

AGENDA ITEM SUMMARY

MEETING DATE: November 8, 2022

PREPARED BY: Otis T. Spriggs, AICP, Development Services Director

AGENDA CONTENT: Presentation, discussion, and possible comment on potential development project applications for 1. Stasny Ranch, 2. Austin Colony Development modifications requested by the developer, and 3. Ashland Development/Ashton Gray. Staff would like to update City Council on development statuses and agreements, and outstanding related issues. Questions will be addressed by Senior Leadership and project representatives. No action is required.

AGENDA ITEM SECTION: Regular Agenda

BUDGETED AMOUNT: None

FUNDS REQUESTED: None

FUND: None

EXECUTIVE SUMMARY:

Senior Leadership hopes to update the City Council on three (3) pending developments that are currently being processed and reviewed as outlined below.

1. Stasny Ranch Development:



STASNY RANCH DEVELOPMENT AMENITIES:

- Master Plan Community
- 300 Acre Development
- 150 Ac. industrial, 27 – 62 ac commercial, 50 ac residential, 60 Ac. parks/lakes
- 2200 potential local jobs created - 50 engineers and 50 mechanics in just phase 1
- Retail/Mixed Used Amenities along SH 288
- City Gateway signage
- Housing for new local residents

DEVELOPMENT SUMMARY/UPDATE:

Staff has met with the developer last in a D.A.W.G. meeting on Wednesday, November 2022. Below are updates provided by the developer, outline what recent activities and changes to the working agreement being drafted.

Note that the Senior Leadership Team, Legal Council and our bond counsel, are still fine-tuning various details. The following Scope of work update was provided by the developer.

Stasny Ranch—Brazoria MUD 76

- The developer desires to bring a quality Live /Work / Play development to the City of Angleton (see Land Plan attached).
- Currently, Brazoria County Municipal Utility District No. 76 (“MUD 76”) is created over approximately 304 acres (the “Property”) that is in the City’s extraterritorial jurisdiction (“ETJ”) and would be expanded to approximately 331 acres. An ETJ MUD would levy a MUD tax rate over the property and MUD residents would not pay City ad valorem tax and only pay a MUD tax rate. Additionally, the City would not capture any ad valorem value because the MUD is not located within the corporate boundaries of the City.
- The Developers for MUD 76 are proposing to partner this development with the City. Within 60 days of closing on the Property, the Developers would petition to annex the Property into the City limits. The City’s ad valorem tax rate (\$0.618760 per \$100 of assessed value for 2022) would apply to the residents, as would the MUD tax rate (estimated cap of \$0.88 per \$100 of assessed value). The City would capture the ad valorem value in this case.
- The Developer would construct public improvements (“Public Improvements”) to the design standards of the City, which would be conveyed to the City upon completion for ownership and operation. Public Improvements could include water and sewer plant expansion or new construction, HWY 288 feeder road construction, collector road construction, trunkline extensions, water and sewer lines, drainage, power upgrades, internal roads, and park facilities.
- The Developer is currently in negotiations with a potential large industrial user (the “Industrial User”). The Industrial User is considering acquiring an approximately 160-acre tract within the Property. The Industrial User has stated that it expects to employ 2,200 permanent employees on its campus. This would make the Industrial User the second largest private employer in Brazoria County (according to the County’s 2021 audit).

- In exchange for annexation into the City limits, the City would agree to rebate 75% of the City's tax rate only over the Property back to MUD 76 using a Chapter 380 Agreement.
- The 380 would then pledge such rebate to the debt service on bonds issued by MUD 76 to reimburse the Developer for Public Improvements.
- Of course, with the Property inside the City limits, we would follow City zoning ordinances and request a Planned Development to discuss any zoning variances this development would require.
- The Development would need assistance from the City on right-of-way for the portion of the collector road that runs through City property.
- The Development would meet the City's parkland dedication or payment in lieu of dedication requirements.
- A location for a City of Angleton Gateway Monument would be conveyed to the City.
- The City would not only get the benefit of 25% of this development's value and tax base until the debts were retired, but the City would also capture all of the Sales and Use tax generated on MUD 76 and water and sewer revenue. Logically, the City would not receive any ad valorem benefit if the MUD remained in the ETJ and developed in the City's ETJ.
- Finally, through consent and a Development Agreement, the City can determine when to dissolve the MUD and obtain 100% of the tax base once the debt is retired.
- We understand that our short time frame is not the City's issue. To complete the purchase of the Property and ensure this development has a chance for securing the Industrial User, we need City commitment on 6 major points. We understand the City Staff and our consultants can then complete the paperwork in early 2023. The development is seeking some level of concurrence from the city on the following deal points in a Development Agreement:
 1. Consent to the in-city MUD concept
 2. Approve the attached Master Land Plan with industrial, single-family, multi-family and commercial use subject to a Planned Development Agreement
 3. Commit to a 75% rebate of the City tax rate to the MUD in a 380 Structure to reimburse the Developer for Public Improvements
 4. A zoning variance to allow 50-foot lots for single family homes
 5. Approval of at least 300 multi-family units
 6. Grant or assist in obtaining right-of-way if needed for collector to connect to Anchor Rd.

Senior Leadership is currently reviewing the revised development agreement with Legal Counsel and our Bond Counsel. Parkland Dedication details will be needed in order to determine compliance with the code of ordinances as it relate to active public park land and use, as well as other land development issues that relate to land use compatibility, design standards, etc.

2. Austin Colony Development modifications requested by the developer

Mr. Sandy Rhea attended the D.A.W.G. meeting on October 12, 2022 and presented a development plan and noted changes he is interested in making:

Change 1: Modify Austin Colony Boulevard which is a no-loaded road with no houses facing it on the approved Land Plan. Mr. Rhea would like to convert the Austin Colony Blvd. roadway into an

internal subdivision street which enter off County Rd. 44.

(Entrances would be off of Cty. Road 44 into Section 1, and Section 3, with a through street off of Tigner St., which is a 4-lane divided with a median road to eventually extend to Cty. Rd. 44.

Mr. Rhea noted that there is too much traffic planned to go through the subdivision. Section 1 A will have Austin Colony as a cul-de-sac street, with 50 ft. lots.; Section 1B will be 50, 40 ft. lots. (Section 1 A & 1 B will replace Section 1, which originally had 100, 50-ft. lots). Section 1A will be built first. Once he builds Section 2a, there will be 2 exits (2 entrances will be required over 30 lots; developer may request a variance to allow 50 lots.). (Note that some detail may be within the DA to phase in the 50 ft. lot areas or areas exceeding the 30 ft. max, until the main thoroughfare is completed).

Mr. Rhea noted that Section 1a, and 1b will be built first. Sections 2a & 2b are 55 ft. lots. Then Section 3 will be built; they would then extend Tigner Street to the north entrance of Section 3.

There are 540 lots in the original. It may increase according to Mr. Rhea (without increasing the 50's and 55-ft lots. They will be 60's).

(Note the Park Fee In Lieu fees were originally calculated based on 540 lots).

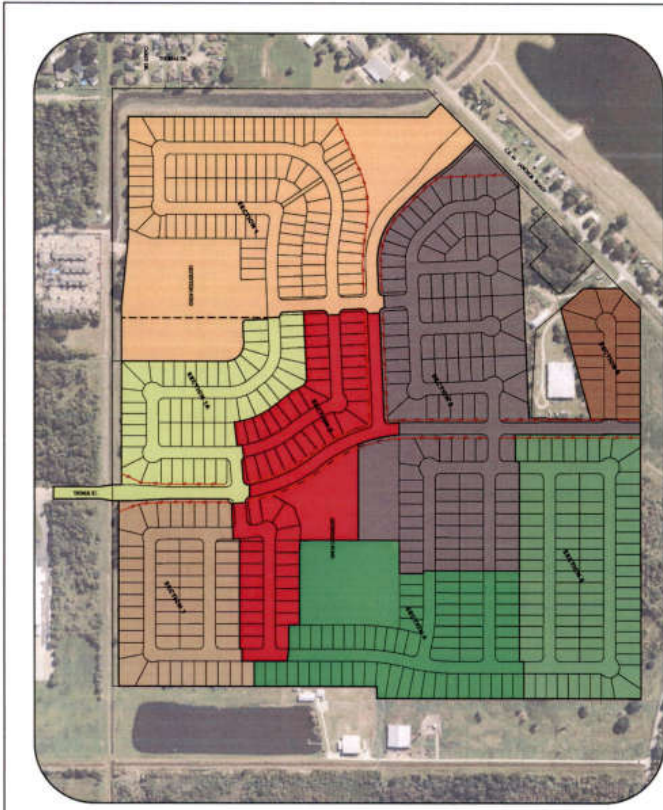
Developer is asking for an amendment (D.A.) to the sequence by which things will be built (Phasing map will change).

Legal Counsel requested that the developer send in writing the details, in order to determine whether or not the obligation would play into the need for Council approval, whether or not an amendment to the DA (a binding contract) is needed (which would also require Council approval). We will then review it with the bond counsel to determine what needs to be updated.

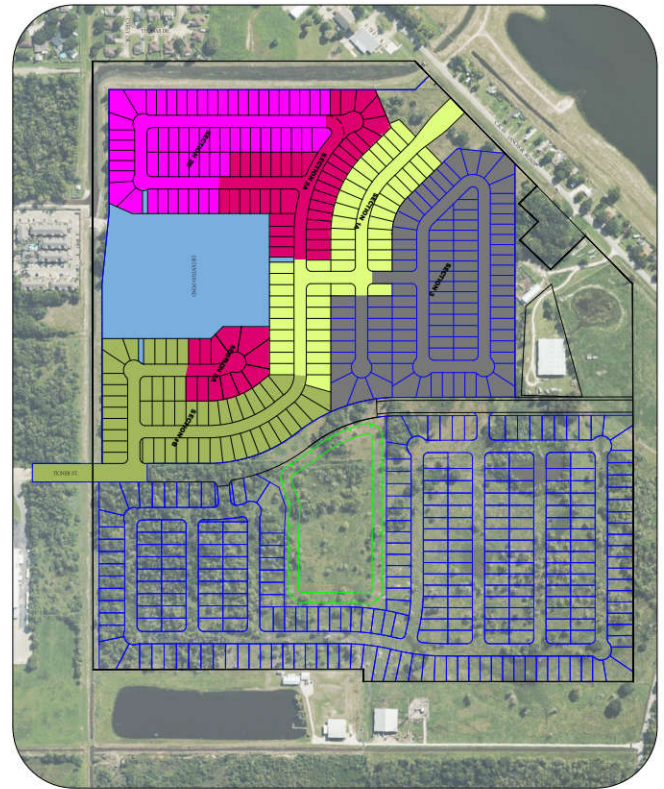
Mr. Sandy Rhea reiterated that he is asking to amend that portion of the development agreement that deals with Austin Colony. We do not want to redo the PID.

Mr. Sandy Rhea stated that the builders are requesting to get rid of Austin Colony Boulevard.

Legal reiterated that the 'Boulevard' was a major component or condition of the Council that induced them to agree upon the Development Agreement.



Land Plan approved with the PD Ordinance



Land Plan approved submitted at DAWG 10/12

SECTIONS AND LOT SUMMARY CHART				
Section	Lot Width 50 Feet	Lot Width 55 Feet	Lot Width 60 Feet	Section Lot Total
1	100 Lots			100 Lots
1A		53 Lots		53 Lots
2		34 Lots	21 Lots	55 Lots
3		12 Lots	99 Lots	111 Lots
4		65 Lots	Lots	65 Lots
5		55 Lots	30 Lots	85 Lots
6			16 Lots	16 Lots
7			55 Lots	
Lot Size Total	100 Lots	219 Lots	221 Lots	540 Lots
Size %	18.5%	40.5%	41%	100%

Lot Summary Chart approved with the PD Ordinance, 2/2022

Key Points:

Austin Colony subject to a Development Agreement, A Planned Development Zoning District (ORD_20220222-016_2_22_2022), a Public Improvement District (PID), approved subdivision plats, and Land Development Code requirements such as Parkland Dedication requirements based on the original lot count, Community Fencing along the Boulevards, road circulation and emergency access requirements, etc.

3. Ashland Development/Ashton Gray

ASHLAND DEVELOPMENT AMENITIES:

- Master Plan Community
- 1,879 Traditional Residential Lots
- 188 Specialty Residential Lots
- 8.2 Acres Commercial
- 15.1 Ac Elementary School
- 2.7 Ac. Day Care
- 5.1 Director Lots
- 243.1 Ac. Parks, Recreation, Opens Space
- 32.7 Ac. Utilities/Easements
- 58.7 Ac. Thoroughfare/Streets
- Project Total: 879.9 Ac.
-

Ashland Development: Ashton Gray

Development – Phase I (169.7 acres) of 900-acre Angleton Tract.

Major changes to the DA agreement since the last Council presentation include:

- We have provided a detailed park plan instead of the one-pager previously provided, and updated the language in the DA to reflect our discussions from the DAWG meeting.
- Language regarding fire station site, sign location, etc.
- Language prohibiting us from developing the land along SH288 for 3 years as we try to work out the frontage road agreement with TxDOT.
- More specific language on building materials and obligation to develop master building material schedule for commercial prior to development
- Prohibition on rental communities
- We have asked for 4 modifications to the Development Code. We have tried to keep those to high level items that do not negatively impact the City but do make land planning easier on our end.

Proposed Modifications/Variances for Ashland Development are listed below:

The City Council shall approve subdivisions that have more than 30 lots, but fewer than 150 lots , with a single entrance to a paved public street provided that such a connection to an existing paved public street is designed as a boulevard with a width sufficient on each driving lane for fire truck access, with an unbroken median length of 100 feet, unless left turn lanes and median breaks, designed to ACM standards, are installed at any crossing streets. Connectivity to future development shall qualify as a second point of access.
Blocks shall generally not exceed a length of 1,400 feet except where property is adjacent to arterial streets, railways, waterways, drainage channels, detention ponds, parks, nature preserves, wetlands, pipelines, incompatible uses, or along overall development boundary.
Ashland Land Development Code & Zoning Variances
Turnarounds are required for partial streets or half streets only if they exceed 150 feet in length.
A site plan shall be required for any SFA development, or for any other type of development in the SFA district that will include: 1) a private amenity or facility comprised of one or more buildings (such as a private recreation/swimming facility, clubhouse, etc.); 2) a golf course; and/or 3) a gated (restricted access) entrance into the development. In these instances, site plan submission and approval will be required for these elements (a site plan showing the entirety of the proposed subdivision is not required). Site plan submission and approval shall be in accordance with subsection 28-63(d), but shall not require a public hearing as required by subsection 28-63(d)(5).

Senior Leadership is currently reviewing the revised development agreement for Ashland Development with Legal Counsel and our Bond Counsel. Parkland Dedication details will be needed in order to determine compliance with the code of ordinances as it relate to active public park land and use, as well as other land development issues that relate to land use compatibility, design standards, etc.

(Land Plans are attached)

RECOMMENDATION:

Staff recommends that the City Council hold discussions and receive updates.