



MEMORANDUM

To: Mayor and City Council

From: Clay Phillips, City Manager

Date: May 14, 2013

Reference: Consider approval of an Ordinance designating Norwex USA, Inc., Reinvestment Zone No. 77 pursuant to Section 312.201 of the Property Redevelopment and Tax Abatement Act, and authorizing the Mayor to sign.

2030: Business Prosperity

Introduction:

In 1994, Norwex began in Norway. The company produced personal care and cleaning products with a radically reduced amount of chemicals. In 1995, Norwex entered the home party market in Norway and grew dramatically. In 1999, Norwex expanded to Canada and the United States, and by 2010, they were selling products worldwide.

The company has grown rapidly and outgrew their former space in Addison. After a long search, Norwex decided to move their U.S. Headquarters and distribution center to 800 W. Bethel. They are occupying 110,000 square feet of space in this building. They have approximately 250 employees.

Analysis:

In order to grant a tax abatement, a reinvestment zone must be created by ordinance. In order to create a reinvestment zone by ordinance, a public hearing must be held. This item satisfies both requirements. The public hearing is held to determine if the improvements in the zone are feasible, practical and of benefit to the land. The public hearing notice was published in the *Citizens' Advocate* on Friday, May 3, 2013, as required by Chapter 312 of the Texas Property Code. The 8.8556 acre tract of land included within the boundaries of Reinvestment Zone No. 77 is located north of Bethel Road and west of Freeport Parkway. The legal description for the property is Block A, Lot 2R1 of the Duke-Freeport Addition.

Legal Review:

Agenda item did not require legal review.

Fiscal Impact:

N/A

Recommendation:

Economic Development recommends approval.