

Item Title: Public Hearing and Consideration of a Business Development Grant Agreement for Coriolis Pharma

Specific Action Requested:

That the Board of Commissioners holds a public hearing and approves a Business Development Grant Agreement with Coriolis Pharma subject to the terms and conditions acceptable to the County Attorney.

Item Summary:

Purpose: State law authorizes counties to make appropriations for economic development purposes determined by the governing body to increase population, tax base, employment, and overall business prospects for the County. Wake County's Business Development Grant policy governs County appropriations for economic development incentives paid to companies expanding or locating in Wake County, including specific requirements for investment and job creation. Per statute, the governing board must hold a public hearing prior to making appropriations for economic development.

Background: Coriolis Pharma was founded in Martinsried Germany in 2008. The company provides drug product development, analytical, and manufacturing services and is a leader in the biologics industry. Recently, the company launched accelerator programs, which are designed to speed product development from early-stage research to clinical readiness.

On July 22, 2025, Coriolis announced plans to invest more than \$10 million and create 50 new jobs to establish its North American headquarters in the Spark Life Sciences (LS) development located along McCrimmon Parkway in Morrisville. The facility will include lab, storage, and manufacturing service capabilities. The jobs will pay an average annual salary of \$150,000, which is nearly double the current average private sector wage in Wake County.

Strategic Plan: This action supports Inclusive Prosperity Goal 2: By 2029, four out of five residents asked will say they have employment opportunities that are available and right for their needs.

Fiscal Impact: The County agrees to a Business Development Grant of 35% of new tax revenue generated for a five-year period, assuming contractual performance requirements are met. The estimated total five-year payout is \$90,495. The company also plans to qualify for the Upward Mobility Bonus, an additional 5% of the new tax revenue generated each year it qualifies for the standard grant. This is currently estimated at \$12,930 over the five-year grant period.

The total grant, including the Upward Mobility Bonus, is estimated to be \$103,290 over five years. Appropriations sufficient to meet the County's obligations under the terms of the agreement will be incorporated in the annual budget ordinance.

Additional Information:

On May 19, 2025 the Wake County Board of Commissioners met in closed session and authorized the County Manager to negotiate a business development grant agreement for the project.

To receive payment from the County, the company must meet performance criteria outlined in the proposed agreement including:

1. Investments that result in at least \$5 million in additional assessed property tax valuation by December 31, 2029.
2. Creation of at least 35 new jobs paying average annual wages of \$150,000 by December 31, 2029.
3. Full payment of Wake County Property taxes for all previous and current years in which taxes are owed.
4. Documented policies and practices to qualify and receive the 5% Upward Mobility Bonus.

Upward Mobility Bonus

The Company has also agreed to participate in the County's Upward Mobility Bonus program to receive an additional grant of 5% of new tax revenue generated by the project throughout the term of the grant. To qualify each year, the company will submit documentation to the County demonstrating that it does the following:

- Prohibits discrimination in employment practices consistent with the County's Nondiscrimination Ordinance.
- Offers health insurance at a level generally considered affordable.
- Provides paid leave that accommodates vacation, sick, bereavement, and parental leave; and

Offers at least two of the following:

- Program(s) that offset costs to employees associated with childcare.
- Program(s) that offset costs to employees associated with transportation.
- Program(s) that offset costs to employees associated with tuition or related educational expenses that increase employee skills and opportunities for advancement.
- Second chance hiring practices, including removal of prior conviction checkoffs.

Estimated Payments

Based on the proposed agreement, the first payment is expected to be made in late 2030 or early 2031 assuming the investment and hiring goals are met by 2029. The first payment could be earlier if the company meets its investment and hiring goals faster than anticipated.

The following chart is for illustration purposes only. The actual business development

grant annual amount will be based on new annual assessed valuations as determined by the Wake County Tax Administrator.

Business Development Grant & Upward Mobility Bonus *Estimate*						
Year	Total New Assessed Value	Wake County Tax	Incentive %	Business Development Grant Estimate	Upward Mobility Bonus	Total Estimate
1	\$10,000,000	.005171	35%	\$18,099	\$2,586	\$20,658
2	\$10,000,000	.005171	35%	\$18,099	\$2,586	\$20,658
3	\$10,000,000	.005171	35%	\$18,099	\$2,586	\$20,658
4	\$10,000,000	.005171	35%	\$18,099	\$2,586	\$20,658
5	\$10,000,000	.005171	35%	\$18,099	\$2,586	\$20,658
Total				\$90,495	\$12,930	\$103,290

State and Municipal Participation

The Town of Morrisville offered incentives up to 1% of the incremental assessed valuation paid over a five-year period, estimated at \$100,000 total. The Morrisville Town Council approved their incentive agreement on August 12, 2025. The State of North Carolina is not participating in incentives for this project.

Attachments:

1. Presentation
2. Business Development Grant Agreement
3. Wake County Business Development Grant Policy (Amended December 4, 2023)