

**STAFF REPORT**  
**City of Lancaster**

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Date: June 12, 2007

To: Mayor Hearn and City Council Members

From: James R. Williams, Public Works Director

Subject: **Approval of Reimbursement Agreement for the Construction of Master Planned Drainage Facilities – Tract Map No. 61033; Located at the Southwest Corner of Avenue M and 30th Street West**

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**Recommendation:**

Approve the Reimbursement Agreement for the Construction of Master Planned Drainage Facilities with Pinnacle Real Estate Ventures.

**Fiscal Impact:**

Reimbursement to be paid out of drainage impact fees collected.

**Background:**

As a condition of approval for Tract Map No. 61033, Pinnacle Real Estate Ventures was required to construct a storm drain facility adjacent to 30<sup>th</sup> Street West from Avenue M to their southern tract boundary. The agreement allows credit against the drainage impact fee for Tract No. 61033 being developed by Pinnacle Real Estate Ventures. The estimated cost of constructing the required MPDF is \$500,000 and the amount of drainage impact fee credit for Tract 61033 is approximately \$203,238.

City policy states that when construction of a Master Planned Drainage Facility (MPDF) is required, the Developer will receive credit toward the payment of the drainage impact fee. If the cost of constructing the MPDF exceeds the credit available, the City may enter into a reimbursement agreement with the Developer. A maximum of twenty percent of the drainage impact fees collected each year may be used to pay for reimbursements. If more than one reimbursement agreement is in effect during the year, each agreement shall receive a percentage of the twenty percent of the total drainage impact fees collected for that year.