



Legislation Details (With Text)

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Title: Resolution Amending Resolution No. 0374-15 Authorizing an Economic Development Incentive Grant to Ecolab, Inc., Not to Exceed \$193,768.00 for New Capital Investment in Real Property, Machinery and Equipment, and New Jobs

Sponsors:

Indexes:

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Attachments: 1. Ecolab Letter of Request.pdf, 2. Ecolab_EDBS presentation_11_14_17.pdf, 3. 17-0644 Ecolab Resolution.pdf

Date	Ver.	Action By	Action	Result
11/14/2017	1	City Council	adopt	Pass

Resolution Amending Resolution No. 0374-15 Authorizing an Economic Development Incentive Grant to Ecolab, Inc., Not to Exceed \$193,768.00 for New Capital Investment in Real Property, Machinery and Equipment, and New Jobs

Department: Executive

Contact 1 and Phone: Barbara Harris, Ext. 2002

Contact 2 and Phone: Kathi Dubel, Ext. 4579

Meeting Date: November 14, 2017

Public Hearing: November 14, 2017

Advertising Date/By: November 2, 2017 / City Clerk

PURPOSE:

The City of Greensboro has been requested to consider an extension to an economic development incentive grant in the amount of up to \$193,768.00 to Ecolab, Inc. for expansion of manufacturing operations in Greensboro. (See attached) The grant was for the purposes of making capital investment in construction and property improvements, and new machinery and equipment purchases.

BACKGROUND:

On December 8, 2015, by Resolution No. 0374-15, the City Council approved an economic development grant and participatory agreement between the City of Greensboro and Ecolab, Inc., for growth of its cleaning and sanitizing products manufacturing operations. Currently the company operates manufacturing and administrative functions in Greensboro, at the Ecolab facility located at 8300 Capital Drive. The expansion project in Greensboro will include approximately \$4,500,000.00 for building upfit and property improvements, and \$22,500,000.00 in new machinery and equipment purchases. The company estimated adding thirty-five

(35) new jobs, at an annual average wage of \$38,840.00.

Resolution No. 0374-15 required the new capital investment and job creation by December 31, 2018.

According to Ecolab, Inc., the project has encountered several unforeseen delays, including:

1. Ecolab, Inc. delayed the project to better support timing requirements of its customers and the business resulting in a one year delayed start-up (Q1 2018 instead Q1 2017).
2. The launch was extended from a one year to a three-year timeframe resulting in headcount additions phasing in over three years.

BUDGET IMPACT: N/A

RECOMMENDATION / ACTION REQUESTED:

It is recommended that City Council adopt an amended resolution approving an extension to December 31, 2020, for the creation of at least 35 new full-time jobs.