

**RESOLUTION AUTHORIZING THE EXPENDITURE OF  
COUNTY GENERAL FUNDS FOR AN ECONOMIC DEVELOPMENT  
PROJECT TO AID AND ENCOURAGE THE EXPANSION BY JOHNSON  
CONTROLS, INC., A WHOLLY OWNED, INDIRECT SUBSIDIARY OF  
JOHNSON CONTROLS INTERNATIONAL PLC OF ITS MANUFACTURING  
CAPACITY AT ITS WALKERTOWN LOCATION IN FORSYTH COUNTY AND  
AUTHORIZING EXECUTION OF AN ECONOMIC DEVELOPMENT  
AGREEMENT WITH JOHNSON CONTROLS, INC.**

**WHEREAS**, North Carolina General Statute 158-7.1 authorizes counties to undertake an economic development project by extending assistance to a company in order to aid and encourage the company to expand its operations within the county; and

**WHEREAS**, Johnson Controls, Inc., a wholly owned, indirect subsidiary of Johnson Controls International PLC (hereinafter, "Johnson") is considering the expansion of its automotive battery manufacturing capacity at its Walkertown location in Forsyth County, through the creation of new jobs, the retention of existing jobs, and a capital investment at its facility in Walkertown, N.C.; and

**WHEREAS**, Forsyth County is considering entering into an economic development incentives agreement with Johnson to aid and encourage the expansion of its manufacturing capacity at its Walkertown location in Forsyth County in which the County will appropriate and expend funds in a proposed amount not to exceed the lesser of \$465,717 or 50% of property taxes paid on the new capital investment from available revenues in the General Fund over a five-year period, based upon and contingent upon a capital investment by Johnson of at least \$33 Million in new manufacturing machinery equipment over a three-year period, and \$5 Million in building capital improvements to the facility in Walkertown over a three-year period, and the creation within three years of 60 new permanent, full-time or full-time equivalent (FTE) jobs with an average wage of \$39,395 per year, plus benefits, in the said facility in Walkertown, N.C., and the retention of 413 existing full-time or full-time equivalent jobs at its facility in Walkertown, N.C.; and

**WHEREAS**, the Board of Commissioners of Forsyth County has duly advertised and conducted a public hearing to consider whether to participate in an economic development incentives agreement with Johnson based on the Company's proposed expansion of its manufacturing capacity through capital investments, job creation, and job retention in Forsyth County as outlined herein; and

**WHEREAS**, the proposed expansion of Johnson in Forsyth County will stimulate the local economy, promote business, create new permanent jobs in the County, increase the property tax base and revenues, and increase business prospects of the County.

**NOW THEREFORE, BE IT RESOLVED** that the Forsyth County Board of Commissioners, after duly advertised public hearing held, finds that the proposed economic development incentives agreement as outlined herein with Johnson will

stimulate the local economy, promote business, create new permanent jobs in the County, increase the property tax base and revenues therefrom, and increase business prospects of the County.

**BE IT FURTHER RESOLVED** that the Forsyth County Board of Commissioners hereby approves and authorizes Forsyth County's participation in an economic development incentives project to aid and encourage Johnson to expand its manufacturing operations at its Walkertown location in Forsyth County, and the County's appropriation and expenditure of County funds in an amount not to exceed the lesser of \$465,717 or 50% of property taxes paid on the new capital investment from available revenues in the General Fund over a five-year period based upon and contingent upon a capital investment by Johnson of at least \$33 Million over a three-year period in new manufacturing machinery equipment, and \$5 Million in building capital improvements over a three-year period to the facility in Walkertown, and the creation within three years of 60 new permanent, full-time or FTE jobs at the said facility with an average wage of \$39,395 per year, plus benefits, and the retention of 413 existing full-time or full-time equivalent jobs at this facility, as will be more specifically set forth in an agreement between Forsyth County and Johnson.

**BE IT FURTHER RESOLVED** by the Forsyth County Board of Commissioners that the Chairman or the County Manager and the Clerk to the Board are hereby authorized to execute, on behalf of Forsyth County, the necessary documents for Forsyth County to participate in an economic development incentives agreement with Johnson as further described herein, subject to a pre-audit certificate thereon by the County Chief Financial Officer, if applicable, and approval as to form and legality by the County Attorney.

Adopted this the 14<sup>th</sup> day of September 2017.