

**RESOLUTION AUTHORIZING AN ECONOMIC DEVELOPMENT INCENTIVE TO
LOLLYTOGS LTD IN AN AMOUNT NOT TO EXCEED \$1,662,333**

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, Lollytogs LTD (the Company) is considering Greensboro in addition to other cities located in the United States for the establishment of new warehouse and distribution operations at a new facility located on N. Summit Avenue in the City of Greensboro;

WHEREAS, the Company has requested that the City provide for an economic development incentive grant in the projected amount of \$1,662,333, based upon a projection of anticipated new personal and real property taxes, for the creation of 116 new jobs and projected investment of \$57,300,000 in real property and personal property on or before December 31, 2026;

WHEREAS, if approved by City Council, the Company would be reimbursed eighty percent (80%) of the incremental increase in property taxes assessed to the property where the facility is located and collected by the City for a period of six (6) years after the investment has been made and new jobs are created;

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

WHEREAS, the addition of 116 new jobs and investment in real and personal property is expected to generate public benefit by increasing taxable property and employment in the City;

WHEREAS, a public hearing was held on May 4, 2021, 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; and

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

- (1) That in accordance with the City's Economic Development Incentive Program Guidelines, and pursuant to N.C.G.S. 158-7.1, a grant reimbursement and participatory agreement between the City of Greensboro and Lollytogs LTD as grantee in an amount not to exceed \$1,662,333 for the creation of 116 new jobs paying not below \$15.00 per hour with an average annual wage of \$46,021 and investment of approximately \$57,300,000 in real and personal property at a facility located on N. Summit Avenue within the City of Greensboro immediately adjacent to a designated Impact Zone on or before December 31, 2026.
- (2) The City Manager is hereby authorized to execute, on behalf of the City of Greensboro, the proper agreement.
- (3) The grant shall be paid in six consecutive installments after investment has been made and provided new jobs are created according to the benchmarks and confirmed by the

City.

- (4) The project shall comply with the City's Minority/Women Business Enterprise Program Plan as it applies to Economic Development Project M/WBE Subcontracting Goals
- (5) The economic development incentive may be adjusted by the City Manager on an annual basis subject to the appropriate budget ordinance amendment if the City's portion of the property taxes assessed to and collected from the property exceed the projected amounts.
- (6) In accordance with NCGS 158-7.1(h), the agreement shall include provisions approved by the City Attorney to recapture the incentive in the event the jobs are not retained through the six (6) year payment installment period.