

## ACTION FORM BRYAN CITY COUNCIL

<b>DATE OF COUNCIL MEETING:</b> September 9, 2014	<b>DATE SUBMITTED:</b> August 28, 2014
<b>DEPARTMENT OF ORIGIN:</b> Economic Development	<b>SUBMITTED BY:</b> Lindsey Guindi

MEETING TYPE:	CLASSIFICATION:	ORDINANCE:	STRATEGIC INITIATIVE:
<input type="checkbox"/> BCD	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1ST READING	<input type="checkbox"/> PUBLIC SAFETY
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2ND READING	<input type="checkbox"/> SERVICE
<input checked="" type="checkbox"/> REGULAR	<input checked="" type="checkbox"/> STATUTORY		<input checked="" type="checkbox"/> ECONOMIC DEVELOP.
<input type="checkbox"/> WORKSHOP	<input type="checkbox"/> REGULAR		<input type="checkbox"/> INFRASTRUCTURE
			<input checked="" type="checkbox"/> QUALITY OF LIFE

**AGENDA ITEM DESCRIPTION:** Consider approving a TIRZ #10 Economic Development Agreement to reimburse ATLAS TAP, LLC., up to \$3,600,000 from available unencumbered TIRZ #10 funds for the purpose of constructing public and private infrastructure, parks, trails and other amenities associated with the Atlas Town Center, situated generally along Traditions Drive, Health Science Center Parkway and Atlas Pear Street in Bryan, Brazos County, Texas.

**SUMMARY STATEMENT:** Investments in land and infrastructure within TIRZ #10 as well as other areas in west Bryan have led to the development of the Traditions Club, the Texas A&M Health Science Center, and ultimately the birth of the One Health Plus BioCorridor. The impacts of the City's initial investment have been far reaching, attracting millions of dollars in private investment as well as State and federally funded facilities and projects within the BioCorridor.

Both the City of Bryan and Brazos County have participated in TIRZ #10 since its creation in 2000 through a plan that originally envisioned a hotel, conference center and commercial area within the Traditions development. In 2008, the City of Bryan entered into amended and restated agreements with Traditions Acquisition Partnership L.P. (TAP) in an effort to ensure the continued operation of the golf club and to complete the development of the remaining land within Traditions.

TAP and other investors have now formulated a plan to make the original vision for a hotel and conference center a reality. The ATLAS land plan includes a world-class town center, a four-star hotel, a 10,000 square foot conference center, restaurants, retail shops, entertainment, offices, recreation spaces and other amenities in close proximity to the One Health Plus BioCorridor.

An amendment to the TIRZ #10 Project and Financing Plan was recommended by the TIRZ #10 Board as well as the Brazos County Commissioners Court., with final approval by the Bryan City Council on September 9, 2014. The plan amendment reaffirms the original not to exceed amount of \$3,600,000 to be earmarked for an economic development program for the construction of lakes, parks and trail improvements and amenities, pavilions, an observation tower, public restrooms, a wellness center, on-street parking, water, sewer, streets, drainage, gas, electricity, high-speed internet and data extensions, patterned concrete or brick pavers, common area landscaping, site lighting, benches, trash cans, signage, and shared town center parking – all within the proposed Atlas Town Center Development. The amended project and financing plan also states that no bonds will be issued to finance the aforementioned project.

This Economic Development Agreement, if approved, will provide up to \$3,600,000 from available unencumbered TIRZ #10 increment funds to reimburse the Developer for qualified expenses associated with construction of the

town center. Below is a general summary of the terms of the agreement:

- Construction of the essential town center improvements must commence by July 1, 2015.
- All essential town center improvements must be completed by June 30, 2017.
- Grant payments will occur once there are sufficient unencumbered funds available in the TIRZ #10 fund after all existing annual debt and budgeted obligations are paid. In addition, under no circumstance can these grant payments cause the TIRZ #10 fund balance to drop below \$50,000.
- Grant payments will only be permitted for items specifically listed within the TIRZ #10 Project and Financing Plan Amendment.
- Grant payments are made no more frequently than twice per year after invoices and other documentation are submitted, verified, inspected and approved for qualified expenses.
- Unpaid invoices will carry over to the next payment period if there are not sufficient funds available to make the grant payment.

**STAFF ANALYSIS AND RECOMMENDATION:** Staff recommends approval of this agreement. This Program serves the following purposes:

- to promote economic development in the City.
- to reduce the City's financial risk in TIRZ #10 and place that risk on the shoulders of the developer by using only ad valorem tax revenues generated within the zone to make reimbursement payments back to the developer.

**OPTIONS (In Suggested Order of Staff Preference):**

1. Approve Economic Development Agreement
2. Modify Economic Development Agreement for approval, which may require additional discussions with TAP and consideration at a future City Council meeting
3. Deny Economic Development Agreement and provide direction to staff

**ATTACHMENTS:** TIRZ #10 Atlas Town Center Economic Development Agreement

**FUNDING SOURCE:** Future TIRZ #10 Funds generated by development within TIRZ #10

**APPROVALS:** Joey Dunn, 8-29-14; Hugh R. Walker, 09/01/2014

**APPROVED FOR SUBMITTAL: CITY MANAGER** Kean Register, 09-02-2014

**APPROVED FOR SUBMITTAL: CITY ATTORNEY** Janis K. Hampton, 09-02-2014