



City of Greensboro

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

Agenda Report

File Number: 2024-375

Agenda Item# H.1.

Agenda Date: 6/4/2024. **Department:** Economic Development

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

Title: 2024-375 Resolution Authorizing an Economic Development Incentive to Project Mercury in the Amount not to Exceed \$344,171

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

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|--|--|
| <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: 1

Public Hearing: Yes

Advertising Date/By: 5/23/2024 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 \$344,171 to Project Mercury, considering a Greensboro site at 3631, 3633, and 3635 McConnell Road for a new manufacturing facility in addition to other options within the United States. The incentive grant is for the purposes of making real property improvements, purchasing new equipment and machinery, and creating jobs.

BACKGROUND:

Project Mercury, is a domestic packaging & containers company that invented and manufactures eco-friendly, 100% recyclable PET food trays in the United States. The company is headquartered in Pennsylvania and is considering a location at 3631, 3633, and 3635 McConnell Road in Greensboro for a manufacturing facility for the company's new product lines. If the proposed project moves forward the company plans to invest \$26,940,000 and create 80 jobs. The average wage for the new full-time positions will be approximately \$58,876 with additional benefits and none of the 80 jobs will pay below \$18.00 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

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

Enterprise Program Plan as it applies to Economic Development Project M/WBE Subcontracting Goals.

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 80 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 on or before December 31, 2028. 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 the company, in an amount not to exceed \$344,171 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.

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