



Legislation Text

File #: R2017-042, Version: 1

Consider approving Resolution No. 2017-042 approving a master development agreement, a reimbursement agreement, and a continuing disclosure agreement with respect to the Mercer Crossing Development, and approving other matters related thereto; and take appropriate action.

BACKGROUND:

The City Council approved the creation of a Mercer Crossing Public Improvement District (PID) pursuant to Chapter 372, Texas Local Government Code in an effort to facilitate the Mercer Crossing Development through the reimbursement of certain Public Improvement costs to the Developer from the proceeds of assessments levied on parcels within the PID.

The City has also created the City of Farmers Branch Tax Increment Reinvestment Zone No. 3 and has dedicated certain tax increment revenues to the Mercer Crossing Development through the deposit of such tax increment revenues to the assessment fund created for the PID and the application of such tax increment revenues to offset the assessments levied within the PID.

The Developer intends to assign assessment revenues paid to the Developer by the City for reimbursement of certain Public Improvement costs to the Public Finance Authority of Wisconsin, a unit of government and body corporate and politic of the State of Wisconsin (the "PFA"). The PFA intends to issue tax-exempt bonds containing a pledge of the reimbursement payments assigned to it by the Developer, the proceeds of which will be used by the Developer to construct the Public Improvements.

The City and the Developer desire to enter into a Master Development Agreement to memorialize the responsibilities of each party with respect to the Mercer Crossing Development and further desire to enter into a Reimbursement Agreement whereby the Developer will be reimbursed certain Public Improvement costs from assessments and tax increment revenues as set forth in the Reimbursement Agreement. In an effort to facilitate the PFA's issuance of tax-exempt bonds, the City wishes to enter into a Continuing Disclosure Agreement in order to report to the bond market certain information relating to the levy and collection of the assessments.

DISCUSSION:

The City Council is approving a Master Development Agreement between the Developer and the City, a Reimbursement Agreement between the Developer and the City, and authorizing the Mayor to execute the Reimbursement Agreement on behalf of the City, with such changes as the City Manager may approve.

RECOMMENDATION:

City Administration recommends approving Resolution No. 2017-042, as presented.

POSSIBLE COUNCIL ACTION:

1. I move to approve Resolution No. 2017-042, as presented.
2. I move to approve Resolution No. 2017-042, with modifications.
3. I move to table the issue for further study or take no action.

ATTACHMENTS:

1. Resolution No. 2017-042
2. Master Development Agreement
3. Disclosure Agreement
4. Reimbursement Agreement