

Approving the Second Amendment of the Economic Development Ad Valorem Tax Exception Ordinance, Ordinance 20-26,
for City Electric Supply

Presented by Elijah Wooten, Economic Development Administrator

First Reading – November 28, 2022
Second Reading – December 5, 2022



Background

Due to COVID-19 City Electric Supply reduced their workforce by 35 employees from their initial baseline of 210 employees. The company has begun the rehiring process and currently has 196 employees. In 2021, the City Council approved the first amendment to the ad valorem tax exemption ordinance extending the new jobs reporting one year.

Request

Due to disruptions in the company's supply chain, business operations and changes in the customer demand profile related to the COVID-19 pandemic, City Electric Supply is requesting the City Council approve a second amendment to the Economic Development Ad Valorem Tax Exemption Ordinance, Ordinance 20-26, to (i) waive the 210 baseline maintenance requirement for 2022; and (ii) extend the time frames otherwise provided in the Ordinance for the creation of 50 new jobs for a period of one year.

Revised Employment Schedule

- 2023 - 10 jobs
- 2024 - 8 jobs
- 2025 - 12 jobs
- 2026 - 10 jobs
- 2027 - 10 jobs.



Recommendation

- The staff recommends approving the amendment to ad valorem tax exception for City Electric Supply to waive the 210 baseline maintenance requirement for 2022 to 2023.
- Extend the time frames otherwise provided in the ordinance for the creation of the 50 new jobs for a period of one year.

