

Legislation Text

File #: 21-5721, **Version:** 1

A resolution authorizing the City Manager to finalize and execute a Fourth Amendment to the Iron Horse Development Agreement to (i) amend Section 2.02(a)(ii) “Project Overview - Iron Horse Development” to reduce the minimum square footage of restaurant and retail space from 130,000 square feet to 126,000 square feet and (ii) amend Section 6.04(f) “Zoning of the Property,” to reduce the minimum square footage of air conditioned restaurant space and allow retail space to satisfy the square footage minimum, the reduction being from 30,000 square feet to 26,000 square feet, to establish a commencement and completion date for such improvements and to provide a penalty for failure to meet said completion date, for property commonly referred to as “Iron Horse Village” and being generally located north of Rodeo Drive, south of Scylene Road (also known as State Highway 352), east of Stadium Drive and west of Rodeo Center Boulevard within the corporate limits of the City of Mesquite in Dallas County, Texas.

The Iron Horse Development Agreement was structured in a manner that anticipated simultaneous construction of both commercial and residential development. However, the recent housing market has construction of the total 336 residential lots occurring at a much higher pace than originally anticipated.

Under the Development Agreement, the City’s issuance of the 225th residential building permit is contingent upon completion of 30,000 square feet of restaurant space. However, City staff anticipates all residential permits to be issued by the end of the year far outpacing the commercial development.

This Fourth Amendment would reduce the total restaurant and retail from 130,000 square feet to 126,000 square feet, and will remove the restriction regarding residential building permits and instead require the developer to start construction of 26,000 square feet of restaurant and retail space by January 1, 2022, and further complete construction of this restaurant and retail space within 20 months after this date or incur a \$500 per day penalty until construction is completed.

City staff believes this requirement better reflects current market conditions and provides sufficient leverage to ensure the developer meets their obligations under the Development Agreement.

Recommended/Desired Action

Staff recommends approval of the resolution.

Attachment(s)

Resolution
Iron Horse Development Agreement
First Amendment to Iron Horse Development Agreement
Second Amendment to Iron Horse Development Agreement
Third Amendment to Iron Horse Development Agreement

Drafter

Ted Chinn

Head of Department
Ted Chinn