



CITY COUNCIL STAFF REPORT

ITEM NO. 6.4

DATE: July 27, 2026

TO: Honorable Mayor and City Council

FROM: Brent Smith, Community Development Director

SUBJECT: Resolution authorizing execution of an Easement Purchase Agreement with Adventus, acceptance of an Emergency Vehicle Access Easement from LD-Fund III Livermore Land, LLC, approval of related development agreement amendments, and related escrow transactions associated with the Springtown Trunkline Replacement Project WW201414 and Las Colinas Trail Project TB201945.

RECOMMENDED ACTION

Staff recommends City Council adopt a resolution:

1. Authorizing the City Manager to execute the Easement Purchase Agreement with Adventus and related escrow, right-of-entry, and easement documents for acquisition of sanitary sewer and trail easements necessary for the Springtown Trunkline Replacement Project WW201414 and Las Colinas Trail Project TB201945;
2. Accepting the Emergency Vehicle Access Easement from LD-Fund III Livermore Land, LLC;
3. Authorizing the City Manager, or her designee, to execute a First Amendment to the Low Income For-Sale Housing Agreement with LD-Fund III Livermore Land, LLC;
4. Authorizing the City Manager to execute and complete all escrow documents and transactions necessary to close the property acquisition and implement the Easement Purchase Agreement; and
5. Authorizing the City Manager to take all actions necessary and appropriate to carry out the purpose and intent of the resolution.

SUMMARY

The Springtown Trunkline Replacement Project WW201414 and Las Colinas Trail Project TB201945 require the acquisition of easement rights across property owned by Adventus, a California non-profit public benefit corporation, and implementation of several related agreements with LD-Fund III Livermore Land, LLC ("Lassen"). These agreements resolve existing development obligations, secure property rights necessary for future public infrastructure improvements, and establish funding and mitigation measures needed to advance the projects.

The proposed actions include approval of an Easement Purchase Agreement with Adventus for

acquisition of a permanent sanitary sewer easement and permanent trail easements needed for construction of Project WW201414 and Project TB201945. The proposed actions also include a Right of Entry that will allow the City of Livermore (City) to access the property for construction, staging, and related activities associated with these projects.

As part of the overall transaction package, Lassen will grant the City an Emergency Vehicle Access Easement that will provide future emergency access between Lassen Road and the Adventus property. The City will also approve a First Amendment to the Low-Income For-Sale Housing Agreement. Related reimbursements, mitigation-credit transfers, and trail-funding transactions required under the existing Development Agreement will be processed administratively through escrow as part of the coordinated closing.

The proposed agreements implement obligations established through the Second Amendment to the Lassen Development Agreement. Under that amendment, the City assumed responsibility for acquiring the property rights needed for Project WW201414 and Project TB201945, while Lassen retained responsibility for funding certain project costs, environmental mitigation, and design work. The proposed actions before the Council implement those obligations through a coordinated set of agreements and related transactions.

Attachment 1 shows the properties and easements that are related to the proposed actions. An overview of the transaction components is summarized in the following table:

Transaction Overview

Component	Party	City Receives	City Provides	Exhibit
Easement Purchase Agreement	Adventus	Sewer easement and trail easements	\$10,492 sewer easement payment	Exhibit A
Housing Agreement Amendment	Lassen	Extension of equivalent cash payment schedule	Amendment approval	Exhibit B
Right of Entry	Adventus	Right of Entry for construction work	Construction of Trail and Sewer	Exhibit C
EVAE	Lassen	Emergency vehicle access easement	Acceptance of easement	Exhibit D

Related mitigation-credit transfers, reimbursements, and trail-funding payments are components of the coordinated escrow closing required to implement existing obligations and are not presented as separate agreements or approval actions in this staff report.

Although each transaction addresses different aspects of the projects, they were negotiated as a coordinated package that resolves outstanding development obligations while securing the property rights, funding, reimbursements, and environmental mitigation necessary to advance the Springtown Trunkline Replacement Project and Las Colinas Trail Project.

DISCUSSION

Background

The Springtown Trunkline Replacement project (Project WW201414) and Las Colinas Trail project (Project TB201945) are long-planned public infrastructure improvements intended to improve sewer system reliability, provide regional trail connectivity, and support future public access improvements in the northern portion of the City. Advancement of these projects requires acquisition of property rights across land owned by Adventus and implementation of several related agreements with LD-Fund III Livermore Land, LLC ("Lassen").

The proposed actions before the City Council represent a coordinated transaction package that secures the property rights, funding commitments, mitigation requirements, and development agreement conditions necessary to facilitate future construction of the projects. The transactions implement obligations established through existing development approvals while providing public benefits including sewer infrastructure improvements, trail connectivity, emergency vehicle access, and environmental mitigation.

Staff has negotiated a proposed Easement Purchase Agreement with Adventus for acquisition of sewer and trail easements necessary to facilitate Project WW201414 and Project TB201945 identified as part of the City's long-range infrastructure planning efforts.

Lassen is required by the Second Amendment to the Development Agreement for the Lassen Townhome Project to pay the cost of Project TB201945, obtain permits for Project WW201414, and provide an EVAE through their property prior to approval of the Final Map. The proposed EVAE is necessary to support future circulation and emergency access needs associated with planned infrastructure improvements and the adjacent development.

Due to market conditions, Lassen has experienced delays with Final Map progress. However, Staff have coordinated with Lassen regarding the trail funding, mitigation-credit transfer, and EVAE required under the existing Development Agreement, together with the Housing Agreement amendment and reimbursement of eligible costs. The financial and mitigation transactions will be reconciled and completed through escrow as part of the coordinated closing.

The proposed agreements will fulfill obligations established by the Second Amendment to the Lassen Development Agreement (DA). Under that amendment, the City assumed responsibility for acquiring the property rights needed for Project WW201414 and Project TB201945, while Lassen retained responsibility for funding certain project costs, environmental mitigation, and design work. The proposed actions before the Council implement those obligations through a coordinated set of agreements and related transactions.

Adventus Easement Purchase Agreement

Staff has negotiated an Easement Purchase Agreement with Adventus, attached as Exhibit A, for acquisition of permanent sanitary sewer and trail easement rights across Adventus property located north of Interstate 580 and west of Lassen Road.

The agreement provides for acquisition of a sanitary sewer easement necessary for construction of Project WW201414. The sanitary sewer easement encompasses approximately 65,577 square feet and will accommodate an approximately 3,000-foot-long, 24-inch sewer trunkline replacement that will

improve long-term operation and maintenance of the City's wastewater collection system.

The agreement also provides for acquisition of permanent trail easements needed to construct future segments of Project TB201945. The trail easements consist of a main trail easement area of approximately 57,328 square feet and a spur trail easement area of approximately 41,881 square feet. These easements will provide the property rights necessary for future public trail improvements and regional trail connectivity.

The negotiated purchase price for the sanitary sewer easement is approximately \$10,492, which was established based on an independent property appraisal to determine the fair market value of the easement area being acquired. The trail easements are being conveyed as part of the overall negotiated consideration associated with the transaction package and do not include a separate monetary purchase price.

There is also a separate Right of Entry Agreement with Adventus, attached as Exhibit C, that authorizes the City to enter the property for construction, staging, trenching, access, and related activities necessary to complete the sewer and trail improvements.

Emergency Vehicle Access Easement

As part of the coordinated transaction package, Lassen will grant the City an Emergency Vehicle Access Easement (EVAE) across property adjacent to Lassen Road.

The EVAE will provide future emergency access between Lassen Road and the Adventus property, including future access to the Adventus property. The easement area has been designed to accommodate emergency vehicle circulation and may be improved to applicable fire access standards in the future. The EVAE also supports long-term public safety objectives and provides an important connection between the future trail system and surrounding development. The EVAE is included in Exhibit A - Easement Purchase Agreement and labeled sub-exhibit G.

Affordable Housing Agreement Amendment

The proposed actions also include approval of amendments associated with existing agreements between the City and Lassen.

The First Amendment to the Low-Income For-Sale Housing Agreement, attached as Exhibit B, extends the period during which the equivalent cash payment calculation will remain fixed through October 2029. Beginning after that date, the amendment establishes a tiered schedule for calculating equivalent cash payments for future residential units, providing greater predictability regarding future affordable housing obligations while maintaining the overall intent of the original agreement.

One provision of the Second Amendment to the Lassen Development Agreement requires Lassen to grant an EVAE across its property before approval of the Final Map. The proposed amendment to the Housing Agreement will implement this requirement by allowing the EVAE to be granted before Lassen records its Final Map.

Mitigation Credit Transfer

As part of the coordinated escrow closing, the previously acquired mitigation credits will be transferred for use by the City through a termination and resale process involving Lassen and the conservation bank. This transfer implements existing project-permitting and Development Agreement obligations and is described here as part of the overall transaction; it is not presented as a separate Council approval action.

Project WW201414 and Project TB201945 require environmental mitigation pursuant to permits issued by the California Department of Fish and Wildlife and the United States Fish and Wildlife Service.

Lassen acquired 12.02 mitigation credits from the Vieira Ranch Conservation Bank to satisfy a portion of the environmental mitigation requirements associated with the projects. The transaction will transfer those mitigation credits for use by the City through a coordinated termination and resale process involving the conservation bank and Lassen.

The mitigation credits will satisfy environmental mitigation requirements associated with the projects and allow the City to fulfill obligations contained in applicable state and federal permits.

Sewer Design Reimbursement

To satisfy the terms to obtain permits for Project WW201414 required by the Second Amendment of the Lassen Development Agreement, Lassen completed the design and environmental permitting work required under the Development Agreement. The reimbursement compensates Lassen for eligible design and permitting costs that have been incurred.

Eligible sewer design and permitting costs previously incurred by Lassen will be reconciled and reimbursed through escrow in accordance with the existing Development Agreement and the coordinated transaction framework. Reimbursement of these costs is consistent with the negotiated transaction framework and recognizes work previously completed that supports advancement of the project.

Trail Funding and Capital Improvement Program Appropriation

Under the Second Amendment to the Development Agreement, Lassen is required to provide funding for the City's future trail improvements. Approximately \$2,139,954 in trail funding will be transferred and processed through escrow for use on the Las Colinas Trail Project, including construction and related project-delivery costs. This funding transaction implements an existing Development Agreement obligation and is not presented as a separate agreement for Council execution through this report.

Project Benefits

Approval of the proposed agreements and related actions will secure the property rights, environmental mitigation, emergency access, and funding commitments necessary to advance Project WW201414 and Project TB201945.

Collectively, the transactions improve the City's ability to deliver planned public infrastructure improvements, enhance sewer system reliability, support regional trail connectivity, provide future emergency access opportunities, and implement obligations established

through existing development approvals.

Following Council approval, staff will execute the Council-approved agreements, open escrow, coordinate recording of the easement documents, and complete the property acquisition. Related mitigation-credit transfers, reimbursements, and trail-funding payments required by existing agreements will be reconciled and processed administratively through the coordinated escrow closing.

FISCAL AND ADMINISTRATIVE IMPACTS

Funding for the Springtown Trunkline Replacement Project WW201414 is provided through the Wastewater Replacement Fund. The FY 2025-2030 Capital Improvement Plan includes a total project budget of \$4.23 million for design, right-of-way acquisition, environmental permitting, mitigation, and construction of the relocated trunkline. As part of the proposed transaction, the City will acquire a sanitary sewer easement for approximately \$10,492 and reimburse Lassen approximately \$902,467 for eligible costs previously incurred in support of the project, including sewer design and mitigation credits.

Funding for the Las Colinas Trail Project TB201945 is provided through Park Fees. The adopted FY 2025-2030 Capital Improvement Plan includes \$160,000 for City project coordination. The Development Agreement and amendments require the developer to pay for all costs associated with the design, permitting and construction of the trail in exchange for a \$1.2 million Park Fee credit. The developer has already completed and paid for the design and permitting costs associated with the trail. As part of the proposed transaction, Lassen will provide approximately \$2,139,954 in trail funding to the City to fund remaining costs associated with the City completing the trail construction. The trail funding will be received and processed through the coordinated escrow closing for use on Project TB201945 in accordance with the existing Development Agreement.

Pursuant to the Second Amendment to the Lassen Development Agreement, Lassen is entitled to receive a \$1.2 million credit toward future City park development fees. The credit is not a cash reimbursement and will be applied administratively against applicable park development fees when they become due as future development proceeds, consistent with the terms of the Development Agreement.

Approval of the proposed resolution will authorize the easement acquisition, acceptance of the Emergency Vehicle Access Easement, execution of the Housing Agreement amendment, and completion of the coordinated escrow closing. The reimbursement of eligible project costs, mitigation-credit transfer, and receipt of trail funding will be processed through escrow pursuant to existing agreements and obligations. No General Fund resources are required to complete the proposed transaction.

COMMUNITY PILLAR

5: A City that Works

GOAL

14: Develop, operate, and maintain the City's infrastructure

ATTACHMENTS

1. Vicinity Map
2. Resolution
3. Exhibit A - Easement Purchase Agreement
4. Exhibit B - Lassen Housing Agreement Amendment 1
5. Exhibit C - Right of Entry
6. Exhibit D - Emergency Vehicle Access Easement

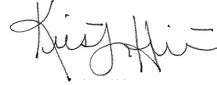
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