



YOR & COUNCIL COMMUNICATION

DATE: 8/16/2016

REGULAR

ITEM # 22

AGENDA ITEM: Village Preserve 2nd Addition Developer's Agreement

SUBMITTED BY: Stephen Wensman, Planning Director

THROUGH: Kristina Handt, City Administrator

REVIEWED BY: Jack Griffin, City Engineer
Sarah Sonsalla, City Attorney

RECOMMENDATION: Staff is recommending that the City Council approve a developer's agreement associated with the Village Preserve 2nd Addition residential development. The agreement has been drafted based on a draft developer agreement template that Staff has been updating for future approval by the Council.

DEVELOPER AGREEMENT TEMPLATE UPDATE: The City Council adopted a new Developer Agreement Template in January 2016, which improved upon the way in which the Developer Security was released. Since that update, Staff has continued to update the template based on reasonable requests by developers and Staff generated refinements with the intent of having a template that addresses various development scenarios and best practices. Staff had intended to bring the draft template forward for Council approval concurrently with this Agreement, however, Staff would like to conduct further research and potential include additional updates prior to approval. This Developer Agreement is similar to the January 2016 template, but differs as follows:

1. This Agreement allows phasing of the construction activities for the purpose of receiving building permits within the phase of a plat provided that the Developer receives City staff approval for the construction phasing plan prior to the preconstruction meeting and the phasing plan is incorporated into the final approved construction plans. This will allow the Developer to plat a larger development area, but phase construction in a manner that allows building permits to be issued at preapproved stages of the development, yet in such a way that City staff can manage the development process effectively and efficiently.
2. The Agreement separates the security release for Landscaping from others. Landscaping is among the last of improvements in a development, and with a two year warranty, has been holding up larger security releases.

3. Section 20, Landscaping and Tree Replacement Improvements, was added to strengthen and clarify the landscaping requirements and responsibility.
4. Title policy, rather than title commitment, shall be required for land dedicated to the City at the request of the City Attorney.
5. Section 29, Subd. D was added to ensure permanent or temporary street signs are installed by the developer prior to building permits for public safety purposes.
6. Section 29, Subd. D was amended to require the Developer to all outstanding special assessments prior to recording the final plat.

These changes to the template have been reviewed by the City Engineer, the Planning Director and City Attorney.

LEGISLATIVE HISTORY/STAFF REPORT: The Village Preserve 2nd Addition Final Plat was approved on April 19, 2016. Staff has drafted the developer agreement consistent with the conditions of approval for the Village Preserve 2nd Addition Final Plat and based on the January 2016 Developer Agreement Template with the changes outlined above. The key aspects of the agreement include the following components:

- That all required public improvements be completed by October 31, 2017, with the exception of the final wear course of asphalt on streets.
- That the developer provide a letter of credit in the amount of \$815,712 related to the cost of the proposed improvements.
- That the developer provide a cash deposit of \$332,249 for SAC and WAC charges, AUAR fee, engineering administration, one year of street light operating costs, and other City fees.

The proposed project does not include any specific City payments for utility oversizing or other reasons.

FISCAL IMPACT: Direct Payments to Developer – None: there are no City payments for oversizing of utilities or for other reasons included in the agreement. Future financial impacts include maintenance of streets, trails, sanitary sewer mains, watermains and other public infrastructure, maintenance of storm water ponding areas (after warranty period), monthly lease payments for street lights, and other public financial responsibilities typically associated with a new development. The City will collect building permit fees, Sewer Accessibility Charges and Water Accessibility Charges, and an AUAR fee for the 45 lot subdivision.

SUMMARY AND ACTION REQUESTED: The City Council is being asked to authorize execution of a developer's agreement for the Village Preserve 2nd residential development. The attached agreement was based on the approved development agreement template, since amended as outlined above, with all changes specific to the Village Preserve 2nd Addition project. This agreement must be executed and conditions complied with before any construction activity, outside of the previously authorized grading work, may proceed on the site. No work on the site

will occur until the preliminary plat plans are updated and approved, the conditions of final plat are complied with and the plat is recording with Washington County. The recommended motion to take action on the request is as follows:

“Move to adopt Resolution 2016-70 approving the developer’s agreement for Village Preserve 2nd Addition”

ATTACHMENTS:

1. Resolution 2016-70
2. Village Preserve 2nd Addition Developer’s Agreement