



## Legislation Text

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**File #:** 24-172, **Version:** 1

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*Report Prepared by: Joe Cardoso, P.L.S., City Surveyor, Engineering Department*

**SUBJECT:** Approval of Public Facilities Impact Fee Credit/Reimbursement Agreement with 2980 East Yosemite, LLC, for Improvements on Yosemite Avenue and Lake Road in the Amount of \$727,523.68

### REPORT IN BRIEF

Considers approving Reimbursement of Public Facilities Impact Fees (PFFP) to 2980 East Yosemite, LLC in the amount of \$727,523.68 for the cost of constructing a portion of roadway and installing a traffic signal on Yosemite Ave and Lake Road.

### RECOMMENDATION

**City Council** - Adopt a motion:

- A. Approving the Public Facilities Impact Fee Credit/Reimbursement Agreement with 2980 East Yosemite, LLC for the work performed to install a traffic signal and roadway improvements on Yosemite Avenue and Lake Road; and,
- B. Approving a Supplemental Appropriation from the unreserved, unencumbered fund balance in Fund 3505 Facilities-Roadways Developer in the amount of \$219,062.45, transfer to Fund 5005-Streets and Signals CIP and appropriating the same in Fund 5005, project CP240059; and,
- C. Approving a Supplemental Appropriation from the unreserved, unencumbered fund balance in Fund 3506 Facilities-Traffic Signal Developer in the amount of \$508,461.23, transfer to Fund 5005-Streets and Signals CIP and appropriating the same in Fund 5005, project CP240059; and,
- D. Authorizing the Finance Officer to make the necessary budget adjustments; and,
- E. Authorizing the City Manager to execute all necessary documents.

### ALTERNATIVES

- 1. Approve, as recommended by staff; or,
- 2. Approve, subject to modifications as conditioned by Council; or,
- 3. Deny the request; or,
- 4. Refer back to staff for reconsideration of specific item (specific items to be addressed in City Council motion).

### AUTHORITY

Chapter 17.62 of the Merced Municipal Code and Policy A32 (Attachment 1) of the City Administrative Policy and Procedures deal with the Public Facility Impact Fee program including eligibility for credit or reimbursement.

Merced Municipal Code Section 17.62.060 - Developer construction of facilities:

“Except as may otherwise be provided by development agreement, whenever a developer is required to construct a public facility described in the plan, which facility is determined by the city to have supplemental size, length or capacity over that needed for the impacts of that development, and when such construction is necessary to ensure efficient and timely construction of the facilities network, a reimbursement agreement with the developer and a credit against the fees, which would otherwise be charged pursuant to this chapter on the development project, shall be offered. The reimbursement amount shall not include the portion of the improvement needed to provide services or mitigate the need for the facility or the burdens created by the new development. The timing and amount of the reimbursement or credit shall be determined in accordance with the administrative guidelines adopted pursuant to Section 17.62.080

<[https://library.municode.com/ca/merced/codes/code\\_of\\_ordinances?](https://library.municode.com/ca/merced/codes/code_of_ordinances?nodeId=TIT17BUCO_CH17.62PUFAIMFE_17.62.080ADGU)

nodeId=TIT17BUCO\_CH17.62PUFAIMFE\_17.62.080ADGU>, and shall in no event be owed until sufficient public facilities impact fees have been collected for such purpose.”

## **CITY COUNCIL PRIORITIES**

As provided for in the 2023-24 Adopted Budget

## **DISCUSSION**

The developer (2980 East Yosemite, LLC) has an approved application Site Plan Review Application - Resolution #509 (Attachment #2) to construct a plan development project (Merced Station Apartment Complex) generally located on the south side of Yosemite Ave and Lake Road.

The developer was required to install all public improvements on Yosemite Avenue. As a condition of approval, the developer was also required to install a traffic signal at the intersection of Yosemite Ave and Lake Road.

The work has since been completed and the Developer is requesting reimbursement for the public improvements.

A reimbursable agreement (Attachment #1) has been signed by 2980 East Yosemite, LLC, outlining the scope of work and what is reimbursable.

The total cost to install the traffic signal was \$1,075,430.85 and it was deemed by the City that \$1,016,922.45 of that total is eligible for 50% reimbursable pursuant to Chapter 17.62 of the Merced Municipal Code and Administrative Policy and Procedure A-32. The reimbursable amount is \$508,461.23 due to the developer in fee credits or cash reimbursement.

The cost to install the roadway portion of the public improvements on Yosemite Avenue and Lake Road was \$934,747.27. The first 24' of roadway improvements adjacent to the developer's property from the curb line is the responsibility of the developer and is not eligible for reimbursement. The developer will be eligible for reimbursement for the remainder of the street section outside the first 24

feet of roadway improvements within the City Limits.

The work included but was not limited to widening Lake Road for the left-hand turn lane, installing a center median on Yosemite Ave, resurfacing portions of Yosemite Ave and Lake Road, roadway striping & signage, and installing of storm drains. It was determined the eligible reimbursable amount of \$219,062.45 for roadway improvements is due to the developer in fee credits or cash reimbursement.

The total amount eligible for reimbursement is \$727,523.68 due to 2980 East Yosemite, LLC.

### **IMPACT ON CITY RESOURCES**

A supplemental appropriation from the unreserved, unencumbered fund balance of \$219,062.45 from Fund 3505 Facilities-Roadways Developer Fees and a supplemental appropriation from the unreserved, unencumbered fund balance of \$508,461.23 from Fund 3506 Facilities-Traffic Signal Developer Fees are needed to reimburse development for improvements on Yosemite Avenue and Lake Road.

### **ATTACHMENTS**

1. Public Facility Impact Fee Credit/Reimbursement Agreement
2. Site Plan Review Application - Resolution #509
3. Construction Plans