



AGENDA MEMORANDUM

Resolution for the City Council Meeting 3/16/2021

DATE: January 22, 2021

TO: Peter Zaroni, City Manager

FROM: Al Raymond, Director Development Services
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Participation Agreement with Southside Ventures III, LP

CAPTION:

Resolution authorizing a developer participation agreement with Southside Ventures III, LP to reimburse the developer up to \$91,578.18 for the City's share of the cost to construct Oso Parkway associated with a planned residential subdivision known as Cayo Del Oso Subdivision, Section 4. (District 5)

SUMMARY:

Southside Ventures III, LP is developing a new residential subdivision and is required to construct a new section of Oso Parkway. The developer has requested a developer participation agreement to extend Oso Parkway and allow the developer to continue with the planned residential subdivision's development.

BACKGROUND AND FINDINGS:

The Developer, Southside Ventures III, LP, has requested reimbursement through a developer participation agreement to construct 1080 linear feet of Oso Parkway. The new parkway street is being constructed in conjunction with a residential subdivision named Cayo Del Oso Section 4. The developer is required to construct this section of Oso Parkway in accordance with the Urban Transportation Plan to meet the requirements of a Parkway street cross section. Oso Parkway is designated as a Parkway Collector Street with 80 feet street right-of-way and a thicker pavement section than a minor residential collector. The Unified Development Code (UDC) Section 8.4.1A allows the City to participate in street construction when the street cross section exceeds a minor residential collector. The estimated one-time cost for the portion of the new street is \$91,578.18. Additionally, the portion of the street is eligible for reimbursement of the construction costs per Texas Local Government Code 212.072.

ALTERNATIVES:

This project will extend Oso Parkway as part of the regional transportation network and will provide greater access to Cayo Del Oso Section 4. An alternative to utilizing Developer Participation funds from available Bond monies to construct the required street improvements would be to construct the new street under a City initiated CIP project. This option would most likely delay the new street construction until the required funding for the street improvements could be programmed into the CIP budget, and would most likely impact the developer's ability to build out his planned residential subdivision in a timely manner.

FISCAL IMPACT:

The \$91,578.18 in funding for this developer participation agreement come from funds that have been earmarked during a City Bond initiative to improve existing or construct new City streets and other related improvements. The total estimated project cost for the Parkway Collector Street is \$305,260.60 and the difference between residential collector and parkway collector is \$96,555.83 of which the maximum amount allowed by Texas Local government code 212.072 (30%) of which will be reimbursed to the developer up to \$91,578.18 as stated above. The 2012 Bond has sufficient funds available to reimburse developers, through participation agreements, for the construction of this section of streets, other related improvements, and improvements to existing deteriorated streets in order to bring them up to current standards. This request is a one-time cost associated with the development of the project.

Funding Detail:

Fund: 3701 Developer Participation Bond 2012
Organization/Activity: 21092-3701-EXP
Mission Element: 052 Expansion of street system
Project # (CIP Only): 21092 Cayo Del Oso Subdivision. Please reference project 19001 in FY2020-2021 Capital Budget document.
Account: 550910

RECOMMENDATION:

The request is in accordance with UDC Section 8.4 City Participation in Streets and Drainage Crossings and Section 212.072 of the Texas Local Government Code. Oso Parkway, and related improvements, will provide greater access to Cayo Del Oso Section 4 and is in compliance with the Urban Transportation Plan. Staff recommends approval.

LIST OF SUPPORTING DOCUMENTS:

Resolution (with exhibits)
Presentation
Location Map