



TOWN OF HARRISBURG ECONOMIC DEVELOPMENT INCENTIVE GRANT POLICY

The North Carolina, G.S. 158-7.1(a) provides that each municipality in the State is authorized to make appropriations for the purpose of aiding and encouraging the location of manufacturing enterprises, making industrial surveys and locating industrial and commercial plants in or near such municipality; encouraging the building of railroads or other purposes which, in the discretion of the governing body of the city will increase the population, taxable property, agricultural industries and business prospects of any city. These appropriations may be funded by the levy of property taxes pursuant to G.S. 160A-209(c)(17a) and by allocation of other revenues whose use is not otherwise restricted by law; and

The Council Members of the Town believe that allowing Economic Development Incentive grants will encourage the location and expansion of manufacturing and commercial enterprises in or near the Town, and will increase the population, taxable property, industrial and business prospects for the Town;

The Harrisburg Town Council agrees to the following Economic Development Grant Policy:

1. Increasing and diversifying the local property tax base, expansion of employment opportunities, improvements in wages paid, retention and expansion of existing businesses and the attraction of new businesses are the primary goals of the Economic Development Grants.
2. Eligible uses are taxable projects that include, but are not limited to, manufacturing, assembly, fabrication, processing operations, research & development, motorsports facilities, warehouse/distribution, or office/flex buildings. Mixed use projects are eligible provided that the real and personal property value of retail and residential components, or any other ineligible components, are not included in grant calculations. Ineligible uses include, but are not limited to, agricultural uses, private clubs, retail facilities, residential facilities, or telecommunications towers. Grantees may be owners or lessees.
3. In determining whether or not an Economic Development Grant will be made, and if so the amount thereof, the following criteria, and such other criteria as the Town may deem appropriate in each individual case, will be used in making the determination:
 - a. The type of facility.
 - b. The effect on the environment.
 - c. The size of the project based upon investment in site development, plant facilities and infrastructure.
 - d. The number and type of jobs created and employee wage levels.
 - e. The relationship between jobs development and total investment.
 - f. Potential for future expansion and increased employment.
 - g. Site specific issues that impact upon local infrastructure responsibilities.
 - h. Site specific initiatives that may be pursued to stimulate other development in areas that the Town may deem of significant benefit to the community.



4. The Grants may be made in kind or in cash:
 - a. If the Grant is made in cash, it may be made in a lump sum or in annual installments, depending on the Town's budgetary condition.
 - b. If the Grant is made in annual installments, the industry shall meet the following requirements:
 - i. The industry must be in continuous operation for a period of at least one calendar year prior to the Town's making the annual installment.
 - ii. The industry must employ a number of employees who are paid wages equivalent to or above the average wages paid in Cabarrus County as reported by the NC Division of Employment Security.
5. All ad valorem taxes and other public obligations must be current.
6. These criteria serve as guidelines in project evaluations. They may be expanded upon or added to for a specific project and incorporated in the terms of the formalized grant award agreement. All Economic Development Grants are awarded solely at the discretion of the Town Council.
7. Each project will be considered on an individual basis using these guidelines and other directives established by the Town of Harrisburg. These guidelines are subject to change.
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9. Projects considered under these guidelines shall be viewed independently of any project previously considered, awarded or rejected by the Town.
10. All incentives are offered by the Town Council following notice and a public hearing. Town Council will determine the length of time each incentive will be offered.
11. Grants are not transferable and may not be otherwise conveyed to another party without the specific consent of the grantors.
12. Grant Approval Procedure
 - a. Grant Request - Prior to initiating a project for which a grant application is proposed, the grant applicant shall submit a request for a grant which shall state that the Town's Economic Development Grant Program is an important factor in its decision to locate or expand facilities in the Town of Harrisburg
 - b. Acceptance - Town Council shall consider acceptance of the grant request. If it is accepted, the Town will request a Public Hearing at its next Town Council meeting.
 - c. Public Hearing - Town Council shall conduct a public hearing on the Economic Development Grant application to inform the public of the incentive grant request and invite comments. The Town shall have a notice published of the public hearing at least 10 days before the hearing is held. The notice shall describe the project, and the Town Council's intention to consider approval of the Development Grant request.
 - d. Offer of Contract - The Town Council shall approve grants by offering the applicant a contract. Offers not accepted are deemed rejected by the applicant. Unless otherwise adopted and approved by the City Council, incentives are offered for 90 days from the date of approval of the specific offer of an incentive grant by the Town Council.



Acceptance is the execution of a development grant contract between the Town and the applicant.

- e. Construction - Construction according to approved plans shall be required.
- f. Assessment - The value of the subject property following the completion of construction and issuance of a Certificate of Occupancy by the Cabarrus County Building Inspections office shall be established by the Cabarrus County Tax Assessor. The actual increase in post-construction assessed value over pre-construction assessed value shall equal, or exceed the estimated increase specified in the contract. Failure to meet, or exceed the minimum investment requirement for an Economic Development Grant shall render the grant null and void. In the event that the actual increase meets, or exceeds the minimum investment requirement, but fails to meet the estimated increase specified in the contract, the grant amount shall be reduced in accordance with the actual increase. IN the event that the actual increase exceeds the estimated increase and qualifies for a higher level grant, the grant amount will be adjusted accordingly without further action by the Town Council.
- g. Reduction and Recapture of Incentives - Each economic development agreement entered into between a private enterprise and the Town shall clearly state their respective responsibilities under the agreement. Each agreement shall contain provisions regarding remedies for a breach of those responsibilities on the part of the private enterprise. These provisions shall include a provision requiring the recapture of sums appropriated or expended by the Town upon the occurrence of events specified in the agreement. Events that would require the Tow to recapture funds would include a lower capital investment than specified in the agreement, or failing to maintain operations at a specified level for a period of time specified in the agreement.
- h. Town Council reserves the right to reject any grant application.
- i. Any information obtained by the Town in connection with an incentive grant request is subject to laws regarding disclosure of public records set forth in NCGS Chapter 132 and subject to laws regarding the protection of trade secrets set forth in Article 24 of NCGS Chapter 66.