

RESOLUTION NO. 09-20-2022D

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GAINESVILLE, TEXAS, AUTHORIZING THE MAYOR TO EXECUTE ON BEHALF OF THE CITY OF GAINESVILLE, TEXAS, A CHAPTER 380 ECONOMIC DEVELOPMENT AGREEMENT FOR SALES TAX REBATE WITH SUMMA TERRA VENTURES, LLC.

WHEREAS, the City Council of the City of Gainesville, Texas has determined that entering into an agreement with Summa Terra Ventures, LLC for an incentive payment equal to a percentage of the City of Gainesville taxes paid to the State by Summa Terra Ventures, LLC on their Texas Sales and Use Tax Return is beneficial to the economy and surrounding area by providing employment, increasing sales tax revenue, and encouraging growth; and

WHEREAS, the City of Gainesville deems it to be in the best interest of the citizens of Gainesville to authorize said agreement; and

WHEREAS, the agreement enhances the City's fiscal ability to provide high quality municipal services for the safety, comfort, and enjoyment of Gainesville residents by increasing sales tax revenues; and

WHEREAS, the economic development agreement is in compliance with Chapter 380 of the Texas Local Government Code and with Gainesville's Chapter 380 Economic Development Program Policies and Procedures.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GAINESVILLE, TEXAS MEETING IN REGULAR SESSION ON SEPTEMBER 20, 2022:

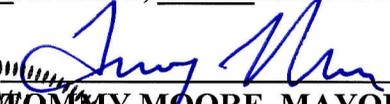
That the Mayor is hereby authorized to execute on behalf of the City of Gainesville, Texas the attached Chapter 380 Economic Development Agreement for a Sales Tax Rebate between the City of Gainesville, Texas and Summa Terra Ventures, LLC.

PASSED AND APPROVED THIS 20th DAY OF SEPTEMBER 2022 BY THE FOLLOWING VOTES:

 7 AYES, 0 NAYS, 0 ABSENT, 0 ABSTENTIONS

ATTEST:


DIANA ALCALA, CITY SECRETARY


TOMMY MOORE, MAYOR



ATTACHMENT A

**CHAPTER 380 ECONOMIC DEVELOPMENT
AGREEMENT FOR SALES TAX REBATE
BETWEEN THE CITY OF GAINESVILLE AND
SUMMA TERRA VENTURES, LLC**

THIS AGREEMENT made and entered into this 20th day of September, 2023 by and between City of Gainesville, "CITY", and SUMMA TERRA VENTURES, LLC, hereinafter called "COMPANY", WITNESSETH:

WHEREAS, COMPANY is an apartment developer; and

WHEREAS, COMPANY desires to locate up to 760 apartment units in Gainesville, Texas; and

WHEREAS, the lack of housing is one of the largest impediments to economic development in the CITY; and

WHEREAS, the CITY finds that, upon successful completion, the apartment complex will promote local economic development and result in stimulating business and commercial activity in the City limits; and

WHEREAS, the CITY would like to benefit from the additional construction jobs and permanent apartment management jobs provided by the development; and

WHEREAS, the CITY would like to collect additional sales tax from COMPANY paying sales tax to the CITY via a Texas Direct Payment Permit for construction materials used in the development.

NOW THEREFORE, in consideration of the mutual covenants hereinafter contained the parties agree as follows:

A. COMPANY commits to build an apartment complex with at least 168 apartment units and a leasing office by May 31, 2025 on land located near the corner of Broadway and Radio Hill Road as described in more detail in the attached survey as shown in Exhibit A.

B. COMPANY agrees to obtain a Texas Direct Payment Permit prior to purchasing any Construction Material COMPANY wants to include in the grant, as defined below, and to thereafter pay Sales and Use Taxes using Texas Direct Payment Returns. COMPANY shall only enter into "separate contracts", and not "lump-sum contracts", as those terms are defined in Texas Administrative Code, Title 34, Chapter 3, Subchapter O, Rule Section 3.291(a)(3) and (13), for construction of the improvements.

C. COMPANY expects that there will be 30 temporary jobs created for construction and 5 jobs will be created to manage the apartment complex.

ATTACHMENT A

D. CITY hereby commits to provide an incentive payment to COMPANY equal to forty percent (40%) of the CITY sales and use tax (1.25%) reported and paid by COMPANY on COMPANY's Texas Sales and Use Tax Return (the "Incentive Payment"). The CITY shall not rebate any portion of the 0.25% of the sales tax used to fund the Gainesville Economic Development Corporation. The Incentive Payment shall be due and payable commencing in respect of sales and use taxes paid beginning January 2023 through the period ending May 31, 2025 with the final Incentive Payment being due in respect of sales and use taxes paid by Company for the month ending May 31, 2025.

E. COMPANY will provide the CITY proof of payment of the CITY sales and use tax paid to the State on the COMPANY's Texas Sales and Use Tax Return within a thirty (30) day period after the end of each quarter. Within 30 days of receipt of sales tax by the CITY, the CITY will make the Incentive Payment to the COMPANY and thereafter for each quarter until May 31, 2025.

F. The parties acknowledge that the Property is currently unimproved land. COMPANY estimates that the total investment for the purchase, renovation, and development of the apartment complex shall be at least \$17,000,000 for phase one that includes 168 units.

G. If the State of Texas, at any time, reduces the amount of sales and use tax received by the CITY and the CITY paid COMPANY as Incentive Payment based on the original sales and use tax associated with this reduction, COMPANY agrees to refund the associated portion of Incentive Payment back to the CITY.

H. Each Party executing this Agreement hereby represents and warrants that he/she is authorized to execute and deliver this Agreement and bind any and all entities, persons, or individuals presently having an interest in COMPANY, as well as heirs, successors, and assigns of the parties.

I. This Agreement and any addenda hereto shall be binding upon and inure to the benefit of the heirs, successor, agents, representatives, and assigns of the parties hereto.

J. The Parties acknowledge and agree that an electronic copy of this Agreement with a Party's signature is as legally valid and binding as the original Agreement with an original signature.

K. This agreement shall be construed under and in accordance with the laws of the State of Texas and all obligations of the parties created hereunder are performable in Cooke County, Texas. In the event of litigation, jurisdiction shall lie in Cooke County, Texas.

M. This Agreement shall not be construed either for or against either Party, but shall be interpreted, construed, and enforced in accordance with the mutual intent of the Parties ascertainable from the language of the Agreement.

N. COMPANY does not boycott Israel and will not boycott Israel during the term of this Agreement.

ATTACHMENT A

O. COMPANY does not boycott energy companies and will not boycott energy companies as defined in Chapter 809 of the Texas Government Code.

P. COMPANY shall complete and execute Form 1295 from the Texas Ethics Commission.

Q. All dates prescribed hereinabove are subject to delays caused by natural or manmade hazards, riots, labor-disputes causing strikes, wars, other civil disturbances, and pandemics including but not limited to COVID.

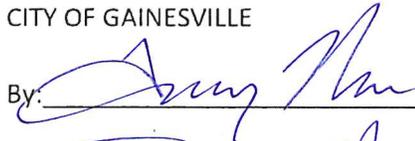
IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

CITY OF GAINESVILLE

By: _____

Print: _____

Title: _____



Tommy Moore

Mayor

SUMMA TERRA VENTURES, LLC

By: _____

Print: _____

Title: _____



Michael P. Watson

CEO

RESOLUTION NO. 11-15-2022D

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GAINESVILLE, TEXAS APPROVING THE FIRST AMENDMENT TO THE CHAPTER 380 SUMMA TERRA VENTURES, LLC. SALES TAX REBATE AGREEMENT.

WHEREAS, the City Council of the City of Gainesville approved a Chapter 380 Sales Tax Rebate Agreement with Summa Terra Ventures, LLC at the September 20, 2022 City Council Meeting; and

WHEREAS, it is deemed necessary to amend the agreement to reflect the correct amount of units to be developed.

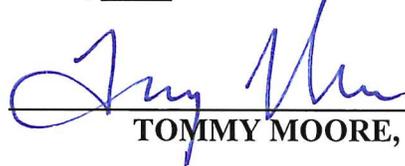
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GAINESVILLE, TEXAS, MEETING IN REGULAR SESSION ON NOVEMBER 15, 2022 THAT:

Section 1. Approval

That the City Council hereby approves the first amendment to the Chapter 380 Sales Tax Rebate Agreement with Summa Terra Ventures, LLC. as shown in "Attachment A".

PASSED AND APPROVED THIS 15th DAY OF NOVEMBER, 2022 BY THE FOLLOWING VOTES:

 7 AYES, 0 NAYS, 0 ABSENT, 0 ABSTENTIONS



TOMMY MOORE, MAYOR

ATTEST:


DIANA ALCALA, CITY SECRETARY



ATTACHMENT A

**CHAPTER 380 ECONOMIC DEVELOPMENT
AGREEMENT FOR SALES TAX REBATE
BETWEEN THE CITY OF GAINESVILLE AND
SUMMA TERRA VENTURES, LLC**

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WHEREAS, the lack of housing is one of the largest impediments to economic development in the CITY; and

WHEREAS, the CITY finds that, upon successful completion, the apartment complex will promote local economic development and result in stimulating business and commercial activity in the City limits; and

WHEREAS, the CITY would like to benefit from the additional construction jobs and permanent apartment management jobs provided by the development; and

WHEREAS, the CITY would like to collect additional sales tax from COMPANY paying sales tax to the CITY via a Texas Direct Payment Permit for construction materials used in the development.

NOW THEREFORE, in consideration of the mutual covenants hereinafter contained the parties agree as follows:

A. COMPANY commits to build an apartment complex with at least 168 apartment units and a leasing office by May 31, 2025 on land located near the corner of Broadway and Radio Hill Road as described in more detail in the attached survey as shown in Exhibit A.

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G. If the State of Texas, at any time, reduces the amount of sales and use tax received by the CITY and the CITY paid COMPANY as Incentive Payment based on the original sales and use tax associated with this reduction, COMPANY agrees to refund the associated portion of Incentive Payment back to the CITY.

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I. This Agreement and any addenda hereto shall be binding upon and inure to the benefit of the heirs, successor, agents, representatives, and assigns of the parties hereto.

J. The Parties acknowledge and agree that an electronic copy of this Agreement with a Party's signature is as legally valid and binding as the original Agreement with an original signature.

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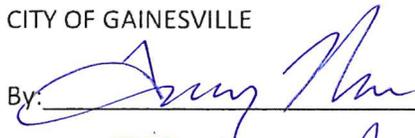
IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written.

CITY OF GAINESVILLE

By: _____

Print: _____

Title: _____



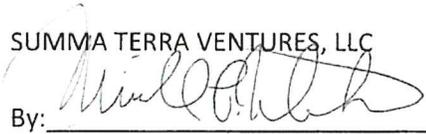
Tommy Moore
Mayor

SUMMA TERRA VENTURES, LLC

By: _____

Print: _____

Title: _____



Michael P. Watson
CEO