

Mayor and Council Communication

DATE: 02/11/25

M&C FILE NUMBER: M&C 25-0106

LOG NAME: 17WATERSIDEASSIGNMENT

SUBJECT

(CD 3) Authorize Execution of a Consent to Assignment of City Secretary Contract Number 45725, as Amended, an Economic Development Program Agreement with FW Waterside Partners LLC, to Allow Assignment of the Agreement to Georgetown Waterside, LLC or an Affiliate

RECOMMENDATION:

It is recommended that the City Council authorize the execution of a consent to assignment of City Secretary Contract No. 45725, as amended, an Economic Development Program Agreement with FW Waterside Partners LLC, to allow an assignment of the agreement to Georgetown Waterside, LLC or an affiliate.

DISCUSSION:

The purpose of this Mayor and Council (M&C) Communication is to authorize a Consent to Assignment of City Secretary Contract (CSC) No. 45725, as amended, an Economic Development Program Agreement (Agreement), to allow an assignment from FW Waterside Partners LLC (Assignor) to Georgetown Waterside, LLC or an affiliate (Assignees)

The City and the Assignor are currently parties to the Agreement, under which the City agreed to pay the Assignor certain economic development program grants in return for the Assignor's construction of the mixed-use development at Bryant Irvin Road and Arbolawn Drive. (M&C Nos. C-26698, C-27774, C-28149, C-28965). The amount of each annual grant is capped at 80 percent for the first five grants, 75 percent for the second five grants, and 70 percent for the final five grants of increased real and personal property taxes as well as sales taxes attributable to the site. In addition, the aggregate amount of grants that Trademark can receive over the 15-year period is dependent on whether Trademark meets one of three possible levels of investment and construction defined in the agreement.

On October 10, 2014, Trademark Property, LLC assigned all of its rights and obligations under the Agreement to the Assignor. The Assignor now desires to assign their rights and obligations under the Agreement to Georgetown Waterside, LLC.

The City has also previously consented to assignments of this Agreement for security purposes to JPMorgan Chase Bank, N.A. (CSC 45725-CA2).

The Assignors met all obligations required by the Agreement, and the Assignee will be required to meet all ongoing obligations of under the Agreement. The City will continue to receive the public benefits resulting from the development of this project. Any future assignment of the Agreement by the Assignee would have to be approved by City Council, unless otherwise agreed to in the Agreement. There are up to nine (9) grant years remaining under the agreement.

Staff represents that the Assignee is financially capable of meeting the terms and conditions of the Agreement, and City Council finds for the same.

Staff recommends approving the Consent to Assignment of the Agreement.

The Waterside development is located in COUNCIL DISTRICT 3.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that approval of this agreement will have no material effect on the Fiscal Year 2025 Budget. While no current year impact is anticipated from this action, any effect on expenditures and revenues will be budgeted in future Fiscal Years and will be included in the long-term financial forecast.

Submitted for City Manager's Office by: William Johnson 5806

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