



## MEMORANDUM

**To:** Mayor and City Council

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

**Date:** December 12, 2017

**Reference:** Consider approval of a Resolution approving the Second Amendment to Tax Abatement Agreement between the City of Coppell and Kristi A. Zatyko, and authorizing the Mayor to sign.

**2030:** Business Prosperity

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### Executive Summary:

The owner, Kristi A. Zatyko, has requested the minimum Taxable Value for Improvements to be reduced to reflect the appraised value versus the cost of construction. The Second Amendment to Tax Abatement grants this request.

### Introduction:

Founders' Crossing, LLC constructed three office buildings in Old Town Coppell in 2015. Founders' Crossing sold the building located at 517 W. Bethel to Kristi A. Zatyko in 2016. The first year of abatement was to begin in 2016, but the agreement was amended to authorize the first year of abatement to be pushed to 2017. The abatement is scheduled to expire in 2021.

### Analysis:

The building has not been appraised as high as the cost to construct it; therefore, the required minimum Taxable Value for Improvements was not met in 2017. The owner has requested for the agreement to be amended to reflect the appraisal rather than the construction cost. The Second Amendment to Tax Abatement Agreement reduces the minimum Taxable Value for Improvements to \$400,000.

### Legal Review:

The documents were prepared by Pete Smith.

### Fiscal Impact:

N/A

### Recommendation:

Staff recommends approval.