



CITY COUNCIL COMMUNICATION

June 28, 2011

SUBJECT: Authorize the City Manager to negotiate and execute a Phase II Development Agreement with Glade 121, L.P.

SUBMITTED BY: Gary McKamie, City Manager

ACTION REQUESTED:

Authorize the City Manager to negotiate and execute a Phase II Development Agreement with Glade 121, L.P. specifying the responsibilities of each party as it relates to public improvements approved in the TIRZ #3 Project and Financing Plan.

ALTERNATIVES:

- Deny Request

SUMMARY OF SUBJECT:

The City of Euless approved Tax Increment Reinvestment Zone Number Three (TIRZ #3) on November 9, 2010 and approved the related project and financing plan on November 23, 2010. The project and financing plan authorizes the City to undertake certain public improvements associated with the development of Glade Parks in an amount not to exceed \$12.1M. The City entered into a Development Agreement effective March 10, 2011 that specified the extent to which the City will provide certain public improvements and provides the conditions under which those improvements will be constructed.

The Phase II Development Agreement sets out additional terms and conditions under which certain portions of the public infrastructure will be installed and the terms and conditions under which the City will expend funds for such improvements. In summary, the City of Euless will construct portions of Brazos Blvd, Red River Drive and Heritage Ave. including public sidewalks, city and franchise utilities, excavation, pavement, and landscaping as well as a fire lane from Red River Drive to Rio Grande Blvd. The Developer will escrow funds with the City in an amount sufficient to pay for the improvements and will be entitled to reimbursement for portions of the improvements upon satisfaction of certain conditions as specified in the Phase II Development Agreement.

Staff recommends that Council authorize the City Manager to negotiate and execute this Phase II Development Agreement.

FINANCIAL CONSIDERATIONS:

Revenue Sources:

Expenditure Accounts:

Budgeted Fiscal Year(s):

Estimated Expenditure:

Over/Under Projection By:

Other Comments:

APPROVED BY:

_____ **LG** _____

City Manager's Office

_____ **KS** _____

City Secretary's Office