



City of Greensboro

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

Agenda Report

File Number: 2024-522

Agenda Item# H.1.

Agenda Date: 7/16/2024. **Department:** Economic Development
Meeting Type: Council Meeting **Category:** Public Hearing Agenda

Title: 2024 - 522 Resolution Authorizing an Economic Development Incentive to Core Technology Molding Corporation in the Amount not to Exceed \$520,407.

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: 1

Public Hearing: Yes

Advertising Date/By: 7/4/2024/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 \$520,407 to Core Technology Molding Corporation, considering a Greensboro site at Millstream Road for a new manufacturing facility in addition to other options within the United States. The incentive grant is for the purposes of expanding capacity at a larger facility, making additional investment in real property and personal property and creating new permanent full-time jobs.

BACKGROUND:

Core Technology Molding Corporation is a minority owned plastic injection molding company located in Greensboro. The company is a Tier 1 supplier to many well-known domestic and international companies. If the proposed project moves forward the company plans to invest at least \$27,850,000 and create 26 jobs. The average wage for the new full-time positions will be approximately \$58,885 with additional benefits and none of the 26 jobs will pay below \$18.75 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

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

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

BUDGET IMPACT:

Annual installments are to be paid to the company after the new jobs are created and the investment is confirmed. The company expects to create 26 new jobs on or before December 31, 2029. 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 \$520,407 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.