



**Council Agenda Item
August 2, 2021**

11. RESOLUTIONS

- (b) Consider a resolution supporting the creation of an economic development program for granting public money to promote local economic development within Reinvestment Zone Number Two, City of Missouri City, and directing City staff to facilitate City Council consideration of an amendment to the project plan and reinvestment zone financing plan for Reinvestment Zone Number Two, City of Missouri City, Texas, for certain retail and mixed use developments. *(Proposed presenter: City Attorney E.Joyce Iyamu)*
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Cover memo – ***Provided 07.30.21***

Resolution – ***Provided 07.30.21***



CITY COUNCIL MEETING AGENDA ITEM COVER MEMO

August 2, 2021

To: Mayor and City Council
Agenda Item: 11(b) Consider a resolution directing staff to facilitate Council's consideration of an amendment to the Project and Financing Plan for Reinvestment Zone Number Two, City of Missouri City, Texas, for the reimbursement of certain project costs
Submitted by: Bill Atkinson, Interim City Manager

SYNOPSIS

This proposed resolution demonstrates the City Council's continued support of for the construction of the FBP Theater Project as a potential economic driver in Missouri City and directs staff to facilitate the consideration of an amendment to the Project and Financing Plan for Reinvestment Zone Number Two, City of Missouri City, Texas, for the reimbursement of certain project costs.

STRATEGIC PLAN 2021 GOALS ADDRESSED

- Create a great place to live
- Grow business investments

BACKGROUND

On or about September 21, 2020, Missouri City Development Authority, Reinvestment Zone Number Two, City of Missouri City (the "Zone"), and A-S 151 NWC Fort Bend Pkwy-Hwy 6, L.P. (the "Developer") entered into a development agreement to encourage economic development in Missouri City (the "Development Agreement"). The Development Agreement provided for up to \$4 million in reimbursements for Zone project costs. The Developer has requested that the City Council consider amending the Project and Financing Plan for the Zone to allow the substitution of certain project cost reimbursements. Additionally, in an effort to further economic development in the area subject to the Development Agreement, the Developer is requesting that City Council direct staff to facilitate the consideration of amendments to the Zone project and financing plan for an additional reimbursement of \$9 million for project costs at the southeast corner of Highway 6 and the Fort Bend Toll Road. This resolution is not intended to waive any required processes or procedures, nor is it intended to obligate the City or convey any binding rights or privileges.

Upon the approval of this resolution, the following actions are forthcoming:

- Consideration of the proposed expansion of the TIRZ 2 boundaries to include an additional 2.09 acres at the southeast corner of Highway 6 and the Fort Bend Toll Road;
- Consideration of proposed amendments to the TIRZ 2 Reinvestment Zone and Financing Plan; and
- Consideration of a proposed development agreement with the Developer for a reimbursement of project costs up to \$9,000,000.

SUPPORTING MATERIALS

1. Resolution

STAFF'S RECOMMENDATION

ACTION IS DISCRETIONARY: City staff recommends that City Council adopt the resolution.

City Manager Approval: Bill Atkinson

RESOLUTION NO. R-21-__

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MISSOURI CITY, TEXAS, DIRECTING CITY STAFF TO FACILITATE THE CONSIDERATION OF AN AMENDMENT TO THE REINVESTMENT ZONE PROJECT AND FINANCING PLAN FOR REINVESTMENT ZONE NUMBER TWO, CITY OF MISSOURI CITY, TEXAS, FOR THE REIMBURSEMENT OF CERTAIN PROJECT COSTS FOR CERTAIN RETAIL AND MIXED-USE DEVELOPMENTS.

* * * * *

WHEREAS, the City of Missouri City, Texas (the "City"), entered into that certain Economic Development Agreement dated August 20, 2019, with A-S 151 NWC Fort Bend Pkwy-Hwy 6, L.P. ("Developer") for the development of property within the City for an entertainment, commercial and retail project (the "FBP Theater Project") to provide for the payment to the Developer in an amount not to exceed \$4,000,000; and

WHEREAS, the board of directors of Reinvestment Zone Number Two, City of Missouri City, Texas (the "Zone"), has adopted, and the City has approved, a Second Amended and Restated Project Plan and Reinvestment Zone Financing Plan ("Current Plan") to include certain project costs of the FBP Theater Project; and

WHEREAS, the Zone, Missouri City Development Authority (the "Authority") and Developer entered into that certain Development Agreement dated September 21, 2020 (the "Development Agreement") to provide for the reimbursement of up to \$4,000,000 to Developer for certain project costs related to the FBP Theater Project identified in the Current Plan; and

WHEREAS, the City Council desires to demonstrate its continued support for the construction of the FBP Theater Project as a potential economic driver in Missouri City and desires to direct staff to facilitate the consideration of an amendment to the Current Plan and the Development Agreement to reflect the substitution of certain costs; and

WHEREAS, A-S 155 Hwy 6-Fort Bend Tollway, L.P. intends to develop an approximate 96.57-acre tract of land into a mixed-use development (the "Fort Bend Town Center III Project"), and a portion of such land is within the boundaries of the Zone; and

WHEREAS, the City Council desires that the board of directors of the Zone consider an amendment to the Current Plan for the substitution of certain project costs for the FBP Theater Project and the provision of a reimbursement for certain project costs for the Fort Bend Town Center III Project; and

WHEREAS, after due consideration, it is the opinion of the City Council that City staff should facilitate the consideration of an amendment to the Current Plan to substitute certain projects costs for the FBP Theater Project; and

WHEREAS, further, after due consideration, the City Council has determined that a portion of the substituted project costs for the FBP Theater Project constitute improvements that may be constructed in accordance with Section 431.110 of the Texas Transportation Code and are eligible for reimbursement because the Authority is a local government corporation created by the City and the Developer Advances (as defined in the Development Agreement) are being repaid by the Authority pursuant to the Development Agreement; and

WHEREAS, further, after due consideration, it is the opinion of the City Council that City staff should facilitate the consideration of an amendment to the Development Agreement to reflect the substitution of the project costs; and

WHEREAS, further, after due consideration, it is the opinion of the City Council that City staff should facilitate the consideration of an amendment to the Current Plan to include a reimbursement for certain project costs for the Fort Bend Town Center III Project in an amount not to exceed \$9,000,000; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MISSOURI CITY, TEXAS:

Section 1. The facts and recitals set forth in the preamble of this Resolution are hereby found to be true and correct.

Section 2. *Consideration of Development Agreement Amendment.* The City Council of the City of Missouri City, Texas, hereby directs City staff to facilitate the consideration, by the appropriate governing bodies, of an amendment to the Development Agreement to allow the substitution of certain project costs.

Section 3. *Consideration of Current Plan Amendment.* The City Council of the City of Missouri City, Texas, hereby directs City staff to facilitate the consideration, by the appropriate governing bodies, of an amendment to the Current Plan to substitute the current projects identified for the FBP Theater Project and to include a reimbursement for certain project costs for the Fort Bend Town Center III Project for public infrastructure in an amount not to exceed \$9,000,000.

Section 4. *Authorization.* The officers and employees of the City are hereby authorized and directed to take such actions as are consistent with the provisions of this Resolution.

Section 5. *Repeal.* All other resolutions or parts of resolutions, if any, in conflict herewith, shall be and are expressly repealed to the extent of such conflict.

Section 6. *Severability.* In the event any clause, phrase, provision, sentence or part of this Resolution or the application of the same to any person or circumstances shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Resolution as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Missouri City, Texas, declares that it would have passed each and

every part of the same notwithstanding the omission of any part thus declared to be invalid or unconstitutional, or whether there be one or more parts.

Section 7. *Effective Date.* This Resolution shall take effect immediately from and after its passage and approval by the City Council of the City of Missouri City, Texas.

PASSED, APPROVED and RESOLVED this 2nd day of August, 2021.

Robin J. Elackatt, Mayor

ATTEST:

APPROVED AS TO FORM:

Maria Jackson, City Secretary

E. Joyce Iyamu, City Attorney