



## Legislation Text

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File #: 16-3394, Version: 2

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### Title:

**Business Investment Grant: Corning Optical Communications LLC**

### Summary

#### ACTION:

- 1) Open public hearing to receive comments on a proposed Business Investment Program grant to Corning Optical Communications LLC
- 2) Close public hearing
- 3) Adopt a resolution approving a Business Investment Program grant to Corning Optical Communications LLC for a total estimated amount of \$748,303 and authorize the County Manager to negotiate and execute the contract

Staff Contact: Peter Zeiler, Director  
Economic Development

Presentation: Yes

#### BACKGROUND/JUSTIFICATION:

Corning Optical Communications (COC) is a division of Corning Incorporated, a glass products manufacturer and is headquartered in Hickory, NC. Corning Optical develops and manufactures fiber optic cables, fiber optic and copper cable hardware and equipment.

Corning Communications presence in Hickory consists of approximately 500 employees in headquarters functions and 1,200 in manufacturing and assembly functions.

COC is planning the relocation of its headquarters but will continue its manufacturing operations in Hickory.

Corning proposed project meets all the following grant guidelines for a five-year Business Investment Grant, specifically:

- A taxable investment of \$38,000,000 to be completed in the next three years
- Creation of 650 new jobs with an average wage of \$90,900.00 (which is equal to 185% of the average for the Charlotte-Gastonia-Rock Hill M.S.A.).
- There is competition for this project from Fort Mill, South Carolina

The general terms and condition of this grant include:

- A portion of the grant must be repaid if the company moves this investment from Charlotte within 3 years of the end of the grant term.
- Actual grant payments are based on the value of the investment as appraised by the Mecklenburg County Tax Office.
- All property taxes due from the company must be paid before a grant payment is made.

The Board of County Commissioners indicated their intent to approve this grant in a closed session on December 1, 2015.

At a closed session meeting on November 23, 2015, the Charlotte City Council indicated their intent to approve the City's share of the grant.

The State of North Carolina is offering \$210,000 in training funds.

A Public Hearing notice was published in The Charlotte Observer on June 10, 2016.

**Funding:**

Business Investment Grant Account; first payment is estimated to be paid would be made in FY21

**PROCUREMENT BACKGROUND:**

N/A

**POLICY IMPACT:**

N/A

**FISCAL IMPACT:**

N/A