



Legislation Details (With Text)

File #: 2018-6220
Type: Resolution **Status:** Approved
File created: 12/5/2018 **In control:** City Council
On agenda: 12/20/2018 **Final action:** 12/20/2018
Title: Consider a resolution authorizing the Mayor to execute a Chapter 380 Economic Development Program Agreement with Chatsworth Products, Inc.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Resolution, 2. Exhibit A

Date	Ver.	Action By	Action	Result
12/20/2018	1	City Council	approve	Pass

Consider a resolution authorizing the Mayor to execute a Chapter 380 Economic Development Program Agreement with Chatsworth Products, Inc.

This Chapter 380 Economic Development Program agreement is between the City and Chatsworth Products, Inc. One of our economic development target sectors for Round Rock is the innovative manufacturing sector and Chatsworth falls into this sector.

Chatsworth is a leading global supplier and manufacturer of systems designed to organize, store and secure IT infrastructure equipment. They have been in business since 1991 and have several locations in the United State and internationally. They have a client base consisting of organizations such as Dell, Office Depot, and AmerisourceBergen, just to name a few.

The agreement requires Chatsworth to secure a lease on a facility in Round Rock and maintain the lease for a minimum of seven years, invest at least \$1,200,000 in equipment and other building improvements, and employ at least forty (40) employees. This agreement calls for the City to make economic incentive payments totaling \$50,000 over two years (\$25,000 in year one and two). The agreement does have claw-backs in place to recapture these incentives if the company does not fulfill their obligation.