



REQUEST FOR BOARD ACTION

ITEM NO. 25.

DATE OF MEETING: July 23, 2012

REQUESTED BY: Dr. Mickey Duvall, County Manager

SHORT TITLE: Resolution Adopting Resolutions Requesting Port Enhancement Zone Designations by NC Commerce

BACKGROUND: In 2011 the General Assembly enacted legislation authorizing the NC Secretary of Commerce to designate Port Enhancement Zone areas that would provide for tax credit incentives to business and industry located within 25 miles of a state port. Port Enhancement Zone designations would become effective July 1, 2013. Applications have been developed for two proposed port enhancement zones in Pender County, one for the property comprising Pender Commerce Park on US 421, and one for the former Coty manufacturing and distribution facility in Rocky Point. The applications have been reviewed by NC Commerce and both proposed locations meet the criteria set forth in the legislation. The Board of Commissioners is required to adopt a resolution requesting port enhancement zone designation by the Secretary of Commerce, and a resolution for each of the locations is attached. The NH County Commissioners will need to adopt a resolution requesting designation of the NH County portion of the US 421 property.

SPECIFIC ACTION REQUESTED: To consider a resolution adopting the following prepared resolutions entitled: 1) RESOLUTION REQUESTING DESIGNATION OF THE US 421 PORT ENHANCEMENT ZONE BY THE NORTH CAROLINA DEPARTMENT OF COMMERCE; AND 2) RESOLUTION REQUESTING DESIGNATION OF THE ROCKY POINT PORT ENHANCEMENT ZONE BY THE NORTH CAROLINA DEPARTMENT OF COMMERCE.

COUNTY MANAGER'S RECOMMENDATION

Respectfully recommend approval.


Initial

RESOLUTION

NOW, THEREFORE BE IT RESOLVED by the Pender County Board of Commissioners that:

the Board hereby adopts the attached resolutions entitled: 1) RESOLUTION REQUESTING DESIGNATION OF THE US 421 PORT ENHANCEMENT ZONE BY THE NORTH CAROLINA DEPARTMENT OF COMMERCE; AND 2) RESOLUTION REQUESTING DESIGNATION OF THE ROCKY POINT PORT ENHANCEMENT ZONE BY THE NORTH CAROLINA DEPARTMENT OF COMMERCE.

The Chairman/County Manager is authorized to execute any/all documents necessary to implement this resolution.

AMENDMENTS:

MOVED _____ SECONDED _____

APPROVED _____ DENIED _____ UNANIMOUS

YEA VOTES: Brown ___ Tate ___ Rivenbark ___ Ward ___ Williams ___

George R. Brown, Chairman Date

ATTEST Date



**RESOLUTION REQUESTING DESIGNATION OF THE US 421 PORT ENHANCEMENT ZONE
BY THE NORTH CAROLINA DEPARTMENT OF COMMERCE**

WHEREAS, Part 2 of Article 10 of Chapter 143B of the North Carolina General Statutes provides for the designation of Port Enhancement Zones by the North Carolina Department of Commerce; and

WHEREAS, the statutes provide certain conditions be met related to location, size, and income before an area can qualify for Port Enhancement Zone designation; and

WHEREAS, the proposed US 421 Port Enhancement Zone in Pender County satisfies those conditions in that 1) the proposed zone is located within 25 miles of the Wilmington State Port and is capable of being used to enhance port operations; 2) over 11% of the households in the census tracts in which the proposed zone is located have incomes of \$15,000 or less; and 3) the total area that is proposed for Port Enhancement Zone designation does not exceed 5% of the total area of Pender County; and

WHEREAS, an application has been prepared for submission to the North Carolina Secretary of Commerce seeking designation for the proposed US 421 Port Enhancement Zone;

NOW, THEREFORE BE IT RESOLVED by the Pender County Board of Commissioners, that the Board unanimously supports submission of the US 421 Port Enhancement Zone application to the North Carolina Department of Commerce, and does hereby formally request designation of the area proposed as a port enhancement zone.

This the ___ day of _____, 2012.

George R. Brown, Jr., Chairman
Pender County Board of Commissioners

ATTEST:

Dr. Mickey Duvall, County Manager

PROPOSED US 421 PORT ENHANCEMENT ZONE

The proposed US 421 Port Enhancement Zone is comprised of 774 acres of industrially zoned land immediately adjacent to US 421 at the Pender-New Hanover County line, and is wholly owned by Pender County. The proposed zone will incorporate 100% of Pender Commerce Park, an industrial park developed by Pender County since 2006. The property boundaries are reflected on the attached survey, and includes that property recorded under Deed Book 3044 Page 319 (378 acres) and Deed Book 3859 Page 338 (325.46 acres) in the Pender County Register of Deeds, and Deed Book 5531 Pages 18-25 (70.54 acres) in the New Hanover County Register of Deeds. The property is also identified as Pender County parcel identification numbers 2291-76-4943-0000, 2291-75-8677-0000, 2291-54-6704-0000, 3201-06-6415-0000, 2291-84-9960-0000, and New Hanover County parcel identification number RO 1500-001-004-000.

378 acres of the park was purchased in 2006 and meets all the Department's certification requirements with the exception of public wastewater availability. A new 2 mgd public water treatment plant being constructed on the property to serve the park, the US 421 corridor and southern Pender County is nearing completion. A 0.5 mgd wastewater treatment plant is designed and permitted to be constructed on the property to serve the area, and will be constructed through a partnership between Pender County and the Cape Fear Public Utility Authority once an industrial client is identified.

The remaining 396 acres of the park was purchased in 2010 from BASF. The former BASF plant facilities have been demolished with the exception of two administrative buildings which have been reserved for future use. The County has worked with NC DENR and has successfully achieved brownfield designation status for the property to encourage and facilitate redevelopment of the former industrial site.

The proposed zone is immediately ready to accommodate industrial development opportunities, whether acquired and developed by a single industrial client, or divided into multiple smaller tracts. Pender County is aggressively working to restore rail service to Pender Commerce Park via a one mile short rail extension from where the current active CSX line terminates. The former rail line that paralleled US 421 along the park property was abandoned in the 1970's, and a new corridor and easements must be established. The County is also conducting environmental assessments necessary for permitting for future barge access to the site in two locations, where the property adjoins the Cape Fear River, and the NE Cape Fear River.

The proposed US 421 port enhancement zone is located 10.5 miles from the State Port in Wilmington, and is capable of enhancing and facilitating port operations. 703.46 acres of the proposed 774 acre zone lies within Pender County, representing .13% of the total acreage of Pender County (560,371.90 acres). The remaining 70.54 acres lies within New Hanover County, representing .05% of the total acreage of New Hanover County (128,407.70 acres). The proposed zone is located within Pender County 2010 Census Tract 9205.02 and New Hanover 2010 Census Tract 115. A map of Pender County reflecting the location of these census tracts is attached, along with detailed 2010 census information for the tracts and the two counties.

Proposed US 421 Port Enhancement Zone

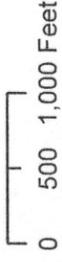
Household income data for the 2010 federal decennial census tracts and block groups is unavailable however ACS 2006-2010 as applied to the 2010 census data reflects that well over eleven percent (11%) of the households within the census tracts that comprise this zone have incomes of fifteen thousand dollars (\$15,000) or less:

<u>2010 Census Tract</u>	<u>% of Households with \$15,000 Income or Less</u>
Pender County Census Tract 9205.02	15.20%
New Hanover Census Tract 115	15.60%

In summary, the proposed US 421 Port Enhancement Zone is comprised of 774 acres of industrial property and buildings capable of enhancing state port operations. The proposed zone is located within 25 miles of the state port in Wilmington. The area of the proposed zone represents .13% of the total acreage of Pender County, and .05% of the total acreage of New Hanover County, both well less than the 5% area threshold. Available census data reflects that over 11% of the households that reside within the census tract in which the zone is located have incomes of \$15,000 or less.



1 inch = 1,250 feet



US 421 Port Enhancement Zone

US HWY 421
COMPEN/LANDING RD

US HWY 421

TAKEDA DR





**RESOLUTION REQUESTING DESIGNATION OF THE ROCKY POINT PORT ENHANCEMENT ZONE
BY THE NORTH CAROLINA DEPARTMENT OF COMMERCE**

WHEREAS, Part 2 of Article 10 of Chapter 143B of the North Carolina General Statutes provides for the designation of Port Enhancement Zones by the North Carolina Department of Commerce; and

WHEREAS, the statutes provide certain conditions be met related to location, size, and income before an area can qualify for Port Enhancement Zone designation; and

WHEREAS, the proposed Rocky Point Enhancement Zone in Pender County satisfies those conditions in that 1) the proposed zone is located within 25 miles of the Wilmington State Port and is capable of being used to enhance port operations; 2) over 11% of the households in the census tracts in which the proposed zone is located have incomes of \$15,000 or less; and 3) the total area that is proposed for Port Enhancement Zone designation does not exceed 5% of the total area of either Pender County; and

WHEREAS, an application has been prepared for submission to the North Carolina Secretary of Commerce seeking designation for the proposed Rocky Point Port Enhancement Zone;

NOW, THEREFORE BE IT RESOLVED by the Pender County Board of Commissioners, that the Board unanimously supports submission of the Rocky Point Port Enhancement Zone application to the North Carolina Department of Commerce, and does hereby formally request designation of the area proposed as a port enhancement zone.

This the ___ day of _____, 2012.

George R. Brown, Jr., Chairman
Pender County Board of Commissioners

ATTEST:

Dr. Mickey Duvall, County Manager

PROPOSED ROCKY POINT PORT ENHANCEMENT ZONE

The proposed Rocky Point Port Enhancement Zone is port enhancement is comprised of 60.16 acres in the Rocky Point area of Pender County at the terminus of Carver Road (SR 1437). The property has been operated as a manufacturing and distribution facility (448,000 square feet of industrial plant) for over 20 years. The majority of the property (58.13 acres) is currently owned by a private entity named 1830 Carver Drive LLC that is marketing the property for sale, and a certain client is currently negotiating to purchase the property and establish a new manufacturing operation. Pender County owns 1.85 acres within the proposed zone on which public wastewater facilities serving the facility are located. The entire property is depicted on the attached map, and includes that property recorded under Deed Book 4058 Pages 24-28 (58.13 acres), and property recorded under Deed Book 713 Page 121 (1.85 acres) in the Pender County Register of Deeds. The property is also identified as Pender County parcel identification numbers 3222-59-4821-0000, 3222-59-2162-0000, and 3223-40-9308-0000.

The proposed US 421 port enhancement zone is located off NC 133 (just west of US 117 and I-40) in Pender County 13 miles from the State Port in Wilmington, and is capable of enhancing and facilitating port operations. The 60.16 acres encompassing the proposed zone represents .011% of the total acreage of Pender County (560,371.90 acres). The proposed zone is located within Pender County 2010 census tract 9206.02. A map of Pender County reflecting the location of this census tract is attached, along with detailed 2010 census information for the tract and the County as a whole.

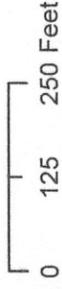
Household income data for the 2010 federal decennial census tract and block group is unavailable however ACS 2006-2010 as applied to 2010 census data reflects that well over eleven percent (11%) of the households within the census tract that comprise this zone have incomes of fifteen thousand dollars (\$15,000) or less:

<u>2010 Census Tract</u>	<u>% of Households with \$15,000 Income or Less</u>
Pender County Census Tract 9206.02	11.6%

In summary, the proposed Rocky Point Port Enhancement Zone is comprised of 60.16 acres of industrial property and buildings capable of enhancing state port operations. The proposed zone is located within 25 miles of the state port in Wilmington. The area of the proposed zone represents .011% of the total acreage of Pender County, well less than the 5% area threshold. Available census data reflects that over 11% of the households that reside within the census tract and block group in which the zone is located have incomes of \$15,000 or less.



1 inch = 250 feet



Proposed Rocky Point Port Enhancement Zone

R DR

HEARTSIDE DR

SOUTH POINT

