

Legislation Text

File #: 4723, **Version:** 1

CC MEETING: April 7, 2020

DATE: April 1, 2020

TO: Erin Rinehart, City Manager

FROM: Ravi Shah, Director of Development Services
Marc Guy, Assistant City Manager

Consider A **Resolution Amending Resolution No. 3948 Related To The Disposition And Development Agreement With TCC High Street Olympus Carrollton Phase III, LLC For A Mixed-Use Development In Downtown Carrollton.**

BACKGROUND:

In August of 2016 the City Council authorized the City Manager to enter into a development agreement with Trammell Crow High Street Olympus Carrollton LLC. This project has been completed and is located at the southeast corner of Main Street and Belt Line Road. One of the terms of the agreement was a loan to Trammell Crow in the amount of \$1,012,080 for the purchase of several parcels that were needed for the project. The promissory note indicates a 10-year payback period. Trammell Crow is ready to pay off the entire loan amount of \$1,012,080, which is about seven and a half years early.

The terms of the agreement were presented to the TOD Sub-Committee on July 26, 2016. The Sub-Committee unanimously supported the agreement terms, which included the loan to be interest-free.

On August 2, 2016 a resolution was approved by Council authorizing the negotiation and execution of a development agreement. The agenda cover memo to Council clearly stated that the loan is to be interest-free.

On September 7, 2017 Trammell Crow prepared, executed and delivered to the City a promissory note evidencing the loan in the amount of \$1,012,080. However, the promissory note does not clearly reflect the interest-free condition, although it appears that all parties understood the loan to be interest-free.

The attached resolution is presented for the purposes of clarifying that the loan is intended to be interest-free.

FINANCIAL IMPLICATIONS:

The loan amount of \$1,012,080 will be paid to the City on or before April 6, 2020 by Trammell Crow.

STAFF RECOMMENDATION/ACTION DESIRED:

Staff recommends City Council approval of the attached resolution amending Resolution No. 3948 related to the Disposition and Development Agreement with TCC High Street Olympus Carrollton Phase III, LLC to clarify the intent of the loan to be interest-free.