

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARROLLTON, TEXAS, AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE AN ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT BY AND BETWEEN THE CITY OF CARROLLTON AND DURAPLAS, INC., ESTABLISHING A PROGRAM OF GRANTS TO THE COMPANY FOR ITS RELOCATION TO 2395 MIDWAY ROAD, IN AMOUNTS EQUAL TO FIFTY PERCENT (50%) OF TAXES PAID TO THE CITY ON THE ASSESSED NEW VALUE OF BUSINESS PERSONAL PROPERTY FOR A MAXIMUM TERM OF THREE (3) YEARS, AND A SECOND GRANT IN AMOUNTS EQUAL TO FIFTY PERCENT (50%) OF TAXES PAID TO THE CITY ON THE ASSESSED NEW VALUE OF BUSINESS PERSONAL PROPERTY AND REAL PROPERTY FOR A MAXIMUM TERM OF THREE (3) YEARS AFTER ISSUANCE OF A CERTIFICATE OF OCCUPANCY ON A NEW BUILDING TO BE CONSTRUCTED, FOR THE CREATION OF JOBS TO PROMOTE LOCAL ECONOMIC DEVELOPMENT AND STIMULATE BUSINESS AND COMMERCIAL ACTIVITY WITHIN THE CITY, FOR A TOTAL INCENTIVE AMOUNT NOT TO EXCEED FOUR HUNDRED EIGHTY-ONE THOUSAND, TWO HUNDRED AND EIGHTY-FOUR DOLLARS (\$481,284); AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Carrollton, Texas ("City Council") has been presented proposed terms and conditions for an Economic Development Incentive Agreement ("Agreement"), between the City of Carrollton, Texas ("City"), and DuraPlas, Inc. ("Company"), for relocation of its headquarters and manufacturing operations into a building located at 2395 Midway Road ("Property"), establishing a program of grants to the Company in amounts equal to fifty percent (50%) of taxes paid to the City on the assessed new value of business personal property for a maximum term of three (3) years ("Tax Rebate Grant") upon acquisition of the Property, and a second Tax Rebate Grant to the Company in amounts equal to fifty percent (50%) of taxes paid to the City on the assessed new value of business personal property and real property for a maximum term of three (3) years after the issuance of a Certificate of Occupancy on a new building to be constructed at the Property, for a total grant amount not to exceed Four Hundred and Eighty-One Thousand, Two Hundred and Eighty-Four Dollars (\$481,284) ("Total Grant");

WHEREAS, Company will be eligible for a payment of a Tax Rebate Grant upon acquisition of the Property, as defined in the Agreement, and a second Tax Rebate Grant upon completion of Eligible Improvements, as defined in the Agreement; and

WHEREAS, the viability of the City's business community is important to enhancing the quality of life for Carrollton residents through the creation of jobs and the expansion of local commerce; and

WHEREAS, DuraPlas, Inc. is a manufacturer of plastic products used primarily in the agriculture sector; and

WHEREAS, the Company has advised the City that it will acquire and redevelop the Property, removing existing structures valued at approximately Twenty-Three Million, Four Hundred Thousand Dollars (\$23,400,000); and

WHEREAS, the Company will use a portion of the Property to store approximately Three Million Dollars (\$3,000,000) in Business Personal Property during the first three (3) years of site planning and demolition; and

WHEREAS, the Company will begin construction in Year Four (4) of at least Six-Hundred and Fifty Thousand (650,000) square feet of office, manufacturing and warehouse space, adding new product lines that would require the installation of new machinery with an approximate value of Fifty Million and Five-Hundred Thousand Dollars (\$50,500,000), plus approximately Forty Million Dollars (\$40,000,000) in Improvements to the Property, plus the creation of Three Hundred Four (304) full-time equivalent jobs at the Property with an average annual salary of Fifty Thousand, Six Hundred Eighty Dollars (\$50,680), plus benefits, over the first ten (10) years of operation; and

WHEREAS, the Company has advised the City that a contributing factor that would induce it to relocate its headquarters and manufacturing operations to Carrollton would be an agreement wherein the City provides a program of grants to the Company that would enable the Company to add new product lines and new jobs; and

WHEREAS, upon full review and consideration of the proposed terms and conditions of the Agreement, and all matters attendant and related thereto, the City Council is of the opinion that the City Manager shall be authorized to negotiate and execute the Agreement, containing such terms and conditions, on behalf of the City of Carrollton;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF CARROLLTON, TEXAS, THAT:

Section 1

The above and foregoing premises are found to be true and correct and are incorporated herein and made a part hereof for all purposes.

Section 2

The terms and conditions of the proposed Agreement shall include a program of grants to the Company in amounts equal to fifty percent (50%) of taxes paid to the City on the assessed new value of business personal property for a maximum term of three (3) years ("Tax Rebate Grant") upon acquisition of the Property, and a second Tax Rebate Grant to the Company in amounts equal to fifty percent (50%) of taxes paid to the City on the assessed new value of business personal property and real property for a maximum term of three (3) years after the issuance of a Certificate of Occupancy on a new building to be constructed at the Property, for a total grant amount not to exceed Four Hundred and Eighty-One Thousand, Two Hundred and Eighty-Four Dollars (\$481,284) ("Total Grant").

Section 3

The City Manager is hereby authorized to negotiate and execute the Agreement and all other documents in connection therewith on behalf of the City of Carrollton, substantially according to the terms and conditions set forth in this Resolution.

Section 4

This Resolution shall take effect upon passage.

PASSED AND APPROVED ON December 5, 2023.

City of Carrollton, Texas

Steve Babick, Mayor

ATTEST:

Chloe Sawatzky, City Secretary

Approved as to form:

Approved as to content:

Meredith Ladd
City Attorney

Robert Winningham
Director of Economic Development