



Legislation Text

File #: 19-5642, Version: 1

Title:

Business Investment Grant: Lowe's Companies, Inc

Summary

ACTION:

- 1) Open public hearing to receive comments on a proposed Business Investment Program grant to Lowe's Companies, Inc (Lowe's);
- 2) Close public hearing; and
- 3) Adopt a resolution approving a Business Investment Program grant to Lowe's for a total estimated amount of \$10,160,514 and authorize the County Manager to negotiate and execute the contract

Staff Contact: Peter Zeiler, Director, Economic Development

Presentation: Yes

BACKGROUND/JUSTIFICATION:

Lowe's is the second largest hardware and home improvement chain globally. It ranks # 42 on the Fortune 100 list and is headquartered in Mooresville, NC. Lowe's operates more than 2,000 stores and employs more than 300,000 people.

Lowe's is establishing a new technology center to ensure business growth, transform supply chain management, deliver service and merchandise excellence and operate more efficiently. This will be accomplished by creating a new facility with sufficient technology workforce to develop and implement the enhanced technology infrastructure for the company.

Lowe's proposed project meets all the following Business Investment Program guidelines:

- A taxable investment of \$153.88 million to be completed in the next three years.
- Creation of 1,612 new jobs with an average wage of \$110,000 and the regional retention of 300 jobs.
- There is competition for this project from York County, South Carolina and Dallas, Texas.

The Business Investment Program grant is a 90% grant over 10 years, with a not to exceed amount of \$10,160,514.

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 10 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 June 4, 2019.

In an open session meeting on July 22, 2019, the City of Charlotte approved a Business Investment Program grant of \$6,031,880.

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

Funding

Business Investment Grant Account; First payment is estimated to be paid would be in FY23.

PROCUREMENT BACKGROUND:

N/A

POLICY IMPACT:

N/A

FISCAL IMPACT:

N/A