

**NOTICE OF A SPECIAL MEETING OF THE  
CITY COUNCIL OF THE CITY OF ASHEBORO**

**MONDAY, AUGUST 14, 2017**

**3:00 P.M.**

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Notice is hereby given of a special meeting of the City Council of the City of Asheboro that is to be held on Monday, the 14<sup>th</sup> day of August, 2017, at 3:00 p.m. **This meeting will be held as a joint meeting with the Randolph County Board of Commissioners in the 1909 Randolph County Historic Courthouse Meeting Room, 145-C Worth Street, Asheboro, North Carolina 27203.**

This special joint meeting has been called for the purpose of conducting a joint public hearing on the proposed appropriation and expenditure of county and city funds, in accordance with Section 158-7.1 of the North Carolina General Statutes, for an economic development project with a company to be named during the public hearing. After the public hearing, the respective governing boards will consider resolutions authorizing the county and city to enter into an economic development incentives contract with the company.

All interested persons are invited to attend and present their views.

This notice is issued on the 9<sup>th</sup> day of August, 2017.

\_\_\_\_\_  
/s/David H. Smith  
David H. Smith, Mayor  
City of Asheboro, North Carolina

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**SPECIAL MEETING  
ASHEBORO CITY COUNCIL  
RANDOLPH COUNTY BOARD OF COMMISSIONERS  
1909 RANDOLPH COUNTY HISTORIC COURTHOUSE MEETING ROOM  
145-C WORTH STREET, ASHEBORO, NORTH CAROLINA  
MONDAY, AUGUST 14, 2017  
3:00 p.m.**

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This being the time and place for a joint meeting of the Asheboro City Council and the Randolph County Board of Commissioners, a meeting was held with the following elected officials and staff members from the City of Asheboro present:

David H. Smith            ) – Mayor Presiding  
  
Clark R. Bell             )  
Edward J. Burks         )  
Linda H. Carter         )  
Walker B. Moffitt       ) – Council Members Present  
Jane H. Redding         )  
Katie L. Snuggs         )  
Charles A. Swiers        )

John N. Ogburn, III, City Manager  
Timothy Edward Cockman, Deputy Fire Chief  
Holly H. Doerr, CMC, NCCMC, NCCP, City Clerk  
Michael L. Leonard, PE, City Engineer  
Trevor L. Nuttall, Community Development Director  
Deborah P. Reaves, Finance Director  
Michael D. Rhoney, PE, Water Resources Director  
Jeffrey C. Sugg, City Attorney

In addition to the above-referenced city officials and staff members, the following members of the Randolph County Board of Commissioners were present: Chairman David Allen, Vice-Chairman Darrell Frye, Stan Haywood, Kenny Kidd, and Maxton McDowell. The following county staff members were also

present: Hal Johnson, County Manager; Amanda Varner, Clerk to the Board; Dana Crisco, Deputy Clerk to the Board; Ben Morgan, County Attorney; and Aimee Scotton, Associate County Attorney.

After Chairman Allen and Mayor Smith called the meeting to order and opened the public hearing on behalf of the respective governing boards, Kevin Franklin, Vice President of the Randolph County Economic Development Corporation, was recognized so that he could discuss the details of the proposed economic development incentives agreement with Fibertex Personal Care Corporation. A representative of the company, Daniel Lee Ellingson, also addressed the governing board in order to express the company's desire to enter into the proposed economic development project with, not only the state, but the county and the city as well.

The terms of the proposal outlined by Mr. Franklin for the local economic incentives agreement are contained within the resolution that is printed below.

During the public hearing, the following individuals were recognized and presented comments as well as questions to the elected officials: Faye Cox, Charles Crickmore, and Tim Greene.

When it became apparent that no other speakers wanted to be heard during the public hearing, Chairman Allen inquired of the Board of Commissioners as to what action the Board Members would like to take. After discussing the value of the investment and the associated job creation, the Board of Commissioners adopted a resolution that followed Mr. Franklin's recommendation.

Subsequently, upon motion by Mr. Bell and seconded by Mr. Burks, council voted unanimously to adopt the following resolution.

**RESOLUTION NUMBER 24 RES 8-17**

**CITY COUNCIL OF THE CITY OF ASHEBORO, NORTH CAROLINA**

**AUTHORIZATION FOR THE CITY OF ASHEBORO TO ENTER INTO AN  
ECONOMIC DEVELOPMENT INCENTIVES CONTRACT**

**WHEREAS**, Section 158-7.1 of the North Carolina General Statutes authorizes a city to undertake an economic development project by extending assistance to a company in order to cause the company to locate or expand its operations within the city; and

**WHEREAS**, the Asheboro City Council, in conjunction with the Randolph County Board of Commissioners, held a properly advertised public hearing on August 14, 2017, to consider whether to participate in an economic development project that will result in the City of Asheboro (the "City"), the County of Randolph (the "County"), and Fibertex Personal Care Corporation, and all related entities, (the "Company") approving an economic development incentives package whereby the City and the County each contribute up to one million fifty thousand and no hundredths dollars (\$1,050,000.00) for a total expenditure of up to two million one hundred thousand and no hundredths dollars (\$2,100,000.00) to or on behalf of the Company to offset the costs of the Company's development of a non-woven textile production facility in the City of Asheboro, Randolph County, North Carolina; and

**WHEREAS**, said incentives shall be granted pursuant to an economic development incentives contract as provided in Section 3 of this Resolution, said contract to be inclusive of the local match requirements for any and all grant funding awarded to the project; and

**WHEREAS**, upon the completion by the Company of the proposed project, the Company will have generated new value/investment in real and personal property and equipment associated with the project in an amount equal to or in excess of one hundred fourteen million one hundred twenty-five thousand and no hundredths dollars (\$114,125,000.00) and created a minimum of 145 new full-time jobs in the City and County; and

**WHEREAS**, this economic development project will stimulate and stabilize the local economy, promote business in the City and County, and result in the creation of a significant number of jobs in the City and County; and

**WHEREAS**, the City has in its General Fund available revenues sufficient to fund this economic development project;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Asheboro as follows:

**Section 1.** The City is authorized to expend up to one million fifty thousand and no hundredths dollars (\$1,050,000.00) of City funds for the Fibertex economic development project.

**Section 2.** Of the appropriation outlined in Section 1 above, a portion will be used, in combination with equal contributions from the County of Randolph, as one-half of the required local

match(es) for any grants awarded to the project. More specifically, the first two years of incentive payments made pursuant to the contract referenced in Section 3 below will be dedicated to the provision of any required local match(es) for the construction and improvement of rail infrastructure.

**Section 3.** The remaining expenditures authorized in Section 1 above will be paid to the Company pursuant to a performance-based incentive contract. In addition to the standard terms found in contracts that the City routinely executes in the ordinary course of business, the economic development incentives contract entered into by and between the City, the County, and the Company must contain the following essential terms and conditions:

- a. The total payment made to or on behalf of the "Company," inclusive of the local match(es) referred to in Section 2 above, under this contract shall not exceed two million one hundred thousand and no hundredths dollars (\$2,100,000.00).
- b. Fifty-percent of the contract amount will be paid by the City, and the other fifty-percent of the contract amount will be paid by the County.
- c. The contract amount will be paid over a period of seven years to coincide with the Company's satisfactory completion of certain performance requirements. The said performance requirements include, but are not limited to, the following:
  - i. The Company must deliver to the City and the County written certification that the actual value of new investment by the Company in real and personal property and equipment in connection with this project equals or exceeds one hundred fourteen million one hundred twenty-five thousand and no hundredths dollars (\$114,125,000.00). The written certification of the actual value of the new investment shall further certify that said new investment is located within the corporate limits of the City of Asheboro, Randolph County; and
  - ii. The Company must provide Employment Security Reports to the City and the County evidencing the creation of 145 new full-time jobs located in the City of Asheboro, Randolph County.
- d. The contract must provide the City and the County with a means of recouping a portion of the contract amount if the Company's facilities do not remain in full operation, maintaining the newly created jobs referenced above, for a period of seven years immediately following the date on which the final installment of the contract amount is paid to the Company.
- e. If the Company does not remain in full operation during this 7-year period, a portion of the incentive money must be returned. The amount to be returned shall decrease on a pro-rated amount for each year of said period that the company remains in full operation in the City and County. Any amounts returned by the company in this manner shall be divided equally between the City and the County.

**Section 4.** The Mayor of the City of Asheboro is hereby authorized to execute on behalf of the City of Asheboro a contract drafted in accordance with the provisions of this Resolution and any other documents necessary for the implementation of this economic development project.

**Section 5.** Participation by the City in this economic development project is expressly contingent upon equal participation by the County of Randolph.

This Resolution was adopted by the Asheboro City Council in open session during a special meeting held on the 14<sup>th</sup> day of August, 2017.

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/s/David H. Smith  
David H. Smith, Mayor  
City of Asheboro, North Carolina

ATTEST:

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/s/Holly H. Doerr  
Holly H. Doerr, CMC, NCCMC, City Clerk  
City of Asheboro, North Carolina

There being no further business, the meeting was adjourned at 3:22 p.m.

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/s/Holly H. Doerr  
Holly H. Doerr, CMC, NCCMC, NCCP, City Clerk

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/s/David H. Smith  
David H. Smith, Mayor