

AN ORDINANCE

AUTHORIZING THE EXECUTION AND DELIVERY OF A FEE-IN-LIEU OF TAX AGREEMENT BY AND BETWEEN CHARLESTON COUNTY AND RED METALS, INC., INCLUDING ANY RELATED OR AFFILIATED ENTITIES AND ANY SPONSOR AFFILIATES, INCLUDING GREEN START CHARLESTON, LLC, AS SPONSOR AFFILIATE, WHEREBY CHARLESTON COUNTY WILL ENTER INTO A FEE-IN-LIEU OF TAXES ARRANGEMENT WITH RED METALS, INC. AND GREEN START CHARLESTON, LLC, AS SPONSOR AFFILIATE; PROVIDING FOR PAYMENT BY RED METALS, INC. AND GREEN START CHARLESTON, LLC, AS SPONSOR AFFILIATE, OF CERTAIN FEES IN LIEU OF AD VALOREM TAXES; AND OTHER MATTERS RELATING THERETO

WHEREAS, Charleston County, South Carolina (the "County"), acting by and through its County Council (the "County Council") is authorized and empowered under and pursuant to the provisions of Title 12, Chapter 44 of the Code of Laws of South Carolina 1976, as amended (the "FILOT Act"), to designate real and tangible personal property as "economic development property" and to enter into an arrangement which provides for payment in lieu of taxes ("Negotiated FILOT Payments") for a project qualifying under the FILOT Act; and

WHEREAS, the County, acting by and through the County Council, is authorized and empowered under and pursuant to the provisions of Title 4, Chapter 1 of the Code (the "MCIP Act"), to provide for payments in lieu of taxes ("PILOT Payments") with respect to property situated or having a situs in a multi-county business or industrial park created under the MCIP Act, and to provide certain enhanced tax credits to such investors;

WHEREAS, the County is authorized by Section 4-1-175 of the MCIP Act to provide certain credits ("Special Source Revenue Credits" or "SSRCs") against Negotiated FILOT Payments to provide reimbursement to companies in respect of investment in infrastructure enhancing the economic development of the County, including improvements to real estate and personal property including machinery and equipment used in the operation of a manufacturing or commercial enterprise, within the meaning of Section 4-29-68 of the Infrastructure Credit Act;

WHEREAS, Red Metals, Inc., a South Carolina corporation (the "Company"), together with Green Start Charleston, LLC (the "Initial Sponsor Affiliate") has committed to make an aggregate investment in economic development property in Charleston County anticipated to be approximately \$65,300,000 in real and personal property (the "Investment") to establish a manufacturing facility that will convert recycled copper scrap into high purity copper rods (the "Project"), which is to be located at 4500 Leeds Avenue, North Charleston, SC, Charleston County, South Carolina (the "Project Site"); and

WHEREAS, the County has been advised that upon the completion of the Project, the Project is anticipated to employ an approximately 45 full-time employees; and

WHEREAS, the County, with the consent of the City of North Charleston (the "Municipality"), is authorized to include the site of the Project Site within a multi-county industrial and business park pursuant to the MCIP Act; and

WHEREAS, the Project is located entirely within Charleston County and within the incorporated limits of the Municipality and, with the consent of the Municipality, will be included in and subject to the multi-county park and fee-in-lieu of tax arrangements as described herein; and

WHEREAS, the County has made specific proposals, including proposals to offer certain economic development incentives set forth herein, for the purpose of inducing the Company and the Sponsor Affiliate to invest their funds to acquire, construct, furnish, and equip the Project (the "Incentives"); and

WHEREAS, it is in the public interest, for the public benefit, and in furtherance of the public purposes of the FILOT Act and the MCIP Act for the County Council to provide final approval for qualifying the Project under the FILOT Act for the Incentives;

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

Section 1. Evaluation of the Project. County Council have evaluated the Project on the following criteria based upon any advice and assistance of the South Carolina Department of Revenue and the Revenue and Fiscal Affairs Office, as necessary:

- (a) the purposes to be accomplished by the Project are proper governmental and public purposes;
- (b) the anticipated dollar amount and nature of the investment to be made; and
- (c) the anticipated costs and benefits to the County.

Section 2. Findings by County Council. Based upon information provided by and representations of the Company, County Council's investigation of the Project, including the criteria described in Section 1 above, and any advice and assistance of the South Carolina Department of Revenue and the Revenue and Fiscal Affairs Office, as necessary, County Council hereby find that:

- (a) the Project constitutes a "project" as that term is defined in the FILOT Act;
- (b) the Project will serve the purposes of the FILOT Act and the MCIP Act;
- (c) the Investment by the Company and the Initial Sponsor Affiliate in the Project will be approximately \$65,300,000, all to be invested within the "investment period" (as defined in the FILOT Act); and the Company will employ 45 new full-time employees at the Project within five years of the completion of the Project;
- (d) the Project will be located entirely within Charleston County and the Municipality and is anticipated to be located in the Park created pursuant to the MCIP Act;
- (e) the Project is anticipated to benefit the general welfare of Charleston County and the Municipality by providing services, employment, or other public benefits not otherwise adequately provided locally;
- (f) the Project gives rise to neither a pecuniary liability of the County or the Municipality nor a charge against its general credit or taxing power;
- (g) the purposes to be accomplished by the Project are proper governmental and public purposes;
- (h) the inducement of the location of the Project is of paramount importance; and
- (i) the benefits of the Project to the public are greater than the cost to the public.

Section 3. Fee-in-Lieu of Taxes Arrangement. Pursuant to the authority of the FILOT Act, the Project is designated as "economic development property" under the FILOT Act and there is hereby authorized a fee-in-lieu of taxes arrangement with the Company and the Initial Sponsor Affiliate which will provide Negotiated FILOT Payments to be made with respect to the Project based upon a 6% assessment ratio with the millage rate which is the lower of (a) the cumulative property tax millage rate levied on behalf of all taxing entities within which the Project is located on June 30 of the year preceding the calendar year in which the FILOT Agreement (as defined

below) is executed or (b) the cumulative property tax millage rate levied on behalf of all taxing entities within which the Project is located on June 30 of the calendar year in which the FILOT Agreement is executed, such rate to be fixed for the entire 20-year term of the fee-in-lieu of taxes, all as more fully set forth in the Fee-in-lieu of Tax Agreement between the County and the Company (the "FILOT Agreement"), in which the Initial Sponsor Affiliate will join. The FILOT Agreement shall be a "Fee Agreement" within the meaning of Section 12-44-30(10) of the FILOT Act.

Section 4. Multi-County Park Incentive. By separate ordinance (the "MCIP Ordinance") of the County Council, the County will use its commercially reasonable efforts, in cooperation with Colleton County (the "Partner County") and with consent of the Municipality, to designate the Project Site as a multi-county business park pursuant to Article VIII, Section 13 of the South Carolina Constitution, the MCIP Act, and the terms of the Agreement for Development of Joint County Industrial Park between the County and Colleton County, South Carolina, effective as of September 1, 1995, as amended, to add the Project Site, and as further amended, supplemented, or replaced from time to time (the "MCIP Agreement").

Section 5. Special Source Revenue Credits.

- (a) As part of the inducements approved herein and pursuant to the authority identified above, County Council hereby approves the granting of special source revenue credits ("SSRCs") to the Company and the Initial Sponsor Affiliate in respect of their qualifying investment in infrastructure and related improvements benefiting the Project. The SSRCs shall be applied as credits against Negotiated FILOT Payments and shall be provided solely in accordance with, and subject to the terms, conditions, limitations, and performance requirements set forth in the FILOT Agreement approved by this Ordinance.
- (b) Pursuant to the terms of the MCIP Act and the MCIP Agreement, the County hereby provides that for the term of the FILOT Agreement, commencing with the first tax year in which the Negotiated FILOT payments are generated by the Project and payable to the County, Negotiated FILOT payments will be distributed in accordance with the terms of the MCIP Agreement as follows:
 - (i) After deducting any amounts distributed to the partner county in accordance with the MCIP Agreement, to the County an amount equal to the total SSRCs to be provided in such year pursuant to this Section 5; and
 - (ii) After making the allocations under paragraph (i) of this Section, the balance is to be distributed among the taxing districts in Charleston County in accordance with the applicable provisions of Section 9 of the MCIP Agreement.

Section 6. Execution of the FILOT Agreement. The form, terms, and provisions of the FILOT Agreement presented to the meeting at which this Ordinance received third reading and filed with the Clerk of the County Council be and hereby are approved, and all of the terms, provisions, and conditions thereof are hereby incorporated herein by reference as if such FILOT Agreement were set out in this Ordinance in its entirety. The Chairman of the County Council and the Clerk of the County Council be and they are hereby authorized and directed to execute and deliver the FILOT Agreement in the name and on behalf of the County, and thereupon to cause the FILOT Agreement to be delivered to the Company. The FILOT Agreement is to be in substantially the form before the meeting of County Council at which this Ordinance received third reading and hereby approved, or with any changes therein as shall not materially adversely affect

the rights of the County thereunder, upon the advice of legal counsel, by the officials of the County executing the same, their execution thereof to constitute conclusive evidence of their approval of all changes therein from the form of FILOT Agreement presented to said meeting.

Section 7. Miscellaneous.

- (a) The Chairman and all other appropriate officials of the County are hereby authorized to execute, deliver, and receive any other agreements and documents as may be required by the County in order to carry out, give effect to, and consummate the transactions authorized by this Ordinance.
- (b) This Ordinance shall be construed and interpreted in accordance with the laws of the State of South Carolina.
- (c) This Ordinance shall become effective immediately upon approval following third reading by the County Council.
- (d) The provisions of this Ordinance are hereby declared to be severable and if any section, phrase, or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, that declaration shall not affect the validity of the remainder of the sections, phrases, and provisions hereunder.
- (e) All ordinances, resolutions, and parts thereof in conflict herewith are, to the extent of the conflict, hereby repealed.

CHARLESTON COUNTY, SOUTH CAROLINA

By: _____
Joseph A. Boykin
Chairman of County Council

ATTEST:

By: _____
Kristen L. Salisbury
Clerk to County Council

First Reading: May 15, 2026
Second Reading: June 11, 2026
Public Hearing: June 25, 2026
Third Reading: June 25, 2026