



TITLE: Consider/Discuss/Act on a Resolution Approving a Third Amendment to Chapter 380 Economic Development and Agreement for Craig Ranch ("VCIM II") by and between the City of McKinney, Texas, VCIM Partners, L.P., CR Alma, LP, Mid-Alma, LP, and CR Ballfields, LP

MEETING DATE: August 21, 2012

DEPARTMENT: City Manager

CONTACT: Jason Gray, City Manager
Rob Daake, Deputy City Manager
Barry Shelton, Director of Development Services
Lemuel Randolph, Director of Parks, Recreation, and Open Space
Danny Kistner, Fire Chief
Mark Houser, City Attorney

RECOMMENDED CITY COUNCIL ACTION:

- Approval

ITEM SUMMARY:

- The primary terms which are included the Amendment (called the Third Amendment) are as follows:
 1. Annexation of the recently-zoned Columbus Realty parcel into Craig Ranch (approx. 40 acres).
 2. Provides a conditional \$500,000 multi-family utility impact fee credit tied to the development of Phase I of the Columbus Realty project within 30 months.
 3. Provides for 359 single-family utility impact fee credits on specific lots until June 2019.
 4. Provides for the completion of certain unfinished segments of roadways and utilities within Craig Ranch.
 5. Provides for the clarification of the standards for construction of urban parks.
 6. Provides for the clarification and limitation of the City's obligation for costs incurred by the Owner for the enhanced maintenance requirement of urban parks, including a reimbursement to the Owner of \$194,312 for prior maintenance on existing parks.

7. Provides for clarification of responsibilities for maintenance at the Crape Myrtle Park and Veterans Memorial Park.
8. Provides for dedication to the City of additional parkland adjacent to the Ballfields.
9. Provides for an additional open space/park amenity of seven (7) acres between the Columbus Realty project and the corporate/retail center south of Henneman Way.
10. Provides for the construction of Craig Ranch Parkway based on traffic needs.
11. Provides for the naming process for parks within Craig Ranch.
12. Provides for adherence to the City's existing park dedication standard for the area west of Craig Ranch Parkway (called the "Development Zone").
13. Provides for flexibility in the location of an Owner-dedicated fire station site within Craig Ranch removing any deadlines for City construction.
14. Provides for various "housekeeping" items to streamline the administration of the Agreement.

BACKGROUND INFORMATION:

- The original VCIM II agreement was entered into in 2003. As an economic development agreement, the Agreement's central intent was to provide developer incentives, primarily impact fee credits and park fee credits, in exchange for the construction of certain major segments of infrastructure in Craig Ranch. The Agreement was amended in 2005 and 2008 to address specific parcels within Craig Ranch, namely the Cooper park project, the Crape Myrtle Park, and the Craig Ranch fire station site. As the development matured and the major infrastructure was completed, development patterns, land planning, the construction of the Sam Rayburn Tollway, economic conditions and end-users have prompted the need to update the Agreement. The amended terms have been negotiated with the developer by the City Manager and staff over the last nine (9) months.

FINANCIAL SUMMARY:

- Included in Item Summary

BOARD OR COMMISSION RECOMMENDATION:

- N/A