



City of Greensboro Meeting Agenda City Council Special

January 26, 2022, 10:00 a.m.
Katie Dorsett Council Chamber
300 West Washington Street, Greensboro, NC 27401

This agenda is being reposted to include the name of the corporation.

This is a Special Meeting of the Greensboro City Council to be held in the Katie Dorsett Council Chamber at the Melvin Municipal Office Building, 300 West Washington Street, Greensboro, NC.

Greensboro City Council meetings are available via <https://www.greensboro-nc.gov/government/city-council/council-meetings>, the Greensboro Television Network (GTN) live on Spectrum channel 13 with a digital cable box, NorthState channel 31, and AT&T U-verse channel 99. GTN is also available on the Roku streaming platform by going to “add channels” and searching for Greensboro Television Network. Lastly, GTN can be streamed live on the City’s website. Any individual with a disability who needs additional information or assistance, please contact Gary Canapinno, ADA Coordinator, 336-373-2723 or gary.canapinno@greensboro-nc.gov.

Pages

A. Call to Order

B. Public Hearing Items

B.1. 2022-117 Resolution Authorizing an Economic Development Incentive to Boom Technology, Inc.

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C. Adjournment



City of Greensboro

Melvin Municipal
Office Building
300 W. Washington Street
Greensboro, NC 27401

Agenda Report

File Number: 2022-117

Agenda Item# B.1

Agenda Date: 1/26/2022. **Department:** Economic Development
Meeting Type: Special Meeting **Category:** Public Hearing Agenda

Title: 2022 - 117 Resolution Authorizing an Economic Development Incentive to Boom Technology, Inc. in an Amount Not to Exceed \$1,500 per Job

Council Priority: Place an 'x' in the box.

- Create an Environment to Promote Economic Development Opportunities and Job Creation
- Maintain Infrastructure and Provide Sustainable Growth Opportunities
- Promote Public Safety & Reduce Crime
- Exceptional Customer Service and a Diverse City Government Workforce
- Ensure Fiscal Stewardship, Transparency, & Accountability

Council District: N/A

Public Hearing: Yes

Advertising Date/By: 1/13/2022/by City Clerk

Contact 1 and Phone: Sue Schwartz, Ext 2149

Contact 2 and Phone: Marshall Yandle, Ext 2434

PURPOSE:

The City of Greensboro has been requested to consider an economic development incentive grant in an amount not to exceed \$1,500 per job for Boom Technology, Inc. considering locating at the Piedmont Triad International Airport. The grant is for the purposes of making real property improvements, purchasing new equipment, and creating jobs.

BACKGROUND:

Boom Technology, Inc. is proposing to build a manufacturing facility at the Piedmont Triad International Airport investing \$500 million in real and personal property and creating at least 1,761 jobs. The project is expected to generate public benefit to the Region by positively impacting the property and sales tax revenues in addition to increasing business prospects for the City and surrounding area.

The average wage for the new full-time positions will be approximately \$69,000 with additional benefits and no new jobs will pay below \$15.00 per hour. The project is expected to generate

public benefit to the Region by positively impacting the property and sales tax revenues in addition to increasing business prospects for the City and surrounding area. This project would be subject to the City's Minority/Women Business Enterprise Program Plan as it applies to Economic Development Project M/WBE Subcontracting Goals.

BUDGET IMPACT:

Five annual installments not to exceed \$1,000,000 per year to be paid to Boom Technology, Inc. after the new jobs are created and the investment is confirmed. Boom Technology, Inc. expects to create at least 1761 new jobs on or before December 31, 2030. The incentive will expire if the new jobs are not created and the investment is not made by December 31, 2030.

ACCOUNT NUMBER:

101-2204-01.5933

RECOMMENDATION / ACTION REQUESTED:

In accordance with the City's economic development guidelines and N.C.G.S § 158-7.1 it is recommended that City Council hold a public hearing and approve the request for an economic development grant and authorize the City Manager to execute a performance agreement between the City of Greensboro and Boom Technology, Inc., in an amount not to exceed \$1,500 per job to be paid in five installments of no more than \$1,000,000 each year over five (5) years. The agreement will have a claw-back provision that requires the new jobs be maintained for a certain period of time and capital investment be made as per the grant agreement.

RESOLUTION AUTHORIZING AN ECONOMIC DEVELOPMENT INCENTIVE TO BOOM TECHNOLOGY, INC. IN AN AMOUNT NOT TO EXCEED \$1,500 PER JOB

WHEREAS, on May 17, 2005, the City Council adopted Economic Development Guidelines whereby the City may participate financially in the development of certain private improvements to promote economic development in accordance with the Guidelines and NCGS Section 158-7.1;

WHEREAS, Boom Technology, Inc. is considering locating at the Piedmont Triad International Airport in addition to other options within the United States;

WHEREAS, Boom Technology, Inc. has requested that the City provide an economic development incentive grant in the projected amount of \$1,500 per job, for the creation of at least 1,761 new jobs and a projected investment of \$500,000,000 in real property and personal property on or before December 31, 2030;

WHEREAS, but for the City's grant, Boom Technology, Inc. would not locate in the Greensboro area;

WHEREAS, the addition of 1,761 new jobs and investment in real and personal property is expected to generate public benefit by increasing taxable property and employment in the City;

WHEREAS, the City Council finds that because of this overall public benefit there should be an exception to the Economic Development Program Incentive Program as Boom Technology, Inc. would not locate in the City of Greensboro corporate limits;

WHEREAS, a public hearing was held on January 26, 2022, in accordance with N.C.G.S. 158-7.1 setting out the particulars of the request and the public benefits to be derived from said improvements; and

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO;

- (1) That in accordance with the City's Economic Development Incentive Program Guidelines, and pursuant to N.C.G.S. 158-7.1, a grant reimbursement and participatory agreement between the City of Greensboro, as grantor, and Boom Technology, Inc., as grantee, in an amount not to exceed \$1,500 per job that is contingent upon the creation of at least 1,761 new jobs paying not below \$15.00 per hour with an average annual wage of \$69,000 and investment of approximately \$500,000,000 in real and personal property at the Piedmont Triad International Airport on or before December 31, 2030.
- (2) The City Manager is hereby authorized to execute, on behalf of the City of Greensboro, the proper agreement.

- (3) The grant shall be paid in five annual installments not to exceed \$1,000,000 per year after investment has been made and provided new jobs are created according to the benchmarks and confirmed by the City.
- (4) The project shall comply with the City's Minority/Women Business Enterprise Program Plan as it applies to Economic Development Project M/WBE Subcontracting Goals.
- (5) In accordance with NCGS 158-7.1(h), the agreement shall include provisions approved by the City Attorney to recapture the incentive in the event the jobs are not retained for a certain period or there is a lower capital investment than specified in the grant agreement.