



Chatham County, NC

Legislation Text

File #: 16-1880, **Version:** 1

Hold a public hearing to receive public comment on a proposed incentive for Mountaire Farms, Inc. and vote on a request to approve proposed incentive.

Action Requested: Hold a public hearing to receive public comment on a proposed incentive for Mountaire Farms, Inc. and vote on a request to approve proposed incentive.

Introduction & Background: Mountaire Farms, Inc. closed on the purchase of property located at 1100 East Third Street in Siler City. This property was formerly the Townsend poultry processing plant. Mountaire Farms plans to renovate, upgrade and reopen the former plant. The company is proposing to invest over \$70 million in land purchases, facility upgrades, machinery and equipment and create over 700 jobs.

Discussion & Analysis: NC GS 158-7.1 allows Chatham County to appropriate and expend county funds for economic development purposes. Following the guidelines of the Chatham County economic development incentive policy adopted by the Chatham County Board of Commissioners on Feb. 1, 2010, the investment, jobs and wages of this project meet the suggested qualifications for a Level 4 incentive.

Budgetary Impact: The net budgetary impact would be positive due to the incentive grant representing only a portion of the taxes paid.

Recommendation: The recommended incentive is Level 4. As outlined below, this level of financial incentive would provide a grant equal to the following percentages of annual property taxes paid each year for a five year period. Taxes must be paid and other requirements met before the incentive grant can be released.

Year 1 - 90%
Year 2 - 80%
Year 3 - 70%
Year 4 - 60%
Year 5 - 50%