



3.10

DEPARTMENT OF
PARKS AND RECREATION

PARK PLANNING, DESIGN &
DEVELOPMENT DIVISION

CITY OF SACRAMENTO
CALIFORNIA

1231 I STREET, #400
SACRAMENTO, CA
95814-2702

PH 916-264-8529
FAX 916-264-8266

AG2003-123

June 26, 2003

City Council
Sacramento, California

Honorable Members in Session:

**SUBJECT: APPROVE THE REDTAIL HAWK PARK DEVELOPMENT
AGREEMENT, ACCEPTANCE OF CASH AND TRANSFER OF FUNDS
CIP (PN: LV61)**

LOCATION AND COUNCIL DISTRICT: El Centro Road & San Juan Road
Council District 1

RECOMMENDATION:

This report recommends that the City Council, by resolution (pages 5 and 6):

- Approve the Park Development Agreement;
- Accept \$106,435 from Alleghany Properties, Inc. to be deposited into Fund 791 (Park Development Impact Fees);
- Transfer of \$106,435 from Fund 791 to CIP (PN: LV61) (Redtail Hawk Park 3B) for administrative and project management costs related to the development of the park.

CONTACT PERSON: Janet Baker, Park Development Manager, 808-8234

FOR COUNCIL MEETING OF: July 17, 2003



Optimize the Experience of Living!

SUMMARY:

Redtail Hawk Park is a planned 5.0-acre park in North Natomas. This report recommends City Council's approval of the development agreement, the acceptance of cash and the transfer of funds from Fund 791 to CIP PN: LV61 to cover costs incurred by the City to construct park improvements) for administrative and project management costs related to the development of the park. The total project budget will be \$720,744 for Phase 1 improvements.

COMMITTEE/COMMISSION ACTION:

The Redtail Hawk name and master plan were reviewed and approved by the Citizen's Advisory Committee for Parks and Recreation on January 10, 2002.

BACKGROUND INFORMATION:

The Redtail Hawk name for Park 3B, the master plan and the addendum to the negative declaration were approved by the City council on March 18, 2003.

Redtail Hawk Park is a 5.0- acre park located north of San Juan Road within the Parkview PUD in North Natomas. (See Exhibit A, page 7).

Development of the park will include turf, bantam soccer fields, a walkway, a plaza with a shade structure, picnic tables, lawn volleyball courts, an adventure play area with swings, a tot lot play area with swings, a drinking fountain, benches, landscaping, and a bike rack.

FINANCIAL CONSIDERATIONS:

The developer will provide a total of \$614,309 in park improvements to Redtail Hawk Park, and provide \$106,435 in cash to the City to cover city administrative and project management costs. Staff recommends that the City Council appropriate a total of \$106,435 from the Park Impact Fee (Fund 791) to existing CIP PN: LV61 for city costs related to the development of Redtail Hawk Park.

Development of the park will create an ongoing cost for park maintenance and utilities of approximately \$8,000 per acre or \$40,000 for this 5.0- acre park.

The Neighborhood Park Maintenance Community Facilities District (CFD) was established to reduce reliance on the general fund for neighborhood park maintenance and to preserve the level of maintenance in the parks system. It was projected that revenues from the CFD would provide approximately 65-70% of the cost associated with maintaining new neighborhood parks for those

areas that annex to the District. Since some areas have not annexed to the District, the percentage of costs covered for this particular site will fall below the 65-70% level. The balance of costs must be borne by the Citywide Landscape and Lighting District and other city funds. It is anticipated that significant revenues from the CFD will not begin until 2005. In the meantime, maintenance funds must be derived from other sources.

Existing parks and all community parks, regional parks, open space, trails and buffer areas are not covered by the CFD.

ENVIRONMENTAL CONSIDERATIONS:

The Planning and Building Department, Environmental Planning Services has reviewed the Park 3B project for compliance with the requirements of the California Environmental Quality Act (CEQA).

The Park 3B project was determined to fall within the scope of the adopted Negative Declaration for the Parkview PUD (#P00-022/P00-023), which was adopted on March 2002. The adopted Negative Declaration adequately described the effects of the proposed park project. In compliance with Section 15070(b)(1) of the California Environmental Quality Act (CEQA) guidelines, the City has incorporated mandatory mitigation measures to avoid identified impacts or to mitigate such impacts to a point where clearly no significant impacts will occur. These mitigation measures are included in Exhibit C (Mitigation Reporting Plan) and address potential impacts to air quality, biological, and cultural resources. The analyses and mitigation measures in the Adopted Negative Declaration are reaffirmed.

An Addendum to the Negative Declaration has been prepared, describing the proposed Park 3B project. The Addendum defines the project description and justification for use of an Addendum pursuant to the California Environmental Quality Act (CEQA) Guidelines (Section 15164).

City Council adopted the resolution considering the Addendum to the Adopted Negative Declaration for the Park 3B, finding that this document adequately addresses the impacts of the project, and finding that no subsequent environmental document is required, on March 18, 2003.

POLICY CONSIDERATIONS:

This action is consistent with City Council's goal to expand park and recreational opportunities.

ESBD EFFORTS:

No goods or services are being purchased in association with this report.

Respectfully submitted,



ROBERT G. OVERSTREET,
Director, Parks & Recreation

RECOMMENDATION APPROVED:



ROBERT P. THOMAS
City Manager

TABLE OF CONTENTS

1. Resolution accepting development agreement, cash, and transfer of funds, pages 5-6
2. Exhibit A – Area Map, page 7
3. Exhibit B – Resolution 2002-591, pages 8-10
4. Exhibit C- Master Plan, page 11



RESOLUTION NO. 2003-474

ADOPTED BY THE CITY OF SACRAMENTO
ON DATE: _____

RESOLUTION TO APPROVE THE REDTAIL HAWK PARK DEVELOPMENT AGREEMENT, ACCEPTANCE OF CASH AND TRANSFER OF FUNDS.

WHEREAS, Pursuant to Sacramento City Code section 18.44.110 the City Council may establish guidelines and procedures regarding credits and reimbursements of Park Development Impact Fees.

WHEREAS, the City Council has approved Resolution No. 2002-591, authorizing the City Manager to Issue Park Development Impact Fee Credits Upon the Provision of Unconditional, Irrevocable Stand-By Letters of Credit.

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

1. The City Council approve the Reimbursement/Credit Agreement Relating to Design and Construction of Park Improvements in North Natomas for Redtail Hawk Park;
2. The City Council hereby accepts the payment of \$106,435 from Alleghany Properties, Inc. for prepayment of Park Development Impact Fees and orders that said funds be deposited to Fund 791;

FOR CITY COUNCIL USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

5

3. The City Council hereby approves the transfer of \$106,435 from the Park Development Impact Fee Fund 791 to CIP PN:LV61 for administrative and project management costs related to the development of the park.

MAYOR

ATTEST:

CITY CLERK

FOR CITY COUNCIL USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____



City of Sacramento
Department of Parks and Recreation
 Redtail Hawk Park

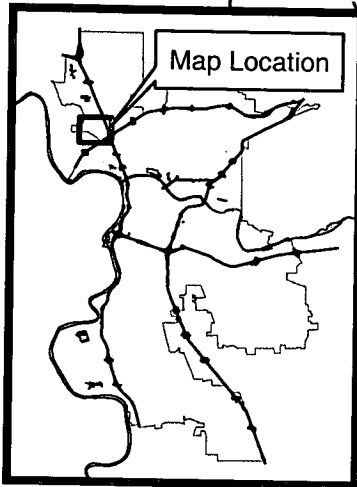
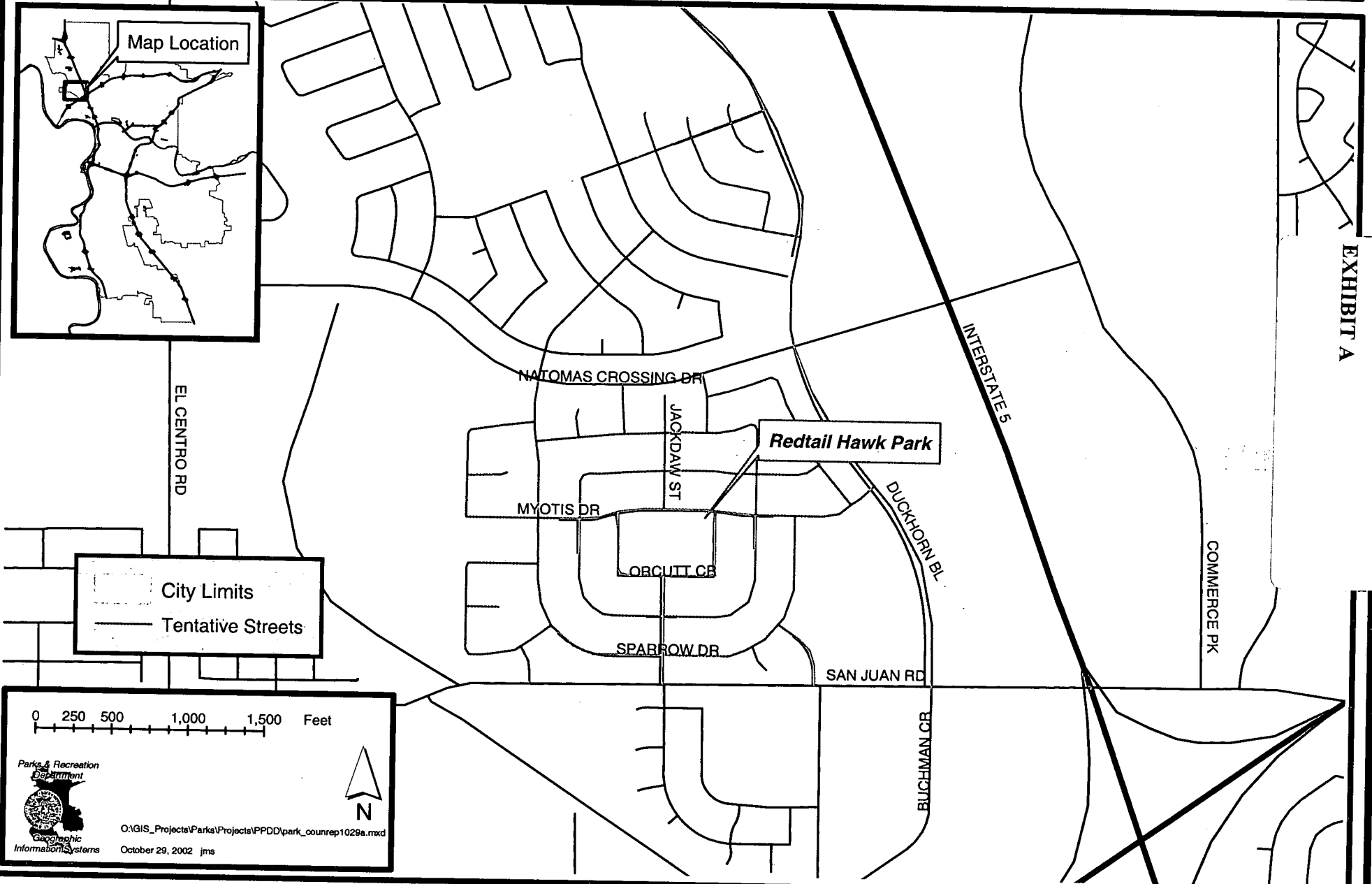


EXHIBIT A



City Limits
 Tentative Streets

0 250 500 1,000 1,500 Feet

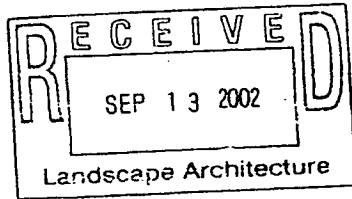


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EXHIBIT B

(Pg. 1 of 3)



RESOLUTION NO. 2002-591

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF SEP 3 2002

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO ISSUE
PARK DEVELOPMENT IMPACT FEE CREDITS UPON THE PROVISION OF
UNCONDITIONAL, IRREVOCABLE STAND-BY LETTERS OF CREDIT**

WHEREAS: The City of Sacramento has established a Park Development Impact Fee, codified at Chapter 18.44 of the Sacramento City Code.

WHEREAS: Pursuant to Sacramento City Code section 18.44.110 the City Council may establish policies, guidelines and procedures regarding credits and reimbursements of Park Development Impact Fees, consistent with the principles expressed therein.

WHEREAS: There exists a need to provide, in a manner consistent with sound fiscal management, for the early issuance of Park Development Impact Fee credits so as to facilitate, encourage, and expedite the development of turn-key parks.

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

The City Council does hereby adopt, pursuant to and consistent with Sacramento City Code section 18.44.110, the following policy regarding the issuance of Park Development Impact Fee credits:

1. The City Manager may, at his or her discretion, issue Park Development Impact Fee credits, in an amount less than, or equal to, the face value of an irrevocable stand-by letter of credit issued and made payable to the City, that is in conformity with the criteria set forth herein.
2. Each irrevocable letter of credit shall be in form approved by the City Attorney and substantially similar in all respects to the form letter of credit attached hereto as Exhibit A, and shall be by its express terms unconditional and absolutely free of defenses on the part of the developer and or the bank or financial institution issuing the letter.
3. Each bank or financial institution proposed to provide a letter of credit shall be subject to the prior approval of the City in its sole discretion.

FOR CITY CLERK USE ONLY

Resolution No: 2002-591

Date Adopted: SEP 3 2002

EXHIBIT B

(Pg. 2 of 3)

4. The letter of credit either shall not be subject to expiration or shall by its express terms not be subject to expiration without written notice to the City given not less than thirty (30) days prior to the date of expiration. An expiring letter shall be replaced not later than five (5) working days prior to the expiration of the said thirty (30) day period. If the developer shall fail to do so, the City shall have the right to draw the entire amount of the letter of credit, and to deposit said amount into a City account. Any funds deposited into a City account pursuant hereto, shall only be reimbursed to developer under the precise conditions, as expressed herein, for the release of letters of credit.
5. Letters of credit shall not be released or reduced until the park has been formally accepted by the City. To the extent that a portion of the letter of credit secures the provision of future park maintenance, the letter of credit shall not be released until a new letter of credit, acceptable in all respects by the City at its sole discretion, is provided to City by developer in the dollar amount specified for maintenance in the park construction budget. The maintenance letter of credit shall not be released until such time as the maintenance obligation has been satisfied, as determined by the City in its sole discretion.
6. If a letter of credit is provided to cover an obligation to construct multiple parks, as each park is formally accepted by the City, a replacement letter of credit may be provided in an amount that reflects the still-pending obligations for construction and maintenance. Upon the acceptance of the replacement letter of credit by the City, with such acceptance being at City's sole discretion, the original letter of credit shall be returned to developer.

HEATHER FARGO
MAYOR

ATTEST:

VALERIE BURROWES
City Clerk

FOR CITY CLERK USE ONLY

Resolution No.: 2002-591

Date Adopted: SEP 3 2002

EXHIBIT B

(Pg. 3 of 3)

City of Sacramento, Beneficiary of
this Irrevocable Letter of Credit
[address]

Re: **Irrevocable Letter of Credit**

Date: _____
Letter of Credit no. _____

City of Sacramento:

This Irrevocable, unconditional letter of credit is issued to the City of Sacramento, a charter municipal corporation ("City") by [name and address of the bank inserted here] ("Bank") at the request of and for the account of _____ ("Principal").

Bank hereby establishes this irrevocable letter of credit in your favor in the amount of _____ (\$ _____) available with Bank at the address stated above by payment of your draft(s) drawn at sight accompanied by a signed and dated demand letter, worded substantially as follows:

"I, the _____ of the City of Sacramento or official representative thereof, hereby demand payment of the sum of _____ (\$ _____) representing [a partial or full] draw upon the amount of your irrevocable letter of credit no. _____."

Bank agrees that this letter of credit is absolute and unconditional, may not be dishonored for any reason whatsoever during its term, and is not subject to any offset or defense which may have in the past have existed, or may now or in the future exist as between Bank and City, or Principal and City, or Principal and Bank.

Each draft presented hereunder must be accompanied by this original letter of credit for our endorsement thereon of the amount of each draft.

This letter of credit expires at our office on _____. Provided, however, that notwithstanding said nominal expiration date, this letter of credit shall not expire until Bank shall have given City thirty (30) days' written notice of expiration, at City's address set forth above. The thirty (30) day period shall not commence to run until City shall have actually received said written notice. City shall, during the last five (5) days of the said thirty (30) day period, have the right to present a demand letter in the form specified above, to draw the entire remaining balance of the amount represented by this letter of credit, unless: (i) the expiration date has been extended and Bank has provided written notice of such extension and its terms to City prior to City's demand; or (ii) a replacement letter of credit has been issued by Bank or another financial institution, which letter complies, in City's sole and exclusive judgment, in every respect with City's requirements and is in substantially the same form as this letter of credit.

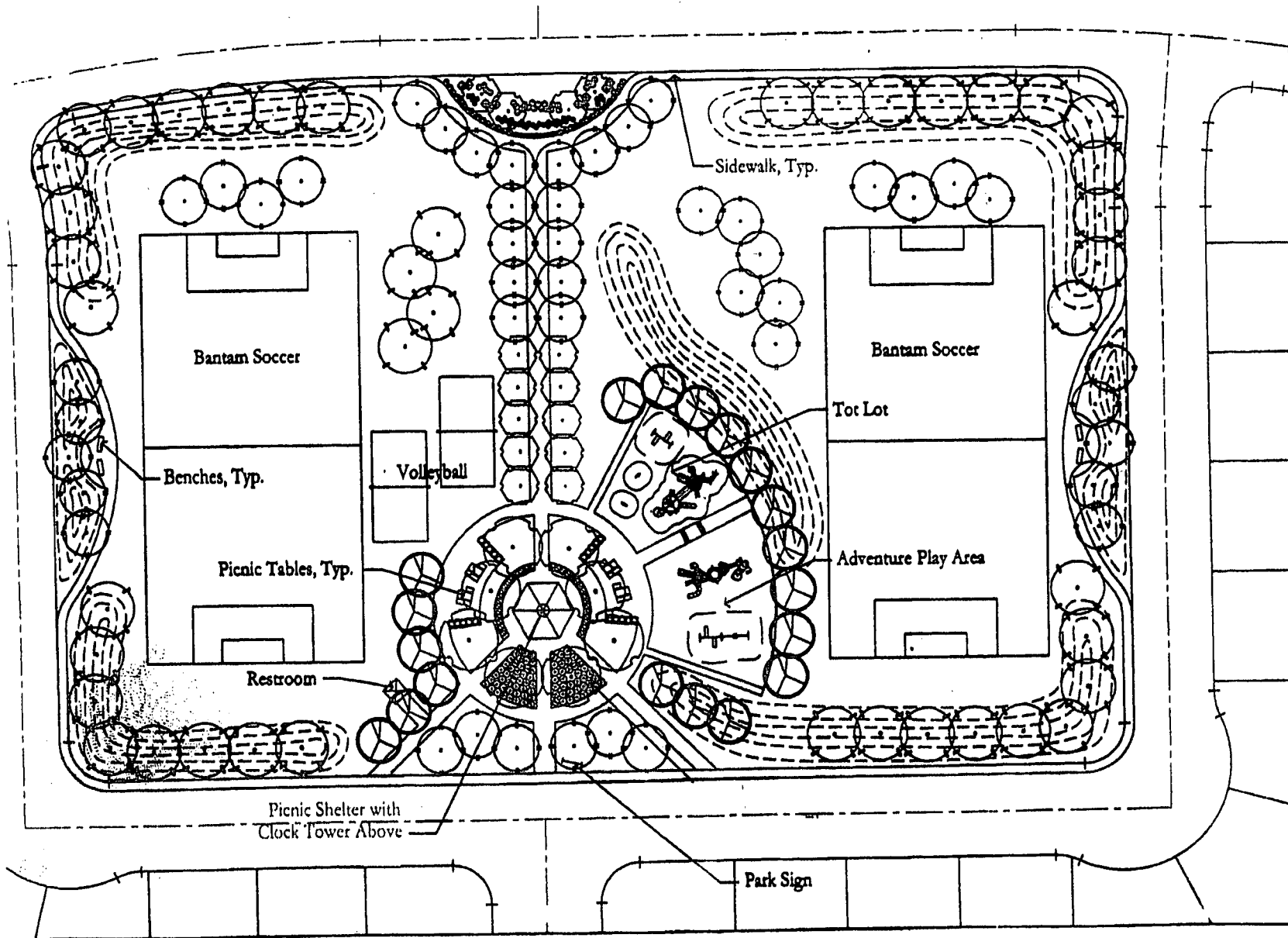
Bank represents and warrants that the person executing this letter of credit for Bank has unconditional and full execution authority, and that this letter is a valid and binding obligation of Bank.

Bank: _____
Address: _____

By: _____
Authorized Agent or Representative

RESOLUTION NO. 2002-591

SEP 3 2002



Park 3B Master Plan

City Of Sacramento

Not to Scale



Stevenson Consulting, Inc.
 2290 Venture Oaks Way
 Sacramento, CA 95833-12
 Tel. 916.825.8900
 Fax. 916.825.8274
 www.stevenson.com

Stevenson