

CITY OF HIGH POINT

AGENDA ITEM



Title: Public hearing for Cambrex High Point Inc.

From: Sandy Dunbeck and Loren Hill
High Point Economic Development Corp.

Meeting Date: September 17, 2018

Public hearing: yes

Advertising Date: September 6, 2018

Attachments: legal notice

Advertised by: High Point EDC

PURPOSE:

City Council will consider a request from Cambrex High Point Inc. to authorize up to \$428,400 in performance-based incentives for the company's potential expansion in High Point.

BACKGROUND:

Cambrex High Point Inc.

- The company is a Contract Development and Manufacturing Organization CDMO serving the Pharmaceutical Industry.
- The company is currently considering expanding at 4180 and 4170 Mendenhall Oaks Parkway.
- The company is also considering Charles City, Iowa or a west coast facility.
- The project will involve the investment of over \$30,000,000 in real and personal property.
- The project also involves the creation of 78 new jobs between 2019 to 2022. The positions are Process Chemists, Analytical Chemists, QA Scientists, Process Technicians, Process Engineers and Admin positions (Finance, HR, IT).
- Average wage for the proposed new jobs are \$78,438/year.

BUDGET IMPACT:

- If the company meets the benchmarks outlined in its performance agreement, it could receive up to \$428,400 in total paid in installments. 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 EDC staff recommends that the City Council:

- Authorize up to \$428,400 in performance-based incentives for the Cambrex High Point Inc. project and
- Authorize 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 incentives.