

**GUILFORD COUNTY**

**COMMERCIAL INVESTMENT POLICY**

**PREAMBLE**

WHEREAS, Guilford County has for a number of years provided support for and investments in targeted commercial and industrial projects;

WHEREAS, it is the desire of the Board of County Commissioners to adopt policies which encourages job creation;

WHEREAS, Guilford County values the contribution of all commercial businesses regardless of size and seeks to underscore this commitment by providing opportunities for a broad base of businesses, including small businesses, to benefit from an investment grant;

WHEREAS, improvements to qualified properties over an extended period of time will be a significant factor in shaping the image of Guilford County as a compelling location for new technologies and dynamic entrepreneurial activities; and

WHEREAS, it is well accepted policy in North Carolina that a local government may make investments by way of grants to and support for industrial and commercial projects which will create job opportunities and add to the local government's property tax base;<sup>1</sup>

NOW, THEREFORE, BE IT RESOLVED, that the following commercial investment policy shall be adopted and implemented by the Guilford County Board of Commissioners:

**ARTICLE 1  
QUALIFIED PROPERTIES AND INVESTMENTS**

All real property which is located in Guilford County ("the County") shall qualify for grants under the Commercial Investment Policy if: (1) such real property is deemed commercial, business, office, institutional, industrial or commercial land in accordance with Guilford County Development Ordinance 4-3-1, Schedule for Permitted Uses; and (2) is subject to County property taxation. Specifically not included under the Commercial Investment Policy is any real property which (i) is residential, either single family or multi-family, whether such real property is owner occupied or tenant occupied;

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<sup>1</sup> Statutory authority exists for this type of local government support. N.C.G.S. §158-7.1 (a) provides in pertinent part that "(e)ach county and city in this State is authorized to make appropriations for ... purposes which, in the discretion of the governing body of the city or county commissioners of the county, will increase...taxable property..." within the jurisdiction of the local government.

or (ii) does not generate County property taxes, such as property owned or utilized by a church, government entity, public university or nonprofit entity.

In order to qualify for any grants under this Commercial Investment Policy all of the following conditions must be met by the applicant as determined by the County Tax Director or his/her designee:

- 1.1 The subject real property must be located within the County and prior to any qualifying expenditures, be on the property tax rolls of the County;
- 1.2 The applicant must be the record owner(s) of the subject real property;
- 1.3 The expenditures in question must be for improvements, renovations and/or additions to the subject real property and not for personal property;
- 1.4 The improvements, renovations and/or additions to the subject real property must have been undertaken after July 1, 2009 and after the application for an appropriate permit from the applicable local government jurisdiction; and
- 1.5 The subject real property must have a higher property tax valuation after the improvements, renovations and/or additions, than it had before such alterations. In the event an application is submitted for a mixed use development, the County Tax Director shall only consider the commercial portion of such development for purposes of determining whether a higher property tax value was achieved.

An applicant for grants under this Commercial Investment Policy shall complete and submit the designated application form to the County Tax Director or his/her designee as such form is modified from time to time. Qualified grants made pursuant to this Commercial Investment Policy shall be paid to the owners of qualified real property within **thirty (30) days** of approval of the grant by the County Tax Director or his/her designee.

The County Tax Director shall make a report quarterly to the Guilford County Board of Commissioners (the "Board") of each year identifying the recipient(s) of investment grants, the amounts of such grants, general information regarding job growth and other information which may be required by the Board from time to time. This report shall be made available to the public.

## **ARTICLE 2 UNQUALIFIED PROPERTIES AND INVESTMENTS**

Improvements, renovations and/or additions to real property shall not qualify for grants under the Commercial Investment Policy for any year in which one or more of the following disqualifying factors exist:

- 2.1 The subject real property is a nonconforming use for the zoning district in which it is located, as determined by the relevant local government jurisdiction;

2.2 The subject real property is in violation of any applicable County Code or Ordinance or is the subject of an unresolved code enforcement action, as determined by the relevant local government jurisdiction; or

2.3 Any owner of the subject real property is delinquent in the payment of any taxes, assessments, fees or other debts owed to the County or a municipality within the County and such tax delinquency is not resolved to the satisfaction of the County Tax Director.

In the event any of the above factors exists in a year in which the owner(s) of the subject real property would otherwise qualify for a grant under the Commercial Investment Policy, the grant funds will be withheld by the County Tax Director until such time as the Director determines a satisfactory resolution has been achieved.

In addition, the Board may, in its sole discretion, choose to deny grants for all of the grant term or for any year of the grant term which the Board deems to be inconsistent with the best interests of the County. In this regard, the grants described in this Commercial Investment Policy are not vested rights of any owner(s) of real property, but instead are in the discretion of the Board. Moreover, no grant under this Commercial Investment Policy will be paid to the owner(s) of any real property who have been approved for grants and chosen to accept such grants under the County's ED Investment Policy.

### **ARTICLE 3 INVESTMENT GRANT AMOUNT AND TERM**

The owner(s) of real property which have qualified for investment grants hereunder shall receive investment grants each year for three (3) consecutive years, subject to the terms herein. The investment grant shall be equal to the amount of increased property taxes, over the amount of the property taxes prior to the improvements, renovations and/or additions, which increased amount of property taxes are the result of qualified improvements, renovations and/or additions. Specifically excluded from the calculation of investment grant amounts, are any increases in property tax valuations due to periodic property revaluations.

If at any time in the three (3) year grant period, the improvements, renovations and/or additions to the subject real property are removed, the subject real property is destroyed, or the subject real property is changed in any way, such that the level of property taxes collected falls below the level of property taxes prior to the improvements, renovations or additions, the investment grant amount for that year shall abate and not be paid.

### **ARTICLE 4 GRANT PROCESS**

Any grants to be made pursuant to this Commercial Investment Policy shall be administered and approved in accordance with the following processes for all years that a real property owner qualifies for a grant under this policy:

4.1 The real property owner(s) must obtain an appropriate permit from the applicable local government jurisdiction before any improvements, renovations and/or additions, which are intended to be a basis for grants under this policy, are undertaken;

4.2 The property tax base and resulting property tax collections, at the time an application is submitted to the County Tax Director or his/her designee shall be the base level of property tax collection;

4.3 **NOTE: TO BE INSERTED BY COUNTY TAX DIRECTOR - [In the event the owner(s) of real property which has qualified for grants hereunder sells or otherwise transfers ownership of the subject real property]; and**

4.4 At such time as the above steps have been accomplished and the requirements of Article 1 are satisfied, the grant funds will be paid to all real property owners which have qualified, no later than thirty (30) days following their compliance with the process set forth in Article I above. Failure by the County to achieve this timeline shall not be a basis for any claim for damages or interest, on behalf of any real property owner which qualifies for grants under this policy.

**ARTICLE 5  
MISCELLANEOUS**

Any decision of the County Tax Director or his /her designee as to the qualification of a particular real property improvement, renovation or addition for investment grants or the amount of such grants may be appealed to the Board. The Board retains full discretion as to any investment grants, and its decision in any appeal shall be final.

This Commercial Investment Policy applies only to property taxes attributable to the County and does not apply to property taxes attributable to any municipality in the County.

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Chairman to the Board of  
County Commissioners

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Clerk to the Board of  
County Commissioners