



## Mayor's Letter August 15, 2020

**AN IMPORTANT DAY IN LWV HISTORY.** For the first time in 25 years, on Thursday, the Town Council approved a new development in Lakewood Village. The complex developer agreement with Sam Hill Ventures (a partnership with LandPlan Development) includes the automatic annexation into the Town of the triangle area along Eldorado. This is a monumental accomplishment as it brings the area on our front doorstep (which is outside the town) under our zoning control. This forever removes the threat of strip-malls or apartments at the front of LWV and will allow us to forever maintain our future as a residential community.



**THE TOWN COUNCIL** has worked very diligently over the course of the last two years in three party negotiations to create a deal which benefits the Town, LEISD, and Sam Hill. The agreement provides many benefits to the town in addition to the obvious economic advantages of additional housing. As part of the annexation agreement, the Town has approved Sam Hills request to construct approximately 40 stand-alone (not townhouses) patio homes/villas on the triangle. In return, Sam Hill has agreed to the following:

- (1) Donate 2+ acres on Eldorado to the Town for a new entrance, a park, and a future site for a new Town Hall;
- (2) Construct a new entrance to the Town consisting of two large lighted waterfalls (40 feet long and 10 feet high) at a cost of \$400,000;
- (3) Construct traffic signal at a cost of \$375,000;
- (4) Construct Lakewood Village Drive, a new entrance road with a tree-lined median. LWV Drive will have four outbound lanes (2-left turn, 1 through, 1-right turn). LWV Drive will extend to Stowe Lane;
- (5) Construct a new 15" sewer main along Parkwood Dr;
- (6) Construct a new recycled water line from the Wastewater Plant to LWV Drive. We will use recycled water to irrigate the road and fill the waterfalls; and

Finally, **Sam Hill will pay impact and tap fees of over \$1M** to the Town to fund future utility expansions.

**THE PLANNED BUILDOUT** time for the entire development of 136 Homes is three years. Upon completion, we will have received approximately \$750,000 in building permit fees. We can expect additional **annual** property taxes of \$300,000; **annual** sales taxes of \$50,000; and **annual** franchise fees of \$40,000. An added benefit is that as our tax base increases we can reduce our property tax rate to fund our bond payments.

**ROAD UPDATE.** As of August 17th, Stowe Lane is officially open to two-way traffic. Over the course of the next two weeks Ed Bell Construction will perform final grading and sod placement. Last week I approved a revised workflow for the project. Instead of working on each street separately, **Ed Bell will now have crews on two streets simultaneously.** The new staging is as follows:

1. Stowe Lane & Stowe Court (Complete)
2. Woodcrest Lane & Meadowlake Lane (currently under way)
3. Carrie Lane, Carrie Court, and south Highridge Drive (from Meadowlake to Melody)
4. Melody Lane & north Highridge Drive (from Melody to Lakecrest)
5. Green Meadow

In addition to the road work, there will be major underground drainage improvements at the Melody/Carrie and the Highridge/Woodcrest intersections. Near Woodcrest the construction plans call for raising the Highridge roadway by approximately five feet. This means that we will have to undertake a major reconstruction project for the lift station located there. Later this fall, we will have to lay sewer lines under Highridge at Parkwood to facilitate the new 15" sewer main that Sam Hill will construct. There is much much more to the project than just the streets being paved. Please be careful and look out for us as we accomplish these improvements.

**Property TAXES** The cost of the Phase 2 road replacement project is just over \$5,100,000. After analyzing our financial position, I made the decision that we should borrow \$4,500,000 and make up the difference with our reserves and cost savings. Financially, we are having a fantastic year with sales taxes and building permits setting records. In addition, I have approved four change orders resulting in almost \$200,000 in cost savings. We will have no problem funding the remaining gap. Our January 2021 payment for the new bonds is \$230,000. In response, we have raised the debt servicing tax rate from \$0.165 to \$0.20, which will generate an additional \$40,000. We will pay the remaining \$190,000 of the payment from our other revenues and reserves. That's the direct benefit of receiving sales taxes - we can keep the tax rate as low as possible.

**DCAD VALUES** are actually lower for Lakewood Village compared to last year. That's right, on average, our taxable values are lower by almost one percent. Although our tax rate will be slightly higher, the 2021 proposed LEISD rate is slightly lower, combining the two, the total rate rate is down by a fraction. For

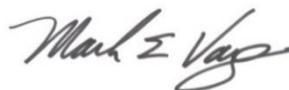
VALUE	2019 Taxes Total	2020 Taxes Total	Change	LWV Change Only
\$200,000	\$4,357	\$4,338	(\$19)	\$58
\$400,000	\$8,714	\$8,676	(\$39)	\$116
\$600,000	\$13,072	\$13,013	(\$58)	\$174

example, the average \$400,000 house in LWV will pay an additional \$116 in Town property taxes to pay for the new streets. However, their total tax bill for the County, School District, and Town, will

be \$8,676 for 2020, **which is actually \$39 less than last year.** Don't forget, after next year, we only have three payments left on our Phase 1 bonds, which we may decide to pay off early based on our financial performance and the speed of the new development..

Among my road related emails this week were several inspection reports and a discussion on potential concrete sealants. Out of curiosity, I checked my construction folder - **I now have just over 600 emails relating to the road project.** And, we're barely three months underway. We're working harder than ever to keep moving everything forward, and our future looks brighter each day. This was a great week for our Town. **Now more than ever before. There's never been a better time to be in Lakewood Village.**

Dr. Mark E. Vargus  
Mayor



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