



Special Agenda 10/11/2022

Notice is hereby given of a regular meeting of the City of San Angelo Development Corporation (COSADC) to be held on October 11, 2022, at 8:30 AM at the East Mezzanine of City Hall, 72 W. College Ave., San Angelo, Texas, for the purpose of considering the following agenda items.

- 1. Call to Order**
- 2. Prayer**
- 3. Public Comment**

Issues or items that are not on the agenda may be raised by the public at this time. Citizens should speak from the podium, begin by stating their name and limit remarks to less than three minutes. Board members may request that a discussed item be placed on a future agenda. The Board takes public comments on all Regular Agenda items during the discussion of those items.

4. Regular Agenda

- a. Consider approving a resolution authorizing a project under Chapters 501 and 505 of the Texas Local Government Code to utilize Sales and Use Tax funds in an amount not to exceed \$75,000 to Rosenberger Site Solutions, LLC, for a project related to business enterprises that create or retain primary jobs, subject to City Council approval; and authorizing the Board President to negotiate and execute all necessary documents

- 5. Follow Up and Administrative Issues**
- 6. Adjournment**

CERTIFICATION

I hereby certify that the above notice of the meeting was posted on the bulletin board at the City Hall of the City of San Angelo, Texas, on the 7th day of October 2022 at 11:30 A.M.

Michael Dane
Economic Development Interim Director

All agenda items are subject to action. All contracts/agreements may be subject to further negotiation prior to execution. The Board reserves the right to consider business out of posted order and/or meet in a closed session on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code. In compliance with the Americans with Disabilities Act, the City of San Angelo Development Corporation will provide for reasonable accommodations for persons attending board meetings. To better serve you, requests should be received 48 hours prior to the meetings. Please contact the Economic Development Office at

325-653-7197. COSADC meetings are broadcast on Channel 17-Government Access at 8:00 A.M. on every Wednesday on the Wednesday after each meeting.

Requestor: Robert Schneeman, Economic Development Coordinator, COSADC, 325.653.7197

Meeting Date: October 11, 2022

Item type: Regular Item

Caption:

Consider approving a resolution authorizing a project under Chapters 501 and 505 of the Texas Local Government Code to utilize Sales and UseTax funds in an amount not to exceed \$75,000 to Rosenberger Site Solutions, LLC, for a project related to business enterprises that create or retain primary jobs, subject to City Council approval; and authorizing the Board President to negotiate and execute all necessary documents

Summary/History:

Company is a manufacturer of electronic communications components, connectors etc currently located in Pennsylvania. Nationwide, they employ about 100 employees. They intend to relocate a portion of their operation to San Angelo. The estimated cost to move their equipment valued at about \$670,000 is \$250,000. In addition, they have signed a lease on a building located on Tractor Rail in San Angelo and anticipate spending approximately \$250,000 on Tennant improvements. There is also a longer range potential for future expansion into another much larger building across the street.

Staff is proposing incentives as follows:

Moving / Tenant Improvements - \$30,000

Job creation at \$1,000 per FTE - \$20,000

Tax Reimbursement - \$25,000

Total Incentive not to exceed \$75,000

Job creation will be based on total payroll at \$35,000 per FTE. Jobs once incentivized must be retained for a minimum of three years.

Tax reimbursement will be based on actual Business Personal Property Taxes paid for a total of three years, the total amount not exceeding \$25,000.

Financial Impact:

\$75,000 from Future Projects to a new project account No. Budget amendment required.

Other Information/Recommendation:

Staff recommends approval

Attachments:

1. Resolution

Resolution.pdf

Presentation:

Robert Schneeman

Approvals/Reviews:

Robert Schneeman

Brandon Dyson

Tina Dierschke

Michael Dane

Created/Initiated

Approved

Approved

Final Approval

A RESOLUTION OF THE CITY OF SAN ANGELO ECONOMIC DEVELOPMENT CORPORATION BOARD OF DIRECTORS AUTHORIZING A PROJECT UNDER CHAPTERS 501 AND 505 OF THE TEXAS LOCAL GOVERNMENT CODE TO UTILIZE SALES AND USE TAX FUNDS IN AN AMOUNT NOT TO EXCEED \$75,000 TO ROSENBERGER SITE SOLUTIONS, LLC, FOR A PROJECT RELATED TO BUSINESS ENTERPRISES THAT CREATE OR RETAIN PRIMARY JOBS, SUBJECT TO CITY COUNCIL APPROVAL; AND AUTHORIZING THE BOARD PRESIDENT TO NEGOTIATE AND EXECUTE ALL NECESSARY DOCUMENTS

WHEREAS, on November 2, 2010, voters of the City of San Angelo adopted a ballot proposition approving the use of sales and use tax proceed for the continued economic development projects authorized under Section 4B of the Texas Development Corporation Act (hereinafter the “Act”); and

WHEREAS, Rosenberger Site Solutions, LLC (“Rosenberger”) is a company headquartered in Akron, Pennsylvania engaging in the manufacture and sales of electronic communications components; and

WHEREAS, Rosenberger wishes to relocate a portion of its manufacturing operation to the City of San Angelo by acquiring a property lease for its facility within the City, making a capital investment of \$670,000 in equipment, and employing 25 -30 full time employees (the “Project”); and

WHEREAS, Rosenberger has applied with COSADC for an incentive to carry out its relocation plans, and the Board of Directors has determined that the Project will promote or develop a business enterprise that creates or retains primary jobs; and

WHEREAS, the Board of Directors of COSADC has determined that the Project and provision of Project funding are in compliance with the requirements and purposes of the Act, the COSADC Articles of Incorporation and bylaws approved by City Council; and, that the Project serves the public purposes set forth in the Act; and

WHEREAS, at least sixty (60) days prior to undertaking a project, a public notice of the specific project shall be published and at least one public hearing shall be held by the Development Corporation prior to expending funds on the Project in compliance with the requirements of the Development Corporation Act (the Act), Sections 505.159 and 505.160 of the Local Government Code.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF SAN ANGELO DEVELOPMENT CORPORATION THAT:

The City of San Angelo Development Corporation offers this Resolution finding that the foregoing recitals are true and correct and incorporating them by reference as if set forth in their entirety herein; authorizing the use of sales and use tax funds in an amount not to exceed \$75,000 as an incentive to Rosenberger Site Solutions, LLC, for the relocation of a portion of their manufacturing operation to San Angelo, Texas; authorizing the Board President to negotiate and execute an economic development performance agreement with Rosenberger Site Solutions, LLC, and all associated documentation; and recommending to City Council ratification of the incentive and approval of the economic development performance agreement.

ADOPTED on this the 11th day of October, 2022.

CITY OF SAN ANGELO
DEVELOPMENT CORPORATION

Max Puello, President

ATTEST:

Nora Nevarez, Corporation Secretary

APPROVED AS TO FORM

Brandon Dyson, Deputy City Attorney

APPROVED AS TO CONTENT

Michael Dane, Interim Director of
Economic Development