

## Legislation Text

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**File #:** 2020-8736, **Version:** 1

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Approving a Pflugerville Community Development Corporation (PCDC) FY21 budget amendment not to exceed \$1,000,000 as specified in the PCDC Economic Development Performance Agreement with Amazon.com Services LLC. for the purpose of road improvements at FM685 and Pecan Street.

On July 14, 2020, the PCDC Board and the City Council unanimously approved an Economic Development Performance Agreement (EDPA) between the PCDC and Amazon.com to include future encumbrances in FY21 and FY22 related to funding road improvements at FM685 and Pecan Street.

On Wednesday, October 21, 2020, during the Regular PCDC Board meeting, the PCDC Board unanimously approved a budget amendment not to exceed \$1,000,000 as required in the Amazon EDPA, for the purpose of road improvements at FM685 and Pecan Street contingent upon City Council budget amendment approval. The total incentive obligation of \$3.8 million is significantly reduced due to an EDA grant of \$2.3 million received by the City of Pflugerville. Costs for the FY21 budget will include a 20 percent match of \$575,000 for this grant, along with pre-construction costs for engineering design. The total estimated costs for FY21 are anticipated not to exceed \$1 million. Future costs overruns will be addressed in the FY22 budget according to the EDPA.

The PCDC Board and PCDC staff recommend approval.

### **Prior City Council Action**

City Council approves all PCDC budget amendments of \$50,000 or more.

### **Deadline for City Council Action**

Consideration is requested on October 27, 2020.

**PCDC Fiscal Impact:** The approved Net Income prior to this requested amendment is \$(90,508). The approval of an additional expenditure of \$1,000,000 would result in a Net Income of (\$1,090,508). This will be covered with PCDC unrestricted reserve funds. *See attached September 30, 2020 Balance Sheet.*

**Funding Expected:** Revenue ☐ Expenditure ☐ N/A ☒

**Budgeted Item:** Yes ☐ No ☐ N/A ☒

**Amount:** \_\_\_\_\_

**1295 Form Required?** Yes ☐ No ☒

**Legal Review Required:** N/A ☒ Required ☐ Date Completed: \_\_\_\_\_

### **Supporting documents attached:**

PCDC Budget Amendment Packet

### **Recommended Action**

Approve the Pflugerville Community Development Corporation (PCDC) FY21 budget amendment not

to exceed \$1,000,000 as specified in the PCDC Economic Development Performance Agreement with Amazon.com Services LLC. for the purpose of road improvements at FM685 and Pecan Street.