

AGENDA
Special Called Joint Public Hearing
Economic Development
Archdale City Council and Randolph County Board of Commissioners
5:00 p.m. — February 6, 2023

NOTE: *Archdale City Council actions are in italics*; Randolph County Commissioners actions are in regular type.

1. Chairman Frye calls the meeting to order for the County.
2. *Mayor Dorsett opens the meeting for the City of Archdale.*
3. Economic Development Presentation-Project Superman
4. Chairman Frye opens the Public Hearing for the County.
5. *Mayor Dorsett opens the Public Hearing for the City.*
6. Chairman Frye ends Public Hearing for the County.
7. *Mayor Dorsett ends Public Hearing for the City.*
8. Discussion
9. **Consideration by the City.**
10. **Motion by _____, seconded by _____, to approve a Resolution Authorizing the County of Randolph to Enter into an Economic Development Incentives Contract.**
11. *Mayor Dorsett calls for a recess.*
12. Chairman Frye adjourns for the County. Motion _____, second _____ time _____

Project Superman Summary
Joint Public Hearing
February 6, 2023

Company: Project Superman

Investment: \$36 million including \$21 million in machinery and equipment, over a 5-year period

Job Creation: 129

Average Wage: \$45,969

Project Superman is contemplating a facility location in Archdale NC. This project remains competitive with other locations, and local and state incentive offers will factor into Project Superman's consideration of Archdale and Randolph County as the location for its new facility project.

Superman is an Ohio based packaging products manufacturer with multiple locations in the US as well as Canada and Mexico. North Carolina along with another state is being considered for a new plant location to better serve their existing customer base. The company plans to build a 200,000 square foot facility to manufacture their packaging products, creating 129 new job opportunities paying an average annual wage of \$45,969

State and local incentives will have a major impact on the company's location decision. Project Superman qualifies for more than \$1.7 million in state incentives to include but not limited to a One North Carolina Fund the and North Carolina Community College System's Customized Training Value. Based on the company's capital investment, job creation and average wages, Project Superman qualifies for a 50% cash grant over a five-year period in local incentives. The local grant amount is totaled at \$656,498 to be split between Randolph County in the amount of \$440,613 and the City of Archdale in the amount of \$215,885. The company plans to make their final location decision contingent upon each state/community formally approving the incentives offered and a full review of each by the company.

The EDC believes that Project Superman is an exceptional economic development project for the city and county which would increase the value of the property, generate significant investment in new machinery and equipment, and result in the creation of 129 quality new jobs. Therefore, the EDC request that the city and county approve the resolution offering \$656,498 in local incentives contingent upon state incentive approval to encourage company decision-makers to locate in Archdale.



RANDOLPH COUNTY

BOARD OF COMMISSIONERS

Randolph County Office Building 725 McDowell Road
Asheboro, North Carolina 27205 Telephone 336-318-6300

Darrell Frye, Chairman
David Allen, Vice-Chairman
Kenny Kidd
Maxton McDowell
Hope Haywood

Hal Johnson, County Manager
Ben Morgan, County Attorney
Dana Crisco, Clerk to the Board

RESOLUTION AUTHORIZING THE COUNTY OF RANDOLPH TO ENTER INTO AN ECONOMIC DEVELOPMENT INCENTIVES CONTRACT

WHEREAS, Section 158-7.1 of the North Carolina General Statutes authorizes a county 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 county; and

WHEREAS, the Board of Commissioners of Randolph County has held a public hearing to consider whether to participate in an economic development project that will result in the County of Randolph (the "County"), the City of Archdale (the "City"), and an unnamed company (the "Company") approving an economic development incentives package whereby the County contributes up to four hundred forty thousand six hundred and thirteen dollars (\$440,613.00) and the City contributes up to two hundred fifteen thousand eight hundred and eighty-five dollars (\$215,885.00) for a total expenditure of up to six hundred fifty-six thousand four hundred and ninety-eight dollars (\$656,498.00) to or on behalf of the Company to offset the costs of the Company's location of its manufacturing and distribution facility in the City of Archdale, Randolph County, North Carolina; and

WHEREAS, said incentives shall be granted pursuant to an economic development incentives contract as provided in Section 2 of this resolution; 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 thirty-six million dollars (\$36,000,000.00) and created a minimum of one hundred twenty-nine (129) new full-time jobs in the County and City; and

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Randolph County, this 6th day of February, 2023, as follows:

Section 1. The County is authorized to expend up to four hundred forty thousand six hundred thirteen dollars (\$440,613.00) of County funds for this economic development project.

Section 2. The 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 County routinely executes in the ordinary course of business, the economic development incentives contract entered into by and between the County, the City, and the Company must contain the following essential terms and conditions:

- a. The total payment made to or on behalf of the “Company,” under this contract shall not exceed six hundred fifty-six thousand four hundred ninety-eight dollars (\$656,498.00).
- b. Four hundred forty thousand six hundred thirteen dollars (\$440,613.00) of the contract amount will be paid by the County, and two hundred fifteen thousand eight hundred eighty-five dollars (\$215,885.00) of the contract amount will be paid by the City.
- c. The contract amount will be paid in equal installments over a period of five (5) 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 County and the City written certification that the actual value of new investment by the Company in real property in connection with this project equals or exceeds fifteen million dollars (\$15,000,000.00). 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 Archdale, Randolph County; and
 - ii. The Company must deliver to the County and the City written certification that the actual value of new investment by the Company in personal property, machinery and equipment in connection with this project equals or exceeds twelve million dollars (\$12,000,000.00) and must provide Employment Security Reports to the County and the City evidencing the creation of sixty-nine (69) new full-time jobs located in the City of Archdale, Randolph County. 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 Archdale, Randolph County; and
 - iii. The Company must deliver to the County and the City written certification that the actual value of new investment by the Company personal property, machinery and equipment in connection with this project equals or exceeds an additional five million dollars (\$5,000,000.00) and must provide Employment Security Reports to the County and the City evidencing the creation of an additional sixty (60) new full-time jobs located in the City of Archdale, Randolph County. 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 Archdale, Randolph County. Additionally, the Company must provide written certification that the Company has not reduced its level of operations in the County and the City since the date of the immediately preceding installment payment. By way of illustration and without limitation, the Company shall be deemed to have reduced its level of operations in the County and the City if the Company fails to maintain the entirety of the newly-created jobs referenced in Paragraph (ii) above; and

- iv. The Company must deliver to the County and the City written certification that the actual value of new investment by the Company in personal property, machinery and equipment in connection with this project equals or exceeds an additional four million dollars (\$4,000,000.00). 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 Archdale, Randolph County. Additionally, the Company must provide written certification that the Company has not reduced its level of operations in the County and the City since the date of the immediately preceding installment payment. By way of illustration and without limitation, the Company shall be deemed to have reduced its level of operations in the County and the City if the Company fails to maintain the entirety of jobs referenced in Paragraphs (ii) and (iii) above; and
 - v. The Company must provide written certification that the Company has not reduced its level of operations in the County and the City since the date of the immediately preceding installment payment. By way of illustration and without limitation, the Company shall be deemed to have reduced its level of operations in the County and the City if the Company fails to maintain the entirety of jobs referenced in Paragraphs (ii) and (iii) above.
- d. The contract must provide the County and the City 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 five (5) 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 five (5) 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 proportionally between the County and the City.

Section 3. The Chairman of the Randolph County Board of Commissioners is hereby authorized to execute on behalf of the County of Randolph a contract drafted in accordance with

the provisions of Section 2 of this resolution and any other documents necessary for the implementation of this economic development project as provided herein.

Section 4. Participation in this economic development project by Randolph County is expressly contingent upon participation by the City of Archdale at the level outlined herein.

Darrell Frye, Chairman
Randolph County Board of Commissioners

ATTEST:

Dana Crisco, Clerk
Randolph County Board of Commissioners



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Randolph County Board of Commissioners Archdale City Council

NOTICE OF SPECIAL JOINT MEETING

Monday, February 6, 2023
5:00 p.m.

The Randolph County Board of Commissioners and the Archdale City Council will hold a joint public hearing on the proposal by the County and City to appropriate and expend funds for an unnamed company. The joint public hearing will be held at a special meeting at **5:00 p.m. on February 6, 2023**, in the 1909 Randolph County Historic Courthouse Meeting Room, 145-C Worth Street, Asheboro, North Carolina. All interested persons are invited to attend and present their views.

This the 23rd day of January 2023.

Dana Crisco, Clerk to the Board
Randolph County Board of Commissioners