



**TO:** Elizabeth A. Pauli, City Manager  
**FROM:** Michael San Soucie, Treasury Manager, Finance/Treasury  
Andy Cherullo, Finance Director  
**COPY:** City Council and City Clerk  
**SUBJECT:** Request for Resolution - Point Ruston Segregation  
**DATE:** February 21, 2019

---

**SUMMARY:**

The Finance Department, Treasury Division, requests approval of the resolution to perform a segregation for the Baker Building Master Condominium Association within the Point Ruston development. The Baker Building Master Condominium Association requested the segregation of five Local Improvement Districts, specifically LIDs 3967, 5728, 6980, 7726 and 8656. Both the Treasury Division and Public Works staff have reviewed the request and are prepared to perform the segregation.

**STRATEGIC POLICY PRIORITY:**

Performing the segregation aligns with our strategic policy to foster neighborhood, community, and economic development vitality and sustainability.

**BACKGROUND:**

LIDs 3967, 5728, 6980, 7726, and 8656 were established with the adoption of City Council Ordinances No. 27900, 27987, 27988, 27989, and 27991. Point Ruston LLC has remediated and developed the property with a combination of residential housing and commercial units. The Baker Condominium is a condo development on the property and the Baker Building Master Condominium Association has requested a segregation to reflect the newly constructed units within the Baker Building Condominiums constructed on Lot 5, Boundary Line Adjustment (BLA) 2013-08-19-5003. The condominium association has paid the initial fee for estimated expenses associated with the segregation. The assessments are being allocated to units 1 and 5 of the building footprint, with Unit 1 of the Baker Building Master Condominium being further subdivided into 166 residential units, referred and known as the Baker Building Residential Condominium.

**ISSUE:**

The Baker Building Master Condominium Association has requested a segregation of the assessments related to LIDs 3967, 5728, 6980, 7726, and 8656. This will allow owners of the individual residential units and operators of the commercial unit to be in control of their assessments allocated to their property. Without the assessment segregation the developer of the property under the original LID assessment roll would continue to be responsible for the assessments in total.

**ALTERNATIVES:**

The alternative to performing the segregation is to leave the assessments as they are which would require the developer to pay the total assessments due on the parcel without the City dispersing the assessments to the new owners. This alternative is not preferred.

**RECOMMENDATION:**

The Finance Department, Treasury Division, recommends approval of the segregation for LIDs 3967, 5728, 6980, 7726, and 8656. This has been requested by the Baker Building Master Condominium Association, reviewed by City staff, and addresses the issue of dividing the assessments. This action meets our strategic policy priority of fostering neighborhood, community, and economic development vitality and sustainability. Expenses associated with this action are funded by the Baker Building Master Condominium association.



**FISCAL IMPACT:**

**EXPENDITURES:**

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
5800-FIN – Finance	598507	5195000	\$29,220.26
<b>TOTAL</b>			

\* General Fund: Include Department

**REVENUES:**

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
5800-FIN – Finance	598507	4339000	\$29,220.26
<b>TOTAL</b>			

**POTENTIAL POSITION IMPACT:**

POSITION TITLE	PERMANENT/ PROJECT TEMPORARY POSITION	FTE IMPACT	POSITION END DATE
<b>TOTAL</b>			

*This section should only be completed if a subsequent request will be made to increase or decrease the current position count.*

**FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$0.00**

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? NO.**

**IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.**

The Baker Building Master Condominium Association will be funding the segregation expense.