

Unsealed by Board of Commissioners on 4/10/2018.

**MINUTES
TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS
October 10, 2017 – CLOSED SESSION**

Pursuant to NCGS 143-318.11 (a) (4) to discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, closed session was entered into at 11:05 a.m. Present were Chairman Chapman, Commissioners Chappell, Hawkins, and Lemel, County Manager Jaime Laughter, County Attorney Misti Bass, Transylvania Economic Alliance Executive Director Josh Hallingse, and Clerk to the Board Trisha Hogan.

Transylvania Economic Alliance Executive Director Josh Hallingse presented a potential economic development project and asked Commissioners to consider applying their economic development incentives policy.

Project Aiken is a prospective business considering an acquisition and expansion into the Transylvania County market. Entry into the community includes the purchase of an existing property which has been vacant for a period of 36 months. The acquisition will also result in the reopening of the former business unit. While Project Aiken is currently operating a similar property in another state, the business leadership intends to file incorporation documents in North Carolina and relocate senior management to Transylvania County. Following a successful acquisition, the new business will begin an extensive renovation effort which will result in the investment of \$1,577,935 in real property.

The purchase and reopening of this asset will result in the creation of 41 new full-time jobs. The total business payroll is expected to be \$1,259,800 which equates to an average annual wage of \$30,727, slightly below the average wage in the County, not including 50% employer paid health insurance. The acquisition and investment is expected to generate an additional \$1,200,000 in local tax base, which equates to \$6,135.60 per year in County taxes. This estimate is based on construction estimates and an independent commercial appraisal performed by the company's lender which projects the current value of the property to increase from \$4,200,000 to \$5,400,000.

Project Aiken scored 70 out of 100 possible points on the incentives scorecard.

The intent is to apply for a NC Building Reuse Grant. Being this project is not in the manufacturing sector, it qualifies for \$10,000 per job, for a total of \$250,000. Mr. Hallingse recommended a performance based incentive over a period of four years and a grant back of 70% of net new property taxes generated. The NC Building Reuse Grant requires a 5% match from the County and this incentive meets that requirement.

After discussion, Commissioners were in consensus to offer the performance based economic development incentive as recommended by Mr. Hallingse.

Chairman Chapman moved to leave closed session, seconded by Commissioner Lemel and unanimously carried.

Larry L. Chapman, Chairman
Transylvania County Board of Commissioners

ATTEST:

Trisha M. Hogan, Clerk to the Board

10/10/2017