



Legislation Details (With Text)

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Title: ***RESOLUTION - Approving an Acquisition Agreement between the City of Fresno, Fancher Creek Town Center, LLC, and Fancher Creek Properties, LLC for the Acquisition of Certain Public Improvements Being Constructed within the Fancher Creek Town Center Project. (Council District 5) (Subject to Mayor's Veto)

Sponsors: Public Works Department

Indexes:

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Attachments: 1. 24-867 Resolution with Acquisition Agreement, 2. 24-867 Location Map

Date	Ver.	Action By	Action	Result
6/27/2024	1	City Council		

REPORT TO THE CITY COUNCIL

FROM: SCOTT L. MOZIER, PE, Director
Public Works Department

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Public Works Department, High-Speed Rail and Special Projects Division

SUBJECT

***RESOLUTION - Approving an Acquisition Agreement between the City of Fresno, Fancher Creek Town Center, LLC, and Fancher Creek Properties, LLC for the Acquisition of Certain Public Improvements Being Constructed within the Fancher Creek Town Center Project. (Council District 5) (Subject to Mayor's Veto)

RECOMMENDATION

Staff recommends that the City Council adopt a resolution approving an Acquisition Agreement between the City of Fresno, Fancher Creek Town Center, LLC, and Fancher Creek Properties, LLC for the Acquisition of Certain Public Improvements Being Constructed within the Fancher Creek Town Center Project.

EXECUTIVE SUMMARY

Staff recommends the City Council approve an Acquisition Agreement for the purpose of acquiring certain public capital improvements being constructed by Fancher Creek Properties, LLC for the benefit of Improvement Area Number 2 of the California Statewide Communities Development

Authority (the “Authority”) Community Facilities District (CFD) Number 2022-08 (Fancher Creek), City of Fresno, County of Fresno, State of California.

BACKGROUND

Fancher Creek Town Center, LLC (the “Developer”), whose sole member is Fancher Creek Properties, LLC, which is partnership between Lance-Kashian & Company and Penstar Group, is in the process of developing the Fancher Creek Town Center project located on four non-contiguous parcels within the City.

The Developer requested the City consider formation of a new Community Facilities District (CFD) for the Fancher Creek Town Center project. The City of Fresno gave its consent to the formation of a new CFD and adopted Resolution 2022-117 on May 12, 2022, authorizing the California Statewide Communities Development Authority (the “Authority”), of which the City of Fresno is a program participant pursuant to a Joint Powers Agreement, to form a community facilities district known as “California Statewide Communities Development Authority Community Facilities District No. 2022-08 (Fancher Creek), City of Fresno, County of Fresno, State of California” (the “Community Facilities District”), including Improvement Area No. 1 (“Improvement Area No. 1”), Improvement Area No. 2 (“Improvement Area No. 2”) and Improvement Area No. 3 (“Improvement Area No. 3”) therein. Change proceedings were subsequently undertaken by the Authority to adjust the special tax rate for certain parcels.

It is expected that the Authority will issue local obligations and bonds to finance the purchase price of certain public capital improvements (including improvements eligible for payment from development impact fees, the “Improvements”) required of the Fancher Creek Town Center project. The City will not be required to expend its own funds for the purchase of such Improvements.

The City of Fresno has previously entered into an acquisition agreement with the Developer for improvements constructed to benefit Improvement Area No. 1. Development within Improvement Area No. 2 is underway and the Developer has requested the City approve an Acquisition Agreement under which the City will acquire the Improvements constructed or to be constructed by the Developer with the bond proceeds. The Acquisition Agreement provides that the City will acquire certain completed Improvements for the benefit of Improvement Area No. 2. Any additional Improvements not expressly included in the Acquisition Agreement, including improvements for the benefit of Improvement Area No. 3, are expected to be acquired by separate agreement.

ENVIRONMENTAL FINDINGS

Pursuant to the definition in California Environmental Quality Act Guidelines Section 15378, this activity is not a project.

LOCAL PREFERENCE

Local preference was not implemented because this resolution does not include a bid or award of a construction or services contract.

FISCAL IMPACT

The Fancher Creek Town Center is located in Council District 5. Approval of the Acquisition

Agreement will not have any impact on the City's General Fund. Staff costs to bring forward the resolution for City Council consideration have been funded by Fancher Creek Properties, LLC.

Attachment:

Resolution with Acquisition Agreement

Location Map