



MORE

More than economic development.
We are the Partnership.

ANNUAL REPORT 16-17

the
partnership
Henderson County, NC
Economic Development

MORE THAN An Average Year

Henderson County has unparalleled beauty. For decades, our county has been a destination for healing and retreat, but we know we are more than that. We are a place where global companies with state-of-the-art products and technologies are choosing to locate.

Over the past decade, Henderson County's population has grown annually by an average of 1.5%. It would be wrong to assume that this growth is retiree driven – over half of our in-migrating population is under the age of 35. They come for great schools, access to natural assets, a safe community – but, they must have a job. Many are returning home, able to find quality employment opportunities.

We must press forward in the effort to preserve real estate to secure our employment future. Seeds have been planted, and a vision to focus on the next 10-20 years is in motion. We are thankful for our partners in this work – Henderson County, the City of Hendersonville, the Town of Fletcher and the Town of Laurel Park.

Many manufacturers who have chosen Henderson County have quietly established regional or national headquarters operations, attracting diverse and high-wage employment opportunities. We want to continue fostering our industrial roots, but also branch out as our economy evolves. We hope that our future will reflect the vitality of our community and become home to industry, business and professional services, and headquarters.

We are thankful for our investors, who have helped us build what is more than an economic development organization. We are the Partnership.

William R. Buie

Will Buie

HCPED Board Chair 2016-2017

WGLA Engineering



**16-17
BOARD**

EXECUTIVE COMMITTEE

Will Buie

Chair
WGLA Engineering

Adam Shealy

Past Chair
The Van Winkle Law Firm

Pat Wagner

Chair-Elect
Continental Automotive Systems

Kelly Leonard

EIF Representative

Jim Rasmussen

Treasurer
Morrow Insurance Agency

Pete Szelwach

Existing Industry Chair
Lassonde Pappas & Co

Andrew Tate

President & CEO
HCPED

ELECTED DIRECTORS

Stan Cooper

Sierra Nevada Brewing Company

Tom Cooper

Cooper Construction Company

Craig DeBrew

Duke Energy

Steve Gwaltney

First Citizens Bank

Jim Hall


Investors Realty Group

Don Hallingse

PSNC Energy

Kathy Hoyle

Hoyle Office Solutions



“We must press forward in the effort to preserve real estate to secure our employment future. Seeds have been planted, and a vision to focus on the next 10-20 years is in motion.”

Dave Modaff

Friday Staffing Services

Brigid Rich

Blue Ridge Southern Railroad

EX-OFFICIO DIRECTORS

Councilman Hugh Clark

Town of Fletcher

Chairman Michael Edney

Henderson County (2017)

Mayor Larry Freeman

Town of Mills River

Mayor Carey O’Cain

Town of Laurel Park

Dr. Molly Parkhill

Blue Ridge Community College

Mayor Bob Staton

Village of Flat Rock

Chairman Tommy Thompson

Henderson County (2016)

Mayor Barbara Volk

City of Hendersonville

MORE THAN A Strategic Location

When German company, Norafin, met with the Partnership in March of 2016, it was clear this company would be a great fit for the community.

59

Number of acres
rezoned for industrial
use in Mills River

\$18.1M

18.1 million dollars to be
invested by Norafin

When German company, Norafin, met with the Partnership in March of 2016, it was clear this company would be a great fit for the community. Henderson County had already experienced growth in German foreign-direct investment, there were several sites that would accommodate a company of Norafin's size, and the non-woven and advanced materials sector continued to have a growth trajectory in the county.

The privately-owned company was looking for a US location to help with market entry. Their technical non-woven material, often used in firefighter gear, was gaining interest and there was a need to grow. While the company was looking for a business-friendly location, they were also concerned about finding a location that would fit the company culture. After reviewing over a dozen sites, the company landed on a site on School House Road. The site was relatively flat and mostly clear, but it had challenges.

The site was not zoned properly and did not have on-site wastewater. Though it took time, the Partnership guided the rezoning process with the Town of Mills River. The rezoning sparked interest with neighboring land owners and 59-acres were rezoned for industrial use along the Banner Farm manufacturing corridor.

After the rezoning was complete, the Partnership and Henderson County coordinated a Rural Infrastructure Grant through the North Carolina Department of Commerce to extend wastewater to the site. "We are seeing growth county wide. When we can assist with job creation and investment, we will do what we can to make sure the company has superb utility service," shared County Engineer Marcus Jones. After all the hurdles were jumped, Norafin announced their entry into Henderson County on November 10, 2016. The company will create 46 jobs and invest \$18.1 million.

Advanced Materials companies in Henderson County:

Carbo-Cut, Coats North America, Fiberglass & Plastics, Fieldco Machining, Greenleaf Corporation, Hardin Manufacturing Company, Kimberly-Clark, Kyocera Industrial Ceramics, Norafin, Quality Rubber Manufacturing Co., ResinArt East, SELEE Corp., Standard Tytape Company, Survival Innovations LLC, Warm Company, Wilsonart International

German Based companies in Henderson County:

Continental Automotive Systems, Demmel, Elkamet, Norafin, Putsch & Company, RAUMEDIC



NOT JUST Another Meeting

The Partnership thrives in being more than an event driven organization, but rather an organization that is a resource and facilitates meaningful relationships.

Industrial Executives Forum

The 2017 IEF event focused on sharing great ideas that could be replicated or repurposed. Three innovative speakers shared ideas in a TED style presentation. Speakers included Didi Caldwell with Global Location Strategies, Brent Graves with Cane Creek Cycling and Tamara Snow with Continental Automotive Systems. In addition to the dynamic speakers, local members and manufacturers were encouraged to share their ideas in the five-minute SPARK! Sessions. Participants included: Diamond Brand Gear Company, WeaverCooke-Kirkland, Blue Ridge Metals, Damp-Chaser, Johnson Price Sprinkle and SMARTRAC.

Investors Update

Top investors in the Partnership are invited to participate in two additional Investor Update events each year. In August of 2016, the Partnership hosted a lunch at Sierra Nevada Brewing company providing an update and introduction to GF Linamar. With a packed room, Carlos Vasto, the first GF Linamar employee, shared the company's timeline and why the innovation through aluminum die-casting is needed in today's automotive industry.

The Partnership opened its doors in February 2017 to share the 2017 Program of Work and unveil the new logo. Attendees had an opportunity to hear directly from staff on their day-to-day activities, goals, events and programs taking place. This was the first time many members had visited the Partnership offices and heard about the inner workings of the organization.



252

Campers attended our
2016 Annual Event

CONNECTIONS at Camp

Most attendees thought they were lost as their GPS directed them to Falling Creek Camp, then questioned what the evening would hold as they were placed into teams. “We were really deliberate about who we paired with whom, we wanted real connections to take place,” shared Adam Shealy 2015-2016 Board Chair.

The evening included team games and “selfie” photos before a family-style meal gathered everyone together. Just as dessert was served, rowdy “camp counselors” (2016-2017 Executive Committee) jumped up on the table, giving instructions on how to survive at camp.

The evening continued around the campfire as the Partnership “camp counselors” roasted retiring board members, Chip Gould, Bill Harris and Nathan Kennedy while Partner of the Year, Sierra Nevada Brewing Company, was praised. 2016-2017 Board Chair, Will Buie stated: “This event was different from any other, we probably pushed a few people outside of their comfort zone, but based on the connections made, we consider it a success. For weeks afterwards, I ran into people who told me how much fun they had at such a unique event.”

Camp Counselors:

Will Buie, Jim Rasmussen,
Kelly Leonard, Pat Wagner,
Adam Shealy, Pete Szelwach

Winning Team:

Team 10: Natalie Canipe,
Jacob McMinn, Brett & Tori Shaffer,
Kelly Hopkin, Vikki Bailey,
Aaron Gogolin, Sara Landry



FINISHING the Fairgrounds

The work to transition the Fairgrounds from an EPA Superfund site to a productive contributor of jobs and taxable investment started 15 years ago. With support from the property's owner, Henderson County Public Schools, the site was subdivided in 2006 to support Elkamet's initial entry into the US. One portion of the remaining property had been utilized as a fire-training area decades before. The Partnership led the testing, soil excavation and cleanup effort resulting in a No Further Action letter. The remaining property required an extensive underground survey, soil and water testing, and select excavation, resulting in a No Further Action letter.

The focus then turned towards an Appalachian Regional Commission grant in partnership with Henderson County to rough grade the 17-acres. Soon after, the site was pitched to Demmel AG in their efforts to locate a first US manufacturing facility, while Elkamet indicated their interest in growth on the property as well. The Fairgrounds was surveyed, subdivided and acquired by both companies.

Two challenges remained with the Fairgrounds, but stalwart partners came to assist. NCDOT approved \$430,000 in funding to construct an industrial access drive and improve transportation infrastructure in the surrounding area. The City of Hendersonville was then awarded a \$290,000 NC Commerce Rural Infrastructure Authority grant to construct and improve water lines in the area that would enable proper water pressure for modern fire suppression standards.

As both companies initiate construction of new facilities, we can look back to what was Western North Carolina's first Fairgrounds and know that the property is contributing positively to the people and the economy. 15 years is slow by any standard, but a reminder that real estate strategy in economic development requires persistence, patience and partnership.





THE MOVE East

In October of 2015, HCPED met with Scott Lewis of Smart Products. He shared the company was looking to consolidate operations into a 30,000 square foot facility and employ 26 people.



The company had narrowed in on Henderson County due to the east coast location, quality of life and workforce skills. The company which manufactures check valves and pumps, would be a great addition to the already strong injection molding community in Henderson County.

Over the course of the next six months, the Partnership helped Smart Products identify a site in Henderson County. The site, which was briefly owned by Bold Rock before they established a location on School House Road, went on the market right when the company was looking. The location off Highway 280, would place Smart Products along the primary employment corridor of Western North Carolina.



12

Polymer companies in
Henderson County

Plastics and polymer companies in Henderson County.

Companies can receive training at Blue Ridge Community College and through the new Southeastern Advanced Molding Technology Education Center (SAMTEC), training for plastic injection molding and extrusion will be enhanced.

Polymer companies include: Asheville Thermoform Plastics, BIG Adventures LLC, BorgWarner Thermal, Bromley Plastics Corporation, Crothers Plastics Manufacturing, Elkamet, MTI Medical Cables, PMA Tools, RAUMEDIC, Skyline Plastic Systems, Smart Products, Winstrip

On July 14, 2016, Smart Products announced their Henderson County location. CEO Mark Jerringan shared:

“Our company is committed to quality. Henderson County and the Town of Mills River have showcased the resources we need to continue producing our product and stay competitive in the industry.”



Connecting Students **WITH JOBS**

With over 5,000 students exposed to manufacturing through tours and speaking engagements, industry leaders were ready to grow the Made in Henderson County program.

“We had great success, but we needed to move the needle more. We needed to make an immediate impact to help fill our hiring demands,” stated Chris Hykin, SMARTRAC. “We met with other industries and developed an idea for the job fair. It needed to be different than any other job fair and we needed to make sure the right students attended.”

The Partnership worked closely with the school system and industry to streamline the application process and tailor the Made in Henderson County Job Fair specifically to students.

“We saw students become adults in front of our eyes, being very serious about their potential future,” shared Amy Singletary, HCPS Career Development Coordinator. “In the weeks to follow, they were all really excited about their potential.”

The job fair successfully placed several students into positions while providing an overview of opportunities for all that attended.

PRESERVING Our Employment Future

Real estate strategy in economic development requires vision, advanced planning, resources and partners. This patient approach conflicts with the desire for an immediate return.

Why would a community with a low unemployment rate, positive population growth over four decades, and a history of success in economic development invest in an effort that might not show returns for 10-20 years?

The Economic Investment Fund (EIF) of Henderson County was formed in 2016 as the vehicle for vision and advanced planning in the preservation of property with employment and tax base potential. Backed by local government and community support, EIF identified study areas and evaluated them based on infrastructure, topography, zoning, floodplain, land use and transportation access. The group also studied the course of 20 years in developing Broadpointe Park and Ferncliff Park, and the employment and tax impact of the companies that have located in those areas.

“We realize that not every parcel in Henderson County should be developed industrially, but for those families who are interested in selling their land, we want them to feel good about the future of their property. Understanding the employment and tax benefits helps paint that picture.”

Kelly Leonard, EIF Board Member

What can you do with 372 acres?

- ☐ Develop the property into \$320,175,618 in tax value (which equates to \$1,808,992 in 2016 annual revenue to Henderson County versus \$47.03 in 1995)
- ☐ Create 2,346 jobs with wages that significantly exceed the county average
- ☐ Positively impact the employment future and economy for western North Carolina

Answer: All of the above



372.36 acres developed over 20 years in partnership with 2 families

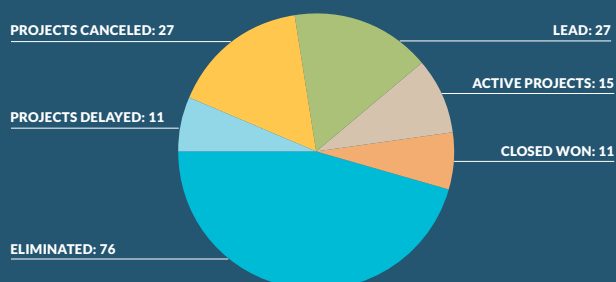
COMPANY NAME	ARRIVAL	1995 TAX VALUE	2016 TAX VALUE	HEADCOUNT	ACREAGE
Continental	1997	\$1,651.50	\$144,742,530	700	38.28
UPM Raflatac	1999		\$39,496,248	400	17.57
Raumedic	2014		\$4,815,800	48	10.02
Prince Manufacturing	1999		\$6,157,593	147	10.25
FedEx	2007		\$5,754,041	25	12.96
Empire Distributors	2014		\$13,432,475	107	25.05
Smart Products	2016	\$56.50	\$852,000	26	9.78
Pepsi	2005		\$8,432,811	123	19.15
Sierra Nevada Brewing Co.	2012	\$4,729.46	\$96,327,509	420	174.75
GF Linamar	2016	\$1,885.64	\$164,611	350	54.55
		\$8,323.10	\$320,175,618	2346	372.36

The Partnership is able to add value to land owners while assuring clients that a site is ready and risk-mitigated. EIF is focused on laying the foundation for future employment opportunities for generations to come, to ensure that we do not export our talent, and to create opportunity and earning potential for the citizens of Henderson County.

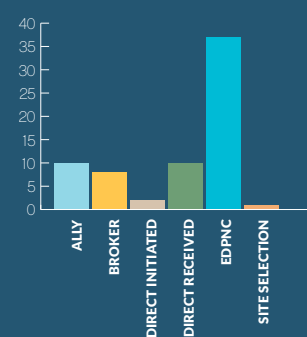
MORE THAN

Another Year

LEAD & PROJECT STATUS



ANNUAL LEADS BY SOURCE



EXISTING INDUSTRY

In 2006, Henderson County welcomed Elkamet to East Flat Rock. At the time, the company created 30 jobs and was focused on one key customer. By the end of 2016, the company employed 99 people and developed their business significantly since their US entry. Their sustained growth triggered yet another expansion in October of 2016. The company announced their plans to expand on the Fairgrounds site, adding a new rotational molding line, two new extrusion lines and one new bending machine. The expansion will create 25 additional positions and invest \$6,500,000 in Henderson County.



MARKETING

In the 2016-2017 year the Partnership continued robust marketing efforts, reaching out to site location consultants and growing companies. In addition to traditional means, Henderson County gained exposure through print ads developed by the Economic Development Partnership of North Carolina (EDPNC). The EDPNC created North Carolina based cover wraps that were placed on Fortune Magazine and sent to 5,000 targeted companies. Henderson County was fortunate

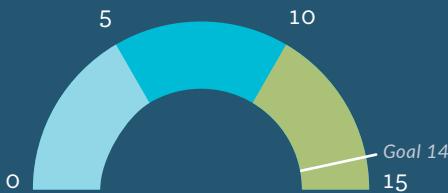
enough to be featured in two of the three wraps sharing stories on the location of Sierra Nevada Brewing Company and GF Linamar. This unique exposure presents to growing companies that Henderson County is more than a destination, it is a prime business location.

NEW BUSINESS

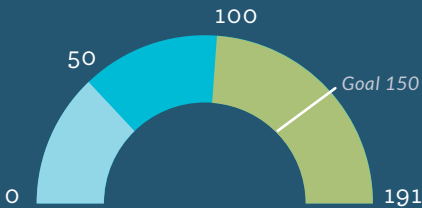
Henderson County welcomed two new businesses in the summer of 2017: Normac and Survival Innovations. Both companies were located within the region and found growth opportunities in Henderson County. Normac, who located in the Etowah Industrial Park, builds machines that are used in global manufacturing operations. The company brought 25 new positions to Henderson County.

Survival Innovations is a contract manufacturing firm specializing in the design of products for the aviation and military sectors. Products include survival vests, aircrew restraint systems, ejection seat components, aircraft cushions, and parachute system components. The company closed on a building located off of Highway 280 in Mills River in June 2016 and plans to employ 18 people.

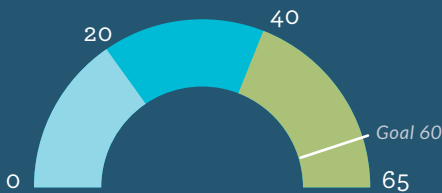
ANNUAL MARKETING ACTIVITIES



COMPLETED EXISTING INDUSTRY ACTIVITY



ANNUAL RETENTION CALLS



MEMBERS

PUBLIC

City of Hendersonville
Henderson County
Town of Fletcher
Town of Laurel Park
Town of Mills River
Village of Flat Rock

PATRON

Asheville Savings Bank
Blue Ridge Community College
Carolina Specialties Construction, Inc.
Continental Automotive Systems
Cooper Construction Company, Inc.
Duke Energy
Ferncliff Park
First Citizens Bank
Friday Staffing Services
Lassonde Pappas & Company, Inc.
Morris Broadband*
Morrow Insurance Agency, Inc.
Margaret R. Pardee Memorial Hospital
PSNC Energy
SMARTRAC TECHNOLOGY Fletcher, Inc.
TD Bank
The Van Winkle Law Firm

PRESIDENTIAL

AT&T
Asheville Regional Airport
BB&T
BGW CPA, PLLC
Brumit Restaurant Group (Arbys)*
Cason Companies, Inc.
Congruent Concepts & Solutions, LLC.*
DHG, LLP
Elkamet
Entegra Bank
Green River Quarry (Hedrick Industries)
HomeTrust Bank
IMOCO
Johnson Price Sprinkle PA
Kiln Drying Systems & Components, Inc.
Kimberly-Clark Corporation
Lenoir-Rhyne University – Asheville*
McMillan Pazden Smith Architecture*
SELEE Corporation
SunTrust
Tennoca Construction Company
UPM Raflatrac, Inc.
Western Carolina University

EXECUTIVE

Advanced Data & Network Solutions
Agracel, Inc.
Allegra Hendersonville
Allison Development Group*
The Alternative Board
Bank of America / Merrill Lynch
The Bazzle Law Firm, P.A.
Blue Ridge Southern Railroad
BorgWarner Thermal
Boyd Automotive
Bunnell-Lammons Engineering, Inc.*
Diamond Brand Gear Company*
ECS Carolinas, LLP
Energy United Propane
Fletcher Business Park
Harper Corporation General Contractors*
Haynes International
Henderson Oil Company
Hendersonville Lightning
Hoyle Office Solutions, Inc.
Investors Realty Group
MB Kahn Construction Co.
Reaben Oil Company
PNC Bank
Sierra Nevada Brewing Company
Southern Alarm & Security
Summey Plumbing and Heating*
THS Constructors, Inc.
Thos. Shepherd & Son
United Community Bank
WGLA Engineering, PLLC
WeaverCooke-Kirkland*
Wells Fargo



GENERAL

Accurate Technology, Inc.

Advanced Business Equipment

Advanced Technical Welding, Inc.

Anchor QEA of NC, PLLC

Atlas Bolt & Screw, Inc.

Ben Carland

Beverly-Hanks & Associates

Blue Ridge Metals Corporation

Brown & Bigelow

The Building Group

Byers Precision Fabricators

Carl E. Shaw, CPA, PLLC

Carolina Alliance Bank

ClearWater Environmental, Inc.

Coldwell Banker Commercial King

Coldwell Banker King

Community Foundation of
Henderson County

CoveStar Investment Realty Advisors

Dave Steel Co., Inc.

Dunlap Construction

Edward Jones*

Egolf Motors

Excel Consulting Group, LLC

Exit Realty Vistas

Farmhouse Graphics

Fletcher Warehousing Company

Hajoca Corporation

Hampton Inn & Suites Airport

Henderson County Public Schools

Henderson County Tourism
Development Authority

Hendersonville Country Club, Inc.

Highland Lake Inn & Resort

Holiday Inn Express

Horizon Heating & Air Conditioning

Immedion*

Indoff Interior Solutions

Industrial Chemical Company

IPM Corporation

Kenmure Enterprises, Inc.

Kenneth R. Youngblood

Manual Woodworkers & Weavers, Inc.

Mars Hill University

Mast General Store

Mattern & Craig, Inc.

Max Tec, Inc. / B&G Enterprises, LLC

McDonald's - Edwards Group

Meritor

Miller Brothers

Miller's Fine Dry Cleaning

Morosani & Associates

Mountain Credit Union

Multi Packaging Solutions

NAI Beverly-Hanks*

National Technical Honor Society

Norm's Minit Marts

Park Ridge Health

Pepsi-Cola Bottling Company

Pete Richards, DDS

Platt Architecture, P.A.

Prince Manufacturing

S&ME

Southeastern Sureties Group

Southern Concrete Materials

Standard Tytape Company

Stuller Power Solutions

Sycamore Cycles

The Tamara Peacock Co.

Tri-Hishtil*

Turf Mountain Sod

United Way of Henderson County

Vocational Solutions of Henderson County

Ward and Smith, P.A.

Warm Company

Whitney Commercial Real Estate Services

Wilsonart International

Wingate University*

Woodforest National Bank*

WR-Martin

Young Office

** new member*



the
partnership

Henderson County, NC
Economic Development