


MEMORANDUM

January 6, 2009

TO: Board of Mayor and Aldermen

FROM: Eric J. Gardner, P.E., Director of Engineering
Eric S. Stuckey, City Administrator 
David Parker, City Engineer

SUBJECT: Road Impact Fee Offset Agreement with Crescent Resources

Purpose

The purpose of this memorandum is to provide the Board of Mayor and Aldermen (BOMA) with the information necessary to render a decision as to the approval for the proposed Road Impact Fee Offset Agreement with Crescent Resources.

Background

The proposed Road Impact Offset Agreement was originally brought before the CIP Committee in July 2009. The appraisal that was used to determine the value of the offset agreement was completed in September 2008. Crescent Resources requested that the property appraisal be updated, then requested that the agreement be withdrawn from consideration until such time that the appraisal got updated.

Construction plans for the improvement along McEwen Drive (Phase 3) are currently being finalized. Rights-of-way and easements are currently being acquired. Crescent Resources has previously dedicated ROW and easements through the recording Franklin Crest final plat. Approximately, 1.73 Acres of ROW acquisition from Crescent Resources is still needed for the proposed improvements to McEwen Drive. Of this required ROW, staff has determined that 1.59 Acres will be eligible for Road Impact Fee Offsets.

At the June 23, 2009 BOMA Special Meeting, the Board approved the declaration of surplus property located on the northeast corner of the intersection of Carothers Parkway and McEwen Drive. Staff is proposing to swap this 0.85 Acre property with Crescent Resources to offset some of the cost for acquiring the 1.73 Acres of ROW. In addition to swapping property, Crescent Resources has also asked for the City to install four six-inch conduits across McEwen Drive for their future use when connecting to an existing electrical line that is located on the south side of McEwen Drive. The estimated cost for installing the conduit is \$15,000. Finally, Crescent Resources has asked that they be allowed to modify the stormwater detention pond that the City will be installing as part of the McEwen Drive Phase III project for their use when developing their property. Staff believes that this would be a good way to limit the number of stormwater ponds in the area and sees this as a benefit to the City as Crescent Resources would then take over the maintenance of the pond.



Financial Impact

Eligible ROW for Offset	\$ 273,578.00
Permanent Easements	\$ 28,688.00
Surplus Property	\$(190,000.00)
Installation of Conduit	<u>\$ (15,000.00)</u>
TOTAL	\$ 97,266.00

Recommendation

Approval of the Road Impact Fee Offset Agreement with Crescent Resources as presented is recommended.

ROAD IMPACT FEE OFFSET AGREEMENT
COF Contract No.: 2009-0040

This contract between the **City of Franklin, Tennessee** ("City") and **Crescent Resources** ("Developer"), entered into on this the ____ day of _____ **2010**, pursuant to Section 16-417 of the Franklin Municipal Code.

WHEREAS, the City plans to construct the portion of McEwen Drive from Carothers Parkway to Cool Springs Boulevard located on the east side of the City in Williamson County, Tennessee and named McEwen Drive, Phase III (hereinafter called the "Project"); and

WHEREAS, the Project is being designed and constructed by the City utilizing a design Consultant and a Contractor, and the City will be responsible for managing the Project and disbursing the funds allocated for its completion and shall be bound by the terms and conditions stated therein; and

WHEREAS, the construction of the Project requires rights-of-way and easements to be acquired from the Developer, consisting of 1.7280 acres for rights-of-way, 0.9527 acres for permanent utility and stormwater easements, and 0.3563 acres for temporary construction and slope easements; and

WHEREAS, the City will construct a stormwater detention pond on the Developer's property as part of the Project; and

WHEREAS, the total area of right-of-way and permanent easements required from the Developer that is eligible for offsets is 1.59 Acres and .9528 Acres respectively; and

WHEREAS, the Developer has been required by Middle Tennessee Electric Membership Corporation to create a loop in the electrical system by connecting to the existing electrical lines on the south side of McEwen Drive; and

WHEREAS, the City owns 0.875 Acres of property ("Surplus Property") located on the northeast corner of the intersection of McEwen Drive and Carothers Parkway that has been declared surplus property as approved on June 23, 2009 as part of Resolution 2009-19 more specifically identified in Exhibit A; and

WHEREAS, the Developer has an approved Concept Plan for the development known as Resource Centre ("Developer Property") which is comprised of two undeveloped tracts of land known as Resource Centre East Tract (36.566 acres) and Resource Centre West Tract (70.974 acres). The approved Concept Plan includes 1,971,000 square feet of commercial, retail and office use plus a 250 room hotel.

WHEREAS, the City has had both the Developer Property and Surplus Property appraised by Boozer & Company, P.C. on November 6, 2009; and

WHEREAS, the Developer has made application to offset all of the applicable costs of right-of-way dedication against any impact fees due, and the amount of such eligible costs, and potential offset, was determined by the Road Impact Fee Administrator (City Engineer) on July 1, 2009, to be \$97,266, including the conveyance of the rezoned Surplus Property by the City.

NOW, THEREFORE, the City and the Developer, their successors and assigns, do hereby agree as follows:

1. The foregoing recitals are incorporated into this Agreement and made a part thereof.

2. The Developer will dedicate all rights-of-way and easements necessary for the City to construct the Project as depicted on Exhibit B. The density approved on Developer's Concept Plan shall remain 1,971,000 square feet of commercial, retail and office use plus a 250 room hotel after dedication of all rights of way and easements.
3. The City will convey the Surplus Property by instrument mutually agreeable to both parties located on the northeast corner of the intersection of McEwen Drive and Carothers Parkway to the Developer. The conveyance will occur within 30 days after the later to occur of 1) completion and acceptance of the Project by the City or 2) the successful rezoning of the Surplus Property by the City including the expiration of any statutory appeal periods. The conveyance of the Surplus Property shall be subject to the Developer's due diligence. In the event that the Developer determines in its sole discretion that it elects not to accept conveyance of the Surplus Property the total amount of offset shall be adjusted to \$287,266.00. The City and Developer agree that the uses on the Surplus Property shall be restricted to passive uses, including but not limited to open space, signage and monuments, etc for Developer's Property. The City may include such restrictions on the conveyance instrument or Developer shall record restrictions within 90 days after conveyance. The development density from the Surplus Property shall be allocated to Developer's Property in accordance with the revised Preliminary Plat Submittal
4. The Developer will submit a revised Preliminary Plat Submittal that incorporates the Surplus Property in Developer's property and depicts rights of way and easements dedicated to the City as discussed herein. . The revised concept plan will include an increase of approved density to Developer Property totaling 19,057 SF. (.875 Acres times 50% FAR).
5. The City will install four six-inch conduits across McEwen Drive as part of the Project for the Developer to use to connect to the existing electrical lines on the south side of McEwen Drive.
6. The Developer can modify the stormwater pond proposed to be constructed as part of the Project and located on his property to detain the stormwater runoff from his development, subject to the City Municipal Code and Zoning Ordinance, as amended.
7. The Developer will take over the maintenance of the stormwater pond if he modifies it to detain stormwater runoff from its development.
8. The Developer has submitted reliable information related to the costs of dedicating the necessary rights-of-way.
9. The total eligible costs of dedicating the rights-of-way and permanent easements for the above improvements are **\$97,266.00 (ninety-seven thousand two hundred sixty-six dollars and zero cents)** and the total offset to be applied to impact fees due the City is an identical amount.
10. This offset shall be applied to the total impact fees due in a development project on the Developer's property as identified in Exhibit B, prior to issuance of the building permit to the Developer or its successors in interest. Pursuant to the ordinance, the eligible offset may not exceed the total of impact fees due for the Developer's development project. Section 16-417 (7).

As approved by the Franklin Board of Mayor and Aldermen on _____, 2010.

WITNESS our hands on this the ____ day of _____, 2010.

CITY OF FRANKLIN, TENNESSEE

By: _____
JOHN C. SCHROER
Mayor

ERIC S. STUCKEY
City Administrator/Recorder

CRESCENT RESOURCES

By: _____

Print Name: _____

Title: _____

APPROVED AS TO FORM:

By: _____
Shauna R. Billingsley, Interim City Attorney

STATE OF TENNESSEE)
)ss:
COUNTY OF WILLIAMSON)

Before me, the undersigned Notary Public of said County and State, personally appeared **John C. Schroer** and **Eric S. Stuckey**, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged themselves to be the Mayor and City Administrator/Recorder, respectively, of the City of Franklin, Tennessee, the within named bargainor, a corporation, and that as such Mayor and City Administrator/Recorder executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by themselves as Mayor and City Administrator/Recorder.

WITNESS, my hand and seal on this the ____ day of _____, 2010.

Notary Public
My Commission expires:

STATE OF TENNESSEE)
)**ss:**
COUNTY OF WILLIAMSON)

Before me, the undersigned Notary Public of said County and State, personally appeared _____ with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the _____ of Crescent Resources and that as such _____ being authorized so to do, executed the foregoing instrument for the purposes therein contained.

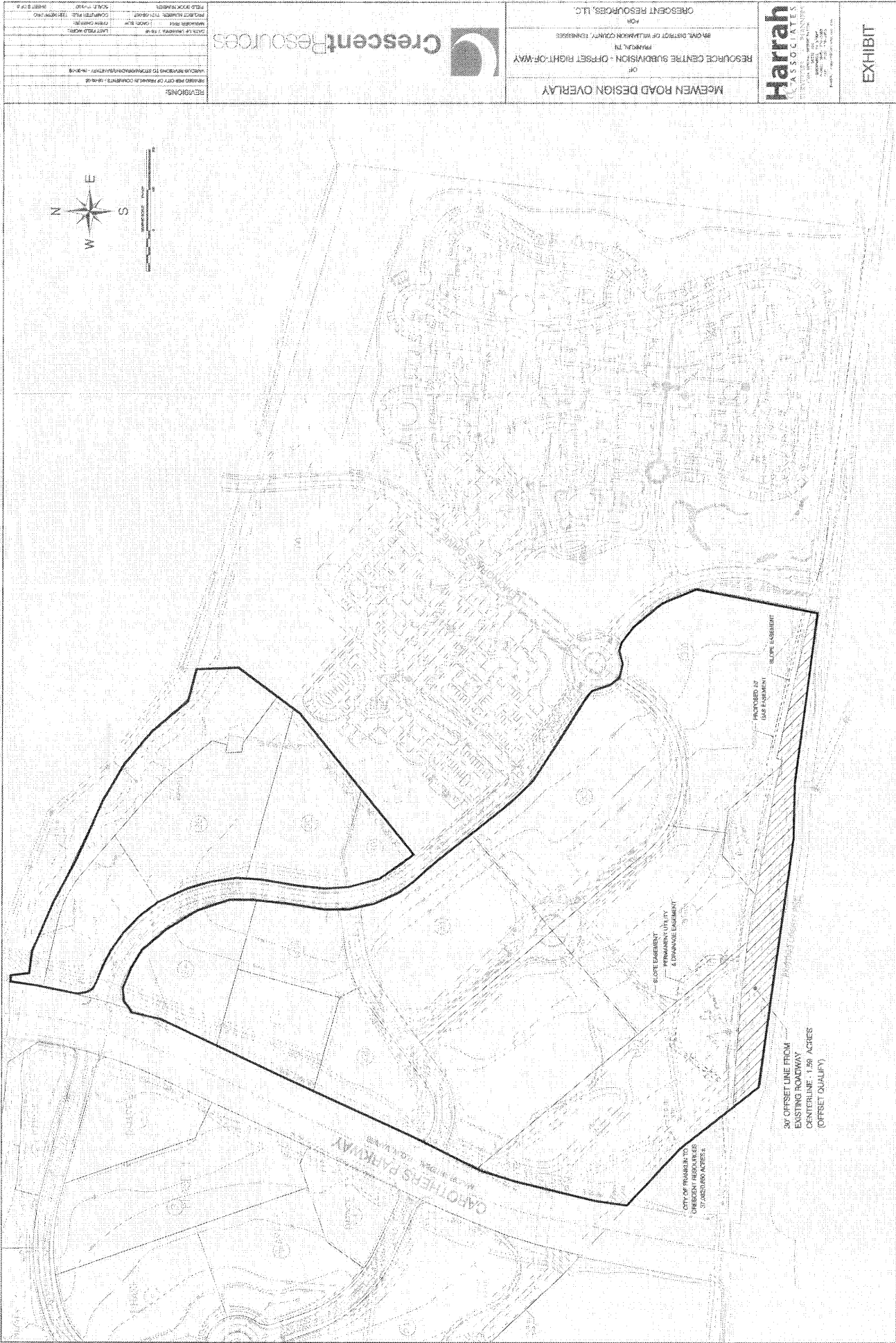
WITNESS, my hand and seal on this the ____ day of _____, 2010.

Notary Public
My Commission expires

Exhibit A



Surplus Property



REVISIONS:	APPROVED PER CITY OF FRANKLIN COMMISSION - 10-18-08
APPROVED PER CITY OF FRANKLIN COMMISSION - 10-18-08	
DATE OF REVISION: 10-18-08	LAST FIELD CHECK:
DESIGNED BY: [REDACTED]	CHECKED BY: [REDACTED]
PROJECT NUMBER: 1711-0007	COMPLETION DATE: 10-18-08
FIELD WORK NUMBER:	SCALE: 1"=40'


Crescent Resources

McEWEN ROAD DESIGN OVERLAY
 OF
RESOURCE CENTRE SUBDIVISION - OFFSET RIGHT-OF-WAY
 IN
 PART, DISTRICT OF WELLSBORO COUNTY, KENTUCKY
 FOR
CRESCENT RESOURCES, LLC.

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 ASSOCIATES
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EXHIBIT