



STAFF REPORT

DATE: September 17, 2019

CONSENT

ITEM #:

AGENDA ITEM: Approve Security Reduction for Legacy at North Star 1st Addition

SUBMITTED BY: Jack Griffin, City Engineer

REVIEWED BY: Kristina Handt, City Administrator
Ken Roberts, Planning Director
Chad Isakson, Assistance City Engineer

ISSUE BEFORE COUNCIL: Should the City Council approve a security reduction for the Legacy at North Star 1st Addition as itemized below?

PROPOSAL DETAILS/ANALYSIS: Staff has received and processed a request to reduce the development security for the Legacy at North Star 1st Addition. This request has been reviewed and the following reduction is being recommended for approval:

	<u>Current Security Amount</u>	<u>Proposed Security Amount</u>
1. Legacy at Northstar 1st Addition:	\$ 2,330,779	\$ 2,120,365

Work within the development has progressed in accordance with the development agreement and to the extent necessary to support a reduction in the security as detailed in this report.

FISCAL IMPACT: It is the City's goal to retain at all times during the subdivision improvements a security amount that is adequate to ensure completion of all elements of the improvements as protection to the City tax payers against the potential of developer default. With this reduction, the remaining security amount held by the City remains sufficient to complete the remaining improvements.

RECOMMENDATION: Staff is recommending that the City Council approve, *as part of the Consent Agenda*, the security reduction for Legacy at North Star 1st Addition as detailed in this report and supporting documentation. If removed from the consent agenda, the recommended motion for the action is as follows:

“Move to approve security reduction for Legacy at North Star 1st Addition as detailed in the attached Security Reduction Worksheets.”

ATTACHMENTS:

1. Security Reduction Worksheet – Legacy at Northstar 1st Addition.

LEGACY AT NORTH STAR 1ST ADDITION

Time of Performance: October 31, 2018

DEVELOPMENT AGREEMENT AMOUNTS

CATEGORY	CONSTRUCTION	125% REMARKS	REDUCTIONS							
			#1	#2	#3	#4	#5	#6		
Grading	\$247,500	\$247,500								
Sanitary Sewer	\$366,592	\$458,240 75%	\$229,120	\$114,560						
Watermain	\$306,735	\$383,419 75%	\$191,709	\$95,855						
Storm Sewer (w/pond structures)	\$458,365	\$572,956								
Streets + Sidewalks	\$666,635	\$833,294								
Bituminous Trails	\$75,670	\$94,588								
Surface Water Facilities	NA	NA								
Street Lighting	\$36,000	\$45,000								
Street Signs and Traffic Control Signs	\$8,150	\$10,188								
Private Utilities (electricity, natural gas, telephone, and cable)										
Builder Landscaping	\$37,440	\$46,800								
Landscaping	\$36,800	\$46,000								
Tree Preservation and Restoration	NA	NA								
Wetland Mitigation and Buffers	NA	NA	Included in Grading Security							
Monuments	\$5,900	\$7,375								
Erosion Control	NA	NA	Included in Grading Security							
Turn Lane + By-pass Lane	\$166,290	\$207,863	Costs missed in Original DA							
Record Drawings	\$5,000	\$6,250								
TOTALS	\$2,417,077	\$2,959,471	RELEASED AMOUNTS:	\$420,829	\$210,415		\$0	\$0	\$0	
	\$2,250,787	\$2,751,609	CUMMULATIVE AMOUNTS:	\$420,829	\$631,244					
			SECURITY AMOUNT REMAINING:	\$2,330,779	\$2,120,365					
			DATE:	1/15/2019	9/17/2019					