



Albemarle County

Legislation Text

File #: 17-601, **Version:** 1

AGENDA DATE: 11/8/2017

TITLE:

Perrone Robotics Performance Agreement

SUBJECT/PROPOSAL/REQUEST: Perrone Robotics Performance Agreement

ITEM TYPE: Regular Action Item

STAFF CONTACT(S): Walker, Kamptner, Blair, Stimart

PRESENTER (S): John Blair

LEGAL REVIEW: Yes

REVIEWED BY: Douglas C. Walker

BACKGROUND: Perrone Robotics, Inc. (PRI), based in Crozet, Virginia, was founded in 2003 and develops mobile autonomous robotics solutions. Perrone provides services to companies to help them build and deploy their own robotics and autonomous solutions. Perrone Robotics chose to expand its operations in Albemarle County rather than relocate to another jurisdiction. The company anticipates creating at least 52 new jobs paying above average wages and making a \$3,870,000 capital investment in the County.

Perrone is eligible for the Virginia Jobs Investment Program (VJIP). For qualifying companies in basic sectors of industry - exporting goods or services outside of Virginia - and paying competitive wages, VJIP provides consultative services and funding to those companies to support employee-training activities. As a business incentive supporting economic development, VJIP reduces the human resource costs of new and expanding companies. The VJIP funding is awarded for every full-time job that has been filled for a period of at least 90 days. A company awarded a VJIP grant submits a form indicating the new employee name, job title filled for 90 days or more, and salary level. Upon receipt of the form, the Virginia Economic Development Partnership (VEDP) requests that the Virginia Comptroller mail a check in the amount allocated for those specific employees. VEDP awarded Perrone Robotics a VJIP Grant to match \$1,000 for every new job created.

STRATEGIC PLAN: *Economic Prosperity:* Foster an environment that stimulates diversified job creation, capital investments, and tax revenues that support community goals.

DISCUSSION: VJIP does not require a local match; however, the County recognizes that this was a competitive project, and that Perrone Robotics could have chosen to expand in other states and other communities. To support the company's expansion in Albemarle County, both the Board of Supervisors and the Economic Development Authority (EDA) would provide a match to the VEDP commitment at 50% of a previously indicated performance level of 52 jobs within a three-year period. As proposed, the Board would provide \$250 for each full-time job created, along with the EDA commitment of \$250 for each full-time job created, to establish a 50% match of the VEDP award of \$1,000 for each full-time job created.

BUDGET IMPACT: Albemarle County established an Economic Opportunity Fund in 2007 to "address

unemployment and underemployment of County residents by assisting County businesses in providing higher wage permanent jobs by providing matching funding to federal or state economic development projects.” This project will allocate \$13,000 from the County’s Economic Opportunity Fund over the course of three years as the company hires new staff.

RECOMMENDATION:

Staff recommends that the Board allocate \$13,000 from the County’s Economic Opportunity Fund to be appropriated to the Economic Development Authority upon request of the County Executive, and to authorize the County Executive to sign the attached performance agreement on behalf of Albemarle County.

ATTACHMENTS:

Attachment A - Perrone Robotics Performance Agreement