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## City Council Regular Meeting

**DEPARTMENT:** Economic Development  
**FROM:** Alex Philips, Economic Development Director  
**MEETING:** November 13, 2023

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**SUBJECT:**

Consider approval of a minute order ratifying 4B11132023Razzoo's 1st amendment and approval of an amendment to the Chapter 380 Economic Development and Performance Agreement (CSO#1754-05-2021) between the City of Burleson, Burleson Community Service Development Corporation, and Razzoo's, Inc. (*Staff Contact: Alex Philips, Economic Development Director*)

**SUMMARY:**

On May 17, 2021, the Burleson Community Service Development Corporation, and the City Council approved a Chapter 380 Agreement with Razzoo's, INC. for a restaurant at 135 W. Ellison. The chapter 380 agreement with Razzoo's, Inc., The City of Burleson and the Burleson Community Service Development Corporation, and includes the following performance measures for Razzoo's:

- Enter into a commercial lease agreement at the property by February 28, 2023.
- Construct a restaurant of at least 6,000 square feet and make a Capital Investment of no less than SEVEN HUNDRED-FIFTY THOUSAND AND NO/100 DOLLARS (\$750,000) by March 31, 2023.
- Razzoo's shall routinely and regularly use the patio portions of the Development as part of the Restaurant as depicted in the Concept Plan.
- Opening Date for the Restaurant no later than March 31, 2023.

The City would offer a program grant within the chapter 380 agreement as detailed below:

- The maximum Grant Payments cumulatively available to Razzoo's over the term of this Agreement shall not exceed Five Hundred Thousand Dollars (\$500,000).
- The City shall make Grant Payments to Razzoo's in annual installments equal to one hundred percent (100%) of Available Sales Taxes received by the City for the prior calendar year of the restaurant's operation.

- The Grants Payments shall cease upon the earlier of:
  - The date upon which the Grant Payment is paid for the twelve (12) month period following the date Razzoo's received a certificate of occupancy; or
  - The date upon which the Grant Payment Cap has been reached.

Right-of-way use agreement for to-go parking:

The parties shall work in good faith together to select, execute, and implement a right-of-way use agreement at a future date that will allow Razzoo's to utilize no more than three (3) parking spaces off of Wilson street for to-go orders from the Restaurant if the Restaurant is developed to have a to-go entrance that is separate and distinct from the main entrance to the Restaurant, subject to terms and conditions of use agreed to by the City. Nothing herein shall be construed as the City granting Razzoo's any right to use the right-of-way, but only as a duty for the parties to negotiate towards such purpose at a future date in good faith.

Razzoo's has completed all of their performance measures within the agreement, with the exception of their opening date. The agreement required Razzoo's to open by March 31, 2023. Due to supply chain disruptions and construction delays, Razzoo's opened on August 16, 2023. During that time, staff worked with Razzoo's to help facilitate City processes in the timeliest manner possible. Staff recommends amending the opening date performance measure to ensure compliance to the agreement. The amendment proposed changes the opening date performance measure to September 1, 2023.

**OPTIONS:**

- 1) Approve
- 2) Deny

**RECOMMENDATION:**

Staff recommends approval

**PRIOR ACTION/INPUT (Council, Boards, Citizens):**

N/A

**FISCAL IMPACT:**

Explain fiscal impact if any

**STAFF CONTACT:**

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