



November 15, 2011

Bill Bilyeu, County Administrator
Collin County Administrative Services
Collin County Administration Building
2300 Bloomdale Road, Suite 4192
McKinney, TX 75071

RE: Proposed County 50/3 Program

Dear Mr. Bilyeu:

The City of Allen Administration has reviewed the proposed County 50/3 Program and Chapter 381 of the Texas Local Government Code.

At this time, the City does not have any specific limitations to the County 50/3 Program that the County is proposing to administer. However, the City would expect the businesses to comply with the City of Allen's zoning regulations and land development codes in order to be considered for the Chapter 381, County 50/3 Program grant.

Additionally, the County 50/3 Plan document mentions that the applicant must not be located in a T.I.F. or T.E.R.Z. zone. Usually in these zones, there is a developer agreement that dedicates a portion of the T.I.F. increment to the developer as reimbursement for project costs. Consequently, a specific new or expanding business may not be directly receiving the T.I.F. increment. A Chapter 381 County grant may help the individual business and not be associated with the developer.

Finally, it was not clear in the proposed County 50/3 Plan if a business could reapply for the grant at the expiration of the third year or what the terms and conditions were for reapplication.

Please keep me informed as the proposed County 50/3 Program progresses.

Sincerely,


Peter H. Vargas
City Manager

PHV:KH:cs