

Legislation Text

File #: 15-19103, Version: 1

Public Hearing for Bosch Rexroth Corporation Business Investment Grant

Action:

- A. Conduct a public hearing regarding approval of a City of Charlotte Business Investment Grant to Bosch Rexroth Corporation, and**
- B. Approve the city's share of a Business Investment Grant to Bosch Rexroth Corporation for a not to exceed amount of \$959,426 over seven years.**

Staff Resource(s):

Tracy Dodson, City Manager's Office
Alyssa Brown, Economic Development

Explanation

- On October 6, 2022, Bosch Rexroth announced it would locate a customer experience and account operations center in Charlotte.
- This action is requesting a public hearing be conducted regarding City Council approval of a Business Investment Grant (BIG) of \$959,426 over seven years.
 - During the week of May 9, 2022, City Council indicated intent to approve this Business Investment Grant.
- Bosch Rexroth has committed to a capital investment of \$48,205,000, the creation of 24 jobs to be hired over five years with an average wage of \$67,016, and to retain 260 current positions for the term of the grant.
- In addition to the City of Charlotte Business Investment Grant:
 - Mecklenburg County Board of County Commissioners approved a Business Investment Grant in the amount of \$1,700,288.
 - State of North Carolina approved an On the Job Grant in the amount of \$100,000 and \$193,300 in community college training funds.

Background

- Bosch Rexroth is a manufacturer of linear motion and assembly technologies.
- The company's U.S. headquarters is in Charlotte and has operated a facility here for over 30 years.
- The company is building a new facility on a brownfield site off Tyvola Road.
- Their new building will feature high-tech capabilities for production and logistics with a customer showroom and headquarters and corporate functions.

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