



MEMORANDUM

To: Mayor and City Council

From: Mindi Hurley, Director of Community Development

Date: October 11, 2022

Reference: Consider approval of an Ordinance designating Rochester Sensors Reinvestment Zone No. 114 pursuant to Section 312.201 of the Property Redevelopment and Tax Abatement Act; and authorizing the Mayor to sign.

2040: **Create Business and Innovation Nodes**

Introduction:

A public hearing is required to approve an Ordinance that designates boundaries of a reinvestment zone prior to the approval of a Tax Abatement Agreement. This public hearing is to designate Reinvestment Zone No. 114 for Rochester Sensors, LLC.

Background:

Rochester Sensors, LLC is a global manufacturer of high-quality gauges, sensors, switches and systems used to measure liquid levels. The company, founded in 1913, is currently headquartered in Dallas but has manufacturing facilities in Mexico, Belgium, the United Kingdom and China. Due to the proposed incentive agreement and other factors, Rochester Sensors has selected Coppell as their new global headquarters. The company will occupy approximately 80,000 square feet of space at 1025 S. Belt Line Road. Rochester Sensors will have 200 employees at the Coppell location, and will sign a minimum 7-year lease term. The company will add approximately \$3.6 million in furniture, fixtures, and equipment, and while a majority of the inventory will be subject to Triple Freeport Tax Exemption, there will be tax generating revenue from the business.

Before a tax abatement can be granted, a reinvestment zone must be created. A public hearing must be held before an ordinance can be approved to create the reinvestment zone. This agenda item satisfies both of those requirements. The public hearing is held to determine if the improvements in the zone are feasible, practical and of benefit to the land. The ordinance will create Reinvestment Zone No. 114.

The public hearing notice was published in The Rambler on Saturday, October 1, 2022. The public hearing is for the designation of a reinvestment zone for Rochester Sensors, property described as Park West Commerce Center, Lot 2R3, Block 2, which is 16.8 acres located north of Airline Drive and west of S. Belt Line Road.

If City Council approves this agenda item, a public notice will also be placed on the City's website for a minimum of 30 days before the tax abatement agreement is brought forward for consideration.

Benefit to the Community:

Holding the public hearing and approving the Ordinance will allow the City Council to consider a tax abatement agreement for Rochester Sensors, LLC at a future date. If a tax abatement agreement is approved, the City of Coppell would gain the global headquarters of a quality industry, which supports the Vision 2040 pillar of Creating Business and Innovation Nodes.

Legal Review:

Pete Smith with Nichols Jackson Dillard Hager Smith drafted the agreements.

Fiscal Impact:

N/A

Recommendation:

The Community Development Department recommends approval.