

Southwest Ward Update

Southwest Ward Council Member Dan Besse

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Neighbors,

Yesterday was not a good news day for our city. In addition to seeing two of our police officers shot in the line of duty, we learned that the Dell computer plant will be closed by the end of this year.

I believe that you are entitled to a special report from me on what this closure means to you as taxpayers.

First, let me say that I am very concerned for the hundreds of local employees who are losing their jobs with Dell. I cannot endorse Dell's corporate management decision to shut down their new American plant rather than retool here for changing market conditions. Unfortunately, I can't require their management to rethink that decision.

Fortunately, I can tell you that Winston-Salem's taxpayers are protected. Our city's incentives agreement with Dell will require it to **repay the city over \$15 million--every dollar that the city has invested** in the plant's site (grading, roads, water/sewer) and annual operational incentives. That amount is due within 30 days of the plant's closing. Dell understands this, and as a multi-billion dollar international operation is fully capable of honoring its agreement.

Because Dell has already paid millions in property taxes, and it does not get those back, **this means that our city will receive a net benefit of millions of dollars over and above our investment.**

In addition, **Dell must continue to pay local property taxes** on the plant. None of those continued tax payments will go back to Dell.

Winston-Salem taxpayers are protected, because the Winston-Salem/Dell incentives agreement is a clear example of how to shape such projects for the taxpayers' best interests. The mayor and city council carefully weighed costs and benefits, and insisted on terms that achieve that end.

I am not happy that our region is losing those jobs. I have asked our city manager to look for ways we can best help Dell employees transition to other work. And I will continue to actively work with other leaders around our region to encourage job growth here.

The worst national recession in over half a century continues to be tough on our region. I will keep working hard to help bring us out of it.

Thanks for the chance to serve as your representative.

Dan

Dan Besse, Winston-Salem City Council Member, Southwest Ward