

CONFIDENTIAL
MINUTES OF THE CITY COUNCIL
OF THE
CITY OF GREENSBORO

CLOSED SESSION

15 FEBRUARY 2019

Pursuant to North Carolina General Statutes Chapter 143-318.11 (a) (4) a motion made at the Special City Council meeting held on the above date, the City Council of the City of Greensboro met in Closed Session at 11:46 a.m. in the ACC Hall of Champions Board Room located at the ACC Hall of Champions to discuss matters relating to the location or expansion of industries or other businesses in the area served by the City, including agreement on a tentative list of negotiations.

The following members of Council were present: Mayor Nancy Vaughan, Mayor Pro-Tem Yvonne Johnson, Councilmembers Marikay Abuzuaiter, Sharon Hightower, Nancy Hoffmann, Michelle Kennedy, Justin Outling, Tammi Thurm and Goldie Wells.

Also present: City Manager David Parrish, Assistant City Manager Barbara Harris, Interim City Attorney Jim Hoffman, and City Clerk Angela R. Lord.

Greensboro Chamber of Commerce President and Chief Executive Officer, Brent Christensen and Andy Zimmerman of AZ Development were also present.

Brent Christensen spoke to an economic development opportunity involving Andy Zimmerman of AZ Development on South Elm.

Mr. Zimmerman spoke to a proposal to attract companies to Greensboro; to a transformative project affecting Downtown, east Greensboro, and portions of south Greensboro; provided the history of acquiring the building; of renovations and inspections; referenced a newly formed company, expanding to our area, had acquired Global Brands; spoke to the potential for approximately 215 jobs; to a competitive process; and to additional investments needed to secure a commitment.

Councilmember Hoffmann asked about Mr. Zimmerman's investment thus far, to which he replied that he had invested approximately \$8.7 million.

Mr. Zimmerman explained the need for an increased budget of \$2 million; stated he would invest another \$1 million; and requested the City match his additional investment. Mr. Zimmerman explained the company needed a turn-key deal; and spoke to a catalytic and time sensitive project.

Mr. Christensen spoke to a purchase of Global Brands by Differential Brands, now renamed Centric Brands; confirmed Global Brands would remain in Greensboro; spoke to shared space; and to relocation needs.

Discussion took place regarding the defining of new or retained jobs; employment numbers for Global Brands; State and Senate programs; building capacity; parking challenges; Council support of the project; a potential ask of approximately \$1 million; a state building use grant application; a local government required investment of 5%; regulations and incentives; and providing an update at a future Council meeting.

Assistant City Manager Parrish spoke to the second item for discussion.

Mr. Christensen spoke to the an economic development incentive provided to Quovo; stated that the corporation had requested a two year extension on the jobs portion of their program; outlined expenditures; spoke to the creation and retention of jobs; to retirements; and to a shortage of approximately 35 positions.

Mayor Pro-Tem Johnson and Councilmember Hightower voiced support for an extension.

Discussion ensued regarding previous extensions on incentives; Guilford County's history of providing extensions; the time sensitive nature of the request; and acquired approval on County and State levels.

It was the consensus of Council to grant an extension.

Moved by Councilmember Hoffmann, seconded by Councilmember Hightower to adjourn the closed session. The motion carried by voice vote.

THE CLOSED SESSION WAS ADJOURNED AT 12:10 P.M. The City Council returned to open session.

NANCY VAUGHAN
MAYOR

ANGELA R. LORD
CITY CLERK

February 15, 2019
Closed Session



Angela R. Lord, City Clerk, CMC, NCCMC

Public Inspection Status

- (A) Must Remain Confidential _____
- (B) Confidential Pending Release _____
- (C) Release for Public Inspection _____

Release Authorized by:
City Attorney/City Council

Date

CONFIDENTIAL
MINUTES OF THE CITY COUNCIL
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CITY OF GREENSBORO

CLOSED SESSION

19 FEBRUARY 2019

Pursuant to North Carolina General Statutes Chapter 143-318.11 (a) (4) a motion made at the City Council work session meeting held on the above date, the City Council of the City of Greensboro met in Closed Session at 4:48 p.m. in the Council Office located in the Melvin Municipal Office Building to discuss matters relating to the location or expansion of industries or other businesses in the area served by the City, including agreement on a tentative list of negotiations.

The following members of Council were present: Mayor Nancy Vaughan, Mayor Pro-Tem Yvonne Johnson, Councilmembers Marikay Abuzuaiter, Sharon Hightower, Nancy Hoffmann, Michelle Kennedy, Justin Outling, Tammi Thurm and Goldie Wells.

Also present: City Manager David Parrish, Interim City Attorney Jim Hoffman, Deputy City Attorney Terri Jones, and City Clerk Angela R. Lord.

Greensboro Chamber of Commerce (Chamber) President and Chief Executive Officer, Brent Christensen and Andy Zimmerman of AZ Development were also present.

Brent Christensen provided the history of the project involving AZ Development property on South Elm Street; spoke to the creation of approximately 213 jobs; to a time sensitive project; and recognized Centric Brands (Centric) representatives Eddie Corado, Vice President of Operations, and Dana Howard, TSA Group.

Mr. Corado spoke to the fashion industry; to the current location of operations for Centric; outlined products; spoke to the opportunity to expand to Greensboro; to employment opportunities in finance and information technology; to a competitive process in the location selection; referenced a location in Los Angeles with available space that was being considered; and spoke to growing the company in Greensboro.

Ms. Howard, Centric TSA Group, spoke to logistics, transactional services, and shipping of products.

Discussion took place regarding the inclusion of the local college and universities; future investments; potential economic growth; and the availability of the property owned by Andy Zimmerman.

Mr. Corado, Ms. Howard and Mr. Zimmerman exited the meeting for Council discussions.

Mr. Christensen spoke to the request for Council to grant the City Manager authority to work with the Chamber to pursue incentives at the state level; a Building Reuse Grant of approximately \$500,000 with a 5% local match requirement; outlined the process for the City to serve as the grant administrator; spoke to an additional investment of \$1 million by the developer; to a request for a job based incentive at \$1,500 per job; to creation of the jobs within three years; and to the need for additional funding of \$200,000; and to researching the use of UDig.

Discussion continued regarding the involvement of Guilford County; job commitments; the relocation of Centric employees; comparison of amount per job to previous projects; \$54,000 average wages; incentives for the company; the potential to use UDig; and the history of the property in the textile industry.

Mayor Vaughan confirmed it was the consensus of Council to move forward with the project; spoke to the need for additional funding; and to the potential of Council approving \$2,000 per job if needed.

Discussion ensued regarding County participation; the upcoming deadline for the state program; and the need for a special called public hearing for the project.

Mr. Christensen reviewed a second project with Vulcan; spoke to the history of a well-known construction, agricultural and industrial global manufacturing company with approximately 6000 employees; to an interest involving property located at Reedy Fork; outlined the two phases of the project; an estimated construction start date of mid-September with an operational date of October 2020; spoke to capital expenditure; a potential for 662 jobs with an average wage of \$44,000; and outlined the request for an 8 for 80 with approximately \$2,000,000 in incentives based on the capital investment. Mr. Christensen spoke to a waste water build out; to county and state participation; to the involvement by the North Carolina Department of Transportation; and requested Council approval for an 8 for 80 incentive.

City Manager Parrish spoke to a pay-in incentive; and to site publicity.

Mr. Christensen confirmed it was the consensus of Council to move forward with the project.

Discussion continued regarding a tentative project for the White Oak plant reuse.

Moved by Councilmember Kennedy, seconded by Councilmember Thurm to adjourn the closed session. The motion carried by voice vote.

THE CLOSED SESSION WAS ADJOURNED AT 5:10 P.M. The City Council returned to open session.

NANCY VAUGHAN
MAYOR

ANGELA R. LORD
CITY CLERK

February 19, 2019
Closed Session

Angela R. Lord, City Clerk, CMC, NCCMC

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