



# STAFF REPORT

---

**MEETING DATE:** July 15, 2024

**TITLE:**

Consideration and possible action on Resolution R-2024-0007 approving an amendment to the Economic Development Performance Agreement with Coltzin, LLC (aka Project Fiesta).

**AGENDA ITEM SUBMITTED BY:**

Sylvia Carrillo-Trevino, Interim Executive Director of the BEDC and City Manager

**BACKGROUND/HISTORY:**

The BEDC Board of Directors approved entering into a Performance Agreement with Coltzin, LLC (aka Project Fiesta) via Resolution R-2021-0012, on November 21, 2021. The original agreement stipulated that the Project must be completed within two years of the effective date of the agreement, which would be January 24, 2024.

Due to unforeseen circumstances, the Project has been delayed, and the Project owner has requested an extension. The Board had previously denied an extension. However, at the board meeting on June 17, 2024, the Board directed Staff to amend the agreement as follows: 1) The Project would be required to commence by September 1, 2024, and complete by March 2026; and 2) The Project owner would be rebated only half of the purchase amount upon certificate of occupancy, without the possibility of receiving the second half.

The purchase amount was \$233,9345.62, and half of that would be \$116,967.31.

**FISCAL IMPACT:**

The BEDC would rebate only half of the original purchase price and retain the remainder for a positive impact to the reserve account of \$116,967.31.

**RECOMMENDATION:**

Approve the amendment to the Performance Agreement as submitted.

**ATTACHMENTS:**

1. Resolution R-2024-0007
2. First Amendment to Contract