

**Agenda Item Details**

Meeting	Feb 12, 2019 - Bryan City Council Second Regular Meeting
Category	5. 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	A. Approval of a Chapter 380 Agreement between the City of Bryan and The American Trade Group, Inc., to facilitate the relocation of American Lumber's Corporate Headquarters to Bryan, Texas
Type	Action (Statutory)
Preferred Date	Feb 12, 2019
Absolute Date	Feb 12, 2019
Fiscal Impact	Yes
Budget Source	Future ad valorem value
Goals	<a href="#">Economic Development</a>

**Summary:** The City of Bryan was approached by the leadership of The American Trade Group, Inc. to discuss the possibility of moving their corporate headquarters from Uvalde, Texas to the property located at 1001 West Villa Maria Road, Bryan, Texas. The American Trade Group, Inc. is requesting assistance to facilitate this relocation to the City of Bryan. Below is a summary of what has been discussed and has been written into a Chapter 380 Agreement that The American Trade Group, Inc. has agreed to.

If this Chapter 380 Agreement is approved, The American Trade Group, Inc. has committed to investing up to nine hundred thousand dollars (\$900,000.00) to improve the property. The current/base value of the property will be assigned by the Brazos Central Appraisal District when the tax roll is certified on July 25, 2019. The agreed amount of improvement value once the improvements are complete is one million five hundred thousand (\$1,500,000.00). In addition to the investment towards remodeling and upgrading the current property, The American Trade Group, Inc. will create twelve (12) new full time positions by the end of 2019 with an average annual salary of sixty thousand dollars (\$60,000.00). Both the improvement value and employee positions will be required to be maintained throughout this agreement.

Below are the commitments of the City of Bryan, if this agreement is approved:

- The City agrees to waive permit fees for building, mechanical, electrical, and plumbing work that are issued prior to December 31, 2019, not to exceed five thousand (\$5,000.00).
- The City agrees to fast-track this project through the development process.
- The City agrees to rebate the taxes paid on the increased value from the investment created by The American Trade Group, Inc. with an estimated value being rebated over a five (5) year period.

**Staff Analysis and Recommendation:** Staff recommends approval of this Chapter 380 Agreement, pursuant to Chapter 380 of the Texas Local Government Code, allowing for the tax rebate and fee waivers. This proposed agreement meets numerous strategic initiatives by creating additional jobs that are well above the County's average, allowing the relocation of a corporate headquarters to Bryan, Texas, and encouraging the remodel of a building that was constructed in the late 1970's to early 1980's.

**Options:**

1. Approve Chapter 380 Agreement
2. Modify Chapter 380 Agreement for approval, which may require further discussions with The American Trade Group, Inc., along with consideration at a future City Council meeting
3. Deny Chapter 380 Agreement and provide direction to staff

**Attachments:**

1. Chapter 380 Agreement

American Lumber 380 Agmt (2-4-19).pdf (218 KB)