

# City of Sacramento

## Legislation Details (With Text)

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**File #:** 2020-01203    **Version:** 1    **Name:**  
**Type:** Consent Item    **Status:** Agenda Ready  
**File created:** 9/29/2020    **In control:** City Council - 5PM  
**On agenda:** 3/2/2021    **Final action:** 12/31/2023  
**Title:** South Natomas Facilities Benefit Assessment (FBA) Reimbursement Agreement (Two-Thirds Vote Required)  
..End

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
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**Title:**  
**South Natomas Facilities Benefit Assessment (FBA) Reimbursement Agreement (Two-Thirds Vote Required)**  
..End

File ID: 2020-01203

**Location:** District 3

**Recommendation:**

Adopt a Resolution: 1) suspending the competitive-bidding requirement for an agreement with Beazer Homes Holding, LLC (Developer) for the City's acquisition of public improvements financed through the FBA; and 2) authorizing the City Manager or the City Manager's designee to execute that agreement on the City's behalf.

**Contact:** Mary Jean Rodriguez, Program Specialist, (916) 808-1980; Sheri Smith, Special Districts Manager, (916) 808-7204, Department of Finance

**Presenter:** None

**Attachments:**

- 1-Description/Analysis
- 2-Resolution
- 3-Exhibit A (Cove Reimbursement Agreement)

## Description/Analysis

**Issue Detail:** On April 17, 1990, City Council passed Resolution No. 90-291 designating the South Natomas FBA Area and levying the associated FBA to fund infrastructure identified in the South Natomas Public Facilities Financing Plan (Finance Plan). The Finance Plan identifies funding for a pedestrian bridge over the Natomas Main Drainage Canal and a bikeway system for the South Natomas Community Plan Area (FBA Facilities). The assessment is levied on new development within the South Natomas area of benefit at time of building permit. Chapter 3.120 of the City Code outlines the policies and governs the management of the FBA. The City Council may approve proposals by developers to construct some facilities in lieu of, or as credit against, payment of an FBA.

The Cove project consists of 80.3 vacant acres bounded by Interstate 80 to the north, West El Camino Avenue to the south, the Natomas Main Drainage Canal to the east and Orchard Lane to the west. It is made up of 590 single family homes, a detention basin, a community park, a private clubhouse facility, and bicycle and pedestrian amenities within the River Oaks Planned Unit Development. As part of the Cove project, the Developer will construct the FBA Facilities, connecting the community on the east side of the canal to the west side of the canal and to Barandas Park. Approval of the agreement, attached as Exhibit A to the resolution, allows for the payment to the developer for the construction of the FBA Facilities identified in the Finance Plan. The Agreement sets the amount to be reimbursed, and the time and manner in which payments will be made from revenue paid into the special funds created for the area of benefit.

**Policy Considerations:** Approval of the reimbursement agreement is consistent with Chapter 3.120 of the Sacramento City Code. Section 3.60.170 of the Sacramento City Code authorizes the City Council to suspend competitive bidding by a two-thirds vote if it is in the best interests of the City. Suspending competitive bidding, in this case, will allow the developer to efficiently construct the facilities as was originally contemplated in the FBA program and supports the addition of bike trails to the South Natomas bikeway system and a public pedestrian and bicycle bridge that will serve as public amenities. This efficient construction is in the best interest of the City.

**Economic Impacts:** Not applicable.

## Environmental Considerations:

**California Environmental Quality Act (CEQA):** The improvements involved in the action have been evaluated by the City in the CEQA review conducted for The River Oaks Park project (P01-132) environmental impact report (EIR) and then addendum to the EIR prepared in connection with The Cove project (P17-051). No further CEQA review is required.

**Sustainability:** Not applicable.

**Commission/Committee Action:** Not applicable.

**Rationale for Recommendation:** Approval of the proposed resolution and execution of the agreement support implementation of the Finance Plan and construction of public infrastructures identified in the FBA.

**Financial Considerations:** Developer will construct a bike trail at an estimated cost of \$133,850 and a pedestrian bridge at an estimated cost of \$1,683,444 within the Cove development project.

Approval of the attached agreement will set the amount to be reimbursed, and the time and manner in which payments will be made only from revenues paid into the special funds created for the area of benefit. The amount of developer reimbursement from the FBA funds will be the lesser of the following: (1) the Project Costs; or (2) the amount listed in the Finance Plan for the Projects, escalated to 2021 dollars.

The recommended actions will not affect the General Fund or any other funds of the City.

**Local Business Enterprise (LBE):** Not applicable.