



Legislation Text

File #: 19-5238, Version: 2

Title:

Public Hearing: Business Investment Grant - AvidXchange, Inc.

Summary

ACTION:

- 1) Open public hearing to receive comments on a proposed Business Investment Program grant to AvidXchange, Inc. (AvidXchange);
- 2) Close public hearing; and
- 3) Adopt a resolution approving a Business Investment Program grant to AvidXchange for a total estimated amount of \$2,084,836 and authorize the County Manager to negotiate and execute the contract

Staff Contact: Peter Zeiler, Director, Economic Development

Presentation: Yes

BACKGROUND/JUSTIFICATION:

- AvidXchange, Inc. is a “software as a service” [SaaS] company founded in 2000 in Charlotte. AvidXchange provides web-based accounts payable services for small to medium sized businesses across the county, helping customers save money by converting to all digital processes. AvidXchange services enable their customers to access analytics and performance monitoring usually only available to larger companies with significant in-house resources. AvidXchange is growing rapidly after securing significant new financing in 2017.

To accommodate this growth, AvidXchange is proposing a 225,000 sq.ft. building adjacent to new HQ to accommodate new positions.

AvidXchange’s proposed project meets all the following Business Investment Program guidelines for a seven-year grant, specifically:

- A taxable investment of \$42 million.

- Creation of 1,229 new jobs with an average wage of \$68,000.
- Expansion of an existing operation in Mecklenburg County.
- There is competition for this project from Woodlands, TX (Existing Facility); Kansas City, KS; Oklahoma City, OK.

The Business Investment Program grant is a 90% grant over 7 years, with an estimated total amount of up to \$2,084,836.

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 5 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 Assessor's 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 11, 2018.

In an open session meeting on February 25, 2019, the City of Charlotte approved a Business Investment Program grant of \$1,237,682.

A Public Hearing notice was published in the Charlotte Observer on February 23, 2019.

Funding

Business Investment Grant Account; first payment is estimated to be paid would be made in FY24.

PROCUREMENT BACKGROUND:

N/A

POLICY IMPACT:

N/A

FISCAL IMPACT:

N/A