



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 Founders' Crossing, LLC, and authorizing the Mayor to sign.

2030: Business Prosperity

Executive Summary:

The owner, Founders' Crossing, LLC, 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 two of the buildings in 2016. They retained the building located at 531 W. Bethel Rd., and The Ratliff Group operates their corporate headquarters out of that building. The first year of abatement was to begin in 2016, but the original agreement was amended to authorize the first year of abatement to be pushed to 2017. The agreement will 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. All other terms of the agreement remain the same.

Legal Review:

The documents were prepared by Pete Smith.

Fiscal Impact:

N/A

Recommendation:

Staff recommends approval.