

## Legislation Details (With Text)

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**Type:** Public Hearing Item **Status:** Agenda Ready

**File created:** 1/6/2021 **In control:** City Council Business Meeting

**On agenda:** 1/25/2021 **Final action:**

**Title:** Public Hearing for InterContinental Capital Group Business Investment Grant

**Attachments:**

Date	Ver.	Action By	Action	Result
1/25/2021	1	City Council Business Meeting	Close the Public Hearing	Pass

## Public Hearing for InterContinental Capital Group Business Investment Grant

### Action:

**Conduct a public hearing regarding approval of a City of Charlotte Business Investment Grant to InterContinental Capital Group.**

### **Staff Resource(s):**

Tracy Dodson, City Manager's Office  
Frances West, Economic Development

### **Explanation**

- On December 22, 2020, InterContinental Capital Group announced it would expand its existing operations in Charlotte.
- This action is requesting a public hearing be conducted regarding City Council approval of a not to exceed Business Investment Grant (BIG) of \$109,661 over seven years.
  - During the week of November 2nd, City Council indicated their intent to approve this Business Investment Grant during council discussions.
- InterContinental Capital Group has committed to a capital investment of \$5,844,450, and creation of 500 jobs to be hired over five-years with an average wage of \$87,500.
- In addition to the 500 new jobs, 120 current positions will be retained for the term of the grant.
- In addition to the Business Investment Grant, the State of North Carolina also approved a Job Development Investment Grant in the amount of \$7,694,250 and \$650,000 in community college training funds.
- In compliance with G.S. 166A-19.24 *Remote meetings during certain declarations of emergency*, written comments on the public hearing topic will be accepted by the Clerk's Office through January 26, 2021, at 11:59 p.m. Any additional comments received will be provided to Council.
- On February 8, 2021, City Council will be asked to approve the BIG to InterContinental Capital Group.

### **Background**

- InterContinental Capital Group is a direct lending mortgage bank that specializes in home financing and residential properties.
- Headquartered in Melville, New York, the startup was founded in 2005 and offers a home financing process that utilizes the latest technologies to ensure customers have a personalized experience.
- The company employs approximately 120 people in its current Charlotte office located in the Montford area.
- InterContinental Capital Group has a robust internal training academy that upskills new employees

into careers and retain top performers by offering six to 18 months of paid training towards national license in mortgage lending.

### **Business Investment Grant**

- The general terms and conditions of this grant include:
  - Actual grant payments are based on the value of the investment as appraised by the Mecklenburg County Tax Office.
  - Property taxes due from InterContinental Capital Group must be paid before a grant payment is made.
  - If InterContinental Capital Group removes the investment from Charlotte during the grant term, it shall pay back 100 percent of the investment grant paid to date.
  - If InterContinental Capital Group 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 grant payments
    - Within three years of the end of the BIP Term - 60 percent of grant payments
    - Within four years of the end of the BIP Term - 45 percent of grant payments
    - Within five years of the end of the BIP Term - 30 percent of grant payments
    - Within six years of the end of the BIP Term - 20 percent of grant payments
    - Within seven years of the end of the BIP Term - 10 percent of grant payments

### **Fiscal Note**

Funding: Business Investment Grant