

# CITY OF HIGH POINT

## AGENDA ITEM



**Title:** Public hearing for Future Foam

**From:** Loren Hill and Sandy Dunbeck  
High Point Economic Development Corp.

**Meeting Date:** January 7, 2019

**Public hearing:** yes

**Advertising Date:** December 26, 2018

**Attachments:** legal notice

**Advertised by:** High Point EDC

---

### PURPOSE:

The High Point City Council will consider a request from Future Foam to authorize up to \$161,840 in performance-based incentives for the company's potential expansion at its current location in south High Point.

### BACKGROUND:

The company's High Point facility is located at 1300 Prospect Street. At that plant, raw materials are converted into flexible polyurethane foam for use in furniture cushions, mattresses, and other applications for home and industry.

- If the company picks High Point for this plant expansion:
  - The company would add \$8.5 million to the High Point tax base by constructing an addition to the current plant and adding new equipment.
  - The company would add 25 jobs to its current workforce. Those jobs would include pourline operators, shipping staffer, crane operators, and maintenance personnel.
- Future Foam is considering other company locations for this expansion.
- Future Foam was founded in 1956. The company's headquarters are in Council Bluffs, Iowa. Future Foam has locations across the United States, including a facility at 3803 Comanche Drive in Archdale.
- In August 2006, the High Point City Council authorized \$90,440 in performance-based incentives for a Future Foam plant expansion at this location that added \$3.8 million to the tax base and created 12 jobs.

### BUDGET IMPACT:

- If the company meets the benchmarks outlined in its performance agreement, it could receive up to \$161,840 in total, paid in installments.
- The source of that funding would be the City's Economic Development Incentive Fund, which is funded by general and electric revenues.

### RECOMMENDATION / ACTION REQUESTED:

The High Point EDC staff recommends that the City Council:

- authorize up to \$161,840 in performance-based incentives for the Future Foam expansion project; and
- authorize the City Manager to execute a performance agreement with the company containing benchmarks for the company to achieve and a schedule for the payment of such financial incentives.

---

Pursuant to N.C. General Statute 158-7.1, notice is hereby given that a public hearing will be held by the High Point City Council on Monday January 7, 2019, at 5:30 p.m. in the Council Chambers, High Point Municipal Building, 211 S. Hamilton Street, High Point, NC, for the purpose of receiving public input on a funding request from a company considering an expansion at its 1300 Prospect Street location in High Point. The company proposes investing \$8,500,000 in building expansion and equipment and adding 25 full-time jobs. The High Point City Council will consider authorizing up to \$161,840. The source of funding would be the Economic Development Incentive Fund, which is funded by general and electric revenues. The City would be authorized to provide this financial assistance upon the company's investment and job creation – pursuant to an incentive performance agreement containing benchmarks and schedule for the payment of such financial assistance. For further information, please call 336-883-3116.

**Dec. 26, 2018**

---