



City of Pflugerville

Legislation Text

File #: 2023-1146, **Version:** 1

Discuss and consider approving a Preliminary Development Agreement (PDA) with Griffin Swinerton for the development of Downtown East, and authorizing the City Manager to execute the same.

The Downtown East project is located on +/-29 acres located at the northwest corner of Pecan Street and FM 685. Discussions for Downtown East have included aspirations to leverage the central Pflugerville location to become a mixed-use development with connections to Main Street and the City's hike and bike trail network anchored by the proposed new multi-generational recreation center and new city hall.

An Exclusive Negotiating Agreement (ENA) was approved on March 28th, which established the expectations of the development partnership and performance of preliminary development activities necessary to achieve the goals outlined by City Council for the Downtown East project. The ENA outlined the general roles, as well as the responsibilities, terms and obligations of both the City and the City's development partners Griffin Swinerton and Catellus. The ENA recognized the need for additional agreements, referred to as Predevelopment and Definitive Agreements, that come as the development progresses.

The project team has worked since the approval of the ENA to meet the requirements of the ENA. Since approval, the project has come into greater focus as placement of the city facilities has been chosen, high-level cost estimates have been produced, high-level studies have been completed and floodplain information has been gathered. Through the ENA process and the information gathered regarding changing conditions in the financial and real estate markets, staff is recommending that the project move forward into the next step of the process into the Preliminary Development Agreement (PDA) process as a two-phase project with Griffin Swinerton as the master development partner.

Within the PDA, Phase One will consist of all elements required for the delivery of a City Hall and café, Multi-Generational Recreation Center, 10,500sf of retail within the Recreation Center, a plaza, and infrastructure extensions including utilities, surface parking, and Main Street extension from Railroad to FM685. Through this agreement, Griffin Swinerton will advance the design for Phase One and propose a guaranteed maximum price for Phase One construction. Griffin Swinerton will also commit to fund at least \$2.5 million toward the delivery of the retail elements within Phase One. Additionally, within the PDA, master planning and entitlement will be secured for Phase Two in an effort to competitively position this portion of the project for future development as market condition evolve.

Funding for improvements within Phase One includes General Obligation (GO) and Certificate of Obligation (CO) bonds, Tax Increment Reinvestment Zone (TIRZ) funds, Pflugerville Community Development Corporation (PCDC) budget allocation, and contributions by Griffin Swinerton.

This item meets all four of the Council's Strategic Goals, as well as, Goal 2.2 of the Aspire 2040 Comprehensive Plan to pursue a mixed use project with municipal facilities through a master

developer arrangement.

Future City Council Action

Next steps for the development of Downtown East will be to work through rezoning, detailed design of city facilities and infrastructure to support the project. Once the designs and related entitlements are complete, approval Definitive Agreements will be required in order to commence by the end of 2024 on Phase One.

Prior City Council Action

On March 28, 2023, City Council approved an Exclusive Negotiating Agreement for the project
On January 10, 2023, City Council approved the selection of Griffin Swinerton and Catellus as the master development team for the Downtown East project.
On July 26, 2022, City Council authorized staff to proceed with the solicitation of a master developer, project funding, a pursuing a request for funding from the Pflugerville Community Development Corporation (PCDC)
The Downtown Community Stakeholder Committee was appointed by City Council on May 10, 2022 and reappointed on June 14, 2022
Goals were adopted by City Council for the project on April 12, 2022
Professional Services Agreements were approved by City Council January 25 and February 28, 2022 for owner's project representatives and advisor services

Deadline for City Council Action

Action is requested on November 28, 2023

Funding Expected: Revenue Expenditure N/A

Budgeted Item: Yes No N/A

Amount: _____

1295 Form Required? Yes No

Legal Review Required: N/A Required Date Completed: November 21, 2023

Supporting Documents

Downtown East Preliminary Development Agreement

Recommended Action

Motion to approve a Preliminary Development Agreement (PDA) with Griffin Swinerton for the development of Downtown East and authorizing the City Manager to execute the same.