

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

RESOLUTION AUTHORIZING PAYMENT OF AN ECONOMIC DEVELOPMENT INCENTIVE

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- WHEREAS, Haakon Industries (hereinafter sometimes "Haakon") is a world leader in custom designed and manufactured air handling units, with engineering staff providing the highest quality, creative, rapid design service and a manufacturing process bringing its costumers' ideas to life;
- WHEREAS, Haakon manufacturing is currently conducted in three factories: Cheney, Washington, Kingston, Ontario, and Richmond, British Columbia;
- WHEREAS, Haakon plans to invest \$17.9 million in new operations at Enka Commerce Park; the custom HVAC manufacturer plans to invest \$12.5M in a new 140,000 square foot manufacturing plant and an additional \$5.4M in machinery and equipment for the facility that will serve customers across the United States (the "Project");
- WHEREAS, this expansion of Haakon operations in Buncombe County will create up to 100 new jobs in its first five years including positions in assembly and production, machining and engineering, management, and administration;
- WHEREAS, Haakon 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 Buncombe County;
- WHEREAS, Haakon informed the County that if the County did not promise such economic development incentives, then Haakon may not complete the Project;
- WHEREAS, in exchange for the capital investment in new construction and improvements to real property as well as new machinery and equipment having a property tax value (before depreciation) of at least \$17.9 and 100 new full time jobs as described above, the County proposes to pay Haakon grants in the total cumulative amount of \$192,298.00 to be paid once its Performance Commitments are met;
- WHEREAS, these new established assessed tax values resulting from capital improvements as described above will bring as consideration for the grant payment tax revenues following completion estimated at \$342,000.00 over five years;

WHEREAS, Haakon's expansion 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 Haakon and those new employees, which will increase employment and business prospects as well as to provide further economic benefits to the County and local businesses;

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 Haakon in consideration of Haakon'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 February 5, 2019 regular meeting, to discuss and approve an economic development incentive to Haakon.

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 \$192,298.00.
2. That this Board finds and determines that such appropriation and Haakon's investment for the expansion of its operations as described above increases the County's property tax base and increases the County's property tax revenues;
3. The Chairman and Interim 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.
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 \_\_\_\_ of February, 2019.

ATTEST

BOARD OF COMMISSIONERS FOR THE  
COUNTY OF BUNCOMBE

\_\_\_\_\_  
Lamar Joyner, Clerk

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

APPROVED AS TO FORM

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County Attorney