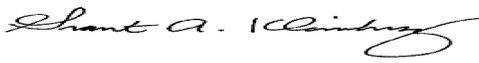


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|---|-----------------------------------|-------------------------|
| Date: | Reference No.: | Agenda Item No.: |
| 08/15/12 | Ordinance 2012-12 | 7.01 |
| Subject: Ordinance Providing Final Approval of the Economic Development Loan Agreement with BHC, LLC | | |
| Summary of Request: | | |
| <p>In May 2012, staff was approached by BHC, LLC (Buyers Holding Corporation) regarding a business venture that they were undertaking in Brownsburg. They were planning to create a specimen holding and storage facility in rented space from Simpson Properties operating as CryoPoint and create a partnership with an existing business in Town, BioLogics. BHC will plan to purchase and install \$700,000 worth of equipment and employ 23-35 new full time jobs averaging \$85,000 per job (\$2,125,000 to \$2,975,000 in payroll) and is asking the Town of Brownsburg for a sum of \$275,000 in the form of a loan to grant upon the completion of the previously state employment objectives annually for a 5 year period. Staff supports this agreement for the following reasons: 1. Creates 25-35 new good pay jobs; 2. Continues Brownsburg presence in the bio-tech life science field; 3. Company assists a current Brownsburg business - BioLogics; and 4. Payback in taxes for salary and equipment of roughly 7 years (\$23,800 annually for EDIT and \$10,000 for equipment tax = \$34,000 annually). The EDC has approved this agreement and has recommended consideration by the Council.</p> | | |
| Financial Summary: | | |
| Budget Funds Available | If Yes, Amount | |
| <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A | | |
| Budget Fund Information: | | |
| | Line Item Name | Line Item Number |
| | | |
| | | |
| | | |
| Recommend Bid/Contract Amount: N/A | | |
| Estimated Project Costs: (whole numbers) | | |
| | Architecture/Engineering | N/A |
| | Construction/Procurement | N/A |
| | Contingency | N/A |
| | Miscellaneous Costs | N/A |
| | TOTAL ESTIMATE | N/A |
| | Future Expenses (if any) | N/A |
| | Revenue Generated (if any) | N/A |
| Department Head Approval: | | |
| Date: | | |

| | | |
|---|--|--|
| Assistant Town Manager Approval: | | |
| Date: | | |
| ATM Comments: | | |
| | | |
| Supporting Documentation: | | |
| Ordinance 2012-12, Supplement to Application including Business Plan, Financial information, etc. (Confidential) | | |
| Action Requested: | | |
| Approval of Ordinance 2012-12 Ordinance Providing Final Approval of the Economic Development Loan Agreement with BHC, LLC for 2nd & 3rd Reading. | | |
| | | |
| Town Manager Approval: | |  |
| Date: | | 08/15/12 |
| TM Comments: | | |
| Staff has reviewed the proposed agreement, met with the EDC who approved the agreement and recommended consideration by the Town Council and feels that the proposal benefits the Town with investment, good paying jobs and further presence in the bio-tech industry. | | |