

Resolution #: _____

RESOLUTION AUTHORIZING A
CONSOLIDATED AND MODIFIED ECONOMIC DEVELOPMENT INCENTIVE

- WHEREAS, Buncombe County and Linamar North Carolina, Inc., a North Carolina corporation ("Linamar") entered into an Economic Development Agreement dated August 23, 2011 [the "2011 EDA"] related to the acquisition and installation of manufacturing equipment at the facility located at 2169 Hendersonville Road in Asheville, North Carolina and containing approximately 65.37 acre ["Facility"];
- WHEREAS, On November 18, 2014 the County and Linamar entered into a second Economic Development Agreement related to an expansion of its operations at the Facility [the "2014 EDA"];
- WHEREAS, the 2011 EDA and the 2014 EDA contractually committed Linamar to invest a cumulative total of \$315,000,000 in real and personal property, including machinery and equipment, fixtures, tools, dyes and molds and these two EDA's also obligated Linamar to create a total of 800 new full-time positions at the Facility or other locations of Linamar in the County;
- WHEREAS, Linamar committed to meet or exceed its investment and jobs targets by December 31, 2021 which included the possibility of extending that deadline for two years; and, in exchange, the County is obligated to pay Linamar incentives in the cumulative total amount of \$19,000,000 by December 31, 2020;
- WHEREAS, due to economic and industrial conditions outside its control, Linamar has not met all of its commitment targets to date; to date, Linamar has invested a total of approximately \$100,000,000; and in accordance with the 2011 EDA and the 2014 EDA the County has paid to Linamar incentives of \$13,000,000;
- WHEREAS, through adaptation and reorganization of its business model, Linamar has secured business commitments to enable it to meet its commitments;
- WHEREAS, in order to induce Linamar to continue with its adaptation and reorganization of its business model, Linamar has now asked for additional time to meet its investment and jobs commitments and the County has agreed to do so in exchange for extending the timeline for further incentive payments and combining the 2011 EDA and the 2014 EDA;

WHEREAS, the County and Linamar desire to consolidate and modify the 2011 EDA and the 2014 EDA to induce Linamar to continue with its adaptation and reorganization of its business model;

WHEREAS, this Board does not commit any new funds to Linamar, but only extends the time over which its previous incentive commitments are disbursed provided Linamar meets or exceeds its promised investments and creation of new jobs as set forth in the new Agreement;

WHEREAS, pursuant to the provisions of North Carolina General Statutes §158-7.1, this Board of Commissioners deems it desirable and in the best interests of the County and its businesses and residents to enter into a new Consolidated and Modified Economic Development Agreement with Linamar in consideration of Linamar's reaching its promised levels of investment and jobs creation and the County's extended timeline for further incentive payments ; and

WHEREAS, this Board of Commissioners has organized and approved the holding of a public hearing at the Board's April 2, 2019 regular meeting to discuss and approve a new Consolidated and Modified Economic Development Agreement with Linamar.

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

1. The Board of Commissioners approves the Consolidated and Modified Economic Development Agreement by and between Buncombe County and Linamar North Carolina, Inc., a copy of which is attached hereto.
2. That this Board finds and determines that Consolidated and Modified Agreement and Linamar's continued investments and jobs creation 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 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 April, 2019.

ATTEST

BOARD OF COMMISSIONERS FOR THE
COUNTY OF BUNCOMBE

Lamar Joyner, Clerk

By: _____
Brownie Newman, Chairman

APPROVED AS TO FORM

County Attorney