

Resolution #:

RESOLUTION AUTHORIZING BUNCOMBE COUNTY TO PAY ECONOMIC DEVELOPMENT INCENTIVES AND TO SIGN ECONOMIC DEVELOPMENT AGREEMENT

- WHEREAS, Linamar North Carolina, Inc., a private North Carolina corporation (the "Company") proposes to construct and equip an approximately 100,000 square foot building ["Building 3"] and to locate its new business associated with this new construction and expanded employee base at its facility located at 2169 Hendersonville Road, Asheville, Buncombe County, North Carolina (the "Project"); and
- WHEREAS, if the Company moves forward with the Project and signs an economic development agreement with the County, the Project will include the construction and equipping of Building 3 and/or Personal Property located in Building 3 after the effective date of this Incentive Agreement as determined by the Buncombe County Tax Department, regardless of the funding sources for said property; and
- WHEREAS, in connection with the development of the Project and as part of its purchase of the property, the Company expects to invest at least \$75 million in the improvements and facilities that will be located on this property and to employ 250 new employees by December 31, 2018; and
- WHEREAS, the average compensation that would be paid to the persons holding those new jobs at the facility would be approximately \$39,000 per year; and
- WHEREAS, the Company has requested that the County provide economic development incentives to induce the Company to make the capital investment for the Project and for the creation of the jobs at the facility; and
- WHEREAS, the Company has informed the County that if the County does not provide those economic development incentives, the Company will not locate the Project at the facility; and
- WHEREAS, under the attached Economic Development Agreement ("EDA"), the Company would agree to refund to the County a portion of the economic development incentive grants it receives if, by December 31, 2018 (which could be extended under certain circumstances), the Company does not achieve 85% of either or both of the projected investment and/or employment amounts as set forth and defined in the EDA; and

WHEREAS, the Company's location of the Project at the facility would, in addition to bringing the jobs described above, produce revenue for local businesses and the County due to the employment of individuals and the spending by the Company and those new employees, which will provide further economic benefits to the County and local businesses; and

WHEREAS, the Company's investment for the Project would substantially enhance the County's property tax base and increase the County's property tax revenues; and

WHEREAS, the employment of 250 new full-time persons at the facility would create jobs for the area and provide a positive impact for the County; and

WHEREAS, pursuant to the provisions of North Carolina General Statutes §158-7.1, this Board of Commissioners deems its desirable and in the best interests of the County and its businesses and residents to offer certain economic development incentives to the Company and to enter into an EDA with the Company; and

WHEREAS, this Board of Commissioners has organized and approved the holding of a public hearing, at the Board's November 20, 2012 regular meeting, to discuss and approve certain economic development incentives to the Company and authorize the entering into of the EDA.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners for the County of Buncombe as follows:

1. The Board of Commissioners approves appropriating and spending from the County's general fund amounts to make cash grants totaling \$4,500,000 over a period beginning in 2015 and continuing through 2024, such amounts and payment schedule being more specifically described in the draft EDA attached to this Resolution as Exhibit A.
2. To implement these incentives and the Company's associated refund obligations for failure to meet the Investment and Jobs Benchmarks, the Board of Commissioners hereby approves the attached Economic Development Agreement and authorizes the Chairman of the Board of Commissioners and the County Manager, or either of them, to execute that Economic Development Agreement on the County's behalf and to take all actions necessary to implement the actions and grants required by that Agreement.
3. By and with the approval of the County Attorney, the Chairman and County Manager, or either of them, are hereby authorized, empowered and directed to do any and all other acts and to execute any and all other documents, which they, in their discretion, deem necessary and appropriate in order to consummate the transactions contemplated by this Resolution, including without limitation to negotiate and approve changes to that EDA's language that do not increase the amounts of the cash grants the County is required to pay the Company, or decrease the amount the Company is required to refund to the County under the Agreement;

except that none of the above shall be authorized or empowered to do anything or execute any document which is in contravention, in any way, of the specific provisions of this Resolution.

4. All acts and doings of officers, employees and agents of the County, whether taken prior to, on, or after the date of this Resolution, that are in conformity with and in the furtherance of the purposes and intents of this Resolution as described above shall be, and the same hereby are, in all respects ratified, approved and confirmed.

5. Any prior resolutions or parts thereof of the Board in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

6. This Resolution is effective upon its adoption.

This the 20th of November, 2012.

ATTEST

BOARD OF COMMISSIONERS FOR THE
COUNTY OF BUNCOMBE

Kathy Hughes, Clerk

By: _____
David Gantt, Chairman

APPROVED AS TO FORM

Michael C. Frue, County Attorney

Exhibit A

See attached draft Economic Development Agreement