Permitted Investments credited to the Bond Fund at the times required for the purpose of paying amounts due with respect to the Bonds payable therefrom when due as aforesaid, and shall do so without necessity for any order. Subject to Section 5.5(f) hereof, an investment made from moneys credited to the Project Fund, the Repair and Replacement Fund, the Bond Fund or any Other Fund and Account shall, except as may be directed by the Corporation to the Trustee, constitute part of that account and fund, and each account and fund shall be credited with all proceeds of sale and income from investment of moneys credited thereto.

(c) Investment income from investment of amounts on deposit in the Project Fund or the Repair and Replacement Fund shall be retained therein and applied as other moneys in the Project Fund or the Repair and Replacement Fund, respectively. Investment income from investment of amounts on deposit in Other Funds and Accounts shall be applied as directed in writing by the Corporation or the Authorized Financial Representative on its behalf.

(d) Investment income from investment of a particular subaccount of the Facilities Purchase Account shall be retained in such subaccount and credited against the amount of the applicable Base Payments to be paid by the County on the next succeeding Bond Payment Date.

(e) Investment income from investment of a particular subaccount of the Reserve Account shall be retained in such subaccount to the extent that the value (as determined in the manner prescribed in paragraph (h) below) of amounts on deposit in such subaccount therein is less than the Reserve Requirement with respect to the applicable series of Bonds, and any excess over such Reserve Requirement shall be transferred from such subaccount on or prior to each Bond Payment Date for credit against the applicable Base Payments to be paid by the County or for such other purposes with the advice of Bond Counsel, all in the manner directed by the County.

(f) The Trustee shall report to the County at least five days prior to each date on which a Base Payment is due and payable the amount of investment income credited or transferred to the particular subaccount of the Facilities Purchase Account of the Bond Fund and available to make payments due on the next Bond Payment Date, and the amount of the applicable Base Payment payable by the County on that date shall be reduced by such amount.

(g) The Trustee shall not be liable for any loss resulting from the making or disposition of any investment in Permitted Investments pursuant to the provisions of this Section provided it acts in good faith and without negligence in making such investment, and any such losses shall be charged to the Fund and Account with respect to which such investment is made.

(h) The value of the obligations in which money in a fund or account has been invested shall be computed at market value or the amortized cost thereof, whichever is lower, except that in the case of the Reserve Account the value shall be computed at the original cost thereof. The Trustee shall value the investments in the Reserve Account and each subaccount therein on each May 1 and November 1 during the term of the Purchase and Use Agreement.

(i) In the event, as of a date of valuation, investments in the Reserve Account or any subaccount therein plus the value of any insurance policy, letter of credit or other credit facility credited thereto are determined to be less than the Reserve Requirement applicable thereto, the Corporation shall notify the County with a demand that it restore such Reserve Account or subaccount from any source of legally available and appropriated funds as an Additional Payment to the applicable Reserve Requirement in 12 equal monthly installments in the Fiscal Year immediately following the Fiscal Year in which such valuation is made.

SECTION 5.8. Moneys to be Held in Trust. All moneys required or permitted to be deposited with or paid to the Trustee under any provisions of this Trust Agreement or the Purchase and Use Agreement, and any investments thereof, shall be held by the Trustee in trust. Except for moneys held by the Trustee pursuant to Section 5.9 hereof, all moneys described in the preceding sentence held by the Trustee shall be subject to the lien of this Trust Agreement while so held.

SECTION 5.9. Nonpresentment of Bonds. If any Bond is not presented for payment when its principal becomes due in whole or in part, or a check or draft for interest is uncashed, if moneys sufficient to pay the principal then due on that Bond or such check or draft shall have been made available to the Trustee for the benefit of its Holder, all liability of the Corporation or the County to that Holder for the payment of the principal then due or of the check or draft thereupon shall cease and be discharged completely. Thereupon, it shall be the duty of the Trustee to hold those moneys, without liability for interest thereon, for the exclusive benefit of the Holder, who shall be restricted thereafter exclusively to those moneys for any claim of whatever nature on its part under this Trust Agreement or on, or with respect to, that principal then due or of such check or draft.

Subject to applicable law, any such moneys which shall be so held by the Trustee, and which remain unclaimed by the Holder of a Bond not presented for payment or check or draft not cashed for a period of five years after the due date thereof, shall be paid to the County free of any trust or lien. Thereafter, the Holder of such Bond shall look only to the County for payment and then only to the amounts so received by the County without any interest thereon, and the Trustee shall not have any responsibility with respect to those moneys.

SECTION 5.10. Repayment to County from Bond Fund. Except as provided in Section 5.9 hereof, any amounts remaining in the Bond Fund in excess of the amounts necessary to effect the payment and discharge of the Bonds (i) after all of the Outstanding Bonds shall be deemed paid and

discharged under the provisions of this Trust Agreement, and (ii) after payment of all fees, charges and expenses of the Trustee and of all other amounts required to be paid under this Trust Agreement and the Purchase and Use Agreement, shall be paid to the County.

ARTICLE VI TRUSTEE

SECTION 6.1. Trustee's Acceptance and Responsibilities.

(a) The Trustee accepts the trusts imposed upon it by this Trust Agreement, and agrees to observe and perform those trusts, but only upon and subject to the terms and conditions set forth in this Article VI, to all of which the parties hereto and the Holders agree.

(b) It is expressly understood and agreed that this Trust Agreement is being executed by the Trustee not in its corporate and individual capacity but solely as trustee hereunder in the exercise of the power and authority conferred and vested in it as such Trustee. It is further understood and agreed that neither the Trustee nor any past, present or future director, officer, employee, agent, controlling person or nominee of the Trustee shall be personally liable for any breach of any representation or warranty of the trust incorporated herein or in any other agreement or obligation contemplated hereby and nothing herein or therein contained shall be construed as creating any liability of the Trustee in its corporate and individual capacity or as creating any liability of any past, present or future director, officer, employee, agent, controlling person or nominee of the Trustee to make any payment or to perform any agreement or undertaking contained herein or therein.

(c) Prior to the occurrence of an Event of Default of which the Trustee has been notified or deemed to have been notified as provided in paragraph (f) of Section 6.2 hereof, and after the cure or waiver of all defaults or Events of Default which may have occurred,

(i) the Trustee undertakes to perform only those duties and obligations which are set forth specifically in this Trust Agreement, and no duties or obligations shall be implied to the Trustee; and

(ii) in the absence of bad faith on its part, the Trustee may rely conclusively, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the procedural requirements of this Trust Agreement; but in the case of any such certificates or opinions which by any provision hereof are required specifically to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the procedural requirements of this Trust Agreement.

(d) After the occurrence of an Event of Default of which the Trustee has knowledge or is deemed to have knowledge, the Trustee shall exercise those rights and powers vested in it by this Trust Agreement and shall use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

(e) No provision of this Trust Agreement shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that

(i) this subsection shall not be construed to affect the limitation of the Trustee's duties and obligations provided in subsection (c)(i) of this Section or the Trustee's right to rely on the truth of statements and the correctness of opinions as provided in subsection (c)(ii) of this Section;

(ii) the Trustee shall not be liable for any error of judgment made in good faith by any one of its officers, unless it shall be established that the Trustee was negligent in ascertaining the pertinent facts;

(iii) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of not less than a majority in principal amount of the Outstanding Bonds relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Trust Agreement;

(iv) no provision of this Trust Agreement shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it; and

(v) the Trustee may act upon the opinion or advice of any attorney (who may be the attorney or attorneys for the Corporation or the County) selected by the Trustee in the exercise of reasonable care. The Trustee shall not be responsible for any loss or damage resulting from any action taken or omitted to be taken in good faith in reliance upon that opinion or advice.

(f) Every provision of this Trust Agreement relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Article VI. Whenever the Trustee acts in its capacity as Trustee with respect to any document or agreement relating the Bonds, the provisions of this Article VI shall apply to all such action.

SECTION 6.2. Certain Rights and Obligations of the Trustee. Except as otherwise provided in Section 6.1 hereof:

(a) The Trustee (i) may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers or employees and shall not be answerable for the conduct of the same if appointed with due care, (ii) shall be entitled to the advice of counsel concerning all matters of trusts or powers hereof and duties hereunder, and (iii) may pay reasonable compensation in all cases to all of those attorneys, agents, receivers and employees reasonably employed by it in connection with the trusts hereof.

(b) Except as may be required of it in its capacity as assignee of the Corporation under the Purchase and Use Agreement or as specifically provided for elsewhere herein, the Trustee shall not be responsible for:

(i) any recital in this Trust Agreement or the Bonds or any information in any offering memorandum of other disclosure material,

(ii) the validity, priority, perfection, recording, rerecording, filing or refiling of this Trust Agreement or any Supplemental Agreement (or any assignment agreement related hereto or thereto), the Purchase and Use Agreement or the Base Lease or any financing statement with respect to the Trust Estate,

(iii) any instrument or document of further assurance or collateral assignment,

(iv) the initial filing of financing statements,

(v) insurance of any of the 2023 Facilities or the 2023 Real Property or collection of insurance moneys,

(vi) the validity of the execution by the Corporation of this Trust Agreement, any Supplemental Agreement or instruments or documents of further assurance,

(vii) the sufficiency of the security for the Bonds executed and delivered hereunder or intended to be secured hereby,

(viii) the value of or title to the 2023 Facilities or the 2023 Real Property, or

(ix) the maintenance of the security hereof, except that, in the event that the Trustee enters into possession of a part or all of the 2023 Facilities or the 2023 Real Property pursuant to any provision of the Purchase and Use Agreement or any other instrument or document collateral thereto, the Trustee shall use due diligence in preserving that property.

The Trustee shall not be bound to ascertain or inquire as to the observance or performance of any covenants, agreements or obligations on the part of the Corporation or the County under the Purchase and Use Agreement except as set forth hereinafter; but the Trustee may require of the Corporation or the County full information and advice as to the observance or performance of those covenants, agreements and obligations.

(c) Except with respect to the disbursement of amounts deposited with or received by it under the provisions of this Trust Agreement, the Trustee shall not be accountable for the application by the County or any other Person of the proceeds of the Bonds.

(d) The Trustee shall be protected and shall incur no liability, in the absence of bad faith on its part, in acting or proceeding, or in not acting or not proceeding upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document reasonably believed by it to be genuine and correct and to have been signed or sent by the proper Person or Persons. The Trustee is under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instruments. Any action taken by the Trustee pursuant to this Trust Agreement upon the request or authority or consent of any Person who is the Holder of any Bond at the time of making, the request or giving the authority or consent, shall be conclusive and binding upon all future Holders of the same Bond and of Bonds executed and delivered in exchange therefor or in place therefor.

(e) As to the existence or nonexistence of any fact for which the Corporation or the County may be responsible or as to the sufficiency or validity of any instrument, document, report, paper or proceeding, the Trustee, in the absence of bad faith on its part, shall be entitled to rely upon a certificate signed on behalf of the Corporation by a Corporation Representative or the County by a County Representative as sufficient evidence of the facts recited therein. Prior to the occurrence of a default or Event of Default of which the Trustee has been notified or is deemed to have notice as provided in paragraph (f) of this Section, the Trustee may accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient; provided, that the Trustee in its discretion may require and obtain any further evidence which it deems to be necessary or advisable; and, provided further, that the Trustee shall not be bound to secure any further evidence.

(f) The Trustee shall not be required to take notice, and shall not be deemed to have notice, of any default or Event of Default with respect to the Bonds, except Events of Default described in Section 7.1 (a) hereof, unless the Trustee shall be notified specifically of the default or Event of Default in a written instrument or document delivered to it by the County or the Holders of at least 10% of the

aggregate principal amount of Outstanding Bonds. In the absence of delivery of a notice satisfying those requirements, the Trustee may assume conclusively that there is no default or Event of Default, except as noted above.

(g) At any reasonable time, the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives may inspect and copy fully all books, papers and records of the Corporation pertaining to the 2023 Facilities and the 2023 Real Property, and may make any memoranda from and in regard thereto as the Trustee may desire.

(h) The Trustee shall not be required to give any bond or surety with respect to execution of these trusts and powers or otherwise in respect of the premises.

(i) Notwithstanding anything contained elsewhere in this Trust Agreement, the Trustee may demand any showings, certificates, reports, opinions, appraisals and other information, and corporate action and evidence thereof, in addition to those required by the terms hereof, as a condition to the authentication and delivery of any Bonds or the taking of any action whatsoever within the purview of this Trust Agreement, if the Trustee deems it to be desirable for the purpose of establishing the right of any Person to the taking of any other action by the Trustee; provided, that the Trustee shall not be required to make that demand.

(j) Before taking action hereunder pursuant to Section 6.4 or Article VII hereof (with the exception of any action required to be taken under Section 7.2 hereof), the Trustee may require that an indemnity bond satisfactory to it be furnished to the Trustee by the Holders for the reimbursement of all expenses which it may incur and to protect it against all liability by reason of any action so taken, except liability which is adjudicated to have resulted from its negligence or willful misconduct. The Trustee may take action without such indemnity, and in that case, all of the Trustee's expenses pursuant to Section 6.3 hereof with respect to the Bonds will be reimbursable as provided in the Purchase and Use Agreement.

(k) Unless otherwise provided herein, all moneys received by the Trustee under this Trust Agreement shall be held in trust for the purposes for which such moneys were received, until such moneys are used, applied or invested as provided herein; provided, that those moneys need not be segregated from other moneys, except to the extent required by this Trust Agreement or by law. The Trustee shall not have any liability for interest on any moneys received hereunder, except to the extent expressly provided herein or agreed with the Corporation.

(l) Any opinions, certificates and other instruments and documents for which provision is made in this Trust Agreement, may be accepted by the Trustee, in the absence of bad faith on its part, as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Trustee for its action taken hereunder.

(m) The permissive right of the Trustee to do things enumerated in this Trust Agreement shall not be construed as a duty of the Trustee, and the Trustee shall be answerable only for its own negligence or willful misconduct.

SECTION 6.3. Fees, Charges and Expenses of Trustee. The Trustee acknowledges receipt of payment in full from the proceeds of the Bonds for its fees for its Ordinary Services rendered hereunder and for all advances, counsel fees and other Ordinary Expenses reasonably and necessarily paid or incurred, or to be paid or incurred, by it in connection with the provision of Ordinary Services to the date hereof. The Trustee shall be entitled to the payment of its annual charges upon invoice to the Corporation (which pursuant to the Purchase and Use Agreement shall be payable by the County). In the event that it should become necessary to perform Extraordinary Services including any such

Extraordinary Services relating to a default or post-default situation, with respect to the Bonds, the Trustee shall be entitled to reasonable extra compensation therefor, determined in accordance with the Trustee's then-current fee schedule, and to reimbursement for reasonable and necessary Extraordinary Expenses incurred in connection therewith. After an Event of Default, the Trustee shall have a lien on the Trust Estate with right of payment prior to payment on account of interest, principal and premium, if any, on the Bonds for such Extraordinary Expenses.

Without creating a default or an Event of Default, however, the County may contest in good faith the necessity for any Extraordinary Service and Extraordinary Expense and the reasonableness of any fee, charge or expense.

The Trustee, in that or its other capacities, shall not be entitled to compensation or reimbursement for Extraordinary Services or Extraordinary Expenses occasioned by its negligence or willful misconduct.

Any amounts payable under this Section 6.3 are payable upon demand and shall bear interest from the date of demand therefor at the prime rate quoted from time to time by the banking association serving as Trustee.

SECTION 6.4. Intervention by Trustee. The Trustee may and shall, at the direction of the Holders of at least 25% of the aggregate principal amount of the Outstanding Bonds, intervene in any judicial proceeding to which the Corporation or the County is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interests of Holders of the Bonds. The rights and obligations of the Trustee under this Section are subject to the approval of that intervention by a court of competent jurisdiction. The Trustee may require that a satisfactory indemnity bond be provided to it by the Holders in accordance with Sections 6.1 and 6.2 hereof before it takes action hereunder.

SECTION 6.5. Successor Trustee. Anything herein to the contrary notwithstanding:

(a) Any corporation or association (i) into which the Trustee may be converted or merged, (ii) with which the Trustee or any successor to it may be consolidated, or (iii) to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, merger, consolidation, sale or transfer, ipso facto, shall be and become successor Trustee hereunder and shall be vested with all of the title to the whole property or Trust Estate hereunder.

(b) Any such corporation or association that becomes a successor Trustee by virtue of the foregoing shall be vested further, as was its predecessor, with each and every trust, property, remedy, power, right, duty, obligation, discretion, privilege, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by this Trust Agreement to be exercised by, vested in or conveyed to the Trustee, without the execution or filing of any instrument or document or any further act on the part of any of the parties hereto.

(c) Any successor Trustee, or its parent corporation, however, shall (i) be a trust company or a bank having the powers of a trust company, (ii) be duly authorized to exercise trust powers and in good standing under the laws of the State and, if applicable, the United States, (iii) be subject to examination by federal or State authorities, and (iv) have a reported capital and surplus of not less than \$75,000,000.

SECTION 6.6. Resignation by Trustee. The Trustee may resign at any time from the trusts created hereby by giving written notice of the resignation to the County and the Corporation and by mailing written notice of the resignation to the Holders as their names and addresses appear on the

Register at the close of business 15 days prior to the mailing. The resignation shall take effect upon the appointment of a successor Trustee and its acceptance of its duties as set forth in Section 6.8 hereof.

SECTION 6.7. Removal of Trustee.

(a) The Trustee may be removed for cause at any time by an instrument or document or concurrent instruments or documents in writing delivered to the Trustee, with copies thereof mailed to the County and the Corporation, and signed by or on behalf of the Holders of not less than a majority of the aggregate principal amount of the Outstanding Bonds.

(b) For so long as no Event of Default has occurred and is continuing, the Corporation at the written direction of the County may remove the Trustee without cause or for no cause upon 30 days' written notice.

(c) The Trustee also may be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Trust Agreement with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the Corporation, the County or the Holders of not less than 25% in aggregate principal amount of the Outstanding Bonds.

(d) At the request of the County, so long as no default exists under the Purchase and Use Agreement and no Event of Nonappropriation has occurred, the Corporation may appoint a successor Trustee as provided in Section 6.8 hereof.

SECTION 6.8. Appointment of Successor Trustee.

(a) If (i) the Trustee shall resign, shall be removed, shall be dissolved, or shall become otherwise incapable of acting hereunder, (ii) the Trustee shall be taken under the control of any public officer or officers, or (iii) a receiver shall be appointed for the Trustee by a court, then a successor Trustee shall be appointed by the Corporation (with the agreement of the County if there is no Event of Default and no Event of Nonappropriation under the Purchase and Use Agreement); provided, that if a successor Trustee is not so appointed within ten days after (x) a notice of resignation or any instrument or document of removal is received by the Corporation as provided in Sections 6.6 and 6.7 hereof, respectively, or (y) the Trustee is dissolved, taken under control, becomes otherwise incapable of acting or a receiver is appointed, in each case, as provided above, then, so long as the Corporation shall not have appointed a successor Trustee, the Holders of a majority in aggregate principal amount of the Outstanding Bonds not paid or provided for may designate a successor Trustee by an instrument or document or concurrent instruments or documents in writing signed by or on behalf of those Holders. If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section within 60 days of the occurrence of any event listed in Section 6.8(a)(i)-(iii) hereof, the Holder of any Outstanding Bond hereunder or any retiring Trustee may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee. Notwithstanding any other provision of this Trust Agreement to the contrary, no resignation or removal of the Trustee shall become effective until a successor has been appointed and has accepted the duties of Trustee hereunder.

(b) Every successor Trustee appointed pursuant to this Section shall (i) be a trust company or bank having the powers of a trust company, (ii) be in good standing within the State and, if applicable, the United States, (iii) be duly authorized to exercise trust powers within the State and, if applicable, the United States, (iv) be subject to examination by federal or state authorities, (v) have a reported capital and

surplus of not less than \$75,000,000, and (vi) be willing to accept the trusteeship under the terms and conditions of this Trust Agreement.

(c) Every successor Trustee appointed hereunder shall execute and acknowledge, and shall deliver to its predecessor and to the Corporation and the County an instrument or document in writing accepting the appointment. Thereupon, without any further act, the successor shall become vested with all of the trusts, properties, remedies, powers, rights, duties, obligations, discretion, privileges, claims, demands, causes of action, immunities, estates, titles, interests and liens of its predecessor. Upon the written request of its successor, the Corporation or the County, the predecessor Trustee (i) shall execute and deliver any instrument or document transferring to its successor all of the trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles, interests, and liens of the predecessor Trustee hereunder, and (ii) shall take any other action necessary to duly assign, transfer and deliver to its successor all property (including without limitation, all securities and moneys) held by it as Trustee. Should any instrument or document in writing from the Corporation be requested by any successor Trustee for vesting and the conveying more fully and certainly in and to that successor the trusts, properties, remedies, powers, rights, duties, obligations, discretions, privileges, claims, demands, causes of action, immunities, estates, titles, interests and liens vested or conveyed hereby in or to the predecessor Trustee, the Corporation shall execute, acknowledge and deliver that instrument or document.

(d) In the event of a change in the Trustee, the predecessor Trustee shall cease to be custodian of any moneys which it may hold pursuant to this Trust Agreement and shall cease to act as Paying Agent for the Bonds, the successor Trustee shall become custodian of such moneys and the Paying Agent.

(e) Upon the appointment of a successor Trustee and completion by the predecessor Trustee of the actions required of it under (c) above, the predecessor Trustee shall not be liable for any acts of its successor.

SECTION 6.9. Dealing in Bonds. The Trustee and its affiliates, and any directors, officers, employees or agents thereof, in good faith, may become the owner of any Bond or Bonds with the same rights which they would have hereunder if the Trustee did not serve in that capacity.

SECTION 6.10. Representations, Agreements and Covenants of Trustee. The Trustee hereby represents that it is a banking association duly organized, validly existing and in good standing under the laws of the United States and duly authorized to exercise corporate trust powers in the State, it has an unimpaired reported capital and surplus of not less than \$75,000,000. The Trustee covenants that it will take such action, if any, as is necessary to remain in good standing and duly authorized to exercise corporate trust powers in the State, and that it will maintain unimpaired reported capital and surplus of not less than \$75,000,000. The Trustee accepts and agrees to observe and perform the duties and obligations of the Trustee hereunder and under any other instrument or document providing security for the Bonds; provided, nevertheless, that the Trustee shall not be responsible or liable for the performance of or observation of any covenants respecting the maintenance of federal tax exemption of interest with respect to the Bonds in the absence of specific direction in writing from the County or the Corporation and shall not be responsible for ascertaining the requirements of federal tax law with respect thereto.

SECTION 6.11. Right of Trustee to Pay Taxes and Other Charges. Reference is made to the Purchase and Use Agreement whereby the Corporation is authorized to advance moneys (i) to pay taxes, assessments and other governmental charges with respect to the 2023 Facilities and the 2023 Real Property, (ii) for the discharge of mechanic's and other liens relating to the 2023 Facilities or the 2023 Real Property, (iii) to obtain and maintain insurance for the 2023 Facilities and the 2023 Real Property and pay premiums therefor, and (iv) generally, to make payments and incur expenses in the event that the

County fails to do so as required by such Purchase and Use Agreement or the Base Lease. The Trustee may make those advances but shall not be required to do so (and may require indemnification) pursuant to Sections 6.1(e)(iv) hereof, but without prejudice to any rights of the Trustee as assignee of the Corporation against the County for failure of the County to do so.

ARTICLE VII

DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND HOLDERS

SECTION 7.1. Defaults; Events of Default. The occurrence of any of the following events is defined as and declared to be and to constitute an Event of Default hereunder:

(a) Payment of the principal or interest due on any Bond shall not be made when and as such payment shall become due and payable; or

(b) The occurrence and continuance of an Event of Default as defined in Section 8.1 of the Purchase and Use Agreement; or

(c) Any material breach by the Corporation of any representation or warranty made in this Trust Agreement or default in the performance or observance of any other of the covenants, agreements, or conditions on the part of the Corporation in this Trust Agreement or in the Bonds contained; or

(d) The issuance of an order of relief by the Bankruptcy Court of the United States District Court having valid jurisdiction, granting the Corporation relief under federal bankruptcy law, or the issuance by any other court having valid jurisdiction of an order or decree under applicable federal or state law providing for the appointment of a receiver, liquidator, assignee, trustee, or sequestrator (or other similar official) of the Corporation or any substantial part of its property, affairs, or assets, and the continuance of any such decree or order unstayed and in effect for a period of 60 consecutive days; or

(e) The consent by the Corporation to the institution of proceedings in bankruptcy against it, or to the institution of any proceeding against it under any federal or state insolvency laws, or to the filing of any petition, application, or complaint seeking the appointment of a receiver, liquidator, assignee, trustee, or sequestrator (or other similar official) of the Corporation or of any substantial part of its property, affairs, or assets.

SECTION 7.2. Notice of Default. In the event the Trustee becomes aware of the occurrence of any of the events described in Section 7.1 above with respect to the Purchase and Use Agreement, the Trustee shall give written notice of the Event of Default, by registered or certified mail, to the County and the Corporation, within 10 days after the Trustee has knowledge of the Event of Default. If an Event of Default occurs of which the Trustee has notice pursuant to this Trust Agreement, the Trustee shall give written notice thereof, within 30 days after the Trustee's receipt of notice of its occurrence, to the Holders of all Outstanding Bonds as shown by the Register at the close of business 15 days prior to the mailing of that notice.

SECTION 7.3. Remedies; Rights of Holders.

(a) General. Upon the occurrence and continuance of an Event of Default, the Trustee may pursue any available remedy to enforce the payment of any amounts due with respect to the Bonds or the observance and performance of any other covenant, agreement or obligation under this Trust Agreement, the Purchase and Use Agreement (including but not limited to the right to relet the Corporation Facilities as provided in Section 8.2 of the Purchase and Use Agreement) pertaining thereto or any other instrument providing security, directly or indirectly, for the Bonds. If, upon the occurrence and continuance of an

Event of Default, the Trustee is requested so to do by the Holders of at least 25% of the aggregate of the principal amount of the Outstanding Bonds, the Trustee (subject to the provisions of Sections 6.1 and 6.2 hereof), shall exercise one or more rights and powers conferred by this Section as the Trustee, upon advice of counsel, deems most expedient in the interests of the Holders of such Bonds.

(b) Acceleration. Upon the occurrence of an Event of Default, and at any time thereafter while such Event of Default continues, then, and in each and every case, the Trustee in its own name and as trustee of an express trust, on behalf and for the benefit and protection of the Holders of all Outstanding Bonds, may proceed, and upon the written request of the Holders of not less than 25% in principal amount of the Outstanding Bonds, shall proceed, to declare the principal of all Outstanding Bonds, except as noted below, together with all accrued and unpaid interest thereon, if not already due, to be due and payable immediately, and upon any such declaration the same shall become and be due and payable immediately, anything contained in this Trust Agreement or any Supplemental Agreement or in any of the Bonds to the contrary notwithstanding. This provision is also subject, however, to the condition that, if at any time after the principal of the Bonds, together with the accrued and unpaid interest thereon and other moneys secured hereby, have been so declared due and payable and before any further action has been taken (other than the making of the above declaration), the principal amount of all Bonds which have matured either according to the maturity date or dates otherwise specified therein (except as a result of such declaration) and all arrears of interest upon all Bonds, except interest accrued but not yet due on said Bonds, have been paid or caused to be paid, and all other Events of Default, if any, which have occurred have been remedied, cured or secured, then and in each and every such case the Holders of 25% in principal amount of the Outstanding Bonds, by notice in writing delivered to the Trustee and the Corporation, may waive such Event of Default and its consequences and rescind and annul such declaration. No such waiver or rescission or annulment shall extend to or affect any subsequent default or impair or exhaust any right or power related to such subsequent default.

(c) Other Remedies. In case any one or more of the Events of Default shall happen and be continuing, then and in every such case, but subject to the provisions of Section 7.7 hereof, the Holder of any Outstanding Bond or Trustee therefor, may, for the equal benefit and protection of all Holders of the Bonds similarly situated:

(i) by mandamus or other suit, action or proceedings at law or in the equity, enforce such Bondholder's right against the Corporation and require and compel the Corporation to perform and carry out its duties and obligations under this Trust Agreement or enforce any such remedies against the County pursuant to the Purchase and Use Agreement, and require and compel the Corporation to perform and carry out its covenants and agreements with the Bondholders;

(ii) by action or suit in equity require the Corporation to account as if such Corporation were the trustee of an express trust;

(iii) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders;

(iv) bring suit upon the Bonds;

(v) take such other action with respect to the Trust Estate, including obtaining the appointment of a receiver, as it may deem appropriate and apply any funds resulting therefrom as if such funds were Revenues; or

(vi) avail itself of any other remedy, whether at law or in equity, as it may determine to be appropriate.

(d) Remedies Under UCC. Subject to the terms of the Base Lease, the Trustee may exercise any rights, powers, or remedies it may have as a secured party under the UCC of the State, or other similar laws in effect.

(e) No Remedy Exclusive, Effect of Delay and Waiver. No remedy conferred upon or reserved to the Trustee (or to the Holders) by this Trust Agreement is intended to be exclusive of any other remedy. Each remedy shall be cumulative and shall be in addition to every other remedy given hereunder or otherwise to the Trustee or to the Holders now or hereafter existing. No delay in exercising or omission to exercise any remedy, right or power accruing upon any default or Event of Default shall impair that remedy, right or power or shall be construed to be a waiver of any default or Event of Default or acquiescence therein. Every remedy, right and power may be deemed to be expedient. No waiver of any default or Event of Default hereunder, whether by the Trustee or by the Holders, shall extend to or shall affect any subsequent default or Event of Default or shall impair any remedy, right or power consequent thereon.

(f) Remedies Under Purchase and Use Agreement and Base Lease. As the assignee of all right, title and interest of the Corporation in and to the Purchase and Use Agreement and the Base Lease, the Trustee is empowered to enforce each remedy, right and power granted to the Corporation under the Purchase and Use Agreement (except for the Reserved Rights and any other rights specifically reserved to the Corporation) and the Base Lease. In exercising any remedy, right or power under the Purchase and Use Agreement, the Base Lease or this Trust Agreement, the Trustee shall take any action which would best serve the interests of the Holders in the judgment of the Trustee, applying the standards described in Sections 6.1 and 6.2 hereof.

SECTION 7.4. Right of Holders to Direct Proceedings. Anything to the contrary in this Trust Agreement notwithstanding, the Holders of at least a majority in aggregate principal amount of the Outstanding Bonds shall have the right at any time to direct, by an instrument or document or instruments or documents in writing executed and delivered to the Trustee, the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Trust Agreement or any other proceedings hereunder; provided, that (i) any direction shall not be other than in accordance with the provisions of law and of this Trust Agreement, (ii) the Trustee shall be indemnified as provided in Sections 6.1 and 6.2 hereof, and (iii) the Trustee may take any other action which it deems to be proper and which is not inconsistent with the direction.

SECTION 7.5. Application of Moneys.

(a) Unless the principal of all Outstanding Bonds shall have become or have been declared due and payable any funds received by the Trustee hereunder, after payment of costs and expenses of collection of such funds, shall be applied as follows (provided, however, that amounts on deposit in a subaccount of the Facilities Purchase Account or the Reserve Account established for the benefit of a particular series of Bonds shall be available solely with respect to such Bonds):

First: To the payment to the Persons entitled thereto of all installments of interest then due on the Bonds in the order of maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon to the person entitled thereto, without any discrimination or preference;

Second: To the payment to the Persons entitled thereto of the unpaid principal amounts or redemption premium, if any, of any Bonds which shall have become due (other than Bonds previously called for redemption in accordance with the provisions hereof), whether at maturity or by call for redemption, in the order of their due dates, and if the amounts available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the principal amounts or redemption premium, if any, due on such date, to the Persons entitled thereto, without any discrimination or preference; and

Third: If, when there is not an Event of Default, the Trustee is required to expend funds to defend itself in a lawsuit which arises under a cause of action attacking the legality of the Bonds, the inclusion of interest earned on the Bonds in the gross income for federal income tax purposes of a Bondholder, or the status of the Corporation as issuer, then, in such event the Trustee shall be entitled to a call on the funds for the same kinds of expenses as are described as costs and expenses of collection as described in (b) below.

(b) If the principal of all Outstanding Bonds shall have become or have been declared due and payable, any funds received by the Trustee hereunder, after payment of costs and expenses of collection, shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds without preference or priority of principal over interest or of interest over principal, of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto without any discrimination or preference; provided, however, that amounts on deposit in a subaccount of the Facilities Purchase Account or the Reserve Account established for the benefit of a particular series of Bonds shall be available solely with respect to such Bonds. For purposes hereof, "costs and expenses of collection" shall include such expenses as are necessary for the Trustee to fulfill its obligation of due diligence to protect the interests of the Bondholders in the Trust Estate which may include the Trustee's reasonable expenses and fees for its duties administering this Trust Agreement while the Bonds are in default to include its normal fees, additional expenses resulting from managing any of the property forming part of the Trust Estate, expenses of counsel to represent the Trustee, expenses of any and all consultants employed by the Trustee and direct expenses of the Trustee to include the costs of preparing and mailing notices to Bondholders and other parties.

(c) If the principal of all Outstanding Bonds shall have been declared due and payable, and if such declaration shall thereafter have been rescinded and annulled under the provisions of this Article, then, subject to the provisions of paragraph (b) of this Section in the event that the principal of all Outstanding Bonds shall later become due or be declared due and payable, moneys shall be applied in accordance with the provisions of paragraph (a) of this Section.

(d) Whenever moneys are to be applied pursuant to the provisions of this Section, those moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of moneys available for application and the likelihood of additional moneys becoming available for application in the future. Whenever the Trustee shall direct the application of those moneys, it shall fix the date upon which the application is to be made, and upon that date, interest shall cease to accrue on the amounts of principal, if any, to be paid on that date, provided the moneys are available therefor. The Trustee shall give notice of the deposit with it of any moneys and of the fixing of that date, all consistent with the requirements of Section 3.5 hereof for the establishment of, and for giving notice with respect to, a Special Record Date for the payment of overdue interest. The Trustee shall not be required to make payment of principal of a Bond to the Holder thereof, until the Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if it is paid fully.

(e) Whenever all Bonds and interest thereon have been paid under the provisions of this Section and all expenses and charges of the Trustee have been paid, any balance remaining shall be paid to the Person entitled to receive the same; if no other Person shall be entitled thereto, then the balance shall be paid to the County or as a court of competent jurisdiction may direct.

SECTION 7.6. Remedies Vested in Trustee. All rights of action (including without limitation, the right to file proofs of claims) under this Trust Agreement or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceeding relating thereto. Any suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining any Holders as plaintiffs or defendants. Any recovery of judgment shall be for the benefit of the Holders of the Outstanding Bonds subject to the provisions of this Trust Agreement.

SECTION 7.7. Rights and Remedies of Holders. A Holder of a Bond shall not have any right to institute any suit, action or proceeding for the enforcement of this Trust Agreement, for the execution of any trust hereof, or for the exercise of any other remedy hereunder, unless there has occurred and is continuing an Event of Default of which the Trustee has been notified or is deemed to have notice as provided in Section 6.2(f) hereof; the Holders of at least 25% in aggregate principal amount of the Outstanding Bonds shall have made written request to the Trustee and shall have afforded the Trustee reasonable opportunity to proceed to exercise the remedies, rights and powers granted herein or to institute the suit, action or proceeding in its own name, and shall have offered indemnity to the Trustee as provided in Sections 6.1 and 6.2 hereof; and the Trustee thereafter shall have failed or refused to exercise the remedies, rights and powers granted herein or to institute the suit, action or proceeding in its own name. At the option of the Trustee, such notification (or notice), request, opportunity and offer of indemnity are conditions precedent in every case, to the institution of any suit, action or proceeding described above.

No one or more Holders of the Bonds shall have any right to affect, disturb or prejudice in any manner whatsoever the security or benefit of this Trust Agreement by its or their action, or to enforce, except in the manner provided herein, any remedy, right or power hereunder. Any suit, action or proceeding shall be instituted, had and maintained in the manner provided herein for the benefit of the Holders of all Outstanding Bonds. Nothing in this Trust Agreement shall affect or impair, however, the right of any Holder to enforce the payment of the principal and interest due on any Bond owned by that Holder at and after the due date thereof, at the place, from the sources and in the manner expressed in the Bond.

SECTION 7.8. Termination of Proceedings. In case the Trustee shall have proceeded to enforce any remedy, right or power under this Trust Agreement in any suit, action or proceedings, and the suit, action or proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, the Corporation and the Holders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies and powers of the Trustee shall continue as if no suit, action or proceedings had been taken.

SECTION 7.9. Waivers of Events of Default. Except as hereinafter provided, at any time, in its discretion, the Trustee may waive any Event of Default hereunder and its consequences and shall do so upon the written request of the Holders of Bonds of least a majority in aggregate principal amount of Bonds Outstanding. There shall not be so waived, however, any Event of Default described in Section 7.1 (a) hereof unless at the time of such waiver payments of all amounts then due and payable with respect to the Bonds have been made or provision has been made therefor. In the case of such waiver, or in case any suit, action or proceeding taken by the Trustee on account of any Event of Default shall have been discontinued, abandoned or determined adversely to it, the Trustee and the Holders shall be restored to

their former positions and rights hereunder, respectively. No waiver or rescission shall extend to any subsequent or other Event of Default or impair any right consequent thereon.

ARTICLE VIII SUPPLEMENTAL AGREEMENTS

SECTION 8.1. Supplemental Agreements Generally. The Corporation and the Trustee may enter into Supplemental Agreements, as provided in this Article and pursuant to the other provisions therefor in this Trust Agreement.

SECTION 8.2. Supplemental Agreements Not Requiring Consent of Holders. Without the consent of, or notice to, any of the Holders, the Corporation and the Trustee may enter into Supplemental Agreements which be for any one or more of the following purposes:

- (a) To cure any ambiguity, inconsistency or formal defect or omission in this Trust Agreement;
- (b) To grant to or confer upon the Trustee for the benefit of the Holders any additional rights, remedies, powers or authority that lawfully may be granted to or conferred upon the Holders or the Trustee;
- (c) To assign additional revenues under this Trust Agreement;
- (d) To accept additional security and instruments and documents of further assurance with respect to the 2023 Facilities and the 2023 Real Property;
- (e) To add to the covenants, agreements and obligations under this Trust Agreement, other covenants, agreements and obligations to be observed for the protection of the Holders;
- (f) To evidence any succession to the Trustee and the assumption by its successor of the covenants, agreements and obligations of the Trustee under this Trust Agreement and the Bonds;
- (g) To permit the use of a Book Entry System to identify the owner of a proportionate interest in the payments under the Purchase and Use Agreement, whether that proportionate interest was formerly, or could be, evidenced by a tangible security;
- (h) To permit the Trustee to comply with any obligations imposed upon it by law;
- (i) To specify further the duties and responsibilities of the Trustee;
- (j) To achieve compliance of this Trust Agreement with any applicable federal securities or tax law;
- (k) To make amendments to the provisions hereof relating to matters under the Code, if, in the opinion of nationally recognized bond counsel selected by the Corporation, those amendments would not cause the interest on the Bonds to become includable in the gross incomes of the recipients thereof for federal income tax purposes;
- (l) To make provision of the issuance of Additional Bonds as provided for herein, including but not limited to the addition of any provisions related to a subaccount of the Reserve Account of the Bond Fund (or the establishment, maintenance, investment or use thereof) established for such Additional Bonds;

(m) To permit any other amendment which is not to the prejudice of the Trustee (in the judgment of the Trustee) or the Holders; or

(n) To reflect a change in applicable law.

The provisions of paragraphs (h), (i) and (m) above shall not be deemed to constitute a waiver by the Trustee or any Holder of any right which it may have in the absence of those provisions to contest the application of any change in law to this Trust Agreement or the Bonds.

SECTION 8.3. Supplemental Agreements Requiring Consent of Holders. Exclusive of Supplemental Agreements to which reference is made in Section 8.2 hereof and subject to the terms, provisions and limitations contained in this Section, and not otherwise, with the consent of the Holders of not less than a majority in aggregate principal amount of the Outstanding Bonds at such time, evidenced as provided in this Trust Agreement, the Corporation and the Trustee may execute and deliver Supplemental Agreements adding any provisions to, changing in any manner or eliminating any of the provisions of this Trust Agreement or any Supplemental Agreement or restricting in any manner the rights of the Holders. Nothing in this Section or Section 8.2 hereof shall, however, be construed as permitting:

(a) without the consent of the Holder of each Bond so affected, (i) an extension of the maturity of the principal of or the interest on any Bond, or (ii) a reduction in the principal amount of any Bond or the rate of interest thereon, or

(b) without the consent of the Holders of all Outstanding Bonds, (i) the creation of a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (ii) a reduction in the aggregate principal amount of the Bonds required for consent to a Supplemental Agreement; provided, however, that the establishment of an escrow for the defeasance of a portion of the Bonds shall not be deemed to constitute the creation of a privilege or priority for the benefit of the Bonds to be defeased.

If the Corporation shall request that the Trustee execute and deliver any Supplemental Agreement for any of the purposes of this Section, upon (i) being satisfactorily indemnified with respect to its expenses and liability in connection therewith, and (ii) if required by Section 8.4 hereof, receipt of the County's consent to the proposed execution and delivery of the Supplemental Agreement, the Trustee shall cause notice of the proposed execution and delivery of the Supplemental Agreement to be mailed by first class mail, postage prepaid, to all Holders of Outstanding Bonds at their addresses as they appear on the Register at the close of business on the 15th day preceding that mailing.

The Trustee shall not be subject to any liability to any Holder by reason of the Trustee's failure to mail, or the failure of any Holder to receive, the notice required by this Section. Any failure of that nature shall not affect the validity of the Supplemental Agreement when there has been consent thereto as provided in this Section. The notice shall set forth briefly the nature of the proposed Supplemental Agreement and shall state that copies thereof are on file at the principal trust office of the Trustee for inspection by all Holders.

If the Trustee shall receive, within a period described by the Trustee of not less than 60 days but not exceeding one year, following the mailing of the notice, an instrument or document or instruments or documents (which instrument or document or instruments or documents shall refer to the proposed Supplemental Agreement in the form described in the notice), by which the Holders of not less than a majority in aggregate principal amount of the Outstanding Bonds consent to the execution of such Supplemental Agreement, the Trustee shall, but shall not otherwise, execute and deliver the Supplemental Agreement in substantially the form to which reference is made in the notice as being on file with the

Trustee, without liability or responsibility to any Holder, regardless of whether that Holder shall have consented thereto.

Any consent shall be binding upon the Holder of the Bond giving the consent and, anything herein to the contrary notwithstanding, upon any subsequent Holder of that Bond and of any Bond executed and delivered in exchange therefor (regardless of whether the subsequent Holder has notice of the consent to the Supplemental Agreement). A consent may be revoked in writing, however, by the Holder who gave the consent or by a subsequent Holder of the Bond by a revocation of such consent received by the Trustee prior to the execution and delivery by the Trustee of the Supplemental Agreement. At any time after the Holders of the required percentage of Bonds shall have filed their consents to the Supplemental Agreement, the Trustee shall make and file with the County a written statement that the Holders of the required percentage of Bonds have filed those consents. That written statement shall be conclusive evidence that the consents have been so filed.

If the Holders of the required percentage in aggregate principal amount of Outstanding Bonds shall have consented to the Supplemental Agreement, as provided in this Section, no Holder shall have any right (a) to object to (i) the execution or delivery of the Supplemental Agreement, (ii) any of the terms and provisions contained therein, or (iii) the operation thereof, (b) to question the propriety of the execution and delivery thereof, or (c) to enjoin or restrain the Trustee from that execution or delivery or from taking any action pursuant to the provisions thereof.

Notwithstanding any other provision of this Trust Agreement, for so long as the underwriter or other purchaser of any Bonds issued pursuant to this Trust Agreement is the registered holder or beneficial owner of such Bonds, such underwriter or purchaser is authorized to assent to and consent to any amendments to this Trust Agreement in the same manner and to the extent as the Holders of such Bonds.

SECTION 8.4. Consent of County. Anything contained herein to the contrary notwithstanding, a Supplemental Agreement executed and delivered in accordance with this Article VIII which affects any rights or obligations of the County shall not become effective unless and until the County shall have consented in writing to the execution and delivery of that Supplemental Agreement. The Trustee shall cause notice of the proposed execution and delivery of any Supplemental Agreement and a copy of the proposed Supplemental Agreement to be mailed to the County, as provided in Section 12.3 hereof, (i) at least 30 days (unless waived by the County) before the date of the proposed execution and delivery in the case of a Supplemental Agreement to which reference is made in Section 8.2 hereof, and (ii) at least 30 days (unless waived by the County) before the giving of the notice of the proposed execution and delivery in the case of a Supplemental Agreement for which provision is made in Section 8.3 hereof.

SECTION 8.5. Authorization to Trustee; Effect of Supplemental Agreement. The Trustee is authorized to join with the Corporation in the execution and delivery of any Supplemental Agreement in accordance with this Article and to make the further agreements and stipulations which may be contained therein with the following effect:

- (a) That Supplemental Agreement shall form a part of this Trust Agreement;
- (b) All terms and conditions contained in that Supplemental Agreement as to any provision authorized to be contained therein shall be deemed to be a part of the terms and conditions of this Trust Agreement for any and all purposes;

(c) This Trust Agreement shall be deemed to be modified and amended in accordance with the Supplemental Agreement; and

(d) The respective rights, duties and obligations under this Trust Agreement of the Corporation, the Trustee and all Holders of Outstanding Bonds shall be determined, exercised and enforced hereunder in a manner which is subject in all respects to those modifications and amendments made by the Supplemental Agreement.

Express reference to any executed and delivered Supplemental Agreement may be made in the text of any Bonds executed and delivered thereafter, if that reference is deemed necessary or desirable by the Trustee or the Corporation. The Trustee shall not be required to execute a Supplemental Agreement containing provisions adverse to the Trustee.

SECTION 8.6. Favorable Opinion of Bond Counsel. The Trustee shall be entitled to receive, and shall be fully protected in relying upon, a Favorable Opinion of Bond Counsel in connection with any proposed Supplemental Agreement. Prior to taking any action hereunder, the Trustee shall be entitled to assurance as to the payment of the fees and expenses of any counsel providing such opinion.

SECTION 8.7. Modification by Unanimous Consent. Notwithstanding anything contained elsewhere in this Trust Agreement, the rights and obligations of the Trustee and of the Holders of the Bonds, and the terms and provisions of the Bonds and this Trust Agreement or any Supplemental Agreement, may be modified or altered in any respect with the consent of (i) the Trustee, (ii) the Holders of all of the Outstanding Bonds, and (iii) if required by Section 8.4 hereof, the County.

ARTICLE IX DEFEASANCE

SECTION 9.1. Defeasance.

(a) When principal or redemption price (as the case may be) of, and interest on, any Bonds issued hereunder has been paid, or provision shall have been made for payment of the same, together with the compensation of the Trustee and all other sums payable hereunder by the Corporation and the County, the right, title and interest of the Trustee with respect to such Bonds shall thereupon cease and the Trustee shall release this Trust Agreement and shall execute such documents to evidence such releases as may be reasonably required by the Corporation and shall turn over to the Corporation or to such person, body or authority as may be entitled to receive the same all balances then held by it hereunder; provided, however, that the County shall in all events remain liable under the Purchase and Use Agreement (subject to Section 4.7 thereof) until all amounts due and owing thereunder have been paid.

(b) Provision for the payment of the Bonds shall be deemed to have been made when the Trustee holds, in an irrevocable deposit, under the provisions hereof (i) cash in an amount sufficient to make all payments specified above with respect to all of such Bonds, or (ii) Defeasance Obligations maturing on or before the date or dates when the payments specified above shall become due, the principal amount of which and the interest thereon, when due, is or will be, in the aggregate, sufficient without reinvestment to make all payments specified above with respect to such Bonds, or (iii) any combination of such cash and such Defeasance Obligations the amounts of which and interest thereon, when due, are or will be, in the aggregate, sufficient without reinvestment to make all payments specified above on such Bonds; provided that, to the extent such deposit does not consist of cash, the Trustee shall have received a report of an independent accountant or firm of accountants verifying that the computations of the amount available from Defeasance Obligations when added to any cash available shall be sufficient to meet the requirements hereof.

(c) Neither the obligations nor the moneys deposited with the Trustee pursuant to this Section shall be withdrawn or used for any purpose other than, and shall be segregated and held in trust for, the payment of the principal or redemption price of, and interest on, said Bonds.

(d) Whenever moneys or obligations shall be deposited with the Trustee for the payment or redemption of Bonds more than 60 days prior to the date that such Bonds are to mature or be redeemed, the Trustee shall mail a notice stating that such moneys or obligations have been deposited and identifying the Bonds for the payment of which such moneys or obligations are being held, to the Holders of Bonds for the payment of which such moneys or obligations are being held.

(e) Prior to any defeasance becoming effective under this Trust Agreement, there shall have been delivered to the Trustee an opinion of Bond Counsel, satisfactory to the Trustee, to the effect that interest on the Bonds being paid by such defeasance will not become subject to Federal income taxation by reason of such defeasance.

SECTION 9.2. Survival of Certain Provisions. Notwithstanding the foregoing, any provisions of this Trust Agreement which relate to the maturity of Bonds, interest payments and dates thereof, exchange, transfer and registration of Bonds, replacement of mutilated, destroyed, lost or stolen Bonds, the safekeeping and cancellation of Bonds, nonpresentment of Bonds, the holding of moneys in trust, and payments to the County from the Bond Fund pertaining to the Purchase and Use Agreement and the duties of the Trustee in connection with all of the foregoing, shall remain in effect and be binding upon the Trustee and the Holders, notwithstanding, the release and discharge of this Trust Agreement. The provisions of this Article shall survive the release, discharge and satisfaction of this Trust Agreement.

ARTICLE X ADDITIONAL COVENANTS AND AGREEMENTS OF THE TRUSTEE

SECTION 10.1. Additional Covenants and Agreements of the Trustee. In addition to any other covenants and agreements of the Trustee in this Trust Agreement, the Trustee further covenants and agrees for the benefit of the Holders as follows:

(a) Register. At reasonable times and under reasonable regulations established by the Trustee, the Register for the Bonds may be inspected and copied by the Corporation, the County or Holders of 25% or more in principal amount of the Outstanding Bonds, or a designated representative thereof.

(b) Rights and Enforcement of Base Lease and Purchase and Use Agreement. The Trustee may and shall enforce, in its name, all rights of the Corporation under the Base Lease and the Purchase and Use Agreement for and on behalf of the Holders. The Trustee covenants and agrees to perform all obligations and duties imposed on it by assignment hereunder, and to enforce all covenants, agreements and obligations of the County under and pursuant to the Base Lease and the Purchase and Use Agreement. The Trustee will do all things and take all actions on its part necessary to comply with covenants, agreements, obligations duties and responsibilities on its part to be observed or performed under the Base Lease and the Purchase and Use Agreement, and will take all actions within its authority to keep the Base Lease and the Purchase and Use Agreement in effect in accordance with the terms thereof. The Trustee's obligations under this paragraph are subject to the provisions of Section 7.3(f) hereof.

SECTION 10.2. Observance and Performance of Covenants, Agreements, Authority and Actions. The Trustee will observe and perform faithfully at all times all covenants, agreements, authority, actions, undertakings, stipulations and provisions to be observed or performed on its part under this Trust Agreement and the Bonds.

The Trustee represents and warrants that:

(a) It is duly authorized to execute and deliver this Trust Agreement and to perform its obligations hereunder in the manner and to the extent set forth in this Trust Agreement.

(b) All actions required on its part to be performed for the execution and delivery of the Bonds and this Trust Agreement have been or will be taken duly and effectively.

ARTICLE XI AMENDMENTS TO BASE LEASE AND PURCHASE AND USE AGREEMENT

SECTION 11.1. Amendments Not Requiring Consent of Holders. Without the consent of or notice to the Holders, the Trustee, as trustee and as lessor by assignment, may consent and, at the direction of the Corporation, shall consent to any amendment, change or modification of the Base Lease and the Purchase and Use Agreement as may be required (i) by the provisions of the Base Lease, the Purchase and Use Agreement or this Trust Agreement, (ii) for the purpose of curing any ambiguity, inconsistency or formal defect or omission in the Base Lease or the Purchase and Use Agreement, (iii) in connection with an amendment or to effect any purpose for which there could be an amendment of this Trust Agreement pursuant to Section 8.2 hereof, (iv) in connection with the issuance of Additional Bonds as provided for herein, or (v) in connection with any other change therein which is not to the prejudice of the Trustee (in the judgment of the Trustee) or the Holders. No such consent of or notice to the Holders or the Trustee shall be required with respect to any amendment to add to the description of the 2023 Real Property any property owned or to be acquired by the County (including Additional Real Property) that becomes a part thereof or, except as provided therein, in connection with the granting of easements and releases, modifications and substitutions of property pursuant to Section 3.6 of the Base Lease or Section 5.1(c) of the Purchase and Use Agreement.

SECTION 11.2. Amendments Requiring Consent of Holders. Except for the amendments, changes or modification contemplated in Section 11.1 hereof, the Trustee shall not consent to:

(a) Any amendment, change or modification of the Purchase and Use Agreement which would change the amount or time as of which Base Payments are required to be paid without the giving of notice as provided in this Section of the proposed amendment, change or modification and receipt of the written consent thereto of the Holders of all of the Outstanding Bonds; provided that this requirement shall not apply to amendments that modify Installment Payments under the Purchase and Use Agreement to provide for Additional Bonds hereunder; or

(b) Any amendment, change or modification of the Purchase and Use Agreement without the giving of notice as provided in this section of the proposed amendment, change or modification and the receipt of the written consent thereto of the Holders of not less than a majority in aggregate principal amount of the Outstanding Bonds.

The consent of the Holders shall be obtained as provided in Section 8.3 hereof with respect to Supplemental Agreements. If the County shall request at any time the consent of the Trustee to any proposed amendment, change or modification of the Purchase and Use Agreement contemplated in subsections (a) or (b), upon being indemnified satisfactorily with respect to expenses and liability, the Trustee shall cause notice of the proposed amendment, change or modification to be provided in the manner which is required by Section 8.3 hereof with respect to notice of Supplemental Agreements. The notice shall set forth briefly the nature of the proposed amendment, change or modification and shall state

that the copies of the instrument or document embodying it are on file at the designated corporate trust office of the Trustee for inspection by all Holders.

Notwithstanding any other provision of this Trust Agreement, for so long as the underwriter or other purchaser of any Bonds issued pursuant to this Trust Agreement is the registered holder or beneficial owner of such Bonds, such underwriter or purchaser is authorized to assent to and consent to any amendments to the Base Lease and the Purchase and Use Agreement in the same manner and to the same extent as the Holders of such Bonds.

ARTICLE XII MISCELLANEOUS

SECTION 12.1. Limitation of Rights. With the exception of rights conferred expressly in this Trust Agreement, nothing expressed or mentioned in or to be implied from the Base Lease, the Purchase and Use Agreement or the Bonds is intended or shall be construed to give to any Person and the parties hereto and the Holders of the Bonds any legal or equitable right, remedy, power or claim under or with respect to this Trust Agreement or any covenants, agreements, conditions and provisions contained herein. This Trust Agreement and all of those covenants, agreements, conditions and provisions are intended to be, and are, for the sole and exclusive benefit of the parties hereto and the Holders of the Bonds as provided herein.

SECTION 12.2. Severability. In case any section or provision of this Trust Agreement, or any covenant, agreement, stipulation, obligation, act or action, or part thereof, made, assumed, entered into or taken under this Trust Agreement, or any application thereof, is held to be illegal or invalid for any reason, or is inoperable at any time, that illegality, invalidity or inoperability shall not affect the remainder thereof or any other section or provision of this Trust Agreement or any other covenant, agreement, stipulation, obligation, act or action, or part thereof, made, assumed, entered into or taken under this Trust Agreement, all of which shall be construed and enforced at the time as if the illegal, invalid or inoperable portion were not contained therein and shall be deemed to be effective, operative, made, assumed, entered into or taken in the manner and to the full extent permitted by law from time to time.

SECTION 12.3. Notices. Except as provided in Section 7.2 hereof, it shall be sufficient service or giving of any notice, request, complaint, demand or other instrument or document, if it is mailed by first class mail, postage prepaid. Notices to the Corporation, the County and the Trustee shall be addressed as follows:

If to the County:

Lancaster County, South Carolina
Attn: County Administrator
Post Office Box 1809
Lancaster, South Carolina 29721-1809

If to the Corporation:

Lancaster County Public Facilities Corporation
Post Office Box 7391
Columbia, South Carolina 29202
(with copy to the County as described above)

If to the Trustee:

Regions Bank
1180 W. Peachtree Street, Suite 1200
Atlanta GA 30309
Attention: Corporate Trust Services

Duplicate copies of each notice, request, complaint, demand or other instrument or document given hereunder by the Corporation, the Trustee or the County to one or more of the others also shall be given to the others. The foregoing parties may designate, by notice given hereunder, any further or different addresses to which any subsequent notice, request, complaint, demand or other instrument or document shall be sent.

In connection with any notice mailed pursuant to the provisions of this Trust Agreement, a certificate of the Trustee, the Corporation, the County or the Holders of the Bonds, whichever or whoever mailed that notice, that the notice was so mailed shall be conclusive evidence of the proper mailing of the notice.

SECTION 12.4. Suspension of Mail. If because of the suspension of delivery of first class mail or, for any other reason, the Trustee shall be unable to mail by the required class of mail any notice required to be mailed by the provisions of this Trust Agreement, the Trustee shall give such notice in such other manner as in the judgment of the Trustee shall most effectively approximate mailing thereof, and the giving of that notice in that manner for all purposes of the Purchase and Use Agreement shall be deemed to be in compliance with the requirement for the mailing thereof. Except as otherwise provided herein, the mailing of any notice shall be deemed complete upon deposit of that notice in the mail and the giving of any notice by any other means of delivery shall be deemed complete upon receipt of the notice by the delivery service.

SECTION 12.5. Payments Due on Saturdays, Sundays and Holidays. If any Bond Payment Date, redemption date or date of maturity of the principal of any Bonds is not a Business Day, then payment of interest, redemption premium (if any) or principal need not be made by the Trustee on that date, and that payment may be made on the next succeeding Business Day on which the Trustee is open for business with the same force and effect as if that payment were made on the Bond Payment Date, redemption date or date of maturity and no interest shall accrue for the period after that date.

SECTION 12.6. Instruments of Holders. Any writing, including without limitation, any consent, request, direction, approval, objection or other instrument or document, required under this Trust Agreement to be executed by any Holder may be in any number of concurrent writings of similar tenor and may be executed by that Holder in person or by an agent or attorney appointed in writing. Proof of (i) the execution of any writing, including without limitation, any consent, request, direction, approval, objection or other instrument or document, (ii) the execution of any writing appointing any agent or attorney, and (iii) the ownership of Bonds, shall be sufficient for any of the purposes of this Trust Agreement, if made in the following manner, and if so made, shall be conclusive in favor of the Trustee with regard to any action taken thereunder, namely:

(a) The fact and date of the execution by any person of any writing may be proved by the certificate of any officer in any jurisdiction, who has power by law to take acknowledgments within that jurisdiction, that the person signing the writing acknowledged that execution before that officer, or by affidavit of any witness to that execution; and

(b) The fact of ownership of Bonds shall be proved by the Register.

Nothing contained herein shall be construed to limit the Trustee to the foregoing proof, and the Trustee may accept any other evidence of the matters stated therein which it deems to be sufficient. Any writing, including without limitation, any consent, request, direction, approval, objection or other instrument or document, of the Holder of any Bond shall bind every future Holder of the same Bond, with respect to anything done or suffered to be done by the Corporation or the Trustee pursuant to that writing.

SECTION 12.7. Priority of this Trust Agreement. This Trust Agreement and the lien created hereby shall be superior to any other liens which may be placed upon the Revenues or any Funds (or Accounts therein) created pursuant hereto, except such liens as may be required or mandated by applicable law.

SECTION 12.8. Extent of Covenants; No Personal Liability. All covenants, stipulations, obligations and agreements of the Trustee contained in this Trust Agreement are and shall be deemed to be covenants, stipulations, obligations and agreements of the Trustee as such to the full extent authorized by law. No covenant, stipulation, obligation or agreement of the Trustee contained in this Trust Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any past, present or future member, officer, director, attorney, agent or employee of the Trustee or the Corporation in other than that person's official capacity. No official executing the Bonds, this Trust Agreement or any amendment or supplement hereto or thereto, shall be liable personally on the Bonds or be subject to any personal liability or accountability by reasons of the issuance or execution hereof or thereof.

SECTION 12.9. Continuing Disclosure. The County has covenanted in the Purchase and Use Agreement to provide information under Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 ("15c2-12"), as an Obligated Person (as defined in 15c2-12).

SECTION 12.10. Binding Effect. This Trust Agreement shall inure to the benefit of and shall be binding upon the Corporation and upon the Trustee, and their respective successors and assigns, subject, however, to the limitations contained herein.

SECTION 12.11. Counterparts. This Trust Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

SECTION 12.12. Governing Law. This Trust Agreement and the Bonds shall be deemed to be contracts made under the laws of the State and for all purposes shall be governed by and construed in accordance with the laws of the State.

SECTION 12.13. Limitation of Liability of Corporation. All payments to be made by the Corporation or obligations of the Corporation hereunder are payable solely from the Trust Estate and Revenues derived therefrom.

IN WITNESS WHEREOF, the Corporation has caused this Trust Agreement to be executed and delivered for it and in its name and on its behalf by its duly authorized officers, and the Trustee has caused this Trust Agreement to be executed and delivered for it and in its name and on its behalf by its duly authorized officer, on the dates of the respective acknowledgments but all as of the day and year first above written.

LANCASTER COUNTY PUBLIC FACILITIES
CORPORATION

(SEAL)

Attest:

By: _____
Its: President

By: _____
Secretary/Treasurer

REGIONS BANK, as Trustee

By: _____
Its: Vice President

[FORM OF BOND]

Unless this bond is presented by an authorized representative of The Depository Trust Company, New York, New York ("DTC") to Lancaster County Public Facilities Corporation or its agent for registration of transfer, exchange, or payment and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

Registered
No. R-1

\$_____

LANCASTER COUNTY PUBLIC FACILITIES CORPORATION,
INSTALLMENT PURCHASE REVENUE BONDS
(LANCASTER COUNTY PROJECT)
SERIES 2023

Interest Rate	Maturity Date	Dated Date	CUSIP
_____%	December 1, _____	_____, 2023	80585U____

Registered Owner: CEDE & CO.

Principal Amount: _____ DOLLARS

Lancaster County Public Facilities Corporation (the "Corporation"), a nonprofit corporation organized and existing under the laws of the State of South Carolina (the "State"), for value received hereby acknowledges itself obligated to, and promises to pay the Registered Owner identified above, or registered assigns, but only out of the sources pledged for that purpose as hereinafter provided, and not otherwise, on the Maturity Date set forth above, and to pay interest on the unpaid balance of said sum from the most recent June 1 or December 1 to which interest has been paid or for which due provision has been made or, if no interest has been paid, from the Dated Date set forth above, at the rate of interest per annum set forth above (calculated on the basis of a 360-day year of twelve 30-day months) payable on June 1 and December 1 (each a "Bond Payment Date") of each year commencing June 1, 2024, until the Corporation's obligation with respect to payment of the principal amount is discharged.

Interest is payable to the person in whose name this bond is registered at the close of business on the 15th day next preceding each Bond Payment Date, except that interest not duly paid or provided for when due shall be payable to the person in whose name this bond is registered at the close of business on a special record date to be fixed for the payment of defaulted interest. Such defaulted interest shall be payable to the Holder in whose name such Bond is registered at the close of business on a special record date for the payment of such defaulted interest established by notice mailed to the Holders of the Bonds not less than five days prior to such special record date to Holder thereof at the address as it appears on

the bond register not less than 10 days preceding such special record date. If the Trustee registers the transfer of this bond subsequent to the mailing of such notice and on or before the special record date, any such notice of payment of defaulted interest shall be binding upon the transferee and a copy of the notice of payment of defaulted interest shall be delivered by the Trustee to the transferee along with the bond or bonds.

Principal of and interest on this bond are payable in lawful money of the United States of America which on the date of payment thereof is legal tender for the payment of public and private debts. Payments of interest will be made by check or draft drawn upon Regions Bank, as trustee (the "Trustee"), and mailed to the person entitled thereto. Principal, when due, shall be paid upon surrender of this bond at the designated corporate trust office of the Trustee, initially its corporate trust office located in Atlanta, Georgia. At the written request addressed to the Trustee or the Holder of the Bonds in the aggregate principal amount of at least \$1,000,000, interest and redemptions of principal shall be paid by wire transfer or other means acceptable to the Trustee to an account within the continental United States by prior written instructions filed with the Trustee not later than the Record Date for such purpose.

The Bonds and the interest thereon and redemption premium, if any, shall be an obligation of the Corporation, and shall be secured by and payable from the Trust Estate (as defined in the hereafter defined Trust Agreement). The Bonds do not and shall not be deemed to constitute or create an indebtedness, liability or obligation of Lancaster County, South Carolina (the "County") within the meaning of any State constitutional provision or statutory limitation or a pledge of the full faith and credit or taxing power of the County. The Bonds and the interest thereon are payable from and secured by the Trust Estate as described in and subject to limitations set forth in the Trust Agreement for the equal and ratable benefit of the Holder, from time to time, of the Bonds.

This bond is one of a series of Bonds of the Corporation limited in aggregate original face amount to \$_____ and designated as Lancaster County Public Facilities Corporation, Installment Purchase Revenue Bonds (Lancaster County Project) Series 2023 (the "Bonds"), issued under a Trust Agreement, dated _____, 2023 (the "Trust Agreement"), between the Corporation and the Trustee, to provide funds to finance the costs of acquiring, constructing, installing and equipping new and existing public facilities (the "2023 Projects") to be sold by the Corporation to the County pursuant to an Installment Purchase and Use Agreement dated _____, 2023 (the "Purchase and Use Agreement"), and to finance all or a portion of the costs of constructing new facilities (the "Ancillary Projects") which will not be subject to the Purchase and Use Agreement, all by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution and statutes of the State, and pursuant to a resolution duly adopted by the Board of Directors of the Corporation. The County Council of the County has also adopted an ordinance approving the Corporation and the issuance of the Bonds by the Corporation. The County has leased the real property on which the 2023 Projects are or will be located to the Corporation under the terms of a Base Lease and Conveyance Agreement dated _____, 2023 (the "Base Lease").

Pursuant to the Trust Agreement, the Corporation has granted to the Trustee for the benefit of the owners of the Bonds, a security interest in the Trust Estate which includes the Revenues (as defined in the Trust Agreement) consisting of the Installment Payments (as defined in the Trust Agreement) payable by the County under the Purchase and Use Agreement, any other sums arising under the Purchase and Use Agreement, amounts on deposit from time to time in the funds and accounts created pursuant to the Trust Agreement and the investment income therefrom. The Trust Agreement further provides that the Corporation may issue additional bonds secured on a parity with the Bonds by the Trust Estate under the terms and conditions and to the extent described in the Trust Agreement. The County's obligation to pay Installment Payments under the Purchase and Use Agreement is subject to annual appropriations and the obligation may be terminated at the end of any fiscal year of the County by an Event of Nonappropriation

(as defined in the Purchase and Use Agreement). UPON THE OCCURRENCE OF AN EVENT OF NONAPPROPRIATION, THE COUNTY MAY TERMINATE THE PURCHASE AND USE AGREEMENT AS OF THE END OF THE FISCAL YEAR DURING WHICH SUCH EVENT OF NONAPPROPRIATION OCCURS, AND THE COUNTY SHALL NOT BE OBLIGATED TO MAKE PAYMENT OF THE INSTALLMENT PAYMENTS BEYOND THE END OF SUCH FISCAL YEAR.

Counterparts or copies of the Trust Agreement, the Purchase and Use Agreement, the Base Lease and the other documents referred to herein are on file at the corporate trust office of the Trustee in Atlanta, Georgia, and reference is hereby made thereto and to the documents referred to therein for the provisions thereof, including the provisions with respect to the rights, obligations, duties and immunities of the Corporation, the County, the Trustee and the Holder of the Bonds under such documents, the security for the Bonds and the conditions under which additional bonds may be issued thereunder to all of which the Registered Owner hereof, by acceptance of this bond, assents.

The Bonds are subject to redemption prior to maturity as provided in the Trust Agreement, and as described in the following lettered paragraphs:

(a) In the event the County exercises its option pursuant to the Purchase and Use Agreement to prepay Base Payments, the Bonds may be redeemed by the Corporation in whole or in part at any time on and after December 1, _____, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed plus accrued interest to the redemption date.

(b) In the event the County elects to prepay Installment Payments pursuant to Section 7.3 of the Purchase and Use Agreement, the Bonds shall be subject to redemption in whole or in part on any date (as selected by the Trustee at the direction of the Corporation), at a price equal to 100% of the principal amount of the Bonds so redeemed, without premium, plus accrued interest to the date of redemption.

(c) The Bonds maturing on December 1, _____ (the "Term Bonds") are subject to mandatory sinking fund redemption, at a redemption price equal to the principal amount to be redeemed plus accrued interest, if any, to the redemption date, without premium on June 1 for each of the years and in each of the amounts as follows:

<u>Term Bonds Maturing December 1, _____</u>	
<u>Year</u>	<u>Amount</u>

†Final Maturity.

The amounts of any mandatory sinking fund redemptions set forth above will be reduced to the extent the Term Bonds have been purchased by the Corporation or redeemed by the Corporation pursuant to the optional redemption provisions described above, in such manner as the Corporation directs or, absent such direction, on a pro-rata basis.

Notice of redemption shall be given by the Trustee by first class mail, postage prepaid, to the Registered Owners of the Bonds to be redeemed at their addresses appearing on the Register maintained by the Trustee, said mailing to be not less than 30 days, but not more than 60 days, prior to the

redemption date. Failure of the Trustee to give any notice of redemption or any defects in such notice shall not affect the validity of the redemption of any other Bonds.

The Registered Owner of this bond shall have no right to enforce the provisions of the Trust Agreement or to institute an action to enforce the covenants thereof, or to take any action with respect to a default hereof, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Trust Agreement.

Upon the occurrence of certain Events of Default (as defined in the Trust Agreement), all Bonds may be declared immediately due and payable and thereupon shall become and be immediately due and payable as provided in the Trust Agreement.

The Bonds are issuable only in fully registered form. Subject to the limitations provided for in the Trust Agreement, this bond may be exchanged for a like aggregate principal amount payable at maturity of Bonds of the same maturity in authorized denominations.

The Bonds are transferable by the Registered Owner thereof in person or by his attorney duly authorized in writing at the designated corporate trust office of the Trustee, but only in the manner and subject to the limitations provided for in the Trust Agreement and upon surrender and cancellation of this bond. Upon such transfer a new Bond or Bonds of the same maturity and in authorized denominations for the same aggregate principal amount payable at maturity will be issued to the transferee in exchange. The Trustee may require a Registered Owner, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Trust Agreement in connection with the exchange or transfer. The Trustee need not exchange or register the transfer of a Bond which has been selected for redemption and need not exchange or register the transfer of any Bond for a period of 15 days before a selection of Bonds to be redeemed or before any June 1 or December 1. The Corporation, the County, the Trustee and any paying agent may treat the Registered Owner of this bond as the absolute owner for the purpose of receiving payment as herein provided and for all other purposes and none of them shall be affected by any notice to the contrary.

Under the laws of the State, this Bond and the income herefrom are exempt from all State, county, municipal, school district and all other taxes or assessments, except estate or other transfer taxes, direct or indirect, general or special, whether imposed for the purpose of general revenue or otherwise.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this bond have existed, have happened and have been performed in due form, time and manner as required by law.

IN WITNESS WHEREOF, the Corporation has caused this bond to be executed and attested by the manual signatures of its duly authorized officers, and this bond to be authenticated by the manual signature of an authorized representative of the Trustee, without which authentication this bond shall not be valid nor entitled to the benefits of the Trust Agreement.

LANCASTER COUNTY PUBLIC FACILITIES
CORPORATION

By: _____
President

(SEAL)

Attest: _____
Secretary

TRUSTEE'S AUTHENTICATION CERTIFICATE

The undersigned Trustee hereby certifies that this is one of the Bonds described in the within mentioned Trust Agreement.

Date of Authentication: _____, 2023

REGIONS BANK, as Trustee

By: _____
Authorized Signatory

[FORM OF ASSIGNMENT]

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address of Transferee)

the within Bond and does hereby irrevocably constitute and appoint attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

By: _____
(Authorized Officer)

Signature Guaranteed

Notice: Signature must be guaranteed by an institution which is a participant in the Securities Transfer Agents Medallion Program ("STAMP") or similar program.

Notice: The signature to the assignment must correspond with the name of the registered holder as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common

UNIF GIFT MIN ACT -

TEN ENT - as tenants by the
entireties

_____ Custodian _____
(Cust) (Minor)
under Uniform Gifts to
Minors Act _____
(State)

JT TEN - as joint tenants with
right of survivorship
and not as tenants in
common

Additional abbreviations may also be used though not in above list.

[FORM OF REQUISITION]

DIRECTION TO MAKE DISBURSEMENT

Requisition No. ____

Regions Bank
1180 W. Peachtree Street, Suite 1200
Atlanta, Georgia 30309
Attention: Corporate Trust Department

Re: \$_____ Lancaster County Public Facilities Corporation,
 Installment Purchase Revenue Bonds (Lancaster County Project) Series 2023.

Gentlemen:

As Trustee under the Trust Agreement dated _____, 2023 (the "Trust Agreement"), between you and Lancaster County Public Facilities Corporation (the "Corporation") and in accordance with the provisions of Section 5.3 of the Trust Agreement, you are hereby directed to disburse from the Project Fund the sum of \$_____, payable to the persons and in the amounts and at the addresses set forth in Schedule I attached hereto, said sum being the total of amounts due for or attributable to the items described in said Schedule I. Included herewith is documentation supporting the payments requested herein.

In this connection, we further certify to you as follows:

A. The amounts to be paid hereunder (i) are due and payable, (ii) are for costs of the 2023 Projects that are properly capitalizable into the cost of acquiring tangible real or tangible personal property, and (iii) have not been the subject of any previous requisition from the Project Fund.

B. All representations and warranties of Lancaster County, South Carolina (the "County") and the Corporation, as the case may be, in the Purchase and Use Agreement are true and correct in all material respects as of the date hereof.

C. Neither the County nor the Corporation, as the case may be, is in default in any material respects under any provisions of the Purchase and Use Agreement.

Dated this ____ day of _____, 20__.

LANCASTER COUNTY, SOUTH CAROLINA

By: _____
County Representative

LANCASTER COUNTY PUBLIC FACILITIES
CORPORATION

By: _____
Corporation Representative

[FORM OF FINAL REQUISITION]

DIRECTION TO MAKE FINAL DISBURSEMENT

Requisition No. _____

Regions Bank
1180 W. Peachtree Street, Suite 550
Atlanta, Georgia 30328
Attention: Corporate Trust Department

Re: \$_____ Lancaster County Public Facilities Corporation,
Installment Purchase Revenue Bonds (Lancaster County Project) Series 2023

Gentlemen:

As Trustee under the Trust Agreement dated _____, 2023 (the "Trust Agreement"), between you and Lancaster County Public Facilities Corporation (and the "Corporation") and in accordance with the provisions of Section 5.3 of the Trust Agreement, you are hereby directed to disburse from the Project Fund as the case may be, the total sum of \$_____, payable to the persons and in the amounts and at the addresses set forth in Schedule I attached hereto, said sum being the total of amounts due for or attributable to the items described in said Schedule I. Said sum represents the final requisition from said Project Fund. Included herewith is documentation supporting the payments requested herein.

In this connection, we further certify to you as follows:

A. The amounts to be paid hereunder (i) are due and payable, (ii) are for costs of the 2023 Projects that are properly capitalizable into the cost of acquiring tangible real and tangible personal property, and (iii) have not been the subject of any previous requisition from the Project Fund.

B. All representations and warranties of Lancaster County, South Carolina (the "County") and the Corporation, as the case may be, in the Purchase and Use Agreement are true and correct in all material respects as of the date hereof.

C. Neither the County nor the Corporation, as the case may be, is in default in any material respects under any provisions of the Purchase and Use Agreement.

D. The 2023 Projects are free and clear of all liens and encumbrances for labor or materials furnished by the Corporation and all contractors, subcontractors and materialmen retained by the County and all contractors, subcontractors and materialmen performing work on the 2023 Projects have been, or upon receipt by the County of the payment of the final requisition request will be, paid in full, except for those the Corporation is contesting in good faith and with due diligence as permitted under the Purchase and Use Agreement.

We further certify to you that the 2023 Projects have been substantially completed in accordance with all Acquisition or Construction Contracts (as defined in the Purchase and Use Agreement) and the terms and conditions of the Purchase and Use Agreement, and that the 2023 Projects as completed comply in all material respects with all applicable governmental regulations.

Further, the undersigned County Representative certifies that the Ancillary Projects have been substantially completed in accordance with all applicable construction contracts and in terms and conditions of the Purchase and Use Agreement, and that the Ancillary Projects are completed comply to all material respects with all applicable governmental regulations. As used in this certificate, "substantial completion" of the 2023 Projects shall mean completion such that a certificate of occupancy has been, or could be, issued notwithstanding the fact that certain minor items of work remain to be done.

Dated this ____ day of _____, 20__.

LANCASTER COUNTY, SOUTH CAROLINA

By: _____
County Representative

LANCASTER COUNTY PUBLIC FACILITIES
CORPORATION

By: _____
Corporation Representative

EXHIBIT G

FORM OF BOND PURCHASE AGREEMENT

related to

**\$[Amount]
Lancaster County Public Facilities Corporation
Installment Purchase Revenue Bonds
(Lancaster County Project)
Series 2023**

Dated: November [16], 2023

BOND PURCHASE AGREEMENT

SECTION 1. Parties and Relevant Dates.

County: Lancaster County, South Carolina, Attn: County Administrator, Post Office Box 1809, Lancaster, South Carolina 29721-1809.

Issuer: Lancaster County Public Facilities Corporation, c/o Lancaster County, South Carolina, Post Office Box 1809, Lancaster, South Carolina 29721-1809.

Underwriter: Piper Sandler & Co.

Series 2023 Bonds: \$[Amount] Lancaster County Public Facilities Corporation Installment Purchase Revenue Bonds (Lancaster County Project) Series 2023.

Acceptance Deadline: November [16], 2023, 5:00 p.m., Columbia, South Carolina time.

Effective Date and Time: November [16], 2023, ____ p.m., Columbia, South Carolina time.

Closing Date: December [14], 2023.

SECTION 2. Defined Terms

All capitalized terms used in this Agreement and not otherwise defined are used as defined in the Issuer Authorization, the County Authorization, or the Preliminary Official Statement:

Acceptance Deadline: The date set forth in Section 1, being the date and time by which the Issuer must accept this Agreement.

Agreement: This Bond Purchase Agreement, dated the Effective Date, including all Appendices attached hereto.

Assignment Agreement: The Assignment Agreement dated the Closing Date between the Issuer and the Trustee.

Base Lease: The Base Lease and Conveyance Agreement dated the Closing Date between the Issuer and the County.

Bond Counsel: Burr & Forman LLP (“Burr Forman”)

Closing Date: The date set forth in Section 1, being the date of the issuance and delivery of the Series 2023 Bonds.

Continuing Disclosure Certificate: The Continuing Disclosure Certificate of the County dated the Closing Date with respect to the Series 2023 Bonds in accordance with Rule 15c2-12.

County Authorization: Ordinance No. ____ enacted by the County Council of the County on [October 9], 2023, approving the issuance of the Series 2023 Bonds.

County: The County named in Section 1.

County’s Counsel: [Name of County Counsel], [City, South Carolina].

County Documents: All financing documents to which the County is a party relating to the issuance of and security for the Series 2023 Bonds, as such documents are amended and supplemented to the Closing Date, including, but not limited to:

- (i) the Continuing Disclosure Certificate, if contained separately or in the County Authorization,
- (ii) other applicable financing or operative documents to which the County is a party, as such documents are amended and supplemented to the Closing Date, including the Base Lease and the Installment Purchase and Use Agreement.

Creditors' Rights Laws: Limitations on enforceability as may result from bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally from time to time in effect and from the application of general principles of equity and from public policy limitations on the exercise of any rights to indemnification and contribution.

DTC: The Depository Trust Company.

Effective Date and Time: The date and time that this Agreement is effective, as set forth in Section 1.

End of the Underwriting Period: The later of (i) the Closing Date or (ii) the date on which the Underwriter no longer retains an unsold balance of the Series 2023 Bonds for sale to the public.

Exchange Act: The Securities Exchange Act of 1934, as amended.

Excluded Sections: For purposes of the representations and warranties of the Issuer set forth in Sections 8(a)(viii) and (ix) and the opinions of Issuer's Counsel, the "Excluded Sections" of the Preliminary Official Statement and the Official Statement shall be: (i) the section describing DTC and its affiliates and its book-entry procedures, (ii) the section captioned "MISCELLANEOUS – Underwriting," (iii) information on the inside cover page as to the initial public offering price and the stabilization language; and (iv) the following additional sections, if any: All sections except for the sections captioned "THE ISSUER" and the information with respect to the Issuer, if any, appearing under the caption "LEGAL MATTERS – Litigation."

Installment Purchase and Use Agreement: The Installment Purchase and Use Agreement dated the Closing Date between the Issuer and the County.

Issuer: The Issuer of the Bonds, as identified in Section 1.

Issuer Authorization: The Resolution adopted by the Board of Directors of the Issuer on October [4], 2023, authorizing the issuance of the Series 2023 Bonds.

Issuer Documents: All financing documents to which the Issuer is a party relating to the issuance of and security for the Series 2023 Bonds, as such documents are amended and supplemented to the Closing Date, including, but not limited to:

- (i) this Agreement,
- (ii) other applicable financing or operative documents to which the Issuer is a party, as such documents are amended and supplemented to the Closing Date, including the Trust Agreement, the Installment Purchase and Use Agreement, the Base Lease and the Assignment Agreement.

Issuer's Counsel: Burr Forman, Columbia, South Carolina.

MSRB: Municipal Securities Rulemaking Board.

Official Statement: Official Statement dated November [16], 2023, relating to the Series 2023 Bonds, together with all appendices or exhibits, any materials incorporated by reference therein and any amendments or supplements thereto.

Preliminary Official Statement: Preliminary Official Statement dated November __, 2023, relating to the Series 2023 Bonds, together with all appendices or exhibits, any materials incorporated by reference therein and any amendments or supplements thereto.

Primary Offering Disclosure Period: The period commencing with the first submission to an underwriter of an order for the purchase of the Series 2023 Bonds or the purchase of such Series 2023 Bonds from the Issuer, whichever first occurs, and ending 25 days after the final delivery by the Issuer or its agent of all Series 2023 Bonds to or through the underwriting syndicate or sole underwriter.

Purchase Price: The amount specified in Section 5 as the Purchase Price to be paid by the Underwriter at the Closing for the purchase of the Series 2023 Bonds on the Closing Date.

Rule 15c2-12: Rule 15c2-12 promulgated by the SEC under the Exchange Act.

SEC: Securities and Exchange Commission of the United States.

Securities Act: The Securities Act of 1933, as amended.

Series 2023 Bonds: The Bonds identified in Section 1.

State: South Carolina.

Trust Agreement: The Trust Agreement dated the Closing Date between the Issuer and the Trustee.

Trustee: Regions Bank, acting as trustee and registrar/paying agent for the Series 2023 Bonds.

Trust Estate: The Trust Estate, as defined in the Trust Agreement.

Trust Indenture Act: Trust Indenture Act of 1939, as amended.

Underwriter: The firm identified as such in Section 1.

Underwriter's Counsel: Pope Flynn, LLC, Columbia, South Carolina.

SECTION 3. Offer to Purchase the Series 2023 Bonds; Execution of Terms and Acceptance

The Issuer and the Underwriter are entering into this Agreement to provide for the purchase and sale of the Series 2023 Bonds. The Series 2023 Bonds are further described in Schedule I attached hereto.

The Underwriter hereby offers to purchase all (but not less than all) of the Series 2023 Bonds from, and to enter into this Agreement with, the Issuer. This offer is subject to acceptance by the Issuer by the Acceptance Deadline and, if not so accepted, will be subject to withdrawal by the Underwriter by written notice delivered to the Issuer at any time prior to acceptance. This Agreement will be binding upon the Underwriter and the Issuer upon the (i) Issuer's validly authorized acceptance by execution of this Agreement and its delivery to the Underwriter at or prior to the Acceptance Deadline, and (ii) receipt by the Underwriter at or prior to the Acceptance Deadline, of the General Certificate of Lancaster County, South Carolina (the "County Certificate") substantially in the form attached hereto as Exhibit F, which

must be duly executed and delivered by an authorized official of the County. This Agreement is effective as of the Effective Date and Time.

SECTION 4. Purchase of the Series 2023 Bonds

The Underwriter shall purchase from the Issuer, and the Issuer shall sell to the Underwriter, all (but not less than all) of the Series 2023 Bonds on the Closing Date at the aggregate Purchase Price set forth in Section 5, plus accrued interest, if any. The Series 2023 Bonds shall bear interest at the rates per annum, mature on the dates, be sold to the public at the prices and pursuant to such other terms and provisions, all as set forth in Schedule I. The Series 2023 Bonds otherwise shall be as described in the Official Statement, the Issuer Authorization and the Issuer Documents. The Underwriter's agreement to purchase the Series 2023 Bonds from the Issuer is made in reliance upon the Issuer's representations, covenants and warranties and on the terms and conditions set forth in this Agreement.

The Issuer acknowledges and agrees that: (i) the primary role of the Underwriter, as an underwriter, is to purchase the Series 2023 Bonds for resale to investors in an arm's-length commercial transaction between the Issuer and the Underwriter and that the Underwriter has financial and other interests that differ from those of the Issuer; (ii) the Underwriter is acting solely as a principal in connection with the purchase and sale of the Series 2023 Bonds and is not acting as a municipal advisor, financial advisor or fiduciary to the Issuer or any other person or entity and has not assumed any advisory or fiduciary responsibility to the Issuer with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Issuer on other matters); (iii) the only obligations the Underwriter has to the Issuer with respect to the transaction contemplated hereby (other than those obligations imposed by applicable law, if any) expressly are set forth in this Agreement; and (iv) the Issuer has consulted its own legal, accounting, and financial advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein.

SECTION 5. Purchase Price

On the basis of the representations, warranties, and covenants contained herein (including the County Certificate) and in the other agreements referred to herein, which agreements are presently in draft form and must be finalized as contemplated in Section 11(a) hereof, and subject to the terms and conditions herein set forth, the Underwriter hereby agrees to purchase from the Issuer at the Closing Time (as defined herein) and the Issuer hereby agrees to sell to the Underwriter at the Closing Time, the Series 2023 Bonds at a price of \$_____ (consisting of \$_____ par amount of the Series 2023 Bonds, plus [net] original issue premium of \$_____, less underwriter's discount of \$_____). The Purchase Price shall be payable on the Closing Date by the Underwriter to or as directed by the Issuer by wire transfer in immediately available funds. In accordance with Section 14, the Underwriter also will be reimbursed for those out-of-pocket expenses described therein.

SECTION 6. Public Offering

The Underwriter agrees to make a bona fide initial public offering of all the Series 2023 Bonds in compliance with federal and state securities laws, at a price not in excess of the initial offering price set forth in the Official Statement. The Underwriter may change the initial offering price or prices as it deems necessary in connection with the offering of the Series 2023 Bonds without any requirement of prior notice, and may offer and sell the Series 2023 Bonds to certain institutions at prices lower than those stated in the Official Statement. The Underwriter shall execute and deliver prior to the Closing an "issue price" or similar certificate as further described in Section 12 in form and substance reasonably satisfactory to the Issuer, Bond Counsel and the Underwriter.

SECTION 7. Official Statement

With the consent of the Issuer and the County, the Underwriter has distributed a Preliminary Official Statement in connection with the marketing of the Series 2023 Bonds. The Series 2023 Bonds will be offered for sale by the Underwriter pursuant to a final Official Statement, which will be in substantially the form of the Preliminary Official Statement, together with such changes as are necessary to incorporate the terms of the Series 2023 Bonds contemplated herein. The Issuer hereby represents and warrants that the Preliminary Official Statement previously furnished to the Underwriter was “deemed final” by the Issuer as of its date for purposes of Rule 15c2-12, except for items marked as preliminary or permitted omissions pursuant to Rule 15c2-12(b)(1).

Further:

- (a) The Issuer, at its cost, shall provide, or cause to be provided, to the Underwriter within seven (7) business days after the date of this Agreement (or within such shorter period as may be approved by the Underwriter or required by applicable rule) such number of copies of a final Official Statement as is reasonably requested by the Underwriter, but in sufficient quantity to permit the Underwriter to comply with paragraph (b)(4) of Rule 15c2-12, and Rule G-32 and any other applicable rules of the SEC and the MSRB.
- (b) The Issuer authorizes the Underwriter to file, to the extent required by any applicable SEC or MSRB rule, and the Underwriter agrees to so file, the Official Statement with the MSRB or its designee. If an amended Official Statement is prepared during the Primary Offering Disclosure Period, and if required by any applicable SEC or MSRB rule, the Underwriter also shall make the required filings of the amended Official Statement. The Issuer shall provide the Underwriter with the information necessary to complete MSRB Form G-32 for all filings to be made under this Section 7.
- (c) The Preliminary Official Statement and the Official Statement may be delivered in printed and a “designated electronic format” as defined in the MSRB’s Rule G-32 and as may be agreed by the Issuer and the Underwriter. If the Official Statement has been prepared in electronic form, the Issuer hereby confirms that it does not object to distribution of the Official Statement in electronic form.
- (d) The Issuer shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Underwriter. The Issuer covenants to notify the Underwriter promptly if, on or prior to the 25th day after the End of the Underwriting Period (or such other period as may be agreed to by the Issuer and the Underwriter) any event shall occur, or information comes to the attention of the Issuer, that is reasonably likely to cause the Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and if in the opinion of the Underwriter such event requires the preparation and distribution of a supplement or amendment to the Official Statement, to prepare and furnish to the Underwriter, at the Issuer’s expense, such number of copies of the supplement or amendment to the Official Statement, in (i) a “designated electronic format” consistent with the requirements of the MSRB’s Rule G-32 and (ii) a printed format form in substance mutually agreed upon by the Issuer and the Underwriter, as the Underwriter may reasonably request. If such notification shall be given subsequent to the Closing Date, the Issuer also shall furnish, or cause to be furnished, such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Official Statement.

For purposes of this Agreement, the “*End of the Underwriting Period*” will mean the later of (a) the Closing Date or (b) the time that the Underwriter no longer retains an unsold balance of the Series 2023 Bonds for sale to the public. Unless otherwise notified in writing by the Underwriter prior to the Closing Date, the Issuer shall treat the Closing Date as the “*End of the Underwriting Period.*” In such case, the Underwriter shall promptly notify the Issuer and the County in writing of the date that is the “*End of the Underwriting Period.*”

SECTION 8. Representations and Warranties

(a) Representations and Warranties of the Issuer. The Issuer, based on the County Certificate, hereby agrees with, and makes the following representations and warranties to the Underwriter, as of the date hereof and as of the Closing Date, which representations and warranties shall survive the Closing:

- (i) The Issuer is duly created and existing under the laws of the State and has full legal right, power and authority under the Constitution and laws of the State to adopt the Issuer Authorization, to execute and deliver the Issuer Documents and the Official Statement, to issue, sell and deliver the Series 2023 Bonds as provided herein, and to carry out and to consummate the transactions contemplated by the Issuer Authorization, the Issuer Documents and the Official Statement.
- (ii) By all necessary corporate action of the Issuer prior to or concurrently with the acceptance hereof, the Issuer has duly authorized and approved (A) the distribution of the Preliminary Official Statement and the execution, delivery and distribution of the Official Statement for use by the Underwriter in connection with the public offering of the Series 2023 Bonds, (B) the issuance and sale of the Series 2023 Bonds upon the terms set forth herein and as contemplated by the Issuer Authorization, the Issuer Documents and the Official Statement, and (C) the execution and delivery of, and the performance by the Issuer of the obligations on its part contained in, the Series 2023 Bonds, the Issuer Authorization and the Issuer Documents.
- (iii) The Series 2023 Bonds will be issued in conformity with and entitled to the benefit and security of the Issuer Authorization and the Issuer Documents, including the pledge or application thereunder of the Trust Estate.
- (iv) This Agreement constitutes a legal, valid and binding obligation of the Issuer enforceable in accordance with its terms; the other Issuer Documents, when duly executed and delivered by the Issuer and assuming the due execution and delivery by the other parties thereto, will constitute the legal, valid and binding obligations of the Issuer enforceable in accordance with their respective terms; and the Series 2023 Bonds, when issued, authenticated and delivered in accordance with the Issuer Documents and sold to the Underwriter as provided herein, will be the legal, valid and binding obligations of the Issuer enforceable in accordance with their terms; in all cases, except as to the enforceability of this Agreement, the other Issuer Documents and the Series 2023 Bonds may be limited by application of Creditors’ Rights Laws.
- (v) Except as may be described in the Preliminary Official Statement or the Official Statement, the Issuer is not in breach of or default in any material respect under any applicable constitutional provision, law or administrative regulation of the State or the United States (“Legal Requirements”) or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument (“Contractual Requirements”) to which the Issuer is a party or to which the Issuer is or any of its property or assets are otherwise subject, and no event has occurred and is continuing

which constitutes or with the passage of time or the giving of notice, or both, would constitute a material default or event of default by the Issuer under any of the foregoing.

- (vi) The adoption, execution and delivery by the Issuer of the Series 2023 Bonds, the Issuer Authorization and the Issuer Documents, and compliance with the provisions on the Issuer's part contained therein, will not conflict with or constitute a breach of or default under any Legal Requirements or Contractual Requirements to which the Issuer is a party or to which the Issuer or any of its property or assets are otherwise subject, and such adoption, execution, delivery or compliance will not result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature upon the Trust Estate or the property or assets, if any, of the Issuer to be pledged to secure the Series 2023 Bonds or under the terms of any such law, regulation or instrument, except as provided by the Series 2023 Bonds, the Issuer Authorization and the Issuer Documents.
- (vii) All authorizations, approvals, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction which are required to be obtained by the Issuer for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect, the issuance of the Series 2023 Bonds or the due performance by the Issuer of its obligations under the Issuer Authorization, the Issuer Documents and the Series 2023 Bonds have been duly obtained or will be obtained prior to the Closing, except: (A) such authorizations, approvals, consents and orders, if any, as may be required under the Blue Sky or securities laws of any jurisdiction in connection with the offering and sale of the Series 2023 Bonds, and (B) authorizations, approvals, consents and orders that are required to be obtained or renewed periodically, such as budgets, licenses and permits.
- (viii) Except for information which is marked as preliminary or permitted to be omitted pursuant to Rule 15c2-12(b)(1), the Preliminary Official Statement as of its date did not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, the Issuer makes no statement as to the Excluded Sections of the Preliminary Official Statement.
- (ix) The Official Statement as of its date does not and as of the Closing Date will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, the Issuer makes no statement as to the Excluded Sections of the Official Statement.
- (x) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any State court, agency, public board or body, pending or, to the knowledge of the Issuer, threatened in writing against the Issuer: (A) affecting the existence of the Issuer or the titles of its officers to their respective offices, (B) seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Series 2023 Bonds or the pledge or collection by the Issuer of the Trust Estate or the making of any other required deposits with respect to the Series 2023 Bonds, (C) in any way contesting or affecting the validity or enforceability of, or the power or authority of the Issuer to issue, adopt or to enter into (as applicable), the Series 2023 Bonds, the Issuer Authorization or the Issuer Documents, (D) contesting in any way the completeness or accuracy of the Preliminary Official Statement (except as marked preliminary or permitted to be omitted pursuant to Rule 15c2-12) or the Official Statement, or any amendment or supplement thereto, (E) except as disclosed

in the Preliminary Official Statement or the Official Statement, wherein an unfavorable decision, ruling or finding would materially adversely affect the financial position or condition of the Issuer or would result in any material adverse change in the ability of the Issuer to pledge or apply the Trust Estate or to pay debt service on the Series 2023 Bonds, or (F) contesting the status of the interest on the Series 2023 Bonds as excludable from gross income for federal income tax purposes or the status of the interest on the Series 2023 Bonds as exempt from any applicable state tax, in each case as described in the Official Statement.

- (xi) The Issuer has received all licenses, permits or other regulatory approvals required to be obtained by the Issuer, if any, for the pledge, collection and/or application by the Issuer of the Trust Estate and the Issuer is not in material default, and no event has occurred which would constitute or result in a material default, under any such licenses, permits or approvals.
- (xii) The Issuer Authorization, the Issuer Documents and the Series 2023 Bonds conform to the description thereof contained in the Official Statement.
- (xiii) The Issuer has the legal authority to apply proceeds of the Series 2023 Bonds for the purposes contemplated by the Issuer Authorization and the Issuer Documents, including for the payment or reimbursement of incidental expenses in connection with the marketing, issuance and delivery of the Series 2023 Bonds to the extent required by this Agreement and in compliance with applicable law. The Issuer is a nonprofit corporation issuing the Series 2023 Bonds on behalf of and for the benefit of the County, which is a body politic and corporate and a political subdivision of the State.

(b) Covenants of the Issuer. The Issuer hereby covenants with the Underwriter that:

- (i) Prior to the Closing Date, except as otherwise contemplated by the Official Statement, the Issuer shall not create, assume or guarantee any indebtedness payable from, or pledge or otherwise encumber, the Trust Estate or other assets, properties, funds or interests that will be pledged as security for the Series 2023 Bonds pursuant to the Issuer Documents.
- (ii) The Issuer shall cooperate with the Underwriter in the qualification of the Series 2023 Bonds for offering and sale and the determination of their eligibility for investment under the laws of such jurisdictions, to the extent applicable, as the Underwriter may request; provided that the Issuer shall not be required to qualify as a foreign corporation in, or submit to the general jurisdiction of, any other state or to file any general or special consents to service of process under the laws of any jurisdiction.
- (iii) The Issuer shall not knowingly take or omit to take any action that, under existing law, may adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Series 2023 Bonds, or the exemption from any applicable state tax, of the interest on the Series 2023 Bonds.

(c) Representations and Warranties of the Underwriter. The Underwriter hereby agrees with, and makes the following representations and warranties to, the Issuer and the County, as of the date hereof and as of the Closing Date, which representations and warranties shall survive the Closing:

- (i) The Underwriter is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization.

- (ii) This Agreement has been duly authorized, executed and delivered by the Underwriter and, assuming the due authorization, execution and delivery by the Issuer, is the legal, valid and binding obligation of the Underwriter enforceable in accordance with its terms, except as the enforceability of this Agreement may be limited by application of Creditors' Rights Laws.
- (iii) The Underwriter represents that it is licensed by and registered with the Financial Industry Regulatory Authority as a broker-dealer and the MSRB as a municipal securities dealer.

SECTION 9. Rating; Limited Obligations

The following rating on the Series 2023 Bonds shall be in effect on the Closing Date:

[Moody's]: “___”

The Underwriter acknowledges that the Series 2023 Bonds and the pecuniary obligations of the Issuer under this Agreement do not constitute a debt or a pledge of the faith and credit or the taxing power of the County or the State or any political subdivision thereof, but are the Issuer's limited obligations payable solely from the installment payments of purchase price received under the Installment Purchase and Use Agreement.

SECTION 10. Closing

The delivery of and payment for the Series 2023 Bonds shall be the “Closing” for the Series 2023 Bonds and shall occur at or prior to 1:00 p.m., New York City time, on the Closing Date (the “Closing Time”), or at such other time or on such other date as may be mutually agreed by the Underwriter and the Issuer. The location of the Closing shall be Burr Forman, 1221 Main Street, Suite 1800, Columbia, South Carolina 29201.

At the Closing, the Issuer shall deliver or cause to be delivered the Series 2023 Bonds to DTC or to the Trustee on behalf of the Underwriter, as further described in the paragraph below. The Series 2023 Bonds shall be delivered in definitive form, duly executed by the Issuer and authenticated by the Trustee, together with the other documents identified in Section 11. Subject to satisfaction of the conditions contained in this Agreement, the Underwriter will accept delivery of the Series 2023 Bonds as described above and pay the Purchase Price, plus accrued interest, if any, on the Series 2023 Bonds from their dated date to, but not including, the Closing Date, in immediately available funds, payable to the order of the Trustee or as otherwise directed by the Issuer.

Delivery of the definitive Series 2023 Bonds shall be made through the facilities of DTC's book-entry system in New York, New York, or at such other location as may be designated by the Underwriter prior to the Closing. The Series 2023 Bonds will be delivered as fully-registered bonds, bearing CUSIP numbers, with a single bond for each maturity of the Series 2023 Bonds (or, if so provided in Schedule I, for each separate interest rate within a maturity), and registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Series 2023 Bonds. Unless otherwise requested by the Underwriter, the Series 2023 Bonds will be delivered under DTC's FAST delivery system.

SECTION 11. Closing Conditions

The Underwriter's obligations hereunder shall be subject to (i) the due performance in all material respects by the Issuer of its obligations and agreements to be performed hereunder at or prior to the Closing Time and to the accuracy of and compliance with its representations and warranties contained herein in all material respects, as of the date hereof and as of the Closing Time, and (ii) the due performance in all material respects by the County of its obligations and agreements to be performed under the County Certificate at or prior to the Closing Time and to the accuracy of and compliance with its representations and warranties contained therein in all material respects, as of the date hereof and as of the Closing Time. The Underwriter's obligations are also subject to receipt of the following evidence and documents and satisfaction of the following conditions, as appropriate, at or prior to the Closing Time:

(a) The Series 2023 Bonds, the Installment Purchase and Use Agreement, the Base Lease, the Trust Agreement, the Assignment Agreement and the Continuing Disclosure Certificate shall have been duly authorized, executed, and delivered by the respective parties thereto in the forms heretofore approved by the Underwriter with only such changes therein as shall be mutually agreed upon by the parties thereto and the Underwriter, and shall be in full force and effect on the Delivery Date.

(b) There shall not have occurred, in the sole opinion of the Underwriter, any material adverse change, or any material adverse development involving a prospective change, in or affecting the business, condition (financial or other), results of operations, prospects, or properties of the County.

(c) At or before the Closing Time, the Underwriter shall receive:

(1) The opinions, dated as of the Delivery Date, of (A) [County Counsel], counsel to the County, in substantially the form attached hereto as Exhibit A; (B) Burr Forman, Bond Counsel, in substantially the forms attached as Appendix C to the Official Statement and Exhibit B hereto, (C) Burr Forman, counsel to the Issuer, in substantially the form attached hereto as Exhibit C, (D) Burr Forman, Disclosure Counsel, in substantially the form attached hereto as Exhibit D, and (E) Pope Flynn, LLC, counsel to the Underwriter, in substantially the form attached hereto as Exhibit E, all as may be in form and substance satisfactory to, and approved by, the Underwriter;

(2) A closing certificate of the Issuer, satisfactory in form and substance to the Underwriter, executed by the President of the Issuer or of any other of the Issuer's duly authorized officers satisfactory to the Underwriter, dated as of the Delivery Date, to the effect that: (A) the Issuer has duly performed and satisfied hereunder or complied with all of its obligations and conditions to be performed and satisfied hereunder at or prior to the Closing Time and each of its representations and warranties contained herein have not been amended, modified, or rescinded and is in full force and effect and is true and correct in all material respects, (B) the Issuer has duly authorized, by all necessary action, the execution, delivery, and due performance of the Series 2023 Bonds and the Issuer Documents, (C) no litigation is pending, or, to the knowledge of such representative of the Issuer after making due inquiry with respect thereto, threatened in writing against the Issuer, to restrain or enjoin the issuance or sale of the Series 2023 Bonds or in any way affecting any authority for or the validity of the Series 2023 Bonds, the Issuer Authorization, the Issuer Documents, or the Issuer's existence or powers or its right to use the proceeds of the Series 2023 Bonds as contemplated in the Trust Agreement, except as disclosed in the Official Statement, (D) all information furnished by the Issuer to the Underwriter for use in connection with the

marketing of the Series 2023 Bonds and the information contained in the Preliminary Official Statement and the Official Statement relating to the Issuer were as of the respective dates thereof and are as of the Delivery Date, true and correct in all material respects, and (E) the execution, delivery, and due performance of the Series 2023 Bonds, the Issuer Authorization, and the Issuer Documents, and the Issuer's compliance with the provisions thereof will not conflict with or be in violation of or constitute on the Issuer's part a breach of or a default under any Legal Requirement or Contractual Requirement to which the Issuer is a party or by which it or its property may be subject or bound, provided no representation is made by the Issuer as to compliance with federal or state securities or "Blue Sky" laws of any jurisdiction;

(3) A closing certificate of the County substantially in the form attached hereto as Exhibit G;

(4) A letter confirming the rating on the Series 2023 Bonds of "___" by [Moody's];

(5) A closing certificate of the Trustee, satisfactory in form and substance to the Underwriter, executed by any authorized officer of the Trustee;

(6) A Federal Tax Certificate of the Issuer and the County in form satisfactory to Bond Counsel, executed by such officials of the Issuer and the County as shall be satisfactory to the Underwriter;

(7) An Information Return for Tax-Exempt Bond Issues (Internal Revenue Service Form 8038-G), in a form satisfactory to Bond Counsel for filing; and

(8) Such additional certificates and other documents, agreements, and opinions as the Underwriter and Underwriter's counsel may reasonably request to evidence performance of or compliance with the provisions hereof and the transactions contemplated hereby and by the Official Statement, all such certificates and other documents to be satisfactory in form and substance to the Underwriter.

The Official Statement shall be provided for distribution, at the expense of the Issuer, in such quantity as may be requested by the Underwriter no later than the earlier of (i) seven (7) business days after the date of this Agreement or (ii) one (1) business day prior to the Closing Time, in order to permit the Underwriter to comply with Rule 15c2-12, and the applicable rules of the MSRB, with respect to distribution of the Official Statement. The Issuer shall prepare the Official Statement, including any amendments thereto, in word-searchable PDF format as described in the MSRB's Rule G-32 and shall provide the electronic copy of the word-searchable PDF format of the Official Statement to the Underwriter no later than one (1) business day prior to the Closing Time to enable the Underwriter to comply with MSRB Rule G-32.

Except as indicated on the attached Exhibits, all opinions shall be addressed to the Underwriter and may also be addressed to such other parties as the giver of such opinion agrees. All certificates, if addressed to any party, shall also be addressed to the Underwriter. All such opinions, letters, certificates, and documents shall be in compliance with the provisions hereof only if they are in all material respects satisfactory to the Underwriter and Underwriter's counsel, as to which both the Underwriter and Underwriter's counsel shall act reasonably. If any condition of the Issuer's obligations hereunder to be satisfied prior to the Closing Time is not so satisfied, this Agreement may be terminated by the Underwriter by notice in writing to the Issuer. The Underwriter may waive in writing compliance by the Issuer of any one or more of the foregoing conditions or extend the time for their performance.

SECTION 12. Establishment of Issue Price

(a) The Underwriter agrees to assist the Issuer and the County in establishing the issue price of the Series 2023 Bonds and shall execute and deliver to the Issuer and the County at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit H, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Issuer, the County and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2023 Bonds.

(b) [Except as otherwise set forth in Schedule I attached hereto,] the Issuer and the County will treat the first price at which 10% of each maturity of the Series 2023 Bonds (the “10% test”) is sold to the public as the issue price of that maturity. At or promptly after the execution of this Agreement, the Underwriter shall report to the Issuer and the County the price or prices at which the Underwriter has sold to the public each maturity of Series 2023 Bonds. [If at that time the 10% test has not been satisfied as to any maturity of the Series 2023 Bonds, the Underwriter agrees to promptly report to the Issuer and the County the prices at which it sells the unsold Series 2023 Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) the Underwriter has sold all Series 2023 Bonds of that maturity or (ii) the 10% test has been satisfied as to the Series 2023 Bonds of that maturity, provided that, the Underwriter’s reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Issuer, the County or Bond Counsel.] For purposes of this Section, if Series 2023 Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Series 2023 Bonds.

[(c) The Underwriter confirms that it has offered the Series 2023 Bonds to the public on or before the date of this Agreement at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in Schedule I attached hereto, except as otherwise set forth therein. Schedule I also sets forth, as of the date of this Agreement, the maturities, if any, of the Series 2023 Bonds for which the 10% test has not been satisfied and for which the Issuer, the County and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Issuer and the County to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Series 2023 Bonds, the Underwriter will neither offer nor sell unsold Series 2023 Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Underwriter has sold at least 10% of that maturity of the Series 2023 Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the Issuer and the County promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Series 2023 Bonds to the public at a price that is no higher than the initial offering price to the public.]

[(d)] The Underwriter confirms that:

(i) any selling group agreement and each third-party distribution agreement (to which the Underwriter is a party) relating to the initial sale of the Series 2023 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public the unsold Series 2023 Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Series 2023 Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Series 2023 Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter and as set forth in the related pricing wires, and

(B) to promptly notify the Underwriter of any sales of Series 2023 Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Series 2023 Bonds to the public (each such term being used as defined below),

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the Series 2023 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Series 2023 Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Series 2023 Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Series 2023 Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or dealer that the 10% test has been satisfied as to the Series 2023 Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

[(e)] The Issuer and the County acknowledge that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Series 2023 Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Series 2023 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2023 Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that an Underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Series 2023 Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Series 2023 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2023 Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Issuer and the County further acknowledge that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply

with its corresponding agreement to comply with the requirements for establishing issue price of the Series 2023 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2023 Bonds.

[(f)] The Underwriter acknowledges that sales of any Series 2023 Bonds to any person that is a related party to an underwriter participating in the initial sale of the Series 2023 Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

- (i) “public” means any person other than an underwriter or a related party,
- (ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer or the County (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2023 Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2023 Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2023 Bonds to the public),
- (iii) a purchaser of any of the Series 2023 Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “sale date” means the date of execution of this Agreement by all parties.

SECTION 13. Termination

The Underwriter shall have the right to cancel its obligation to purchase the Series 2023 Bonds and to terminate this Agreement by written notice to the Issuer if, between the Effective Date to and including the Closing Date, in the Underwriter’s sole and reasonable judgment any of the following events shall occur (each a “Termination Event”):

- (a) the market price or marketability of the Series 2023 Bonds, or the ability of the Underwriter to enforce contracts for the sale of the Series 2023 Bonds, shall be materially adversely affected by any of the following events:
 - (i) legislation shall have been enacted by the Congress of the United States or the legislature of the State or shall have been favorably reported out of committee of either body or be pending in committee of either body, or shall have been recommended to the Congress for passage by the President of the United States or a member of the President’s Cabinet, or a decision shall have been rendered by a court of the United States or the State or the Tax Court of the United States, or a ruling, resolution, regulation or temporary regulation,

release or announcement shall have been made or shall have been proposed to be made by the Treasury Department of the United States or the Internal Revenue Service, or other federal or state authority with appropriate jurisdiction, with respect to federal or state taxation upon interest received on obligations of the general character of the Series 2023 Bonds or the Series 2023 Bonds, as applicable; or

- (ii) there shall have occurred:
 - (A) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war, or
 - (B) any other calamity or crisis in the financial markets of the United States or elsewhere; or
 - (iii) a general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for Series 2023 Bonds shall have been required and be in force on any such exchange, whether by virtue of determination by that exchange or by order of the SEC or any other governmental authority having jurisdiction; or
 - (iv) legislation shall have been enacted by the Congress of the United States or shall have been favorably reported out of committee or be pending in committee, or shall have been recommended to the Congress for passage by the President of the United States or a member of the President's Cabinet, or a decision by a court of the United States shall be rendered, or a ruling, regulation, proposed regulation or statement by or on behalf of the SEC or other governmental agency having jurisdiction of the subject matter shall be made, to the effect that any obligations of the general character of the Series 2023 Bonds or the Issuer Documents, or any comparable Series 2023 Bonds of the Issuer, are not exempt from the registration, qualification or other requirements of the Securities Act or the Trust Indenture Act or otherwise, or would be in violation of any provision of the federal securities laws; or
 - (v) except as disclosed in or contemplated by the Official Statement, any material adverse change in the affairs of the Issuer shall have occurred;
- (b) any event or circumstance shall exist that either makes untrue or incorrect in any material respect any statement or information in the Official Statement (other than any statement provided by the Underwriter) or is not reflected in the Official Statement but should be reflected therein in order to make the statements therein, in the light of the circumstances under which they were made, not misleading and, in either such event, the Issuer or County refuses to permit the Official Statement to be supplemented to supply such statement or information, or the effect of the Official Statement as so supplemented is to materially adversely affect the market price or marketability of the Series 2023 Bonds or the ability of the Underwriter to enforce contracts for the sale of the Series 2023 Bonds; or
 - (c) a general banking moratorium shall have been declared by federal or State authorities having jurisdiction and be in force; or
 - (d) a material disruption in Series 2023 Bonds settlement, payment or clearance services affecting the Series 2023 Bonds shall have occurred; or

- (e) any new restriction on transactions in Series 2023 Bonds materially affecting the market for Series 2023 Bonds (including the imposition of any limitation on interest rates) or the extension of credit by, or a charge to the net capital requirements of, Underwriter shall have been established by the New York Stock Exchange, the SEC, any other federal or State agency or the Congress of the United States, or by Executive Order; or
- (f) a decision by a court of the United States shall be rendered, or a stop order, release, regulation or no-action letter by or on behalf of the SEC or any other governmental agency having jurisdiction of the subject matter shall have been issued or made, to the effect that the issuance, offering or sale of the Series 2023 Bonds, including the underlying obligations as contemplated by this Agreement or by the Official Statement, or any document relating to the issuance, offering or sale of the Series 2023 Bonds, is or would be in violation of any provision of the federal securities laws at the Closing Date, including the Securities Act, the Exchange Act and the Trust Indenture Act.

Upon the occurrence of a Termination Event and the termination of this Agreement by the Underwriter, all obligations of the Issuer and the Underwriter under this Agreement shall terminate, without further liability, except that the Issuer and the Underwriter shall pay their respective expenses as set forth in Section 14.

SECTION 14. Payment of Expenses

The Underwriter shall be under no obligation to pay, and the Issuer shall pay from proceeds of the Series 2023 Bonds or available funds provided by the County pursuant to the Installment Purchase and Use Agreement or direct the Trustee under the Issuer Authorization, the Issuer Documents, the County Authorization and the County Documents to pay from the proceeds of the Series 2023 Bonds (to the extent permitted under applicable law), all expenses that are incidental to the performance of the Issuer's obligations under this Agreement, including but not limited to: all expenses in connection with the printing, if necessary, of the Preliminary Official Statement, the Official Statement and any amendment or supplement to either; all expenses in connection with the printing, issuance and delivery of the Series 2023 Bonds; the fees and expenses of Bond Counsel, Issuer's Counsel, County Counsel and Underwriter's Counsel; the fees and expenses of the Issuer's or the County's financial advisors, accountants, any verification consultant and all other consultants; the fees and disbursements of the Trustee; all expenses in connection with obtaining a rating or ratings for the Series 2023 Bonds; all expenses of the Issuer in connection with the preparation, printing, execution and delivery, and any recording or filing, of the Issuer Authorization, any Issuer Document, the County Authorization, any County Document or any other instrument; the Issuer's administrative fees; and all other expenses and costs of the Issuer incident to its obligations in connection with the authorization, issuance, sale and distribution of the Series 2023 Bonds. Unless the Issuer and the Underwriter otherwise agree, the Issuer shall pay for all incidental costs (including, but not limited to, transportation, lodging, meals and entertainment of Issuer personnel) incurred by or on behalf of the Issuer or the County in connection with the marketing, issuance and delivery of the Series 2023 Bonds.

The Underwriter shall pay the costs of qualifying the Series 2023 Bonds for sale in the various states chosen by the Underwriter, all advertising expenses in connection with the public offering of the Series 2023 Bonds and all other expenses incurred by the Underwriter in connection with the public offering and distribution of the Series 2023 Bonds.

SECTION 15. Notices

Any notice or other communication to be given to the Issuer under this Agreement may be given by certified mail or by delivering the same in writing to the Issuer at the address shown above, Attention:

Chair with a copy provided to Bond Counsel and Issuer's Counsel, and any notice or other communication to be given to the Underwriter under this Agreement may be given by delivering the same in writing to the Underwriter, Attention: Managing Director, Piper Sandler & Co., 201 S. College St., Suite 2400, Charlotte, NC 28244, or to such other addresses as one party shall furnish the other in writing for receipt of notice.

SECTION 16. Governing Law

This Agreement shall be governed by the laws of the State.

SECTION 17. Miscellaneous

This Agreement is made solely for the benefit of the signatories hereto (including the Underwriter and its successors or assigns and the Issuer) and no other person shall acquire or have any right hereunder or by virtue hereof. Neither the Issuer nor the Underwriter may assign this Agreement. The term "successor" shall not include any holder of any Series 2023 Bonds merely by virtue of such holding. All representations, warranties, agreements and indemnities contained in this Agreement shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Underwriter, and shall survive the delivery of and payment for the Series 2023 Bonds and any termination of this Agreement. Section headings have been included in this Agreement as a matter of convenience of reference only and are not to be used in the interpretation of any provisions of this Agreement. If any provision of this Agreement is, or is held or deemed to be, invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, because it conflicts with any provisions of any constitution, statute, rule of public policy or for any other reason, such circumstances shall not make the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or make any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatever.

SECTION 18. Counterparts

This Agreement may be executed in one or more counterparts with the same force and effect as if all signatures appeared on a single instrument.

SECTION 19. Signatures

Upon execution by the Issuer and the Underwriter, this Agreement shall be binding upon the Issuer and the Underwriter as of the Effective Date and Time.

[Signature Pages Follow]

PIPER SANDLER & CO., as Underwriter

By:_____

Name: Joseph A. Niggel

Title: Managing Director

Accepted as of the date first above written:

LANCASTER COUNTY PUBLIC FACILITIES CORPORATION

By: _____
President

SCHEDULE I

DESCRIPTION OF THE BOND TERMS SERIES 2023 BONDS MATURITY DATE, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND CUSIPS

Due (<u>December 1</u>)	Principal <u>Amount</u>	Interest <u>Rate</u>	<u>Yield</u>	<u>Price</u>	<u>CUSIP</u>
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\$ _____ % Term Bonds due December 1, 20____, Yield _____%, Price _____%, CUSIP _____

[Hold-the-Offering-Price Rule]

The maturities of the Series 2023 Bonds for which the 10% test has not been satisfied as of _____, 2023: ____.]

Redemption Provisions

Optional Redemption. In the event the County exercises its option pursuant to the Installment Purchase and Use Agreement to purchase the Issuer's interest in the 2023 Facilities and pay the amounts required to defease and redeem the Series 2023 Bonds or to prepay Base Payments, or in the event the County makes a voluntary prepayment under the Installment Purchase and Use Agreement, the Series 2023 Bonds maturing on or after December 1, 20____, are subject to redemption in whole or in part on any date on or after December 1, 20____, by the Issuer at a redemption price equal to the principal amount of the Series 2023 Bonds to be redeemed plus accrued interest to the redemption date.

Special Optional Redemption. In the event the County elects to prepay Base Payments using Net Proceeds of applicable insurance policies, performance bonds, or condemnation awards pursuant to the provisions of the Installment Purchase and Use Agreement because (a) any part of the 2023 Facilities or the Ancillary Projects is totally destroyed or is damaged to such an extent that the rebuilding or repairing of such part of the 2023 Facilities or the Ancillary Projects would be impracticable, (b) there is discovered a material defect in the construction of the 2023 Facilities, the Ancillary Projects or any portion thereof that renders the 2023 Facilities, the Ancillary Projects, or such portion unusable by the County for its

intended purposes, (c) all or substantially all of the 2023 Real Property, the 2023 Facilities or the Ancillary Projects is taken by eminent domain, or (d) the County is deprived of the use of any part of the 2023 Real Property, the 2023 Facilities or the Ancillary Projects by reason of a defect in title thereto, the Series 2023 Bonds will be subject to redemption in whole or in part on any date, as selected by the Trustee, at the direction of the Issuer, at a price equal to 100% of the principal amount of the Series 2023 Bonds so redeemed, without premium, plus accrued interest to the date of redemption.

Mandatory Sinking Fund Redemption. The Series 2023 Bonds maturing on December 1, 20__, are subject to mandatory sinking fund redemption, at a redemption price equal to the principal amount to be redeemed plus accrued interest, if any, to the redemption date, without premium on December 1 of the years and in the amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
20__	\$_____	____ ¹	\$_____

¹ Final maturity

EXHIBIT A

FORM OF COUNTY COUNSEL’S OPINION

[Closing Date]

Lancaster County Public Facilities Corporation
Lancaster, South Carolina

Lancaster County, South Carolina
Lancaster, South Carolina

Piper Sandler & Co.
Charlotte, North Carolina

Regions Bank
Atlanta, Georgia

Burr & Forman LLP
Columbia, South Carolina

[\$Amount]

Lancaster County Public Facilities Corporation
Installment Purchase Revenue Bonds
(Lancaster County Project)
Series 2023

Ladies and Gentlemen:

We have acted as counsel to Lancaster County, South Carolina (the “County”), preliminary to and in connection with the issuance and sale of the captioned bonds (the “Series 2023 Bonds”). In so acting, we have examined, among other things, originals, executed counterparts, or certified copies of the following:

1. The proceedings, including an ordinance of the County Council of the County enacted on October [9], 2023 (the “Ordinance”), authorizing, among other things, the execution, delivery, receipt, and approval of a Base Lease and Conveyance Agreement dated [Closing Date] (the “Base Lease”), between the County, as lessor, and Lancaster County Public Facilities Corporation (the “Issuer”), as lessee, an Installment Purchase and Use Agreement dated [Closing Date] (the “Purchase and Use Agreement”), between the County and the Issuer, the General Certificate of the County (the “General Certificate”), dated [December] 1, 2023, the Bond Purchase Agreement (the “Bond Purchase Agreement”), dated November [16], 2023, between the Issuer and Piper Sandler & Co., as underwriter (the “Underwriter”), a Preliminary Official Statement, dated November __, 2023 (the “Preliminary Official Statement”), and an Official Statement, dated November [16], 2023 (the “Official Statement”), in each case related to the Series 2023 Bonds; provided, that we have not reviewed any electronic version of the Official Statement and assume that any such version is identical in all respects to the printed version.

2. The Base Lease, the Purchase and Use Agreement, and the General Certificate (collectively the “County Contracts”), the Bond Purchase Agreement, the Preliminary Official Statement, and the Official Statement.

Based upon the foregoing and an examination of such other information, papers, and documents as we believed necessary or advisable to enable us to render this opinion, we are of the opinion, as of the date hereof, that:

1. The County is a body politic and corporate and a political subdivision of the State of South Carolina duly created and validly existing under and by virtue of the Constitution and statutes of the State of South Carolina and has all requisite power and authority to enact the Ordinance, to lease or convey the property demised or conveyed by the Base Lease to the Issuer, to purchase the property conveyed by the Purchase and Use Agreement from the Issuer, to enter into and consummate its obligations under the County Contracts, and to execute and deliver the Official Statement to the Underwriter for distribution to the general public in connection with the offering by the Underwriter of the Bonds.

2. Based upon the information furnished to us, the County has taken all action legally required to authorize the execution, delivery, and performance of the County Contracts, and the approval of the Preliminary Official Statement and the Official Statement.

3. The enactment by the County of the Ordinance, the authorization by the County of the Preliminary Official Statement and the Official Statement, the execution and delivery by the County of the County Contracts and the other agreements and documents described in the Bond Purchase Agreement, and the consummation by the County of the transactions described in all of the foregoing instruments and documents do not and will not conflict with or constitute, on the part of the County, a breach or violation of or default under any of the terms and provisions of the County's organizational documents, any existing constitution, statute, law, or court or administrative rule or regulation, decree, order, or judgment to which the County is subject or by which the County or any of its properties is bound or, to our knowledge, any agreement, indenture, mortgage, lease, note, resolution, ordinance, contract, commitment, or other instrument or agreement to which the County is a party or by which the County or any of its properties is bound.

4. Each of the officials of the County was on the date of execution of the County Contracts and each of the instruments required by the Bond Purchase Agreement and is on the date hereof the duly elected or appointed qualified incumbent of his or her office of the County.

5. The notices given prior to the meetings of the County Council of the County at which the Ordinance was enacted comply with the applicable notice requirements of South Carolina law, and such meetings were conducted in accordance with the applicable requirements of South Carolina law.

6. The Ordinance has been duly enacted by the County and is in full force and effect in the form in which it was enacted. The County Contracts have been duly authorized, executed, and delivered by the County and, assuming the due authorization, execution, and delivery by the other parties thereto, are each in full force and effect and constitute the valid, binding, and legally enforceable obligations of the County according to their import, and the County is entitled to the benefits of the same; provided that we give no opinion as to the enforceability of any indemnification provisions contained in the County Contracts.

7. The Official Statement has been duly authorized, executed, and delivered by the County, and the County has duly approved the use of the Preliminary Official Statement and the Official Statement by the Underwriter in connection with the offering of the Bonds.

8. To the best of our knowledge, after making due inquiry with respect thereto, the statements contained in the Official Statement under the captions "PLAN OF FINANCING," "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2023 BONDS," "THE COUNTY," "DEBT STRUCTURE," "TAX INFORMATION," "ECONOMIC CHARACTERISTICS," "FINANCIAL INFORMATION" and "LEGAL MATTERS – Litigation" (relating to the County) are true and correct in all material respects and do not contain any untrue statement of a material fact or omit to

state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

9. To the best of our knowledge after making due inquiring with respect thereto, no litigation is pending or threatened against the County in any court in any way affecting the titles of the officials of the County to their respective positions, or seeking to restrain or to enjoin the issuance, sale or delivery of the Bonds, or the collection of revenues pledged or to be pledged to pay the principal of and interest on the Bonds, or in any way contesting or affecting the validity or enforceability of the Ordinance or the County Contracts, or contesting in any way the completeness or accuracy of the Official Statement, or contesting the powers of the County or its authority with respect to the Ordinance or the County Contracts.

10. To the best of our knowledge after making due inquiry with respect thereto, no authorization, approval, consent or other order of by any governmental body (other than consents and approvals already obtained) is required for the valid authorization, execution and delivery by the County of the County Contracts and the authorization and distribution of the Preliminary Official Statement and the Official Statement.

The foregoing opinions are qualified to the extent that the enforceability of the County Contracts might be limited by (i) bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally heretofore or hereafter enacted to the extent of their enforcement, (ii) judicial discretion in the application of principles of equity, and (iii) the valid exercise of the sovereign police powers of the State of South Carolina and its governmental bodies and the constitutional powers of the United States of America.

No opinion is given as to the tax-exempt status (as applicable) of the Series 2023 Bonds or the interest thereon. No opinion is given concerning the requirement for registration of the Series 2023 Bonds under the securities laws of any state or other jurisdiction or the Securities Act of 1933, as amended, nor is an opinion given concerning qualification of any document under the Trust Indenture Act of 1939, as amended.

No opinion is given as to the any financial matters of or financial information or statistical data related to the County.

We are members of the State Bar of South Carolina. Our opinions herein are limited to the laws of the State of South Carolina and any applicable federal laws of the United States. We expressly disclaim any duty to update this opinion in the future for any changes of fact or law that may affect any of the opinions expressed herein.

Very truly yours,

EXHIBIT B

FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

[Closing Date]

Piper Sandler & Co.
Charlotte, North Carolina

\$[Amount]
Lancaster County Public Facilities Corporation
Installment Purchase Revenue Bonds
(Lancaster County Project)
Series 2023

Ladies and Gentlemen:

We have acted as bond counsel in connection with the sale and issuance by Lancaster County Public Facilities Corporation (the “Corporation”) of its \$[Amount] Installment Purchase Revenue Bonds (Lancaster County Project), Series 2023 (the “Bonds”). This opinion is being delivered to you pursuant to Section 11(c)(1)(B) of the Bond Purchase Agreement dated November [16], 2023 (the “Purchase Agreement”), between the Corporation and you, as Underwriter. Terms defined in the Purchase Agreement are used in this letter with the meanings assigned to them in the Purchase Agreement.

Reference is made to our approving opinion (the “Opinion”) of even date herewith as bond counsel addressed to Lancaster County, South Carolina (the “County”), and the Corporation delivered in connection with the issuance of the Bonds. You are hereby authorized to rely upon the Opinion to the same extent as if the Opinion were addressed to you, subject to the qualifications and considerations set forth in the Opinion.

In connection therewith, we have examined:

- A. The Purchase Agreement.
- B. The Official Statement dated November [16], 2023 (the “Official Statement”), relating to the Bonds; provided, however, that we have not reviewed any electronic version of the Official Statement and assume that any such version is identical in all respects to the printed version.
- C. The Trust Agreement dated the date hereof (the “Trust Agreement”), between the Corporation and Regions Bank, as trustee (the “Trustee”).
- D. The Base Lease and Conveyance Agreement dated the date hereof (the “Base Lease”) between the Corporation and the County.
- E. The Installment Purchase and Use Agreement dated the date hereof (the “Purchase and Use Agreement”) between the Corporation and the County.

In connection with rendering this opinion, we have relied upon the opinion of even date herewith of [County Counsel], counsel to the County, and we have also generally reviewed information furnished to us by, and have participated in conferences with you or your representatives, and representatives of the Corporation and the County. We have also reviewed other records relating to the authorization, issuance

and sale of the Bonds and have relied as to factual matters upon certificates of officials of the County and officers of the Corporation.

Based upon the foregoing and examination of such other documents, and consideration of such matters of law as we have deemed appropriate to enable us to render this opinion, we are of the opinion that:

1. The Purchase Agreement has been duly authorized, executed and delivered by the Corporation, and constitutes a binding and enforceable obligation of the Corporation in accordance with its terms, except enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity; provided, however, that we express no opinion as to the enforceability of any indemnification provisions of the Purchase Agreement.

2. The Official Statement has been duly authorized, approved and delivered by the County and the Corporation.

3. The Bonds are presently exempt from registration under the Securities Act of 1933, as amended, and no indenture need be qualified with respect to the Bonds pursuant to the Trust Indenture Act of 1939, as amended.

4. We have considered the information contained in the Official Statement under the headings entitled "INTRODUCTION - Security and Sources of Payment for the Series 2023 Bonds," and "—Description of the Series 2023 Bonds" (other than the information under "*-Book Entry Bonds*" and "*-Payments*" therein); "THE SERIES 2023 BONDS" (other than the information under "—Book-Entry System," "—Procedure in the Event of Revision or Discontinuation of Book-Entry Transfer System" and "—Principal and Interest Requirements" therein); "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2023 BONDS" (other than the information under "—Source of Installment Payments" and "—Enforceability of Remedies"), and "Appendix B – Definitions and Summaries of Principal Documents" and are of the opinion that, insofar as such statements purport to summarize certain provisions of the Trust Agreement, the Base Lease and the Purchase and Use Agreement, the information or summaries under such headings are accurate summaries of the documents referred to therein, and the information under the heading "TAX MATTERS" is true and correct in all material respects.

This opinion is rendered to and may be relied upon solely by you and may not be relied upon by any other persons, firms or corporations.

The obligations of the Corporation are limited by bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium, and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

Our opinions herein are limited to the laws of the State of South Carolina and any applicable federal laws of the United States. This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Very truly yours,

EXHIBIT C
FORM OF ISSUER’S COUNSEL OPINION

[Closing Date]

Lancaster County Public Facilities Corporation
Lancaster, South Carolina

Lancaster County, South Carolina
Lancaster, South Carolina

Piper Sandler & Co.
Charlotte, North Carolina

Regions Bank
Atlanta, Georgia

\$[Amount]
Lancaster County Public Facilities Corporation
Installment Purchase Revenue Bonds
(Lancaster County Project)
Series 2023

Ladies and Gentlemen:

We have acted as counsel to Lancaster County Public Facilities Corporation (the “Issuer”) preliminary to and in connection with the issuance and sale by the Issuer of the captioned bonds (the “Bonds”). In so acting, we have examined, among other things, originals, executed counterparts, or certified copies of the following:

1. the Articles of Incorporation of the Issuer, as amended;
2. the Bylaws of the Issuer;
3. a certificate from the Office of the Secretary of State of the State of South Carolina dated _____, 2023, as to the existence of the Issuer and the other matters stated therein;
4. the Bond Resolution adopted by the Board of Directors of the Issuer on [October 4], 2023 (the “Bond Resolution”), authorizing, among other things, the issuance and delivery of the Bonds and the execution, delivery, receipt, and approval of the following:
 - (a) Trust Agreement dated [Closing Date] (the “Trust Agreement”), between the Issuer and Regions Bank, as trustee (the “Trustee”);
 - (b) Base Lease and Conveyance Agreement dated [Closing Date] (the “Base Lease”), between the Issuer, as lessee, and Lancaster County, South Carolina (the “County”), as lessor;
 - (c) Installment Purchase and Use Agreement dated [Closing Date] (the “Purchase and Use Agreement”), between the Issuer, as seller, and the County, as purchaser;

(d) Bond Purchase Agreement dated November [16], 2023 (the “Bond Purchase Agreement”), between the Issuer and Piper Sandler & Co., as underwriter (the “Underwriter”);

(e) Preliminary Official Statement dated November __, 2023 (the “Preliminary Official Statement”), relating to the Bonds;

(f) Official Statement dated November [16], 2023 (the “Official Statement”), relating to the Bonds; provided, however, that we have not reviewed any electronic version of the Official Statement and assume that any such version is identical in all respects to the printed version; and

(g) certificates as to factual matters relating to the issuance of the Bonds;

5. the Trust Agreement, the Base Lease, the Purchase and Use Agreement and the Bond Purchase Agreement (collectively, the “Issuer Contracts”), the Preliminary Official Statement, the Official Statement, and specimen Bonds; and
6. minutes and other corporate records of the Issuer.

In rendering this opinion, we have relied on the opinion of [County Counsel] counsel to the County. As to questions of fact material to our opinion, we have relied upon representations and certificates of officers and other representatives of the Issuer and the County, public officials and others, in each case without undertaking to verify the same by independent investigation. In rendering the opinions set forth below, we have assumed, with your permission, (a) the genuineness of all signatures (other than the Issuer) and the authenticity of all documents submitted to or received by us as originals, the conformity with original documents of all documents submitted to us as certified, conformed, or photostatic copies or telecopies; (b) that the Issuer Contracts have each been duly authorized, executed, and delivered by the parties thereto (other than the Issuer) and constitute the legal, valid, and binding obligations of, and are enforceable in accordance with their respective terms against, the parties thereto (other than the Issuer); (c) that the parties to the Issuer Contracts have complied and will continue to comply with all requirements of good faith, fair dealing, and conscionability, and have acted and will continue to act in a commercially reasonable manner; (d) that there has not been any mutual mistake of fact or misunderstanding, fraud, duress, or undue influence between the parties to the Issuer Contracts; and (e) that the Issuer has all requisite right, title, and interest in and to any collateral purported to be pledged by it in any Issuer Contracts.

As counsel to the Issuer, we have been retained solely for the purpose of examining the validity and legality of the Issuer Contracts and of rendering the specific opinions herein stated and for no other purpose. We have not acted as a municipal advisor (within the meaning of Section 15B of the Securities Exchange Act of 1934, as amended) to the Issuer in connection with the execution and delivery of the Issuer Contracts. We have not verified the accuracy, completeness, fairness or adequacy of any representation or information concerning the business or financial condition of the Issuer in connection with the Issuer Contracts. Accordingly, we express no opinion on the accuracy, completeness, fairness or adequacy of any such representation or information.

Based on such examination, and subject to the considerations set forth herein, we are of the opinion as of the date hereof, as follows:

1. The Issuer is a nonprofit corporation duly organized and validly existing under and by virtue of the laws of the State of South Carolina and has all requisite power and authority to adopt the Bond Resolution, to lease the property demised by the Base Lease from the County, to sell the

property conveyed by the Purchase and Use Agreement to the County, to issue the Bonds for the benefit of the County as contemplated by the Purchase and Use Agreement, to enter into and consummate its obligations under the Issuer Contracts, to execute and deliver the Official Statement to the Underwriter for distribution to the general public in connection with the offering by the Underwriter of the Bonds, and to grant the liens and security interest granted by it to the Trustee under the Trust Agreement.

2. The Bond Resolution has been duly adopted by the Issuer and is in full force and effect. The Issuer Contracts have been duly authorized, executed, and delivered by the Issuer and, assuming the due authorization, execution, and delivery by the other parties thereto, are each in full force and effect and constitute the valid, binding, and legally enforceable obligations of the Issuer; provided that we express no opinion as to the enforceability of any indemnification provisions thereof. The Issuer has taken all action legally required to authorize the issuance, sale, and delivery of the Bonds, and the approval of the Official Statement.
3. To our knowledge, the execution and delivery by the Issuer of the Issuer Contracts and compliance with the provisions of each will not conflict with or constitute on the part of the Issuer a breach of or a default under the Issuer's articles of incorporation or bylaws, or under any indenture, mortgage, commitment, agreement or other instrument to which the Issuer is a party or by which it is bound, or under any existing law, rule, regulation, judgment, order or decree to which the Corporation is subject.
4. To our knowledge, with respect to the Issuer, (a) there is no controversy or litigation of any nature now pending or threatened, restraining or enjoining the issuance, sale, execution or delivery of the Bonds, or in any way questioning or affecting the validity of the Bonds or any proceedings of the Issuer taken with respect to the issuance or sale thereof; and (b) there is no controversy or litigation of any nature now pending or threatened against the Issuer relating to or questioning or affecting the organization or existence of the Issuer or the title to office of the officers thereof.
5. All conditions precedent to the delivery of the Issuer Contracts or the consummation of the transactions contemplated thereby or by the Official Statement have been fulfilled.
6. The Official Statement has been duly authorized, executed, and delivered by the Issuer, and the Issuer has duly approved the use of the Preliminary Official Statement and the Official Statement by the Underwriter in connection with the offering of the Bonds.
7. To our knowledge, the statements contained in the Official Statement under the captions "INTRODUCTION – The Issuer," "THE ISSUER" and the information relating to the Issuer under the caption "LEGAL MATTERS – Litigation" are true and correct in all material respects and do not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading; provided, however, that we express no belief as to the financial statements and other financial or statistical data included or incorporated by reference into the Official Statement.

The opinions expressed above are subject to the following additional assumptions, qualifications and limitations:

- (A) The rights of the parties under the Issuer Contracts and the enforceability of the Issuer Contracts are subject to (i) applicable bankruptcy, insolvency, reorganization, moratorium, and other similar

laws relating to or affecting creditor's rights generally; (ii) general principles of equity that may permit the exercise of judicial discretion; (iii) the exercise of the sovereign police powers of the State of South Carolina and the constitutional powers of the United States of America; (iv) the rights of the United States of America under the Federal Tax Lien Act of 1966, as amended, or under the Federal General Priority Statute, 31 U.S.C. Section 3713, as amended; and (v) the rights of the Pension Benefit Guaranty Corporation under the Employee Retirement Income Security Act of 1974, as amended.

- (B) No opinion is expressed as to the enforceability of provisions in the Issuer Contracts (i) specifying that provisions thereof may only be waived in writing; (ii) purporting to require the indemnification of or contribution to a party with respect to liability for its own negligence or misconduct or indemnifying a party for liability imposed under the securities laws; (iii) purporting to select the laws governing such documents or the forums in which any disputes are to be conducted, or which purport to compel any arbitration, mediation, or similar proceeding; (iv) limiting available remedies; (v) with respect to severability, exculpation, or setoff or self-help rights generally; (vi) by which a party purports to waive any rights to receive notices or service of process, rights to jury trial, or to contest jurisdiction or venue, rights to assert certain defenses or counterclaims or rights for marshaling of assets, or any other legal or equitable rights otherwise available to such party; (vii) purporting to grant a party the right to obtain a receiver, which determination is subject to equitable principles and the discretion of the courts; (viii) by which a party covenants to take actions the taking of which are discretionary with, or subject to a contingency the fulfillment of which is not within the control of, the party so covenanting; (ix) by which a party purports to appoint any other party as its agent or attorney-in-fact; or (x) which provide that the agreements therein shall obligate or benefit any party other than the parties signatory to such Issuer Contracts.
- (C) No opinion is expressed as to (i) the ability to exercise remedies upon the occurrence of any breach that is determined to be immaterial in nature; (ii) the effect of other agreements or understandings among the parties to the Issuer Contracts, whether written or oral, or any usage of trade or course of prior dealing among the parties thereto, or whether any of the foregoing would define, supplement, or qualify the terms of the Issuer Contracts; (iii) federal or state securities or antitrust (or related) laws or federal or state tax laws; or (iv) the existence of rights or title on the part of any party to any properties or items purported to be pledged, the existence of any items purported to be pledged, the giving of value in connection with any security interest, the granting of any security interest in securities, the priority of any liens or security interests, or the presence or absence of any other liens or encumbrances thereon or claims thereto.
- (D) Certain rights and remedies contained in the Issuer Contracts may be rendered ineffective or be limited by applicable laws or judicial decisions governing such provisions, but such laws and judicial decisions do not, in our opinion, materially interfere with the practical realization of the benefits purported to be provided by the Issuer Contracts.
- (E) Whenever a statement herein is qualified "to our knowledge" or words of similar import, it is intended to indicate that, during the course of our engagement in this matter, no information that would give us current actual knowledge of the inaccuracy of such statement has come to the attention of those (and only those) attorneys in this firm who have rendered legal services in connection with the transactions described in the introductory paragraph of this opinion letter.

This opinion is rendered to and may be relied upon solely by the addressee hereof, and may not be relied upon by any other persons, firms or corporations. The addressee's reliance on the opinions expressed herein shall be only in connection with the initial issuance of the Bonds.

No opinion is given herein as to the tax-exempt status of the Bonds under federal or state law or the interest thereon. No opinion is given concerning the requirement for registration of the Bonds under the securities laws of any state or the Securities Act of 1933, as amended, nor is an opinion given concerning qualification of any document under the Trust Indenture Act of 1939, as amended, nor is any opinion given as to the proper filing, recordation, or other necessary steps for perfecting a security interest under the Uniform Commercial Code or other like statute or to establish a lien or other matter of record in the real property records.

Our opinions herein are limited to the laws of the State of South Carolina and any applicable federal laws of the United States, subject to the limitations expressed herein.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

OPINION OF DISCLOSURE COUNSEL

_____, 2023

Lancaster County Public Facilities Corporation
Lancaster, South Carolina

Piper Sandler & Co.
Charlotte, North Carolina

\$[Amount]
Lancaster County Public Facilities Corporation
Installment Purchase Revenue Bonds
(Lancaster County Project)
Series 2023

We have acted as disclosure counsel to Lancaster County Public Facilities Corporation (the “Corporation”), in connection with the issuance of the above-captioned bonds (the “Series 2023 Bonds”). This letter is being delivered to you pursuant to Section 11(c)(1)(D) of the Bond Purchase Agreement dated ____, 2023 (the “Purchase Agreement”), between the Corporation and Piper Sandler & Co., as underwriter (the “Underwriter”). Terms defined in the Purchase Agreement are used in this letter with the meanings assigned to them in the Purchase Agreement.

In such capacity, we have examined a signed copy of the Official Statement, dated __, 2023 (the “Official Statement”), with respect to the Series 2023 Bonds, and the Purchase Agreement, and have examined and relied on originals or copies identified to our satisfaction of such records of the Corporation, such other agreements and instruments, such certificates of public officials, officers of the Corporation and such other persons, and such other documents, as we have deemed necessary as a basis for the purposes of this letter. In all such examinations, we have assumed the conformity to original documents of all documents submitted to us as certified or photostatic copies, the authenticity of all documents submitted to us as original documents and the authenticity of originals of all documents submitted as certified or photostatic copies. We have not reviewed any electronic version of the Official Statement and assume that any such version is identical in all respects to the printed version.

In accordance with our understanding with the Corporation, we have rendered legal advice and assistance to the Corporation in the course of the preparation of the Official Statement. Rendering such advice and assistance involved, among other things, discussions and inquiries concerning various legal matters and the review of the materials referred to above. We have also participated in conferences with representatives of the Corporation, representatives of the Underwriter, representatives of the financial advisor to the Corporation, and other persons involved in the preparation of the Official Statement during which the contents of the Official Statement and related matters were discussed and reviewed.

We are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements; however, in our capacity as disclosure counsel to the Corporation, and based upon our review and discussions and in reliance upon the accuracy of the information contained in the aforementioned certificates and opinions, we advise you as a matter of fact and not of opinion that, during the course of our representation of the Corporation on this matter, no facts came to the attention of the attorneys in our firm rendering legal

services in connection with the representation (without independent investigation) which cause us to believe that the Official Statement as of its date and as of the date hereof (except for the operating statistics, financial statements or schedules, financial data derived therefrom or other financial information or data or expressions of opinion contained therein, the information therein as to The Depository Trust Company and its affiliates or the book-entry only system of registration and transfer of the Series 2023 Bonds and the information set forth in Appendices A, B, C and D of the Official Statement, as to which no opinion or view is expressed) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein or necessary to make the statements therein in light of the circumstances under which they were made, not misleading to the bondholders to whom the Series 2023 Bonds are sold.

We express no view as to compliance by the Corporation or the Underwriter with federal or state statutes, rulings, or regulations applicable to the initial issuance or any subsequent sale of the Series 2023 Bonds, except as expressly set forth herein. We express no opinion herein as to the treatment of the interest on the Series 2023 Bonds for federal income tax purposes. This is to advise you (1) that we have not been engaged to act, and have not acted, as counsel to the Underwriter for any purpose with respect to the offering of the Series 2023 Bonds; (2) that no attorney-client relationship at any time existed between this firm and the Underwriter with respect to this matter; and (3) that the level of inquiry and investigation on which said advice is based has been tailored specifically to the needs of our client, the Corporation.

This letter is furnished by us for the sole benefit of the Corporation and the Underwriter, and no other person or entity shall be entitled to rely upon this opinion or to quote this opinion in whole or in part without our express written consent in each such instance.

Very truly yours,

Burr & Forman LLP

EXHIBIT E

FORM OF UNDERWRITER'S COUNSEL OPINION

[Closing Date]

Piper Sandler & Co.
Charlotte, North Carolina

\$(Amount)
Lancaster County Public Facilities Corporation
Installment Purchase Revenue Bonds
(Lancaster County Project),
Series 2023

Ladies and Gentlemen:

This letter is being delivered to you pursuant to the Bond Purchase Agreement dated November __, 2023 (the "Bond Purchase Agreement") between Lancaster County Public Facilities Corporation (the "Issuer") and you, relating to the issuance and sale by the Issuer of the above-referenced bonds (the "Series 2023 Bonds"). Terms defined in the Bond Purchase Agreement are used in this letter with the meanings assigned to them in the Bond Purchase Agreement.

We have acted as counsel to you in connection with the sale of the Series 2023 Bonds to you and, in that capacity, have examined executed counterparts of the Bond Purchase Agreement, the Trust Agreement, the Installment Purchase and Use Agreement and the Base Lease and the originals or copies, certified or otherwise identified to our satisfaction, of such other documents, records and other instruments as we have deemed necessary or advisable for purposes of this letter.

In connection with the preparation of the Official Statement, we have generally reviewed information furnished to us by representatives of the Issuer, Lancaster County, South Carolina (the "County"), representatives of Burr & Forman LLP, bond counsel ("Bond Counsel"), and your representatives. We have also reviewed other records relating to the authorization, issuance and sale of the Series 2023 Bonds and have relied upon certificates of officials of the Issuer and the County, the opinions of counsel to the Issuer and the County, and the opinion of Bond Counsel. We have assumed that all records, documents, certificates and opinions that we have reviewed, and the signatures thereto, are genuine. We have not reviewed any electronic version of the Official Statement and assume that any such version is identical in all respects to the printed version.

In arriving at the opinion and conclusions hereinafter expressed, we are not expressing any opinion or view on, and with your permission are assuming and relying on, the validity, accuracy and sufficiency of the records, documents, certificates and opinions referred to above (including the accuracy of all factual matters represented and legal conclusions contained therein, including (without limitation) representations and legal conclusions regarding the due authorization, issuance, delivery, validity and enforceability of the Series 2023 Bonds and the exclusion from interest thereon from gross income for federal and state income tax purposes). We understand that, with respect to the exclusion of interest on the Series 2023 Bonds from gross income for federal and state income tax purposes (as applicable), you are relying upon the opinion of Bond Counsel, of even date herewith.

Based on the foregoing, we are of the opinion that:

1. In reliance upon the approving opinion of Bond Counsel, we are of the opinion that the Series 2023 Bonds are presently exempt from registration under the Securities Act of 1933, as amended, and that no indenture needs presently be qualified with respect to the Series 2023 Bonds under the Trust Indenture Act of 1939, as amended.

2. The Disclosure Dissemination Agent Agreement, dated the date hereof, between the County and Digital Asset Certification, L.L.C., with respect to the Series 2023 Bonds, satisfies the requirements of Rule 15c2-12(b)(5)(i).

Other than as set forth in this paragraph, we express no other opinion as to the compliance by the Issuer, the County or by you with any federal or state statute, regulations or ruling relating to the offering or sale of the Series 2023 Bonds.

We are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Preliminary Official Statement or the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements; however, in our capacity as your counsel, to assist you in part of your review with respect to the Preliminary Official Statement and the Official Statement, and based upon our review and discussions and in reliance upon the accuracy of the information contained in the aforementioned certificates and opinions, we advise you as a matter of fact and not of opinion that, during the course of our representation of you on this matter, no facts came to the attention of the attorneys in our firm rendering legal services in connection with this representation (without independent investigation) which caused us to believe that the Preliminary Official Statement or the Official Statement as of its date and as of the date of this opinion (except for the financial and statistical data or information and expressions of opinion contained therein, the information contained therein under the caption "THE SERIES 2023 BONDS – Book-Entry System," and the information set forth in Appendix A, all as to which we express no opinion or view), contained or contains any untrue statement of a material fact or omitted or omits to state any material fact required to be stated therein under which they were made, not misleading to the bondholders to whom the Series 2023 Bonds are sold.

Sincerely,

Pope Flynn, LLC

EXHIBIT F

GENERAL CERTIFICATE OF LANCASTER COUNTY, SOUTH CAROLINA

I am an authorized official of Lancaster County, South Carolina (the “County”) and am hereby executing and delivering this Certificate as required under the terms of that certain Bond Purchase Agreement of even date herewith (the “Bond Purchase Agreement”) between Piper Sandler & Co., as underwriter (the “Underwriter”) and Lancaster County Public Facilities Corporation (the “Issuer”). Terms not otherwise defined herein shall have the meanings assigned to them in the Bond Purchase Agreement.

SECTION 1. REPRESENTATIONS, WARRANTIES, AND AGREEMENTS OF THE COUNTY.

The County hereby represents and warrants to, and covenants and agrees with, the Underwriter that:

(a) The County is a body politic and corporate and a political subdivision of the State duly created and validly existing under the laws of the State. It is authorized by virtue of the laws of the State to execute and deliver the Official Statement and to enter into and execute, deliver, and perform the Installment Purchase and Use Agreement, the Base Lease and the Bond Purchase Agreement (collectively the “County Contracts”). The County has complied with all provisions of the Constitution and statutes of the State with respect to the consummation of, and has full power and authority to consummate, all transactions contemplated by the County Contracts.

(b) The County has duly authorized by all necessary action the approval of the Official Statement and its use by the Underwriter in the public offering and sale of the Series 2023 Bonds and the execution of the Official Statement by the County Supervisor/Chair of its County Council or other authorized official of the County and the execution, delivery, and performance of the County Contracts, and no approval, authorization, consent, or other action by any governmental body (other than consents and approvals already obtained) is required in connection with the execution or performance by the County of the same; provided, that no representation is made as to compliance with federal or state securities laws or “Blue Sky” laws of any jurisdiction. Neither the execution nor the performance of the County Contracts or the consent to the use of the Official Statement will conflict with, breach, or violate any Legal Requirements or Contractual Requirements to which the County is a party or by which it or its property may be subject or bound. The County Contracts, when executed by the County and the other parties thereto at or before the Closing Time, will have been duly and validly executed and delivered by the County, will be in full force and effect as to the County, and will constitute the legal, valid, binding, and enforceable obligations of the County, enforceable in accordance with their terms.

(c) The County is not in violation of any material provision of or in default under any legal requirement or contractual requirement to which it is a party or by which it or its property is subject or bound, which violation will have any material adverse effect on the financing contemplated by the Official Statement, nor will any such violation result in any material adverse effect upon the operations, properties, assets, liabilities, or condition (financial or other) of the County.

(d) There is no pending or, to the best of the undersigned official's knowledge, after making due inquiry with respect thereto, threatened in writing, action, suit, proceeding, inquiry, or investigation, before or by any court, public board, or body against the County, which would materially and adversely affect the transactions contemplated by the Official Statement or which would materially and adversely affect the Series 2023 Bonds or the County Contracts, or which might result in any material adverse change in the operations, properties, assets, liabilities, or condition (financial or other) of the County, or which affects the information contained in the Official Statement.

(e) To the best knowledge of the County, after making due inquiry with respect thereto, no legislation, ordinance, rule, or regulation has been enacted by any governmental body, department, or agency of the State nor has any decision been rendered by any court of competent jurisdiction in the State, which would materially and adversely affect the transactions contemplated by the Official Statement, except as disclosed in the Official Statement.

(f) The Preliminary Official Statement has been "deemed final" by the County for purposes of U.S. Securities and Exchange Commission Rule 15c2-12 ("Rule 15c2-12") and the statements and information contained in the Preliminary Official Statement relating to the County and the use of proceeds of the Series 2023 Bonds, including, without limitation, the information relating to the County contained under the heading "LEGAL MATTERS – Litigation" and the information contained in Appendix A (which information in Appendix A is presented as of June 30, 2022 or such other date as specifically referenced therein), as of its date (except as provided above) are true and correct in all material respects and the Preliminary Official Statement (excluding information on the inside cover page as to the initial public offering price and the stabilization language, and information under the caption "MISCELLANEOUS – Underwriting," and except for the information relating to DTC and its affiliates, and the book entry system of registration and transfer for the Series 2023 Bonds and information related to the Issuer and litigation applicable thereto) does not omit any material statement or information relating to the County which should be included therein for the purposes for which the Preliminary Official Statement is to be used or which is necessary to make the statements or information contained therein relating to the County, in light of the circumstances under which they were made, not misleading, except that no representation is made with regard to information contained in the Preliminary Official Statement which is marked as preliminary or permitted to be omitted from a deemed final official statement under Rule 15c2-12.

(g) The statements and information contained in the Official Statement relating to the County and the use of proceeds of the Series 2023 Bonds, including, without limitation, the information relating to the County contained under the heading "LEGAL MATTERS – Litigation" and the information contained in Appendix A (which information in Appendix A is presented as of June 30, 2022 or such other date as specifically referenced therein), as of its date and the Delivery Date (except as provided above), will be true and correct in all material respects and the Official Statement (excluding information on the inside cover page as to the initial public offering price and the stabilization language, information under the caption "MISCELLANEOUS – Underwriting," and except for the information relating to DTC and its affiliates, the book entry system of registration and transfer for the Series 2023 Bonds and information related to the Issuer and litigation applicable thereto), as of its date and the Delivery Date (except as provided above), will not omit any material statement or information relating to the County which should be included therein for the purposes for which the Official Statement is to be used or which is necessary to make the statements or information relating to the County contained therein, in light of the circumstances under which they were made, not misleading.

(h) The County shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Underwriter. The County will notify the Underwriter promptly if, on or prior to the 25th day after the End of the Underwriting Period (or such other period as may be agreed to by the Issuer and the Underwriter) or the time when the Official Statement is available to any person from the Municipal Securities Rulemaking Board's Electronic Municipal Market Access system (but in no event less than 25 days following the End of the Underwriting Period) of any material adverse change in the operations, properties, or financial condition of the County, and of any event that occurs and comes to the County's attention, which event materially and adversely affects the Issuer, the County, or the transactions contemplated by the Official Statement or which would cause the Official Statement to contain an untrue statement of a material fact or to omit to state a material fact that should be included therein for the purposes for which the Official Statement was to be used or that is necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, and, if in the opinion of the Underwriter, such event requires the preparation and distribution of a supplement or amendment to the Official Statement, to prepare and furnish to the Underwriter, at the Issuer's expense, such number of copies of the supplement or amendment to the Official Statement, in form and substance mutually agreed upon by the Issuer and approved by the Underwriter, as the Underwriter may reasonably request and if such notification shall be given subsequent to the Closing Date, such additional legal opinions, certificates, instruments, and other documents as the Underwriter may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Official Statement.

(i) The County will cooperate with the Underwriter in the qualification of the Series 2023 Bonds for offering and sale and the determination of their eligibility for investment under the laws of such jurisdictions as the Underwriter shall designate; provided, however, the County shall not be required to register as a dealer or broker in any such jurisdiction, nor execute a general consent to service of process or qualify to do business in connection with any such qualification of the Series 2023 Bonds in any such jurisdiction.

(j) Subsequent to the respective dates as of which information is given in the Preliminary Official Statement, and prior to the Delivery Date, except as set forth in or contemplated by the Preliminary Official Statement, (1) the County has not incurred and shall not have incurred any material liabilities or obligations, direct or contingent, except in the ordinary course of business and has not entered and will not have entered into any material transaction not in the ordinary course of business, (2) there has not been and will not have been any material increase in the long-term debt or material decrease in the fund balances of the County, (3) there has not been and will not have been any material adverse change in the operations or the financial position or results of operations of the County, (4) no loss or damage (whether or not insured) to the property of the County has been or will have been sustained that materially and adversely affects the operations of the County, and (5) no legal or governmental proceeding affecting the County or the transactions contemplated by the Bond Purchase Agreement has been or will have been instituted or threatened that is material.

(k) Any certificate signed by any of its authorized officials and delivered to the Underwriter shall be deemed a representation and warranty by the County to the Underwriter under the Bond Purchase Agreement as to the statements made therein.

(l) The County will not knowingly take or omit to take any action, which action or omission will in any way cause the proceeds from the sale of the Series 2023 Bonds to be applied in a manner other than as provided in the Installment Purchase and Use Agreement or the Trust

Agreement, or which would cause the interest on the Series 2023 Bonds to become includable in the gross income of the owners thereof for federal income tax purposes.

(m) The County acknowledges and agrees that: (i) the primary role of the Underwriter, as an underwriter, is to purchase the Series 2023 Bonds for resale to investors in an arm's-length commercial transaction between the Issuer and the Underwriter; (ii) that the Underwriter has financial and other interests that differ from those of the County; (iii) the Underwriter is not acting as a municipal advisor, financial advisor or fiduciary to the County or any other person or entity and has not assumed any advisory or fiduciary responsibility to the County with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the County on other matters); (iv) the only obligations the Underwriter has, if any, to the County with respect to the transaction contemplated hereby (other than those obligations imposed by applicable law, if any) expressly are set forth in the Agreement; and (v) the County has consulted its own legal, accounting, and financial advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein.

(n) The County acknowledges and agrees that these representations and warranties are made to induce the Underwriter to purchase the Series 2023 Bonds, and that such representations and warranties and any other representations and warranties made by the County to the Underwriter are made for the benefit of the ultimate purchasers of the Series 2023 Bonds and may be relied upon by such purchasers.

SECTION 2. REPRESENTATIONS, WARRANTIES, AND AGREEMENTS TO SURVIVE DELIVERY.

All of the County's representations, warranties, and agreements set forth herein shall remain operative and in full force and effect (unless expressly waived in writing by the Underwriter), regardless of any investigations made by the Underwriter or on their behalf, and shall survive delivery of the Series 2023 Bonds to the Underwriter and the resale by the Underwriter of the Series 2023 Bonds. Such obligation, however, shall terminate the date on which the Series 2023 Bonds are no longer outstanding.

SECTION 3. DELIVERY AND USE OF OFFICIAL STATEMENT.

The County authorizes the use and distribution of, and will make available, the Preliminary Official Statement and the Official Statement for the use and distribution by the Underwriter in connection with the sale of the Series 2023 Bonds.

The County shall cooperate with the Issuer to deliver, or cause to be delivered, to the Underwriter copies of the Preliminary Official Statement in sufficient quantity in order for the Underwriter to comply with Rule 15c2-12(b)(2) promulgated under the Securities Exchange Act of 1934, as amended.

The County shall cooperate with the Issuer to deliver, or cause to be delivered, to the Underwriter copies of the final Official Statement in sufficient quantity in order for the Underwriter to comply with Rule 15c2-12(b)(4) promulgated under the Securities Exchange Act of 1934, as amended, and the rules of the Municipal Securities Rulemaking Board, upon the earlier of (a) seven (7) business days after the Bond Purchase Agreement is executed and delivered, (b) the date that will allow such final Official Statement to accompany any confirmation that requests payment from any customer, and (c) the date that occurs three (3) days before the Delivery Date.

For purposes of the Bond Purchase Agreement, the “*End of the Underwriting Period*” will mean the later of (a) the Closing Date or (b) the time that the Underwriter no longer retains an unsold balance of the Series 2023 Bonds for sale to the public. Unless otherwise notified in writing by the Underwriter prior to the Closing Date, the County shall treat the Closing Date as the “*End of the Underwriting Period.*” In such case, the Underwriter shall promptly notify the Issuer and the County in writing of the date that is the “*End of the Underwriting Period.*”

SECTION 4. CONTINUING DISCLOSURE CERTIFICATE.

The County will undertake, pursuant to the Installment Purchase and Use Agreement and the Continuing Disclosure Certificate, to provide annual reports and notices to certain events. Except as described in the Official Statement, during the last five years, the County has not failed to materially comply with any previous undertaking relating to continuing disclosure of information pursuant to Rule 15c2-12.

SECTION 5. NOTICE.

Any notice or other communication to be given to the County under the Bond Purchase Agreement may be given by mailing or delivering the same in writing to Lancaster County, South Carolina, 101 N. Main Street, Lancaster, South Carolina 29720, Attention: _____.

This General Certificate is delivered this ____ day of _____, 2023.

**LANCASTER COUNTY,
SOUTH CAROLINA**

By:_____

Its:

EXHIBIT G

CLOSING CERTIFICATE OF LANCASTER COUNTY, SOUTH CAROLINA

I am an authorized official of Lancaster County, South Carolina (the “County”) and am hereby executing and delivering this Certificate as required under the terms of that certain Bond Purchase Agreement dated November [16], 2023 (the “Bond Purchase Agreement”) between Piper Sandler & Co., as underwriter (the “Underwriter”), and Lancaster County Public Facilities Corporation (the “Issuer”). Terms not otherwise defined herein shall have the meanings assigned to them in the Bond Purchase Agreement.

(A) Since the date of execution of the Bond Purchase Agreement, there has not been any material adverse change in the operations, properties, financial position, or results of operations of the County, whether or not arising from transactions in the ordinary course of business, other than as previously disclosed in writing to the Underwriter or as disclosed in the Official Statement, and except in the ordinary course of business, the County has not suffered or incurred any material liability, other than as previously disclosed in writing to the Underwriter or as disclosed in the Official Statement;

(B) There is no action, suit, proceeding, or, to the best of the undersigned official’s knowledge, after making due inquiry with respect thereto, any inquiry or investigation at law or in equity or before or by any public board or body pending or, to such official’s knowledge after making due inquiry with respect thereto, threatened in writing against or affecting the County or its property, wherein an unfavorable decision, ruling, or finding would adversely affect the transactions contemplated in the Bond Purchase Agreement or the Ordinance enacted by the County Council of the County on October [9], 2023 (the “Ordinance”), or the validity or enforceability of the Series 2023 Bonds or the County Contracts, which have not been previously disclosed in writing to the Underwriter or which is not disclosed in the Official Statement;

(C) To the best of the undersigned official’s knowledge after making due inquiry with respect thereto, all information furnished by the County to the Underwriter for use in connection with the marketing of the Series 2023 Bonds and the information contained in the Preliminary Official Statement and the Official Statement pertaining to the County, including the information contained in Appendix A (which information in Appendix A is presented as of June 30, 20__, of such other date as specifically referenced therein), were, as of the respective dates thereof and are as of the Delivery Date (except as provided above), true and correct in all material respects;

(D) The County has duly authorized, by all necessary action, the execution, delivery, and due performance of the County Contracts;

(E) The County has duly performed or complied with all of its obligations and conditions to be performed and satisfied under the Bond Purchase Agreement at or prior to the Delivery Date;

(F) The representations contained in the County’s General Certificate delivered concurrently with the Bond Purchase Agreement have not been amended, modified, or rescinded and are in full force and effect, and the information and representations and warranties contained herein are true and correct in all material respects, as of the Delivery Date; and

(G) The execution, delivery, and due performance of the County Contracts and the other agreements contemplated under the Resolution and by the Official Statement under the circumstances

contemplated thereby and the County's compliance with the provisions thereof will not conflict with or violate or constitute on the County's part a breach of or a default under any Legal Requirement or Contractual Requirement to which the County is a party or by which it or its property may be subject or bound.

This Certificate is delivered this ____ day of _____, 2023.

**LANCASTER COUNTY,
SOUTH CAROLINA**

By:_____

Its:

EXHIBIT H

FORM OF ISSUE PRICE CERTIFICATE

\$[Amount]
LANCASTER COUNTY PUBLIC FACILITIES CORPORATION
INSTALLMENT PURCHASE REVENUE BONDS
(LANCASTER COUNTY PROJECT) SERIES 2023

The undersigned, Piper Sandler & Co., as underwriter (“Piper”), hereby certifies, based upon the information available to it, as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Series 2023 Bonds”).

1. [Sale of the Series 2023 Bonds. As of the date of this certificate, for each Maturity of the Series 2023 Bonds, the first price at which at least 10% of such Maturity of the Series 2023 Bonds was sold to the Public is the respective price listed in Schedule.][**Sale of the General Rule Maturities.** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Series 2023 Bonds was sold to the Public is the respective price listed in Schedule A.]

2. [Initial Offering Price of the Hold-the-Offering-Price Maturities.

(a) The Underwriter offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “**Initial Offering Prices**”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Series 2023 Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Agreement, the Underwriter have agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, they would neither offer nor sell any of the Series 2023 Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “**hold-the-offering-price rule**”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. No Underwriter has offered or sold any Maturity of the Series 2023 Bonds at a price that is higher than the respective Initial Offering Price for that Maturity of the Series 2023 Bonds during the Holding Period.]

3. Defined Terms.

(a) “**County**” means Lancaster County, South Carolina.

[(b) “**General Rule Maturities**” means those Maturities of the Series 2023 Bonds listed in Schedule A hereto as the “General Rule Maturities.”]

[(c) “**Hold-the-Offering-Price Maturities**” means those Maturities of the Series 2023 Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”]

[(d) “**Holding Period**” means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (_____, 2023), or (ii) the date on which the Underwriter have sold at least 10% of such Hold-

the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

[(e)] “**Issuer**” means Lancaster County Public Facilities Corporation.

[(f)] “**Maturity**” means Series 2023 Bonds with the same credit and payment terms. Series 2023 Bonds with different maturity dates, or Series 2023 Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

[(g)] “**Public**” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

[(h)] “**Sale Date**” means the first day on which there is a binding contract in writing for the sale of a Maturity of the Series 2023 Bonds. The Sale Date of the Series 2023 Bonds is _____, 2023.

[(i)] “**Underwriter**” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2023 Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Series 2023 Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Series 2023 Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Piper’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. Piper understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Federal Tax Certificate of the Issuer and the County, dated the date hereof, and with respect to compliance with the federal income tax rules affecting the Series 2023 Bonds, and by Bond Counsel in connection with rendering its opinion that the interest on the Series 2023 Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Issuer from time to time relating to the Series 2023 Bonds.

PIPER SANDLER & CO.

By: _____
Managing Director

Dated: _____, 2023

Schedule A

**[Sale Prices of the Series 2023 Bonds][Sale Prices of the General Rule Maturities and Initial Offering Prices
of the Hold-the-Offering Price Maturities]**

[Schedule B
Pricing Wire or Equivalent Communication]

Lancaster County, South Carolina

(Installment Purchase Revenue Bonds Worksheets)

Installment Purchase Revenue Bonds - Financing Overview

Net Project Amounts to be Financed

Description	Detention Center	Regional Park	Combined Amounts
Total Construction Cost:	\$90,000,000	\$34,730,000	\$124,730,000
LESS: Sales Tax #2 Carryover:	(\$14,000,000)		(\$14,000,000)
LESS: Hospitality Tax Cash Contribution:		(\$8,000,000)	(\$8,000,000)
Net Amount to be Financed:	\$76,000,000	\$26,730,000	\$102,730,000

Estimated Installment Purchase Revenue Bonds Issuance
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Description	Detention Center	Regional Park	Total Amounts
<u>Sources of Funds</u>			
Par Amount of Bonds:	\$70,390,000	\$24,885,000	\$95,275,000
Gross Premium/Discount:	\$6,421,411	\$2,135,964	\$8,557,375
Total Proceeds Borrowed:	\$76,811,411	\$27,020,964	\$103,832,375
<u>Uses of Funds</u>			
Deposit to Project Fund:	\$76,000,000	\$26,730,000	\$102,730,000
Underwriter's Discount:	\$302,677	\$107,006	\$409,683
Cost of Issuance:	\$507,931	\$179,569	\$687,500
Rounding Amount:	\$803	\$4,390	\$5,192
Total Uses of Funds:	\$76,811,411	\$27,020,964	\$103,832,375

Installment Purchase Revenue Bonds - Estimated Debt Service

(A)	(B)	(C)	(D)	(E)	(F)	(G)
Date	Principal Amount	Interest Amount	Debt Service	FY Debt Service	Detention Center Portion	Regional Park Portion
12/16/23						
06/01/24	\$3,920,000	\$2,164,274	\$6,084,274	\$6,084,274	\$4,292,657	\$1,947,194
12/01/24	\$0	\$2,234,750	\$2,234,750			
06/01/25	\$1,615,000	\$2,234,750	\$3,849,750	\$6,084,500	\$4,291,500	\$1,945,750
12/01/25	\$0	\$2,194,375	\$2,194,375			
06/01/26	\$1,695,000	\$2,194,375	\$3,889,375	\$6,083,750	\$4,291,250	\$1,947,250
12/01/26	\$0	\$2,152,000	\$2,152,000			
06/01/27	\$1,775,000	\$2,152,000	\$3,927,000	\$6,079,000	\$4,288,750	\$1,946,750
12/01/27	\$0	\$2,107,625	\$2,107,625			
06/01/28	\$1,870,000	\$2,107,625	\$3,977,625	\$6,085,250	\$4,289,000	\$1,944,250
12/01/28	\$0	\$2,060,875	\$2,060,875			
06/01/29	\$1,960,000	\$2,060,875	\$4,020,875	\$6,081,750	\$4,291,750	\$1,944,750
12/01/29	\$0	\$2,011,875	\$2,011,875			
06/01/30	\$2,055,000	\$2,011,875	\$4,066,875	\$6,078,750	\$4,291,750	\$1,948,000
12/01/30	\$0	\$1,960,500	\$1,960,500			
06/01/31	\$4,425,000	\$1,960,500	\$6,385,500	\$8,346,000	\$6,554,000	\$1,943,750
12/01/31	\$0	\$1,849,875	\$1,849,875			
06/01/32	\$4,650,000	\$1,849,875	\$6,499,875	\$8,349,750	\$6,555,250	\$1,947,250
12/01/32	\$0	\$1,733,625	\$1,733,625			
06/01/33	\$4,885,000	\$1,733,625	\$6,618,625	\$8,352,250	\$6,557,750	\$1,943,000
12/01/33	\$0	\$1,611,500	\$1,611,500			
06/01/34	\$5,125,000	\$1,611,500	\$6,736,500	\$8,348,000	\$6,556,000	\$1,946,250
12/01/34	\$0	\$1,483,375	\$1,483,375			
06/01/35	\$5,380,000	\$1,483,375	\$6,863,375	\$8,346,750	\$6,554,750	\$1,946,500
12/01/35	\$0	\$1,348,875	\$1,348,875			
06/01/36	\$5,650,000	\$1,348,875	\$6,998,875	\$8,347,750	\$6,553,500	\$1,943,750
12/01/36	\$0	\$1,207,625	\$1,207,625			
06/01/37	\$5,930,000	\$1,207,625	\$7,137,625	\$8,345,250	\$6,556,750	\$1,948,000
12/01/37	\$0	\$1,059,375	\$1,059,375			
06/01/38	\$6,230,000	\$1,059,375	\$7,289,375	\$8,348,750	\$6,553,750	\$1,943,750
12/01/38	\$0	\$903,625	\$903,625			
06/01/39	\$6,540,000	\$903,625	\$7,443,625	\$8,347,250	\$6,554,250	\$1,946,250
12/01/39	\$0	\$740,125	\$740,125			
06/01/40	\$6,870,000	\$740,125	\$7,610,125	\$8,350,250	\$6,557,500	\$1,945,000
12/01/40	\$0	\$568,375	\$568,375			
06/01/41	\$7,210,000	\$568,375	\$7,778,375	\$8,346,750	\$6,557,750	\$1,945,000
12/01/41	\$0	\$388,125	\$388,125			
06/01/42	\$7,575,000	\$388,125	\$7,963,125	\$8,351,250	\$6,554,500	\$1,946,000
12/01/42	\$0	\$198,750	\$198,750			
06/01/43	\$7,950,000	\$198,750	\$8,148,750	\$8,347,500	\$6,557,250	\$1,947,750
Totals:	\$93,310,000	\$57,794,774	\$151,104,774	\$151,104,774	\$115,259,657	\$38,916,194

Detention Center debt service sized around Sales Tax #3 not to exceed constraint.

Source: True Interest Cost Assumption of 4.08%.

Lancaster County, South Carolina

(Sales Tax Cash Flow Worksheets)

Sales Tax #3 - Detention Center Portion Installment Purchase Revenue Bonds Proforma

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Period	Collection Period	Collection Amount	Cumulative Collections	Principal Amount	Interest Amount	PAYGO Amounts	Total Expense	Sinking Fund Balance	Outstanding Bonds
Imposition	05/01/23								
1	07/15/23	\$1,150,000	\$1,150,000				\$0	\$1,150,000	
2	10/15/23	\$3,450,000	\$4,600,000				\$0	\$3,450,000	
(IPRB Closed)	11/15/23						\$0	\$3,450,000	\$70,390,000
3	01/15/24	\$3,450,000	\$8,050,000				\$0	\$6,900,000	\$70,390,000
4	04/15/24	\$3,450,000	\$11,500,000			\$6,000,000	\$6,000,000	\$4,350,000	\$70,390,000
(IPRB PMT)	06/01/24			\$2,660,000	\$1,632,657		\$4,292,657	\$57,343	\$67,730,000
5	07/15/24	\$3,450,000	\$14,950,000				\$0	\$3,507,343	\$67,730,000
6	10/15/24	\$3,450,000	\$18,400,000				\$0	\$6,957,343	\$67,730,000
(IPRB PMT)	12/01/24				\$1,693,250		\$1,693,250	\$5,264,093	\$67,730,000
7	01/15/25	\$3,450,000	\$21,850,000				\$0	\$8,714,093	\$67,730,000
8	04/15/25	\$3,450,000	\$25,300,000			\$6,000,000	\$6,000,000	\$6,164,093	\$67,730,000
(IPRB PMT)	06/01/25			\$905,000	\$1,693,250		\$2,598,250	\$3,565,843	\$66,825,000
9	07/15/25	\$3,450,000	\$28,750,000				\$0	\$7,015,843	\$66,825,000
10	10/15/25	\$3,450,000	\$32,200,000				\$0	\$10,465,843	\$66,825,000
(IPRB PMT)	12/01/25				\$1,670,625		\$1,670,625	\$8,795,218	\$66,825,000
11	01/15/26	\$3,450,000	\$35,650,000				\$0	\$12,245,218	\$66,825,000
12	04/15/26	\$3,450,000	\$39,100,000			\$6,000,000	\$6,000,000	\$9,695,218	\$66,825,000
(IPRB PMT)	06/01/26			\$950,000	\$1,670,625		\$2,620,625	\$7,074,593	\$65,875,000
13	07/15/26	\$3,450,000	\$42,550,000				\$0	\$10,524,593	\$65,875,000
14	10/15/26	\$3,450,000	\$46,000,000				\$0	\$13,974,593	\$65,875,000
(IPRB PMT)	12/01/26				\$1,646,875		\$1,646,875	\$12,327,718	\$65,875,000
15	01/15/27	\$3,450,000	\$49,450,000				\$0	\$15,777,718	\$65,875,000
16	04/15/27	\$3,450,000	\$52,900,000			\$6,000,000	\$6,000,000	\$13,227,718	\$65,875,000
(IPRB PMT)	06/01/27			\$995,000	\$1,646,875		\$2,641,875	\$10,585,843	\$64,880,000
17	07/15/27	\$3,450,000	\$56,350,000				\$0	\$14,035,843	\$64,880,000
18	10/15/27	\$3,450,000	\$59,800,000				\$0	\$17,485,843	\$64,880,000
(IPRB PMT)	12/01/27				\$1,622,000		\$1,622,000	\$15,863,843	\$64,880,000
19	01/15/28	\$3,450,000	\$63,250,000				\$0	\$19,313,843	\$64,880,000
20	04/15/28	\$3,450,000	\$66,700,000			\$6,000,000	\$6,000,000	\$16,763,843	\$64,880,000
(IPRB PMT)	06/01/28			\$1,045,000	\$1,622,000		\$2,667,000	\$14,096,843	\$63,835,000
21	07/15/28	\$3,450,000	\$70,150,000				\$0	\$17,546,843	\$63,835,000
22	10/15/28	\$3,450,000	\$73,600,000				\$0	\$20,996,843	\$63,835,000
(IPRB PMT)	12/01/28				\$1,595,875		\$1,595,875	\$19,400,968	\$63,835,000
23	01/15/29	\$3,450,000	\$77,050,000				\$0	\$22,850,968	\$63,835,000
24	04/15/29	\$3,450,000	\$80,500,000			\$6,000,000	\$6,000,000	\$20,300,968	\$63,835,000
(IPRB PMT)	06/01/29			\$1,100,000	\$1,595,875		\$2,695,875	\$17,605,093	\$62,735,000
25	07/15/29	\$3,450,000	\$83,950,000				\$0	\$21,055,093	\$62,735,000
26	10/15/29	\$3,450,000	\$87,400,000				\$0	\$24,505,093	\$62,735,000
(IPRB PMT)	12/01/29				\$1,568,375		\$1,568,375	\$22,936,718	\$62,735,000
27	01/15/30	\$3,450,000	\$90,850,000				\$0	\$26,386,718	\$62,735,000
28	04/15/30	\$3,450,000	\$94,300,000			\$6,000,000	\$6,000,000	\$23,836,718	\$62,735,000
(IPRB PMT)	06/01/30			\$1,155,000	\$1,568,375		\$2,723,375	\$21,113,343	\$61,580,000
29	07/15/30	\$2,300,000	\$96,600,000				\$0	\$23,413,343	\$61,580,000
Totals:	---	\$96,600,000	---	\$8,810,000	\$21,226,657	\$42,000,000	\$72,036,657	---	---

Note: Sales Tax Imposition Term of 7 Years. Voted on November 3, 2020.

Maximum Collections for Detention Center: \$30,130,000
 Detention Center Debt Service: \$30,036,657
 \$93,343

Sales Tax #4 - Detention Center Portion Installment Purchase Revenue Bonds Proforma

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Period	Collection Period	Collection Amount	Cumulative Collections	Principal Amount	Interest Amount	PAYGO Amounts	Total Expense	Sinking Fund Balance	Outstanding Bonds
Imposition	05/01/30							\$23,413,343	
1	07/15/30	\$1,150,000	\$1,150,000				\$0	\$24,563,343	\$61,580,000
2	10/15/30	\$3,450,000	\$4,600,000				\$0	\$28,013,343	\$61,580,000
(IPRB PMT)	11/15/30				\$1,539,500		\$1,539,500	\$26,473,843	\$61,580,000
3	01/15/31	\$3,450,000	\$8,050,000				\$0	\$29,923,843	\$61,580,000
4	04/15/31	\$3,450,000	\$11,500,000			\$6,000,000	\$6,000,000	\$27,373,843	\$61,580,000
(IPRB PMT)	06/01/31			\$3,475,000	\$1,539,500		\$5,014,500	\$22,359,343	\$58,105,000
5	07/15/31	\$3,450,000	\$14,950,000				\$0	\$25,809,343	\$58,105,000
6	10/15/31	\$3,450,000	\$18,400,000				\$0	\$29,259,343	\$58,105,000
(IPRB PMT)	12/01/31				\$1,452,625		\$1,452,625	\$27,806,718	\$58,105,000
7	01/15/32	\$3,450,000	\$21,850,000				\$0	\$31,256,718	\$58,105,000
8	04/15/32	\$3,450,000	\$25,300,000			\$6,000,000	\$6,000,000	\$28,706,718	\$58,105,000
(IPRB PMT)	06/01/32			\$3,650,000	\$1,452,625		\$5,102,625	\$23,604,093	\$54,455,000
9	07/15/32	\$3,450,000	\$28,750,000				\$0	\$27,054,093	\$54,455,000
10	10/15/32	\$3,450,000	\$32,200,000				\$0	\$30,504,093	\$54,455,000
(IPRB PMT)	12/01/32				\$1,361,375		\$1,361,375	\$29,142,718	\$54,455,000
11	01/15/33	\$3,450,000	\$35,650,000				\$0	\$32,592,718	\$54,455,000
12	04/15/33	\$3,450,000	\$39,100,000			\$6,000,000	\$6,000,000	\$30,042,718	\$54,455,000
(IPRB PMT)	06/01/33			\$3,835,000	\$1,361,375		\$5,196,375	\$24,846,343	\$50,620,000
13	07/15/33	\$3,450,000	\$42,550,000				\$0	\$28,296,343	\$50,620,000
14	10/15/33	\$3,450,000	\$46,000,000				\$0	\$31,746,343	\$50,620,000
(IPRB PMT)	12/01/33				\$1,265,500		\$1,265,500	\$30,480,843	\$50,620,000
15	01/15/34	\$3,450,000	\$49,450,000				\$0	\$33,930,843	\$50,620,000
16	04/15/34	\$3,450,000	\$52,900,000			\$6,000,000	\$6,000,000	\$31,380,843	\$50,620,000
(IPRB PMT)	06/01/34			\$4,025,000	\$1,265,500		\$5,290,500	\$26,090,343	\$46,595,000
17	07/15/34	\$3,450,000	\$56,350,000				\$0	\$29,540,343	\$46,595,000
18	10/15/34	\$3,450,000	\$59,800,000				\$0	\$32,990,343	\$46,595,000
(IPRB PMT)	12/01/34				\$1,164,875		\$1,164,875	\$31,825,468	\$46,595,000
19	01/15/35	\$3,450,000	\$63,250,000				\$0	\$35,275,468	\$46,595,000
20	04/15/35	\$3,450,000	\$66,700,000			\$6,000,000	\$6,000,000	\$32,725,468	\$46,595,000
(IPRB PMT)	06/01/35			\$4,225,000	\$1,164,875		\$5,389,875	\$27,335,593	\$42,370,000
21	07/15/35	\$3,450,000	\$70,150,000				\$0	\$30,785,593	\$42,370,000
22	10/15/35	\$3,450,000	\$73,600,000				\$0	\$34,235,593	\$42,370,000
(IPRB PMT)	12/01/35				\$1,059,250		\$1,059,250	\$33,176,343	\$42,370,000
23	01/15/36	\$3,450,000	\$77,050,000				\$0	\$36,626,343	\$42,370,000
24	04/15/36	\$3,450,000	\$80,500,000			\$6,000,000	\$6,000,000	\$34,076,343	\$42,370,000
(IPRB PMT)	06/01/36			\$4,435,000	\$1,059,250		\$5,494,250	\$28,582,093	\$37,935,000
25	07/15/36	\$3,450,000	\$83,950,000				\$0	\$32,032,093	\$37,935,000
26	10/15/36	\$3,450,000	\$87,400,000				\$0	\$35,482,093	\$37,935,000
(IPRB PMT)	12/01/36				\$948,375		\$948,375	\$34,533,718	\$37,935,000
27	01/15/36	\$3,450,000	\$90,850,000				\$0	\$37,983,718	\$37,935,000
28	04/15/37	\$3,450,000	\$94,300,000			\$6,000,000	\$6,000,000	\$35,433,718	\$37,935,000
(IPRB PMT)	06/01/37			\$4,660,000	\$948,375		\$5,608,375	\$29,825,343	\$33,275,000
29	07/15/37	\$2,300,000	\$96,600,000				\$0	\$32,125,343	\$33,275,000
Totals:	---	\$96,600,000	---	\$28,305,000	\$17,583,000	\$42,000,000	\$87,888,000	---	---

Note: Sales Tax Imposition Term of 7 Years. Potentially voted on November 3, 2028.

Maximum Collections for Detention Center:	\$45,900,000
Detention Center Debt Service:	\$45,888,000
	\$12,000

Lancaster County, South Carolina

(Hospitality Tax Cash Flow Worksheets)

Hospitality Tax - Regional Park Portion Installment Purchase Revenue Bonds Proforma

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
Fiscal Year Period	Collection Period	Collection Amount*	Other Sources	Principal Amount	Interest Amount	Other Amounts	Total Period Amounts	Debt Service Coverage
0	11/15/23							
1	06/01/24	\$2,035,305		\$1,370,000	\$577,194		\$1,947,194	\$88,111
	12/01/24				\$587,875			
2	06/01/25	\$2,035,305		\$770,000	\$587,875		\$1,945,750	\$89,555
	12/01/25				\$568,625			
3	06/01/26	\$2,035,305		\$810,000	\$568,625		\$1,947,250	\$88,055
	12/01/26				\$548,375			
4	06/01/27	\$2,035,305		\$850,000	\$548,375		\$1,946,750	\$88,555
	12/01/27				\$527,125			
5	06/01/28	\$2,035,305		\$890,000	\$527,125		\$1,944,250	\$91,055
	12/01/28				\$504,875			
6	06/01/29	\$2,035,305		\$935,000	\$504,875		\$1,944,750	\$90,555
	12/01/29				\$481,500			
7	06/01/30	\$2,035,305		\$985,000	\$481,500		\$1,948,000	\$87,305
	12/01/30				\$456,875			
8	06/01/31	\$2,035,305		\$1,030,000	\$456,875		\$1,943,750	\$91,555
	12/01/31				\$431,125			
9	06/01/32	\$2,035,305		\$1,085,000	\$431,125		\$1,947,250	\$88,055
	12/01/32				\$404,000			
10	06/01/33	\$2,035,305		\$1,135,000	\$404,000		\$1,943,000	\$92,305
	12/01/33				\$375,625			
11	06/01/34	\$2,035,305		\$1,195,000	\$375,625		\$1,946,250	\$89,055
	12/01/34				\$345,750			
12	06/01/35	\$2,035,305		\$1,255,000	\$345,750		\$1,946,500	\$88,805
	12/01/35				\$314,375			
13	06/01/36	\$2,035,305		\$1,315,000	\$314,375		\$1,943,750	\$91,555
	12/01/36				\$281,500			
14	06/01/37	\$2,035,305		\$1,385,000	\$281,500		\$1,948,000	\$87,305
	12/01/37				\$246,875			
15	06/01/38	\$2,035,305		\$1,450,000	\$246,875		\$1,943,750	\$91,555
	12/01/38				\$210,625			
16	06/01/39	\$2,035,305		\$1,525,000	\$210,625		\$1,946,250	\$89,055
	12/01/39				\$172,500			
17	06/01/40	\$2,035,305		\$1,600,000	\$172,500		\$1,945,000	\$90,305
	12/01/40				\$132,500			
18	06/01/41	\$2,035,305		\$1,680,000	\$132,500		\$1,945,000	\$90,305
	12/01/41				\$90,500			
19	06/01/42	\$2,035,305		\$1,765,000	\$90,500		\$1,946,000	\$89,305
	12/01/42				\$46,375			
20	06/01/43	\$2,035,305		\$1,855,000	\$46,375		\$1,947,750	\$87,555
Totals:	---	\$40,706,100	\$0	\$24,885,000	\$14,031,194	\$0	\$38,916,194	\$1,789,906

* 2022 Audited Collection Amount.

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

DRAFT: Priced by Piper Sandler on 11.16.23 - Delivery on 12.14.23

(Estimated Aa2 Public Market Transaction)

Total Issue Sources And Uses

Dated 12/14/2023 | Delivered 12/14/2023

	Detention Center	Regional Park	Issue Summary
Sources Of Funds			
Par Amount of Bonds	\$70,390,000.00	\$24,885,000.00	\$95,275,000.00
Reoffering Premium	6,421,410.60	2,135,964.35	8,557,374.95
Total Sources	\$76,811,410.60	\$27,020,964.35	\$103,832,374.95
Uses Of Funds			
Total Underwriter's Discount (0.430%)	302,677.00	107,005.50	409,682.50
Costs of Issuance	507,930.99	179,569.01	687,500.00
Deposit to Project Fund - Detention Ctr	76,000,000.00	-	76,000,000.00
Deposit to Project Fund - Regional Park	-	26,730,000.00	26,730,000.00
Rounding Amount	802.61	4,389.84	5,192.45
Total Uses	\$76,811,410.60	\$27,020,964.35	\$103,832,374.95

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

DRAFT: Priced by Piper Sandler on 11.16.23 - Delivery on 12.14.23

(Estimated Aa2 Public Market Transaction)

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	YTM	Call Date	Call Price	Dollar Price
06/01/2024	Serial Coupon	5.000%	3.530%	4,030,000.00	100.668%	-	-	-	4,056,920.40
06/01/2025	Serial Coupon	5.000%	3.470%	1,675,000.00	102.164%	-	-	-	1,711,247.00
06/01/2026	Serial Coupon	5.000%	3.360%	1,760,000.00	103.845%	-	-	-	1,827,672.00
06/01/2027	Serial Coupon	5.000%	3.260%	1,845,000.00	105.654%	-	-	-	1,949,316.30
06/01/2028	Serial Coupon	5.000%	3.240%	1,935,000.00	107.258%	-	-	-	2,075,442.30
06/01/2029	Serial Coupon	5.000%	3.200%	2,035,000.00	108.956%	-	-	-	2,217,254.60
06/01/2030	Serial Coupon	5.000%	3.190%	2,140,000.00	110.495%	-	-	-	2,364,593.00
06/01/2031	Serial Coupon	5.000%	3.170%	4,505,000.00	112.077%	-	-	-	5,049,068.85
06/01/2032	Serial Coupon	5.000%	3.200%	4,735,000.00	113.252%	-	-	-	5,362,482.20
06/01/2033	Serial Coupon	5.000%	3.270%	4,970,000.00	113.982%	-	-	-	5,664,905.40
06/01/2034	Serial Coupon	5.000%	3.360%	5,220,000.00	113.491% c	3.453%	09/01/2033	100.000%	5,924,230.20
06/01/2035	Serial Coupon	5.000%	3.460%	5,480,000.00	112.608% c	3.644%	09/01/2033	100.000%	6,170,918.40
06/01/2036	Serial Coupon	5.000%	3.600%	5,750,000.00	111.385% c	3.842%	09/01/2033	100.000%	6,404,637.50
06/01/2037	Serial Coupon	5.000%	3.760%	6,045,000.00	110.007% c	4.030%	09/01/2033	100.000%	6,649,923.15
06/01/2038	Serial Coupon	5.000%	3.870%	6,340,000.00	109.071% c	4.159%	09/01/2033	100.000%	6,915,101.40
06/01/2039	Serial Coupon	5.000%	3.940%	6,660,000.00	108.480% c	4.246%	09/01/2033	100.000%	7,224,768.00
06/01/2040	Serial Coupon	5.000%	4.010%	6,995,000.00	107.894% c	4.325%	09/01/2033	100.000%	7,547,185.30
06/01/2041	Serial Coupon	5.000%	4.080%	7,345,000.00	107.311% c	4.396%	09/01/2033	100.000%	7,881,992.95
06/01/2042	Serial Coupon	5.000%	4.160%	7,710,000.00	106.650% c	4.467%	09/01/2033	100.000%	8,222,715.00
06/01/2043	Serial Coupon	5.000%	4.200%	8,100,000.00	106.321% c	4.509%	09/01/2033	100.000%	8,612,001.00
Total	-	-	-	\$95,275,000.00	-	-	-	-	\$103,832,374.95

Bid Information

Par Amount of Bonds	\$95,275,000.00
Reoffering Premium or (Discount)	8,557,374.95
Gross Production	\$103,832,374.95
Total Underwriter's Discount (0.430%)	\$(409,682.50)
Bid (108.552%)	103,422,692.45
Total Purchase Price	\$103,422,692.45
Bond Year Dollars	\$1,178,017.01
Average Life	12.364 Years
Average Coupon	5.0000000%
Net Interest Cost (NIC)	4.3083553%
True Interest Cost (TIC)	4.0776948%

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

DRAFT: Priced by Piper Sandler on 11.16.23 - Delivery on 12.14.23

(Estimated Aa2 Public Market Transaction)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/01/2024	4,030,000.00	5.000%	2,209,850.69	6,239,850.69
12/01/2024	-	-	2,281,125.00	2,281,125.00
06/01/2025	1,675,000.00	5.000%	2,281,125.00	3,956,125.00
12/01/2025	-	-	2,239,250.00	2,239,250.00
06/01/2026	1,760,000.00	5.000%	2,239,250.00	3,999,250.00
12/01/2026	-	-	2,195,250.00	2,195,250.00
06/01/2027	1,845,000.00	5.000%	2,195,250.00	4,040,250.00
12/01/2027	-	-	2,149,125.00	2,149,125.00
06/01/2028	1,935,000.00	5.000%	2,149,125.00	4,084,125.00
12/01/2028	-	-	2,100,750.00	2,100,750.00
06/01/2029	2,035,000.00	5.000%	2,100,750.00	4,135,750.00
12/01/2029	-	-	2,049,875.00	2,049,875.00
06/01/2030	2,140,000.00	5.000%	2,049,875.00	4,189,875.00
12/01/2030	-	-	1,996,375.00	1,996,375.00
06/01/2031	4,505,000.00	5.000%	1,996,375.00	6,501,375.00
12/01/2031	-	-	1,883,750.00	1,883,750.00
06/01/2032	4,735,000.00	5.000%	1,883,750.00	6,618,750.00
12/01/2032	-	-	1,765,375.00	1,765,375.00
06/01/2033	4,970,000.00	5.000%	1,765,375.00	6,735,375.00
12/01/2033	-	-	1,641,125.00	1,641,125.00
06/01/2034	5,220,000.00	5.000%	1,641,125.00	6,861,125.00
12/01/2034	-	-	1,510,625.00	1,510,625.00
06/01/2035	5,480,000.00	5.000%	1,510,625.00	6,990,625.00
12/01/2035	-	-	1,373,625.00	1,373,625.00
06/01/2036	5,750,000.00	5.000%	1,373,625.00	7,123,625.00
12/01/2036	-	-	1,229,875.00	1,229,875.00
06/01/2037	6,045,000.00	5.000%	1,229,875.00	7,274,875.00
12/01/2037	-	-	1,078,750.00	1,078,750.00
06/01/2038	6,340,000.00	5.000%	1,078,750.00	7,418,750.00
12/01/2038	-	-	920,250.00	920,250.00
06/01/2039	6,660,000.00	5.000%	920,250.00	7,580,250.00
12/01/2039	-	-	753,750.00	753,750.00
06/01/2040	6,995,000.00	5.000%	753,750.00	7,748,750.00
12/01/2040	-	-	578,875.00	578,875.00
06/01/2041	7,345,000.00	5.000%	578,875.00	7,923,875.00
12/01/2041	-	-	395,250.00	395,250.00
06/01/2042	7,710,000.00	5.000%	395,250.00	8,105,250.00
12/01/2042	-	-	202,500.00	202,500.00
06/01/2043	8,100,000.00	5.000%	202,500.00	8,302,500.00
Total	\$95,275,000.00	-	\$58,900,850.69	\$154,175,850.69

Yield Statistics

Bond Year Dollars	\$1,178,017.01
Average Life	12.364 Years
Average Coupon	5.0000000%
Net Interest Cost (NIC)	4.3083553%
True Interest Cost (TIC)	4.0776948%
Bond Yield for Arbitrage Purposes	3.7374214%
All Inclusive Cost (AIC)	4.1514473%

IRS Form 8038

Net Interest Cost	3.9202817%
Weighted Average Maturity	12.368 Years

2023 IPRB EST | Issue Summary | 9/ 7/2023 | 9:10 AM

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

DRAFT: Priced by Piper Sandler on 11.16.23 - Delivery on 12.14.23

(Estimated Aa2 Public Market Transaction)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/30/2024	4,030,000.00	5.000%	2,209,850.69	6,239,850.69
06/30/2025	1,675,000.00	5.000%	4,562,250.00	6,237,250.00
06/30/2026	1,760,000.00	5.000%	4,478,500.00	6,238,500.00
06/30/2027	1,845,000.00	5.000%	4,390,500.00	6,235,500.00
06/30/2028	1,935,000.00	5.000%	4,298,250.00	6,233,250.00
06/30/2029	2,035,000.00	5.000%	4,201,500.00	6,236,500.00
06/30/2030	2,140,000.00	5.000%	4,099,750.00	6,239,750.00
06/30/2031	4,505,000.00	5.000%	3,992,750.00	8,497,750.00
06/30/2032	4,735,000.00	5.000%	3,767,500.00	8,502,500.00
06/30/2033	4,970,000.00	5.000%	3,530,750.00	8,500,750.00
06/30/2034	5,220,000.00	5.000%	3,282,250.00	8,502,250.00
06/30/2035	5,480,000.00	5.000%	3,021,250.00	8,501,250.00
06/30/2036	5,750,000.00	5.000%	2,747,250.00	8,497,250.00
06/30/2037	6,045,000.00	5.000%	2,459,750.00	8,504,750.00
06/30/2038	6,340,000.00	5.000%	2,157,500.00	8,497,500.00
06/30/2039	6,660,000.00	5.000%	1,840,500.00	8,500,500.00
06/30/2040	6,995,000.00	5.000%	1,507,500.00	8,502,500.00
06/30/2041	7,345,000.00	5.000%	1,157,750.00	8,502,750.00
06/30/2042	7,710,000.00	5.000%	790,500.00	8,500,500.00
06/30/2043	8,100,000.00	5.000%	405,000.00	8,505,000.00
Total	\$95,275,000.00	-	\$58,900,850.69	\$154,175,850.69

Yield Statistics

Bond Year Dollars	\$1,178,017.01
Average Life	12.364 Years
Average Coupon	5.0000000%
Net Interest Cost (NIC)	4.3083553%
True Interest Cost (TIC)	4.0776948%
Bond Yield for Arbitrage Purposes	3.7374214%
All Inclusive Cost (AIC)	4.1514473%

IRS Form 8038

Net Interest Cost	3.9202817%
Weighted Average Maturity	12.368 Years

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

DRAFT: Priced by Piper Sandler on 11.16.23 - Delivery on 12.14.23

(Estimated Aa2 Public Market Transaction)

Proof of D/S for Arbitrage Purposes

Date	Principal	Interest	Total
12/14/2023	-	-	-
06/01/2024	4,030,000.00	2,209,850.69	6,239,850.69
12/01/2024	-	2,281,125.00	2,281,125.00
06/01/2025	1,675,000.00	2,281,125.00	3,956,125.00
12/01/2025	-	2,239,250.00	2,239,250.00
06/01/2026	1,760,000.00	2,239,250.00	3,999,250.00
12/01/2026	-	2,195,250.00	2,195,250.00
06/01/2027	1,845,000.00	2,195,250.00	4,040,250.00
12/01/2027	-	2,149,125.00	2,149,125.00
06/01/2028	1,935,000.00	2,149,125.00	4,084,125.00
12/01/2028	-	2,100,750.00	2,100,750.00
06/01/2029	2,035,000.00	2,100,750.00	4,135,750.00
12/01/2029	-	2,049,875.00	2,049,875.00
06/01/2030	2,140,000.00	2,049,875.00	4,189,875.00
12/01/2030	-	1,996,375.00	1,996,375.00
06/01/2031	4,505,000.00	1,996,375.00	6,501,375.00
12/01/2031	-	1,883,750.00	1,883,750.00
06/01/2032	4,735,000.00	1,883,750.00	6,618,750.00
12/01/2032	-	1,765,375.00	1,765,375.00
06/01/2033	4,970,000.00	1,765,375.00	6,735,375.00
09/01/2033	65,645,000.00	820,562.50	66,465,562.50
Total	\$95,275,000.00	\$40,352,163.19	\$135,627,163.19

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

DRAFT: Priced by Piper Sandler on 11.16.23 - Delivery on 12.14.23

(Estimated Aa2 Public Market Transaction)

Proof of Bond Yield @ 3.7374214%

Date	Cashflow	PV Factor	Present Value	Cumulative PV
12/14/2023	-	1.0000000x	-	-
06/01/2024	6,239,850.69	0.9829692x	6,133,581.12	6,133,581.12
12/01/2024	2,281,125.00	0.9649373x	2,201,142.66	8,334,723.78
06/01/2025	3,956,125.00	0.9472362x	3,747,384.89	12,082,108.67
12/01/2025	2,239,250.00	0.9298598x	2,082,188.63	14,164,297.29
06/01/2026	3,999,250.00	0.9128022x	3,650,524.19	17,814,821.48
12/01/2026	2,195,250.00	0.8960575x	1,967,070.17	19,781,891.66
06/01/2027	4,040,250.00	0.8796199x	3,553,884.40	23,335,776.06
12/01/2027	2,149,125.00	0.8634839x	1,855,734.85	25,191,510.91
06/01/2028	4,084,125.00	0.8476439x	3,461,883.63	28,653,394.54
12/01/2028	2,100,750.00	0.8320945x	1,748,022.43	30,401,416.97
06/01/2029	4,135,750.00	0.8168303x	3,378,205.76	33,779,622.73
12/01/2029	2,049,875.00	0.8018461x	1,643,684.23	35,423,306.96
06/01/2030	4,189,875.00	0.7871368x	3,298,004.68	38,721,311.64
12/01/2030	1,996,375.00	0.7726973x	1,542,593.56	40,263,905.20
06/01/2031	6,501,375.00	0.7585227x	4,931,440.51	45,195,345.70
12/01/2031	1,883,750.00	0.7446081x	1,402,655.56	46,598,001.26
06/01/2032	6,618,750.00	0.7309488x	4,837,967.42	51,435,968.68
12/01/2032	1,765,375.00	0.7175401x	1,266,727.28	52,702,695.97
06/01/2033	6,735,375.00	0.7043773x	4,744,245.16	57,446,941.13
09/01/2033	66,465,562.50	0.6978867x	46,385,433.82	103,832,374.95
Total	\$135,627,163.19	-	\$103,832,374.95	-

Derivation Of Target Amount

Par Amount of Bonds	\$95,275,000.00
Reoffering Premium or (Discount)	8,557,374.95
Original Issue Proceeds	\$103,832,374.95

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

DRAFT: Priced by Piper Sandler on 11.16.23 - Delivery on 12.14.23

(Estimated Aa2 Public Market Transaction)

Derivation Of Form 8038 Yield Statistics

Maturity	Issuance Value	Coupon	Price	Issuance Price	Exponent	Bond Years
06/01/2024	4,030,000.00	5.000%	100.668%	4,056,920.40	0.4638889x	1,881,960.30
06/01/2025	1,675,000.00	5.000%	102.164%	1,711,247.00	1.4638889x	2,505,075.47
06/01/2026	1,760,000.00	5.000%	103.845%	1,827,672.00	2.4638889x	4,503,180.73
06/01/2027	1,845,000.00	5.000%	105.654%	1,949,316.30	3.4638889x	6,752,215.07
06/01/2028	1,935,000.00	5.000%	107.258%	2,075,442.30	4.4638889x	9,264,543.82
06/01/2029	2,035,000.00	5.000%	108.956%	2,217,254.60	5.4638889x	12,114,832.77
06/01/2030	2,140,000.00	5.000%	110.495%	2,364,593.00	6.4638889x	15,284,466.42
06/01/2031	4,505,000.00	5.000%	112.077%	5,049,068.85	7.4638889x	37,685,688.89
06/01/2032	4,735,000.00	5.000%	113.252%	5,362,482.20	8.4638889x	45,387,453.51
06/01/2033	4,970,000.00	5.000%	113.982%	5,664,905.40	9.4638889x	53,612,035.27
06/01/2034	5,220,000.00	5.000%	113.491%	5,924,230.20	10.4638889x	61,990,486.57
06/01/2035	5,480,000.00	5.000%	112.608%	6,170,918.40	11.4638889x	70,742,722.88
06/01/2036	5,750,000.00	5.000%	111.385%	6,404,637.50	12.4638889x	79,826,690.17
06/01/2037	6,045,000.00	5.000%	110.007%	6,649,923.15	13.4638889x	89,533,826.41
06/01/2038	6,340,000.00	5.000%	109.071%	6,915,101.40	14.4638889x	100,019,258.31
06/01/2039	6,660,000.00	5.000%	108.480%	7,224,768.00	15.4638889x	111,723,009.60
06/01/2040	6,995,000.00	5.000%	107.894%	7,547,185.30	16.4638889x	124,256,020.20
06/01/2041	7,345,000.00	5.000%	107.311%	7,881,992.95	17.4638889x	137,650,249.10
06/01/2042	7,710,000.00	5.000%	106.650%	8,222,715.00	18.4638889x	151,823,296.13
06/01/2043	8,100,000.00	5.000%	106.321%	8,612,001.00	19.4638889x	167,623,030.58
Total	\$95,275,000.00	-	-	\$103,832,374.95	-	\$1,284,180,042.20

Description of Bonds

Final Maturity Date	6/01/2043
Issue price of entire issue	103,832,374.95
Stated Redemption at Maturity	95,275,000.00
Weighted Average Maturity = Bond Years/Issue Price	12.368 Years
Bond Yield for Arbitrage Purposes	3.7374214%

Uses of Proceeds of Issue

Proceeds used for accrued interest	-
Proceeds used for bond issuance costs (including underwriters' discount)	1,097,182.50
Proceeds used for credit enhancement	-
Proceeds allocated to reasonably required reserve or replacement fund	-

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

(Detention Center Portion)

Sources & Uses

Dated 12/14/2023 | Delivered 12/14/2023

Sources Of Funds

Par Amount of Bonds	\$70,390,000.00
Reoffering Premium	6,421,410.60
Total Sources	\$76,811,410.60

Uses Of Funds

Total Underwriter's Discount (0.430%)	302,677.00
Costs of Issuance	507,930.99
Deposit to Project Fund - Detention Ctr	76,000,000.00
Rounding Amount	802.61
Total Uses	\$76,811,410.60

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

(Detention Center Portion)

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	YTM	Call Date	Call Price	Dollar Price
06/01/2024	Serial Coupon	5.000%	3.530%	2,660,000.00	100.668%	-	-	-	2,677,768.80
06/01/2025	Serial Coupon	5.000%	3.470%	905,000.00	102.164%	-	-	-	924,584.20
06/01/2026	Serial Coupon	5.000%	3.360%	950,000.00	103.845%	-	-	-	986,527.50
06/01/2027	Serial Coupon	5.000%	3.260%	995,000.00	105.654%	-	-	-	1,051,257.30
06/01/2028	Serial Coupon	5.000%	3.240%	1,045,000.00	107.258%	-	-	-	1,120,846.10
06/01/2029	Serial Coupon	5.000%	3.200%	1,100,000.00	108.956%	-	-	-	1,198,516.00
06/01/2030	Serial Coupon	5.000%	3.190%	1,155,000.00	110.495%	-	-	-	1,276,217.25
06/01/2031	Serial Coupon	5.000%	3.170%	3,475,000.00	112.077%	-	-	-	3,894,675.75
06/01/2032	Serial Coupon	5.000%	3.200%	3,650,000.00	113.252%	-	-	-	4,133,698.00
06/01/2033	Serial Coupon	5.000%	3.270%	3,835,000.00	113.982%	-	-	-	4,371,209.70
06/01/2034	Serial Coupon	5.000%	3.360%	4,025,000.00	113.491%	c 3.453%	09/01/2033	100.000%	4,568,012.75
06/01/2035	Serial Coupon	5.000%	3.460%	4,225,000.00	112.608%	c 3.644%	09/01/2033	100.000%	4,757,688.00
06/01/2036	Serial Coupon	5.000%	3.600%	4,435,000.00	111.385%	c 3.842%	09/01/2033	100.000%	4,939,924.75
06/01/2037	Serial Coupon	5.000%	3.760%	4,660,000.00	110.007%	c 4.030%	09/01/2033	100.000%	5,126,326.20
06/01/2038	Serial Coupon	5.000%	3.870%	4,890,000.00	109.071%	c 4.159%	09/01/2033	100.000%	5,333,571.90
06/01/2039	Serial Coupon	5.000%	3.940%	5,135,000.00	108.480%	c 4.246%	09/01/2033	100.000%	5,570,448.00
06/01/2040	Serial Coupon	5.000%	4.010%	5,395,000.00	107.894%	c 4.325%	09/01/2033	100.000%	5,820,881.30
06/01/2041	Serial Coupon	5.000%	4.080%	5,665,000.00	107.311%	c 4.396%	09/01/2033	100.000%	6,079,168.15
06/01/2042	Serial Coupon	5.000%	4.160%	5,945,000.00	106.650%	c 4.467%	09/01/2033	100.000%	6,340,342.50
06/01/2043	Serial Coupon	5.000%	4.200%	6,245,000.00	106.321%	c 4.509%	09/01/2033	100.000%	6,639,746.45
Total	-	-	-	\$70,390,000.00	-	-	-	-	\$76,811,410.60

Bid Information

Par Amount of Bonds	\$70,390,000.00
Reoffering Premium or (Discount)	6,421,410.60
Gross Production	\$76,811,410.60
Total Underwriter's Discount (0.430%)	\$(302,677.00)
Bid (108.693%)	76,508,733.60
Total Purchase Price	\$76,508,733.60
Bond Year Dollars	\$897,393.14
Average Life	12.749 Years
Average Coupon	5.0000000%
Net Interest Cost (NIC)	4.3181658%
True Interest Cost (TIC)	4.0878928%

2023 IPRB EST | Detention Center | 9/ 7/2023 | 9:10 AM

Compass Municipal Advisors, LLC
Public Finance

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

(Detention Center Portion)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/01/2024	2,660,000.00	5.000%	1,632,656.94	4,292,656.94
12/01/2024	-	-	1,693,250.00	1,693,250.00
06/01/2025	905,000.00	5.000%	1,693,250.00	2,598,250.00
12/01/2025	-	-	1,670,625.00	1,670,625.00
06/01/2026	950,000.00	5.000%	1,670,625.00	2,620,625.00
12/01/2026	-	-	1,646,875.00	1,646,875.00
06/01/2027	995,000.00	5.000%	1,646,875.00	2,641,875.00
12/01/2027	-	-	1,622,000.00	1,622,000.00
06/01/2028	1,045,000.00	5.000%	1,622,000.00	2,667,000.00
12/01/2028	-	-	1,595,875.00	1,595,875.00
06/01/2029	1,100,000.00	5.000%	1,595,875.00	2,695,875.00
12/01/2029	-	-	1,568,375.00	1,568,375.00
06/01/2030	1,155,000.00	5.000%	1,568,375.00	2,723,375.00
12/01/2030	-	-	1,539,500.00	1,539,500.00
06/01/2031	3,475,000.00	5.000%	1,539,500.00	5,014,500.00
12/01/2031	-	-	1,452,625.00	1,452,625.00
06/01/2032	3,650,000.00	5.000%	1,452,625.00	5,102,625.00
12/01/2032	-	-	1,361,375.00	1,361,375.00
06/01/2033	3,835,000.00	5.000%	1,361,375.00	5,196,375.00
12/01/2033	-	-	1,265,500.00	1,265,500.00
06/01/2034	4,025,000.00	5.000%	1,265,500.00	5,290,500.00
12/01/2034	-	-	1,164,875.00	1,164,875.00
06/01/2035	4,225,000.00	5.000%	1,164,875.00	5,389,875.00
12/01/2035	-	-	1,059,250.00	1,059,250.00
06/01/2036	4,435,000.00	5.000%	1,059,250.00	5,494,250.00
12/01/2036	-	-	948,375.00	948,375.00
06/01/2037	4,660,000.00	5.000%	948,375.00	5,608,375.00
12/01/2037	-	-	831,875.00	831,875.00
06/01/2038	4,890,000.00	5.000%	831,875.00	5,721,875.00
12/01/2038	-	-	709,625.00	709,625.00
06/01/2039	5,135,000.00	5.000%	709,625.00	5,844,625.00
12/01/2039	-	-	581,250.00	581,250.00
06/01/2040	5,395,000.00	5.000%	581,250.00	5,976,250.00
12/01/2040	-	-	446,375.00	446,375.00
06/01/2041	5,665,000.00	5.000%	446,375.00	6,111,375.00
12/01/2041	-	-	304,750.00	304,750.00
06/01/2042	5,945,000.00	5.000%	304,750.00	6,249,750.00
12/01/2042	-	-	156,125.00	156,125.00
06/01/2043	6,245,000.00	5.000%	156,125.00	6,401,125.00
Total	\$70,390,000.00	-	\$44,869,656.94	\$115,259,656.94

Yield Statistics

Bond Year Dollars	\$897,393.14
Average Life	12.749 Years
Average Coupon	5.0000000%
Net Interest Cost (NIC)	4.3181658%
True Interest Cost (TIC)	4.0878928%
Bond Yield for Arbitrage Purposes	3.7374214%
All Inclusive Cost (AIC)	4.1596506%

IRS Form 8038

Net Interest Cost	3.9296504%
Weighted Average Maturity	12.738 Years

2023 IPRB EST | Detention Center | 9/ 7/2023 | 9:10 AM

Compass Municipal Advisors, LLC
Public Finance

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

(Detention Center Portion)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/30/2024	2,660,000.00	5.000%	1,632,656.94	4,292,656.94
06/30/2025	905,000.00	5.000%	3,386,500.00	4,291,500.00
06/30/2026	950,000.00	5.000%	3,341,250.00	4,291,250.00
06/30/2027	995,000.00	5.000%	3,293,750.00	4,288,750.00
06/30/2028	1,045,000.00	5.000%	3,244,000.00	4,289,000.00
06/30/2029	1,100,000.00	5.000%	3,191,750.00	4,291,750.00
06/30/2030	1,155,000.00	5.000%	3,136,750.00	4,291,750.00
06/30/2031	3,475,000.00	5.000%	3,079,000.00	6,554,000.00
06/30/2032	3,650,000.00	5.000%	2,905,250.00	6,555,250.00
06/30/2033	3,835,000.00	5.000%	2,722,750.00	6,557,750.00
06/30/2034	4,025,000.00	5.000%	2,531,000.00	6,556,000.00
06/30/2035	4,225,000.00	5.000%	2,329,750.00	6,554,750.00
06/30/2036	4,435,000.00	5.000%	2,118,500.00	6,553,500.00
06/30/2037	4,660,000.00	5.000%	1,896,750.00	6,556,750.00
06/30/2038	4,890,000.00	5.000%	1,663,750.00	6,553,750.00
06/30/2039	5,135,000.00	5.000%	1,419,250.00	6,554,250.00
06/30/2040	5,395,000.00	5.000%	1,162,500.00	6,557,500.00
06/30/2041	5,665,000.00	5.000%	892,750.00	6,557,750.00
06/30/2042	5,945,000.00	5.000%	609,500.00	6,554,500.00
06/30/2043	6,245,000.00	5.000%	312,250.00	6,557,250.00
Total	\$70,390,000.00	-	\$44,869,656.94	\$115,259,656.94

Yield Statistics

Bond Year Dollars	\$897,393.14
Average Life	12.749 Years
Average Coupon	5.0000000%
Net Interest Cost (NIC)	4.3181658%
True Interest Cost (TIC)	4.0878928%
Bond Yield for Arbitrage Purposes	3.7374214%
All Inclusive Cost (AIC)	4.1596506%

IRS Form 8038

Net Interest Cost	3.9296504%
Weighted Average Maturity	12.738 Years

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

(Regional Park Portion)

Sources & Uses

Dated 12/14/2023 | Delivered 12/14/2023

Sources Of Funds

Par Amount of Bonds	\$24,885,000.00
Reoffering Premium	2,135,964.35
Total Sources	\$27,020,964.35

Uses Of Funds

Total Underwriter's Discount (0.430%)	107,005.50
Costs of Issuance	179,569.01
Deposit to Project Fund - Regional Park	26,730,000.00
Rounding Amount	4,389.84
Total Uses	\$27,020,964.35

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

(Regional Park Portion)

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	YTM	Call Date	Call Price	Dollar Price
06/01/2024	Serial Coupon	5.000%	3.530%	1,370,000.00	100.668%	-	-	-	1,379,151.60
06/01/2025	Serial Coupon	5.000%	3.470%	770,000.00	102.164%	-	-	-	786,662.80
06/01/2026	Serial Coupon	5.000%	3.360%	810,000.00	103.845%	-	-	-	841,144.50
06/01/2027	Serial Coupon	5.000%	3.260%	850,000.00	105.654%	-	-	-	898,059.00
06/01/2028	Serial Coupon	5.000%	3.240%	890,000.00	107.258%	-	-	-	954,596.20
06/01/2029	Serial Coupon	5.000%	3.200%	935,000.00	108.956%	-	-	-	1,018,738.60
06/01/2030	Serial Coupon	5.000%	3.190%	985,000.00	110.495%	-	-	-	1,088,375.75
06/01/2031	Serial Coupon	5.000%	3.170%	1,030,000.00	112.077%	-	-	-	1,154,393.10
06/01/2032	Serial Coupon	5.000%	3.200%	1,085,000.00	113.252%	-	-	-	1,228,784.20
06/01/2033	Serial Coupon	5.000%	3.270%	1,135,000.00	113.982%	-	-	-	1,293,695.70
06/01/2034	Serial Coupon	5.000%	3.360%	1,195,000.00	113.491%	c 3.453%	09/01/2033	100.000%	1,356,217.45
06/01/2035	Serial Coupon	5.000%	3.460%	1,255,000.00	112.608%	c 3.644%	09/01/2033	100.000%	1,413,230.40
06/01/2036	Serial Coupon	5.000%	3.600%	1,315,000.00	111.385%	c 3.842%	09/01/2033	100.000%	1,464,712.75
06/01/2037	Serial Coupon	5.000%	3.760%	1,385,000.00	110.007%	c 4.030%	09/01/2033	100.000%	1,523,596.95
06/01/2038	Serial Coupon	5.000%	3.870%	1,450,000.00	109.071%	c 4.159%	09/01/2033	100.000%	1,581,529.50
06/01/2039	Serial Coupon	5.000%	3.940%	1,525,000.00	108.480%	c 4.246%	09/01/2033	100.000%	1,654,320.00
06/01/2040	Serial Coupon	5.000%	4.010%	1,600,000.00	107.894%	c 4.325%	09/01/2033	100.000%	1,726,304.00
06/01/2041	Serial Coupon	5.000%	4.080%	1,680,000.00	107.311%	c 4.396%	09/01/2033	100.000%	1,802,824.80
06/01/2042	Serial Coupon	5.000%	4.160%	1,765,000.00	106.650%	c 4.467%	09/01/2033	100.000%	1,882,372.50
06/01/2043	Serial Coupon	5.000%	4.200%	1,855,000.00	106.321%	c 4.509%	09/01/2033	100.000%	1,972,254.55
Total	-	-	-	\$24,885,000.00	-	-	-	-	\$27,020,964.35

Bid Information

Par Amount of Bonds	\$24,885,000.00
Reoffering Premium or (Discount)	2,135,964.35
Gross Production	\$27,020,964.35
Total Underwriter's Discount (0.430%)	\$(107,005.50)
Bid (108.153%)	26,913,958.85
Total Purchase Price	\$26,913,958.85
Bond Year Dollars	\$280,623.88
Average Life	11.277 Years
Average Coupon	5.0000000%
Net Interest Cost (NIC)	4.2769828%
True Interest Cost (TIC)	4.0454369%

2023 IPRB EST | Regional Park | 9/ 7/2023 | 9:10 AM

Compass Municipal Advisors, LLC
Public Finance

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

(Regional Park Portion)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/01/2024	1,370,000.00	5.000%	577,193.75	1,947,193.75
12/01/2024	-	-	587,875.00	587,875.00
06/01/2025	770,000.00	5.000%	587,875.00	1,357,875.00
12/01/2025	-	-	568,625.00	568,625.00
06/01/2026	810,000.00	5.000%	568,625.00	1,378,625.00
12/01/2026	-	-	548,375.00	548,375.00
06/01/2027	850,000.00	5.000%	548,375.00	1,398,375.00
12/01/2027	-	-	527,125.00	527,125.00
06/01/2028	890,000.00	5.000%	527,125.00	1,417,125.00
12/01/2028	-	-	504,875.00	504,875.00
06/01/2029	935,000.00	5.000%	504,875.00	1,439,875.00
12/01/2029	-	-	481,500.00	481,500.00
06/01/2030	985,000.00	5.000%	481,500.00	1,466,500.00
12/01/2030	-	-	456,875.00	456,875.00
06/01/2031	1,030,000.00	5.000%	456,875.00	1,486,875.00
12/01/2031	-	-	431,125.00	431,125.00
06/01/2032	1,085,000.00	5.000%	431,125.00	1,516,125.00
12/01/2032	-	-	404,000.00	404,000.00
06/01/2033	1,135,000.00	5.000%	404,000.00	1,539,000.00
12/01/2033	-	-	375,625.00	375,625.00
06/01/2034	1,195,000.00	5.000%	375,625.00	1,570,625.00
12/01/2034	-	-	345,750.00	345,750.00
06/01/2035	1,255,000.00	5.000%	345,750.00	1,600,750.00
12/01/2035	-	-	314,375.00	314,375.00
06/01/2036	1,315,000.00	5.000%	314,375.00	1,629,375.00
12/01/2036	-	-	281,500.00	281,500.00
06/01/2037	1,385,000.00	5.000%	281,500.00	1,666,500.00
12/01/2037	-	-	246,875.00	246,875.00
06/01/2038	1,450,000.00	5.000%	246,875.00	1,696,875.00
12/01/2038	-	-	210,625.00	210,625.00
06/01/2039	1,525,000.00	5.000%	210,625.00	1,735,625.00
12/01/2039	-	-	172,500.00	172,500.00
06/01/2040	1,600,000.00	5.000%	172,500.00	1,772,500.00
12/01/2040	-	-	132,500.00	132,500.00
06/01/2041	1,680,000.00	5.000%	132,500.00	1,812,500.00
12/01/2041	-	-	90,500.00	90,500.00
06/01/2042	1,765,000.00	5.000%	90,500.00	1,855,500.00
12/01/2042	-	-	46,375.00	46,375.00
06/01/2043	1,855,000.00	5.000%	46,375.00	1,901,375.00
Total	\$24,885,000.00	-	\$14,031,193.75	\$38,916,193.75

Yield Statistics

Bond Year Dollars	\$280,623.88
Average Life	11.277 Years
Average Coupon	5.0000000%
Net Interest Cost (NIC)	4.2769828%
True Interest Cost (TIC)	4.0454369%
Bond Yield for Arbitrage Purposes	3.7374214%
All Inclusive Cost (AIC)	4.1254942%

IRS Form 8038

Net Interest Cost	3.8903031%
Weighted Average Maturity	11.316 Years

2023 IPRB EST | Regional Park | 9/ 7/2023 | 9:10 AM

Compass Municipal Advisors, LLC
Public Finance

Lancaster County Public Facilities Corporation

Installment Purchase Revenue Bonds, Series 2023

(Regional Park Portion)

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
06/30/2024	1,370,000.00	5.000%	577,193.75	1,947,193.75
06/30/2025	770,000.00	5.000%	1,175,750.00	1,945,750.00
06/30/2026	810,000.00	5.000%	1,137,250.00	1,947,250.00
06/30/2027	850,000.00	5.000%	1,096,750.00	1,946,750.00
06/30/2028	890,000.00	5.000%	1,054,250.00	1,944,250.00
06/30/2029	935,000.00	5.000%	1,009,750.00	1,944,750.00
06/30/2030	985,000.00	5.000%	963,000.00	1,948,000.00
06/30/2031	1,030,000.00	5.000%	913,750.00	1,943,750.00
06/30/2032	1,085,000.00	5.000%	862,250.00	1,947,250.00
06/30/2033	1,135,000.00	5.000%	808,000.00	1,943,000.00
06/30/2034	1,195,000.00	5.000%	751,250.00	1,946,250.00
06/30/2035	1,255,000.00	5.000%	691,500.00	1,946,500.00
06/30/2036	1,315,000.00	5.000%	628,750.00	1,943,750.00
06/30/2037	1,385,000.00	5.000%	563,000.00	1,948,000.00
06/30/2038	1,450,000.00	5.000%	493,750.00	1,943,750.00
06/30/2039	1,525,000.00	5.000%	421,250.00	1,946,250.00
06/30/2040	1,600,000.00	5.000%	345,000.00	1,945,000.00
06/30/2041	1,680,000.00	5.000%	265,000.00	1,945,000.00
06/30/2042	1,765,000.00	5.000%	181,000.00	1,946,000.00
06/30/2043	1,855,000.00	5.000%	92,750.00	1,947,750.00
Total	\$24,885,000.00	-	\$14,031,193.75	\$38,916,193.75

Yield Statistics

Bond Year Dollars	\$280,623.88
Average Life	11.277 Years
Average Coupon	5.0000000%
Net Interest Cost (NIC)	4.2769828%
True Interest Cost (TIC)	4.0454369%
Bond Yield for Arbitrage Purposes	3.7374214%
All Inclusive Cost (AIC)	4.1254942%

IRS Form 8038

Net Interest Cost	3.8903031%
Weighted Average Maturity	11.316 Years

Agenda Item Summary

Ordinance # / Resolution #: Ordinance 2023-1846
Contact Person / Sponsor: Chris Clouden / Parks & Recreation
Department: Administration
Date Requested to be on Agenda: 9/11/2023

Council Action Requested:

Adopt criteria by which County Council will consider in the naming or renaming of County property and facilities.

Points to Consider:

This item was presented at the March COW meeting and County Council asked at that meeting for more information to clarify that names can be canceled or changed at any time by Council vote. The attached draft Ordinance reflects that change and a few other tweaks.

Lancaster County has numerous assets of real property and facilities, particularly in the parks and recreation department, that can be utilized to honor local residents or even monetized to maximize revenue for the County.

The County recently added two new athletic / soccer complexes, plus renovated the Indian Land Recreation Center. In addition, the County is embarking on the construction of a new 84-acre regional park and new Detention Facility.

These new facilities, plus others planned, give the County Council an opportunity to determine names for these new facilities.

There are a myriad of ways the County Council can approach naming of County property and facilities, with this proposed ordinance identifying some criteria or parameters to consider.

This ordinance outlines a general naming policy, but would be used in tandem with an administrative policy related to sponsorships, for the instance when sponsorships can be parlayed into naming rights that would be presented to County Council.

Funding and Liability Factors:

Naming of public property or facilities can evoke a lot of emotions depending on the name and rationale utilized. Having a policy and transparent process can mitigate any concerns for how names are determined.

The only funding factor is having expenses to pay for signage and potential advertising. However, there could be significant revenue generated based on sponsorship opportunities with naming rights.

Recommendation:

Approve the ordinance.

ATTACHMENTS:

Description	Upload Date	Type
Ordinance 2023-1846	7/20/2023	Ordinance
Notice of Public Hearing for Ordinance 2023-1846	9/5/2023	Public Hearing Notices

STATE OF SOUTH CAROLINA)
) **ORDINANCE NO. 2023-1846**
COUNTY OF LANCASTER)

AN ORDINANCE

ESTABLISHING A POLICY AND PROCEDURE FOR NAMING COUNTY-OWNED PROPERTIES OR STRUCTURES.

WHEREAS, naming opportunities for County-owned properties or structures exist to recognize extraordinary efforts, accomplishments, service, generosity, geography, history and natural elements which are valuable to Lancaster County; and

WHEREAS, naming opportunities for County-owned properties or structures are expected to reflect the history, tradition and values of Lancaster County; and

WHEREAS, Lancaster County Council has determined that it is in the best interest of the Citizens of Lancaster County for there to be a written policy and procedure for naming County-owned properties or structures to ensure that naming practices properly reflect the history, tradition and values of Lancaster County.

NOW, THEREFORE, by the power and authority granted to the Lancaster County Council by the Constitution of the State of South Carolina and the powers granted to the County by the General Assembly of the State, it is ordained and enacted that:

SECTION I. Title

Lancaster County Code of Ordinances is hereby amended to add a section entitled “Naming of County-Owned Properties or Structures or Portions Thereof” as follows:

A. Objective.

To set the policy and guidelines for official naming of County owned properties or structures or portions thereof, which is defined as a meeting room or conference room or other public space owned by the County. This policy shall not apply to any privately owned properties or structures or portions thereof in the County.

B. Policy and Priorities.

Council may receive recommendations as to the naming of County-owned properties or structures or portions thereof from the public, staff and related advisory bodies. All final decisions on naming or renaming of any County owned property or structures or portions thereof will be made by County Council in its sole and complete discretion and shall require a unanimous vote of County Council.

C. Guidelines for Naming of County Owned Properties or Structures or Portions Thereof.

(1) Initial naming of County owned properties or structures or portions thereof shall be handled as follows:

- a. Properties or structures or portions thereof owned by the County may be named for an elected or appointed public official or public employee. The elected or appointed official must be deceased for a minimum of three (3) years and the complete name of the individual must be used. The last name of the individual so honored may be used in referring informally to the property or structure of portion thereof.
- b. Properties or structures or portions thereof owned by the County may be named for areas of geographic interest located within Lancaster County.
- c. Properties or structures or portions thereof owned by the County may be named for persons or events of historical or patriotic significance in the United States provided they are related to Lancaster County. Any persons of historical or patriotic significance must be deceased for a minimum of three (3) years and the complete name of the individual must be used. The last name of the individual so honored may be used in referring informally to the property or structure or portion thereof.
- d. Properties or structures or portions thereof owned by the County may be named for nature or wildlife which are indigenous to Lancaster County.
- e. Properties or structures, or a portion of a property or structure, such as a meeting or conference room or other public space owned by the County may be named for individuals who, in the opinion of Council, have made exceptional contributions to the community by having met one or more of the following:
 1. Contribution which resulted in the long-term health and/or well being of the people of Lancaster County.
 2. Must not have any other property or structures named for them in the County.
 3. Nominated individuals must be supported by five letters of recommendation from groups, individuals or communities within the County.
 4. Individual must have been actively involved in Lancaster County community affairs for no less than 10 years.
 5. Contribution of individual must be of an exceptional quality and/or significance.

6. Efforts of individual must have made a lasting, significant contribution to the County's goals and objectives.

In addition to the requirement to have met one or more of the factors outlined above in (C)(1)(e)(1-6), the individual must be deceased for a minimum of three (3) years and the complete name of the individual must be used. The last name of the individual so honored may be used in referring informally to the property or structure.

- f. Properties or structures, or a portion of a property or structure, such as a meeting or conference room or other public space owned by the County may be named for individuals, groups or businesses who have made significant donations of land, money or facilities to the County pursuant to the following criteria:
 1. Any individual, group or business that donates a significant amount of money, land or facilities may be eligible for naming rights to said property or a portion of the property or structure as outlined above.
 2. When the proposed naming of a property or structure or portion thereof is in honor of an individual, the complete name of the individual must be used. The last name of the individual so honored may be used in referring informally to the facility.

(2) Renaming of County Owned Properties or Structures of Portions thereof:

- a) Renaming of a property or structure or portion thereof may occur when a property or structure or portion thereof that has been named in accordance with Section (C)(1) of this ordinance has reached the end of its useful life, deemed to be the length of time the structure or portion thereof is reasonably used for the benefit of the citizens of Lancaster County, and will be replaced or substantially renovated. The replaced or renovated property or structure or portion thereof may be renamed in recognition of another honoree per the criteria set forth herein.
- b) Renaming of a property or structure or portion thereof may occur when a property or structure or portion thereof that has been named in accordance with Section (C)(1) of this ordinance has been designated for another use by the County and may be named in recognition of a different honoree pursuant to the guidelines outlined in Section (C)(1) of this ordinance.
- c) In the event of a renaming of a property of structure or portion thereof pursuant to subsection (C)(2)(a) and (b) of this ordinance, appropriate recognition of earlier honorees shall be included in or adjacent to the newly renovated property or structure of portion thereof as well as on any redeveloped property or structure of portion thereof.

- d) County Council may rename a property or structure or portion thereof at anytime for any reason with or without cause at its sole discretion and beyond the requirements of subsection (C)(2)(a) and (b) of this ordinance. The renaming of a property by Council will cancel all agreements and Lancaster County shall not be required to issue refunds on prior monetary collections. The return of any refunds or portion of refunds on prior monetary collections shall be at the discretion and direction of Council.
- (3) Nominations for Naming of County Owned Properties or Structures or Portions thereof:
- a) Nominations for naming of County owned properties or structures or portions thereof may be submitted to the Clerk to County Council in writing, accompanied by a justification for the recommended honoree.
 - b) Requests will be reviewed by the County Administrator and other appropriate staff before being submitted to County Council.
- (4) Proposed name(s) for County owned properties or structures or portions thereof must be in good taste per local community standards and must not be insulting or derogatory.

SECTION II. **Severability**

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

SECTION III. **Conflicting Provisions**

To the extent this Ordinance contains provisions that conflict with provisions contained elsewhere in the Lancaster County Code or other County Ordinances, the provisions contained in this Ordinance supersedes all other provisions and this Ordinance is controlling.

SECTION IV. **Effective Date of Ordinance**

This Ordinance is effective upon passage of Third Reading.

AND IT IS SO ORDAINED

Dated this _____ day of _____, 2023.

LANCASTER COUNTY, SOUTH CAROLINA

Steve Harper, Chair, County Council

Billy Mosteller, Secretary, County Council

ATTEST:

Sherrie Simpson, Clerk to Council

First Reading: August 14, 2023
Second Reading: August 28, 2023
Third Reading: September 11, 2023
Public Hearing: September 11, 2023

Approved as to form:

Virginia Merck-Dupont, County Attorney

The Lancaster News

980 N Woodland Drive
PO Box 640
Lancaster, SC 29721
803-283-1133

NOTICE OF PUBLIC HEARING

Lancaster County Council

A public hearing has been scheduled by the Lancaster County Council for Monday, September 11, 2023, at 6:00 p.m. in the Lancaster County Council Chambers, second floor, County Administration Building, 101 North Main Street, Lancaster, South Carolina, or at such other location in or around the complex posted at the main entrance. The purpose of the public hearing is to receive public comment on **Ordinance No. 2023-1846**, an ordinance titled "**AN ORDINANCE ESTABLISHING A POLICY AND PROCEDURE FOR NAMING COUNTY-OWNED PROPERTIES OR STRUCTURES.**" Public comments may be made in person at the hearing or submitted in written format to be provided to County Council at the public hearing. Comments made in person or in writing should be limited to three (3) minutes in duration if read aloud. Written comments may be submitted either by online submission by selecting the "public hearing comments" quick link located on the county website homepage (<https://www.mylancastersc.org/>), by email to ssimpson@lancastersc.net, or by mail addressed to Clerk to Council at Post Office Box 1809, Lancaster, SC 29721 with the Ordinance number or other appropriate identifier clearly referenced in the communication. At the public hearing and any adjournment of it, all interested persons may be heard either in person or by their designee or by submission of written comments.

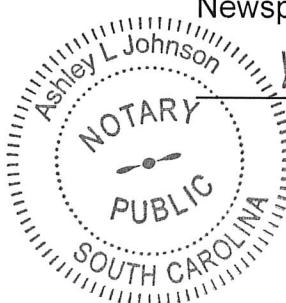
I hereby certify that on the above notice published in The Lancaster News, a general circulation in Lancaster County, South Carolina, in accordance with law on August 23rd 2023.

SWORN to before me this 23rd day of August, 2023

Ashley L. Johnson

Notary Public for South Carolina
My Commission Expires: 01/20/2027

Newspaper Rep Signature



Horst Riss

Agenda Item Summary

Ordinance # / Resolution #: Ordinance 2023-1868

Contact Person / Sponsor: Dennis Marstall / Administration

Department: Administration

Date Requested to be on Agenda: 9/11/2023

Council Action Requested:

Amend the County Code to extend the residency requirement time frame by which the County Administrator, Deputy County Administrator and the Director of Economic Development must locate within Lancaster County.

Points to Consider:

County Council has previously discussed the residency requirement for the three staff positions identified in the County Code that must adhere to a residency requirement, as a condition of employment. The residency requirement, as discussed in July 2023 centered on adjusting the boundaries of the residency requirement, but did not contemplate adjusting the current timeframe of six months, by which the identified employees had to achieve residency.

Given the economic realities of the day and the many issues associated with relocations, including selling properties and finding new housing in a tight housing market in Lancaster County, it may take more than six months for these employees to finalize permanent residency.

This ordinance provides more flexibility for relocations, but still supports Council's preference to have these top staff positions live within the County by extending the residency requirement timeframe from six months to twelve months (one year).

This action will allow flexibility for personal family situations of the identified candidates for these positions. It will also help support the County's focus to recruit top talent to the County workforce and expand the recruitment pool for these three management positions.

Funding and Liability Factors:

N/A

Recommendation:

Approve Ordinance 2023-1868.

ATTACHMENTS:

Description	Upload Date	Type
Ordinance 2023-1868	8/9/2023	Ordinance
Notice of Public Hearing for Ordinance 2023-1868	9/5/2023	Public Hearing Notices

STATE OF SOUTH CAROLINA

)

ORDINANCE NO. 2023-1868

COUNTY OF LANCASTER

)

~~Indicates Matter Stricken~~

Indicates New Matter

AN ORDINANCE

TO AMEND THE LANCASTER COUNTY CODE RELATED TO THE RESIDENCY REQUIREMENT FOR CERTAIN MANAGEMENT POSITIONS

WHEREAS, the Lancaster County Administrator (“County Administrator”), pursuant to SC Code 4-9-630, is charged with the statutory power and duty to direct and coordinate operational agencies and administrative activities of the county government; and

WHEREAS, the County Administrator, pursuant to SC Code 4-9-620, shall be responsible for the administration of all departments of the county government which the Council of Lancaster County (“County Council”) council has the authority to control; and

WHEREAS, County Council finds that it should remove certain prescriptive and restrictive language from the County Code related to residency requirements for certain positions to increase the applicant pool for management positions within the County.

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

Section 1. Section 2-132.1 of the Lancaster County Code is hereby amended as follows:

Sec. 2-132.1. – Residency Requirements for Certain County Staff

- (a) On or after February 1, 2016, the county administrator, the deputy county administrator and the county’s director of economic development shall reside permanently within the boundaries of Lancaster County during the entire period of employment.
- (b) Unless otherwise modified by council because of unusual circumstances, permanent residency shall be established within ~~six (6) months~~ one year following the ~~staff member’s~~ acceptance of employment of any of the aforementioned.

Section 2. Severability.

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

Section 3. Conflicting Provisions.

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

Section 4. Effective Date.

This ordinance is effective upon third reading.

AND IT IS SO ORDAINED

Dated this ____ day of _____, 2023.

LANCASTER COUNTY, SOUTH CAROLINA

Steve Harper, Chair, County Council

Billy Mosteller, Secretary, County Council

ATTEST:

Sherrie Simpson, Clerk to Council

First Reading: August 14, 2023
Second Reading: August 28, 2023
Public Hearing: September 11, 2023
Third Reading: September 11, 2023

Approved as to form:

Virginia L. Merck-Dupont, County Attorney

The Lancaster News

980 N Woodland Drive
PO Box 640
Lancaster, SC 29721
803-283-1133

NOTICE OF PUBLIC HEARING

Lancaster County Council

A public hearing has been scheduled by the Lancaster County Council for Monday, September 11, 2023, at 6:00 p.m. in the Lancaster County Council Chambers, second floor, County Administration Building, 101 North Main Street, Lancaster, South Carolina, or at such other location in or around the complex posted at the main entrance. The purpose of the public hearing is to receive public comment on **Ordinance No. 2023-1868**, an ordinance titled **"AN ORDINANCE TO AMEND THE LANCASTER COUNTY CODE RELATED TO THE RESIDENCY REQUIREMENT FOR CERTAIN MANAGEMENT POSITIONS"**. Public comments may be made in person at the hearing or submitted in written format to be provided to County Council at the public hearing. Comments made in person or in writing should be limited to three (3) minutes in duration if read aloud. Written comments may be submitted either by online submission by selecting the "public hearing comments" quick link located on the county website homepage (<https://www.mylancastersc.org/>), by email to ssimpson@lancastersc.net, or by mail addressed to Clerk to Council at Post Office Box 1809, Lancaster, SC 29721 with the Ordinance number or other appropriate identifier clearly referenced in the communication. At the public hearing and any adjournment of it, all interested persons may be heard either in person or by their designee or by submission of written comments.

I hereby certify that on the above notice published in The Lancaster News, a general circulation in Lancaster County, South Carolina, in accordance with law on August 23rd 2023.

SWORN to before me this 23rd day of

August, 2023

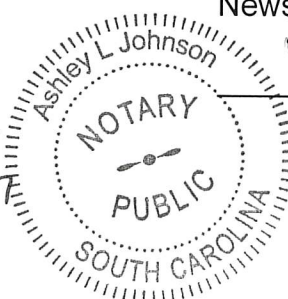
Ashley L Johnson

Notary Public for South Carolina

My Commission Expires: 01/20/2027

Newspaper Rep Signature

Kristi Ross



Agenda Item Summary

Ordinance # / Resolution #: Ordinance 2023-1873

Contact Person / Sponsor: Dennis Marstall / Administration and Ginny Merck-Dupont / County Attorney

Department: Administration

Date Requested to be on Agenda: 9/11/2023

Council Action Requested:

Approve an easement for Duke Energy Carolinas, LLC. to serve the airport lighting vault.

Points to Consider:

Duke Energy Carolinas is requesting a new primary extension at the airport, location shown in the attached sketch to better serve the new lighting vault.

Funding and Liability Factors:

N/A

Recommendation:

Approval of Ordinance 2023-1873.

ATTACHMENTS:

Description	Upload Date	Type
Ordinance 2023-1873	8/22/2023	Ordinance
Exhibit for Ordinance 2023-1873 - Easement	8/21/2023	Exhibit
Map Showing Proposed Easement Location	8/21/2023	Backup Material

STATE OF SOUTH CAROLINA)
)
COUNTY OF LANCASTER)

ORDINANCE NO. 2023 - 1873

AN ORDINANCE

TO APPROVE AN EASEMENT GRANT TO DUKE ENERGY CAROLINAS, LLC UPON REAL PROPERTY OWNED BY LANCASTER COUNTY AND LOCATED AT 286 AVIATION BOULEVARD BEARING TAX PARCEL NUMBER 0066-00-027.00 AND TO AUTHORIZE COUNTY OFFICIALS TO TAKE SUCH ACTIONS AS ARE NECESSARY TO EFFECTUATE THE GRANT OF THE EASEMENTS AND TO EFFECTUATE THE PURPOSES OF THIS ORDINANCE.

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

Section 1. Findings and determinations.

Council finds and determines that:

- (1) Lancaster County (the “County”) owns land at tax parcel number 0066-00-027.00.
- (2) To provide new electrical service to the lighting vault at the Lancaster County Airport, Duke Energy Carolinas, LLC (“Duke Energy”) requires an easement onto the County property to construct, reconstruct, operate, patrol, maintain, repair, replace, relocate, add to, modify and remove electric and communication lines including, but not limited to, all necessary supporting structures and all other appurtenant apparatus and equipment for the transmission and distribution of electrical energy and for the technological purposes related to the operation of the electric facilities and for the communication purposes of Incumbent Local Exchange Carriers (“Facilities”). The Facilities shall be underground except as needed on or above the ground to support the underground Facilities.
- (3) Duke Energy requires a strip of land twenty feet (20’) in uniform width lying equidistant on both sides of a centerline, which centerline shall be established by the center of the Facilities as installed, along with an area ten feet (10’) wide on all sides of the foundation of any of the Duke Energy’s enclosure/transformer, vault and/or manhole.
- (4) The County desires to grant utility easements rights over a portion of the County property so Duke Energy may provide electrical service to the lighting vault at the County Airport.
- (5) The easement grant is in the best interest of the County and is in furtherance of the development and improvement of a county asset, the Lancaster County Airport.
- (5) It is the purpose of this ordinance to approve the easement grant from the County to Duke Energy.

Section 2. Approval of right-of-way easements.

Council authorizes and approves the grant of the easements to Duke Energy for the construction, management, and maintenance of electrical services over and upon Tax Map No. 0066-00-027.00 as described in Section 1.

The form of the Easement instrument is attached to this ordinance as Exhibit A and all terms, provisions and conditions of the easements are incorporated herein by reference as if the easements were set out in this ordinance in its entirety. The County Administrator is authorized to execute and deliver the Easement instrument on behalf of the County. By adoption of this ordinance, Council approves the easement instrument and all its terms, provisions and conditions. The easement instrument is to be in substantially the form as attached to this ordinance and hereby approved, or with such minor changes therein as shall be approved by the officials of the County executing the easement instrument, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the Easement instrument attached to this ordinance.

Section 3. Authority to act.

The Council Chair, the Clerk to Council, the County Administrator, and County Attorney each are authorized to take such actions and to execute such documents as may be necessary to effectuate the purposes of this ordinance.

Section 4. Severability.

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

Section 5. Conflicting provisions.

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

Section 6. Effective date.

This ordinance is effective upon third reading.

SIGNATURES FOLLOW ON NEXT PAGE.

AND IT IS SO ORDAINED, this _____ day of _____, 2023.

LANCASTER COUNTY, SOUTH CAROLINA

Steve Harper, Chair, County Council

Billy Mosteller, Secretary, County Council

ATTEST:

Sherrie Simpson, Clerk to Council

First Reading:	August 28, 2023
Second Reading:	September 11, 2023
Public Hearing:	September 25, 2023
Third Reading:	September 25, 2023

Approved as to form:

Virginia L. Merck-Dupont, County Attorney

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Exhibit A to Ordinance No. 2023-1873

**Duke Energy Right of Way -Lancaster County Airport Lighting Vault
Lancaster County to Duke Energy Carolinas, LLC**

Tax Map No. 0066-00-027.00

See attached.

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Prepared by: Duke Energy Carolinas, LLC
Return To: Duke Energy Carolinas, LLC
Attn: Elliott Wallace
217 Craig Manor Rd.
Lancaster, SC 29720

Parcel # 0066-00-027.00

EASEMENT

State of South Carolina
County of Lancaster

THIS EASEMENT ("Easement") is made this ____ day of _____, 20____, from **LANCASTER COUNTY**, a politic of the State of South Carolina ("Grantor", whether one or more), to **DUKE ENERGY CAROLINAS, LLC**, a North Carolina limited liability company ("Grantee").

Grantor, for and in consideration of the sum of One and 00/100 Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does hereby grant unto Grantee a perpetual and non-exclusive easement, to construct, reconstruct, operate, patrol, maintain, repair, replace, relocate, add to, modify, and remove electric and communication lines including, but not limited to, all necessary supporting structures, and all other appurtenant apparatus and equipment for the transmission and distribution of electrical energy, and for technological purposes related to the operation of the electric facilities and for the communication purposes of Incumbent Local Exchange Carriers (collectively, "Facilities").

Grantor is the owner of that certain property described in that instrument recorded in **Deed Book Z-5, Page 2869, Deed Book A-6, Page 5469, Deed Book A-6, Page 5470, Roll C-2194 and in Deed Book D-6, Page 5789** and shown as Tracts 1-8A on a Plat prepared for Lancaster Airport, as recorded in **Plat Book 4996**, Lancaster County Register of Deeds ("Property").

The Facilities shall be underground, except as needed on or above the ground to support the underground Facilities, and located in, upon, along, under, through, and across a portion of the Property within an easement area described as follows:

A strip of land twenty feet (20') in uniform width, lying equidistant on both sides of a centerline, which centerline shall be established by the center of the Facilities as installed, along with an area ten feet (10') wide on all sides of the foundation of any Grantee enclosure/transformer, vault and/or manhole, (hereinafter referred to as the "Easement Area").

The rights granted herein include, but are not limited to, the following:

1. Grantee shall have the right of ingress and egress over the Easement Area, Property, and any adjoining lands now owned or hereinafter acquired by Grantor (using lanes, driveways, and adjoining public roads where practical as determined by Grantee).

2. Grantee shall have the right to trim, cut down, and remove from the Easement Area, at any time or times and using safe and generally accepted arboricultural practices, trees, limbs, undergrowth, other vegetation, and obstructions.
3. Grantee shall have the right to trim, cut down, and remove from the Property, at any time or times and using safe and generally accepted arboricultural practices, dead, diseased, weak, dying, or leaning trees or limbs, which, in the opinion of Grantee, might fall upon the Easement Area or interfere with the safe and reliable operation of the Facilities.
4. Grantee shall have the right to install necessary guy wires and anchors extending beyond the boundaries of the Easement Area.
5. Grantee shall have the right to relocate the Facilities and Easement Area on the Property to conform to any future highway or street relocation, widening, or alterations.
6. Grantor shall not place, or permit the placement of, any structures, improvements, facilities, or obstructions, within or adjacent to the Easement Area, which may interfere with the exercise of the rights granted herein to Grantee. Grantee shall have the right to remove any such structure, improvement, facility, or obstruction at the expense of Grantor.
7. Excluding the removal of vegetation, structures, improvements, facilities, and obstructions as provided herein, Grantee shall promptly repair or cause to be repaired any physical damage to the surface area of the Easement Area and Property resulting from the exercise of the rights granted herein to Grantee. Such repair shall be to a condition which is reasonably close to the condition prior to the damage, and shall only be to the extent such damage was caused by Grantee or its contractors or employees.
8. All other rights and privileges reasonably necessary, in Grantee's sole discretion, for the safe, reliable, and efficient installation, operation, and maintenance of the Facilities.

The terms Grantor and Grantee shall include the respective heirs, successors, and assigns of Grantor and Grantee. The failure of Grantee to exercise or continue to exercise or enforce any of the rights herein granted shall not be construed as a waiver or abandonment of the right thereafter at any time, or from time to time, to exercise any and all such rights.

TO HAVE AND TO HOLD said rights, privilege, and easement unto Grantee, its successors, licensees, and assigns, forever. Grantor warrants and covenants that Grantor has the full right and authority to convey to Grantee this perpetual Easement, and that Grantee shall have quiet and peaceful possession, use and enjoyment of the same.

IN WITNESS WHEREOF, Grantor has signed this Easement under seal effective this ____ day of _____, 20____.

Witnesses:

LANCASTER COUNTY
a politic of the State of South Carolina

(Witness #1)

(SEAL)
DENNIS E. MARSTALL, County Administrator

(Witness #2)

STATE OF _____

COUNTY OF _____

I, _____, a Notary Public of _____ County, State of _____, certify that DENNIS E. MARSTALL, as County Administrator of LANCASTER COUNTY, a politic of the State of South Carolina, personally appeared before me this day and acknowledged the due execution of the forgoing EASEMENT.

Witness my hand and notarial seal, this ____ day of _____, 20____.

Notary Public: _____

Commission Expires: _____



Agenda Item Summary

Ordinance # / Resolution #: Resolution 1244-R2023
Contact Person / Sponsor: Brian Fulk / Economic Development
Department: Economic Development
Date Requested to be on Agenda: 9/11/2023

Council Action Requested:

Council is being asked to approve the Inducement Resolution for Project E3, which (1) provides Special Source Revenue Credits with respect to the Project and, (2) includes the location of the Project in a Multi-County Park established pursuant to the Multi-County Park (MCP) Act.

This project has a companion Ordinance which is Ordinance number 2023-1866.

This project has a companion Conveyance of Property Agreement attached.

Points to Consider:

The Project is expected to result in the aggregate investment in real and personal property of approximately \$14,335,000 and to result in the creation of approximately 15 full-time jobs in the County.

Funding and Liability Factors:

The funding and liability factors are detailed in the FILOT-Special Source Credit Agreement attached to Ordinance 2023-1866.

Recommendation:

Approve the Inducement Resolution.

ATTACHMENTS:

Description	Upload Date	Type
Resolution 1244-R2023	9/5/2023	Resolution

STATE OF SOUTH CAROLINA

)

RESOLUTION 1244-R2023

)

COUNTY OF LANCASTER

)

A RESOLUTION

TO STATE THE COMMITMENT OF LANCASTER COUNTY TO ENTER INTO A FEE AGREEMENT WITH PROJECT E3 INCLUDING THE PROVISION OF SPECIAL SOURCE REVENUE CREDITS; TO EXPRESS THE WILLINGNESS OF LANCASTER COUNTY TO ENTER INTO A CONVEYANCE AGREEMENT WITH PROJECT E3 FOR THE CONVEYANCE TO PROJECT E3 OF CERTAIN PROPERTY; TO PROVIDE THE GENERAL TERMS OF THE FEE AGREEMENT; AND TO PROVIDE THAT THIS RESOLUTION IS AN INDUCEMENT RESOLUTION FOR PURPOSES OF THE FEE IN LIEU OF TAX SIMPLIFICATION ACT; AND TO STATE THE COMMITMENT OF LANCASTER COUNTY TO PLACE PROPERTY OWNED OR LEASED BY PROJECT E3 IN A MULTI-COUNTY PARK.

WHEREAS, Lancaster County, South Carolina (the "County"), acting by and through its County Council (the "Council"), is authorized and empowered, under and pursuant to the provisions of Title 12, Chapter 44 (the "Fee in Lieu of Tax Simplification Act" or "FILOT Act"), Code of Laws of South Carolina 1976, as amended (the "Code"), to enter into agreements with business and commercial enterprises, to offer certain privileges, benefits and incentives as inducements for economic development within the County; to acquire, or cause to be acquired, properties as may be defined as "projects" in the FILOT Act and to enter into agreements with business and commercial enterprises to facilitate the construction, operation, maintenance and improvement of such projects; to enter into or allow financing agreements with respect to such projects; and to accept any grants for such projects, whereby the business or commercial enterprise would pay fees-in-lieu-of taxes ("FILOT") with respect to qualified business or commercial projects; through all such powers, the business and commercial development of the State of South Carolina (the "State") will be promoted and trade developed by inducing business and commercial enterprises to locate or remain in the State and thus utilize and employ the workforce, products and resources of the State and benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise provided locally;

WHEREAS, the County, acting by and through its Council, is authorized and empowered to establish multicounty industrial or business parks (each, an "MCP") pursuant to Article VIII, Section 13(D) of the Constitution of South Carolina, and Sections 4-1-170, 4-1-172, and 4-1-175 of the Code (the "MCP Act") to further the investment of capital and the creation of jobs in the County;

WHEREAS, Section 4-1-175 of the MCP Act, and Section 4-29-68 of the Code authorizes the Council to provide special source revenue credits ("SSRCs") that are applied against FILOT payments made pursuant MCP Act to reimburse a project for the costs of designing, acquiring, constructing, improving or expanding, among other things (i) infrastructure serving the project, or (ii) improved or unimproved real estate and personal property, including machinery and equipment, used in the operation of a manufacturing or commercial enterprise;

WHEREAS, a company, whose identity is confidential at this time but will be referred to in this Resolution as Project E3, and one or more affiliates (collectively, the "Company"), is considering the acquisition, construction and installation of a project upon certain property within the County (the "Project"), *provided, that*, the County enters into certain incentive arrangements with the Company as set forth herein including an agreement to convey to the Company the land on which the Project will be located;

WHEREAS, the Project is expected to result in the aggregate investment in real and personal property of at least \$14,335,000 and to result in the creation of at least fifteen (15) new full-time jobs in the Project in the County;

WHEREAS, the Company has requested that the County (i) enter into an agreement for the Project, thereby providing for certain FILOT incentives with respect to the Project (“Fee Agreement”), (ii) provide SSRCS with respect to the Project, (iii) include the location of the Project in an MCP established pursuant to the MCP Act, and (iv) enter into an agreement with it to convey certain property within the County for the Project (the “Conveyance Agreement”);

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

WHEREAS, the Council intends by this Resolution to commit to the Company to (i) enter into a Fee Agreement for the Project that provides FILOT and SSRC incentives, (ii) include the Project property in an MCP established pursuant to the MCP Act, and (iii) express to Project E3 the County’s willingness to enter into a Conveyance Agreement that provides for the conveyance of certain property within the County for the Project.

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

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

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

- a. an initial Investment Period, as defined in the FILOT Act, which shall end on December 31 of the sixth year after the first year in which any portion of the Project is first placed in service;
- b. the Company’s commitment to invest, or cause investment of, at least \$14,335,000, in the aggregate, by itself and/or any sponsor or sponsor affiliates (as defined in the FILOT Act) in the Project not later than the end of the initial Investment Period (the “Minimum Contractual Investment Requirement”); provided, (i) failure to invest the minimum investment requirement under the FILOT Act (the “Minimum Statutory Investment Requirement”) by December 31 of the fifth year after the first year in which any portion of the Project is first placed in service shall result in the termination of the negotiated FILOT retroactively and prospectively, and the Company, and any sponsor affiliate who previously received the benefit of any negotiated FILOT, shall pay to the County the difference between the negotiated FILOT payments actually paid on behalf of Project property, and the amount that would have been paid on behalf of such property in the absence of the negotiated FILOT, together with interest thereon at the rate calculated in the manner as provided in Section 12-54-25 of the Code, or any successor Code provision, (ii)

failure to invest the Minimum Contractual Investment Requirement by the end of the initial Investment Period shall result in the termination of the Fee Agreement effective at the end of the Investment Period except for those matters intended to survive termination of the Fee Agreement, and (iii) failure to maintain the Minimum Statutory Investment Requirement for the term of the Fee Agreement shall result in the termination of the negotiated FILOT prospectively, but not retroactively;

- c. the Company's commitment to create at least fifteen (15) new full-time jobs at the Project in the County (the "Minimum Contractual Jobs Requirement"); provided, (i) failure to create such jobs by the end of the initial Investment Period shall result in the termination of the negotiated FILOT retroactively and prospectively, and the Company and any sponsor affiliate shall pay to the County the difference between the negotiated FILOT payments actually paid on behalf of the Project property, and the amount that would have been paid on behalf of such property in the absence of the negotiated FILOT, together with interest thereon at the rate calculated in the manner as provided in Section 12-54-25 of the Code, or any successor provision, and (ii) failure to maintain such jobs following the Investment Period shall result in the termination of the negotiated FILOT prospectively, but not retroactively;
- d. calculation of negotiated FILOT payments using (i) an assessment ratio of six percent (6%), and (ii) a millage rate of 342.9 mills, plus 50 mills for City of Lancaster Water and Sewer, which such millage rates shall be fixed for the entire term of the Fee Agreement;
- e. a term of twenty (20) years for each phase or year's investment in economic development property during the Investment Period under the Fee Agreement;
- f. for negotiated FILOT payments due with respect to the Project, an SSRC of 12% for the first ten (10) years of such negotiated FILOT payments, excluding the 50 mills for the City of Lancaster Water and Sewer; provided, in the event either (i) the Minimum Contractual Investment Requirement is not satisfied at the end of the initial Investment Period (prior to any extension thereof) or is not maintained for each year thereafter in which the Company and any sponsor affiliate would otherwise be entitled to receive an SSRC, or (ii) the Minimum Contractual Jobs Requirement is not achieved during the initial Investment Period or maintained for each year in which the Company and any sponsor affiliate would otherwise be entitled to receive an SSRC, the SSRC applicable to each FILOT payment shall be terminated on a retroactive and prospective basis. To the extent that the SSRC is retroactively terminated, the Company, and any sponsor affiliate who previously received the benefit of any SSRC, shall pay to the County the difference between the FILOT payments actually paid taking into account any SSRC that did apply, and the FILOT payments that would have been paid in the absence of any SSRC, together with interest on such difference calculated in the manner as provided in Section 12-54-25 of the Code, or any successor Code provision;
- g. provisions requiring the Company and any sponsor affiliate to provide documentation to the County Economic Development Director to prove compliance by the Company and any sponsor affiliate with the Minimum Contractual Jobs Requirement. The documentation may include providing completed South Carolina Department of Revenue job tax credit forms, such as form TC-4, and completed South Carolina Department of Employment and Workforce quarterly contribution and wage reports, such as form CUE-

120. In lieu of providing any of the forms specifically identified in this item 2.g., the Company and the County Economic Development Director may agree on an alternative method for the Company and any sponsor affiliate to demonstrate compliance with the Minimum Contractual Jobs Requirement;

- h. to the extent the County levies additional millage for the specific purpose of providing either fire or EMS services, or both, after the date of the Fee Agreement, for an additional fee payment to be paid to the County equivalent to the amount that would be generated by such additional millage;
- i. the commitment of the Company to reimburse the County for its administrative expenses associated with the review, negotiation and preparation of all documentation and authorizing proceedings, including attorney's fees, related to the Fee Agreement, the location of the Project and the land on which the Project is now, or hereafter to be located, within the boundaries of a MCP, the conveyance of certain property to the Company for the Project, and for the County's administrative expenses associated with the annual computation of the negotiated FILOT payments.

3. Council shall use its best efforts to include the land on which the Project is now, or hereafter to be, located in an MCP, if not already included in an MCP. The period of time for inclusion of the land in an MCP shall be for a period at least as long as the period the Fee Agreement is effective.

4. Council expresses its willingness to enter into a Conveyance Agreement providing for the conveyance to the Company of certain property within the County for the Project, under such terms and conditions as may be mutually agreed upon by the County and the Company.

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

6. Council finds that (i) the Project is anticipated to benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise adequately provided locally, (ii) the Project gives rise to no pecuniary liability of the County or incorporated municipality and to no charge against the general credit or taxing power of either the County or any incorporated municipality, (iii) the purposes to be accomplished by the Project are proper governmental and public purposes, and (iv) the benefits of the Project to the public are greater than the costs to the public.

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

8. This Resolution takes effect upon its adoption.

[Signatures follow on next page]

AND IT IS SO RESOLVED

Dated this 11th day of September, 2023.

[SEAL]

LANCASTER COUNTY, SOUTH CAROLINA

Steve Harper, Chair, County Council

Billy Mosteller, Secretary, County Council

Attest:

Sherrie Simpson, Clerk to Council

Approved as to form:

Ginny L. Merck-Dupont, County Attorney

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Agenda Item Summary

Ordinance # / Resolution #: Ordinance 2023-1866
Contact Person / Sponsor: Brian Fulk / Economic Development
Department: Economic Development
Date Requested to be on Agenda: 9/11/2023

Council Action Requested:

Approve the First Reading of Ordinance 2023-1866 on September 11, 2023, followed by the second reading on September 25, 2023 and the public hearing and third reading on October 9, 2023 at which time the company's name would be revealed.

There is also a Companion Inducement Resolution 1244-R2023 to this Ordinance.

Points to Consider:

Project E3 is a small business development opportunity for Lancaster County, SC. At this headquarters location, the Company will have distribution, final assembly, limited repair operations and a showroom facility. The Company intends to build on a 16.6 acre parcel with a minimum investment of \$14,335,000 over a 5 year investment period with at least \$5,000,000 of this sum invested before the end of calendar year 2027.

Funding and Liability Factors:

Over a 30-year period, the County investment (total tax savings for Project E3) amounts to an estimated \$1,458,568, plus cost of land at \$450,000.

After 10 years the SSRC ends, and the 12% effective tax abatement ends. After 20 years from the last investment by Project E3, there are no further property tax incentives that apply, and the parcel will revert from the fixed millage to normal ad valorem rates applicable at that time.

The total net new property tax paid over 30 years by the Company will be \$3,752,342.

The State of South Carolina is providing an incentives package for this project, approximately \$1.06 million in total incentives over a 10 year period, to include Job Development Credits and Job Tax Credits.

The project will be in a multi-county park and we are offering a 12% Special Source Revenue Credit Agreement (SSRC) for the first ten years. The millage rate will be fixed.

Recommendation:

We respectfully request Lancaster County Council to proceed with three readings and conclude with approval of this Economic Development Incentive request.

ATTACHMENTS:

Description	Upload Date	Type
Ordinance 2023-1866	9/5/2023	Ordinance
Exhibit A - Fee In Lieu of Tax And Incentive Agreement	9/5/2023	Exhibit
Exhibit B - Conveyance of Property Agreement	9/7/2023	Exhibit

STATE OF SOUTH CAROLINA

)

ORDINANCE 2023-1866

COUNTY OF LANCASTER

)

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AN ORDINANCE TO AUTHORIZE AND APPROVE THE EXECUTION AND DELIVERY OF A FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT BETWEEN LANCASTER COUNTY, SOUTH CAROLINA AND PROJECT E3 PROVIDING FOR THE PAYMENT OF A FEE-IN-LIEU OF TAXES AND THE PROVISION OF SPECIAL SOURCE REVENUE CREDITS; TO EXPRESS THE INTENTION OF COUNCIL TO PROVIDE MONIES TO THE ECONOMIC DEVELOPMENT FUND; TO APPROVE A PROPERTY CONVEYANCE AGREEMENT RELATING TO THE CONVEYANCE OF APPROXIMATELY 16.62 ACRES OF REAL PROPERTY OWNED BY LANCASTER COUNTY AND LOCATED IN THE LANCASTER BUSINESS PARK TO PROJECT E3 OR AN ENTITY TO BE DESIGNATED BY IT; AND TO PROVIDE FOR OTHER MATTERS RELATED THERETO.

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

Section 1. Findings and Determinations

The Lancaster County Council finds that:

(a) Lancaster County, South Carolina (the “County”) acting by and through its County Council (the “Council”), is authorized and empowered under and pursuant to the provisions of the Code of Laws of South Carolina 1976, as amended (the “Code”), and specifically Title 12, Chapter 44 of the Code (the “Fee in Lieu of Tax Simplification Act” or “FILOT Act”), to enter into agreements with business and industry, to offer certain privileges, benefits, and incentives as inducements for economic development within the County whereby the industry would pay fees in lieu of *ad valorem* taxes (“FILOT Payments”) with respect to qualified business and industrial projects, through all such powers the industrial development of the State of South Carolina (the “State”) will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate or remain and expand in the State and thus utilize and employ the workforce, products and resources of the State and benefit the general public welfare of the County by providing services, employment, recreation or other public benefits not otherwise adequately provided locally; and

(b) The County, acting by and through its Council, is authorized and empowered to establish, in conjunction with one or more other counties, multicounty parks (each, an “MCP”) pursuant to Article VIII, Section 13(D) of the Constitution of South Carolina, and Sections 4-1-170, 4-1-172, and 4-1-175 of the Code, as amended (the “MCP Act”) to further the investment of capital and the creation of jobs in the County, and to facilitate the provision of special source revenue credits; and

(c) Section 12-44-70 of the FILOT Act, Section 4-1-175 of the MCP Act and Section 4-29-68 of the Code authorizes the Council to provide special source revenue credits (“SSRCs”) that are applied against FILOT Payments made pursuant to the FILOT Act and MCP Act to reimburse a project for the costs of designing, acquiring, constructing, improving, or expanding, among other things, (i) infrastructure serving the project, or (ii) improved or unimproved real estate and personal property, including machinery and equipment, used in the operation of a manufacturing or commercial enterprise in order to enhance the economic development of the County; and

(d) a company, whose identity is confidential at this time, currently identified as “Project E3”, acting for itself, one or more affiliates, and/or other project sponsors (collectively, the “Company”), is considering the investment in a distribution facility in the County (the “Project”), and, provided that the County enters into certain incentive arrangements with the Company, the Company anticipates that, should plans proceed as expected, investment in the Project will equal or exceed \$14,335,000 within the County and at least fifteen (15) new full-time jobs will be created within the County; and

(e) the County owns a parcel of property, consisting of approximately 16.62 acres, located in the Lancaster Business Park and identified by Lancaster County Tax Map No.0061.00.104.00 (the “Property”), which it acquired with the goal of promoting economic development, capital investment, and job creation in the County; and

(f) the County proposes to convey the Property to the Company in order to facilitate the development of the Project; and

(g) the investment of funds and creation of jobs, as proposed by the Company, provide significant public benefits to the County in the form of an increased tax base that generates additional tax revenues, increases values for adjacent properties and provides needed additional employment opportunities for the County’s residents; and

(h) the public benefits to be received by the County in return for the conveyance of the Property to the Company are fair and reasonable compensation; and

(i) Pursuant to Resolution No. 1244-R2023, adopted on _____, 2023, the Council approved an Inducement Resolution providing for, among other things, the commitment of the County to enter into a fee-in-lieu of tax and incentive agreement with the Company, to provide the SSRs to the Company, and to convey the Property to the Company under certain terms and conditions.

Section 2. Statutory Findings

Council makes the following additional findings:

- (a) The Project will constitute a “project” as referred to and defined in the FILOT Act, and the County’s actions herein will subserve the purposes and in all respects conform to the provisions and requirements of the FILOT Act.
- (b) The Project and the FILOT Payments are beneficial to the County, and the County has evaluated the Project based on all criteria prescribed by law, including the anticipated dollar amount and nature of the investment to be made.
- (c) The Project is anticipated to benefit the general public welfare of the County by providing services, employment, recreation, or other public benefits not otherwise adequately provided locally.
- (d) The Project gives rise to no pecuniary liability of the County or any incorporated municipality or a charge against the general credit or taxing power of either.

- (e) The purposes to be accomplished by the Project, *i.e.*, economic development, creation of jobs, and addition to the tax base of the County, are proper governmental and public purposes.
- (f) The inducement of the location of the Project within the County and State is of paramount importance.
- (g) The benefits of the Project to the public will be greater than the costs to the public.

Section 3. Approval of Fee In Lieu of Tax and Incentive Agreement

The form, terms, and provisions of the Fee In Lieu of Tax and Incentive Agreement (the “Fee Agreement”), attached to this ordinance as Exhibit A, are authorized, ratified and approved, and all the provisions, terms, and conditions thereof are authorized, ratified and approved and incorporated herein by reference as if the Fee Agreement were set out in this ordinance in its entirety. The Council Chair and Council Secretary are authorized, empowered, and directed to execute the Fee Agreement in the name of and on behalf of the County, and thereupon to cause the Fee Agreement to be delivered to the Company and performed by the County. The Fee Agreement is to be in substantially the form as attached to this ordinance and hereby approved, with such changes therein as shall not be materially adverse to the County and as shall be approved by the official or officials of the County executing the same, upon the advice of counsel to the County, each such official’s execution thereof to constitute conclusive evidence of such official’s approval of any and all changes or revisions therein from the form of the Fee Agreement attached to this ordinance.

Section 4. Approval of Contract and Conveyance of Property.

(A) The County Administrator is authorized, empowered and directed, in the name of and on behalf of the County, to execute, acknowledge, and deliver the Conveyance of Property Agreement by and between the Company and the County, providing for the conveyance of the Property to the Company in connection with the Project (the “Conveyance Agreement”). The form of the Conveyance Agreement is attached hereto as Exhibit B and all terms, provisions and conditions of the Conveyance Agreement are incorporated herein by reference as if the Conveyance Agreement were set out in this ordinance in its entirety. By enactment of this ordinance, County Council approves the Conveyance Agreement and all of its terms, provisions and conditions. The Conveyance Agreement is to be in substantially the form as attached to this ordinance and hereby approved, or with such minor changes therein as shall be approved by the officials of the County executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all changes or revisions therein from the form of the Conveyance Agreement attached to this ordinance. The County Administrator is also authorized, empowered and directed to execute, acknowledge and deliver, on behalf of the County, a recordable memorandum evidencing the Company’s right to purchase the Property.

(B) County Council authorizes and approves the conveyance of the Property to the Company.

Section 5. Economic Development Fund

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

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

Section 6. Authority to Act

The Council Chair, Council Secretary, Clerk to County, County Administrator, County Attorney and all other appropriate officials of the County are (and each acting individually is) hereby authorized, empowered, and directed to take such actions and to execute such agreements, certificates, or other documents as may be necessary to effectuate the purposes of this ordinance, and the performance of all obligations of the County under and pursuant to the Fee Agreement and the Conveyance Agreement.

Section 7. Severability

If a section, phrase, sentence, or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, the invalid or unconstitutional portion is deemed a separate, distinct, and independent provision, and the holding shall not affect the validity of the remaining portions of this ordinance.

Section 8. Conflicting Provisions

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

Section 9. Effective Date

This ordinance is effective upon third reading.

[Signatures follow on next page]

AND IT IS SO ORDAINED

Dated this ____ day of _____, 2023.

LANCASTER COUNTY, SOUTH CAROLINA

Steve Harper, Chair, County Council

Billy Mosteller, Secretary, County Council

ATTEST:

Sherrie Simpson, Clerk to Council

First Reading: September 11, 2023

Second Reading: September 25, 2023

Third Reading: October 9, 2023

Public Hearing: October 9, 2023

Approved as to form:

Ginny L. Merck-Dupont, County Attorney

Exhibit A to Ordinance 2023-1866

FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT

See attached.

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Exhibit B to Ordinance 2023-1866

CONVEYANCE OF PROPERTY AGREEMENT

See attached.

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FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT

by and among

LANCASTER COUNTY, SOUTH CAROLINA,

PROJECT E3

and

PROJECT E3 AFFILIATE

Dated as of _____, 2023

NOTICE: THIS AGREEMENT INCLUDES REPORTING REQUIREMENTS TO BE MADE BY [PROJECT E3] INCLUDING, BUT NOT LIMITED TO, THE REQUIREMENTS SET FORTH IN SECTION 4.02 HEREIN.

SUMMARY OF CERTAIN REPORTING REQUIREMENTS

- Each year during the Term, each Company shall deliver, in the manner set forth in **Section 4.02(e)**, to the County Auditor and the County Director of Economic Development a copy of any property tax form or return it files with the South Carolina Department of Revenue with respect to the Project within thirty (30) days of delivery thereof to the South Carolina Department of Revenue. The County and the Companies expect such tax forms or returns to include, but not be limited to:

- the South Carolina Department of Revenue Form PT-443 which, under current laws and regulations must be filed within thirty (30) days of the execution of this Agreement with the South Carolina Department of Revenue, the county auditors of the County and Multi-County Park partner county, and the county assessors of the County and the Multi-County Park partner county; and
- (ii) the South Carolina Department of Revenue Form PT-300 and any applicable schedules thereto (or such successor forms and schedules as may be promulgated by the South Carolina Department of Revenue from time to time), which such form, under current laws and regulations, and subject to certain exceptions, must be filed with the South Carolina Department of Revenue by April 30th of each year (such date being the last day of the fourth month following the Company's closing date for income tax purposes).

- During the Term, the Sponsor shall deliver to the County Auditor and the County Director of Economic Development on or before each May 31 following the end of a property tax year, beginning with May 31, 20__, the annual investment and jobs information with respect to the Companies contained in **Exhibit B** attached hereto.

- Information, returns, certifications or other reports to be provided to the County Auditor shall be in writing and delivered either:

- (i) by trackable mail or delivery service to the County Auditor, addressed as follows:

Lancaster County, South Carolina
Attn.: County Auditor
P.O. Box 1809 (29721)
101 N. Main Street, 2nd Floor (29720)
Lancaster, South Carolina

or

- (ii) by e-mail to the County Auditor or Deputy County Auditor; provided, delivery by e-mail shall qualify as "delivery" hereunder only to the extent receipt of such e-mail is confirmed by return e-mail from the County Auditor's office.

- Information, returns, certifications or other reports to be provided to the County Director of Economic Development shall be in writing and delivered either:

- (A) by trackable mail or delivery service to the Economic Development Director, addressed as follows:

Lancaster County, South Carolina
Attn.: Economic Development Director
P.O. Box 1809 (29721)
1033 W. Meeting Street (29720)
Lancaster, South Carolina

or

- (B) by e-mail to the Economic Development Director; provided, delivery by e-mail shall qualify as “delivery” hereunder only to the extent receipt of such e-mail is confirmed by return e-mail from the Lancaster County Department of Economic Development.

Oral communication shall not qualify as “delivery” of the information, returns, certifications, or other reports required to be provided under **Section 4.02**.

FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT

This FEE IN LIEU OF TAX AND INCENTIVE AGREEMENT (this “Agreement”) is dated as of _____, 2023 (the “Effective Date”), by and among LANCASTER COUNTY, SOUTH CAROLINA, a body politic and corporate and a political subdivision of the State of South Carolina (the “County”), PROJECT E3, a [_____] organized and existing under the laws of the State of [_____] (the “Sponsor”) and PROJECT E3 AFFILIATE, a [_____] organized and existing under the laws of the State of [_____] (the “Sponsor Affiliate”) and, together with Sponsor, the “Companies”).

WITNESSETH:

WHEREAS, the County, acting by and through its County Council, is authorized and empowered under and pursuant to the provisions of Title 12, Chapter 44 (the “Act”) of the Code of Laws of South Carolina 1976, as amended (the “Code”) and Sections 4-1-170, 4-1-172, and 4-1-175 of the Code and Article VIII, Section 13(D) of the South Carolina Constitution (the “Multi-County Park Act”): (i) to enter into agreements with certain investors to construct, operate, maintain, and improve certain industrial and commercial properties through which the economic development of the State of South Carolina (the “State”) will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State and thus utilize and employ the workforce, agricultural products, and natural resources of the State; (ii) to covenant with such investors to accept certain payments in lieu of *ad valorem* taxes with respect to the project (a “FILOT”); and (iii) to maintain, create or expand, in conjunction with one or more other counties, a multi-county industrial park; and

WHEREAS, the Companies are considering the acquisition, construction and installation of a project known as “Project E3” upon property located in the County (the “Project”); and

WHEREAS, the Companies anticipate that the Project will result in the creation of at least fifteen (15) new, full-time jobs and an investment of at least \$14,335,000 in the County; and

WHEREAS, the County Council approved on _____, 2023, Resolution No. 1244-R2023 (the “Inducement Resolution”) to identify, reflect and induce the Project under the Act and to state the commitment of the County to, among other things, enter into this Agreement; and

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

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

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

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

ARTICLE I

DEFINITIONS AND RECAPITULATION

Section 1.01. Statutorily Required Recapitulation.

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

(b) Summary of Agreement.

1. Legal name of each initial party to this Agreement:
Project E3, Project E3 Affiliate and Lancaster County, South Carolina.

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

Lancaster County, South Carolina
PO Box 1809, Lancaster, SC 29721
TM#: 0061.00.104.00

3. Minimum investment agreed upon: Contract Minimum Investment Requirement.

4. Length and term of this Agreement: twenty (20) years for each annual increment of investment in the Project during the Investment Period.

5. Assessment ratio applicable for each year of this Agreement: 6%, except as otherwise provided in the Agreement.

6. Millage rate applicable for each year of this Agreement: 342.9 mills **plus 50 mills for City of Lancaster Water and Sewer**, except as otherwise provided in the Agreement.

7. Statements

- (a) The Project is to be located in a multi-county park;
- (b) Disposal of property subject to payments-in-lieu-of-taxes is allowed;
- (c) Special Source Revenue Credits shall be applied with respect to the Economic Development Property in amounts equal to twelve percent (12%) of the Negotiated FILOT Payments against each of the first ten (10) annual Negotiated FILOT Payments, *provided, however, that*, the Special Source Revenue Credits shall not apply to the 50 mills attributable to the City of Lancaster Water and Sewer or the Additional Fee, and *provided, further, that* Special Source Revenue Credits are subject to retroactive and prospective termination as set forth in **Section 5.01(j)** of this Agreement;
- (d) Payment will not be modified using a net present value calculation; and
- (e) Replacement Property provisions will apply.

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

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

“*Act Minimum Investment Requirement*” shall mean investment in the Project of not less than \$2,500,000 (without regard to depreciation or other diminution in value) during the initial Investment Period (prior to any extension), as required by Section 12-44-30(14) of the Act, which investment amount shall be calculated in accordance with Section 12-44-130 of the Act in determining whether the Companies qualify for the FILOT.

“*Additional Fee*” shall mean the payments, if any, to be made by the Companies as set forth in Section 5.01(o) of this Agreement.

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

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

“*Agreement*” shall mean this Fee in Lieu of Tax and Incentive Agreement by and among the County and the Companies, as originally executed and from time to time supplemented or amended as permitted herein, and dated as of _____, 2023.

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

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

“*Companies*” shall mean the Sponsor and Sponsor Affiliate, together with any subsequently joined Sponsor Affiliate(s). Any provision in this Agreement applicable to the “*Company*” shall be construed to also apply to the “*Companies*” to the extent one or more Sponsor Affiliate(s) are designated pursuant to **Section 8.04** of this Agreement.

“*Contract Minimum Investment Requirement*” shall mean investment by the Companies in the Project of not less than \$14,335,000 (without regard to depreciation or other diminution in value) during the initial Investment Period (prior to any extension).

“*Cost of Special Source Improvements*” shall mean the costs of designing, acquiring, constructing, improving, equipping or expanding the Special Source Improvements.

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

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

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

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

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

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

“*Existing Property*” shall mean property proscribed from becoming Economic Development Property pursuant to Section 12-44-110 of the Code, including, without limitation, property which has been subject to *ad valorem* taxes in the State prior to the execution and delivery of this Agreement and property included in the Project as part of the repair, alteration, or modification of such previously taxed property; *provided, however*, that Existing Property shall not include: (a) the Land; (b) property acquired or constructed by a Company during the

Investment Period which has not been placed in service in this State prior to the Investment Period notwithstanding that *ad valorem* taxes have heretofore been paid with respect to such property; (c) modifications which constitute an expansion of Existing Property; or (d) that property described on Exhibit C.

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

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

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

“*Full-Time Job*” shall mean a full-time job (i.e., at least thirty (30) hours per week), with health care benefits available. Full-Time Jobs does not include those jobs staffed using a temporary employment agency or staffing agency. Full-time Jobs shall only include those employees who either: (i) are physically and actually located at the Project during working hours, or (ii) reside in the County if working remotely during working hours. Employees relocated from outside of the County may be included as Full-Time Jobs.

“*Investment Period*” shall mean the period beginning with the first day that Economic Development Property is purchased or acquired and ending on the date that is six (6) years from the end of the property tax year in which the initial Economic Development Property comprising all, or a portion of, the Project is placed in service, unless extended by agreement of the County and the Companies pursuant to Section 12-44-30(13) of the Code; provided, however, that for purposes of determining compliance with the Act Minimum Investment Requirement, “Investment Period” shall mean the period beginning with the first day that Economic Development Property is purchased or acquired and ending on the date that is five (5) years from the end of the property tax year in which the initial Economic Development property comprising all, or a portion of, the Project is placed in service.

“*Jobs Commitment*” shall mean the commitment of the Companies to create and retain Full-Time Jobs with respect to the Project as set forth in **Section 4.01(b)** of this Agreement.

“*Land*” shall mean the real estate upon which the Project is to be located, more specifically identified as Parcel Identification No. _____ and described on **Exhibit A** attached hereto. Additional real estate may be included by amendment as provided in the **Section 12.12** of this Agreement.

“*Multi-County Park*” means the multi-county park established pursuant to the Amended and Restated Master Multi-County Park Agreement, Amended and Restated as of November 9, 2015, between the County and Chesterfield County, South Carolina, as from time to time amended and updated. Multi-County Park includes any subsequent park or any subsequent park agreement that includes the Land, and as authorized by the Multi-County Park Act.

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

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

“*Non-Qualifying Property*” shall mean that portion of the Project consisting of: (i) property as to which Sponsor or Sponsor Affiliate incurred expenditures prior to the Investment Period or, except as to Replacement Property, after the end of the Investment Period (but for the sake of clarification excluding from the scope of this clause (i) that property described on Exhibit C); (ii) Existing Property; and (iii) any Released Property or other property which fails or ceases to qualify for Negotiated FILOT Payments, including without limitation property as to which Sponsor or Sponsor Affiliate has terminated the Negotiated FILOT pursuant to **Section 4.03(iii)** hereof.

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

“*Project*” shall mean, collectively herein, the Project, and shall include the buildings and other improvements on the Land to the extent placed thereon by or on behalf of Sponsor or Sponsor Affiliate, including water, sewer treatment and disposal facilities, and other machinery, apparatus, equipment, office facilities, and furnishings which are necessary, suitable, or useful, including the Equipment, and any Replacement Property, to the extent, and with the exception of the Replacement Property, placed in service during the Investment Period.

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

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

“*Special Source Improvements*” shall mean (i) infrastructure serving the Project, or (ii) improved or unimproved real estate and personal property, including machinery and equipment, used in the operation of the Project.

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

“*Sponsor Affiliate*” shall mean Project E3 Affiliate, a [_____], its successors and assigns, and any Person who agrees to be bound by the terms and provisions of this Agreement and is approved by the County in writing pursuant to the provisions of **Section 8.04** of this Agreement.

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

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

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

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

ARTICLE II

REPRESENTATIONS AND WARRANTIES

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

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

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

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

(c) Except as otherwise disclosed to the County, no actions, suits, proceedings, inquiries, or investigations known to the undersigned representatives of Sponsor are pending or threatened against or affecting Sponsor in any court or before any governmental authority or arbitration board or tribunal, which could materially adversely affect the transactions contemplated by this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement.

(d) The income tax year of Sponsor for federal and state income tax purposes ends **[December 31]**.

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

(f) Sponsor intends to operate the Project for the purpose of a distribution facility. The Project constitutes a “project” and “economic development property” as provided under the Act.

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

(a) Sponsor Affiliate is a [_____], validly existing and in good standing under the laws of [_____] and authorized to do business in the State; has all requisite power to

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

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

(c) Except as otherwise disclosed to the County, no actions, suits, proceedings, inquiries, or investigations known to the undersigned representatives of Sponsor Affiliate are pending or threatened against or affecting Sponsor Affiliate in any court or before any governmental authority or arbitration board or tribunal, which could materially adversely affect the transactions contemplated by this Agreement or which could, in any way, adversely affect the validity or enforceability of this Agreement.

(d) The income tax year of Sponsor Affiliate, and accordingly the Property Tax Year with respect to Sponsor Affiliate, for federal income tax purposes is a 52/53-week fiscal year ending **[December 31]**.

(e) To Sponsor Affiliate's knowledge, no event has occurred and no condition currently exists with respect to Sponsor Affiliate, which would constitute a default or an Event of Default as defined herein.

ARTICLE III

UNDERTAKINGS OF THE COUNTY

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

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

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

whole or in part, the Companies and the County express their intentions that such payments be reformed so as to afford the Companies benefits commensurate with those intended under this Agreement as then permitted by law, including without limitation any benefits afforded under Title 4, Chapter 12 and Title 4, Chapter 29 of the Code, as applicable, to the extent allowed by law. Absent the legal authorization to effect such reformation, the Companies and the County agree that there shall be due hereunder, with respect to the portion of the Economic Development Property affected by such circumstances, *ad valorem* taxes or FILOT payments pursuant to the Multi-County Park Act, as the case may be, and that, to the extent permitted by law, the Companies shall be entitled: (1) to enjoy the five-year exemption from *ad valorem* taxes, or FILOT payments pursuant to the Multi-County Park Act, as the case may be, provided by Article X, Section 3 of the Constitution of the State, and any other exemption allowed by law, to the extent the Companies are eligible therefor; (2) to enjoy all allowable depreciation; and (3) to receive other tax credits which would be due if such Company were obligated to pay *ad valorem* taxes, or make FILOT payments pursuant to the Multi-County Park Act, as the case may be, hereunder. To the extent that under such circumstances the Negotiated FILOT Payments hereunder are required by law to be subject to retroactive adjustment, then there shall be due and payable by the Companies to the County with respect to the portion of the Economic Development Property in question an amount equal to the difference between the Negotiated FILOT Payments theretofore actually paid and the amount which the Companies would have paid as *ad valorem* taxes, or as FILOT payments pursuant to the Multi-County Park Act, as the case may be, including all exemptions, credits, and depreciation for which the Companies would have otherwise been eligible if it were obligated to pay *ad valorem* taxes, or FILOT payments pursuant to the Multi-County Park Act, as the case may be, together with, but only if required by law, interest on such deficiency as provided in Section 12-54-25(D) of the Code. The Companies agree that if this Agreement is reformed as provided in this Section or if retroactive adjustments are made, then under no circumstances shall the County be required to refund or pay any monies to the Companies.

In addition to and notwithstanding the foregoing paragraph, the County shall not be obligated to perform any of its obligations or promises under this **Section 3.03** unless the Sponsor or Sponsor Affiliate, as applicable, has otherwise complied with or provided satisfactory evidence to the County that they intend to comply with its obligations and responsibilities under this Agreement.

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

ARTICLE IV

PROJECT COMMENCEMENT; JOB CREATION AND RETENTION; REPORTING; MAINTENANCE AND MODIFICATION OF PROJECT

Section 4.01. Project Commencement; Job Creation and Retention by Companies.

(a) The Companies commit to initiate construction of the Project on the Business Park Land (as defined in Section 5.01(l) below) within twelve (12) months of the Effective Date of this Agreement (the “Required Commencement Date”). For purposes of this Agreement, “initiate construction” means pouring the concrete footings for the Project or other foundation support structures as shown on the plans approved by the County Development Services Department. Subject to Section 12.14 below or unreasonable delays caused by the County (or any applicable municipality situated within the County) not timely approving any plans, issuing any required permits or taking any other required action necessary to permit the Companies from commencing construction, if the Companies fail to initiate construction by the Required Commencement Date, the Companies shall have the option to either (i) make a payment of Fifty Thousand and No/100 dollars (\$50,000.00) to the County within thirty (30) days after the Required Commencement Date, and this Agreement shall continue in full force and effect, or (ii) reconvey the Business Park Land to the County by limited warranty deed in consideration for \$100.00 within thirty (30) days after the Required Commencement Date, provided no material damage or waste with respect to the Business Park Land has occurred and not repaired or remedied prior to the reconveyance, and no liens or encumbrances have been placed on the Business Park Land, since the County’s initial conveyance of the Business Park Land to the Sponsor Affiliate as described in Section 5.01(l) below (or if such liens or encumbrances have been placed, the same shall be removed or satisfied of record prior to the reconveyance), and this Agreement shall terminate and the parties shall have no further obligations hereunder except those obligations that expressly survive termination as set forth herein.

(b) The Companies agree and commit to create at least fifteen (15) Full-Time Jobs by no later than the end of the Investment Period, and to thereafter maintain at least fifteen (15) Full-Time Jobs through the end of the Term.

Section 4.02. Reporting and Filing.

(a) Each Company shall maintain, or cause to be maintained, such books and records with respect to the Project as will permit the identification of the portions of the Project placed in service, the amount of investment with respect thereto, any computations of the FILOT Payments and the Special Source Revenue Credits hereunder, the Companies’ compliance with the Contract Minimum Investment Requirement and the Sponsor’s compliance with the Jobs Commitment. The Companies agree to comply with all reporting requirements of the State and the County applicable to FILOT property under the Act and the Multi-County Park Act.

(b) A County Official may request and obtain, upon prior reasonable notice, such financial books and records from the Companies that supports the respective reports and returns of each Company as may be reasonably necessary to verify the calculations of the FILOT Payments and the Special Source Revenue Credits, or the Companies' compliance with the Contract Minimum Investment Requirement and Sponsor's compliance with the Jobs Commitment. For purposes of this Agreement, the term "County Official" includes the County Administrator, County Auditor, County Assessor, County Treasurer, and the County Director of Economic Development.

(c) Each year during the Term, each Company shall deliver, in the manner set forth in **Section 4.02(e)** below, to the County Auditor and the County Director of Economic Development a copy of any property tax form or return it files with the South Carolina Department of Revenue with respect to the Project within thirty (30) days of delivery thereof to the South Carolina Department of Revenue. The County and the Companies expect such tax forms or returns to include, but not be limited to:

(i) the South Carolina Department of Revenue Form PT-443 which, under current laws and regulations must be filed within thirty (30) days of the execution of this Agreement with the South Carolina Department of Revenue, the county auditors of the County and Multi-County Park partner county, and the county assessors of the County and the Multi-County Park partner county; and

(ii) the South Carolina Department of Revenue Form PT-300 and any applicable schedules thereto (or such successor forms and schedules as may be promulgated by the South Carolina Department of Revenue from time to time), which such form, under current laws and regulations, and subject to certain exceptions, must be filed with the South Carolina Department of Revenue by April 30th of each year (such date being the last day of the fourth month following each Company's closing date for income tax purposes).

(d) During the Term, the Sponsor shall deliver to the County Auditor and the County Director of Economic Development on or before each May 31 following the end of a property tax year, beginning with May 31, 20__, the annual investment and jobs information with respect to the Companies contained in **Exhibit B** attached hereto.

(e) If any of the information, returns, certifications, or other reports set forth in this **Section 4.02** are not timely delivered, in writing, to the appropriate County officials, in addition to any other remedy available to the County, the County may withhold the applicability of the FILOT and the Special Source Revenue Credits against the FILOT Payments otherwise provided pursuant to this Agreement for the applicable property tax year. In the event the Company fails to timely deliver any of the information, returns, certifications or other reports due with respect to the Project for the [2024 or 2025] property tax years, the County shall re-instate the applicability of the FILOT and the Special Source Revenue Credits against the FILOT Payments for such property tax years if such information, returns, certifications, or other reports are delivered, in writing, to the appropriate County officials by March 1, [2025] or March 1, [2026], respectively, failing which, in addition to any other remedy available to the County, the FILOT and the Special

Source Revenue Credits against the FILOT Payments otherwise provided pursuant to this Agreement for such property tax year shall be forfeited unless such non-compliance is waived by the County in its sole and absolute discretion pursuant to **Section 12.13** of this Agreement. With respect to the 2026 property tax year and any subsequent property tax year, if any of the information, returns, certifications, or other reports set forth in this **Section 4.02** are not timely delivered, in writing, to the appropriate County officials, in addition to any other remedy available to the County, the FILOT and the Special Source Revenue Credits against the FILOT Payments otherwise provided pursuant to this Agreement for the applicable property tax year shall be forfeited unless such non-compliance is waived by the County in its sole and absolute discretion pursuant to **Section 12.13** of this Agreement.

Information, returns, certifications or other reports to be provided to the County Auditor pursuant to this **Section 4.02** shall be in writing and delivered either:

- (i) by trackable mail or delivery service to the County Auditor, addressed as follows:

Lancaster County, South Carolina
Attn.: County Auditor
P.O. Box 1809 (29721)
101 N. Main Street, 2nd Floor (29720)
Lancaster, South Carolina

or

- (ii) by e-mail to the County Auditor or Deputy County Auditor; provided, delivery by e-mail pursuant to this **subsection (ii)** shall qualify as “delivery” hereunder only to the extent receipt of such e-mail is confirmed by return e-mail from the County Auditor’s office.

Information, returns, certifications or other reports to be provided to the County Director of Economic Development pursuant to this **Section 4.02** shall be in writing and delivered either:

- (A) by trackable mail or delivery service to the Economic Development Director, addressed as follows:

Lancaster County, South Carolina
Attn.: Economic Development Director
P.O. Box 1809 (29721)
1033 W. Meeting Street (29720)
Lancaster, South Carolina

or

- (B) by e-mail to the Economic Development Director; provided, delivery by e-mail pursuant to this **subsection (B)** shall qualify as “delivery” hereunder only to the extent receipt of such e-mail is confirmed by return e-mail from the Lancaster County Department of Economic Development.

Oral communication shall not qualify as “delivery” of the information, returns, certifications, or other reports required to be provided under this **Section 4.02**.

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

Section 4.03 Modification of Project.

As long as no event of default exists hereunder, the Companies shall have the right at any time and from time to time during the Term hereof to undertake any of the following:

(i) Each Company may, at its own expense, add to the Project any real and personal property as the Company in its discretion deems useful or desirable. For avoidance of doubt, this shall include any additional buildings that the Companies construct on the Land. Further, nothing in this Agreement prohibits the Companies from leasing any buildings constructed as part of the Project, and no such leasing shall constitute a sale, conveyance or other transfer resulting in a Due on Sale Payment under Section 5.01(m).

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

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

ARTICLE V

PAYMENTS IN LIEU OF TAXES

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

(a) In accordance with the Act, the parties agree that, during the Term of this Agreement, the Companies shall pay annually, with respect to the Project, a FILOT in the amount calculated as set forth in this **Section 5.01**, to be collected and enforced in accordance with Section 12-44-90 of the Act.

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

(i) With respect to any portion of the Project consisting of undeveloped land, land under development, other property not yet placed in service or Non-Qualifying Property, as long as such property is located in the Multi-County Park, a payment equal to the *ad valorem* taxes that would otherwise be due on such undeveloped land, land under development, other property not yet placed in service or Non-Qualifying Property if it were taxable giving effect to all credits, exemptions, depreciation, rebates and abatement that would be available if such undeveloped land, land under development, other property not yet placed in service or Non-Qualifying Property were taxable; and

(ii) With respect to those portions of the Project consisting of Economic Development Property, for each of the twenty (20) consecutive years following the year in which such portion of the Project is placed in service, a payment calculated each year as set forth in paragraphs (c) and (d) of this **Section 5.01** (a “Negotiated FILOT”).

(c) The Negotiated FILOT Payments shall be calculated with respect to each property tax year based on:

(i) the fair market value (determined in accordance with Section 12-44-50(A)(1)(c) of the Code) of the improvements to real property and Equipment included within the Project theretofore placed in service (less, for Equipment, depreciation allowable for property tax purposes as provided in Section 12-44-50(A)(1)(c) of the Code);

(ii) a fixed millage rate equal to 342.9 mills, **plus 50 mills for the City of Lancaster Water and Sewer**, for the Term; and

(iii) an assessment ratio of six percent (6%).

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

To defray or reimburse the Cost of Special Source Improvements, Special Source Revenue Credits shall be applied with respect to Economic Development Property in amounts equal to twelve percent (12%) of the Negotiated FILOT Payments against each of the first ten (10) consecutive annual Negotiated FILOT Payments, *provided, however, that*, the Special Source Revenue Credits shall not apply to the 50 mills attributable to the City of Lancaster Water and Sewer or to the Additional Fee, and *provided, further, that* Special Source Revenue Credits are subject to retroactive and prospective termination as set forth in **Section 5.01(j)** of this Agreement. Special Source Revenue Credits shall not, in the aggregate, exceed the aggregate Cost of Special Source Improvements funded from time to time in connection with the Project by the Companies. If the Companies have made a written election to include, as part of the Special Source Improvements, any personal property, and has provided notice to the County of such election, and the Companies subsequently remove or dispose of such personal property from the Project during the term of this Agreement and have claimed Special Source Revenue Credits against FILOT Payments based on such personal property, then the Companies are required to continue to make FILOT Payments on the removed personal property for the two years immediately following the year in which the Companies remove such personal property from the Project. The amount of the FILOT Payments due on the removed personal property is equal to the FILOT Payments due on the personal property for the year in which the Companies remove or dispose of the personal property. If the Companies replace such personal property with qualifying replacement property, then the removed personal property is deemed not to have been removed from the Project. Notwithstanding anything in this subsection to the contrary, the Companies shall be required to make the FILOT Payments required in this subsection only if and to the extent that the Act or the Multi-County Park Act so require at the time the personal property in question is removed or disposed of.

(d) The FILOT Payments are to be recalculated:

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

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

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

(e) [Reserved]

(f) Upon any Company's placement in service of any Replacement Property for any portion of the Project removed under **Section 4.03** hereof and sold, scrapped, or disposed of by any Company, such Replacement Property shall become subject to Negotiated FILOT Payments to the fullest extent allowed by law, subject to the following rules:

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

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

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

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

(h) This Agreement is automatically terminated in the event that the investment in the Project does not satisfy the Act Minimum Investment Requirement by the end of the initial Investment Period. If terminated pursuant to this **Section 5.01(h)**, the Negotiated FILOT Payments shall revert retroactively to payments equivalent to what the *ad valorem* taxes, or FILOT payments pursuant to the Multi-County Park Act, as the case may be, would have been with respect to the property absent this Agreement. At the time of termination, the Companies shall pay to the County an additional fee equal to the difference between the total amount of property taxes that would have been paid by the Companies had the Project been taxable, taking into account exemptions from property taxes and depreciation that would have been available to the Companies, and the total amount of Negotiated FILOT Payments actually made by the Companies. This additional amount is subject to interest as provided in Section 12-54-25. The Companies agree, if the Negotiated FILOT Payments revert to payments equivalent to what the *ad valorem* taxes, or FILOT payments pursuant to the Multi-County Park Act, would be pursuant to this **Section 5.01(h)**, that under no circumstance shall the County be required to refund or pay any monies to the Companies.

(i) This Agreement is automatically terminated, and the Project shall thereafter be subject to *ad valorem* taxes, in the event that either (1) the investment in the Project satisfies the Act Minimum Investment Requirement by the end of the initial Investment Period, but following the initial Investment Period falls below the Act Minimum Investment Requirement, or (2) the investment in the Project fails to satisfy the Contract Minimum Investment Requirement by the end of the initial Investment Period. In the event the Jobs Commitment is not met by the end of the initial Investment Period, then all Negotiated FILOT Payments shall revert retroactively to *ad valorem* taxes, with interest, calculated as set forth in **Section 5.01(h)** above. In the event that the Jobs Commitment is satisfied by the end of the initial Investment Period but is not maintained following the initial Investment Period, this Agreement is automatically terminated, and the Project shall thereafter be subject to *ad valorem* taxes.

(j) In the event either (1) the Contract Minimum Investment Requirement is not satisfied at the end of the initial Investment Period or is not maintained for each year thereafter in which the Companies would otherwise be entitled to receive a Special Source Revenue Credit, or (2) the Jobs Commitment is not achieved during the initial Investment Period or maintained for each year in which the Company would otherwise be entitled to receive a Special Source Revenue Credit, the Special Source Revenue Credits applicable to each Negotiated FILOT Payment due with respect to the Project shall be terminated on a retroactive and prospective basis. To the extent that the Special Source Revenue Credit is terminated, there shall be due and payable from the Companies to the County an amount equal to the difference between the Negotiated FILOT

Payments theretofore actually paid after taking into account any Special Source Revenue Credits that did apply to such Negotiated FILOT Payments, and the Negotiated FILOT Payments which would have been paid in the absence of any Special Source Revenue Credits, together with interest on such difference calculated in the manner as provided in Section 12-54-25 of the Code, or any successor Code provision.

(k) Unless otherwise provided by the Act, any amounts due to the County under this **Section 5.01** by virtue of the application of subsections **(h)**, **(i)** or **(j)** shall be paid within ninety (90) days, following written notice thereof from the County to the applicable Company. The Companies' obligations to make any such payments shall survive any termination of this Agreement.

(l) In partial consideration for locating the Project in the County, on the Effective Date of this Agreement, the County is executing and delivering a limited warranty deed (the "Conveyance") pursuant to which it is transferring to the Sponsor Affiliate approximately 16.62 acres of land within the Lancaster Business Park (the "Business Park Land"). The Business Park Land is valued at \$450,000 based on that certain Appraisal Report dated March 22, 2023 by Tedford & Associates. In connection with the Business Park Land and subject to Section 12.14 below, the Companies agree:

(i) If by December 31, 2027, the Companies have not invested at least \$5,000,000 (building and machinery, not including the value of the Business Park Land) and employed at least ten (10) Full-Time Jobs at the Project, the Companies shall make a payment to the County on or before March 1, 2028 calculated as follows:

$$\text{Payment} = [(1 - (\text{lesser of number of Full-Time Jobs created and } 10 / 10)) + (1 - (\text{lesser of amount invested in Project and } \$5,000,000 / \$5,000,000))] / 2 \times \$225,000$$

(ii) If by December 31, 2029, the Companies have not invested at least \$14,335,000 (building and machinery, not including the value of the Business Park Land) and employed at least fifteen (15) Full-Time Jobs at the Project, the Companies shall make a payment to the County on or before March 1, 2030 calculated as follows:

$$\text{Payment} = [(1 - (\text{lesser of number of Full-Time Jobs created and } 15 / 15)) + (1 - (\text{lesser of amount invested in Project and } \$14,335,000 / \$14,335,000))] / 2 \times \$225,000$$

By way of example:

If the Companies invest \$2,500,000 and employ 9 Full-Time Jobs at the Project on December 31, 2027, a payment shall be due to the County on or before March 1, 2028 calculated as follows:

$$\begin{aligned} \$67,500 &= [.1 \text{ (being the percentage of required Full-Time Jobs not created)} \\ &+ .5 \text{ (being the percentage of required investment not made)}] / 2 \times \$225,000 \end{aligned}$$

By way of further example:

If the Companies invest a total of \$7,500,000 and employ 18 Full-Time Jobs at the Project on December 31, 2029, a payment shall be due to the County on or before March 1, 2030 calculated as follows:

$$\begin{aligned} \$53,641 &= [0 \text{ (being the percentage of required Full-Time Jobs not created)} \\ &+ .4768 \text{ (being the percentage of required investment not made)}] / 2 \times \$225,000 \end{aligned}$$

The Companies' obligation to make any of the payments set forth in this **Section 5.01(l)** shall survive any termination of this Agreement.

(m) Upon any sale, conveyance or other transfer of the Business Park Land, on or prior to December 31, 2029, the Companies shall owe to the County the then-current fair market value of the Business Park Land (the "Due on Sale Payment") determined as set forth below. Notwithstanding the foregoing, such Due on Sale Payment shall not be required: (1) with respect to a sale, conveyance or other transfer of the Business Park Land in connection with a Financing Arrangement (as defined in **Section 9.01** below); or (2) upon a sale, conveyance or other transfer of the Business Park Land by the Sponsor Affiliate to an Affiliate provided (a) the Due on Sale Payment must be paid in the event of a subsequent sale, conveyance or other transfer of the Business Park Land by such Affiliate, or any of its Affiliates, to a non-Affiliate, and (b) the Companies and such Affiliate must enter into a written agreement with the County or in which the County is a third-party beneficiary, whereby Affiliate agrees to be liable for the payment of the Due on Sale Payment to the County and the Companies agree to jointly and severally guaranty any Due on Sale Payment owed by such Affiliate.

(i) Valuation. The parties shall meet at a mutually agreeable time and place to present such evidence as each party desires in an effort to mutually in good faith attempt to arrive at the Due on Sale Payment for the Business Park Land. If the parties cannot so agree on the Due on Sale Payment within thirty (30) days of the transaction giving rise to such payment, then any party, on written notice to the other, shall cause the matter to be submitted to appraisal, as follows:

- (1) Two Appraisers. Within thirty (30) days after giving written notice to the other party of its intention to have the matter submitted to appraisal, each party, at its own cost and by giving notice to the other party, shall appoint a qualified real estate appraiser who shall be a member of the Appraisal Institute and have at least ten years' full-time commercial appraisal experience in the commercial real estate industry within twenty-five (25) miles of the Business Park Land, to appraise and determine the Due on Sale Payment. The two (2) appraisers shall independently, and without consultation,

prepare a written appraisal of the Due on Sale Payment within thirty (30) days. Each appraiser shall seal its respective appraisal after completion. After both appraisals are completed, the resulting estimates of the Due on Sale Payment shall be opened by the Companies and the County and compared. If the values of the appraisals differ by no more than ten percent (10%) of the value of the higher appraisal, then the Due on Sale Payment shall be the average of the two (2) appraisals.

- (2) Three Appraisers. If the values of the appraisals differ by more than ten percent (10%) of the value of the higher appraisal, the two (2) appraisers shall designate in writing a third appraiser meeting the qualifications set out in Section 5.01(m)(i)(1) above. The third appraiser shall be a person who has not previously acted in any capacity for either party. The third appraiser shall make an appraisal of the Due on Sale Payment within ten (10) days after selection and without consultation with the first two (2) appraisers. The Due on Sale Payment shall be the value selected by the one of the two (2) appraisers that is closest, on a dollar basis, to the Due on Sale Payment selected by the third appraiser. This determination of the Due on Sale Payment shall be binding and conclusive.

(ii) No Improvements. Anything to the contrary contained herein notwithstanding, the valuation of the Business Park Land for purposes of the Due on Sale Payment shall be based on the Business Park Land as if vacant, undeveloped land only and shall not include the value of any buildings, any Equipment or any other machinery, apparatus, equipment, office facilities, furnishings, fixtures or other personal property, any Replacement Property, any water, sewer treatment and disposal, electrical, gas, telecommunications or other utility facilities, any roads, roadways, driveways, parking areas, sidewalks, walkways and related curbing, lighting, landscaping, or any other improvements to the Business Park Land whatsoever made subsequent to the Conveyance, and the Business Park Land shall be further valued as if any such improvements had never been made and the Business Park Land had remained vacant, undeveloped land at all times since the Conveyance.

(iii) Costs. Each party shall pay the fees and expenses of its own appraiser, and fifty percent (50%) of the fees and expenses of the third appraiser.

(iv) The Due on Sale Payment shall be due and payable to the County within thirty (30) days of the final determination of the amount due. The transaction giving rise to the Due on Sale Payment shall not be delayed by payment of the Due of Sale Payment.

(v) The Companies' obligation to pay the Due on Sale Payment shall survive any termination of this Agreement.

(n) Notwithstanding any other provision of this Agreement, the Companies acknowledge and agree that County's obligation to provide the FILOT incentive and the Special Source Revenue Credits ends, and this Agreement is terminated, if the Companies cease operations. For purposes of this **Section 5.01(n)**, "**cease operations**" means closure of the Companies' facility in the County for a period of 365 consecutive days. The Companies agree that if this Agreement is terminated pursuant to this **Section 5.01(n)**, that under no circumstance shall the County be required to refund or pay any monies to the Companies.

(o) To the extent the County levies additional millage for the specific purpose of providing either fire or EMS services, or both, during the Term of this Agreement, the Companies shall pay an additional fee to the County (the "Additional Fee") calculated in the same manner set forth above in **Section 5.01(c)**, provided the component set forth in subsection (ii) of such calculation shall equal the additional millage so levied. The Additional Fee shall be paid annually at the same time, and subject to the same terms and penalties, as each FILOT Payment is due pursuant to this Agreement.

ARTICLE VI

PAYMENTS BY COMPANY

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

ARTICLE VII

CASUALTY AND CONDEMNATION

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

ARTICLE VIII

PARTICULAR COVENANTS AND AGREEMENTS

Section 8.01. Use of Project for Lawful Activities. During the Term of this Agreement, the Companies shall use the Project for the purposes identified in **Section 2.02(f)** of this Agreement and for any lawful purpose that is authorized pursuant to the Act.

Section 8.02. Assignment. The County agrees that, to the maximum extent allowable under the Act (or any amendments thereto), any of the Companies may assign (including, without limitation, absolute, collateral, and other assignments) all or a part of its rights or obligations under this Agreement, and any lease agreement, lease purchase agreement, or fee agreement, as the case may be, or any other agreement related hereto or thereto, or transfer any and all assets of such Company, to one or more Related Entities (as defined in **Section 9.01** below) without adversely affecting the benefits of such Company or its assignees pursuant to any such agreement or the Act. Each Company shall provide the County and the Department of Revenue with notice of any such assignment, transfer, or investment in accordance with the Act, and the County agrees, upon the request of such Company, to take all further action necessary to implement such assignment, transfer, or investment in accordance with the provisions of the Act. To the extent that the Act may require the consent, approval or ratification of or by the County for the assignment of this Agreement, in whole or in part, the County agrees to not unreasonably withhold, condition or delay its consent, approval or ratification.

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

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

the County herein contained or for any claims based thereon against any member of the governing body of the County or any officer, attorney, agent, servant, or employee of the County.

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

The indemnity specified in this **Section 8.03** shall be in addition to any heretofore extended by the Companies to any Indemnified Party and shall survive the termination of this Agreement with respect to liability arising out of any event or act occurring prior to such termination.

Section 8.04. Sponsors and Sponsor Affiliates. Sponsor may designate from time to time other Sponsors or Sponsor Affiliates pursuant to the provisions of Sections 12-44-30(19) or (20), respectively, and Section 12-44-130 of the Simplified FILOT Act, which Sponsors or Sponsor Affiliates shall be Persons who join with the Companies and make investments with respect to the Project, or who participate in the financing of such investments, who agree to be bound by the terms and provisions of this Agreement and who shall be Affiliates of Sponsor, Sponsor Affiliate or other Sponsors or Sponsor Affiliates, or other Persons described in **Section 8.02** hereof. All other Sponsors or Sponsor Affiliates who otherwise meet the requirements of Section 12-44-30(19) or (20) and Section 12-44-130 of the Simplified FILOT Act must be approved by the County in writing. To the extent that the aggregate investment in the Project by the end of the Investment Period by all Sponsors and Sponsor Affiliates exceeds \$5,000,000, to the extent permitted by Section 12-44-30(19) of the Simplified FILOT Act, all investment by such Sponsors and Sponsor Affiliates during the Investment Period shall qualify for the FILOT pursuant

to **Section 5.01** of this Agreement (subject to the other conditions set forth therein) regardless of whether each such entity invested amounts equal to the Act Minimum Investment Requirement by the end of the Investment Period. The Companies shall provide the County and the Department of Revenue with written notice of any other Sponsor or Sponsor Affiliate designated pursuant to this **Section 8.04** within ninety (90) days after the end of the calendar year during which any such Sponsor or Sponsor Affiliate has placed in service property to be used in connection with the Project and subject to the Negotiated FILOT Payment, all in accordance with Section 12-44-130(B) of the Simplified FILOT Act.

ARTICLE IX

FINANCING ARRANGEMENTS; CONVEYANCES; ASSIGNMENTS

Section 9.01. Conveyance of Liens and Interests; Assignment. Any Company may at any time: (a) transfer all or any of its rights and interests hereunder or with respect to the Project to any Person; or (b) enter into any lending, financing, security, or similar arrangement or succession of such arrangements with any financing entity with respect to the Agreement or the Project, including without limitation any sale-leaseback, or other financing lease arrangement (collectively, a “Financing Arrangement”); *provided, that*, in connection with any of the foregoing transfers: (i) except in connection with any transfer to an Affiliate of any Company (collectively, the “Related Entities”), or transfers pursuant to clause (b) above (as to which such transfers the County hereby consents), such Company shall first obtain the prior written consent or subsequent ratification of the County; (ii) except where a financing entity, which is the income tax owner of all or part of the Project, is the transferee pursuant to clause (b) above and such transferee or financing entity assumes in writing the obligations of such Company hereunder, or where the County consents in writing, no such transfer shall affect or reduce any of the obligations of such Company hereunder, but all obligations of such Company hereunder shall continue in full force and effect as the obligations of a principal and not of a guarantor or surety; (iii) such Company, transferee, or financing entity shall, within sixty (60) days thereof, furnish or cause to be furnished to the County and the Department of Revenue a true and complete copy of any such transfer agreement; and (iv) such Company and the transferee shall comply with all other requirements of the Transfer Provisions.

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

Section 9.02. Relative Rights of County and Financing Entities as Secured Parties. The parties acknowledge the application of the provisions of Section 12-44-90 of the Act, and that the County’s right to receive FILOT Payments hereunder shall be the same as its rights conferred under Title 12, Chapter 49 and 54, among others, of the Code relating to the collection and enforcement of *ad valorem* property taxes. The County’s rights under this Agreement, except for its rights to receive FILOT Revenues, shall be subordinate to the rights of any secured party or parties under any financing arrangements undertaken by any Company with respect to the Project pursuant to **Section 9.01** hereof, such subordination to be effective without any additional action

on the part of the County; *provided, however*, that the County agrees, at such Company's expense, to execute such agreements, documents, and instruments as may be reasonably required by such secured party or parties to effectuate or document such subordination.

ARTICLE X

TERM; TERMINATION

Section 10.01. Term. Unless sooner terminated pursuant to the terms and provisions herein contained, this Agreement shall be and remain in full force and effect for a term commencing on the date on which the Companies execute this Agreement, and ending at midnight on the later of (i) the last day of the property tax year in which the last Negotiated FILOT Payment is due hereunder, or (ii) the day that all Special Source Revenue Credits due from the County have been fully provided by the County. With respect to the Negotiated FILOT Payments arrangement, the Project has a term of twenty (20) years, as calculated pursuant to the respective dates when the relevant portions of the Project are placed in service. The County's rights to receive any payments due under this Agreement, including, but not limited to indemnification and payment of Administrative Expenses, shall survive the expiration or termination of this Agreement.

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

ARTICLE XI

EVENTS OF DEFAULT AND REMEDIES

Section 11.01. Events of Default by Companies.

Any one or more of the following events (herein called an "Event of Default", or collectively "Events of Default") shall constitute an Event of Default, but solely with respect to the defaulting company (the "Defaulting Company"):

(a) if default shall be made by the Defaulting Company in the due and punctual payment of any FILOT Payments, Additional Fees, indemnification payments, Administrative Expenses, or any other payment obligations under this Agreement, which default shall not have been cured within thirty (30) days following receipt of written notice thereof from the County; or

(b) if default shall be made by the Defaulting Company in the due performance of or compliance with any of the terms hereof, including payment, other than those referred to in the foregoing paragraph (1), and such default shall continue for ninety (90) days after the County shall have given the Defaulting Company written notice of such default, *provided, that* the Defaulting Company shall have such longer period of time as necessary to cure such default if the Defaulting Company proceeds promptly to cure such default and thereafter to prosecute the curing of such default with due diligence; and *provided, further*, that no Event of Default shall exist under this paragraph (2) during any period when there is pending, before any judicial or administrative tribunal having jurisdiction, any proceeding in which the Defaulting Company has contested the occurrence of such default.

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

(a) terminate this Agreement with respect to the Defaulting Company by delivery of written notice to the Defaulting Company not less than thirty (30) days prior to the termination date specified therein;

(b) have access to and inspect, examine, and make copies of the books, records, and accounts of the Defaulting Company pursuant to **Section 4.02(c)** above; or

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

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

ARTICLE XII

MISCELLANEOUS

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

simultaneous or later exercise by the County or by the Companies of any or all such other rights, powers or remedies.

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

Section 12.03. Intentionally Omitted.

Section 12.04. Administrative Expenses.

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

(b) The Companies agree to reimburse the County for expenses incurred by the County for accountants and similar experts used by the County in the computation, preparation and verification of the annual FILOT Payments and any Special Source Revenue Credits, *provided, however*, the maximum annual reimbursement pursuant to this subsection is capped at One Thousand and No/100 dollars (\$1,000.00).

Section 12.05. Rules of Construction. The County and the Companies acknowledge and agree that each has been represented by legal counsel of its choice throughout the negotiation and drafting of this Agreement, that each has participated in the drafting hereof and that this Agreement will not be construed in favor of or against either party solely on the basis of such party's drafting or participation in the drafting of any portion of this Agreement.

Section 12.06. Notices; Demands; Requests. Unless otherwise provided in this Agreement, all notices, demands and requests to be given or made hereunder to or by the County or the Companies shall be in writing and shall be deemed to be properly given or made if sent by United States first class mail, postage prepaid or reputable courier service, addressed as follows or to such other persons and places as may be designated in writing by such party.

(a) As to the County:

County of Lancaster, South Carolina
ATTN: County Administrator
101 N. Main St. (29720)
P.O. Box 1809 (29721-1809)
Lancaster, South Carolina

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

Economic Development Director, Lancaster County
P.O. Box 1809
Lancaster, South Carolina 29721

(b) As to the Sponsor / Sponsor Affiliates:

PROJECT E3

ATTN: _____

With a copy, in each case, to (which shall not constitute notice):

Womble Bond Dickinson (US) LLP
ATTN: Stephanie Yarbrough
5 Exchange Street
Charleston, SC 29401

Section 12.07. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

Section 12.08. Entire Understanding. This Agreement expresses the entire understanding and all agreements of the parties with each other with respect to the subject matter hereof, and no party has made nor shall be bound by any agreement or any representation to any other party which is not expressly set forth in this Agreement or in certificates delivered in connection with the execution and delivery hereof.

Section 12.09. Severability. In the event that any clause or provision of this Agreement shall be held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any of the remaining provisions hereof.

Section 12.10. Headings and Table of Contents; References. The headings of the Agreement and any Table of Contents annexed hereto are for convenience of reference only and shall not define or limit the provisions hereof or affect the meaning or interpretation hereof. All references in this Agreement to particular articles or sections or paragraphs of this Agreement are references to the designated articles or sections or paragraphs of this Agreement.

Section 12.11. Multiple Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original but all of which shall constitute one and the same instrument.

Section 12.12. Amendments. Subject to the limitations set forth in the Act, this Agreement may be amended, or the rights and interest of the parties hereunder surrendered, only by a writing signed by all parties.

Section 12.13. Waiver. Any party may waive compliance by any other party with any term or condition of this Agreement only in a writing signed by the waiving party.

Section 12.14. Force Majeure. The Companies shall not be responsible for any delays or non-performance caused in whole or in part, directly or indirectly, by strikes, accidents, freight embargoes, labor shortages, fire, floods, pandemics, inability to obtain materials, conditions arising from government orders or regulations, war or national emergency, acts of God, and any other cause, similar or dissimilar, beyond the Company's reasonable control.

IN WITNESS THEREOF, the County, acting by and through the County Council, has caused this Fee in Lieu of Tax and Incentive Agreement to be executed in its name and behalf by the Council Chair and Council Secretary and to be attested by the Clerk to Council; and each of the Companies have caused this Fee in Lieu of Tax and Incentive Agreement to be executed by its duly authorized officer, all as of the day and year first above written.

LANCASTER COUNTY, SOUTH CAROLINA

Steve Harper, Chair, County Council

Billy Mosteller, Secretary, County Council

ATTEST:

Sherrie Simpson, Clerk to Council

COMPANY SIGNATURES FOLLOW ON NEXT PAGE.

PROJECT E3

Name

Title

PROJECT E3 AFFILIATE

Name

Title

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

EXHIBIT A
DESCRIPTION OF LAND

EXHIBIT B

ANNUAL INVESTMENT AND JOBS CERTIFICATION

To be Filed Annually, by May 31st, with:

Lancaster County, South Carolina
Attn.: County Auditor
P.O. Box 1809 (29721)
101 N. Main Street, 2nd Floor (29720)
Lancaster, South Carolina 29721

Lancaster County, South Carolina
Attn.: Economic Development Director
P.O. Box 1809 (29721)
1033 W. Meeting Street (29720)
Lancaster, South Carolina 29721

[PROJECT E3] (the "Company"), does hereby certify in connection with the Fee In Lieu of Tax and Incentive Agreement dated as of _____, 20__ (the "Agreement") among Lancaster County, South Carolina, the Company and [PROJECT E3 AFFILIATE] (the "Project Affiliate") as follows:

(1) As of December 31, 20__, the total amount of Special Source Revenue Credits received by the Company and any Sponsor Affiliates is as follows:

Special Source Revenue Credits received by the Company \$ _____

+

Special Source Revenue Credits received by Project Affiliates \$ _____

=

Total Special Source Revenue Credits received \$ _____

(2) As of December 31, 20__, the total amount of investment by the Company and any Sponsor Affiliates in Project Costs of Special Source Improvements is not less than \$_____.

(3) As of December 31, 20__, the capital investment in the Project made and maintained by the Company and any Sponsor Affiliates is not less than \$_____.

(4) As of December 31, 20__, the total number of Full-Time Jobs created and maintained by the Company and any Sponsor Affiliates is _____.

All capitalized terms used but not defined herein shall have the meaning set forth in the Agreement.

IN WITNESS WHEREOF, I have set my hand this ____ day of _____, 20__.

[PROJECT E3]

By:_____

Name:_____

Its:_____

EXHIBIT C

SPECIFIED ECONOMIC DEVELOPMENT PROPERTY

Category	Book Cost
Automobiles	\$189,959.85
Computers	\$84,006.22
Furniture & Fixtures	\$52,289.21
Machinery & Equipment	\$3,650,066.91
Software	\$6,312.63
Total	\$3,982,634.82

CONVEYANCE OF PROPERTY AGREEMENT

THIS CONVEYANCE OF PROPERTY AGREEMENT (the “Agreement”) is hereby made and entered into as of this ____ day of _____, 2023 (the “Effective Date”), by and among [PROJECT E3] (the “Company”) and LANCASTER COUNTY, SOUTH CAROLINA (the “County”).

WITNESSETH:

WHEREAS, the County currently owns certain Property (as defined below), and has undertaken site improvements thereon, with the goal of promoting economic development, capital investment, and job creation in the County; and

WHEREAS, the Company proposes to acquire the Property from the County, and to construct thereon one or more buildings and other improvements for the purpose of establishing a distribution facility (the “Project”); and

WHEREAS, the County has agreed to convey the Property to the Company in order to facilitate the capital investment and job creation represented by the Project in the County; and

WHEREAS, the purpose of this Agreement is to set forth the respective expectations and obligations of the parties in connection with the Project and the conveyance of the Property to the Company.

NOW, THEREFORE, FOR AND IN CONSIDERATION of the mutual promises and covenants contained herein and for other valuable consideration, the receipt, adequacy, and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I. Project Overview.

In connection with the Project, the Company proposes to construct an approximately 30,000 square foot facility (the “Facility”) on an approximate 16.62 acre tract of land, identified on Exhibit A attached hereto (the “Property”), and located on Quality Drive in the Lancaster Business Park (the “Business Park”).

ARTICLE II. INTENTIONALLY DELETED.

ARTICLE III. INTENTIONALLY DELETED.

ARTICLE IV. Land Conveyance.

- a) Subject to the other terms of this Agreement, the County will convey the Property to the Company for one hundred dollars (\$100.00) (the “Purchase Price”) within ten business (10) days of receipt of a written request by the Company (the “Closing”). The Closing shall occur no later than thirty (30) days after expiration of the Inspection Period, unless extended as otherwise provided herein (the “Closing Date”). Notwithstanding anything else set forth herein, the Closing shall occur on or before the date which is eighteen (18) months after the Effective Date of this Agreement (the “Outside Closing Date”). In the event the transaction contemplated herein has not closed by the Outside Closing Date, the County may, in its sole discretion, terminate this contract and the parties shall have no further obligations hereunder to each other.
- b) Company may obtain a physical and boundary survey of the Property (the “Survey”) and submit same to County for approval. The cost of any Survey shall be borne by Company. The legal description at Closing shall be based on the Survey and at Company’s option, also the legal description pursuant to which County took title to the Property. Company shall be responsible for any applications and approvals necessary for approval of any subdivision necessary for the Property to be assigned a separate tax map number and subdivision approval by the County Planning Department.
- c) At the Closing, County shall deliver, or cause to be delivered, to Company a limited warranty deed in form and content reasonably satisfactory to Company’s counsel, conveying to Company title to the Property, such title to be insurable both as to fee and marketability at regular rates by a title insurance company of Company’s choice (the “Title Company”), subject only to the Permitted Exceptions (as defined below).
- d) The Property shall be conveyed by County to Company free and clear of all liens, encumbrances, claims, rights-of-way, easements, leases, restrictions and restrictive covenants, except Permitted Exceptions. For purposes of this Article IV(d), the term “Title Exceptions” shall mean any defects in, interests in, exceptions to, or conditions, liens, encumbrances or other matters of record relating to the title to the Property, whether evidenced by written instrument, disclosed on a survey or otherwise evidenced; any encroachments upon or by the Property; any boundary disputes regarding the boundaries of the Property; and the terms, provisions and conditions set forth in any instruments evidencing or referring to any such defects, exceptions, conditions, liens, encumbrances, overlaps, encroachments or boundary disputes or other matters, any matters relating to the zoning or land development process for the Property, which materially interfere with the Company’s intended use or development of the Property. During the Inspection Period (as defined in Article IV(e)), Company shall have the right to study and investigate the title to the Property (including the Survey and zoning) to the extent it deems necessary. Company shall have the right to make objections to any Title Exception (collectively, the “Objections”) on or prior to the end of the Inspection Period.

In the event Company notifies County of any Objections, then County shall have fifteen (15) business days after the receipt of such notice within which to notify Company as to whether County will cure any or all of the Objections. If County does not respond within such fifteen (15) day period, then County shall be deemed to have elected not to cure any of Company's Objections. In the event County affirmatively elects to cure any of the Objections, then County, at County's sole cost and expense, shall do so within thirty (30) days after receipt of the Objections as a covenant of County hereunder. In the event County elects not to cure any of the Objections or is unable to cure any of the Objections in the time period provided, then Company shall have the right (exercisable within ten (10) days after receipt of notice of County's election or the lapse of the fifteen (15) day period specified above) to either (i) terminate this Agreement, (ii) waive the uncured Objections and close under the terms of this Agreement or (iii) waive the uncured Objections and extend the Closing Date for a reasonable period of time to enable County to cure any Objections that County is attempting to cure, such extension term to be agreed upon in writing by County and Company. Those Title Exceptions to which Company has not objected or which Company accepts in writing shall herein collectively be referred to as the "Permitted Exceptions." Notwithstanding anything set forth herein to the contrary, in no event shall Company have any obligation to object to any judgment, mechanic's lien, materialman's lien, mortgage or deed of trust lien ("Liens") or any Title Exception arising on or after the Effective Date and unless specifically consented to in writing by Company, such items shall in no event be Permitted Exceptions unless resulting from Company's due diligence, and the County shall cause the same to be released, removed, or satisfied of record pursuant to documents approved by the Company on or before the Closing Date.

e) Inspection Period.

- i. For purposes hereof, the "Inspection Period" shall be the period commencing on the Effective Date and ending on such date which is ninety (90) days after the Effective Date.
- ii. Company, with County's reasonable cooperation, shall have the right to make all such inspections of the Property as Company deems desirable prior to Closing. Company agrees to indemnify and hold County harmless from all liabilities, claims, damages, liens, costs and expenses (including reasonable attorneys' fees) in connection with its inspection of the Property. Company is authorized to conduct customary environmental inspections of the Property, including without limitation a Phase I Environmental Site Assessment and if recommended by such Phase I, upon prior written approval from the County (such approval not to be unreasonably withheld), then a Phase II Environmental Site Assessment (including soil borings and similar investigations), geotechnical evaluation (including soil borings), wetlands evaluation, protected/endangered species and historical/cultural resources evaluation. Notwithstanding anything set forth herein to the contrary, Company shall in no event be liable to County or any other party for any reduction in the value of the Property caused by Company's discovery of any condition or state of facts affecting the Property, such as the existence of any hazardous substances or materials on the Property. The County agrees to provide

to the Company, without charge, within five (5) business days of execution of this Agreement, copies of any environmental reports, boundary surveys, title commitments and/or policies, and geotechnical data in its possession. Company acknowledges that County cannot give Company any right to rely on such reports and documents. The indemnification provisions of this Article IV(e)(ii) survive Closing and the termination of this Agreement. Company shall not disclose the results of any environmental testing to any governmental agency unless required to do so by law or regulation and the Company has given the County five (5) days written notice.

- iii. Prior to the expiration of the Inspection Period, Company may, for any reason or for no reason, elect to terminate this Agreement by giving written notice of such decision to County. In the event such notice of termination is given, then the Company and the County shall not have any remaining obligation or liability to the other except as to the indemnity provisions set forth in Article IV(e)(ii) above. In the event this Agreement is terminated or Company does not close on the Property for any reason other than the default of the County, the Company shall deliver and assign to the County copies of all due diligence materials with respect to the Property.
- iv. Company's obligations hereunder are contingent on (i) there being no material change to the physical condition of the Property or any new Title Exceptions arising between the Effective Date and Closing, (ii) County's performance of all obligations of County hereunder required to be performed on or before the Closing Date, (iii) the continued truth, accuracy, and completeness of all of County's representations and warranties set forth in this Agreement, and (iv) Company has received all required permits, licenses, and approvals from the County to allow Company to initiate construction on the Property (if any of the foregoing items (i) through (iv) only are incorrect or have not occurred, a "Changed Condition"). In the event that any such Changed Condition other than (iv) above is identified by Company prior to Closing, Company shall provide County with written notice thereof and County shall have fifteen (15) days, or such longer period as is necessary as long as County has commenced and is diligently pursuing cure, from the date of receipt of such notice to cure such Changed Condition, and thereafter if County has not cured such Changed Condition to the reasonable satisfaction of Company, Company shall be entitled to terminate this Agreement by giving written notice to County. If Changed Condition (iv) above is identified by Company prior to Closing, Company shall be entitled to extend the Closing Date until such time as Changed Condition (iv) is satisfied and if not satisfied within sixty (60) days of the originally scheduled Closing Date, Company shall be entitled, but shall not be required, to terminate this Agreement by giving written notice to County or the Company can continue to extend the Closing Date until (iv) is satisfied.
- f) Closing Costs. County shall prepare the limited warranty deed to the Property at County's cost, which deed shall be subject to the reasonable approval of Company. Company shall pay for the transfer tax/documentary stamps pursuant to SC Code §12-24-

20(B). County shall pay for the cost of discharging any mortgage, lien or title encumbrance other than those resulting from Company's actions or otherwise permitted hereunder. Company shall be responsible for the cost of recording the deed and any other instruments to be recorded under the terms of this Agreement. Company shall pay for the cost of any title exam and title insurance premiums Company elects to purchase and the cost of Company's environmental and other due diligence. Except as otherwise provided herein, each party shall bear its own costs and expenses, including its own attorneys' fees.

- g) Settlement Adjustments. Unless otherwise specified in this Agreement, all expenses and costs related to the Property shall be prorated as of the Closing Date.
- h) Covenants of County. Until the Closing, (i) County shall continue to maintain the Property in good condition and repair, ordinary wear and tear alone excepted, and shall not cause or permit any waste respecting the Property and (ii) County shall not take any action that would adversely affect the value or title to the Property or place, consent or permit any lien, judgment or other encumbrance to affect title to the Property, or cause any Changed Condition, as provided in Article IV(e)(iv) above.
- i) Brokerage Commission. Company and County each represent and warrant to the other that it has not dealt with any agent, realtor or broker in connection with this transaction. This Article IV(i) shall survive the Closing.
- j) Eminent Domain. If, prior to the Closing, all or any part of the Property is taken by eminent domain or if condemnation proceedings are commenced, Company shall have the option, by giving written notice to County, to terminate this Agreement. If Company does not so elect to terminate this Agreement, the Agreement shall remain in full force and effect and County shall assign, transfer and set over to Company at the Closing all of County's right, title and interest in and to any awards that may be made for such taking.
- k) As Is Sale. Other than the specific representations and warranties herein, including without limitation in Article VI and Article VII hereof, if any, County makes no representations, warranties, or promises regarding the Property, including as to environmental matters, and Company agrees to take the Property "as is, where is." Company represents to County that Company has conducted, or will conduct prior to Closing, such investigations of the Property as are desired by Company, including but not limited to, the physical and environmental conditions thereof, and will rely solely upon the same, together with the representations and warranties set forth in this Agreement. This provision shall survive Closing.
- l) Environmental Matters. Company may obtain its own environmental assessment of the Property during the Inspection Period, but County makes no representations and warranties regarding environmental matters.
- m) County Closing Contingencies. The obligations of the County to perform hereunder are contingent upon (i) approval of this Agreement by the Lancaster County Council; and (b) approval of the Fee in Lieu of Tax and Incentive Agreement by and among Lancaster

County, South Carolina, the Sponsor and the Sponsor Affiliate (the “FILOT Agreement”) by the Lancaster County Council. The obligation of the County to convey the Property to the Company at Closing is contingent upon execution and delivery of the FILOT Agreement by the Sponsor and the Sponsor Affiliate (as those terms are defined in the FILOT Agreement) at Closing.

n) Closing Documents.

At Closing, County shall deliver, or cause to be delivered, to Company the following:

- i) a duly executed and acknowledged limited warranty deed in recordable form conveying good, fee simple and marketable title to the Property subject only to the Permitted Exceptions and based on the Survey set forth above;
- ii) affidavit of consideration to accompany the deed pursuant to S.C. Code 1-24-10 et seq.
- iii) a duly executed lien affidavit satisfactory for the Title Company and the County to remove the mechanic’s lien exception applicable to County (but not for liens created by Company) and the exception for the rights of parties in possession, and otherwise sufficient to allow the Title Company to delete all “pre-printed” exceptions on the Title Policy, except as allowed under the Permitted Encumbrances;
- iv) such other documents as Company’s counsel or the Title Company may reasonably request to evidence County’s authority to execute and perform under this Agreement and to execute and deliver all documents conveying the Property to Company;
- v) a certificate or affidavit (FIRPTA affidavit) given under penalty of perjury and on a form approved under temporary regulations promulgated under Section 1445 of the Internal Revenue Code of 1986, as amended, that County is not a foreign person;
- vi) possession of the Property free of the rights and claims of others subject to the Permitted Encumbrances;
- vii) a certificate from County stating that all of the representations and warranties of County set forth herein are true and correct as of the Closing Date;
- viii) A Transferor Affidavit in the form approved by the SC Department of Revenue, executed by County attesting that the transfer is exempt from the requirements of South Carolina Code Section 12-54-124, as amended, if true and correct;
- ix) a South Carolina residency affidavits for County required by South Carolina Code Section 12-8-580 (the SC I-295 Affidavit”);

- x) payoff letters from the holders of all Liens that encumber the Property, if any, in form and substance satisfactory to Company and Title Company;
- xi) a form 1099;
- xii) a gap indemnity agreement in form reasonably acceptable to Title Company and the County;
- xiii) a closing statement for the subject transaction;
- xiv) County shall use reasonable efforts to obtain an estoppel certificate with respect to compliance with, and payment of assessments under, any private restrictions or similar agreements related to the Property, dated within ten (10) business days of Closing;
- xv) any and all documents and payments necessary to discharge and satisfy of record any and all Liens at or prior to Closing;
- xvi) the duly executed FILOT Agreement signed by the County; and
- xvii) such other documents and papers that may be reasonably necessary to the consummation of the transaction described in this Agreement or may be reasonably requested by Company or Company's counsel.

At Closing, Company shall deliver to County:

- i) any outstanding balance of the Purchase Price due at Closing;
- ii) the duly executed FILOT Agreement signed by the Sponsor and the Sponsor Affiliate; and
- iii) such other documents and papers as the County or its counsel may reasonably request to evidence the Company's authority to execute and perform under this Agreement and such other documents and papers that may be necessary to the consummation of the transaction described in this Agreement or that may be reasonably requested by County or County's counsel.

ARTICLE V. Defaults and Remedies.

- i) In the event County defaults or fails to perform any of its conditions or obligations under this Agreement, through no fault of Company, or in the event any of the representations and warranties set forth herein are not materially true and correct as of the Effective Date and as of the Closing Date, the Company shall be entitled to (i) pursue an action for specific performance, or (ii) terminate this Agreement by giving written notice to County, and upon any termination of this Agreement by Company on such basis, Company shall be entitled to the recovery from County of all reasonable documented out-of-pocket fees, costs, and expenditures paid and/or incurred by Company pursuant to and/or in reliance

upon this Agreement, up to a maximum amount of \$25,000.00. In the event of a default or breach by Company of any of the covenants or conditions or obligations of Company under this Agreement prior to Closing, County may terminate this Agreement as its sole and exclusive remedy.

ARTICLE VI. Representations and Warranties of County.

County makes the following representations and warranties to Company:

a. County is the sole owner of good, marketable and insurable fee simple title to the Property;

b. No actions, suits or proceedings are pending or, to the best of County's knowledge, threatened before any court, governmental agency or arbitrator against or affecting County and/or the Property which may, in any one case or in the aggregate, materially and adversely affect the condition, value, usability, or title to the Property, or County's ability to perform hereunder;

c. There are no moratorium, ordinance, administrative action, condemnation, eminent domain, rezoning, zoning or land development ordinance changes, or land-use proceedings or similar proceedings pending or, to the best of County's knowledge, threatened against or involving the Property or any portion thereof, or which could materially and adversely affect (i) vehicular access the Property; (ii) access to the Property to utilities; (iii) the proposed use of the Property by Company for distribution and light manufacturing (the "Proposed Use") or the land development/zoning standards for site planning and construction; or (iv) the condition, value, or title to the Property in any way. There is no pending, or to County's actual knowledge without investigation threatened, other litigation affecting the Property, and to the knowledge of the County, it has received no written notice thereof;

d. No payments for work, materials or improvements furnished to the Property will be due or owing at Closing except for those matters to be paid in the ordinary course of business, and no mechanics' liens, materialmen's liens or other similar liens shall be of record against the Property at Closing;

e. No other options, rights-of-first refusal, or contracts have been granted or entered into by County to a third party which are still outstanding and which give any other party a right to purchase any interest in the Property or any part thereof, and there are no outstanding written or oral agreements in place which may entitle any other person to develop or otherwise use any portion of the Property;

f. There are no outstanding leases, licenses or occupancy agreements (whether written or oral) of or affecting any portion of the Property;

g. The Property is not located within a special tax or assessments district or will otherwise be subject to special taxes or assessments for roadway, sewer, or water improvements or other public improvements except for the 50 mill assessment for the

City of Lancaster Water and Sewer to be imposed in accordance with the Intergovernmental Agreement dated as of January 8, 2008 between the County and the City of Lancaster.

h. There are no service, supply, maintenance, or any other agreements affecting the Property or the operation thereof.

i. At Closing, all utility (including sewer) charges payable, billed by respective utilities to County, have been or will be paid by County up to and through the Closing Date, and no utility is making any claims for any due or past due statements. The Property is not subject to ad valorem taxes and all such taxes assessed after Closing shall be the responsibility of Company.

j. Upon approval by County Council, the County will have full power and authority to convey the Property and to enter into and fully perform and comply with the terms of this Agreement. This Agreement and the conveyance of the Property contemplated herein and the performance of all obligations of the County hereunder are subject to approval by all requisite County Council action.

k. The execution, delivery and performance of this Agreement and the documents contemplated herein by County (i) does not to the best knowledge of County, conflict with or result in a violation of any law, rule, regulation, ordinance, agreement, judgment, writ, injunction, order or decree of any court, governmental authority or arbiter binding upon County or the Property or in any proceeding to which County is a party, (ii) does not, to the best knowledge of County, conflict with or constitute a breach of, or constitute a default under, any contract, agreement or other instrument which will remain in effect at Closing by which County or the Property is bound or to which County is a party, and (iii) does not require the consent of any other party other than County Council.

l. To its knowledge, County has received no written notice of any, and to County's actual knowledge there is no, material violation of any law, ordinance, rule or regulation or any private restriction or covenant applicable to the Property.

m. To its knowledge, County has not received written notice of any action pending or threatened by adjacent land owners or other persons, which would result in a material adverse change in zoning, land use, title, or the condition the Property or any part thereof or in any way prevent or limit in a materially adverse way, the construction and/or operation of any improvements thereon.

n. To the actual knowledge of the County, there are no unrecorded agreements, documents, or contracts, whether written or oral, affecting the Property other than this Agreement or Property Contracts.

s. All representations and warranties of County shall be materially true, accurate and complete as of Closing, and all covenants and agreements of County to be complied with or performed prior to or at Closing shall have been materially complied

with and/or performed.

County will not cause or, to the best of its ability, permit any action to be taken which would cause any of the foregoing representations and warranties to be incomplete or untrue in any material respect as of the date of Closing. County agrees to notify Company immediately in writing of any event or condition which occurs prior to Closing which causes a material change in the facts or conditions set forth in any of County's foregoing representations and warranties, or which materially affects the truth or completeness of any such representations and warranties. Knowledge under this Agreement shall be the actual knowledge of the County Administrator, without a duty of investigation.

ARTICLE VII. Documents and Records to be Furnished by County.

Within five (5) business days of the Effective Date, County shall deliver to Company copies (including all exhibits) of any of the following documents in its physical possession and known to the County Administrator:

- (a) Copies of any existing Phase I and/or Phase II Environmental Reports and any geotechnical or soil reports (collectively, the "Environmental Reports"); and
- (b) Copies of all existing title insurance commitments, title insurance policies, exceptions to title reported therein, and surveys of the Property.

ARTICLE VIII. Miscellaneous.

- a) Due Authorization. In addition to the other warranties and representations set forth herein, each party makes the following representation and warranties to the other: the execution, delivery and performance of this Agreement and the closing documents by such party and the execution, delivery and performance by each individual and/or entity signing this Agreement on behalf of such party shall have been duly authorized and approved by all requisite action on the part of such party. All representations and warranties of the parties set forth in this Agreement are true and correct as of the Effective Date and will be true and correct as of the Closing.
- b) Protective Covenants. The Company acknowledges that the Property is subject to the Protective Covenants for the Lancaster Business Park, Lancaster, South Carolina, recorded in the Lancaster County office of the Register of Deeds in Bok R-11 at Page 132 (the "Protective Covenants"), a copy of which have been provided to Company. The existence of the Protective Covenants shall not constitute any breach of any warranty or representation by the County pursuant to this Agreement.
- c) Notices. Any notice to be provided under this Agreement shall be effective (i) when delivered to the party named below or (ii) the day after it is deposited in Federal Express (or any other reputable national "next day" delivery service marked for next day delivery) or (iii) when delivered by the United States Postal Service, certified mail, return receipt requested, postage prepaid, or (iv) upon sending (with no bounceback), emailed, to the addressed as follows during normal business hours and days, provided that notice is also

provided by (i) or (ii) (or addressed to such other address as any party shall have previously furnished in writing to the other party),:

IF TO THE COMPANY:

Attn: _____

Telephone: _____

Email: _____

WITH COPIES TO:

Womble Bond Dickinson (US) LLP

Attn: Amy Clayton

550 S. Main Street, Suite 400

Greenville, SC 29601

Telephone: 803-553-0331

Email: Amy.Clayton@wbd-us.com

IF TO COUNTY:

Lancaster County, SC

Attn: County Administrator

101 N. Main Street

Lancaster, SC 29720

Telephone: 803.285.1565

Email: dmarstall@lancastersc.net

WITH COPIES TO:

Burr & Forman LLP

Attn: Michael W. Burns, Esq. & Robin C. Stanton, Esq.

104 South Main Street, Suite 700

Greenville, SC 29601

Telephone: 864.271.4940

Email: mburns@burr.com

RStanton@burr.com

- d) Binding Effect. This Agreement and each document contemplated hereby or related hereto shall be binding upon and inure to the benefit of the parties hereto and to their respective successors and assigns.
- e) Counterparts. This Agreement may be executed in any number of counterparts, and all of the counterparts taken together shall be deemed to constitute one and the same instrument.

- f) Governing Law. This Agreement and all documents executed in connection herewith shall be construed in accordance with and governed by the laws of the State of South Carolina.
- g) Severability. In case any one or more of the provisions contained in this Agreement should be deemed invalid, illegal, or unenforceable in any respect for any reason whatsoever, the validity, legality, or enforceability of the remaining provisions shall not in any way be affected or impaired thereby.
- h) Headings. The headings of the articles and sections of this Agreement are inserted for convenience only and shall not be deemed to constitute a part of this Agreement.
- i) Amendments. The provisions of this Agreement may only be modified or amended in a writing executed by all parties.
- j) Force Majeure. The parties agree that a force majeure, including but not limited to war or national emergency, natural disasters, strikes, lockouts, labor disputes, inability to procure or obtain or shortages in labor or materials, or reasonable substitutes, acts of God, hurricanes, natural disasters; governmental restrictions, regulations or controls, including without limitation in connection with local or national emergency and any mandated closures required due to a pandemic, which includes, but is not limited to, closures arising from any actual or threatened public health emergency, including, but not limited to, epidemics, pandemic, famine, disease, plague, quarantine, and other health risk, including, but not limited, to health risks declared or recognized by the Centers for Disease Control, the World Health Organization, any governmental authority or other similar body or other public health event which results in the issuance of legal requirements to shelter in place; enemy or hostile governmental action or civil commotion; fire or other casualty; condemnation; acts of terrorism; or other similar conditions beyond the Company's reasonable control and could have a direct or indirect effect on the Company's ability to complete the Project as contemplated herein. In that event, the parties agree to negotiate amendments to this Agreement to make fair and reasonable adjustments to the Company's performance obligations therein.
- k) Entire Understanding. This Agreement expresses the entire understanding and all agreements between the parties hereto with each other in relation to the conveyance of the Property, and no party hereto has made or shall be bound by any agreement or any representation to another party in connection with the conveyance of the Property which is not expressly set forth in this Agreement or in certificates delivered in connection with the execution and delivery hereof. In the case of any conflict or discrepancy between this Agreement and the exhibits and attachments hereto, this Agreement shall control. The provisions of this Agreement supersede and control any inconsistent or conflicting provision of Lancaster County Resolution No. _____ adopted on _____, 2023. The parties acknowledge they intend to enter into, and the Closing is contingent upon the execution and delivery of, the Fee in Lieu of Tax and Incentive Agreement dated the date of Closing by and among the County, the Sponsor, and the Sponsor Affiliate (as those terms are defined therein) . The parties also acknowledge that the County may have certain rights in connection with the Property pursuant to the Protective Covenants. .

- l) Waiver. A party may waive compliance by the other party with any term or condition of this Agreement applicable to the party only in a writing signed by the affected waiving party.
- m) Assignment. This Agreement shall not be assigned by County. The Company may assign its rights, interests, and obligations under this Agreement to an Affiliate (as such term is defined in the FILOT Agreement), without the consent of County, but upon notice and a copy of the assignment document. Any other assignment of this Agreement by Company requires the consent of the County.
- n) Confidential Information.
 - (i) The Company agrees that the County and its authorized agents have the right at all reasonable times and upon prior reasonable notice to enter upon and examine and inspect the Project and to have access to and examine and inspect all the Company's books and records pertaining to the Project. The right of examination and inspection shall be exercised only upon reasonable and necessary terms and conditions prescribed by the Company to protect the Company's confidentiality and proprietary rights, subject to any requirements applicable to the County pursuant to the South Carolina Freedom of Information Act. Any such entrance upon and examination and inspection of the Project shall be at the County's expense.
 - (ii) The County acknowledges and understands that the Company may have and maintain at the Project certain confidential and proprietary information, including, but not limited to, trade secrets, financial, sales or other information concerning the Company's operations and processes ("Confidential Information") and that any disclosure of the Confidential Information could result in substantial harm to the Company and could have a significant detrimental impact on the Company's employees and also upon the County. Except as required by law, including, without limitation, the South Carolina Freedom of Information Act or court orders, the County agrees to use its best reasonable efforts to keep confidential, and to cause employees, agents and representatives of the County to keep confidential, the Confidential Information which may be obtained from the Company, its agents or representatives, when the Confidential Information is clearly marked and identified as Confidential Information and known to the County to be Confidential Information. County shall not knowingly and willfully disclose and shall cause all employees, agents and representatives of the County not to knowingly and willfully disclose the marked and identified Confidential Information to any person or entity other than in accordance with the terms of this Agreement. If a demand is made for the release, under color of law, to a third party of any Confidential Information, the County shall notify the Company and give the Company the opportunity to contest the release.
- o) Administrative Expenses. The Company agrees to reimburse the County for its reasonable and necessary out-of-pocket expenses, including attorney's fees, incurred by

County with respect to the review and preparation of this Agreement and other agreements and documents related to this Agreement.

- p) Subsequent Action. The parties acknowledge and agree that various aspects of this Agreement may require subsequent action by the County, such as the passage of ordinances and the conducting of public hearings after notice. The parties agree to proceed to the accomplishment of the subsequent actions in a timely and effective manner subject at all times to the requirements of South Carolina law and the rules and procedures applicable to the respective entity.

SIGNATURES BEGIN ON NEXT PAGE.

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the ____ day of _____, 2023.

LANCASTER COUNTY, SOUTH CAROLINA

Dennis Marstall, County Administrator

ATTEST:

Sherrie Simpson, Clerk to Council

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[PROJECT E3]

Signature: _____

Name: _____

Title: _____

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EXHIBIT A

Lancaster Business Park – Property Designated for Project E3

An approximate 16.62 acre parcel located on Quality Drive in the Lancaster Business Park, currently identified as Lancaster County Tax Map No. 0061-00-104.00.

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Agenda Item Summary

Ordinance # / Resolution #: Ordinance 2023-1869 / Planning Case Number: RZ-2023-1197

Contact Person / Sponsor: M. Blaszyk / Planning

Department: Planning

Date Requested to be on Agenda: 9/11/2023

Council Action Requested:

Application by Charles Strunk to rezone approximately 6.6 acres at 2458 Mineral Mining Road, Kershaw (TM #0098-00-037.01) from Light Industrial (LI) to Agricultural Residential (AR) District, in order to create conformity for existing residential use.

Points to Consider:

The property is located at the intersection of Mining and Mineral Mining Road and is currently a non-conforming residential use. The applicant would like to be able to construct a stable on the property for the family's horses.

Directly behind the parcel, is the former Blackmon Mine and a Landfill.

The Comprehensive Plans Future Land Use Map designates the subject parcel as staying a part of an industrial use.

Funding and Liability Factors:

N/A

Recommendation:

During the Planning Commission's August regular meeting, concerns were discussed regarding the possibility of the former mine to resume operations and the existing landfill to expand with their locations being directly adjacent to the residence.

Staff recommends denial of the rezoning proposal due to the existing conflicts with the Comprehensive Plan.

Staff also offered the point that if the Planning Commission and Council want to approve the proposed rezoning, staff recommends a companion ordinance to amend the current Comprehensive Plan. The Planning Commission agreed to this recommendation. The item received a recommendation for approval with a companion ordinance to amend the current Comprehensive Plan with a vote of 5-2.

ATTACHMENTS:

Description	Upload Date	Type
Ordinance 2023-1869	9/5/2023	Ordinance
Staff Report	8/28/2023	Planning Staff Report
Application	7/26/2023	Exhibit
Location Map	7/26/2023	Exhibit
Recorded Plat	7/26/2023	Exhibit
Strunk Deed	7/26/2023	Exhibit
FLU Map GIS	8/2/2023	Exhibit
Public Hearing Notice for Ordinance 2023-1869 (Planning Department Case Number: RZ-2023-1197)	8/16/2023	Public Hearing Notices

STATE OF SOUTH CAROLINA

)

ORDINANCE NO. 2023-1869

COUNTY OF LANCASTER

)

AN ORDINANCE

TO AMEND THE OFFICIAL ZONING MAP OF LANCASTER COUNTY TO REZONE APPROXIMATELY 6.60 ACRES (TM# 0098-00-037.01) LOCATED AT 2458 MINERAL MINING ROAD, KERSHAW, FROM LIGHT INDUSTRIAL (LI) DISTRICT TO AGRICULTURAL RESIDENTIAL (AR) DISTRICT.

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

Section 1. Findings and Determinations.

The Council finds and determines that:

(a) Charles Stunk applied to rezone a 6.60-acre parcel of real property (TM# 0098-00-037.01) owned by Mr. Stunk, being located at 2458 Mineral Mining Rd, Kershaw, from Light Industrial (LI) District to Agricultural Residential (AR) District.

(b) On August 15, 2023, the Lancaster County Planning Commission held a public hearing on the proposed rezoning and, by a 5-2 vote, recommended approval of the rezoning request, as well as recommended the County Council consider an amendment to the Comprehensive Plan to reflect the change from industrial to residential zoning.

The Future Land Use Category of the subject property is *Special District-Industrial*, which corresponds to the Community Type of *Industrial Center*. The adopted Comprehensive Plan states that the “*The Community Type Industrial Center includes both heavy and light manufacturing, from clean and green data handling complexes to manufacturing / extraction / distribution processes or power plants that require careful environmental management. These uses usually require considerable land areas and are set aside from other development for environmental or security concerns, or for reasons of heavy truck traffic flow. The Special District – Industrial Category exists in pockets throughout the county extending from just north of Highway 5 to just north of the Town of Kershaw. The Special District-Industrial Future Land Use Category and Industrial Center Community Type are intended to be Synonyms.*” The requested AR District is more consistent with the adjacent Rural Living category, which includes a variety of residential types, from farmhouses to large acreage rural family dwellings, to ecologically-minded “conservation subdivisions” whose aim is to preserve open landscape, and traditional buildings, often with a mixture of residential and commercial uses that populate crossroads in countryside locations. It is this category that the Planning Commission recommends the County Council consider as a replacement for the existing future land use category.

Section 2. Rezoning.

The Official Zoning Map is amended by changing the zoning district classification from Light

Industrial (LI) District to Agricultural Residential (AR) District, for the following property as identified by tax map numbers or other appropriate identifiers:

Tax Map No. (TM# 0098-00-037.01) being located at 2458 Mineral Mining Rd, Kershaw.

Section 3. Severability.

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

Section 4. Conflicting Provisions.

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

Section 5. Effective Date.

This ordinance is effective upon Third Reading.

AND IT IS SO ORDAINED

Dated this _____ day of _____, 2023.

LANCASTER COUNTY, SOUTH CAROLINA

Steve Harper, Chair, County Council

Billy Mosteller, Secretary, County Council

ATTEST:

Sherrie Simpson, Clerk to Council

First Reading: September 11, 2023
Public Hearing: September 11, 2023
Second Reading: September 25, 2023
Third Reading: October 9, 2023

Approved as to form:

Virginia Merck-Dupont, County Attorney

PROPOSAL: Request to rezone 6.60 acres of property

PROPERTY LOCATION: 2458 Mineral Mining Road (TM# 0098-00-037.01)

CURRENT ZONING DISTRICT: Light Industrial (LI) District

PROPOSED ZONING DISTRICT: Agricultural Residential (AR) District

APPLICANT: Charles Strunk

COUNCIL DISTRICT: District 6, Allen Blackmon

STATUTORY NOTICES: Hearing notice published 7/29/2023 in The Lancaster News
Signs posted 7/26/2023
Mailed notices 7/26/2023
Posted agenda in lobby 8/8/2023

OVERVIEW:

Proposal/Site information

The applicant has requested to rezone a parcel 6.60 acres in size. The property is located in front of the former Blackmon Goldmine and a Landfill. The intent of the proposed rezoning is to bring the existing residence into conformance and to allow further expansion of the agricultural use. The applicant would like to start keeping their families' horses on the property and construct an outbuilding for them. This is one of multiple residences in the area that is zoned Light Industrial.

Summary of Adjacent Zoning and Uses

The properties are surrounded predominantly by AR and LI zoned properties.

Adjacent Property	Jurisdiction	Zoning District	Use
North	Lancaster County	LI	Residential
South	Lancaster County	AR	Griffin Brothers Enterprises INC Former Industrial Use
East	Lancaster County	LI	Non-Conforming Residential
West	Lancaster County	LI	Non-Conforming Residential

ANALYSIS & FINDINGS:

Mineral Mining Road, a secondary (state) road. Four total properties take access off Mineral Mining Road. Two of these are residential uses, 2458 and 2469 and are located at the front of the road. Located further back on Mineral Mining Road is the former mine and active Mining Road Landfill. This leaves the possibility open for waste being hauled to the landfill and mining equipment driving directly adjacent to these residences.

Zoning Districts

As previously noted, the subject property is currently in the LI District. Pursuant to UDO Chapter 2.3, the LI District "is established for activities that can be operated in a relatively clean and quiet manner, and which will not be obnoxious to adjacent residential or business districts. This includes warehousing and wholesaling activities with limited contact with the general public. It is designed to prohibit most heavy

industry, which should be properly segregated, and to prohibit any other use which would substantially interfere with the development of industrial establishments in the district. Limited opportunities for retail sales and services are also provided."

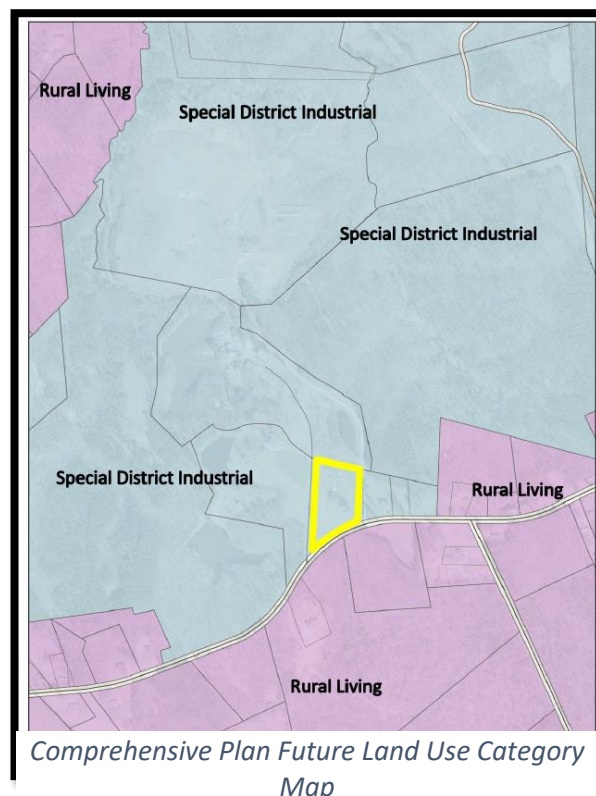
Requested AR

Pursuant to UDO Chapter 2.3, the requested AR District *"is established as a district in which the principal uses of the land are restricted due to lack of available utilities, unsuitable soil types, steep slopes, or for the protection of prime agricultural lands."*

RELATIONSHIP TO PUBLIC PLANS

The Future Land Use Category of the subject properties is *Special District-Industrial*, which corresponds to the Community Type of *Industrial Center*. The adopted Comprehensive Plan states that the *"The Community Type Industrial Center includes both heavy and light manufacturing, from clean and green data handling complexes to manufacturing / extraction / distribution processes or power plants that require careful environmental management. These uses usually require considerable land areas and are set aside from other development for environmental or security concerns, or for reasons of heavy truck traffic flow. The Special District – Industrial Category exists in pockets throughout the county extending from just north of Highway 5 to just north of the Town of Kershaw. The Special District-Industrial Future Land Use Category and Industrial Center Community Type are intended to be Synonyms."*

The requested AR District is not consistent with the Future Land Use Category and the Comprehensive Plan. The future land use category boundaries are consistent with the zoning district boundaries in this area. The map below depicts the designated future land use categories in the area. The blue parcels are designated as *Special District-Industrial*, and the pink parcels are *Rural Living*.



Special District-Industrial: Land Use Considerations		
Factory	Landfill	Data Handling Plant
Heavy Assembly Plant	Light Manufacturing and Assembly	Natural Area
Regional Warehouse / Trucking Distribution	Laboratory	Quarry

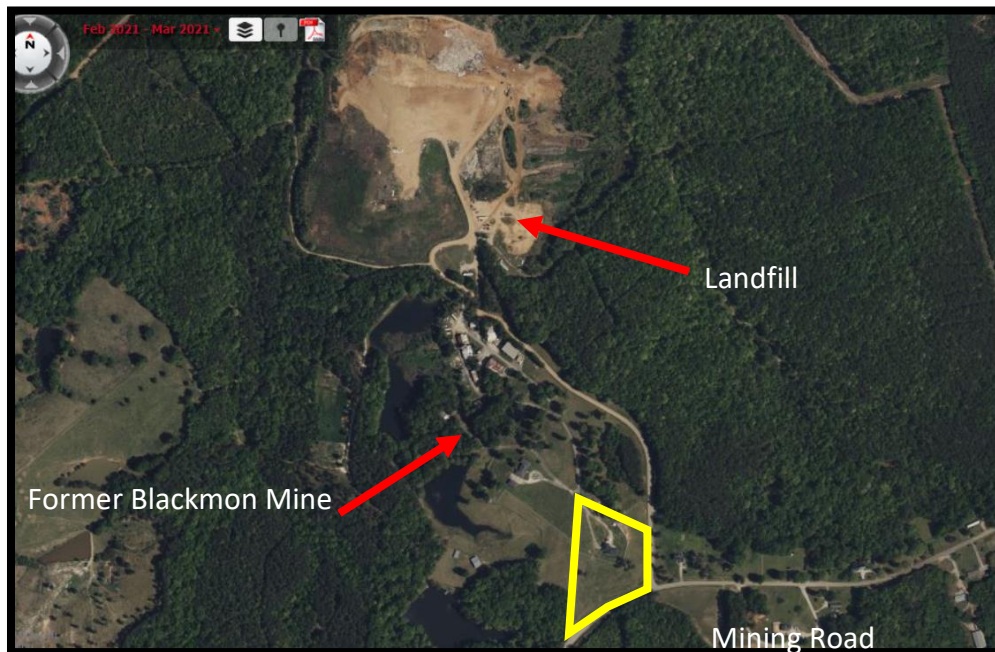
The existing home on the property is a non-conforming residential structure. In 2014 when the current Comprehensive Plan was implemented, the Future Land Use Category of Special District Industrial was designated for this parcel. The Rural Residential land use category was chosen for the nearby properties that were zoned for residential use. It was deemed that this parcel along with the vast quantities of industrial zoned property adjacent to it, would someday become an industrial use again.

INFRASTRUCTURE CONSIDERATIONS

Public Utilities

Water is provided via the Lancaster County Water and Sewer District. The site has a septic tank.

PHOTOS OF PROJECT AREA:





Facing Subject Property off Mining Road



Facing Down Mineral Mining Road

STAFF RECOMMENDATION:

Staff recommends **Denial** of the request to rezone 6.60 acres (TM#0098-00-037.01) from Light Industrial (LI) District to Agricultural Residential (AR) District, pursuant to the following findings of fact:

1. That the subject project consists of the following parcel: TM# 0098-00-037.01
 2. That the subject property is currently zoned LI District and proposed to be rezoned AR District;
 3. That the subject property has a Future Land Use designation of Special District-Industrial, and a Community Type of Industrial Center.
-

PLANNING COMMISSION:

The Lancaster Planning Commission held a public hearing on August 15, 2023, and there was no input from the public regarding the rezoning. After deliberation, the Planning Commission made a recommendation to **approve the rezoning**, and to recommend the County Council consider an amendment to the Comprehensive Plan to change the Future Land Use map for this parcel from Special District – Industrial to Rural Living (motion carried 5-2).

ATTACHMENTS:

1. Rezoning Application
2. Recorded Plat
3. Location Map/ Zoning Map

STAFF CONTACT:

Matthew Blaszyk, Planner
mblaszyk@lancastersc.net | 803-416-9380

Planning Department

P.O. Box 1809, 101 N. Main
Street, Lancaster, SC 29721
Phone: 803.285.6005,
planning@lancastercountysc.net
www.mylancastersc.org

ZONING MAP AMENDMENT APPLICATION

SUBMITTAL REQUIREMENTS

- Completed Application
- Signatures of Applicant and Property Owner
- Deed and survey plat or boundary survey
- Fees associated with review

GENERAL INFORMATION

Property Address 2458 Mineral Mining Rd
City Kershaw State SC Zip 29067
Tax Parcel ID 0098-00-037.01 Current Zoning LI:
Light Industrial Current Use Residential
Proposed Zoning AR: Agricultural Residence Total
Acres 6.6 Project Description Looking to
have our residential property rezoned so we can add a small
pole barn for housing personal horses. Current zoning doesn't
allow additional structures or intended use. Land is not used
as industrial since sold by mining company.

Surrounding Property Description Mining Rd landfill directly
behind property. Directly in front and surrounding is zoned
AR. All residential and agricultural use.

CONTACT INFORMATION

Applicant Name Charles Strunk Address
2458 Mineral Mining Rd City Kershaw
State SC Zip 29067 Phone 803-325-5036
Fax _____ Email cstrunk5040@gmail.com
Property Owner Name Charles and Ruth
Strunk Address 2458 Mineral Mining
Rd City Kershaw State SC Zip
29067 Phone 803-325-5036 Fax _____ Email
cstrunk5040@gmail.com



I hereby certify that I have read this application and the information supplied herein is true and correct to the best of my knowledge. I agree to comply with all applicable County ordinances and state laws related to the use and development of the land. I further certify that I am the property owner, or his/her authorized agent, or the subject property. I understand that falsifying any information herein may result in rejection or denial of this request.

Charles F. Strunk 6/13/23

Applicant Date

Charles F. Strunk 6/13/23 Ruth Strunk 6/13/23

Property Owner(s) Date

Attach owner's notarized written authorization with property information if the applicant is not the owner.

LANCASTER COUNTY OFFICE USE ONLY

Application	Number	Date	Received
	Receipt Number	Amount Paid	Check
Number	Cash Amount	Received By	
Planning Commission Meeting Date			

SCHEDULE/PROCESS 1. Submit Application

- The deadline for this application is at least 45 days prior to the Planning Commission meeting, held every third Tuesday of the month.
- Once an application is submitted, it is placed on the Planning Commission agenda for the following month.
- An application withdrawal should be made in writing and received prior to public notice in order to receive a refund.
- Rezoning Application Fee – single parcel \$435.00

- Rezoning Application Fee – multi parcel \$610.00

2. Planning Commission

- Conducts a public hearing on the application to receive input from Lancaster County citizens, applicant, and other interested parties.
- Reviews the application to ensure it is consistent with the Lancaster County Unified Development Ordinance, Comprehensive Plan, and all adopted County plans.
- Makes a recommendation to the County Council.

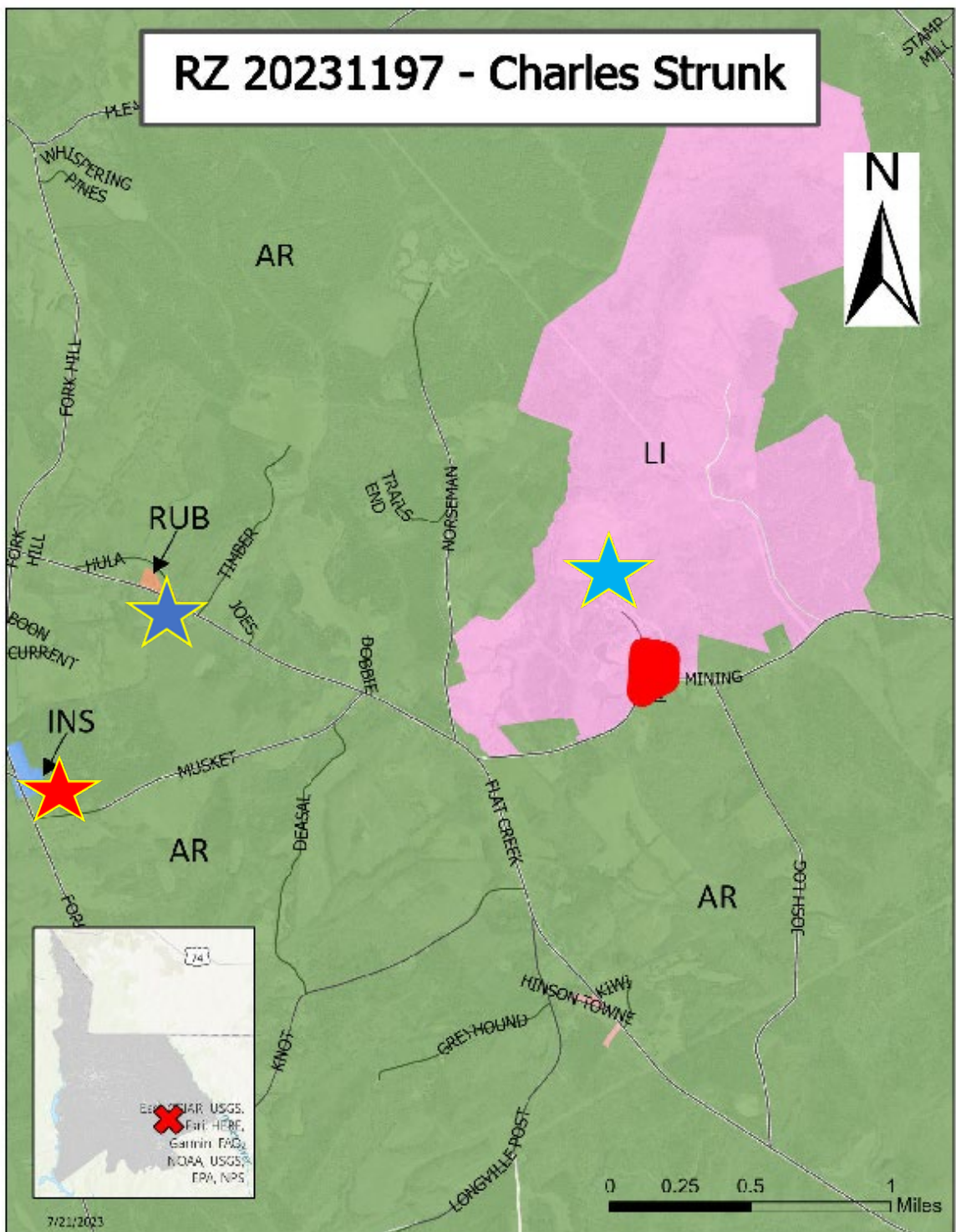
3. County Council

- Approves, denies, or submits application to the Planning Commission for further study.
- Action requires three readings for approval.
- Subsequent to final County Council action on rezoning, notice of action will be provided to the applicant, owner, and adjacent property owners.
- If applicant would like to request a special presentation, please notify the County Clerk @ (803) 416-9307 before 5:00pm on the first Monday of the month to make arrangements.

January, 2020 2



RZ 20231197 - Charles Strunk



Lancaster
County
South Carolina

 Subject Property

Proposal:
Rezoning LI to AR



Trading Post



Fork Hill Baptist Church



Mining Road Landfill

PREPARED BY TRIMNAL & MYERS, LLC
STATE OF SOUTH CAROLINA)
COUNTY OF LANCASTER)

TITLE TO REAL ESTATE

LANCASTER COUNTY ASSESSOR

Tax Map:

0098 00 037 01

**RECORDED THIS 15th DAY
OF JULY, 2022
IN BOOK 00 PAGE 00**

Daphne C. Murphy
Auditor, Lancaster County, SC

LANCASTER COUNTY, SC	
2022011658	DEED
RECORDING FEES	\$15.00
STATE TAX	\$1263.60
COUNTY TAX	\$534.60
PRESENTED & RECORDED	
07-15-2022	10:51:56 AM
BRITTANY GRANT	
REGISTER OF DEEDS	
LANCASTER, COUNTY SC	
By: CANDICE PHILLIPS	
BK:DEED 1570 PG:93-94	

KNOW ALL MEN BY THESE PRESENTS, THAT **Lisa A. LeRay**, (hereinafter whether singular or plural referred to as the "Grantor"), in the State aforesaid, for and in consideration of **FOUR HUNDRED EIGHTY SIX THOUSAND AND 00/100 (\$486,000.00)** Dollars have granted, bargained, sold and released, and by these presents do grant, bargain, sell and release unto the said **Charles Franklin Strunk and Ruth Clark Strunk** AS JOINT TENANTS WITH RIGHTS OF SURVIVORSHIP AND NOT AS TENANTS IN COMMON, AND UPON THE DEATH OF EITHER OF THEM, THEN TO THE SURVIVOR THEREOF, THEIR RESPECTIVE HEIRS AND ASSIGNS:

All that piece, parcel or tract of land with any and all improvements located thereon lying, being and situate containing 6.60 acres more or less as shown on boundary survey prepared for Bruce and Kathleen E. Poston by Kenneth A. Johnson RLS dated June 1, 2005 and recorded June 06, 2005 in Book 2005 at Page 306 in the Office of the Register of Deeds for Lancaster County, South Carolina. Plat is craved for a more accurate description as to metes and bounds.

This property was conveyed to Lisa A. LeRay by deed recorded in the Office of the Register of Deeds for Lancaster County, South Carolina in Deed Book 1097 at Page 109 on November 17, 2017.

TMS# 0098-00-037.01

Grantees address: 2458 Minerva / Mining Rd, Kershaw SC 29067

This conveyance is subject to all easements, conditions, and restrictions of record.

TOGETHER with all and singular, the rights, members, hereditaments and appurtenances to the Premises belonging or in any wise incident or appertaining thereto.

TO HAVE AND TO HOLD all and singular the Premises unto **Charles Franklin Strunk and Ruth Clark Strunk**, as joint tenants with rights of survivorship and not as tenants in common, and upon the death of either of them, to the survivor thereof, their respective heirs and assigns:

And the Grantor(s) does hereby bind his or her successors, and assigns, and other lawful representatives, to warrant and forever defend all and singular the Premises unto the Grantee(s) and the Grantee(s) heirs, successors and assigns, against the Grantor(s) and against the Grantor(s) successors and assigns and against every person whomsoever lawfully claiming, or to claim, the same or any part thereof.

WITNESS the Hand and Seal of the Grantor this 15 day of July, 2022.

SIGNED, SEALED AND DELIVERED
IN THE PRESENCE OF:

Ammie Mowere
(WITNESS #1)

Lisa A. LeRay (SEAL)
Lisa A. LeRay

[Signature]
(WITNESS #2)

STATE OF SOUTH CAROLINA)
COUNTY OF LANCASTER)

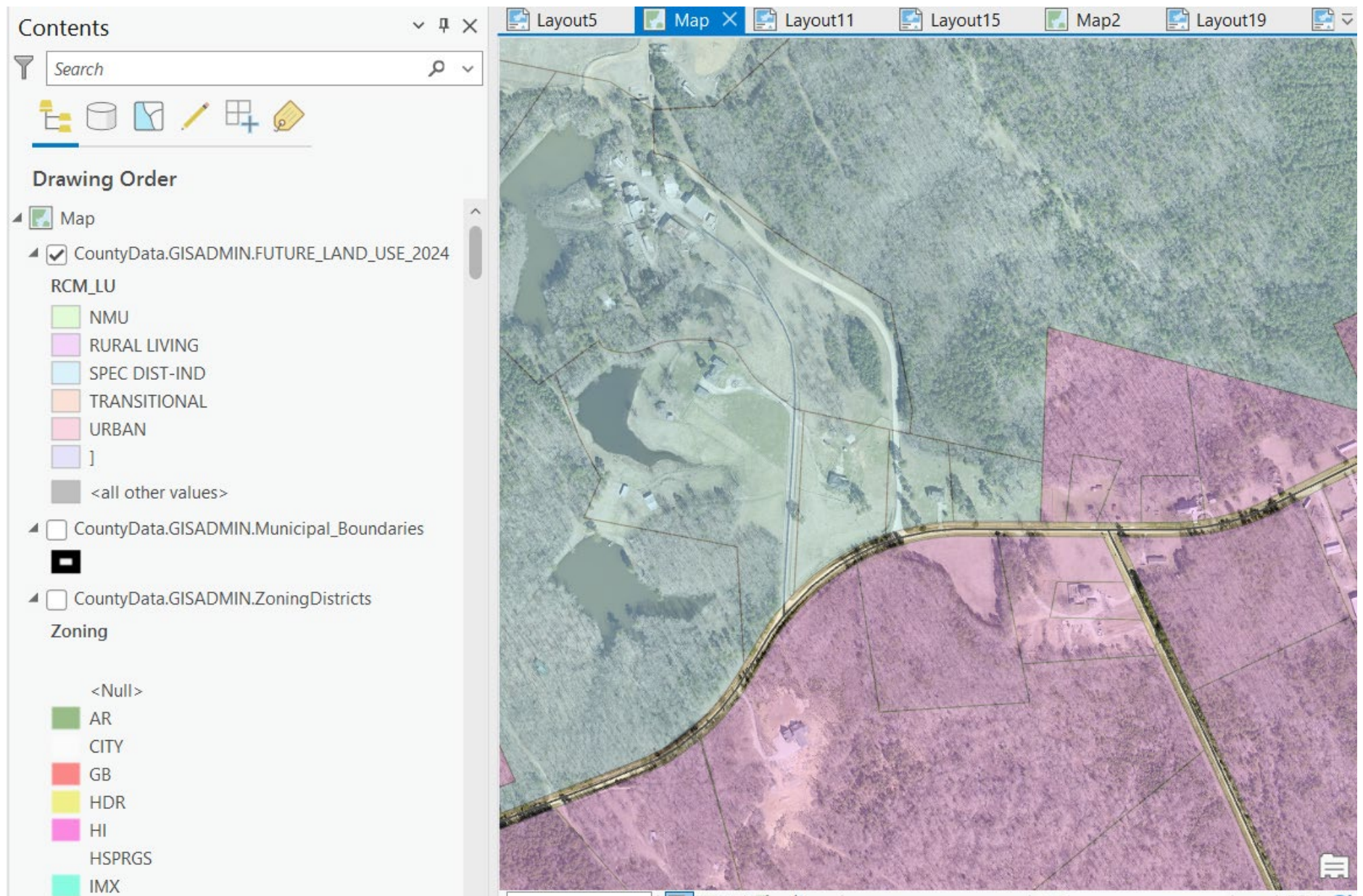
ACKNOWLEDGEMENT

Before me Brian Trimnal, Notary Public, personally appeared Lisa A. LeRay and acknowledged the execution of the foregoing document.

Witness my hand and seal this 15 day of July, 2022.

[Signature]
Notary Public for SC
My Commission Expires: Sept 25 2030





The Lancaster News

980 N Woodland Drive
PO Box 640
Lancaster, SC 29721
803-283-1133

PUBLIC HEARING NOTICE

For the purpose of obtaining oral and written comments from the public regarding the following matters, the Lancaster County Planning Commission and County Council will conduct public hearings on Tuesday, August 15, 2023, and Monday, September 11, 2023, respectively. The public hearings will take place at 6:00 PM at the Lancaster County Administrative Building located at 101 N. Main Street, Lancaster, SC.

1. UDO-TA-2023-0973: Chapter 4, Sec. 4.4 1 Cluster Subdivision Overlay Standards: Application by Planning Department on behalf of County Council to amend standards for Cluster Subdivision Overlay District, regarding lot size, front setbacks, usable open space, block length, CSOD lot size mix, and density calculation.
2. UDO-TA-2023-1163: Chapter 2: Use Regulations and Chapter 10: Definitions. Application by William Cox for a text amendment adding Auction House as a defined Use.
3. UDO-TA-2023-1371: Chapter 5.3.3: Campground Regulations. Application by Adam Thomas for a text amendment adding standards for cabins to campground regulations.
4. RZ-2023-1197: Application by Charles and Ruth Strunk to rezone approximately 6.6 acres at 2458 Mineral Mining Road, Lancaster (TM #0098-00-037.01) from Light Industrial (LI) to Agricultural Residential (AR) District, in order to create conformity for existing residential use.

Copies of the documents to be considered are available for public inspection in the office of the Lancaster County Planning Department located at 101 North Main Street, Lancaster, South Carolina. Persons requiring special arrangements due to handicap please call (803) 285-6005 at least 24 hours in advance.

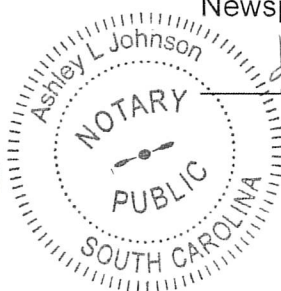
Public comments may be made in person at the hearing or submitted in written format to be provided to the Planning Commission or to County Council at the public hearing. Comments made in person or in writing should be limited to three (3) minutes in duration if read aloud. Written comments may be submitted either by online submission by selecting the "public hearing comments" quick link located on the county website (<https://www.mylancastersc.org/>), email to SSimpson@lancastersc.net, or by mail addressed to Clerk to Council at 101 N. Main Street, Lancaster, SC 29720 with the Ordinance number or other appropriate identifier clearly referenced in the communication. At the public hearing and any adjournment of it, all interested persons may be heard either in person or by their designee or by submission of written comments.

hed in The Lancaster News,
olina, in accordance with

SWORN to before me this 31st day of

July, 2023
Ashley L Johnson

Notary Public for South Carolina
My Commission Expires: 01/20/2027



Newspaper Rep Signature

Kristi Ross

The Lancaster News

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803-283-1133

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LCPR fall sports registration continues through July 31 for Lancaster County Parks and Recreation's fall sports programs. Fall sports and instructional fall soccer, boys and girls age 4, \$60 per child
• Fall soccer, boys and girls ages 5-15, \$75 per child
• Girls Volleyball, ages 7-12, \$75 per child
• NFL flag football, boys and girls ages 5-15, \$75 per child
• Tackle football, ages 10-12, \$75 per child
• Cheerleading, ages 10-12, \$75 per child
Register online at www.mylancaster.org/parks or in person 8:30 a.m.-5 p.m. weekdays at Springdale Recreation Center or Indian Land Recreation Center. Parents who want to become a volunteer head

I hereby certify that on the above notice published in The Lancaster News, a general circulation in Lancaster County, South Carolina, in accordance with law on July 29th 2023.

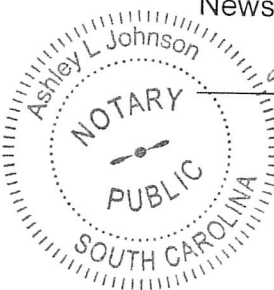
SWORN to before me this 31st day of July, 2023

Ashley L Johnson
Notary Public for South Carolina

My Commission Expires: 11/20/2027

Newspaper Rep Signature

Kristi Koss



CAROLINA GATEWAY

980 N Woodland Drive
PO Box 640
Lancaster, SC 29721
803-339-6862

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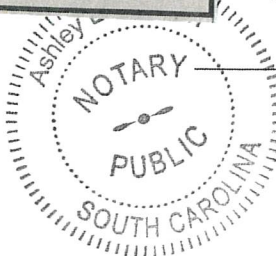
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lina, in accordance with law

ewspaper Rep Signature

AUGUST 15, 2023
Ashley L. Simpson
Notary Public for South Carolina
My Commission Expires: 01/20/2027



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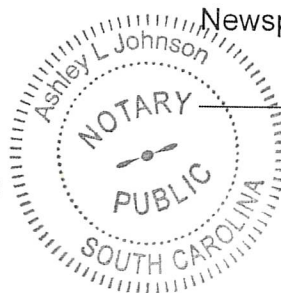
I BUY AND MOBE WITH ANY CONDIT

PLACE YOUR AD IN 97 S.C. NEWSPAPERS
and reach more than 2.1 million readers
using our small space display ad network
Statewide or regional buys available
Randall Savely 888.727.7377
scnewspapernetwork.com

I hereby certify that on the above notice published in the Carolina Gateway in Lancaster County, South Carolina, in accordance with law on August 2nd 2023.

SWORN to before me this 2nd day of August, 2023

Ashley L Johnson
Notary Public for South Carolina
My Commission Expires: 01/20/2027



Newspaper Rep Signature

Agenda Item Summary

Ordinance # / Resolution #: Ordinance 2023-1871 / PLanning Case Number: UDO-TA-2023-1163

Contact Person / Sponsor: A. Hardin / Planning

Department: Planning

Date Requested to be on Agenda: 9/11/2023

Council Action Requested:

Application by William Cox for a text amendment adding Auction House as a defined Use. Mr. Cox has a similar business in North Carolina and would like to open an auction business in Lancaster County.

Points to Consider:

The Planning Commission was generally in favor, but recommends the use as a conditional use rather than a use permitted with review. Their reasoning was based on the potential noise created by outdoor auctions, and they recommended a conditional use based on the definition: "Conditional Uses are uses which are generally compatible with other land uses permitted in a zoning district but which, because of their unique characteristics or potential impacts on the surrounding neighborhood and/or the County as a whole, require individual consideration in their location, design, configuration, and/or operation at the particular location proposed." They also recommended that the hours of operation for outdoor auctions be restricted so that the noise levels would not be in conflict with the County's noise ordinance.

Funding and Liability Factors:

N/A

Recommendation:

The Lancaster County Planning Commission held a public hearing on August 15, 2023 and there were no comments from the public. The Planning Commission made a recommendation to **approve the proposal**, changing the use from allowed with review to a conditional use, including the condition that operating hours for auctions are 8:00 a.m. until 6:00 p.m. The motion carried 6-1.

ATTACHMENTS:

Description	Upload Date	Type
Ordinance 2023-1871	9/5/2023	Ordinance
Staff Report	8/28/2023	Planning Staff Report
Application	8/1/2023	Exhibit
GB Map 1 of 3	8/4/2023	Exhibit
GB Map 2 of 3	8/4/2023	Exhibit
GB Map 3 of 3	8/4/2023	Exhibit
Public Hearing Notice for Ordinance 2023-1871 (Planning Department Case Number: UDO-TA-2023-1163)	8/16/2023	Public Hearing Notices

STATE OF SOUTH CAROLINA

)

ORDINANCE NO. 2023-1871

COUNTY OF LANCASTER

)

)

AN ORDINANCE

TO AMEND THE UNIFIED DEVELOPMENT ORDINANCE (“UDO”) CHAPTERS 2, 5, AND 10 TO INCLUDE A NEW USE DEFINITION FOR “AUCTION,” TO CREATE “AUCTION” AS A CONDITIONAL USE, AND TO ESTABLISH THE CONDITIONS FOR THE USE, ON THE EFFECTIVE DATE OF THIS ORDINANCE

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

Section 1. Findings and Determinations.

The Council of Lancaster County (“Council”) finds and determines that:

- (a) Lancaster County initiated a full rewrite of the Unified Development Ordinance (UDO) in October 2021 to address substantive issues with the UDO, has retained a UDO consultant to assist in the full rewrite of the UDO, and the full rewrite is expected to take another twelve (12) to eighteen (18) months to complete.
- (b) There is an interest in the business community to open up an auction business to assist citizens with reducing their clutter and allowing them to profit from it.
- (c) The current Lancaster County UDO does not include a definition for “auctions.”
- (d) The text amendment is consistent with the applicable provisions of the Comprehensive Plan as required by UDO Section 9.2.15.B.3, as well as applicable provisions of South Carolina Code, Title VI.
- (e) Lancaster County Planning Commission considered the proposed text amendment at its meeting on August 15, 2023 and by a 6-1 vote recommended approval of the proposed text amendment.

Section 2. Amendment of Ordinance 2016-1442 (Unified Development Ordinance)

Ordinance 2016-1442 (Unified Development Ordinance), is amended as set forth in the “Interim Ordinance - Exhibit 1” attached hereto and incorporated herein by reference.

Section 3. Severability.

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

Section 4. Conflicting Provisions.

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

Section 5. Effective Date.

This ordinance is effective upon Third Reading.

AND IT IS SO ORDAINED

Dated this _____ day of _____, 2023.

LANCASTER COUNTY, SOUTH CAROLINA

Steve Harper, Chair, County Council

Billy Mosteller, Secretary, County Council

ATTEST:

Sherrie Simpson, Clerk to Council

First Reading:	September 11, 2023
Public Hearing:	September 11, 2023
Second Reading:	September 25, 2023
Third Reading:	October 9, 2023

Approved as to form:

Virginia Merck-Dupont, County Attorney

PROPOSED AMENDMENT

CHAPTER 10.3 DEFINITIONS, USE TYPE

New definition:

AUCTION A sales event where potential buyers place competitive bids on assets or services either in an open auction or closed auction format.

CHAPTER 5 USE REGULATIONS, SECTION 5.5 COMMERCIAL/ENTERTAINMENT USES

New section:

AUCTION [GB, RB]

- A. **Applicability:** These standards are intended to regulate auctions which are conducted on an everyday basis, either within a permanent structure, a permanent open-air structure, or an uncovered outdoor sales area.
- B. **Permitted location and size:**
 - a. **Outdoor Sales Area:** Outdoor auctions shall not take up more than 50 percent of the total site area and shall not infringe on required parking.
 - b. **Location of Merchandise:** Outside auctions shall not allow merchandise between the main structure and the street, but put items generally on the side or rear of the principle structure.
 - c. **Buffer Required:** A Type C buffer shall be required in the buffer area along all public rights-of-way and property boundaries with zones other than the LI and HI districts. With approval of the Administrator, existing plant material may be included in the computation of the required plantings.
 - d. **Overnight Outdoor Storage Prohibited:** No overnight outdoor storage of material goods or equipment is allowed.
 - e. **Junk, Salvage, and Scrap Materials Prohibited:** The storage of junk vehicles, scrap metal, or other salvage or waste materials shall be prohibited on site.
 - f. **Environmental Hazards:** All establishments shall be maintained so as

not to create environmental hazards (such as oil or gasoline leaks or spills) that pose a threat to ground or surface water quality, air quality, wildlife, and /or humans.

C. Required Setbacks:

- a. GB and RB Districts: Display of merchandise for outside sales shall be no closer than 50 feet to a street right-of-way.

D. Time of Operation:

- a. Outdoor auctions will be limited to operating within the hours between 8:00 a.m. and 6:00 p.m. in order to not conflict with the county's noise ordinance.

CHAPTER 2, SECTION 2.5.3.D USE TABLE - COMMERCIAL/ENTERTAINMENT – add “Auction” as a Conditional Use (CU) in GB and RB zones.

PROPOSAL:	Amend Unified Development Ordinance Standards for Auctions and Mobile Auctions
APPLICABLE CHAPTER(S):	Chapters 10, 5, and 2
APPLICANT:	Lancaster County Council

STATED CONCERN: Request to reinstate “auction” as a use in the UDO, and proposed regulations for review.

BACKGROUND:

Auctions houses have been in operation in the County for years, but as of the 1998 UDO, the land use “auction” (as it pertains to the applicant’s interest) was not defined in the code nor was it allowed in the permitted use table. The applicant has requested to create a definition for the use and to apply the use to specific zoning categories in order to accommodate a new business on property the applicant owns, located at 327 Monroe Highway.

FOR THE PURPOSE OF THIS REVIEW: Staff is treating the “auction” request from the point of view of a retail goods auction, not a livestock or heavy equipment auction. We will clarify that in comments and recommendations.

HISTORICAL DATA

Lancaster County Land Use Ordinance, 1994:

- Auction and flea market are grouped together under the permitted uses list for the RR (Rural Resource) and SP1 (Special Public Interest) districts.
 - o SP1 was a district created for the Flat Creek community, in order to:
 - Preserve the existing character of the community,
 - Protect property values for all members of the community,
 - Provide a safe living environment for the current and future generations, and
 - Ensure that all future uses are of favorable comparison with neighboring site-built dwellings.
- Livestock auctions are a separate use (grouped with stockyards, slaughter houses, commercial poultry houses, commercial kennels, and swine lots), and are a conditional use allowed in the Industrial (IND), RR, and SP1 districts.

Lancaster County Unified Development Ordinance, 1998

- A retail-goods type auction use is no longer a permitted use and is not listed in the code. The companion “flea market” use is mentioned as “authorized” but is not listed as a separate use. We are left to assume that the auction use was extrapolated from another specifically named permitted use. The code handles the change as follows:

- **Section 3.3 Permissible Uses and Specific Exclusions.**
- The presumption established by this ordinance is that all legitimate uses of land are permissible within at least one (1) zoning district within the County's planning jurisdiction. Therefore, because the list of permissible uses set forth in the *Table of Permissible Uses* cannot be all-inclusive, those uses that are listed shall be interpreted liberally to include other uses that have impacts similar to the listed uses.
- ...
- All uses that are not listed in the *Table of Permissible Uses* and that do not have impacts similar to those of the listed uses are prohibited.
- The *Table of Permissible Uses* shall not be interpreted to allow a use in one zoning district when the use in question is more closely related to another specified use that is permissible in another zoning district.
- Without limiting the generality of the foregoing provisions, the following uses are specifically prohibited in all districts:
 - Use of a motor vehicle (other than a travel trailer) as a temporary or permanent residence;
 - Use of a travel trailer as a temporary or permanent residence outside of a campground, and/or use of a travel trailer as a residence within a manufactured home park;
 - The use of any motor vehicle or trailer parked on a lot, as a structure in which, out of which, or from which any goods are sold or stored, any services performed, or other business is conducted, **except that the following shall not be prohibited by this subsection:** retail sales of goods and products manufactured, created, or produced by the seller, so long as such sales are otherwise permissible under this ordinance; **the sale of goods within authorized flea markets or special events;** use of a motor vehicle in connection with a recycling operation, to the extent otherwise authorized under this ordinance. Situations that do not comply with this subsection on the effective date of this ordinance are required to conform within 30 days thereafter. (See the *Nonconforming Situations* Chapter of this ordinance.)
- Livestock auction houses are a separate use with its own set of conditions (Section 4.1.11) and is allowed (conditionally) in the Rural Residential/Intense Agricultural districts, noted as R-45A and R-45B.

Lancaster County Unified Development Ordinance, 2006 – 2016

- No change in the code from 1998, as cited above.

Lancaster County Unified Development Ordinance, 2016 – current

- Auctions are allowed as part of the “self storage use” “on a strictly temporary basis.” Self-storage uses are allowed with review in the General Business (GB), Rural Business (RB), Light Industrial (LI) and Heavy Industrial (HI) districts. “Weekend flea markets” are allowed under

“temporary uses” and limited to RB and LI zones only. “Special sales or seasonal flea” uses are allowed twice per year, for up to five days, and limited to GB, RB, Neighborhood Business (NB), Institutional (INS), and Mixed Use (MX) zones.

- Livestock auctions are not listed as a permitted use.

DISCUSSION

Applicant’s Interest: The applicant has stated that he would like to have an auction business where customers show up on a prescribed day with their goods to sell. The applicant will hold the auction and broker the sale of goods brought on site by the sellers to the bidders who attend the auction. At the end of the sale, all items should leave the site, either with the winning bidder, or return with the original owner. He wants to operate the business this way at least once per week.

Current Auction Uses: Staff was able to identify two auction houses in operation in Lancaster County:

- Kershaw Auctions, 112 N Hampton St, Kershaw, SC (under Kershaw zoning jurisdiction).
- Blackmon Auction Company, 360 Monroe Hwy, Lancaster, SC (zoned GB).

The Blackmon Auction Company is operating as a grandfathered use. If the business were to shut down for more than six months, or experienced more than 50% damage to the structure, it would not be allowed to reopen under the current UDO.

Temporary or On-Site Auctions: Estate sales, real estate auctions, and business liquidation sales are currently covered by language in the “Temporary Uses Limited to Specific Districts” section of code, Section 5.12.3 and 5.12.4 (attached). Staff does not recommend changes to this section of the code.

Other Jurisdictions:

- *York County, SC:* auctions are allowed as part of a fairgrounds use.
- *Greenville County, SC:* “Auction House/Auction Lots – cars, equipment” are a permitted use in two commercial zones and one “services” zone.
- *Dorchester County, SC:* auction houses are considered “secondary retail establishments,” which are described as “establishments selling primarily one-stop shopping items, usually high bulk and very expensive...”
- *Richland County, SC:* auction houses are allowed in the Rural Commercial, General Commercial, and Industrial zones.

Survey of Concerns: Staff researched planning and zoning actions relating to auction uses in the news, and found that these concerns came up most often from residents:

- Traffic impacts to the neighborhood
- Impacts to residential property value
- Outdoor storage (leaving items outside to rust or rot)
- Noise, lights, and visual clutter
- Sufficient buffers between uses and adjacent properties

Considerations:

- Staff made the following recommendations to the applicant, which were incorporated into the proposed text:
 - o Limitations on the lot size for outdoor auctions
 - o Auctions can't block any required parking that serves a structure on site
 - o No items for sale allowed between the road and the primary structure
 - o Buffers required where residential uses abut the property proposed for the auction business/use
 - o No outdoor storage
 - o No environmental hazards
 - o Materials for sale should be set back from the road by at least 50 feet

PLANNING COMMISSION RECOMMENDATION:

The Lancaster County Planning Commission held a public hearing on August 15, 2023 and there were no comments from the public. The Planning Commission made a recommendation to **approve the proposal**, changing the use from allowed with review to a conditional use, including the condition that operating hours for auctions are 8:00 a.m. until 6:00 p.m. The motion carried 6-1.

STAFF CONTACT:

Allison Hardin, Development Services Director
ahardin@lancastercountysc.net

ATTACHMENTS:

- **Proposed text**
- **Application**
- **Section 5.12.3 and 5.12.4, Temporary Uses**

PROPOSED TEXT AMENDMENTS

Language proposed for deletion is ~~striketrough~~

Language proposed for addition is highlighted and underlined as amended by the Planning Commission

CHAPTER 10.3 DEFINITIONS, USE TYPE

New definition:

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Planning Department

P.O. Box 1809, 101 N. Main Street, Lancaster, SC 29721
Phone: 803.285.6005, planning@lanastercountysc.net
www.mylanastersc.org

TEXT AMENDMENT APPLICATION

SUBMITTAL REQUIREMENTS

- Completed Application
- Signatures of Applicant
- Fees associated with Application

GENERAL INFORMATION

UDO Section(s) Proposed to be Amended Chapter 10 (Definitions), Chapter 2 (Uses), Chap

Current Text _____

None

Proposed Text _____

See attached

Description of Need for Proposed Text _____

To allow for outdoor auction on property

☒ Additional pages attached for more information

CONTACT INFORMATION

Applicant Name Bill Cox

Address Property: 327 Monroe Hwy / Owner: 124 Brightland Run

City Monroe State NC Zip 28110 Phone 704-506-0626

Fax _____ Email chickeis10@frontier.com

APPLICATION CERTIFICATIONS

I hereby certify that I have read this application and the information supplied herein is true and correct to the best of my knowledge. I agree to comply with all applicable County ordinances and state laws related to the use and development of the land. I further certify that I am the property owner, or his/her authorized agent, or the subject property. I understand that falsifying any information herein may result in rejection or denial of this request.

William G. and Blanca T. Cox
Applicant

6-19-2023
Date

Same

Property Owner(s)

Date

Attach owner's notarized written authorization with property information if the applicant is not the owner.

LANCASTER COUNTY OFFICE USE ONLY

Application Number _____ Date Received _____ Receipt Number _____

Amount Paid _____ Check Number _____ Cash Amount _____

Received By _____ Planning Commission Meeting Date _____

SCHEDULE/PROCESS

1. Submit Application

- The deadline for this application is at least 45 days prior to the Planning Commission meeting, held every third Tuesday of the month.
- Once an application is submitted, it is placed on the Planning Commission agenda for the following month.
- An application withdrawal should be made in writing and received prior to public notice in order to receive a refund.
- Text Amendment Application Fee - \$435.00

2. Planning Commission

- Conducts a public hearing on the application to receive input from Lancaster County citizens, applicant, and other interested parties.
- Reviews the application to ensure it is consistent with the Lancaster County Unified Development Ordinance, Comprehensive Plan, and all adopted County plans.
- Makes a recommendation to the County Council.

3. County Council

- Approves, denies, or submits application to the Planning Commission for further study.
- Action requires three readings for approval

PROPOSED TEXT AMENDMENT

CHAPTER 10.3 DEFINITIONS, USE TYPE

New definition:

AUCTION A sales event where potential buyers place competitive bids on assets or services either in an open auction or closed auction format.

CHAPTER 5 USE REGULATIONS, SECTION 5.5 COMMERCIAL/ENTERTAINMENT USES

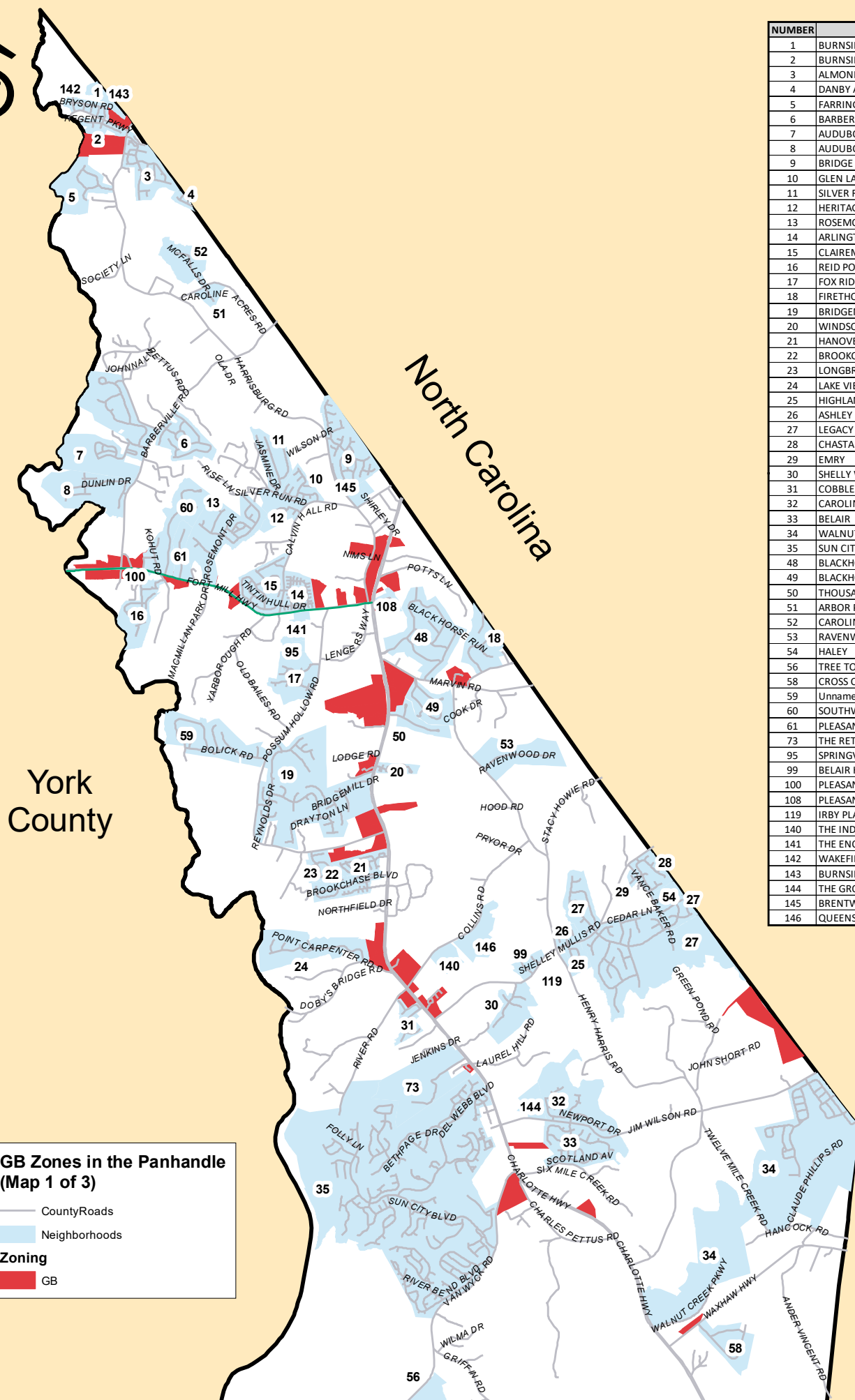
New section:

AUCTION [GB, RB]

- A. **Applicability:** These standards are intended to regulate auctions which are conducted on an everyday basis, either within a permanent structure, a permanent open-air structure, or an uncovered outdoor sales area.
- B. **Permitted location and size:**
 - a. **Outdoor Sales Area:** Outdoor auctions shall not take up more than 50 percent of the total site area and shall not infringe on required parking.
 - b. **Location of Merchandise:** Outside auctions shall not allow merchandise between the main structure and the street, but put items generally on the side or rear of the principle structure.
 - c. **Buffer Required:** A Type C buffer shall be required in the buffer area along all public rights-of-way and property boundaries with zones other than the LI and HI districts. With approval of the Administrator, existing plant material may be included in the computation of the required plantings.
 - d. **Overnight Outdoor Storage Prohibited:** No overnight outdoor storage of materials is allowed.
 - e. **Junk, Salvage, and Scrap Materials Prohibited:** The storage of junk vehicles, scrap metal, or other salvage or waste materials shall be prohibited on site.
 - f. **Environmental Hazards:** All establishments shall be maintained so as not to create environmental hazards (such as oil or gasoline leaks or spills) that pose a threat to ground or surface water quality, air quality, wildlife, and /or humans.
- C. **Required Setbacks:**
 - a. **GB and RB Districts:** Display of merchandise for outside sales shall be no closer than 50 feet to a street right-of-way.

CHAPTER 2, SECTION 2.5.3.D USE TABLE – COMMERCIAL/ENTERTAINMENT

See next page.



NUMBER	Name
1	BURNSIDE
2	BURNSIDE
3	ALMOND GLEN
4	DANBY ACRES
5	FARRINGTON
6	BARBER ROCK
7	AUDUBON ESTATES
8	AUDUBON LAKE
9	BRIDGE HAMPTON
10	GLEN LAUREL
11	SILVER RUN
12	HERITAGE HALL
13	ROSEMONT
14	ARLINGTON
15	CLAIREMONT
16	REID POINTE
17	FOX RIDGE
18	FIRETHORNE
19	BRIDGEMILL
20	WINDSOR TRACE
21	HANOVER
22	BROOKCHASE
23	Longbrooke
24	LAKE VIEW LANDING
25	HIGHLAND CREEK
26	ASHLEY CREEK
27	LEGACY PARK
28	CHASTAIN VILLAGE
29	EMRY
30	SHELLY WOODS
31	COBBLESTONE
32	CAROLINA RESERVE
33	BELAIR
34	WALNUT CREEK
35	SUN CITY
48	BLACKHORSE RUN
49	BLACKHORSE RUN
50	THOUSAND OAKS
51	ARBOR PLACE
52	CAROLINA ACRES
53	RAVENWOOD
54	HALEY
56	TREE TOPS
58	CROSS CREEK ESTATES
59	Unnamed (BOLICK)
60	SOUTHWINDS
61	PLEASANT HILLS
73	THE RETREAT AT RAYFIELD
95	SPRINGVIEW
99	BELAIR HILLS
100	PLEASANT VALLEY
108	PLEASANT VALLEY VILLAGE
119	IRBY PLACE
140	THE INDIGO AT CROSS CREEK
141	THE ENCLAVE AT BAILES RIDGE
142	WAKEFIELD
143	BURNSIDE
144	THE GROVE
145	BRENTWOOD
146	QUEENSBRIDGE

**GB Zones in the Panhandle
(Map 1 of 3)**

- County Roads
- Neighborhoods

Zoning
GB

The Lancaster News

980 N Woodland Drive
PO Box 640
Lancaster, SC 29721
803-283-1133

PUBLIC HEARING NOTICE

For the purpose of obtaining oral and written comments from the public regarding the following matters, the Lancaster County Planning Commission and County Council will conduct public hearings on Tuesday, August 15, 2023, and Monday, September 11, 2023, respectively. The public hearings will take place at 6:00 PM at the Lancaster County Administrative Building located at 101 N. Main Street, Lancaster, SC.

1. UDO-TA-2023-0973: Chapter 4, Sec. 4.4 1 Cluster Subdivision Overlay Standards: Application by Planning Department on behalf of County Council to amend standards for Cluster Subdivision Overlay District, regarding lot size, front setbacks, usable open space, block length, CSOD lot size mix, and density calculation.
2. UDO-TA-2023-1163: Chapter 2: Use Regulations and Chapter 10: Definitions. Application by William Cox for a text amendment adding Auction House as a defined Use.
3. UDO-TA-2023-1371: Chapter 5.3.3: Campground Regulations. Application by Adam Thomas for a text amendment adding standards for cabins to campground regulations.
4. RZ-2023-1197: Application by Charles and Ruth Strunk to rezone approximately 6.6 acres at 2458 Mineral Mining Road, Lancaster (TM #0098-00-037.01) from Light Industrial (LI) to Agricultural Residential (AR) District, in order to create conformity for existing residential use.

Copies of the documents to be considered are available for public inspection in the office of the Lancaster County Planning Department located at 101 North Main Street, Lancaster, South Carolina. Persons requiring special arrangements due to handicap please call (803) 285-6005 at least 24 hours in advance.

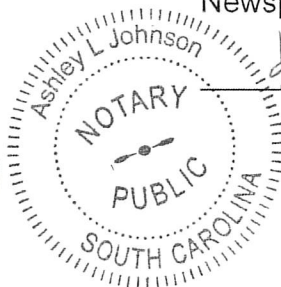
Public comments may be made in person at the hearing or submitted in written format to be provided to the Planning Commission or to County Council at the public hearing. Comments made in person or in writing should be limited to three (3) minutes in duration if read aloud. Written comments may be submitted either by online submission by selecting the "public hearing comments" quick link located on the county website (<https://www.mylancasteresc.org/>), email to SSimpson@lancasteresc.net, or by mail addressed to Clerk to Council at 101 N. Main Street, Lancaster, SC 29720 with the Ordinance number or other appropriate identifier clearly referenced in the communication. At the public hearing and any adjournment of it, all interested persons may be heard either in person or by their designee or by submission of written comments.

hed in The Lancaster News,
olina, in accordance with

SWORN to before me this 31st day of

July, 2023
Ashley L Johnson

Notary Public for South Carolina
My Commission Expires: 01/20/2027



Newspaper Rep Signature

Kristi Ross

The Lancaster News

980 N Woodland Drive
PO Box 640
Lancaster, SC 29721
803-283-1133

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LCPH fall sports registration continues through July 31 for Lancaster County Parks and Recreation's fall sports programs. Fall sports programs, fall soccer, instructional fall soccer, boys and girls age 4, 560 per child
• Fall soccer, boys and girls ages 5-15, \$75 per child
• Girls Volleyball, ages 7-12, \$75 per child
• NFL flag football, boys and girls ages 5-15, \$75 per child
• Tackle football, ages 10-12, \$75 per child
• Cheerleading, ages 10-12, \$75 per child
become a volunteer head

I hereby certify that on the above notice published in The Lancaster News, a general circulation in Lancaster County, South Carolina, in accordance with law on July 29th 2023.

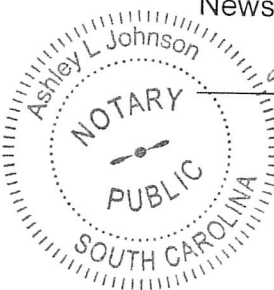
SWORN to before me this 31st day of July, 2023

Ashley L Johnson
Notary Public for South Carolina

My Commission Expires: 11/20/2027

Newspaper Rep Signature

Kristi Koss



CAROLINA GATEWAY

980 N Woodland Drive
PO Box 640
Lancaster, SC 29721
803-339-6862

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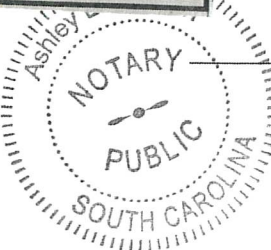
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ce published in the Carolina
lina, in accordance with law

ewspaper Rep Signature

AUGUST 15, 2023
Ashley L. Simpson
Notary Public for South Carolina
My Commission Expires: 01/20/2027



CAROLINA GATEWAY

980 N Woodland Drive
PO Box 640
Lancaster, SC 29721
803-339-6862

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4. RZ-2023-1197: Application by Charles [illegible]

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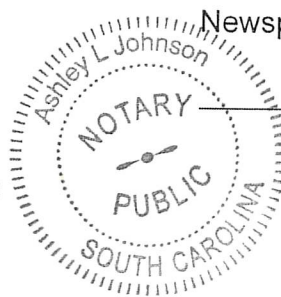
Randall Savely 888.727.7377
scnewspapernetwork.com

I hereby certify that on the above notice published in the Carolina Gateway in Lancaster County, South Carolina, in accordance with law on August 2nd 2023.

SWORN to before me this 2nd day of

August, 2023
Ashley L Johnson
Notary Public for South Carolina
My Commission Expires: 01/20/2027

Newspaper Rep Signature



Agenda Item Summary

Ordinance # / Resolution #: Ordinance 2023-1875
Contact Person / Sponsor: Dennis Marstall / Administration
Department: Administration
Date Requested to be on Agenda: 9/11/2023

Council Action Requested:

Council is being asked to approve Ordinance 2023-1875 that restores project funding that was budgeted in FY23 for Administration Building renovations to the project account for FY24.

Points to Consider:

In FY23, County Council approved \$75,000 for design and architecture fees and initial costs to renovate the administration office area of the County Administration Building.

The Administration area is being renovated to provide office space for the new in-house legal function, update and better maximize space in the employee break room, and reconfigure the Administration offices to better utilize the space to add an office and make the office one connected suite for Administration and Legal.

The project was bid in three phases with the low bid being \$286,941 for all three phases.

Council approved \$228,000 for the renovation, plus \$20,000 for cubicles and furniture, in the FY 24 budget. The \$228,000 requested was with the intention of rolling \$59,000 in unexpended funds from the project funds in FY23 (architect fees totaled \$16,000 in FY 23).

However, the project was bid over the two fiscal years (FY23 and FY24) with the project contract being signed in July (after the end of FY23), thus the project funds of \$59,000 were moved from the project account and put in fund balance at the close out of Fiscal Year 23.

Two phases of the renovation project have begun, and Administration would still like to do the third phase, instead of having to rebid, demo and construct the small work that remains for phase 3, which would be at a much more substantial cost to start a new project.

Funding and Liability Factors:

This request is utilize \$65,000 in fund balance to add or return \$59,000 in funds from FY 23 that were identified for the Administration Office renovation project, but placed in Fund Balance with the end of the fiscal year and add it to the FY 24 renovation project fund to complete all three phases of the Administration office renovation.

This action would also add \$6,000 from Fund Balance to the Administration Office renovation project for FY24 to add sound insulation for some of the offices and address additional IT data port expenses.

The total project cost would go from \$237,711 for phases one and two to \$286,941 to add phase 3 (\$59,000), plus additional sound proofing and IT items (\$6,000).

Recommendation:

Approve the Budget Amendment Ordinance.

ATTACHMENTS:

Description	Upload Date	Type
-------------	-------------	------

STATE OF SOUTH CAROLINA

)

ORDINANCE NO. 2023-1875

COUNTY OF LANCASTER

)

~~Indicates Matter Stricken~~

Indicates New Matter

AN ORDINANCE

TO AMEND ORDINANCE NO. 2023-1849, RELATING TO THE APPROPRIATION OF FUNDS AND THE APPROVAL OF A DETAILED BUDGET FOR LANCASTER COUNTY FOR THE FISCAL YEAR BEGINNING JULY 1, 2023 AND ENDING JUNE 30, 2024 (FY 2023-2024), TO FURTHER PROVIDE FOR REVENUES AND EXPENDITURES DURING THE FISCAL YEAR; AND TO PROVIDE FOR MATTERS RELATED THERETO.

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

Section 1. Appropriations; Detailed Budget.

(a) Section 2 and Section 4. of Ordinance No. 2023-1849 are amended to read:

A. Subject to the terms and conditions of this ordinance, the sums of money set forth below, if so much is necessary, are appropriated from the General Fund of the County and other applicable funds as specified, to meet the ordinary expenses, including debt service, of county government for the fiscal year beginning July 1, 2023 and ending June 30, 2024 (FY 2023-2024):

APPROPRIATIONS	AMOUNT
Airport Fund	376,738
Capital Improvement Fund	2,956,695
Capital Project Sales Tax 2 Fund	2,500,000
County Debt Fund	4,511,750
County Transportation Committee Fund	12,000,000
Court Mandated Security Fund	2,081,750
E-911 Fund	1,613,960
General Fund	85,006,011
	84,941,011
Hospitality Tax Fund	1,900,000
Indian Land Fire Protection District Fund	350,810
Local Accommodations Tax Fund	120,000
Pleasant Valley Fire Protection District Fund	380,293
Victims Services Fund	47,000
State Accommodations Tax Fund	224,250
Stormwater Fund	2,752,975
Van Wyck Fire Protection District Fund	155,520
Capital Project Sales Tax 3 Fund	15,001,500

(b) The County Administrator is authorized to adjust the detailed operating budget for the County, as contained in the adopted FY 2023-2024 Annual Budget, as previously approved by Council via Ordinance No. 2023-1849, for the following items:

		<u>Revenue</u>	<u>Expense</u>
<u>General Fund</u>	<u>Supplemental Revenue-Fund Balance</u>	<u>\$65,000</u>	
	<u>County Council – Special Projects</u> <u>Administration Renovations</u>		<u>\$65,000</u>

Section 4. Severability.

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

Section 5. Conflicting Provisions.

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

Section 6. Effective Date.

This ordinance is effective upon third reading.

SIGNATURES FOLLOW ON NEXT PAGE.

AND IT IS SO ORDAINED, this _____ day of October, 2023.

LANCASTER COUNTY, SOUTH CAROLINA

Steve Harper, Chair, County Council

Billy Mosteller, Secretary, County Council

ATTEST:

Sherrie Simpson, Clerk to Council

First Reading:	September 11, 2023
Second Reading:	September 25, 2023
Public Hearing:	October 9, 2023
Third Reading:	October 9, 2023

Approved as to form:

Virginia L. Merck-Dupont, County Attorney

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

Agenda Item Summary

Ordinance # / Resolution #: N/A

Contact Person / Sponsor: Sheriff Barry Faile / Lancaster County Sheriff's Department

Department: Sheriff Department

Date Requested to be on Agenda: 9/11/2023

Council Action Requested:

This is the public notice and time for citizen comment for the 2023 application for the Department of Justice Grant for the Sheriff's Department.

The form titled Certifications and Assurances by the Chief Executive of the Applicant Government needs signature of the County Council Chairperson and returned to Lancaster County Sheriff's Office.

Points to Consider:

The 2023 JAG funds would be used to purchase facial search technology to allow investigators to search any facial image of a suspect, victim, or other person of interest against billions of online images. The purchase of the facial search technology will be purchased under a three-year agreement.

This project will provide Lancaster County Sheriff's Office with the most cutting-edge technology to investigate crimes, enhance public safety and provide justice to victims.

Funding and Liability Factors:

Lancaster County Sheriff's Office has submitted the 2023 direct JAG application for \$28,511.00.

Recommendation:

N/A

ATTACHMENTS:

Description	Upload Date	Type
-------------	-------------	------

Agenda Item Summary

Ordinance # / Resolution #: N/A

Contact Person / Sponsor: Sherrie Simpson/Clerk to Council

Department: Administration

Date Requested to be on Agenda: 9/11/2023

Council Action Requested:

Whether to appoint Richard Vander Kaay to the Indian Land Consolidated Fire Commission. If appointed, he would be filling an initial term that would end on 12/31/2024.

Whether to appoint Heather Burford to the Indian Land Consolidated Fire Commission. If appointed, she would be filling an initial term that would end on 12/31/2024.

Whether to appoint Mark Edward Scheiring to the Indian Land Consolidated Fire Commission. If appointed, he would be filling an initial term that would end on 12/31/2024.

Whether to appoint Brian Endres to the Indian Land Consolidated Fire Commission. If appointed, he would be filling an initial term that would end on 12/31/2026.

Points to Consider:

Richard Vander Kaay's, Heather Burford's, Mark Scheiring's, Brian Endres', and ? applications are attached for Council's review and consideration.

Funding and Liability Factors:

N/A

Recommendation:

Approve the appointments.

ATTACHMENTS:

Description	Upload Date	Type
Application from Richard Vander Kaay	9/5/2023	Backup Material
Application from Heather Burford	9/5/2023	Backup Material
Application from Mark Edward Scheiring	9/5/2023	Backup Material
Application from Brian Endres	9/5/2023	Backup Material

LANCASTER COUNTY BOARDS & COMMISSIONS
APPLICATION FOR SERVICE



Name Richard Vander Kaay County Council District 4

Mailing Address _____ City/Zip Indian Land 29707

Street Address _____ Registered Voter yes X no _____

Tel. Number (home) _____ (work) _____ (other) _____ Email: _____

Occupation Sales Rep – Own Company Place of employment Vander Kaay and Associates LLC

Address Same as home Normal working hours 9-5
(most meetings are scheduled after 6:00 pm - lack of attendance can be reason for replacement on a commission)

Name of Board or Commission in which you are interested

1st choice Pleasant Valley Indian Land FD 2nd choice _____

3rd choice _____

Reason for interest - Already on PVFD Fee Board

Why do you feel you are qualified to serve on these boards? In addition, note education, areas of expertise, skills & interests. (continue on separate sheet if needed)

5 year experience on PVFD Fee Board, Past president and currently on neighborhood HOA board

Do you presently serve any State, County or Municipal Boards? Yes If yes, list PVFD Fee Board

Have you ever served on a county board? Yes If yes, list Lancaster PVFD Fee Board

Additional pertinent information

Applicant's signature _____ Date _____

Receipt of application does not guarantee an appointment. Applicants will be notified of appointments by mail.

Return completed application to Sherrie Simpson, Lancaster County Council Office, P.O. Box 1809, Lancaster, SC 29721
Form Revised 1-20-17

**LANCASTER COUNTY BOARDS & COMMISSIONS
APPLICATION FOR SERVICE**

Name Heather L. Burford County Council District 1

Mailing Address _____ City/Zip Indian Land, 29707

Street Address _____ Registered Voter yes X no _____

Tel. Number (home) _____ (work) _____ (other) _____

Email: _____

Occupation Retired Consultant Place of employment Occasional consulting work

Address 2075 Hartwell Ln, Indian Land, SC 29707 Normal working hours Daytime, Flexible
(most meetings are scheduled after 6:00 pm - lack of attendance can be reason for replacement on a commission)

Name of Board or Commission in which you are interested

1st choice Indian Land Fire Advisory Board 2nd choice N/A

3rd choice N/A

Reason for interest

I believe it is important that we all participate in local government as a way of giving back and serving our communities. I have a long history in public government and I currently have the time and energy to fulfill the responsibilities of a board position. I am specifically interested in the soon-to-be-formed Indian Land Fire Advisory Board because of my many years of experience in the American Fire Service. I feel my background in budget preparation and management will serve the board well.

Why do you feel you are qualified to serve on these boards? In addition, note education, areas of expertise, skills & interests. (continue on separate sheet if needed)

I hold a Masters of Public Administration degree and have an extensive background in project management, organizational development, and customer service specific to the fire service. I also have extensive experience in budget preparation and fiscal management having managed a 13-million dollar budget in my last employment position.

Do you presently serve any State, County or Municipal Boards? No If yes, list N/A

Have you ever served on a county board? No If yes, list N/A

Additional pertinent information

Thank you for your consideration.

Applicant's signature Heather L. Burford Date 08/09/2023

Receipt of application does not guarantee an appointment. Applicants will be notified of appointments by mail.

Return completed application to Sherrie Simpson, Lancaster County Council Office, P.O. Box 1809, Lancaster, SC 29721

**LANCASTER COUNTY BOARDS & COMMISSIONS
APPLICATION FOR SERVICE**

Name Mark Edward Scheiring County Council District Indian Land 1

Mailing Address _____ City/Zip Indian Land 29707

Street Address _____ Registered Voter yes X no _____

Tel. Number (home) _____ (work) _____ (other) _____

Email: _____

Occupation Retired Place of employment Retired

Address _____ Normal working hours _____
(most meetings are scheduled after 6:00 pm - lack of attendance can be reason for replacement on a commission)

Name of Board or Commission in which you are interested

1st choice Indian Land Consolidated Fire Advisory 2nd choice _____

3rd choice _____

Reason for interest

I have been a member of the current Indian Land Fire Fee Board for the past 4 years and desire to continue serving the people of Indian Land as a member of the new consolidated advisory board.

Why do you feel you are qualified to serve on these boards? In addition, note education, areas of expertise, skills & interests. (continue on separate sheet if needed)

Four years experience on the Indian Land Fire Fee Board. Managed manufacturing, distribution and other facilities as plant manager. International Sales and Service positions for a worldwide corporation. Developed and managed budgets for several locations both Domestically and Internationally. I hold a Bachelors Degree in Business Management and have completed many continuing education courses

Do you presently serve any State, County or Municipal Boards? Yes _____ If yes, list Indian Land Fire

Have you ever served on a county board? Yes _____ If yes, list Indian Land Fire Fee Board

Additional pertinent information

Applicant's signature Mark Edward Scheiring Date August 16, 2024

Receipt of application does not guarantee an appointment. Applicants will be notified of appointments by mail.

Return completed application to Sherrie Simpson, Lancaster County Council Office, P.O. Box 1809, Lancaster, SC 29721

**LANCASTER COUNTY BOARDS & COMMISSIONS
APPLICATION FOR SERVICE**

Name Brian Endres County Council District District 7

Mailing Address _____ City/Zip Indian Land 29707

Street Address _____ Registered Voter yes ^X no _____

Tel. Number (home) _____ (work) _____ (other) _____

Email: _____

Occupation Loan Officer Place of employment First Federal Bank

Address 11440 Carmel Commons Blvd, Ste 105, Charlotte, NC Normal working hours 8-6
(most meetings are scheduled after 6:00 pm - lack of attendance can be reason for replacement on a commission)

Name of Board or Commission in which you are interested

1st choice Indian Land Fee Board 2nd choice _____

3rd choice _____

Reason for interest

Currently a member of the Pleasant Valley Fire Department Fee Board asking to join the new consolidated Fee Board

Why do you feel you are qualified to serve on these boards? In addition, note education, areas of expertise, skills & interests. (continue on separate sheet if needed)

As a loan officer I have direct experience with budgeting, allocating resources and putting plans in place to accomplish a future goal.

Do you presently serve any State, County or Municipal Boards? yes If yes, list PVFD Fee Board

Have you ever served on a county board? yes If yes, list PVFD Fee Board

Additional pertinent information

Applicant's signature Brian D Endres Date 08/28/2023

Receipt of application does not guarantee an appointment. Applicants will be notified of appointments by mail.

Return completed application to Sherrie Simpson, Lancaster County Council Office, P.O. Box 1809, Lancaster, SC 29721

Agenda Item Summary

Ordinance # / Resolution #: Ordinance 2023-1864 / Planning Case Number: UDO-TA-2023-0975 - HELD UNTIL THE 9-25-2023 MEETING

Contact Person / Sponsor: A. Hardin / Planning

Department: Planning

Date Requested to be on Agenda: 9/11/2023

Council Action Requested:

Approve the text amendment for Sec. 6.5 County Street Classification & Design: Application by Planning Department on behalf of County Council to amend Section 6.5 County Street Classification & Design.

Points to Consider:

Updates Since 1st Reading:

- Language has been amended to address the Council's input regarding parking on streets:

LOCAL (URBAN) ROAD

Roads that primarily serve as access to residences, businesses and other properties. They distribute traffic to higher functional classification streets in the network. These roads should have the lowest traffic counts in the urban network, which includes the transitional and neighborhood zones as shown in Section 2.5.3. **Beginning October 1, 2023, informal on-street parking is not allowed on local (urban) streets with less than 30 feet of pavement width. On-street parking is allowed with an approved parking plan that includes parking stalls designed to work with the street.**

- Staff has heard some concerns regarding "unintended consequences" of the gravel-road option for AR/RR zones, including that the proposed option does not have a limit on the number of lots that could be created using gravel roads. If the Council chooses, the following language could address these concerns:

*** Local (rural) private roads in the AR and RR zones may replace pavement with an all-weather gravel surface that meets the fire code standards. This exception must be approved by the fire marshal prior to subdivision final plat approval. No more than twenty (20) new lots may be created using gravel roads; creating more than twenty (2) new lots requires a paved surface as described in Section 6.14 Road Construction Standards.**

Funding and Liability Factors:

N/A

Recommendation:

Approve the text amendment Ordinance.