



**CHESTERFIELD COUNTY
BOARD OF SUPERVISORS
AGENDA**

Meeting Date: June 29, 2022

Item Number: 14.C.

Subject:

Approve a Grant Agreement with LEGO Manufacturing Richmond Inc. To Also Approve an Infrastructure Improvements Agreement with LEGO Manufacturing Richmond Inc. and the Commonwealth of Virginia

Board Action Requested:

The Board is requested to approve a Grant Agreement with LEGO Manufacturing Richmond Inc. and the Infrastructure Improvements Agreement with LEGO Manufacturing Richmond Inc. and the Commonwealth of Virginia.

Summary of Information:

LEGO Manufacturing Richmond Inc. plans to invest \$1 billion to build and equip a 1.7 million square foot manufacturing facility in Meadowville Technology Park in Chesterfield County. The project will provide substantial economic benefit to the County in terms of capital investment and job creation. Staff recommends the approval of a performance grant to the company which is conditioned upon LEGO Group's commitment to locate and construct the facility in the County.

The grant will be administered through the EDA and will be awarded annually, subject to appropriations by the Board, beginning when a certificate of occupancy is issued for the facility. The amount of the grant will be equal to 50% of the marginal increase in real estate taxes paid by LEGO Manufacturing Richmond Inc. for the first 15 years of operations of the facility, 25% of the marginal increase in real estate taxes paid for years 16 through 20, 100% of the machinery and tools taxes paid by LEGO for 20 years, and 100% of the taxes on its solar facilities which are not otherwise tax exempt under state law.

As part of the incentives for the project the Commonwealth of Virginia is granting to the County \$19 million dollars for construction of pad site infrastructure. The County will use these funds to construct a site pad ready to receive the manufacturing facility. The Infrastructure Improvements Agreement memorializes this agreement.

Staff recommends approval.

Attachments:

None

Preparer: Garrett Hart, Director
Gerard Durkin, Director of Budget and Management

Approved By:

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