



Legislation Text

File #: 18-0959, Version: 1

Item:

Budget Ordinance Amendment No. 19BCC000009 to Recognize \$175,000 in Economic Development Funds to AveXis

Date Of BOCC Meeting: August 13, 2018

Request For Board Action:

The Board is requested to approve Budget Ordinance Amendment No. 19BCC000009 to recognize \$175,000 in economic development funds to AveXis that were approved after a public hearing was held at the July 23 Board of County Commissioners regular session. The funds were provided as a donation to Durham County by Clarion Partners via the Chamber of Commerce.

AveXis will create 200 new jobs and is expected to invest approximately \$55 million in a facility at Research Tri-Center in Durham County (close to RTP) to produce potentially breakthrough therapies to address rare neurological genetic diseases. The company will create a variety of positions in Durham County, including engineers, manufacturing and quality control personnel, and supply chain specialists. AveXis is a bio-manufacturing company that will add to the County's Life Science cluster and the career ladder of bio-manufacturing jobs in the County.

AveXis intends to use its new Durham facility to manufacture its first product candidate, AVXS-101, its proprietary gene therapy to treat three types of spinal muscular atrophy, or SMA. SMA Type 1 is the leading genetic cause of infant mortality. The U.S. Food and Drug Administration has granted AVXS-101 orphan drug and breakthrough therapy designations for all types of SMA. The FDA also provided fast track designation for the SMA Type 1 indication.

AveXis' expansion in Durham County will be facilitated, in part, by a Job Development Investment Grant (JDIG) approved by the state's Economic Investment Committee. Over the course of the 12-year term of this grant, the project will grow the state's economy by an estimated \$918.5 million. Using a formula that takes into account the new tax revenues generated by the new jobs, the JDIG agreement authorizes the potential reimbursement to the company of up to \$2,232,000, spread over 12 years. The North Carolina Biotechnology Center also provided technical due diligence and funding support for this project through a jobs-based grant.

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. 19BCC000009 and recognize \$175,000 in economic development funds to AveXis.

County Manager: _____