



MEMORANDUM

To: Mayor and City Council

From: Mindi Hurley, Director of Community Development

Date: December 12, 2023

Reference: Consider approval of an Economic Development Agreement by and between the City of Coppel and Welbilt FSG US Holding, LLC; and authorizing the Mayor to sign.

2040: Create Business and Innovation Nodes

Introduction:

The purpose of this item is for Council consideration and approval of an economic Development Agreement by and between the City of Coppel and Welbilt FSG US Holding, LLC. This is a companion item to Agenda Item D, which approved a Resolution for a Tax Abatement.

Background:

Welbilt FSG US Holding, LLC has selected to relocate their North American Headquarters, which will include their Global Destination Customer Facing Center and product distribution center, to Coppel. Welbilt provides industry-leading foodservice equipment and solutions for the world's top chefs, premiere chain operators and growing independents. The company was established in 1929, and they have built 22 product brands that are designed to improve productivity, quality and profitability for its customer base in more than 100 countries. They are currently located in New Port Richey, Florida, but they outgrew their existing building. The company completed a search to find a new home for their North American Headquarters, and as part of the negotiations, the City made an offer to help incentivize their decision to relocate to Coppel.

Welbilt is purchasing the building located at 1010 W. Sandy Lake Rd. The building totals 130,030 square feet in size. The building was completed in 2023, and the current appraised value for the building is \$11,604,170. Welbilt will bring in visitors to their Global Destination Customer Facing Center throughout the year, and they will invest an additional \$7,000,000 in tangible personal property.

As part of the incentive to attract Welbilt to Coppel, the City offered an Economic Development Incentive Agreement that provides a 90% rebate on the City's portion of real property taxes for a period of 8 years and a cash grant of \$250,000.

Benefit to the Community:

Welbilt FSG US Holdings, LLC will generate new property tax dollars for the community and provide opportunities for employment. In addition, they will bring in visitors to their Global Destination Customer Facing Center throughout the year that can stay in Coppell hotels and eat at Coppell dining establishments.

Legal Review:

The City Attorney's Office drafted the agreement.

Fiscal Impact:

90% rebate on the City's portion of real property taxes for a period of 8 years and a \$250,000 cash grant.

Recommendation:

Staff recommends approval.