

## **MEMORANDUM**

**TO:** Donna Barron, City Manager

**FROM:** Nika Reinecke, Economic Development Director

**DATE:** April 1, 2019

**SUBJECT:** **Approval of an Economic Development Agreement Between the City of Lewisville and XMPK LLC; and Authorization for the City Manager to Execute the Agreement.**

### **BACKGROUND**

XMPK is a new entity set up by the developers of South Village and Uptown Village to build smaller projects in Old Town. The company owns a .172-acre tract at the southwest corner of Walters and Harris Streets and is proposing to build a four-unit townhome project. Due to the fragmentation of property ownership in Old Town, this new company will identify smaller tracts of property that may be suitable for infill developments in order to add additional inventory of new residential units to Old Town. The property is zoned as OTMU 2 and staff is reviewing the plat and old town development plan for the project.

### **ANALYSIS**

The new townhome units will be two stories, with the living area and one bedroom on the first floor. Walters and Harris Streets are both unimproved at this time and this agreement provides for the waiver of street escrow fees for both streets at an estimated value of \$96,000. In addition, all fees normally associated with the issuance of a building permit (estimated \$5,500) and park dedication requirements associated with the construction of the units are waived by this agreement. The water and sanitary sewer impact fees (estimated \$23,500) will be collected at the time of building permit but will be reimbursed back to the developer upon completion of the units. The owner will pay park development fees and public construction inspection fees.

This development will construct four attached, single-family homes at an approximate value of \$300,000 each (including land). The project will total an approximate taxable value of \$1,200,000. This project will contribute to the TIRZ #1 and furthers the Big Move-Old Town of the 2025 Plan.

### **RECOMMENDATION**

It is city staff's recommendation that the City Council approve the agreement as set forth in the caption above; and authorize the City Manager to execute the amendment.