



Legislation Details (With Text)

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Title: Budget Ordinance Amendment No. 18BCC000043 to Recognize \$250,000 from North Carolina Biotechnology Center for Local Economic Development Awards

Sponsors:

Indexes:

Code sections:

Attachments: 1. AAF 43 NC Biotech Supplemental Form, 2. AAF-43 Legal Form Economic Development NC Biotech Awards (\$250,000)

Date	Ver.	Action By	Action	Result
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Item:
Budget Ordinance Amendment No. 18BCC000043 to Recognize \$250,000 from North Carolina Biotechnology Center for Local Economic Development Awards

Date Of BOCC Meeting: June 25, 2018

Request For Board Action:

The Board is requested to approve Budget Ordinance Amendment No. 18BCC000043 to recognize \$250,000 from the North Carolina Biotechnology Center for Local Economic Development Awards (EDA) to be disbursed by the County. The funds are to be recognized by Durham County as the local unit of government and then awarded to Aurobindo (\$100,000), Braeburn (\$50,000) and Novozymes (\$100,000). The NC Biotechnology Center has agreed to provide an economic development grant award though the County to incentivize companies to expand and maintain new business operations in Durham County while the disbursements of funds to the local government allows the County to maintain a direct relationship with the identified companies. The NC Biotechnology Center has three agreements in place with the County for each award and in turn the County has three agreements in place with each company to receive their award.

The North Carolina Biotechnology Center collaborates with North Carolina communities to attract life science economic development projects. Its Bioscience Industrial Development team provides industry-specific expertise and resources. The Center also supports community efforts through its Economic Development Award (EDA) Program. The EDA Program provides performance-based grants to local units of government in support of life science company projects. Grants are linked to job creation and retention milestones for specific company projects in the locality of interest. The local government administers the grant and allocates funds to the company to be used for project-related investments providing sustainable benefit to the company and community. The Center partners with both community and company to determine the appropriate use of EDA funds. In the case of the three agreements receiving the awards, funds will be used to contribute to the cost of real and tangible personal property investments with portions to be either spent on machinery and/or equipment or operations and/or research and development.

As part of their individual agreements, Aurobindo has agreed to create 180 jobs by April 26, 2019; Braeburn has agreed to create 30 jobs by March 15, 2019 and Novozymes created a minimum of 100 new jobs by April 22 of 2017. The minimum number of jobs must be maintained for one year after the jobs end date listed above per the respective agreement. If by the end of the maintenance date, the company has failed to maintain the new minimum job requirement, the company shall be required to pay the County \$1,000 for each job below the established new minimum job requirement threshold. The number of jobs in relation to the jobs start date are provided annually.

Aurobindo is a pharmaceutical manufacturing company that manufactures generic pharmaceuticals and active pharmaceutical ingredients. Braeburn focuses on the development and commercialization of medications for serious disorders of the central nervous system, including opioid addiction. Novozymes is a biotechnology company that focuses on research, development and production of industrial enzymes, microorganisms and biopharmaceutical ingredients.

Alignment With Strategic Plan: This item aligns with Goal 4: Environmental Stewardship and Community Prosperity to promote and support the community and economic vitality for all residents.

Resource Persons: Andy Miracle, Economic Development Officer and Jay Gibson, General Manager

County Manager's Recommendation: The County Manager recommends that the Board approve Budget Ordinance Amendment No. 18BCC000043 to recognize \$250,000 from the North Carolina Biotechnology Center for Local Economic Development awards.

County Manager: _____