



DATE: 12/1/2021
TO: Board of Directors
FROM: Kristi Sweeney, Assistant District Manager
SUBJECT: Resolution #21-12-1-508 to Authorize the District Manager to Finalize the Lakeridge Addition Acquisition

Summary

The District has an opportunity to acquire a parcel (Assessor's Parcel Number (APN): 066-340-005) adjacent to the existing Lakeridge Park property. If acquired, the property provides cost savings in long-term development costs and existing features that may allow for short-term improvements.

Recommendation: Approve resolution #21-12-1-508 (Attachment A) to authorize the District Manager's signatory authority to finalize the purchase of the parcel.

1. Background

At the regularly scheduled Board of Directors' meeting on November 10, 2021, staff presented information related to the potential acquisition of the lot immediately adjacent to the PRPD existing Lakeridge Circle parcel (Attachment B). During the meeting, the Board directed staff to present due diligence gathered to the Finance and Park and Recreation Committees and the purchase agreement (please see online here: [3.2g_LaPa.PRPD-Stimson.Purchase.Agreement.21.1006.UNLOCKED.pdf](#)).

Since the time the Board first considered the acquisition, staff has completed all due diligence on the property (Preliminary Title Search, Review of Appraisal, and Phase I Environmental Report). As directed by the Board staff met with the Finance Committee on November 15, 2021, and the Park and Recreation Committee on November 17, 2021. Both Committees recommended bringing the acquisition to the full Board for consideration and approval.

During recent park development outreach, we received considerable feedback on the need for parks and recreational amenities in Magalia. There was also some concern about "removing land from commercial development;" however, staff notes that we also received enthusiastic comments about the prospect of the park fostering economic development.

The area has been zoned commercial for over 35 years with minimal development. Approximately 14 acres of commercially zoned parcels have been for sale for about 2 years on Lakeridge Circle.

2. Fiscal Impact

The landowner agreed to the appraised value of the property (\$100,000) based on the appraisal (https://www.paradisepprd.com/files/d3bd59475/3.2f_Lakeridge.Appraisal.Report.Stimson.and.Magalia.LLC.property.pdf). The District's Capital Improvement and Acquisition Reserve (1152), a fund dedicated for such purposes will fund the acquisition. The District set aside funds (\$1,310,000) as part of the 2021-2022 budget.

While the District will incur costs for development and long-term maintenance, the District has been committed to pursuing park development in Magalia for many years, and the property contains amenities that will reduce development costs. Existing amenities include an existing sidewalk, curb, and gutter, a paved driveway that extends across most of the parcel's length, a paved parking area, a water meter, and septic systems (will need to be tested). These amenities may reduce the costs of park development.

3. Permits and Environmental Review

The BOD action for the acquisition will not require CEQA as the acquisition, sale, or other transfer of land to establish a park is exempt. A California Environmental Quality Act (CEQA) Initial Study review has been submitted (Mitigated Negative Declaration) as part of the conceptual park development plan in June 2021 on the District's adjoining Lakeridge property. Any future development will require Butte County Building Permits and/or review, but the existing permitted infrastructure on the site may help facilitate that effort, likely at reduced costs. As the project moves forward, CEQA and permitting will be folded into the park development.

Under current zoning (community commercial), recreational development may require a special use permit. Informal conversations with the county and consultants working on the Upper Ridge Community Plan suggest that the effort is consistent with current input on the Upper Ridge Community Plan. Under the current County planning efforts, an end product may result in changes to zoning designation and there may be an opportunity to modify the zoning status at that point.

The staff has received a completed Phase I Environmental Site Assessment (Phase I ESA) (https://www.paradisepprd.com/files/5eace7510/3.2c_FINAL+Lakeridge_Phase+I+ESA.pdf), which indicates that the property is safe for the planned use.

The relatively small size and well-defined edges of the property simplify property line issues (Condition of Title Guarantee/Preliminary Title Report (https://www.paradisepprd.com/files/e4b3535a9/3.2d_CLTA+28+Condition+of+Title+Guarantee+%282-7-14%29-Lakeridge.pdf) and the Record of Land Survey (https://www.paradisepprd.com/files/49d3bc962/3.2e_Land.PlatSurvey.pdf)). As expected, the subdivision map indicates public utility easements at the front and back of the property. They look approximately 10 feet wide (but are difficult to read on the document). In lieu of a site survey, there is a recent subdivision map available with the legal definition of the property.

Of importance are the Covenants, Conditions, and Restrictions (CC&Rs) for the property (https://www.paradisepprd.com/files/9a8420657/3.2h_CCRs.pdf). While they are quite old, and poorly written in places, the preamble explicitly mentions parks and “open areas.” Any development will need to examine the validity of the CC&Rs and influences on land uses. Careful examination of the restrictions may shift potential features of the future park to the rear parcel to minimize potential conflict. Alternatively, the Grantor who created the subdivision or a vote of other parcel owners can change them if they are particularly onerous. Additional items revealed during due diligence are an “acknowledgment of agricultural uses” (likely the former water conveyance, now underground), and the Subway lease, which has been terminated as per the landowner.

4. Discussion

The parcel has existing infrastructure that provides an opportunity for short-term park improvements if our current park development proposal is not funded. The property would allow for the more immediate development of minor amenities (trailhead amenities, existing parking, trail, signs, trash, drinking fountain, picnic tables, benches, native plant and tree demonstration garden, and potentially a small play structure) through existing grant funding (Gametime play equipment grant and CA ReLEAF tree and shrub planting grant), Per Capita grant funds, and unincorporated impact fees.

If acquired and integrated into existing conceptual park designs, the Lakeridge property will reduce the overall cost of park development. The property allows the development of buildings further away from the steep slope and reduces the amount of cut and fill required for park amenities and minimizes the impacts to more natural areas.

Attachments:

- A. Resolution #21-12-1-508
- B. Land briefing memo

https://paradisepprd.sharepoint.com/sites/BODMeeting/Shared Documents/_BOD/2021/21.1208/2021.1208.BOD.Lakeridge.Adjoining.Parcel.Acquisition.Report.docx
12/8/2021