

Agenda Item Details

Meeting	Nov 17, 2022 - Bryan City Council Second Regular Meeting
Category	6. Statutory (Automatic Approval) Agenda - This agenda consists of items previously approved by Council action such as adoption of items that are part of an approved budget or capital improvement projects, first and only readings of ordinances, interlocal agreements, or action that is required by law or delegated to the City Manager. Items may be removed from the statutory agenda for separate consideration at the request of two Councilmembers.
Subject	K. Approval of a development agreement between the City of Bryan and Ed Froehling Builder, Inc., extending sanitary sewer infrastructure in exchange for future owner-petitioned annexation of approximately 334.18 acres of land located along portions of Merka Road and Old Reliance Road in Bryan's Extraterritorial Jurisdiction
Type	Action (Statutory)
Preferred Date	Nov 17, 2022
Absolute Date	Nov 17, 2022
Fiscal Impact	Yes
Budgeted	Yes
Budget Source	Fiscal Year 2023 Wastewater Fund Capital Project
Goals	Infrastructure Economic Development

Summary:

Long-term growth trends indicate Bryan's east side is ripe for continued development of new high-quality master-planned residential subdivisions, specifically along the desirable Steep Hollow Road/FM 1179 Corridor. Two years ago, the owner and developers of a proposed master-planned community, known as Stella Ranch, requested City approval of a proposed municipal utility district (MUD) to finance the extension of Bryan's sanitary sewer infrastructure to property located in Bryan's extraterritorial jurisdiction (ETJ), approximately two miles from the current Bryan city limits. Due to recent changes in State law restricting Texas cities from unilateral annexation, the City of Bryan's utility extension policy requires landowners to petition for annexation to access city water or sanitary sewer. In this case, the cost to extend sanitary sewer over two miles through adjacent properties was cost prohibitive, leading the developers to look for other alternatives such as a MUD district, building a private sewer treatment plant, or developing a large-lot ETJ subdivision with private septic service that would under-utilize land and decrease the likelihood the development would ever be annexed to the City of Bryan.

Following extensive research of various alternatives, it was determined the City can enter into development agreements with several landowners, forming a chain of properties contiguous with city limits, whereby the City can extend sanitary sewer infrastructure ("Wastewater Improvements") in exchange for owner-petitioned annexations. The cost of the proposed Wastewater Improvements is estimated at \$4MM, and is included in the FY2023 Wastewater Fund Capital Project budget.

This Development Agreement with Ed Froehling Builder, Inc. includes the following terms:

Landowner Obligations:

- Agrees to not use the Property for any use other than for agriculture, wildlife management and/or timber land, except for existing single-family use while Property is not within city limits
- Agrees to not file any subdivision plat or related development document with Brazos County or the City and limits development until the Property has been annexed into, and zoned by, the City
- Agrees not to construct any buildings that would normally require a building permit if it were in the city limits, until the Property has been annexed into the City
- Agrees to grant an easement for City sewer infrastructure to be extended through the Froehling Property

City's Obligations:

- Agrees to a ten-year term for the Froehling Property to remain unannexed, unless the Property is developed or requires access to City sewer infrastructure

Staff Analysis and Recommendation:

Staff recommends approval of this Development Agreement, which provides an opportunity to plan for long-term high-quality development along one of Bryan's major growth corridors. Recent State law changes have hampered cities' ability to unilaterally annex property and plan for future growth. This agreement is the result of many months of coordination and cooperation with several landowners forming a chain of properties contiguous to the Bryan city limits, with future development and annexation providing significant added taxable value, and long-term benefit to the Bryan Independent School District. The City's extension of sanitary sewer infrastructure through this property will provide value and incentive for high-quality development, speeding up the pace of growth along Bryan's east side.

Options:

1. Approve Development Agreement
2. Modify Development Agreement for approval, which will require consideration at a future City Council meeting
3. Do not approve Development Agreement

Attachments:

1. Development Agreement
2. Map of Properties along Sewerline Extension

[Froehling Draft Development Agreement.pdf \(534 KB\)](#)

[Map of Properties along Sewer Extension.pdf \(4,047 KB\)](#)