



City of Greensboro

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

Agenda Report

File Number: 2023-299

Agenda Item# H.1.

Agenda Date: 4/17/2023. **Department:** Economic Development

Meeting Type: Council Meeting **Category:** Public Hearing Agenda

Title: 2023 – 299 Public Hearing for a Resolution Authorizing an Economic Development Incentive to Marshall USA LLC in an Amount Not to Exceed \$1,000 per Job

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

- | | |
|--|--|
| <input type="checkbox"/> Safest City | <input checked="" type="checkbox"/> Most Skilled Workforce |
| <input checked="" type="checkbox"/> Easiest Place to Do Business | <input type="checkbox"/> Most Connected City |
| <input type="checkbox"/> Youth Sports Capital | <input type="checkbox"/> Hub of Recreation and Entertainment |
| <input type="checkbox"/> Abundance of Attainable Housing | <input type="checkbox"/> Other/Admin <u>Briefly Explain 3 word maximum</u> |

Council District: 5

Public Hearing: Yes

Advertising Date/By: 4/6/2023/by City Clerk

Contact 1 and Phone: Chris Wilson, Ext 2002

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 \$1,000 per job for Marshall USA LLC considering the Piedmont Triad International Airport. The incentive grant is for the purposes of making real property improvements, purchasing new equipment, and creating jobs.

BACKGROUND:

Marshall Group, headquartered in Cambridge, England, is the largest privately owned aerospace and defense company in the United Kingdom. Marshall Aerospace, a subsidiary of Marshall Group, is the leading maintenance, modification, and repair provider to the global C-130 fleet.

Marshall USA LLC, a subsidiary of Marshall Aerospace, is proposing to build a maintenance facility at the Piedmont Triad International Airport investing over \$50 million in real and personal property and creating up to 240 jobs. This new facility would allow the company to better meet the C-130 aircraft maintenance requirements of the US military.

Vision Statement: "A Community with Endless Economic Opportunities and Exceptional Quality of Life."

The average wage for the new full-time positions will be approximately \$73,250 with additional benefits and no new jobs will pay below \$15.00 per hour. The project is expected to generate public benefit to the City of Greensboro by positively impacting the property and sales tax revenues in addition to increasing business prospects for the City and surrounding area.

BUDGET IMPACT:

Annual installments to be paid to the company after the new jobs are created and the investment is confirmed. The company expects to create up to 240 new jobs on or before December 31, 2027. The incentive grant will expire if the new jobs are not created and the investment is not made by December 31, 2027. The company is also eligible for an additional \$250 incentive per job for any new employee whose permanent address is located in an Impact Zone or who is hired through NCWorks Career Centers.

ACCOUNT NUMBER:

101-02-0205001.5933

RECOMMENDATION / ACTION REQUESTED:

It is recommended that City Council, in accordance with the City's economic development guidelines and N.C.G.S § 158-7.1, 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 Marshall USA LLC., in an amount not to exceed \$1,000 per job to be paid in annual installments. 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 incentive grant agreement.