

Legislation Text

File #: 21-5670, **Version:** 1

Conduct a public hearing and consider a resolution approving the terms and conditions of a program to promote local economic development and stimulate business and commercial activity in the City, authorizing the City Manager to finalize and execute a TIRZ No. 14 Reimbursement Agreement and Chapter 380 Economic Development Program Agreement for such purposes with 42 Alcott, LP (“Developer”) and the Board of Directors of Reinvestment Zone No. 14, City of Mesquite, Texas (“Alcott Station”), regarding the Developer’s construction of a Class A industrial building located at 3301 East Glen Boulevard and 3300 East Glen Boulevard, Mesquite, Texas (collectively the “Property”); the acquisition from the City and by the Developer of approximately 1.72 acres of land currently dividing the Property and the granting to Developer of certain TIRZ reimbursements and economic development incentives; and authorizing the City Manager to take such actions and execute such documents as are necessary or advisable to consummate the transactions contemplated by the agreement and administer the agreement on behalf of the City.

42 Alcott, LP, an entity of 42 Real Estate and SLJ Company, proposes to construct a 350,000-square-foot building with a capital investment of \$20 million at the corner of East Scyene Road and Faithon P. Lucas, Sr. Boulevard within Alcott Logistics Station, TIRZ No. 14, Mesquite, Texas.

The developer requests a grant and TIRZ reimbursement to offset exceptional costs for infrastructure required to make the site viable for industrial development which includes removal and conveyance of a 1.76-acre tract of East Glen Boulevard, construction of common area drainage, public trails, and easement improvements and easement dedication.

A grant based upon the actual cost of removal of pavement and utilities from East Glen Boulevard is proposed to be offset by roadway impact fees paid by the developer. The grant would be paid to the developer in two increments: fifty percent upon the commencement of building construction by July 31, 2023, compliance with Zone Plan, and dedication of easements, and fifty percent upon the evidence of \$20 million in capital expenditures by July 31, 2026.

Expenditures for common area drainage, public trails, and easement improvements are eligible to be reimbursed by the TIRZ to the developer or to the City (should the City incur the cost) to allow flexibility in timing and cost-effectiveness of these improvements throughout Alcott Logistics Station. The City is obligated to convey a 1.76-acre tract of East Glen Boulevard within 60 days of the commencement of building construction. City Council authorized staff to proceed with the project in Executive Session on September 20, 2021.

Recommended/Desired Action

Staff recommends approval of the resolution.

Attachment(s)

Resolution (Agreement will be provided in Friday’s mail packet)

Drafter

Kim Buttram

Head of Department

Kim Buttram