

## Legislation Text

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Presenter/Contact  
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**SUBJECT:**

Approval of a resolution nominating Cemex Construction Materials South, LLC for designation as an Enterprise Zone Project under the State of Texas Enterprise Zone Program.

**BACKGROUND / RATIONALE:**

CEMEX Construction Materials currently owns and operates a cement manufacturing facility located in the City of New Braunfels extra-territorial jurisdiction known as the Balcones Plant. The site includes both the Balcones Quarry, which cleans and washes the aggregates used in concrete materials as well as the Cement Plant, which pulverizes clinker, calcium sulfate and other compounds to produce portland cement. The City currently has an Industrial Development Agreement with Cemex which prohibits the City from annexing the property, and a payment-in-lieu-of-taxes from Cemex to the City.

Over the next five years, CEMEX anticipates spending in excess of \$11M on capital projects as well as retain the 255 full-time employees at its New Braunfels facility. These investments will include \$5MM in plant refurbishments along with the completion of three rocker assemblies, upgrade of the main deep bucket chain, replacement of the K2 main stack and concrete pad, north cement cooler, silo elevator belt as well as upgrading various equipment such as bucket chains, traction wheels, and sprockets. Together, the capital improvements are aimed at maintaining product quality, value, and reliability while enhancing the efficiency of manufacturing operations.

Cemex wishes to submit application to the State of Texas for designation as an enterprise project. The City has previously nominated Cemex for this designation in 2006.

Officials from Cemex and their consulting firm spearheading this nomination will be in attendance at the City Council meeting on Monday to answer questions.

**ADDRESSES A NEED/ISSUE IN A CITY PLAN OR COUNCIL PRIORITY:**

X	12	Strategic Priorities	Work with existing entities to ensure balanced economic development
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**FISCAL IMPACT:**

N/A

**COMMITTEE RECOMMENDATION:**

N/A

**STAFF RECOMMENDATION:**

Staff recommends approval of a resolution nominating Cemex Construction Materials South, LLC for designation as an Enterprise Zone Project under the State of Texas Enterprise Zone Program