



May 4, 2005

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

Honorable Members in Session:

**SUBJECT: APPROVAL TO AMEND THE INDIVIDUAL PROJECT AGREEMENT
WITH THE CITY OF SACRAMENTO TO FUND ADDITIONAL
IMPROVEMENTS AT THE JOE MIMS, JR. HAGGINWOOD
COMMUNITY CENTER AND TO AMEND THE AGENCY BUDGET**

LOCATION & COUNCIL DISTRICT

Joe Mims, Jr. Hagginwood Community Center, 3271 Marysville Boulevard; Del Paso Heights Redevelopment Area, Council District 2

RECOMMENDATION

Staff recommends that the Redevelopment Agency of the City of Sacramento (Agency) adopt the attached resolution which authorizes the Executive Director to:

- execute an amendment to the Individual Project Agreement (IPA) with the City of Sacramento for the Joe Mims, Jr. Hagginwood Community Center (Project) to revise the scope of work and increase the funding in the amount of \$220,000; and
- amend the Agency budget to transfer \$220,000 in Del Paso Heights 1999 Capital Improvement Revenue Bond tax increment funds from Development Assistance and Public Improvement Projects to the Project.

Staff further recommends that the City Council adopt the attached resolution which:

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

City Council and Redevelopment Agency

May 4, 2005

Page 2

- authorizes the City Manager to execute the amendment to the IPA with the Agency and to augment the City's Capital Improvement Program (CIP) to increase the project funding in the amount of \$220,000.

CONTACT PERSONS

Lisa Bates, Director, City Community Development Director, 440-1337

Ralph Pettingel, Parks and Recreation Manager, 808-6173

Carly Velez Huston, Redevelopment Planner, 566-6431

FOR COUNCIL MEETING OF

June 7, 2005

SUMMARY

This report provides information regarding public improvements for the Phase I renovation of the Joe Mims, Jr. Hagginwood (Mims Hagginwood) Community Center in the Del Paso Heights Redevelopment Area (Attachment I Map). The report recommends that the Agency's Executive Director be authorized to amend the Individual Project Agreement (IPA) with the City of Sacramento to allocate \$220,000 in Del Paso Heights Tax Increment to construct additional improvements to complete the project. The report also recommends that the City Manager be authorized to execute the IPA Amendment with the Agency and augment the City's CIP for the project.

RAC ACTION

At its meeting of February 10, 2005, the Del Paso Heights Redevelopment Advisory Committee (RAC) adopted a motion recommending approval of the attached resolutions. The votes were as follows:

AYES: Anderson, Domingo, Kawamoto, McKnight, Roberts, Block, Painter, Thao

NOES: None

ABSENT: Langston, Hollis

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

City Council and Redevelopment Agency
May 4, 2005
Page 3

COMMISSION ACTION

At its meeting of May 4, 2005, the Sacramento Housing and Redevelopment Commission adopted a motion recommending approval of the attached resolutions. The votes were as follows:

AYES: Burns, Burruss, Gale, Gore, Hoag, Piatkowski, Shah., Simon, Stivers

NOES: None

ABSENT: Coriano, Harland

BACKGROUND

In September 2004 the City began renovations to the Joe Mims Jr. Hagginwood Community Center with construction expected to be complete in late summer 2005. The project includes adding over 5,800 new square feet to the front of the facility for a new reception area, rest rooms, administrative offices and community meeting space and significant infrastructure improvements to the existing building to address safety issues. Currently the project is 60 percent complete and is on schedule for completion in the summer of 2005. Funding for the project comes from a variety of sources including Community Development Block Grant, Proposition 12, and Del Paso Heights Tax Increment. Attachment II provides a detail of the project's funding sources.

In 2004, City and Agency staff agreed to bid the project with a base scope and list of potential add alternate upgrades that could be included in the construction subject to available budget funds. The add alternate items were essentially project elements that were desired but not essential, and included items such as decorative lighting, landscape enhancements, an outdoor fountain, monument signage, and additional decorative features on the interior and exterior of the building. The project bids were too high to consider additional add alternates so the City proceeded to enter into a contract for the base work in September 2004.

Since that time, City and Agency staff have been meeting with the contractor to further discuss and negotiate the add alternatives and to reach consensus on how or if to fund these items. A tentative funding agreement has been worked out between City Parks, City General Services and SHRA to address all of these items. The City will be bringing forward a separate report to address the City's share (\$240,000) of the tentative funding agreement which will cover the following additional items:

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

City Council and Redevelopment Agency

May 4, 2005

Page 4

- Landscape improvements and lighting for exterior landscape and tree area
- Monument Signage
- Upgrades to community room kitchen
- Exterior paint
- Heat pump replacement
- Upgrades in restroom
- ADA compliant pathway to bus stop

The items listed above will be submitted by City Staff to Council for approval through a separate staff report. SHRA Staff is proposing to cover the costs of the remaining items using an allocation from Del Paso Heights Tax Increment not to exceed \$170,000.

These items include:

- an outdoor fountain
- concrete block seating around the fountain,
- stained concrete on the new exterior walkways and patios, and
- a masonry wall with ornamental steel tube fence at the front patio.

In addition to funding the add alternates, City staff has also been informed of project change orders totaling approximately \$127,000. These costs include relocation of an overhead SMUD line, reconnection of sewer lines due to restrictions in the street right of way, minor toxic remediation, and other miscellaneous construction related change orders. Staff is proposing that \$50,000 in Del Paso Heights Tax Increment be allocated to help offset these costs. City funds and the existing construction contingency will cover the balance. Both the add alternative list and the project change order request were reviewed with the Del Paso Heights Redevelopment Advisory committee, and they were supportive of this allocation. City staff is confident that with this final allocation, funding for the project will be complete.

FINANCIAL CONSIDERATIONS

Funding is made available by reprogramming \$215,512 from Del Paso Heights Capital Improvement Revenue Bond Tax Increment funds currently allocated to Public Improvement Projects, and \$4,488 currently allocated to Development Assistance. The additional \$220,000 requested in this report will bring the total Agency contribution to

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

City Council and Redevelopment Agency

May 4, 2005

Page 5

the Mims Hagginwood Community Center project to \$870,000. These funds will be transferred to the City through an amendment to the current IPA.

POLICY CONSIDERATIONS

The actions recommended in this report are consistent with the Del Paso Heights Redevelopment Plan as amended, the Del Paso Heights 2003-2007 Implementation Plan, and the Marysville Boulevard Urban Design Plan. This report is also consistent with the City's Strategic Plan goal to enhance and preserve the neighborhoods. The proposed action supports the Guiding Principle of that goal which states that priority should be given to infrastructure and facility projects that elevate areas of the City to a baseline level. The City must determine that no other means of financing is available before the Agency may apply tax increment funds. In anticipation thereof, the Agency finds that tax increment is necessary to undertake construction of the project.

ENVIRONMENTAL REVIEW

The proposed actions to fund construction of the project are exempt from environmental review under CEQA Guidelines Section 15301 (d) and (e)(2) because the improvements include rehabilitating a deteriorated structure to current health and safety standards, and the additional square footage does not exceed 10,000 sq. ft, all public services and facilities are available to allow for the expansion, and the building is not located in an environmentally sensitive area. NEPA does not apply to this action.

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

City Council and Redevelopment Agency
May 4, 2005
Page 6

M/WBE CONSIDERATIONS

The Agency's Minority and Women's Business Enterprise Program policy will be applied as required by the federal funding source.

Respectfully submitted,


ANNE M. MOORE
Executive Director

Transmittal approved,


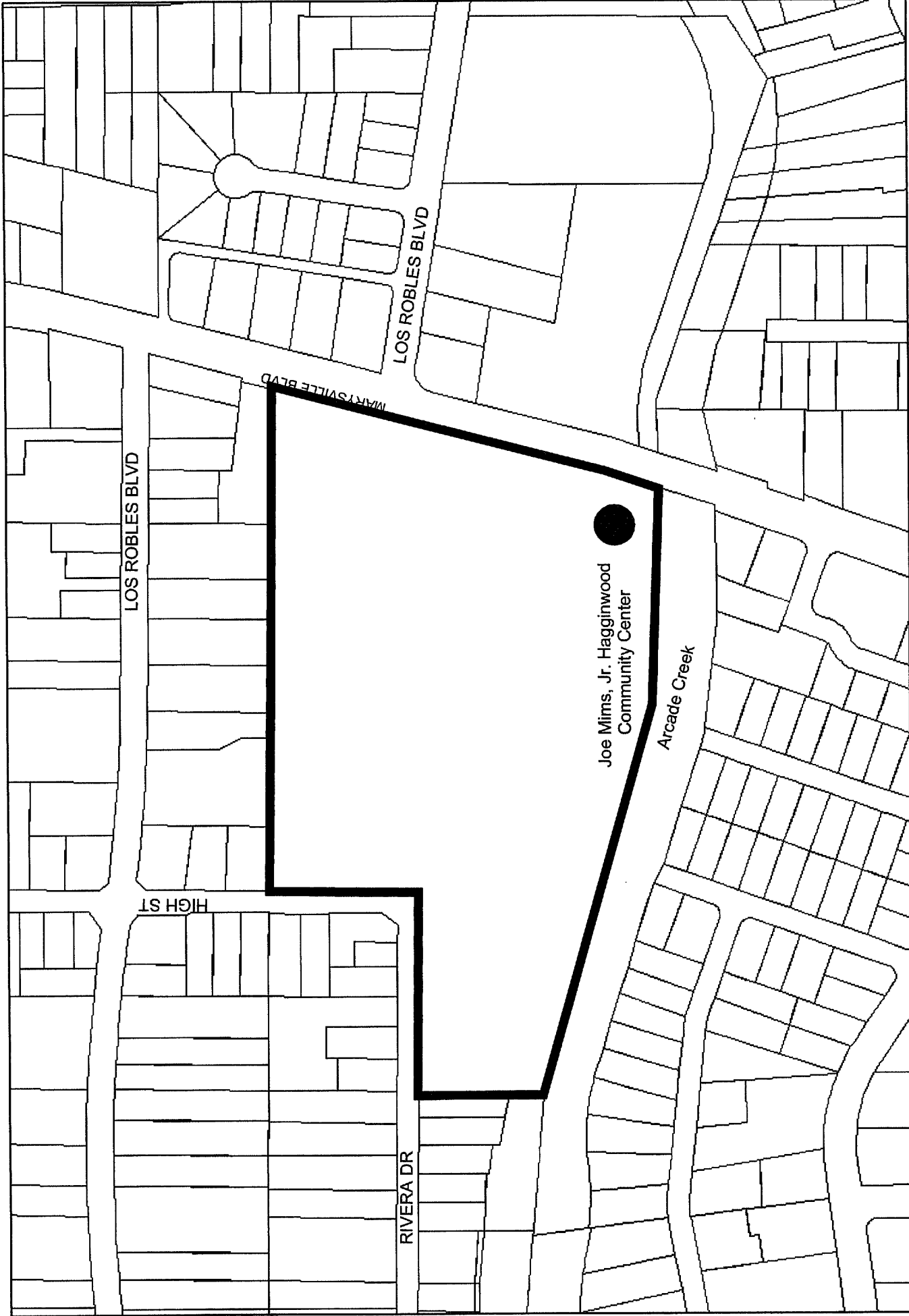

ROBERT P. THOMAS
City Manager

TABLE OF CONTENTS

1) Attachment I – Mims Hagginwood Location Map	Page 7
2) Attachment II – Project cost allocation table.....	Page 8
3) Redevelopment Agency Resolution	Page 9
4) City Council Resolution	Page 11



Attachment I

Joe Mims, Jr. Hagginwood Community Center

Location Map

Legend

 Hagginwood Park

Attachment II – Project Cost Allocation Table

	Community Development Block Grant funds	Del Paso Heights Tax Increment funds	Parks and Recreation	General Services	Total Project Cost
Base Contract	\$373,378	\$650,000	\$1,200,000	\$725,000	\$2,948,378
Add Alternates/Change order	0	\$220,000	\$115,000	\$125,000	\$460,000
Total Revised Project Budget	\$373,358	\$870,000	\$1,315,000	\$850,000	\$3,408,378

RESOLUTION NO. _____

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF _____

APPROVAL TO AMEND THE INDIVIDUAL PROJECT AGREEMENT WITH THE CITY OF SACRAMENTO TO FUND ADDITIONAL IMPROVEMENTS AT THE JOE MIMS, JR. HAGGINWOOD COMMUNITY CENTER AND AMEND AGENCY BUDGET

WHEREAS, the Redevelopment Agency of the City of Sacramento ("Agency") has adopted the Del Paso Heights Redevelopment Plan ("Redevelopment Plan") and a Five Year Implementation Plan for the Del Paso Heights Project Area ("Project Area");

WHEREAS, the City of Sacramento ("City") owns certain real property in the Project Area generally described as the Joe Mims, Jr. Hagginwood Community Center, which provides services to the Del Paso Heights Community;

WHEREAS, City has commenced construction of the rehabilitation and expansion of the Joe Mims, Jr. Hagginwood Community Center, at a total cost of \$2.9 million using a combination of local and federal funding, to provide structural and aesthetic improvements and minor expansion of this Center in order to improve this important community facility to benefit the residents of Del Paso Heights, which is in furtherance of the Redevelopment Plan and its Implementation Plan for the Del Paso Heights Redevelopment Project Area;

WHEREAS, the Agency and City entered into an Individual Project Agreement ("IPA") to provide federal Community Development Block Grant funding and Del Paso Heights Tax Increment funding to cover a portion of the construction costs for rehabilitation and expansion of the Joe Mims, Jr. Hagginwood Community Center in the amount of \$650,000;

WHEREAS, the Agency and the City desire to amend the IPA to provide an additional \$220,000 in Agency funding to cover a portion of the construction costs increases and additional enhancements to the Joe Mims, Jr. Hagginwood Community Center using Del Paso Heights Tax Increment funding; and

WHEREAS, the City will cover a portion of the additional cost increases with City funding and the City Council has made a determination that there is no other reasonable means of financing the remaining costs for such improvements.

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

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

(9)

DATE ADOPTED: _____

Section 1. After due consideration of the evidence presented, the findings, including the environmental findings regarding this action, as stated in the staff report that accompanies this resolution, are approved.

Section 2. Pursuant to Section 33445 of the Health and Safety Code of the State of California, the Agency makes the following findings:

- a. The rehabilitation and expansion of the Joe Mims, Jr. Hagginwood Community Center ("Project"), is of benefit to the Del Paso Heights Redevelopment Project Area;
- b. There is no other reasonable means of financing the \$220,000 in additional construction costs except for redevelopment area tax increment proceeds; and
- c. The use of redevelopment area tax increment proceeds for the Project will result in the elimination of blighting influences of inadequate, under capacity and dilapidated public facilities in the Project Area, and the Project is consistent with the Implementation Plan adopted pursuant to Health and Safety Code of the State of California, Section 33490.

Section 3. The Agency Budget is hereby amended to transfer \$215,512 from the Public Improvements Projects and \$4,488 from Development Assistance, which were funded from the 1999 CIRB Del Paso Heights Tax Exempt Bond proceeds, and to allocate the total of \$220,000 to the Joe Mims, Jr. Hagginwood Community Center project.

Section 4. The Executive Director is authorized to execute an amendment to the Individual Project Agreement with the City of Sacramento to provide an additional \$220,000 in funding for the Project, and to take all such actions and execute such instruments as may be necessary to implement the Individual Project Agreement, as amended.

CHAIR

ATTEST:

SECRETARY

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____
DATE ADOPTED: _____

RESOLUTION NO. _____

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF

**APPROVAL TO AMEND THE INDIVIDUAL PROJECT AGREEMENT WITH THE
REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO
TO FUND ADDITIONAL IMPROVEMENTS AT THE
JOE MIMS, JR. HAGGINWOOD COMMUNITY CENTER**

WHEREAS, the City of Sacramento ("City") owns certain real property in the Del Paso Heights Redevelopment Project Area generally described as the Joe Mims, Jr. Hagginwood Community Center, which provides services to the Del Paso Heights Community;

WHEREAS, City has commenced construction of the rehabilitation and expansion of the Joe Mims, Jr. Hagginwood Community Center, at a total cost of \$2.9 million using a combination of local and federal funding, to provide structural and aesthetic improvements and minor expansion of this Center in order to improve this important community facility to benefit the residents of Del Paso Heights, which is in furtherance of the Redevelopment Plan and its Implementation Plan for the Del Paso Heights Redevelopment Project Area;

WHEREAS, the Agency and City entered into an Individual Project Agreement ("IPA") to provide federal Community Development Block Grant funding and Del Paso Heights Tax Increment funding to cover a portion of the construction costs for rehabilitation and expansion of the Joe Mims, Jr. Hagginwood Community Center in the amount of \$650,000;

WHEREAS, the Agency and the City desire to amend the IPA to provide an additional \$220,000 in Agency funding to cover a portion of the construction costs increases and additional enhancements to the Joe Mims, Jr. Hagginwood Community Center using Del Paso Heights Tax Increment funding; and

WHEREAS, the City will cover a portion of the additional cost increases with City funding and there is no other reasonable means of financing the remaining costs for such improvements.

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

FOR CITY CLERK USE ONLY

(11)

RESOLUTION NO.: _____

DATE ADOPTED: _____

Section 1. After due consideration of the evidence presented, the findings, including the environmental findings regarding this action, as stated in the staff report that accompanies this resolution, are approved.

Section 2. Pursuant to Section 33445 of the Health and Safety Code of the State of California, the City Council makes the following findings:

- a. The rehabilitation and expansion of the Joe Mims, Jr. Hagginwood Community Center (“Project”), is of benefit to the Del Paso Heights Redevelopment Project Area;
- b. There is no other reasonable means of financing the \$220,000 in additional construction costs except for redevelopment area tax increment proceeds; and
- c. The use of redevelopment area tax increment proceeds for the Project will result in the elimination of blighting influences of inadequate, under capacity and dilapidated public facilities in the Project Area, and the Project is consistent with the Implementation Plan adopted pursuant to Health and Safety Code of the State of California, Section 33490.

Section 3. The City Manager is authorized to execute an amendment to the Individual Project Agreement with the Redevelopment Agency of the City of Sacramento and the City’s Capital Improvement Program is amended to increase the Project funding in the amount of \$220,000.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____