



## MEMORANDUM

**To:** Mayor and City Council

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

**Date:** December 12, 2017

**Reference:** Consider approval of a Resolution Approving First Amendment to Tax Abatement Agreement between the City of Coppell and Bio World Merchandising, Inc., and authorizing the Mayor to sign.

**2030:** Business Prosperity

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### Executive Summary:

Bio World Merchandising, Inc. will be constructing an office to house their corporate headquarters at the southeast corner of Belt Line Road and Dividend Drive. City Council approved a Tax Abatement Agreement in December 2016. Due to delays in purchasing the land, the company has requested an extension on the required Commencement of Construction and Completion of Construction dates.

### Introduction:

Bio World Merchandising, Inc. is a leading design and distribution company of licensed and private label apparel, headwear and accessories to all retail channels. The company is currently located in Irving, Texas, but due to growth, they need a larger building. In 2017, the company owner, Raj Malik, purchased approximately 16 acres at the southeast corner of Dividend Drive and S. Belt Line Road to build the company's corporate headquarters. The office building will be approximately 120,000 square feet in size. City Council held a Public Hearing regarding the designation of Reinvestment Zone No. 108 on November 8, 2016, and City Council approved a Tax Abatement Agreement in December 2016.

### Analysis:

Due to delays in purchasing the land, the company has requested an extension on the required Commencement of Construction and Completion of Construction dates. This agreement amends the original agreement by pushing the Commencement of Construction date to December 1, 2018, and by pushing the Completion of Construction date to June 1, 2020.

**Legal Review:**

The documents were prepared by Pete Smith.

**Fiscal Impact:**

N/A

**Recommendation:**

Staff recommends approval.