



AGENDA MEMORANDUM

Resolution for the City Council Meeting 6/15//2021

DATE: May 4, 2021

TO: Peter Zaroni, City Manager

FROM: Al Raymond, Director Development Services
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(361) 826-3575

**Amend Participation Agreement with Walker Holdings
to extend the expiration date.**

CAPTION:

Resolution authorizing 12-month extension for Participation Agreement with Walker Holdings and Development, LLC to expand, extend and construct Emory Drive, Silverado Drive, and improve Stormwater Drainage Channels for Calallen South Unit 1, a planned residential development, located on IH-69, south of Northwest Boulevard with a City participation cap of \$698,177.56. (District 1)

SUMMARY:

Walker Holdings and Development, LLC is developing a new residential subdivision named Calallen South Unit 1 and is required to construct two new C-1 collector streets and make stormwater drainage channel improvements associated with the development. The City has agreed to participate in the cost sharing of the improvements as part of an economic development initiative for the Northwest area of the City. The estimated one-time cost of the of the new streets, including curb and gutter, and the stormwater drainage improvements is \$698,177.56 This amendment will extend the agreement expiration date 12 months from July 18, 2021 to July 18, 2022.

BACKGROUND AND FINDINGS:

On July 14, 2020, City Council approved, through Resolution No. 032115, a developer participation agreement with Walker Holdings and Development, LLC, for the construction of two new C-1 collector streets named Silverado Drive and Emory Drive respectively and oversizing improvements to three storm water drainage channels in conjunction with a residential subdivision named Calallen South Unit 1. As part of an economic development initiative to incentivize residential home development in that area, the City has agreed to participate in the construction costs associated with the road and storm drainage improvements required for the new subdivision.

The street improvements for Silverado Drive and Emory Drive include constructing the streets to a C-1 Collector street standard. The City's participation starts at IH-69 and runs to the first lots in the subdivision for an estimated 618 linear-feet for Emory Drive and 632 linear-feet for Silverado Drive per the approved plans.

Walker Holdings and Development, LLC is requesting a 12-month performance date extension on the Participation Agreement to July 18, 2022. This project is currently under construction.

ALTERNATIVES:

Deny the request. This may result in project delays or cancellation.

FINANCIAL IMPACT:

The total estimated project cost for the streets and drainage improvements is \$1,948,535.33. The City's participation amount for this project is \$698,177.56 funded from an approved 2016 City Bond.

Funding Detail:

Fund: Organization/Activity:
Mission Element:
Project # (CIP Only):
Account:

RECOMMENDATION:

Staff Recommends Approval of the extension of the agreement. The agreement is helping to facilitate the build out of a residential subdivision and associated infrastructure.

LIST OF SUPPORTING DOCUMENTS:

Resolution (with exhibits)
Presentation
Location Map