



TITLE: Consider/Discuss/ Act on an Ordinance Creating Reinvestment Zone No. 27 for Manner Plastics, L.P.

MEETING DATE: January 15, 2013

DEPARTMENT: City Manager

CONTACT: Jason Gray

RECOMMENDED CITY COUNCIL ACTION:

- Adopt Ordinance

ITEM SUMMARY:

- The ordinance creates a statutory Reinvestment Zone No. 27 which is a prerequisite for granting a tax abatement (and its accompanying Agreement)
- The proposed tax abatement agreement includes the following terms:
 - A 50% ad valorem tax abatement of City taxes on the incremental real property value increase to the new real property improvements constructed to the Manner Plastics, L.P. facility and the increased value of the newly-sited business personal property at the facility.
 - The abatement will be determined by the City Council on a year-to-year basis, based on satisfaction of the performance criteria, not to exceed five years.

BACKGROUND INFORMATION:

- Manner Plastics, L.P. is a company which manufactures flexible PVC compounds, and specializes in producing flexible PVC compounds for wire and cable, extrusions and injection molding applications.
- The tax abatement relates to the expansion of the manufacturing facility owned by Manner Plastics, L.P.

FINANCIAL SUMMARY:

- The final valuation of the taxable assets (building improvements of and new equipment of not less than \$5,000,000) sited at Manner Plastics, L.P.'s facility on or before January 1, 2014, will determine whether Manner Plastics, L.P. 's will be granted a tax abatement in such eligible years of the tax abatement agreement.

BOARD OR COMMISSION RECOMMENDATION:

- N/A