



## Legislation Details (With Text)

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<b>Title:</b>	Resolution - A Resolution Amending the Chapter 380 Economic Development Agreement Between the City of Mansfield and HPC Somerset Development Corporation for Infrastructure and Improvements Within and Related to the Somerset Development				
<b>Sponsors:</b>	Joe Smolinski				
<b>Indexes:</b>					
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<b>Attachments:</b>	1. Hanover - Somerset 380 Agreement - Amendment 2.27.pdf, 2. Hanover - Somerset 380 Agreement - Amended Exhibit D - Eligible Public Improvements, 3. Hanover - Somerset 380 Agreement - REDLINE Amendment 2.27.pdf, 4. Hanover - Somerset Amended 380 Agreement - Resolution				

Date	Ver.	Action By	Action	Result
2/27/2017	1	City Council	Approved	Pass

Resolution - A Resolution Amending the Chapter 380 Economic Development Agreement Between the City of Mansfield and HPC Somerset Development Corporation for Infrastructure and Improvements Within and Related to the Somerset Development

Consider the attached emendments to the 380 agreement between the City and HPC Somerset Development Corporation

Staff was contacted by the developer about unanticipated costs associated with off-site sewer improvements. The developer requested that the City increase the original incentive by approximately \$700,000. Staff denied the request, as the total incentive had already been defined in the original agreement. The developer then requested that \$550,000 of the improvements be paid for by the City up front and deducted from the Phase III incentive.

The developer had been in negotiations with TxDOT over upgraded traffic signals/poles at the intersection of HWY 360 and US 287. TxDOT granted their approval and identified the additional cost of the improvements at \$212,000. Due to the increased cost of the sewer improvements the developer was unable to make the upgrades to the signals/poles. The developer requested that the \$212,000 be paid for by the City up front and deducted from the Phase III incentive.

Phase I incentive was originally capped at \$5,600,000 for on and off-site water and sewer improvements, engineering costs, and inspection fees. If the requested amendments are approved by the city council, the Phase I incentive would be capped at \$6,362,000.

Phase II incentive was originally capped at \$2,000,000 and would not change if the agreement is amended as proposed.

Phase III incentive was originally capped at \$2,300,000 and, if amended as proposed, would be reduced to \$1,538,000 and capped.

The total incentive for Phases I, II, and III would not change.

Modifications to the Phase I Public Improvements and Private Phase I Amenities have also been requested due to delays getting the off-site sewer improvements installed. Staff agrees that the delays are legitimate and the result of the developer's efforts to make sure that the improvements meet Trinity River Authority's standards.

If the amendments are approved by the city council as proposed, the following dates would change:  
Completion of on and off-site water and sewer would be delayed by 5 months (December 31, 2017 to May 31, 2018)  
Completion of the private amenities for Phase I would be delayed by 5 months (June 30, 2018 to November 30, 2018)  
\$550,000 for off-site sewer improvements paid for from the Utility Fund and reimbursed from ad valorem tax revenue in Phase III  
\$212,000 for upgraded signal/poles at the intersection of HWY 360 and US 287 paid for from the Street Bond Funds and reimbursed from ad valorem tax revenue in Phase III  
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