

To: City of the Village of Douglas City Council
Date: November 13, 2024
From: Sean Homyen, Planning & Zoning Administrator
RE: Westshore PUD – Approval of Fund Release from
Escrow for Trailway System and Boardwalk
Construction at Westshore PUD



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Background. The Westshore PUD, approved in 2012, requires non-motorized pathways for public and resident use, as outlined in Article 27 of the City’s Zoning Ordinance. While exterior pathways along Ferry and Center Streets are complete, the interior pathways, boardwalk, additional landscaping, and meeting the requirements of the buffer zone remain unfinished.

At the June 13, 2024 Planning Commission meeting, the recommendation was forwarded to City Council, with one member abstaining. The Planning Commission voted to forward a recommendation to City Council for all proposed pedestrian pathway to remain public in designation. The motion did not address the proposed locations of the pathways. A follow-up meeting revealed that the July 25, 2012 plan set, essential part of the Westshore PUD, had not been considered by the Commissioners and that the public-private designations were already established.

At the July 1, 2024 City Council meeting, the developer provided background and clarification based on the information reviewed during the follow-up meeting regarding the public-private designation. After discussion among Council members, the public, and the Planning & Zoning Administrator, the request to amend Ordinance 03-2012 to modify the public/private designation of the interior pathways was denied. However, the request to amend and finalize to locations of the internal non-motorized public-private pathways were approved with additional conditions.

The project has now reached a stage where the developer is requesting a 50% upfront deposit of \$47,876 to begin boardwalk construction, along with the release of \$183,000 for trail construction, \$17,000 for the tree installation, and estimated \$25,000 to \$30,000 for the additional work for the shrub removal, fence construction, trail signage, and finalization of the easements.

Boardwalk Request. At the November 18, 2024, City Council meeting, the developer, BDR, is requesting the release of funds from the escrow account to cover the 50% upfront deposit required by the contractor, DK Construction, for the construction of the boardwalk. The total project cost for the boardwalk is \$95,752, and DK Construction requires a 50% deposit, amounting to \$47,876, for the purchase of materials and initiation of construction. The developer and contractor have agreed to proceed with construction once the plans are approved by the City Engineer. The developer intends to start construction of the boardwalk within the next two weeks, contingent on the release of the funds and City Engineer approval.

Trail Request. Additionally, the developer is requesting the release of funds for the construction of the interior non-motorized trails. This includes work by 28 Specialties for the crushed gravel portion of the trails, building retaining walls, and removing old materials from the golf course. The estimated cost of the work is \$183,000, and the developer intends to start this portion of the work in two weeks. The developer requests the release of funds to cover subcontractors' bills within 30 days of the completion of work.

Landscaping and additional work request. Lastly, the developer is requesting the release of funds, estimated between \$25,000 and \$30,000, for landscaping. This includes tree installation, shrub removal, construction of a new fence at 723 Golfview Dr, trail signage, and finalization of the easements.

Escrow Account Status. The escrow account currently has a balance of \$388,000. After the release of the requested deposit, the remaining balance will be \$115,124 or \$110,124 based on the information that was provided to me at the time, when the trails have been completed.

Conditions. The funds for boardwalk construction will be released only upon approval of the boardwalk plans by the City Engineer, which were submitted for review on November 12, 2024. Funds for trail construction will be released upon completion and passing inspection by the Planning & Zoning Administrator and the City Engineer. Funds for landscaping and additional work will be released once those tasks are completed and inspected by the Planning & Zoning Administrator.

Recommendation. Staff recommends that the City Council approve the release of \$47,876 (50% of the boardwalk project cost) from the escrow account to the developer as an initial deposit for boardwalk construction. This will allow the contractor to purchase materials and begin work. Additionally, staff recommends that the requested funds for trail construction be released upon completion of the work and successful inspection by the Planning & Zoning Administrator and the City Engineer. Funds for landscaping will be released upon completion of the landscaping work and successful inspection by the Planning & Zoning Administrator. After speaking with the developer, it should be noted that the estimated costs for trail construction, landscaping, and other associated work may vary as we approach the meeting

Motion. Motion to adopt Resolution No. 27-2024 and approve the release of funds as follows:

1. \$47,876 (50% of the boardwalk project cost) from the escrow account, upon approval of the final project plans by the City Engineer, to cover the developer's initial deposit.
2. \$183,000 for the construction of the trails, to be released upon completion and final inspection by the Planning & Zoning Administrator and the City Engineer.
3. \$25,000 to \$30,000 for landscaping and additional work (including tree installation, removal of shrubs, and construction of a fence at 723 Golfview Dr.), to be released upon completion and final inspection by the Planning & Zoning Administrator.
4. The estimated costs for trail construction, landscaping, and additional work may vary as the project progresses, and the release of funds will be adjusted accordingly.

