



# CITY OF EVANSVILLE

OFFICE OF THE MAYOR  
JONATHAN WEINZAPFEL

## NEWS RELEASE

### FOR IMMEDIATE RELEASE

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### **Sugar Steel Opens Evansville Facility, Creates 26 New Jobs**

(EVANSVILLE, IN) – January 18, 2011 – Evansville Mayor Jonathan Weinzapfel announced today that Sugar Steel Corporation, headquartered in Chicago Heights, Ill., has opened a structural steel distribution center with first stage steel processing capabilities at 3350 Claremont Ave. in Evansville. Sugar Steel will make a personal property investment of approximately \$920,000 and create up to 26 new jobs with an average wage of approximately \$17.00 per hour by 2012.

“Creating jobs and stimulating the local economy continue to top my priority list for the City of Evansville. While the creation of even a single new job in the current economy is noteworthy, the fact that 26 local residents and their families will benefit from Sugar Steel’s decision to open this facility in Evansville is truly an event to celebrate,” said Mayor Weinzapfel. “Today’s announcement underscores the value of collaboration, partnership and innovation with regard to regional economic development efforts.”

Sugar Steel’s first stage processing services for steel beams, angles, channels, tubes, pipes, plates, and other structural components include sawing, plate cutting, flame cutting, plate drilling, shearing, splitting, cambering, and shot blasting for structural steel fabricators and manufacturing customers. Sugar Steel is a wholly-owned subsidiary of Reliance Steel & Aluminum Co. (NYSE: RS). Sugar Steel’s Evansville distribution center, located in the former Patriot Steel facility, is Sugar Steel’s first operation outside of its Illinois headquarters, which

employs approximately 90 people.

“GAGE wants to identify and secure other projects like Sugar Steel, projects that make use of existing facilities in Vanderburgh County that are currently idle,” said Debbie Dewey, President of the Growth Alliance for Greater Evansville. “More importantly, we want more projects like this one that will re-employ Vanderburgh County residents who once worked in those facilities.”

Local and State officials worked closely with Sugar Steel representatives to formulate an economic development incentive package to assist Sugar Steel with this project. For its part, the City of Evansville will offer a six-year tax phase-in on Sugar Steel’s personal property investment. The tax phase-in has an estimated gross and present value of \$40,000. Tax phase-in allows for the gradual phasing in of property tax that has occurred due to an increase in assessed value of a building and/or the purchase of equipment. In a six-year tax phase-in, full taxes on improvements commence in the seventh year. The six-year tax phase-in is contingent upon City Council approval. In addition, the Indiana Economic Development Corporation (IEDC) offered Sugar Steel up to \$175,000 in performance-based tax credits based on the company’s job creation plans.

“Building an environment that encourages companies like Sugar Steel to choose Indiana over all other options is our top priority and we are glad to partner with this company as they create even more opportunities in southwest Indiana,” said Mitch Roob, Secretary of Commerce and chief executive officer of the IEDC.