



**Rutherford County Office Building
289 N. Main Street
Rutherfordton, NC 28139**

**Rutherford County
Board of Commissioners
Minutes of June 17, 2024**

**Monday, June 17, 2024
6:00 PM**

I. Call to Order

Chairman King called the June 17, 2024 special meeting of the Rutherford County Board of Commissioners to order.

Present: Chairman Bryan King, Vice Chairman Alan Toney, Commissioner Michael Benfield, and Commissioner David Hunt.

Absent: Commissioner Greg Lovelace

A. Agenda Approval

Commissioner Benfield moved to approve the agenda. Vice Chairman Toney seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, and Commissioner Hunt.

Noes: None

Absent: Commissioner Lovelace

II. New Business

A. ID-24 3783 Public Hearing – Conveyance of Industrial Tract of Land

At 6:01 P.M. Chairman King opened the Public Hearing to listen to comments regarding the proposal of the Board to convey an industrial tract of land on the west side of Daniel Road for an economic development project that will create jobs, stimulate and stabilize the local economy, and serve as a catalyst for additional industrial and commercial activity in the area.

Economic Development Director Birgit Dilgert presented comments and a Resolution to the Board for their consideration. The Resolution was regarding the conveyance of county-owned property upon which a company code named Project Ruth has engaged in private negotiations to construct an industrial facility. Director Dilgert communicated that Project Ruth's investment in the facility,

business machinery, and other personal property will generate property tax revenues over the next ten years in an amount at least sufficient to return to the County the fair market value of the property pursuant to NC General Statutes. In addition to the substantial number of new permanent jobs Project Ruth will create paying above the median average hourly wage in Rutherford County, the conveyance of this property is expected to stimulate the local economy, promote business, and serve as a catalyst for additional activity in the area.

Dr. Margaret Annunziata spoke regarding the opportunity to advance the economic growth in Rutherford County and stated that she looked forward to supporting this project and any other employers who would like to partner with the County.

There were no other speakers.

At 6:10 P.M. Chairman King closed the public hearing.

Vice Chairman Toney moved to approve the resolution. Commissioner Hunt seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, and Commissioner Hunt.
Noes: None
Absent: Commissioner Lovelace.

Resolution Authorizing Sale of Real Property for Economic Development

WHEREAS, North Carolina General Statute § 158-7.1 authorizes a county to undertake an economic development project by conveying property to a company in order to cause the company to locate or expand its operations within the county; and

WHEREAS, Rutherford County is the owner of a certain tract of real property being held for economic development purposes pursuant to North Carolina General Statute § 158-7.1 of approximately 27.95 acres, subject to new survey, and situate on the west side of Daniel Road (SR 2184) and being shown as Rutherford County Revenue Department parcel PIN 1655249, and being the southern portion of the 39.27-acre tract as shown on plat for Rutherford County recorded in Plat Book 29 at Page 112, Rutherford County Registry; and

WHEREAS, Rutherford County and a company known by code name PROJECT RUTH have engaged in private negotiations for the conveyance of said tract of real property, to the end that PROJECT RUTH will construct an industrial facility on the tract and have reached tentative agreement on the terms for conveyance for consideration of the prospective tax revenues resulting from the project as authorized by North Carolina General Statute §158-7.1(d2); and

WHEREAS, Rutherford County has been in competition with at least one site located in the state of South Carolina for the location of the industrial facility for PROJECT RUTH; and

WHEREAS, the Board of Commissioners of Rutherford County, after providing required public notice of at least ten (10) days before the hearing, has held a public hearing to consider whether to approve conveyance of the tract to PROJECT RUTH;

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF RUTHERFORD COUNTY RESOLVES THAT:

1. The chairman of the Board of Commissioners is authorized to execute the necessary documents to convey to PROJECT RUTH the real property more particularly described below:

Being all that tract of real property situate, lying and being in Cool Springs Township, Rutherford County, North Carolina, on the west side of Daniel Road (SR 2184) and being the portion of that 39.27-acre tract on that plat of survey recorded in Plat Book 29 at Page 112, Rutherford County Registry, and being all that portion not included in or as part of Lots 1-6, inclusive, of Gateway West on plat recorded in Plat Book 42 at Page 265, Rutherford County Registry, and being all that portion being shown as Rutherford County Revenue Department parcel PIN 1655249 and containing approximately 27.95 acres, subject to new survey.

2. The conveyance of the property to PROJECT RUTH will stimulate and stabilize the local economy, promote business and serve as a catalyst for additional industrial and commercial activity in the area, including in the adjacent Gateway West, and will result in the creation of a substantial number of new, permanent jobs in the county that pay at or above the median average hourly wage in Rutherford County. The median average wage in Rutherford County, as determined by the North Carolina Department of Commerce, Division of Employment Security, is \$22.95 per hour. The probable average hourly wage at the facility to be constructed by PROJECT RUTH is \$26.25, which is above the current median hourly wage in Rutherford County. This determination of the probable average hourly wage at the facility is based upon materials provided to the county by PROJECT RUTH.

3. The fair market value of the tract being conveyed, subject to whatever covenants, conditions, and restrictions the county proposes, is \$39,000.00 per acre, which amount would be \$1,090,050.00 calculated for 27.95 acres. This determination of fair market value is based upon an appraisal of the property by Tanner Real Estate Services, Inc., dated April 26, 2024, a copy of which is on file in the office of Rutherford County Economic Development, 142 E. Main St., Forest City, NC.

4. Rutherford County will require PROJECT RUTH to reconvey the property back to Rutherford County in the event PROJECT RUTH does not construct improvements on the property that will generate the tax revenue taken into account in arriving at the consideration within the period of time specified, not to exceed five years, and will further enter into an economic development agreement with PROJECT RUTH pursuant to North Carolina General Statute § 158-7.1(h) to ensure the capital investment specified and the maintenance of operations for the period of time specified and may include provision that the company may elect to make payments in order to meet the consideration for the purchase.

5. As consideration for the conveyance of the property, PROJECT RUTH has agreed to construct on the property an industrial facility at a cost of \$15,880,000.00 and make investments in business machinery and other personal property of \$16,800,000.00. This facility will generate property tax revenues over the next ten (10) years in an amount at least sufficient to return to Rutherford County the fair market value of the property pursuant to North Carolina General Statute § 158-7.1(d2).

6. The Board of Commissioners, pursuant to N.C. Gen. Stat. §158-7.1 and based

upon the foregoing, approves the conveyance of property referenced herein to PROJECT RUTH for the consideration of \$39,000.00 per acre and authorizes the County Manager, working with legal counsel, to negotiate the remaining terms and conditions and enter into purchase and sale agreement, economic development agreement and any other necessary documents as are consistent herewith.

ADOPTED this the 17th day of June, 2024.

III. Adjournment

Commissioner Hunt made a motion to adjourn. Commissioner Benfield seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, and Commissioner Hunt.

Noes: None

Absent: Commissioner Lovelace.

Chairman, Board of Commissioners

Vice Chairman, Board of Commissioners

ATTEST:

Clerk, Board of Commissioners