

## Closed Session III (Project Liberty) — June 3, 2013

At 7:31 p.m., the Board, already in closed session on another matter, began closed session on a different matter to establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease, pursuant to NCGS 143-318.11(a)(5)(i) and relating to the location or expansion of business in the area, pursuant to NCGS 143-318.11(a)(4). Commissioners Holmes, Frye, Kemp, Lanier and Haywood were present. Also present were County Manager Richard Wells; Will Massie, Assistant County Manager/Finance Officer; Ben Morgan, County Attorney; Aimee Scotton, Associate County Attorney; Cheryl Ivey, Clerk to the Board; and Bonnie Renfro, Randolph County EDC President.

County Manager Richard Wells spoke to the Board about the proposed mega site in Liberty, saying that while Randolph has as good a chance as another location to get an auto manufacturer to select the Liberty site for a new plant, there is no guarantee. And there is no guarantee that the State would provide the estimated \$200-\$400 million dollar incentives that would be required for an auto manufacturer to come here. The County would also likely have to pay for the land purchase, which would cost \$9-\$10 million dollars and then give the land to the company, in addition to having to make concessions on tax revenues for many years.

Mr. Wells said that the option to purchase the 98.9 acres owned by the Lindleys expires at the end of June and that we still do not have a contract for the 637-acre tract owned by Dexter Blakely. He said that David Joseph, attorney for ALPATH, LLC, has been negotiating with Mr. Blakely, but that there are many complex issues and conditions that would still need to be agreed upon before that could be finalized. Mr. Wells also said that in early May, he had directed David Joseph to stop all negotiations and work regarding the mega site land purchase. However, it appears that Mr. Joseph has continued with the negotiations.

Aimee Scotton, Associate County Attorney, told the Board that the Lindleys are trying to get out of the existing contract (with ALPATH) to sell their property because they do not feel they are getting a fair price. Also, there is a confidentiality clause in the existing contract. This presents a problem because the County would have to hold a public hearing and disclose all the information before we can accept assignment of ALPATH's option and purchase this property, which would violate the confidentiality clause. David Joseph said that ALPATH could possibly secure the funding to purchase the property and then sell it immediately to the County, but ALPATH's contract with the Lindleys expires at the end of June. Ms. Scotton said that the Lindley contract contains a provision that allows it to be extended another six months. Ms. Scotton also told the Commissioners about a number of extra conditions that Mr. Blakely has requested and suggested that the County carefully consider these conditions before accepting them.

The Commissioners talked about the \$1,666,666 state grant that was awarded to Randolph that was earmarked specifically for the Liberty mega site. County Manager Wells said that in conversations with some state officials, it is likely that we could get permission to use the money for another site location. So far, we have already spent nearly \$100,000 on legal fees and we do not have a contract yet with the Blakelys. He recommended using a real estate agent henceforth if the Commissioners want to continue with negotiations with land owners.

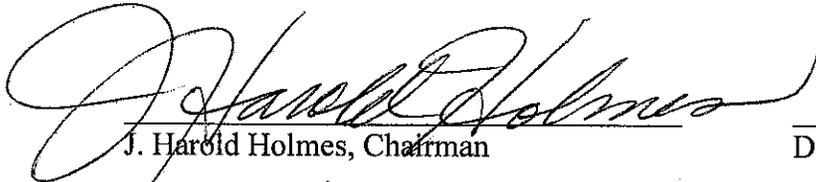
Commissioner Kemp expressed a desire to move forward in using the state grant money for development of a smaller (than a mega site) industrial park at this or another location. He said that he would hate to lose that state grant money.

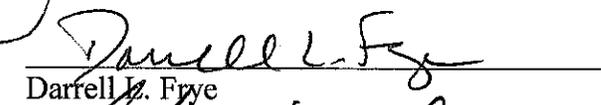
The Commissioners also discussed the proposed Chatham/Randolph mega site. Ms. Renfro had forwarded a request from the Chatham County Economic Development Corporation to County Manager Wells, seeking a letter and resolution of support in Chatham's efforts to designate the site as a "North Carolina Certified Site." The Board decided to delay placing this issue on a regular meeting agenda for consideration until July at the earliest.

The Board indicated its desire that the option on the Lindley property be extended, if possible, to give them more time to consider this matter in its entirety.

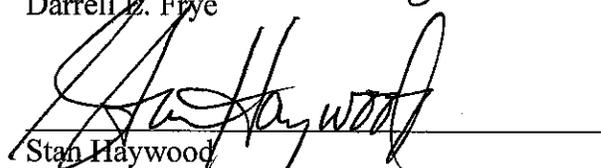
The Board also agreed to wait until the end of July to ask the State about redirecting the grant to another location.

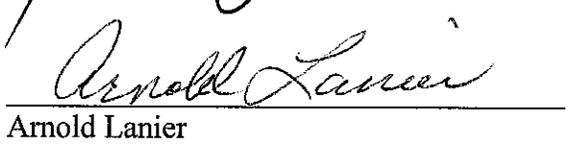
*At 8:22 pm, on motion of Kemp, seconded by Frye, the Board voted unanimously to end closed session and return to regular session.*

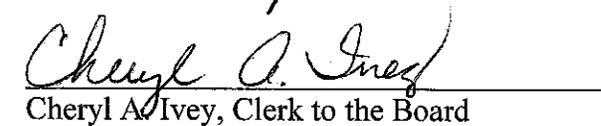
  
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J. Harold Holmes, Chairman

  
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Darrell J. Frye

  
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Phil Kemp

  
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Stan Haywood

  
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Arnold Lanier

  
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Cheryl A. Ivey, Clerk to the Board