



Legislation Details (With Text)

File #:	20-0067	Version:	1	Name:	
Type:	Action Item	Status:		Consent Agenda	
File created:	2/4/2020	In control:		Board of County Commissioners	
On agenda:	2/10/2020	Final action:			
Title:	Agreement Amendment to Extend North Carolina Biotechnology Award Passthrough to Aurobindo By Three Years				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	1. EDA Amendment Cover Letter, 2. Breifing Sheet - Aurobindo Pharma				

Date	Ver.	Action By	Action	Result
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Item:

Agreement Amendment to Extend North Carolina Biotechnology Award Passthrough to Aurobindo By Three Years

Date of BOCC Meeting: February 10, 2020

Request for Board Action:

The Board is requested to approve the agreement amendment that awarded passthrough funds from North Carolina Biotechnology Center to Aurobindo by the extending the jobs end date by three years.

In partnership with the North Carolina Biotechnology Center (NCBC) and to enhance the Life Sciences industry in Durham County, the County administers NCBC Economic Development Awards (EDA) at the local level. These awards are a three-party agreement where NCBC funds passthrough the County to a biotech company located in the County. This allows the County to form a relationship with the company as well as participate in the conversation about the use of funds.

A recipient of the EDA now located in Durham County is Aurobindo Pharma. The Company was awarded \$100,000, with an original jobs end date of April 26, 2019 and a jobs minimum of 180 new positions to be created. If approved, the new Jobs End Date (JED) will be April 26, 2022.

This extension is requested in light of construction and permitting setbacks Aurobindo faced during the build out of their new Durham facility and delays in obtaining environmental permits from the EPA. Together, these permitting delays pushed the start of construction into year 2 of the agreement. Additionally, the Company has struggled to find qualified employees in the current job market that is attributed to record low unemployment rates and the competition for local talent. All of the above have contributed to the Company's inability to onboard at the initially anticipated rate, which has recently started to improve. Since August 2017, Aurobindo has been steadily hiring and has on-boarded more than 50 new employees and remains committed to growing in Durham as evidenced by activity with online recruitment agencies such as NCWorks, LinkedIn, and other

resources to achieve its hiring goals of 180 new employees by April 2022.

Additionally, the amended grant agreement includes a commitment from Aurobindo to use a portion of its EDA grant to support three college level interns at their Durham site to strengthen their connectivity with the local community.

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: Andrew Miracle, Economic Development Officer; Jay Gibson, General Manager Goal 4

County Manager's Recommendation: The County Manager recommends that the Board approve the agreement amendment awarding passthrough funds from North Carolina Biotechnology Center to Aurobindo by the extending the jobs end date by three years.

County Manager: _____