



City of Sacramento City Council

915 I Street, Sacramento, CA, 95814

www.CityofSacramento.org

Meeting Date: 3/29/2011

Report Type: Consent

Title: (Redevelopment Agency/City Council) Individual Project Agreement: Cars on K Project on K Street (T15095300)

Report ID: 2011-00344

Location: K Street between 8th Street and 12th Street, District 1

Recommendation: Adopt a 1) Redevelopment Agency Resolution: a) amending the 2011 Redevelopment Agency of the City of Sacramento budget by appropriating \$120,000 to the Cars on K Project; b) authorizing the Executive Director, or her designee to execute an Individual Project Agreement (IPA) to transfer \$120,000 of Merged Downtown Tax Increment Funds to K Street Mall Traffic Study Capital Improvement Project Budget (T15095300); and c) make related findings; 2) a City Resolution: a) Authorizing the Interim City Manager or his designee to execute an IPA to transfer \$120,000 Merged Downtown Tax Increment Funds to K Street Mall Traffic Study Capital Improvement Project Budget (T15095300); b) Authorizing the Interim City Manager or his designee to amend the existing K Street Mall Traffic Study Capital Improvement Project Revenue and Expenditure Budgets (T15095300) in the amount of \$120,000.

Contact: Denise Malvetti, (916) 808-7064, Senior Project Manager, Economic Development Department

Presenter: None

Department: Economic Development Dept

Division: Downtown Development

Dept ID: 18001021

Attachments:

- 1-Description/Analysis
- 2 -Background.docx
- 3-Resolution - Redevelopment Agency.docx
- 4-Resolution - City.docx

City Attorney Review

Approved as to Form
Michael T. Sparks
3/24/2011 8:03:04 AM

Approvals/Acknowledgements

Department Director or Designee: Jim Rinehart - 3/23/2011 5:05:29 PM

Assistant City Manager: John Dangberg - 3/23/2011 5:31:00 PM

Description/Analysis

Issue: K Street was once the bustling core of downtown, but since cars were removed in the late 1960s, the vibrancy has diminished. K Street has numerous blighted buildings, is plagued by a high vacancy rate and is perceived by many as unsafe. The City plans to reintroduce vehicles to K Street in order to increase access and visibility to businesses, promote a safe environment, stimulate additional economic activity, and improve circulation.

On November 4, 2010, the City Council approved the project and preliminary design. The design plans include the following design components:

- 4 Block project from 8th to 12th Street
- Two-way traffic
- Passenger Drop-offs (no parking)
- New signalized crossing at 11th and K streets
- Addition of edge treatments (possibly bollards, planters or street furniture) to fill large gaps
- ADA improvements at intersections

The Cars on K project will include improvements to aging infrastructure. A portion of the roadway will be reconstructed, additional landscaping will be planted, pedestrian signals will be upgraded for enhanced safety, new traffic signals will be installed, damaged street furnishings will be replaced, and edge treatments will be installed for additional pedestrian safety.

Policy Considerations: The recommended action is consistent with the City's Strategic Plan goals of improving and expanding economic vitality throughout the City and the 2009-2014 Merged Downtown Implementation Plan goals of stimulating economic growth, broadening the appeal of downtown and emphasizing environmental character and public Places. K Street Streetscape and Circulation was also listed in the 2009-2014 Merged Downtown Implementation Plan in the Proposed Redevelopment Program. The project, as listed in the Implementation Plan, includes replacement of dated furniture, improved planting, standardized paving and the potential reintroduction of vehicles to K Street.

The change in K Street operations is also consistent with the Central City Urban Design Guidelines, adopted by City Council in May 2009, which recommended the addition of vehicular traffic to K Street from 9th to 12th streets. In 2009, City Council adopted an ordinance allowing bicycles on K Street creating a multi-modal street.

Environmental Considerations:

California Environmental Quality Act (CEQA): The City of Sacramento prepared a Mitigated Negative Declaration (MND) for the Cars on K Street project. In accordance with the California Environmental Quality Act (CEQA), the MND was circulated for a 30-day public review period which ended on October 4, 2010. On November 4, 2010, the City Council approved the Mitigated Negative Declaration and the Mitigation Reporting Program. The actions herein are in furtherance of the previously approved project, and do not constitute a

new project or substantive changes or modifications to the approved project. As required by CEQA Guidelines Section 15096(f), the Redevelopment Agency has considered the environmental effects of the proposed project as shown in the MND. Per CEQA Guidelines Sections 15162 and 15163, no further environmental documentation is required.

Sustainability Considerations: The objective of reintroducing vehicular traffic to K Street is to revitalize the area and improve circulation. The revitalization and multi-modal traffic including light rail, cars, bicycles and pedestrians on K Street is consistent with the City's sustainability goals.

Other: There is no federal funding associated with these actions; therefore, the National Environmental Policy Act (NEPA) does not apply.

Commission/Committee Action: None.

Rationale for Recommendation: The addition of cars to K Street has been cited as a catalyst to stimulate business on the blighted K Street Corridor. The project will promote economic development and enhance the aesthetics and vibrancy along K Street. It will dramatically improve a physically blighted area and assist in retaining and attracting private investment in the Merged Downtown Redevelopment Area. In addition to being named as a part of the proposed redevelopment program in the Implementation Plan, this project is also a high priority of the Downtown Sacramento Partnership and is stated as a top priority in their 2010-11 Strategic Action Plan.

Financial Considerations: The report recommends allocation of \$120,000 in Merged Downtown Tax Increment funds from the Redevelopment Agency (6301003559 and 6311004674) to a 3rd Party for the planning and the construction of the Cars on K project (K Street Mall Traffic Study Capital Improvement Project Budget, T15095300).

Emerging Small Business Development (ESBD): The item discussed in this report has no ESBD impact; however, the construction project bidding will follow the City's ESBD guidelines.

Background

Past Council Actions

At the October 14, 2008 City Council meeting, Council requested a report back on reintroducing vehicular traffic to the K Street Mall. Following this request, staff from both the Economic Development Department and the Department of Transportation met to discuss the subject and reported back to City Council on March 24, 2009 that the reintroduction was feasible, but recommended seeking a consultant to conduct a more thorough evaluation. The more thorough evaluation was recommended because of the numerous complexities of K Street including the light rail tracks, station platforms, lack of curbing, street furniture and signalization.

On June 2, 2009 City Council approved a Professional Services Agreement with DKS Associates to conduct a feasibility evaluation of reintroducing vehicular traffic to K Street. The evaluation included an assessment of impacts to light rail operations, alternate mode circulation, accessibility, parking, traffic impacts to other streets, and outreach to the community and stakeholders. The Study concluded that the reintroduction of vehicular traffic is not only possible, but may actually provide operational benefits for circulation on 9th and 10th streets, and I, J and L streets, especially if all four blocks from 8th to 12th streets are re-opened. The study identified certain measures that would minimize the impact of vehicular traffic on transit and enhance pedestrian safety. These include signal improvements, signage, striping, and edge treatments to protect the pedestrian sidewalk area. As part of the study a community input process was conducted to get feedback from stakeholders and the community. At the conclusion of their work, DKS Associates provided a Technical Memorandum that stated that cars could be added to K Street and the addition of cars provided benefits to circulation.

On April 22, 2010, City Council approved an approximately \$2.7M budget (T15095300) for the K Street Mall Traffic Study and its implementation. It also authorized a supplemental agreement with DKS to prepare preliminary plans and estimate as well as a Mitigated Negative Declaration. As part of the planning process there has been a significant amount of community outreach as described in Attachment 1 of the report. Staff has worked with DKS over the past 6 months to create a preliminary design for the Cars on K Project. Attachment 4 contains sample images of the proposed plan. The preliminary design plans include the following proposed design components:

- 4 Block project from 8th to 12th Street
- Two-way traffic
- Passenger Drop-offs (no parking)
- New signalized crossing at 11th and K streets
- Addition of edge treatments (possibly bollards, planters or street furniture) to fill large gaps
- ADA improvements at intersections

On November 4, 2010, the Mitigated Negative Declaration and Mitigation Reporting Program were approved by City Council. At the same Council Meeting, Council approved the Cars on K project and the preliminary project design. Council also approved a contract with DKS associates to complete the final design.

RESOLUTION NO. 2011-

Adopted by the Redevelopment Agency of the City of Sacramento

ALLOCATION OF FUNDS TO CONSTRUCT THE CARS ON K PROJECT ON K STREET (T15095300); RELATED BUDGET AMENDMENT; AUTHORIZATION TO EXECUTE INDIVIDUAL PROJECT AGREEMENT; RELATED FINDINGS

BACKGROUND

- A. The Agency considers it desirable to allocate \$120,000 to the construction of the Cars on K Project (Project).
- B. The proposed Project is consistent with the goals and objectives outlined in the Merged Downtown Redevelopment Area Implementation Plan (2009-2014) by eliminating blight, stimulating economic growth, broadening the appeal of downtown and emphasizing environmental character and public places; and it was also specifically listed in the Redevelopment Program section of the Implementation Plan as K Streetscape and Circulation. The project, as listed in the Implementation Plan, includes replacement of dated street furniture, improved planting, standardized paving and the potential reintroduction of vehicles to K Street.
- C. The proposed Project will be publicly owned and is entirely located in the Merged Downtown Redevelopment Project Area. The improvements will remove blight and are consistent with the Implementation Plan.
- D. The Cars on K Project was analyzed by the City of Sacramento in accordance with CEQA Guidelines. The Sacramento City Council approved the Mitigated Negative Declaration and Mitigation Reporting Program on November 4, 2010. As required by CEQA Guidelines Section 15096(f), the Redevelopment Agency has considered the environmental effects of the proposed project as shown in the MND and finds the document to be adequate and sufficient.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE REDEVELOPMENT AGENCY RESOLVES AS FOLLOWS:

- Section 1. All of the evidence presented having been duly considered, including the environmental findings above, the findings are adopted and approved.
- Section 2. In accordance with California Redevelopment Law Section 33445, the Agency further finds and determines that:

- a) The Project will benefit the Merged Downtown Redevelopment Project Area by eliminating and preventing the spread of blight through the enhancements to the built environment.
- b) That no other reasonable means of financing the improvements are available to the community.
- c) The Project is specifically identified in the Merged Downtown Implementation Plan and advances the goals of the Implementation Plan by eliminating blight, stimulating economic growth, broadening the appeal of downtown and emphasizing environmental character and public places

Section 3. The Executive Director, or her designee, is authorized to amend the Redevelopment Agency of the City of Sacramento budget by appropriating \$120,000 to the Cars on K Project.

Section 4. The Executive Director, or her designee, is authorized to execute an Individual Project Agreement with the City of Sacramento to transfer \$120,000 of Merged Downtown Tax Increment (\$90,000 from 6301003559 and \$30,000 from 6311004674) to K Street Mall Traffic Study Capital Improvement Project Budget (T15095300) for payment to 3rd parties for the planning and construction necessary to implement the Cars on K Project.

Section 5. The IPA identified in Section 4 is attached as Exhibit 1 and is a part of this resolution.

Table of Contents:

Exhibit A: Individual Project Agreement

**INDIVIDUAL PROJECT AGREEMENT
REGARDING PROVISION OF SERVICES BY THE CITY OF SACRAMENTO**

RECITALS

A. The City of Sacramento (“City”) and the Sacramento Housing and Redevelopment Agency, the Redevelopment Agency of the City of Sacramento and the Housing Authority of the City of Sacramento (collectively, “Agency”) entered into a Master Project Agreement on December 18, 2001.

B. In accordance with the Master Project Agreement, the following selected “Agency” desires to have the City provide the services named in Section 4 below.

Selection marked by “X”	Agency
X	The Redevelopment Agency of the City of Sacramento
	The Housing Authority of the City of Sacramento
	Sacramento Housing and Redevelopment Agency

C. The Master Project Agreement authorizes the City Manager and Agency’s Executive Director to enter into Individual Project Agreement for provision of City services to be paid for by funds allocated in the Agency’s budget or in the City’s Community Development Block Grant (CDBG) budget that is administered by the Agency.

D. The Agency shall use the following “Source of Funds” to pay for City’s services”

Source of Funds	630-100-4674 (\$30,000) and 630-100-3559 (\$90,000)
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Agreement

NOW THEREFORE, Agency and the City agree as follows:

1. The “Effective Date” of this Agreement is the following:

Effective Date:	March 30, 2011
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2. “Attachments” for this Contract are the following, which are incorporated in this Contract as if included in full in the body of this document:

ATTACHMENT NO.	DESCRIPTION OF ATTACHMENT (Attachments marked N/A or stricken are not included)
Attachment 1	[If Applicable] Attachment 1 Federal Requirements. If the Funding Source(s) is federal, this Contract is invalid without the "Federal Requirements" attachment. For CDBG funds the Attachment is labeled "CDBG and Other Federal Requirements"

3. The City shall provide the following services by its named departments or divisions (“City Department”) on or before the stated completion dates:

<u>Department/Division</u>	Task	Completion Date	Compensation
Department of Transportation	A portion of the roadway on K Street will be reconstructed to replace the damaged infrastructure. The project will also include installation of landscaping, street furniture, pedestrian signals and edge treatments on K Street.	December 31, 2011	\$120,000

4. Agency shall pay City the forgoing compensation for the respective services. In any event, Agency shall pay not more than the following amount as the total compensation for all services rendered by City under this Agreement:

Total compensation for all services:	\$120,000
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Source of Funds:	630-100-4674 (\$30,000) and 630-100-3559 (\$90,000)
Payment Schedule:	City shall make quarterly requests of payment to the Agency.

5. The respective parties shall also fulfill the following special provisions:

Special Provisions

6. The City shall comply with all laws, rules and regulations applicable to the services rendered and the use of the funds from the Funding Source.
7. The City Department shall submit monthly status reports on the services funded by Agency that shall include the name and telephone number of the City Department’s contact person.
8. This Agreement may only be amended in writing, duly executed by the City and the Agency.
9. Neither Agency, nor any of its officers or employees, shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by City under this Agreement. It is also understood and agreed that, pursuant to Government Code Section 895.4, City shall fully indemnify, defend and hold Agency harmless from any liability imposed for injury to persons or property occurring by reason of anything done or omitted to be done by City under or in connection with any work, authority or jurisdiction delegated to City under this Agreement.
10. Neither City, nor any of its officers or employees, shall be responsible for any damage or liability occurring by reason of anything done or omitted to be done by Agency under this Agreement. It is also understood and agreed that, pursuant to Government Code Section 895.4, Agency shall fully indemnify, defend and hold City harmless from any liability imposed for injury to persons or property occurring by reason of anything done or omitted to be done by Agency under or in connection with any work, authority or jurisdiction delegated to Agency under this Agreement.
11. This Agreement may be terminated by either party upon written notice to the other party, effective thirty (30) days following receipt of such notice by the other party. In any event, this Agreement shall terminate upon the expiration of upon completion of all obligations of the parties.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

CITY OF SACRAMENTO

REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

By: _____
Gus Vina, Interim City Manager

By: _____
LaShelle Dozier, Executive Director

Approved as to form:

Approved as to form:

City Attorney

Agency Counsel

Attest:

City Clerk

RESOLUTION NO. 2011-

Adopted by the Sacramento City Council

AUTHORIZING AN INDIVIDUAL PROJECT AGREEMENT AND BUDGET AMENDMENT FOR THE K STREET MALL TRAFFIC STUDY CAPITAL IMPROVEMENT PROJECT BUDGET (T15095300)

BACKGROUND

- A. The City desires to enhance the economic vitality of K Street.
- B. A Capital Improvement Project (T15095300) was previously established for the K Street Mall Traffic Study.
- C. On April 22, 2010, City Council adopted a budget of \$2,741,200 for returning vehicular traffic to K Street.
- D. The Cars on K Project was analyzed by the City of Sacramento in accordance with CEQA Guidelines. The Sacramento City Council approved the Mitigated Negative Declaration and Mitigation Reporting Program on November 4, 2010.
- E. On November 4, 2010, the City Council approved the preliminary design and the Cars on K Project.
- F. The Cars on K Project includes pavement repair, landscaping, traffic signals, pedestrian signals, street furnishings, and edge treatments.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The Interim City Manager or his designee is authorized to execute an Individual Project Agreement with the Redevelop Agency to transfer \$120,000 Merged Downtown Tax Increment Funds to K Street Mall Traffic Study Capital Improvement Project Budget (T15095300) for payment to 3rd parties for the planning and construction necessary to implement the Cars on K Project.
- Section 2. In accordance with California Redevelopment Law Section 33445, the City further finds and determines:
 - a) That the Project will benefit the Merged Downtown Redevelopment Project Area by eliminating and preventing the spread of blight through the enhancements to the publicly owned built environment.
 - b) That no other reasonable means of financing the publicly owned improvements are available to the community.
 - c) That the payment of funds for the Project, which will result in public

owned structures or other improvements, is consistent with the Merged Downtown Implementation Plan because it will help to eliminate blight, stimulate economic growth, broaden the appeal of downtown, and emphasize environmental character and public places.

Section 3. The Interim City Manager or his designee is authorized to amend the existing K Street Mall Traffic Study Capital Improvement Project Revenue and Expenditure Budget (T15095300) in the amount of \$120,000.

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Source of Funds	630-100-4674 (\$30,000) and 630-100-3559 (\$90,000)
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