

INTERCERAMIC USA

US Headquarters & Distribution Center

RELOCATION

Incentive Framework

City of Carrollton ROI

11-23-15

Interceramic Tile & Natural Stone, a top manufacturer and distributor of ceramic tile and stone in the United States, Canada, Mexico, and Central America, was founded in 1979 in Mexico and has grown to total annual sales of over \$500 million. Interceramic's US headquarters is currently located in Garland, TX, along with its manufacturing and distribution facilities.

Interceramic is considering relocating its headquarters and distribution operations from Garland to a location in Carrollton, Dallas, Richardson, or McKinney. Their manufacturing operation will remain in Garland for the immediate future.

Scope

- **Location:** SW Corner of Plano Pkwy and FM544
- **Lease:** 350,000 S.F. lease (Billingsley Build-to-Suit - \$25 million)
- **Lease Term:** 16 years (15 Year, Plus 1 Year Rent Free)
- **Jobs Created:** 131
- **Payroll:** \$6,700,000 annually (\$51,500 per/job)

Incentives

- **Tax Abatement:** 80% on Real Property only for 7 years
\$130,700 per/year (\$915,000 total)
- **Permit/Impact Fee Rebate:** \$100,000 (100%)
- **Total Incentives:** \$1,015,000 (over 7 years)

Payback to City *

- **Real Property Taxes:** \$26,000 annually for 7 years, then \$157,000 annually
- **BPP Taxes:** \$67,700 annually
- **Sales Tax:** \$6,000 annually
- **NPV of Incentives: **** \$848,664
- **NPV of City Benefits: **** \$1,213,283

* As calculated by Impact DataSource 2015

** Net Present Value (NPV) calculated over a 10-year term with a discount rate of 5%