



Legislation Text

File #: ID 17-0338, **Version:** 1

Resolution Authorizing an Economic Development Investment Grant to Gateway University Research Park, Inc. in an Amount up to \$1,200,000

Department: CMO
Council District: 1

Public Hearing: Yes
Advertising Date/By: 5/6/17

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PURPOSE:

The City of Greensboro has been requested to partner with Gateway University Research Park, Inc. in the development of a site and construction of a new approximate 70,000 square foot office, manufacturing, laboratory, and distribution building located on the South campus at 2911 East Gate City Boulevard. The request is for the City of Greensboro to provide an economic development investment grant in an amount up to \$1,200,000 to assist with site/infrastructure development and new building costs.

BACKGROUND:

Gateway University Research Park is a collaborative venture of the North Carolina A&T State University and UNC-Greensboro. The Research Park is managed by Gateway University Research Park, Inc., a North Carolina non-profit corporation.

Over the past few months, Gateway University Research Park has been approached by and worked with an advance manufacturing company that is interested in locating its headquarters and full product manufacturing operations on the South Campus. Based on the company's specific needs and lack of current available building inventory on the Campus, Gateway University Research Park, Inc. will need to develop and build a new building on the Campus to house the company.

As proposed, Gateway University Research Park, Inc. will commit to the City of Greensboro to invest up to \$7.9 million in the project; will condition the new building to be used for future office, manufacturing, laboratory, and distribution space; will work with future tenant(s) to ensure the new job creation numbers below are achieved; and will work to ensure the State's HUB program and participation requirements are met.

Once constructed, the advance manufacturing company will lease approximately 35,000 square feet of space in the new building from Gateway University Research Park, Inc.; will generate future sales and property tax revenues for the City of Greensboro; tenant(s) of the building will create up to 25 new jobs over the next three years, and the profile and intended uses of the new building clearly align with Gateway University Research Park's current mission and master plan objectives.

Public benefit will also be derived from the enhancement of economic development in east Greensboro Impact

Zone II, alignment with Council's Economic Development Focus Strategy (adopted in December, 2016), and is intended to promote business location and expansion in east Greensboro that would not occur but for this grant.

BUDGET IMPACT:

It is estimated that approximately \$500,000 for site development and infrastructure costs will be funded by the 2006 Economic Development Bond Fund and approximately \$700,000 for building and equipment costs will be funded by the 2016 Community and Economic Development Bond Fund.

RECOMMENDATION / ACTION REQUESTED:

It is recommended that City Council authorize an economic development investment grant of up to \$1,200,000 to Gateway University Research Park, Inc.