County of Fresno

Hall of Records, Rm. 301
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Fresno, California
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Legislation Details (With Text)

File #:	19-1690	**Name:**	Jensen Road Transfer Agreement
		In control:	Public Works & Planning
On agenda:	1/7/2020	**Final action:**	1/7/2020
Enactment date:		**Enactment #:**	

Title: Authorize Chairman to execute the Jensen Road Transfer Agreement between City of Fresno and County of Fresno relating to transfer of ownership and maintenance responsibility of Jensen Avenue to City of Fresno

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A - Jensen Avenue Right-of-Way, 2. Jensen Road Transfer Agreement

Date	Ver.	Action By	Action	Result
1/7/2020	1	Board of Supervisors	Deleted	

DATE: January 7, 2020

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director
Department of Public Works and Planning

SUBJECT: Jensen Road Transfer Agreement

RECOMMENDED ACTION(S):

Authorize Chairman to execute the Jensen Road Transfer Agreement between the City of Fresno and County of Fresno relating to the transfer of ownership and maintenance responsibility of Jensen Avenue to the City of Fresno.

This item relates to the relocation of the Darling Ingredients, Inc. (Darling) rendering plant from its current location within the City of Fresno (City) to a new location (Darling Parcel) at the southwest corner of Jensen and Cornelia Avenues owned by the City as part of the City's wastewater treatment facility. In consideration of the impacts to Jensen Avenue that would result from increased vehicle and truck trips associated with the relocation of the rendering facility, the City has agreed to accept ownership and maintenance responsibility of the Jensen Avenue right-of-way from the existing City limits (a point approximately 660 feet west of the intersection of Jensen and Fig Avenues) to the intersection of Jensen Avenue and Chateau Fresno Avenue (the "Jensen Avenue Corridor"), see Exhibit A, through annexation or by quitclaim deed from the County to the City. In exchange, the County shall pay to the City on an annual basis for a period of ten (10) years an amount equal to the County's share of ad valorem real and personal property taxes paid by Darling for the Darling Parcel. This item pertains to locations in District 1.

ALTERNATIVE ACTION(S):

There are no viable recommended alternative actions.

FISCAL IMPACT:

The Net County Cost associated with this recommended action will vary from year to year based on the total amount of Fresno County's share of secured and unsecured property taxes paid to the County of Fresno by Darling. This amount will represent the payment by the County to the City each fiscal year for the ten-year period. This impact may be offset to some degree by the avoidance of road maintenance, repair and replacement costs which will no longer be incurred by the County once the Jensen Avenue Corridor is transferred to the City of Fresno.

DISCUSSION:

Background

On October 22, 2019, your Board considered whether Fresno County should implement an economic development incentive program and the possible application of any such program to the relocation of Darling Ingredients to a new site at the Fresno-Clovis Regional Wastewater Plant Facility. Your Board voted to direct staff to work with City of Fresno to prepare the necessary documents and/or agreements required to: (1) transfer ownership and maintenance responsibility for Jensen Avenue from Highway 99 to Chateau Fresno for those road segments currently outside of Fresno's city limit boundary; and (2) transfer Fresno County's portion of property taxes to be generated from the proposed Darling Ingredients development project to the City of Fresno for a ten year period.

Jensen Road Transfer Agreement

Pursuant to your Board's direction, County staff, working with the City of Fresno, staff prepared the recommended agreement, which includes the following:

- An agreement that the County will transfer of Jensen Avenue Corridor to the City by annexation of those portions lying within the City's current sphere of influence, and, upon completion of that annexation, by conveyance to the City by quitclaim deed of all the County's title, right, and interest in the remaining portion of the Jensen Avenue Corridor.

- An agreement by the County (a) to make best efforts to assign its competitive Federal grant funds received for the Jensen Avenue reconstruction project to the City through the Fresno Council of Governments process; (b) to pay its proportionate share for the project between Chateau Fresno and Cornelia Avenues from SB 1 funds; and (c) to make best efforts to assign its competitive Federal grant funds received to reconstruct Jensen Avenue between Fruit Avenue and Fig Avenue through the Fresno Council of Governments process.

- A provision that both parties' performance is conditioned upon close of escrow under the City's Disposition Agreement and Development Agreement with Darling, which is expected to take place on or before January 31, 2020.

- An agreement by the City that, as soon as possible after the condition described above is satisfied, it will commence an annexation application with the Fresno Local Agency Formation Commission (LAFCo) to annex into the City's jurisdiction those portions of the Jensen Avenue Corridor lying within the City's current sphere of influence.

- An agreement by the County that it will not oppose and will take all actions reasonable and necessary to support the City's application to LAFCo for the annexation of the portions of the Jensen Avenue Corridor lying within the City's current sphere of influence, and to pay the City half of any LAFCo fees charged to the City for that process.

- A provision that the County will not be responsible for payment of any other costs incurred by the City,

except as expressly provided in the agreement.

- An agreement that the City may need annex additional areas of the County to effectuate the annexation of the Jensen Avenue Corridor, and that the County will not oppose and will take all actions reasonable and necessary to support such application, so long as it is limited to the minimum area legally required to effectuate the annexation of the Jensen Avenue Corridor.

- An agreement that, if at any time before the County makes its last payment under the agreement, the City seeks to annex any portion of the Jensen Avenue Corridor that is not part of the initial annexation described above, the County will not oppose and will take all actions reasonable and necessary to support the City's application to LAFCo, subject to the same terms and conditions as the initial annexation.

- An agreement that, following the final effective date of annexation, conveyance, or grant of the Jensen Avenue Corridor, the City will assume all construction, maintenance, and legal liability for the right of way in the Jensen Avenue Corridor, and that it will defend and hold harmless the County from all claims arising after that final effective date.

- An agreement that the City takes the Jensen Avenue Corridor in as-is condition, subject to all existing encroachments, utility easements, other easements, or other condition.

- An agreement by the City that it will not commence any code enforcement action to force removal of encroachments that exist at the time of the transfer of the Jensen Avenue Corridor unless necessary to remedy a situation presenting an immediate or unreasonable risk of harm to the public.

- An agreement by the City that its parcel taxes will not apply to privately-owned parcels in the County whose boundaries extend into the right of way in the Jensen Avenue Corridor.

- An agreement by the City that, for privately-owned parcels in the County that have a portion lying within the right of way of the Jensen Avenue Corridor, the City will apply construction standards and provide permitting processes for construction of any necessary driveway or other improvements that are consistent with current County construction standards and processes.

- An agreement that, if the transfer of the Jensen Avenue Corridor to the City is not finalized before June 30, 2022, the agreement will become null and void.

- An agreement that the County will pay to the City annually for a period of 10 years an amount equal to the County's share of ad valorem real and personal property taxes paid by Darling or any successor owner or taxpayer for the Darling Parcel, beginning with the first full tax year after the date the certificate of occupancy is issued by the City for the new Darling plant on the Darling Parcel, or the date the final transfer of the Jensen Avenue Corridor transfer occurs, whichever is later.

- Technical provisions relating to the County's payment to the city over the 10-year period.

- An agreement that the City will indemnify the County from any claim or litigation arising from damage or injury occurring on or after the date that each portion of the Jensen Avenue Corridor is transferred (by annexation or deed) and related to the design, construction, maintenance, or condition of the road within that portion of the Jensen Avenue Corridor.

- An agreement that the County will indemnify the City from any claim or litigation arising from damage or injury occurring before the date that each portion of the Jensen Avenue Corridor is transferred (by annexation or deed) and related to the design, construction, maintenance, or condition of the road

within that portion of the Jensen Avenue Corridor as it existed before the date of the transfer.

The Department worked in consultation with County Counsel to prepare the Agenda Item and proposed Jensen Road Transfer Agreement.

OTHER REVIEWING AGENCIES:

On December 12, 2019, the City of Fresno approved the subject Jensen Road Transfer Agreement.

REFERENCE MATERIAL:

BAI #5, October 22, 2019

ATTACHMENTS INCLUDED AND/OR ON FILE:

Exhibit A - Jensen Avenue Right-of-Way
On file with Clerk - Jensen Road Transfer Agreement

CAO ANALYST:

Debbie Paolinelli