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## **Chapter 380 Agreement Summary**

### **3.18.19 – Elements International Group, LLC**

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#### **The Entities**

- Elements International Group , LLC (Company)
- IDIL SKYLINE D, LLC (Developer)

#### **The Project**

- Construction of a new 487,200 square foot commercial building in the Skyline Industrial District on approximately 30 acres at 2250 Skyline Dr., Mesquite, Texas to be leased and occupied by the Company
- Term of agreement is effective date through December 31, 2026; extended term through December 31, 2028

#### **Company Covenants**

- The Company will enter into an eight-year lease for 100% of the building on or before March 31, 2019, with a term ending December 31, 2026; extension period for an additional two-year lease with a term ending December 31, 2028
- The Company will obtain a Certificate of Occupancy of the commercial building by March 31, 2019
- The Company will employ and maintain a minimum of fifty (50) full-time employees by March 31, 2019
- The Company will maintain a minimum \$8 million valuation in Business Personal Property (BPP) as of January 1 of each incentive tax year
- IDIL SKYLINE D, LLC, will maintain a minimum \$14 million valuation in real property as of January 1 of each incentive tax year
- Standard City requirements for records, reports, inspection, timely payment of taxes, maintenance obligations and compliance with applicable laws

#### **City Covenants**

- The City will pay an annual incentive grant to the Company, based on the City ad valorem taxes paid each tax year for new land and building value and BPP over the base tax year 2018, for a period of eight years through December 31, 2026, according to the following schedule:
  - Years one through three: 80%
  - Years four through seven: 70%
  - Year eight: 60%
- And for an extended term of lease through December 31, 2028:
  - Years nine and ten: 60%

## **Agreement Points**

- For any year in which an Economic Covenant has not been satisfied, all grants will cease until the default is cured, and 50% of all incentive payments received to date will be returned to the City
- The Developer has no rights to the incentive grant
- Assignment of the agreement is at the sole discretion of the City