

Legislation Text

File #: 15-15788, Version: 1

Business Investment Grant for Robinhood Markets, Inc.

Action:

Approve the city's Business Investment Grant to Robinhood Markets, Inc. for a not to exceed amount of \$157,726 over five years.

Staff Resource(s):

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

Explanation

- Robinhood Markets, Inc. (Robinhood), a fintech company headquartered in Menlo Park, CA, provides easy-to-use and low-cost financial products and services for clients including the purchase and sale of equities, options, and cryptocurrencies to retail investors via commission-free trading.
- On March 30, 2021, Robinhood announced it would locate a customer experience and account operations center in Charlotte.
- Robinhood has committed to a capital investment of \$11,780,000 and creation of 389 jobs to be hired over five years with an average wage of \$76,450.
- In addition to the Business Investment Grant (BIG), the State of North Carolina also approved a Job Development Investment Grant in the amount of \$3,006,000 and \$544,600 in community college training funds.
- A public hearing on the Robinhood BIG was held on June 14, 2021. No comments were received from the public.

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 Robinhood must be paid before a grant payment is made.
 - If Robinhood removes the investment from Charlotte during the grant term, it shall pay back 100 percent of the investment grant paid to date.
 - If Robinhood moves the investment from Charlotte within five 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

Fiscal Note

Funding: Business Investment Grant