BPPT Incentive Agreement Staff Report

Date:	August 11, 2026
To:	Douglas County Board of County Commissioners
Through:	Douglas J. DeBord, County Manager
From:	Kati Carter, AICP, Director of Community Development KC
CC:	DJ Beckwith, Principal Planner Lauren Pulver, Planning Manager Steven E. Koster, AICP, Deputy Director of Community Development
Subject:	**Business Personal Property Tax Incentive Agreement Between Douglas County and Flexential Corp**
Project File:	**ED2025-002**

Board of County Commissioners Meeting: **August 11, 2026 @ 1:30 p.m.**

I. EXECUTIVE SUMMARY

Flexential Corp (Flexential) has requested the rebate of business personal property tax (BPPT) to support its location of a facility in Douglas County. The proposed agreement provides a 100% rebate of Douglas County's portion of BPPT over a 35-year period. The project qualifies for economic development incentives, including BPPT rebates, based on the eligibility defined in Colorado Revised Statute (C.R.S.) Section 30-11-123.

II. REQUEST

A. Business
Flexential Corp
15255 Compark Blvd
Parker, CO 80134

B. Representative
Garth Williams (CFO)
Flexential Corp
PO Box 240637
Charlotte, NC 28224

C. Request
This request is for the approval of a BPPT Incentive Agreement between Douglas County and Flexential.

D. Background

Flexential is a data company that operates 41 datacenters in 18 U.S. markets, including four in Colorado, and has been headquartered in Colorado since 1999. The company is constructing its fifth Colorado location in Parker, at South Chambers Road and Compark Boulevard. The 249,000 square foot facility is located on 17 acres of land and will have a capacity of 22.5-megawatts.

The agreement will cover 100% rebate of the County's portion of BPPT for the period of 35 years, effective for business personal property assessed in 2026 for taxes payable in 2027. The estimated total rebate amount over the 35-year term is approximately $19,323,400.

E. Location

The new facility will be located at 15255 Compark Boulevard Parker, Colorado.

F. Project Description

Flexential anticipates that the new location will create 16 new jobs and include $205 million in capital investments.

G. Process

The Board of County Commissioners considers incentive requests based on C.R.S. Sections 30-11-123. C.R.S. Section 30-11-123 provides that the "health, safety, and welfare of the people of this state are dependent upon the attraction, creation, and retention of jobs," and enables the County to use economic development incentives.

III. STAFF ASSESSMENT

Staff has evaluated the Incentive Agreement with both the County Attorney's Office and the County Assessor's Office to ensure compliance with Statute. The Board may approve the Incentive Agreement.

ATTACHMENTS **PAGE**

600 Forest Point Circle, Suite 100
Charlotte, N.C. 28273

December 11, 2024

Mr. Jordan Getz, Director of Operations & Events
Douglas County EDC
300 Plaza Drive, Suite 225
Highlands Ranch, CO 80129
Email: jgetz@nwdouglascounty.org

RE: Tax Incentives/Rebates

Dear Mr. Getz:

Thank you for your time this morning to discuss the tax incentive/rebate programs available in Douglas County, Colorado.

By way of this letter, Flexential Corp ('Flexential') requests to be considered for the business personal property tax rebate program through the Douglas County Board of County Commissioners.

Flexential currently operates 41 datacenters in 18 U.S. markets including 4 in Colorado and has been headquartered in Colorado since 1999.

Recent strategic planning has the company focused on expanding our presence in Colorado. We plan to build and open our 5th state-of-the-art datacenter located south of South Chambers Road and Compark Boulevard, Tract A, Compark Village 8, Parker, Colorado during the first quarter of 2026. This new facility will sit on 17 acres of land, span 249,000 square feet and will have a 22.5 MW capacity. In addition, we intend to invest over $290M (real and business personal property) and hire 16 full-time employees over the next three years.

Our past experience with Douglas County has been positive and we look forward to once again working with your team to secure tax incentives that will allow our company to expand and remain competitive in the market.

Thank you for your time and consideration.

Sincerely,

DocuSigned by:
Garth Williams
DC3E5006E468473...

Garth Williams
CFO
Phone: (303) 558-1459
Email: garth.williams@flexential.com

COLOCATION | CLOUD | | DATA PROTECTION | MANAGED AND PROFESSIONAL SOLUTIONS

Flexential's consultative approach to solving the toughest IT challenges

JANUARY 6, 2025

DOUGLAS COUNTY COMMISSIONERS
100 THIRD STREET
CASTLE ROCK, CO 80104

RE: LETTER OF SUPPORT- FLEXENTIAL BUSINESS PERSONAL PROPERTY TAX REQUEST

Dear Commissioners,

On behalf of the Town of Parker, I am writing to express our strong support for Flexential's proposed 249,000-square-foot data center. This $290 million investment will create 16 high-quality jobs and generate significant economic benefits for our community and the broader Douglas County region.

The new facility will provide direct employment opportunities, stimulate local commerce, and attract additional businesses to the area, strengthening Compark's position as a hub for technology and infrastructure. With its strategic location and robust infrastructure, the Town of Parker and the region are well-positioned to maximize the positive impact of this project.

We fully support Flexential request for a business personal property tax rebate, which will ensure the success of this project and its long-term benefits for our community and Douglas County.

Thank you for your consideration.

Weldy Feazell

Weldy Feazell
Director of Economic Development and PAR
Town of Parker

March 18, 2025

Flexential Corp.
c/o Garth Williams
600 Forest Point Circle, Suite 100
Charlotte, N.C. 28273

Dear Mr. Garth Williams:

As you may know, Douglas County has a growing and desirable reputation for being intentional and responsive in its commitment to effectively partner with the public and private sectors, keenly focused on our goal to create, and sustain a strong local and state economy. Consistent with our reputation, the Board of Douglas County Commissioners is committed to strategically investing in the foundation for a strong economy and ultimately establishing an environment in which businesses can succeed.

To that end, subject to final approval by the Board of County Commissioners, Douglas County is pleased to support the addition of the prospective data center site in our business community. Douglas County is willing to offer the incentives needed for successful expansion. Upon final approval by the Board of County Commissioners, those incentives may include:

- Business Personal Property Tax Rebate of 100% for up to 35 years on the new personal property at the company's facility (county's portion only).

It is our pleasure to work with Flexential Corp. Douglas County looks forward to supporting the project through timely and efficient transition as your business expands in our County.

Sincerely,

Abe Laydon, Chair
Douglas County Board of County Commissioners

AGREEMENT BETWEEN DOUGLAS COUNTY AND FLEXENTIAL CORP CONCERNING PERSONAL PROPERTY TAX INCENTIVE PAYMENTS

THIS AGREEMENT (the "Agreement") is made and entered into this __ day of _______, 2026, between the **BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF DOUGLAS, STATE OF COLORADO** (the "County") and **FLEXENTIAL CORP** authorized to do business in Colorado (the "Company"). The County and the Company are hereinafter collectively referred to as the "Parties" and individually to as a "Party."

RECITALS

WHEREAS, the health, safety, and welfare of the citizens of Douglas County are dependent upon the attraction of new business, and retention and expansion of existing business; and

WHEREAS, tax incentives are often necessary to attract new business, stimulate economic development, and create and maintain new jobs; and

WHEREAS, Section 30-11-123, C.R.S., authorizes counties to negotiate for incentive payments for the County's portion of any Business Personal Property Taxes (BPPT) with any taxpayer who establishes a new business facility or expands an existing facility in the County; and

WHEREAS, the Parties desire to enter into this Agreement for personal property tax incentive payments in accordance with the provisions of Section 30-11-123, C.R.S. granting specified incentives to the Company for the County's portion of BPPT as otherwise detailed herein;

NOW, THEREFORE, for and in consideration of the mutual promises hereinafter set forth, the Parties agree as follows:

1. The Company has built a new business facility located in Parker, at South Chambers Road and Compark Boulevard (the "New Facility"). For the New Facility, the County will assign to the Company a new parcel identification number, which shall be used to report the personal property acquired by the Company in connection with the new investment and treated as part of a new business facility under Section 30-11-123, C.R.S.

2. The Company represents, certifies, and warrants to the County that the New Facility qualifies as a new or expanded business facility under the provisions of Section 30-11-123(1)(b), C.R.S. and is eligible for business personal property tax incentives authorized by the County.

3. Beginning for taxes levied in the 2027 tax year and for thirty-five (35) consecutive tax years, the County shall rebate to the Company one hundred percent (100%) of the County's portion of BPPT levied by the County and paid by the Company, as applicable, on taxable personal property acquired on or after January 1, 2026, located at or within the New Facility, and appearing on the personal property declaration schedules submitted by the Company to the County Assessor

for the New Facility for the applicable tax year. The total amount rebated by the County with respect to any tax year shall not exceed one hundred percent (100%) of the County's portion of the BPPT levied by Douglas County upon the Company's taxable personal property located within the New Facility and used in connection with the operation of such New Facility for the applicable tax year. The term "tax year" as used herein shall mean the year in which the personal property is assessed for tax purposes. Such personal property must be located at the Company's facility as of January 1st of the tax year in question to be assessed. Personal property that is moved to or acquired at the Company's New Facility after the assessment date of January 1st becomes assessable in the following tax year. Personal property taxes become due and payable on January 1st of the year following the year in which they are levied.

4. The Company estimates that it will add sixteen (16) jobs within Douglas County during the thirty-five (35) years of this Agreement.

5. The Company shall submit annual reports to the County on or before March 31st of each year of this Agreement. The annual reports shall document the number of jobs added (net), the number of full-time equivalent jobs (total and net created annually), position titles, and annual average wage. The Company shall not be required to provide the County with employee names, social security numbers, or any other personal identifying information.

6. The County shall pay the rebate to the Company within sixty (60) days of the Company submitting (i) evidence that the County Manager determines is reasonably satisfactory to show that the Company paid all property taxes for the personal property, and (ii) a written waiver of any rights to tax refund(s). The written waiver must be executed once each year directly after the Company makes tax payments and via a form provided by the County. In the event the Company seeks an abatement or refund of any or all portion of the taxes levied on the personal property, the County shall not make a rebate payment to the Company until the abatement or refund proceeding has concluded and any personal property taxes found to be due are paid in full.

7. The rebate payment shall be made only if the Company is eligible to receive this incentive payment under the provisions of Section 30-11-123, C.R.S., in each year for which a rebate payment is requested.

8. In the event of any dispute as to the amount of any rebate payment to be made to the Company hereunder, the Parties shall meet and confer in good faith to resolve the dispute. In the event the Parties are unable for any reason to resolve the dispute within a period of sixty (60) days after notice of a dispute has been given by one Party to the other, the decision of the County shall be final and conclusive.

9. The Company's acceptance of a rebate payment shall be full and final satisfaction of any obligation of the County to make the payment for the tax year for which the payment is made.

10. This Agreement is subject to and shall be interpreted under the laws of the State of Colorado. Court jurisdiction for any dispute concerning this Agreement shall be exclusively in the District Court in and for Douglas County, Colorado.

11. The County reserves the right for the Douglas County Assessor to perform an

annual physical inspection of the facility to verify assets listed by the Company on the Commercial Personal Property Declaration Schedule filed by the Company for each New Facility for the applicable tax year. Written notice of the physical inspection will be provided.

12. All notices under this Agreement shall be effective when mailed by regular mail, postage prepaid, to the following addresses:

A. If intended for the Company:

Flexential Corp
Garth Williams (CFO)
PO Box 240637
Charlotte, NC 28224

B. If intended for the County:

Douglas County
c/o County Manager
100 Third Street
Castle Rock, CO 80104
Re: Economic Development Agreement

Or to the other address as either Party may hereafter from time to time designate by written notice to the other Party given in accordance with this paragraph.

13. Any potential expenditure for this Agreement outside the current fiscal year is subject to future annual appropriation of funds for any proposed expenditure, pursuant to section 29-1-110, C.R.S.

14. This Agreement, as to its subject matter, exclusively and completely states the rights, duties and obligations of the Parties and supersedes all prior and contemporaneous representations, letters, proposals, discussions, and understandings by or between the Parties. This Agreement may only be amended in writing and signed by the Parties.

Executed and agreed to effective as of the date first set forth above.

THE BOARD OF COUNTY COMMISSIONERS
OF THE COUNTY OF DOUGLAS, COLORADO

BY:____________________________________
Chair
Date:___________________________

ATTEST:

____
Deputy Clerk to the Board
Date:____________________________

APPROVED AS TO CONTENT:	**APPROVED AS TO FORM:**
__________________________________	**__________________________________**
Doug DeBord, County Manager	**Arielle J. Denis, Assistant County Attorney**
Date: ____________________________	**Date: ______________________________**

APPROVED AS TO FISCAL CONTENT:

____
Christie Guthrie, Director of Finance
Date:______________________________

Flexential Corp

By: Garth David Williams (Garth Williams)
Title: Chief Financial Officer
Date: June 28, 2026

ATTEST:

By:____________________________________
Title:__________________________________
Date: __________________________________

MC
STATE OF ~~COLORADO~~ Nevada)
) ss.
COUNTY OF ~~DOUGLAS~~ Clark MC)

The foregoing instrument was acknowledged before me this 28th day of June, 2026, by

Garth David Williams.

Malcolm Childs
Notary Public

12/05/2028
Commission Expiration

THE GREAT SEAL OF THE STATE OF NEVADA
ALL FOR OUR COUNTRY

Malcolm Childs
NOTARY PUBLIC
STATE OF NEVADA
Appt. No. 20-1985-01
Expires December 5, 2028

Notarized remotely using audio-video communication technology via Proof.