

Closed Session III (Project Seatbelt) — July 7, 2014

At 7:57 p.m., the Board, already in closed session on another matter, began closed session on a different 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; County Attorney Ben Morgan; Aimee Scotton, Associate County Attorney; Amanda Varner, Deputy Clerk to the Board; Dana Crisco, Interim Deputy Clerk; Bonnie Renfro, Randolph County EDC President and Kevin Franklin, EDC Existing Industry and Business Coordinator.

Kevin Franklin stated that AEC Narrow Fabric of Asheboro is considering the purchase of an existing manufacturing operation in Virginia to gain market share and manufacturing capabilities in narrow fabric markets not presently serviced by AEC. If the acquisition is successful, AEC will relocate over half of the operation to an existing company facility in Asheboro, including \$1,500,000 worth of equipment. AEC would retain its existing workforce of 162 full-time employees in Asheboro and create 60 new jobs by the end of December 2014.

AEC Narrow Fabrics has been in business in Asheboro since 1986 and is a manufacturer of narrow fabrics for use in apparel, furniture, automotive, medical, military and other industries.

Mr. Franklin said that tax revenue from the installation of used equipment would be relatively small, but due to the sizeable number of jobs, the EDC recommends a cash incentive of \$500 per job, for a total of \$30,000. Randolph County and the City of Asheboro would each contribute \$15,000. Mr. Franklin said that consideration of cash incentives from the One NC Fund will require a wage waiver, but N.C. Department of Commerce staff will request discretionary incentives to match incentives proposed by the local governments.

He said that if this acquisition project is unsuccessful, AEC will be forced to consolidate its Asheboro operations and reduce its workforce.

The Board expressed interest in this project and the consensus was for Mr. Franklin to continue with the project.

At 8:00 p.m., closed session ended on this topic.

---

J. Harold Holmes, Chairman

---

Darrell L. Frye

---

Phil Kemp

---

Stan Haywood

---

Arnold Lanier

---

Amanda Varner, Deputy Clerk to the Board