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DEPARTMENT OF  
PUBLIC WORKS

PROJECT DELIVERY DIVISION

CITY OF SACRAMENTO  
CALIFORNIA

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August 20, 2002

City Council  
Sacramento, California

Honorable Members in Session:

**APPROVED**

SEP 24 2002

OFFICE OF THE  
CITY CLERK

**SUBJECT: CHANGES TO THE APPROVED 2002-07 CAPITAL IMPROVEMENT PROGRAM BUDGET**

**LOCATION AND COUNCIL DISTRICT:** Citywide

**RECOMMENDATION:** This report recommends that the City Council adopt the attached resolution implementing the following changes to the approved 2002-2007 Capital Improvement Program (CIP) budget:

- Appropriate and reprogram funds from the Focus Area Contingency Program, Measure A, Community Development Block Grants (CDBG) and Economic Development Utilities funding for the Stockton Boulevard Beautification Project Phase III Design (PN: TY51); and
- Reprogram a portion of Focus Area Contingency funding for the 63<sup>rd</sup> Street & Folsom Boulevard Signal Light from FY 2002/03 to FY 2003/04 (PN: TU42).

**CONTACT PERSON:** Kristan Otto, Citywide Economic Development Manager, 264-7948  
Barbara Wendt, PW Budget and Accounting Manager, 264-0186

**FOR COUNCIL MEETING OF:** September 24, 2002

**SUMMARY:**

During this year's budget workshops, City Council directed staff to report back on the funding for two projects, Stockton Boulevard Beautification Phase III and 63<sup>rd</sup> Street & Folsom Boulevard traffic signal. Staff from Economic Development, Public Works, Sacramento Housing and Redevelopment Agency (SHRA), Planning, and Budget has worked together to develop a funding strategy that is consistent with City Council direction and meets existing priority project commitments.

**COMMITTEE/COMMISSION ACTION:** None

**BACKGROUND INFORMATION:**

In 1999, the Focus Area Contingency Program was established to provide transportation funds to leverage other infrastructure investments for redevelopment, infill, and economic development projects. The Public Works Department sets aside \$750,000 annually of Measure A funds to be used by Economic Development, SHRA, and Planning to facilitate their priority economic development and in-fill projects. The City and SHRA worked together to program the annual allocation of funds, which is generally allotted in the following manner:

McClellan Heights Infrastructure (PN: TU38)	\$200,000
SHRA (PN: TU31)	183,000
Economic Development (PN: TU39)	183,000
In-fill Development (PN: TU34)	184,000

Stockton Boulevard Beautification Project Phase III (PN: TY51)

City Council directed staff to look for additional funding to fully fund the design work for the third and final phase of the project. Staff is recommending that \$450,000, from a variety of fund sources, be programmed for the project. The funding details are provided in the financial considerations section of this report. The design work is expected to begin in spring 2003. Currently there is no funding to construct the project.

63<sup>rd</sup> Street & Folsom Boulevard Signal Light (PN: TU42)

Economic Development selected this project to be funded with Focus Area Contingency funds in FY 2002/03. Staff is working on a project at the corner of 65<sup>th</sup> and Folsom which may require a traffic signal. An operations study will be conducted to determine if a signal is viable in this location. If it is not, Economic Development will reprogram the funds following the Focus Area Contingency Program guidelines. Staff is recommending that \$40,000 remain in this CIP for design, if the signal location is viable. The balance of \$150,000 would be funded from next year's Focus Area Contingency funds. The project cost is expected to be \$190,000, rather than \$160,000 originally programmed in the FY 2002/03 CIP.

Woodruff Hotel/Guild Theater Alley Improvements (PN: TU43)

The Woodruff Hotel/Guild Theater is a redevelopment project at 35<sup>th</sup> and Broadway. City-required public improvements resulted in a \$40,000 financing gap for the developer. Focus Area Contingency Program funds have already been administratively programmed to cover the cost of repairing the adjacent alley, curbs, gutters and sidewalks and providing ADA compliant curb ramps. Construction is in progress and is scheduled to be completed by February 2003.

**FINANCIAL CONSIDERATIONS:**

City Council approved the following programming for Focus Area Contingency funds within the approved 2002-2007 Transportation CIP Budget:

City Council  
 Changes to the Approved 2002-2007 Capitol Improvement Project Budget  
 August 20, 2002

In Fiscal Year 2002/03:

- \$ 57,000 to be programmed by Economic Development (PN: TU39)
- \$160,000 for the 63<sup>rd</sup> Street & Folsom Blvd. Signal Light (PN: TU42)
- \$533,000 to fund the gap in the Del Paso Nuevo Project (PN: TU41)  
\$750,000

In Fiscal Year 2003/04 the following programming was anticipated:

- \$345,500 for Alta Arden/Ethan Way Intersection Improvements (PN: SMAA)
- \$200,000 for the McClellan Heights Infrastructure Project (PN: TU38)
- \$183,000 to be programmed by SHRA (PN: TU31)
- \$ 21,500 to be programmed by Economic Development (PN: TU34)  
\$750,000

The **recommended reprogramming** of Focus Area Contingency funds is shown below with proposed changes shown in **bold type**.

In Fiscal Year 2002/03:

- **\$177,000 for the Stockton Boulevard Beautification Project Phase III (PN: TY51)**
- **\$ 40,000 for the Woodruff Hotel/Guild Theater Alley Improvements (PN: TU43)**
- **\$ 40,000 for the 63<sup>rd</sup> Street & Folsom Boulevard Signal (PN: TU42)**
- \$533,000 to fund the gap in the Del Paso Nuevo Project (PN: TU41)  
\$790,000 (Note: \$40,000 of this funding is from the 2003/04 allocation)

In Fiscal Year 2003/04 the following programming will be recommended:

- \$345,500 for Alta Arden/Ethan Way Intersection Improvements (PN: SMAA)
- \$200,000 for the McClellan Heights Infrastructure Project (PN: TU38)
- **\$150,000 for the 63<sup>rd</sup> Street & and Folsom Boulevard Signal (PN: TU42)**
- **\$ 14,500 to be programmed by Economic Development (PN: TU34)**  
\$710,000

Stockton Boulevard Beautification Project Phase III Design (PN: TY51)

The total project cost is \$450,000, with both existing and new fund sources listed below:

\$180,000	Existing funding programmed for the project
\$ 22,000	New CDBG Contingency funds will be programmed
\$ 36,000	New Measure A funding will be programmed
\$177,000	Focus Area Contingency funds will be programmed - \$137,000 from 02/03 and \$40,000 advanced from 03/04
<u>\$ 35,000</u>	<u>Utilities Economic Development funding will be programmed</u>
\$450,000	TOTAL

**ENVIRONMENTAL CONSIDERATIONS:**

The proposed action to reprogram and reallocate funding is not a project as defined by the California Environmental Quality Act (CEQA) because it does not involve an activity that may cause a direct or indirect change in the environment (Public Resources Code Section 21065). Every project approved by the City Council is subject to environmental analysis.


**POLICY CONSIDERATIONS:**

The proposed action is consistent with the following Strategic Plan goals: "promote and support economic vitality" and "improve and diversify the transportation system."


**ESBD CONSIDERATIONS:** No goods or services are involved with the proposed action.

Respectfully submitted:

  
Kristan Otto  
Economic Development Manager

  
Francesca Lee Halbakken  
Project Delivery Manager

Approved:  
  
Betty Masuoka  
Assistant City Manager

  
Michael Kashiwagi  
Director of Public Works

**RECOMMENDATION APPROVED:**

  
ROBERT P. THOMAS  
City Manager

**APPROVED**

SEP 24 2002

OFFICE OF THE  
CITY CLERK

RESOLUTION NO. 2002-633

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF \_\_\_\_\_

**RESOLUTION APPROVING CHANGES TO THE APPROVED 2002-2007 CAPITAL IMPROVEMENT PROGRAM BUDGET**

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

1. The FY2002/2003 Capital Improvement Program budget is amended by transferring \$120,000 from the 63<sup>rd</sup> Street & Folsom Signal Light (PN: TU42) and \$17,000 from the Focus Area Contingency-Economic Development (PN: TU39) to the Stockton Boulevard Beautification Project Phase III Design (PN: TY51).

FUND	AGENCY	ORG	OBJECT	CURRENT BUDGET	REVISED BUDGET	INCREASE (DECREASE)	ACCOUNTING REFERENCE
201	500	TU42	4820	\$160,000	\$40,000	(\$120,000)	A
201	500	TU39	4820	\$17,000	\$0	(\$17,000)	A
201	500	TY51	4820	\$60,000	\$197,000	\$137,000	A
<b>EB TOTAL</b>				<b>\$237,000</b>	<b>\$237,000</b>	<b>\$0</b>	

2. The FY02/03 Capital Improvement Program budget is amended by transferring Measure A Construction Contingency to the Stockton Boulevard Streetscape Phase III (PN: TY51) in the amount of \$76,000 and adjusts the budgets as follows:

201-710-7012-4999	Measure A Construction Contingency	(\$76,000)
201-500-TY51-4802	Stockton Boulevard Streetscape Phase III	\$76,000

3. Staff is directed to bring the Measure A Construction Contingency (Transportation Sales Tax) reallocation to the Sacramento Transportation Authority (STA) Board for approval.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

**FOR CITY CLERK USE ONLY**

RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_