

**RESOLUTION NO. 2011-107**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE  
AUTHORIZING THE MAYOR TO EXECUTE A LETTER AGREEMENT BETWEEN  
THE CITY OF ELK GROVE AND RIDGE ELK GROVE, L.P. REGARDING PARK  
OBLIGATIONS FOR LAGUNA RIDGE APARTMENTS IN THE GROVE SUBDIVISION**

**WHEREAS**, on December 8, 2010, the City Council granted Ridge Elk Grove L.P. (the "Applicant") a Specific Plan Amendment, Rezone, and Design Review for the Laguna Ridge Apartments project (the "Project") located in The Grove subdivision of the Laguna Ridge Specific Plan; and

**WHEREAS**, the City Council approved a Development Agreement (DA) in October 2006 which established parks obligations in The Grove subdivision in its entirety; and

**WHEREAS**, the existing DA distributes park requirements over approximately 490 acres originally divided into multiple properties and residential Villages; and

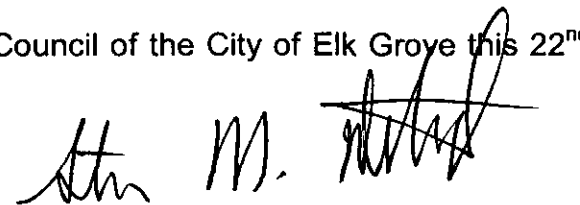
**WHEREAS**, ownership of each property and Village has changed and properties are now being developed by smaller, independent homebuilders or are currently bank owned; and

**WHEREAS**, it is no longer feasible to construct parks as originally anticipated in the DA due to reduced opportunities for collaboration and ability to uniformly apply parks obligations throughout the subdivision; and

**WHEREAS**, the letter agreement provides an alternative way for the Applicant to perform the terms of the DA and ensures the City's continued efforts towards providing parks in the Laguna Ridge Specific Plan.

**NOW, THEREFORE, BE IT RESOLVED** that the City Council of the City of Elk Grove hereby authorizes the Mayor to enter into the letter agreement with Ridge Elk Grove L.P. regarding parks obligations for the Laguna Ridge Apartments in The Grove subdivision, included as Exhibit A.

**PASSED AND ADOPTED** by the City Council of the City of Elk Grove this 22<sup>nd</sup> day of June 2011

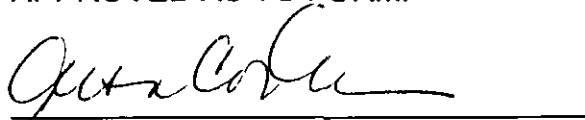


STEVEN M. DETRICK, MAYOR of the  
CITY OF ELK GROVE

ATTEST:

  
JASON LINDGREN, CITY CLERK

APPROVED AS TO FORM:

  
SUSAN COCHRAN, CITY ATTORNEY

## EXHIBIT A

Ridge Elk Grove L.P.  
1801 I Street, Suite 200  
Sacramento, CA 95811  
Attn: Steven L. Eggert

RE: Letter Agreement Between City of Elk Grove and Ridge Elk Grove L.P. Regarding Park Obligations for Laguna Ridge Lot A (the "Subject Property")

Dear Mr. Eggert:

The City of Elk Grove ("City") has considered the request of Ridge Elk Grove L.P. ("Ridge") to adopt an interim measure for addressing Ridge's obligation to construct or fund parks within the Laguna Ridge Specific Plan under the Development Agreement ("Development Agreement") Between the City of Elk Grove and Reynen & Bardis (Park Development) dated October 26, 2006 (the "Park Obligations"). As an interim measure, the City is prepared to enter into this Letter Agreement in order to: (1) allow Ridge to build the Laguna Ridge Apartments project on Lot A of the Laguna Ridge Specific Plan, as depicted on Exhibit A attached hereto (the "Subject Property") and (2) ensure that the City receives adequate funding to construct the planned parks within the Laguna Ridge Specific Plan. Accordingly, upon execution by you where indicated below, this shall constitute an Agreement between the City and Ridge with respect to the matters set forth herein.

### RECITALS

- A. The City is currently evaluating potential changes to its plan for funding and construction of parks within the Laguna Ridge Specific Plan, which changes may ultimately necessitate amending the existing Development Agreement.
- B. In the meantime, the City would like to allow Ridge to build the Ridge Apartments within the Subject Property, subject to depositing sufficient funds with the City to cover Ridge's obligations to fund parks within the Laguna Ridge Specific Plan.
- C. The City has retained Goodwin Consulting Group to assist it in creating a Supplemental Park Fee Program that will be established by the Elk Grove City Council through the adoption of a Nexus Study. Based upon the draft dated May 26, 2011, the City is willing to accept a cash deposit of \$8,341 per unit to cover the estimated per unit cost of satisfying Ridge's Park Obligations for the units to be constructed on the Subject Property.

NOW, THEREFORE, the City and Ridge hereby agree as follows:

1. Ridge shall be permitted to build the Ridge Apartments on the Subject Property, subject to all applicable conditions of approval and other restrictions, except that the Park Obligations shall be interpreted according to the terms of this Letter Agreement.

2. For each building permit within the Subject Property for which Ridge does not have a park voucher, Ridge shall deposit with the City the sum of eight thousand three hundred forty one dollars (\$8,341.00) per unit, which shall be held by the City in an interest bearing account, and shall be used to satisfy Ridge's Park Obligations for the Subject Property (collectively, the "Park Deposit").

3. Upon the Elk Grove City Council adoption of a Nexus Study for the Supplemental Park Fee Program, the Park Deposit (including all interest thereon) shall be used to pay the in lieu fee. Any unused funds, including accrued interest, shall be returned to Ridge.

4. The City and Ridge agree payment of the Park Deposit shall satisfy Ridge's Park Obligations for the Subject Property under the Development Agreement.

5. This Letter Agreement shall remain in effect until expressly superseded by a subsequent written agreement between the City and Ridge.

6. This Letter Agreement was reviewed and approved by the Elk Grove City Council at its regularly noticed meeting of June 22, 2011.

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STEVEN M. DETRICK, MAYOR of the  
CITY OF ELK GROVE

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
JASON LINDGREN, CITY CLERK

\_\_\_\_\_  
SUSAN COCHRAN, CITY ATTORNEY

APPROVED AND AGREED:

RIDGE ELK GROVE L.P.

By \_\_\_\_\_  
Steven L. Eggert

# Exhibit A

## Laguna Ridge Lot A (Laguna Ridge Apartments)



**CERTIFICATION  
ELK GROVE CITY COUNCIL RESOLUTION NO. 2011-107**

**STATE OF CALIFORNIA            )**  
**COUNTY OF SACRAMENTO        )**     **ss**  
**CITY OF ELK GROVE             )**


***I, Jason Lindgren, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a special meeting of said Council held on June 22, 2011 by the following vote:***

**AYES :            COUNCILMEMBERS:     *Detrick, Cooper, Hume, Scherman***

**NOES:            COUNCILMEMBERS:     *None***

**ABSTAIN :        COUNCILMEMBERS:     *None***

**ABSENT:          COUNCILMEMBERS:     *Davis***

  
\_\_\_\_\_  
**Jason Lindgren, City Clerk  
City of Elk Grove, California**