



Legislation Text

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City Council Agenda

Memo to: Manteca City Council

From: Greg Showerman, Community Development Director

Date: June 4, 2019

Subject: Family Entertainment Zone - Exclusive Negotiating Agreement

Receive a presentation from the Manteca Development Group regarding the Family Entertainment Zone and provide direction to City Staff whether certain elements and properties should be included in the Exclusive Negotiating Agreement.

Background:

The City of Manteca has a history of entering into Exclusive Negotiating Agreements (ENAs) for the Family Entertainment Zone (FEZ) with various developers dating back to December 2012, when the City entered into an ENA with McWhinney Real Estate Services, Inc. In January 2013, the City Council entered into an ENA with ANF Development, LLC, the precursor to Manteca Development Group (MDG). The purpose of the ENA with ANF Development was to evaluate land assembly and infrastructure needs for the proposed 140-acre Family Entertainment Zone development. The duration of the ENA with MDG was for a period of one year with authority from the City Manager to extend the ENA for an additional 120 days.

In January 2014, the City entered into a Reimbursement Agreement with the Manteca Development Group in which MDG provided \$100,000 financial assistance to the City to help offset staff, consultant, and legal counsel time needed in developing various documents. In the past, Redevelopment funds could be used to pay for some of the administrative costs; however, with the elimination of Redevelopment, that funding source was no longer available. The funds provided by the Manteca Development Group covered a portion of the costs that otherwise would have had to come from other funding sources, including the General Fund.

In August 2016, the City Council amended the ENA with MDG to include an additional 13.73 acres, Assessor's Parcel Number 241-31-070 (formerly 241-31-048) and extended the term of the ENA until October 31, 2016.

In December 2016, the City Council entered into an ENA with MDG to provide the following items: (1) a preliminary schedule of development of the Site, (2) a preliminary/schematic market analysis of the project, and (3) a Project description and land use plan. Through subsequent documents, the ENA term was extended to end on July 31, 2017.

Other City Uses within the FEZ:

Public Works

On Tuesday, February 19, 2019, City Council took the following action (item 19-065):

Adopt a resolution determining Borrego Solar Systems, Inc. to be the best value for the WQCF Alternative Energy Development - Solar Field Project; Award a design-build contract on a "best value" basis to Borrego Solar Systems, Inc. for an amount not to exceed \$2.06 per kWp and \$5,533,019; and Authorize the City Manager to negotiate a final price not to exceed the award price

The Public Works Solar Project sets aside approximately 15.5 acres from Assessor Parcel Numbers 241-31-75, 241-31-76, and 241-31-77 (see attachment 1).

Parks & Recreation

Parks & Recreation is studying three locations, two locations within the FEZ, for recreational facilities (see attachment 2):

- a. Full Court Press - Land north of Big League Dreams (portions of 241-31-076 and 241-31-077)
- b. Half Court Press - Land east of Big League Dreams (241-31-070)
- c. Joint Use Aquatic / Rec Ctr - Lincoln Park

Direction to City Staff:

Staff is seeking direction from the City Council, as it relates to the ENA with the Manteca Development Group, on the following items:

1. Should Staff and Manteca Development Group continue to work toward an Exclusive Negotiating Agreement based on the Project information for the Family Entertainment Zone, presented by MDG, or does Council envision something different for the area?

Note: Manteca Development Group will be making a presentation to the City Council at the meeting.

2. What is the appropriate term for the ENA?
 - a. Previous ENAs have been one year + 120 calendar days when approved by the City Manager
 - b. Manteca Development Group is requesting a three-year ENA.

3. Does the City Council want to commit to amending the Master Plan and the Environmental document when the Project is approved (by Council), now that the Master Plan has been adopted?

Note: the Master Plan consultant and the Environmental consultant would be contracted directly to the City.

4. Does the City Council want to commit to proceeding with negotiations to enter into a Development Agreement with the Manteca Development Group when the Project is approved (by Council)?
5. Does the City Council want to include other properties, currently owned by the City and adjacent

the Family Entertainment Zone, in the ENA (see attachment 1 - green shaded properties) or wait until satisfactory progress is made in the ENA towards a Development Agreement?

Fiscal Impact:

There is no fiscal impact in providing direction to Staff as to how to proceed in authoring the ENA. There will be financial commitments (consultant costs and legal review) proceeding with amending the Master Plan and the Environmental document; funding of these costs can be negotiated and included in the Development Agreement.

Documents Attached:

1. Attachment 1 - Properties within the FEZ
2. Attachment 2 - Recreational Facilities
3. Attachment 3 - PowerPoint