



**TITLE:** Consider/Discuss/Act on a Chapter 380 Economic Development Agreement with McKinney Seven Stacy, LP for the Construction of the Eastbound Lanes and Bridge of Silverado Trail between Custer Road and Amon Carter Drive

**MEETING DATE:** August 5, 2013

**DEPARTMENT:** City Manager

**CONTACT:** Rob Daake, PE, Deputy City Manager  
Mark Houser, City Attorney

**RECOMMENDED CITY COUNCIL ACTION:**

- Staff recommends approval of the agreement.

**ITEM SUMMARY:**

- This item was tabled from the July 16, 2013 City Council Regular meeting.
- McKinney Seven Stacy, LP (Owner) owns the 84+/- acre tract at the southeast corner of the intersection of Custer Road and future Silverado Trail.
- The City of McKinney (the City) owns the 20+/- acre tract east of Owner's tract (Rowlett Creek Park – Ogle).
- Both the above tracts front the future location of Silverado Trail, which is shown on the attached location map.
- Owner has requested that the City enter into an economic development agreement regarding the construction of the eastbound lanes of Silverado Trail between Custer Road and Amon Carter Drive. Amon Carter Drive is just north of Ogle Elementary School. The agreement governs the following aspects of development:
  - Owner will construct two lanes of Silverado Trail adjacent to both properties, including a bridge over Rowlett Creek by August 1, 2015. The total length of the project is approximately 2,050 feet.

- The City will reimburse Owner for this construction in the form of 1) impact fee credits for construction adjacent to Owner's property and in the form of 2) cash reimbursements for the portion adjacent to the City's property.
- The estimated cost of construction of the bridge and roadway is approximately \$1,684,000.

**BACKGROUND INFORMATION:**

- The construction of this segment of Silverado Trail has been considered for many years, and it is a critical transportation connection necessary to open up commercial and residential development in this sector. This construction will create a needed link between Custer Road and Alma Road. The economic development agreement will act to expedite its completion in advance of normal development patterns. Additionally, this link serves to reduce response times from Fire Station #8.

**FINANCIAL SUMMARY:**

- A companion item (13-770) for a budget amendment to fund the provisions of this agreement is also included on this agenda. Per the proposed agreement, the maximum amount of impact fee credits will be capped at \$1,500,000; however the credits are subject to increase if cost of the project adjacent to the City's property exceeds \$574,893. The City cash contribution is capped at \$574,893.
- The aggregate amount of roadway impact fee credits and cash are above the estimated construction costs (which already include a contingency) to allow for unforeseen circumstances associated with the bridge construction as stated in the proposed agreement.
- Reimbursements and impact fee credits to Owner will be only for actual costs incurred during the construction.

**BOARD OR COMMISSION RECOMMENDATION:** None.