



ENGINEERING SERVICES

To: Mayor and Town Council

From: Hulon T. Webb, Jr., P.E., Director of Engineering Services

Through: Mario Canizares, Town Manager
Chuck Ewings, Assistant Town Manager

Re: Development Agreement – Safety Way
(Blue Star Allen Land)

Town Council Meeting – November 28, 2023

Strategic Visioning Priority: 1. Acceleration of Infrastructure

Agenda Item:

Consider and act upon authorizing the Town Manager to execute a Development Agreement between Blue Star Allen Land L.P., 701/709 Stadium Drive LLC, and the Town of Prosper, Texas, related to the construction of Safety Way.

Description of Agenda Item:

On July 19, 2022, the Town Council approved the attached Memorandum of Understanding (MOU) with Blue Star Allen Land L.P., which requested the extension of Safety Way as a public street from Cook Lane to the east adjacent to the existing Public Works facility be allowed with the following considerations:

- Town to dedicate a portion of Town-owned property for the southern portion of Safety Way
- Town to participate in funding 50% of the construction cost for the extension of Safety Way
- Blue Star to work with the Town on locating a regional retention pond that would be partially located on property owned by Blue Star south of the future joint Parks and Public Works facility and north of future Fifth Street

Since the MOU is a non-binding agreement that only outlines the general understanding of the parties, the attached Development Agreement provides the necessary required written agreement to formalize the terms in the MOU. In addition to the terms outlined in the MOU above, the proposed Development Agreement includes the following considerations:

- Blue Star to dedicate, at no cost to the Town, the ROW for Fifth Street from BNSF Railroad to Cook Lane
- If Blue Star elects to construct Fifth Street from the BNSF Railroad to Cook Lane as part of the development that of the property that encompasses Fifth Street, then the Town and Blue Star will enter into a Development Agreement for cost participation
- If Town desires to construct Fifth Street prior to Blue Star's development of the property that encompasses Fifth Street, the construction costs will be at the Town's sole expense

Budget Impact:

The estimated total construction cost for the extension of Safety Way is \$1,250,000. Per the Development Agreement, the Town will fund fifty percent (50%) of the construction costs. There is \$800,000 allocated in Account No. 750-6610-10-00-2303-ST for the Safety Way (Cook – Technology) project.

Legal Obligations and Review:

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

Attached Documents:

1. Memorandum of Understanding
2. Development Agreement

Town Staff Recommendation:

Town staff recommends that the Town Council authorize the Town Manager to execute a Development Agreement between Blue Star Allen Land L.P., 701/709 Stadium Drive LLC, and the Town of Prosper, Texas, related to the construction of Safety Way.

Proposed Motion:

I move to authorize the Town Manager to execute a Development Agreement between Blue Star Allen Land L.P., 701/709 Stadium Drive LLC, and the Town of Prosper, Texas, related to the construction of Safety Way.