

TO: Honorable Mayor and City Council

FROM: Kelly Violette

Executive Director

MEETING DATE: July 21, 2025

SUBJECT: Klauer Manufacturing Company

ITEM TYPE: Action

The Tomball Economic Development Corporation has received a request from Brenda Hoefler, Chief Financial Officer, Klauer Manufacturing Company, for funding assistance through the TEDC's Rental Incentive Program.

Klauer Manufacturing is a fifth-generation family-owned leading U.S manufacturer of sheet metal products for residential and commercial construction. The company was founded in 1870 in Dubuque, Iowa and they would like to open a secondary location in a 40,200 square foot office/warehouse building located at 21609 Hufsmith Kohrville Rd, Tomball, Texas 77375.

The goal of the TEDC's Rental Incentive Program is to assist in the establishment of new businesses in existing vacant spaces and to stimulate commercial investment in the City of Tomball. In accordance with the Rental Incentive Program Policy, the proposed performance agreement is for 25% of the base monthly rent for the first year of operation only, not to exceed \$10,000.00 per business.

The lease agreement that was submitted in conjunction with the request letter shows a five-year lease commitment with a monthly rent amount of \$28,944.00 for the first 12 months. The proposed grant amount is \$10,000.00, payable after the first year of operation based on landlord verification of rents paid and meeting the performance agreement criteria.