

CITY OF YUBA CITY
STAFF REPORT

Date: December 4, 2007
To: Honorable Mayor & Members of the City Council
From: Public Works
Presentation by: George Musallam, Public Works Director

Summary

Subject: Reimbursement Agreement – Cresleigh Homes

Recommendation:

- a. Adopt a resolution approving the execution of a Reimbursement Agreement with Cresleigh Homes Corporation for drainage improvements and roundabout construction in the Butte Vista Neighborhood Area. [located south of Pease Road in the vicinity of Stabler Lane]
- b. Authorize the Chief Financial Officer to make a supplemental appropriation as fees are collected to support payment of pass through to Cresleigh Homes Corporation.
- c. Authorize payment to Cresleigh Homes Corporation for improvements constructed pursuant to the Butte Vista Neighborhood Plan, authorize fee credits towards the Butte Vista Neighborhood Impact Fee for reimbursement of the perimeter conflict mitigation fee in an amount not to exceed \$33,437.31, and authorize the Chief Financial Officer to make a supplemental appropriation for \$246,170.83.

Fiscal Impact: \$246,170.83 – Account No. 304-20216 (Butte Vista Neighborhood Impact Fee)

Background:

Tres Picos Estates, a 75-lot single family dwelling development, and Tres Picos West Estates, an 85-lot single family dwelling development, were developed by Cresleigh Homes Corporation and are located at the north end of Stabler Lane.

Analysis:

In 2002, the City formed Buttes Vista Assessment District 2002 for the funding and construction of drainage improvements necessary to serve the Butte Vista Neighborhood as outlined in the "North Yuba City Drainage Area Master Drainage Plan" (Drainage Plan). As part of the Tres Picos and Tres Picos West Estates subdivisions, Cresleigh Homes constructed a portion of the drainage improvements identified in the Drainage Plan, as well as paid cash to the City to fulfill their fair share. When Cresleigh Homes constructed a 54" diameter storm drain line in West Onstott Frontage Road, the entire southbound lane had to be repaved due to realigning the storm drain line further east to avoid a gas line on the west edge of pavement. The cost of the asphalt pavement,

\$109,727.17, was not anticipated in the Drainage Plan and Cresleigh Homes is requesting reimbursement for this additional cost. Staff proposes to spread the cost over the remaining undeveloped parcels in the northeast quadrant of the Butte Vista Neighborhood area, as they will receive direct benefit of the storm drain line and paving on West Onstott Frontage Road.

The Conditions of Approval for Tres Picos Estates required that the roundabout located at the intersection of Stabler Lane and Butte Vista Lane be constructed with the first phase of the project. The cost of construction is to be reimbursed to Cresleigh Homes equal to one-half the cost from the City and one-tenth the cost by the owner of AP# 59-030-018, which is identified as Parcel 1 in the Reimbursement Agreement.

The attached Reimbursement Agreement covers the reimbursement for one-tenth the cost of the roundabout and the paving of West Onstott Frontage Road.

In 1999, Council established a Butte Vista Neighborhood Impact Fee for the Butte Vista Neighborhood Area to reimburse the City for the cost associated with the preparation of the Butte Vista Neighborhood Plan and the costs associated with the neighborhood park, which is now Regency Park. In 2000, Council added two additional elements to the Butte Vista Neighborhood Impact Fee for the mitigation of perimeter conflicts along the north and east sides of the Neighborhood Plan and the cost of landscaped medians on Stabler Lane and Pease Road. The perimeter conflict mitigation fee is to pay for additional right-of-way to be dedicated along Pease Road to provide a 108' buffer between the urban and rural edge, additional right-of-way to be dedicated along West Onstott Frontage Road to construct a 4.5' berm in which future developers will place a 6' masonry block wall in order to provide a 10.5' sound wall, and the undergrounding of the 12 kV electric lines along Pease Road.

Cresleigh Homes constructed some of the off-site improvements associated with the park, constructed landscaped medians on Stabler Lane, and dedicated right-of-way to the City along Pease Road as part of the perimeter conflict mitigation. In addition, they paid the Butte Vista Neighborhood Impact Fee with each building permit, thereby paying for some of the improvements twice. Therefore, Cresleigh Homes is due reimbursement for a portion of the fees.

Fiscal Impact:

There is no fiscal impact associated with the Reimbursement Agreement (i.e. reimbursement for paving on West Onstott Frontage Road and the roundabout) as the City will pass through any fees collected.

With regard to the Butte Vista Neighborhood Impact Fee reimbursement, staff reviewed the AB 1600 studies prepared to justify the fee to determine the reimbursements due Cresleigh Homes since they constructed a portion of the improvements and paid fees as well. The reimbursements are as follows:

<u>Description</u>	<u>Basis for Reimbursement</u>	<u>Reimbursement Amount</u>	<u>Amount Currently Available</u>
Perimeter Conflict Mitigation	\$24/LF of frontage along Pease Road	\$37,023.84	\$3,586.53
Arterial Landscaped	\$60/LF of landscaped	\$113,641.80	\$113,641.80

Median	median along Stabler Lane		
Off-site improvements related to Regency Park	Engineer's estimate for off-site improvements	\$128,942.50	\$128,942.50
Total:		\$279,608.14	\$246,170.83

Since there are not sufficient funds to reimburse the Developer completely for the perimeter conflict mitigation fee, the remainder of \$33,437.31 will be reimbursed to the Developer as it is collected by the City through other building permits within the Butte Vista Neighborhood, or by offering Cresleigh Homes the option to receive fee credits towards the Butte Vista Neighborhood Impact Fee.

Cresleigh Homes has approximately 35 building permits remaining and the Butte Vista Neighborhood Impact Fee is \$1,832.04 per single family dwelling. If allowed the option of fee credits, the reimbursement for the perimeter conflict mitigation will be paid in full with the issuance of 19 building permits.

Alternatives:

Do not execute the Reimbursement Agreement.

Recommendation:

Adopt a resolution approving the execution of a Reimbursement Agreement with Cresleigh Homes Corporation for drainage improvements and roundabout construction in the Butte Vista Neighborhood Area, authorize the Chief Financial Officer to make a supplemental appropriation as fees are collected to support payment of pass through to Cresleigh Homes Corporation, authorize payment to Cresleigh Homes Corporation for improvements constructed pursuant to the Butte Vista Neighborhood Plan, authorize fee credits towards the Butte Vista Neighborhood Impact Fee for reimbursement of the perimeter conflict mitigation fee in an amount not to exceed \$33,437.31, and authorize the Chief Financial Officer to make a supplemental appropriation for \$246,170.83.

Prepared by:

Diana Langley

 Diana Langley
 Principal Engineer

Submitted by:

[Signature]

 Steven R. Jepsen
 City Manager

Reviewed by:

Department Head

Finance

City Attorney

[Signature]

[Signature]

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
AUTHORIZING EXECUTION OF THE CRESLEIGH HOMES
REIMBURSEMENT AGREEMENT WITH CRESLEIGH HOMES
CORPORATION

BE IT RESOLVED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF
YUBA CITY AS FOLLOWS:

That the Mayor and City Clerk be, and they are hereby authorized and directed to execute on behalf of the City of Yuba City that certain Cresleigh Homes Reimbursement Agreement between the City of Yuba City and Cresleigh Homes Corporation.

That a copy of said Cresleigh Homes Reimbursement Agreement is on file at the City Clerk's office.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 4th day of December 2007.

AYES:

NOES:

ABSENT:

MAYOR

ATTEST:

CITY CLERK

CRESLEIGH HOMES
REIMBURSEMENT AGREEMENT

This Agreement is made and entered into this 4th day of December, 2007, by and between the City of Yuba City, hereinafter called City, and Cresleigh Homes Corporation, hereinafter called Developer.

WITNESSETH:

WHEREAS, the Developer constructed a roundabout at the intersection of Stabler Lane and Butte Vista Lane and paved a portion of West Onstott Frontage Road in association with the construction of a storm drain line ("Improvements"); and

WHEREAS, said Improvements as shown on Drawing No's. 4978-D and 5044-D, approved by the City Engineer and on file in his office, were constructed by the Developer completely at his own expense; and

WHEREAS, the Improvements will benefit certain other properties when they are developed. A determination of the areas and locations of the properties that would benefit from the Improvements has been made and is shown on the attached map and Reimbursement Distribution Schedule.

All fees collected by the City when said properties develop as shown on the attached Reimbursement Distribution Schedule will be mailed to the address of that Developer within thirty (30) days of collection. It is the responsibility of the Developer to notify the City Finance Department of any change of address.

It is understood and agreed by and between the parties hereto that City's obligation to make reimbursement to Developer is expressly contingent on said properties developing. Only in the event properties develop and pay their proportionate cost as reflected in the attached schedule shall there be an obligation or responsibility on City to make reimbursement and/or payment to Developer and then only to the extent of such payment.

The City shall not be held to this Agreement after fifteen (15) years from the date of this

agreement.

In witness whereof, the parties to these presents have hereunto set their hands this year and date first above written.

CITY OF YUBA CITY, A MUNICIPAL CORPORATION

By: _____
Mayor

By: _____
City Clerk

CRESLEIGH HOMES CORPORATION

By: _____

Developer's Mailing Address:

Cresleigh Homes Corporation
2024 Opportunity Drive, Suite 150
Roseville, CA 95678

REIMBURSEMENT DISTRIBUTION SCHEDULE

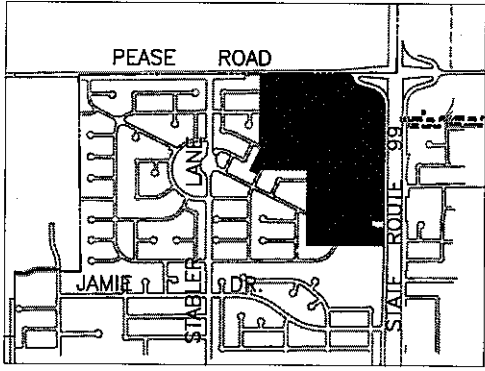
ROUNDBOUT REIMBURSEMENT DISTRIBUTION

ID	A.P.#	Roundabout Cost	Reimbursement Amount @ 10%
1	59-030-018	\$91,000	\$9,100

WEST ONSTOTT FRONTAGE ROAD PAVEMENT

ID	A.P.#	Area (Acres)	Reimbursement Amount @ \$/Acre
2	59-030-024	48.53	\$73,754.28
3	59-030-008	1.36	\$2,066.88
4	59-030-009	14.48	\$22,006.23
5	59-030-011	7.83	\$11,899.78
	Total:	72.20	\$109,727.17

TOTAL \$118,827.17



CRESLEIGH HOMES REIMBURSEMENT AGREEMENT



SCALE: 1" = 600'

