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DEPARTMENT OF
PARKS AND RECREATION

CITY OF SACRAMENTO
CALIFORNIA

1231 I STREET
SUITE 400
SACRAMENTO, CA
95814-2933

ADMINISTRATION

May 9, 2005

PH 916-264-5200
FAX 916-264-7643

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT: APPROVE FUNDING TRANSFERS FOR THE ACQUISITION AND DEVELOPMENT OF TWO RIVERS TRAIL CIP (PN: HB66) AND ESTABLISH A CAPITAL IMPROVEMENT PROJECT FOR A TWO RIVERS TRAIL ACQUISITION RESERVE FUND CIP (PN: HB67)

LOCATION AND COUNCIL DISTRICT: Two Rivers Trail, South Side of the American River, D-1 & 3

RECOMMENDATION:

Staff recommends that the City Council, by resolution (p. 5):

- Establish a capital improvement project for a Two Rivers Trail Acquisition Reserve Fund CIP (PN: HB67), and fund the project by transferring \$142,842 in General Funds from the Park Maintenance Improvement Project CIP (PN: LW81) to the Two Rivers Trail Acquisition Reserve Fund CIP (PN: HB67).
- Follow previous Council direction to support the Two Rivers Trail Project in the amount of \$220,000 by transferring \$220,000 in General Funds from the Park Maintenance Improvement Project CIP (PN: LW81) to the Two Rivers Trail CIP (PN: HB66).
- Replace funding in the Park Maintenance Improvement Project by transferring \$362,842 in State Block Grant Funds (Fund 512) from the Proposition 40 RZH Block Grant Fund CIP (PN: LZ86) to the Park Maintenance Improvement Project CIP (PN: LW81).

CONTACT PERSONS: JANET BAKER, PARK DEVELOPMENT MANAGER, 808-8234
LORI HARDER, SUPPORT SERVICES MANAGER, 808-5172

FOR COUNCIL MEETING OF: June 7, 2005

SUMMARY:

This report implements funding transactions previously approved by the City Council towards the acquisition and development of Two Rivers Trail, including a reserve fund in anticipation of any "unwilling" sellers during the acquisition phase. A transfer of General Funds is necessary as State block grant and River Parkway funds cannot be used towards certain aspects of the project.

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COMMITTEE/COMMISSION ACTION:

The Citizen's Advisory Committee (CAC) for Parks and Recreation has reviewed and discussed the Two Rivers Trail project on several occasions, and supported the use of the Proposition 40 Per Capita and RZH Block Grants for regional projects such as this one at its July 18, 2002 meeting.

BACKGROUND INFORMATION:

On October 26, 2004, the City Council reviewed and approved a project list and recommended dollar amounts for the Proposition 40 Per Capita and Roberti-Z'Berg-Harris (RZH) Block Grant funds totaling \$3,742,842, and allocated nearly all the funds. As part of that recommendation, the City Council approved an allocation of \$220,000 in grant funds to the Park Maintenance Improvement Project. This same dollar amount in General Funds was to be transferred to the Two Rivers Trail Project CIP to support administrative and planning costs necessary to complete the project, but ineligible for State block grant funds. This report implements that action.

Since that time, Council has allocated all but \$142,842 of the Proposition 40 Block Grant funds for regional projects.

On April 14, 2005, City Council accepted a \$1.5 million Proposition 40 River Parkway Grant for acquisition and development of the western segment of Two Rivers Trail, and directed staff to proceed with the acquisition process. In the report, staff recommended a reserve fund be established until the acquisition process is complete, should the City need to fund acquisition from "unwilling" sellers. Staff is therefore recommending that \$142,842 be allocated for this reserve. As State funds cannot be used to obtain property from unwilling sellers, City General Funds are recommended from the Park Maintenance Irrigation Project CIP (PN: LW81). They will be replaced dollar for dollar with the remaining unallocated Proposition 40 Block Grant funds.

FINANCIAL CONSIDERATIONS:

No new funding is requested with this item. A unique aspect of Proposition 40 Block Grant funding is that jurisdictions are allowed to utilize these funds for capital projects *in progress or completed after July 2002* with non-State or Federal dollars if the projects fit the criteria for the Per Capita or RZH programs. This allowed the City Council to allocate General Funds to high priority projects that did not meet the criteria for State block grant funds. Staff recommends this approach to help ensure a successful acquisition for Two Rivers Trail.

Staff recommends that the City Council approve the establishment of a capital improvement project for an acquisition reserve for Two Rivers Trail CIP (PN: HB67). In addition, staff recommends the City Council approve the following transfers:

- \$362,842 in General Funds from the Park Maintenance Improvement Project CIP (Fund 101; PN: LW81) to the following projects:
 - \$220,000 for Two Rivers Trail CIP (PN: HB66), and
 - \$142,842 for the Two Rivers Trail Acquisition Reserve CIP (PN: HB67);
- Replace the funding in the Park Maintenance Improvement Project (PN: LW81) with \$362,842 from Proposition 40 RZH Block Grant Fund CIP (Fund 512; PN: LZ86).

ENVIRONMENTAL CONSIDERATIONS:

The Environmental Services Manager has determined that the actions of transferring funds does not require environmental evaluation and the authorization to establish a CIP project account and transferring funds is exempt from the requirements of the California Environmental Quality Act (CEQA), pursuant to Section 15061(b)(3) of the CEQA Guidelines.

POLICY CONSIDERATIONS:

Staff's recommendation is consistent with the City Council's goals to achieve sustainability and livability in the City of Sacramento.


The City Council has identified regional parks, facilities and open space as a critical component of the City of Sacramento's park system. The City currently has no dedicated funding sources for the acquisition and/or development of regional parks and open space. Development impact fees do not cover the development costs of these areas. The Quimby Ordinance and the Park Development Impact Fee (PIF) provides revenue only for neighborhood and community parks.

Staff continues to work to develop on-going funding sources for the acquisition and development of regional parks and open space, however, until these funding sources are identified grant resources provide a major source of funding for these facilities.

ESBD CONSIDERATIONS:

The selection of consultants and contractors for these projects will follow City established guidelines for ESBD firms.

Respectfully Submitted,



ROBERT G. OVERSTREET
Director of Parks and Recreation

Recommendation Approved:



ROBERT P. THOMAS
City Manager

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RESOLUTION NO.
ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON THE DATE OF _____

**FUNDING TRANSFERS FOR THE ACQUISITION AND DEVELOPMENT OF
TWO RIVERS TRAIL CIP (PN: HB66) AND ESTABLISH A CAPITAL IMPROVEMENT
PROJECT FOR A TWO RIVERS TRAIL
ACQUISITION RESERVE FUND CIP (PN: HB67)**

WHEREAS, in August 2002 the City Council approved policy recommendations designating the Proposition 40 Per Capita and Roberti-Z-Berg-Harris Block Grant Funds for projects of a "regional nature."

WHEREAS, in October 2004 the City Council approved a list of regional projects for use of the Proposition 40 Per Capita and Roberti-Z-Berg-Harris Block Grant Funds which included the Two Rivers Trail Project.

WHEREAS, Proposition 40 Block Grant may be utilized for capital projects in progress or completed after July 2002 with non-State or Federal dollars if the projects fit the criteria for the Per Capita or RZH programs.

WHEREAS, a reserve fund is necessary to acquire property from any "unwilling" sellers.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

The City Council hereby:

1. Establishes a capital improvement project for Two Rivers Trail Acquisition Reserve CIP (PN: HB67); and
2. Transfers \$362,842 (Fund 512) from the Proposition 40 RZH Block Grant Fund CIP (PN: LZ86) to the Park Maintenance Improvement Project CIP (PN: LW81),
3. Transfers a total of \$362,842 (Fund 101) from the Park Maintenance Improvement Project CIP (PN: LW81) to the following projects:
 - a. \$220,000 for Two Rivers Trail CIP (PN: HB66), and
 - b. \$142,842 for the Two Rivers Trail Acquisition Reserve CIP (PN: HB67).

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

Resolution No.: _____

Date Adopted: _____

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