

CITY OF HIGH POINT

AGENDA ITEM



Title: Packrite-- Performance-based Incentives - Public Hearing

From: Sandy Dunbeck
High Point Economic Development Corp.

Meeting Date: January 5, 2015, 6:15 pm

Public Hearing: Yes

Advertising Date:
December 23 2014 for public hearing legal ad

Attachments: Legal Notice

PURPOSE:

A public hearing has been set for the City Council to consider authorizing performance-based incentives for an expansion of Packrite at its 1650 Packrite Court, High Point - North Carolina location.

- 100 fulltime jobs would be added – 63 of those jobs would be added in Calendar Year 2015 and 37 additional employees over the next four years.
- The average wage of the new jobs would be approximately \$34,825/year.
- The increase to High Point's tax base would be \$9.5 million.

BACKGROUND:

Packrite was founded in High Point and has operated here since 2008. Packrite invested in technology and was able establish themselves as a leader in graphic High End Fluted Grapic Packaging.

- Packrite is a innovator in packaging design, development and manufacturing.
- Packrite is the exclusive single face lamination provider in the Southeastern United States.
- Packrite also offers microflute & folding paper packaging.
- Packrite's location is in South High Point off of East Kivett Drive.
- Packrite currently has 57 fulltime employees.
- Packrite is a Women Owned Business
- Packrite has been recognized by Inc Magazine as a top 500 company in 2012 and a top 5000 company in 2014.

BUDGET IMPACT:

If the company meets all of the benchmarks outlined in a performance agreement, it could receive up to \$152,450 in installment payments over a five-year period.. The source of that funding would be the City's Economic Development Incentive Fund, which is funded by general and electric revenues.

RECOMMENDATION / ACTION REQUESTED:

The High Point City Council authorizes up to \$152,450 in performance-based incentives for the Packrite expansion project at 1650 Packrite Ct.. – which includes the creation of 100 full-time jobs and the addition of \$9.5 million to the local tax base. The City Council authorizes the city manager to execute a performance agreement with the company, containing benchmarks for the company to achieve and a schedule for the payment of such financial assistance.

PUBLISH ONE TIME
THE HIGH POINT ENTERPRISE
Tuesday, December 23, 2014

Pursuant to N.C. General Statute 158-7.1, notice is hereby given that a public hearing will be held on Monday, January 5, 2015 at 6:15 pm. in the Council Chambers, High Point Municipal Building, 211 S. Hamilton Street, High Point, NC for the purpose of receiving public input on a respective funding request by a company that expects to expand at 1650 Packrite Court, High Point, NC. The company proposes to create 100 full-time jobs, and add \$9.5 million to the local tax base. The High Point City Council will consider authorizing up to \$152,450 with the source of funding being the Economic Development Incentive Fund, which is funded by general and electric revenues. The City would be authorized to provide this financial assistance upon the company's completion of building additions, improvements, up-fit and job creation, pursuant to an incentive performance agreement containing benchmarks and schedule for the payment of such financial assistance.

Affidavit of Publication Requested:
ATTN: Sandy Dunbeck
City of High Point
P.O. Box 230
High Point, NC 27261