



Economic Development Incentive Policy & Scoring System

Purpose

Transylvania County encourages and supports new business development and the expansion of its business base through retention, recruitment, and entrepreneurial endeavors. The incentive grant program is designed to promote *significant capital investment and job creation* in Transylvania County. Goals of the incentive program include:

- Diversifying the local business and manufacturing base by encouraging existing businesses to reinvest and to help attract new business to the county
- Supporting new business that provides a complimentary element to the existing local economy
- Increasing the ad valorem tax base
- Increasing quality employment opportunities within Transylvania County

Incentive grants are offered over a period of time and vary in amount. The amount of a grant depends upon the amount of investment, job creation, wages, whether the business is existing or new, whether it is a headquarters, and whether it complements existing businesses. Other factors such as industry sector, long-term growth potential, and indirect economic impact may be considered.

Additional non-cash-based incentives and support could include grant writing support, business concierge service through the Transylvania Economic Alliance, employee screening and assessment support from Blue Ridge Community College, employee training, and other programs to support workforce development and streamlined development. Interested businesses should contact the Transylvania Economic Alliance for more information about cash and non-cash incentives.

Incentive Grant Eligibility

- Businesses applying for grants must make a net new taxable investment in Transylvania County. Taxable investment includes real and personal property (i.e., machinery and equipment). The current real and personal property value will be deducted to calculate net new investment. New equipment will be depreciated on a standard schedule to calculate taxable investment. The minimum net new taxable investment shall be at least \$1,000,000 over the grant period for new employers and \$500,000 for existing employers. However, the Transylvania County Board of Commissioners reserves the right to consider investments below \$1,000,000.
- Businesses accepting this incentive grant shall create at least five (5) full-time new jobs, defined as 35 hours or more per week, within the agreed-upon grant period. Employees classified as temporary and independent contractors do not qualify.
- For new companies locating and existing businesses expanding in Transylvania County, the average wage of the new jobs must be at or greater than the average county wage.

- Businesses receiving incentive grants must pay at least 50% of the cost of employee healthcare insurance coverage and must not have materially violated any local, state, or federal OSHA or environmental regulations within the two years preceding the application.
- Businesses seeking grants shall provide a North Carolina Project Summary Form, as developed by the NC Department of Commerce, and other information the County requests to aid in determining eligibility and scoring.

Definitions

- A corporate headquarters is defined as a corporate, subsidiary, or regional managing office, as defined by NAICS in United States industry 551114, that is responsible for strategic or organizational planning and decision-making for the business on an international, national, or multistate regional basis.
- An existing business is defined as a company that has a physical presence in Transylvania County, has paid local property taxes, and had at least one full-time employee for at least one year in Transylvania County.
- A business is defined as complementary to the existing business base if there is a customer or supplier relationship between the new business and an existing business and/or if the company is in an existing business cluster.

There is no right to a grant or other assistance. Eligibility does not guarantee the offer of an incentive grant. All grants are approved on a case-by-case basis in the sole discretion of the County and require compliance with North Carolina General Statute 158-7.1, including public notice, a public hearing, and County Commission approval. Businesses accepting an incentive grant shall be required to execute a performance agreement that specifies the grant’s terms and conditions and compliance requirements as a condition of that grant.

Incentive Scorecard

New Job Creation	Points
5-10	5
11-25	10
26 or above	15

Total Investment	Points
\$500,000 - \$2,999,999	20
\$3,000,000- \$6,999,999	30
\$7,000,000 - \$9,999,999	40
\$10,000,000 or above	50

Wages	Points
100% of County Average*	10
110%	15
120%	20
130%	25
140%	30
150% or above	35

Additional Points

Additional points may be added to a final score for new or expanding businesses that meet one or more of the criteria below:

- Locating its headquarters to Transylvania County
- Has a NAICS Code corresponding to a target cluster of the Transylvania Economic Alliance
- Is deploying an advanced technology
- Is reusing and/or rehabilitating an existing building
- Is an existing business, or has a supply chain relationship with an existing business
- If each of the newly created jobs meets or exceeds the Living Wage for Transylvania County

This is not an exhaustive list, and the Transylvania County Board of Commissioners may give special consideration to significant projects at its discretion.

Qualifying Categories

Phasing, year ranges, and assignment of points are contemplated at the discretion of Transylvania County Board of Commissioners and are subject to factors such as economic impact, industry sector, competitiveness, etc.

Minimum Score	Suggested Range	Grant Threshold
50	2-4	50-60%
60	3-5	60-70%
70	5-7	70-80%
80 +	7-9	80-90%

*Private sector average wage to be determined annually by the NC Dept. of Commerce: <https://www.commerce.nc.gov/north-carolina-county-average-wages-0>