

Council Member \_\_\_\_\_ introduced the following Resolution, which was seconded by Council Member \_\_\_\_\_.



### **RESOLUTION 032524-G**

**BE IT RESOLVED** by the Mayor and City Council (the "Council") of the **CITY OF ALABASTER, ALABAMA** (the "City" or "Alabaster"), as follows:

**Section 1. Findings.** The Council has ascertained and does hereby find and declare as follows:

**WHEREAS**, API Alabaster, LLC, a Delaware limited liability company ("API Alabaster") and API Alabaster Two, LLC, a Delaware limited liability company (together, the "Developer") has acquired options to purchase various contiguous parcels of real property in the City aggregating approximately 75 +/- acres located at the northwest intersection of U.S. Highway 31 and Interstate 65 in the City, all as more particularly shown on Exhibit A-1 to the Development Agreement hereinafter authorized (the "Project Site"); and

**WHEREAS**, the Project Site is situated along the intersection of two heavily trafficked roadways and is in close proximity, and serves as a gateway to, the downtown business district and western residential areas of the City; and

**WHEREAS**, the Developer proposes to purchase the Project Site and construct and develop thereon a multi-use, Class "A" commercial retail anchored mixed-use center consisting of national, major anchor tenants and smaller, lifestyle component retailers, restaurants and service enterprises, and, potentially, a hotel, all as further set forth and defined in the Development Agreement as the "Project"; and

**WHEREAS**, the Developer has represented to the City that, on account of the configuration and topography of the Project Site, extensive site work and preparation, including significant blasting, grading and back-filling, and public infrastructure and utility improvements are required before the Project Site is suitable for development and retail visibility; and

**WHEREAS**, the scope of the Project will also require extensive public roadway and drainage improvements along U.S. Highway 31 and 9<sup>th</sup> Avenue in the City to support increased traffic flow within and around the Project and to facilitate the safe ingress to and egress from the Project Site; and

**WHEREAS**, the Developer has informed the City that the Project will contain heightened design standards and, further, that the Developer undertake certain actions related to the design of the Project, all as set forth and defined in the Development Agreement as the "Design Standards"; and

**WHEREAS**, the Developer has represented to the City that the Developer projects, upon completion and full occupancy, the Project will generate (i) approximately \$186,000,000 of taxable retail sales annually and approximately 650 new part-time and full-time jobs in the City, and (ii) if the hotel (including retail improvements within the physical facility of the hotel) is constructed as part of the

Project, another \$12,000,000 of taxable retail sales annually, \$5,800,000 of annual lodging tax revenues and up to 100 new jobs; and

**WHEREAS**, the Developer has requested that the City provide certain incentives to the Developer to assist the Developer's acquisition, construction and development of the Project, and to help offset a portion of the Developer's costs in acquiring and undertaking the extensive site preparation, public infrastructure and public roadway costs attendant to the Project Site; and

**WHEREAS**, the City expects the Project to substantially expand and enhance the prosperity, contentment, and general welfare of the City and its residents by (i) aiding in the elimination and remediation of blight and similar elements resulting from underuse of the Project Site; (ii) promoting enhancement and adaptive reuse of a high-visibility area of the City; (iii) bringing substantial commercial activity to an under developed area and fostering the use and development of underutilized commercial properties around the site of the Project, (iv) helping improve the appearance and vibrancy of undeveloped areas of the City; (v) expanding commercial and retail activity within the City through the addition of a new destination commercial attraction, (vi) facilitating the growth and development of commercial sites and developments around the Project Site, (vii) supporting and expanding industrial and economic development within the City, and (viii) expanding jobs and employment opportunities within the City; and

**WHEREAS**, the City further determines that the development of the Project in accordance with the Design Standards (thereby preventing the proliferation of unplanned economic developments that could be detrimental to the sustained economic health and well-being of the City) will create additional jobs and advance the economic base of the City and the prosperity and welfare of the citizens and taxpayers of the City; and, further, will serve as an economic stimulus by attracting additional businesses, development and investment near the Project Site within the City; and

**WHEREAS**, Amendment No. 772 to the Constitution of Alabama of 1901, now codified as Section 94.01 of the Constitution of Alabama ("Amendment No. 772") authorizes the City to grant public funds and things of value in aid of or to private business enterprises for the purpose of promoting the economic development of the City after compliance with certain conditions set forth in Amendment No. 772; and

**WHEREAS**, the Developer and the City desire to memorialize their agreements and understandings respecting the Project in a Development Agreement (District 31), the form of which is attached as Appendix I hereto, and as evidence of the obligation of the City under the Development Agreement to make certain payments to the Developer out of Derived City Revenues (as defined in the Development Agreement), the City will issue and deliver to the Developer a Limited Obligation Warrant, the form of which is attached as Appendix II hereto; and

**WHEREAS**, the agreements of the City under the Development Agreement and the Limited Obligation Warrant herein authorized are hereby determined by the City to be in the public interest and, further, are being made under and in furtherance of any power and authority authorized by Amendment 772 to the

Constitution of Alabama of 1901, as amended, and the City has determined that the expenditure of public funds as set forth in the Development Agreement will serve a valid and sufficient public purpose, notwithstanding any incidental benefit accruing to any private entity or entities.

**Section 2. Authorization of Development Agreement.** (a) The Council does hereby authorize and approve, and the Mayor and the City Clerk are hereby authorized to execute and deliver, for and on behalf of the City, the Development Agreement (District 31) between the City and the Developer in substantially the form attached as Appendix I hereto, with such changes thereto as the Mayor (herein authorized to act on behalf of the City for such purpose) shall determine to be necessary or desirable (the "Development Agreement"). The City Clerk is hereby authorized to affix the seal of the City to the Development Agreement and to attest the same.

(b) The Mayor and the City Clerk are hereby authorized to execute, seal, attest and deliver such amendments to the Development Agreement, and to execute, seal, attest, and deliver such other instruments, notices, documents, certificates, and agreements and to take such other actions by and on behalf of the City, as may be necessary or desirable to fulfil the transactions contemplated by the Development Agreement.

**Section 3. Authorization of Limited Obligation Warrant.** (a) The Council does hereby authorize and approve, and the Mayor, the City Clerk and the City Treasurer are hereby authorized to execute and deliver, for and on behalf of the City, the Limited Obligation Warrant, in substantially the form attached as Appendix II hereto, with such changes thereto as the Mayor (herein authorized to act on behalf of the City for such purposes) shall determine to be necessary or desirable (the "Limited Obligation Warrant"). The City Clerk is hereby authorized to affix the seal of the City to the Development Agreement and to attest the same.

(b) The Mayor, the City Clerk, and the Finance Director are hereby authorized to execute, seal, attest and deliver such amendments to the Limited Obligation Warrant, and to execute, seal, attest, and deliver such other instruments, notices, documents, certificates, and agreements and to take such other actions by and on behalf of the City, as may be necessary or desirable to fulfil the transactions contemplated by the Development Agreement and the Limited Obligation Warrant.

	Y / N		Y / N
Sophie Martin	_____	Jamie Cole	_____
Rick Ellis	_____	Zach Zahariadis	_____
Stacy Rakestraw	_____	Kerri Pate	_____
Greg Farrell	_____		

**PASSED, ADOPTED, AND APPROVED THIS 25TH DAY OF MARCH 2024.**

ATTEST:

CITY OF ALABASTER

\_\_\_\_\_  
J. Mark Frey, City Clerk

\_\_\_\_\_  
Sophie Martin, Council President

APPROVED

\_\_\_\_\_  
Scott Brakefield, Mayor

**APPENDIX I**  
**FORM OF DEVELOPMENT AGREEMENT**

**APPENDIX II**  
**FORM OF LIMITED OBLIGATION WARRANT**