



**SACRAMENTO  
HOUSING AND REDEVELOPMENT  
AGENCY**



14.8

August 23, 1988

Budget and Finance Committee  
of the City Council  
Sacramento, CA

Honorable Members in Session:

SUBJECT: Status Update and Design Amendment - Central Library  
Expansion Project

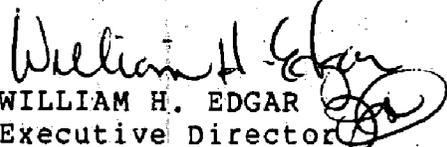
SUMMARY

The attached report is submitted to you for review and recommendation prior to consideration by the Redevelopment Agency of the City of Sacramento.

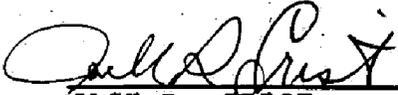
RECOMMENDATION

The staff recommends approval of the attached resolutions approving the proposed funding and amendment to the Disposition and Development Agreement.

Respectfully submitted,

  
WILLIAM H. EDGAR  
Executive Director

TRANSMITTAL TO COMMITTEE:

  
\_\_\_\_\_  
JACK R. CRIST  
Deputy City Manager

Attachment



**SACRAMENTO  
HOUSING AND REDEVELOPMENT  
AGENCY**



76

August 22, 1988

Sacramento City Council  
Redevelopment Agency of the  
City of Sacramento  
Sacramento, California

Honorable Members in Session:

**SUBJECT:** Status Update and Design Amendment, Central Library  
Expansion Project

SUMMARY

This report provides a status update on the Central Library Expansion Project, identifies modifications related to the project budget, and requests approval of a design modification in the galleria area.

BACKGROUND

On August 4, 1987, the Redevelopment Agency of the City of Sacramento (Agency) approved a Disposition and Development Agreement (DDA) with the Library Plaza Group (LPG) for the development of a library, galleria, and parking complex on the block bounded by 8th, 9th, I and J Streets. On April 5, 1988, following further development of the project's design, the Agency approved modifications related to both project design and budget. At that time, the Agency additionally approved a phasing program whereby some aspects of the development would be postponed if sufficient funds are not available to complete the project due to unfavorable Court-determined acquisition and other unplanned or unforeseen costs.

Since the April action, the project consultants have refined the various architectural drawings to the "design - development" stage. The completed design-development drawings provide a comprehensive scope description of the project. Every element included in the project, from structural systems to doors, has

8/23/88  
D-1

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Redevelopment Agency of the City of Sacramento  
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been enumerated and identified in the plans. Following this discussion, the architects will proceed toward the completion of working drawings in which the technical aspects of every element are described.

## Budget Issues

LPG has done an excellent job in keeping the budget within the parameters outlined in the April report. Construction costs will be held at the \$15,281,775\* figure identified at that time.\*\* (Per our DDA, we have had those costs independently verified by our consultant, Lee Saylor, who is in agreement regarding their accuracy.)

As part of the above, Agency staff has reviewed the proposed Art in Public Places program for the project and finds that many of the identified art items are a part of the structure rather than freestanding pieces placed within the structure. As such, we recommend that \$240,000 of the arts budget be allocated to hard construction costs in the library. This will, in effect, reduce the construction budget commensurately. (Arts Commission staff and the project architects are currently developing the specifications for the artwork. Currently, Library Plaza Group has allocated \$30,000 of the office building's art budget and will allocate up to \$100,000 of that budget to the library arts budget if it is determined that our budget will not meet the desired program.)

There were, however, some additional items requested by the library staff that were not contemplated as a part of the original contract. Many of these items are built-in furniture and fixtures which have been added into the drawings as a better understanding of the library's needs has developed. LPG estimated, and we concur, that these items total \$489,051. Although not a part of the initial contract, Agency and library staff believe these items must be a part of the scope of work, as expensive retrofit would be required to provide them at a later date.

Based on this concurrence, we therefore, set out to determine how to fund the additional items required. Our recommendations include three essential elements as outlined below:

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\*This figure does not include our "owner-directed" change order contingency of \$664,425.

\*\*Note: This still implies a phased library as outlined in the April report.

# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

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- 1) Last August, the City Council approved a cap on the amount to be collected by the city for permits and fees on the library and garage project. Total fees for the project were limited to \$232,925, of which \$109,098 is attributable to the library and \$123,837 is attributable to the parking garage. In order to help pay for the additional items, we had hoped that the City would be able to waive an additional \$200,000 of the fees to be collected for the public portions of the project. On closer investigation, however, this was determined not feasible. We therefore are recommending that the City waive \$122,600 in major street construction taxes on the Library and garage (i.e., public) portions of the project and contribute \$77,400 from the City's general fund to make up the balance. (The building fees to be paid on these two projects are in excess of the requested General Fund Contributions.) No fee waiver is requested on the office portion.
- 2) The design modifications addressed below will result in substantial cost savings. (We are currently estimating them to be at least \$100,000.) If approved, the cost savings incurred will be applied to off-setting the additional costs of the added items.
- 3) Lastly, the Agency will contribute \$189,051 from the owner directed project change order contingency fund toward the project. (On April 5, the Agency established a contingency fund separate from the contractor's contingency for Agency-directed changes. The total amount in the fund is \$664,425. Allocation of the requested amount at this time will leave \$475,374 in the fund for future changes.) Should the Council not approve the design changes recommended below, an additional \$100,000 would be taken from contingency, leaving a balance of \$375,374.

A synopsis of the budget proposal is attached as Exhibit "A". Attached as Exhibit "B" is a review of the proposals for funding the additional items. As noted above, the modifications recommended, taken together, will hold the budget at the level approved in April except for the newly added items. However, please recall that this still results in a phased completion of the Library as outlined in the April report.

# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

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## Design Issues

The project architects have presented the Agency and library staff with a design modification which we think adds positively to the project's appearance and function. (See attached drawings, Exhibit "C".) It is important to note that the changes proposed, while resulting in a cost savings to the project, are not needed to balance the budget which could easily be done from existing contingencies. The architects propose to recess the galleria facade and the second, third, and fourth floor stack wing adjacent to the office building by 30 feet. The design modification creates a courtyard in front of the galleria and provides space for outdoor seating in front of the cafe, further accentuating and complementing the cafe, as well as providing a cafe entrance outside the galleria. The plans also allow the brick finished portion of the rear of the library to remain outdoors, thereby creating a defined line between the old wall on the back of the library and the new wall to be constructed in place of the existing library stack wing. (The portion of galleria space which will be lost was somewhat unusable anyway in that there would have had to have been several steps in that area.) The recessed facade will, we think, create a more pronounced, while at the same time, more intimate entrance to the galleria area. The library basement area beneath the newly created courtyard would be maintained.

Considerable effort has gone into accommodating the storage space lost as a result of the recessed stack wing. The project architects have been successful by better employing underutilized areas on the fifth floor and the basement, by redesign of the mechanical system and by minor dimensional adjustments in other areas of the library. The stairway to the second floor would be moved, allowing a small space for a book shop. Any cost savings will be applied to the cost of the additional items. (Please note that this change has not been considered by the Design Review Board and that time constraints related to the lateness of this change vis-a-vis construction start will prohibit us from seeking it. The proposal is, however, consistent with the Urban Design Plan, and will provide additional pedestrian amenities by creating outdoor landscaped seating and open space along 9th Street.)

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## POLICY IMPLICATIONS

Waiver of the major street tax on the public portion of this project is the only item with policy implications. Our legal staff has determined that this is allowable for public projects and sets no precedent for privately owned structures.

## ENVIRONMENTAL REVIEW

The environmental impact report for the Central Library Expansion Project was certified by the City Council of the City of Sacramento on August 4, 1987. The actions recommended in this report will not have any additional significant environmental impacts beyond those already considered and acted upon and are thus exempt under Section 15061(b)(3) of the California Environmental Quality Act.

## VOTE AND RECOMMENDATION OF COMMISSION

It is anticipated that at its regular meeting of August 22, 1988, the Sacramento Housing and Redevelopment Commission will adopt a motion recommending approval of the attached resolutions. In the event they fail to do so, you will be notified prior to your meeting of August 23, 1988.

## RECOMMENDATION

The staff recommends approval of the attached resolutions which approve the waiver of the major street construction tax for the library and garage, approve the City contribution of \$77,400, approve the commitment of contingency funds to construction, and approve the change in design as described in this report. The resolutions further authorize the Executive Director to memorialize these changes in an amended Disposition and Development Agreement (DDA) with LPG.

Respectfully submitted,

*William H. Edgar*

WILLIAM H. EDGAR  
Executive Director



# RESOLUTION NO.

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF

## CENTRAL LIBRARY EXPANSION PROJECT APPROVAL OF DESIGN CHANGES AND BUDGET AMENDMENTS

WHEREAS, the Central Library Expansion Project ("Project") Disposition and Development Agreement (DDA) was approved by Resolution No. RA 87-055 on August 4, 1987; and

WHEREAS, the Project budget and design were amended by Resolution No. RA 88-034 on April 12, 1988; and

WHEREAS, a design change which recesses the galleria and adjacent southern stack wing by 30 feet is desired; and

WHEREAS, budget modifications are desired to provide for unforeseen Project costs;

NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO:

Section 1: The changes in approved Project design described as follows are hereby approved.

- a) A recessing of the galleria facade and second and third floor stack wings by 30 feet while maintaining planned library basement areas.
- b) Creation of an outdoor courtyard and seating area in the space left by recessing the facade.
- c) Replacement of lost compact shelving space to the extent possible within the library.
- d) Relocation of stairwell to second floor and provision of space for small book store in galleria.

Section 2: Said approval of design changes supercedes all previous design approvals and is not subject to subsequent review by the Design Review Board.

Section 3: Allocation of \$189,051 of owner-directed change order contingency funds to the construction budget for the Project is hereby approved, which allocation shall be increased to \$289,051 if proposed changes to the galleria design and entrance are not approved.

Section 4: The overall Project budget is amended to reflect the changes indicated in Exhibits "A" and "B" attached hereto and in this resolution and the Agency budget is amended to reflect this new budget.

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CHAIR

ATTEST:

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SECRETARY

1100WPP2(110)

LIBRARY PLAZA  
 100% DESIGN DEVELOPMENT  
 (8/23/88)

|                           | <u>Amended<br/>Budget<br/>4/12/88</u> | <u>Amended<br/>Budget<br/>8/23/88</u> |
|---------------------------|---------------------------------------|---------------------------------------|
| <u>Construction Costs</u> |                                       |                                       |
| Library/Galleria          | 13,865,000                            | 14,836,175                            |
| Remodel                   | 900,000                               | incl.                                 |
| LPG Contingency           | <u>516,775</u>                        | <u>445,600</u>                        |
| Subtotal Construction     | 15,281,775                            | 15,281,775                            |
| + Library Upgrades        |                                       | <u>489,051</u>                        |
| Total Construction        | 15,281,775                            | 15,770,826                            |
| <br><u>Soft Costs</u>     |                                       |                                       |
| Arch/Engineer             | 690,000                               | 690,000                               |
| Permits/Fees              | 136,736                               | 136,736                               |
| Art                       | 318,924                               | 318,924                               |
| Taxes/Ins/Misc            | 378,350                               | 378,350                               |
| Developer's Fee           | <u>698,808</u>                        | <u>698,808</u>                        |
| Total Soft Costs          | 2,222,818                             | 2,222,818                             |
| <b>TOTAL COSTS</b>        | <b>17,504,593</b>                     | <b>17,993,644</b>                     |

2410WPP(74)  
 (8/18/88)

## SUMMARY OF BUDGET CHANGES

|                        |                  |           |
|------------------------|------------------|-----------|
| Total Budget Increase: |                  | \$489,051 |
| Fee Reduction          | (122,600)        |           |
| General Fund Augment.  | ( 77,400)        |           |
| Galleria Savings       | (100,000)        |           |
| From Contingency       | <u>(189,051)</u> |           |
|                        |                  | \$489,051 |

2410WPP(74)  
(8/18/88)

# RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

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WHEREAS, a design change which recesses the galleria and adjacent southern stack wing by 30 feet is desired; and

WHEREAS, budget modifications are desired to provide for unforeseen Project costs;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

Section 1: The City hereby waives up to \$122,600 in major street construction taxes which would otherwise be charged to the library and garage portion of the Project.

Section 2: The City hereby allocates and commits up to \$77,400 of its general funds to the Project.

Section 3: The changes in approved Project design described as follows are hereby approved.

- a) A recessing of the galleria facade and second and third floor stack wings by 30 feet while maintaining planned library basement areas.
- b) Creation of an outdoor courtyard and seating area in the space left by recessing the facade.
- c) Replacement of lost compact shelving space to the extent possible within the library.
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Section 4: Said approval of design changes supercedes all previous design approvals and is not subject to subsequent review by the Design Review Board.

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MAYOR

ATTEST:

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CITY CLERK

1100WPP2(110)

(12)

LIBRARY PLAZA  
 100% DESIGN DEVELOPMENT  
 (8/23/88)

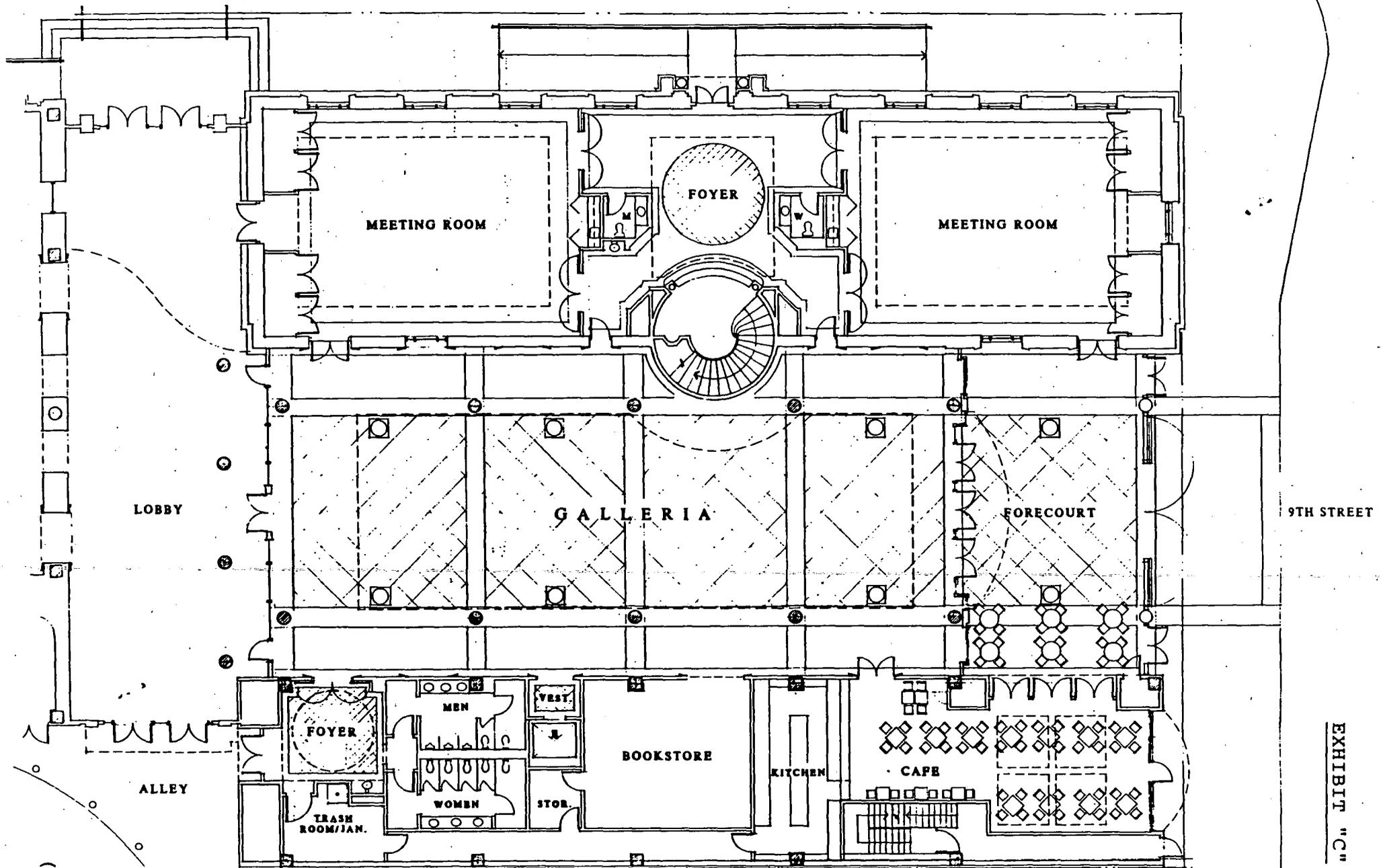
|                           | <u>Amended<br/>Budget<br/>4/12/88</u> | <u>Amended<br/>Budget<br/>8/23/88</u> |
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2410WPP(74)  
 (8/18/88)

SUMMARY OF BUDGET CHANGES

|                        |                  |           |
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| From Contingency       | <u>(189,051)</u> |           |
|                        |                  | \$489,051 |

2410WPP(74)  
(8/18/88)



LOBBY

MEETING ROOM

FOYER

MEETING ROOM

GALLERIA

FORECOURT

9TH STREET

ALLEY

FOYER

MEN

VEST

BOOKSTORE

KITCHEN

CAFE

WOMEN

STOR.

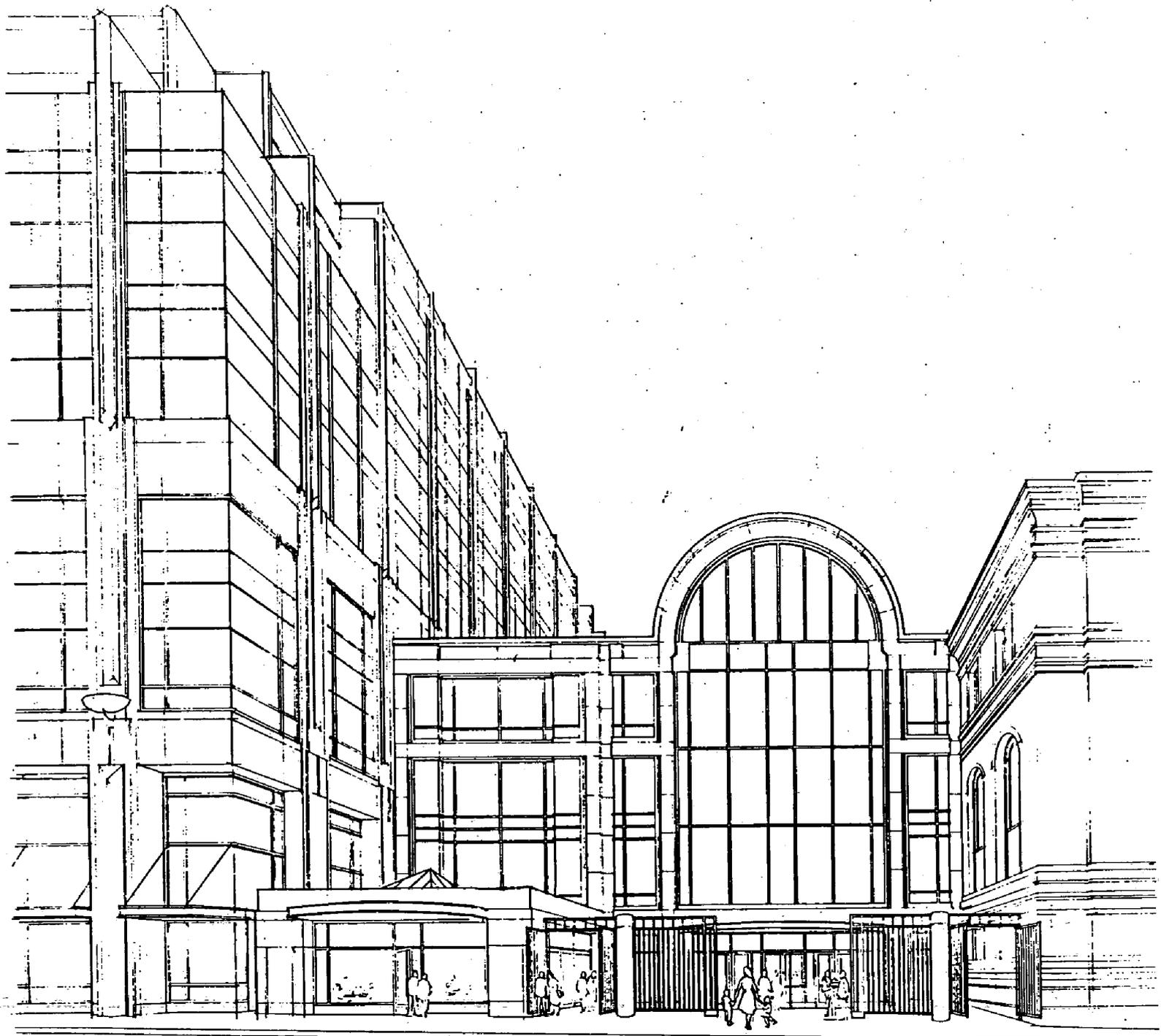
TRASH ROOM/JAN.

(15)

KMD ARCHITECTS  
8/18/88

GALLERIA REDUCTION  
FIRST FLOOR PLAN

EXHIBIT "C"



(16)

KMD ARCHITECTS

GALLERIA REDUCTION