



1

DEPARTMENT OF
PLANNING AND DEVELOPMENT

CITY OF SACRAMENTO
CALIFORNIA

1231 I STREET
SACRAMENTO, CA

November 20, 1989

ADMINISTRATION
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9581+2987
916+49-5571

Budget and Finance Committee
Sacramento, California

ECONOMIC DEVELOPMENT
ROOM 300
9581+2987
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Honorable Members in Session

NUISANCE ABATEMENT
ROOM 301
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Subject: SECUREMENT OF THE EVERGREEN APARTMENTS

Summary

In late May 1989, the Evergreen Apartments were secured and fenced as a result of an emergency action of the Joint Inspection Task Force. The City Council has already taken action to lien the affected properties to recover eligible cost. This report contains a resolution authorizing the payment of all bills and additional funding (from the General Fund Contingency account) in the amount of \$39,516.92 for relocation services. The relocation cost is a reimbursement to the Housing and Redevelopment Agency which has already incurred this expense. It is also recommended that the City Clerk and City Manager be authorized to execute a Master Agreement to provide for services relating to the emergency board-up, securement or demolition of dangerous buildings. This approach is suggested to avoid the problem of varying from the City's procurement policies even in emergency situations.

Background Information

The Joint Inspection Task Force deals with the multiple problems evident in deteriorating and dangerous housing. The Joint Inspection Task Force (JITF) is composed of members from the following agencies/departments: City Manager's Office (Task Force Coordinator), City Attorney's Office, Fire Department, Housing Unit of Planning, Police Department (Patrol and Narcotics), Neighborhood Services, SHRA (Relocation Staff), Sacramento County Health, and Sacramento County Social Services. The City Manager's office receives complaints from any of the above listed enforcement agencies or from private citizens.

In late May 1989, the City Manager's office received a report from the Fire Department that there was an immediate fire danger at the Evergreen Apartments, a 74 unit complex located at 1048 Dixieann Avenue. In addition to this fire danger, the complex had broken windows, deteriorated stairs, missing doors on several units, was a site of drug dealing and drug usage, and was being occupied by squatters. Following the general procedures set up to deal with such situations, the Task Force was convened and declared an emergency situation. Immediate action was taken to secure and fence the property and to remove and relocate all tenants (14 units were occupied).

As part of this action and due to emergency considerations, two verbal bids were obtained by the Building Inspections Division from contractors having the ability to handle this large a job on an emergency basis. The lower of the two bids was selected and the contract was awarded to STAR Construction Company.

The Sacramento Housing and Redevelopment Agency handled the relocation of the tenants who were displaced as a result of this action.

A Master Agreement to provide board up and securement services for dangerous buildings for an amount not-to-exceed \$82,000 is recommended. The execution of this master agreement will facilitate quick action in emergency situations and prevent a time lag between the time that the need for abatement services is identified and the work to correct is performed.

Financial Information

The total cost to relocate tenants and to secure and fence the Evergreen Apartments is as follows:

STAR Construction Company	\$37,263.82
Relocation Costs (including SHRA staff time)	<u>8,271.01</u>
Total	\$45,534.83

City Council has taken action to lien the property for \$41,835.48. This total includes the work performed by STAR Construction (\$37,263.82), and the administrative and title costs of \$4,571.66 which were incurred by the City.

The City Attorney's office is investigating a civil action to recover the relocation costs of \$8,271.01. This cost cannot be recovered through a lien on the property. The Department's 1989-90 budget does not include an allocation for relocation expenses.

In addition to the costs associated with the Evergreen Apartments, the Department has also incurred expenses for relocation services provided for the displaced tenants of the Shasta/Argus Hotels in May 1989. The total cost to relocate these tenants is as follows:

Relocation Payments	\$13,988.26
SHRA Staff Time	857.65
Additional 10 Months Rental Differentials	<u>16,400.00</u>
Total	\$31,245.91

As above, these costs cannot be recovered through a lien on the property, and the Department's 1989-90 budget does not include an allocation for these expenses.

Relocation costs for the Evergreen Apartments and the Shasta/Argus Hotels total \$39,516.92. To pay these costs that amount is requested as an augmentation to the department's FY 89-90 budget.

Policy Considerations

It is city policy to pay relocation costs for tenants relocated from dangerous buildings when the action is taken by the City.

MBE/WBE Considerations

Due to emergency considerations, verbal bids were obtained from two vendors having the ability to handle this large a job on an emergency basis. Neither vendor is an MBE/WBE vendor.

Recommendations

It is recommended that the Budget and Finance Committee recommend that the City Council adopt the following resolutions:

Budget and Finance Committee
Evergreen Apartments
November 20, 1989
Page 4

1. The resolution to amend FY 1989-90 City Budget for the provision of relocation services for displaced tenants of the Evergreen Apartments and Shasta/Argus Hotels.
2. The resolution authorizing the City Manager to execute a Master Agreement to provide board-up, securement or demolition, of dangerous buildings.

Respectfully Submitted



MICHAEL M. DAVIS, Director
Planning & Development

RECOMMENDATION APPROVED:



JACK CRIST
Deputy City Manager

Contact Person to Answer
Questions:

Nancy Killian
Administrative Assistant
449-5574

December 5, 1989
All Districts

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

A RESOLUTION AMENDING THE CITY BUDGET FOR FISCAL YEAR 1989-90 FOR THE PROVISION OF RELOCATION SERVICES FOR DISPLACED TENANTS.

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

1. Funds are needed to reimburse the Housing and Redevelopment Agency for relocation services provided for displaced tenants of the Evergreen Apartments and the Shasta/Argus Hotels.
2. The City Budget for fiscal year 1989-90 is hereby amended by:
 - a) Transferring \$39,516.92 from General Fund Contingency reserve budget (101-710-7012-4999) to the Housing and Dangerous Building budget (101-350-3538-4244) for the purpose stated in paragraph 1.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION AUTHORIZING THE CITY
MANAGER TO EXECUTE A MASTER
AGREEMENT TO PROVIDE BOARD-UP AND
SECUREMENT SERVICES FOR DANGEROUS
BUILDINGS.

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

The City Manager and City Clerk are hereby authorized and directed to execute on behalf of the City of Sacramento the attached Master Agreement to provide for the execution of consultant services agreements for performing board-up, securement or demolition of dangerous buildings for amount not-to-exceed \$82,000. The City Manager and City Clerk are authorized to execute individual agreements and any amendments thereto as provided for by the Master Agreement.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

CITY OF SACRAMENTO

MASTER AGREEMENT FOR PROVIDING
BOARD-UP AND SECUREMENT SERVICES FOR DANGEROUS BUILDINGS

This Master Agreement is made at Sacramento, California, as of November 13, 1989 for the purpose of authorizing individual Professional Services Agreements for performing board-up, securement or demolition authorized in City Council Resolution _____ . This Master Agreement limits individual agreements and amendments to the individual agreements as follows:

1. Service. The individual Professional Services Agreement executed under this Master Agreement shall be limited to the performance of demolition, securement or board-up of dangerous buildings.
2. Payment. The total value of all agreements and amendments executed under this Master Agreement shall not exceed \$82,000.
3. Insurance. The insurance requirements contained in all agreements and amendments executed under this Master Agreement shall comply with the requirements of the City's Risk Management Division as defined in the Finance Department's Policy Instructions.
4. City Attorney Review. The City Attorney will approve each agreement and amendment executed under this Master Agreement for form and general provisions.
5. Term. No individual Professional Services Agreement shall be executed under this Master Agreement after June 30, 1990.

Executed as of the day first above stated.

ATTEST:

CITY CLERK

CITY MANAGER

APPROVED AS TO FORM:

DEPUTY CITY ATTORNEY
B:EVERGREEN