



## INTERIM TOWN MANAGER

**To:** Mayor and Town Council

**From:** Ron K. Patterson, Interim Town Manager

**Through:** NA

**Re:** Development Agreement for Park Land and Hike & Bike Trail Easement

**Town Council Meeting – September 27, 2022**

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### **Agenda Item:**

Consider and act upon approving a Development Agreement by and between the Town of Prosper ("Town"), Texas, 310 Prosper, L.P. and 55 Prosper, L.P. (collectively "Owners") regarding the dedication of park land and a hike & bike trail easement; and authorizing the Interim Town Manager to approval final exhibits and execute all related documents for the same. (RKP)

### **Description of Agenda Item:**

The Town has been working for some time to create a park/recreation presence on the far east side of the community with the following goals in mind:

- Creation of a useable Town park and recreational area;
- Creation of bona fide plan for such park and recreational area that can be formally adopted;
- Submission of adopted plan to TxDOT triggering the requirement for a "4f Environmental Assessment" related to the proposed alignment of the U.S. 380 Bypass.

The staff has been working with the representative of the property on which the proposed park land and hike & bike trail easement would be located for the creation of the above referenced park/trail. We have arrived at a proposed Development Agreement ("Agreement") which is being presented herein for the Council's consideration. The general terms of the proposed Agreement are as follows:

- Property Owner(s) to convey 3.5± acres of useable land for park / recreational uses (the "Park Property") – **Exhibit A of Agreement**
- Property Owners to convey an additional 2.3± acre easement for a hike & bike trail – **Exhibit B of Agreement**
- Park Property will be restricted to Park/Recreational uses as defined within the Agreement – **Section 3 of Agreement and 4<sup>th</sup> paragraph of Deed (Exhibit C)**
- Owners & Town agree on property and easement value of \$1,754,000 – **5<sup>th</sup> WHEREAS of Agreement**

- Town to convey Park Dedication Credits [no cash] equal to the above value (\$100,000 per acre equates to 17.54 acres of credit – split between the two owners) – **6<sup>th</sup> WHEREAS of Agreement**
- Town will cap the Park Dedication to current requirements; this cap is limited to only properties owned as of the date of the Agreement and with the defined area within the Agreement – **Section 2 of Agreement**
- Owners may transfer Park Dedication Credits; such transfer is limited to only area defined within the Agreement – **Exhibit D of Agreement**
- Owners to develop, at its expense and in coordination with Town staff, a park and Hike / Bike Trail Concept Plan; this will be the document the Town can adopt to formalize the Park – **Section 4 of Agreement**

Staff believes this proposed Agreement meets the goals outlined above. The Agreement accomplishes these goals while –

- Resolving –
  - Town will not own the pond located on property adjacent to the park property.
  - Cut and fill issue related to road development.

In full transparency this proposed Agreement **does NOT guarantee** –

- (i) The TxDOT realignment of the proposed U.S. 380 Bypass. There is no way for staff to provide such a guarantee, but it is believed this Agreement provides a significance step towards seeking the “4f Environmental Assessment”. The Agreement also provides for the future development of a park and trail system around the adjacent pond assuming the Bypass is rerouted; and
- (ii) The Collin Storm Water Control District (CSWD) and/or TCEQ will approve the trail across the dam portion. However, in my discussions with the CSWD they are open to the possibility and simply want to see plans and specifications when the time is appropriate.

**NOTE:** *You will note in your review of the proposed Agreement there are some exhibits inserted that are “Placeholders”. This is due to the fact that the Owners need time to have them created by surveyors, etc. –*

- **Exhibit A** – *Property Description (this is for park tract)*
- **Easement Exhibits** – *Legal Description and Depiction (this is hike and bike trail easement around the pond)*
- **Deed Exhibits** – *Legal Description and Permitted Exceptions (this is for the park tract)*
- **Exhibit D** – *Park Dedication Credit Assignment Area*
- **Exhibit E** – *Park Dedication Cap Properties*
- **Agreement and Exhibits** – *the final acreages and values will be determined once the surveys are complete.*

*Due to the need for some time to prepare these final documents, Town staff will recommend approval of the proposed Agreement subject to authorizing the Interim Town Manager and Town Attorney to review and approve the final exhibits to the Agreement subject to such exhibits substantially conforming to the place holder exhibits currently in the attached Agreement and further authorizing the Interim Town Manager to execute such Agreement.*

**Budget Impact:**

There is no direct cash or debt outlay related to the proposed Agreement. There will be an opportunity cost related to the Park Dedication Credits which has a value of \$1,754,000. Additionally, once the Town is ready to begin development of this park and trail it will need to allocate funds for this project.

**Legal Obligations and Review:**

Town Attorney, Terrence Welch of Brown & Hofmeister, L.L.P., has reviewed the agreement as to form and legality.

**Attached Documents:**

1. Development Agreement

**Town Staff Recommendation:**

Town staff recommends approval of the proposed Agreement subject to authorizing the Interim Town Manager and Town Attorney to review and approve the final Exhibits to the Agreement further subject to such Exhibits substantially conform to the place holders currently in the attached Agreement.

**Proposed Motion:**

I move to authorize the Interim Town Manager to execute a Development Agreement by and between the Town of Prosper, Texas, 310 Prosper, L.P. and 55 Prosper, L.P. regarding the dedication of park land and a hike & bike trail easement and authorizing the Interim Town Manager and Town Attorney to review and approve the final exhibits to the Agreement subject to such exhibits substantially conforming to the place holder exhibits currently in the attached Agreement and further authorizing the Interim Town Manager to execute such Agreement.