



MEMORANDUM

To: Mayor and City Council

From: Mindi Hurley, Director of Community Development

Date: March 28, 2017

Reference: Consider approval of a Resolution approving a Tax Abatement Agreement between the City of Coppell and ZS Pharma, Inc., and authorizing the Mayor to sign.

2030: Business Prosperity

Executive Summary:

ZS Pharma, Inc. is a biopharmaceutical company. They currently lease space at 508 Wrangler Drive, but they will be increasing their footprint at this location. This Resolution is for a Tax Abatement Agreement with the terms of an 85% abatement on business personal property for a period of 10 years.

Introduction:

ZS Pharma, Inc. is a biopharmaceutical company that was founded in 2008. The company became public in 2014 and joined the AstraZeneca Group in 2015. ZS Pharma is dedicated to challenging the status quo in disease states where therapeutic options have been limited. They are currently focused on using proprietary ion-exchange technology to develop new treatments that are focused on addressing unmet needs in the medical community.

ZS Pharma is currently leasing 26,000 square feet of space at 508 Wrangler Drive. This expansion will add an additional 72,000 square feet for a total of 98,000 square feet. They will be adding approximately \$75 million in new capital investment for the manufacturing/processing, packaging and warehousing of a new pharmaceutical product.

City Council will hold a Public Hearing regarding the designation of Reinvestment Zone No. 107 on November 8, 2016.

Analysis:

The resolution and tax abatement that coincide with Reinvestment Zone No. 107 will provide a 10 year, 85% abatement on the business personal property for Zs Pharma, Inc.

Legal Review:

The documents were created by Pete Smith.

Fiscal Impact:

N/A

Recommendation:

Economic Development recommends approval.