

## Legislation Text

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File #: 15-14100, Version: 1

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### **Business Investment Grant for Retirement Clearinghouse, LLC**

#### **Action:**

**Approve the city's Business Investment Grant to Retirement Clearinghouse, LLC for a total estimated amount of \$78,686 over seven years.**

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

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

#### **Explanation**

- Retirement Clearinghouse, LLC is a financial technology ("fintech") company founded in Charlotte in 2001 and is currently headquartered in Charlotte.
- On August 11, 2020, Retirement Clearinghouse, LLC announced it would stay in Charlotte and expand its existing headquarters.
- Retirement Clearinghouse, LLC has committed to a capital investment of \$4,200,000 and creation of 300 jobs to be hired over five years with an average wage of \$72,717.
- In addition to the 300 new jobs, 60 current positions will be retained for the term of the grant.
- This action is requesting City Council approval of a not to exceed Business Investment Grant of \$78,686 over seven years.
  - On July 27, 2020, City Council, in Closed Session, indicated its intent to approve a Business Investment Grant to Retirement Clearinghouse, LLC.
- In addition to the Business Investment Grant, the State of North Carolina also approved a Job Development Investment Grant in the amount of \$3,267,000 and \$330,000 in community college training funds.
- On August 10, 2020, a public hearing was held on the Business Investment Grant for Retirement Clearinghouse, LLC. No comments from the public were received.

#### **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 Retirement Clearinghouse, LLC must be paid before a grant payment is made.
  - If Retirement Clearinghouse, LLC removes the investment from Charlotte during the grant term, it shall pay back 100 percent of the investment grant paid to date.
  - If Retirement Clearinghouse, LLC 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