

STATE OF NORTH CAROLINA
COUNTY OF BUNCOMBE

NOTICE OF PUBLIC HEARING
ON LOCAL DEVELOPMENT APPROPRIATIONS
UNDER NCGS § 158-7.1

Notice is hereby given that the Board of Commissioners of Buncombe County will hold a public hearing at a special meeting of the Board beginning at 4:30 p.m. on Tuesday, May 14, 2013, in the Commissioners' Chambers, Room 326, County Administration Building, located at 200 College Street in Asheville, North Carolina, on a proposal to make appropriations and expenditures to acquire and develop properties and to enter into a real estate exchange agreement as incentives in order that Project X will commit to locate in Buncombe County. Project X may lease from the County a new 125,000 square foot facility [Facility "A"] the County will acquire and construct, with the intent of locating a business there to manufacture components for customers in a particular market that will have long term worldwide impacts. Project X plans will require the acquisition and construction of a separate facility [Facility "B"] and once Facility "B" is constructed and accepted it will be exchanged for property on which Facility "A" will be constructed. If Project X leases Facility "A" from the County and then locates the project in Buncombe County, it is expected to commit to make investments in the County to make improvements to Facility "A", and make expenditures to acquire and install machinery, equipment and other property at Facility "A" which may increase the tax value as determined by the Buncombe County Tax Department, regardless of the funding sources for said property, in the amount of \$126,000,000.

For Facility "A:" a. the interest to be acquired by the County is fee simple; b. the proposed costs for property acquisition, property exchange, site prep, due diligence, and build is \$15,700,000; c. it is anticipated that this Board will approve the transaction; d. source of funding to be borrowing with Limited Obligation Bonds; e. the improvements will be an approximately 125,000 sq. ft. building; f. the proposed cost for making all improvements, including property acquisition, property exchange, site preparation and construction will about \$15,700,000; and g. the benefit derived to secure substantial investment in the community resulting in: (i) the creation of a substantial number of new full time jobs with an average wage greater than the median wage in the County; (ii) enhancement of the County's property tax base and increasing the County's property tax revenues; and (iii) the location in the County of a new manufacturing facility.

For Facility "B:" a. the interest to be acquired by the County is fee simple; b. the proposed costs to acquire and build is included in the \$15,700,000 for property acquisition, property exchange, site prep, due diligence, and build as described above; c. it is anticipated that this Board will approve the transaction; d. source of funding to be borrowing with Limited Obligation Bonds; e. the improvements will be an approximately 20,000 sq. ft. building; f. due diligence, preparation and construction is also included in the \$15,700,000; and g. the benefit derived to secure substantial investment in the community resulting in: (i) the creation of a substantial number of new full time jobs with an average wage greater than the median wage in the County; (ii) enhancement of the County's property tax base and increasing the County's property tax revenues; and (iii) the location in the County of a new manufacturing facility.

Buncombe County and Project X shall enter into an economic development agreement that will clearly state their respective responsibilities under the agreement containing provisions regarding remedies for a breach requiring the recapture of sums appropriated or expended by the County upon the occurrence of events specified in the agreement. Events that would require the city or county to recapture funds would include the creation of fewer jobs than specified in the agreement, a lower capital investment than specified in the agreement, and failing to maintain operations at a specified level for a period of time specified in the agreement. Project X's expanded operations in Buncombe County at the levels of employment indicated would further the economic interests of the County in numerous ways, including through the following specific benefits: (a) by creating a substantial number of new full time jobs with an average wage greater than the median wage in the County; (b) by enhancing the County's property tax base and increasing the County's property tax revenues; and (c) by locating in the County a manufacturing facility. In addition to holding the public hearing, the Board intends to take action during the meeting in connection with these matters and may approve the making of cash grants and may approve final negotiations of an economic development agreement with Project X.

David Gantt, Chairman
Board of Commissioners, Buncombe County

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