

RESOLUTION NUMBER NO. 830

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TERRELL
AUTHORIZING A PARTNERSHIP WITH
CROSS ROADS AT TERRELL 2015 LP**

WHEREAS, the City of Terrell recognizes its role in establishing programs for economic development, supporting job creation and promoting the construction of public infrastructure; and

WHEREAS, the City of Terrell wishes to establish a program under the provisions of Chapter 380 of the Texas Local Government Code to reimburse Company for certain infrastructure expenses from new property and sales taxes generated on the Retail Property and to incentivize development through the rebate of certain sales taxes, and;

WHEREAS, the Terrell Economic Development Corporation serves to promote job creation in the City of Terrell by facilitating new and expanding employers; and

WHEREAS, on November 20, 2007, the Terrell City Council approved Ordinance No. 2355 establishing Tax Increment Financing (TIF) Reinvestment Zone Number One, City of Terrell, Texas (TIF District), in accordance with the Tax Increment Financing Act, as amended (V.C.T.A., Tax Code, Chapter 311, hereafter the "Act") to promote development in the TIF District through the use of tax increment financing; and

WHEREAS, on the 16th day of September 2008, the City of Terrell and Kaufman County entered into a TIF Agreement defining the contribution of both the City and the County to the TIF District; and

WHEREAS, the Terrell City Council, pursuant to Ordinance No. 2384, approved on September 23, 2008, authorized the final TIF District Project Plan and Reinvestment Zone Financing Plan; and

WHEREAS, the Board of Directors of the Power Center recognizes the importance of its role in local economic development; and

WHEREAS, in accordance with the provisions of Chapter 380 and Chapter 381 of the Texas Local Government Code, the City of Terrell and Kaufman County executed an Power Center Agreement regarding the Power Center on September 6, 2013; and

WHEREAS, the infrastructure proposed shall be constructed within the Power Center in compliance with the September 6, 2013, Interlocal Agreement with Kaufman County; and

WHEREAS, the Cross Roads at Terrell 2015 LP, a Texas Limited Partnership, hereinafter referred to as "Company" proposes a Mixed Use Development inclusive of a +/- 76 acre

development as shown on Exhibit "A" Retail Property contained within a +/- 255 acre tract as shown on Exhibit "B" Complete Tract, including retail uses on the Retail Property, residential development on the 255 acres and new public infrastructure as described on Exhibit "C" Site Infrastructure; and

WHEREAS, the TIF Board of Directors, the Power Center Board of Directors and the Terrell Economic Development Corporation Board of Directors supported by affirmative action at their respective meetings on July 18, 2016, a partnership with Company for roadways, utilities, drainage and other public infrastructure in order to support economic development in the City of Terrell; and

WHEREAS, the City of Terrell has concluded and hereby finds that this Development Agreement for a Retail Center supports economic development, promotes new construction, attracts additional consumers to Kaufman County, increases commercial activity, generates new tax revenue for Kaufman County jurisdictions, achieves the City of Terrell goals for economic development, meets the requirements of applicable State Law, and is in the best interests of the City of Terrell and the TEDC;

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TERRELL:

- Section 1. That the City Council authorizes reimbursement to Company the funds generated from the new one (1) cent sales taxes rebated to the City of Terrell by the Texas State Comptroller for a period of fifteen (15) years.
- Section 2. That the City Council authorizes reimbursement to Company the funds generated from the new one half (1/2) cent sales taxes rebated to the Terrell Economic Development Corporation through the City of Terrell by the Texas State Comptroller for a period of fifteen (15) years for the actual cost, including right-of-way cost and finance costs of the infrastructure identified in Exhibit C..
- Section 3. That the City Council authorizes creation of a sub-account for and reimbursement to Company of the new incremental property tax funds generated from the Power Center Agreement by the Mixed Use Development for the duration of the Power Center for the actual cost, including right-of-way cost and finance costs of the infrastructure identified in Exhibit C.
- Section 4. That the City Council authorizes creation of a sub-account for and reimbursement to Company of the new incremental property tax funds generated from the TIF District Agreement by the Mixed Use Development for the duration of the TIF District for the actual cost, including right-of-way cost and finance costs of the infrastructure identified in Exhibit C.

- Section 5 That the City Council authorizes establishing a County Road 305 Fund, depositing an amount not to exceed \$250,000.00 into the County Road 305 Fund from the City Stormwater Fund, depositing an amount not to exceed \$250,000.00 into the County Road 305 Fund from the Terrell Economic Development Corporation and utilizing such funds to make drainage, safety and roadway improvements as necessary to support the Retail Center.
- Section 6. That the City Council authorizes a Terrell Economic Development Corporation Infrastructure Grant to the owner/operator of a theater entertainment complex to be built in the Retail Center in an amount not to exceed 1,000,000.00.
- Section 7: That the City Council authorizes the City Manager to negotiate and the Mayor to execute an Economic Development Agreement with Company consistent with this Resolution, including exclusions from City Development Related Fees as consistent with the City Economic Development Policy.
- Section 8. This Resolution shall take effective immediately.

PASSED AND APPROVED by the City Council of the City of Terrell, Texas, on this 19th day of July, 2016.

D.J. ORY, MAYOR

ATTEST:

JOHN ROUNSAVALL, CITY SECRETARY

Exhibit "A"
Retail Property

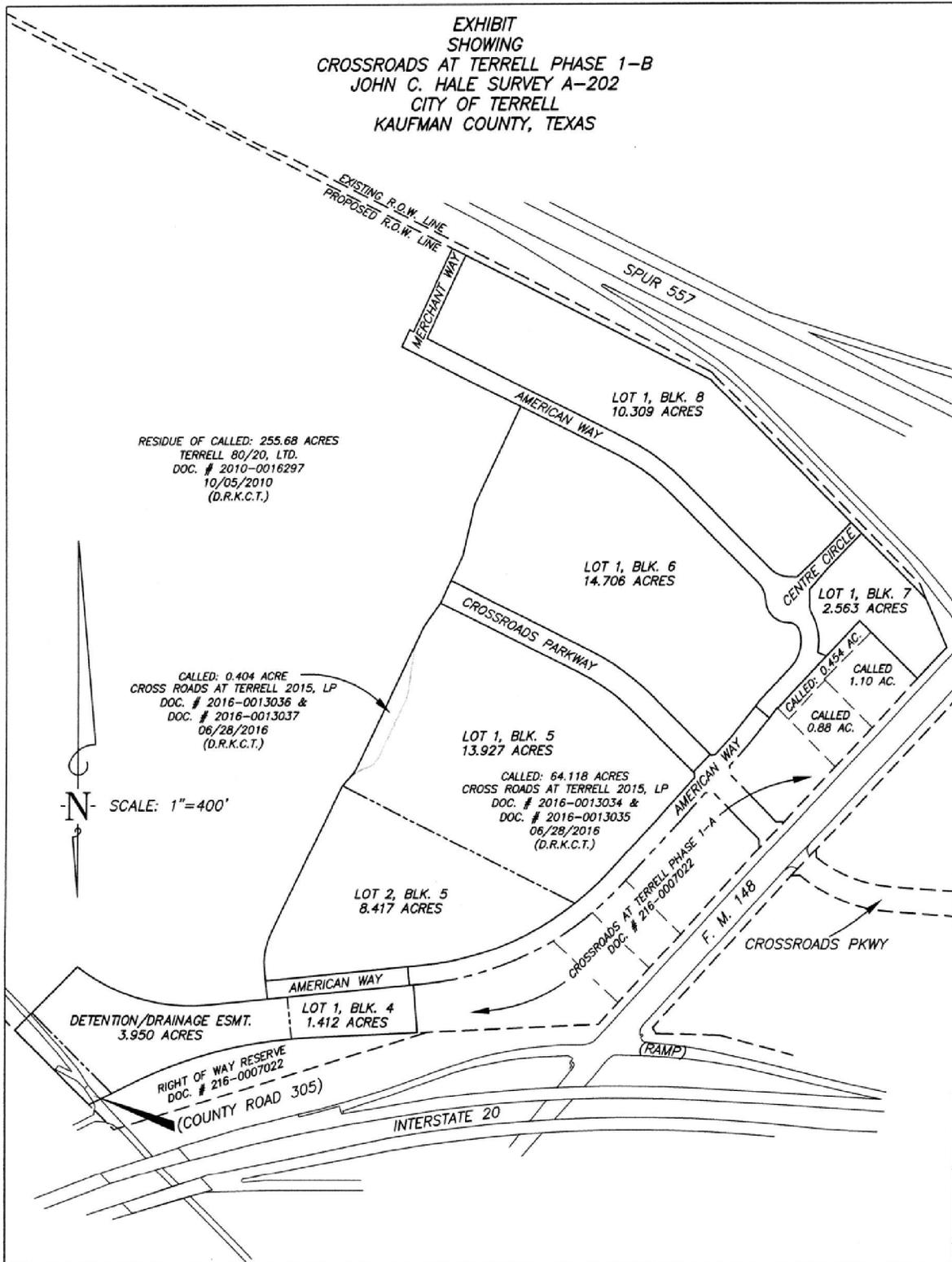


Exhibit "C"
Site Infrastructure

**CROSSROADS AT TERRELL
NWC OF I-20 & FM 148, TERRELL, TEXAS**

Retail Property Infrastructure Development Budget

	Estimated Reimbursable
On-Site & Off-Site Hard Costs Incurred By Developer	
Contractor General Conditions	\$1,127,000
Erosion Control & Sediment Costs	\$320,000
Earthwork & Demolition	\$2,136,000
Paving for Crossroads Parkway & American Way	\$2,230,075
Water & Sewer System	\$1,361,000
Stormwater Drainage System	\$2,600,000
Oncor Electric, Atmos Gas and AT&T Telco Infrastructure	\$650,000
Landscaping & Site Furnishing	\$1,360,000
Street & Site Lighting	\$100,000
Water Purchased for Development Work	\$120,000
Miscellaneous Infrastructure Costs	\$650,000
Total On-Site & Off-Site Hard Costs	\$12,654,075
Soft Costs Incurred by Developer	
Wetlands Mitigation Consulting & Final Permit Cost	\$200,000
Bank & Financing Fees for Construction Loan Origination	\$480,000
Construction Loan Interest Carry Cost to Developer	\$460,000
Surveying, Environmental, Engineering & Landscaping Design Fee	\$825,000
Construction Management	\$500,000
City Inspection Fees Paid by Developer	\$0
Impact Fees by Paid by Developer	\$0
Zoning	\$10,000
Platting	\$55,000
Geotechnical Investigations & Materials Testing Reports	\$300,000
Traffic Impact Analysis	\$50,000
Development Fee on Hard Costs	\$454,793
Total Soft Costs	\$3,334,793
Estimated Total Cost Excluding Land Donations and Finance Cost	\$15,988,868