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# WINSTON-SALEM JOURNAL

Published: October 06, 2011

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## Davie County expects to draw jobs with donated land from Reynolds

By **RICHARD CRAVER**

Davie County and R.J. Reynolds Tobacco Co. are hoping the company's donation of 360 acres of pasture land will serve as another economic catalyst for the Triad.

The payoff of the gift could come quickly, analysts and site-selection officials said Wednesday.

The Davie County Economic Development Commission announced the donation of the site off Baltimore Road near Interstate 40 and U.S. 158. The land is valued at \$3.5 million, according to county property tax records.

Terry Bralley, the commission's president, said he couldn't comment on whether the site would serve as the final piece of the puzzle for a major furniture manufacturing and distribution center — with 550 potential jobs — that the county has been recruiting for months.

Although the company has not been identified by local and state economic officials, one possibility raised by furniture officials is Ashley Furniture Industries Inc., the largest U.S. furniture manufacturer and retailer.

Bralley has said if Davie lands the project, the company could become its largest private employer. "There are opportunities for other moving pieces of the project to come into play now, whether local or state," Bralley said in August.

John H. Boyd, a principal in The Boyd Co. Inc., a site-location consulting company in New Jersey, said the Reynolds site, along with state tax credits secured for the project, "may make the county's finally landing the nation's largest furniture maker/retailer a fait accompli."

The site is being provided by Reynolds in a similar vein — and with similar economic goals — to the 38 acres and assorted buildings it has donated to Wake Forest University to help expand Piedmont Triad Research Park in downtown Winston-Salem.

Reynolds bought the Baltimore Road land in 1961-62 as a potential production site.

However, those plans never materialized, spokesman Bryan Hatchell said. He said Reynolds will receive a tax

benefit based on the appraised value of the property.

Andrew Gilchrist, president and chief commercial officer of Reynolds, said the donation is aimed at enhancing the company's role in the transformation of the Triad economy.

"We have the opportunity to grow and thrive even in these tough economic times, and efforts like those by the Davie County EDC are truly making a difference," Gilchrist said.

Bralley said he had been talking with Reynolds for two years about donating the land. Having the commission qualify for 501(c)(3) status smoothed the path.

"We had taken notice of Reynolds' donations in downtown Winston-Salem and knew there was a possibility for them to do the same with this land," Bralley said.

Furniture Today, a trade publication, reported in December that Ron Wanek, chairman of Ashley, said the company was reviewing sites in the Carolinas and Virginia. Wanek said the ideal footprint would be 150 acres, with an upholstery manufacturing and distribution plant of 1.2 million square feet close to major highways, rail and ports.

On June 24, Gov. Bev Perdue signed House Bill 751, which provides an estimated \$168,013 tax credit over three years to an unnamed company that could build a "manufacturing and distribution facility" worth at least \$80 million with at least 550 workers.

Dan Gerlach, president of the Golden Leaf Foundation, has said a site in Davie appears to be the state's only shot at landing "this highly competitive project." Golden Leaf's board of directors has approved a \$2.5 million grant to Davie for "Project Top Drawer."

The Reynolds site is "especially well-suited for the Ashley project from an East Coast distribution standpoint, as well as from a close-in labor recruiting standpoint," Boyd said.

"Should the project finalize, the surrounding industrial acreage will soar in value as services develop and mature in and around the Ashley complex."

Having a 360-acre site ready to market is a major coup for Davie, analysts said. Bralley said he has already gotten calls from three companies interested in the site. He added that the commission is not under any legal obligations with the site.

"The gift greatly enhances the commission's economic-development opportunities and consequent job creation," Bralley said. "It will open a lot of doors for projects that may have looked past us previously."

Bralley said the land is zoned for industrial use and has public water but not public sewer.

Michael Clapp of Michael S. Clapp & Associates Inc., a Winston-Salem real estate appraisal company, said the key to the Baltimore Road site will be whether public sewer is added there and who pays for the extension.

Bralley said he is confident that grants could be acquired to pay for public sewer if the commission lands a project.

In April 2010, Reynolds fulfilled an eight-year pledge by handing over the most visible and symbolic piece of a 38-acre donation to the downtown research park — the Bailey Power Plant and its smokestack. The company estimated the overall value of the donated properties at \$19 million.

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