
MEMORANDUM

TO: S. Kent Anderson
FROM: Landon Parker
SUBJECT: Facilities Agreement Summary
DATE: February 15th, 2017
CC:

EXECUTIVE SUMMARY

This memorandum concerns the facilities agreement pertaining to the development of the Heatherwood Addition in McKinney, Texas. This agreement was the subject of negotiation between the developer, J. Baker Corporation, and the City of McKinney, focusing on the dedication of facility upgrades and the payment of fees concerning various elements of these upgrades. The topics concerned are described below in list format that reviews the final details of the agreement between the two parties.

SUPPORTING ARGUMENTS

- **Right of Way (R.O.W.) Dedication for Roads**
 - **The developer shall dedicate ½ the ultimate R.O.W. width for FM 1461 or “Lake Forest Drive” and CR 161 or “Wilmeth Road”**
 - **The developer shall dedicate offsite segments of both of these thoroughfares that is under separate ownership**
 - **The developer shall dedicate all of the ultimate R.O.W. of CR 163 or “Bloomdale Road” that is adjacent to the property**
 - **Thoroughfare construction shall be in accordance with the Subdivision Ordinance and Street Design Standards from the City of McKinney**
- **On-site and Off-site Utility Lines**
 - **Sanitary Sewer**
 - **Developer shall construct or contract to construct all sewer lines**
 - **If oversized lines are required to serve property, developer is responsible for this construction**
 - **Oversize requirements to be determined by the City of McKinney Engineering Department**
 - **Requirements based on design slope, drainage basin size, and capacity of surrounding development**

- **Water**
 - **Developer shall construct:**
 - **36” water line along FM 1461 or “Lake Forest Drive” and CR 161 or “Wilmeth Road”**
 - **16” water line along CR 123 or “Bloomdale Road”**
 - **Water line construction is to be approved by the City Engineer**
 - **Water line construction is to occur during platting to ensure water availability**
 - **Developer may receive pro rata fee reimbursement**
 - **Developer must provide water study if exiting utilities are inadequate**
 - **Upgrades to existing system must not negatively affect future developments**
 - **Developer may elect to construct required off-site water line**
 - **Developer will be reimbursed 100% by the City**
 - **City can reject Developer’s pricing for this construction**
 - **Developer shall obtain easements for this construction in good faith negotiation**
 - **City may use Eminent Domain to obtain easements if Developer is unable to do so**
- **Pro Rata Fees for Existing Utility Lines**
 - **If Developer utilizes off-site facilities, Developer will be charged pro rata fees for ½ of the construction and engineering costs of a maximum 12” diameter line**
 - **If Developer elects to construct such lines, City agrees to collect pro rata fees when affected properties are developed**
 - **Developer shall submit final costs prior to final acceptance**
- **Proportionality/Impact Fees and Credits for the Residential Areas**
 - **No fees shall be assessed, charged, or owed on the residential property development**
 - **Dedication of R.O.W. by Developer to City shall be considered compensation for Proportionality/Impact Fee for the residential development only**
 - **City acceptance of roadway construction shall be considered compensation for Proportionality/Impact Fee Credit for the residential development only**
- **Proportionality/Impact Fees and Credits for the Commercial Areas**
 - **Developer shall pay Cash Contribution of \$250,000 to run with the land**
 - **Cash Contribution shall be used toward the construction of portions of adjacent roadways**

- **Proportionality/Impact Fees shall be covered by Cash Contribution that would otherwise be charged to the commercial property**
- **Commercial tract shall not receive credit for R.O.W. dedication of adjacent sections**
- **Once Cash Contribution funds are expended, additional Proportionality/Impact Fees may be due by Developer**
- **NCRS Lake Improvements**
 - **Developer shall pay to the City the cost to upgrade adjacent NCRS requirements proportional to property's share**
 - **Cost will be determined by drainage study provided by the City**
 - **Property's cost is determined by the acreage of property in the drainage area**
 - **If study is not complete, Developer will be subject to pay based on estimate**
 - **Developer will be reimbursed for overages once study is complete, or Developer will be charged shortages once study is complete**

CONCLUSION

The included details are agreed upon by both parties involved and serve as the Facilities Agreement for the Heatherwood Planned Development with the City of McKinney, Texas, going into effect May 3rd, 2004.