

Agenda Item Details

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| Meeting | Dec 22, 2020 - 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. Approval of first amendment to Chapter 380 Program Agreement for Economic Development Incentives between the City of Bryan and Villa Maria Partnership, L.L.C. |
| Type | Action (Statutory) |
| Preferred Date | Dec 16, 2020 |
| Absolute Date | Dec 16, 2020 |
| Fiscal Impact | Yes |
| Dollar Amount | 1,400,000.00 |
| Budgeted | No |
| Budget Source | Capital Reserve Fund |
| Goals | Economic Development Quality of Life |

Summary:

On February 11, 2020, the Bryan City Council approved a Ground Lease Agreement and Chapter 380 Agreement between the City of Bryan and Villa Maria Partnership, LLC for the firm to construct BigShots Aggieland within the Travis Bryan Midtown Park. At the meeting, all present councilmembers voted in favor of both Agreements; Councilmember Prentiss Madison was absent.

Since February 2020, the pandemic has impacted the world economy with BigShots being no exception. BigShots Aggieland is prepared to move forward and has requested future funding assistance from the City of Bryan. The assistance requires an amendment to the Ground Lease Agreement and the Chapter 380 Agreement, both with Villa Maria Partnership, LLC.

The existing Chapter 380 Agreement with Villa Maria Partnership, LLC (a partnership between ClubCorp BigShots Aggieland, LLC and Bryan Park Project, LLC (James and Allyson Butler)) provides incentives to construct a golf and entertainment venue, to be called BigShots Aggieland (or a similar name) in Bryan. The Ground Lease Agreement and the Chapter 380 Agreement are complementary agreements and are contingent on each document having certain language that mirrors the other.

BigShots Aggieland is a cutting-edge golf and entertainment venue powered by BigShots Golf proprietary technology. BigShots Aggieland targets family sports and entertainment space, and provides full-service food and beverage, sports bars, multi-media, private event space, and climate-controlled golf gaming experiences. From fun, competitive games and golf course play, to advanced Doppler radar tracking technology that tracks every shot accurately and consistently, BigShots Aggieland offers a unique golfing and entertainment experience.

BigShots Aggieland anticipates 10-12 full time employees with salaries ranging from \$55,000 to \$90,000 per year. Additionally, BigShots Aggieland plans to employ between 112 and 120 part-time employees making from minimum wage up to \$16 per hour.

The construction cost of BigShots Aggieland is estimated to be approximately \$13,000,000. Taxable valuation for the project, to be determined by the Brazos County Appraisal District, cannot be accurately estimated based on construction cost alone. However, using a conservative figure of 50% of construction cost, the appraised value is estimated at approx \$6,500,000, with the City receiving approximately \$41,000 per year in ad valorem taxes.

Staff Analysis and Recommendation:

As the City continues to move forward with the development of Travis Bryan Midtown Park, various amenities and opportunities will be considered. The opportunity to have BigShots Aggieland as a park amenity adds a recreation element currently not available in the community. While somewhat like a driving range, BigShots Aggieland provides a unique golfing experience along with an entertainment component. Individuals can experience famous golf courses from other areas, play golfing games, and possibly revisit the former municipal golf course through interactive technology.

The current Chapter 380 Agreement provides specific details, including a \$100,000 City grant to Villa Maria Partnership, LLC and waiving project related development and permitting fees associated with the construction of the golf and entertainment venue. At an approximate construction value of \$13,000,000, the fees are estimated to be less than \$50,000.

The First Amendment associated with this Council Action Form commits the City to provide Villa Maria Partnership, LLC a grant in the amount of \$1,400,000 to be paid by City upon the substantial completion of construction and commencement of operations of the BigShots Aggieland, which Villa Maria Partnership, LLC is required to repay in equal installment payments of \$350,000 over a period of four (4) years. The payments shall be made in the form of "Base Rent" per the complementary agenda item (i.e., the proposed First Amendment to Ground Lease Agreement). The proposed First Amendment to the Chapter 380 Program Agreement funding source is the City's Capital Reserve Fund.

Villa Maria Partnership, LLC indicates this grant is necessary to initiate construction in early 2021 as it provides a future funding commitment to other financial partners. If the City Council desires to have construction begin on BigShots Aggieland in January 2021, City staff recommends approving the proposed First Amendment to Chapter 380 Program Agreement for Economic Development Incentives. If not approved, construction likely would commence in mid- to late-2021 along with other BigShots Golf locations across the United States.

Options:

1. Approve the proposed First Amendment to Chapter 380 Program Agreement for Economic Development Incentives
2. Revise and then approve the proposed First Amendment to Chapter 380 Program Agreement for Economic Development Incentives, which may require additional negotiations and consideration at a future City Council meeting

3. Do not approve the proposed First Amendment to Chapter 380 Program Agreement for Economic Development Incentives
4. Provide staff other direction.

Attachments:

1. Proposed First Amendment to Chapter 380 Program Agreement for Economic Development Incentives
2. Existing Chapter 380 Program Agreement for Economic Development Incentives

VILLA MARIA PARTNERSHIP LLC_CHAPTER 380.pdf (9,492 KB)

12162020_FirstAmended380_VillaMariaPartnership.pdf (573 KB)