

Date: November 14, 2022
Amount: \$15,000,000.00
Account Number: N/A

EXPLANATION TO COUNCIL BILL

ORIGINATING DEPARTMENT: Planning & Community Development

PURPOSE: To support a plan for industrial development and to authorize issuance of Chapter 100 revenue bonds, for Schutz Container Systems Inc. in the amount not to exceed \$15,000,000.

REMARKS: The City is hereby expressing its intent to issue and sell its Taxable Industrial Development Revenue Bonds, in an aggregate principal amount not to exceed \$15 million for the purpose of new capital investment in conjunction with the expansion of an existing facility in Eastowne Business Park.

The Company will invest a total of \$15 million in the new capital investment consisting of equipment over the next three years to maintain its presence in St Joseph and create 44 new jobs. Through the issuance of Chapter 100 Bonds, the Company would receive 75% abatement on all personal property taxes in years one and two and 50% abatement in years three to ten.

Approval of this Resolution allows the Company to move forward with plans to purchase new capital in conjunction with a new location in St Joseph. Further approval by City will be required through adoption of an Ordinance upon completion of the project in order to obtain City Council approval to issue Bonds associated with the final cost of the project. The City of St Joseph is not responsible or liable for the debt associated with this Bond Issuance.

City staff recommends APPROVAL of this Resolution.