Unsealed by the Board of Commissioners on 02/12/2024.

MINUTES TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS June 14, 2021 – CLOSED SESSION

Closed Session #2: Project Custom

Per N.C.G.S.§ 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, the second closed session was entered into. Present were Chairman Chappell, Commissioners Chapman, Dalton, Guice and McCall, County Manager Jaime Laughter, Transylvania Economic Alliance Executive Director Josh Hallingse, County Attorney Julie Hooten, and Clerk to the Board Trisha Hogan.

Project Custom is a manufacturing operation currently located in Florida. The company manufactures products for the aerospace, medical and automotive sectors. The business currently employees 32 full-time employees. The company's customer growth has outpaced its current operations. The company is evaluating two different expansion scenarios:

- 1. Option 1 expands their current operation in Florida
- 2. Option 2 adds a secondary location in WNC

Project Custom has identified a multi-tenant building in the Town of Rosman (1989 Old Rosman Hwy). The business is currently evaluating space and upfit requirements.

In year one, Project Custom plans to hire 10 employees and install equipment and machinery valued at \$500,000. If successful in hiring, the business plans to begin shifting more manufacturing to North Carolina as they grow their capabilities. Employment beyond year one is variable and depends on the ability to attract and train new employees. The company hopes to be able to grow to mirror its Florida facility.

One of the primary challenges is infrastructure connectivity. The unit coming available in the building is located at the rear of the facility. The primary access point for sewer is on the front of the building. The business needs to install floor drains/small pretreatment systems or evaporation systems to help manage their cleaning needs. There may be tools at the State level to help with these challenges.

According to the Transylvania County Economic Development Incentive Policy scorecard, Project Custom scores 60 out of 100 based on the following:

- New jobs: 10 full-time positions (committed)
- Average wage: \$42,200 plus fringe benefits
- Investment: \$500,000 machinery/equipment and \$250,000 in real property improvements

Transylvania Economic Alliance Executive Director Josh Hallingse sought guidance from the Board on the investment percentage and length of time. Keeping in line with similar incentive offers, he suggested the 60% threshold over three years. The Board was supportive. Ms. Hallingse will continue working on this project with the hopes of recruiting them to Transylvania County and will keep the Board informed.

ATTEST:

Trisha M. Hogan, Clerk to the Board