



## Legislation Text

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**Item:**

**Budget Ordinance Amendment No. 19BCC000010 to Recognize \$220,000 in Economic Development Funds to LabCorp**

**Date Of BOCC Meeting:** August 13, 2018

**Request For Board Action:**

The Board is requested to approve Budget Ordinance Amendment No. 19BCC000010 to recognize \$220,000 in economic development funds to LabCorp 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 Karlin Real Estate via the Chamber of Commerce.

The global life sciences company known for its world-class clinical laboratory and drug development services, will locate a new operations center in Durham County, creating 422 jobs. The new positions will be added over time, and will include IT designers, software developers, operations staff, and senior and middle managers. LabCorp has been a member of the Durham community for over two decades and currently has over 1,000 employees locally and 60,000 worldwide. This global reach would have allowed LabCorp to expand anywhere. The company will invest \$30 million in a Durham facility on the Parmer RTP campus and provide a positive source of momentum for investments in Parmer RTP. In addition to the new positions that will be added over time, the facility will house existing information technology staff, along with personnel from its drug development business, who currently occupy several locations in Durham and Wake counties.

LabCorp, headquartered in Burlington, North Carolina, provides comprehensive clinical laboratory and end-to-end drug development services. With a mission to improve health and improve lives, LabCorp delivers world-class diagnostic solutions, brings innovative medicines to patients faster and uses technology to improve the delivery of care. LabCorp's expansion in Durham County will be facilitated, in part, by a Job Development Investment Grant (JDIG) approved by the state's Economic Investment Committee earlier today. Over the course of the 12-year term of this grant, the project will grow the state's economy by an estimated \$880 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 \$8,172,750, spread over 12 years. LabCorp will add a variety of positions with this expansion, including information technology designers, software developers, operations staff, and senior and middle managers. When all the new positions are filled, the total payroll impact will be \$27.7 million annually.

**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. 19BCC000010 to recognize \$220,000 in economic development funds to LabCorp.

County Manager: \_\_\_\_\_

