

**RESOLUTION NO. 111-2020**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS APPROVING THE DEVELOPMENT CORPORATION OF ABILENE, INC.'S ("DCOA") AMENDED ASSISTANCE FOR PRAIRIE DOG PET PRODUCTS AND PDPP ABILENE (COLLECTIVELY "COMPANY").**

**WHEREAS**, the City Council of the City of Abilene previously approved assistance for the Company in Resolution Number 54-2015 and effective December 15, 2015 the DCOA (i) made a loan to Prairie Dog Pet Products in the principal amount of \$4,500,000 (the "Note") and (ii) leased to PDPP Abilene real property and gave it an option to purchase the real property for \$5,000,000 (the "Purchase Price") after 8 years; and

**WHEREAS**, in the DCOA's agreements with the Company (i) the DCOA agreed to reduce the Note balance and Purchase Price by \$1.00 (47.4% reduction of the Note and 52.6% reduction of the Purchase Price) for every \$8.00 spent by Company on capital expenditures and payroll for 10 years (the "Expenditure Ratio") and (ii) Company is not obligated to make payments under the lease for 10 years; and

**WHEREAS**, Company has requested the below described amendments and the DCOA's staff continues to have the expectation that said amendments, along with additional owners being involved with the Company since 2019, will help spur the Company's growth and expansion in Abilene beyond what the initial incentive has helped to accomplish; and

**WHEREAS**, on June 5, 2020 the DCOA approved Resolution No. DCOA-2020.33 (the "DCOA Resolution") which provided authorization of amendments to the Company's existing agreements so that (i) the Expenditure Ratio will be changed from a reduction of \$1.00 for every \$8.00 spent by Company to a reduction of \$1.00 for every \$7.50 spent by Company; (ii) that the time period for receiving reductions in the Note and Purchase Price be extended from 10 years to 13 years; and (iii) that the Company's lease be amended so that the Company's obligations to pay rent under the lease will not begin until 13 years (previously 10 years) from the date the lease was executed (collectively the "Amended Assistance"); and

**WHEREAS**, the DCOA requests that the City of Abilene approve the DCOA's authorization of Amended Assistance to the Company as set forth in the DCOA Resolution.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS:**

- PART 1.** The City of Abilene hereby approves the Amended Assistance for the Company, under the terms and as set forth in the DCOA Resolution.
- PART 2.** This Resolution takes effect immediately upon its adoption.

**ADOPTED this 11<sup>th</sup> day of June, 2020.**

**ATTEST:**

  
\_\_\_\_\_  
Shawna Atkinson, City Secretary

  
\_\_\_\_\_  
Anthony Williams, Mayor

**APPROVED:**

  
\_\_\_\_\_  
Stanley Smith, City Attorney

