

REQUEST FOR COUNCIL ACTION

TO: Mayor via City Secretary

RCA #

SUBJECT: An Ordinance designating the United Parcel Service, Inc. and BT-OH, LLC Tax Abatement Reinvestment Zone.

Category #

Page
1 of 1

Agenda Item#

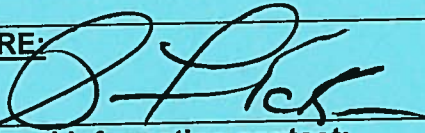
FROM: (Department or other point of origin):

Andrew F. Icken
Chief Development Officer

Origination Date

Agenda Date

SIGNATURE:



Council Districts affected:

A

For additional information contact:

Gwendolyn Tillotson

Phone: 832-393-0937

Date and identification of prior authorizing Council Action:

Ord. No.2009-858, 9/16/09; Ord. No. 2011-1167, 12/14/11; Ord. No. 2014-0245, 3/26/14

RECOMMENDATION: (Summary) City Council approves an Ordinance designating the United Parcel Service, Inc. and BT-OH, LLC Tax Abatement Reinvestment Zone.

Amount of Funding: Not Applicable

Finance Budget:

SOURCE OF FUNDING: General Fund Grant Fund Enterprise Fund
 Other (Specify)

SPECIFIC EXPLANATION:

Pursuant to Section 312.204 of the Tax Code, a municipality may enter into a tax abatement agreement in writing with the owner of real property that is located within a reinvestment zone. Section 312.202 of the Tax Code, defines the criteria for designating a tax abatement reinvestment zone, one of which is that the area be reasonable likely to attract major investment in the zone that would be a benefit to the land.

A public hearing on the designation of a reinvestment zone for United Parcel Service, Inc. and BT-OH, LLC was held before City Council on December 16, 2015 at 9:00 A.M., prior to council consideration to establish the reinvestment zone. The public hearing was published in the Houston Chronicle on December 8, 2015. The Office of the Mayor requests that City Council designate an approximately 68.4 acre site located at 11802 North Gessner Road, Houston, 77064, as the United Parcel Service, Inc. and BT-OH, LLC Reinvestment Zone for tax abatement purposes ("Zone"). This action will enable City Council to consider approval of a tax abatement agreement for United Parcel Service, Inc. and BT-OH, LLC to support the investment in real and personal property involved in the construction of a 400,000SF-500,000SF warehouse and parcel distribution center.

The estimated value of new abatable investment subject to the proposed ad valorem tax abatement is \$131 million for the new construction of a building and equipment.

The project and the Zone met the criteria established by the City of Houston guidelines for tax abatement adopted on March 26, 2014 by Ordinance No. 2014-0245.

cc: Marta Crinejo, Agenda Director
Anna Russell, City Secretary
Donna Edmundson, City Attorney
Gary Dzierlenga, Senior Assistant City Attorney

REQUIRED AUTHORIZATION

Finance Director:

Other Authorization:

Other Authorization: