

ORDINANCE 1068B

AN ORDINANCE ADOPTING A DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF LINCOLN AND GREEN SRP OWNER, LLC, VILLAS AT TWELVE BRIDGES PROPERTY LLC, LGI HOMES – CALIFORNIA, LLC, JEN CALIFORNIA 22, LLC, KB HOME SACRAMENTO, INC., AND CENTURY COMMUNITIES OF CALIFORNIA, LLC (“DEVELOPERS”), FOR THE DEVELOPMENT OF APPROXIMATELY 74 ACRES OF RESIDENTIALLY ZONED PROPERTY WITHIN THE TWELVE BRIDGES PLAN AREA; AND FINDING THE ORDINANCE IS EXEMPT FROM FURTHER ENVIRONMENTAL REVIEW UNDER CEQA

WHEREAS, the Developers own a total of approximately 74 acres of residentially zoned property in the Twelve Bridges Master Plan Area as depicted in Exhibit “A” to the proposed new Development Agreement; and

WHEREAS, the original Development Agreement for the Twelve Bridges Master Plan Area was adopted April 14, 1998. It has been amended several times since and would have expired April 14, 2023; however, Council approved an eighth amendment to the Development Agreement for these particular parcels in March of 2023, which now expires the end of October 2023; and

WHEREAS, at the hearing on the eighth amendment, staff was given direction to negotiate a new development agreement with the Developers; and

WHEREAS, if the existing DA were to expire, the liability of these credits would be removed from the City’s outstanding liabilities;

WHEREAS, the parcels that are the subject of the proposed new Development Agreement are owned as follows:

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|----|--------------|---------------------|
| 1. | JEN/KB Home: | Village 3A and 3B |
| 2. | Villas: | Village 4A |
| 3. | LGI: | Village 4B |
| 4. | Century: | Village 27A and 27B |
| 5. | Green: | Village 27C |

and

WHEREAS, the parcels at issue account for 841 units of high density and achievable housing, including inter alia, apartments, duplexes and alley loaded single family detached units. This type of housing product is highly desirable at this time in the Lincoln community’s development and will support the City’s efforts to comply with California state law; and

WHEREAS, the State’s Housing Element and Regional Housing Needs Allocation, or RHNA, determines the total number of new homes communities need to build, and how affordable those homes need to be, in order to meet the housing needs

of people at all income levels. Staff reports on the City's progress in meeting this mandate annually with its General Plan Annual Progress Report; and

WHEREAS, given the type of product approved for construction and state mandates, the City Council make findings that the new Development Agreement with an extension of credits serves a public purpose and benefits the residents of Lincoln as outlined herein and below; and

WHEREAS, without the extension of these credits, the projects encompassed within the planned area may not be financially viable; and

WHEREAS, the Development Agreement will fulfill the diversification of housing objectives described in the Twelve Bridges Specific Plan and provide more attainable by design housing contained in the City of Lincoln's Housing Element; and

WHEREAS, the development should reduce vehicle miles travelled ("VMT") within the City, provide long-term infrastructure solutions and public services, and finally, the Agreement clarifies rights consistent with the current Public Facilities Element Implementation Plan and Policies.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF LINCOLN does ordain as follows:

Section 1. Incorporation of Recitals. The City Council hereby incorporates by reference the recitals set forth above.

Section 2. CEQA Analysis. This Ordinance is not subject to the California Environmental Quality Act ("CEQA"), as codified at Public Resources Code §§ 21000, et seq., and as further governed by 14 California Code of Regulations §§ 15000, et seq., because the Environmental Impact Report previously approved and adopted by the City Council was intended to be used in connection with each of the entitlements and subsequent approvals needed for the project consistent with other CEQA policies and requirements applicable to tiered EIRs, and the action is further exempted by CEQA Guidelines Sections 15182 [Projects Pursuant to a Specific Plan] and 15183 [Projects Consistent with Zoning].

Section 3. Severability. If any section, sub-section, sentence, clause, phrase or portion of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Ordinance. City Council hereby declares that it would have adopted the Ordinance and each section, sub-section, sentence, clause, phrase or portion thereof, irrespective of the fact that any one or more sections, sub-sections, sentences, clauses, phrases or portions to be declared invalid or unconstitutional.

Section 4. Publication. Within fifteen days of passage of this Ordinance, the City Clerk shall cause the full text of the Ordinance, with the names of those City Councilmembers voting for and against the Ordinance, to be published in the Lincoln News Messenger. In lieu of publishing the full text of the Ordinance, the City Clerk, if so directed by the City Attorney and within fifteen days, shall cause a summary of the

Ordinance, prepared by the City Attorney and with the names of the City Councilmembers voting for and against the Ordinance, to be published in the Lincoln News Messenger, and shall post in the office of the City Clerk a certified copy of the City Councilmembers voting for and against the Ordinance. The publication of a summary of the Ordinance in lieu of the full text of the Ordinance is authorized only where the requirements of Government Code § 36933(c)(1) are met.

Section 5. Findings of Public Purpose and Benefit to the City of Lincoln.

a. The parcels at issue account for 841 units of high density and achievable housing, including inter alia, apartments, duplexes and alley loaded single family detached units. This type of housing product is highly desirable at this time in the Lincoln community's development and will support the City's efforts to comply with California state law. California state law recognizes that local governments play a vital role in developing affordable housing. In 1969, the state mandated that all California cities, towns and counties must plan for the housing needs of its residents regardless of income.

b. As part of the Housing Element and Regional Housing Needs Allocation, or RHNA, the California Department of Housing and Community Development, or HCD, determines the total number of new homes communities need to build, and how affordable those homes need to be, in order to meet the housing needs of people at all income levels. Staff reports on the City's progress in meeting this mandate annually with its General Plan Annual Progress Report.

c. Given the type of product approved for construction and state mandates, the new Development Agreement with an extension of credits serves a public purpose and benefits the residents of Lincoln. Without the extension of these credits, there is concern the projects encompassed within the planned area may not be financially viable. The Development Agreement will fulfill the diversification of housing objectives described in the Twelve Bridges Specific Plan and provide more attainable by design housing contained in the City of Lincoln's Housing Element. The development should reduce vehicle miles travelled ("VMT") within the City and provide long-term infrastructure solutions and public services. Lastly, the Agreement clarifies rights consistent with the current Public Facilities Element Implementation Plan and Policies.

d. The proposed new Development Agreement is different from the existing DA in several key areas that also are beneficial to the City:

- The DA is specifically limited to only the high-density properties currently owned by Developers in the Twelve Bridges Specific Plan Area.
- The term is only five years (versus twenty or longer), with no automatic options to extend in order to encourage prompt action by Developers. An extension of the DA is authorized only by mutual agreement.
- At the termination of the Agreement all developer fee credits expire.
- Credits may only be applied in the Twelve Bridges development area.
- The Agreement converts the PFE credits that are currently calculated in Equivalent Dwelling Units ("EDU's") to a dollar equivalent. With the update of the

Public Facilities Element ("PFE"), the credits will then be indexed at the same rate as the PFE. Ultimately this does not have any impact on the value of those credits but creates a more user-friendly environment for both the City and Developer in tracking the use of those fee credits and their value moving forward.

- In addition to a standard administrative fee, the City will be entitled to an additional \$200,000 in administrative permit fees to cover the cost of tracking the credits.

- Credits may be pooled excepting the critical component of the sewer fee.

e. Given these additional backstops to encourage the prompt advancement of needed residential development to meet State mandates and avoid State intrusion into the City's planning and zoning authority, the City Council concludes there are legitimate findings that the new Development Agreement serves a public purpose and benefits the residents of Lincoln.

Section 6. Consistency with the General Plan. The City Council finds the Development Agreement and entitlements are consistent with the General Plan and Specific Plan.

Section 7. Direction and Approval. The City Manager or designee is hereby directed by the City Council of the City of Lincoln to enter into the Development Agreement by and between the CITY OF LINCOLN and GREEN SRP OWNER, LLC, VILLAS AT TWELVE BRIDGES PROPERTY LLC, LGI HOMES – CALIFORNIA, LLC, JEN CALIFORNIA 22, LLC, KB HOME SACRAMENTO, INC., and CENTURY COMMUNITIES OF CALIFORNIA, LLC, for the Development of Approximately 74 Acres of Residentially Zoned Property within the Twelve Bridges Plan Area, pursuant to the authority of Sections 65864, et seq., of the California Government Code.


INTRODUCED at a regular meeting of the City Council of the City of Lincoln held on September 26, 2023.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Lincoln held on October 10, 2023.

AYES: COUNCILMEMBERS: Karleskint, Andreatta, Brown, Lauritsen, Joiner

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:


Paul Joiner, Mayor

ATTEST:



Gwen Scanlon, City Clerk