



Agenda Commentary

Item Title/ Subject: Road Extension – Jett Distributing Expansion

Staff Source: City Manager, Steve Hewitt

Date: January 31, 2014

Background/Subject Information:

Staff was approached a few months ago regarding the possible relocation of Jett Distributing. Matt Jett (owner) hired as Distribution Construction Consultant Specialist that specializes in the needs of Distributing Companies. Jett must expand their operations at their current Clinton location or consider a possible relocation. This company was making recommendations to Jett on the pros/cons of moving to a new community or expanding in Clinton.

Staff met with Consultants and Jett ownership multiple times regarding their needs and making every effort to stay in Clinton. Staff was informed that other cities in the Jett territory were contacted and incentive options were being considered. Jett being a wholesale distributor limits some incentive options (example: Sales Tax Rebate Program). Land was discussed; however it was relayed back that if Clinton is chosen it will be an expansion onsite.

Our efforts and goal was to keep Jett and those jobs in Clinton. Jett will be spending major capital dollars to expand their operations. Staff discussed what role and ways the City could contribute. During those discussions, it was determined that a new road will be needed if Jett expands on their current location.

Matt Jett and Consultants agreed to stay in Clinton and expand operations if Mars Road extension could happen.

Recommendation:

Staff recommends approval of Mars Road expansion. Jett Distributing will need to provide the City with an easement, so that a road can be built/expanded. Estimated cost of the road construction is approximately \$15,000. We were able to obtain a \$5000 PSO Mini grant for this project that offsets the City's cost to \$10,000. There will also be some in-kind labor work completed by City Street Department as needed.

This is a minimal cost and staff strongly suggests that we provide and expand this road for Jett Distributing expansion. Jett's facility expansion keeps jobs in Clinton and has potential to see additional jobs in the future.

I would recommend that we continue to be pro-business and support expansions and growth. Jett is willing to expand his business in Clinton with this proactive move. Our neighboring cities are ready and willing to offer land and incentives and pull our businesses away. We must continue to create an environment and message of support to our current business and potential new business who may want to relocate or grow in Clinton.



Jett Distributing

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City Easement

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