

**RESOLUTION AUTHORIZING AN ECONOMIC DEVELOPMENT INCENTIVE TO
CENTRIC BRANDS, INC. IN AN AMOUNT NOT TO EXCEED \$426,000**

WHEREAS, on May 17, 2005, the City Council adopted Economic Development Guidelines whereby the City may participate financially in the development of certain private improvements to promote economic development in accordance with the Guidelines and NCGS Section 158-7.1;

WHEREAS, Centric Brands, Inc. (the Company) is considering Greensboro in addition to other cities located in the United States for the location of a new office;

WHEREAS, the Company is considering a new office location in downtown Greensboro at 620 S. Elm Street;

WHEREAS, the Company has requested that the City provide for a economic development incentive grant based in the amount of \$2,000 per job for the creation of new 213 new jobs in Greensboro on or before June 30, 2022;

WHEREAS, it is further anticipated that the Company and the property owner will invest nearly \$2,000,000 dollars in equipment and the up-fit of an existing building in downtown Greensboro;

WHEREAS, but for the City's grant, the Company will not locate in Greensboro;

WHEREAS, the addition of 213 new jobs are expected to generate public benefit by having a significant effect on the revitalization of the downtown central business district, by positively impacting the City's sales and ad valorem tax revenues, and by increasing business prospects for the City and surrounding area; therefore, the City Council will commit to an Economic Development Incentive Grant of up to \$426,000 and not to exceed \$2,000 per new job if the company chooses to locate in the City of Greensboro;

WHEREAS, the City, the Company, and the property owner (ZCDF LLC) are also applying for a Building Reuse Grant from the North Carolina Department of Commerce to support the renovation and up-fit of the building at 620 S. Elm Street in downtown Greensboro. The maximum amount of the potential grant from the State is \$500,000. The grant requires a five percent (5%) local match from the City. Upon completion of this project, the company and the property owner will have expended an estimated \$2,000,000 to renovate and up-fit the building, including the acquisition of new equipment. If approved, up to \$25,000 of the City's economic development incentive will constitute the required local match. No additional appropriations or expenditures are required to qualify for the Building Reuse Grant;

WHEREAS, the project will be subject to the City's Minority/Women's Business Enterprise Program;

WHEREAS, a public hearing was held on March 15, 2019, in accordance with N.C.G.S. 158-

7.1 setting out the particulars of the request and the public benefits to be derived from said improvements;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO;

- (1) That in accordance with the City's New Economic Development Incentive Guidelines, and pursuant to N.C.G.S. 158-7.1, a grant reimbursement and participatory agreement between the City of Greensboro and Centric Brands, Inc. for the creation of up to 213 new jobs in an amount not to exceed \$2,000 per job is hereby approved.
- (2) The City Manager and City Clerk are hereby authorized to execute, on behalf of the City of Greensboro, the proper agreement.
- (3) The grant shall be paid as the jobs are created and confirmed with the City in three consecutive installments not to exceed \$142,000 per year and \$426,000 in total. The installments will never exceed \$2,000 per job times the actual number of new jobs created cumulatively. The company must have created 213 new jobs prior to making its request for the first of three consecutive incentive grant installments.
- (4) The incentive will expire if the jobs are not created by June 30, 2022.
- (5) That the Building Reuse Grant application is authorized and that up to \$25,000 of the economic development incentive is committed as the required 5% local match.