



MAYOR & COUNCIL COMMUNICATION

DATE: June 9, 2015
REGULAR
ITEM # 17

AGENDA ITEM: Easton Village Developer's Agreement – Minor Amendments

SUBMITTED BY: Kyle Klatt, Community Development Director

THROUGH: Dean Zuleger, City Administrator

REVIEWED BY: Jack Griffin, City Engineer
Dave Synder, City Attorney
Nick Johnson, City Planner

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: At the request of the developer, Staff is recommending minor revisions to the approved developers agreement for Easton Village to: 1) change the name of the developer from Easton Village, LLC to Chase Development, Inc., and 2) remove the financial security amounts associated with the Eastern Trunk Sewer and Watermain project that will now be covered under a separate development contract.

FISCAL IMPACT: None of the previous financial aspects of the agreement would be changed by the amendment; a portion of the security would be moved into the Eastern Village Trunk Sewer Agreement.

SUMMARY AND ACTION REQUESTED: The City Council is being asked to approve minor amendments to the Easton Village Developer's Agreement as described above. The Council recently confirmed the final language to be used in the document, and none of these previously negotiated provisions will be changed. Please note that the request to revise the name of the developer stems from the developers inability to complete a proposed transaction with the Excelsior Group. In order to move the development forward, Chase Development, Inc. will be listed as the developer for the project. The other revision to the document concerning the

removal of the trunk sewer securities is consistent with a related request by the same developer to enter into a separate agreement with the City for this work.

The recommended motion to take action on the request is as follows:

“Move to amend the developer’s agreement for Easton Village as drafted and documented in the attached amended Development Agreement”

LEGISLATIVE HISTORY/STAFF REPORT: The City Council approved a developers agreement for Easton Village on March 3rd of this year, and affirmed that the language used in the agreement was consistent with its approval on July 15, 2015. Since this approval, the developer, working in conjunction with the other two residential developers in the Village (Gonyea and Engstrom Companies) has decided to split the trunk sewer line work from the public improvements specific to the Easton Village development. This splitting of the project will help facilitate the coordination of the trunk project among the three benefiting parties while helping move this portion of the project along a faster timeline. The proposed action would remove \$784,280 of the required security that represents the cost to install the trunk line and moves this into the new agreement. Other than the change to the responsible developer, there are no other revisions proposed. All changes are tracked in the attached document.

BACKGROUND INFORMATION (SWOT):

Strengths: Splitting out the trunk sewer work will help ensure that the regional project will move forward without any direct City responsibility for its construction.

Weaknesses: None – the overall security to be provided has not changed.

Opportunities: The separation of trunk sewer and water elements from the existing agreement will help the three private developers better coordinate the installation of these improvements.

Threats: None.

RECOMMENDATION: Based on the above Staff report, Staff is recommending that the City Council approve minor amendments to the Easton Village Developers Agreement to: 1) change the name of the developer from Easton Village, LLC to Chase Development, Inc., and 2) remove the financial security amounts associated with the Eastern Trunk Sewer and Watermain project that will now be covered under a separate development contract. The suggested motion to adopt the Staff recommendation is as follows:

“Move to amend the developer’s agreement for Easton Village as drafted and documented in the attached amended Development Agreement”

ATTACHMENTS:

1. Easton Village Developer’s Agreement – Revised (with amendments tracked)