

RESOLUTION NO. 12553

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESA, ARIZONA, APPROVING AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A FOREIGN-TRADE ZONE OPERATOR AGREEMENT FOR FOREIGN-TRADE ZONE NO. 221 BETWEEN ARROW GLOBAL SUPPLY CHAIN SERVICES, INC. AND THE CITY OF MESA.

Whereas, the Foreign-Trade Zones Act of 1934, as amended, authorizes the Foreign-Trade Zones Board to grant to certain corporations the privilege of establishing, operating, and maintaining a foreign-trade zone in or adjacent to ports of entry under the jurisdiction of the United States of America.

Whereas, the Foreign-Trade Zones program is intended to stimulate growth and development in the United States and promote American competitiveness. It is designed to remove certain disincentives associated with manufacturing in the United States, thereby encouraging companies to maintain and expand their operations in the United States. The program does so by allowing merchandise to be admitted and handled under special customs procedures, which may include duty deferral, duty reduction in certain circumstances, and other customs-related efficiencies as permitted by law.

Whereas, pursuant to the United States Foreign-Trade Zones Board Orders Nos. 883 and 1538 dated April 25, 1997, the City of Mesa is the grantee of Foreign-Trade Zone No. 221, which is designated as a general-purpose zone. Foreign-Trade Zone No. 221 was reorganized under the Alternative Site Framework, with a service area consisting of the City of Mesa, Arizona, adjacent to the Phoenix U.S. Customs and Border Protection port of entry, as approved by the U.S. Foreign-Trade Zones Board on July 15, 2022.

Whereas, under the Foreign-Trade Zones program, the grantee's role is to sponsor and oversee the zone and enter into written operator agreements, while the operator is responsible for the day-to-day operation of the zone site and works directly with the U.S. Foreign-Trade Zones Board and U.S. Customs and Border Protection to obtain activation, maintain compliance, and conduct authorized foreign-trade zone activities, subject to providing reports, notices, and updates to the City as required by the Operator Agreement.

Whereas, Arrow Global Supply Chain Services, Inc. is a global provider of electronic components and enterprise computing products and desires to serve as an authorized operator of Foreign-Trade Zone No. 221 at the premises described in the Operator Agreement, and to conduct approved foreign-trade zone activities at the premises in accordance with applicable federal law and the requirements of U.S. Customs and Border Protection and the U.S. Foreign-Trade Zones Board.

Whereas, the City of Mesa, as contemplated by the Foreign-Trade Zones program, deems it practicable to limit its participation in the day-to-day operations of Foreign-Trade Zone No. 221 and to place the foreign-trade zone operations at such premises under the supervision of the operator pursuant to a written operator agreement.

Whereas, the City Council finds that approval of the Foreign-Trade Zone Operator Agreement between the City of Mesa and Arrow Global Supply Chain Services, Inc. is in the best interests of the City and its residents.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESA:

Section 1: The City Council approves the FTZ 221 Foreign-Trade Zone Operator Agreement between the City of Mesa and Arrow Global Supply Chain Services, Inc. for the activation and operation of an electronic component and enterprise computing product distribution facility for foreign-trade zone activities at premises located at 7449 E Pecos Rd, 7453 E Pecos Rd, and 7250 S Sossaman Rd. The City Manager or his designee is authorized, on behalf of the City of Mesa, to execute the agreement and any amendments and modifications to the agreement as necessary to carry out the intent of the agreement and that do not materially alter the terms or structure of the agreement as it was presented to the City Council. The City Manager or his designee is also authorized to take any other necessary steps to assist Arrow Global Supply Chain Services, Inc. locate and conduct authorized foreign-trade zone activities within Foreign-Trade Zone No. 221.

Section 2: The City Clerk is authorized and directed to attest to the signature of the City Manager or his designee on all documents referenced in Section 1, including the FTZ 221 Foreign-Trade Zone Operator Agreement.

Passed and adopted by the City Council of the City of Mesa on July 20, 2026.

Mark Freeman, Mayor

Attest:

Holly Moseley, City Clerk