

Amendment to Performance Agreement with C&C Burleson



Development Highlights

- Approximately 1.8 acre site on Wilshire/SH174
- Old Jose's and China King
- Site has been vacant since late 2018



- Developer has completed environmental studies, demo, and nearly completed construction
- Developer originally proposed two new to market sales tax users, dental office and a potential third sales tax user.

Proposed Changes

- Developer is now proposing three sales tax users, and potential fourth:
 - Black Rock Coffee – Open for business
 - Shipley Doughnuts – Einstein Brothers Bagels*
 - Brident Dental – Mo'Bettah's Hawaiian BBQ*
 - TBD – EDC assisting in recruiting

*Leases have been executed

- Site improvements that have been completed:
 - Environmental Cleanup
 - Drainage
 - Aesthetics
- Deceleration lane is under review with TxDOT



Proposed Amendment & Incentives

- Einstein Brothers
 - 21st DFW location
 - Lease is executed



- Black Rock Coffee
 - 6th DFW location
 - Lease is executed



- Mo'Bettahs Hawaiian Style Food
 - 4th DFW location
 - Lease is executed



- Fourth tenant is TBD

Incentive Proposal

- EDC to provide a cash grant of \$150,000 once the deceleration lane is accepted and complete
- EDC to provide a cash grant of \$150,000 once the 2nd sales tax tenant receives their Certificate of Occupancy
- EDC to provide a cash grant of \$50,000 once the 4th sales tax tenant receives their Certificate of Occupancy

To date, developer has not received any incentive payments

Updated Return on Investment

	2024 Year 1	2025 Year 2	2026 Year 3	2027 Year 4	2028 Year 5	2029 Year 6	2030 Year 7	2031 Year 8	2032 Year 9	2033 Year 10	2043 Year 20
CAPEX	\$ 6,000,000.00	\$ 6,180,000.00	\$ 6,365,400.00	\$ 6,556,362.00	\$ 6,753,052.86	\$ 6,955,644.45	\$ 7,164,313.78	\$ 7,379,243.19	\$ 7,600,620.49	\$ 7,828,639.10	\$ 10,521,036.32
Appraised Value (70% of CAPEX)	\$ 4,200,000.00	\$ 4,326,000.00	\$ 4,455,780.00	\$ 4,589,453.40	\$ 4,727,137.00	\$ 4,868,951.11	\$ 5,015,019.65	\$ 5,165,470.23	\$ 5,320,434.34	\$ 5,480,047.37	\$ 7,364,725.42
Revenue											
Sales Tax	\$ 84,000.00	\$ 86,520.00	\$ 89,115.60	\$ 91,789.07	\$ 94,542.74	\$ 97,379.02	\$ 100,300.39	\$ 103,309.40	\$ 106,408.69	\$ 109,600.95	\$ 147,294.51
Property Tax	\$ 30,240.00	\$ 31,147.20	\$ 32,081.62	\$ 33,044.06	\$ 34,035.39	\$ 35,056.45	\$ 36,108.14	\$ 37,191.39	\$ 38,307.13	\$ 39,456.34	\$ 53,026.02
Expenses											
Sales Rebate											
Site Improvements Demo & Env.		\$ (300,000.00)	\$ (50,000.00)								
Annual	\$ 114,240.00	\$ (182,332.80)	\$ 71,197.22	\$ 124,833.13	\$ 128,578.13	\$ 132,435.47	\$ 136,408.53	\$ 140,500.79	\$ 144,715.81	\$ 149,057.29	\$ 200,320.53
Cumulative		\$ (68,092.80)	\$ 3,104.42	\$ 127,937.55	\$ 256,515.67	\$ 388,951.15	\$ 525,359.68	\$ 665,860.47	\$ 810,576.28	\$ 959,633.57	\$ 2,719,671.58

- Sales tax revenue based on \$4.2M/year
- 3% inflation/year
- 10 YR Return – 274%
- 20 YR Return – 777%

Requested Action

- Approve an Amendment to the Performance Agreement between the Burleson 4A Economic Development Corporation and C&C Burleson, LLC.
- Deny an Amendment to the Performance Agreement between the Burleson 4A Economic Development Corporation and C&C Burleson, LLC.

