

MINUTES

Regular Meeting
City Hall Council Chamber

June 10, 2010
Thursday, 10:00 a.m.

Present: Mayor W. Ted Alexander, presiding; Council Members Christopher H. (Chris) Mabry, O. Stanhope (Stan) Anthony, III, Jeanette D. Patterson, Dennis C. Bailey, Joel R. Shores, Jr., Andrew L. Hopper, Sr.; City Manager Rick Howell, City Attorney Robert W. (Bob) Yelton, City Clerk Bernadette A. Parduski, MMC, Director of Finance Theodore B. (Ted) Phillips, CPA, and Fire Chief William P. Hunt

Mayor Alexander reconvened the meeting at 10:00 a.m. The Mayor gave the invocation and Council led the *Pledge of Allegiance*.

A. Public Hearing:

- 1) Consideration of a resolution confirming the City of Shelby's intent to offer an industrial incentive grant: Resolution No. 33-2010

Mayor Alexander opened the public hearing at 10:02 a.m. and invited comments from the public.

The public offered no comments and Mayor Alexander closed the public hearing at 10:03 a.m.

Mr. Howell stated this public hearing was scheduled in accordance with North Carolina General Statutes by Council to consider the award of an industrial development incentive grant to Project Shark. Next he summarized the Incentive Agreement and highlighted the following:

It is expected the entire Project will include site improvements, buildings, and the installation of machinery and equipment with a total investment in Phase 1 of approximately \$70 million and a total investment in Phase 2 of approximately \$190 million in Cleveland County, creating approximately 250 new, permanent fulltime employment positions over the next 60 months. The City's offered incentives involve the extension of water, sewer, and natural gas lines within publicly dedicated easements upon the site located at 687 Washburn Switch Road. Mr. Howell also noted that the Project has stated an interest in a voluntarily annexation of the site into the City limits and if it so chooses, the City would by agreement approved by Council, offer an incentive grant valued at 60 percent of the total ad valorem taxes paid by the company to the City during the preceding calendar year. The term of the

incentive grant would begin on the date of the Project's annexation into the City and continue for ten (10) calendar years following such annexation. This is in keeping with the past City practice of matching the percentage of incentive grant offered by Cleveland County. The obvious advantage to the company is the reduced utility rates inside the City limits. The advantage to the City is the increased property tax, sales tax, and utilities franchise tax that would be generated in the general fund.

ACTION TAKEN: Upon a motion by Mr. Hopper, second by Mrs. Patterson, City Council voted unanimously to approve and adopt Resolution No. 33-2010 entitled, "A RESOLUTION CONFIRMING THE CITY OF SHELBY'S INTENT TO OFFER AN INDUSTRIAL INCENTIVE GRANT AND TO AUTHORIZE THE MAYOR AND CITY CLERK TO EXECUTE THE INCENTIVE AGREEMENT IN THE NAME OF PROJECT SHARK AND SUBSEQUENTLY IN THE NAME OF COMPANY WHEN PUBLICLY RELEASED".

In closing, Mayor Alexander expressed his and Council's appreciation and gratitude to Mr. Howell, Mr. Yelton, and staff who worked so diligently to bring Project Shark to fruition.

B. Adjournment:

1) Motion to adjourn

ACTION TAKEN: Upon a motion by Mr. Bailey, second by Mr. Hopper, City Council voted unanimously to adjourn the meeting at 10:17 a.m.

Respectfully submitted,

Bernadette A. Parduski, MMC
City Clerk

W. Ted Alexander
Mayor

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