

22-0822



TITLE: Consider/Discuss/Act on a 2022 Amended and Restated Development Agreement and a 2022 Amended and Restated Park Development and Disbursement Agreement with Trinity Falls Holdings, LP

COUNCIL GOAL: Direction for Strategic and Economic Growth

MEETING DATE: September 6, 2022

DEPARTMENT: Development Services

CONTACT: Paul Grimes, City Manager
Michael Quint, Executive Director of Development Services
Kim Flom, Assistant City Manager
Barry Shelton, Assistant City Manager
Mark Houser, City Attorney
Jennifer Arnold, Director of Planning
Gary Graham, Director of Engineering
Michael Kowski, Parks Director

RECOMMENDED CITY COUNCIL ACTION:

- Staff recommends approval of the proposed 2022 Amended and Restated Development Agreement and the proposed 2022 Amended and Restated Park Development and Disbursement Agreement.

ITEM SUMMARY:

- The City and the Owner, Trinity Falls Holdings, LP, formally amended the Development Agreement for Trinity Falls in October 2017. From August 2020 through May 2021, City staff and the Developer, Johnson Development negotiated several amendments to the Development Agreement which address:
 1. New residential product types;
 2. Clarification of roadway design standards and Developer responsibilities for future roadway construction;
 3. Park development obligations and locations;

4. Definitions and the process for Major and Minor Modifications to the Development Agreement;
5. School sites; and,
6. Relocation of certain commercial land uses within the Development.

On May 4, 2021, the City Council approved a Term Sheet which contained all of the above amendments. At that time, staff was directed to prepare a cumulative amendment of all prior amendments to the 2012 Trinity Falls Development Agreement, which will address the foregoing and provide for an updated, reformatted agreement that incorporates 10 years of prior amendments into an Amended and Restated Development Agreement (the "ARDA"). The Amended and Restated Development Agreement will be significantly more user-friendly to City staff and the Developer. This item contains all of the above-referenced changes embodied into a 2022 Amended and Restated Development Agreement which is cumulative of all prior amendments.

Related to the ARDA is an existing park development agreement which addresses the development of the BB Owen Park in Trinity Falls. Its amendment is requested to coincide with the provisions of the ARDA. In addition, the City Manager will execute an Estoppel Letter acknowledging the completion of certain obligations under both agreements.

Development Regulations (Residential) and Relocation of Commercial Site

- The Developer has proposed minor amendments to the existing Townhome regulations that will allow for 2 attached units (from 3 units previously) and allow for modified tree planting options to address the lot sizes. Also, the amendment will allow a new residential product utilizing a "cluster" concept, or "4-Pack". This product, limited to not more than 400 units within Trinity Falls, must conform to specific standards which, among other things, require a common area shared by a group of homes. In addition, the 400 units count towards the 2000-unit limit on small lots in the Development.
- The amendment will also include the relocation of a 19-acre commercial parcel from future Hardin Boulevard (at the Collin County Outer Loop) to Trinity Falls Parkway (at the Collin County Outer Loop).

Park Sites / School Sites

- The amendment will relocate a required, 8-acre City park site from PU 7 to PU 5. This park was previously sited next to a future elementary school. The Developer and MISD have amended their agreement whereby the elementary school will no longer be constructed; however, the middle school site in PU 5 will be expanded from 20 acres to 30 acres.

Major and Minor Modifications to the Development Agreement

- The amendment will clarify what types of modification are major or minor, and a refined process for making amendments is included.

Water Infrastructure

- The proposed amendment provides for a revised Exhibit to show the new alignment of the East Water Feed.

Trinity Falls Parkway / Melissa Road Construction Timing-- Dwelling Unit Caps

- Since the 2017 Development Agreement amendment, Trinity Falls Parkway has been completed from Laud Howell Parkway to the southern entry of Trinity Falls. Consequently, the unit caps tied to its completion, as well as the caps associated with the completion of Melissa Road will be lifted. Staff feels that adequate roadway capacity exists for the continued development of lots within Trinity Falls, up through the 4500th dwelling unit. The proposed amendment also changes the time by which the Developer must commence and complete Melissa Road. The amended agreement requires that the Developer commence construction of Melissa Road in 2021 and after it amends its Development Agreement with the City of Melissa. Thereafter, the Developer must complete the Melissa Road segment on or before the issuance of the 4500th building permit in Trinity Falls.

Revised/Modified Agreement Exhibits

- The Developer has provided revised exhibits in coordination with the Term Sheet and amendments discussed above. The revised exhibits include a new overall MUD map; revised land use, thoroughfare, park phasing, 4-Pack regulations, and major infrastructure maps.

BACKGROUND INFORMATION:

- Trinity Falls is comprised of two (2) Municipal Utility Districts (MUDs) established in accordance with state law in McKinney's ETJ. The master planned community contains approximately 1,600 acres of land and has been designed to contain up to 5,200 single family residential dwelling units and some limited non-residential uses.
- The Trinity Falls MUDs are governed by a development agreement that was executed by the City of McKinney in 2006 and amended in December 2012, February 2014, November 2016, and October 2017. The 2022 Amended and Restated Development Agreement represents the fourth amendment to the 2012 development agreement which amendment is cumulative and will supersede all

prior amendments upon passage.

FINANCIAL SUMMARY:

- N/A

BOARD OR COMMISSION RECOMMENDATION:

- N/A

SUPPORTING MATERIALS:

[2022 Trinity Falls Development Agreement](#)

[Trinity Falls - BB Owen Amended and Restated Park Dev and Disbursement](#)