

STATE OF TEXAS §

COUNTY OF BRAZOS §

INFILL RE-DEVELOPMENT PROGRAM
CHAPTER 380 DEVELOPMENT AGREEMENT
BETWEEN THE CITY OF BRYAN, TEXAS AND
BRYAN COMMERCE AND DEVELOPMENT, INC.

This Agreement is made by and between the City of Bryan, Texas, a home-rule municipal corporation ("City") and Bryan Commerce and Development, Inc., a Texas local government corporation ("BCD").

WHEREAS, the Texas Constitution prohibits any City, or other political subdivision, from lending its credit or granting public money to any individual, association or corporation whatsoever without a valid public purpose for doing so; and

WHEREAS, article III, section 52-a of the Texas Constitution was adopted to expand the constitutional definition of public purpose to include economic development and diversification, elimination of unemployment and underemployment, stimulation and growth of agriculture, and the expansion of state transportation and commerce; and

WHEREAS, Chapter 380 of the Texas Local Government Code was passed to implement that change and permits the governing body of a municipality to establish and provide for the administration of one or more programs, to promote state or local economic development and to stimulate business and commercial activity within the city limits; and

WHEREAS, pursuant to the authority granted by the statute, the City Council desires that BCD administer a program for the redevelopment of vacant residential properties within the city limits so as to promote local economic development, revitalize at risk neighborhoods, increase the tax base, and reduce the maintenance burdens on the City ("BCD Infill Re-Development Program" or "Program"); and

WHEREAS, the City finds that the BCD Infill Re-Development Program will use public funds and resources for the direct accomplishment of a public purpose and that BCD has a long history of utilizing its assets for the accomplishment of similar purposes and with the assistance of City staff, there will be sufficient controls to ensure that the public purpose is achieved; and

NOW, THEREFORE, City and BCD agree as follows:

A. BCD Infill Re-Development Program

1. The City will provide the BCD with a budget of \$300,000.00 to implement, advance, administer and manage the Program, and in doing so the BCD, acting through the BCD Treasurer or his designee, will have authority to perform, approve and conduct actions, contracts, and transactions including, but not limited to the following:
 - a. Buy real estate that consists of vacant (i.e. unimproved) properties that have been, or could be, used for residential purposes, through the tax foreclosure process by bidding the amount of taxes, liens, interest and other costs at a sheriff's sale held at the Brazos County Courthouse;

- b. Sell property acquired for the Program, at a reasonable price, for the purposes of residential infill re-development;
 - c. Plat, subdivide, and develop real estate as necessary to achieve the Program's goals of residential infill re-development;
 - d. Contract for construction, development or improvement on or related to real estate for the purpose of advancing the BCD Infill Re-Development Program using a prudent person standard.
2. BCD may acquire and sell other property, whether currently owned by BCD, acquired by gift, or transferred to BCD from the City, and offer such property for sale to home builders who will utilize the property for residential infill re-development.
 3. Sales of property pursuant to this Program will be negotiated in conjunction with other incentives offered by the City to ensure that the sales will achieve the Program's goals.
 4. When property acquired for the Program is sold, the proceeds from that sale, less closing costs, will go back into BCD's fund for the Program.

B. Guidelines

1. The BCD Infill Re-Development Program must promote residential infill re-development activity within the City's geographical limits. Property to be acquired under the Program should be unimproved or otherwise uninhabitable. Such properties should be sold under conditions that will encourage or require the construction of residential structures within a relatively short period of time.
2. The purchasing criteria for properties acquired at tax foreclosure sales is as follows:
 - Sum of ad valorem taxes and City liens (including penalties, interest, etc.) for the property must be greater than or equal to forty percent (40%) of the taxable value according to Brazos Central Appraisal District ("BCAD") or in the alternative, ad valorem taxes must be five (5) years delinquent;
 - Lot must be vacant, unimproved, and/or otherwise uninhabitable;
 - Ad valorem taxes must be delinquent for at least two (2) of the last three (3) years;
 - No current payment programs in place for taxes or liens; and
 - Lots must be buildable with minimal flood plain.
3. The City and the BCD are committed to the promotion of high quality development in all parts of the City and to an ongoing improvement in the quality of life for its citizens. The City has previously initiated economic development programs and incentives designed to encourage high quality residential growth in the City and is contracting with the BCD to administer the Program in hopes of achieving the following benefits:
 - Expedite reclamation of unproductive properties back to the tax rolls.
 - Stabilizing "at risk" neighborhoods and enhance property values.
 - Address the need for workforce housing.
 - Reduce the instance of lost lien value at tax sales.
 - Reduce the City's maintenance burden from vacant lots.
 - Clear up title issues making properties unmarketable.

C. Term

1. The term of this Agreement shall begin upon execution by both parties and shall be for an initial term of five (5) years, unless sooner terminated, and can be renewed by written agreement of the parties for an additional five (5) year renewal term.

D. Audit, Breach, & Recapture

1. It shall be a breach of this agreement if any portion of the BCD Program is determined by the City to be outside the direct accomplishment of a public purpose.
2. In the event of a breach, BCD shall be notified in writing that it is in breach. BCD will have thirty (30) days in which to cure the breach. In the event the breach is uncured, this agreement may be terminated and the City is entitled to reimbursement by BCD of any funds or value of any property provided by City to BCD under this Agreement.

E. Miscellaneous

1. Successors and Assigns. This Agreement shall be binding on and inure to the benefit of the parties to it and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns. BCD shall not assign this Agreement without the written approval of the City Council.
2. Notices. Any notices sent under this Agreement shall be deemed served when delivered via certified mail, return receipt requested to the addresses designated herein or as may be designated in writing by the parties. Notice shall be given to the following:

If to City: City Manager
 City of Bryan
 P.O. Box 1000
 Bryan, Texas 77805

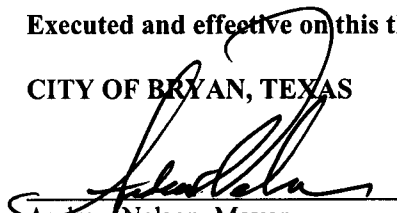
If to BCD: BCD Board President
 City of Bryan
 P.O. Box 1000
 Bryan, Texas 77805

3. Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws effective while this Agreement is in effect, such provision shall be automatically deleted from this Agreement and the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected thereby, and in lieu of such deleted provision, there shall be added as part of this Agreement a provision that is legal, valid and enforceable and that is as similar as possible in terms and substance as possible to the deleted provision.
4. Texas law to apply. This Agreement shall be construed under and in accordance with the laws of the State of Texas and the obligations of the parties created hereunder are performable by the parties in the City of Bryan, Texas. Venue for any litigation arising under this Agreement shall be in a court of appropriate jurisdiction in Brazos County, Texas.

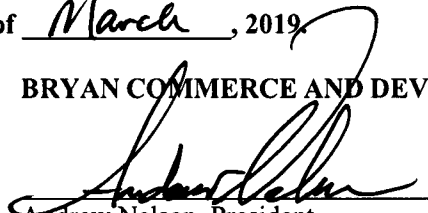
5. Sole Agreement. This Agreement constitutes the sole and only Agreement of the Parties hereto respecting the subject matter covered by this Agreement, and supersedes any prior understandings or written or oral agreements between the parties.
6. Amendments. No amendment, modification or alteration of the terms hereof shall be binding unless the same shall be in writing and dated subsequent to the date hereof and duly executed by the parties hereto.
7. Rights and Remedies Cumulative. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by either party shall not preclude or waive its right to use any and all other legal remedies. Said rights and remedies are provided in addition to any other rights the parties may have by law, statute, ordinance or otherwise.
8. No Waiver. City's failure to take action to enforce this Agreement in the event of BCD's default or breach of any covenant, condition, or stipulation herein on one occasion shall not be treated as a waiver and shall not prevent City from taking action to enforce this Agreement on subsequent occasions.
9. Incorporation of Recitals. The determinations recited and declared in the preambles to this Agreement are hereby incorporated herein as part of this Agreement.
10. Headings. The paragraph headings contained in this Agreement are for convenience only and do not enlarge or limit the scope or meaning of the paragraphs.

Executed and effective on this the 11th day of March, 2019.

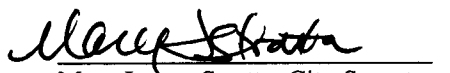
CITY OF BRYAN, TEXAS


 Andrew Nelson, Mayor

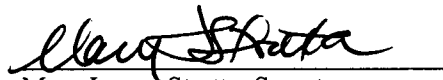
BRYAN COMMERCE AND DEVELOPMENT, INC.


 Andrew Nelson, President

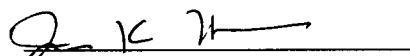
ATTEST:


 Mary Lynne Stratta, City Secretary

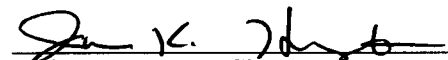
ATTEST:


 Mary Lynne Stratta, Secretary

APPROVED AS TO FORM:


 Janis K. Hampton, City Attorney

APPROVED AS TO FROM:


 Janis K. Hampton, City Attorney