

City of Sacramento

Legislation Text

File #: 2019-01208, **Version:** 1

Title:

First Amendment to Quimby and Park Impact Fee Credit and Reimbursement Agreement with the Northwest Land Park LLC, Appropriate Funding and Park Naming

File ID: 2019-01208

Location: District 4

Recommendation:

Adopt a Resolution: 1) approving the First Amendment to the Quimby and Park Impact Fee Credit and Reimbursement Agreement with Northwest Land Park, LLC; 2) appropriating \$51,896 from Park Development Impact Fee Available Fund Balance (Fund 3204) to the Olympians Park Development project (L19145100); and 3) approving the naming of the park site as Olympians Park

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Presenter: None

Attachments:

1-Description/Analysis

2-First Amendment to Quimby and Park Impact Fee Credit and Reimbursement Agreement with Northwest Land Park LLC

3-Resolution

Description/Analysis

Issue Detail: The Master Plan for Olympians Park was approved on April 10, 2018. At the time the Master Plan was approved, the Council's motion included naming the park site as Olympians Park, but that action did not get recorded in the minutes or in the resolution. On January 8, 2019, City Council passed a resolution approving a Quimby and Park Impact Fee Credit and Reimbursement Agreement for Olympians Park, Farm and Community Garden, and establishing capital improvement projects with the Northwest Land Park, LLC (Developer). The City Council also approved an

allocation of \$792,389 from Park Impact Fee (Fund 3204) to fund the Olympians Park Development project (L19145100).

The Principal Agreement provided for reimbursement of the Park Impact Fees and the Quimby In Lieu Fees collected from Developer for Phases 1, 2, and 2X of the residential project, and an allocation of Park Impact Fee Credits that can be applied for the building permits to be issued for the remaining housing units in Phase 2, as well as Phases 3 and 4 of the residential project. The Principal Agreement contemplated that separate credit/reimbursement agreement(s) would be entered for Phase 5. There is some confusion as to the amount of security required for the Park Impact Fee Credits the Developer needs before the park construction is completed. This First Amendment includes in the Credit/Reimbursement Agreement Phase 5 and clarifies how the fees that have been paid are applied to construction of the three park sites.

As part of The Mill at Broadway development plan, the Developer was required to renovate the 11,000 sq. ft. bow-truss warehouse building located on the Olympians Park site for use as a Neighborhood Center to a “cold shell” status, as well as linear pathways such as, Setzer Run and related features. The costs to renovate this building have exceeded the amount envisioned by the parties when the Development Agreement was executed in 2011. The Development Agreement provided that the priority for the Park Impact Fees paid by the Developer would be for the costs of the park facilities within the residential project. After the Development Agreement was approved, the City amended the Park Impact Fee program to establish a fee for citywide facilities and the Neighborhood Center and Setzer Run qualify for such funding. The Principal Agreement and this Amendment implement that Development Agreement commitment by allocating the citywide Park Impact Fees for improvements to Olympians Park that serve the Neighborhood Center and for development of Setzer Run.

This First Amendment clarifies that the citywide Park Impact Fees that have already been collected, as well as the amount that may be collected for the remaining housing units within the residential project can be applied to the park and Setzer Run construction costs. The Developer has already paid \$51,896 in Citywide Park Impact Fees. Appropriating \$51,896 from the Park Development Impact Fees (Fund 3204) and approving the First Amendment to the Agreement will provide needed funding to assist with the construction of the Neighborhood Center park improvements at Olympians Park.

Policy Considerations: Utilizing Park Development Impact Fees (Fund 3204) to fund park improvements is consistent with Sacramento City Code Section 18.56.230 as these funds will be used to: “Finance the design, construction, installation, improvement, and acquisition of for neighborhood parks within two miles of the development project, community parks within five miles of the development project, and regional and citywide park facilities regional and citywide park facilities located anywhere in the city.”

Providing parks and recreation facilities is consistent with the City's Strategic Plan to enhance livability in Sacramento's neighborhoods by expanding park, recreation, and trail facilities throughout the City.

Economic Impacts: None applicable

Environmental Considerations: The Olympians Park, Farm and Garden and Setzer Run projects have been reviewed for compliance with the requirement of the California Environmental Quality Act (CEQA) and has been determined to fall within the scope of the Environmental Impact Report (EIR) for the Northwest Land Park project (P10-039). The EIR for the Northwest Land Park project was certified by City Council on August 23, 2011 (Resolution 2011-496). The EIR adequately described the development of these park facilities as part of the development project. The analyses, findings and mitigation measures remain unchanged. No further environmental review is required.

Sustainability: The Olympians Park, Farm and Garden Master Plan was found to be consistent with the goals, policies and targets of the Parks and Recreation Sustainability Plan by reducing greenhouse gas emissions and air pollution through the addition of landscape plantings, and by improving the health of residents through access to a diverse mix of wellness activities.

Commission/Committee Action: The Parks and Community Enrichment Commission previously reviewed and recommended approval of the Olympians Park, Farm and Garden Master Plan.

Rationale for Recommendation: The amendment to the Quimby and Park Impact Fee Credit and Reimbursement Agreement with Northwest Land Park, LLC to construct improvements within Olympians Park for the Neighborhood Center and Setzer Run with Citywide Park Impact Fees provides recreational amenities for the residents at the Mill at Broadway, as well as the surrounding neighborhoods.

Financial Considerations: The total construction cost for Olympians Park (\$2.7 million) did not include the cost to renovate the existing building, which would house the neighborhood center. An allocation of \$51,896 from the Park Development Impact Fees Available Fund Balance collected since 2017, and future allocation of the Citywide fees from the development, will provide a portion of the funding to improve the facilities within the Olympians Park that are needed to serve the Neighborhood Center and Setzer Run.

Local Business Enterprise (LBE): The City will not be constructing the park improvements, so the LBE requirements do not apply.