

RESOLUTION NO. 48-2021

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS APPROVING THE DEVELOPMENT CORPORATION OF ABILENE, INC.'S ("DCOA") INCENTIVE, INCLUDING A CONTRACT FOR THE SALE OF REAL PROPERTY, FOR PROJECT LEGACY ("COMPANY").

WHEREAS, Company is a national food manufacturer with facilities across the United States that serves retailers and food service operations; and,

WHEREAS, Company and the DCOA have determined that 2670 Corridor Drive, Abilene, Texas 79602, described as Lot 1, Block A (approximately 76.01 acres) in Exhibit A, attached hereto and fully incorporated herein (the "Property"), is suitable for the Company's expansion into Abilene; and,

WHEREAS, the Property is located in Access Business Park, an industrial park owned by the DCOA, and the Company will be the first business located in Access Business Park. As part of preparing the Property for use by the Company, the DCOA desires to make up to \$2,800,000 in expenditures on improvements to Access Business Park (the "Access Business Park Improvements"), which will benefit both the Property and the entire industrial park which will be used for future DCOA projects; and,

WHEREAS, Company currently projects, over a 15 year period, a capital investment ("Capital Investment") of \$184,500,000 and to employ 510 full-time employees ("FTEs"); and,

WHEREAS, in order to secure the full amount of the incentive described in this Resolution, the Company will be required to (i) make capital expenditures equal to 80% of the Company's projected Capital Investment of \$184,500,000 (the "Required Capital Investment") and (ii) have FTEs equal to 75% of the Company's projected 510 FTEs (the "Required FTEs"); and,

WHEREAS, the DCOA estimates the value of the Property and other betterments and improvements to be received by the Company to be \$3,300,000 (the "In-Kind Incentive"); and,

WHEREAS, as part of the sale of the Property to the Company, the DCOA desires to purchase a Title Policy covering the Property not to exceed \$90,000,000 and pay other closing costs related to the sale of the Property to the Company (the "Closing Costs"); and,

WHEREAS, the DCOA approved Resolution No. DCOA-2021.14 (the "DCOA Resolution") which (i) authorizes the DCOA's Chief Executive Officer and Chairman of the Board to enter into an agreement with the Company and provide the Company with the In-Kind Incentive (including, but not limited to, the sale of the Property to the Company) valued at \$3,300,000 and a cash incentive for Project Legacy in an amount not to exceed \$30,000,000, for a total incentive package of \$33,300,000 (the "Incentive Package"); (ii) authorizes the payment of all Closing Costs related to the transfer of the Property to the Company; and (iii) authorizes the payment of expenses related to the Access Business Park Improvements; and,

WHEREAS, the DCOA requests that the City of Abilene approve the DCOA's Incentive Package with the Company, the payment of the Closing Costs, and the payment for the Access Business Park Improvements, 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 authorizes an incentive package in an amount not to exceed \$33,300,000, \$3,300,000 of which will be distributed as the In-Kind Incentive (part of which will be a Real Estate Sales Contract whereby the DCOA will sell, on an "AS IS, WHERE IS" basis, the Property to the Company) and \$30,000,000 of which will be distributed to the Company as a cash incentive in exchange for the Company's agreement to make the Required Capital Investment and create the Required FTEs over a 15-year period, under the terms and as set forth in the DCOA Resolution.
- PART 2.** The City of Abilene hereby authorizes the payment of all Closing Costs, under the terms and as set forth in the DCOA Resolution.
- PART 3.** The City of Abilene hereby authorizes the payment of all cost and expenses related to the Access Business Park Improvements, under the terms and as set forth in the DCOA Resolution.
- PART 4.** The DCOA's budget is hereby amended to include the expenditures described herein.
- PART 5.** This Resolution takes effect immediately upon its adoption.

ADOPTED this 16th day of April, 2021.

ATTEST:


Shawna Atkinson, City Secretary


Anthony Williams, Mayor

APPROVED:


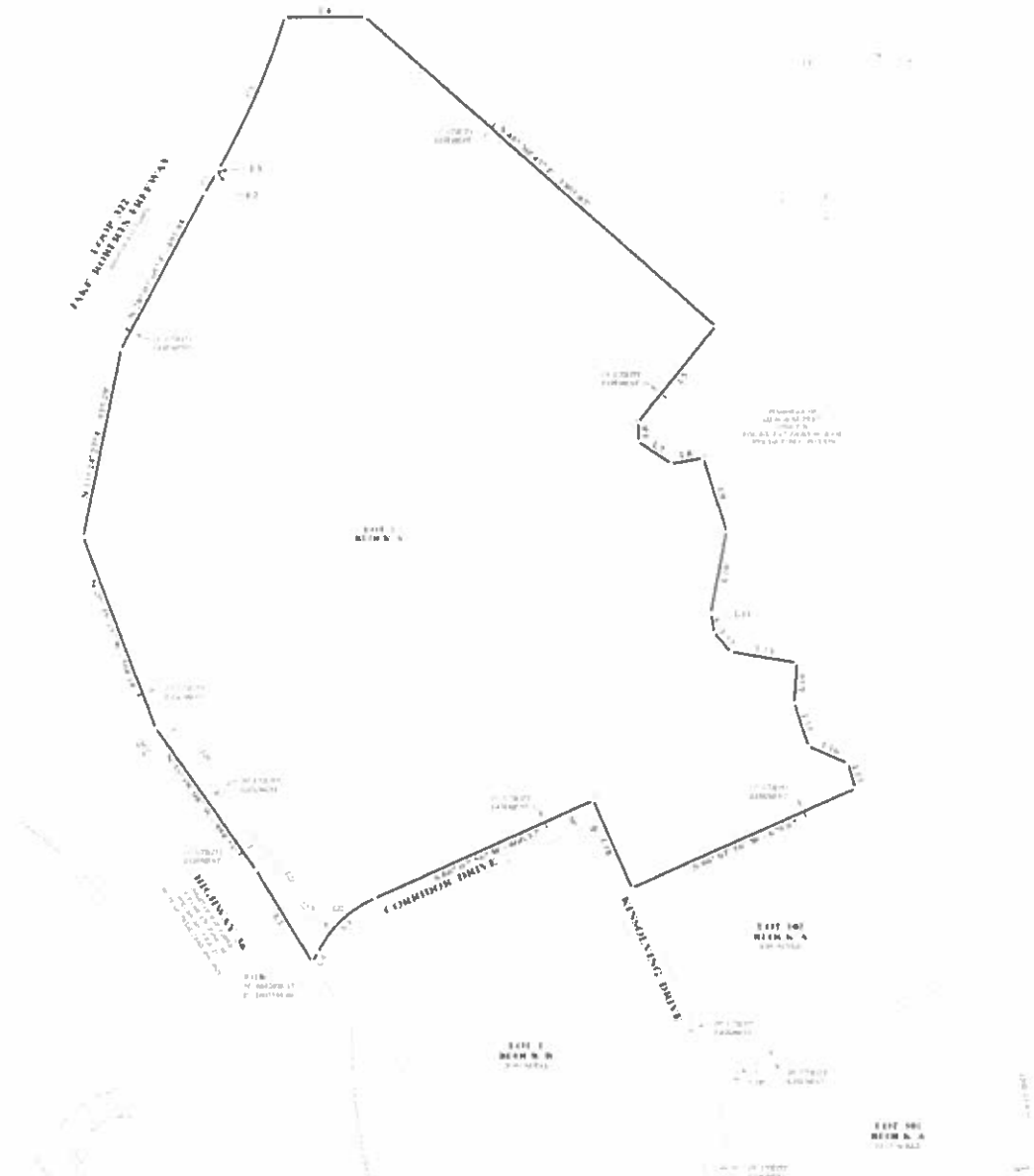

Stanley Smith, City Attorney

Exhibit A



ACCESS BUSINESS PARK
SECTION 2
ABILENE, TAYLOR COUNTY, TEXAS