

Legislation Text

File #: 15-20925, Version: 1

Public Hearing and Decision for TTX Business Investment Grant

Action:

- A. Conduct a public hearing regarding approval of a City of Charlotte Business Investment Grant to TTX Company, and**
- B. Approve the city's share of a Business Investment Grant to TTX Company for a not to exceed amount of \$323,007 over seven years.**

Staff Resource(s):

Tracy Dodson, City Manager's Office
Matt Dufore, Economic Development

Explanation

- On July 11, 2023 TTX Company announced it would relocate its headquarters to Charlotte.
- This action is requesting a public hearing be conducted regarding City Council approval of a Business Investment Grant (BIG) of \$323,007 over seven years.
- On May 22nd, 2023, City Council, in closed session, indicated their intent to approve this BIG.
- TTX Company has committed to a capital investment of \$14,535,000 and creation of 150 jobs to be hired with an average wage of \$179,400.
- In addition to the City of Charlotte Business Investment Grant, the Mecklenburg County Board of County Commissioners approved a Business Investment Grant in the amount of \$231,927.
- In addition to the BIGs, the State of North Carolina approved a Jobs Development Investment Grant of up to \$1,827,750.

Background

- TTX Company is a railcar co-op currently based in Chicago, IL.
- The company has a heavy emphasis on rail safety and invests millions in annual rail maintenance and employee safety.
- TTX Company is committed to partnering with CPCC and local universities for talent.

Business Investment Grant

- Actual grant payments are based on the value of the investment as appraised by the Mecklenburg County Tax Office.
- Property taxes due from TTX Company must be paid before grant payment is made.
- If TTX Company removes the investment from Charlotte during the grant term, it shall pay back 100 percent of the investment grant paid to date.
- If TTX Company moves the investment from Charlotte within seven years of the end of the Business Investment Program (BIP) grant term, a portion of the grant must be repaid as follows.
 - Within one year of the end of the BIP Term - 90 percent of grant payments
 - Within two years of the end of the BIP Term - 75 percent of the grant payments
 - Within three years of the end of the BIP Term - 60 percent of the grant payments
 - Within four years of the end of the BIP Term - 45 percent of the grant payments
 - Within five years of the end of the BIP Term - 30 percent of the grant payments
 - Within six years of the end of the BIP Term - 20 percent of the grant payments
 - Within seven years of the end of the BIP Term - 10 percent of the grant payments

Fiscal Note

Funding: Business Investment Grant