

MEMORANDUM

To: Mayor and City Council Members
Steve Parker, City Manager

From: Mark Kennedy, City Attorney

Subject: Resolutions related to the Walnut Springs development, and related to the proposed Public Improvement District associated with the project. 25-027 and 25-028.

Date: January 21, 2025

Historical Background

Walnut Springs is a 415-acre Planned Unit Development (“PUD”) that will include 1,140 homes upon completion with an estimated value of \$394MM. The community will include an extensive public trail system and regional park with roughly 64-acres of open space in addition to a fire station (see attached Exhibit “A”). The total community infrastructure and improvement costs for the development are estimated at over \$100 Million.

Developers of the Walnut Springs subdivision filed a petition to create a Public Improvement District in December 2024. That was received and accepted by City Council, after which staff was instructed to publish notice of a Public Hearing on the matter, which is the first of two items on tonight’s Council agenda.

Action Requested

The first of two items on tonight’s Council agenda proposes to create the Public Improvement District and take other actions associated with its creation.

The second of the items proposes to execute a Professional Services Agreement between Developer and the City, which defines the terms and conditions under which moneys may be advanced by the Developer of property within the District for the purposes of reimbursing certain expenses incurred by the City relating to the levy of assessments and potential issuance of bonds by the City which are secured by assessments levied against certain property within the District.

Procurement Methodology and Funding Source

Funding will be achieved via special assessments on the properties within the subdivision. This action is exempt from formal procurement rules and laws.

Staff Recommendation

Staff recognizes that creation of the Public Improvement District is a policy matter, to be decided by City Council, so no recommendation is offered, except that the proposal has been negotiated and reviewed by staff and consultants. They are satisfied that the resulting proposal has been negotiated to provide the best possible outcome for the project and for the City.