

Meeting Date (?) 12/15/2015

Subject Matter* (?) Jordan Center Chapter 380 Agreement
This must match rolling agenda entry

Department of Origin* ECONOMIC DEVELOPMENT

Submitted By* Lindsey Guindi

Type of Meeting* BCD Special Regular

Classification* Public Hearing Consent Statutory Regular

Ordinance* None First Read Second Read First & Only Read

Strategic Initiative* Public Safety Service
 Economic Development Infrastructure
 Quality of Life

Agenda Item Description* Consideration of a Chapter 380 Agreement between the City of Bryan and BCS Modern Living, LLC, to facilitate the construction of a high-end, multi-story, mixed-use development in Downtown North on Block 264 and Block 265 in the Bryan Original Townsite, currently owned by Bryan Commerce and Development, in Bryan, Brazos County, Texas.

Summary Statement *

The City of Bryan released a Request for Proposals in February 2015 seeking one or more development teams to plan and develop one or more of the six city blocks within the north area of Downtown Bryan. The site is currently owned by Bryan Commerce and Development, the economic development arm of the City of Bryan. The proposals were due in April 2015 and Bryan Commerce and Development elected to enter negotiations with BCD Modern Living, LLC for a development on Blocks 264 and 265 in the Bryan Original Townsite. This site includes the historic Kimbell Feed structure. An executed contract for sale was submitted to the title company on September 4, 2015, with a purchase price of \$125,000. As a condition to close on the property, a Chapter 380 Agreement must be approved by the City of Bryan, as well as Brazos County approving a Chapter 381 Agreement.

The following is a brief description of the project:

- 5 story structure with 260,000sf of mixed use facility
- Luxury apartments, dining, outdoor pool and recreation area, bar and music venue, retail, art gallery, and outdoor event space
- Transform the Kimbell Feed into a restaurant and catering center
- 175 space parking garage
- 2-year construction schedule to begin in summer/fall 2016
- Development costs to total over \$30,000,000
- Will add \$25,000,000+ in property value after the project is complete
- No sales tax or BISD taxes will be abated or rebated

In the terms of the Chapter 380 Agreement, the City of Bryan agrees to:

- Rebate of 100% of ad valorem taxes paid for 7 years or \$1,140,000 (whichever comes first)
- Waiver of building, electrical, mechanical and plumbing permit fees in an amount not to exceed \$75,000
- A \$50,000 grant for a public sculpture to be placed in the on-site sculpture garden

In the terms of the Chapter 380 Agreement, the Developer agrees to:

- Ensure that on January 1 of the year following the final certificate of occupancy for the Property, the improvements on the Property shall value at least \$25,000,000.00 as determined by the Brazos Central Appraisal District.; additionally, the improvements on the Property must continue to be appraised having at least \$25,000,000.00 in value throughout the term of this Agreement
- Ensure that within one (1) calendar year of the execution of this Agreement, Developer will have applied for building permits for the development of the Property; developer further agrees that it will have obtained a final certificate of occupancy for the development of the Property within thirty (30) months of the execution of this Agreement.

In the terms of the Chapter 381 Agreement, Brazos County is being asked to participate in the following:

- Rebate of 100% of ad valorem taxes paid (O&M only) for 7 years or \$760,000 (whichever comes first)

Staff Analysis & Recommendation *

Staff recommends approval of the 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 opportunities for downtown residential living and encouraging the redevelopment of the north end of Downtown Bryan with opportunities for retail and office uses that complement the existing development in the area.

Options *

(In Suggested Order of Staff Preference)

1. approve the Chapter 380 Agreement
2. modify the Chapter 380 Agreement for approval, which may require an amendment to the Contract for Sale and further discussions with the Buyer along with consideration at a future City Council meeting
3. deny the Chapter Agreement and provide direction to staff, which may delay the closing

Funding Source *

The General Fund will be utilized to make the Chapter 380 payments. In no event will the Chapter 380 payments paid in connection with a tax year exceed the amount of ad valorem taxes actually collected by the City.

Attachments

Jordan Center_Attachments.pdf

1.93MB

Please detail attachments and note attachments available for viewing in City Secretary's Office:

1. Location map
2. Jordan Center Chapter 380 Agreement
3. Executed sales contract

Dept. Head Signature



Kevin Russell

Deputy City Manager
Signature



City Manager Signature



City Attorney Signature



Janis K. Hampton