

City of Sacramento

Legislation Text

File #: 2020-01528, **Version:** 1

Title:

Approval of Grant Agreement and Purchase & Sale Agreement: Acquisition of Property from California Almond Growers Exchange Utilizing Proposition 68 Grant Funds

File ID: 2020-01528

Location: Sutter's Landing Park, District 3

Recommendation:

Adopt a Resolution: 1) authorizing the City Manager or the City Manager's designee to accept a grant in the amount of \$1,640,000 from the State of California, Wildlife Conservation Board (Prop 68 Grant) for the purpose of acquiring the real property owned by the California Almond Growers Exchange commonly identified as Assessor Parcel Numbers 003-0032-024, 003-0032-026, 003-0032-029, and 003-0032-032 ("the Property"); 2) authorizing the City Manager or the City Manager's designee to execute the attached State of California Wildlife Conservation Board Grant Agreement for Acquisition of Fee Interest, Agreement Number WC-2094JW (Grant Agreement); 3) authorizing the City Manager or the City Manager's designee to execute the attached Purchase and Sale Agreement (Purchase Agreement) with the California Almond Growers Exchange in the amount of \$1,640,000 for the City's purchase of fee title to the Property; and 4) authorizing the City Manager or the City Manager's designee to execute any other documents necessary to carry out the City's purchase of the Property.

Contact: Richard Sanders, Facilities & Real Property Superintendent, (916) 808-7034, Department of Public Works

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Grant Agreement
- 3-Purchase and Sale Agreement
- 4-Resolution

Description/Analysis

Issue Detail: In 2019, the City applied for grant funding from the State of California Wildlife

Conservation Board (WCB) through the Lower American River Conservancy Program and the Proposition 68 State of California Parks & Water Bond 2018 (Prop 68 Grant). The City's request was approved for an allocation of up to \$1,800,000 of funding to be used for acquisition of property within Sutter's Landing. Properties owned by the Sylvia Dellar Survivor's Trust (Dellar) and the California Almond Growers Exchange aka Blue Diamond (Almond Growers) were identified as potential acquisitions and subsequently appraised. Offers were submitted to each of the owners based on the appraised value. Only Almond Growers expressed interest in selling its property.

The Almond Growers property is comprised of four parcels containing approximately 18.84 acres of vacant land in total. The parcels are commonly identified as Assessor Parcel Numbers 003-0032-024, 003-0032-026, 003-0032-029, and 003-0032-032 (collectively the "Property"). Portions of the Property were previously used by Almond Growers or its predecessors as a landfill containing inert construction material. Almond Growers will thus be remediating contamination associated with such landfill before selling the Property to the City and Almond Growers is currently working with the County of Sacramento Environmental Management Department (EMD) for approval of a landfill closure plan.

The Purchase Agreement specifies a purchase price of \$1,640,000 based on the value reported in an independent appraisal. The value is further based on the assumption that Almond Growers will obtain an approved landfill closure plan and complete the required remediation in such plan. This appraisal has been reviewed and approved by the State of California, Department of General Services as meeting the requirements of the Prop 68 Grant. The Purchase Agreement requires Almond Growers to remediate the Property in accordance with an approved landfill closure plan to the satisfaction of the EMD and any other regulatory agencies prior to the sale to the City.

The Grant Agreement between City and WCB will allow WCB to provide the grant funds for the City to acquire the Property and close escrow. In addition, the Grant Agreement will require the City to utilize the Property for recreation and open space. WCB will vote on approval of the Grant Agreement at its February 2021 board meeting.

Policy Considerations: The recommendations in this report are in accordance with the provisions of City Code Section 3.04.020 regarding income or expenditures of \$250,000 or more.

In addition, the recommendations support the following 2035 General Plan Policies:

LU 9.1.1 - Open Space Preservation - The City shall place a high priority on acquiring and preserving open space lands for recreation, habitat protection and enhancement, flood hazard management, public safety, water and agricultural resources protection, and overall community benefit.

ERC 2.2.8 - Capital Investment Priorities - The City shall give priority to the following parks and recreation capital investments:

- Acquiring land for or constructing parks and recreation facilities where adopted Service Level Goals are not being met
- Acquiring, restoring, and preserving large natural areas for habitat protection and passive recreation use such as walking, hiking, and nature study
- Acquiring and developing areas for recreation use and public access along the banks of the American and Sacramento Rivers
- Building and improving parks and facilities to ensure safety for users and adjacent properties

ERC 2.4.2 - Waterway Recreation and Access - The City shall work with regional partners, State agencies, private landowners, and developers to manage, preserve, and enhance the Sacramento and American River Parkways and urban waterways and riparian corridors to increase public access for active and passive recreation.

Economic Impacts: None

Environmental Considerations:

California Environmental Quality Act (CEQA): The City will acquire the Property for passive recreation associated with the Sutter's Landing Regional Park. A portion of the Property will support a regional multi-use trail that has been evaluated separately for CEQA purposes. The California Almond Growers Exchange will be required to complete existing site remediation and provide closure confirmation from the applicable regulatory agency prior to the City taking title to the Property. The City can determine with certainty that no significant effects would occur as a result of the City purchasing the Property, and the action is therefore exempt from CEQA review pursuant to the commonsense CEQA exemption (CEQA Guidelines section 15061(b)(3)).

Sustainability: Not applicable

Commission/Committee Action: None

Rationale for Recommendation: The Property is located within the Sutter's Landing area and the acquisition will allow the City to expand upon the Sutter's Landing Regional Park. The Property will allow for:

- Future extension of the Two Rivers Trail through Sutter's Landing
- Provide for passive recreation and access to nature areas for park users
- Expansion of open space and habitat areas within Sutter's Landing

Financial Considerations: The purchase price of \$1,640,000 will come directly from Prop 68 Grant

funds and will be deposited directly into escrow by the Wildlife Conservation Board. The City will be responsible for payment of its share of applicable escrow and closing fees, which are estimated not to exceed \$5,000. There are sufficient funds in the Department of Public Works, Fiscal Year 2020/21 Facilities and Real Property Management Division's operating budget to pay the City fees.

Local Business Enterprise (LBE): Not applicable.