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SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

January 20, 1981

CITY MANAGER'S OFFICE

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Redevelopment Agency of the
City of Sacramento
Sacramento, California

CITY GOVERNING BOARD
PHILLIP L. ISENBERG, MAYOR
LLOYD CONNELLY
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THOMAS R. HOEBER
DOUGLAS N. POPE
JOHN ROBERTS
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ANNE RUDIN
DANIEL E. THOMPSON

Honorable Members in Session:

SUBJECT: Amendment to Development and Disposition Agreement, Pertaining to the Liberty House Parcel for Installation of Paving Tile

SUMMARY

COUNTY GOVERNING BOARD
ILLA COLLIN
C. TOBIAS (TOBY) JOHNSON
JOSEPH E. (TED) SHEEDY
SANDRA R. SMOLEY
FRED G. WADE

The attached resolution authorizes the Executive Director to execute an Amendment to the Development and Disposition Agreement for Liberty House calling for the Agency to pay for the installation of certain paving tiles on the K Street Mall as part of the purchase of the garage.

EXECUTIVE DIRECTOR
WILLIAM G. SELINE

BACKGROUND

P.O. Box 1834
SACRAMENTO, CA 95809
630 I STREET
SACRAMENTO, CA 95814
(916) 444-9210

On August 24, 1979, a Development and Disposition Agreement was executed between the Redevelopment Agency and Downtown Plaza Associates providing for, inter alia, the purchase of a garage beneath the Liberty House store for a price to be computed in accordance therewith but in no event greater than \$3.5 Million. At the time of the execution of the Agreement, it was the intention of the parties that the Agency would arrange for the installation of certain concrete sub-base and certain paving tiles on the K Street Mall in front of the Liberty House store. The estimate for this work developed by the City Engineer's Office (in their role as technical advisor to the Agency) and the Agency technical staff was \$66,000. This estimate included the pouring of the concrete sub-base which has been independently contracted by the Executive Director pursuant to his delegated authority with Allen L. Bender, Inc. in a contract dated January 13, 1981 in the amount of \$4,950.00. Thus, \$61,050 remains of the original allocation. The original allocation for this period is reflected at page H-7 of the Preliminary 1981 Annual Budget for the Agency.

APPROVED
SACRAMENTO REDEVELOPMENT AGENCY

Date 1/27/81

1/27/81

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It is the opinion of the City Engineer's Office as well as the technical staff of the Agency that the incorporation of this work into the purchase agreement for the garage would substantially aid in the coordination and expedition of the work. The attached resolution would authorize the execution of the attached Amendment to the Development and Disposition Agreement which would require the Redeveloper (Downtown Plaza Associates) to prepare plans and specifications for this work and submit them to the Agency for approval. Upon obtaining the Agency's approval, the agreement would require the Redeveloper to bid the work "...utilizing the same procedures the Agency uses for soliciting bids for public works" (Section 2(d) of the Development and Disposition Agreement).

The attached agreement establishes \$61,050, the balance remaining in the original allocation, as the upward limit of the cost to the Agency of this incorporation. If the Redeveloper's actual cost, as a result of the bidding procedure, is less than that amount, the Agency will pay the lesser amount.

The City Engineer's staff and the Agency technical staff believe that this transfer will allow the Agency to complete its responsibilities for the Mall in a more timely fashion in relation to the prospective opening of the Liberty House store on or about March 1, 1981 for three reasons:

1. The staff believes that the Redeveloper will be able to expedite the preparation of the bid documents;
2. The staff believes that the Redeveloper will be able to expedite the inception of the work after the bids have been received; and
3. The staff believes that the contractor selected will be more responsive to the time constraints of the Redeveloper because of potential future contracts available to him from the Redeveloper on a negotiated basis.

FINANCIAL IMPACT

This transfer of responsibility will not result in any financial impact. As mentioned above, the funds to be expended have been previously allocated from Central City tax increments.

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RECOMMENDATION OF COMMISSION

Due to the shortness of time and the importance of meeting existing time constraints, this matter has not been submitted to the Sacramento Housing and Redevelopment Commission for its recommendation. However, the Commission members have been polled informally and have expressed their approval of this proposal.

RECOMMENDATION

The Agency staff recommends the adoption of the attached resolution authorizing the Executive Director to execute the Amendment to the Development and Disposition Agreement, thereby including the installation of paving tiles under the garage purchase contract.

Respectfully submitted,



WILLIAM H. EDGAR
Interim Executive Director

TRANSMITTAL TO COUNCIL:



WALTER J. SLIFE
City Manager

Contact Person: Robert Smith

RESOLUTION NO. 81-005

Adopted by the Redevelopment Agency of the City of Sacramento

January 27, 1981

APPROVING AMENDMENT TO DEVELOPMENT AND
DISPOSITION AGREEMENT PERTAINING TO
THE LIBERTY HOUSE PARCEL

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE
CITY OF SACRAMENTO:

Section 1. The Executive Director is hereby authorized to execute the attached Amendment to the Development and Disposition Agreement with Downtown Plaza Associates pertaining to the Liberty House parcel, and to do such further additional acts as are necessary to properly implement the same.

CHAIRMAN

ATTEST:

SECRETARY

APPROVED
SACRAMENTO REDEVELOPMENT AGENCY

Date 1/27/81

AMENDMENT TO
DEVELOPMENT AND DISPOSITION AGREEMENT

THIS AMENDMENT TO AGREEMENT, entered into this _____ day of _____, 1981, by and between the REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO, a public body, corporate and politic (hereinafter referred to as the "Agency"), and DOWNTOWN PLAZA ASSOCIATES, a joint venture (hereinafter referred to as the "Redeveloper").

WITNESSETH:

WHEREAS, Agency and Redeveloper entered into a Development and Disposition Agreement dated August 24, 1979, in connection with, among other things, the construction and sale of a parking facility beneath the Liberty House Store in the block bounded by 6th, 7th, J and K Streets; and

WHEREAS, the parties desire to amend said Agreement to provide for the payment by Agency for the installation of certain paving tile in the K Street Mall as part of and in addition to the purchase of the parking facility.

NOW, THEREFORE, it is agreed that Section 3 of the aforesaid Development and Disposition Agreement dated August 24, 1979, shall be amended by the addition of the following subparagraph, as follows:

"(q) Concrete Work and Tile Installation
on K Street Mall

The purchase price for the garage computed in accordance with subparagraph (b) of this section shall be increased by an amount equal to the lesser of (1) SIXTY-ONE THOUSAND FIFTY DOLLARS (\$61,050.00), or (2) the net amount of funds expended by Redeveloper to provide for the installation and materials attendant to the installation of paving tile (except for all necessary paving tile, which shall be provided by the Agency), in accordance with plans and specifications therefor which shall be prepared by Redeveloper and approved by Agency prior to incorporation into the bid process. Bids for the aforesaid work shall be obtained in accordance with the provisions of Section 2(d) hereof, provided that not more than twenty-five percent (25%) of said work by value may be accomplished by the direct employees of Redeveloper or its construction manager without the necessity of public bidding as to that portion of the work. The aforesaid amount expended by Redeveloper shall be increased by five percent (5%) of said amount to be paid to Redeveloper as a construction supervision fee."

Except as modified herein, all other terms and conditions of the Development and Disposition Agreement dated August 24, 1979, shall remain the same and unchanged.

IN WITNESS WHEREOF, the parties hereto have executed
this Amendment to Agreement as of the date first above written.

REDEVELOPMENT AGENCY OF THE CITY
OF SACRAMENTO

By _____
Executive Director

DOWNTOWN PLAZA ASSOCIATES, a
joint venture composed of:

CAMPBELL, MACKEY AND GIBSON,
a partnership consisting of
W. A. CAMPBELL, R. O. MACKEY
and GEORGE T. GIBSON

By _____
W. A. Campbell, Partner

By _____
R. O. Mackey, Partner

By _____
George T. Gibson, Partner

-and-

EDWARD K. RICE, an individual

-and-

SACVENT GARAGE, a California
corporation

By _____

-and-

A. TEICHERT & SON, INC., a
California corporation

By _____