



Legislation Details (With Text)

File #: Res. 2018-184R **Version:** 1 **Name:**

Type: Resolution **Status:** Individual Consideration

File created: 9/17/2018 **In control:** City Council

On agenda: 10/16/2018 **Final action:**

Title: Consider approval of Resolution 2018-184R, approving a Chapter 380 Economic Development Incentive Agreement with Katerra, Inc. to locate an Automated Building Component Manufacturing and Distribution Facility along State Highway 80 east of State Highway 21, which agreement provides incentives over ten years in the form of annual refunds of a portion of new property taxes generated from the facility and waives certain development standards; authorizing the City Manager to execute the agreement; and declaring an effective date.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Resolution, 2. FINAL DRAFT Katerra 380 Agreement 10.16.18.pdf

Date	Ver.	Action By	Action	Result
10/16/2018	1	City Council	approved	Pass
10/16/2018	1	City Council	entered Closed Session	Pass

AGENDA CAPTION:

Consider approval of Resolution 2018-184R, approving a Chapter 380 Economic Development Incentive Agreement with Katerra, Inc. to locate an Automated Building Component Manufacturing and Distribution Facility along State Highway 80 east of State Highway 21, which agreement provides incentives over ten years in the form of annual refunds of a portion of new property taxes generated from the facility and waives certain development standards; authorizing the City Manager to execute the agreement; and declaring an effective date.

Meeting date: October 16, 2018

Department: CMO - Steve Parker, Assistant City Manager / CFO

Amount & Source of Funding

Funds Required: N/A

Account Number: N/A

Funds Available: N/A

Account Name: N/A

Fiscal Note:

Prior Council Action: N/A

City Council Strategic Initiative:

N/A

Comprehensive Plan Element (s):

- ☒ Economic Development - Fiscally Responsible Incentives for Economic Development
- ☐ Environment & Resource Protection
- ☐ Land Use
- ☐ Neighborhoods & Housing
- ☐ Parks, Public Spaces & Facilities
- ☐ Transportation
- ☐ Not Applicable

Master Plan:

Vision San Marcos - A River Runs Through Us

Background Information:

Katerra is a “technology-driven offsite construction company,” based in Menlo Park, CA. Katerra proposes to construct an approximately 600,000 square foot facility to manufacture a wide range of building components and materials, including wall panels, floor systems, roof truss assemblies, windows, cabinets and finishes. Katerra proposes to create at least 542 full-time jobs and make a capital investment of at least \$109,000,000.

Council Committee, Board/Commission Action:

The Economic Development Board (EDSM), considered “Project Duplo” in Executive Session on June 28, 2018, and recommended approval by the City Council.

Alternatives:

Take no action.

Recommendation:

Staff recommends approval.