



Legislation Text

File #: 18-1560, Version: 1

**AGENDA REPORT
REQUEST FOR CITY COUNCIL ACTION**

DATE: 3/7/2018

TO: Honorable Mayor and City Council Members

FROM: Public Works Department

SUBJECT:

City Council consideration to approve and authorize the City Manager to execute a Memorandum of Understanding between the City of Corona, and The Western Riverside Council of Governments ("WRCOG"), a California joint powers authority regarding Improvement and Credit / Reimbursement Agreements for the Transportation Uniform Mitigation Fee Program (TUMF) associated with the construction of the Cajalco/I-15 Interchange Improvement Project No. 56- 1203.

RECOMMENDED ACTION:

That the City Council:

1. Approve and authorize the City Manager to execute the Memorandum of Understanding between the City of Corona, and the Western Riverside Council of Governments ("WRCOG"), a California joint powers authority, regarding Improvement and Credit /Reimbursement Agreements for the Transportation Uniform Mitigation Fee Program (TUMF) associated with the construction of the Cajalco/I-15 Interchange Improvement Project No. 56-1203.

ANALYSIS:

The Arantine Hills Holdings LP ("Developer"), a Delaware Limited Partnership, has requested from City of Corona entitlements and permits for the construction of the Development of the Arantine Hills Community, a master planned residential community. Pursuant to the TUMF Program, the City requires Developer to pay the TUMF which covers the Developer's fair share of the costs to deliver TUMF Improvements that help mitigate the Developer's project traffic impacts and burdens on the Regional System of Highways and Arterials (also known as the "TUMF Network"), generated by the Developer's project and that are necessary to protect the safety, health and welfare of persons that travel to and from the Developer's project using the TUMF Network. In addition, as a condition to the City's approval of the Arantine Hills Community project, and pursuant to Arantine Hills Development Agreement between the City and Developer, City has required that certain street and transportation system improvements of regional importance related to the interchange at Cajalco Road and Interstate 15, as well as improvements along Cajalco Road from Interstate 15 to Bedford Canyon

Road and improvements along Cajalco Road from Interstate 15 to Temescal Canyon Road, as more particularly described ("TUMF Improvements") be constructed at the sole cost of the Developer, and City will act as the lead for constructing the TUMF Improvements in order to satisfy certain state and federal requirements. Developer's obligation with respect to the TUMF Improvements is limited to providing funding to the City for construction of the TUMF Improvements as detailed in the Arantine Hills Development Agreement.

The TUMF Improvements are designated in the TUMF 2016 Update Nexus Study as follows: Cajalco Road/Interstate 15 interchange is a Type 1 interchange with a total estimated cost of \$72,546,000 and a maximum cost of \$44,251,000 available for credit against the TUMF owed by the Developer for the Project. The TUMF Improvements along Cajalco Road are designated in the TUMF Nexus Study with a maximum cost of \$3,355,000 available for credit against the TUMF owed by the Developer for the Project. The total amount designated in the TUMF Nexus Study for the TUMF Improvements is \$47,606,000 available for credit against the TUMF owed by the Developer for the Project.

RCTC intends to distribute TUMF funds to the City to reimburse the Developer for constructing the TUMF Improvements per the TUMF Administrative Plan guidelines and model agreements for a Credit Agreement. The proposed model Credit Agreement between the City and Developer will be executed after approval of this MOU and will be brought to City Council at a future Council meeting.

The City and RCTC may enter into a model Reimbursement agreement, after the City has completed and accepted the construction of the TUMF Improvements, after all credits have been exhausted by the Developer, and the TUMF Improvements construction costs have exceeded the Developer's TUMF obligation.

COMMITTEE ACTION:

Not applicable.

STRATEGIC PLAN:

Not applicable.

FISCAL IMPACT:

Not applicable.

ENVIRONMENTAL ANALYSIS:

This action is exempt from CEQA requirements.

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REVIEWED BY: NELSON D. NELSON, P.E., PUBLIC WORKS DIRECTOR

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

SUBMITTED BY: DARRELL TALBERT, CITY MANAGER