



Legislation Details (With Text)

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**Type:** Agenda Item      **Status:** Approved  
**File created:** 8/10/2017      **In control:** Development Services  
**On agenda:** 8/22/2017      **Final action:** 8/22/2017  
**Title:** Consider and take action on a resolution providing notice to the Galveston County Judge of the City of League City's support of the submission of a Federal EB-5 application to the Department of Homeland Security related to the funding of a proposed 48-bed assisted living facility at 600 Enterprise Drive subject to certain conditions (Director of Planning and Development)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** , , ,

Date	Ver.	Action By	Action	Result
8/22/2017	1	City Council	Approved	Pass

Consider and take action on a resolution providing notice to the Galveston County Judge of the City of League City's support of the submission of a Federal EB-5 application to the Department of Homeland Security related to the funding of a proposed 48-bed assisted living facility at 600 Enterprise Drive subject to certain conditions (Director of Planning and Development)

**Timeline:**

**February 2017** - Building permit for a 48-unit senior living facility (i.e. "French Oaks") at 600 Enterprise Drive approved by the City.

**July 2017** - Developer of French Oaks request County Judge certify documentation as part of Federal EB-5 application; hence, County Judge seeks direction from League City.

**August 22, 2017** - City Council consideration of providing direction to County Judge related to EB-5 program certification.

**Summary:**

The developer is proposing to construct a 48-unit senior living facility at 600 Enterprise Drive; location is adjacent to the existing Regal Estates senior living facility and across Enterprise Drive from The Moorings apartment complex. As part of the project, the developer is seeking funding via the Federal EB-5 program which, in this particular case, requires certification by the County Judge. As such, the County Judge has requested direction from the City as to providing the required certification.

The EB-5 program is an "immigrant investor visa program" created by the Immigration Act of 1990 and administered by the Department of Homeland Security. The program provides a method for eligible immigrant investors to become lawful residents of the United States by investing (1) at least \$1M in a business in the United States that will employ at least ten (10) American workers, or (2) \$500,000 in a "targeted employment area" (TEA) which is defined as an area of higher than average unemployment. The recently proposed "RAISE Act", if approved in its current form, would end the EB-5 program.

The developers of French Oaks have identified a TEA that includes the proposed site (see attached). Since this TEA is completely contained within Galveston County, but not completely within the City of League City, the certification of the

TEA is the responsibility of the County Judge.

The application for EB-5 program funding does not include nor require incentives from any local taxing entity. Additionally, the developer indicates the project is planned to remain a private, tax-paying entity in perpetuity.

Staff Recommendation

If the City Council sees the proposal favorably, staff recommends the Council provide such direction to the County Judge via the attached resolution, subject to the following:

1. The project will remain a “for-profit” venture, and that if at any future time the project were to become a “non-profit” venture (i.e. not subject to paying full share of City property taxes) such would require the (then) owner and City to immediately begin negotiation on a “PILOT” (payment in lieu of taxes) agreement; and
2. Prior to construction, the developer will agree to enhance the exterior design of the buildings to a standard closer to that of the City’s current standard for new construction.

**Attachments:**

1. Data Sheet
2. Resolution
3. Information from developer
4. Proposed site plan

**CONTRACT ORIGINATION:**

Planning and Development Department

**FUNDING**

NOT APPLICABLE

Funds are available from Account # \_\_\_\_\_

Requires Budget Amendment to transfer from Account # \_\_\_\_\_ to Account # \_\_\_\_\_