



City Council Report

Date: December 11, 2023
To: City Council
Through: Candace Cannistraro, Deputy City Manager
From: RJ Zeder, Transportation Department Director
Ryan Hudson, City Traffic Engineer
Subject: Development Agreement with Signal Butte Industrial – Proposed Pursuit Park Development located on the west side of Signal Butte Road, south of Guadalupe Road and north of Elliot Road. Council District 6

Purpose and Recommendation

The intent of this report is to recommend the City Council approve a resolution authorizing the City Manager to enter into a development agreement with Signal Butte Industrial, LLC (Owner) and Mortenson Development, Inc. (Developer) for a development located on the west side of Signal Butte Road, south of Guadalupe Road and north of Elliot Road (the Property). The Property is approximately 64.5 acres, and the proposed site plan includes four industrial buildings intended for limited industrial uses (the Project). The proposed development agreement is associated with reimbursements for the cost and expenses of performing expanded offsite roadway improvements, specifically for roadway striping work. The reimbursement from the City will not exceed \$100,000.

Staff recommends the City Council approve the development agreement.

Background

As a condition of rezoning the Property, the Developer is required to construct certain offsite improvements on Signal Butte Road as part of the site's development. The required offsite improvements include, among other things, the construction of the half-street roadway cross-section, adjacent to the Property (Area of Developer Responsibility). This will involve construction of asphalt, curb, gutter, and sidewalk to widen Signal Butte Road, which is currently striped with two lanes in each direction and a center two-way-left-turn lane.

The current roadway striping configuration is shifted to the east side of the street cross-section where full and continuous half-street improvements exist. The offsite improvements required for the Property will be the final improvements along the west side of this segment of Signal Butte Road, completing the full 6-lane roadway cross-section. As such, the roadway striping configuration can be modified to provide three travel lanes in each direction, but that will require striping removal and installation that

extend well-beyond the Property's frontage (approximately 2,300 feet north of the northern property line and 400 feet south of the southern property line) and beyond the determined area of Developer responsibility (Off-Property Roadway). See **Exhibit A** for an overview map depicting the Property and areas where offsite street improvements are needed to restripe Signal Butte Road to its ultimate design of three lanes in each direction.

Discussion

With the Developer's completion of the adjacent half-street improvements and associated striping changes within the Area of Developer Responsibility, the City has determined that it is in the best interests of the City and the traveling public for the Off-Property Roadway to now be striped to transition to three lanes of travel. Since the Developer will be performing offsite street improvements within the Area of Developer Responsibility, it is in the best interest of the traveling public and surrounding property owners (including the Owner) that both sections of Signal Butte Road (the Off-Property Roadway and Area of Developer Responsibility) be striped as a single project. The proposed development agreement will allow for the Developer to expand the scope of its striping work on Signal Butte Road and receive reimbursement from the City for the cost and expenses of performing the additional work.

Alternatives

The following alternatives are presented to City Council for consideration:

APPROVE THE DEVELOPMENT AGREEMENT:

Approval of the development agreement will allow for Signal Butte Road to be restriped between Guadalupe Road and Elliot Road as part of a single construction project.

NOT APPROVE THE DEVELOPMENT AGREEMENT:

If Council chooses not to approve the development agreement, half-street improvements on Signal Butte Road will be completed within the Area of Developer Responsibility, but the striping configuration will not be modified to provide the ultimate three lanes in each direction. This will require a separate project by the City to remove existing striping and restripe Signal Butte Road between Guadalupe Road and Elliot Road.

Fiscal Impact

If the development agreement is approved, the Developer will be eligible to receive reimbursement from the City for up to \$100,000. This is a not-to-exceed amount and will only apply to the street striping work on Signal Butte Road in the identified Off-Property Roadway areas. The Developer will be required to provide the City with proof of

payment and copies of all invoices from contractors and/or subcontractors performing the Off-Property Roadway striping work.

Coordinated With

The development agreement was coordinated with the Development Services Department and the Economic Development Department.