Minutes of

Cresson City Council Workshop Meeting

Monday, September 15, 2025

The City Council reserves the right to adjourn into Executive Session during the course of the meeting to seek legal advice from its attorney regarding any item on the posted agenda as authorized by Section 551.071 of the Texas Government Code.

Mayor Becker called the City Council Workshop Meeting of Cresson, Texas to order at 7:00 P.M. on September 15, 2025, in the City Council Chambers. Attendance as follows:

Mayor Ron Becker	Lisa Clement	Jeff Keeney	City Attorney Rachel Raggio
Kevin Olivarez	Gary Robertson	Corey Barker (absent)	

City Council workshop to discuss the proposed Chapter 380 Economic Development Program and Agreement. The public will be able to make comments during the workshop session. There will be no action taken at this workshop.

Mayor Becker opens, stating Peter Malin approached him about this agreement and he felt a workshop would be a good option for the council to discuss more openly.

Peter Malin Land Fund Manager says the bought 400+ acres of the Glasscock Ranch in June 2005. The old farmhouse is still on the property. His company assisted with the appeal of the annexation countersuit against Granbury, which Granbury lost. Peter got to know folks in Cresson during this time. He says Fall Creek divides the property north to south. They sold 8-acres to the state for the bypass. There is a rock quarry on 7-acres with a lake. They sold 6-acres to the Blaylock's for the vineyard and winery. In 2022, they sold 240-acres to homebuilder LGI. The roads are now being paved, and the water and sewer plants are being built. The sewer plant and water plant should be completed by April 2026. The developer provides all infrastructure. The city is not and will never be liable for any costs of infrastructure. Peter formed MUD#1 through the legislature in 2017. MUD#1 attorneys suggested to Peter to propose a 380 agreement to attract economic development. He is asking the city to partner with used tax on businesses such as convenience stores, gas stations, fast food restaurants, banks, etc. It would be a new source of revenue for the city that can be shared. Peter's part of the development will have a frontage road with highway access. There are 11 pad sites plus 1-mile of frontage before the vineyard.

A 380 agreement allows the city to share the sales taxes collected with businesses. It is an incentive for businesses to come to Cresson. They are initially asking for a 50-50 split. Peter feels this would help him attract a grocery store to Cresson. They would share their part back with the retailers. Since Cresson does not have real estate or ad valorum taxes, this would provide tax relief if there were ever taxes.

His company has a contract with a national convenience/gas station. There was interest in the lot next to that, so they were able to get 3-way access. They are cutting back on the multifamily lots to give a 6-acre lot that could attract a grocery store like Brookshires.

He would like to see all the property be included in the 380 agreement, including the 1000-foot strip of land on Fall Creek. Peter showed the council pictures of the lake and said the view could attract restaurants or offices. This part is in a future phase. LGI's Brookside development will have 850 homes. The first phase includes 100 homes. Restaurants and businesses attract home buyers. Peter will send an aerial picture of the entire property.

Jeff Keeney says this location is ideal for the type of commercial development.

Lisa Clement asks if this agreement will include all the properties on the north and south sides. Peter says it will include both and he wants to only have businesses that would benefit the city (no car lots). Lisa asks Peter about the length of the agreement. Peter states it would be 10 years with a renewal option. He is hoping for 2-5 years for the north end of the development. Lisa asks Peter if there are any plans for a school. Peter's company has approached Hood County ISD to offer about 10-acres of land (either donated or at a very low price) for an elementary school. They are still working on it since the previous school bonds have failed. Lisa asks about the term of the agreement. The city attorney states that there will be performance metrics in place that allow the city council to review at the end of the 10-year term. It will include confirming that the funds are being used appropriately and making sure the city is getting an economic benefit from the agreement.

Kevin Olivarez All of his questions have been answered.

Margaret Kenny 220 Brook Drive asks who the water plant MUD #1 is building will service. Mayor Becker tells her it is only for the limits of MUD #1's district. It is separate from the city's water system; no city money goes into any part of the new development and there is no interconnect between the city. Peter states that if there ever is a school, Granbury would have to provide water because MUD#1's system will not have the capacity for a fire system.

Roy Doolin 104 E Bluebonnet Drive questions who came up with the 50% split? Peter states the MUD attorney said that is a typical number. The city attorney says it is not an unusual number, but it is still being negotiated. Roy asks if the ever can be backlash from existing businesses? Peter says that developers spend millions of dollars putting in their own infrastructure, so this is a benefit for them. This would be an umbrella agreement for only Land Fund Manager retail properties. Roy asks how the monies would be managed. The city would get the sales tax money collected. The Texas State Comptroller's office then tells the city the amounts collected by the businesses in the LFM properties and the city would pay LFM.

Rachel Raggio Cresson City Attorney says that the agreement will contain mutually acceptable performance metrics. It will be negotiated and revised. At the 10-year mark, the city will review and can decide to end the agreement if the performance metrics are not being met. The agreement will contain termination measures. She also says that the payouts won't be triggered until the sales tax under the umbrella agreement reaches $40 million.

Lisa Clement asks if the % split will change after the first 10 years, and it is performance based. Rachel said this will be part of the negotiations.

Jeff Kenney asks who manages the money. Peter says the city will write a check to LFM, but it could be assigned to be sent directly to a specific store if that has been used as an incentive for a particular store to build.

Roy Doolin asks if the Planned Development ordinance states the city is not responsible for any of the roads and other infrastructure of this development. Mayor Becker says that is correct.

Adjourn

The meeting is adjourned at 8:10 P.M.

Ron Becker, Mayor

Katy Froyd, City Secretary