

# City of Calistoga

## Staff Report

**TO:** Honorable Mayor and City Council  
**FROM:** Michael Kirn, Acting City Manager  
**DATE:** December 15, 2015  
**SUBJECT:** Consideration of a Resolution Authorizing the City Manager to Execute a Reimbursement Agreement with the Boys & Girls Clubs of St. Helena and Calistoga and Construction and Utility Easement Agreements.

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APPROVAL FOR FORWARDING:



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Michael T. Kirn, Acting City Manager

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2 **ISSUE:** Consideration of a Resolution authorizing the City Manager to execute a  
3 Reimbursement Agreement with the Boys & Girls Clubs of St. Helena and Calistoga  
4 (“Club”) for preparation of plans and specifications for underground infrastructure to be  
5 constructed by the Club to serve a future City Building and execution of construction  
6 and utility easement agreements.

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8 **RECOMMENDATION:** Adopt the Resolution.

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10 **BACKGROUND:** On August 18, 2015 the City and the Club entered into a Lease  
11 Disposition and Development Agreement (DDA) for a ground lease of City owned  
12 property adjacent to the Community Pool thereby allowing the Club to build a new Boys  
13 and Girls Club facility in Calistoga. The DDA provides City use of Club facilities for  
14 community benefit when not used by the Club, and provides for the City to retain a  
15 portion of the site for a future City Building (tentatively for Recreation Services). The  
16 term of the lease is for 55 years with annual lease payments of \$1.

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18 **DISCUSSION:** In order to achieve cost savings and develop the site in a cohesive  
19 manner, Club has agreed to incorporate plans and specifications for infrastructure to  
20 serve a future City Building together with its plans, and has agreed to construct and  
21 install the infrastructure improvements simultaneously. The recommended agreement  
22 sets forth the terms and conditions under which the City will provide financial

23 remuneration to the Club for its design and construction efforts for infrastructure  
24 improvements to serve a future City building.

25 As contained in the DDA, the Club is required to pay all utility connection fees and  
26 impact fees. The tentative fees are included as Attachment 2. The recommended  
27 Reimbursement Agreement contains a provision that in-lieu of the Club paying certain  
28 fees, the Club may reduce those fees in an amount equal to the costs (approved by the  
29 City) associated with providing the infrastructure needed to serve the City Building. This  
30 would include but not be limited to the Cultural/Recreational, Affordable Housing  
31 Linkage, and Transportation Impact Fees, and the Water connection fee. In essence,  
32 the costs for the infrastructure to serve the City Building would be accounted for and  
33 then “credited” against the Clubs impact and connection fee obligations.

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35 Due to site constraints, the proposed Club building has a zero foot setback on the west  
36 side. To ensure compliance with the Building and Fire Codes a ten foot wide “no build”  
37 easement is needed on the Washington Street right-of-way. A construction easement  
38 agreement is also needed to accommodate the driveway and sidewalk on the Oak  
39 Street frontage and temporary construction easement and permanent utility easement  
40 agreements are needed across the Fair Grounds property for utilities that will serve the  
41 proposed buildings.

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43 The recommended resolution authorizes the City Manager to execute the  
44 Reimbursement Agreement and the necessary easement agreements.

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46 **CONSISTANCY WITH CITY COUNCIL GOALS AND OBJECTIVES:** The  
47 recommended action supports the FY 2015/16 City Council Goal No. 6, Priority  
48 Projects: 1) Supporting efforts to establish a new Boys and Girls Club facility in  
49 Calistoga.

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51 **CEQA/NEPA COMPLIANCE:** The recommended action is not a Project as defined  
52 under Section 15378(b)(2) of the CEQA Guidelines and as such is not subject to CEQA  
53 review. The construction of the Club and supporting utilities, including the utilities to  
54 serve the City building, will be reviewed under CEQA as part of the entitlement review  
55 process.

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57 **FISCAL IMPACT:** There will be no impact to the General Fund if the recommended  
58 agreement is approved. The estimated amount of reimbursement is approximately  
59 \$50,000 and will be apportioned against the appropriate impact fees, or accounted for  
60 as a loan against future Cultural/Recreational fees.

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62 **ATTACHMENTS**

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64 1. Draft Resolution  
65 2. Estimated Impact Fees for the Boys and Girls Club Calistoga Facility

- 66 3. Reimbursement Agreement
- 67 4. Draft Utility and Temporary Construction Easement Agreements

**RESOLUTION 2015-XXX****RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALISTOGA,  
COUNTY OF NAPA, STATE OF CALIFORNIA, AUTHORIZING EXECUTION  
OF A REIMBURSEMENT AGREEMENT WITH THE BOYS & GIRLS CLUBS  
OF ST. HELENA AND CALISTOGA FOR PREPARATION OF PLANS,  
SPECIFICATIONS AND CONSTRUCTION OF INFRASTRUCTURE  
IMPROVEMENTS FOR A CITY BUILDING AT 1401 OAK STREET AND  
EXECUTION OF CONSTRUCTION AND UTILITY EASEMENT AGREEMENTS**

**WHEREAS**, on August 18, 2015, the City of Calistoga (“City”) and the Boys & Girls Clubs of St. Helena and Calistoga (“Club”) entered into a Lease Disposition and Development Agreement (DDA) for a ground lease of City owned property adjacent to the Community Pool thereby allowing the Club to build a new Club facility in Calistoga; and

**WHEREAS**, the DDA provides for the City to retain a portion of the site for a future City Building (tentatively for Recreation Services); and

**WHEREAS**, in order to achieve cost savings and develop the site in a cohesive manner, Club has agreed to incorporate plans and specifications for infrastructure to serve a future City Building together with its plans, and has agreed to construct and install the infrastructure improvements simultaneously; and

**WHEREAS**, the City and Club have negotiated a reimbursement agreement that provides for the City to reimburse the Club for design and construction of infrastructure that will ultimately serve the future City Building utilizing impact and connection fees as credits against the costs associated with the City’s portion of the design and construction of the infrastructure serving the future City building; and

**WHEREAS**, due to site constraints the proposed Club building has a zero foot setback on the west side and to ensure compliance with the Building and Fire Codes a ten foot wide “no build” easement is needed on the Washington Street right-of-way; and

**WHEREAS**, a construction easement agreement is also needed to accommodate the driveway and sidewalk on the Oak Street frontage, and temporary construction easement and permanent utility easement agreements are needed across the Fair Grounds property for utilities that will serve the proposed buildings.

**NOW, THEREFORE BE IT RESOLVED** that the City Council of the City of Calistoga hereby:

1. Approves the Reimbursement Agreement with the Club subject to approval as to form by the City Attorney.
2. Authorizes the City Manager to execute the Reimbursement Agreement with the Club, and staff is otherwise directed to administer the Agreement including processing remuneration to the Club using impact and connection fees the Club is required to pay for its building.

52 3. Authorizes the City Manager to execute temporary construction easement,  
53 permeant utility easement, no build easement and permeant improvement  
54 easement agreements for the Clubs building and supporting infrastructure.  
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56 **PASSED AND ADOPTED** by the City Council of the City of Calistoga this **15<sup>th</sup> day**  
57 **of December 2015**, by the following vote:  
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59 **AYES:**  
60 **NOES:**  
61 **ABSTAIN:**  
62 **ABSENT:**  
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65 **CHRIS CANNING, Mayor**  
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67 **ATTEST:**  
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69 **KATHY FLAMSON, City Clerk**  
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**CITY OF CALISTOGA  
PLANNING AND BUILDING DEPARTMENT**

**To:** Richard Spitler, City Manager  
Lynn Goldberg, Planning and Building Director

**From:** Erik V. Lundquist, Senior Planner

**Date:** April 2, 2015

**Re:** 1401 N. Oak Street – Calistoga Boys and Girls Club

I have prepared this memo to provide an initial estimate of the potential development impact fees that would be required for the planned Calistoga Boys and Girls Club. This estimate is based upon our current understanding of the proposal and the information provided by the Boys and Girls Club of St. Helena and Calistoga, an approximately 14,000 square foot structure including 7- 10 employees and up to 260 children. All fees would be due upon building permit issuance.

<b>Fee<sup>1</sup></b>	<b>Calculation</b>	<b>Amount</b>
<b>Affordable Housing Linkage Fee</b>	Industrial \$1.65/square foot	\$23,100
<b>City Administrative Impact Fee</b>	Industrial \$0.49/square foot	\$6,860
<b>Cultural/Recreational Impact Fee</b>	Industrial \$0.45/square foot	\$6,300
<b>Excise Tax</b>	Industrial \$0.005/square foot	\$70
<b>Fire Impact Fee</b>	Industrial \$0.41/square foot	\$5,740
<b>Police Impact Fee</b>	Industrial \$0.11/square foot	\$1,540
<b>Transportation Fee</b>	Industrial \$2.25/square foot	\$31,500
<b>Wastewater Service Connection Fee<sup>2</sup></b>	2.97 acre feet x \$106,019 per annual acre foot	\$314,877
<b>Water Service Connection Fee<sup>2</sup></b>	3.30 acre feet x \$36,312 per annual acre foot	\$119,830
<b><sup>3</sup>TOTAL</b>		<b>\$509,817</b>

<sup>1</sup> With the exception of the water and wastewater service connection fees, the development impact fees were calculated based upon the industrial fee category. We would suspect that a project-specific analysis would result in a higher fee, but given we do not have a private recreation/educational facility fee, the industrial fee will allow for the City to collect a contribution to offset costs while remaining on the conservatively low side.

<sup>2</sup>The water and wastewater demands were conservatively calculated based upon an average usage of the Calistoga Boys and Girls Club at the Calistoga Elementary School during July and August of 2013 and 2014 when the Club was the primary user on campus.

<sup>3</sup>Total does not include School District Impact Fee