

CITY OF HIGH POINT

AGENDA ITEM



Title: Public hearing for Brittano Group & KNova Film Capital project

From: Executive Vice President Sandy Dunbeck and President Loren Hill

Meeting Date: July 20, 2020

Public hearing: yes

Advertising Date: July 9, 2020

Attachments: legal notice

Advertised by: High Point EDC

PURPOSE:

The High Point City Council has received a request from Brittano Group-KNova Film Capital to authorize up to \$1,547,000 in performance-based incentives. The company proposes to expand and grow an operation at 614 West Green Drive and other south High Point locations with the utilization of Opportunity Zone funding.

PROJECT & BACKGROUND:

- Brittano Group – located at 521 West Green Drive – is involved in producing movie and streaming network content. Brittano Group and KNova Film Capital plan to activate multiple properties in High Point's Southwest Opportunity Zone and Small-Scale Manufacturing and Place-based economic development area. The company and opportunity zone investors would acquire 614 West Green Drive and other south High Point properties. The building requires substantial upgrades, and there is possible new construction to support the projects.
- The project is expected to be up to \$100,000,000 for real and personal property improvements, investments in machinery and equipment, and operating capital – of which \$65,000,000 is projected to be taxable.
- There will be 120 plus jobs created at a \$32,500 average annual wage. The positions will include a management team and will also consist of positions in set construction, on-set and in-production positions working with film, sound, lighting, and craft services.
- Locations in other states are being considered by the Opportunity Zone Fund investors.

BUDGET IMPACT:

If the company meets the benchmarks outlined in its performance agreement, it could receive up to \$1,547,000 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 \$1,547,000 in performance-based incentives for the Brittano Group- KNova Film Capital 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.

AFFP

Pursuant to N.C. General Statute

Affidavit of Publication

STATE OF NORTH CAROLINA }
COUNTY OF GUILFORD }

SS

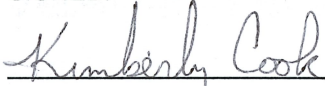
Kimberly Cook, being duly sworn, says:

That she is the billing clerk of the The High Point Enterprise, a daily newspaper of general circulation, printed and published in High Point, Guilford County, North Carolina; that the publication, a copy of which is attached hereto, was published in the said newspaper on

July 09, 2020

That said newspaper was regularly issued and circulated on those dates.

SIGNED:


the billing clerk

Subscribed to and sworn to me this 9th day of July 2020.



Barbara M Daniels, Notary, Guilford County, North Carolina

My commission expires: February 01, 2022

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CITY OF HIGH POINT EDC
PO BOX 230
HIGH POINT, NC 27261



Pursuant to N.C. General Statute 158-7.1

notice is hereby given that a public hearing will be held before the High Point City Council on Monday, July 20, 2020 at 5:30pm in the 3rd Floor Conference room, in the Municipal Building, 211 S. Hamilton St., High Point, NC. The purpose of the hearing is to receive public input on a respective funding request for local incentives. The company expects to expand at 614 W Green Drive, High Point, NC, and other south High Point properties and proposes to create 120 full-time jobs and invest up to \$65,000,000 that would be added to the tax base. The High Point City Council will consider authorizing an amount not to exceed \$1,547,000 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 incentive to the company upon the company meeting specified performance measures.

In order to maintain the health, safety, and well-being of our residents, staff, and the City Council, this meeting will be conducted electronically. As part of the city of High Point's COVID-19 mitigation efforts, in-person attendance will not be allowed at this meeting. Instead, the meeting will be live-streamed. Once the City Council is in session on July 20, 2020 at 5:30 p.m., please visit <https://www.highpointnc.gov/270/Virtual-Public-Meeting> to listen to the meeting. Public comments can be submitted by:

1. Calling 336-883-3522 and leaving a message, or by
2. Emailing written comments to publiccomment@highpoint-nc.gov, or by
3. Dropping written comments off in the City of High Point's utility payment drop-boxes located in the Green Drive and the Commerce Avenue parking on both sides of the Municipal Building located at 211 S. Hamilton Street.
4. Please identify the topic/public hearing. In accordance with recently adopted legislation regarding public hearings at remote meetings, after the public hearing is held, the required 24-hour waiting period will be open before a vote can be taken on this matter. During that time, the public can submit any additional comments on the subject matter for the public hearing.

Please note that the deadline for submitting comments for public hearings will be 24 hours after the public hearing is held by the City Council.

Questions? Please contact the City Clerk's Office at 336-883-3536 or 336-883-3690.

July 9, 2020