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DEPARTMENT OF  
PUBLIC WORKS

CITY OF SACRAMENTO  
CALIFORNIA

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TECHNICAL SERVICES  
DIVISION

**APPROVED**

June 27, 2001

JUL 18 2001

OFFICE OF THE  
CITY CLERK

City Council  
Sacramento, California

AG 2001-118  
~~AG 2001-120~~  
AG 2001-119

Honorable Members in Session:

**SUBJECT: North Natomas Public Facilities Fee Credits**

**LOCATION AND COUNCIL DISTRICT:**

Council District No. 1, Neighborhood Services Area 4

**RECOMMENDATION:**

Staff recommends that City Council adopt the attached resolution approving the Agreement relating to North Natomas Public Facilities Fee Credits (PFF) of Marvin L. Oates (Landowner).

**CONTACT PERSONS:**

Edward Williams, Senior Engineer, 264-5440  
Sini Makasini, Administrative Analyst, 264-7967

**FOR COUNCIL MEETING OF:** July 18, 2001

**SUMMARY:**

The purpose of this report is to clarify the rate at which Landowner is authorized to use North Natomas PFF credits.

**COMMITTEE/COMMISSION ACTION:**

None

**BACKGROUND INFORMATION:**

Marvin L. Oates (Landowner) gifted a parcel of land, to the City, known as the stadium parcel. The subject area is located on the south side of Del Paso Road between East Commerce Way to Truxel Road in North Natomas. In receipt of this property, the City wanted the stadium parcel to be free and clear of all liens and encumbrances prior to the transfer of ownership from Landowner to City. Landowner removed the lien from Assessment District No. 88-03 from the stadium parcel by paying the assessment in full. In turn, the City was requested by the Landowner to establish a Mello-Roos Community Facilities District over and upon the lands currently owned by Landowner, as a means of transferring the debt from the stadium parcel to the other adjacent parcels owned by the Landowner (Exhibit A).

The Landowner is also the owner of approximately \$3.9 million in North Natomas PFF credits, which can be used to offset payment of North Natomas public facilities fees at a rate of 43%. Using the 43% rate for purpose of offsetting fees paid through development of the adjacent parcels, the Landowner would only be able to expend approximately \$1.7 of the \$3.9 million in credits. During the process of removing the debt/lien and gifting the Stadium parcel to the City, the City agreed to authorize the use of credits at a higher rate (97.5 %) allowing for the use of all or nearly all of the credits by build-out of Landowners projects. The attached agreement clarifies that the 97.5% rate applies to all remaining PFF fee credits, owned by Landowner, for use in the development of Landowner's remaining property in North Natomas.

**FINANCIAL CONSIDERATIONS:**

There will be no impact to the General Fund. Approving the adjustment in PFF credit rate will not result in any additional expense to the City.

**ENVIRONMENTAL CONSIDERATIONS:**

The City's action in approving the resolution is solely for the purpose of using North Natomas public facilities fees, and is therefore not a project for the purposes of the California Environmental Quality Act.

**POLICY CONSIDERATIONS:**

The attached agreement clarifies the manner in which the Landowner may use PFF credits, to be consistent with agreements reached at the time that the Landowner conveyed the stadium parcel to the city by gift.

City Council  
North Natomas Public Facilities Fee Credits  
June 27, 2001

**ESBD:**

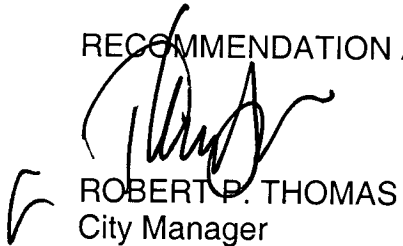
This action does not involve the ESBD & Selection Process.

Respectfully submitted,



Gary Alm, Manager  
Development Services

RECOMMENDATION APPROVED:



ROBERT P. THOMAS  
City Manager

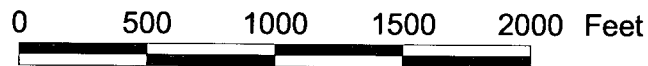
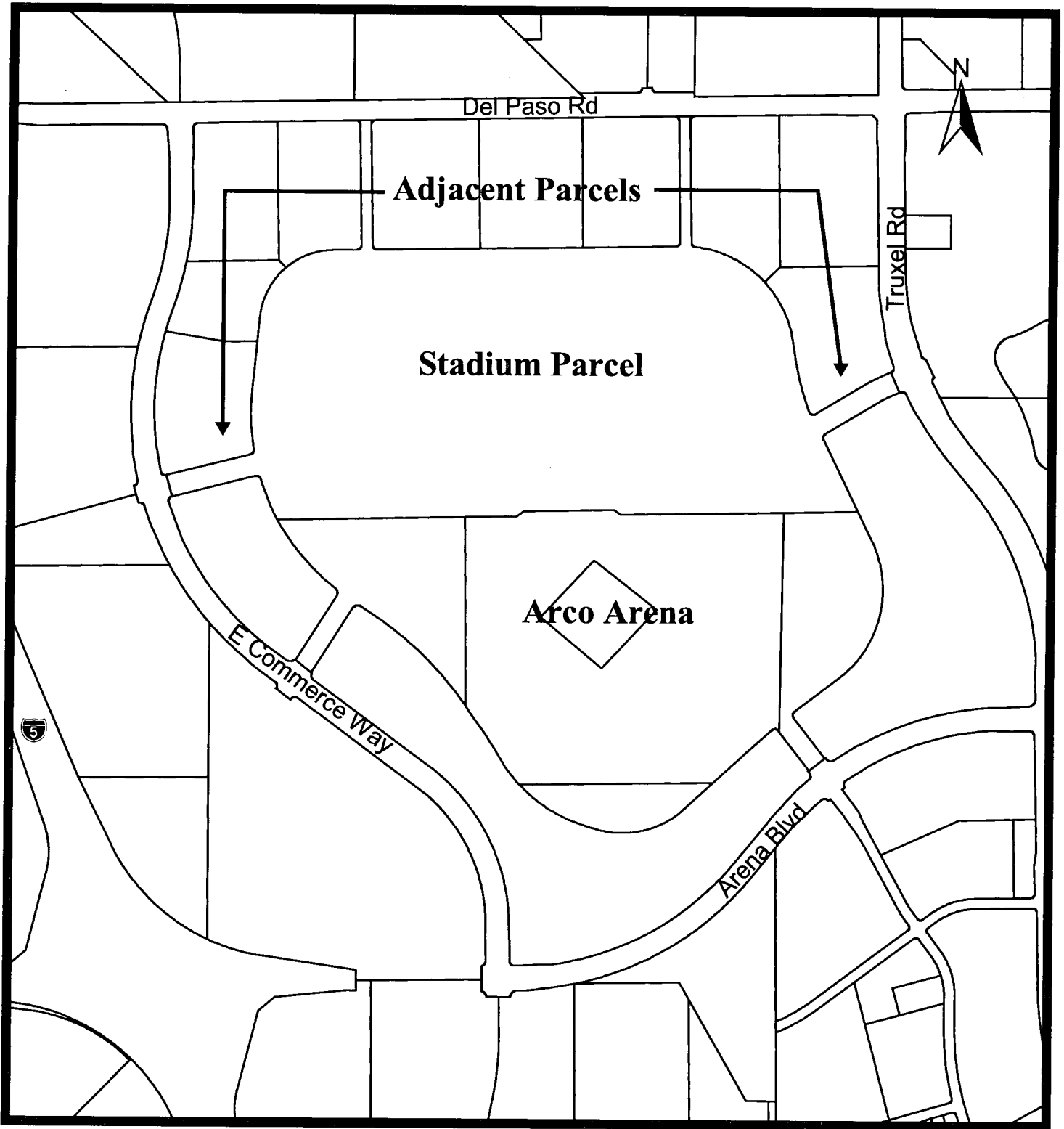
Approved:



Michael Kashiwagi  
Director of Public Works

# OATES AGREEMENT

## Exhibit A



 Parcels

Department Of  
**PUBLICWORKS**  
City Of Sacramento  
Development Services & Special District



**RESOLUTION NO.** 2001-482

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF \_\_\_\_\_

**RESOLUTION APPROVING THE ADJUSTMENT OF PUBLIC FACILITIES FEE CREDIT RATE USAGE FOR LANDOWNER, MARVIN L. OATES**

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

- 1. The City Manager is hereby authorized and directed to execute Agreement on behalf of the City of Sacramento, authorizing the use of North Natomas Public Facilities Fee (PFF) credits at a rate of 97.5% for Landowner, Marvin L. Oates.
- 2. Landowner may transfer PFF credits in lieu of a title change. Yet, transferred credits will automatically revert back to the normal 43% rate as specified in the North Natomas Finance Plan.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

**FOR CITY CLERK USE ONLY**

RESOLUTION NO.: \_\_\_\_\_  
DATE ADOPTED: \_\_\_\_\_

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