



MEMORANDUM

To: Mayor and City Council

From: Mindi Hurley, Director of Community Development

Date: December 11, 2018

Reference: Consider approval of a Resolution approving the First Amendment to Tax Abatement Agreement between the City of Coppell and Prologis LP, and authorizing the Mayor to sign.

2030: Business Prosperity

Introduction:

City Council held a Public Hearing and created Reinvestment Zone No. 91 on May 27, 2014. This reinvestment zone was created for Prologis Park 121, which was proposed to consist of five shell industrial buildings totaling approximately 1.6 million square feet. Prologis created a masterplan for the park in 2014 that has since changed. Prologis has changed the size and capital investment of some of the original buildings, and they have added two additional buildings. The timeline for development of the buildings were also pushed back. This First Amendment to Tax Abatement Agreement is for Building 3. This agreement increases the square footage and the capital investment for this building, and the dates for Commencement and Completion of Construction have been extended. Building 3 was originally planned to be 360,000 square feet. That size has increased to 424,080 square feet. The construction of this building was completed in 2018, which was later than originally planned.

Analysis:

The first amendment to the original agreement increases the square footage of the building and revised the construction date to match the actual construction. The previous terms, a 5-year, 75% abatement on real property, was unchanged. This agreement is an amendment to the existing agreement that was approved in 2014.

Legal Review:

The documents were drafted and reviewed by Pete Smith.

Fiscal Impact:

N/A

Recommendation:

Community Development recommends approval.