

CLEVELAND COUNTY BOARD OF COMMISSIONERS

March 13, 2006

The Cleveland County Board of Commissioners reconvened their recessed regular session of February 21, 2006 on this date, at the hour of 5:30 p.m., in the Commission Chamber of the Cleveland County Administrative Offices.

PRESENT: Ronald J. Hawkins, Chairman
Jerry L. Self, Vice-Chairman
Mary S. Accor, Commissioner
Johnny Hutchins, Commissioner
Willie B. McIntosh, Commissioner
David C. Dear, County Manager
Bob Yelton, County Attorney
Wanda Crotts, County Clerk
Kerri Melton, Deputy Clerk
Eddie Bailes, Assistant County Manager
Stuart Gilbert, Chamber President
Lindsey Allen, *Cleveland Headline News*
Pete DeLea, *The Star*
Other individual names on file in the Clerk's Office

CALL TO ORDER

Chairman Hawkins reconvened the meeting.

ECONOMIC DEVELOPMENT INCENTIVE: ADEVCO CORPORATION (PROJECT GLASS)

Stuart Gilbert, Chamber President, stated the developers of this project propose to build a spec building, of an approximate 50,000 square feet, inside the County Industrial Park. The building will be ready for recruitment of a "call center handling inbound/outbound communications with customers."

Mr. Gilbert recommended Commissioners approve the conveyance of the 25.659 acre tract of land, valued at \$410,500.00 located on Commerce Boulevard, to Adevco Corporation at no cost. He said the value of the prospective tax revenues from improvements to be constructed on the property, the prospective sales tax revenue from improvements, and the prospective sales tax revenue to be generated in the area, and other tax revenues and income to the county over the next ten years is estimated to be at least \$532,000.00.

There was discussion of "Section 23 – Seller's Incentives" which prohibits the County from offering "any local and/or state (to the extent Seller has control) incentives within Cleveland County to any other developers or users who plan to operate a call center or similar operation."

There was also discussion of how the county would "recapture" the property if the company defaulted on the agreement; how "call centers" operate; safeguards for the possibility they may build the spec building and then leave. Mr. Gilbert advised he and the Charlotte Regional Partnership have worked with this company before and they have a good track record.

Chairman Hawkins opened the public hearing at 5:44 p.m. (*Public notice of this hearing was accomplished in accordance with the mandates of NCGS 158-7.1 with the following legal advertisement published in The Star on March 1, 2006.*)

The Cleveland County Board of Commissioners will conduct a public hearing, in accordance with G.S.158-7.1, to solicit comments regarding the industrial incentive grants being proposed for an economic development project.

The County Board of Commissioners, subject to public comment at the public hearing for which the notice is hereby given, proposes to officially offer to **Project Glass**, industrial incentive grants. The grant is being offered for the construction of a single-story Building to be used primarily as a call center handling inbound/outbound communications with customers. The Building shall contain not less than fifty thousand (50,000) square feet.

The County Board of Commissioners intends to approve the conveyance of a fee simple interest in a 25.659 acre tract of land located on Commerce Boulevard in the Cleveland County Industrial Park. The value of the property being conveyed is approximately \$410,500.00, and shall be conveyed to **Project Glass** at no cost.

The County Board of Commissioners has determined that the value of the prospective tax revenues from improvements to be constructed on the property, the prospective sales tax revenues from improvements to be constructed on the property, the prospective sales tax revenue to be generated in the area, and other tax revenues and income to the county over the next ten years is estimated to be at least \$532,000.00.

The County Board of Commissioners also feels that the conveyance of the property will stimulate the local economy, promote business, and result in the creation of a substantial number of jobs in the county that pay at or above the median average wage in the county.

The public hearing, on the County's proposed official offering of the aforementioned industrial incentive grant, will be held in the Commission Chamber, located in the County Administrative Offices at 311 East Marion Street, Shelby, North Carolina **on March 13, 2006 at 5:30 p.m.** At this time the general public will have an opportunity to make comments regarding the proposed official offering of the industrial incentive grant to **Project Glass** for its economic development project.

Pete DeLea, *The Star*, stated he felt the public would have benefited from knowing the specifics of the contract prior to adoption, specifically Section 23 regarding seller's incentives.

Hearing no further comments, Chairman Hawkins declared the public hearing closed at 5:45 p.m.

ACTION: Willie McIntosh made the motion, seconded by Jerry Self, and unanimously adopted by the Board, to ***(1) approve the following Finding of Facts:***

- ***The County Board of Commissioners intends to approve the conveyance of a fee simple interest in a 25.659 acre tract of land located on Commerce Boulevard in the Cleveland County Industrial Park. The value of the property being conveyed is approximately \$410,500.00, and shall be conveyed to Adevco Corporation at no cost.***
- ***The County Board of Commissioners has determined that the value of the prospective tax revenues from improvements to be constructed on the property, the prospective sales tax revenues from improvements to be constructed on the property, the prospective sales tax revenue to be generated in the area, and other tax revenues and income to the county over the next ten years is estimated to be at least \$532,000.00.***
- ***The County Board of Commissioners also feels that the conveyance of the property will stimulate the local economy, promote business, and result in the creation of a substantial number of jobs in the county that pay at or above the median average wage in the county.***

(2) accept the contract (found on Pages _____ of Minute Book 29) and move forward with the project.

ECONOMIC DEVELOPMENT: 20/20 CONTRACT

Commissioner Hutchins stated he felt Commissioners should “look at the present contract” and that the contract states if either party wishes to modify the agreement they must give 90-days notice before June 30th. There was discussion regarding the need for such a review. Vice-Chairman Self noted the contract can be mutually amended at any time and recommended the County Manager and the County Attorney address concerns expressed by Commissioners.

ACTION: Johnny Hutchins made a motion, which was seconded by Willie McIntosh, but was ruled “not valid” by the County Attorney, to give the Chamber the required 90-day notice that the Commissioners wish to review the contract. Mr. Yelton advised the term “review” the contract was not valid (*according to Paragraph 7 of the contract*) and should be stated as the Board of Commissioners are “considering termination of the current contract.” There was discussion that use of the word “termination” would give the public the wrong perception.

ACTION: Johnny Hutchins made the motion that the Chamber be given notice that the Commission will be considering termination of the current 20/20 contract. The motion failed from lack of a second.

After further discussion, it was decided that Commissioners would recess their March 21, 2006 regular meeting to reconvene on March 23, 2006 at 6:00 p.m. to hold a “work session” in order to fully discuss the 20/20 contract.

RECESS TO RECONVENE AT A TIME AND PLACE CERTAIN

Mary Accor made the motion, seconded by Johnny Hutchins, and unanimously adopted by the Board, to recess this meeting (*at 6:05 p.m.*) to reconvene on **6:30 p.m. at the H. Lawrence Patrick Senior and Life Conference Center, 909 East King Street, Kings Mountain, to meet with the Kings Mountain City Council for a roundtable discussion meeting.**

*Ronald J. Hawkins, Chairman
Cleveland County Board of Commissioners*

*Wanda Crotts, CMC, Clerk
Cleveland County Board of Commissioners*