

**FORSYTH COUNTY
ECONOMIC DEVELOPMENT PROGRAM
BUSINESS ASSISTANCE GUIDELINES**

This document provides guidelines for distribution of funds appropriated pursuant to the provisions of N.C.G.S. 158-7.1 for the Forsyth County Economic Development Program for the purposes of aiding and encouraging the location of manufacturing enterprises, locating industrial and commercial plants in the County, and other purposes which will ultimately increase the Forsyth County tax base and create new, full time jobs. These purposes will be accomplished by two methods. One way will be by providing economic development financial assistance to selected businesses in order to attract target industry groups to the County. The second way will be by making economic development investments for the development of industrial, business or research & technology parks. All activities hereunder will be carried out consistent with the provisions of N.C.G.S. 158-7.1. When considering requests for assistance, the Board of Commissioners may, as the Board deems appropriate, waive or modify the eligibility requirements and/or formulas for assistance set forth herein. These guidelines set out by the Board do not establish an entitlement to receive incentives by any company that plans to locate or expand within Forsyth County. The provision of any economic development financial or other assistance is strictly at the discretion of the Board of Commissioners.

Guidelines for Economic Development Financial Assistance

- A. Industrial, Business, Research and Technology Parks:
1. County economic development assistance may be provided for infrastructure costs including but not limited to site preparation., street and transportation facilities, extension of public utilities and other related improvements.
 2. The County prefers to assist with the development of industrial, business, research, and technology parks being developed by local not-for-profit economic development organizations or governmental entities and other not-for-profit entities.
 3. The amount of assistance will be determined on a project by project basis depending upon the availability of County funds.
 4. County assistance, if any, for individual businesses locating in such a park will be reduced proportionately based on the County's per acre assistance for development of the park.

B. Businesses:

1. Minimum Eligibility Criteria

a. New Capital Investment

- i. New Business Location: \$ 3,000,000
- ii. Existing Business Expansion: \$ 1,500,000

b. Job Creation

- i. New Business Location - 25 new, full-time jobs within 36 months
- ii. Existing Business Expansion - 20 new, full-time jobs within 36 months.
- iii. The job creation requirement may be offset by greater capital investment.

c. Wages and Benefits

- i. Average Starting Wage - at least \$10.00 per hour and
- ii. Benefits including at least health insurance.

- d. Consideration may be provided for firms which agree to employ a specified number of Work First participants or individuals re-entering the workforce on probation or parole.

2. County assistance will be based on the amount of new capital investment being made by the business. County assistance will not exceed the net new taxes paid by the business up to a limit of not more than five years.

3. The County may consider a longer payment period for businesses making capital investments of at least \$15,000,000 or creating at least 200 new jobs or which are in one of the County's targeted industry sectors and paying wages equal to or greater than the average for their sector.

4. The County may consider providing incentives to a business regardless of whether the business meets the minimum eligibility criteria for incentives with respect to New Capital Investment, Job Creation, or Wages and Benefits, if the requested economic development incentive funds will serve as matching funds and be leveraged by economic development funds already identified by the State, other local governments, private foundations (such as Golden Leaf), or other entities which have been committed to the proposed project in Forsyth County.

- C. Payment of County Assistance:
1. County assistance will be paid in annual installments beginning in the fiscal year in which the new capital investment becomes subject to the County property tax.
 2. Payment in any year will not exceed the County property tax levied and collected on the capital investment of the Company during the year of payment.
 3. County assistance will be provided only after capital investments and job creation requirements have been achieved by the business and satisfactorily documented to the County. Any business which is delinquent in its property tax obligation will not be eligible for County assistance.
 4. Failure to achieve investment and job targets established for the project will result in reduction of county payments and may require repayment of some or all County funds paid.
- D. Alternative criteria if minimum investment criteria is not achieved:
1. Location or expansion of corporate or divisional headquarters or a target industry business, and
 2. Minimum 100 new jobs, or
 3. 50 new jobs with average starting wage equal to or greater than the Forsyth County average wage (approximately \$15.20/hour).
 4. Maximum assistance: \$1,000 per job, not to exceed a total of \$300,000 per project.
 5. Paid in four annual installments beginning after the first year of operation or such other period as determined appropriate by Board of County Commissioners.
 6. Failure to meet job creation requirements within the specified period will result in reduction of County payment and/or repayment of some or all of the funds paid by the County.
- E. Business Retention: The County may consider providing assistance to businesses which are considering relocation out of Forsyth County beyond a reasonable commuting distance. At a minimum, the following conditions must be met:
1. Must be a target industry business, and
 2. Represent the potential loss of at least 100 jobs
 3. Pay must equal or exceed Forsyth County average wage and provide at least health benefits
 4. Competition must be verified
 5. Business must commit to stay in the County for at least five additional years, and
 6. Must maintain or increase current employment for five years.

7. Assistance not to exceed \$1,000 per retained job with maximum assistance not to exceed \$300,000.
8. Assistance will be paid in four annual installments, or such other period as determined appropriate by Board of County Commissioners.
9. Failure to maintain the preexisting job levels in any year may result in no payment and/or the re-payment of previous county payments.

F. Target Industry Groups:

1. Medical Technology/Biotechnology/Medical R&D
2. Information Technology/Telecommunications/Customer Service Center
3. Plastics
4. Medical Products Fabrication
5. Electronic Assembly
6. Advanced Manufacturing
7. Distribution/Logistics
8. Design, Imaging and Film Related Technologies
9. Corporate or Division Head Quarters Operations
10. Financial Services
11. Printing and Publishing

G. Permitted Uses of Assistance Funds:

1. Any purpose to aid and encourage the location of businesses or industries in the County, to increase the County tax base, and create new, full time jobs pursuant to the provisions of N.C.G.S. 158-7.1(a).
2. Environmental testing/site mitigation
3. Site preparation/grading/paving etc.
4. Utility infrastructure installation/improvements
5. Upfitting space in office building
6. Employee training/O.1T costs
7. Offset of lease costs
8. Any other use of assistance as may be permissible under the provisions of GS 158-7.1 and applicable case law and as may be deemed prudent and advisable by the Board of Commissioners.

H. Incentives to Tax Exempt Organizations:

The County may consider providing economic development assistance for projects proposed by and to be owned and operated by organizations whose activities are generally exempt from property taxes when the following conditions exist:

1. The proposed project complies with the statutory requirements and criteria for economic development as provided in N.C.G.S. 158-7.1 and includes

the construction of public infrastructure improvements, other capital investments, and/or job creation, maintenance and/or retention;

2. The proposed project meets the minimum criteria outlined in these Economic Development Program Business Assistance Guidelines for eligibility to receive assistance; and
3. The tax exempt organization agrees to offer, submit, pledge, and maintain the capital investments under the proposed project and/or other identified property owned and operated by the tax exempt organization to be fully subject to the property tax or to make payments to the County in lieu of property taxes in equal amounts and for such period of time as determined necessary by the Board of County Commissioners.

Economic development assistance to qualifying tax exempt organizations may be payable over a period not to exceed twenty years in annual amounts not to exceed 85% of the net new property taxes generated and paid to the County by the organization on its new capital investment in each prior fiscal year or equivalent amounts agreed to be paid by the organization in lieu of property taxes.

I. Other Conditions:

1. Businesses receiving County assistance will be expected to give fair consideration to employing qualified Forsyth County residents in their operations to the extent allowed by law.
2. Businesses will be expected to give fair consideration to contracting with Forsyth County businesses for construction of facilities and provision of materials and equipment related to construction of facilities to the extent allowed by law.
3. Businesses will be expected to give fair consideration to contracting with Forsyth County businesses for materials and services related to the continuing operations of the business to the extent allowed by law.
4. Evidence of such fair consideration may be provided to the County and may include, bid invitation lists, evidence that jobs have been listed with the local ESC office as well as posted on local job listing web sites and any other reasonable documentation requested by the County.
5. Businesses are expected and required to comply with all state and federal laws with respect to the hiring of employees. Failure to comply with this provision could result in termination of any incentive contract by the County.