



MEMORANDUM

To: Mayor and City Council

From: Clay Phillips, City Manager

Date: May 14, 2013

Reference: Consider approval of a Resolution approving a Tax Abatement Agreement between the City of Coppell and Norwex USA, Inc., 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:

Reinvestment Zone No. 77 will be created for Norwex USA, Inc. by ordinance on May 14, 2013. The resolution and tax abatement that coincide with that reinvestment zone will grant a 5 year, 85% abatement on business personal property. An Economic Development Agreement will be brought forward at a later meeting.

Legal Review:

Agenda item did not require legal review.

Fiscal Impact:

N/A

Recommendation:

Economic Development recommends approval.

