

Legislation Text

File #: 2084, **Version:** 1

CC MEETING: **July 7, 2015**

DATE: June 16, 2015

TO: Leonard Martin, City Manager

FROM: Tom Latchem, Director of Economic Development

Consider A **Resolution Authorizing The City Manager To Enter Into A Tax Incentive Agreement With RDL Property, LP.**

BACKGROUND:

RDL Property, LP has requested a tax incentive for a 75,000 square foot corporate headquarters/manufacturing/distribution center (DC International) located at 4488 Plano Parkway. DC International is a company founded in Carrollton in 2008 and has grown to become a global, tech-savvy seller of high quality leather goods through *Leatherology.com* to major companies such as Toyota, Google, Seiko, and A&E, and of canvas covers for household and commercial use through *TheCoverStore.com*.

FINANCIAL IMPLICATIONS:

The total cost of the building is \$7,400,000 with an investment in inventory of approximately \$3,500,000, for a total investment of almost \$11 million. This 7-year, 50% abatement of real and personal property, including inventory, would result in a savings of approximately \$33,000 annually to the company for a 7-year total savings of approximately \$230,000. During the same 7-year timeframe the City of Carrollton would receive a total of approximately \$230,000 in tax revenue.

IMPACT ON COMMUNITY SUSTAINABILITY:

In accordance with the City of Carrollton's goal of enhancing the tax base through new development, this project meets all criteria.

STAFF RECOMMENDATION/ACTION DESIRED:

Staff recommends that City Council authorize the City Manager to enter into an incentive agreement with RDL Property LP (attached).