



MAYOR & COUNCIL COMMUNICATION

DATE: 5/3/16
CONSENT
ITEM # 6
RESOLUTION 2016-33

AGENDA ITEM: InWood 3rd Addition Developer's Agreement -AMENDED

SUBMITTED BY: Stephen Wensman, Planning Director

THROUGH: Kristina Handt, City Administrator

REVIEWED BY: Jack Griffin, City Engineer
Sarah Sonsala, City Attorney
Cathy Bendel, Finance Director

SUGGESTED ORDER OF BUSINESS:

- Introduction of ItemCommunity Development Director
- Report/Presentation.....Community Development Director
- Questions from Council to Staff Mayor Facilitates
- Call for Motion Mayor & City Council
- Discussion Mayor & City Council
- Action on Motion..... Mayor Facilitates

POLICY RECCOMENDER: Staff is recommending that the City Council approve a developer's agreement associated with the third phase of the InWood development. The Developer is requesting the amended Agreement due to allow credit for watermain and sanitary sewer oversizing and to correct the allowed time to fully develop the site from two years to eight as was approved with the first phase developers agreement.

FISCAL IMPACT Direct Payments to Developer: The agreement includes watermain and sanitary sewer oversizing in the payment amount of \$12,853. This payment would be made out of the utility funds to the developer once the City accepts all of the public improvements. Future financial impacts include maintenance of streets, trails, sanitary sewer mains, watermain and other public infrastructure, maintenance of storm water ponding areas (after three years), monthly lease payments for street lights, and other public financial responsibilities typically associated with a new development.

SUMMARY AND ACTION REQUESTED: The City Council is being asked to authorize execution of a developer's agreement as amended, for the third phase of the InWood Planned Unit Development. The attached agreement has been reviewed by the City Staff, and all recommended changes specific to the InWood 3rd Addition project have been incorporated into the document as drafted. This agreement must be executed before any construction activity, outside of the previously authorized grading work, may proceed on the site. The recommended motion to take action on the request is as follows:

“Move to adopt Resolution 2016-33 approving the developer’s agreement for InWood 3rd Addition”

SUMMARY OF AGREEMENT: One of the conditions attached to the resolution approving the InWood Final Plat and Plan specifies that the developer enter into a Developer's Agreement prior to the execution of the plat by City officials. Staff has drafted such an agreement consistent with the City's developer's agreement master template, and this document is attached for consideration by the City Council. The key aspects of the agreement include the following components:

- That all improvements to be completed by October 31, 2016.
- That the developer provide a letter of credit in the amount of \$2,059,218 related to the cost of the proposed improvements.
- That the developer provide a cash deposit of \$454,643 for SAC and WAC charges, engineering administration, one year of street light operating costs and other City fees.
- The Developer will receive a credit payment related to the oversizing of water main. The developer is installing an oversized 12-inch pipe in order to accommodate the City's broader water system. The oversizing payment amount had been reviewed by the City Engineer and is \$12,853. This payment would be made to the developer once all of the public improvements for the subdivision have been accepted by the City.

The City Engineer has construction plans for the project, however, the landscaping and irrigation plans have not yet been approved and no building permits will be issued until these items are complete, consistent with the Final Plat and PUD approval.

BACKGROUND INFORMATION (SWOT):

Strengths: The developer's agreement has been drafted to guarantee that the improvements associated with the InWood 3rd Addition development plans will be installed in accordance with City specifications.

Execution of the developer's agreement and compliance with all conditions in the agreement will allow the developer to record the Final Plat.

Weaknesses: The City will assume responsibility for future maintenance of the public improvements.

Opportunities: The proposed improvements will provide for infrastructure connections to adjacent properties.

Threats: The City will need to provide construction observation throughout the course of the project (these costs will be covered under an Engineering Administration Escrow).

RECOMMENDATION: Based on the above Staff report, Staff is recommending that the City Council approve the Developer's Agreement for InWood 3rd Addition as amended and that the Council direct the Mayor and Staff to execute this document. The suggested motion to adopt the Staff recommendation is as follows:

“Move to adopt Resolution 2016-33 approving the developer’s agreement for InWood 3rd Addition”

ATTACHMENTS:

1. Resolution 2016-33
2. InWood 3rd Addition Developer's Agreement – 4.27.16