

**Agenda Item Details**

Meeting	Aug 28, 2018 - Bryan City Council Special Meeting
Category	4. Statutory (Automatic Approval) Agenda - This agenda consists of items previously approved by Council action such as adoption of items that are part of an approved budget or capital improvement projects, first and only readings of ordinances, interlocal agreements, or action that is required by law or delegated to the City Manager. Items may be removed from the statutory agenda for separate consideration at the request of two Councilmembers.
Subject	C. Consider approval of Chapter 380 Development Agreement with the Bryan Business Council to administer a program for the redevelopment of properties within the City of Bryan
Type	Action (Statutory)
Preferred Date	Aug 28, 2018
Absolute Date	Aug 28, 2018
Fiscal Impact	No
Budgeted	No
Recommended Action	Motion to approve a Chapter 380 Development Agreement by and between the City of Bryan and the Bryan Business Council.
Goals	Economic Development

**Summary:**

This Agreement is between the City of Bryan and Bryan Business Council, Inc. (BBC). The Texas Constitution prohibits any City, or other political subdivision, from lending its credit or granting public money to any individual, association, or corporation whatsoever without a valid public purpose for doing so. Article III, section 52-a of the Texas Constitution expands the constitutional definition of public purpose to include economic development and diversification, elimination of unemployment and underemployment, stimulation and growth of agriculture, and the expansion of state transportation and commerce.

Chapter 380 of the Texas Local Government Code was passed to implement the provisions of 52-a; accordingly Chapter 380 permits the governing body of a municipality to establish and provide for the administration of one or more programs to promote local economic development and to stimulate business and commercial activity.

Chapter 380 provides the governing body of a municipality the authority to contract with a nonprofit organization for the administration of a Chapter 380 program. In this case, the Chapter 380 Development Agreement will allow the BBC to administer a program for the redevelopment of properties within the City of Bryan. The BBC has a long history of managing BBC assets for the accomplishment of a public purpose, and the BBC has an organizational structure with a board of directors and assistance of City staff to ensure the BBC Program contains sufficient controls to ensure that the public purpose is carried out.

**Staff Analysis and Recommendation:**

The BBC will have authority to perform, approve, and conduct actions, contracts, and transactions including, but not limited to the following:

- Buy, sell, or trade real estate on a prudent person standard
- Plat, subdivide, and develop real estate
- Contract for construction, development, or improvement on or related to real estate for the purpose of advancing the BBC Program using a prudent person standard

For properties to be eligible for consideration for acquisition, they must be underutilized, under-performing, in need of major renovation or revitalization, or needed to assist in the consolidation of other similar properties. The resulting project must create high visibility for the business and the City such that the project is deemed to serve as a catalyst to draw other projects to the targeted or high visibility area, thus promoting the public purpose of the BBC Program. Since the BBC Program will help facilitate local economic development and commercial activity within the City, staff recommends approval of the Agreement.

**Options:**

1. Approve the Chapter 380 Development Agreement
2. Modify the Chapter 380 Development Agreement and send back to the BBC for consideration/approval
3. Deny the Chapter 380 Development Agreement and provide direction to staff

**Attachments:**

1. Chapter 380 Economic Development Agreement with BBC

380 between COB and BBC.pdf (172 KB)

**Motion & Voting**

Motion to remove from the table.

Motion by Mike Southerland, second by Greg Owens.

Final Resolution: Motion Carries

Aye: Andrew Nelson, Ben Hardeman, Greg Owens, Mike Southerland, Prentiss Madison, Reuben Marin

Not Present at Vote: Buppy Simank

Councilmember Southerland withdrew his motion to postpone with no objection from the Council. Motion to approve a Chapter 380 Development Agreement by and between the City of Bryan and the Bryan Business Council for a two-year period with an annual review for renewal. It was noted the Council would review the agreement when half of the agreement term has expired.

Motion by Mike Southerland, second by Ben Hardeman.

Final Resolution: Motion Carries

Aye: Andrew Nelson, Ben Hardeman, Greg Owens, Mike Southerland, Prentiss Madison, Reuben Marin

Not Present at Vote: Buppy Simank