



CITY OF PLANO COUNCIL AGENDA ITEM

CITY SECRETARY'S USE ONLY				
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory				
Council Meeting Date:		2/11/2013		
Department:		Planning		
Department Head		P. Jarrell		
Agenda Coordinator (include phone #): T. Stuckey- 7156				
CAPTION				
<p>A Resolution of the City Council of the City of Plano, Texas, extending the time limits of an exclusive period for the negotiation of the terms and conditions of a development agreement by and between the City of Plano, Texas and Prescott Realty Group for the redevelopment of 4.6± acres located at the northwest corner of Park Boulevard and K Avenue in the City of Plano; authorizing its execution by the City Manager or his authorized designee; and providing an effective date.</p>				
FINANCIAL SUMMARY				
<input type="checkbox"/> NOT APPLICABLE <input checked="" type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP				
FISCAL YEAR: 2012-13	Prior Year (CIP Only)	Current Year	Future Years	TOTALS
Budget	0	9,203,228	0	9,203,228
Encumbered/Expended Amount	0	-143,691	0	-143,691
This Item	0	-35,000	0	-35,000
BALANCE	0	9,024,537	0	9,024,537
FUND(s): TIF-EAST SIDE				
<p>COMMENTS: Funds are included in the FY 2012-13 TIF East Side Fund balance. This item, in the amount of \$35,000, will leave a FY 2012-13 ending balance of \$9,024,537 in the TIF East Side Fund.</p> <p>STRATEGIC PLAN GOAL: Passage of the resolution relates to the City's Goal of Partnering for Community Benefit.</p>				
SUMMARY OF ITEM				
<p>On December 20, 2011, City Council approved a Letter Agreement providing an exclusive 120 day period in which to negotiate the terms and conditions of a development agreement with Prescott Realty Group for redevelopment of the city owned tract at the northwest corner of Park Boulevard and K Avenue. The City Manager has approved two extensions, in accordance with the Letter Agreement, for a total of 270 days. In August, 2012, the City Council approved another 180 day extension by resolution. Prescott Realty continues to explore development alternatives for the property, and is requesting an additional 180 day extension of the letter agreement.</p>				
List of Supporting Documents:			Other Departments, Boards, Commissions or Agencies	
Letter Original Letter of Agreement Resolution				



PRESCOTT
REALTY GROUP

February 1, 2013

Honorable Mayor Phil Dyer
Plano City Council
1520 Ave. K
P.O. Box 860358
Plano, TX 75086

Ladies and Gentleman,

We would like to thank you for allowing Prescott Realty Group the opportunity to work on the Parker Road Station Public Private Partnership. We have been researching several opportunities for a catalyst project that will transform not only the City's 4 acres at the Parker Road Station but also the surrounding areas over time.

Our discussions with these potential groups is progressing but haven't been fully vetted to date. Therefore we would express our strong interest in continuing to explore development opportunities at the site. We would like to continue the opportunity to bring a high quality urban development and request a 180 day extension to the existing agreement to further develop these opportunities.

Please contact me with any questions.

Sincerely yours,

Jud Pankey
CEO

jpankey@prescottrealtygroup.com

214-292-3750



December 8, 2011

Mr. Judson Pankey, CEO
Prescott Realty Group
6060 N. Central Expressway, Suite 101
Dallas, TX 75206

Re: Letter Agreement – Parker Road Station Redevelopment Project #1 (RFQ No. 2011-286-B, 091011)

Dear Mr. Pankey:

Subject to City Council approval, we are pleased to inform you that you have been selected as the developer to enter into the conditional selection/negotiation phase of the above referenced project. This agreement does not award the final development to you, but rather sets forth the rights, obligations and process the parties will follow to negotiate a final development contract as further defined below.

The City of Plano (the "City"), grants to Prescott Realty Group the exclusive right to develop a preliminary project design for the Parker Road Station Redevelopment Project #1 (the "Project"). This exclusive right is limited to the company completing the preliminary design under the conditions set forth below. Concurrent with the development of the preliminary design, the parties will, in good faith, negotiate the terms and conditions of a development contract for the Project. If Prescott Realty Group and the City fail to reach agreement on the preliminary project design and fail to enter into a development agreement for the Project, acceptable to the city in the time set forth below, including extensions, the company shall forfeit its rights under this agreement and the city has no further obligation to continue negotiations pertaining to the development of the property.

The period for completing a preliminary project design satisfactory to the City and for the parties to agree upon the terms and conditions for a development contract shall be one hundred and twenty (120) days from the date of City Council approval of this letter agreement, which period may be extended for up to an additional thirty (30) days upon approval of the City Manager. The parties may further extend this period upon mutual consent, in writing by approval of the City Manager.

Both parties acknowledge that an adequate number of public meetings will be one aspect of the iterative process for preparing the preliminary design. Prescott Realty Group agrees to participate in at least three public meetings (but not obligated to more than five), workshops, and/or presentations with the following entities or groups, but not limited to: specific city committees, the public at large, the Dallas Area Rapid Transit Authority, area property owners and surrounding neighborhoods, Tax Increment Finance (T.I.F.) #2 Board, the City of Plano City Council, and others as identified by City staff.

Preparation of a satisfactory preliminary project design shall include a project narrative description of proposed uses, building(s), amenities, concept project drawings including preliminary site plan, typical exterior elevations, typical floor plans, and exterior materials (color and finishes); cost estimates; and construction schedules. Prescott Realty Group is solely responsible for securing project financing and production of financial information and market analysis as may be required by project investors and lenders.

Prescott Realty Group and the City of Plano shall negotiate a development contract specifying the terms and conditions for the conveyance of property to the developer; financing plans, including preliminary commitment of sufficient equity and debt financing; extent of public construction and/or financial participation; project phasing, performance assurances, developers' management structure and personnel committed to the project; general project management, and public incentives and considerations. The final development contract shall provide that Prescott Realty Group ensures adequate financing for the construction of the project improvements. The negotiation of the development contract shall be exclusively between Prescott Realty Group and the City of Plano. Both parties agree to hold all discussion and terms of the negotiation confidential to the extent allowed by law until such time as they are publicly presented to the Plano City Council.

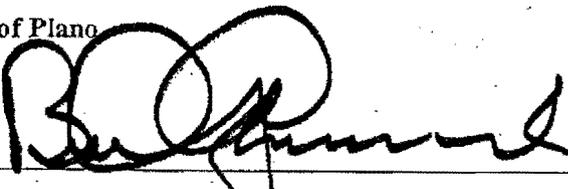
The City shall not be responsible for any costs incurred by Prescott Realty Group pursuant to this agreement except as expressly provided herein. Prescott Realty Group shall be reimbursed for the actual design costs for project planning along with plans for utility extensions, street and drainage improvements, public walkways and connections to the rail platform and other public infrastructure, but in no event shall such total reimbursement exceed \$35,000.00 in the aggregate. The City shall provide Prescott Realty Group with previous surveys and environmental site assessments (ESA) of the property. Any additional survey or ESA deemed necessary by Prescott Realty Group shall be at its expense. In exchange for acceptance of the reimbursement, the City retains all necessary rights to use plans created for public facilities and infrastructure, and all assignable rights in the boundary survey and ESA. All other costs incurred by Prescott Realty Group under this agreement shall be borne solely by the company.

Because of the personal nature of the services to be rendered, you may not assign this agreement without our prior written consent. However, the agreement will inure to the benefit of and be binding on our successors and assigns.

If this agreement meets with your complete approval, please sign and return one of the duplicate originals for our records.

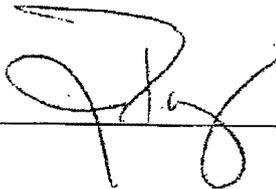
Very truly yours,

City of Plano

By: 

ACCEPTED AND AGREED TO on this 9 day of July, 2012

Prescott Realty Group

By: 

A Resolution of the City Council of the City of Plano, Texas, extending the time limits of an exclusive period for the negotiation of the terms and conditions of a development agreement by and between the City of Plano, Texas and Prescott Realty Group for the redevelopment of 4.6± acres located at the northwest corner of Park Boulevard and K Avenue in the City of Plano; authorizing its execution by the City Manager or his authorized designee; and providing an effective date.

WHEREAS, on December 20, 2011, the City Council approved a Letter Agreement by and between the City of Plano, Texas and Prescott Realty Group; and

WHEREAS, the letter agreement provided an exclusive 120 day time frame for negotiation of a development agreement with Prescott Realty Group; and

WHEREAS, in accordance with the Letter Agreement the City Manager has approved two additional extensions of the time frame; and

WHEREAS, on August 27, 2012, the City Council granted an additional 180 day extension of the negotiation period; and

WHEREAS, more time is still needed to explore development options for the property and to complete negotiation of the terms and conditions of a development agreement; and

WHEREAS, upon full review and consideration of the Agreement and all matters attendant and related thereto, the City Council is of the opinion that a 180 day extension of the terms and conditions of the Letter Agreement should be approved, and the City Manager or his authorized designee should be authorized to execute letters extending the agreement on behalf of the City of Plano.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PLANO, TEXAS:

Section I. The proposed 180 day extension of the time frame in the Letter Agreement executed by and between the City of Plano and Prescott Realty Group, having been reviewed by the City Council of the City of Plano, is hereby found to be acceptable and in the best interests of the City of Plano.

Section II. The City Manager or his authorized designee, is hereby authorized to execute any documents in connection therewith on behalf of the City of Plano, substantially according to the terms and conditions set forth in the Agreement.

Section III. The City Manager, at his discretion, is hereby authorized to extend the exclusive negotiation period for an additional 180 days in the event during good faith negotiations a development agreement has not been completed by the 120 day deadline.

Section IV. This Resolution shall become effective immediately upon its passage.

DULY PASSED AND APPROVED THIS THE 11TH DAY OF FEBRUARY, 2013.

Phil Dyer, MAYOR

ATTEST:

Diane Zucco, CITY SECRETARY

APPROVED AS TO FORM:

Diane C. Wetherbee, CITY ATTORNEY