



Legislation Text

File #: 19-0607, **Version:** 1

Item:

Public Hearing to Consider Allocating Economic Development Funds to Q2 Solutions (20min)

Date of BOCC Meeting: December 9, 2019

Request for Board Action:

The Board is requested to hold a public hearing to consider allocating a total of \$950,000 in Economic Development funds to Q2 Solutions and authorize the Manager to enter into preliminary negotiations and execute an agreement with the Company. Q2 Solutions, a leading clinical trial laboratory services organization, will establish a new facility in Durham to help develop the next generation of precision medicines, creating 749 jobs and investing \$84.2 million.

Q2 Solutions, a joint venture of IQVIA and Quest Diagnostics, offers end-to-end laboratory services and secure, enterprise-wide biospecimen and consent management solutions. The Company uses its global experience and scientific expertise to transform science and data into actionable medical insights that help its customers improve human health. The expansion of the Q2 Solutions Genomics Center of Excellence in NC enhances their ability to provide innovative genomics testing in North America, as well as further enable harmonized genomic testing in Q2 Solutions clinical trials globally.

With approval of the award, the Company has agreed to make reasonable efforts to participate in several workforce partnerships that include engagements with Durham Public Schools Career and Technical Education, Durham Tech BioWorks Advisory Committee, NC Works Career Center, Durham Public Library's STEAM Center and North Carolina Central's BRITE Center among others. Please find additional project details including a full list of partnerships, terms and project attributes in the briefing sheet attached to the agenda item.

Q2 Solutions, LLC's project in North Carolina will be facilitated, in part, by two Job Development Investment Grants (JDIGs) approved by the state's Economic Investment Committee on November 27th. Over the course of the 12-year terms of both grants, the project is estimated to add more than a \$1 billion to North Carolina's economy. Using a formula that considers the new tax revenues generated by the new jobs, through the combination of both JDIG agreements and both phases of the project, the Company may be reimbursed up to \$9.59 million 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 \$950,000 in Economic Development Investment funds subject to performance goals being met by the Company 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 \$950,000 in Economic Development funds to Q2 Solutions and authorize the Manager to enter into preliminary negotiations and execute an agreement with the Company.

County Manager: _____