



Legislation Text

File #: ID 16-0524, **Version:** 1

Resolution Amending Resolution No. 186-13 Authorizing an Economic Development Incentive Grant, not to Exceed the Amount of \$400,000, to Triad International Maintenance Corporation dba HAECO Americas for New Jobs at Piedmont Triad International Airport

Department: Executive
Council District: N/A

Public Hearing: June 21, 2016
Advertising Date/By: June 9, 2016

Contact 1 and Phone: Jim Westmoreland, City Manager -373-2002
Contact 1 and Phone: Kathi Dubel, Manager - Economic Development & Business Support 373-4579

PURPOSE:

On April 2, 2013, by Resolution No. 186-13, the City Council approved a grant reimbursement and participatory agreement between the City of Greensboro and Triad International Maintenance Corporation d.b.a. TIMCO Aviation Services (see attached). Triad International Maintenance Corporation now doing business as HAECO Americas is requesting certain changes to the Resolution. The HAECO Americas campus is located at the Piedmont Triad Airport Authority at 623 Radar Road near the City limits of Greensboro. Due to delays in preparing the site for development at and other regulatory obstacles, the planned investment in the property and job creation has been delayed. HAECO Americas will create 400 new jobs between 2018 and 2023 and is requesting an incentive of \$1,000 per new job created for a maximum incentive of \$400,000. The incentive will be paid out over 5 years in equal installments. HAECO's proposed expansion is anticipated to result in increased commerce and public benefit to be derived from the creation of this new employment near the City of Greensboro to include enhanced sales tax revenues and increased business prospects for the City and surrounding area which would merit authorizing exceptions to the Economic Development Program Financial Assistance General Guidelines to allow: (1) this existing business expansion project to be considered even though it is not located in the corporate limits of the City of Greensboro, and (2) a waiver of the requirement that the City recover its investment from new City property taxes within 5 years. HAECO Americas is one of the world's largest aircraft maintenance, repair, and overhaul "MRO" providers. Their corporate headquarters is located in Greensboro and their customer base includes global airlines, governments, and aircraft leasing companies. The company has been in operation for over 25 years.

BUDGET IMPACT:

A total of up to \$400,000, or \$1,000 per new job, to be paid to the company in five consecutive installments of up to \$80,000 a year as up to 400 new jobs are created over a five (5) year period beginning in 2018. Funding will be allocated from the Economic Development Incentive Fund - Account 101-0205-01.5933.

RECOMMENDATION / ACTION REQUESTED:

It is recommended that City Council hold a public hearing and approve the request for an economic

development grant and authorize city staff to execute a performance agreement between the City of Greensboro and Triad International Maintenance Corporation d. b. a. HAECO Americas in an amount not to exceed \$400,000, or \$1,000 per job, to be paid in five consecutive installments of up to \$80,000 each over five (5) years.

COMMITTEE ACTION: This item was referred to Council by the General Government Committee.