

STATE OF SOUTH CAROLINA)
)
COUNTY OF LANCASTER)

CERTIFIED COPY OF ORDINANCE
NO. 713

I, the undersigned Clerk of the County Council of Lancaster County, South Carolina (the "County"), do hereby certify that attached hereto is a copy of Ordinance No. 713 entitled "ORDINANCE NO. 713 AUTHORIZING THE CREATION OF THE EDENMOOR IMPROVEMENT DISTRICT; APPROVING AMENDMENTS TO THE IMPROVEMENT PLAN; PROVIDING FOR THE FINANCING OF IMPROVEMENTS WITHIN THE EDENMOOR IMPROVEMENT DISTRICT BY ASSESSMENT, ISSUANCE OF BONDS, OR OTHER REVENUES AS HEREIN DESCRIBED; ORDERING THE PREPARATION OF AN ASSESSMENT ROLL AND THE SENDING OF A NOTICE OF SUCH ASSESSMENT TO PROPERTY OWNERS; AUTHORIZING REIMBURSEMENT OF EXPENSES INCURRED PRIOR TO ISSUANCE OF BONDS; REPEALING ORDINANCE NO. 623 ENACTED BY THE COUNTY COUNCIL ON OCTOBER 4, 2004; AND OTHER MATTERS RELATING THERETO" (the "Ordinance") which was enacted by the County Council at a meeting duly called and held on January 30, 2006, at which a quorum was present and acting throughout, which Ordinance has been compared by me with the original thereof, and that such copy is a true, correct and complete copy thereof, and that such Ordinance has not been modified, amended or repealed and is in full force and effect on and as of the date hereof in the form attached hereto.

In witness whereof, I have hereunto set my hand this 15th day of June, 2006.



(SEAL)



Clerk, County Council of Lancaster County,
South Carolina

ORDINANCE NO. 713

AUTHORIZING THE CREATION OF THE EDENMOOR IMPROVEMENT DISTRICT; APPROVING AMENDMENTS TO THE IMPROVEMENT PLAN; PROVIDING FOR THE FINANCING OF IMPROVEMENTS WITHIN THE EDENMOOR IMPROVEMENT DISTRICT BY ASSESSMENT, ISSUANCE OF BONDS, OR OTHER REVENUES AS HEREIN DESCRIBED; ORDERING THE PREPARATION OF AN ASSESSMENT ROLL AND THE SENDING OF A NOTICE OF SUCH ASSESSMENT TO PROPERTY OWNERS; AUTHORIZING REIMBURSEMENT OF EXPENSES INCURRED PRIOR TO ISSUANCE OF BONDS; REPEALING ORDINANCE NO. 623 ENACTED BY THE COUNTY COUNCIL ON OCTOBER 4, 2004; AND OTHER MATTERS RELATING THERETO.

BE IT ORDAINED BY THE COUNTY COUNCIL OF LANCASTER COUNTY, SOUTH CAROLINA, AS FOLLOWS:

Section 1. Findings.

The County Council ("County Council") of Lancaster County, South Carolina (the "County"), hereby finds and determines:

(a) Pursuant to Title 4, Chapter 35, Code of Laws of South Carolina 1976, as amended (the "Act"), governing bodies of counties are authorized to acquire, own, construct, establish, install, enlarge, improve, expand, operate, maintain and repair, and sell, lease, and otherwise dispose of any Improvements (within the meaning of Section 4-35-30(2) of the Act) and to finance such acquisition, construction, establishment, installation, enlargement, improvement, expansion, operation, maintenance, and repair, in whole or in part, by the imposition of assessments, by special district bonds, by general obligation bonds of the county, by revenue bonds of the county, or from general revenues from any source not restricted from such use by law, or by any combination of such funding sources.

(b) On October 4, 2004, the County Council created the St. Katherine Improvement District pursuant to Ordinance #623 enacted on October 4, 2004. Subsequent to the establishment of the St. Katherine Improvement District, ownership and responsibility for development was transferred to Lawson's Bend, LLC. As a result of that transfer and modifications in the plan of development, a new improvement plan for what was to be known as the Lawson's Bend Improvement District was created. It would be in the best interest of the County to repeal Ordinance #623.

(b) As set forth in Resolution #502, adopted by County Council on September 6, 2005 (the "Resolution"), the County has caused to be prepared an "improvement plan" (within the meaning of Section 4-35-30 (4) of the Act), entitled: "Lawson's Bend Improvement Plan" (the "Lawson's Bend Improvement Plan"). Pursuant to the Resolution, the County Council held a public hearing on October 3, 2005. Since the date of the public hearing, amendments have been made to the Lawson's Bend Improvement Plan, which is now known as the Edenmoor Improvement Plan (the "Improvement Plan"). The Improvement Plan, attached hereto as Exhibit A, includes the Report of Civil Engineer dated January 2006 (the "Engineer's Report") and Ordinance #504 of the County Council enacted July 28, 2002 as amended by Ordinance #710 of the County Council to be enacted January 30, 2006 ("Ordinance #504"). The Improvement Plan, together with the Report on the Reasonable Basis of Assessment A and Report on the Reasonable Basis of Assessment B attached hereto as Exhibit B (the "Assessment Reports") and Assessment Roll A together with the Rate and Method of Apportionment of Assessment A and Assessment Roll B together with the Rate and Method of Apportionment of Assessment B referred to in the Assessment Reports attached hereto as Exhibit C (the "Apportionment of Assessments"), as each may

be amended from time to time, contemplate the creation of the Edenmoor Improvement District (the "Improvement District"), the implementation of the Improvements, and the payment of the costs of the Improvements by the imposition and collection of assessments on the property in the Improvement District.

(c) The Improvement Plan contemplates that the Improvement District shall consist of approximately 868 acres mixed use planned development consisting of proposed residential, commercial and recreational land uses. The Improvement District will also include such easements and rights-of-way contiguous thereto as shall be necessary for the construction of certain of the Improvements.

(d) The County has heretofore enacted Ordinance #504 which sets forth the land use regulations applicable within the Improvement District.

(e) The County and the owners and lessees of properties located in the Improvement District have agreed that (1) sidewalks, storm drains, or the relocation, construction, widening, and paving of roads and streets, waterworks system, water supply system, sewer system, sanitary disposal equipment and appliances, drainage systems, recreational area and facilities, an EMS substation (and a sheriff's substation), and other public or civil improvements, all as more particularly described in the Improvement Plan and all of which constitute "improvements" (within the meaning of Section 4-35-30 of the Act) (collectively "Improvements") may be beneficial within such Improvement District, (2) the Improvements are likely to significantly improve property values within the Improvement District by promoting the development of the property, (3) it would be fair and equitable to finance all or part of the cost of the Improvements by an assessment upon the real property located within the Improvement District, and (4) written consent for the creation of an improvement district from a majority of the owners of real property within the Improvement District and having an aggregate assessed value in excess of sixty-six percent of the assessed value of all real property within the Improvement District has been obtained.

(f) Pursuant to Section 4-35-60 of the Act and the provisions of the Resolution, a public hearing concerning the Resolution was held on October 3, 2005, which date was neither sooner than thirty days and nor more than forty-five days following the adoption of the Resolution and neither less than ten days nor more than 120 days before the passage of this ordinance.

(g) Pursuant to Section 4-35-70 of the Act, the entire text of the Resolution was published once a week for three successive weeks in The Lancaster News, which is a newspaper of general circulation in the County. The last date of publication was not less than ten days prior to the date of the public hearing concerning the Resolution.

(h) Pursuant to Section 4-35-50 of the Act, County Council hereby finds that: (1) the Improvements would be beneficial within the Improvement District; (2) the Improvements are likely significantly to improve property values within the Improvement District by promoting the development of the property, (3) it would be fair and equitable to finance all or part of the cost of the Improvements by an assessment upon the real property located within the Improvement District, and (4) written consent for the creation of the Improvement District from a majority of the owners of real property within the Improvement District and having an aggregate assessed value in excess of sixty-six percent of the assessed value of all real property within the Improvement District has been obtained. The basis and methodology of the assessment on all real property in the Improvement District other than property constituting the Improvements (the "Assessment"), as set forth in the Assessment Report, is based upon assessed value, the value of improvements to be constructed within the Improvement District, or on a per parcel basis, or a combination of them, according to the procedure set forth in the Improvement Plan. County Council hereby determines that such basis for the Assessment is appropriate and included in the

authorized methods set forth in Section 4-35-30(1) of the Act and fairly reflects the advantage derived from the Improvements by each of the individual parcels as supported by the Assessment Report.

(i) County Council hereby finds that the Improvements shall be financed by the County through the issuance of revenue bonds (the "Bonds"), secured by and to be serviced from the Assessments, so as to provide funds to pay the costs of acquiring, equipping and constructing the Improvements and costs incurred in connection with the authorization, issuance and sale of the Bonds.

(j) County Council determines that no funds from any sources other than the Bonds and the Assessment are reserved, allocated, or otherwise set aside by the County pursuant to the budget or financial policies of the County for the financing of the portion of the costs of acquisition, construction and equipping of the Improvements proposed to be funded from the Bonds and the Assessments.

(k) County Council finds that the cost of the acquisition, construction and equipping of the Improvements shall be funded from the proceeds of Bonds in an amount not to exceed \$60,000,000.

(l) Pursuant to Section 4-35-40 of the Act, County Council intends and reasonably expects to reimburse itself from the proceeds of the Bonds for all such expenditures paid or costs of acquisition incurred by it with respect to the Improvements prior to the issuance of the Bonds, and such intention is consistent with the budgetary and financial circumstances of the County.

(m) County Council intends that all of the costs to be paid or reimbursed from the proceeds of the Bonds will be for costs incurred in connection with the issuance of the Bonds or will, at the time of payment thereof, be properly chargeable to the capital account of the Improvements (or would be so chargeable with a proper election) under general federal income tax principles.

Section 2. Creation of Improvement District; Approval of Amendments to Improvement Plan

The Improvement District as described above and more fully in the Improvement Plan is hereby created and the implementation of the Improvement Plan is hereby authorized. Since the date of the original approval of the Improvement Plan, certain amendments to said Improvement Plan have been made. Therefore, the Improvement Plan, as amended, a copy of which is attached hereto, is hereby approved.

Section 3. Financing of Improvements.

The cost of the Improvements will be approximately \$41,000,000, which amount is intended to be funded from not exceeding \$60,000,000 of Bonds, in one or more series, secured by and to be serviced from the Assessments, the details of which shall be prescribed by a subsequent ordinance of County Council and by imposing the Assessment on all parcels of real estate located within the Improvement District, as further described in the next Section hereof. To the extent required, the County may utilize any other permitted funding source to finance the cost of the Improvements. The Bonds described in this Section 3 may be combined with or constitute a portion of a larger debt issue including bonds issued for other purposes.

Section 4. Approval of Assessments and of Assessment Roll.

The preliminary assessment roll attached hereto (the "Assessment Roll") and the Assessments reflected therein are hereby approved and shall be the basis for the actual Assessment on each parcel of property listed thereon if not altered or amended by County Council resolution pursuant to the hearings and the final County Council meeting pursuant to Section 6 hereinafter. A copy of such Assessment Roll

shall be deposited in the offices of the County Administrator and made available for inspection by interested parties.

Section 5. Notice of Assessment Roll.

The County Administrator is hereby authorized and directed to cause to be mailed by registered or certified mail, return receipt requested, as soon as practicable, to the owner or owners of each lot or parcel of land against which an Assessment is to be levied, at the address appearing on the records of the County Treasurer, a notice stating the nature of the Improvements, the total proposed cost of it, the amount to be assessed against the particular property, and the basis upon which the Assessment is made, together with the terms and conditions upon which the Assessment may be paid. The notice must contain a brief description of the particular property involved, together with a statement that the amount assessed constitutes a lien against the property superior to all other liens except property taxes. The notice also must state the time and place fixed for the hearing of objections in respect to the Assessment and shall be mailed neither less than 15 days nor more than 30 days before such hearing regarding the objections takes place. A property owner who fails to file with the County Council a written objection to the Assessment against his property before such hearing regarding the objections takes place shall be considered to have consented to the Assessment.

Section 6. Hearing of Objections to Assessment Roll.

(a) The hearing of objections to an Assessment is scheduled for Monday, March 6, 2006, at 6:00 p.m. or at such other date and time as shall be set by the County Administrator. Once scheduled pursuant to this section, this hearing may be postponed and rescheduled pursuant to a resolution of County Council which shall provide for reasonable notice of a new date and time.

(b) All persons who file written objections to the Assessment Roll within the time prescribed shall have an opportunity to appear either in person or by their attorney at the hearing held by the County Council for such purposes, but the final decision on each objection shall be made by a vote of the County Council at a public session thereof. At the session(s) held to make a final decision on the objections, County Council may make by resolution such corrections to the Assessment Roll as it deems proper and confirm the same or set it aside and provide for a new Assessment.

(c) At the session(s) held to make a final decision on the objections, County Council may make by resolution such corrections to the Assessment Report and the Apportionment of Assessments as it deems proper.

(d) Whenever County Council shall confirm an Assessment, either as originally prepared or as thereafter corrected, a copy thereof shall be certified by the Clerk to County Council and filed in the office of the Clerk of Court for Lancaster County, and from the time of filing the assessment impressed in the Assessment Roll constitutes and is a lien on the real property against which it is assessed superior to all other liens and encumbrances, except the lien for property taxes, and must be annually assessed and collected with the property taxes on it.

Section 7. Repeal of Ordinance; General Repealer; Severability.

(a) Ordinance #623 enacted by the County Council on October 4, 2004, is hereby repealed.

(b) All rules, regulations, resolutions and parts thereof, procedural or otherwise, in conflict herewith, to the extent of such conflict, are hereby repealed. The provisions of this Ordinance are hereby declared to be separate and if any section, phrase or provision shall for any reason be declared by a court

of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereunder.

Section 8. Inspection.

This Ordinance and files of the County related to the Improvement Plan and to the Improvement District shall be made available to all interested persons upon 24 hour written notice at the Office of the Clerk to County Council at 101 North Main Street, 2nd Floor, Lancaster, South Carolina 29720.

THIS ORDINANCE SHALL BE EFFECTIVE IMMEDIATELY UPON FINAL READING.

SIGNED, SEALED, AND DELIVERED AS OF THIS 30TH DAY OF JANUARY, 2006.



(SEAL)

LANCASTER COUNTY, SOUTH CAROLINA

By: *F. Dalton DeWinn*
Chairman, County Council

ATTEST:

Jane Pyle
Clerk to Council

First Reading: January 9, 2006
Second Reading: January 23, 2006
Third Reading: January 30, 2006