

Unsealed by Board of Commissioners 04/13/2015.

SEALED MINUTES
TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS
August 22, 2011 – CLOSED SESSION

Per NCGS 143-318.11 (a) (4) to discuss matters relating to the location or expansion of business in the area served by this body, closed session was entered into at 9:55 p.m. Present were Chairman Hawkins, Commissioners Chapman, Chappell, Hogsed, and Phillips, County Manager Artie Wilson, County Attorney David Neumann, Planning and Economic Development Director Mark Burrows and Clerk to the Board Trisha Hogan.

Planning and Economic Development Director Mark Burrows updated Commissioners on potential economic development opportunities and reported the following:

1. Project Bear: A potential economic development project for a spa/wellness resort called Project Bear continues. The project has the potential to provide jobs for 100 employees. Mr. Burrows reported that Bob Zimmer will make a visit to Transylvania County on September 8, 2011. He is trying to arrange a meeting with Deputy Secretary Dale Carroll and Mr. Zimmer on that day. The property owner and Mr. Zimmer have had several conversations and according to Mr. Zimmer, are closer to an agreement. Mr. Burrows remains optimistic about this project; however, if the two parties can not come to an agreement, there are other properties available, specifically property on Sutton Creek Road off Highway 280 that consists of 300 acres that backs up to the Pisgah National Forest. The minimum acreage requirement for the project is approximately 40 acres; however, Mr. Zimmer has expressed the need for a buffer.
2. Bio-diesel: Mr. Burrows reported that stakeholders continue to have fairly significant conversations. The recent site visit was positive. The follow up meeting was very productive. Mr. Burrows recently met with the property owner who has been presented with three different options by Pete Byrne in reference to how to proceed with trying to acquire control of the property. The first is a land purchase which would be a lease with an option to purchase. The second is a site lease and with this option Renewable Developers would lease the land for a period of 20 years with two 5-year extension options. The rent would be \$15,000 per month for the entire term of the lease including the extensions. Under an option with the Transylvania Partnership, Renewable Developers would lease the land from the date of commencement with two 5-year extensions. There would be some revenue sharing with that lease. The property owner would prefer the option to lease with an option to purchase. The site is the Transylvania County Airport and the property is on the market currently for \$1.8 million. This does not include 8 acres to the west and approximately 17 acres to the east of the runway and behind the existing buildings. Mr. Burrows reported that the property owner has had conversations with Norfolk Southern and the response has been positive, particularly because Renewable Developers has offered to purchase old rail ties to use as feed stock. Mr. Burrows believes this project remains positive. He believes the key to this project is Norfolk Southern and technology to ensure it is environmentally friendly. The Manager suggested Commissioners visit the facility in Durham which is a pilot program and have an opportunity to see firsthand what is being proposed. The facility in Durham uses wood chips as its feed stock. Mr. Byrne is proposing a facility that would use wood chips, municipal solid waste, and railroad ties. Mr. Burrows believes this remains a good project and is worth putting the time and energy into. He agreed that a site visit to

Durham would be productive. Lastly, Mr. Burrows noted that the waste products from the facility would be electricity, hot water, and steam. It would be ideal if the plant could be sited some place where there was another entity that could use the waste products.

3. Renova: Mr. Burrows reported that on August 8, 2011 there was an impromptu site visit. A site consultant out of Ohio visited several sites in the region to search potential sites for a brewery. The name of the brewery is unknown but it is from the west coast. The site consultant was impressed with the presentation; however, the site did not make the cut because, for one, there was no selling price listed. The other concern was that the site consultant did not think his client would want to be the first business on that site not knowing how it would develop over time. Mr. Burrows said he is working with Bent Creek Institute who is putting together a proposal that they believe the owners of the Renova property may find attractive and it would include a tourism component. The proposal has Chinese investors and would require water and would be natural products related. Mr. Burrows will continue to explore all avenues with Renova. Commissioners had a lengthy discussion about how to help Renova move forward with developing its site.
4. Peter Vitalie: Mr. Burrows met at the site last month with the owner of the property. The owner is interested in leasing the building for a monthly rate that would cover taxes, utilities, and insurance. Since that meeting, the owner has expressed the desire to sell the property. The owner purchased the property for \$299,000 and has enlisted the help of Mr. Burrow's office to determine a selling price. Mr. Burrows agreed to help him work through what he sees as some of the issues with the property; but the owner must determine the selling price. Mr. Burrows also offered to post a fact sheet on the property to the County's website. Mr. Burrows noted that the building and the location are challenges in terms of marketability and employment. He and his staff will continue to assist the owner in any way they can. It was suggested that Mr. Burrows contact Mr. Zimmer with Project Bear about the potential use of this facility for storage. Mr. Zimmer has requested a need for a storage facility that would accommodate Project Bear.
5. EZ Flow: Mr. Burrows made contact with the realtor about giving this property to either the County or the Partnership. The response was no but the realtor would be willing to sell the building at a lower price. Mr. Burrows said the concern at this point would be finding a tenant. The price of the building is reasonable, but the challenge will be the tax burden associated with the building.
6. Poppies: The situation with Poppies has been in the local newspaper. Mr. Burrows reached out to the business owners last week and got them in touch with some of his contacts. This turned out to be positive; however, the auction of the property still took place. The new owner is willing to sell the building that is currently occupied by Poppies for the same price for which he purchased the entire site. There are several people working to help Poppies find another location. Poppies is closing their doors on September 15, 2011.

Mr. Burrows reported that the Board of Commissioners has a tremendous amount of information that is being gathered through the County surveys that will provide insight to the thoughts and priorities of citizens. He believes if the County is going to be successful in trying to keep a diversified economy and grow the economy, the County is going to have to do more than status quo and that there has to be an investment made into property that can be used for a manufacturing park. In order to be successful the County must have product. Product such as the

EZ Flow and Peter Vitalie buildings are competing with 3,300 other counties across the United States that are also trying to reinvent themselves. There is great effort being made to keep jobs in the County. He said the key to the County's success is for the County to remain business friendly and receptive to all types of business in Transylvania County.

Mr. Burrows commended Commissioners on what they have been able to accomplish with a County of this size where 50% of the land is owned by the State and federal governments, without major infrastructure and without water and sewer to areas that could be developed. He believes the County should try to achieve a balance by also celebrating its successes.

There was no action taken by the Board at this time.

Chairman Hawkins moved to leave closed session, seconded by Commissioner Phillips and unanimously carried.

Mike Hawkins, Chair
Transylvania County Board of Commissioners

ATTEST:

Trisha M. Hogan
Clerk to the Board