



Mayor's Letter August 15, 2016

Hello Everyone,

YOU MAY NOT HAVE NOTICED our most recent addition to the playground behind Town Hall. This past week we expanded the playground area and installed a four-person “rocker” (which looks a lot like a teeter-totter to me) on the south side of the playground. In the past several years, the playground and Witt Park took a pretty big financial hit as we cut our discretionary expenses during the road construction. I am very pleased with our recent progress and the Town Council’s commitment to continue to enhance these areas. We have funds available in the budget, if you would like to participate in the planning, design, and equipment selection for our parks, then now is the time to step forward. All of the current improvements are solely attributable to **Serena Lepley** who has tirelessly researched all of the various equipment options, analyzed our survey maps to design possible layouts and met with manufacturers’ representatives. I know my limitations – *nobody* wants me picking playground equipment – Serena could use some help, so if you want to make a difference let us know. Its not rocket science – that I CAN do.

THE FIRST MEETING of the Capital Improvements Advisory Committee is/was Thursday August 18th. The CIAC is composed of citizen volunteers appointed by the Town Council to meet with the Town’s engineers and provide input to the Impact Fee process. Prior to the town imposing impact fees on future developers, there are numerous statutory requirements of which the CIAC is a critical one. On behalf of the entire Town I would like to express our appreciation to Danny Cook, Chris Farage, Van Freeman, Abdiel Garza, Chip Hill, Gary Newsome, and Darrell West for their time and efforts.

Speaking of Impact Fees, let me provide you with some background information and summarize our current issues. First, let me repeat myself from an earlier letter, **two-thirds of Lakewood Village isn’t here yet**. Next time you leave the village, look across Eldorado, that is all in our jurisdiction as well as the woods along Eldorado as you drive towards the toll bridge. That is hundreds of acres and potentially a lot of nice houses to be developed, so you might ask, who pays for the additional water and sewer facilities to support all these future new houses? Well **obviously**, the developer should have to pay for the sewer plant expansion and the new well since they caused it; you and I are just fine the way things are now, *we* don’t need it. But, **this is TEXAS**. We all love the economic environment in Texas, but the details sometimes get overlooked. Basically, Texas is very pro-development. This means that, without going into hyper-technical details, essentially **the maximum you can require any developer to pay is half**, that’s right, 50 percent of the cost of the needed improvements. The rest is on us.

The Town engineers estimate that the cost of the final, ultimate wastewater treatment plant expansion, the new water well, ground storage tanks, and assorted related infrastructure to be around \$7 Million to finish out the Town. Assuming we can collect half from developers, our share would be \$3.5 Million. This is in the future, not now, so don’t panic. When the time came, most cities would just borrow the money and then jack up the utility rates to make the bond payments, it’s the easiest solution. **We’re not going to do that**. I’ve spent months meeting and working with financial advisors, tax attorneys, consultants, and the developer’s financial advisors to put together a possible plan where we would be responsible for only a small fraction of the amount. It’s complicated, and relies on a Public Improvement District and some financial engineering. The developers like it, everything looks good so far, I’m continuing to work on it, **there’s nothing for you to worry about, its my responsibility**.

TWO VISIONS. The biggest challenge that we face isn't financial, I'm not worried about that, rather it's the future vision of the Town. Our most immediate issue is that we don't control the area surrounding our town and developers have found us. We have some limited jurisdiction on the other side of Eldorado but it is in the county, not Lakewood Village. We cannot zone the property – anyone can build anything, anyway, anytime, any height, any color or as one developer told me **“we can do anything we want and you can't stop us”**. With the high land prices in our region, higher profit = higher density; the cost of a mile of concrete road or water lines costs the same whether there are ten houses or 110 houses on it. And it's much easier to sell a \$200,000 house than a \$2 million house. In one discussion with a developer they proposed “lots” that were 30'x50' and “larger” 50'x60', or about 15 houses per acre – look at a typical lot on Hillside or Lakecrest and imagine four houses on it. The developers were quite unhappy when they left Town Hall that day. Take a quick drive along FM423 and what do you see that's new – apartments, lots of apartments.

Lets paint a picture. In the Town of Little Elm, apartment density is approximately twenty units per acre, in California medium density is 100 and high density is 200-300 units per acre. Now remember, across the street isn't in any city, they can build as dense as they want, there is no zoning. So let's say they build 50 units per acre. On a 50 acre parcel across from us, that translates into 2500 apartments, or **ten times the number of houses in the Town**. And, of course with that many apartments, you have the strip centers with the usual lineup of businesses, lots of lights and signs and probably a big storage unit place next to it, oh and forget about trying to get onto Eldorado in the morning. Once they are in, it's too late, you could never annex it into the city to control it, because there are ten times the number of voters living there. The entire Town Council would be from the apartment area. People that owned no land and had no investment in LWV would be in charge; do you think that their priorities would match our current ones? Sounds pretty scary doesn't it? **Wait, did I say 50 acres across the street – it's actually about 200 acres over there.**

What can we do? Some people are saying we should do nothing, just stick our head in the sand and keep saying “there are no developers... we're invisible... there are no developers...” If you've ever talked with me about the town, you know one of my sayings is *“its easy to do nothing”*. **Its easy to do nothing.** But everybody else isn't doing nothing. In a couple of years FM720, FM423, and Naylor will all be 6-laned, and I-35 will have 10 or 12 or 20 lanes, there will be grocery stores and commercial along FM720 in Oak Point and Little Elm, and a new LEISD school near the corner of 720 and Eldorado. **And here we sit with our four-hundred acres of undeveloped available-for-sale waterfront land on both sides of Eldorado Parkway at the foot of the toll bridge.** Fortunately for us development won't happen because (a) we're planning for nothing (part of doing nothing), so nothing can happen (b) we can always change the Lakewood Village signs on Eldorado to “Highland Village” to trick any developers, (c) although developers can make \$millions so easily here, they won't do it, because we all know they like a challenge, so they'll buy land up near Oklahoma instead and (d) we can pull out the big weapon and post some comments on Facebook. I cannot tell you how great it is to know that when crunch time comes and the future of the town is at stake we can rely on Facebook – it's effortless, you can just say and post anything and all our problems disappear.

A DIFFERENT VISION. On the other hand, suppose when you left town you're sitting on at our new grand entrance admiring the water features and when you look across Eldorado you see a similar entrance with waterfalls. The tree-lined divided North Lakewood Village Drive leads to the the new development – I'll call it the North Shore (this is a fictional name). North Shore has three large ponds with fountains, eight to ten parks, all lakefront and Corps property accessible with a greenbelt and trails. Wouldn't it be nice to walk through our nature trail, pop out at Eldorado and walk through the YMCA camp along the lake through the back coves along natural trails, finally popping back out at the far entrance to Sunrise Bay and then looping back to LWV and our playground or Witt Park where we have basketball or tennis courts. North Shore would be about 350 houses, with varying lot sizes, the smallest would be similar to those on Hillside or Lakecrest. In comparison I expect that at build out, we will have around 500 houses in LWV on our side of Eldorado, so the relative size is perfect. Development would generate millions in permit fees and permanently triple our property tax revenues (which could be used to finish our concrete roads).

THERE'S ONLY ONE PROBLEM. We're surrounded by the Town of Oak Point, the Town of Little Elm, the LEISD, and Denton County and any development would likely span multiple jurisdictions. In addition, you would have to negotiate swapping utility service areas and then secure the rights from TCEQ and the Public Utilities Commission. That would require years of effort behind the scenes and dozens of meetings involving hundreds of hours of incredibly challenging and sometimes frustrating work. It would require you to have thought about this years in advance in order to pull this off. And most importantly you would have to have a team of Councilmembers who would be willing to put in all this effort without receiving any credit or recognition. Where are you ever going to find people like that ?

ITS A BASIC FACT THAT YOU MIGHT NOT REALIZE. When it comes to getting tasks done in LWV there are three options (1) we pay someone to do it, (2) the Councilmembers do it for free, or (3) it doesn't get done. If we had unlimited funds, high taxes and lots of staff, then option (1) would be the only option. Its perfectly acceptable, even desirable for you to point out issues in the Town – its unlikely that we're going to notice that your street light is out, the fire hydrant is leaking, or your water meter lid is broken. We've got a white board in the office with 40 issues on it that we are all working. A resident recently complained to me about a small issue and said the councilmembers just didn't care about the town.

Let me address that. There will never be any shortage of people who want to be Mayor. However, the only reason someone wants to be a councilmember is **because they care**. Why would Councilmember Clint Bushong leave LWV at 6am go to work at Paccar/Peterbuilt then at the end of the day drive to Frisco and meet with me and our attorneys to go over our zoning ordinance until 1am. Why would Clint design our new website, continuously update it and bring us state-of-the art functionality. Why would he spend over a hundred hours researching neighboring cities and writing our new 100 page zoning ordinance replacing the current one **from 1983** when we could just pay our attorneys. Have you ever wondered how Councilman Gary Newsome got those fifty hay bales from the farm onto the Halloween trailers, and then back to the farm ? They don't drive themselves here and load themselves. That guy with the hand saw trimming all the trees at the entrance and on our Melody lot is Mayor Pro-tem Ed Reed. Ed is also the guy who has been meeting and working every angle with Denton County and Little Elm to try and find solutions to some of our road issues. Did you notice how much clearer the marquee is in front of town hall ? Ed is the one who found the suppliers for the new plexiglass and ordered it. Then when it was down to a cool 98 degrees, with Clint and Ed on the power tools and Dave Getka and myself providing some additional muscle we installed it. Last month we removed six faded very-pink yield signs. We could simply buy new ones, but instead we took them down and Ed arranged for Little Elm's sign shop to re-laminate them for us. They are back up. I can give you many more examples, but I think you understand.

LET ME MAKE MY FEELINGS VERY CLEAR. Our Council brings an extraordinary amount of talent and expertise in a wide variety of areas. It is perfectly acceptable to disagree with a particular vote by the council – the same facts can lead to many possible actions, yet only one can be taken. I will not condone, nor will I ignore it when someone questions their ethics, integrity, dedication, loyalty and selfless commitment to our town. If you want to showboat for the cameras and generate PR you better pick another topic.

Now isn't the time for any hotdogs. Its an exciting time for us, and we're are all looking forward to it. **It's a really great time to be in Lakewood Village**

Dr. Mark E. Vargus
Mayor



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