City of **JOPLIN** City Council Agenda Item

Requested Council Meeting Date: July 18, 2016

Item: Council Bill No. 2016-365
Originating Department: PLANNING & COMMUNITY DEVELOPMENT

Attachments:
1) Attachment A - CDBG Agreement
2) Company Information
2) Council Bill No 2016-365

Director of Planning, Dev, and NS: Troy Bolander
City Attorney: Peter Edwards
City Manager: Sam Anselm
Finance Director: Leslie Haase

INTRODUCTION:
The following agreement permits the City of Joplin to provide a financial incentive package to HS Baking, LLC for the creation of jobs in the City of Joplin.

DISCUSSION:
H&S Baking is a Midwest-based contract baker that makes soft-bake cookies for food service applications. The firm plans to acquire the facility located at 13th & Junge previously occupied by Annie's/General Mills. HS Baking has been working with General Mills and the local and state economic teams and will make a significant investment in purchasing the facility and equipment to produce the soft-bake cookies. The company plans to utilize the existing machinery in the facility to produce a cracker type product in the future.

Community Development Block Grant (CDBG) Forgivable Loan: Fifty-thousand dollars ($50,000) forgivable CDBG loan will be provided over a two-year period. The loan will be forgiven if HS Baking Enterprises meets the conditions of the agreement including the creation of at least 50 new jobs and 51% (26) of the jobs include low-to-moderate income hires. If HS Baking Enterprises fails to create the required jobs or fails to meet their obligations in the contract, they will be required to payback the full amount of the loan and property purchased with CDBG assistance becomes property of the City of Joplin. Eligible uses of the loan include equipment/computer purchases and new employee training.

RECOMMENDATION:
Staff believes the agreement contains the necessary financial assistance to help HS Baking Enterprises create additional jobs in Joplin