

**MINUTES OF SPECIAL MEETING OF THE
CITY COUNCIL OF THE CITY OF SANFORD
SANFORD, NORTH CAROLINA**

The City Council met at the Sanford Municipal Center, 225 E. Weatherspoon Street, on Tuesday, February 11, 2020, at 6:00 p.m., in Council Chambers. The following people were present:

Mayor T. Chet Mann
Council Member Sam Gaskins
Council Member Charles Taylor
Council Member James Williams
City Attorney Susan Patterson
Deputy City Clerk Vicki Cannady

Mayor Pro Tem Byron Buckels
Council Member Rebecca Wyhof Salmon
City Clerk Bonnie Davis
City Manager Hal Hegwer

Absent:

Council Member Norman Charles Post, III
Council Member Jimmy Haire

CALL TO ORDER

Mayor Mann called the meeting to order.

CASES FOR PUBLIC HEARING

Public Hearing on Project Jupiter

Mayor Mann stated that this public hearing is being held because there are some edits to the original Project Jupiter incentives.

SAGA Economic Development Director Bob Joyce explained that SAGA is recommending an amendment to the incentive Council previously approved for Project Jupiter because of a change to the company's investment and job numbers. City Attorney Susan Patterson recommended a public hearing on the revised numbers. He stated Project Jupiter is a Life Science company that will purchase and up-fit the Shell Building at the Central Carolina Enterprise Park for the manufacturer of a drug therapy product. SAGA reviewed this project with Council in closed session in June 2019 and made an initial offer to the company. Sanford was named one of the final sites in July. SAGA reviewed this project again with Council in closed session in late July; revised our incentive offer; it was still a very competitive project at that point. SAGA came back before Council formally for a public hearing in mid-December because the company had narrowed the search further but they had not yet submitted their JDIG application. In the meantime, the SAGA Executive Committee recommended this project and the local incentive investment. SAGA believes the incentive we offered was a competitive offer and also protects the taxpayer's investment with the appropriate performance measures and clawbacks. Council approved the local incentive on January 7, 2020. The company then submitted a revised investment to the State and it was approved by the Commerce Department the third week in January 2020.

The changes were in the investment and job numbers; the investment was originally \$126 million and would be reduced to \$109.4 million. The job creation goes up from 196 to 210 jobs

and the average wage drops slightly from \$88.900 to \$83.900. The total annual payroll, because of the increase in jobs, actually goes up. The average annual wage is a bit more than double our Lee County average wage of \$41,784. SAGA is seeking approval of the amendment incentive agreement. Our goal tonight is to seek your approval of the amended incentive investment and the agreement.

Mayor Mann opened the public hearing. No one spoke in favor or in opposition. The public hearing was closed.

The company expects to make a decision this month.

- Consider Approval of Incentive Agreement for Project Jupiter – (Exhibit A)
Council Member Gaskins made the motion to approve the incentive agreement for Project Jupiter. Council Member Salmon seconded the motion.

City Attorney Patterson clarified that the proposal is to share up to \$2.116,809 in incentive funds from the General Fund. The vote passed in favor of the agreement with a vote of four to one with Council Member Taylor casting the dissenting vote.

ADJOURNMENT

Council Member Gaskins made the motion to adjourn the meeting; seconded by Council Member Gaskins the motion carried unanimously.

ALL EXHIBITS CONTAINED HEREIN ARE HEREBY INCORPORATED BY REFERENCE AND MADE A PART OF THESE MINUTES.

Respectfully Submitted,



T. CHET MANN, MAYOR

ATTEST:



~~BONNIE DAVIS, CITY CLERK~~
Vicki R. Cannady,
Deputy City Clerk