

Resolution #: \_\_\_\_\_

**RESOLUTION AUTHORIZING PAYMENT OF AN ECONOMIC DEVELOPMENT INCENTIVE**

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- WHEREAS, Highland Brewing Company, Inc., a North Carolina business corporation, is a local brewery located in east Asheville (sometime herein "Highland Brewing");
- WHEREAS, Highland Brewing has been in business since 1994 and was Asheville's first legal brewery since Prohibition;
- WHEREAS, Highland Brewing requested that the County provide economic development incentives to induce it to make the capital investment for the expansion of its facilities located in Buncombe County and for the creation of new jobs in the County;
- WHEREAS, Highland Brewing promised to expand its manufacturing operations through development, improvement, and equipping of a new state of the art entertainment and bottling facility in Buncombe County (the "Project");
- WHEREAS, Highland Brewing informed the County that if the County did not promise such economic development incentives, then Highland Brewing may not have been able to complete the Project;
- WHEREAS, in June 2014, subject to the formal approval of this Board, the County did agree that if Highland Brewing made the new capital investments of at least \$5,000,000 and created at least 15 new jobs paying an average wage of \$42,016/year then the County would pay to Highland Brewing a grant in the amount of Sixty-One Thousand Four Hundred Five and No/100 (\$61,405.00) Dollars;
- WHEREAS, the Buncombe County Tax Department has confirmed that Highland Brewing has made capital investments improvements, machinery and equipment in excess of \$5,000,000; and that the three total of investments for 2014 through the end of 2016 amounted to over \$7,500,000;
- WHEREAS, Employment Security Commission records demonstrate that Highland Brewing has created 10 new jobs in the County rather than 15 as originally planned; and the average salary for these new hires is \$44,676 as of 2016;
- WHEREAS, these new established assessed tax values resulting from capital improvements for the Project as well as machinery, equipment and other business personal property located at Highland Brewing will bring as consideration for the grant

payment tax revenues, over the next ten years, estimated at approximately \$239,000, of which over \$73,500 will be due and payable in 2017 and 2018;

WHEREAS, these new jobs will have a direct economic effect in State and local taxes of approximately \$420,000 per year;

WHEREAS, Highland Brewing's expansion Project, 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 Highland Brewing and those new employees, which will provide further economic benefits to the County and local businesses;

WHEREAS, Highland Brewing's investment for the Project enhances the County's property tax base and increase the County's property tax revenues;

WHEREAS, due to the creation of fewer jobs than originally promised, planning staff have adjusted the incentive amount and have recommended that an incentive be paid in the amount of Fifty-One Thousand One Hundred Seventy-One and No/100 (\$51,171.00) Dollars to reflect the creation of 10 new position rather than 15 new positions;

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 this economic development incentive to Highland Brewing in consideration of Highland Brewing's reaching its promised levels of investment and jobs creation; and

WHEREAS, this Board of Commissioners has organized and approved the holding of a public hearing at the Board's June 20, 2017 regular meeting to discuss and approve an economic development incentive to Highland Brewing.

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

1. The Board of Commissioners approves appropriating and spending from the County's general fund amounts to make a cash grant totaling \$51,171.00.
2. 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.

3. 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.

4. 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.

5. This Resolution is effective upon its adoption.

This the 20<sup>th</sup> day of June, 2017.

ATTEST

BOARD OF COMMISSIONERS FOR THE  
COUNTY OF BUNCOMBE

\_\_\_\_\_  
Kathy Hughes, Clerk

By: \_\_\_\_\_  
Brownie Newman, Chairman

APPROVED AS TO FORM

\_\_\_\_\_  
County Attorney