

Mayor and Council Communication

DATE: 11/29/22

M&C FILE NUMBER: M&C 22-0936

LOG NAME: 062022 - ALPHA RANCH EXPANSION AMENDMENT AGREEMENTS

SUBJECT

(ETJ-Denton County & Future CD 7) Authorize Execution of Amendment to Alpha Ranch Development Agreement, Amendment to Agreement for Construction of Sendera Ranch Boulevard, Amendment to Agreement Concerning Operation of Alpha Ranch Water Supply District No. 1 of Denton and Wise Counties, and Utility and Infrastructure Agreement for the Alpha Ranch Development

RECOMMENDATION:

It is recommended that the City Council authorize the City Manager to execute Amendment to Alpha Ranch Development Agreement, Amendment to Agreement for Construction of Sendera Ranch Boulevard, Amendment to Agreement Concerning Operation of Alpha Ranch Water Supply District No. 1 of Denton and Wise Counties, and Utility and Infrastructure Agreement for the Alpha Ranch development.

DISCUSSION:

The City of Fort Worth entered into agreements with CTMGT Alpha Ranch, LLC ("Alpha Ranch LLC"), CTMGT AR II, LLC ("AR II LLC") Ryan Dynasty Trust ("Ryan Trust") and the District effective February 15, 2017, with respect to development of approximately 1,467 acres of land in Denton County south of U.S. Highway 114 and west of John Day Road in the City's extraterritorial jurisdiction. Such property is encompassed by Alpha Ranch Water Supply District No. 1 of Denton and Wise Counties. The agreements included the Alpha Ranch Development Agreement (City Secretary Contract (CSC) No. 48650), Agreement for Construction of Sendera Ranch Blvd. (CSC No. 48648) and Agreement Concerning Creation and Operation of Alpha Ranch Water Supply District No. 1 of Denton and Wise Counties (CSC No. 48647).

On June 22, 2021, the City Council approved Resolution No. 5426-06-2021 consenting to the addition of approximately 522.653 acres of land to the District (the "Additional Property"). The City Council's consent to annexation of the Additional Property is contingent on negotiation and execution of a development agreement and other agreements with the City, including creation and operation agreement and utility agreement. The Additional Property is owned by CTMGT AR III, LLC ("AR III LLC").

The Amendment to Alpha Ranch Development Agreement between the City, Alpha Ranch LLC, AR II LLC, Ryan Trust, and AR III LLC, amends CSC No. 48650 to include the Additional Property. The amendment sets out land use and development standards for the Additional Property.

The Amendment to Agreement for Construction of Sendera Ranch Blvd. between the City, Alpha Ranch LLC, AR II LLC, and the District amends CSC No. 48648 to expedite the schedule for construction of the extension of Sendera Ranch Boulevard from its intersection with Northstar Parkway and Suncatcher Way to State Highway 114 and to release the City from certain obligations to participate in the cost of such construction.

The Amendment to Agreement Concerning Operation of Alpha Ranch Water Supply District No. 1 of Denton and Wise Counties between the City and the District amends CSC No. 48647 to incorporate the Additional Property and to extend the deadline to issue bonds. The amendment also establishes a minimum District tax rate of \$1.00 per \$100 valuation and requires the District to establish a fund to assist the City in absorbing District costs upon annexation by the City.

The Utility and Infrastructure Agreement between the City, Alpha Ranch LLC, AR II LLC, and AR III, LLC, and the District addresses construction of roads and drainage, water and sewer infrastructure to serve the Additional Property, and provides for the conditions under which the City will provide retail water and sewer service to the Additional Property, consistent with water and sewer studies approved by the City. The agreement requires AR III, LLC to dedicate a site for an elevated water storage tank within the Additional Property to the City.

Approval of this Mayor and Council Communication and execution of the documents described herein will satisfy the requirements for negotiation and execution of agreements set out in Section 3 of Resolution No. 5426-06-2021.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that approval of this Mayor and Council Communication and the agreements described herein will have no immediate material effect on City funds. Any effect on expenditures and revenues will be budgeted in future fiscal years.

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Additional Information Contact:

Expedited