



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 12/10/2019

District A

Item Creation Date: 11/27/2019

MYR - Brittmore Founders District Agreement

Agenda Item#: 38.

Summary:

NOT A REAL CAPTION

ORDINANCE approving a tax abatement agreement between the City of Houston and **BRITTMORE FOUNDERS DISTRICT, GP**, for the construction of a new crude oil storage facility and pipeline - **DISTRICT A - STARDIG**

Background:

SUBJECT: Ordinance approving a tax abatement agreement between the City of Houston and Brittmore Founders District, GP, for the construction of a new crude oil storage facility and pipeline.

RECOMMENDATION: (Summary) Adopt an Ordinance approving a tax abatement agreement ("Agreement") between the City of Houston ("City") and Brittmoore Founders District GP, LLC ("Founders District") for the construction of an innovation business and workplace complex

SPECIFIC EXPLANATION:

Brittmoore Founders District, GP, LLC. (the "Company") is proposing the development of an innovation business and workplace complex designed by entrepreneurs for fostering and growing startups and small businesses. The Company submitted a tax abatement application to the City on September 7, 2018, with all supporting documentation. The proposed development consists of 180,000-sq. ft. of modern office space, 60,000-sq. ft. of co-working space, 180,000-sq. ft. of destination and neighborhood-serving restaurant, retail and commercial, a regional community events center and 250+ units of multi-family to be located at 1336 Brittmoore Houston, Texas. The Company plans to invest between \$150 million to develop the Project.

The City has reviewed the Company's tax abatement application, and the proposed tax abatement agreement was presented to the Economic Development Committee on February 14, 2019. A public hearing was held on December 4, 2019 and the notice of the public hearing was published in the Houston Chronicle on November 3, 2019. Additionally, and pursuant to Texas Tax Code Section 312.207(d), the notice to enter into a tax abatement agreement was published in the Houston Chronicle on November 10, 2019, at least 30 days prior to the council meeting date to approve the agreement, which is scheduled for December 11, 2019.

The Project site is located at 1260 through 1336 Brittmoore Road. The real property improvements subject to tax abatement are valued at approximately \$33 million during the first phase of the project, \$35 million during the second phase, and up to an additional \$81.9 million in the final phases of the project, totaling approximately 150 million over the life of the agreement. The Founders District is also expected to hire at least 105 employees by 2020, and hire and retain 404 employees by 2023. The agreement meets the community benefits requirements as described in the amended 2018 tax abatement code of Ordinance. The company commits to providing 20% of its residential units for workforce/affordable housing, collaboration with Houston Community College, Spring Branch ISD and LoneStar College, and other community benefits requirements as described in the Ordinance.

Based upon a 90% abatement rate, the City tax to be abated is estimated at approximately \$6 million over a 10 year period but will be calculated on the actual taxable value assessed by Harris County Appraisal District

Andrew F Icken, Chief Development Officer

Prior Council Action:

Ord. No. 2009-0858, 09/16/09;
Ord. No. 2011-1167, 12/14/11;
Ord. No. 2014-0245, 03/26/14;
Ord. No. 2018-0391, 05/16/18

Amount of Funding:

Not Applicable

Contact Information:

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ATTACHMENTS:

Description

PCA 2009-0858

PCA 2011-1167

PCA 2014-245

PCA 2018-391

Type

Backup Material

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