

**County and Municipal Economic Development Discretionary Grant Guidelines:
Iredell County, Town of Mooresville, City of Statesville, Town of Troutman**

Iredell County and its municipalities, the Town of Mooresville, City of Statesville, and the Town of Troutman, have discretionary economic development grants for projects that broaden and diversify the development of new business and industry in their communities and support the expansion of existing business and industry that create and/or retain job opportunities for the citizens, promote the economic growth, and welfare of the area.

The purpose is to encourage and support the development of both new and expansion projects that develop the business and industrial base of the community. Assistance may be provided through direct grants, infrastructure development, land acquisition, building and site preparation, or other means authorized under North Carolina General Statutes.

Before the municipality will participate in any economic development project, it must be established that there will be an investment in real property and tangible personal property that will result in an increase in ad valorem taxes. The project must be completed within three (3) to five (5) years. The original value of the property will be deducted in calculating the real property basis. Land value is not included.

Notwithstanding other guidelines and requirements set forth below, assistance shall be limited to the expansion and location of companies and product development for the purpose of attracting commercial or industrial investment within the boundaries of the municipalities and Iredell County.

Capital Investment Projects

Capital investment projects require the creation of jobs and real property (building) and tangible personal property (machinery & equipment) investment, which will result in an increase to the municipality's and County's tax base. The intended investment should support the expansion of current industry as well as attracting new industry in the municipality or County. The following business types (as defined by S.I.C. codes used by the State of North Carolina) are eligible for an economic development incentive subject to funding availability: manufacturing and assembly; processing; warehousing and distribution; data and information processing; and administrative headquarters.

Headquarters and regional offices that create administrative, professional level jobs may be eligible for additional grants if the wages exceed the county's average wage. Companies that pay at least 50% of the cost of an employee's childcare costs may also receive an additional benefit. These grants shall be in addition to the capital investment incentive, but the total incentive cannot exceed the amount of increased taxes generated by the company.

The total grant awarded to a company is at the sole discretion of the local government. The standard grant terms will be paid post performance, paid in annual installments up to a specific number of years.

Projects producing over \$50 Million in new or expanded investment or the creation of more than 1,000 jobs paying at or above the average wages of the County may be given special consideration for additional investment participation by the local governments.

Requirements

Projects must meet one or more of the following criteria to be eligible for consideration for an incentive package:

- The project must submit a project summary form stating the competitive nature of the project. No investment should be made prior to the request and approval of the grant in order to meet the “But For” consideration, which qualifies that the project would not move forward without the grant.
- Existing companies must make a minimum capital investment of at least \$1 Million in Real Property and Tangible Personal Property, resulting in a minimum increase in new tax assessed value of \$1 Million.
- New companies must make a minimum capital investment of \$3 Million in Real Property and Tangible Personal Property, resulting in a minimum increase in new tax assessed value of \$3 Million.
- New companies must meet a minimum job creation 10 – 30 full-time jobs (varies by municipality) with 50% of healthcare benefits, with the total jobs paying at or above the county’s average wage or the municipal’s median household income. (Average wage is determined by dividing total location payroll by the total number of employees) The most up to date average wage for Iredell County is determined annually by the NC Department of Commerce and can be found here: [NC Commerce: North Carolina County Average Wages](#). The Median Household Income can be found for each municipality at <https://www.census.gov/quickfacts/>
- The project must meet all environmental laws and regulations of the State of North Carolina. Funds may be used in a manner consistent with GS 158-7,1. The parameters defining the level of contribution will be as follows:
 1. For the County the payout is equal to 75% of the increase in real property and 50% of the increase in tangible personal property tax value created by the capital investment.
 2. For the Town of Troutman, Town of Mooresville, and City of Statesville the payout is equal to 80% of the increase in real property and 50% of the increase in tangible personal property tax value created by the capital investment.
 3. The standard grant payout term for project with an investment of \$1 Million to \$2.9 Million is up to 3 years.
 4. The standard grant payout term for projects with an investment of \$3 million+ is up to 5 years.
 5. Additional years can be added to agreement based on the project meeting some of all of the following:
 - Wages at 120% of county average wage
 - Investment of more than \$30 million
 - Other demonstrated substantial “public benefit” as a result of the project

Application Process

The following procedure will be used by industry in requesting industrial development incentive awards:

1. Company must submit a letter to Iredell EDC and complete a project summary form and request that the application be considered by the local governments.
2. Project will be presented in Closed Session to the local government council/board of commissioners. The council/board of commissioners will give authority to the EDC to present an offer with the terms of the grant to the company.
3. If company accepts the terms and agrees to move forward, the company must inform the EDC in writing that they accept the grant offer and express their intent to move forward with the public process. A public notice will be advertised 10 days prior to a public

hearing held for the public to provide input and for the council/board to vote on the grant.

4. At the public hearing, the grant must receive a majority approval in favor of the grant.
5. Following the approval, the company and the municipality must execute an agreement within 180 days of the public hearing to stipulate the commitment of the industry to the community.