CITY OF PLANO
COUNCIL AGENDA ITEM

CITY SECRETARY'S USE ONLY
☐ Consent ☐ Regular ☐ Statutory

Council Meeting Date:	12/09/13
Department:	Economic Development
Department Head	Sally Bane
Agenda Coordinator (include phone #):	**Linda Thomason x8301**

CAPTION

A Resolution of the City Council of the City of Plano, Texas approving the terms and conditions of a First Modification to the Tax Abatement Agreement between the City of Plano, Texas, Eltek, Inc. and FFII TX Plano, L.P. successor to Argent Plano Realty, L. P.; authorizing its execution by the City Manager or his designee; and providing an effective date.

FINANCIAL SUMMARY

☒ NOT APPLICABLE ☐ OPERATING EXPENSE ☐ REVENUE ☐ CIP

FISCAL YEAR: **2012/2013 through 2022/2023**	**Prior Year (CIP Only)**	**Current Year**	**Future Years**	**TOTALS**
Budget	0	0	0	**0**
Encumbered/Expended Amount	0	0	0	**0**
This Item	0	0	0	**0**
BALANCE	0	0	0	**0**

FUND(S): N/A

COMMENTS: This item has no fiscal impact. Strategic Plan Goal: Providing economic development incentives relates to the City's goal of Strong Local Economy

SUMMARY OF ITEM

A request from Eltek, Inc., a Delaware corporation, and FFII TX Plano, L.P., a Delaware limited partnership, for a First Modification to Tax Abatement in Reinvestment Zone 127.

http://goo.gl/maps/S5K1n

List of Supporting Documents:	Other Departments, Boards, Commissions or Agencies
Resolution First Modification of Tax Abatement	

A Resolution of the City Council of the City of Plano, Texas, approving the terms and conditions of a First Modification to the Tax Abatement Agreement between the City of Plano, Texas, Eltek, Inc. and FFII TX Plano, L.P., successor to Argent Plano Realty, L.P.; authorizing its execution by the City Manager or his designee; and providing an effective date.

WHEREAS, the City Council has been presented a proposed First Modification to the Tax Abatement Agreement by and between City of Plano ("City"), Eltek, Inc., a Delaware corporation ("Eltek"), and FFII TX Plano, L.P., a Delaware limited partnership, successor to Argent Plano Realty, L.P., a Texas limited partnership, ("FFII TX") a substantial copy of which is attached hereto as Exhibit "A" and incorporated herein by reference (hereinafter called "First Modification"); and

WHEREAS, City, Eltek and FFII TX entered into a Tax Abatement Agreement on September 10, 2012; and

WHEREAS, City, Eltek and FFII TX desire to amend said Tax Abatement Agreement to reflect the revised agreement between the parties changing the value required for Personalty; and

WHEREAS, upon full review and consideration of the First Modification, and all matters attendant and related thereto, the City Council is of the opinion that the terms and conditions thereof should be approved, and that the City Manager or his designee shall be authorized to execute it on behalf of the City of Plano.

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

Section I. The terms and conditions of the First Modification having been reviewed by the City Council of the City of Plano and found to be acceptable and in the best interests of the City of Plano and its citizens are hereby in all things approved.

Section II. The City Manager or his designee is hereby authorized to execute the First Modification and all other documents in connection therewith on behalf of the City of Plano, substantially according to the terms and conditions set forth in the Agreement.

Section III. This Resolution shall become effective immediately upon its passage.

DULY PASSED AND APPROVED this the 9th day of December, 2013.

_____
Harry LaRosiliere, MAYOR

ATTEST:

_____
Diane Zucco, CITY SECRETARY

APPROVED AS TO FORM:

_____
Diane C. Wetherbee, CITY ATTORNEY

THE STATE OF TEXAS	**§**	**<u>First Modification of Tax Abatement</u>**
	§	**Agreement By and Between City of**
	§	**Plano, Eltek, Inc. and FFII TX Plano,**
	§	**L.P., Successor to Argent Plano Realty,**
	§	**L.P.**
	§	
COUNTY OF COLLIN	**§**	

This first modification of Tax Abatement Agreement (hereinafter "First Modification") is made and entered by and between **ELTEK, INC.**, a Delaware corporation (hereinafter "Tenant"), **FFII TX PLANO, L.P.**, a Delaware limited partnership, successor to **ARGENT PLANO REALTY, L.P.**, a Texas limited partnership, (hereinafter "Owner"), and the **CITY OF PLANO, TEXAS,** a home-rule municipal corporation (hereinafter "City"), acting by and through its City Manager or his designee.

W I T N E S S E T H:

WHEREAS, City, Tenant and Owner entered into a Tax Abatement Agreement on September 10, 2012 (hereinafter "Agreement"); and

WHEREAS, City, Tenant and Owner desire to amend such Agreement in certain respects as set forth herein in this First Modification.

NOW THEREFORE, the Agreement is incorporated herein as if written word for word. Except as provided below, all other terms and conditions of the Agreement shall remain unchanged and shall remain in full force and effect. In the event of any conflict or inconsistency between the provisions set forth in this First Modification and the Agreement, priority of interpretation shall be in the following order: First Modification, Agreement. In consideration of the foregoing, and for other good and valuable consideration, the parties hereto agree as follows:

I.

Beginning on the effective date of this Modification and continuing through the remaining term of the Agreement, Section 2 is hereby modified to read in its entirety as follows:

> "2. The tangible personal property subject to this Agreement shall be personal property, excluding inventory and supplies, used within Reinvestment Zone No. 127, which shall be hereinafter referred to as the "Personalty." The Personalty is to have an assessed taxable value as determined by

the Collin County Appraisal District of not less than One Million One Hundred Thousand Dollars ($1,100,000) on the Real Property by January 1, 2014, and is or will be owned by Tenant."

This First Modification shall be effective from and after the date of execution by the last signatory hereto as evidenced below.

In Witness Whereof, the parties have executed this First Modification by signing below.

CITY OF PLANO, TEXAS, a
home-rule municipal corporation

Date: _____

_____
Bruce D. Glasscock, CITY MANAGER

APPROVED AS TO FORM:

_____
Diane Wetherbee, CITY ATTORNEY

TENANT
Eltek, Inc., a Delaware corporation

Date: _____

By: _____
Name: _____
Title: _____

OWNER
FFII TX Plano, L.P., a Delaware limited partnership, successor to Argent Plano Realty, L.P., a Texas limited partnership

By: FFII TX Plano GP, L.L.C., a Delaware limited liability company
Its: General Partner

Date: _____

By: _____
Name: _____
Title: _____