



CITY OF MCKINNEY, TEXAS

Legislation Text

File #: 20-0019, **Version:** 1

Consider/Discuss/Act on a Resolution Authorizing the City Manager to Execute a Roadway Impact Fee Credit Agreement with MLRP Wilmeth, LLC, for Escrowed Funds for the Construction of Two Lanes of Wilmeth Road (extending 820 Linear Feet), Serving an Approximately 24.20 Acre Tract, Generally Located on the North Side of Wilmeth Road and Approximately 250' West of State Highway 5 (McDonald Street)

COUNCIL GOAL: Direction for Strategic and Economic Growth
(1A: Establish regional and infrastructure incentives to increase economic growth)

MEETING DATE: January 7, 2020

DEPARTMENT: Development Services

CONTACT: Gary Graham, P.E., Director of Engineering
Brandon Opiela, Development Manager

RECOMMENDED CITY COUNCIL ACTION:

- Approval of the Resolution

ITEM SUMMARY:

- This item authorizes the City Manager to enter into a roadway impact fee credit agreement with MLRP Wilmeth, LLC, for the dedication of right-of-way and escrowed funds equal to the projected cost of construction two lanes of Wilmeth Road (extending 820 linear feet), generally located on the north side of Wilmeth Road and approximately 250' west of State Highway 5 (McDonald Street).
- In conjunction with the platting and development of the ML Wilmeth Addition (approximately 24.20 acres), the applicant is required to construct the northern (2) westbound lanes of Wilmeth Road adjacent to the subject property (which are roadway impact fee eligible), together with two median cuts and two eastbound left-turn lanes entering into the subject property.
- As a part of the Capital Improvements Program, the City has plans to construct approximately 2,460 linear feet of Wilmeth Road extending from 2500 east of Redbud to SH 5 as part of Project ST1723, known as Wilmeth Road Lanes 3 and 4, East of Redbud to SH 5, which includes the required portion of Wilmeth adjacent to the subject property.

- In lieu of constructing the required 820 linear foot section of Wilmeth Road, the Developer has agreed to dedicate right-of-way and escrow \$464,680.50 (an amount equal to one hundred twenty percent (120%) of the total projected cost to design and construct the roadway improvements) to be applied to the construction of Wilmeth Road by the City within Project ST1723. In turn, the agreement allows the Developer to receive roadway impact fee credits for the right-of-way dedication and escrowed funds, just as though Developer constructed the roadway improvements required to serve the property, and calculated in accordance with the Ordinance.
- The total number of roadway impact fee credits to attach to the property under the proposed agreement are 217.42 service units (approximate value of \$205,000), covering a portion of the roadway impact fees due for the proposed warehouse/office development on the subject property.
- Roadway Impact Fee Credit Agreements following the standard template language can be approved administratively. However, granting roadway impact fee credits for escrowed funds sufficient to cover the required construction of Wilmeth Road required additional language to be built into the agreement, thus requiring City Council approval.

BACKGROUND INFORMATION:

- The associated preliminary-final plat (19-0162PF) for the ML Wilmeth Addition was approved by the Planning and Zoning Commission on November 12, 2019, the associated site plan (19-0025SP) for three warehouse buildings totaling 368,840 square feet was approved on October 11, 2019, and the associated record plat (19-0211RP) was submitted to Staff on December 9, 2019.

FINANCIAL SUMMARY:

- In December of 2019, the applicant deposited \$464,680.50 with the City (this escrow amount is an amount equal to one hundred twenty percent (120%) of the total projected cost to design and construct the roadway improvements) in lieu of constructing the 820 linear foot section of Wilmeth Road, which will be applied to the Capital Improvements Program Project ST1723 known as Wilmeth Road Lanes 3 and 4, East of Redbud to SH 5.
- Upon completion/acceptance of the roadway improvements and the payment of any and all costs and expenses associated with the roadway improvements, any unused amount of the escrow amount held by the City shall be returned to Developer.

BOARD OR COMMISSION RECOMMENDATION:

- N/A