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A RESOLUTION AUTHORIZING AWARD OF A CONTRACT FOR PARTIAL REIMBURSEMENT OF COSTS RELATED TO INTERSECTION IMPROVEMENTS AT E 104TH AVENUE AND BLACKHAWK STREET TO POTOMAC INVESTORS LLC

Summary & Background

Resolution 2025-028, if approved, authorizes the City Manager to negotiate a reimbursement agreement with Potomac Investors, LLC, associated with the construction of intersection improvements located at E 104th Avenue and Blackhawk Street that are required as part of the Commons at 104th development. The Commons at 104th development is located at the southwestern corner of this intersection.

The improvements will be funded in full through contributions from Potomac Investors, LLC and through a previous cash contribution associated with the Eberly Place subdivision located approximately $\frac{1}{4}$ mile south of 104th on the west side of Blackhawk Street. The improvements generally consist of converting the existing $\frac{3}{4}$ movement intersection into a full movement intersection and the installation of a traffic signal.

When the Eberly subdivision was annexed into the City (AN-260-22) via Ordinance No. AN-260-22, City Council required through an annexation agreement a contribution of \$600,000 from the developer to be used for the design and construction of the future buildout of the Blackhawk Street improvements north of that property. The City has received those funds. Pursuant to the terms of the annexation agreement, the construction of the Blackhawk Street improvements must be completed within 8 years of the City receiving the \$600,000 or the City must return the contribution. The City proposes that another developer, Potomac Investors LLC (Commons at 104th), who will be making right-of-way improvements in the area, use these funds to build out the intersection.

Given that the improvements are necessary, that the signal will encourage future development of the commercial lots of the Commons at 104th development, and that the cash contribution would otherwise need to be returned to the Eberly Place developers within 8 years if the improvements are not completed, staff is recommending that these funds be provided to Potomac Investors LLC to complete the work.

This arrangement necessitates a reimbursement agreement to be drafted and approved by the City due to the use of funds collected by the city to another developer.

Staff Responsible (Department Head): Jeff Brasel, Community Development Director

Staff Presenting: Chris Hodyl, Interim City Engineer.

Financial Impact: \$600,000.

Funding Source: \$600,000 from the annexation agreement related to the Eberly Place Annexation and Subdivision.

Staff Recommendation:

Approve Resolution 2025-028 authorizing the City Manager to negotiate and finalize the details of a contract with Potomac Investors LLC for partial reimbursement of costs related to the design and installation of a signal at the intersection of 104th Avenue and Blackhawk Street and conversion of the existing $\frac{3}{4}$ movement of that intersection to allow for full movement.

Suggested Motion:

I move to approve a Resolution authorizing the City Manager to negotiate and finalize the details of a contract with Potomac Investors LLC for the partial reimbursement of public improvements to be installed at East 104th Ave and Blackhawk Street.