

Legislation Text

File #: 15-19104, Version: 2

Public Hearing for Solve Industrial Motion Group Business Investment Grant

Action:

- A. Conduct a public hearing regarding approval of a City of Charlotte Business Investment Grant to Solve Industrial Motion Group, and**
- B. Approve the city's share of a Business Investment Grant to Solve Industrial Motion Group for a not to exceed amount of \$725,981 over seven years.**

Staff Resource(s):

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

Explanation

- On October 11, 2022, Solve Industrial Motion Group (Solve Industrial) announced it is expanding its operations in Charlotte to include a new distribution and headquarters facility.
- During the week of July 18, 2022, City Council indicated its intent to approve this Business Investment Grant.
- Solve Industrial has committed to a capital investment of \$34,850,000, the creation of 60 jobs to be hired over five-years with an average wage of \$74,500, and to retain 51 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 \$515,782, and
 - The State of North Carolina approved a On the Job Training Grant in the amount of \$60,000.

Background

- Solve Industrial is a manufacturer and distributor of power transmission products and industrial-grade bearings.
- The company has operated in Charlotte since the early 1990s.
- The newly constructed headquarters and distribution facility will house warehousing and distribution functions in addition to sales, marketing, and other corporate functions.
- The company will temporarily lease space in the Ayrley development while the new building is constructed.

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