

# United Parcel Service

Location: 2320 E Bardin Rd

Property Owner: UNITED PARCEL SERVICE INC

55 GLENLAKE PKWY NE

SANDY SPRINGS, GA 30328

### About the Project

United Parcel Service, Inc. (UPS), a Fortune 500 company, will occupy approximately 1,000,000 square feet of industrial space and open a new hub operation located at 2320 E. Bardin Rd. The new hub location is due to e-commerce volume growth, particularly around holiday seasons and the need to accommodate that growth. The company also plans to modify and customize the building for installation of modern, custom conveyor belt systems and equipment, resulting in new added value at the facility. The capital investment of the project is estimated to be \$200 million, and UPS is expected to create more than 3,000 full-time and part-time jobs.

### Goals of the Project

Job creation; property tax base enhancement

### Current Status

UPS is in compliance with the terms of the agreement and received the first property tax grant in FY21.

### Benefit to City

Job creation; property tax base enhancement

Year Approved by Council	2018
Base Year	2017
Beginning Year	2021
Ending Year	2027
Duration	7 years
Base Year Value	\$ -
Property Tax Account Number(s)	14711520
Total Grant % Allowed	85%
Total Estimated Investment by Company	\$ 200,000,000

**Criteria Evaluated** Locate distribution center that occupies and utilizes the entire approx. 1,000,000 SF building located on the Premises by 1/1/2020, resulting in Added Taxable Value as follows: \$30 million by Tax Year 2020; \$40 million by Tax year 2021; \$50 million by Tax Year 2022 to be maintained for the remaining term

Create at least 500 Full-Time Jobs by 12/31/2020; at least 400 jobs shall exceed the County's median wage

Create at least 600 Part-Time Jobs by 12/31/2020

Do not fail to render for taxation any business personal property owned by Owner and located within the City of Arlington

Do not allow ad valorem taxes to become delinquent on any property located within the City of Arlington

**Incentives Allowed** Equivalent of 85% of business personal property taxes collected by the City in the previous tax year on the Added Taxable Value

Year	Rebate Percentage Allowed on Eligible Property	Appraised Value	Percentage of Total Value Abated	Value Subject to Grant	Rebated Levy	Jobs Reported	Average Salary	Rebate as % of Total Tax Liability
2020 (FY21)	85%	80,486,376	85%	68,252,190	424,870	8,972	\$ 86,009	20%
2021 (FY22)	85%	95,840,845	84%	80,928,605	501,595	5,093	\$ 83,471	21%
2022 (FY23)	85%	97,114,236	85%	82,119,393	492,552	5,312	\$ 85,488	20%
2023 (FY24)								
2024 (FY25)								
2025 (FY26)								
2026 (FY27)								
<b>TOTAL</b>					<b>\$ 1,419,017</b>			

### Levy Paid to Taxing Entities

Year	City of Arlington (024)	Tarrant County (220)	Tarrant County Hospital District (224)	Tarrant County College District (225)	Arlington ISD (901)	Mansfield ISD (908)	Kennedale ISD (914)	Total Annual Tax Bill
2020 (FY21)	500,093	187,987	180,298	104,574	1,114,344			2,087,295
2021 (FY22)	590,649	218,229	213,873	124,048	1,296,797			2,443,596
2022 (FY23)	579,473	216,409	216,823	125,759	1,264,349			2,402,812
2023 (FY24)								-
2024 (FY25)								-
2025 (FY26)								-
2026 (FY27)								-
	<b>\$ 1,670,215</b>	<b>\$ 622,625</b>	<b>\$ 610,994</b>	<b>\$ 354,380</b>	<b>\$ 3,675,490</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,933,703</b>

*italics indicates projection*

**Resolution No. 18-096**

**A resolution authorizing the execution of the Amended and Restated Chapter 380 Program Agreement for Economic Development Incentives by and between United Parcel Service, Inc. and the City of Arlington, Texas**

WHEREAS, on March 28, 2017, by Resolution No. 17-070, City Council authorized the execution of a Chapter 380 Program Agreement for Economic Development Incentives (the "Agreement") with United Parcel Service, Inc. (hereinafter referred to as "UPS") relative to the location of a distribution center that occupies and utilizes the entire approximate 1,000,000 square foot building located at 2320 E. Bardin Road in Arlington, Texas (the "Project"); and

WHEREAS, due to normal construction delays related to the expansion of the building and project scope to retrofit the space for optimization of their operation, the anticipated timing for occupancy and utilization of the facility has changed; and

WHEREAS, UPS has requested the Agreement be amended to extend by one year all timelines stated in the Agreement to provide additional time to complete the retrofitting process and fully install necessary equipment and other ancillary components; NOW THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON, TEXAS:

I.

That all of the recitals contained in the preamble of this resolution are found to be true and are adopted as findings of fact by this governing body and as part of its official record.

II.

That the City Manager or his designee is authorized to execute the Amended and Restated Chapter 380 Program Agreement for Economic Development Incentives with United Parcel Service, Inc.

III.

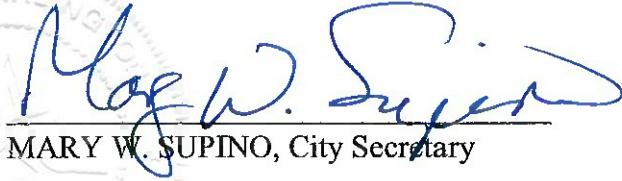
A substantial copy of the Amended and Restated Chapter 380 Program Agreement for Economic Development Incentives is attached hereto as Exhibit "A" and incorporated herein for all intents and purposes.

PRESENTED AND PASSED on this the 24<sup>th</sup> day of April, 2018,  
by a vote of 9 ayes and 0 nays at a regular meeting of the City Council of the  
City of Arlington, Texas.



\_\_\_\_\_  
W. JEFF WILLIAMS, Mayor

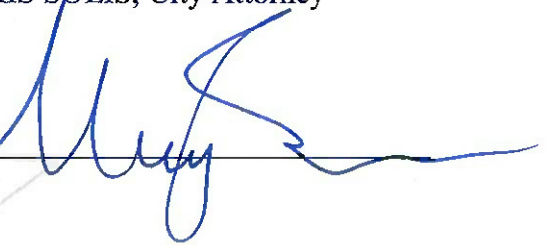
ATTEST:



\_\_\_\_\_  
MARY W. SUPINO, City Secretary

APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney

BY \_\_\_\_\_



ARLINGTON<sup>SM</sup>

**Exhibit "A"**



THE STATE OF TEXAS     §     AMENDED AND RESTATED CHAPTER 380  
  §     PROGRAM AGREEMENT FOR ECONOMIC  
COUNTY OF TARRANT   §     DEVELOPMENT INCENTIVES

THIS AMENDED AND RESTATED CHAPTER 380 PROGRAM AGREEMENT FOR ECONOMIC DEVELOPMENT INCENTIVES (hereafter referred to as "Agreement") is executed by and between UNITED PARCEL SERVICE, INC., an entity authorized to do business in Texas (hereafter referred to as "OWNER"), its address being 1331 S. Vernon St., Anaheim, California 92805, and the CITY OF ARLINGTON, TEXAS, a home-rule city and municipal corporation of Tarrant County, Texas, acting by and through its City Manager or his designee, (hereafter referred to as "CITY").

WITNESSETH:

WHEREAS, CITY has found that providing a program consisting of a grant of funds to OWNER in exchange for OWNER's completion of the project proposed by OWNER will promote local economic development and stimulate business and commercial activity, and create jobs within the City of Arlington (hereafter referred to as "PROGRAM"); and

WHEREAS, CITY has determined that the PROGRAM will directly establish a public purpose and that all transactions involving the use of public funds and resources in the establishment and administration of the PROGRAM contain controls likely to ensure that the public purpose is accomplished; and

WHEREAS, On April 27, 2017, CITY and OWNER entered into that certain Chapter 380 Program Agreement for Economic Development Incentives (hereinafter referred to as "Original Agreement"), and

WHEREAS, CITY and OWNER desire to amend, restate and replace the Original Agreement, in its entirety, to provide for an extension of time to complete the Project, and

WHEREAS, Chapter 380 of the Texas Local Government Code provides statutory authority for establishing and administering the program provided herein; NOW THEREFORE,

The CITY and OWNER, for and in consideration of the mutual covenants and promises contained herein, do hereby agree, covenant and contract as set forth below:

**I.**  
**Definitions**

- A. “Added Taxable Value” is defined as the value of the Eligible Property located on the Premises above the Base Year Value, as determined by the Tarrant Appraisal District, on January 1 of the applicable tax year.
- B. “Base Year Value” is defined as the taxable value of the Eligible Property located on the Premises as of January 1, 2017, as determined by the Tarrant Appraisal District, which shall be \$0.00 for purposes of this Agreement.
- C. “Eligible Property” is defined as the taxable Business Personal Property Improvements delivered to, installed or located on the Premises, including: furniture, fixtures, vehicles and equipment and excluding inventory and supplies.
- D. “Full-Time Employee” is defined as a permanent, full-time employment position that results in actual paid employment on the Premises (expressly including drivers with routes originating from the Premises) of at least one thousand, eight hundred and twenty (1,820) hours per position in a year including paid vacation and paid leave. Employment positions shall include OWNER’s direct employees and related contractors or consultants, so long as the contractor or consultant’s place of work is on the Premises as a result of the Project. It shall not include part-time employment.
- E. The “Median Wage” for Tarrant County will be determined by the Median Earnings for Workers as reported by the most recent release of the American Community Survey available during the reporting period. OWNER shall determine median wage by considering the gross annual income including overtime and bonuses of the Full-Time Employees on the Premises when ranked by gross annual income for each year of the agreement.
- F. “Part-Time Employee” is defined as a part-time employment position that results in actual paid employment on the Premises (expressly including drivers with routes originating from the Premises) of less than one thousand, eight hundred and twenty (1,820) hours per position in a year. Employment positions shall include OWNER’s direct employees and related contractors or consultants, so long as the contractor or consultant’s place of work is on the Premises as a result of the Project.
- G. “Premises” are defined as the real property located at 2320 E. Bardin Rd., Arlington, Texas, as described in **Exhibit “A”** attached hereto, and identified specifically in **Exhibit “A”** as Building E only, as it exists on January 1, 2019.
- H. “Project” is defined as OWNER’s distribution and assembly operations located and operated at 2320 E. Bardin Rd., Arlington, Texas, beginning no later than January 1, 2020.

**II.**  
**Term**

This Agreement shall be effective as of the date of execution by all parties. This Agreement will terminate on the date CITY makes to OWNER the seventh annual grant payment as detailed in section V.A. below, unless sooner terminated in accordance with this Agreement.

**III.**  
**General Provisions**

- A. The Premises are not in an improvement project financed by tax increment bonds.
- B. The Premises are not owned or leased by any member of the City Council or any member of the Planning and Zoning Commission of CITY.

**IV.**  
**Improvement Conditions and Requirements**

The payment of the incentives described in section V below is subject to the following conditions:

- A. OWNER shall locate a distribution center that occupies and utilizes the entire approximate 1,000,000 square foot building located on the Premises by no later than January 1, 2020.
- B. OWNER's location of a distribution center on the Premises must result in Added Taxable Value of at least thirty million dollars (\$30,000,000) for the tax year beginning January 1, 2020, and forty million dollars (\$40,000,000) for the tax year beginning January 1, 2021, and fifty million dollars (\$50,000,000) for the tax year beginning January 1, 2022, and every year thereafter during this Agreement.
- C. OWNER's completion of the Project must result in 500 or more added Full-Time Jobs on the Premises by December 31, 2020, and 600 or more added Part-Time Jobs on the Premises by December 31, 2020. Of the Full-Time Jobs, 400 of those jobs shall maintain wages above the County's Median Wage as defined in Section I. To the extent OWNER's new Full-Time Jobs exceed 500, such overage can be used to satisfy the Part-Time Jobs requirement as if each such excess Full-Time Job was equal to one Part-Time Job.
- D. OWNER shall not fail to render for taxation any property located within the City of Arlington.
- E. OWNER shall not allow the ad valorem taxes owed to CITY on any property owned by OWNER and located within the City of Arlington to become delinquent beyond the last day they can be paid without assessment of penalty, as such date is generally extended to allow for any appeal.

- F. OWNER covenants and certifies that OWNER does not and will not knowingly employ an undocumented worker as that term is defined by section 2264.01(4) of the Texas Government Code. In accordance with section 2264.052 of the Texas Government Code, if OWNER is convicted of a violation under 8 U.S.D. Section 132a(f), OWNER shall repay to the CITY the full amount of the grant made under section V of this Agreement, plus 10% per annum from the date the grant was made. Repayment shall be paid within 120 days after the date following such conviction that OWNER receives notice of violation from the CITY as provided by 2264.101(c) of the Texas Government Code; OWNER shall not be liable for a violation by a subsidiary, affiliate, or franchisee of OWNER, or by a person with whom OWNER contracts.

**V.**  
**Incentives**

In exchange for OWNER's completion and compliance with the Conditions and Requirements set forth in section IV above, CITY shall do the following:

- A. On an annual basis, beginning in 2021 and ending in 2027, CITY agrees to pay to OWNER a grant payment calculated as provided below in subsection V.A.1.

1. Each grant payment shall be determined annually based upon the following:

- a. An amount equal to 85% of the ad valorem taxes collected by CITY in the previous tax year for the Added Taxable Value of the OWNER's Eligible Property located on the Premises less \$92,857.15 to be deducted from that amount annually.

If in any grant year the grant payment results in a negative amount, that negative amount shall be applied forward to the next grant year and deducted from the grant payment.

- b. If the CITY's Chapter 380 Agreement with Exeter Bardin Land, L.P. entered into on or about May 3, 2016, terminates because of cause on the part of Exeter Bardin Land, L.P., then the grant payment for this Agreement shall be as follows:

- (1) An amount equal to 85% of the ad valorem taxes collected by CITY in the previous tax year for the Added Taxable Value of the OWNER's Eligible Property located on the Premises.

2. Each year OWNER must certify compliance by April 15 of payment in full of all real property taxes and business personal property taxes due for property located at the Premises, subject to the right of protest. Failure to timely submit the annual certification in accordance with this subsection after notice and opportunity to cure as provided in subsection VII.B. below shall waive OWNER's right to the grant.



3. Each year OWNER must certify compliance by April 15 of the jobs requirements specified in subsection IV.C. on a form to be provided by the CITY. The CITY may require further information from the OWNER to substantiate the jobs requirement in subsection IV.C. Failure to timely submit the annual certification and provide requested documentation in accordance with this subsection after notice and opportunity to cure as provided in subsection VII.B. below shall waive OWNER's right to the grant.

4. All grant payments will be paid by CITY to OWNER on or before June 1 of each year, beginning in June 2021 and ending in June 2027, provided the Conditions and Requirements contained in section IV herein have been met.

B. On an annual basis, beginning in 2021 and ending in 2027, CITY agrees to pay OWNER a grant payment calculated as provided as follows.

<b>Agreement Year</b>	<b>Coverage Period</b>	<b>Certification Due</b>	<b>Payment No Later Than</b>	<b>CITY Fiscal Year</b>
1	January 1, 2020 to December 31, 2020	4/15/2021	6/1/2021	FY21
2	January 1, 2021 to December 31, 2021	4/15/2022	6/1/2022	FY22
3	January 1, 2022 to December 31, 2022	4/15/2023	6/1/2023	FY23
4	January 1, 2023 to December 31, 2023	4/15/2024	6/1/2024	FY24
5	January 1, 2024 to December 31, 2024	4/15/2025	6/1/2025	FY25
6	January 1, 2025 to December 31, 2025	4/15/2026	6/1/2026	FY26
7	January 1, 2026 to December 31, 2026	4/15/2027	6/1/2027	FY27

**VI.**  
**Protests**

This agreement shall not be construed to prohibit OWNER's protest or contest of any or all appraisals or assessments of any property on the Premises. The amount of the grants provided in subsection V.A. above shall be based upon the taxes as finally determined by the Tarrant Appraisal District to be due after such protests or contests are finally determined.

**VII.**  
**Breach and Recapture**

- A. **Breach** - A breach of this Agreement may result in termination or modification of this Agreement and recapture by CITY of grant payments. The following conditions shall constitute a breach of this Agreement:
1. OWNER terminates use of the Premises any time during the duration of the Agreement; or
  2. OWNER fails to meet the Conditions and Requirements as specified in section IV. A., B., C., D., and E. above.
- B. **Notice of Breach** - In the event that CITY makes a reasonable determination that OWNER has breached this Agreement, then CITY shall give OWNER written notice of such. OWNER has sixty (60) days following receipt of said written notice to reasonably cure such breach, or this Agreement may be terminated by CITY, and recapture of grant payments may occur. Notice of breach shall be in writing and shall be delivered by personal delivery or certified mail to OWNER at its address provided in section IX of this Agreement.
- C. **Recapture** - During the term of this Agreement, should OWNER commit and fail to cure a breach of this Agreement according to items A.1. or A.2. of this section VII, CITY may terminate this Agreement and recapture all grant payments made under this Agreement during the calendar year immediately prior to the year of breach and no further grant payments shall be due.

**VIII.**  
**Effect of Sale or Lease of Property**

The grants authorized by this Agreement shall not be assignable to any new owner or lessee of all or a portion of the Premises, unless such assignment is approved in writing by CITY; provided that such approval shall not be unreasonably withheld, conditioned, or delayed.

**IX.**  
**Notice**

All notices called for or required by this Agreement shall be addressed to the following, or such other party or address as either party designates in writing, by certified mail postage prepaid or by hand delivery:

OWNER: United Parcel Service, Inc.  
1331 S. Vernon St.  
Anaheim, California 92805  
Attn: Tax Department

CITY: City of Arlington  
City Manager's Office  
Attn: Economic Development Manager  
P.O. Box 90231  
Arlington, Texas 76004-3231

**X.**  
**City Council Authorization**

This Agreement was authorized by resolution of the City Council authorizing the City Manager or his designee to execute this Amended and Restated Chapter 380 Program Agreement for Economic Development Incentives on behalf of the CITY.

**XI.**  
**Severability**

In the event any section, subsection, paragraph, sentence, phrase, or word is held invalid, illegal, or unconstitutional, the balance of this Agreement shall stand, shall be enforceable, and shall be read as if the parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase, or word.

**XII.**  
**Estoppel Certificate**

Any party hereto may request an estoppel certificate from another party hereto, so long as the certificate is requested in connection with a bona fide business purpose. The certificate, which if requested, will be addressed to a subsequent purchaser or assignee of OWNER, shall include, but not necessarily be limited to, statements that this Agreement is in full force and effect without default (or if default exists the nature of same), the remaining term of this Agreement, the levels and remaining term of the incentives in effect, and such other matters reasonably requested by the party(ies) to receive the certificates.

**XIII.**  
**Applicable Law**

This Agreement shall be construed under the laws of the State of Texas. Venue for any action under this Agreement shall be the State's District Court of Tarrant County, Texas. This Agreement is performable in Tarrant County, Texas.

**XIV.**  
**Indemnification**

**It is understood and agreed between the parties that OWNER, in performing its obligations hereunder, is acting independently, and CITY assumes no responsibility or liability to third parties in connection therewith, and OWNER agrees to indemnify and hold harmless CITY from any claims, damages, verdicts or judgments arising out of actions or omissions by OWNER or caused by OWNER in breach of this agreement. It is further understood and agreed among the parties that**

**CITY, in performing its obligations hereunder, is acting independently, and OWNER assumes no responsibility or liability to third parties in connection therewith, and CITY agrees to the extent allowed by law to indemnify and hold harmless OWNER from any such responsibility or liability.**

**XV.**  
**Force Majeure**

It is expressly understood and agreed by the parties to this Agreement that the parties shall not be found in default of this Agreement if any party's failure to meet the requirements of this Agreement is delayed by reason of war, Act of God, fire, or other casualty of a similar nature.

**XVI.**  
**No Other Agreement**

This Agreement embodies all of the agreements of the parties relating to its subject matter as specifically set out herein, supersedes all prior understandings and agreements regarding such subject matter, and may be amended, modified, or supplemented only by an instrument or instruments in writing executed by the parties.

**XVII.**  
**Headings**

The headings of this Agreement are for the convenience of reference only and shall not affect in any manner any of the terms and conditions hereof.

**XVIII.**  
**Successors and Assigns**

The parties to this Agreement each bind themselves and their successors, executors, administrators, and assigns to the other party of this Agreement and to the successors, executors, administrators, and assigns of such other party in respect to all covenants of this Agreement.

No successor, executor, administrator, or assign is valid in the place of the parties to this Agreement without the written consent of CITY, and such consent shall not be unreasonably withheld, conditioned, or delayed.

**XIX.**  
**Execution of Agreement**

This Agreement must be executed within 60 days after the date this Agreement is authorized by the City of Arlington City Council and presented to OWNER for signature. This Agreement has been authorized by City Council on April 24, 2018.

11 IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day of May, 2018.

**UNITED PARCEL SERVICE, INC.**

BY [Signature]  
Signature  
RONALD LANCASTER  
Typed or Printed Name  
ASSISTANT TREASURER  
Typed or Printed Title

WITNESS:

[Signature]

**CITY OF ARLINGTON, TEXAS**

BY [Signature]  
JIM PARAJON  
Deputy City Manager

ATTEST:

[Signature]  
Martha Garcia, Acting City Secretary

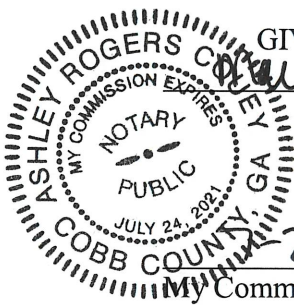
APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney

BY [Signature]

THE STATE OF ~~TEXAS~~ <sup>Georgia</sup> §  
COUNTY OF ~~DALLAS~~ <sup>COBB</sup> §

**UNITED PARCEL SERVICE, INC.**  
**Acknowledgment**

<sup>Georgia</sup> BEFORE ME, the undersigned authority, a Notary Public in and for the State of ~~Texas~~, on this day personally appeared Donald Lancaster, who is known to me or who was proved to me on the oath of \_\_\_\_\_ (name of person identifying the acknowledging person) or who was proved to me through \_\_\_\_\_ (description of identity card or other document issued by the federal or state government containing the picture and signature of the acknowledging person) to be the person whose name is subscribed to the forgoing instrument, and acknowledged to me that he/she executed same for and as the act and deed of **UNITED PARCEL SERVICE, INC.**, and for the purposes and consideration therein expressed, and in the capacity therein expressed.



GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 2nd day of May, 2018.

Ashley Rogers Covey  
Notary Public in and for  
The State of ~~Texas~~ <sup>Georgia</sup>  
Ashley Rogers Covey  
Notary's Printed Name

THE STATE OF TEXAS §  
COUNTY OF TARRANT §

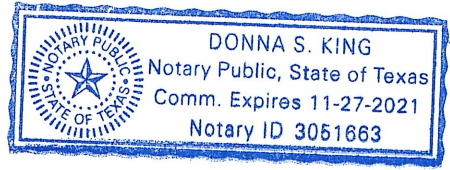
**CITY OF ARLINGTON, TEXAS**  
**Acknowledgment**

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared **JIM PARAJON**, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for and as the act and deed of the **CITY OF ARLINGTON**, a municipal corporation of Tarrant County, Texas, and as a **Deputy City Manager** thereof, and for the purposes and consideration therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 15th day of May, 2018.

11/27/21  
My Commission Expires

Donna S. King  
Notary Public in and for  
The State of Texas  
Donna S. King  
Notary's Printed Name



**Exhibit "A"**

**PROPERTY DESCRIPTION**





**Resolution No. 19-296**

**A resolution authorizing the execution of the First Amendment to Amended and Restated Chapter 380 Program Agreement for Economic Development Incentives by and between United Parcel Service, Inc. and the City of Arlington, Texas**

WHEREAS, on March 28, 2017, by Resolution No. 17-070, City Council authorized the execution of a Chapter 380 Program Agreement for Economic Development Incentives (the "Agreement") with United Parcel Service, Inc. (hereinafter referred to as "UPS") relative to the location of a distribution center that occupies and utilizes the entire approximate 1,000,000 square foot building located at 2320 E. Bardin Road in Arlington, Texas (the "Project"); and

WHEREAS, on April 24, 2018, by Resolution No. 18-096, City Council authorized the execution of the Amended and Restated Chapter 380 Program Agreement for Economic Development Incentives amending the Agreement to extend by one year all timelines stated in the Agreement to provide additional time to complete the retrofitting process and fully install necessary equipment and other ancillary components; and

WHEREAS, UPS recently acquired the property from Exeter Bardin Land, L.P.; and

WHEREAS, Exeter Bardin Land, L.P. has agreed to mutually terminate their Chapter 380 Program agreement associated with the property UPS acquired; and

WHEREAS, an amendment to the Chapter 380 Program Agreement with UPS as the new owner of that property would allow them to receive any remaining incentive benefit; and

WHEREAS, to support this, Incentives Section V.A.1. of the Amended and Restated Chapter 380 Program Agreement for Economic Development Incentives with UPS will be amended to remove the "less \$92,857.15 to be deducted from that amount annually" language, which is the annual benefit amount from the agreement with Exeter Bardin Land, L.P.; NOW THEREFORE,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ARLINGTON, TEXAS:**

I.

That all of the recitals contained in the preamble of this resolution are found to be true and are adopted as findings of fact by this governing body and as part of its official record.

II.

That the City Manager or his designee is authorized to execute the First Amendment to Amended and Restated Chapter 380 Program Agreement for Economic Development Incentives with United Parcel Service, Inc.

III.

A substantial copy of the First Amendment to Amended and Restated Chapter 380 Program Agreement for Economic Development Incentives is attached hereto as Exhibit "A" and incorporated herein for all intents and purposes.

PRESENTED AND PASSED on this the 29th day of October, 2019, by a vote of 9 ayes and 0 nays at a regular meeting of the City Council of the City of Arlington, Texas.



W. JEFF WILLIAMS, Mayor

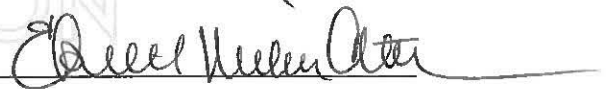
ATTEST:



ALEX BUSKEN, City Secretary

APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney

BY



THE STATE OF TEXAS           §     FIRST AMENDMENT TO AMENDED AND  
  §     RESTATED CHAPTER 380 PROGRAM  
  §     AGREEMENT FOR ECONOMIC  
COUNTY OF TARRANT       §     DEVELOPMENT INCENTIVES

**THIS FIRST AMENDMENT TO AMENDED AND RESTATED CHAPTER 380 PROGRAM AGREEMENT FOR ECONOMIC DEVELOPMENT INCENTIVES** (hereafter referred to as “Amendment”) is executed by and between **UNITED PARCEL SERVICE, INC.**, an entity authorized to do business in Texas (hereafter referred to as “OWNER”), its address being 1331 S. Vernon St., Anaheim, California 92805, and the **CITY OF ARLINGTON, TEXAS**, a home-rule municipal corporation of Tarrant County, Texas, acting by and through its City Manager or his designee (hereafter referred to as “CITY”).

WITNESSETH:

WHEREAS, On May 11, 2018, CITY and OWNER entered into that certain Amended and Restated Chapter 380 Program Agreement for Economic Development Incentives (hereafter referred to as “Agreement”) whereby CITY provided a program of economic development incentives to OWNER in exchange for OWNER’s location of a distribution center at 2320 E. Bardin Rd.; and

WHEREAS, CITY and OWNER now desire to amend the Agreement as specified below; NOW THEREFORE;


In consideration of the mutual covenants and obligations herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Incentives.** Section V.A.1. of the Agreement is hereby amended to read as follows:
  1. On an annual basis, beginning in 2021 and ending in 2027, CITY agrees to pay to OWNER a grant payment calculated as follows: Each grant payment shall be determined annually and equal 85% of the ad valorem taxes collected by the CITY in the previous tax year for the Added Taxable Value of OWNER’s Eligible Property located on the Premises.
2. **Binding Effect; Governing Law.** Except as modified hereby, the Agreement shall remain in full effect and this Amendment shall be binding upon the CITY and OWNER and their respective successors and assigns. If any inconsistency exists or arise between the terms of this Amendment and the terms of the Agreement, the terms of this Amendment shall prevail. This Amendment shall be governed by the laws of the State of Texas.

3. **Entire Agreement.** This Amendment, together with the Agreement, embodies the entire agreement and understanding between CITY and OWNER regarding the subject matter thereof. Any and all prior or contemporaneous oral or written representations, agreements, understandings, or statements other than those set forth in the Agreement and this Amendment are of no force and effect.
4. **Headings.** The headings appearing in this Amendment are for the purpose of easy reference only and cannot be considered a part of this Amendment or in any way to modify, amend, or affect the provisions of this Amendment.
5. **Severability.** If any term or provision of this Amendment is found to be invalid, illegal, or unenforceable, the remaining terms and provisions of this Amendment cannot be affected thereby, and each term of this Amendment will be valid and enforceable to the fullest extent permitted by law.
6. **Ratification of the Lease.** CITY and OWNER hereby ratify and confirm the Agreement, as amended by this Amendment.

IN WITNESS WHEREOF, the parties have executed this Amendment on the 17th day of NOVEMBER, 2019.

**UNITED PARCEL SERVICE, INC.**

BY   
 Signature  
DONALD LANCASTER  
 Typed or Printed Name  
ASSISTANT TREASURER  
 Typed or Printed Title

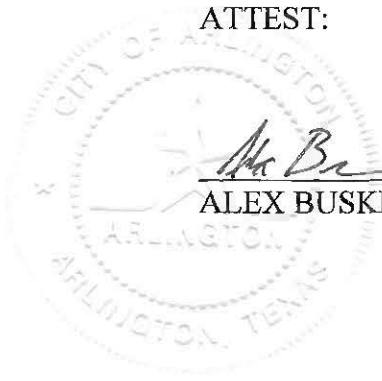
WITNESS:



**CITY OF ARLINGTON, TEXAS**

BY   
 JIM PARAJON  
 Deputy City Manager

ATTEST:



Alex Busken  
ALEX BUSKEN, City Secretary

APPROVED AS TO FORM:  
TERIS SOLIS, City Attorney

BY Teris Solis

THE STATE OF GEORGIA §  
§  
COUNTY OF DEKALB §

**UNITED PARCEL SERVICE, INC.**  
**Acknowledgment**

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Georgia, on this day personally appeared Donald Lancaster, who is known to me or who was proved to me on the oath of \_\_\_\_\_ (name of person identifying the acknowledging person) or who was proved to me through \_\_\_\_\_ (description of identity card or other document issued by the federal or state government containing the picture and signature of the acknowledging person) to be the person whose name is subscribed to the forgoing instrument, and acknowledged to me that he/she executed same for and as the act and deed of **UNITED PARCEL SERVICE, INC.**, and for the purposes and consideration therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 12<sup>th</sup> day of November, 2019.

Leif Kvalheim  
NOTARY PUBLIC  
DeKalb County, GEORGIA  
My Commission Expires  
03/22/2022

03/22/2022  
My Commission Expires

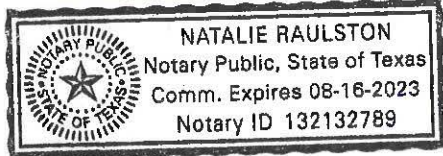
[Signature]  
Notary Public in and for  
The State of Georgia  
Leif Kvalheim  
Notary's Printed Name

THE STATE OF TEXAS §  
§  
COUNTY OF TARRANT §

**CITY OF ARLINGTON, TEXAS**  
**Acknowledgment**

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared **JIM PARAJON**, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed same for and as the act and deed of the **CITY OF ARLINGTON**, a municipal corporation of Tarrant County, Texas, and as a **Deputy City Manager** thereof, and for the purposes and consideration therein expressed, and in the capacity therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 4<sup>th</sup> day of December, 2019.



My Commission Expires 08-16-2023

Natalie Raulston  
Notary Public in and for  
The State of Texas  
Natalie Raulston  
Notary's Printed Name