



**CITY OF HOUSTON - CITY COUNCIL**

Meeting Date:

District B

Item Creation Date: 10/4/2016

PLN-Agility Foreign Trade Zone

Agenda Item#:

**Background:**

A Foreign Trade Zone (FTZ) is a federal program that allows federal taxes and fees to be lowered, eliminated or exempt from payment. The Foreign Trade Zones Board and its staff in Washington, D.C. govern the U.S. FTZ program.

Agility Project Logistics, Inc. plans to submit a FTZ application to the Federal Trade Zone Board for its facility located at 15600 Morales Road, Houston, Texas 77032 in District B. Agility Project Logistics, Inc. is pursuing this FTZ designation in order to receive exemptions from various import duties, as well as other benefits. Under federal law, the proposed designation exempts property located within a FTZ from ad valorem taxation, and applicants are required to obtain letters of "non opposition" from affected taxing jurisdictions. Agility Project Logistics, Inc. has requested that the City of Houston issue such a letter to the Port of Houston Authority to be forwarded to the Federal Foreign Trade Zones Board.

In order to comply with Agility Project Logistics, Inc.'s request, the City has required that Agility Project Logistics, Inc. enter into an agreement to provide and ensure that the City of Houston will receive the local ad valorem taxes to which it would have been entitled had Agility Project Logistics, Inc. not pursued the FTZ designation.

The Planning and Development Department recommends that City Council authorize the execution of a Foreign Trade Zone Agreement for the payment of ad valorem taxes between the City of Houston and Agility Project Logistics, Inc. and authorize the Mayor to execute a letter of non-opposition to the establishment of a Foreign Trade Zone.

Patrick Walsh, P.E.  
Director  
Planning and Development Department

cc: Andy Icken

**Prior Council Action:**

n/a

**Amount of Funding:**

n/a

**Contact Information:**

Misty Staunton, 832-393-6582

**ATTACHMENTS:**

**Description**

Petition

Map

**Type**

Backup Material

Backup Material