

City of Sacramento

Legislation Text

File #: 2019-00298, **Version:** 1

Title:

South Natomas Facilities Benefit Assessment (FBA) In-Lieu Agreement (Two-Thirds Vote Required)

..**End**

File ID: 2019-00298

Location: District 3

Recommendation:

Adopt a Resolution: 1) suspending the competitive-bidding requirement for an agreement with JEN California 7, LLC 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 (Parkebridge In-Lieu Agreement)

Description/Analysis

Issue Detail: On April 17, 1990, City Council designated the South Natomas Facilities Benefit Assessment Area and levied the associated FBA to fund infrastructure identified in the South Natomas Public Facilities Financing Plan (Resolution No. 90-291). The FBA funds a bikeway system for the South Natomas Community Plan Area. 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, and also allows for construction of facilities in lieu of paying the assessment.

The Parkebridge project is 90.5 acres to the north of Fong Ranch and Del Paso Roads with 510 single family residential units, two park sites, landscape and drainage corridors, and multiple bike trails. The developer is constructing over 6,000 linear feet of bike trails, adding and connecting to the existing South Natomas bikeway system. A third of the trails have been completed and the remaining will be completed with future phases of the development project. Approval of the agreement, attached as Exhibit A to the resolution, allows for the construction of the bike trail improvements as in lieu payment of a portion of the project's overall FBA obligation.

Policy Considerations: Approval of the in-lieu 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. This efficient construction is in the best interest of the City.

Economic Impacts: Not applicable.

Environmental Considerations:

California Environmental Quality Act (CEQA): Under the CEQA Guidelines, continuing administrative activities do not constitute a project and are therefore exempt from review. (14 Cal. Code Regs. §15378(b)(2).) Further, on March 14, 2006, pursuant to the California Environmental Quality Act (Public Resources Code §21000 et seq. ("CEQA"), the CEQA Guidelines (14 California Code of Regulations §15000 et seq.), and the City of Sacramento environmental guidelines, the City Council certified the Parkebridge environmental impact report (EIR; SCH No. 2005-012119) and, having reviewed and considered the information contained in the EIR, adopted findings of fact and findings of overriding consideration, adopted a mitigation monitoring program. On June 17, 2014, the City Council certified the addendum to the EIR.

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 South Natomas Public Facilities Financing Plan and construction of public infrastructure identified in the FBA.

Financial Considerations: Approval of the attached agreement will reduce the assessment collected as part of the FBA program by an amount equal to the cost of the facility. The agreement

limits the in-lieu amount to no more than \$435,000, and the development will generate an additional \$652,000 in assessment revenue. There is no impact on the General Fund or any other funds of the City as a result of this action.

Local Business Enterprise (LBE): Not applicable.