



Legislation Details (With Text)

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Type:	Consent Item	Status:		Passed	
File created:	6/26/2020	In control:	City Council/Public Finance and Economic Development Authority/Parking Authority/Successor Agency to the Redevelopment Agency		
On agenda:	8/3/2020	Final action:	8/3/2020		

Title: SUBJECT: Reimbursement Agreement With Virginia Smith Trust for City Staff Work Relating to Proposed Development Located South of the UC Merced Campus and East of Lake Road

REPORT IN BRIEF

Considers the approval of a Reimbursement Agreement with the Merced County Board of Education acting as Trustee for the Virginia Smith Trust (VST) for City staff work related to their proposed development east of Lake Road, south of the UC Merced Campus.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving a Reimbursement Agreement with the Merced County Board of Education acting on behalf of the Virginia Smith Trust (VST), in the amount of \$110,000 to cover the costs associated with the VST development project; and,
- B. Approving an increase in revenue in the amount of \$110,000 to Account 017-0804-331.01-11-Special Services/Cost Recovery and appropriating the same in Fund 017-Development Services; and,
- C. Authorizing the City Manager or the Assistant City Manager to execute the agreement; and,
- D. Authorizing the Finance Officer to make the necessary budget adjustments.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Location Map.pdf, 2. Project Description.pdf, 3. Reimbursement Agreement

Date	Ver.	Action By	Action	Result
8/3/2020	1	City Council/Public Finance and Economic Development Authority/Parking Authority/Successor Agency to the Redevelopment Agency	approved	Pass

Report Prepared by: Kim Espinosa, Planning Manager, Development Services Department

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- D. Authorizing the Finance Officer to make the necessary budget adjustments.

ALTERNATIVES

- 1. Approve as recommended by staff; or,
- 2. Approve, subject to modifications by the City Council; or,
- 3. Deny; or,
- 4. Refer back to staff for reconsideration of specific items (specific items to be addressed in the motion); or,
- 5. Continue to a future meeting (date and time to be specified in motion).

AUTHORITY

Merced City Charter, Section 200.

CITY COUNCIL PRIORITIES

"Future Annexations/Growth of the City" is included in the FY 20-21 City Council Goals and Priorities.

DISCUSSION

Background

The Merced County Board of Education acts as the trustee for the Virginia Smith Trust (VST). VST is proposing to develop approximately 656 acres east of Lake Road, south of the UC Merced Campus. (See Attachments 1 and 2 for a location map and project description provided by the Developer.) The property is in the County, but within the City's Sphere of Influence. The City, County, and VST have agreed that the County of Merced will be the lead agency for the Project's entitlements and environmental review.

However, the City of Merced will participate in the process in order to facilitate eventual annexation of the Project site into the City and will incur certain costs and expenses in that regard. A Reimbursement Agreement with VST has been prepared (Attachment 3) in order to reimburse the City for those costs. A list of "Project Related Services" has been developed (Exhibit B of Attachment 3), and it has been estimated that those services will not exceed \$100,000. An additional Project Management fee of 10 percent or \$10,000 will cover the cost of City staff in overseeing the Project Related Services being performed by the Service Provider.

VST and the City have tentatively and mutually agreed that the City will hire a retired City employee, William R. King, retired Principal Planner, to perform these services on behalf of the City. Mr. King was employed by the City from 1999 to 2003 and again from 2004 until he retired on January 13, 2017. During his time with the City, Mr. King worked on many complex projects, such as the Bellevue Community Plan (adopted in 2015), the Climate Action Plan, the Local Hazard Mitigation Plan, South Merced Community Plan, as well as many major development projects, such as the Bellevue Ranch and numerous large annexations. Mr. King's experience and familiarity with the issues affecting this area makes him an excellent choice to perform this work on the City's behalf.

IMPACT ON CITY RESOURCES

The entire cost for the Project Related Services (\$100,000), including the Temporary Principal Planner, will be reimbursed to the City by the developers as well as the costs (\$10,000) to cover City staff management of the project. Actions to appropriate the revenue to the corresponding Accounts in the Development Services Department budget are included in the recommendation.

ATTACHMENTS

1. Location Map
2. Project Description
3. Reimbursement Agreement