

June 11, 2025

WHEREAS, the City of Dallas (“City”) recognizes the importance of its role in local economic development and the public purposes of fostering economic growth; and

WHEREAS, investment decisions made by business owners, developers, and property owners are often significantly influenced by a municipality’s ability to provide economic development incentives; and

WHEREAS, it is in the interest of the City to support and secure the development, redevelopment, establishment, expansion, and relocation of businesses within the City for the economic vitality and employment opportunities that these businesses bring for Dallas residents; and

WHEREAS, on August 28, 2019, City Council authorized a Chapter 380 Economic Development Incentive, Real Property Tax Abatement, and Business Personal Property Tax Abatement (“Agreement”) between the City of Dallas, The Kroger Co. (“Kroger”), and Ocado Solutions, USA (“Ocado”) in consideration of the development and operation of a new regional e-commerce grocery fulfillment center at 4221 Telephone Road by Resolution 19-1316; and

WHEREAS, under the Agreement, Kroger and Ocado were obligated to develop a 300,000 square foot grocery fulfillment center by December 31, 2022; and

WHEREAS, Kroger was obligated to create 350 permanent full-time jobs with an average wage requirement of \$41,750, and Ocado was obligated to create 60 permanent full-time jobs with an average wage requirement of \$66,000; and

WHEREAS, the grocery fulfillment center celebrated its grand opening on July 28, 2022 at 4221 Telephone Road; and

WHEREAS, Kroger has met and exceeded the minimum job creation and wage requirement, and Ocado has met the wage requirement but has not met the minimum job creation requirement; and

WHEREAS, on March 3, 2025, Kroger, with the consent of Ocado, submitted a request to the Office of Economic Development (OED) seeking to amend the Agreement in order to decouple the obligations and incentives of Kroger from Ocado, such that each party’s commitments and benefits are independently defined and enforceable; and

WHEREAS, OED staff recommends terminating the existing Agreement and entering into a new amended and restated agreement with only Kroger (thereby removing Ocado), given that Ocado has not met its job requirements and has not provided additional consideration.

June 11, 2025

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the facts and recitations contained in the preamble of this Resolution are hereby found and declared to be true and correct.

SECTION 2. That the Chapter 380 Economic Development Incentive, Real Property Tax Abatement, and Business Personal Property Tax Abatement Agreement (“Agreement”) between the City of Dallas, the Kroger Co. (“Kroger”), and Ocado Solutions, USA (“Ocado”) previously authorized by City Council on August 28, 2019, by Resolution No. 19-1316 related to the development and operation of a new regional e-commerce grocery fulfillment center project (“Project”) located at 4221 Telephone Road in the International Inland Port of Dallas, is amended and restated to specifically: (1) remove Ocado and any reference to Ocado as a party to the Agreement; (2) extend the deadline for Kroger to execute the P-TECH agreements to serve as an employer partner with Dallas ISD and Richardson ISD to June 15, 2025; and (3) require Kroger to create and retain an additional 120 permanent full-time jobs (beyond the minimum requirement of 350 permanent full-time jobs in the Agreement) for the remainder of the Agreement term.

SECTION 3. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.