



# CITY COUNCIL AGENDA ITEM BRIEFING SHEET

<b>Council Date:</b> February 11, 2025	<b>Department:</b> Admin	<b>Presented By:</b> City Manager
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**AGENDA ITEM: Discussion / Action: To enter into a Sales Tax Agreement with ESD #1**

**BACKGROUND:** With the Annexation of the Beall Development, the City is not eligible to receive sales tax from the newly annexed property as a vote of Parker County residents in a previous election. However, the ESD recognizes that the City must have some financial benefit to make this annexation be productive for all parties. As such, city staff has worked with ESD staff to craft a sales tax agreement. Currently, the ESD would receive 1.5% of the sales tax collected. This agreement would share, equally the 1.5% of the sales tax collected to 0.75% for each taxing entity. The agreement is for a 20 year period that shall be renewed for an additional 20 years.

**Suggested Motion: I move to accept the ESD Sales Tax Agreement as presented.**

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**STAFF/BOARD/COMMISSION RECOMMENDATION:**

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**EXHIBITS:**

<b>ADDITIONAL INFO:</b>	<b>FINANCIAL INFO:</b>	
	<b>Cost</b>	\$
	<b>Source of Funding</b>	\$