

MAYOR & COUNCIL AGENDA COVER SHEET

MEETING DATE:

August 17, 2009

CALL TO PODIUM:

Tony Tomasello
Assistant City Manager

RESPONSIBLE STAFF:

Tony Tomasello
Assistant City Manager

AGENDA ITEM:

(please check one)

<input type="checkbox"/>	Presentation
<input type="checkbox"/>	Proclamation/Certificate
<input type="checkbox"/>	Appointment
<input type="checkbox"/>	Public Hearing
<input type="checkbox"/>	Historic District
<input type="checkbox"/>	Consent Item
<input type="checkbox"/>	Ordinance
<input checked="" type="checkbox"/>	Resolution
<input type="checkbox"/>	Policy Discussion
<input type="checkbox"/>	Work Session Discussion Item
<input type="checkbox"/>	Other:

PUBLIC HEARING HISTORY:

(Please complete this section if agenda item is a public hearing)

Introduced	
Advertised	
Public Hearing	
Hearing Date	
Record Held Open	
Policy Discussion	

TITLE:
Resolution of the Mayor and City Council Authorizing the City Manager to Negotiate and Execute an Economic Development Incentive Agreement With GXS

SUPPORTING BACKGROUND:
<p>The City of Gaithersburg Strategic Plan establishes that we will actively pursue economic development programs and strategies. A key approach to that strategy is a focus on retention of businesses currently in the City.</p> <p>GXS is a large high-technology firm employing over 300 workers at its headquarters location at the GE Technology Park. The company is being displaced from the current site as a result of the acquisition of the building by Montgomery County. The company retained a commercial real estate services firm to search for a new location in the greater Washington DC area.</p> <p>GXS has preliminarily selected the Summit at Washingtonian for the company's new headquarters site. This is a Class A building, and is the City's only LEED Gold pre-certified Class A office space.</p> <p>Given its region-wide search for new space, a package of financial incentives intended to secure the company at a new location within the City was developed. The final agreement has not been completed but the major terms would include the following –</p> <p style="padding-left: 40px;">Waiver of interior, buildout-related permit fees Rebate of City real property taxes allocated to space leased by GXS at the new site for a period of five years Expedited plan review and permitting</p> <p>An economic development incentive agreement will contain the expectations and conditions of both parties relating to award of the financial incentives. Staff is seeking approval to complete negotiations and execute the documents needed to move forward.</p>

DESIRED OUTCOME:
Vote on Resolution

RESOLUTION NO. _____

RESOLUTION OF THE MAYOR AND CITY COUNCIL AUTHORIZING
THE CITY MANAGER TO NEGOTIATE AND EXECUTE AN
ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT WITH GXS

WHEREAS, active pursuit of economic development programs and strategies is one of the City's priority Strategic Directions; and

WHEREAS, the Strategic Direction states that a focus of such programs is retention of businesses currently in the City; and

WHEREAS, GXS is a business, whose offices are located within the City, that employs over three hundred workers; and

WHEREAS, GXS desires to relocate its existing operations to a new site within the City; and

WHEREAS, GXS has requested that the City provide limited financial incentives, including real property tax abatements and certain permit fee waivers, in support of the relocation project; and

WHEREAS, the City and GXS set forth the terms and conditions of the financial incentives within an Economic Development Incentive Agreement:

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of Gaithersburg, that the City Manager is immediately authorized to negotiate and execute an economic development incentive agreement with GXS.

ADOPTED by the City Council on this 17th day of August, 2009.

SIDNEY A. KATZ, Mayor and
President of the Council

THIS IS TO CERTIFY that the foregoing
Resolution was adopted by the City Council
in public meeting assembled on the 17th day
of August, 2009.

Angel L. Jones, City Manager