



BTX Property Owners Association

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BTX Property Owners Assoc.

Background - Chapter 380 Agreement

- In December of 2020, the City, 4A Economic Development Corporation, TIF #2, and BTX Old Town, LLC entered into an economic development and performance agreement
 - The 4A EDC's participation in the agreement was for the cost of the EDC's portion of the new City offices
- Per the agreement, BTX Old Town agreed to construct a seven-building mixed-use development across from the Mayor Calvin Plaza and City Hall on Ellison St
- The City is purchasing approximately 12,000 square feet in buildings 3, 4, and 5
- Per the agreement, BTX Old Town will create a property owners association for the development
- The agreement requires that the City Council approve the property owners association documents

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Documents Overview

- BTX Old Town has submitted the property owners association documents to the City for review
- The documents are the association's Declaration and Bylaws
- The Declaration will be recorded on the real property records and sets forth the authority the association has over the entire development
- Property owners in the development are automatically members in the association
- The bylaws govern how the association will operate as an entity
- Once the City owns the property in buildings 3, 4, and 5 of the development, it will be bound by the property owners association documents

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The Declaration Document

- The declaration creates a condominium association whereby many areas of the development are owned in common for the benefit of all property owners
- The association charges assessments to the property owners for the maintenance of the common areas, utilities, taxes, insurance, and the like
- Assessments are calculated annually based on the budgeted needs of the association
- The declaration prohibits residential use in the development
- The association has the right to regulate the exterior design of the development, subject to the economic development and performance agreement in place
- The City has unique protections in the documents that are atypical for a declaration

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The Bylaws Document

- The bylaws set forth how the association will be governed
- A board of directors of 3 to 5 members will govern the association
- Board members are elected by the association members
- All association members have a vote, but the vote is weighted based on the amount of square footage owned in relation to the total square footage of the units
- Board members must be property owners, serve two-year terms, and serve without compensation
- In the event of a conflict between the bylaws and declaration, the declaration controls

Council Action



Options:

1. Approve the declaration and bylaws.
2. Approve the declaration and bylaws with changes.
3. Disapprove the declaration and bylaws.

Recommendation:

Approve the declaration and bylaws.