

A Resolution

NO. _____

AUTHORIZING EXECUTION BY THE CITY OF FORT WORTH, IN ITS CAPACITY AS AN OWNER CITY OF DALLAS FORT WORTH INTERNATIONAL AIRPORT, OF A TAX ABATEMENT AGREEMENT BETWEEN AMERICAN AIRLINES, INC. AND TARRANT COUNTY FOR CONSTRUCTION OF A NEW CORPORATE HEADQUARTERS AND RELATED USES ON PROPERTY LOCATED AT DALLAS FORT WORTH INTERNATIONAL AIRPORT

WHEREAS, on October 29, 2015 the Dallas Fort Worth International Airport Board (the “DFW Board”) approved execution of an Amendment and Extension of American Airlines Special Facilities Agreement under which American Airlines, Inc. (“American”) will lease certain real property at Dallas Fort Worth International Airport (“DFW”) for purposes of, among other things, constructing a corporate headquarters facility on the leased premises; and

WHEREAS, on November 10, 2015 the City Council approved M&C C-27526, authorizing execution of a one-year Tax Abatement Agreement and a 14-year Economic Development Program Agreement between the City and American; and

WHEREAS, as part of the overall economic development incentive for American to construct the corporate headquarters facility on the leased premises at DFW, American has requested that Tarrant County (the “County”) also grant it a tax abatement; and

WHEREAS, Section 312.206(a) of the Texas Tax Code will permit the County to enter into a tax abatement agreement with American (the “County Tax Abatement Agreement”) provided that (i) the City has also granted American a tax abatement and (ii) the County Tax Abatement Agreement is executed by the “owner” of the property subject to the abatement; and

WHEREAS, the Cities of Dallas and Fort Worth technically are the owners of the property comprising DFW; and

WHEREAS, in order to remove any doubt as to whether a tax abatement agreement between the County and American meets all legal requirements of Section 312.206(a), the City Councils of both Dallas and Fort Worth have been requested to execute the County Tax Abatement Agreement;



NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FORT WORTH, TEXAS:

- 1. THAT** provided that the Agreement makes clear that neither the Cities of Dallas or Fort Worth nor the DFW Board will assume any liability under the Agreement with respect to the abatement or otherwise, the City Manager is hereby authorized to execute the County Tax Abatement Agreement, subject to the City Attorney's approval as to form; and
- 2. THAT** this Resolution will take effect immediately from and after its adoption.

Adopted this 8th day of December, 2015.

ATTEST:

By: _____

Mary Kayser, City Secretary

