

L-3 Communications Corp / Link Simulation

Location: 2200 Arlington Downs Rd
Property Owner: L-3 Communications Corp
2200 Arlington Downs Rd
Arlington TX 76011

About the Project

L-3 Communications Corporation renovated its 182,000 square foot existing facility at 2115 E. Randol Mill Road, which had housed 400 employees and seven labs. Post-conversion the facility supports approximately 500 employees and houses fifteen flight simulator labs that provide state of the art production and testing facilities for non-motion fast jet training simulation systems. The remodel also included an upgrade to a portion of the HVAC system and lighting system for increased energy efficiency, as well as aesthetic improvements. While L-3 leases this facility, as a result of this project, the company has entered into a long term lease agreement with the owner. Also renovated is L-3's 82,000 square foot facility at 2200 Arlington Downs, which is owned by L-3 and formerly an office building for 190 employees, it will now house approximately 300 employees. Lastly, L-3 is constructing a new 30,000 square foot warehouse facility (aka high-bay area, with six high bays) to house simulators, including a conference room, loading areas, and ancillary employee parking. This facility has been designed to accommodate future expansion options, which may include additional warehouse, office, or demonstration space. In accordance with City policy, L-3 Communications Corporation is not only an identified City targeted industry, but an existing valued corporate citizen, which has proven to be an asset to the community and City partner. The City will benefit from retaining L-3's presence in Arlington, as well as its expansion. The existence of L-3's highly educated workforce and specialized operations will continue to establish Arlington as an ideal location for which the aerospace industry may thrive.

Goals of the Project

Business retention; job creation & retention, major capital investment; property tax base enhancement

Current Status

The agreement is performing to standards, and rebates have been paid to company beginning in FY16.

Benefit to City

150 jobs created; 637 jobs retained; development of 30,000 SF to be occupied by L-3, a targeted industry business.

Year Approved by Council	2014
Base Year	2014
Beginning Year	2016 (for the 2015 tax year)
Ending Year	2025 (for the 2024 tax year)
Duration	10 years
Base Year Value	\$ 11,879,254 (Accounts 04954181, 04875842, 04332644, 11101261)
Property Tax Account Number(s)	41710908, 11101261, 04332644, 14236571
Total Rebate Allowed	90% Ad Valorem rebate, plus other incentives
Total Estimated Investment by Company	\$ 17,000,000

Criteria Evaluated Complete project by December 31, 2014

- Added Taxable Value over the Base Year Value of \$3m by January 1, 2015 (based on September 2015 appraisal roll)
- Minimum of 600 FTEs between January 1, 2015 and December 31, 2016
- Minimum of 750 FTEs between January 1, 2017 and December 31, 2019
- Minimum of 700 FTEs between January 1, 2020 and December 31, 2024
- Ensure all property has been reported to the Tarrant Appraisal District
- Pay all property tax levies on/before the due date of January 31 of each year
- Employ no undocumented workers

Incentives Allowed

- Equivalent of 90% of ad valorem taxes collected by the City in the previous tax year on the Added Taxable Value of the Owner's Real Property Improvements
- Equivalent of 90% of ad valorem taxes collected by the City in the previous tax year on the Added Taxable Value of the Owner's Business Personal Property Improvements

Year	Rebate Percentage Allowed on Eligible Property	Appraised Value	Percentage of Total Value Abated	Eligible Value	Rebated Levy	Jobs Reported	Average Salary	Rebate as % of Total Tax Liability
2015 (FY16)	90%	15,410,940	23%	3,531,686	20,597	730	\$ 97,224	5%
2016 (FY17)								
2017 (FY18)								
2018 (FY19)								
2019 (FY20)								
2020 (FY21)								
2021 (FY22)								
2022 (FY23)								
2023 (FY24)								
2024 (FY25)								
TOTAL					\$ 20,597			

Levy Paid by Taxing Entity

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
2015 (FY16)	99,863	40,685	35,121	23,039	217,749	-	-	416,457
2016 (FY17)								-
2017 (FY18)								-
2018 (FY19)								-
2019 (FY20)								-
2020 (FY21)								-
2021 (FY22)								-
2022 (FY23)								-
2023 (FY24)								-
2024 (FY25)								-
	\$ 99,862.90	\$ 40,684.88	\$ 35,121.07	\$ 23,039.36	\$ 217,749.18	\$ -	\$ -	\$ 416,457.39

Resolution No. 14-075

A resolution authorizing the execution of a Chapter 380 Program Agreement for Economic Development Incentives by and between L-3 Communications Corporation and the City of Arlington, Texas relative to the renovation of existing facilities at 2115 E. Randol Mill Road and 2200 Arlington Downs, and the construction of a new facility at 2215 E. Randol Mill Road in Arlington, Texas

WHEREAS, CITY has found that providing a program consisting of a grant of funds to L-3 Communications Corporation (hereinafter referred to as "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, Chapter 380 of the Local Government Code provides statutory authority for establishing and administering the PROGRAM provided herein; and,

WHEREAS, the Arlington City Council has elected to participate in economic development incentives in accordance with V.T.C.A. Local Government Code, Chapter 380, and has adopted policy statements, guidelines, criteria and procedures for evaluating and considering applications and agreements for such incentives; 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 a Chapter 380 Program Agreement for Economic Development Incentives with OWNER to provide certain economic incentives associated with the renovation of existing facilities at 2115

E. Randol Mill Road and 2200 Arlington Downs, and the construction of a new facility at 2215 E. Randol Mill Road in Arlington, Texas.

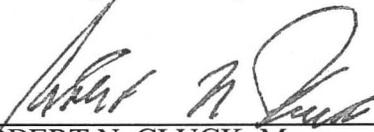
III.

In authorizing the execution of and in executing the referenced agreement, the City of Arlington, Texas, through its City Council and City officials, hereby exercises a governmental function in accordance with but not limited to Section 101.0215 of the Texas Civil Practices and Remedies Code.

IV.

A substantial copy of the 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 8th day of April, 2014, by a vote of 9 ayes and 0 nays at a regular meeting of the City Council of the City of Arlington, Texas.



ROBERT N. CLUCK, Mayor

ATTEST:



MARY W. SUPINO, City Secretary

APPROVED AS TO FORM:
JAY DOEGEY, City Attorney

BY 

THE STATE OF TEXAS § **CHAPTER 380 PROGRAM AGREEMENT**
 § **FOR ECONOMIC DEVELOPMENT**
COUNTY OF TARRANT § **INCENTIVES**

THIS AGREEMENT is executed by and between **L-3 COMMUNICATIONS CORPORATION**, an entity authorized to do business in Texas (hereafter referred to as “OWNER”), its address being 2200 Arlington Downs Road, Arlington, Texas 76011, 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, 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 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 as of January 1, 2014, as determined by the Tarrant Appraisal District (TAD Account numbers: 04954181, 04875842, 04332644, and 11101261).
- C. “Business Personal Property Improvements” are defined as tangible personal property (except inventory or supplies) delivered to, installed or located on the Premises in

connection with the Project as defined herein, under OWNER's name as reported by the Tarrant Appraisal District.

- D. "Eligible Property" is defined as the taxable Real Property Improvements or Business Personal Property Improvements erected or affixed to the Premises in connection with the Project after this agreement is executed and through January 1, 2015.
- E. "Full Time Employee" is defined as a permanent, full-time employment position that results in actual paid employment on the Premises of at least one thousand, eight hundred and twenty (1,820) hours per position in a year.
- F. "Premises" are defined as the real property located at 2215 E. Randol Mill Road, 2115 Randol Mill Road and 2200 Arlington Downs Road, as described in **Exhibit "A"**, as it existed on January 1, 2014.
- G. "Project" is defined as OWNER's expansion to include a new high-bay area and remodel of existing facilities, more fully described in **Exhibit "B"**.
- H. "Real Property Improvements" are defined as improvements to the Premises and shall include buildings, structures or fixtures erected on the Premises in connection with the Project as defined herein.
- I. "Sales Tax Receipts" is defined as the CITY'S receipt from the State of Texas from the collection of the CITY'S one and three quarters percent (1.75%) sales and use tax imposed by the CITY (it being expressly understood that the CITY'S sales and use tax receipts are being used only as a measurement for its participation through the use of general funds), attributed to the collection of the CITY'S one and three quarters (1.75%) sales and use tax as a result of the sale to and purchase by OWNER of taxable items associated with the Project that are consummated in the CITY.

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 tenth 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 cause the Project, as described in **Exhibit “B”**, to be completed by no later than December 31, 2014.
- B. OWNER’s completion of the Project must result in Added Taxable Value for the Real Property Improvements and Business Personal Property Improvements of at least three million dollars (\$3,000,000) by the tax year beginning January 1, 2015.
- C. OWNER shall maintain the following number of Full-Time Employees on the Premises as a result of the Project:

January 1, 2015 through December 31, 2016	600 Full-Time Employees
January 1, 2017 through December 31, 2019	750 Full-Time Employees
January 1, 2020 through December 31, 2024	700 Full-Time Employees
- 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 2265.052 of the Texas Government Code, if OWNER is convicted of a violation under 8 U.S.D. Section 1324a(f), OWNER shall repay to the CITY the full amount of the grant payment(s) made under section V of this Agreement, plus 10% per annum from the date the grant payment(s) was made. Repayment shall be paid within 120 days after the date OWNER receives notice of violation from the CITY.

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 2016 and ending in 2025, 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 90% of the ad valorem taxes collected by CITY in the previous tax year for the Added Taxable Value of the OWNER's Real Property Improvements on the Premises.
 - b. An additional amount equal to 90% of the ad valorem taxes collected by CITY in the previous tax year for the Added Taxable value of the OWNER's Business Personal Property on the Premises.
 2. Each year OWNER must certify compliance by March 15 of payment in full of all ad valorem taxes due on the real property and business personal property taxes located at the Premises, subject to the right of protest, and the number of Full-Time Employees located on the Premises for the prior calendar year. 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. All grant payments under subsection V.A.1. will be paid by CITY to OWNER on or before June 1 of each year, beginning in June 2016 and ending in June 2025, provided the Conditions and Requirements contained in section IV herein have been met.
- B. CITY agrees to provide OWNER a one-time grant in an amount equal to fifty percent (50%) of the CITY's Sales Tax Receipts for the twenty four month period beginning January 1, 2014 through December 31, 2015. The sale of taxable items subject to this grant shall be for items directly related to the Project.
1. "Sales Tax Certificate" shall mean a certificate or other statement in a form reasonably acceptable to the CITY setting forth the CITY'S receipts from the State of Texas from the collection of the CITY'S one and three quarters percent (1.75%) sales and use tax imposed by the CITY for the sale to and purchase by OWNER of taxable items associated with the Project that are consummated in the CITY between January 1, 2014 and December 31, 2015 which are to be used to determine the amount of the grant and to determine OWNER'S eligibility for the grant, together with such supporting documentation, as CITY may reasonably request. The Sales Tax Certificate shall at a minimum contain and include or be accompanied by the following:
 2. A schedule detailing the amount of the CITY'S one and three quarters percent (1.75%) sales and use tax collected and paid to the State of Texas

as a result of the sale to and purchase by OWNER of taxable items purchased in association with the Project that are consummated in the CITY between January 1, 2014 and December 31, 2015.

3. A copy of all sales and use tax returns and reports, sales and use tax prepayment returns, direct payment permits and reports, including amended sales and use tax returns or reports, filed by a company, business or other legal entity (the OWNER'S Vendor) showing the CITY'S one and three quarters percent (1.75%) sales and use tax collected (including sales and use tax paid directly to the State of Texas pursuant to a direct payment certificate) for the sale to and purchase by OWNER of taxable items associated with the Project between January 1, 2014 and December 31, 2015.
4. A copy of all direct payment and self-assessment returns, including amended returns, filed by OWNER'S Vendor between January 1, 2014 and December 31, 2015 showing the CITY'S one and three quarters percent (1.75%) sales and use tax paid by OWNER for the purchase of taxable items associated with the Project that are consummated in the CITY between January 1, 2014 and December 31, 2015.
5. Information concerning any refund or credit received by OWNER of the CITY'S one and three quarters percent (1.75 %) sales or use taxes paid by OWNER (including any sales and use tax paid directly to the State of Texas pursuant to a direct payment permit) which has previously been reported by OWNER as sales and use tax paid or collected between January 1, 2014 and December 31, 2015.
6. A schedule detailing the total of sales tax paid by OWNER for the purchase of taxable items associated with the Project that are consummated in the CITY between January 1, 2014 and December 31, 2015.
7. CITY agrees, to the extent allowed by law, to maintain the confidentiality of the Certifications.
8. In the event the State of Texas determines that the CITY erroneously received Sales Tax Receipts, or that the amount of sales and use tax paid to the CITY exceeds the correct amount of sales and use tax applicable to this grant, the OWNER shall, within thirty (30) days after receipt of notification thereof from the CITY specifying the amount by which the grant exceeded the amount to which the OWNER was entitled pursuant to such State of Texas determination, pay such amount to the CITY. As a condition precedent to payment of such refund, the CITY shall provide OWNER with a copy of such determination by the State of Texas. The provisions of this subsection shall survive termination of this Agreement.

9. Company shall provide the CITY with the Sales Tax Certificate by January 31, 2016. The grant shall be paid by CITY to OWNER within one hundred twenty (120) days following the CITY'S receipt of the Sales Tax Certificate required in this section.
 10. The grant made hereunder shall be paid from current revenue from available funds that have been appropriated by the CITY. Under no circumstances shall CITY'S obligations hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision.
 11. Under no circumstances shall CITY be obligated to pay the grant unless there is available Sales Tax Receipts and not until receipt of the Sales Tax Certificate. CITY shall not be required to provide the grant unless the CITY has received the Sales Tax Receipts for the covered time period attributed to the sale to and purchase by OWNER of taxable items associated with the Project that are consummated in the CITY between January 1, 2014 and December 31, 2015.
- C. CITY agrees to waive impact fees and water meter fees, up to \$50,000, due by OWNER for the Project, as represented in **Exhibit "C"**. Pursuant to section 1.19(C) of the Impact Fee Chapter in the Arlington Code of Ordinances, the CITY will cause an appropriation of CITY funds, in the amount of the impact fees and water meter fees due by OWNER, to the account for the service area in which the Project is located.
- D. CITY agrees to waive the following development fees, as represented in **Exhibit "C"** and incurred by OWNER in relation to the Project: plan review fees, building permit and inspection fees, park fees, irrigation review and inspection fees, demolition permit fees, early grading permit fees, landscape plan review fees, public utilities inspection fees, fire alarm permit and inspection fees, sprinkler system permit and inspection fees, fire pump permit and inspection fees, certificate of occupancy fees, water and sewer tap fees, water activation fees, meter and detector check fees, and cap existing service fees.
- E. CITY agrees to provide a one-time grant to OWNER in an amount not to exceed \$85,000 as reimbursement for development fees related to the Project paid by OWNER after January 1, 2014, but before execution of this agreement. Such grant shall be paid to OWNER within 30 days of execution of this agreement.
- F. CITY agrees to consider additional grant payments from the CITY, similar to those provided herein, to the OWNER if the OWNER begins construction of additional development projects on the Premises before January 1, 2025. The specifics of such grants shall be set forth in a separate agreement(s) between OWNER and the CITY.

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., E., and F. 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 years one through five of this Agreement, should OWNER commit 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 up to the time of breach, subject to the meeting of Section IV.B. herein providing an instance when recapture will not occur. During years six through twelve of this Agreement should OWNER commit a breach of this Agreement according to items A(1) or A(2) of this section VI, CITY may terminate this Agreement and recapture grant payments made during the calendar year in which breach occurs, subject to the meeting of section IV.B. herein providing an instance when recapture will not occur.

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: Don Collings, Vice President Business Operations
L-3 Communications Corporation
Link Simulation & Training
2200 Arlington Downs Road
Arlington, Texas 76011

Ken Colbey, Vice President Finance
L-3 Communications Corporation
Link Simulation & Training
2200 Arlington Downs Road
Arlington, Texas 76011

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 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 8th, 2014.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the 28th day of April, 2014.

**L-3 COMMUNICATIONS
CORPORATION**

BY [Signature]
Signature
Don Collins
Typed or Printed Name
VICE PRESIDENT BUSINESS OPERATIONS
Typed or Printed Title

WITNESS:

[Signature]

CITY OF ARLINGTON, TEXAS

BY Donald E. Jakeway
DONALD E. JAKEWAY
Deputy City Manager

ATTEST:

Mary W. Supino
MARY W. SUPINO, City Secretary

APPROVED AS TO FORM:
JAY DOEGEY, City Attorney

BY Jay Doegey

THE STATE OF TEXAS § **L-3 COMMUNICATIONS CORPORATION**
§ **Acknowledgment**
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Don Hollings, who is known to me or who was proved to me on the oath of Andria Roy (name of person identifying the acknowledging person) or who was proved to me through DL# 04291329 (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 **L-3 COMMUNICATIONS CORPORATION**, 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 10 day of April, 2014.



My Commission Expires _____

[Signature]
Notary Public in and for
The State of Texas

Jennifer Chadwell
Notary's Printed Name

THE STATE OF TEXAS § **CITY OF ARLINGTON, TEXAS**
§ **Acknowledgment**
COUNTY OF TARRANT §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared **DONALD E. JAKEWAY** 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 the **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 28th day of April, 2014.

7/1/14
My Commission Expires

[Signature]
Notary Public in and for
The State of Texas
Ann C. Riney
Notary's Printed Name

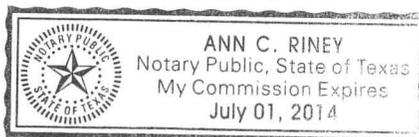


Exhibit "A"
Premises

L-3 Communications Corporation
Premises as of January 1, 2014



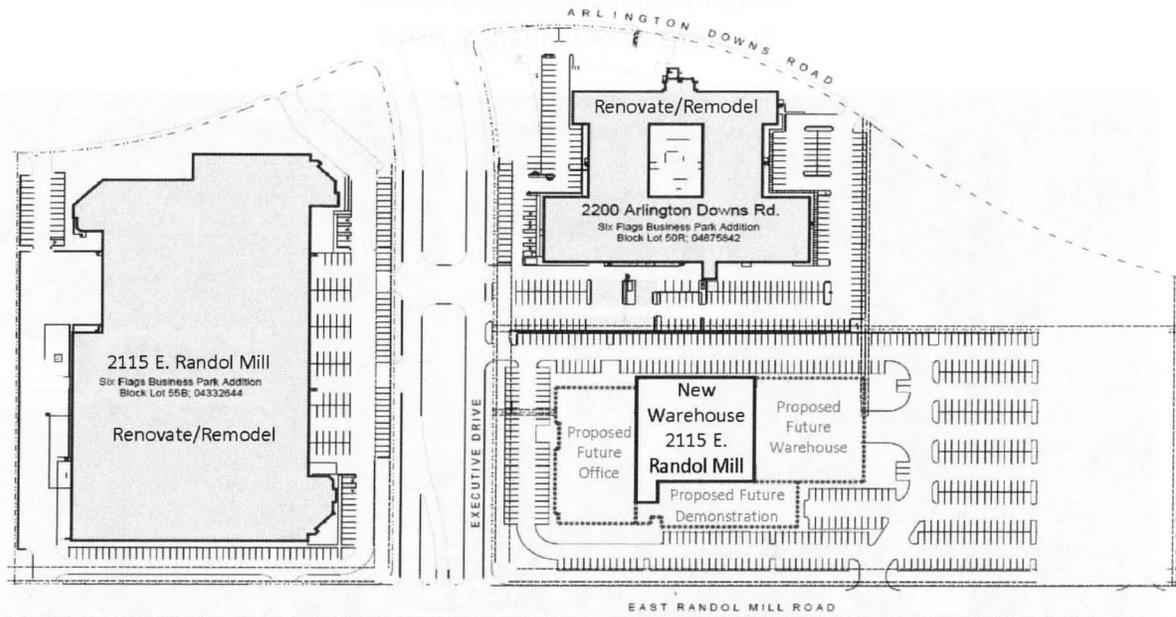
2115 E. Randol Mill (approx. 182,000 sq. ft. facility)

2200 Arlington Downs (approx 82,000 sq. ft. facility)

2215 E. Randol Mill (6.77 Acre vacant site)

Exhibit "B"

L-3 Communications Corporation 2014 Renovation/Expansion Project



2115 E. Randol Mill Road

Conversion of the approximately 182,000 sq. ft. facility with 400 employees and seven labs for flight simulator production. After the conversion, the facility will support approximately 500 employees and house fifteen flight simulator labs that will provide for state of the art production and test facilities for non motion fast jet training simulation systems. This remodel will also upgrade a portion of the hvac system and lighting system to be more energy efficient. There will also be cosmetic work done to the facility (i.e. new carpet, painting).

2200 Arlington Downs

Renovation of the approximately 82,000 sq. ft. facility at 2200 Arlington Downs, which currently acts as an office building for 190 employees. This facility will be renovated to support approximately 300 employees. The remodel will include a new roof, replacement of an aging hvac system, energy efficient upgrades and general cosmetic improvements.

2215 E. Randol Mill Road

New construction of an approximately 30,000 sq. ft. warehouse facility (aka high-bay area, with six high bays) to house simulators, including a conference room, loading areas, and ancillary employee parking. This facility has been designed to accommodate future expansion options, which may include additional warehouse, office, or demonstration space.

Exhibit "C"

ESTIMATED PROJECT BUILDING PERMIT FEES

(New Construction 2215 E. Randol Mill and renovation of both 2115 E. Randol Mill and 2200 Arlington Downs)

**New Construction
(2215 E. Randol Mill Rd.)**

<u>Permit Type</u>	<u>Fee</u>
Building Permit & Plan Review	\$30,526
Site Plan/Landscape Permit	\$ 920
Early Grading	\$ 100
Sewer Activation & Double Check Detector	\$ 292
Misc. Building Permits (i.e. Irrigation, sprinkler, etc.)	<u>\$ 5,000</u>
	Sub-Total \$36,838

**Remodel/Renovation
(2115 E. Randol Mill & 2200 Arlington Downs)**

<u>Permit Type</u>	<u>Fee</u>
Building Permit & Plan Review	\$40,179
Misc. Building Permits	<u>\$ 5,000</u>
	Sub-Total \$45,179

Estimated Total Building Permit Fees \$82,017

ESTIMATED PROJECT IMPACT FEES

**New Construction
(2215 E. Randol Mill Rd.)**

<u>Impact Fee Type</u>	<u>Fee</u>
Roadway Impact Fee	\$14,175
2" Water Impact Fee	\$17,745
2" Sewer Impact Fee	\$ 9,380
Fire Line Impact Fee	\$ 1,479
Misc. Water Meter	<u>\$ 2,385</u>

Estimated Total Impact Fees \$45,164

Resolution No. 15-103

Approve a resolution authorizing the execution of the First Amendment to Chapter 380 Program Agreement for Economic Development Incentives between the City of Arlington and L-3 Communications Corporation, relative to the renovation of existing facilities at 2115 E. Randol Mill Road and 2200 Arlington Downs, and the construction of a new facility at 2215 E. Randol Mill Road in Arlington, Texas

WHEREAS, on April 8, 2014, by Resolution No. 14-075, City Council authorized the execution of a Chapter 380 Program Agreement for Economic Development Incentives (the "Agreement") with L-3 Communications Corporation ("L-3") relating to the renovation of existing facilities at 2115 E. Randol Mill Road and 2200 Arlington Downs, and the construction of a new facility at 2215 E. Randol Mill Road in Arlington, Texas; and

WHEREAS, L-3 has encountered additional costs in completing the Project and has requested an additional grant from the CITY to cover a portion of the costs; and

WHEREAS, CITY and OWNER desire to amend the Agreement to provide for an additional grant payment from CITY to L-3; 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 hereby authorized to execute the First Amendment to Chapter 380 Program Agreement for Economic Development Incentives with L-3 Communications Corporation providing for an additional grant payment from the CITY to L-3 in the amount of \$16,397.52. Therefore, **Section V. Incentives** shall be amended to provide for the addition of subsection **V. G.** that shall read as follows:

- G.** CITY agrees to provide a one-time grant to OWNER in the amount of \$16,397.52 as reimbursement for costs associated with off-site drainage improvements. Such grant shall be paid to OWNER on or before September 30, 2015.

III.

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

PRESENTED AND PASSED on this the 26th day of May, 2015, by a vote of 9 ayes and 0 nays at a regular meeting of the City Council of the City of Arlington, Texas.



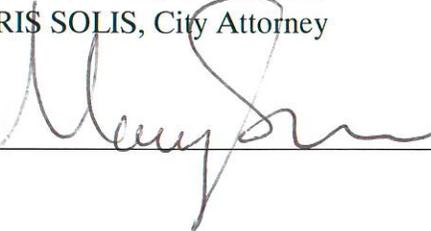
W. JEFF WILLIAMS, Mayor

ATTEST:



MARY W. SUPINO, City Secretary

APPROVED AS TO FORM:
TERIS SOLIS, City Attorney

BY 

STATE OF TEXAS §
 § **FIRST AMENDMENT TO**
 § **CHAPTER 380 PROGRAM AGREEMENT**
COUNTY OF TARRANT § **FOR ECONOMIC DEVELOPMENT**
 INCENTIVES

THIS FIRST AMENDMENT TO CHAPTER 380 PROGRAM AGREEMENT FOR ECONOMIC DEVELOPMENT INCENTIVES is entered into by and between L-3 COMMUNICATIONS CORPORATION, an entity authorized to do business in Texas (hereafter referred to as "OWNER"), and the CITY OF ARLINGTON, a municipal corporation, acting by and through its City Manager or designee (hereafter referred to as "CITY").

WITNESSETH:

WHEREAS, CITY and OWNER entered into a Chapter 380 Program Agreement for Economic Development Incentives ("Agreement") dated April 28, 2014, relative to OWNER's expansion of their existing facility located in Arlington, Texas ("Project"); and

WHEREAS, OWNER has encountered additional costs in completing the Project and has requested an additional grant from the CITY to cover a portion of the costs; and

WHEREAS, CITY and OWNER 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:

I.

The Agreement between CITY and OWNER shall be amended to provide for an additional grant payment from the CITY to OWNER in the amount of \$16,397.52; therefore, **Section V. Incentives** shall be amended to provide for the addition of subsection **V. G.** that shall read as follows:

- G.** CITY agrees to provide a one-time grant to OWNER in the amount of \$16,397.52 as reimbursement for costs associated with off-site drainage improvements. Such grant shall be paid to OWNER on or before September 30, 2015.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Chapter 380 Program Agreement for Economic Development Incentives on the 17th day of June, 2015.

**L-3 COMMUNICATIONS
CORPORATION**

BY 
Signature
Kevin Cottrell
Typed or Printed Name
VP Finance / CFO
Typed or Printed Title

WITNESS:

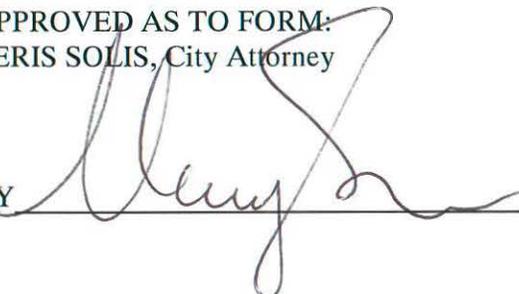
CITY OF ARLINGTON, TEXAS

BY 
JIM PARAJON
Deputy City Manager

ATTEST:


MARY W. SUPINO, City Secretary

APPROVED AS TO FORM:
TERIS SOLIS, City Attorney

BY 

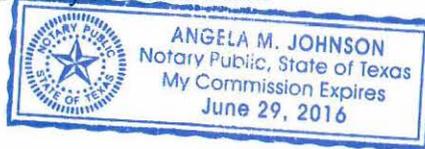
THE STATE OF TEXAS § **L-3 COMMUNICATIONS CORPORATION**
§ **Acknowledgment**
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared Kevin Cottrell, 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 **L-3 COMMUNICATIONS CORPORATION**, 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 17th day of June, 2015.

June 29, 2016
My Commission Expires

Angela M Johnson
Notary Public in and for
The State of Texas
Angela M. Johnson
Notary's Printed Name



THE STATE OF TEXAS § **CITY OF ARLINGTON, TEXAS**
§ **Acknowledgment**
COUNTY OF TARRANT §

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 the **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 26th day of June, 2015.

7/1/18
My Commission Expires

Ann Cheryl Riney
Notary Public in and for
The State of Texas
ANN CHERYL RINEY
Notary's Printed Name

