

**ROAD IMPACT FEE OFFSET AGREEMENT  
COF Contract No 2013-0016**

This Road Impact Fee Offset Agreement (the "Agreement") between THE CITY OF FRANKLIN, TENNESSEE ("City") and TRILLIUM FARMS, L.P. ("Developer"), a Tennessee limited partnership is entered into on this the \_\_\_\_ day of \_\_\_\_\_ 2013, pursuant to Section 16-418 of the Franklin Municipal Code and Section III, D. of the Road Impact Fee Administrative Guidelines ("Guidelines").

**WHEREAS**, the Developer has submitted to the Franklin Municipal Planning Commission for approval The Highlands of Ladd Park Regulation Plan for The Highlands at Ladd Park Subdivision, ("the Development Project"), and

**WHEREAS**, the Developer or its successors has submitted for final plat approval numerous "developments" within the "development project," as those terms are defined in the Franklin Road Impact Fee Ordinance ("the Ordinance"), and

**WHEREAS**, the City has requested the dedication and construction of certain non-site related road improvements identified in the City's Major Thoroughfare Plan, and which are described more fully below, but generally consisting of improvements to Carothers Parkway from the proposed intersection of Carothers Parkway and Long Lane (the "Improvements"); and

**WHEREAS**, the Developer and the City have agreed to offset a portion of the costs of the acquisition and construction of these Improvements against any impact fees due pursuant to Section 16-418 (1) of the Franklin Municipal Code in the amount of fifty percent (50%), and pursuant to Section 16-418 (2) of the Franklin Municipal Code to reimburse Developer in the amount of fifty percent (50%) of the total cost of the Improvements; and,

**WHEREAS**, the total amount of such reimbursements, credits or offsets ("Credits") as estimated and presented by the Developer's consultant with concurrence by the City Engineering Department through consultation with the City Engineer to be \$876,102.00 as provided for in the Guidelines; and

**WHEREAS**, the Developer, or persons purchasing lots from the Developer, have already paid \$464,238.00 (as of March 8, 2013) in road impact fees within the Development Project and it is anticipated that, based upon the current concept plan an additional \$3,330,000.00 is expected to be collected within the Development Project.

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

1. The foregoing recitals are incorporated into this Agreement and made a part thereof.
2. In the event that Developer completes construction of the following improvements and works eligible for reimbursement and off-sets, all as more fully set forth in

the Plans and Specifications, Budgets, Memoranda and related documents attached hereto as Collective Exhibit A (“Construction Documents”) related to the improvement of Carothers Parkway (the “Improvements”) which are incorporated herein by reference then Developer shall be entitled to the Credits set forth herein. The Parties agree that the Developer shall: (i) submit engineering fees to the City Engineer for approval before work on the Project begins; (ii) submit plans to the City Engineer for approval before accepting bids on the Project; (iii) submit bids to the City Engineer for approval before contract is awarded; (iv) submit CEI fees to the City Engineer for approval before work begins on the Project; and (v) submit closeout to the City Engineer for approval before accepting the work and final payment.

3. The total eligible costs of construction and right of way of the Improvements are the right-of-way acquisition costs and those costs incurred by Developer in completing the Improvements pursuant to the Construction Documents (“Total Cost”). The construction cost of the Improvements shall not exceed the maximum unit price for the construction of arterial roads paid by the City during the relevant time frame that the Developer is constructing the Improvements.

4. Pursuant to the ordinance and guidelines, the reimbursement and offset shall be credited or repaid to Developer in the following manner:

a. The City shall reimburse the Developer a minimum of fifty percent (50%) of the Total Cost incurred by Developer in completing the Improvements and the City shall pay in cash this amount to the Developer within thirty (30) days of the completion and acceptance of the Improvements by the City.

b. In the event that Developer has already entered into contracts with a builder or any other person (“Developer’s Successor”) or enters into such contracts in the future with respect to those lots shown in Section J of the current development plan requiring the payment of road impact fees by Developer’s Successor to the City for some portion of the Total Cost, then payment for any future fees required by Developer’s Successor with respect to the lots in Section J may be offset by Developer’s Successor by use of the Credits in an amount not to exceed fifty percent (50%) of the Total Cost. Developer’s Successor shall be deemed to be a third party beneficiary to the terms and conditions of this Agreement for the limited purpose of obtaining the benefits contained in this Paragraph 4b.

c. In the event that the eligible Credits as specified in this Agreement in Paragraph 4b are not exhausted by the Developer or Developer’s Successor and the Developer has not assigned subsequent or remaining Credits in writing to the City to another specified Developer’s Successor, road impact fees shall be paid to the City pursuant to the Road Impact Fee Ordinance in affect at the time with reimbursements to the developer on a semi-annual basis until all Credits are exhausted.

c. The City agrees that to the extent the Developer provides the dedication and/or construction of additional non-site related arterial street improvements at the City’s requests that the Developer shall be eligible for reimbursed and/or off-sets for the cost of such improvements

pursuant to Section 16-418 (2) of the Franklin Municipal Code in accordance with a road impact off-set agreement negotiated prior to the start of the additional improvements.

d. If at any time total credits stipulated under this Agreement with the City for eligible improvements are exhausted, the City through its Building and Codes Official will notify the Developer or its successor in interest and road impact fees payment will become due on further development within the Development Project.

As approved by the Franklin Board of Mayor and Alderman on \_\_\_\_\_, 2013

Witness our hands on this the \_\_\_\_ day of \_\_\_\_\_ 2013.

**CITY OF FRANKLIN, TENNESSEE**

By: \_\_\_\_\_  
Dr. Ken Moore, Mayor

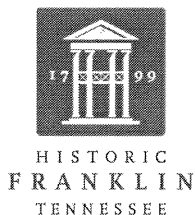
By: \_\_\_\_\_  
Eric S. Stuckey, City Administrator

**TRILLIUM FARMS L.P.**  
By Trillium Ventures its General partner

By; \_\_\_\_\_  
Paul Arnold, President

Approved as to Form:

By: \_\_\_\_\_  
Shauna R. Billingsley, City Attorney



## MEMORANDUM

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March 12, 2013

**TO:** Board of Mayor and Aldermen

**FROM:** David Parker, City Engineer/CIP Executive  
Eric Stuckey, City Administrator

**SUBJECT:** **Item 7, CIC Agenda March 14, 2013**  
**COF Contract No 2013-0016**  
**Road Impact Fee Offset Agreement**

### Purpose

This memo is to provide to the Franklin Board of Mayor and Aldermen (BOMA) information concerning COF Contract No 2013-0016; Road Impact Fee Offset Agreement with Trillium Farms, L.P.

### Background

As a requirement for the development of the Highlands at Ladd Park Subdivision, Trillium Farms, L.P. is to have constructed the portion of Carothers Parkway South from Long Lane to its intersection with Truman Road. Truman Road is the southern terminus of the City's Carothers Parkway South project. Trillium is ready to start the design process for a segment of Carothers Parkway South that they are responsible for, but in accordance with the City's Road Impact Fee Ordinance as found in Title 16 of the Franklin Municipal Code, they must first request for an agreement should they desire offsets of fees for this work. The attached Draft COF Contract No 2013-0016 is the proposed Road Impact Fee Offset Agreement as negotiated between Trillium and the City's staff. This proposed Agreement is based on the City's generally accepted agreements of this type, but is specific to the Highlands at Ladd Park as needed. Please note that the Offset Credits are to be through a combination of reimbursement from Road Impact Fees already collected in the Highlands at Ladd Park and Credits for future fees from due pursuant to future development in the Highlands at Ladd Park.

### Financial Impact

There is to be a payment to Trillium Farms, L.P. of \$438,051.00 from the already collected Road Impact Fees from the Highlands at Ladd Park within thirty (30) of the completion and acceptance of the Improvements to be constructed. As of March 8, 2013, the City has collected \$464,238.00 in Road Impact Fees from this development. The remaining portion of the Total estimated project cost of \$876,102.00 for the proposed Improvements (Carothers Parkway South from Long Lane to Truman Road) will be accounted for through Credits or Offsets for the Road Impact Fees as they become due for the issuance of building permits in the Highlands of Ladd Park Subdivision.

### Recommendation

Staff recommends approval of the Road Impact Fee Offset Agreement (COF Contract No 2013-0016) with Trillium Farms, L.P. as presented.