

Closed Session I (Project Kayser Roth) — August 5, 2013

At 7:30 p.m., the Board convened closed session on a matter 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; Amanda Varner, Deputy Clerk to the Board and Bonnie Renfro, Randolph County EDC President.

Bonnie Renfro said that Kayser-Roth Corporation is considering an expansion at its Asheboro manufacturing location, adding that the company located in Randolph County in 1911 and has operated under various names since that time. Today, they employ 258 at the Asheboro facility.

The company has requested consideration of incentives for a competitive capacity expansion in order to return manufacturing of current offshore products to the US, but with the same cost/price structure. The project would represent a 47% increase in capacity for the Asheboro plant. The company proposes the following investment:

Investment:	3.7 million in real property
	6.3 million in equipment
Jobs:	50 new
Average Wage:	\$10.57 / hour – varies by position

The project would result in a 60,000-square foot expansion of their facility with additional equipment. They have requested a decision as soon as possible due to an August 21st internal deadline for the business proposal. Expansion would begin immediately with completion expected in 2014.

Ms. Renfro added that Randolph County competed for a Kayser-Roth expansion in 2005 that went to Burlington, NC. Despite not being selected, the company still invested in the Asheboro plant with physical expansion and renovation, as well as, complete replacement of every machine with the newest technology. They have added 70 new full-time positions since that time.

Ms. Renfro proposed the following incentive plan: \$150,000 over three years/50% from each local government (\$75,000 each government entity over three years), which represents 50% of new tax revenues over the first three years following completion of the project.

After discussion, the Board requested a special joint public hearing be set with the City of Asheboro and suggested a date of August 20 at 5:00 p.m., in the Randolph County Office Building Meeting Room. Ms. Renfro said that she will contact the City of Asheboro and request this be added to their August 8th meeting agenda for consideration and advise the County if accepted.

At 7:50 p.m., closed session ended on this topic.

J. Harold Holmes, Chairman

Darrell L. Frye

Phil Kemp

Stan Haywood

Arnold Lanier

Cheryl A. Ivey, Clerk to the Board