

REQUEST FOR ACTION

Department Head

Phil Kern, City Administrator

City Council Date

June 1, 2010

Agenda Item

Discuss Clover Springs 3rd and 4th Addition Development.

ACTION REQUESTED

Staff is requesting Council direction on a series of amendments to the 3rd and 4th phases of the Clover Springs Development.

BACKGROUND

The Clover Springs neighborhood was first platted in 2000. At that time, the entire 80 acres was preliminary platted and each development area received final plat approval in a phased process. The 3rd and 4th Additions – primarily the areas west of 3rd Street W – were platted in 2005 and 2006. Each of these two phases, the 3rd and 4th Additions, were granted 29 lots and the developer was made responsible for construction of all public improvements.

One of the public improvements planned for the 4th Addition was the development of a park. The Developer paid park dedication funds in some of the first phases of the project, and in the fourth phase the Developer was obligated to dedicate land. The land dedication reduced the number of planned lots in the 4th Addition from 32 to 29. Once the land was dedicated, the City would have the obligation of constructing the improvements (presumably, a playground structure and/or other amenities). The challenge for the City and the developer, however, is that the park land was contained within the 4th Phase of the development, which likely wouldn't proceed until market conditions dictated the need for the remaining public improvements (streets, grading, etc.).

The original developer, Ecklund Swedlund, no longer owns the development project and the new developer is an entity with the name Sparky Real Estate Investments. Sparky has hired Jeff Martineau to broker the sale and the completion of the development project. Sparky owns 29 lots that remain in the first three phases and of course the 29 remaining unimproved lots in the fourth phase.

Jeff Martineau has met with staff on a couple occasions to brainstorm ways in which the developer could gain some flexibility on the project to help it proceed. Martineau has stated that it's the developer's best interest to retain a high quality development in order to sell the remaining lots. As a result, the developer is looking to work with the City to gain flexibility to complete the project. Staff has conveyed that it's the City's top priority to get the park installed. Beyond that priority, the City wants to ensure the development continues to be maintained well and developed in accordance with the City's standards.

As such, Martineau and staff have talked about some proposed amendments to the development agreements and plan that would accomplish these objectives. The outline of the proposal is as follows:

1. Sparky will provide the City up front, this summer, with \$75,000 of park dedication funds to allow construction of a park on the City-owned water tower site. Staff has confirmed that there is sufficient room to the west of the water tower to allow for construction of a playground.
2. Sparky is able to recapture the three lots in the fourth phase originally dictated for park dedication. This gives Sparky three more lots (32 from 29) to sell eventually.
3. Sparky constructs an access road to the water tower site that can serve as access to the park and water tower infrastructure (a DMU request). The road would be gravel now and paved with fourth phase.

(Continued)

4. Sparky will complete \$10,000 of landscaping improvements on the County Road 30 side of the development, west of 3rd Street W. in coordination with the original development agreement.

If the Council believes this plan is in the City's best interests, staff would direct Martineau and Sparky to file for approval of a new 4th Addition Final Plat that would grant the three additional lots. Staff would have the City Attorney draft an amendment to the development agreements and process the plat and the agreements simultaneously. If possible, staff would attempt to get them on the next City Council agenda.

FUNDING

None

ATTACHMENTS

- Clover Springs Plat