

# REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
4	8/13/12	Open	Action	7/30/12

Subject: Approving a Reimbursement Agreement with D.R. Horton Authorizing Payment to D.R. Horton for a Traffic Signal at Miramonte Drive and San Juan Road.

## ISSUE

Whether to Reimburse D.R. Horton for a traffic signal located at Miramonte Drive and San Juan Road adjacent to a Green Line park/ride lot planned for that location.

## RECOMMENDED ACTION

Adopt Resolution No. 12-08-\_\_\_\_, Approving a Reimbursement Agreement with D.R. Horton Authorizing Payment to D.R. Horton for a Traffic Signal at Miramonte Drive and San Juan Road.

## FISCAL IMPACT

Budgeted:	Yes	This FY:	\$	94,431.24
Budget Source:	Capital	Next FY:	\$	
Funding Source:	Measure A	Annualized:	\$	
Cost Cntr/GL Acct(s) or Capital Project #:	402.05	Total Amount:	\$	94,431.24
Total Budget:	\$ 94,431.24			

## DISCUSSION

On April 28, 2005 the City of Sacramento Planning Commission approved the Sonora Springs development and required, as part of the approval, that the developer, D.R. Horton, provide RT an Irrevocable Offer of Dedication (IOD) on a 1.8 acre site located within the Sonora Springs housing development. The development is in the Natomas neighborhood. Anticipated use of the site is for a rail station and park/ride lot planned for the Green Line (Downtown-Natomas-Airport) light rail line. As a condition of the dedication, the land, once dedicated to RT, is limited to use as a park and ride lot.

In evaluating the project, the City determined that developing the site as a park and ride lot would greatly increase traffic in that area. Consequently, as part of the development's approval, the City required that D.R. Horton install a traffic signal at San Juan Road and Miramonte Drive. Because a portion of the expected increase in traffic at the intersection is expected to be from transit users, the City determined that RT should reimburse the developer approximately 34% of the cost of constructing the traffic signal.

RT's Board approved the form of IOD negotiated between D.R. Horton and RT staff on April 24, 2006. The IOD required RT to exercise its option to accept the IOD within 2-years of recording

Approved:

Presented:

Final 7/30/12

General Manager/CEO

AGM, Planning & Transit System Development

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the IOD. RT was required to provide written notice of its intent to accept the IOD within two years after recording or relinquish the IOD. The IOD was recorded on May 5, 2006. The Board approved acceptance of the IOD on April 28, 2008. However, to date, D.R. Horton has not recorded and delivered the Grant Deed for the property.

The traffic signal was constructed by D.R. Horton during the spring of 2007. In spite of several discussions, RT and the developer never reached agreement on the terms for payment for the parking signal.

A request for reimbursement in the amount of \$103,524 was received by RT from D.R. Horton on August 18, 2011. D.R. Horton requested payment of RT's share of the signal light in return for receipt of a recorded Grant Deed. However, D.R. Horton is already contractually obligated to deliver the Grant Deed under the terms of the IOD. RT Legal advised D.R. Horton that it can not link the two obligations since they are separate obligations.

At RT's request, the developer provided documentation for the total \$304,536 cost of the traffic signal. The documentation was reviewed by RT Engineering staff that identified concerns that lowered RT's cost obligation to \$94,432.24.

As mentioned previously, RT has yet to receive the Grant Deed from D.R. Horton. The developer has been improperly holding the Grant Deed pending receipt of RT's share of the traffic signal cost. In order to address this, RT recommended requiring an escrow account be established wherein D.R. Horton would deposit the Grant Deed and RT will deposit the \$94,432.24 for the traffic signal. D.R. Horton agreed to this arrangement.

RT staff recommends that the Board approve the Agreement between RT and D.R. Horton wherein RT agrees to reimburse D.R. Horton \$94,432.24 as its share of the cost for the traffic signal located at Miramonte Drive and San Juan Road and D.R. Horton agrees to provide RT the Grant Deed.

RESOLUTION NO. 12-08-\_\_\_\_\_

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

August 13, 2012

**APPROVING A REIMBURSEMENT AGREEMENT WITH D.R. HORTON  
AUTHORIZING PAYMENT TO D.R. HORTON FOR A TRAFFIC SIGNAL AT  
MIRAMONTE DRIVE AND SAN JUAN ROAD**

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Agreement between Sacramento Regional Transit District, therein referred to as "RT," and D.R. HORTON, therein referred to as "Developer," wherein RT agrees to reimburse D.R. Horton \$94,431.24 for a traffic signal at Miramonte Drive and San Juan Road, is hereby approved.

THAT, the General Manager/CEO is hereby authorized to execute said Agreement.

\_\_\_\_\_  
BONNIE PANNELL, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: \_\_\_\_\_  
Cindy Brooks, Assistant Secretary