



MEMORANDUM

To: Mayor and City Council

From: Clay Phillips, City Manager

Date: April 28, 2015

Reference: Consider approval of a Resolution approving an Amended and Restated Tax Abatement Agreement between the City of Coppell and Prologis L.P., 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. Building 4 was proposed to be approximately 826,800 square feet in size on 41.9 acres. Subaru has chosen Building 4 as their new parts distribution and training center; however, they do not need 826,800 square feet for their operations. They would like to be a single tenant building. Prologis has reduced the size of Building 4 in their business park to accommodate Subaru, and they will build an additional building in the future to add some additional leasable space.

Analysis:

This amended and restated abatement reduces the size requirement listed in the original tax abatement agreement down to 300,360 square feet. The resolution and original tax abatement for Building 4 granted a 75% tax abatement on the real property for a period of five years. The abatement percentage and duration will remain the same for the smaller building.

Legal Review:

The documents were reviewed by Pete Smith.

Fiscal Impact:

N/A

Recommendation:

Economic Development recommends approval.

