



Legislation Details (With Text)

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Title:	Consider a resolution approving the projects related to the design and construction of onsite public improvements required by the Kalahari Resort, with an amount not to exceed \$16.5 million in project expenditures.		
Sponsors:			
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Attachments:	1. Resolution		

Date	Ver.	Action By	Action	Result
1/25/2018	1	Transportation and Economic Development Corporation	approve	Pass

Consider a resolution approving the projects related to the design and construction of onsite public improvements required by the Kalahari Resort, with an amount not to exceed \$16.5 million in project expenditures.

On December 16, 2016, the City of Round Rock and the Round Rock Transportation and Economic Development Corporation entered into a Master Development Agreement with KR CC, Inc for the construction of a master-planned mixed-use project on property anchored by a Kalahari Resort and Convention Center.

According to Section 6.02 of agreement, onsite public improvements “that are necessary to serve the development of the Project and will be confirmed as part of the platting process up to an amount not to exceed \$15 million” will be constructed.

The onsite public improvements in order of priority will be to:

- A. provide roadways and related facilities and utility improvements need to provide the Hotel and Convention Center with access to US 79 and Kenney Fort Blvd., and with water and wastewater service; and
- B. construct an extension of a reuse water transmission line from the City’s Wastewater Treatment Plant to a point of connection within the Property designated by the Developer to provide the service to the Property

The construction contracts related to the onsite public improvements above will be brought to the Type B board at a later date.

According to Section 6.03 of the agreement, the City will issue one or more series of bonds and/or Certificates of Obligation in an amount sufficient to provide net proceeds of \$15,000,000 or otherwise make such funds available to design and construct the on-site public improvements. The costs of

issuance and related costs will require that total debt issued be up to \$16.5 million to ensure the \$15 million is available for direct project design and construction as required by the agreement. The debt issuance will be tax-exempt debt and will be repaid with tax revenues generated from the development.

The net financial impact to Type B for the Convention Center and the onsite improvements is expected to be zero. However, as the City's economic development corporation Type B will be the financing entity for the City's side of the project.