

CITY OF COMMERCE, HUNT COUNTY, TEXAS
ORDINANCE NO. 2024-05-04

*AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF **COMMERCE**, TEXAS, ORDAINING THE CITY'S PARTICIPATION IN THE TEXAS ENTERPRISE ZONE PROGRAM PURSUANT TO THE TEXAS ENTERPRISE ZONE ACT, CHAPTER 2303, TEXAS GOVERNMENT CODE (ACT), PROVIDING TAX INCENTIVES, DESIGNATING A LIAISON FOR COMMUNICATION WITH INTERESTED PARTIES, AND **400 MAPLE STREET, LLC., EG4 ELECTRONICS, LLC, OUTBACK POWER, LLC, AND BIG BATTERY, LLC** TO THE OFFICE OF THE GOVERNOR ECONOMIC DEVELOPMENT & TOURISM (EDT) THROUGH THE ECONOMIC DEVELOPMENT BANK (BANK) AS AN ENTERPRISE PROJECT (PROJECT).*

WHEREAS, the City Council of the City of Commerce, Texas (City) desires to create the proper economic and social environment to induce the investment of private resources in productive business enterprises located in severely distressed areas of the city and to provide employment to residents of such area; and

WHEREAS, the project or activity is located in an area designated as an enterprise zone; and

WHEREAS, pursuant to Chapter 2303, Subchapter F of the Act, 400 MAPLE STREET, LLC., EG4 ELECTRONICS, LLC, OUTBACK POWER, LLC, AND BIG BATTERY, LLC have applied to the City for designation as an enterprise project; and

WHEREAS, the City finds that 400 MAPLE STREET, LLC., EG4 ELECTRONICS, LLC, OUTBACK POWER, LLC, AND BIG BATTERY, LLC meet the criteria for tax relief and other incentives adopted by the City on the grounds that they will be located at the qualified business site, will create a higher level of employment, economic activity and stability; and

WHEREAS, the City finds that it is in full compliance with Chapter 2303, Texas Government Code prior to nomination of an eligible business;

WHEREAS, a public hearing to consider this ordinance was held by the City Council on May 14, 2024 and May 21, 2024;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF COMMERCE, OF COMMERCE, TEXAS THAT:

Section 1: The City nominates 400 MAPLE STREET, LLC., EG4 ELECTRONICS, LLC, OUTBACK POWER, LLC, AND BIG BATTERY, LLC for enterprise project status.

Section 2: The following local incentives, at the election of the governing body, are or will be made available to the nominated project or activity of the qualified business:

- a) The City may abate taxes (through a 380 Agreement or a Tax Abatement Agreement) on the increase in value of real property improvements and eligible personal property that is located in a designated enterprise zone. The level of abatement shall be based upon the extent to which the business receiving the abatement creates jobs for qualified employees, in accordance with the City of Commerce Tax Abatement Policy, and with qualified employees being defined by the Act.
- b) The City may provide regulatory relief to businesses, including:
 - 1) zoning changes or variances;
 - 2) exemptions from building code requirements, impact fees, or inspection fees; or
 - 3) streamlined permitting.
- c) The City may provide enhanced municipal services to businesses, including:
 - 1) improved police and fire protection;
- d) The City may provide improvements in community facilities, including:
 - 1) capital improvements in water and sewer facilities;
 - 2) road repair;
- e) The City may provide business and industrial development services, including:
 - 1) low-interest loans for business;
 - 2) provision of publicly owned land for development purposes, including residential, commercial, or industrial development;
 - 4) creation of special one-stop permitting and problem resolution centers or ombudsmen; or
 - 5) promotion and marketing services.
- f) The City may provide job training and employment services to businesses, including:
 - 1) retraining programs;
 - 2) literacy and employment skills programs;
 - 3) vocational education; or
 - 4) customized job training.

Section 3: The enterprise zone areas identified in this Ordinance are within the City limits and have heretofore been established as a reinvestment zone in accordance with the Texas Tax Code, Chapter 312.

Section 4: The City of Commerce City Council directs and designates its City Manager as the City's liaison to communicate and negotiate with the EDT through the

Bank and enterprise project(s) and to oversee zone activities and communications with qualified businesses and other entities in an enterprise zone or affected by an enterprise project.

Section 5: The city finds that 400 MAPLE STREET, LLC., EG4 ELECTRONICS, LLC, OUTBACK POWER, LLC, AND BIG BATTERY, LLC meet the criteria for designation as an enterprise project under Chapter 2303, Subchapter F of the Act on the following grounds:

- (a.) 400 MAPLE STREET, LLC., EG4 ELECTRONICS, LLC, OUTBACK POWER, LLC, AND BIG BATTERY, LLC are "qualified businesses" under Section 2303.402 of the Act since it will be engaged in the active conduct of a trade or business at a qualified business site located in an enterprise zone in the governing body's jurisdiction and at least twenty-five percent (25%) of the businesses' new employees will be residents of an Enterprise Zone, economically disadvantaged individuals, or veterans; and
- (b.) THERE HAS BEEN AND WILL CONTINUE TO BE A HIGH LEVEL OF COOPERATION BETWEEN PUBLIC, PRIVATE, AND NEIGHBORHOOD ENTITIES IN THE AREA; AND
- (c.) THE DESIGNATION OF 400 MAPLE STREET, LLC., EG4 ELECTRONICS, LLC, OUTBACK POWER, LLC, AND BIG BATTERY, LLC AS AN ENTERPRISE PROJECT WILL CONTRIBUTE SIGNIFICANTLY TO THE ACHIEVEMENT OF THE PLANS OF THE CITY FOR DEVELOPMENT AND REVITALIZATION OF THE AREA.

Section 6: The enterprise project shall take effect on the date of designation of the enterprise project by EDT and terminate on June 1, 2029.

Section 7: This ordinance shall take effect from and after its passage as the law and charter in such case provides.

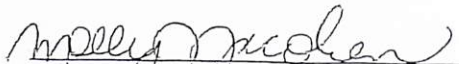
PASSED AND APPROVED this 21st day of May, 2024.

PASSED AND ADOPTED this the 21st day of May, 2024.

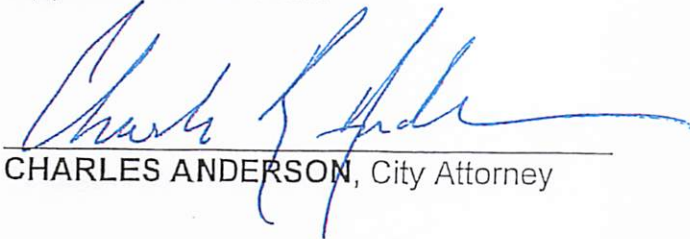


TEDDY REEL, Mayor

Attest:


MOLLY JACOBSEN, City Secretary

Approved as to form:


CHARLES ANDERSON, City Attorney

CITY OF COMMERCE

1119 Alamo • Commerce • Texas 75428

(505) 886-1100 • FAX (903) 886-8929 www.commercetx.org



NOTICE OF PUBLIC HEARING TEXAS ENTERPRISE ZONE PROGRAM NOTICE

The City of Commerce will hold a **Public Hearing** on
May 14, 2024 at 6:00 P.M. at **Commerce City Hall (located at 1119 Alamo St.)**
and again on **May 21, 2024 at 6:00 P.M.** at **Commerce City Hall (1119 Alamo St.) in the**
Council Chambers for:

NOTICE OF A PUBLIC HEARING FOR THE TEXAS ENTERPRISE ZONE PROGRAM is hereby given that on Tuesday, May 14, 2024 at 6:00 p.m. and again on Tuesday, May 21, 2024 at 6:00 p.m., the City Council of the City of Commerce, Texas, shall hold a public hearing in the Council Chambers located at 1119 Alamo Street, Commerce, Texas, 75428 to consider Ordinance No. 2024-05-04 nominating (1) 400 Maple Street, LLC (located at 400 Maple Street, Commerce, Texas); (2) EG4 Electronics, LLC (located at 400 Maple Street, Commerce, Texas); (3) OutBack Power, LLC (located at 400 Maple Street, Commerce, Texas); and (4) Big Battery, LLC (located at 400 Maple Street, Commerce, Texas) for the Texas Enterprise Zone Program. The designation being sought: Enterprise Project.

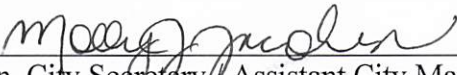
Tax and other incentives may also be discussed at this hearing. At the hearing, interested persons shall be entitled to speak and present evidence for or against the nomination.

A copy of this notice shall be published in a newspaper having general circulation in the City not less than seven (7) days prior to the date of the hearing(s). A copy of this notice shall also be posted at the City of Commerce City Hall at least seven (7) days prior to the date of the public hearing(s).

CERTIFICATION

I, Molly Jacobsen, City Secretary of the City of Commerce, certify that this Notice of Public Hearing was posted on the outside bulletin board at Commerce City Hall, 1119 Alamo Street, Commerce, Texas, a place convenient and readily accessible to the general public at all times, and said Notice was posted on the following date and time:

On Friday, May 3, 2024 at or before 6:00 PM and remained so posted at least 7 days prior to the public hearing and said meeting.



Molly Jacobsen, City Secretary Assistant City Manager - Community Services

