

MEMORANDUM

TO: Donna Barron, City Manager

FROM: Claire Powell, Assistant City Manager

DATE: July 15, 2021

SUBJECT: **Approval of an Economic Development Agreement Between the City of Lewisville and BIOR SX, LLC, and Authorization for the City Manager to Execute the Agreement.**

BACKGROUND

BIORSX LLC (Biosynthesis) is a manufacturer of high-quality nucleic acids, peptides, and other molecular biology products for medical research, diagnostics, and therapeutics industries. Biosynthesis has operated a manufacturing, warehouse, and office facility at 612 East Main Street in Lewisville since 1984.

Over the last several years, Biosynthesis has outgrown their 10,000 square foot headquarters and is looking to construct additional space for their office, manufacturing, research, and operations. With a potential site for their new 50,000 square foot facility located in Lewisville, Biosynthesis requested incentives from the City. In April 2021, staff presented the company's proposal during Council's executive session, and subsequently negotiated the attached agreement and deal points with the company. Those criteria are more specifically outlined in the analysis below.

ANALYSIS

In return for both remaining in Lewisville and expanding operations, the attached economic development agreement requires the following:

Company to:

- Construct a minimum 50,000 square foot new facility on Mario Court
- Complete construction of the new facility by December 31, 2022
- Maintain a minimum taxable value of the new property (including land) of \$4,500,000.00
- Retain the existing workforce and add new employees for a total of 100 full time employees at the new facility within five years of facility completion
- Submit a rezoning request for 612 Main Street to Old Town Mixed-Use 2 (OT-MU2).

City to provide:

- A 10-year annual grant equal to 50% of the company's real property taxes paid to the City of Lewisville, beginning the year following substantial completion (estimated at \$100,000 over ten years).
- One-time Building Permit Fee Grant, equal to 100% of the value of permits paid for the project (estimated at \$97,000.00).
- One-time Capital Recovery Fee Grant, equal to 50% of the value of capital recovery fees paid to the City of Lewisville for the project (estimated at \$28,000).

RECOMMENDATION

It is City Staff's recommendation that the City Council approve the agreement and authorize the City Manager to execute the agreement as set forth in the caption above.