

Legislation Text

File #: 15-19389, Version: 1

Public Hearing for Albemarle Corporation Business Investment Grant

Action:

- A. Conduct a public hearing regarding approval of a City of Charlotte Business Investment Grant to Albemarle Corporation, and**
- B. Approve the City's share of a Business Investment Grant to Albemarle Corporation for a not to exceed amount of \$7,239,818 over 12 years.**

Staff Resource(s):

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

Explanation

- On December 13, 2022, Albemarle Corporation announced it would locate an advanced lithium technology center in Charlotte.
- On November 28th, 2022, City Council indicated their intent to approve this Business Investment Grant during council discussions.
- Albemarle Corporation has committed to a capital investment of \$200,000,000 and creation of 200 jobs to be hired with an average wage of \$87,381.
- 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 \$4,201,706, and
 - The State of North Carolina approved a Jobs Development Investment Grant of up to \$1,239,000 for a term of 12 years and \$410,000 in community college training funds.

Background

- Albemarle Corporation is a Fortune 500 leading chemical manufacturer.
- The company relocated its headquarters to Charlotte in 2015 where it currently employs 463 people.
- On September 28, 2015, City Council approved a Business Investment Grant for Albemarle Corporation in the amount of \$75,711 for a term of three years. This grant has been paid out.
- The company has purchased the site at 6800 Solectron Drive in Council District 2 for the new advanced materials facility.
- This new center will house research on novel materials, advanced process development, and advance lithium products.

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

- If Albemarle Corporation moves the investment from Charlotte within twelve 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 to twelve years of the end of the BIP Term - 10 percent of grant payments

Fiscal Note

Funding: Business Investment Grant