

MINUTES - CLOSED SESSION
BOARD OF COMMISSIONERS MEETING
TOWN OF MORRISVILLE, NORTH CAROLINA
August 29, 2005

Mayor Pro-Tem Faulkner made a motion to go into a Closed Session at 9:50 p.m. to discuss economic development matters pursuant to General Statute 143 318-11a 4. Commissioner Conrad seconded the motion, which passed unanimously.

Members in attendance to discuss the economic development item were the Board members, Town Attorney, Senior Director Development Services, Chamber of Commerce President, Town Clerk and Town Manager.

Jodi LaFreniere, Chamber of Commerce President, reported to the Board on a potential economic matter known as "Project Grace". The technology based company was working to recruit local incentive grants to relocate an existing office in order expand to a campus style setting (500,000 sqft). The company is currently located in the Triangle area and consist of 1800 employees. They are proposing an additional 400 positions. Alternative relocation sites being considered were RTP, Durham County, Wake County, Cary, Raleigh, New York, and Georgia. State officials are very interested in keeping this company in North Carolina due to the size and scale of its existing tax revenue contribution and potential increased investment. Morrisville has the following attributes that make the town a strong competitor in attracting this business: location to airport, local Morrisville developer aggressively pursuing company for a tenant agreement, proximity to I-540 and I-40, and their employees live in the area. The pursuing developer already has a tenant facility in the planning review process that would meet the companies desired occupancy goal of 2007. This is an important factor. It was noted that the project benefits to the Town would be on a much larger scale than that of the Andrx proposal. It was estimated to bring \$80 million to our tax base. Grant benchmarks would mirror the States for investment targets and employment targets to qualify annually for grant payouts. The town's Long Range and Financial Plan already earmarks funds that could aid in negotiating the performance based contract. The town's involvement would be contingent upon the State and/or county's incentive support. All property taxes must be paid in full before grant payments could be made.

The group discussed in great detail the level of a local grant proposal. As the group reviewed and worked with the LRFP, it was the consensus to authorize the Town Manager and the Chamber of Commerce to draft a letter expressing the town's strong interest. A \$1 million investment grant over a six year to eight year period with annual qualifying benchmarks was possible.

Commissioner Lyons made a motion to end the Closed Sessions at 10:22 p.m. Commissioner Martin seconded the motion, which passed unanimously.

G. J. Hooks, Town Clerk