



STAFF REPORT

DATE: July 2, 2019

CONSENT

AGENDA ITEM: Approve Development Security Reduction for Royal Golf Club 2nd Addition

SUBMITTED BY: Jack Griffin, City Engineer

REVIEWED BY: Kristina Handt, City Administrator
Ken Roberts, Planning Director
Marty Powers, Public Works Director
Chad Isakson, Assistant City Engineer

ISSUE BEFORE COUNCIL: Should the City Council approve a reduction in the security amount for the Royal Golf Club 2nd Addition?

PROPOSAL DETAILS/ANALYSIS: Staff has received and processed a request to reduce the security amount for the Royal Golf Club 2nd Addition. This request has been reviewed and the following reduction in security is being recommended for approval:

	<u>Current Security Amount</u>	<u>Proposed Security Amount</u>
1. Royal Golf Club 2nd Addition	\$ 2,546,832	\$ 1,666,830

Work within this 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 the Royal Golf Club 2nd 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 the Royal Golf Club 2nd Addition as detailed in the attached Security Reduction Worksheet.”

ATTACHMENTS:

1. Royal Golf Club 2nd Addition – Security Reduction Worksheet.

ROYAL GOLF CLUB 2ND ADDITION

Time of Performance: October 31, 2018

DEVELOPMENT AGREEMENT AMOUNTS

CATEGORY	CONSTRUCTION	125% REMARKS	REDUCTIONS			
			#1	#2	#3	#4
Grading	NA	NA	Included in Overall Grading Agreement			
Sanitary Sewer	\$216,439	\$270,549	\$202,911			
Watermain	\$514,590	\$643,238	\$482,428			
Storm Sewer	\$409,749	\$512,186		\$256,093		
Streets and Sidewalks	\$998,255	\$1,247,818		\$623,909		
Trails	\$72,670	\$90,838				
Surface Water Facilities	NA	NA	included in Grading Agreement			
Street Lighting	\$30,000	\$37,500	By Xcel Energy			
Street Signs and Traffic Control Signs	\$4,235	\$5,294				
Landscaping	\$324,500	\$405,625				
Tree Preservation and Restoration	NA	NA	included in Grading Agreement			
Wetland Mitigation and Buffers	NA	NA	included in Grading Agreement			
Monuments	\$7,300	\$9,125				
Erosion Control	NA	NA	included in Grading Agreement			
Turn Lanes	NA	NA	By County			
Record Drawings	\$8,000	\$10,000				
TOTALS	\$2,585,737	\$3,232,172	RELEASED AMOUNTS: \$685,340	\$880,002	\$0	\$0
			CUMMULATIVE AMOUNTS: \$685,340	\$1,565,342		
			SECURITY AMOUNT REMAINING: \$2,546,832	\$1,666,830		
			DATE: 1/15/2019	7/2/2019		