CITY OF JOPLIN
COUNCIL AGENDA ITEM

ITEM:
Council Bill 2020-409 – Enhanced Enterprise Zone (EEZ) Program - Cliffstar LLC/Refresco North America

ORIGINATING DEPARTMENT:
Planning, Development, and Neighborhood Services

MEETING DATE;
December 7, 2020

REVIEWED BY;
Director of Planning, Development and Neighborhood Services- Troy Bolander, Director of Finance-Leslie Haase, City Attorney- Peter Edwards, City Manager-Nick Edwards.

SUMMARY;
The following council bill is a request by Cliffstar LLC under the parent company of Refresco North American for the abatement of the ad valorem taxes on a new building addition. The facility is located at 3502 Enterprise Ave. in the Joplin/Webb City Industrial Park. The taxes will be abated through the Joplin Area Enhanced Enterprise Zone (EEZ) Program.

BACKGROUND;
Refresco has acquired Cliffstar LLC. Refresco is the leading independent bottler of beverages for the retail market in North America and Europe. The company is proposing to make a capital investment into a new building addition and equipment that will enable Refresco to add a new line. The expansion will allow them to expand their bottling output capacity. The company plans to create 32 new jobs within two years. The average annual wage of the new jobs created within the first 2 years is $41,015. The company will pay at least 50% of the employee's health benefits. The investment by the company into the addition and new equipment is estimated at $20,000,000.

The amount and length of abatement offered is based on a sliding scale (see Exhibit B) developed and approved by the Joplin Area Enhanced Enterprise Zone Board and the Joplin City Council. Staff recommends that Refresco's ad valorem taxes on the new addition be abated at 80% for 10 years per the EEZ Tax Abatement Guidelines. The recommendation is based on information submitted by Refresco North America that they will pay an average wage of $41,015 per job which approximately equals to the current county average wage ($40,664) for Jasper County. The company will create a minimum of 32 jobs within two years and provide at least 50% of the employees' health benefits.

More information about the company can be found at: https://www.refresco.com

RECOMMENDATION
Staff recommends approval of Council Bill No. 2020-409 as an emergency ordinance.

ATTACHMENTS
CB 2020-409, Exhibit A, Exhibit B