



Department Source: City Utilities - Water and Light

To: City Council

From: City Manager & Staff

Council Meeting Date: April 17, 2023

Re: Authorizing an economic development job creation rider agreement with Plumrose USA Inc.

Executive Summary

Staff has prepared for council consideration an ordinance authorizing the City Manager to execute an agreement with Plumrose USA Inc. dba Swift Prepared Foods for qualification for the City's Economic Development Job Creation Rider. The focus of the program is to promote economic development and job creation by allowing new or existing industrial utility customers, which meet the requirements of the program, to qualify for a rebate on electric demand. The agreement would grant Swift Prepared Foods a rebate on demand charges up to a maximum of \$200,000 per year, renewable annually for up to five (5) years.

Discussion

The Economic Development Job Creation Rider (EDJCR) is designed to provide financial incentive for new and existing industrial rate class customers that add new jobs within the electric service area of the City of Columbia Utilities Department. The benefit to the City of Columbia is job creation and economic growth. Swift Prepared Foods has committed to maintaining demand charges in excess of the monthly minimum demand charge and has committed to creating a minimum of two hundred (200) new permanent full-time equivalent jobs, with average wage in excess of Boone County average wage, as established by data published by the Missouri Department of Economic Development over the course of the agreement. The employee additions by the customer will occur incrementally over the first three years of operation with the customer employing at least sixty-six (66) new permanent full-time positions in year one of the Service Agreement and at least one hundred thirty-three (133) new permanent full-time positions in year two of the Service Agreement.

Fiscal Impact

Short-Term Impact: This agreement will result in a rebate of up to \$200,000 per year for the first two years while agreement requirements are met

Long-Term Impact: This agreement will result in a rebate of up to \$200,000 per year for the following three years while agreement requirements are met

Strategic & Comprehensive Plan Impact

Strategic Plan Impacts:

Primary Impact: Resilient Economy, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable



City of Columbia

701 East Broadway, Columbia, Missouri 65201

Comprehensive Plan Impacts:

Primary Impact: Economic Development, Secondary Impact: Not applicable, Tertiary Impact: Not Applicable

Legislative History

Date	Action
03/21/2021	B98-21 Amending Chapter 27 of the City Code to add an Economic Development Job Creation Rider for electric customers with an industrial service rate.

Suggested Council Action

Approval of the ordinance.