



Legislation Text

File #: 18-0591, **Version:** 1

Approval of an Economic Development Agreement Between the City of Lewisville and DJO, LLC; and Authorization for the City Manager to Execute the Agreement.

ADMINISTRATIVE COMMENTS:

DJO, a global provider of high-quality orthopedic devices, is proposing to sublease 40,624 square feet from Teachers Insurance and Association of America at 2900 Lake Vista Drive, Suite 200. DJO will relocate its primary headquarters, employ a minimum of 130 employees, and maintain an annual payroll of \$8,060,000 at this location. This economic development agreement provides for an annual grant for ten years, where the grant amount during the first five years is based on seventy-five percent (75%) of the municipally imposed business personal property taxes and real property taxes (based on their proportionate share of the facility). In years six through ten, the annual grant is based on fifty percent (50%) of the municipally imposed business personal property taxes and real property taxes (again, based on their proportionate share of the facility). Additionally, the City will provide a grant in an amount equal to all building permit fees (not including impact fees), for the finish-out of their leased space. Finally, the City will provide a grant to DJO in an amount equal to the higher amount of fifty percent (50%) or \$750 of the impact study fee charged by Impact DataSource as part of DJO's application to the State of Texas for the Texas Enterprise Fund.

RECOMMENDATION:

That the City Council approve the agreement as set forth in the caption above; and authorize the City Manager to execute the agreement.