

Resolution #

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

- WHEREAS, Avadim Technologies, Inc., a Wyoming for profit corporation authorized to do business in the State of North Carolina (hereinafter sometimes "Avadim"), is a life sciences company developing a new class of biologic solutions based on Pathogenesis Based Therapies. Avadim therapies work to protect and support natural key physiological functions of the skin and integumentary system for infection prevention, neuromuscular disorders and skin barrier repair. Our platform and technologies use a targeted topical delivery system, are non-toxic and biocompatible, and are effective without the side effects of other remedy approaches;
- WHEREAS, Avadim currently has 56 full-time positions in the County and is currently located at its facility located at 81 Thompson Street in Asheville, North Carolina;
- WHEREAS, Avadim plans to expand its operations in Buncombe County at Black Mountain Commerce Park by investing at least Twenty Million Four Hundred Thousand and No/100 (\$20,400,000.00) Dollars and creating 551 new full-time jobs that pay an annual average wage of \$50,946, not including benefits (the "Project");
- WHEREAS, these new jobs are generally slated to be created at the following levels:
- 100 jobs @ \$89,440;
 - 161 jobs @ \$64,480; and
 - 290 jobs @ \$30,160;
- WHEREAS, Avadim promises to meet this level of investment and jobs creation by not later than December 31, 2021;
- WHEREAS, Avadim requested that the County provide economic development incentives to induce it to make these capital investments for the Project and for the creation of these new full-time jobs in the County;
- WHEREAS, Avadim informed the County that if the County did not promise such economic development incentives, then Avadim may not complete the Project;
- WHEREAS, pursuant to North Carolina General Statutes §158-7.1 each county in this State is authorized to make appropriations for economic development purposes;
- WHEREAS, in exchange for bringing this Project to Buncombe County at this level of capital investment in real property and new construction as well as new machinery and equipment and the creation of all these new full-time jobs as described above, the County proposes to pay to Avadim grants in the total cumulative amount of Eight Hundred Eighty-One Thousand Nine Hundred Sixty and No/100 (\$881,960.00) Dollars to be paid over a period of five (5) years in equal installments of One Hundred Seventy-Six

Thousand Three Hundred Ninety-Two and No/100 (\$176,392.00) Dollars beginning May 15, 2022;

WHEREAS, confirmations of the capital investment and improvements will be determined by the Buncombe County Tax Department and jobs and wages will be confirmed by the figures shown on filings by Avadim with the N.C. Employment Security Commission as to unemployment compensation taxes;

WHEREAS, the ad valorem tax values resulting from the capital investments of machinery, equipment and other business personal property located at Avadim will bring as consideration for the grants tax revenues, over the next ten years, estimated at \$1,005,501;

WHEREAS, once created, the addition of these new jobs will have a total labor impact of sales and other prospective tax revenues for the area of more than \$23,000,000 annually;

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

WHEREAS, this Board hereby determines that this level of investment and jobs creation enhances the County's property tax base and increase the County's property tax revenues as it will increase the County population, taxable property, employment, industrial output and the overall business prospects of the County;

WHEREAS, pursuant to the provisions of North Carolina General Statutes §158-7.1, this Board of Commissioners deems it's desirable and in the best interests of the County and its businesses and residents to offer certain economic development incentives to Avadim and to enter into an Economic Development Agreement ("EDA") with Avadim; and

WHEREAS, this Board of Commissioners has organized and approved the holding of a public hearing, at the Board's April 18, 2017 regular meeting, to discuss and approve these economic development incentives to Avadim and authorize the entering into of an EDA.

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

1. The Recitals set forth above, along with the definitions of certain terms are incorporated herein by reference as if fully restated.
2. This Board of Commissioners approves appropriating and spending from the County's general fund amounts to make cash grants in the total cumulative amount of Eight Hundred Eighty-One Thousand Nine Hundred Sixty and No/100 (\$881,960.00) Dollars to be paid over a period of five (5) years in equal installments of One Hundred Seventy-Six Thousand Three Hundred Ninety-Two and No/100 (\$176,392.00) Dollars beginning May 15, 2022, such amounts and payment schedule being more specifically described in the EDA attached to this Resolution as Exhibit A.

3. To implement these incentives, the Board of Commissioners hereby ratifies and approves the attached Economic Development Agreement and authorizes the Chairman of the Board of Commissioners and the County Manager, or either of them, to take all actions necessary to implement the actions and grants required by that Agreement.

4. 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, 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.

5. 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.

6. 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.

7. This Resolution is effective upon its adoption.

This the 18th day of April, 2017.

ATTEST

BOARD OF COMMISSIONERS FOR THE
COUNTY OF BUNCOMBE

Kathy Hughes, Clerk to the Board

By: _____
Brownie Newman, Chairman

APPROVED AS TO FORM

County Attorney

Exhibit A

See attached Economic Development Agreement