



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Capital Projects

CM/ DCM/ ACM: Mario Canizares

DATE: December 5, 2017

SUBJECT

Continue to consider adoption of an ordinance authorizing a development agreement between the City of Denton and DW Carmel, LLC (the "Developer"); providing for the payment by the Developer to the City of Four Hundred Thousand Dollars and No Cents (\$400,000.⁰⁰) for the City to construct the balance of the Edwards Road perimeter paving improvements required by Phase 5A and 5B of the Villages of Carmel addition(s) to the City of Denton, as Developer's contribution; authorizing the City Manager to execute the agreement; and providing for an effective date. (Edwards Road paving improvements - Villages of Carmel subdivision) [Originally posted as File ID 17-1402 and considered on November 7, 2017]

BACKGROUND

The Villages of Carmel ("VOC") is a large, multi-phased, single-family residential development, generally located north of Pockrus Page Road, south of Edwards Road, East of Mayhill Road and west of Swisher Road. Since the 2005 onset of the overall subdivision, there have been several discrete development entities involved, such as Holigan Land Development, Ltd; VOC1B LLC; Hmh Lifestyles, L.P.; and DW Carmel, LLC (Phase 5A and 5B, the final phases), being located along Edwards Road, south side. When the Final Plat for Phase 5A was formally approved by the City (September 16, 2015), the related public improvements required to be installed by the Developer included rebuilding and widening a portion of Edwards Road along the Phase 5A frontage, in accordance with Denton Development Code perimeter paving requirement. The Developer's construction plans for 5A detailed an asphalt street section, 25 feet in width by approximately 640 feet of frontage length.

The Parks Department desires to purchase the 6.4-acres on the southwest corner of Edwards Road and Swisher Road, which is currently owned (but not platted) by the developer. If purchased on its own and in its unplatted state, the Parks Department would be responsible for improvements along Edwards Road (for a total of about 400-feet). The developer has agreed to construct the portion of Edwards Road that would be the Parks responsibility while constructing the developer's required segment of Edwards Road. The developer also agreed to absorb the Park's platting costs through the platting of the Villages of Carmel Phases 5A and 5B. The developer further agreed to sell the park property at a discounted rate to the City (current value \$53,700/acre, agreed sale price is \$43,488/acre).

Additionally, the future alignment of Post Oak road is being dedicated by the developer. Being that there is no guarantee that Post Oak will be constructed within a specific time frame, consideration is given to the Post Oak dedication as it effectively bisects the developer's tract and makes the portion (3.85-acres) undevelopable. Under other circumstances, this property would be acquired at fair market value upon initiation of a City capital improvement project.

	City Cost	Developer Cost	Net Savings to City
Parks Tract (6.4-acres)	\$ 278,325.00	\$ 343,680.00	\$ 65,355.00
Post Oak Road ROW	\$ -	\$ 167,706.00	\$ 167,706.00
Edwards Road Construction	\$ 475,000.00	\$ 400,000.00	\$ (75,000.00)
Total Net Savings to City			\$ 158,061.00

Construction costs for both the City obligated and developer obligated portion of Edwards Road is anticipated to be \$475,000 if the City has the work done through an existing City contract. As part of the recent agreement on the sale of the park property, the developer is asking for a credit of his impact fees and a cost participation for the construction of the road in the amount of \$75,000 in exchange for a developer's cost participation of \$400,000. Staff recommends reconsideration of this proposal as the net value of the Post Oak ROW and Parks Property exceeds the requested City financial participation.

Approval of the Development Agreement provides for an expedited asphalt rebuild construction schedule of the outstanding segment of Edwards Road (approximately 1,670 linear feet) and also provides for a near-term closing and funding event for the above cited 6.394 acre Park Tract purchase (Lot 1, Block KK).

OPTIONS

1. Approve the proposed Ordinance.
2. Decline to approve the proposed Ordinance.
3. Table for future consideration.

RECOMMENDATION

Recommend approval of the Ordinance.

ESTIMATED SCHEDULE OF PROJECT

If ordinance is approved, City to proceed with construction start of Edwards Road, June 2018, to coincide with Denton I.S.D. summer recess.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

P&Z approval of the Final Plat of Villages of Carmel – Phase 5A - September 16, 2015.

P&Z approval of the Final Plat of Villages of Carmel – Phase 5B - April 13, 2016.

City Council considered this ordinance on November 7, 2017 – Motion to Postpone was made and passed

FISCAL INFORMATION

2014 Bond – Edwards Road Improvements (\$65,000 remaining), with any shortfall to come out of the Street Fund annual operating budget.

STRATEGIC PLAN RELATIONSHIP

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

Related Key Focus Area: Public Infrastructure

Related Goal: 2.1 Continuously improve the quality of City roadways

EXHIBITS

1. Agenda Information Sheet
2. Location Map
3. Site Map
4. Ordinance

Respectfully submitted:
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