



## MEMORANDUM

**To:** Mayor and City Council

**From:** Mindi Hurley, Director of Community Development

**Date:** December 8, 2020

**Reference:** Consider approval of an Ordinance designating Varidesk, LLC, Reinvestment Zone No. 111 pursuant to Section 312.201 of the Property Redevelopment and Tax Abatement Act, and authorizing the Mayor to sign.

**2040:** Create Business and Innovation Nodes

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### Executive Summary:

Varidesk, LLC produces flexible office space solutions and office furniture. They are scheduled to purchase the land at the NEC of Freeport Parkway and State Highway 121 to construct their new corporate headquarters. This public hearing and ordinance are required to create Reinvestment Zone No. 111.

### Introduction:

Varidesk, LLC produces flexible office space solutions and office furniture. Varidesk, now referred to as Vari, started in Coppell. They were originally located in shared space with Gemmy Industries at 117 Wrangler Drive. Due to the growth of the company, Varidesk expanded to the point of needing their own lease space. In 2016, they leased approximately 38,000 square feet of space at 1221 S. Belt Line Road with approximately 90 employees. The popularity of the brand has continued to grow, and they have expanded their lease space over the past few years to accommodate their continued growth. Vari has now made the decision to vacate their current lease space to build and occupy a new corporate headquarters.

After an extensive search for the best site, they have selected the property located at the northeast corner of Freeport Parkway and State Highway 121. Vari will construct their new corporate headquarters at this site, which will range anywhere from 140,000 – 180,000 square feet in size. They will also use a portion of this square footage as one of their new VariSpace concepts until the need arises for them to occupy the entire building themselves. Their decision to purchase this site in Coppell is based heavily on the approval of the incentive package before City Council this evening.

In order to grant a tax abatement, a reinvestment zone must be created by ordinance. In order to create a reinvestment zone by ordinance, a public hearing must be held. This item satisfies both of those requirements. The public hearing is held to determine if the improvements in the zone are feasible, practical and of benefit to the land. The ordinance will create Reinvestment Zone No. 111.

**Analysis:**

The Public Hearing Notice was published in the *Rambler Newspaper* on Saturday, November 28, 2020. The public hearing is for the designation of a reinvestment zone for Varidesk, LLC, property described as a 9.84 acre (428,553 square foot) tract of land situated in the Thomas W. Cousey Survey, Abstract Number 317, City of Coppell, Dallas County, Texas, and being part of Lot 1, Block 1 of Lots 1 & 2, Phase 1, Block 1, One Twenty One Business Park, an addition to the City of Coppell, Dallas County, Texas, as recorded in Volume 99157, Page 27 of the Deed Records of Dallas County, Texas (D.R.D.C.T.) and being all of a tract of land described in Special Warranty Deed to Sealy Canyon Drive Land, L.L.C, as recorded in Instrument Number 201600333502 of the Official Public Records of Dallas County, Texas (O.P.R.D.C.T.), and being all of Lot 6R, Block A of Prologis Park One Twenty One, Lots 5R and 6R, Block A, an addition to the City of Coppell, Dallas County, Texas, as recorded in Instrument Number 201600331182, O.P.R.D.C.T. and being all of called 5.93 acre tract of land described in deed to Prologis Logistics Services Incorporated, as recorded in Instrument Number 201500253657, O.P.R.D.C.T., located north of Freeport Parkway and east of State Highway 121, Coppell, Texas

**Legal Review:**

The documents were created by Pete Smith.

**Fiscal Impact:**

N/A

**Recommendation:**

Staff recommends approval.