

Zebulon Board of Commissioners
Work Session
Minutes
October 17, 2018

Present: Robert S. Matheny-Mayor, Curtis Strickland, Don Bumgarner, Beverly Clark, Annie Moore, Joe Moore-Town Manager, Lisa Markland-Town Clerk, Stacie Paratore-Deputy Town Clerk, Mark Hetrick-Planning, Bobby Fitts-Finance, Chris Perry-Fire, Chris Ray-Public Works, Eric Vernon-Attorney

Mayor Matheny called the meeting to order at 7:00pm.

APPROVAL OF AGENDA

Commissioner Bumgarner made a motion, second by Commissioner Clark to approve the agenda. There was no discussion and the motion passed unanimously.

NEW BUSINESS

A. Administration

1. Economic Development Policy

Joe Moore explained the Zebulon Economic Development Policy was adopted by the Board in 2008. Members from the Wake County Economic Development Department were in attendance to share updates on their Economic Development Incentive Policy. Staff was also there to explain the amount of land currently zoned for industrial, the likelihood of development coming in and investing on properties, and to show what other surrounding communities were doing with Economic Development Incentive Policies.

Ashley Cagle, the Assistant Executive Director with Wake County Economic Development, introduced Michael Haley, the Executive Director of Wake County Economic Development.

Michael Haley explained Wake County Economic Development was a public/private partnership between Wake County, the private sector and the City of Raleigh. It was explained about 70% of funding came from the private sector. Michael Haley gave information about Wake County Economic Development and explained they provided services all over Wake County. A PowerPoint Presentation was given that explained Raleigh metro was the most competitive metro area in the United States. The Wake County market attracted new jobs and investments through sustained growth, talent, diverse economy, and universities.

Ashley Cagle showed the types of space developers were looking for and stated most companies looked for existing space due to cost of building. In the current year they had 119 total project requests looking for space from office space to industrial space.

The Site Assessment Program began in 2015 to identify and improve sites for industrial development. Sites were evaluated based on utilities, transportation and site characteristics, then divided into three tiers to provide resources and opportunities to each municipality. Zebulon had submitted seven sites.

Board of Commissioners
Minutes
October 17, 2018

Michael Haley spoke about the specifics of the Wake County Business Investment Grant Program which based grants on the percentage of the net new ad valorem taxes. The recent amendment to the Wake County Business Investment Grant showed the minimum threshold was changed from \$20,000,000 to \$2,000,000.

Ashley Cagle explained the incentives were at the discretion of the Board of Commissioners and the Wake County Business Investment Grant was easy to use, transparent, performance based, and strategic.

Commissioner Strickland inquired about the average salary. Michael Haley explained Wake County's average salary is \$56,000. The average is determined by averaging all of the salaries for the entire business.

There was discussion about average salaries in Wake County and small business incentives.

Commissioner Bumgarner asked which 12 towns had adopted Wake County's policy. Michael Haley explained that each town adopted their own incentives policy that shared commonalities to Wake County's policy.

It was explained how Wake County decided on \$2,000,000 for the new targeted growth areas tier. Each element of the policy under the targeted growth areas tier was meant to trigger the policy to be a more useful tool. The Wake County Business Investment Grant policy required local participation. The new targeted growth areas tier was more flexible than the main policy and did not require a dollar for dollar match.

There was discussion about certified sites and the Site Assessment Program. Wake County Economic Development was able to advise if sites should be certified and market sites to potential developers. Most developers were looking for 15-25 acres, but there are some looking for 100+ acres.

Joe Moore introduced Mark Hetrick to speak about Zebulon's experience on investments.

Mark Hetrick presented a PowerPoint presentation on economic development. The current zoning map with the large employers for Zebulon was shown. Next, the map of developed industrial sites including the location, square footage, acreage, current zoning, total improvement values, and total improvement value for each site was presented to the Board followed by the available industrial sites map.

Mayor Matheny asked if the Board had any more questions. There were none.

Bobby Fitts offered incentive initiatives from other comparable municipalities including Clayton, Garner, and Wendell. Bobby explained a \$2 million investment with a 35% incentive would be about \$4,000/year.

Joe Moore stated the Board would have a draft policy at the November 5 meeting and was requesting feedback on guiding principles for that policy. Mr. Moore went on to explain Denise Nowell's role had become more central in Zebulon's economic development and could address any questions or concerns the Board might have regarding economic development.

It was requested that the Board review Wake County's targeted growth areas tier to develop an Economic Development Policy for the Town of Zebulon, specifically feedback in areas of investment minimum, jobs minimum, average salary minimum, incentive percentage, or max years. Feedback was also requested regarding the partnership with Wake County to utilize their expertise and staffing and if the Board would only offer the tiered incentive if Wake County offered their tiered incentive.

Mayor Matheny stated he thought the \$2 million threshold was low. It was explained the incentive policy would be for anywhere in the Town of Zebulon limits, not just for certain areas or communities. There was discussion about the proposed \$2 million investment minimum threshold. Joe Moore asked if the Board had any more comments. There were none.

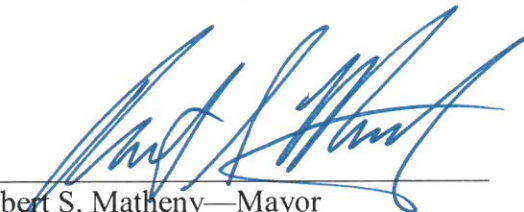
MANAGERS REPORT


There were no comments.

Commissioner Beck made a motion, second by Commissioner Clark to adjourn. There was no discussion and the motion passed unanimously.

Adopted this the 5th day of November, 2018




Robert S. Matheny—Mayor


Lisa M. Markland, CMC—Town Clerk