

▶ CHAPEL HILL

INCENTIVES

CHAPEL HILL, NC

OPEN2.biz



VISION: Taking our place on the map as a world class center for research and development.



MISSION: Support opportunities to put Chapel Hill's people to work, and create economic prosperity for all, now and in the future.

Commercial Development Strategy

▶ CHAPEL HILL



Previous Incentives



Carraway Village

Incented to encourage commercial development

Performance required for qualifying:

- 1) 8,000SF of commercial development
- 2) 85,000SF of commercial development
- 3) 175,000SF of commercial development

▶ CHAPEL HILL

Previous Incentives



Wegmans

Based on incenting to choose Chapel Hill location

Performance required for qualifying:

- 1) Job creation
- 2) Tax Base growth
- 3) Sales tax growth

▶ CHAPEL HILL

Goal:

- ➔ Create quality jobs
- ➔ Strengthen the economy and build community wealth
- ➔ Sustain a high quality of life
- ➔ Promote stewardship of the Community's resources
- ➔ Maintain and develop affordable, quality housing opportunities
- ➔ Promote comprehensive opportunities for education, skills development and lifelong learning

Draft Incentive Policy

Shared goal with County and Town considering similar targets and framework

Targets:

Chapel Hill has targeted these types of businesses:

- ➔ Research and development,
- ➔ Applied Sciences,
- ➔ Technology, and
- ➔ Start-ups / entrepreneurial activities

Draft Incentive Policy

Shared goal with County and Town considering similar targets and framework

Development Incentives:

Development Incentives are about creating spaces to host businesses in the future. They also may be incented based on tax base impact while preserving a revenue stream for local governments. [Preservation of 50% of new tax base created]

Draft Incentive Policy

Shared goal with County and Town considering similar targets and framework

Job Creation and Investment Incentives:

➔ Minimum of \$2.5 million capital investment

➔ New or expanding businesses

➔ Jobs – minimum of 20 new jobs

➔ Incentive base on number of jobs:

\$3,000 per job	100
\$2,000 per job	75
\$1,000 per job	50
\$ 750 per job	20

Draft Incentive Policy

Shared goal with County and Town considering similar targets and framework

Draft Incentive Policy

Shared goal with County
and Town considering
similar targets and
framework

Job Creation and Investment Incentives:

- (1) New Business — A minimum of 20 net new jobs within 36 months
- (2) Existing Business Expansion — A minimum of 20 net new jobs created or retained within 36 months, plus retention of currently existing jobs.*

* New jobs must be retained for a minimum of 2 years beyond the incentive period

Alternative criteria (1):

Location, retention, or expansion of targeted office users. (type of business, number of employees, square feet occupancy may all be used to determine eligibility of this category).

Draft Incentive Policy

Shared goal with County and Town considering similar targets and framework

Alternative criteria (2):

Technology-based businesses, advanced manufacturing or start-up business.

Draft Incentive Policy

Shared goal with County and Town considering similar targets and framework

CHAPEL HILL

QUESTIONS?

OPEN2.biz