

MINUTES OF CLOSED SESSION
Law & Finance Committee of the City Council
City of Sanford—June 1, 2011

Upon a motion duly made, seconded, and carried in the June 1, 2011 open session of the Law and Finance Committee of the Sanford City Council, the Council went into closed session in accordance with N.C.G.S. 143-318.11(a) (3) and (4) to discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body and to consult with an attorney employed by the public body in order to preserve the attorney-client privilege between the attorney and the public body.

The following people were present in the closed session:

Law and Finance Committee:

Mayor Pro Tem Sam Gaskins
Council Member James Williams
Council Charles Taylor
Council Member Bob Brown
Public Works Director Vic Czar
City Manager Hal Hegwer

Council Member L. I. (Poly) Cohen
Council Member Walter H. McNeil
City Attorney Susan Patterson
EDC Director Bob Heuts
Deputy City Clerk Janice Cox

Absent:

Mayor Cornelia Olive
City Clerk Bonnie D. White
Council Member Linwood Mann

Mayor Pro Tem Sam Gaskins called the meeting to order.

Item 1

Discussion of the Possibility of a Major Company Locating in Sanford – (Exhibit A)

Economic Development Corporation (EDC) Director Bob Heuts stated that he has been working on a project which involves a major company's considering Sanford as one of the choices for locating a plant. His purpose today was to make the Council aware of this project. The prospect (who looked at property here three years ago) has taken a helicopter ride to look at a possible site. The company is also considering locating in Holly Springs and outside of Atlanta, Georgia.

Mr. Heuts explained that the rezoned property (owned by Stroud and others) north of the Lee County Industrial Park is 600 acres and might be large enough for the project. It is zoned commercial. When the project is complete, it is expected to employ from 1,000 to 1,400 people. When the first phase is complete, 600-700 people are expected to be employed. The average salary is expected to be \$55,000 to \$60,000.

Mr. Heuts stated that his staff is working on this project and Progress Energy and Public Gas are involved. He stated that we have the capacity to serve the company, and they are looking at the cost to develop the site.

Mr. Heuts stated that he wanted to make Council aware of this opportunity and that it will take a team effort to get it done. He stated that Holly Springs is the Number 1 site this company is considering and we are right behind them. Their consultants and company people are expected to meet with the State Department of Commerce on June 14, 2011.

Council discussion included:

Council Member Bob Brown asked how far along this project was when we became involved. Mr. Heuts responded that he just came in last week.

Council Member James Williams asked if our policy had been explained to them. Mr. Heuts replied, "No, not in these discussions." This was about land availability and capacity for utilities, sales tax exemptions, and incentives.

Council Member Poly Cohen noted the property is currently outside the city limits and was interested in knowing what had been offered before in incentives.

Public Works Director Vic Czar stated that this is a good site.

Council Member Taylor asked, "Looking at past opportunities, what did we learn that we can do differently?" Mr. Heuts replied to take risks off the table with wetlands, etc. There should be no environmental issues at this site.

Council Member McNeil asked how fast this project was expected to move. Mr. Heuts stated that the Department of Commerce will move fast, and he thinks we need to go after this one as fast as we can. We need to take care of any gaps such as getting water and City services on site, and the City should apply for grants to extend the utilities.

Council Member Williams stated that it needs to be in the City.

Public Works Director Czar stated the anticipated outside rate for water and sewer is \$5 million and the inside rate is \$3.3 million. He was not sure how the Wake County rate might be applied. He stated that this project would put us up to our current limits to deliver and would cost \$7 million for improvements to have the company come here.

City Manager Hegwer stated that if the property were developed for residential and commercial, he would push for City services. If the project ends up in the County, the City would make up on water and sewer services, jobs, and home construction for such a huge development.

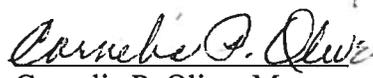
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Mayor Pro Tem Gaskins stated the City could buy the property and then lease it to them.

Mr. Heuts stated that he wanted Council to know what we're dealing with. If we get to the next level, a team would have to be put together by the City and County. Mr. Hegwer stated that the mayor is interested in being involved.

Mr. Hegwer stated that the quality of life and available work force took Novartis to Holly Springs. Mr. Taylor stated that some people Pfizer lost would be good for this company.

Respectfully submitted,


Cornelia P. Olive, Mayor

ATTEST:



Janice Cox, Deputy City Clerk

In closed session on July 31, 2013, Mayor Pro Tem Sam Gaskins made the motion to approve and release these minutes. Seconded by Council Member Walter McNeil, Jr., the motion carried unanimously.

Minutes were approved and released on August 6, 2013.

