

CITY of WILMINGTON North Carolina

ITEM PH3

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2/15/2022

City Council
City Hall
Wilmington, North Carolina 28401

Dear Mayor and Councilmembers:

Attached for your consideration is a resolution authorizing the City Manager to enter into a Business Development Investment grant with a business proposing to expand in the City of Wilmington.

The proposal authorizes payments in the amount of \$40,000 annually over the course of five (5) years, contingent upon the business meeting the goals of providing at least 204 new jobs to the community at an average wage of at least \$113,000 each, and investing a minimum of \$25 million in real and personal property in the City. The grant is competitively necessary to encourage the expansion of the business in the City.

A similar item will be submitted to the New Hanover County Commissioners for consideration at their Monday, February 21, 2022, regularly scheduled meeting. The contribution from the County, however, is a maximum of \$60,000 annually, or \$300,000 over a five year period.

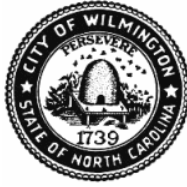
The company is seeking additional economic incentives from the State of North Carolina. The Incentive Agreement will include a schedule of annual milestone employment goals that must be met before the local incentives are paid.

Passage of the attached Resolution is recommended.

Respectfully submitted,

Anthony N. Caudle,
City Manager

Resolution



City Council
City of Wilmington
North Carolina

Introduced By: Anthony N. Caudle, City Manager

Date: 2/15/2022

Resolution Authorizing City of Wilmington to Pay Economic Development Incentives in the Amount of \$200,000 - Project Buckeye

LEGISLATIVE INTENT/PURPOSE:

WHEREAS, Project Buckeye (“Company”) proposes to expand its operations at its existing facility; and

WHEREAS, the project, over no more than a five (5) year period, will include investing a minimum of \$25 million in real and personal property in the City, and the hiring of 204 or more full time equivalents at an average salary of at least \$113,000, thus creating additional well-paying jobs; and

WHEREAS, under a required Incentive Agreement (“Agreement”), the Company would agree to reduce the City’s economic development incentive grant if the Company does not sustain the jobs benchmark as those terms shall be defined in the required agreement; and

WHEREAS, the employment of 204 or more full time equivalents would create jobs for the area and provide a positive economic impact for the City and additional revenues for local businesses; and

WHEREAS, pursuant to the provisions of North Carolina General Statutes 158-7.1, City Council deems it desirable and in the best interest of the City, its businesses, and its residents to offer certain economic development incentives to the Company, and to enter into an Agreement with the Company; and

WHEREAS, the City Council held a public hearing at its March 1, 2022, regular meeting to discuss and approve certain economic development incentives to the Company.

THEREFORE, BE IT RESOLVED:

THAT, City Council hereby authorizes appropriating and spending from the City’s general fund an amount to make cash grants of \$40,000 annually, totaling \$200,000 over a period of five (5) years, contingent upon the Company investing at least \$25 million in real and personal property in the City and hiring 204 or more new full-time equivalents at an average salary of at least \$113,000; and

THAT, to implement these incentives, the City Council hereby authorizes City Manager to prepare an Incentive Agreement on the City's behalf and to take all actions necessary to implement the actions and grants required by that agreement; and

THAT, this resolution is effective immediately upon its adoption.

Adopted at a _____ meeting
on _____ 2022

Bill Saffo, Mayor

ATTEST:

APPROVED AS TO FORM:

Penelope Spicer-Sidbury, City Clerk

City Attorney