



Legislation Text

File #: ID 20-0670, **Version:** 1

Public Hearing for Resolution Amending Resolution #5-20 Authorizing an Economic Development Incentive to Syngenta Crop Protection, LLC in an Amount Not to Exceed \$1,730,149

Council Priority: Create an Environment to Promote Economic Development Opportunities and Job Creation

Department: Executive

Council District: TBD

Public Hearing: October 6, 2020

Advertising Date/By: September 24, 2020/City Clerk

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PURPOSE:

The City Council of Greensboro approved an economic development incentive grant in an amount not to exceed \$1,730,149 for an investment of at least \$68,000,000, and the retention of 650 jobs at a location in Greensboro. Resolution #5-20 required the investment to be located in a designated Impact Zone. The Company is requesting the removal of the Impact Zone restriction.

BACKGROUND:

Syngenta Crop Protection, LLC is a US based agricultural company and subsidiary of a multinational enterprise focused on the research & development, production and sale of crop protection and seed products. The company was formed in 2000 through the merger of Novartis Agribusiness and Zeneca Agrochemicals. Syngenta AG is headquartered in Basel, Switzerland. Through the company's purpose "Bringing Plant Potential to Life", Syngenta is committed to providing farmers with innovative solutions to support agriculture and meeting the world's food demands.

Syngenta Crop Protection, LLC is evaluating the optimal location for their operations currently located at 410 Swing Road in Greensboro. The company is considering options within the City of Greensboro including the possible redevelopment of the current site.

The project will entail new investment of at least \$68,000,000 in real property improvements, new equipment and furniture/fixtures. The company will retain 650 jobs with an average salary of \$107,000 plus benefits in Greensboro. The project is expected to generate public benefit to the City of Greensboro by positively impacting the sale tax revenues and by increasing taxable property.

BUDGET IMPACT:

A projected amount of \$1,730,149 to be paid to the company in ten consecutive installments projected to be

\$173,014.90 a year. The incentive will expire if the investment is not made by December 31, 2023. No payment will be made until after July 1, 2021 and the adoption of the City's FY2021/2022 annual budget.

RECOMMENDATION / ACTION REQUESTED:

In accordance with the City's economic development guidelines and N.C.G.S § 158-7.1, it is recommended that the City Council hold a public hearing and approve the request to amend the economic development grant and authorize the City Manager to execute a performance agreement between the City of Greensboro and Syngenta Crop Protection, LLC in an amount not to exceed \$1,730,149 to be paid in ten consecutive installments estimated to be \$173,014.90 each over ten (10) years. The economic development incentive grant 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. The agreement shall include provisions approved by the City Attorney to recapture a portion of the incentive in the event the jobs are not retained for a 10 year period (the Job Retention Period). The company must invest at least \$68,000,000 in capital investment on or before December 31, 2023. The project will be subject to the City's Minority/Women's Business Enterprise Plan.