

Rowlett

News Release

**For Immediate Release:
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ROWLETT, TEXAS—Following months of unsuccessful discussions and negotiations, the City of Rowlett (the “City”) has formally notified Bayside Land Partners LLC and Bayside District Partners LLC (the “Developer”) that they are in default of the Bayside development agreements and the City has filed a lawsuit in State District Court in Dallas County seeking relief as a result of the Developer’s actions. The City and Developer have been working in a public-private undertaking since 2015 to bring Bayside, a \$1 billion mixed use development, to Rowlett and the Dallas/Fort Worth metroplex. The City and Developer entered into a series of development agreements to ensure the implementation of the Bayside vision. The 262-acre project envisions numerous features and amenities to make it a world-class destination. This includes an eight-acre Crystal Lagoon, one-acre show fountain, 1.75 million square feet of commercial space that includes mixed use entertainment, restaurants, office and retail, an open-style bench trolley, 45 acres of programmed parks, 4+ miles of hike-and-bike trails, and a 500-room resort and conference center.

In June of 2018, the City issued the Developer a pre-default notice and opportunity to fulfill its obligations to develop the property. Instead, during a special meeting of the Rowlett City Council held in July 2018, the Developer proposed significant changes to the original agreed-upon vision. Among them included eliminating the three most important differentiators and public attractions for Bayside: the eight-acre lagoon, one-acre show fountain, and the trolley. The new proposal also significantly reduced the entertainment, restaurant, and retail opportunities, and increased the amount of land area dedicated to residential uses. As such, the revised plan did not reflect the parameters set forth in the public-private partnership agreements.

On September 18, the Rowlett City Council voted to reject the Developer’s proposed revisions to the original plan. Since that time, the City and Developer have continued discussions about the future of the project; however, those conversations have been unproductive in reaching a solution.

“Bayside is a public-private partnership, and our development partner is obligated to adhere to the vision for Bayside with which both parties are contractually committed; any changes to the vision require City approval,” Mayor Tammy Dana-Bashian said. “We are disappointed that it has reached this point and that we are forced to take this action.”

The City and Developer have specific performance requirements that the parties have agreed to in a series of agreements. The Developer has made agreements and representations upon which the City relied in making strategic land use decisions, agreeing to economic development incentives, and approving requested density and types of structures. Because of this agreed-upon vision, the City has adopted a tax increment reinvestment zone to support the project; created a public improvement district; and secured state tax support for a convention center.

“This is a textbook bait and switch tactic,” said City Manager Brian Funderburk. “We were promised and sold on a great project and after we fulfilled our obligations, we were shown a completely different one. The City has performed as required under the development agreements and it is clear that the Developer has not and does not intend to fulfill its obligations. By filing this lawsuit, the City is seeking all available legal remedies.”

The City of Rowlett is resolved that it will not settle for anything less than making Bayside a unique legacy project and world-class destination.

For more information, please visit www.Rowlett.com/FAQ. Please contact Denise Perrin at dperrin@rowlett.com or 972-412-6192 with any additional questions.



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