

Fast Track Payment-in-Lieu-of Tax (PILOT)



MINIMUM REQUIREMENTS

- Net New Jobs - At least 25
To be counted, jobs must be 1,600 hours/year (FTE), pay at least \$12/hour excluding benefits with the employer covering at least 1/2 of the cost of health insurance. Both direct and third party contract employees are counted.
- Capital Investment - At least \$1,000,000
- Local Business Participation - The PILOT applicant must comply with EDGE's Local Business Participation program requirements. At minimum, the PILOT recipient must spend an amount equal to 25% of hard construction cost and 15% of total PILOT savings with certified MWBE/LOSB vendors.

PROGRAM ELIGIBILITY

The following types of projects, facilities, and buildings may be considered for a Fast Track PILOT:

- Industrial projects constructed to manufacture, assemble, process, fabricate, and distribute agricultural, mining, biomedical, electronics, food, chemical, alternative fuels, automobiles, or other products
- Distribution facilities
- Office buildings and service facilities that the PILOT Recipient will occupy for at least the PILOT term

The following types of projects are not eligible for a Fast Track PILOT:

- Projects that are already underway or have begun construction
- Projects for Housing, Entertainment, and Recreation Facilities
- Retail
- Speculative projects
- Fast Track PILOTs shall not be used for job retention purposes

NETTING

Fast Track PILOTs were created to encourage the growth of net new jobs. Therefore, existing firms at least doubling the number of jobs they have in Memphis/Shelby County and firms new to the area, that meet the minimum criteria, receive the full 10-year, 75% Fast Track PILOT. Existing firms that meet the minimum criteria, but are not doubling their existing number of jobs will see their Fast Track PILOT term reduced proportionately, based on a ratio of new to existing jobs. Fast Track PILOTs abate 75% of City of Memphis and Shelby County property taxes.

EVALUATION AND COMPLIANCE

During the PILOT term, PILOT recipients are required to submit reports detailing the recipient's capital investment, net new jobs, wages, local business participation, and other performance requirements. In addition, EDGE will conduct on-site assessments every four years to confirm PILOT performance. If the PILOT recipient fails to meet and maintain the prescribed requirements during the PILOT term, the PILOT may be subject to a reduction of benefits.

This EDGE Fast Track PILOT overview provides general program information. For authoritative information regarding the EDGE Fast Track PILOT program, please review the EDGE Fast Track PILOT Policies & Procedures document on the EDGE website, www.growth-engine.org.

phone: 901.341.2100
email: info@growth-engine.org

100 Peabody Place, Suite 1100
Memphis, TN 38103