



# City of Greensboro

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

## Agenda Report

File Number: 2023-398

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### Agenda Item# F.1.

**Agenda Date:** 6/6/2023. **Department:** Economic Development  
**Meeting Type:** Council Meeting **Category:** Public Hearing Agenda

**Title:** 2023 – 398 Public Hearing for a Resolution Authorizing an Economic Development Incentive to ProKidney, LLC in an Amount Not to Exceed \$13,273,645

#### 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:** 4/25/2023 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 \$13,273,645 for ProKidney, LLC considering a location off of Greenbourne Drive for a new biomanufacturing facility. The incentive grant is for the purposes of making real property improvements, purchasing new equipment, and creating jobs.

#### BACKGROUND:

ProKidney LLC, is a late clinical stage public biotechnology company founded in 2015 and headquartered in Winston-Salem. The company is focused on the development of a pioneering cell therapy candidate that aims to transform the treatment landscape for chronic kidney disease by delaying dialysis. After receiving regulatory approval it is estimated that 5 million people annually will be eligible to receive the company's cell therapy treatment. The company's process and technology currently possesses a Regenerative Medicines Advanced Therapy (RMAT) designation from the FDA.

The company is considering locations for its first biomanufacturing facility for the commercialization of its cell therapy product investing \$458,000,000 by December 31, 2027 and creating at least 330 new jobs by December 31, 2028. The finalist location in North Carolina for this facility is at the 73 Business Center located off of Greenbourne Drive in Greensboro. The

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

company is also considering other sites within the United States for this investment and job creation and is requesting state and other local incentives before making a location decision. Local approval of incentives does not commit the company to locate in Greensboro.

The average wage for the new full-time positions will be \$74,636 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. 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:**

Equal annual installments to be paid to the company after new jobs are created and the investment is confirmed. The incentive grant will expire if the new jobs are not created by December 31, 2028 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 ProKidney, LLC in an amount not to exceed \$13,273,645 to be paid in equal 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.