

RESOLUTION NO. 2008-178

Adopted by the Sacramento City Council

March 25, 2008

AIRFIELD PARK REIMBURSEMENT/CREDIT AGREEMENT AND RELEASE OF LETTER OF CREDIT AND CASH PAYMENT

BACKGROUND:

- A. Airfield Park is a proposed 9.2-acre park located on Natomas Crossing Drive at Airport Road in North Natomas. The park was to be built by Beazer Homes Holding Corporation as a turnkey park.
- B. On September 3, 2002, Council approved Resolution No. 2002-591 authorizing the City Manager to issue park development fee credits upon the provision of unconditional, irrevocable stand-by letters of credit.
- C. Beazer Homes Holding Corporations desired to receive fee credits for construction of Airfield Park, and provided the City with an unconditional, irrevocable stand-by letter of credit.
- D. The City Council approved the master plan and a park name change from "Natomas Field" to "Airfield Park" on July 25, 2006. The City Council approved the Reimbursement/Credit Agreement (Agreement No. 2007-0049) on January 23, 2007.
- E. Beazer Homes can no longer do the project as a turnkey park due to the challenges of today's real estate market and the remapping of the Natomas Basin by FEMA.
- F. Resolution 2007-404, Section 9.2, states City Council's approval is required for the cancellation of a capital improvement project without completion of the project.

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

- Section 1. The Irrevocable Standby Letter of Credit (No. SM226890W) for Airfield Park in the amount of \$2,168,061 is released.
- Section 2. The cash deposit of \$394,659, less any administrative fees and costs incurred by the City associated with Airfield Park (LW48, L19102000), will be returned to Beazer Homes.
- Section 3. The Airfield Park project is cancelled.


Adopted by the City of Sacramento City Council on March 25, 2008 by the following vote:

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

Noes: None.


Abstain: None.

Absent: Councilmember Pannell.



Mayor Heather Fargo

Attest:



Dawn Bullwinkel, Assistant City Clerk