

General Discussion Certifications Attachments Authors & Reviewers Routing Summary

(This is a read only summary view of the M&C)

City of Fort Worth, Texas Mayor and Council Communication

DATE: 10/17/23

LOG NAME: 17GOLDENRODEDPA

CONSENT: Non-Consent

SUBJECT

(CD 9) Authorize Execution of an Economic Development Program Agreement with Goldenrod Services, LLC, or an Affiliate, for the Construction of an Approximate 740,000 Square Foot Mixed-Use Development Generally Located at the Northwest Corner of West Seventh Street and Foch Street and at the Northeast Corner of University Drive and Bledsoe Street

RECOMMENDATION:

It is recommended that the City Council:

1. Authorize execution of an Economic Development Program Agreement with Goldenrod Services, LLC, or an Affiliate, for the construction of two separate mixed-use developments totalling approximately 740,000 square feet;
2. Find that the terms and conditions of the Economic Development Program Agreement, as outlined herein, constitute a custom-designed Economic Development Program, as recommended by the most recently-adopted Comprehensive Plan and authorized by Chapter 380 of the Texas Local Government Code; and
3. Authorize the execution of other related agreements as may be necessary to facilitate the project in accordance with all authorized terms.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to approve certain agreements necessary to facilitate a proposed development by Goldenrod Services, LLC (Developer). Developer is a national real estate development company focused on projects in growing markets within the Central United States and has participated in dozens of mixed-use projects and public-private partnerships. Developer now wishes to develop property that is located on two separate blocks, the first being located at the northwest corner of West Seventh Street and Foch Street (the Van Zandt) and the other being located at the northeast corner of University Drive and Bledsoe Street (One University) (collectively the Project Site).

Developer proposes to develop the Project Site as an approximate \$400 million walkable mixed-use development consisting of approximately 740,000 square feet of new construction in at least three (3) structures of at least eight (8) stories to be comprised of new office space, retail space, a 175 key hotel, and 466 units of multi-family (Project).

Developer Commitments:

To support the Project, Developer and City staff propose to enter into an Economic Development Program Agreement (EDPA). As part of the proposed EDPA, Developer would commit to completing the Project in accordance with the following minimums:

The Van Zandt

- Minimum 95,000 square feet of new office space
- Minimum 10,000 square feet of new retail space
- Minimum 226 new multi-family units
- Minimum 500 space parking garage (Van Zandt Parking Garage)
- Minimum Total Development Costs of \$145,000,000.00
- Minimum \$90,000,000.00 Hard Construction Costs
- All portions of the Van Zandt that are intended to be occupied must have a temporary or final Certificate of Occupancy by December 31, 2026 (Van Zandt Completion Deadline).

One University

- Minimum 100,000 square feet of new office space
- Minimum 10,000 square feet of new retail space
- Minimum 240 new multi-family units
- Minimum 175 key hotel
- Minimum 800 space parking garage (the One University Parking Garage) (together with the Van Zandt Parking Garage, the Parking Garages)
- Minimum Total Development Costs of \$255,000,000.00
- Minimum \$155,000,000.00 Hard Construction Costs
- All portions of One University that are intended to be occupied must have a temporary or final Certificate of Occupancy by December 31, 2027 (the One University Completion Deadline and together with the Van Zandt Completion Deadline, the Completion Deadlines).

Utilization of Business Equity Firms (Real Property Improvements)

Developer must expend or cause to be expended 15% of all construction costs (Hard and Soft) for the Project as defined in Chapter 20, Article X of the City Code. Failure to meet this commitment will not constitute a default, but the value of Grant eligibility will be reduced by 10%.

Additional Developer Commitments

Developer commits that at no time during the term of the EDPA shall any Officer or employee of Developer actively solicit for relocation to the Project any office tenant that is then located within the corporate boundaries of the City of Fort Worth. This excludes instances of direct inquiry to Developer by such tenants and shall exclude any referral of such tenants to Developer by outside agencies or other organizations. Developer will employ a good faith effort to promote for lease its available office space to prospective tenants that are located outside of the City of Fort Worth.

Developer commits that it will not, at any time during the term of the EDPA, lease any retail space to a freestanding bar or nightclub (defined as a facility selling only alcohol beverages). This commitment will not apply to any other form of alcohol service or bar that is physically located within or operated in direct association with any hotel or restaurant that is located within the Project.

Upon completion of the Project, Developer will convey ownership of the Parking Garages to the Central City Local Government Corporation (CCLGC) at no cost to the CCLGC

City EDPA Commitments:

In return for development of the Project, the City would provide up to fifteen (15) annual grants equal to \$2,055,517.00 (Grants) for a total amount not to exceed \$30,832,755.00 (Program Cap). Any net difference between (i) the Grants and (ii) 85% of the Project's incremental City ad valorem taxes and 1% City sales tax revenues from the Project Site will be added to the purchase price payable by Developer to CCLGC upon exercising the Purchase Option as described below.

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Submitted for City Manager's Office by	
Name	Phone Extension
William Johnson	5806
Originating Business Unit Head	
Name	Phone Extension
Robert Sturns	2663
Additional Information Contact	
Name	Phone Extension
Michael Hennig	6024

To have the default values on this page updated contact the City Secretary's Office at extension 6081.

Attachments

Attachment	Attachment Type	For Use By	
 Form 1295.pdf View Hennig, Michael	Form 1295	CFW Internal	<input type="checkbox"/> Yes <input type="checkbox"/> No
 230914_Goldenrod_LocationMap.pdf View Hennig, Michael	Map/Plat	Public Document	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Add Row for New Attachment

Original Creator of M&C

Employee Name	<input type="text" value="Hennig, Michael"/>	Employee Title	<input type="text" value="Economic Developm"/>
Email	<input type="text"/>	Phone	<input type="text" value="(817) 392-6024"/>
Business Unit	<input type="text" value="17"/> - <input type="text" value="Economic Development"/>	Department	<input type="text" value="Econorm Comm Dev - Development"/>

Employees with Author Authority on this M&C

Authors

Primary Author

Approval Notifications

Notify the following when any approval is completed for this M&C:

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M&C 17GOLDENRODEDPA.pdf [View](#) [Download](#) [Remove](#) 9/14/2023 7:56 PM Hennig, Michael
M&C 17GOLDENRODEDPA.pdf [View](#) [Download](#) [Remove](#) 9/15/2023 1:24 PM Jones-Newlin, Stephanie J
M&C 17GOLDENRODEDPA.pdf [View](#) [Download](#) [Remove](#) 9/18/2023 10:26 AM Gao, Zoe
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M&C 17GOLDENRODEDPA.pdf [View](#) [Download](#) [Remove](#) 9/21/2023 2:16 PM Johnson, William M

Participants	Completed	Status	Result	Comments
Initiator				
Hennig, Michael	9/14/2023 7:56 PM	Completed		
Author Collaboration 9/14/2023 7:56 PM				
Hennig, Michael	9/19/2023 4:22 PM	Completed	Collaboration Complete - Route for Approval	
Review 9/14/2023 7:56 PM				
Jones-Newlin, Stephanie J	9/15/2023 1:24 PM	Completed	Submit Review	
Gao, Zoe	9/18/2023 10:26 AM	Completed	Submit Review	
Fernandez, Ori	9/18/2023 2:51 PM	Completed	Submit Review	
Pohler, Ryan M	9/19/2023 4:22 PM	Cancelled		[Cancelled Due to Condition : Collaboration Complete]
Wallach, Tyler	9/19/2023 4:22 PM	Cancelled		[Cancelled Due to Condition : Collaboration Complete]
Send Review Completion Email 9/18/2023 8:26 AM				
Jones-Newlin, Stephanie J	9/18/2023 8:26 AM	Notified		
Send Review Completion Email 9/18/2023 10:36 AM				
Gao, Zoe	9/18/2023 10:36 AM	Notified		
Send Review Completion Email 9/18/2023 3:08 PM				
Fernandez, Ori	9/18/2023 3:08 PM	Notified		
Initial Director Approval 9/19/2023 4:22 PM				
Sturns, Robert	9/19/2023 4:27 PM	Completed	Approve	
MWBE Approval 9/19/2023 4:27 PM				
Ibarra, Alma B	9/19/2023 4:37 PM	Completed	Approve	
Budget Coordinator 9/19/2023 4:37 PM				
Shannon, Mitzy	9/19/2023 4:59 PM	Completed	Assignments Completed	
Budget Approval 9/19/2023 4:59 PM				
Kirk, Steven B	9/20/2023 8:43 AM	Completed	Final Budget Approval	No budget impact
CFO Fiscal Certification 9/20/2023 8:43 AM				
Perry, Catherine	9/20/2023 2:24 PM	Completed	Approve	
Final Director Approval 9/20/2023 2:24 PM				
Sturns, Robert	9/21/2023 11:44 AM	Completed	Approve	
ACM Approval 9/21/2023 11:44 AM				
Johnson, William M	9/21/2023 2:16 PM	Completed	Approve	
Legal Approval 9/21/2023 2:16 PM				
Wallach, Tyler	-	Active		

Send this M&C to the deletion pending state

Current Routing Step: Legal Approval