

Memorandum



DATE May 16, 2014

TO Members of the Economic Development Committee:
Tennell Atkins (Chair), Rick Callahan (Vice Chair), Adam Medrano, Scott Griggs
Lee Kleinman, Jerry R. Allen

SUBJECT **United States Cold Storage Expansion Project**

For the past several months, city staff has been in discussion with representatives of United States Cold Storage, L.P. (USCS) regarding the potential expansion of its recently constructed 500,000 square foot refrigerated warehouse. Plans call for an expansion of the Dallas operation by 200,000 square feet. USCS employs approximately 48 employees at 2225 N. Cockrell Hill Road in Dallas. As part of an evaluation of its DFW area operations, the company considered multiple facilities in Texas including Arlington, Fort Worth and Laredo as well as Tennessee to determine where to locate this additional capacity.

In order to secure the proposed expansion, city staff proposes City Council consideration of a \$150,000 Economic Development grant. The company must invest a minimum of \$6,000,000 in equipment, machinery and other business personal property as well as a minimum of \$12,000,000 in real property improvements related to the expansion of approximately 200,000 square feet. The investment must be made by December 31, 2015. Additionally, the company must retain its existing 48 employees and add another 25 full time jobs (a total of 73) by December 31, 2016.

This corporate expansion conforms to Public/Private Partnership Program Guidelines and Criteria as it involves an investment of over \$1,000,000 in this Southern Sector location.

The expansion of USCS in Dallas will result in a positive net fiscal impact of approximately \$1,181,739 over 10-years after incentives. The projected 20-year net fiscal impact of the project is \$3,167,432.

On March 8, 2006, City Council authorized a 10-year, 90 percent tax abatement on added value of real property with Turnpike West, LLC which included the development of a 500,000 square feet by United States Cold Storage, L.P. (US Cold Storage) at an estimated cost of \$16,500,000. This project was delayed due to the economic downturn. On April 24, 2012, City Council authorized an amendment to the original agreement to allow Unites States Cold Storage, L.P. to receive the remaining portion of the previously authorized tax abatement upon completion of the refrigerated warehouse facility. US Cold Storage substantially completed the facility with its Certificate of Occupancy on August 21, 2013, and employs approximately 48 at the site.

With 34 facilities located in 12 states, the United States Cold Storage employs more than 1,600 people. The company is an integral part of the global food distribution and supply chain with more than 35 percent of all goods it handles destined for international use or consumption. For more than a century, the company has provided refrigerated storage and distribution services which today range from primary storage to integrated third party logistic solutions. With more than 194 million cubic feet of temperature-controlled warehouse and distribution space, its customers include many of the top American and international food companies. Its commitment to full service solutions is reflected in such things as their proprietary transportation management system, TMS, which effectively plans and monitors hundreds of shipping activities on a daily basis.

Project Details

Project Site: 2225 N. Cockrell Hill Road, Dallas

Facilities: 200,000 square foot expansion to an existing refrigerated warehouse facility

Real Property Investment: Minimum of \$12 million

City Incentives

Economic Development Grant: \$150,000

Proposed Estimated Schedule of the Project

Begin Construction June 2014
Substantial Completion May 2015

Fiscal Information

Public Private Partnership: \$150,000

Owner

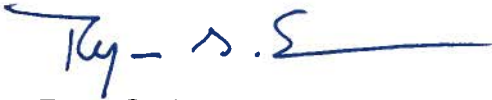
United States Cold Storage, L.P.
James Slamon, VP Finance & CFO

Staff

J. Hammond Perot, Assistant Director
Christopher O'Brien, Senior Coordinator

Recommendation

Staff recommends approval of the subject item. Please contact me if you have any questions at 214-670-3296.



Ryan S. Evans
Interim First Assistant City Manager

- C: The Honorable Mayor and Members of the City Council
A.C. Gonzalez, City Manager
Warren M. S. Ernst, City Attorney
Judge Daniel F. Solis, Administrative Judge
Rosa A. Rios, City Secretary
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Theresa O'Donnell, Interim Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Karl Zavitkovsky, Director, Office of Economic Development
J. Hammond Perot, Assistant Director, Office of Economic Development
Shawn Williams, Interim Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor and Council

Proposed Project Information Worksheet Economic Development Committee

A. Project Summary/Assumptions

City Council District	6	
Project/Company Name	United States Cold Storage, L.P.	
Project Location	2225 N. Cockrell Hill Road, Dallas	
Project Type	Refrigerated Warehouse Expansion	
Facilities (Square Feet)	200,000	
Construction Schedule	Begin	1-Jun-14
	Complete	31-May-15
Private Improvement Investment	Real Property	\$12,000,000
	Business Property	\$6,000,000
Jobs	Created	25
	Retained	48
Average Wage Rate	Salary	\$38,000
	Hourly	N/A
City Incentive Summary	Tax Abatement	NA
	Infrastructure	N/A
	Other - Grant	\$150,000

B. Economic Impact Estimates (Dallas City Economy Only, \$ Million)

	10-Year		20-Year	
	Jobs	Economic Output	Jobs	Economic Output
Direct Impact	25	34,336,028	25	56,290,284
Indirect and Induced Impact*	10	27,468,822	10	45,032,227
Total Impact	35	61,804,850	35	101,322,511

C. City of Dallas General Fund Fiscal Impact (\$ Million)

(From direct, indirect and induced economic impacts)

	10-Year	20-Year
Total City GF Revenue Generated	1,967,148	4,170,541
Total City GF Service Costs	635,409	1,002,959
Net Impact Before Incentives	1,331,739	3,167,582
City Incentives	150,000	150,000
Net City Fiscal Impact	1,181,739	3,017,582

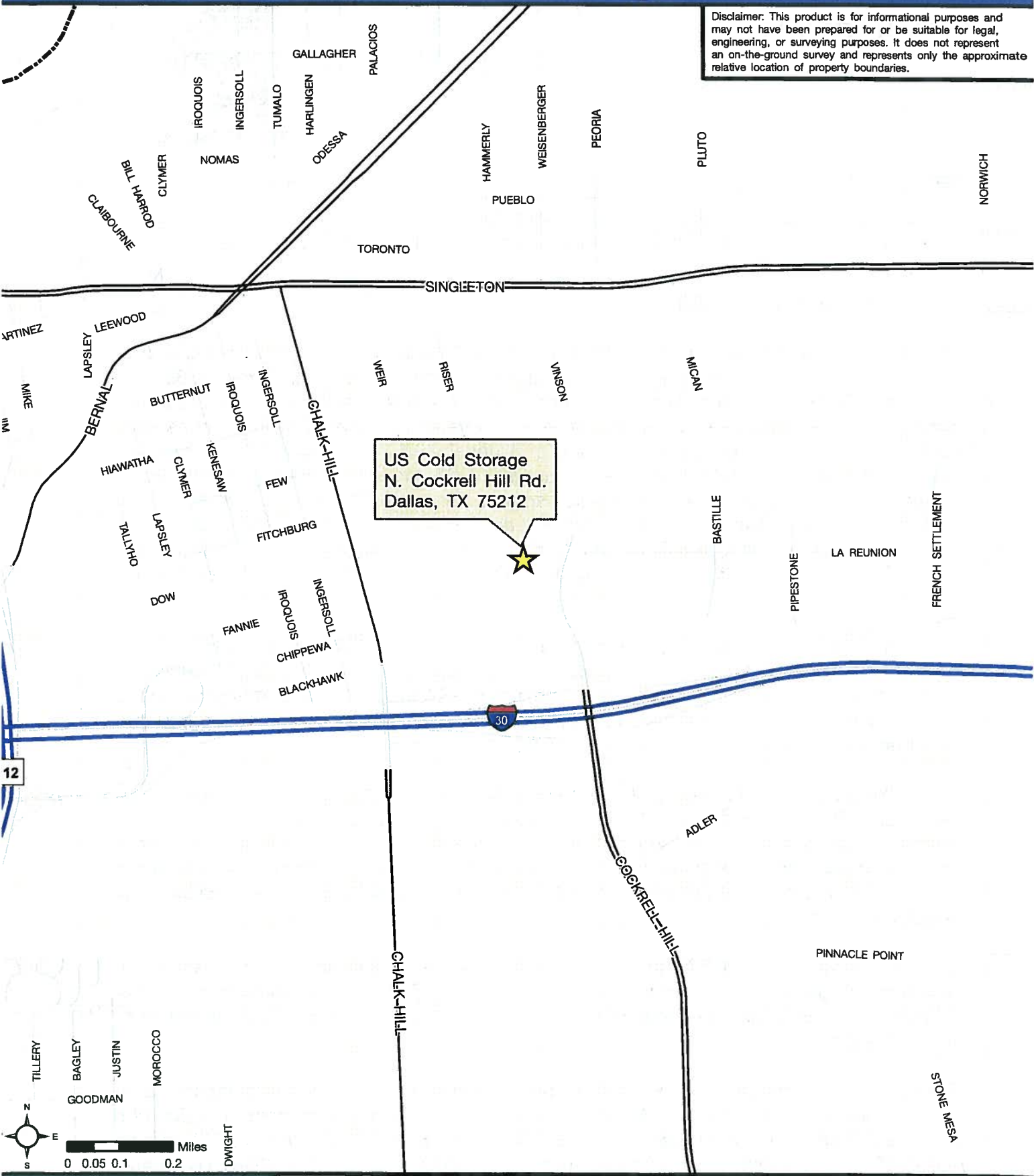
* Indirect impacts represent supplier effects, induced impacts represent spin-off household effects.

D. Other Taxing Jurisdiction 10-yr Estimated Tax Revenue

	Property Taxes	Sales Taxes
DISD	\$ 230,775	N/A
Dallas County	\$ 45,558	N/A
DCCCD	\$ 22,446	N/A
Parkland Hospital	\$ 49,680	N/A
DART	\$ -	N/A

US Cold Storage

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



US Cold Storage
N. Cockrell Hill Rd.
Dallas, TX 75212

DALLAS ECONOMIC DEVELOPMENT
Research & Information Division
972.414.1685
dallas.ecodev.org

- Legend**
- City of Dallas
 - Freeway
 - Arterial
 - Local Road

Source: City of Dallas, 2013

Memorandum



DATE May 16, 2014

TO Members of the Economic Development Committee:
Tennell Atkins (Chair), Rick Callahan (Vice Chair), Adam Medrano, Scott Griggs
Lee Kleinman, Jerry R. Allen

SUBJECT **Santander Consumer USA Inc. Project**

City staff has been in negotiations with Santander Consumer USA Inc. to relocate and expand the company's headquarters operations to downtown Dallas from 8585 N. Stemmons Freeway, Dallas, Texas. The company considered relocating its operation to Irving. Santander Consumer USA Inc. provides full-service, technology-driven consumer financing with a focus on vehicle finance and unsecured consumer lending products. Since its founding in 1995, Santander Consumer USA Inc. has achieved strong brand recognition in the nonprime vehicle finance space. The company mainly originates loans indirectly through manufacturer-franchised and selected independent automotive dealers, as well as through relationships with national and regional banks and OEMs. Santander Consumer USA Inc. also directly originates and refinances vehicle loans online.

The company has leased approximately 350,000 square feet in Thanksgiving Tower, located at 1601 Elm Street, Dallas, Texas. The building, is undergoing a \$100,000,000 renovation by it's new owner. Santander Consumer USA Inc. will make an approximately \$10,000,000 investment in tenant improvements as well as an estimated \$6,000,000 investment in business personal property at the site.

Santander Consumer USA Inc. will relocate a minimum of 1,150 new, permanent, non-seasonal FTE jobs with an estimated average salary exceeding \$60,000 to the downtown Dallas site by December 31, 2014. Santander Consumer USA Inc. will add a minimum of 250 new, permanent, non-seasonal FTE jobs at the building by December 31, 2015 for a total employment of 1,400 jobs to be maintained at that location until December 31, 2024.

Santander Consumer USA Inc. seeks City Council approval of an economic development grant in an amount not to exceed \$1,000,000 in consideration of the relocation and expansion of Santander Consumer USA Inc.'s headquarters operation to downtown Dallas.

The economic development grant will be payable in two installments corresponding to the permanent, non-seasonal FTE jobs created/retained. The first payment of \$500,000 will be payable upon the substantial completion of \$1,500,000 in tenant improvements and verification of a minimum of 1,150 jobs on site by December 31, 2014. To receive the second \$500,000 payment, Santander Consumer USA Inc. must reach a total 1,400 jobs on site by December 31, 2015. The Chapter 380 economic development grant will

1601 Elm Street – Santander Consumer USA Inc.

May 16, 2014

Page 2 of 3

be terminated in the event that the total job creation requirement is not met by December 31, 2015.

Santander Consumer USA Inc. will be required to maintain a total minimum employment of 1,400 permanent, non-seasonal FTE jobs in downtown Dallas. If the company fails to maintain the minimum job requirement, Santander Consumer USA Inc. will be required to repay \$500 per job under the minimum job creation requirement up to the paid grant amount but not to exceed \$500,000 until December 31, 2024.

If Santander Consumer USA Inc. should break their lease or relocate out of the City of Dallas prior to December 31, 2024, the company will be required to repay the total paid grant amount plus interest at a 4 percent APR from disbursement.

The proposed agreement will result in a 10-year net fiscal impact of \$6,344,448 and an \$18,660,900 20-year net fiscal impact.

The proposed project meets the minimum eligibility requirements of the Public/Private Partnership Program as adopted by the City Council in Resolution No. 12-1520 on June 13, 2012.

Project Details

Project Site: 1601 Elm Street, Dallas, Texas

Facilities: Lease of approximately 350,000 square feet in a Class A office building in downtown Dallas

Real Property Investment: Minimum of \$1,500,000

City Incentives

Economic Development Grant: An economic development grant in an amount not to exceed \$1,000,000 to Santander Consumer USA Inc.

Proposed Estimated Schedule of the Project

Begin Construction November 2013

Complete Construction April 2015

Fiscal Information

\$1,000,000 - Public/Private Partnership Program Funds

1601 Elm Street – Santander Consumer USA Inc.
May 16, 2014
Page 3 of 3

Owner

Santander Consumer USA Inc.
Thomas Dundon, CEO

Staff

J. Hammond Perot, Assistant Director
Kim L. Moore, Marketing Manager

Recommendation

Staff recommends approval of the subject item. Please contact me if you have any questions at 214-670-3296.



Ryan S. Evans
Interim First Assistant City Manager

C: The Honorable Mayor and Members of the City Council
A.C. Gonzalez, City Manager
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Theresa O'Donnell, Interim Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Karl Zavitkovsky, Director, Office of Economic Development
J. Hammond Perot, Assistant Director, Office of Economic Development
Shawn Williams, Interim Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor and Council

Proposed Project Information Worksheet Economic Development Committee

A. Project Summary/Assumptions

City Council District	14	
Project/Company Name	Santander Consumer USA Inc.	
Project Location	1601 Elm Street	
Project Type	Headquarters relocation and expansion	
Facilities (Square Feet)	350,000	
Construction Schedule	Begin	1-Nov-13
	Complete	30-Apr-15
Private Improvement Investment	Real Property	\$10,000,000
	Business Property	\$6,000,000
Jobs	Created	250
	Retained	1,150
Average Wage Rate	Salary	\$86,655
	Hourly	N/A
City Incentive Summary	Tax Abatement	N/A
	Infrastructure	N/A
	Other - Grant	\$1,000,000

B. Economic Impact Estimates (Dallas City Economy Only, \$ Million)

	10-Year		20-Year	
	Jobs	Economic Output	Jobs	Economic Output
Direct Impact	322	482,339,395	322	1,127,168,468
Indirect and Induced Impact*	258	385,871,516	258	901,734,774
Total Impact	580	868,210,911	580	2,028,903,242

C. City of Dallas General Fund Fiscal Impact (\$ Million)

(From direct, indirect and induced economic impacts)

	10-Year	20-Year
Total City GF Revenue Generated	13,031,542	31,315,266
Total City GF Service Costs	5,687,094	11,654,366
Net Impact Before Incentives	7,344,448	19,660,900
City Incentives	1,000,000	1,000,000
Net City Fiscal Impact	6,344,448	18,660,900

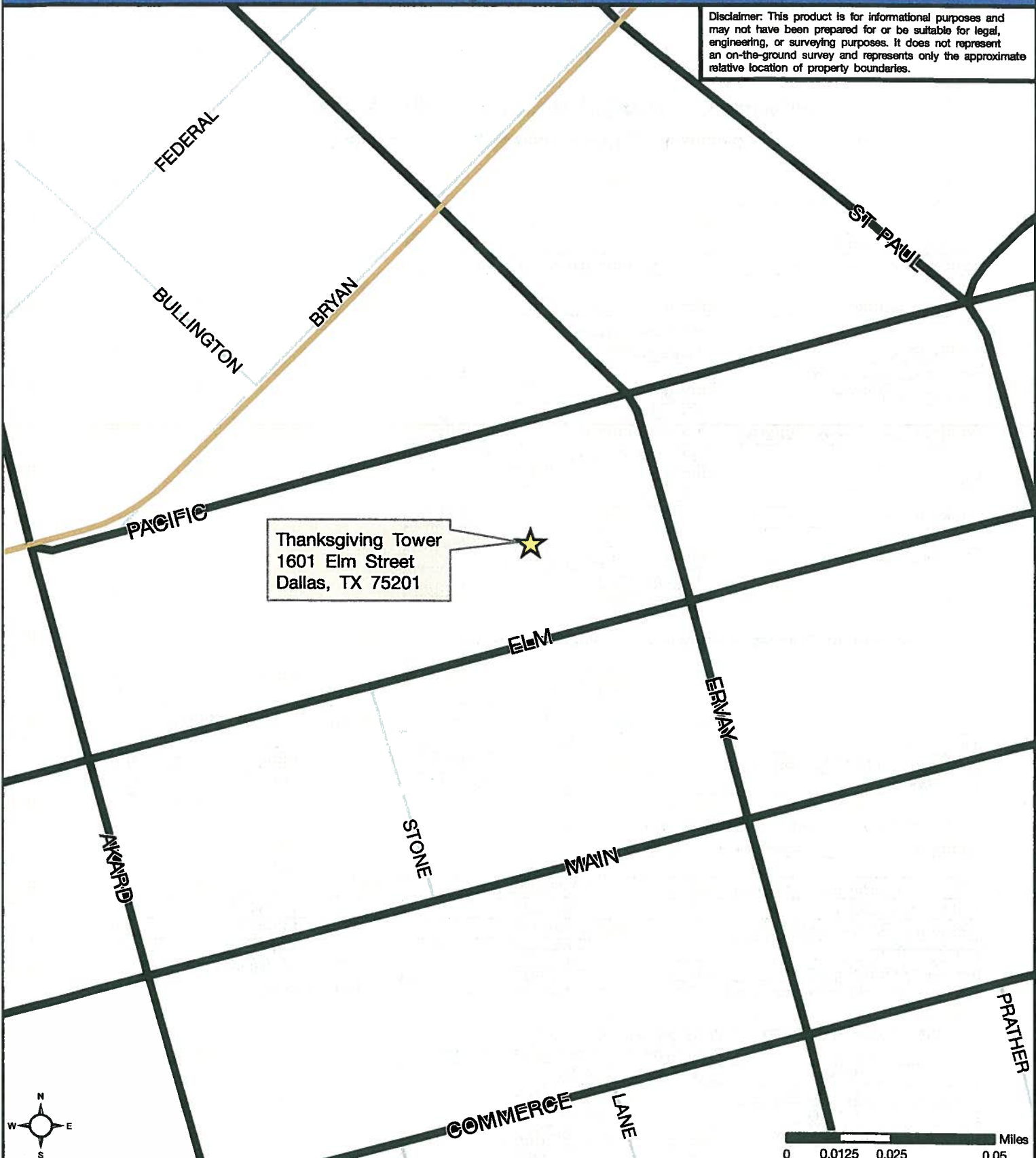
* Indirect impacts represent supplier effects, induced impacts represent spin-off household effects.

D. Other Taxing Jurisdiction 10-yr Estimated Tax Revenue

	Property Taxes	Sales Taxes
DISD	\$ 1,319,009	N/A
Dallas County	\$ 260,389	N/A
DCCCD	\$ 128,291	N/A
Parkland Hospital	\$ 283,949	N/A
DART	\$ -	N/A

Thanksgiving Tower

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Thanksgiving Tower
1601 Elm Street
Dallas, TX 75201



DALLAS ECONOMIC DEVELOPMENT
Research & Information Division
214.670.1685
dallas-ecodev.org

- Legend**
- DART Light Rail
 - Arterial
 - Local Road

Source: City of Dallas, 2014

Created: 9/2/2013 - 11/05/02, Kim Moore TCG

Memorandum



DATE May 16, 2014

TO Members of the Economic Development Committee:
Tennell Atkins (Chair), Rick Callahan (Vice Chair), Adam Medrano, Scott Griggs
Lee Kleinman, Jerry R. Allen

SUBJECT **Modification to the Hatcher Station Village Public Private Partnership agreement**

At the May 28th Council meeting, you will consider authorizing an amendment to the timing for the Public Private Partnership funding provided to Frazier Revitalization, Inc. for the Hatcher Station Village project related to the new Parkland Clinic.

Frazier Revitalization, Inc. (FRI) is a non-profit developer that has been active in the Frazier neighborhood for the past seven years. FRI is currently proposing to construct a new 44,000 sq ft medical clinic adjacent to the Hatcher Station DART stop. The clinic will be occupied by Parkland Hospital System.

On April 23, 2014, City Council approved a Chapter 380 grant agreement in an amount to not exceed \$2 million to be funded at financial close and disbursed *pari passu* through the construction disbursement process. However, due to delays in securing financing, bridge funds are needed to allow the development process to continue moving forward prior to the financial close (scheduled for July 2014). These bridge funds will keep the construction process on track for the Parkland Clinic's early 2015 opening.

Up to \$1.2 million of the previously approved \$2 million would be made available for bridge funding if all of the following conditions are met: 1) A Senior Loan commitment from Chase Bank; 2) An executed NMTA term sheet between the Dallas Development Fund and JP Morgan Chase; and 3) An executed lease between Parkland and FRI.

After Council approval, and after the above conditions are met, the City would reimburse FRI for eligible development costs not to exceed \$1.2 million. No new Public Private Partnership funds are being proposed for the project; the \$1.2 million is a portion of the already approved funding.

Should you have any questions or concerns, please contact me at (214) 670-3296.

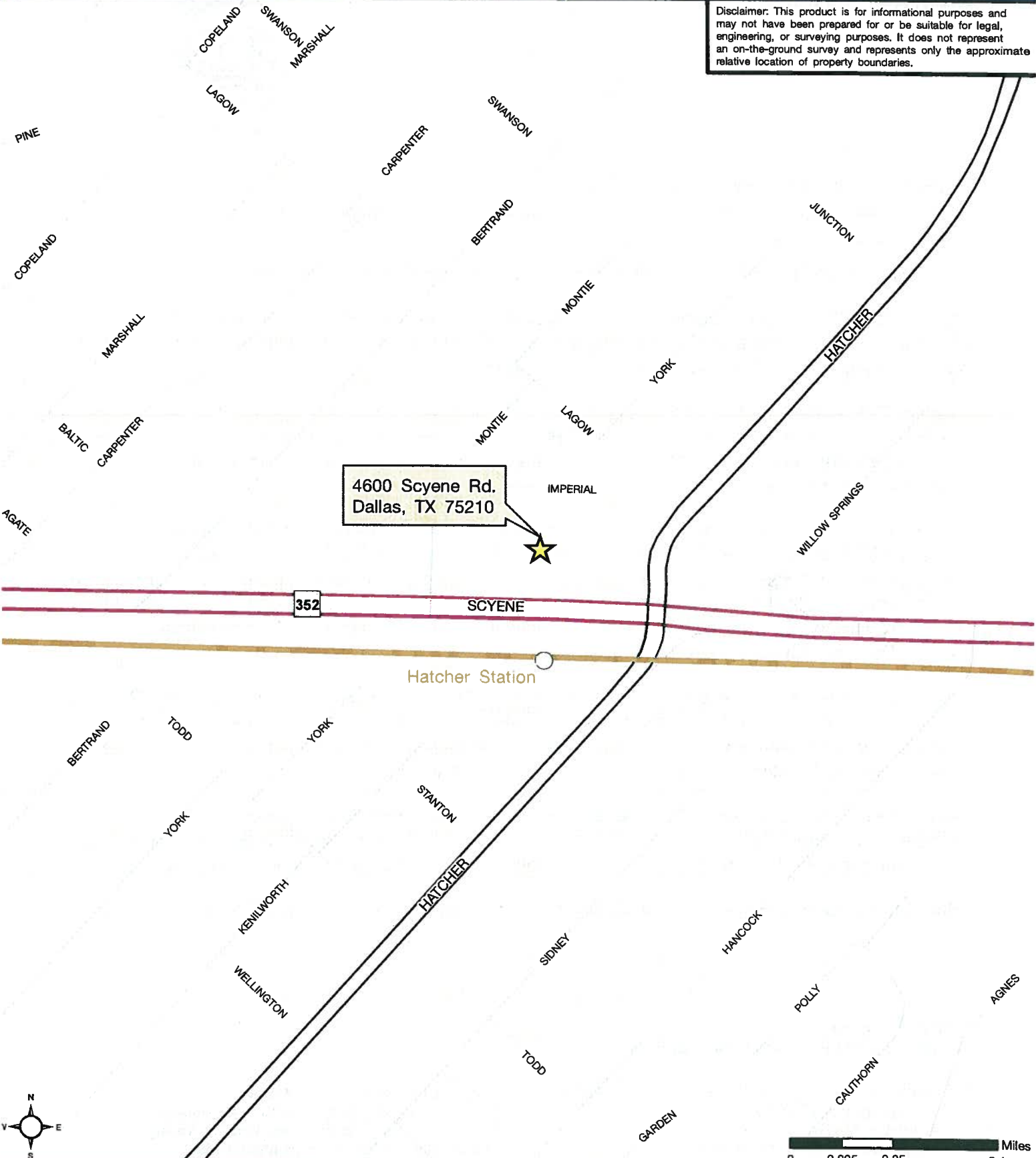

Ryan S. Evans
Interim First Assistant City Manager

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Hatcher Station Village Medical Clinic

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4600 Scyene Rd.
Dallas, TX 75210

352

SCYENE

Hatcher Station



DALLAS ECONOMIC DEVELOPMENT
 Research & Information Division
 214.670.1685
 dallas-ecodev.org

- Legend**
- Rail Station
 - DART Light Rail

- Highway
- Arterial
- Local Road

Source: City of Dallas, 2014.

Memorandum



CITY OF DALLAS

DATE May 16, 2014

TO Members of the Economic Development Committee:
Tennell Atkins (Chair), Rick Callahan (Vice Chair), Adam Medrano, Scott Griggs
Lee Kleinman, Jerry R. Allen

SUBJECT **The Canyon: Colorado Boulevard Extension - Amendment #1**

On May 28, 2014, the City Council will be asked to consider authorizing an amendment to the Chapter 380 economic development grant agreement between the City and SLF III – THE CANYON TIF, LP, (SLF III) pursuant to Chapter 380 of the Texas Local Government Code in accordance with the City's Public/Private Partnership Program, supporting the proposed Canyon development at the southeast corner of Interstate Highway 30 and Westmoreland Road, Dallas, Texas 75211.

Previously, on March 27, 2013, the City Council authorized a Chapter 380 economic development grant agreement in an amount not to exceed \$327,140 with SLF III related to the design of the Colorado Boulevard extension within the proposed Canyon development at the southeast corner of Interstate Highway 30 and Westmoreland Road, Dallas, Texas 75211. Funding in an amount not to exceed \$10,000,000 was approved in the 2012 Bond Program for the design and construction of the proposed Colorado Boulevard extension. In order to expedite delivery of Phase I of the Colorado extension, SLF III privately funded engineering, survey, geotechnical, and other associated items of the proposed improvements in accordance with the grant agreement.

Additionally, the agreement requires SLF III to ensure a minimum of \$5 million would be privately invested for construction of new commercial development including a hotel and new restaurants. Pursuant to the agreement, SLF III is currently to commence construction on the proposed commercial development by May 31, 2014.

SLF III has requested the City Council to consider extending the start of construction from May 31, 2014 to May 31, 2015. Reasons cited for the extension request is the schedule for the Colorado Boulevard extension from Westmoreland Road to the I-30 Frontage Road. Prospective retail tenants have noted a desire for the construction to be further advanced to ensure date certain delivery of the retail space by the proposed developer.

The proposed amended Chapter 380 economic development grant will be payable after City Council award of the construction contract for the initial phase of the Colorado Boulevard extension. SLF III also ensures with this amendment that a minimum of \$10,000,000 (previously \$5,000,000) will be privately invested for construction of a hotel, retail shops, restaurants, entertainment facilities and/or personal service facilities.

The Canyon: Colorado Boulevard Extension - Amendment #1
May 16, 2014
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This amendment will have no additional cost impact to the City.

Should you have any questions, please contact me at (214) 670-3296.



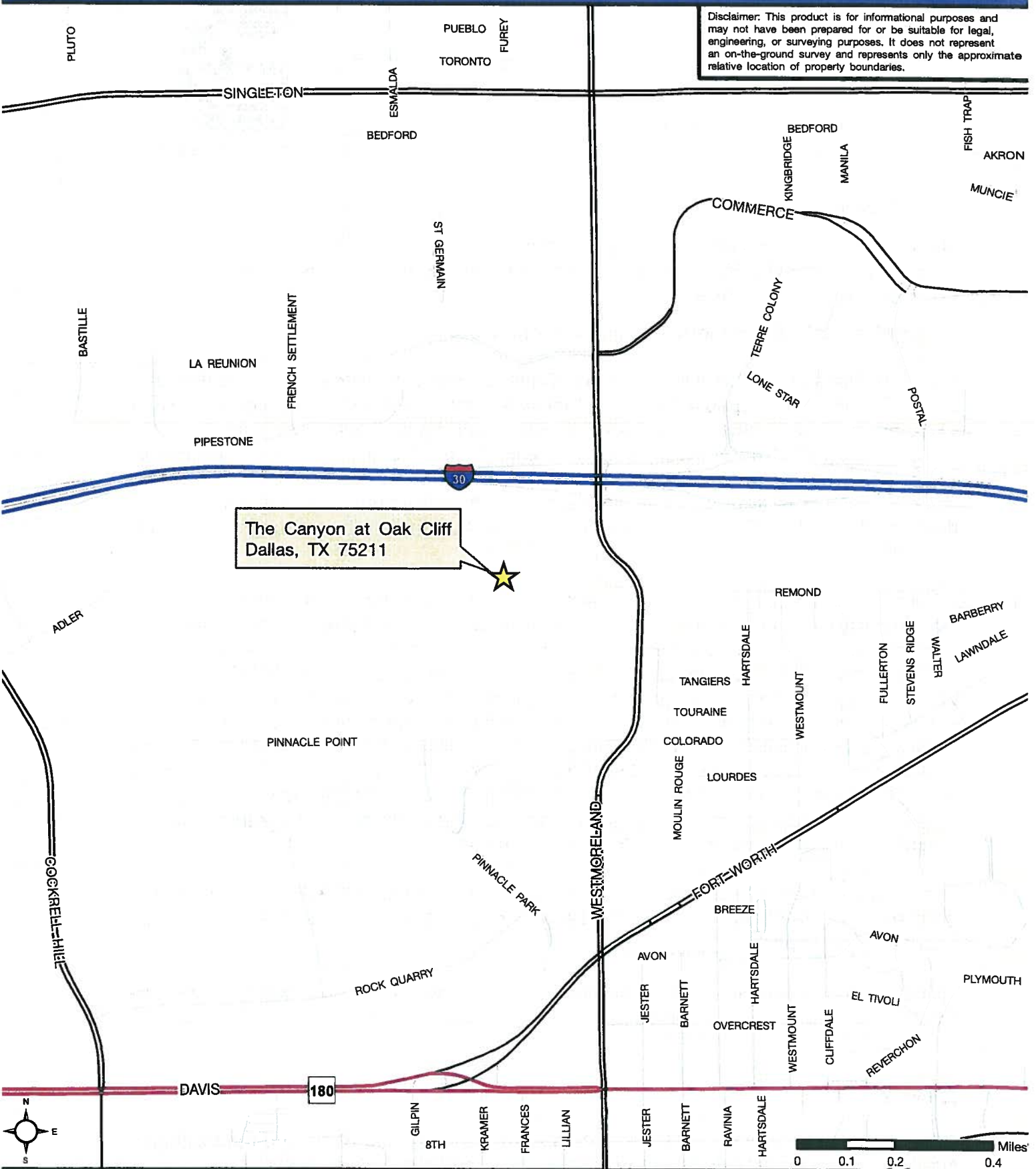
Ryan S. Evans
Interim Assistant City Manager

C: The Honorable Mayor and Members of the City Council

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The Canyon at Oak Cliff

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The Canyon at Oak Cliff
Dallas, TX 75211

Legend

- Freeway
- Highway
- Arterial
- Local Road

ALLAS ECONOMIC DEVELOPMENT
 research & Information Division
 14.670.1685
 allas-ecodev.org

Source: City of Dallas, 2013

Memorandum



CITY OF DALLAS

DATE May 16, 2014

TO Members of the Economic Development Committee:
Tennell Atkins (Chair), Rick Callahan (Vice Chair), Adam Medrano, Scott Griggs
Lee Kleinman, Jerry R. Allen

SUBJECT **TCDFW Industrial Development Inc. II Project**

City staff has negotiated with Trammel Crow Company regarding construction of a 200,000 square foot speculative industrial/warehouse facility on approximately 17.52 acres north of I-20 between J.J. Lemmon Road and the Burlington Northern Santa Fe (BNSF) Railroad at 4800 LBJ Freeway, Dallas, Texas located in a Texas Enterprise Zone. Trammel Crow Company will develop this project through an entity called TCDFW Industrial Development Inc. Locally, the Trammel Crow Company has developed over 50 million square feet in industrial buildings, with a strong commitment to Southern Dallas.

TCDFW Industrial Development Inc. seeks City Council approval of: (1) a 90 percent real property tax abatement for 10 years, and (2) an economic development grant in an amount not to exceed \$195,000 to offset public and private improvement costs. TCDFW Industrial Development Inc. will make a minimum of \$4,000,000 in real property improvements with construction of the 200,000 square foot speculative industrial/warehouse facility. The economic development grant will be payable upon the substantial completion of the 200,000 square foot facility and a minimum of \$4,000,000 in real property improvements by December 31, 2016. The real property tax abatement must begin on or before January 1, 2017. TCDFW Industrial Development Inc. will forfeit the real property tax abatement and the economic development grant if it fails to reach the minimum investment by the required time.

The forgone revenue from the proposed tax abatement is \$189,654. The proposed agreement will result in a 10-year net fiscal impact of \$291,077 and a \$1,236,054 20-year net fiscal impact.

The proposed project meets the minimum eligibility requirements of the Public/Private Partnership Program as adopted by the City Council in Resolution No. 12-1520 on June 13, 2012.

Project Details

Project Site: 17.52 acres north of I-20 between J.J. Lemmon Road and the Burlington Northern Santa Fe (BNSF) Railroad at 4800 LBJ Freeway, Dallas, Texas

Facilities: Construction of a 200,000 square foot speculative industrial/warehouse facility

Real Property Investment: Minimum of \$4 million

City Incentives

Real Property Tax Abatement: 90%-10 year tax abatement will commence on or before January 1, 2017.

	<u>Investment</u>	<u>Tax Abatement</u>	<u>Foregone Revenue</u>	<u>City of Dallas Tax Revenue</u>
Real Property Year One	\$4M	90% - 10 yrs	\$25,823	\$2,869
10-year totals	\$4M		\$189,654	\$21,073

Proposed Estimated Schedule of the Project

Begin Construction August 2014
Complete Construction May 2016

Fiscal Information

Revenue: First year revenue estimated at \$2,869; ten-year revenue estimated at \$21,073; (Estimated revenue foregone for a ten-year new real property abatement estimated at \$189,654)

2012 Prop 3 General Obligation Commercial Paper Funds - \$195,000

Owner

TCDFW Industrial Development Inc.
Scott Krikorian, Managing Director

Staff

J. Hammond Perot, Assistant Director
Kim L. Moore, Marketing Manager

Recommendation

Staff recommends approval of the subject item. Please contact me if you have any questions at 214-670-3296.



Ryan S. Evans
Interim First Assistant City Manager

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J. Hammond Perot, Assistant Director, Office of Economic Development
Shawn Williams, Interim Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor and Council

Proposed Project Information Worksheet Economic Development Committee

A. Project Summary/Assumptions

City Council District	8	
Project/Company Name	TCDFW Industrial Development Inc.	
Project Location	4800 LBJ Freeway	
Project Type	Speculative Industrial/Warehouse	
Facilities (Square Feet)	200,000	
Construction Schedule	Begin	1-Aug-14
	Complete	31-May-16
Private Improvement Investment	Real Property	\$4,000,000
	Business Property	\$10,000,000
Jobs	Created	25
	Retained	0
Average Wage Rate	Salary	\$40,000
	Hourly	N/A
City Incentive Summary	Tax Abatement	90%, 10 years
	Infrastructure	N/A
	Other - Grant	\$195,000

B. Economic Impact Estimates (Dallas City Economy Only, \$ Million)

	10-Year		20-Year	
	Jobs	Economic Output	Jobs	Economic Output
Direct Impact	25	16,559,469	25	39,669,212
Indirect and Induced Impact*	23	13,247,575	23	31,735,369
Total Impact	48	29,807,044	48	71,404,581

C. City of Dallas General Fund Fiscal Impact (\$ Million)

(From direct, indirect and induced economic impacts)

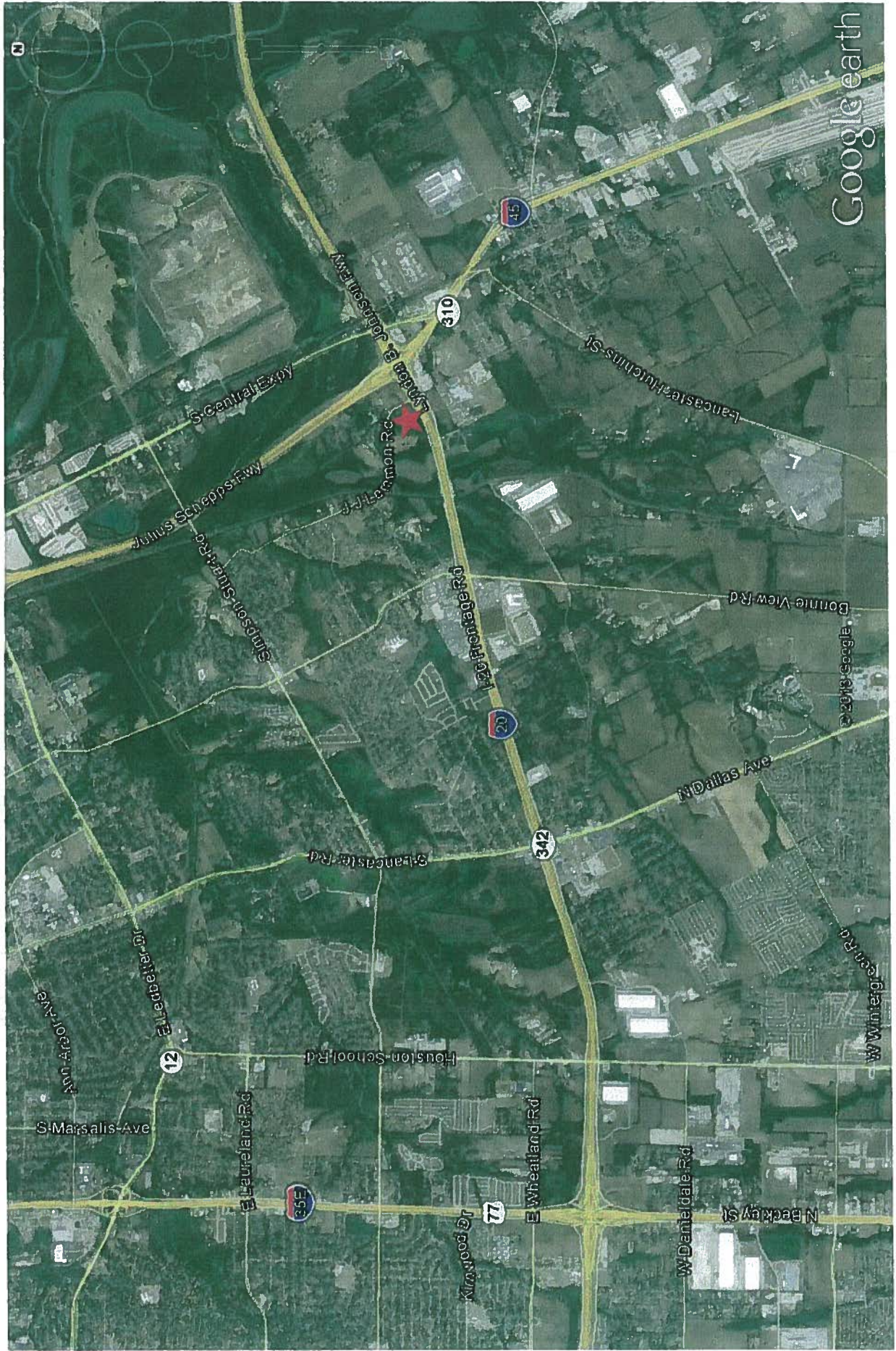
	10-Year	20-Year
Total City GF Revenue Generated	1,007,435	2,497,592
Total City GF Service Costs	388,600	876,884
Net Impact Before Incentives	618,835	1,620,708
City Incentives	327,758	384,654
Net City Fiscal Impact	291,077	1,236,054

* Indirect impacts represent supplier effects, induced impacts represent spin-off household effects.

D. Other Taxing Jurisdiction 10-yr Estimated Tax Revenue

	Property Taxes	Sales Taxes
DISD	\$ 338,983	N/A
Dallas County	\$ 66,920	N/A
DCCCD	\$ 32,971	N/A
Parkland Hospital	\$ 72,974	N/A
DART	\$ -	N/A

TCDFW Industrial Development Inc. II Map



TCDFW Industrial Development Inc. II Map



Exhibit 001
Economic Development Area
JJ Lemmon tract
DATE: Jan 15, 2014 AVO: 1008146864
HALFF

Memorandum



DATE May 16, 2014

TO Members of the Economic Development Committee: Tennell Atkins (Chair),
Rick Callahan (Vice Chair), Adam Medrano, Scott Griggs, Lee Kleinman, Scott Griggs
Jerry R. Allen

SUBJECT **Enterprise Zone Project Designations -City Council Agenda – May 28, 2014**

On May 28, 2014, the City Council will consider nominating Mary Kay Inc. to the Office of the Governor Economic Development and Tourism as an Enterprise Zone Project pursuant to the Texas Enterprise Zone Act.

The designation will allow for a rebate of state sales and use taxes of up to \$2,500 per job created or retained for Mary Kay Inc. based on qualified expenditures the company makes over a five-year period up to a maximum benefit of \$1,250,000. Mary Kay Inc. plans to invest in excess of \$50 Million over the next five years in new equipment for their production facility and an automated storage and retrieval system (“ASRS”) facility. Mary Kay Inc. presently operates two facilities in Dallas, one at 1330 Regal Row and another at 2213 Connector Drive. Combined, the facilities employ 697 employees. The company, if awarded the designation, will be eligible to receive the \$2,500 per job benefit for up to 500 of these jobs. This rebate program has no cost consideration to the City of Dallas.

Local communities must nominate a company as an Enterprise Project for it to be eligible to participate in the Enterprise Zone Program. Legislation limits the number of project allocations to the state and local communities per biennium. The state accepts applications quarterly with deadlines on the first working day of March, June, September and December. There are presently 12 designations given per quarter. The City of Dallas has the opportunity to receive up to nine designations per biennium.

Owner

Mary Kay Inc.

Patrick Cargo, Vice President, Corporate Tax

Staff

J. Hammond Perot, Assistant Director
Christopher O'Brien, Sr. Coordinator

Recommendation

Staff recommends approval of the subject item. Should you have any questions, please contact me at (214) 670-3296.

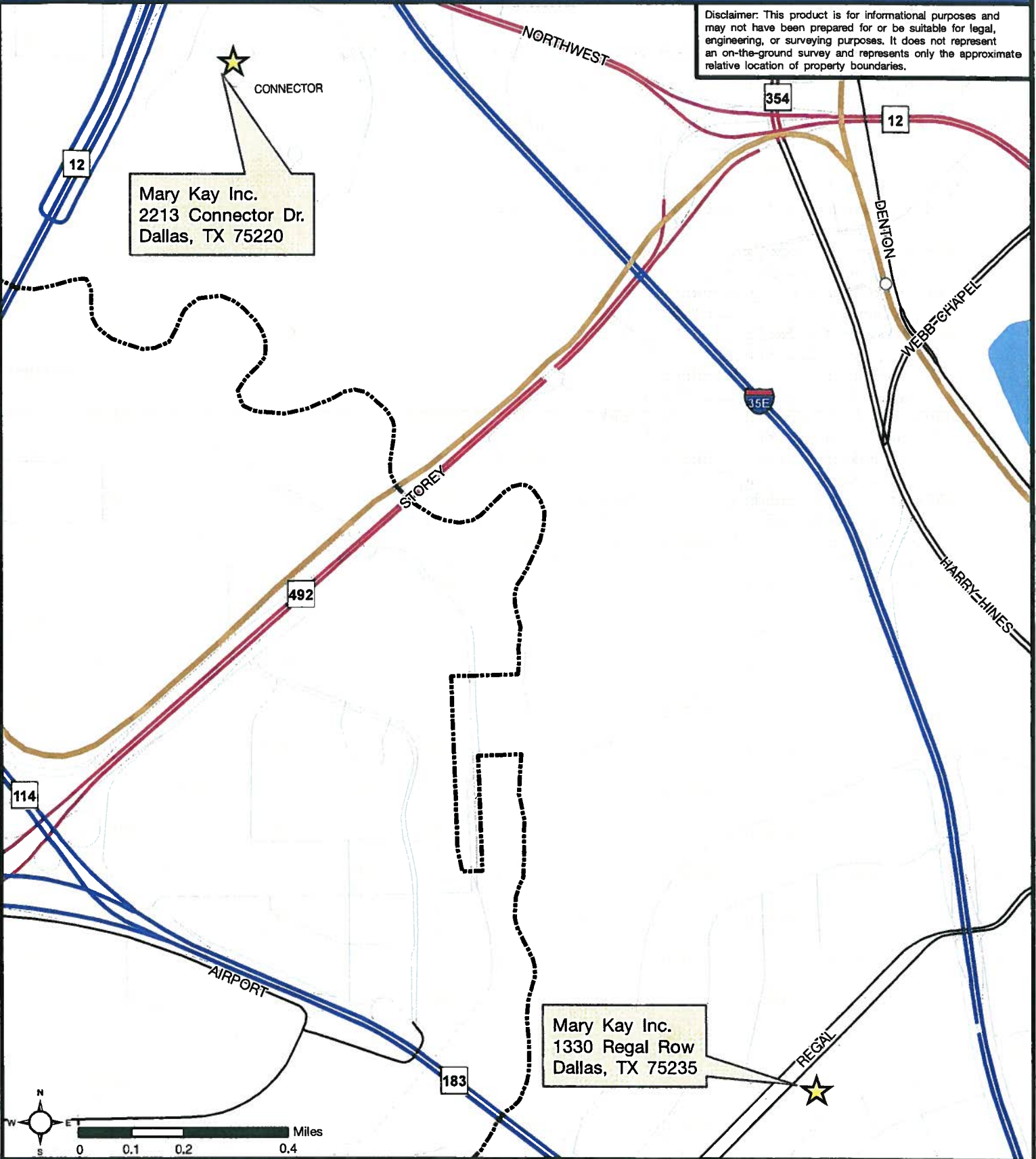


Ryan S. Evans
Interim First Assistant City Manager

- C: The Honorable Mayor and Members of the City Council
A.C. Gonzalez, City Manager
Warren M. S. Ernst, City Attorney
Judge Daniel F. Solis, Administrative Judge
Rosa A. Rios, City Secretary
Craig D. Kinton, City Auditor
Jill A. Jordan, P. E., Assistant City Manager
Forest E. Turner, Assistant City Manager
Joey Zapata, Assistant City Manager
Charles M. Cato, Interim Assistant City Manager
Theresa O'Donnell, Interim Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Karl Zavitkovsky, Director, Office of Economic Development
J. Hammond Perot, Assistant Director, Office of Economic Development
Shawn Williams, Interim Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor and Council

Mary Kay Inc.

Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



Mary Kay Inc.
2213 Connector Dr.
Dallas, TX 75220

Mary Kay Inc.
1330 Regal Row
Dallas, TX 75235

Legend

- City of Dallas
- Rail Station
- Freeway
- Highway
- DART Light Rail
- Arterial
- Local Road
- Lake