

REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www.CityofSacramento.org

CONSENT
August 21, 2007

Honorable Mayor and
Members of the City Council

Title: CIP: Dry Creek Parkway Extension Project Closure (LV83)

Location/Council District: North Sacramento, Council District 2

Recommendation: Adopt a **Resolution:** 1) closing the Dry Creek Parkway Extension Project (LV83); 2) transferring \$100,000 of the remaining General Fund balance to the Camp Sacramento Rehabilitation Project (LY36); and 3) transferring \$117,012 of the remaining General Fund balance to the Regional Park/Parkway Acquisition and Development Project (LV82).

Contact: J.P. Tindell, Park Planning and Development Manager, 808-1955; Jonathan Rewers, Parks and Recreation Analyst, 808-7590

Presenters: Not Applicable

Department: Parks and Recreation

Division: Recreation Administration and Park Planning & Development

Organization No: 4715

Description/Analysis

Issue: In September 2004, the City Council established a capital improvement project (CIP) and accepted a California Resources Agency Environmental Enhancement and Mitigation Grant in the amount of \$350,000 for acquisition of resource lands in North Sacramento to extend the Dry Creek Parkway. The grant required matching funds of \$255,000. Matching funds were transferred from two General Fund CIP's: the Regional Park Planning Project (LV81) and the Regional Park/Parkway Acquisition and Development Project (LV82) generated from ongoing Sacramento Area Flood Control Agency payments related to easements at Hansen Ranch.

Unfortunately, the property owner during the course of negotiations became an unwilling seller and the grant project was no longer viable, as it could not be completed as scoped within the project performance period. On April 17, 2007, the City Council approved reprogramming \$250,000 of the grant funds. Staff is now recommending the capital improvement project be closed, and the remaining General Fund balance be transferred to projects consistent with previous Council policy. Closing capital improvement projects and transfer of General Funds requires City Council approval.

Policy Considerations: Staff's recommendation is consistent with policies in the City Council adopted *2005-2010 Parks and Recreation Master Plan* including:

Policy 1.2: Meet a high standard of physical access to all park and recreation areas and facilities.

Policy 5.3: Protect and invest in the parks and recreation system's infrastructure (including all turf, landscaping, buildings and other physical elements and improvements), securing funding for its ongoing upkeep and periodic upgrade/replacement.

Policy 11.3: Create public parkways by establishing recreational access to the water corridors of the region, maximizing public access consistent with flood protection goals.

Policy 15.2: Pursue dedicated and consistent funding for regionally serving parks and amenities, including regional parks, open space and parkways.

Supporting Camp Sacramento and Regional Parkway acquisition and development is consistent with the City's strategic plan to achieve sustainability and livability throughout the City.

On June 29, 2004, the City Council adopted a resolution (Resolution #2004-549) to designate General Funds generated from ongoing Sacramento Area Flood Control Agency payments related to easements at Hansen Ranch for regional park and recreation acquisition and facilities.

The City Council adopted *2005-2010 Parks and Recreation Master Plan* designates as a region park and recreation facility. Use of these funds for needed water quality and customer safety improvements is consistent with Council direction on the use of this revenue.

Committee/Commission Action: Not applicable.

Environmental Considerations: Staff's recommendation concerns administrative activities that will not have any significant effect on the environment and that do not constitute a "project," as defined by the California Environmental Quality Act (CEQA) [CEQA Guidelines Sections 15061(b)(3); 15378(b)(2)].

Rationale for Recommendation: The original intent of the Dry Creek Parkway Extension Project (LV83) was to establish a grant match for property acquisition. During the course of negotiations the owner of the property became unwilling, and thus the project could not be completed. Staff recommends the CIP be closed and the remaining funding be designated to projects consistent with prior City Council direction as follows:

- Camp Sacramento Rehabilitation Project, LY36, for various repair and water quality projects needed to improve customer safety. Camp Sacramento Rehabilitation is identified as an "opportunity" project in the regional facilities section of the adopted *2006 Parks and Recreation Programming Guide*. This

funding source is currently the only source of dedicated funding for regional facilities.

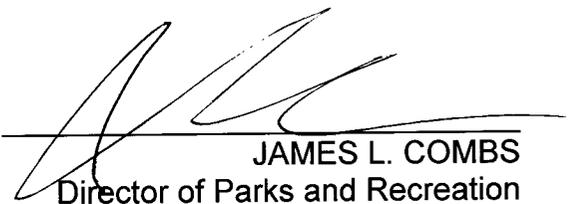
- Return balance to the Regional Park/Parkway Acquisition and Development Project (LV82) for other regional project priorities.

Financial Considerations: Of the original \$255,000 in General Funds set aside as matching funds, there is a current fund balance in the Dry Creek Parkway Extension Project (LV83) of \$217,012. Staff is recommending that the project be cancelled and the CIP project be closed.

Staff is recommending that \$100,000 of the fund balance be transferred to the Camp Sacramento Rehabilitation Project (LY36). The remaining fund balance of \$117,012 will be returned to the Regional Park/Parkway Acquisition and Development Project (LV82). Both projects are regional in nature and are consistent with City Council direction on the use of these General Funds for regional park and recreation projects.

Emerging Small Business Development (ESBD): Not applicable. There are no ESBD considerations with this report.

Respectfully Submitted by:



JAMES L. COMBS
Director of Parks and Recreation

Recommendation Approved:



RAY KERRIDGE
City Manager

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ATTACHMENT 1

Background:

In September 2004, the City Council established a capital improvement project (CIP) for the Dry Creek Parkway Extension Project (LV83). Staff was successful in securing a California Resources Agency Environmental Enhancement and Mitigation Grant in the amount of \$350,000 for acquisition of resource lands in North Sacramento. The proposed project was to purchase 124.5 acres in North Sacramento Area of the City of Sacramento. The property is the only privately owned parcel within a corridor land mass that connects the Walter S. Ueda Parkway and Hansen Ranch to the Dry Creek Parkway. In order to properly account for the grant funds, a CIP needed to be established.

Unfortunately, the property owner during the course of negotiations became an unwilling seller and the grant project was no longer viable, as it could not be completed as scoped within the project performance period. The EEM Grant program required that the acquisition be completed by May 2007, or grant funds would be lost. On April 17, 2007, the City Council approved reprogramming \$250,000 of the grant funds to the Ueda Parkway project, which has been completed.

In addition to the \$350,000 in grant funds, \$255,000 in General Funds were transferred from other CIP's to meet the EEM Grant match requirement: the Regional Park Planning Project (LV81) and the Regional Park/Parkway Acquisition and Development Project (LV82). On June 29, 2004, the City Council adopted a resolution (Resolution #2004-549) to designate General Funds generated from ongoing Sacramento Area Flood Control Agency Payments related to easements at Hansen Ranch for the Regional Park/Parkway Acquisition and Development Project (LV82) for regional park and recreation acquisition and facilities.

As the project is no longer viable, staff is recommending that the CIP be closed and the remaining funding, designated originally to match the awarded EEM grant, be designated to other projects consistent with prior City Council direction on the use of these funds. Staff is recommending that \$100,000 of the fund balance be transferred to the Camp Sacramento Rehabilitation Project (LY36) for various repair and water quality projects needed to improve customer safety at Camp Sacramento. The remaining fund balance of \$117,012 will be returned to the Regional Park/Parkway Acquisition and Development Project (LV82). Both projects are regional in nature and are consistent with City Council direction on the use of these General Funds.

The City Council approved Fiscal Year 2007-2008 budget resolution (Resolution #2007-404) requires City Council approval of the cancellation of CIP's and the transfer of General Funds.

RESOLUTION NO. 2007-

Adopted by the Sacramento City Council

August 21, 2007

AUTHORIZING THE CLOSURE OF THE DRY CREEK PARKWAY EXTENSION PROJECT (LV83) AND TRANSFERRING THE REMAINING FUND BALANCE

BACKGROUND

- A. In June 2004, the City Council by resolution (Resolution #2004-549) designated General Funds generated from ongoing Sacramento Area Flood Control Agency Payments related to easements at Hansen Ranch to the Regional Park/Parkway Acquisition and Development Project (LV82) for regional park and recreation acquisition and facilities.
- B. In September 2004, the City Council by resolution (Resolution #2004-744) established a capital improvement project (CIP) and accepted a California Resources Agency Environmental Enhancement and Mitigation Grant in the amount of \$350,000 for acquisition of resource lands in North Sacramento to extend the Dry Creek Parkway.
- C. In addition to the \$350,000 in grant funds, \$255,000 in General Funds were transferred from other CIP's to meet the EEM Grant match requirement: the Regional Park Planning Project (LV81) and the Regional Park/Parkway Acquisition and Development Project (LV82).
- D. During the course of negotiations the property owner became an unwilling seller and the grant project was no longer viable, as it could not be completed as scoped within the project performance period.
- E. On April 17, 2007, the City Council by resolution (Resolution #2007-233) approved reprogramming \$250,000 of the grant funds.
- F. The City Council approved Fiscal Year 2007-2008 budget resolution (Resolution #2007-404) requires City Council approval of the cancellation of CIP's and the transfer of General Funds.
- G. The City Council adopted *2005-2010 Parks and Recreation Master Plan* designates as a region park and recreation facility. Use of these funds for needed water quality and customer safety improvements is consistent with Council direction on the use of this revenue.

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

- Section 1. The Dry Creek Parkway Extension Project (LV83) is closed.
- Section 2. \$100,000 of the General Fund (Fund 101) balance remaining in the Dry Creek Parkway Extension Project (LV83) is transferred to the Camp Sacramento Rehabilitation Project (LY36).
- Section 3. \$117,012 of the General Fund balance (Fund 101) remaining in the Dry Creek Parkway Extension Project (LV83) is transferred to the Regional Park/Parkway Acquisition and Development Project (LV82).