

RESOLUTION NO. 5551

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, AUTHORIZING SUPPORT FOR A FOREIGN TRADE ZONE APPLICATION FOR THE RINCHEM DISTRIBUTION FACILITY LOCATED AT 6805 W. MORELOS PLACE; AND AUTHORIZING THE EXECUTION OF AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF CHANDLER AND THE CITY OF PHOENIX.

WHEREAS, Rinchem Company, Inc. ("Rinchem") is a chemical management solutions provider for high purity, pre-packaged chemicals and gases distributor, and owns and operates a distribution facility at 6805 W. Morelos Place, Chandler, Arizona ("Site"); and

WHEREAS, without receiving Foreign Trade Zone ("FTZ") designation for its distribution facility, Rinchem is put at a competitive disadvantage, which is detrimental to the economy of the City of Chandler, as well as the State of Arizona; and

WHEREAS, Chandler desires to support Rinchem in applying for FTZ Operator status at the Site under FTZ No. 75, provided that Rinchem agrees to not pursue classification of any real or personal property at the Site as Class 6 to receive the beneficial state tax treatment available to an activated FTZ Operator; and

WHEREAS, Rinchem is agreeable to such limitation on state tax treatment; and

WHEREAS, the City of Phoenix ("Phoenix") has received a grant from the federal Foreign-Trade Zones Board to establish Foreign Trade Zone No. 75 and Chandler does not have any such grant of authority; and

WHEREAS, Phoenix is willing to submit an application to the Foreign-Trade Zones Board on behalf of Rinchem for the property at the Site to be established, operated and maintained as a foreign-trade zone usage driven site;

WHEREAS, state law authorizes Chandler and Phoenix to enter into an Intergovernmental Agreement memorializing their agreement to work together to establish a FTZ designation for the Rinchem facility.

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

Section 1. The Mayor and City Council of the City of Chandler, Arizona, does support a Foreign Trade Zone designation for the Rinchem distribution facility located at 6805 W. Morelos Place.

Section 2. The Mayor and City Council of the City of Chandler, Arizona, does support Rinchem's application for FTZ Operator status under FTZ No. 75.

Section 3. The Mayor is authorized to execute an Intergovernmental Agreement between Chandler and Phoenix in substantially the form attached as Exhibit "A" and approved as to form by the Chandler City Attorney.

PASSED AND ADOPTED by the City Council of the City of Chandler, Arizona, this _____ day of _____, 2022.

ATTEST:

CITY CLERK

MAYOR

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Resolution No. 5551 was duly passed and adopted by the City Council of the City of Chandler, Arizona, at a regular meeting held on the _____ day of _____, 2022, and that a quorum was present thereat.

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY



Exhibit "A"

Intergovernmental Agreement between the City of Chandler, Arizona and
the City of Phoenix, Arizona to Establish Rinchem Company, Inc. within Foreign Trade Zone