

**MINUTES OF CLOSED SESSION
CITY COUNCIL – CITY OF SANFORD
October 31, 2007**

Upon a motion duly made, seconded, and carried in the October 31, 2007, open session of the City Council meeting, the Council went into closed session in accordance with NCGS 143-318.11 (a) (4) to Discuss Matters Relating to the Location or Expansion of Industries or Other Businesses in the Area Served by the Public Body.

The following people were present in the closed session:

Present:

Mayor Cornelia P. Olive	Council Member Stephen Brewer
Mayor Pro Tem Walter McNeil, Jr.	Council Member Mike Stone
Council Member Dan Harrington	Council Member James G. Williams
Council Member Linwood S. Mann, Sr.	City Clerk Bonnie D. White
City Manager Hal Hegwer	
Lee County Economic Development Director Bob Heuts	

Absent:

City Attorney Susan C. Patterson
Council Member Joseph Martin

Mayor Olive called the closed session meeting to order.

Lee County Economic Development Director Bob Heuts explained that the Lee County Economic Development Board of Directors was approached by Ruby Moore, wife of Eugene Moore, and owner of Moore Machinery about tax incentives. They have been operating in Lee County since 1971 and currently employ 30 people in the Spanco building and plan to stay in this building. They also operate out of Bear Creek, Siler City, and Fayetteville. They have done a lot of work for GKN and Caterpillar.

Ms. Moore's company (Ruby's Real Estate) has purchased the old Eagle Electric building on U. S. Highway 421 West and plans to purchase \$4 million of equipment and create 75 additional jobs at the new site. The building is located in a floodplain area. The parking lot has flooded in the past; however, the plant has never flooded.

Mr. Heuts explained that the Lee County Economic Development Board of Directors recommend offering Ms. Moore an incentive equal to 50 percent of taxes paid over a five-year period, and this is what has been done in the past. Ms. Moore has expressed to them that it could be a \$12 million investment of equipment and 125 jobs. The City's estimated portion would be \$40,810. If she purchases \$12 million of equipment, the City's portion would be \$122,430. Mr. Heuts stated he would like to have

the consensus of Council to move forward with a public hearing. Council was in agreement to go forward with the public hearing.

Council Member Linwood Mann made the motion to go out of closed session and back into regular session. Seconded by Council Member James Williams, the motion carried unanimously.

Respectfully submitted,

Cornelia P. Olive, Mayor

Bonnie D. White, City Clerk