

RESOLUTION NO. 2019-074

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ELK GROVE
AUTHORIZING THE CITY MANAGER TO EXECUTE A PURCHASE AND SALE
AGREEMENT AND JOINT ESCROW INSTRUCTIONS, INCLUDING ALL ASSOCIATED
DOCUMENTS, NECESSARY TO COMPLETE THE PURCHASE OF PROPERTY
LOCATED AT 9108 ELK GROVE BOULEVARD [APN: 125-0243-039]; AND AMENDING
THE FISCAL YEAR 2018-19 BUDGET BY \$293,000 (CEQA EXEMPT)**

WHEREAS, in 2009, Freeport Ventures, LLC (the "Owner") purchased the former Elk Grove Brewery building, located in the City's Historic District, at 9085 Elk Grove Boulevard (the "Business Property"), together with the parking lot, located at 9108 Elk Grove Boulevard, identified as Assessor Parcel Number 125-0243-039 (the "Parking Lot Property"); and

WHEREAS, pursuant to the current Elk Grove Old Town Special Planning Area, general retail use on the Business Property is required to maintain six off-site parking spaces; and

WHEREAS, the City has leased the Parking Lot Property from Owner since 2010 to provide additional public parking for merchants of the Old Town Historic District and their customers; and

WHEREAS, as part of the negotiations for the purchase of the Parking Lot Property, staff has negotiated the non-exclusive use of six parking spaces for the Business Property to meet off-site parking requirements on the Parking Lot Property, and

WHEREAS, with consideration to the proposed Revocable Parking License included with the Purchase and Sale Agreement and Joint Escrow Instructions ("Agreement"), staff has negotiated a proposed purchase price of \$284,000 for the Parking Lot Property, which has been agreed to by the Owner, and

WHEREAS, the proposed purchase of the Parking Lot Property is consistent with the City's General Plan pursuant to California Government Code Section 65402(a), and in compliance with Elk Grove Municipal Code Section 3.42 300(B), as determined by the Planning Commission on April 18, 2019, by Resolution No. 2019-18; and

WHEREAS, staff recommends entering into the Purchase and Sale Agreement and Joint Escrow Instructions, which includes a Revocable Parking License and

WHEREAS, the purchase of the Parking Lot Property will be funded through the General Fund Reserve; and

WHEREAS, the City's Reserves are sufficient to fund this acquisition, and after the funding of this acquisition, the Reserves will still exceed the Reserve Policy threshold of 20%; and

WHEREAS, the Reserve balance after funding the acquisition is estimated to be over \$23,000,000 and over 31% of adjusted appropriations; and

WHEREAS, the California Environmental Quality Act (Section 21000. et. seq. of the California Public Resources Code, hereafter CEQA) requires analysis of agency approvals of discretionary "projects." A "project," under CEQA, is defined as "the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment."; and

WHEREAS, the proposed acquisition is not considered a "project", pursuant to CEQA Guidelines Sections 15060(c), (2)(3) and 15378(a). The proposed purchase does not result in a direct or indirect change in the environment because the ultimate use and/or development of the Parking Lot Property has not been identified. The development of the site, if any, remains unspecified, uncertain, and undefined at this time. If and when future development is proposed for the site, by either the City or another entity, the City would review such development consistent with CEQA. Therefore, at this time, the proposed acquisition is not considered the approval of a project under CEQA and therefore the action is not subject to CEQA review.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Elk Grove hereby finds the purchase of the Parking Lot Property is not subject to CEQA review pursuant to Pub. Res. Code § 21065 CEQA Guidelines § § 15060(c), (2)(3) and 15378(a) and authorizes the City Manager to execute a Purchase and Sale Agreement and Joint Escrow Instructions, in substantially the form presented, including all associated documents, necessary to complete the purchase of the property located at 9108 Elk Grove Boulevard, Sacramento County Assessor Parcel Number 125-0243-039, from Freeport Ventures, LLC, in the amount of \$284,000, together with associated costs, not expected to exceed \$9,000, all in a total amount not expected to exceed \$293,000; and

BE IT FURTHER RESOLVED that the City Council of the City of Elk Grove directs the Finance and Budget staff to record all necessary budget adjustments and to record a transfer of \$293,000 from General Fund (101) to the General Capital Fund (106) and increase budget authority for land acquisition and all associated costs by \$293,000 in the Land Acquisition account 1061500 5436300.

PASSED AND ADOPTED by the City Council of the City of Elk Grove this 24th day of April 2019




STEVE LY, MAYOR of the
CITY OF ELK GROVE

ATTEST:



JASON LINDGREN, CITY CLERK

APPROVED AS TO FORM.



JONATHAN P. HOBBS,
CITY ATTORNEY

CERTIFICATION
ELK GROVE CITY COUNCIL RESOLUTION NO. 2019-074

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

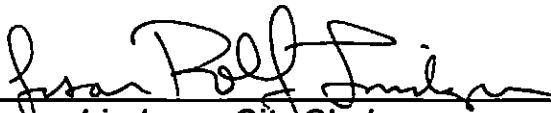
I, Jason Lindgren, City Clerk of the City of Elk Grove, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Elk Grove at a regular meeting of said Council held on April 24, 2019 by the following vote:

AYES: COUNCILMEMBERS: Ly, Hume, Detrick, Nguyen, Suen

NOES: COUNCILMEMBERS: None

ABSTAIN: COUNCILMEMBERS: None

ABSENT: COUNCILMEMBERS: None



Jason Lindgren, City Clerk
City of Elk Grove, California