



Legislation Text

File #: 19-0433, **Version:** 1

Item:

Public Hearing to Consider Allocating Economic Development Funds to Policygenius Inc. (15min)

Date of BOCC Meeting: September 9, 2019

Request for Board Action:

The Board is requested to hold a public hearing to consider allocating a total of \$188,500 in Economic Development funds to Policygenius Inc. Policygenius, a fast-growing online insurance platform, will locate a new technical and operations center in Durham County, creating at least 377 jobs over the next five years, and will invest nearly \$6 million.

Policygenius, founded in 2014 with headquarters in New York City, is an independent insurance broker with an online platform that helps people shop and compare insurance plans from a range of providers. The company offers a variety of insurance products, including life, homeowners, and disability insurance. The company is considered an early pioneer in an industry segment known as 'insuretech,' and has attracted notice for its business and workplace innovations. In May of this year, Inc. magazine named the company to its list of 2019 Best Workplaces, and in June Ernst & Young named company co-founder Jennifer Fitzgerald its 2019 Entrepreneur of the Year for the New York region.

This project will result in Policygenius establishing their second headquarters. Although wages will vary depending on position, the average salary for all the new positions will reach \$72,216. The current average wage in Durham County is \$68,731. Many of the new positions will not require an advanced degree. With the company's central location in Downtown Durham, they will offer accessibility to the residential community nearby.

With approval of the award, Policygenius has agreed to make reasonable effort to participate in the following workforce development partnership engagements: Paid summer internships and jobs to include duplicating their existing paid summer internship program at their New York location; Participating in Educational sessions with students to include Guest Speaking and Career Conversations Work with Durham Public Library STEAM Center to provide Job Awareness programming; Engage Duke's Office of Durham and Regional Affairs to participate in workforce and community activities.

Policygenius' project in North Carolina 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 is estimated to grow the state's economy by nearly \$1.6 billion. 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 \$4,997,250, spread over 12 years. Durham County payments only occur following performance verification that the company has met its incremental job creation, investment and criteria targets.

Staff is recommending that the County provide \$188,500 in Economic Development Investment funds subject

to certain performance goals being met by Policygenius Inc., related to timing and amount of investment, employment creation and maintenance of the created jobs as well as partnership engagement criteria.

This public hearing has been advertised as required by law.

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; Jay Gibson, General Manager Goal 4.

County Manager's Recommendation: The County Manager recommends that the Board hold a public hearing to consider allocating a total of \$188,500 in Economic Development Investment funds to Policygenius Inc. that will invest a minimum of \$6 million and create 377 jobs.

County Manager: _____