

RESOLUTION NO. R2018-014

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUMA, ARIZONA, AUTHORIZING AND APPROVING AN ECONOMIC DEVELOPMENT AND DEFERRAL AGREEMENT BETWEEN THE CITY OF YUMA AND BOTANICAL FOOD COMPANY, INC. (GOURMET GARDEN), A DIVISION OF McCORMICK & COMPANY, INC.

WHEREAS, the City of Yuma (City) desires to grow its economy and expand employment opportunities for its citizens through the retention/expansion of existing business and the attraction of new businesses providing capital investment and quality jobs; and,

WHEREAS, Botanical Food Co., (Gourmet Garden) is an industry leading herb and spice company that is seeking to grow its business by opening a processing facility in the City to better serve its customers and expand its market in the United States; and,

WHEREAS, Gourmet Garden has selected a 20-acre site in the Yuma Commerce Center on which it will initially construct a 100,000 square foot expandable facility and create 89 new full-time direct jobs with wages well above the county average wage; and,

WHEREAS, Gourmet Garden will represent a Primary Economic Activity by generating more than 80 percent of its revenues from outside of Yuma County; and,

WHEREAS, the City, working with the Greater Yuma Economic Development Corporation (GYEDC) and with the support of the Arizona Commerce Authority, competed for this facility through Gourmet Garden's site selection process because of the economic benefits to be derived by the City and its residents; and,

WHEREAS, the local economic benefits derived from the project exceed the value of incentives as determined in an economic impact analysis supplied by GYEDC showing an overall project economic impact of more than \$95 million (over a three-year period) and generating over \$358,000 in direct tax revenues to the City and an additional \$782,000 to the County and School District for the same three years (2018 - 2020); and,

WHEREAS, the Gourmet Garden project will further enhance community stability and contribute to the economic and social well-being of Yuma's current and future citizens, and support the creation of additional local business opportunities; and,

WHEREAS, the construction of the Gourmet Garden facility will directly benefit the City and its residents; will result in a net increase and retention of jobs in the City; will add to the tax base; will generate direct revenues as well as indirect revenues and benefits to the City and the Yuma County community.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Yuma as follows:

SECTION 1: The City Council finds that in accordance with the *Regional Project Assessment Report* (Economic Impact Report) prepared by the Greater Yuma Economic Development Corporation and on file with the Yuma City Clerk:

- a. The proposed facility and operation will generate more than one million one hundred forty

thousand dollars (\$1,140,000) in direct local tax revenues over a three-year period.

- b. The proposed tax incentive is anticipated to raise more direct City revenue than the amount of the proposed incentive within the duration of the Agreement.
- c. In the absence of the tax incentive, Gourmet would not locate in Yuma in the same time, place and manner.

SECTION 2: The Economic Development and Deferral Agreement (Agreement) attached as Exhibit A and by this reference made a part of this Resolution is approved in accordance with its terms.

SECTION 3: The City Administrator is authorized and directed to execute the Economic Development and Deferral Agreement on behalf of the City of Yuma.

Adopted this ____ day of _____ 2018.

APPROVED:

Douglas J. Nicholls
Mayor

ATTESTED:

Lynda L. Bushong
City Clerk

APPROVED AS TO FORM:

Richard W. Files
City Attorney