

RESOLUTION NO. 2007-340

Adopted by the Sacramento City Council

June 5, 2007

AGREEMENT BETWEEN THE CITY, RAPTON INVESTMENT GROUP LLC; MEL RAPTON, INC.; AND COLLIERS MACAULAY NICOLLS (CALIFORNIA), INC. IN CONNECTION WITH THE FULTON AVENUE DEVELOPMENT PROJECT (CB34)

BACKGROUND

- A. The City of Sacramento owns the property at 3701 Fulton Avenue, the proposed site of the Fulton Avenue Development project ("Site").
- B. The City had leased the Site, comprising 21± acres of Del Paso Park, to the Sacramento Trapshooting Club since approximately 1915. The lease expired on September 30, 2004, and the Trapshooting Club operated on the premises under a month-to-month basis until the lease was terminated on June 30, 2006.
- C. In 2002, the City Council directed staff to examine potential alternatives for the "highest and best" uses for the Site.
- D. In March 2004, Colliers International presented the City with an opportunity to lease the Site to Mel Rapton, Inc., which does business as Mel Rapton Honda.
- E. An Exclusive Right to Negotiate ("ERN") was executed on June 1, 2004, between the City and Mel Rapton, Inc. The ERN granted Mel Rapton, Inc. the exclusive right to negotiate with the City for the lease of the Site. It was renewed twice by the City Council and expires on August 31, 2007.
- F. The City Council certified an environmental impact report ("EIR") for the Fulton Avenue Development project on January 16, 2007.
- G. On December 12, 2006, the City Council approved an *Agreement Regarding Conditions Precedent to Lease of Land*, which is designated as City Agreement No. 2006-1393. The Conditions Precedent Agreement memorializes the parties' progress in negotiating a lease and commits them to perform specific actions.
- H. Execution of the attached Agreement for Discharge of Fee Obligation is required by subsection 10(f) of the Conditions Precedent Agreement.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1: The facts set forth in the Background are correct.

Section 2: The City Council hereby approves the attached Agreement for Discharge of Fee Obligation and authorizes the City Manager to execute that agreement on the City's behalf.

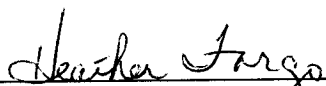
Adopted by the City of Sacramento City Council on June 5, 2007 by the following vote:

Ayes: Councilmembers, Cohn, Fong, Hammond, McCarty, Pannell, Sheedy,
Tretheway, Waters and Mayor Fargo.

Noes: None.

Abstain: None.

Absent: None.



Mayor Heather Fargo

Attest:



Shirley Concolino, City Clerk