Resolution No. 2026-9

A Resolution Establishing a Sales Tax Grant Incentive Program for AMTEC Corporation in the City of Clear Lake

WHEREAS, sales tax represents 44% of the City of Clear Lake's General Fund Revenue Budget and is the leading source for funding city services including public safety, parks, public works and snow removal;

WHEREAS, growth in sales tax is important to continue to maintain those services and maintain the City of Clear Lake's quality of life;

WHEREAS, the City of Clear Lake recognizes the need for economic development within the City and the benefits provided with growth; and

WHEREAS, the City of Clear Lake recognizes and appreciates AMTEC Corporation's expansion of its munitions manufacturing capabilities through the development of a new facility at the site of its existing Tech Ord manufacturing operations, bringing additional capital investment, economic growth, and higher-paying employment opportunities to the community;

THEREFORE BE IT RESOLVED that a grant incentive sales tax program shall be established for the expansion project of AMTEC Corporation under the following criteria:

- The sales tax received by the City at a 2% rate on qualifying product purchased by AMTEC Corporation will be rebated back to AMTEC Corporation at a rate of 75% of the total revenues not to exceed $946,134.00.
- The rebate allowed pertains only to project costs incurred on qualifying product and paid within two years of the date of this resolution.

- The rebate incentive payment will be made upon completion of the project with substantial to final completion expected June 30, 2028.
- AMTEC Corporation will supply the City of Clear Lake with quarterly reports on project spending and sales taxes paid.

Dated this 13th day of October, 2026.

CITY OF CLEAR LAKE

(SEAL)

_____
Lisa Lundberg, Mayor

ATTEST:

_____
Mary Krueger, Finance Officer