
City Council Regular Meeting

DEPARTMENT: Economic Development
FROM: Alex Philips, Director of Economic Development
MEETING: November 13, 2023

SUBJECT:

Consider approval of an estoppel certificate concerning Burleson Cold Storage, LP and Burleson Cold Storage II, LP Tax Abatement Agreement on the subject property in HighPoint Business Park. (*Staff Contact: Alex Philips, Economic Development Director*)

SUMMARY:

On June 7, 2021, the City of Burleson approved an Amended and Restated Tax Abatement for Project Yukon Burleson, LLC ("Yukon") covering 43.51 acres in HighPoint Business Park. The 50% tax abatement for five years was part of an Economic Development package to construct a private 250,000 square foot cold storage facility, and two additional cold storage buildings of 350,000 square feet and 175,000 square feet as future phases.

To date, Yukon has completed (and greatly exceeded) all covenants required by the agreement. Including opening the first 250,000 square foot cold storage facility with a capital investment exceeding \$35,000,000. The additional buildings are nearing completion and all 775,000 square feet will be open and occupied.

On December 13, 2021, the City Council approved a first estoppel certificate acknowledging that Yukon has met its obligations under the agreement and the tax abate is active, to facilitate splitting the property and selling a portion.

On September 18, 2023, the City Council approved a second estoppel certificate for the sale of phase one of the original property (RLS Refrigeration site)

The second phase of property is to be sold, and the purchaser has requested another estoppel agreement as part of the land sale. Phase two of the property includes Arcadia Cold Storage.

OPTIONS:

- 1) Approve as presented
- 2) Approve with changes

3) Deny

RECOMMENDATION:

Staff recommends approving the item as presented

PRIOR ACTION/INPUT (Council, Boards, Citizens):

N/A

FISCAL IMPACT:

N/A

STAFF CONTACT:

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