

STATE OF TEXAS

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO A CHAPTER 380 ECONOMIC DEVELOPMENT AGREEMENT FOR THE PURPOSE OF REIMBURSING A PART OF SALES TAX RECEIVED THROUGH A TEXAS DIRECT PAYMENT PERMIT; AND DECLARING AN EFFECTIVE DATE

WHEREAS, Perry Homes, LLC (“Perry”) is a successful home builder who has built a number of homes in Seguin over the last decade; and

WHEREAS, Perry approached the City with a request to partner, by way of a 380 Agreement, in the Texas Direct Payment Permit; and

WHEREAS, Perry pays sales taxes on all of the taxable building materials that are purchased to construct its homes; and

WHEREAS, much of the construction materials are purchased outside of Seguin; and

WHEREAS, under the proposed 380 Agreement and through the Texas Direct Payment Permit sales taxes collected on eligible materials and supplies would be paid directly to the City of Seguin; and

WHEREAS, the 380 agreement provides that for the next ten years in return for the additional sales tax received the City would reimburse Perry 75% of the 1% unrestricted City tax portion; and

WHEREAS, Perry shall be responsible to provide all of the documentation required under the 380 Agreement before receiving any funds from the City; and

WHEREAS, Seguin residents will benefit from the new stream of sales tax revenue.

NOW THEREFORE, BE IT RESOLVED as the City Council of the City of Seguin, Texas

PART 1. The attached Chapter 380 Economic Development Agreement with Perry Homes, LLC is approved.

PART 2. The City Manager, Douglas G. Faseler, is authorized to execute the attached Chapter 380 Economic Development Agreement.

PASSED AND APPROVED the 17th day of January 2018.

DON KEIL
MAYOR

ATTEST:

Naomi Manski, City Secretary