

## City of Salisbury Investment Grant Program

### Purpose

The City of Salisbury (“City”) welcomes and encourages economic development as businesses choose to locate in the City. As with others around the region, the City recognizes the importance of offering programs that generate, perpetuate and diversify economic growth. To ensure the City’s continued fiscal and economic health, this Salisbury City Council adopts this City of Salisbury Investment Grant Program (the “Grant Program”) for the purposes of increasing the taxable property in the City, providing additional well-paying and full-time employment in the City, increasing industrial output in the City, and improving business prospects in the City. Through this Grant Program, the City intends to encourage and recruit successful, sustainable businesses to locate and/or expand in the City.

This Grant Program reflects both the City’s commitment to recruiting new and retaining existing businesses, and the City’s desire to attract companies with meaningful employment options and sustainable practices to continue to improve the quality of life for all citizens. This Grant Program serves as an incentive for both new and existing businesses to continue to develop the local and regional economy, as highlighted in the City’s Strategic Plan, under the Economic and Workforce Development key focus area.

In addition to this Grant Program, the City also offers other incentive programs for economic development at various scales, including the Industrial Building Revitalization Grant, Downtown Revitalization Grant, facade grants and the Small Business Assistance grant.

### Grant Program Description

This Grant Program provides an opportunity for companies considering investing in the City to request an economic development incentive grant from the City for up to five years. If selected to receive a grant, the company shall be required to enter into an economic development agreement with the City substantially in the form attached as **Addendum A**, which form is subject to revision by the City in its sole discretion and from time to time (the “Agreement”). The Agreement shall require the approval of the Salisbury City Council and shall comply with all applicable local, state, and federal laws, and with this Grant Program. The Agreement shall include, at a minimum, the following terms:

- To be eligible for a grant payment, the company must be current with all taxes and other payments due and owing to both the City of Salisbury and Rowan County prior to receiving any grant award.
- If the company meets all of the criteria in Agreement, the company will be eligible for a grant award in an amount equivalent to a percentage of the *increase* in tax value of all real property, machinery and improvements from the tax value of all real property, machinery and improvements prior to the investment. No grant will be made to a company that would reduce its tax payment to an amount lower than the previous tax year.

- The Agreement is not assignable or otherwise transferable without approval by the Salisbury City Council.
- Any company that under-reports the assessed value of machinery/equipment will be required to pay the assessed property tax, and the grant award will not apply to the underreported value.
- Grant awards shall be made in consecutive years. In any event, all grant awards shall be made within seven years from the effective date the grant agreement, even if the result is that the company is not eligible for one or more grant award years. The Agreement shall attempt to specifically identify dates for purposes of establishing the appropriate time period(s) that a grant will be in effect. Dates to be established will include consideration of the date of award, a date for the beginning of construction, production start-up date and the dates for the beginning and ending of the grant awards.
- The Agreement shall include at least annual reporting requirements to allow the City to meaningfully monitor and assure compliance with the Agreement. The company shall comply with the reporting requirements in the Agreement. To the extent consistent with the North Carolina Public Records Act, the City agrees to maintain confidentiality of information that is not subject to disclosure. The company shall provide the City access to verifiable grant related support documentation.
- All grant awards shall be made by the Salisbury City Council, which has the complete and sole discretion to grant or deny any application.

The City may modify or eliminate this Grant Program at any time subject to complying with all existing economic development agreements in effect at the time. Further, the City reserves the right to deviate from this Grant Program for any individual project. These guidelines in no way bind the City to approve any particular grant request or enter into any economic development agreement. The City reserves the right to agree to different terms and incentive awards that are greater or lesser than those identified in this Grant Program based on a project's potential. This Grant Program is subject to change and will be reviewed routinely from date of adoption.

### **Project Qualifications**

The primary purposes of this Grant Program are to increase the taxable property, employment, industrial output, and business prospects in the City by encouraging and recruiting successful, sustainable businesses to locate and/or expand in the City.

In addition to these primary purposes, the City may consider other factors in authorizing a grant to any specific project. These may include but are not limited to:

- specific industry types which would diversity the City's business base or enhance a previously identified target sector
- the size and scope of the project based upon investment in site development, facilities, buildings and other business infrastructure, including technology

- the diversity, quality and quantity of jobs created by a project and the availability of labor, inclusive of job retention and retraining opportunities
- the relationship between workforce development and total project investment
- the potential for future expansion of investment and employment
- site specific issues impacting public infrastructure
- actions that, if pursued, stimulate development in critical areas of the City
- the ratio of investment in real versus personal property assets
- the environmental impact of the project and company

In order to best weigh these factors identified in this Grant Program when determining incentives for a potential project, the City will utilize the scoring system outlined in **Addendum B**. Example applications of the scoring system can be found in **Addendum C**.

In order to properly score a project, the following additional requirements or conditions shall apply:

- The company shall be required to provide all of the following:
  - detailed information on assets to be considered as part of the grant application process, inclusive of anticipated depreciation schedules, leasing arrangements with named parties holding financial interests in assets covered by the grant program, all business or corporate names that may be applicable for purposes of asset ownership. Signed releases from those holding financial interests in assets may be required as documentation for grant awards.
  - a project site plan, brief written description of the project, its scope, number and type of employment positions, phasing and timing of the development and any other information requested by the City describing the project in order to understand and score the project.
  - a summary of any incentives being offered by the State of North Carolina or by other partners for the project (if applicable).
  - any other relevant information requested by the City in order to score the project.
- Rolling stock, inclusive of automobiles, trucks, tractors, trailers or other licensed vehicles shall not qualify as listed assets under personal property for purposes of calculating the proposed project's investment value.
- City contributions to a specific project's infrastructure costs may be deducted from the grant award available for that specific project.
- Speculative building projects are not eligible for the Grant Program. For the purposes of this program, a speculative building is defined as a building that has been either proposed, developed, or built without a prelease in place. Preleases must be for third party tenant who will create a specified number of permanent, full-time jobs.

- For the purposes of this Grant Program, the following are considered ‘Targeted Industries’ for the City of Salisbury:
  - Advanced Manufacturing
  - Life Sciences & Healthcare
  - Financial & Professional Services
  - Information Technology
- For the purposes of this Grant Program, the ‘County Average Wage’ is defined as the ‘Average Private Sector Wage’ for Rowan County as determined by the North Carolina Department of Commerce, Labor & Economic Analysis Division for the calendar year that incentives are requested. Please note, this program assesses Median Wage from the applicant.

### **Grant Levels**

After utilizing this scoring system, projects that meet the appropriate points thresholds in **Addendum B** may qualify for one of the following grants:

- Level 1 grant – a five (5) year grant award based on a project’s estimated increase in tax revenue, calculated to equal approximately 40% of the value of the increase in real and personal property tax revenue anticipated to be generated by the project.
- Level 2 grant – a five (5) year grant award based on a project’s estimated increase in tax revenue, to be calculated to equal approximately 45% of the value of the increase in real and personal property tax revenue value anticipated to be generated by the project.
- Level 3 grant – a five (5) year grant award based on the project’s estimated increase in tax revenue, to be calculated to equal approximately 50% of the value of the increase in real and personal property tax revenue value anticipated to be generated by the project.

### **Program Application Process and Guidelines**

A pre-application meeting with the designated City representatives shall be held to validate project specifics and assure that current Grant Program criteria are applicable. The Rowan Economic Development Council shall provide a fiscal analysis of the project’s impact to the community to determine whether the project proposal should be considered for the award of an incentive grant as detailed within the Grant Program guidelines.

Any Agreement entered into pursuant to this Grant Program shall require approval by the Salisbury City Council.

Applicants shall use the guidelines outlined in this Grant Program when applying for a grant for new economic development projects locating, or existing companies expanding, in the City of Salisbury.

### **Performance Measures over Period of Grant**

- Projects will be scored annually based on information provided by the company, including the Employer's Quarterly Tax and Wage Report.
- In the first year of reporting, failure to remain in the range determined at initial application will reduce the amount of the grant, based on the new number of points scored.
  - If the number of points scored at any annual assessment falls below the number of points required for a given incentive level, the project will be awarded the appropriate (lower) level of incentive percentage.
    - Example: A project that scored X points at application is awarded a Level 2 grant. After the Year 1 assessment, the project scored X points and is awarded a Level 1 grant.
  - If the number of points scored at any annual assessment falls below the minimum number of points for award, the project no longer qualifies for any incentive grant.
    - Example: A project that scored X points at application is awarded a Level 2 grant. After the Year 1 assessment, the project scored X points and is no longer eligible for any grant incentive.
  - If the number of points scored at any annual assessment increases to a point that it qualifies for a new level of incentive, the project may be awarded the appropriate (higher) level of incentive percentage.
    - Example: A project that scored X points at application is awarded a Level 2 grant. After the Year 1 assessment, the project scored X points and is awarded a Level 3 grant.

### **Program Adoption, Amendment and Effective Dates**

This policy was approved by the Salisbury City Council on February 4, 2025.

These guidelines remain in effect until otherwise modified by the City of Salisbury Council.

Addendum A: Form of Economic Development Agreement

**NORTH CAROLINA**

**ROWAN COUNTY**

**ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT**

**THIS ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT** (the "Agreement") is made and entered into as of the \_\_\_ day of \_\_\_\_\_, 20\_\_\_, by and between the **City of Salisbury**, North Carolina, a North Carolina municipal corporation (the "City"), and **Name of Company**, a **Type of Company** (the "Company").

**WITNESSETH**

**WHEREAS**, the Company has explored the possibility of establishing a new Facility in the City (the "Project"), which would increase taxable property in the City and result in the creation of a number of jobs, industrial output, business prospects, and a potential increase in the population in the City; and

**WHEREAS**, the Company has determined that the property located at \_\_\_\_\_ (the "Property"), also identified as Rowan County Tax Parcel(s) \_\_\_\_\_, and more particularly described in attached **Exhibit A**, which is incorporated into this Agreement by reference, is a suitable location for its real property improvements and the development of \_\_\_\_\_ (the "Facility"); and

**WHEREAS**, in order to induce the Company to make improvements on the Property, the City is willing to provide, or cause to be provided, to the Company certain inducements, upon terms and conditions binding upon the City as set forth herein; and

**WHEREAS**, prior to beginning any improvement on the Property, the Company and City met and agreed to enter into this Agreement; and

**WHEREAS**, the Company is community-oriented and willing to participate in philanthropic and community events and programs intended to increase the health and happiness of its employees and the greater community as a whole, and, as such, the Company will consider participation in the Rowan EDC's Forward Rowan campaign; and

**WHEREAS**, the Company is encouraged, to the extent reasonably possible, to purchase local services and supplies, such as, but not limited to, locally produced products, local hotel, motel and hospitality services, local construction services, and other products and services;

**WHEREAS**, in consideration of the undertakings and agreements set forth herein, and consistent with approved minutes of the Salisbury City Council attached hereto as **Exhibit B**, the parties will comply with the covenants and conditions binding upon them as set forth herein, all of which are intended to create a positive economic impact in the City.

**NOW THEREFORE**, in consideration of the premises and the mutual covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Company and the City hereby agree as follows:

ARTICLE I

CITY INDUCEMENTS

The City shall provide financial assistance to the Company through its “City of Salisbury Investment Grant Program,” as hereinafter described, with respect to the Company’s development of the Property and other related expenses as follows:

- 1) The “City of Salisbury Investment Grant Program” will be provided as a “Relocation and Expansion Incentive Grant” for the development of the Facility (the “Grant”) to assist the Company with construction and other capital improvements in the City. The Grant will specifically apply to the Property and all real property improvements newly installed and used at the Facility.
- 2) The amount of the Grant will be as follows:
  - a) Real Property Valuation.
    - i.) *First*, for each tax year that the Grant is applicable to the Property (subject to the limitations below), the actual assessed tax value of the real property located at such Property shall be determined (“**Applicable Year PV**”).
    - ii.) *Second*, in each year for which a grant is to be paid, the following value shall be subtracted from the Applicable Year PV: the amount of the real property value of the Property assessed (i) as of \_\_\_\_\_, 20\_\_\_\_, and (ii) prior to the investments made by the Company in real property at such property (the “**Baseline PV**”), which the parties agree is \$\_\_\_\_\_. The result of this computation in each of the \_\_\_\_\_ year(s) for which the grant is to be paid shall be defined as the “**New Real PV**” for the Property.
  - b) Grant Amount Determination. The amount of a grant payment in any given year shall be equal to \_\_\_\_\_ percent (\_\_\_\_%) of the City property taxes that the Company pays on the New Real PV of any given year (such amount is determined by multiplying 0.\_\_\_\_ by the City property taxes paid on New Real PV). The resulting amount is the **Grant** for the applicable year. Such Grant payments may be paid by the City from any Fund source available to the City, which is not restricted as to the use of such funds.
  - c) Grant Limits. Unless otherwise agreed to in writing, in no event shall the City be required to pay more than \_\_\_\_\_ and No/100 Dollars (\$\_\_\_\_\_.00) in the aggregate for the Grant.
- 3) Each Grant will be structured as a cash payment equal to a portion of the real property taxes assessed against and actually paid by the Company on the increased value of the land and improvements constituting the Property. Such payments of the Grant will be made to the Company. The Company for each Grant year shall provide written

notice to the City that it has paid its City property taxes on the Property and requesting payment of its Grant.

Upon receipt and payment of an assessment of City property taxes that includes the New Real PV, the Company will be eligible to receive a Grant payment in any Grant year, so long as the Company has: (i.) paid the City its property taxes, inclusive of the New Real PV, and (ii.) provided the City with written notice of its desire to receive the Grant. Upon confirmation by the City that the Company has paid its property taxes for the applicable Grant year, the City shall submit each Grant payment to the Company within 30 days of written notice from the Company of its desire to receive the Grant. The Grant amount payable to the Company shall be equal to \_\_\_\_\_ percent (\_\_\_%) of the New Real PV.

The Company agrees to request its first Grant payment within a reasonable amount of time after payment of the New Real PV. In the event that the Company has not requested a Grant payment by December 31 of any year that it is eligible to do so, the Company shall not be eligible to receive a Grant payment for that year.

- 4) Tax amounts due on property discovered by the City through its customary audit procedures and not listed by the Company shall be excluded from this Agreement, and the City shall not be responsible for any Grant payments on these amounts for any tax year.

## ARTICLE II

### COMPANY'S IMPROVEMENTS

- 1) The Company has determined that the Property is a suitable site for location of its Facility. If the Company acquires the Property and proceeds with the Facility, it will acquire all local permits, zoning approvals, and required state and federal permits, as applicable. The Company expects to have the Facility substantially completed by \_\_\_\_\_, 20\_\_.
- 2) The Company shall receive the Grant for \_\_\_\_\_ separate tax years ("Grant Term"). Unless an event triggering the Force Majeure provision set forth in Article VII herein shall occur, the Grant Term shall commence on property assessed the earlier of (i.) January 1 following the year in which the Facility has been issued a Certificate of Occupancy or (ii.) January 1, 20\_\_\_. If the Facility has not been issued a Certificate of Occupancy by January 1, 20\_\_\_, the Grant shall be based on the percentage complete and assessed for that year; provided, however, that the City shall not be obligated to make any Grant payment if the Company has not been issued a Certificate of Occupancy unless the Company can show, to the reasonable satisfaction of the City, that the Facility is actively under construction.
- 3) Any subsequent qualifying expansion of the Facility by the Company shall be eligible (provided the City of Salisbury Investment Grant Program is still in effect) for consideration as a separate Grant under the City of Salisbury Investment Grant Program, each for a separate Grant Term.
- 4) The Company shall provide information reasonably requested by the City

ARTICLE III  
EMPLOYMENT

- 1) The Company projects that it will add up to \_\_\_ Full Time Equivalent (“FTEs”) with this Project. A FTE position requires at least 1,600 hours of work per year and is provided standard company benefits.
  
- 2) By the end of each each calendar year for which the company requests a grant payment, the Company shall certify that the following employment goals have been met, prior to receiving the grant payment:

<u>Year</u>	<u>Number of New FTEs (in aggregate)</u>
20__	__
20__	__
20__	__
20__	__
20__	__

- 3) The Company shall certify annual progress towards the employment of the required number of FTEs in the aggregate to the City on or before December 31 of any year in which the company requests a grant payment, and on June 30<sup>th</sup> following each of the remaining years of the Grant Term. Such certification shall include a copy of the Company’s “*Employers Quarterly Tax and Wage Report*” (Form NCU1 101 filed with the NC Employment Security Commission) for the quarter a) ending on or immediately preceding the date of the annual request and b) the number of FTEs as of that same date. If the NCU1 101 is discontinued or modified, a successor form performing a comparable function must be submitted. The Company shall also provide copies of its One NC Grant reporting to the City when they have been submitted to the State.
- 4) Should the Company fail to certify its annual employment numbers by December 31, the City may allow the Company an extended cure period to file and certify this particular report annually.
- 5) If the Company does not meet the employment goals, the City will reduce the annual Grant payment on a pro-rata basis until such time as the Company once again meets employment goals. Pro-rata reduction shall be computed based on the percentage of the goal not met for the given year.

ARTICLE IV

TERMINATION OF GRANT AGREEMENT AND REQUIRED REPAYMENT OF GRANT FUNDS  
UPON ANNOUNCED TERMINATION OF OPERATIONS OR MAJORITY REDUCTION IN  
WORKFORCE

- 1) The assistance provided by the City, through this Agreement, represents a substantial commitment of public resources. Companies that participate in this program are expected to maintain and continue operations beyond the end of the Grant Term.
- 2) Should the Company cease operations or eliminate the majority of its workforce (51% reduction or more of FTE's within a twelve (12) month span after the disbursement of Grant funds), this Agreement will terminate and the Company will be required to repay all Grant proceeds provided during the thirty-six (36) months prior to the cessation or reduction.
- 3) Repayment of prorated Grant funds shall be required if the Company has received Grant disbursements from the City under this Agreement within the thirty-six (36) months prior to the earlier of (a) Public announcement by the Company of plans to close or eliminate the majority of the FTE workforce, (b) Actual cessation of operations, or elimination of a majority of the FTE workforce.
- 4) The Company shall make payment to the City within one hundred and twenty (120) days of such announcement or event. The City may use any and all legal recourse to pursue restitution from the Company and/or its successors.

### ARTICLE III

#### COMPANY REPRESENTATIONS, WARRANTIES AND COVENANTS

The Company represents, warrants and covenants to the City, as applicable, as of the date of this Agreement that:

- 1) Standing. The Company is duly organized and existing and in good standing under the laws of the State of North Carolina.
- 2) Authority. The Company has the corporate power and authority to own its properties and assets, to carry on its business as it is now being conducted and to execute and perform this Agreement.
- 3) Enforceability. This Agreement is the legal, valid and binding agreement of the Company enforceable against the Company in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar state or federal laws, in effect from time to time, which affect the enforcement of creditors' rights generally.
- 4) Restricted Companies List. Company represents that as of the date of this Agreement, Company is not included on the Final Divestment List created by the North Carolina State Treasurer pursuant to N.C. Gen. Stat. § 147-86.58. Company also represents that as of the date of this Agreement, Company is not included on the list of restricted companies determined to be engaged in a boycott of Israel created by the North Carolina State Treasurer pursuant to N.C. Gen. Stat. § 147-86.81.
- 5) No Violations. This agreement does not violate the charter documents or bylaws of the Company or any provisions of any indenture, agreement or other instrument to which the Company is a party.
- 6) No Conflicts. This agreement does not conflict with, result in a breach of or constitute an event of default under (or an event which, with notice or lapse of time, or both,

would constitute an event of default under) any indenture, agreement or other instrument to which the Company is a party.

#### ARTICLE IV

##### CITY REPRESENTATIONS, WARRANTIES AND COVENANTS

The City represents, warrants and covenants to the Company, as applicable, as of the date of this Agreement that:

- 1) The City (a) has full power and authority to enter into this Agreement and to enter into and carry out the transactions contemplated by this Agreement (b) by proper action has duly authorized the execution and delivery of this Agreement; and (c) is not in default under any provisions of this Agreement.
- 2) The City has duly authorized, executed, and delivered this Agreement, and this Agreement constitutes the City's legal, valid, and binding obligation, enforceable in accordance with its terms.
- 3) There is no litigation or proceeding pending or threatened against the City or affecting it which would adversely affect the validity of this Agreement.
- 4) The City is not in default under any provision of State law which would affect its existence or its powers as referred to in subsection (1).
- 5) To the best of the City's knowledge, no officer or official of the City has any interest (financial, employment, or other) in the Company or the transactions contemplated by this Agreement.
- 6) With respect to this Agreement, the City has complied fully with all requirements of N.C. General Statute 158-7.1 *et seq.*

#### ARTICLE V

##### GENERAL PROVISIONS

- 1) Governing Law. This Agreement shall be governed and construed under the laws of the State of North Carolina, notwithstanding any rules concerning application of the laws of another state or jurisdiction.
- 2) No Assignment. This Agreement shall not be assignable without the prior approval of the City.
- 3) Sale of Company. The parties agree that a transfer of all or a portion of the ownership interests in the Company shall not be considered an assignment under the terms of this Agreement and shall not require any consent of the City.
- 4) Lenders. The Company may, without obtaining the City's consent, mortgage, pledge, or otherwise encumber its interest in this Agreement or the Facility to a lender for the purpose of financing the operations of the Facility, constructing the Facility, or for other business purposes. The Company's encumbering its interest in this Agreement may include an assignment of the Company's rights and obligations under this Agreement for purposes of granting a security interest in this Agreement. In the event the Company takes any of the actions permitted by this subparagraph, it shall provide

written notice of such action to the City with such notice to include the name and notice information of the lender.

- 5) Monitoring and Auditing. In addition to the reports otherwise required by this Agreement, the Company will promptly respond to reasonable requests from the City for information to determine Company's compliance with the terms of this Agreement. Further, Company shall cooperate with the City, or with any other person or agency as directed by the City, in monitoring, auditing, or investigating activities related to this Agreement.
- 6) Compliance with Applicable Laws. Company shall comply with all applicable laws and regulations in providing services under this Agreement. In particular, Company represents that it is authorized by federal law to work in the United States. Company represents and warrants that it is aware of and in compliance with the Immigration Reform and Control Act and North Carolina law (Article 2 of Chapter 64 of the North Carolina General Statutes) requiring use of the E-Verify system for employers who employ twenty-five (25) or more employees and that it is and will remain in compliance with these laws at all times while providing services pursuant to this Agreement. Company is responsible for compliance with the Affordable Care Act and accompanying IRS and Treasury Department regulations.
- 7) Nondiscrimination. By signing this Agreement, Company, for itself, its agents, officials, and employees, certifies that it does not and will not discriminate in any manner on the basis of race, color, national origin, ethnicity, religion, creed, age, disability, sex, sexual orientation, gender identity or expression, pregnancy, marital or familial status, National Guard or veteran status, or any other status protected by federal, state, or local law, in its employment or business practices, and with respect to the subject matter of this Agreement, except where such actions are otherwise excepted from or allowed by federal nondiscrimination law, including, but not limited to, Title VII of the Civil Rights Act of 1964. The Company further agrees to comply with the provisions and intent of City of Salisbury Ordinance No. 2021-52. That Ordinance is incorporated into this Agreement for the benefit of the City of Salisbury and its residents. To ensure compliance with this provision, Company further agrees that it will promptly respond to reasonable requests for information from the City. Failure to respond to requests for information or failure to comply with the requirements of this provision shall constitute a breach of the Agreement. This provision shall be binding on the successors and assigns of the Company with reference to the subject matter of this Agreement.
- 8) Severability. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision of this Agreement, and the Agreement shall be enforceable and shall be read as if the parties intended at all times to delete said invalid, illegal, factually insufficient, unconstitutional or otherwise unenforceable section(s) or other part(s).
- 9) Entire Agreement. This Agreement, and its attachments, constitute the entire agreement of the parties, and may not be contradicted by any prior or contemporaneous communications of any kind. This Agreement may only be modified by a written instrument that is signed by an authorized representative of each party.

- 10) Breach. In the event of a breach of this Agreement, the non-breaching party shall provide written notice of the breach to the breaching party, and the party in breach shall have sixty (60) days from the date of notice of the breach to cure its performance under this Agreement; provided, the cure period shall be extended such additional time period as documentation supplied by the breaching party demonstrates is reasonably necessary to cure the default provided that the breaching party has commenced the cure and is diligently proceeding with the cure.
- 11) Waiver. Nothing in this Agreement shall constitute a waiver of any rights that the Company may have to appeal or otherwise contest any listing, appraisal or assessment that the City may make relative to the Properties.
- 12) Force Majeure. Any delay in the performance of any duties or obligations of either party hereunder (the "Delayed Party") shall not be considered a breach of this Agreement and the time required for performance shall be extended for a period equal to the lesser of (a) the period of such delay or (b) 24 months, provided that such delay has been caused by or is the result of any acts of God; acts of the public enemy; insurrections; riots; embargoes; labor disputes, including strikes, lockouts, job actions, or boycotts; shortages of materials or energy; fires; explosions; floods; changes in laws governing international trades; or other unforeseeable causes beyond the control and without the fault or negligence of the Delayed Party. The Delayed Party shall give prompt notice to the other party of such cause and shall take whatever reasonable steps are necessary to relieve of such cause as promptly as possible. No such event shall excuse the payment of any sums due and payable hereunder on the due date thereof except any payment due upon the occurrence of any act or event for which delayed performance is excused as provided above.
- 13) Notices. All notices required or allowed by this Agreement shall be delivered in person, by overnight courier service (such as Federal Express), by certified mail, return receipt requested, postage prepaid, secure electronic transfers or by fax with written confirmation of receipt (with a copy sent by one of the other methods specified herein), addressed to the party or person to whom notice is to be given at the following addresses:

To City: Office of the City Manager

P.O. Box 479

Salisbury, NC 28140479

Phone: (704) 638-5228

With Copy (which does not constitute notice to):

Office of the City Attorney

132 North Main Street

Salisbury, NC 28144

Phone: (704) 638-5309

To Company: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Notice shall be deemed to have been given with respect to overnight carrier or certified mail, one (1) day after deposit with such carrier and as to facsimile, on date of transmission, provided additional service is made. The addresses may be changed by giving written notice as provided herein: provided, however, that unless and until such written notice is actually received, the last address stated herein shall be deemed to continue in effect for all purposes hereunder.

- 14) Counterparts. This Agreement may be executed in any number of counterparts or with counterpart signature pages, each of which counterparts shall be deemed to be an original and all of which shall constitute one and the same agreement and shall be binding upon the undersigned.

**[THIS PORTION INTENTIONALLY LEFT BLANK; SIGNATURE PAGES FOLLOW]**

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed in its name by the person(s) duly authorized by proper authority to act on behalf of the Company, and has sealed the same as of the day and year first above written.

**COMPANY NAME,**

Type of company

By: \_\_\_\_\_  
\_\_\_\_\_

[Corporate Seal]

ATTEST:

\_\_\_\_\_ (Seal)  
Name \_\_\_\_\_

IN WITNESS WHEREOF, the City has caused this Agreement to be executed in its name by the person(s) duly authorized by proper authority to act on behalf of the City, and has sealed the same as of the day and year first above written.

**CITY OF SALISBURY,**

**a North Carolina municipal corporation**

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City Manager  
[Corporate Seal]

ATTEST:

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City Clerk

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

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Finance Director

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

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City Attorney

**EXHIBIT A**

LEGAL DESCRIPTION OF THE PROPERTY

**EXHIBIT B**

MINUTES FROM CITY COUNCIL MEETING

**Addendum B: Score Sheet**

Direct Full Time Job Creation	0 to 25	0
	25 to 99	1
	100 to 249	2
	250 to 500	3
	501 or more	4
New Capital Investment	Less than \$5 million	0
	\$5 million to \$10 million	1
	\$10 million to \$50 million	2
	\$51 to \$100 million	3
	\$100 to \$499 million	4
	\$500 million and up	5
Median Wage of Jobs Created	Under 90% of County Average Wage	0
	90% to \$110% of County Average Wage	1

	110% to 150% of County Average Wage	2
	Over 150% of County Average Wage	3
Expansion of Existing Salisbury Company	No	0
	Yes	1
Targeted Industry	No	0
	Yes	1
Company Provides Health Insurance & Pays 50% of monthly premium costs	No	0
	Yes	1
Sustainable Design	Sustainable Practice Score is Less than 8	0
	Sustainable Practice Score is Between 9 and 16	1
	Sustainable Practice Score is 17 or Greater	2
Total Possible Points		16
<b>POINTS SCALE:</b>		
0 to 4 points	Not Eligible for Incentives	
5 to 8 points (Level 1)	40% for five years	
9 to 12 points (Level Two)	45% for five years	
13 to 16 points (Level Three)	50% for five years	

Sustainable Design Score Sheet Category	Possible Points
Level II EV charging stations are provided on site	1/per, up to 3
Company facilities are equipped with smart meters to track electrical use	2
Buildings utilize carbon-free heating and cooling (air or water-source heat pumps)	5
Buildings utilize on-site carbon-free electricity generation (i.e. solar panels)	5
Buildings are designed to be "solar ready" by running line up to the rooftop	1
Site incorporates native species into 50% of landscaping	1
A green rooftop is incorporated into the building's design	5
Transit investment - location in 1/4 mile of transit stop (3 pts) or within 1/2 mile (2 pts)	3
	25 pts possible

### Addendum C: Example Scenarios

Example 1	A company proposes to invest \$25 million into the expansion of its current Rowan County facility. The company is an advanced manufacturer and also plans to create 60 new jobs that will pay an average wage that is five percent (5%) above the current County average wage. The company will also pay for 50% of the monthly premium cost for the employee's health insurance.
Example 2	A company proposed to locate its first facility in Salisbury. The company plans to invest \$500 million to build a distribution center that will employ 600 people. The average wage for these new jobs is eleven percent below the current County average wage. The company will also pay for 50% of the monthly premium cost for the employee's health insurance.
Example 3	A biotech company proposes to locate its first facility in Salisbury. The company plans to invest \$5 million and create 10 new jobs. The average wage for these jobs is 50% above the current County average wage. The company will also pay for 50% of the monthly premium cost for the employee's health insurance.

Category	Thresholds	Possible Points	Example 1	Example 2	Example 3
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Direct Full Time Job Creation	0 to 25	0			0
	25 to 99	1	1		
	100 to 249	2			
	250 to 500	3			
	501 or more	4		4	
New Capital Investment	Less than \$5 million	0			
	\$5 million to \$10 million	1			1
	\$10 million to \$50 million	2	2		
	\$51 to \$100 million	3			
	\$100 to \$499 million	4			
	\$500 million and up	5		5	
Median Wage of Jobs Created	Under 90% of County Average Wage	0		0	
	90% to 110% of County Average Wage	1	1		
	110% to 150% of County Average Wage	2			
	Over 150% of County Average Wage	3			3
Expansion of Existing Salisbury Company	No	0		0	0

	Yes	1	1		
Targeted Industry	No	0		0	
	Yes	1	1		1
Company Provides Health Insurance & Pays 50% of monthly premium costs	No	0			
	Yes	1	1	1	1
Sustainable Design	Sustainable Practice Score is Less than 8	0			
	Sustainable Practice Score is Between 9 and 16	1	1		
	Sustainable Practice Score is 17 or Greater	2			2
Total Possible Points		16	8	10	8
			(Level 1 grant)	(Level 2 grant)	(Level 1 grant)