

City of Mesquite, Texas

Legislation Text

File #: 23-6475, **Version:** 1

A resolution authorizing the City Manager to finalize and execute a Second Amendment to the Master Development Agreement and Chapter 380 Agreement between Alcott Logistics Partners, L P, Alcott Logistics Station Tract D, LP, and the City of Mesquite, Texas, for the early release of a Performance Deed of Trust, and authorizing the City Manager to administer the Amendment for such purposes and to take all actions necessary or advisable to complete the transactions contemplated by the Amendment on behalf of the City.

The Master Development Agreement (MDA) with Alcott Logistics Partners, LP, and Alcott Logistics Station Tract D, LP, provided for the conveyance by the City to the Developer a 32.34 acre tract of land ("Tract D"). To protect the City's interests in the land and ensure progress of the development, the City filed a Performance Deed of Trust against Tract D allowing the City to foreclose on Tract D if the Developer failed to perform its obligations. The Developer's obligations include construction of the Common Public Improvements which includes significant infrastructure improvements along with construction of the park.

The Developer has completed development of Tract D and desires to sell Tract D. The purchaser requires the City's release of the Performance Deed of Trust in order to close on the purchase. The proposed Second Amendment provides for the release of the Performance Deed of Trust.

The Developer will have completed all elements of the Common Public Improvements by the closing date for the sale of Tract D, except completion of the Park, which is delayed due to supply chain issues. In addition to completing the Common Public Improvements excepting the park, the Developer is not entitled to receive any grant payment, including TIRZ reimbursement, under the MDA until all Common Public Improvements, including the park, are completed. Given the progress of the development and status of completion of the Common Public Improvements, along with the costly, reimbursable investments made by the Developer, staff feels confident the Developer will complete the park in order to obtain the grants and reimbursements and the Performance Deed of Trust is no longer necessary.

Recommended/Desired Action

Staff recommends approval of the resolution.

Attachment(s)

Resolution

Drafter

David Paschall

Head of Department

Cliff Keheley