



AGENDA MEMORANDUM
Future Agenda for the City Council Meeting 03/19/2019
Consent Agenda for the City Council Meeting 03/26/2019

DATE: March 12, 2019
TO: Keith Selman, Interim City Manager
FROM: Mike Culbertson, CCREDC
MCulbertson@ccredc.com
(361) 882-7448

Approving a Chapter 212 Agreement with Gulf Coast Growth Ventures

CAPTION:

Resolution authorizing an agreement with Gulf Coast Growth Ventures LLC under Chapter 212 of the Texas Local Government Code, relating to the development of property in the City's extraterritorial jurisdiction

PURPOSE:

To approve an agreement with Gulf Coast Growth Ventures LLC ("GCGV") for development of a property in the City's extraterritorial jurisdiction.

BACKGROUND AND FINDINGS:

GCGV has planned a large-scale development of property within the City's extraterritorial jurisdiction. The development will consist of an industrial facility, which conducts petrochemical and associated operations. GCGV will commence construction by January 1, 2021 and complete construction of the facility by July 1, 2024. GCGV will invest a minimum of \$5,422,500,000 in the construction of the facility and create at least 400 full-time jobs in the City's extraterritorial jurisdiction.

CCREDC staff recommends approval of an agreement under Chapter 212 of the Local Government Code to guarantee that the property will remain in the City's extraterritorial jurisdiction for the term of the agreement, which expires on December 31, 2033. As part of the agreement, GCGV covenants that it will enter into an industrial district agreement with the City at the end of the term. Failure to enter into such agreement will require payment in lieu of tax payments in accordance with section 5.5(B) of the agreement. This development will have a significant impact on the City and the regional economy.

ALTERNATIVES:

City Council could choose not to approve the agreement.

OTHER CONSIDERATIONS:

None

CONFORMITY TO CITY POLICY:

Council approval to approve a resolution.

EMERGENCY / NON-EMERGENCY:

Non-Emergency

DEPARTMENTAL CLEARANCES:

Legal
CCREDC
City Manager's Office

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

Fiscal Year: 2018-2019	Current Year	Future Years	TOTALS
Line Item Budget			
Encumbered / Expended Amount			
This item			
BALANCE			

Fund(s):

Comments:

None

RECOMMENDATION:

Staff recommends approval of this resolution.

LIST OF SUPPORTING DOCUMENTS:

Resolution
Section 212.172 Extraterritorial Jurisdiction Non-Annexation Agreement